

Community Success
in the
New Economy

Michigan Downtown Association
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Funding Partner



LAND POLICY
INSTITUTE

Did you know?



**It is not the strongest of the species that survives
nor the most intelligent
but the ones most responsive to change**

-- Charles Darwin

Global Economic Growth

Growth is increasingly occurring elsewhere.

US Share of world growth fell from 19% to 12% in the past decade. (Business Week 2007)

A new approach to growth is needed - it is called **the New Economy**.

But, we **cannot** use Old Economy strategies to address New Economy Challenges.



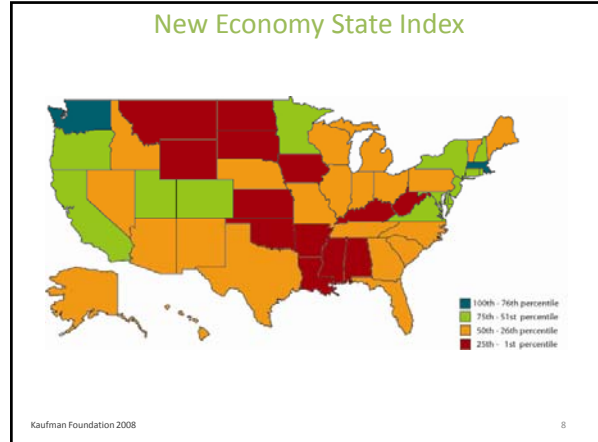
OLD ECONOMY	NEW ECONOMY
Inexpensive	Rich in talent and Ideas
Attracting Companies	Attracting educated people
High quality physical environment was a luxury, in the way of attracting cost-conscious business	Physical and cultural amenities. Key in attracting knowledge workers.
Success=fixed Competitive advantage in some resource or skill	Success=organizations Individual with the ability to learn adapt
Economic Development is government led	Partnerships with business, government, and nonprofit sector lead economic development

Economic Development in the New Economy

- *From business/industry to people/human talent (from industry to occupation)
- *From physical infrastructure to creative infrastructure
- *From economic development to community development
- *From quality of life to quality of place (what's there, who's there, what's going on)
- *From natural resources to natural amenities



7



What Does our Next Generation Want?

Large Cities	Small Cities
Walkable Streets	Scenic Beauty
Gathering Places	Safe Streets
Many Jobs	Affordable
Diversity	Place for Family
Different Lifestyles	Good Schools
Shops/Businesses	Sense of Community
Arts/Culture	Low Traffic

9

Creative Industries for Communities of all Sizes

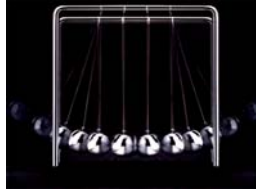
Performing Arts Music Theater Dance Opera Services and Facilities Performers	Museums and Collections Museums Zoos and Botanical Gardens Historical Sites Planetariums
Film, Radio and TV Motion Pictures Television Radio	Design and Publishing Architecture Design Publishing Advertising
Arts Schools and Services Arts Councils School and Instruction Agents	Visual Arts & Photography Crafts Visual Arts Photography Supplies and Services

10



Environment That Supports Innovation and Entrepreneurship

•New Economy communities recognize that the path to prosperity lies in **creating an environment** that fosters innovation and entrepreneurship.



13

What have we learned about innovative practices in entrepreneurship development?

Intentionally focused on identifying and supporting entrepreneurs as they create and grow their enterprises.

Intentionally focused on creating an environment that is supportive of entrepreneurs and their enterprises – entrepreneurial culture.



14

Key Success Characteristics



- Local champion;
- Build on local talents;
- Strong social networks;
- Specific actions are taken to **support** entrepreneurs;
- Community **welcomes** diversity and is open to experimentation and innovation;

15


Community Acts as Entrepreneur

Fairfield, IA

- Recognizes & celebrates entrepreneurs;
- Extensive mentoring program;
- Local Angel/Venture Capital Funds;
- Past 20 years: 3,000 jobs created, personal income tripled;



16



Fairfield Entrepreneur Relocation Program
21st Century Model of Rural Living
Entrepreneurial Capital of Iowa - Silvers Valley

2002 Award Winner: Grassroots Rural Entrepreneurship Award given by the National Center for Small Cities

- Rent Subsidies in High Tech Office Buildings
- Broad-based Subsidies
- Low Cost Telecommunication Services
- Qualified Employees
- Joint Marketing Programs
- Low-cost Housing
- Easy Access to Airports

Entrepreneurial support is provided through the Fairfield Entrepreneur Association and Fairfield Chamber of Commerce

- Seminars and Conferences
- Mentoring
- One-to-One Support

Access to Venture Capital

- 20% State Tax Credits for Iowa Investments
- State of Iowa and City of Fairfield - 50% Economic Development
- Over \$150 million invested in Fairfield Companies in last 15 years

Culture and Amenities

- Levee Shows and Art Shows
- Free Friday and Saturday 18 galleries
- More Restaurants per capita than San Francisco
- One-Stop Computer
- Recreates on Jefferson County Trail System- Recreation, Water, Heritage and Art
- Nationally known Health Center and Spa
- Close to Historic Villages of Van Buren County, Old Thunder's Run, Ansona Coliseum,
- New State Fair and Peter Dinklage Festival, Stages of Madison County and Field of Dreams

Quality of Life

- Iowa public schools are ranked 3rd in the nation
- Private schools: Marquette School and Fairfield Christian School
- Fairfield residents have easy access to the top percentage nationally

17

Communities Support Entrepreneurial Development



- ### Nacogdoches, Texas
- Special financing for SFA biz students
 - Close integration with School of Business
- ### Beloit, Wisconsin
- Partnership with Beloit College
 - Student business incubator in downtown building.

18

Communities Support Entrepreneurial Development



Westphalia, Michigan

- Faith community engaged youth group to create student-run business;
- Filled empty storefront;
- Gathering place for youth in community;

19

Communities Support Innovation Development

- Peoria, Illinois
 - Next Innovation Center
 - 50,000 square feet
 - Key partners include CAT, Bradley University, Medical Facility, City of Peoria
- Moline, Illinois
 - Intellectual Properties Institute
- Moscow, Idaho
 - Palouse Knowledge Corridor
 - Joint WSU/UID student innovation competition



20

Communities Support Innovation Development

- Wenatchee, Washington
 - Community technology center;
 - Satellite capabilities to link to world;
 - Yahoo is key tenant;
- Nelsonville, Ohio
 - Arts community
 - Arts incubator supports innovation with local community college



21



Capital Investments Drive New Economy Growth

For a community to be competitive in the New Economy it needs capital to support innovators, investments in community infrastructure, and support of educational institutions to strengthen human capital.

23

Some Important New Economy Assets





24

Targeting New Economy Assets

Enhance

- Connectivity
- Educational systems
- Medical facilities.
- Downtowns
- Affordable Housing.
- Renewable energy

25

Capital Investments Drive New Economy Growth

Normal, Illinois



- First community in US to REQUIRE LEED certification;
- “Portland of the Midwest”
- \$300M in new development underway;
- Commitment to new public/private partnerships

26

Human Investments Drive New Economy Growth

Fargo, North Dakota



- Among the lowest unemployment rates in nation (4.1%);
- Strategically connecting NDSU & MN State @ Moorhead to identify areas of excellence;
- Conducting cluster analysis to connect industry with research;

Sparta, North Carolina

- Developed training certification program for advanced materials cluster with community college;
- Changing culture among residents relative to education & training.

27

Human Investments Drive New Economy Growth

Zeeland, Michigan



- Recognize importance of industrial design to future;
- Recruited/hired top international designer from California;
- Expanding connections with Saugatuck

Human Investments Drive New Economy Growth

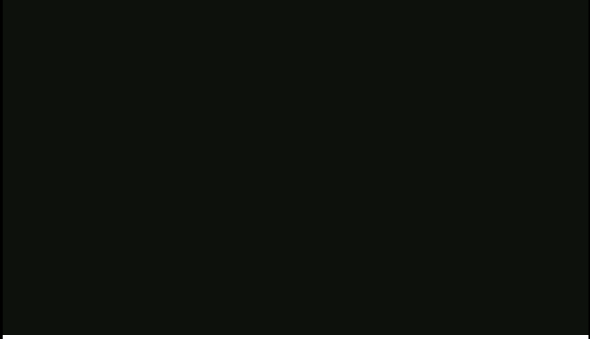
Dubuque, Iowa



- Engaging young university talent;
- YP College Chapter to connect with Chamber;
- Internship academy
 - Freshman: Shadow
 - Sophomore: Mentoring
 - Jr/Sr: Full Internship
- Retention loan forgiveness program;
- Youtube video changing perception;
- “Next five years will define the next 50 years for Dubuque”

29

Why Dubuque?



30

Human investments drive new economy growth



Pella, Iowa

- “Positively Pella” campaign
- Strengthens social bonds of new residents
- Retain talent within community

31

Education Enhances New Economy Competitiveness



Houston, Minnesota

- Grant provided computers to students district-wide;
- Utilizing online learning to enhance curriculum;
- Home to Minnesota Virtual Academy;
- Provides 70% of school revenue;

Rochester, Indiana

- New Tech High changing preparedness of HS students.
- Superintendent attends econ dev conferences to expand boundaries.

32



Strong Social Capital




- Networks that strengthen community bonds;
- Young professional engagement;
- **Authentic** youth voice

34

Young Professional Engagement



Third Place Factor

YPO is crucial


Engagement extends into community decision-making

35

Young Professional Engagement

Columbus, Indiana

- 2000 members in community of 40,000
- Creating downtown gathering place with young professional input;
- <http://www.columbustalent.com>



Another project of Vision 20/20 www.heritagefundbc.org

36



Youth Engagement

- Connect youth with arts & culture
- Create positive memories
- Provide authentic opportunities for youth voice

The image shows two women sitting at a table covered with a white cloth. They are surrounded by several bags of popcorn. A sign on the table reads 'Proceeds go to Humana Society'. The page number '39' is in the bottom right corner.

Youth Engagement

Bothel, WA
Community banners celebrate “youth”;

New York Mills, MN
Visiting artist program connects with HS Fine Arts Program

Dowagiac, MI
Dogwood Fine Arts Festival World-renowned artists and performers offer free clinics to community youth;

The image shows a street scene with several buildings. Large, colorful banners are hanging from the buildings. The page number '40' is in the bottom right corner.

Creating Authentic Youth Voices

Jonesville

- Asked older residents why they stayed in Jonesville; top response was childhood memories;
- Surveyed 3rd graders: What do you want in your community?
- Top response: rock wall
- Community built rock wall;
- Re-surveyed students in 7th grade; community received high marks!

The image shows a grey rock climbing wall with blue and orange handholds. The page number '41' is in the bottom right corner.

Deliberate Effort in Engaging Youth

Simple Idea For Your Community

- Provide disposable cameras to school children and ask to take pictures of what they like and dislike in their community;
- Present pictures at future city commission meeting;

The image shows a street scene with a red car in the foreground and trees in the background. The page number '42' is in the bottom right corner.

How do communities involve Youth now

Do <i>to</i> Youth	Do <i>for</i> Youth	Do <i>with</i> Youth
Skateboard Zoning Trash Cleanup Focus on Stars and Ignore Other Youth	Teen Center College Scholarships Tell Youth the Right Way to Do Things	Youth Events Decision Making Listen and Support Youth Discovery

43

Retaining Youth and Attracting Families

Community Strategies

- Create economic and career choices that are appealing to youth;
- Evolve community cultures that are progressive and embracing of youth and younger generation;
- Proactively link community goals and strategies to the attraction of young people;
- Focus development efforts on those who want to return to their hometown;

44

Pillars to Community Success

- Environment that Supports Innovation + Entrepreneurship
- Capital Investments drive New Economy Growth
- Quality of Place
- Strong Capital
- Regional Assets are Leveraged

45

Quality of Place

Place matters as individuals chose their communities. Successful communities recognize that creating distinctive downtowns and attractive neighborhoods are a prerequisite to attracting talent in the New Economy.

46

Quality of Place:

It Is This... **...Not That**

47

48

Vibrant Communities

High quality, high amenity living environments are key to attracting knowledge workers.



49

It's About Place Making!



50

Authentic Place Making

"Do what you can with what you have, where you are."

Theodore Roosevelt

51

What Does This Mean?



- Build on a unique history, identity and assets to foster community pride.
- Increase social interaction.



Capital Investments Drive New Economy Growth



Bothell, Washington

- City acquired old school facility (6 acres);
- Mixed use development incorporating affordable housing and sense of place;
- All new facilities LEED certified; ordinance requires 1% of new project budgets be devoted to public art;

53

Pillars to Community Success

Environment that Supports Innovation + Entrepreneurship

Capital Investments drive New Economy Growth

Quality of Place

Strong Capital

Regional Assets are Leveraged

54

Regional assets are leveraged

In the New Economy regions serve as the economic engines, leveraging community assets across a number of municipalities. Communities clinging to the old economy mindset of "winner take all" in economic development will fall further behind in a quick changing world.

Effective Strategies Require Regional Partnerships

- The New Economy is **regional**.
- Population and job attraction requires **pooling assets**.
- Local governments, schools, and the private sector must all work cooperatively together to market the region.
- Zero sum growth (stealing growth from your neighbor) does **not work** in the New Economy.



Leveraging Regional Assets

- Corvallis, Oregon "Prosperity That Fits"
- North Carolina's "Research Triangle North"




Leveraging Regional Assets

Columbus, Indiana

- Regional initiative to advance individuals by at least one level in their education, training, job placement, and income.
- Working with 34 High School counselors on regional cluster opportunities.
- Regional Advanced Manufacturing Center for Excellence to serve 10 county network;



Learning from other successful places

- Create quality places to live
- Retain and attract people of **talent**.
- Welcome **entrepreneurs**.
- Welcome and celebrate diversity.
- Support **education**.
- Promote **community engagement** and involve **youth**.
- Promote **regional cooperation** and planning for efficiency and success.



Overall Observation

Know your community!!



Small Town Success Strategies

Contact Info

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62

Social Media

63

Downtown Davenport

63