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Advancing the Economic Development Element in Comprehensive Plans

By Luis Núñez

Traditional economic development elements in comprehensive plans are outdated. From data dumps to impractical recommendations that do not home in on generally accepted economic development principles and strategies, economic development elements today fail to deliver the innovative investment strategies that should help a community capitalize on its unique character or assets, much less address economic conditions in a quickly evolving global context.

Insofar as the purpose of an economic development element is to convey a community's long-term vision of what it needs to improve local economic conditions, planners should ensure that strategies and policies align with market realities. Planners are increasingly being charged with more decisions that have a direct impact on economic development outcomes beyond typical land-use and development regulations, but they may find themselves unprepared to tackle economic development in the context of a comprehensive plan. The result may be a list of action items that do little to advance the local economy.

This *PAS Memo* underscores ways that planners can advance the economic development element of a comprehensive plan. One particular way is to focus more on outlining possible market-based strategies in the plan. While a market-based approach will not alone fix everything that ails a community, it can lead to a list of more actionable items and, therefore, a better use of a community's time, money, and resources spent on a comprehensive plan, particularly the economic development element.

What Is Economic Development?

For the purposes of this Memo, economic development will be defined using the International Economic Development Council's (IEDC 2000) focus on three major areas:

- Policies that governments undertake to meet broad economic objectives including inflation control, high employment, and sustainable growth.
- Policies and programs to provide services including building highways, managing parks, and providing medical access to the disadvantaged.
- Policies and programs explicitly directed at improving the business climate through specific efforts, business fi-



Figure 1. Before- and after-planning conditions in downtown Florence, South Carolina. Courtesy Kendig Keast Collaborative.

nance, marketing, neighborhood development, business retention and expansion, technology transfer, real estate development, and others.

It is clear from the definition that planners do and will continue to play a pivotal role in all three major areas. The real issues are how much of a role planners should play and what are the best opportunities for planners to genuinely influence economic development outcomes. The answer lies in the importance of the comprehensive plan and, in particular, the ability of planners and/or the consultant team to help identify ways that the plan can lead to job creation, job retention, tax base diversification, and quality of life.

In doing so, it is also important that planners recognize two things. First, a shotgun approach will not work. Second, there is no single strategy, policy, program, etc., that will solve all economic development concerns. Hence, while comprehensive plans are indeed “comprehensive” in nature and the perfect opportunity for planners to help piece together the complex economic development puzzle, planners and their consultant teams fall short on this element when they overanalyze or oversimplify these issues in the comprehensive plan — failings seen far too often.

Common Components of Economic Development Elements

The following section lays out common components of economic development elements in comprehensive plans and describes their importance.

- **Data.** Ask anyone directly in the economic development field what is critical to business attraction and they will typically agree that data, particularly in the context of a competitive assessment, is absolutely essential. Data in comprehensive plans typically takes the form of location quotients, general workforce characteristics, retail sales volumes, income characteristics, and other Census-derived data. Data is used as a means to justify or consider key economic development indicators in the context of a community’s long-range economic outlook.
- **Land-Use Connection.** First and foremost, the economic development element generally ties land-use decisions made during the comprehensive planning process to economic development goals and objectives. These goals and objectives also help tie other elements together, such as utility, infrastructure, and transportation investments. Transit-oriented development (TOD) is one relevant example in which decisions about future land use and character lay the framework for economic development. The regulatory outcomes of comprehensive plan implementation should result in an environment that is more favorable to achieve certain economic development goals or targets.
- **Policies.** Typical economic development elements consider a general set of policies that help guide decision-making bodies, especially elected or appointed officials, in the future implementation phase. The intent is that the policies will help build consensus around the community’s bottom line. A typical policy incorporated

TABLE 7.2: Comparison Cities Economic Development and Tourism Toolbox		Nashville, TN	Asheville, NC	Athens, GA	Cary, NC	Charlottesville, VA	Columbia, MO	Florence, AL	Greenville, SC	McKinney, TX
Organization	City Department		x		x	x			x	x
	Corporation	x	x	x	x	x	x	x	x	x
	Chamber of Commerce	x	x	x	x	x	x	x	x	x
Public/Private Partnerships		x	x	x	x	x	x	x	x	x
Economic Tools	District	x		x		x	x	x		x
	Revolving Loan	x		x						
	Business Incubator			x			x	x		
	Grants and Incentives	x	x	x	x	x	x	x	x	x
Place Based Economic Initiatives			x							x
Main Street Program				x			x	x		x
Tourism	Chamber of Commerce	x	x	x	x	x	x	x	x	x
	Visitors Bureau	x	x	x	x	x	x	x	x	x
	Private Corporation	x	x	x	x	x		x		
Redeveloped Districts			x				x	x		x
City-Wide Marketing Strategies		x	x		x		x		x	x

Figure 2. Economic development tools in comparison communities. Courtesy Kendig Keast Collaborative.

in economic development elements is one that emphasizes diversification of the local tax base, which is usually manifested in the future land-use plan as a mix of land uses and character types that support a robust economy.

- **Programs.** Programmatic recommendations are considered essential to economic development elements. The purpose of developing a list of programs is to facilitate plan implementation. Programs typically range from those that promote travel and tourism to those that focus on in-fill development or redevelopment. Infrastructure projects critical to economic development are typically laid out in the context of a capital improvement program.
- **Tools.** Planners are very familiar with tools. You need a toolbox well-equipped with the latest and greatest of tools to help you achieve planning for economic development success (Figure 2, p. 2). Typically incorporated into economic development elements are such tools as tax increment finance (TIF) and other types of special district financing. These are usually developed at a very visionary level, but may be tied directly to an area where using such a tool could prove beneficial. Also included may be lists of grant opportunities that planners can leverage to implement plans in an expedited manner, thereby overcoming typical financial barriers.

While the list of components above is not meant to be all-inclusive, it does highlight the past and present state of economic development elements in comprehensive plans.

Common Problems and Better Approaches

The section below details common problems with economic development elements and proposes a corresponding better approach. While it is impossible to cover every problem, the intent is to address some of the more prevalent ones with approaches that may expedite evolving economic development content in comprehensive plans.

Problem 1 – Recommendations without Economic Development Context

Long-range recommendations are typically based on assumptions about population and other demographic indicators. On the other hand, economic development decisions are strategic or tactical in nature. The problem and challenge for planners is that economic developers operate on year-to-year strategic work plans as opposed to long-range or more visionary plans.

For economic developers, it is very difficult to predict with certainty what business retention and expansion activity or looming business recruitment prospect might generate desirable economic development activity, much less when this will occur. While economic development agencies with strategic plans may include some long-term investment strategies, most are short-term investment strategies intended to yield the highest return on investment.

Along these lines, even in comprehensive plans, recommendations are rarely well-integrated; there is, in fact, a philosophical struggle within the planning field as to which

element impacts other elements the most. In other words, do land use decisions set the stage for transportation and other element decisions or vice versa? Which has a greater influence on comprehensive planning? How should planners integrate and prioritize certain recommendations over others to create tangible, high-return results?

Better Approach 1 – A Market Analysis Creates a Defensible Baseline for all Comprehensive Plan Recommendations

Not only does a market analysis provide a defensible baseline for all comprehensive plan recommendations, it can also help focus planners and their consultant teams on strategies and recommendations that yield a faster return. This newfound focus on higher-impact and higher-return recommendations may subsequently better integrate land-use, infrastructure, and transportation elements within the economic development element.

Planners should carefully consider a market analysis at the onset of the comprehensive plan process (a good example is highlighted later in this Memo). While a full-scale analysis is not necessary for the purposes of a comprehensive plan, it is critical to highlight contextual market forces that may or may not play a role in a community's future economy. Not only is this approach bridging the communication gap with economic developers, it is also advancing planning practice with a greater focus and better understanding of the economic development context.

In general, a market analysis can serve to provide a reality check for the remainder of the planning process and ties other elements together. For example, a community trying to figure out why there is not more supply of single-family residences at certain price points, despite knowing there is growing demand based on population projections, may consider a trade area analysis that considers other influential market factors beyond the typical 5, 10, and 15-minute drive times to also account for other factors that set the local supply and demand conditions. In other cases, a market analysis works by considering the sum of a variety or mix of industries, such as residential, office, commercial, and industrial. This targeted analysis should be done to make plans defensible, thereby making conclusions and public investment decisions in capital projects more justifiable because they are grounded on market realities that also influence decisions by prospective private investors.

Problem 2 – Immediate Recommendation-Mode and Data Dump

The economic development element tends to jump right into recommendations and financing strategies. To further exacerbate this problem, the data highlighted or used as indicator data is either already known by those in the community directly involved in economic development practice or is not practical or sufficiently relevant in the local context.

Traditional economic development indicators, such as median household income and sales tax revenues, do little to integrate or address projects that could have a catalytic economic development effect. Again, the economic development focus must be on high-impact and high-return solutions, but irrelevant or incorrect data will lead to the wrong recommendations.

Better Approach 2 – Find Locally Relevant and Quality Data First

Quality data is crucial to economic development decisions, particularly on-the-ground data. To help with the search for quality local data, economic development practitioners today are turning more often to real estate data for such decisions; in many cases, they are playing the role of a “quality master developer.” To gain a better understanding of this trend, it behooves planners to familiarize themselves with the following resources:

- **Esri Business Analyst:** The GIS mapping tool Business Analyst puts you in a business person’s shoes by enabling you to look at the information behind major business location decisions. This can be a particularly useful information resource for communities in need of a better retail attraction strategy.
- **CoStar:** CoStar is a powerful “real-time” information resource to help with market analytics (Figure 3). In particular, it allows you to understand underlying supply, demand, vacancy, and rent conditions at the submarket level, and job growth and asset pricing at the market level. These are the conditions behind major investment decisions.
- **LoopNet:** Similar to CoStar, LoopNet provides “real-time” information with an emphasis on commercial properties. If you are planning for redevelopment or reuse of commercial properties, this is your best resource.

- **Salesforce:** Salesforce is a popular customer relationship management software program used by economic development professionals worldwide. The main benefit for economic developers is that Salesforce is a cloud-based solution, allowing economic developers to track the on-the-ground data more easily. Another benefit is that Salesforce is a cloud-based solution allowing economic developers the ability to maintain their lead and prospect database on the run.
- **Economic Development Administration (EDA):** This is a great economic development resource, especially for identifying funding opportunities. Aligning a community’s economic development data with strategic planning requirements outlined on the EDA website will better position a community to receive EDA funding.

The caveat here is that while it is important to have access to quality data, qualitative approaches to economic development are just as critical (see Problem 3). In other words, while data can be used to develop thorough analyses, planners must avoid overanalysis that does not support the intent of a comprehensive plan. Again, the emphasis here is on better quality data to arrive at broader, qualitative conclusions regarding local economic outlooks.

Problem 3 – The Public Engagement Paradox

A comprehensive planning process would not be complete

TABLE 7.1: METRO NASHVILLE OFFICE MARKET PROFILE: 1ST QUARTER 2015 (COSTAR GROUP INC.)

	VACANCY	VACANCY	YEAR TO DATE ABSORPTION	UNDER CONSTRUCTION	QUOTED RATES
Class A	1.34 million sf	6.3%	(65,990) sf	2.56 million sf	\$27.28
Class B	2.90 million sf	8.1%	126,128 sf	95,296 sf	\$19.56
Class C	866,203 sf	4.2%	51,169 sf	0 sf	\$15.76
Total Nashville	5.10 million sf	6.6%	111,307 sf	2.68 million sf	\$21.52
Total Memphis	5.87 million sf	11.6	422,900 sf	650,000 sf	\$16.02
Total Knoxville	2.60 million sf	7.9%	108,283 sf	2,400 sf	\$14.72
Total Louisville	4.90 million sf	9.1%	151,236 sf	203,270 sf	\$16.01
Total National		10.9%			\$22.74

Figure 3. Table showing the Metro Nashville office market using data from CoStar. Courtesy Kendig Keast Collaborative.

without extensive community engagement. Maximizing public input is, of course, key to any comprehensive plan that truly reflects the community's will and vision. However, in an economic development context, the problem with this approach is threefold.

First, having a large number of participants might actually undermine a meaningful discussion of long-range concerns by only highlighting the issues and needs of those participants able to attend public input meetings during the planning process. Second, it can be too time-consuming and costly to engage certain members of the community, and a project scope might not allow for additional and perhaps more targeted public engagement meetings. While planners and consultants are adept at overcoming this problem through less costly engagement mechanisms, often plans still do not reflect their efforts to overcome limited public involvement. Third, and perhaps most relevant to economic development, is the problem that large public input meetings that are typical of comprehensive plans do not provide the confidential setting necessary to engage economic development leaders.

Better Approach 3 – Engage Economic Development Leaders in the Right Setting

To avoid alarming economic development leaders who require a more confidential setting, focus on identifying those leaders and reaching out to them with a different engagement approach. Focus groups or one-on-one interviews are better approaches.

In the economic development realm, tax advisors, brokers, and lenders hold absolutely essential on-the-ground data. A broker, for example, may have key information regarding who is looking to purchase a key property, while a lender might hold critical information as to why financing on a project failed for a prospective investor. The lender might also be able to share pivotal strategies to help bridge financial gaps. Even better, they are typically very willing to provide such information in a manner that can save planners and consultants time and money.

Economic development practitioners know the power of maintaining strong relationships with tax advisors, brokers, and lenders. In communities where there is not a point person spearheading economic development efforts, planners and their consultant teams must figure out ways to reach these stakeholders during the comprehensive planning process. Doing so will have a profound effect on the quality of the economic development element.

Problem 4 – Overreliance on “Best Practices”

Economic development elements cover best practices, and this is widely accepted planning practice. In many cases, best practices range from clustering to incentives. Most elements seemingly almost do this to a predictable fault, though. Either the “best practices” are not really applicable locally, or the general economic development strategies seem resistant to innovation — a staple of economic development prowess.

Better Approach 4 – Cover Technological Advances

Instead of focusing on the best practice through the lens of a community applying the best practice, do the reverse. Start by focusing on the meaning of the best practice with an emphasis on how it applies locally. Is it innovative? How does it transcend current economic development practice? Does the best practice solve problems and needs discussed in other elements? Furthermore, is it a truly “comprehensive” practice, meaning it resolves several problems and needs with one specific approach? A current example of an innovative approach to tackling modern economic development needs is the widespread implementation of a fiber optic network, which could result in widespread economic development benefits for an entire community and region.

Problem 5 – Coverage of Economic Development Under the Wrong Element

Addressing economic development policies or strategies in comprehensive plan elements other than the economic development element is another common problem. A quick survey of different comprehensive plans developed in the last 20–25 years easily shows this problem. Typically policies with important economic development impacts, particularly those related to utilities and infrastructure policies, are not properly taken into account in the economic development element.

While it may seem obvious that certain policies or strategies would clearly fall under the purview of one comprehensive plan element versus another, it may be time for a paradigm shift. The high-impact, high-return focus ought to apply here. For example, where is it best to discuss revitalization of old commercial corridors? The transportation element or perhaps the land-use element? Do corridors deserve their own plan? A better approach lies in addressing topics, such as corridor revitalization, under the purview of economic development.

Better Approach 5 – Innovation through Integration

More traditional elements, such as land use, infrastructure, and transportation, may no longer be the best place to address more complex long-range planning issues that may require more than one solution. It behooves planners to consider new ways that the economic development element can more carefully innovate through better integration of all elements. In particular, planners should consider ways that the economic development element can serve to tie all other elements together in a much more locally innovative and relevant manner beyond traditional approaches. Towards this end, using the high-impact, high-return test might prove beneficial towards advancing the economic development element.

Other Considerations that Improve Upon Traditional Approaches

While there is no magical approach to planning for economic development, the following section highlights additional considerations that might help planners improve traditional approaches. The intent is not only to show that many possible solutions exist, but to lay the foundation for planners and consultants to elevate the discussion to a new and innovative level.

Regional and Global Contexts

Unlike other elements that consider existing conditions and future plans in the context of a planning area, economic development should be viewed well beyond the planning area or urban growth boundary. Economic development occurs in the global context, where being a good regional player goes a long way to ensuring long-term economic prosperity. Economic development elements must provide some explanation regarding the role a community plays in the global and regional context, regardless of a community's size, location, and long-term objectives.

Development and Redevelopment Strategies

While development and redevelopment strategies have traditionally been expressed generally in the context of infill strategies and capital investments that may motivate development or redevelopment activity, in many communities these have evolved from recommendations into very strategic efforts. An economic development element is the best fit to address high-impact, high-return plans. While this does not have to reach as far as an economic development strategic plan, this is a good opportunity for planners and economic developers to join forces and make their cases for action stronger.

Market Context

As mentioned in Better Approach 1, conducting a market assessment early in the planning process, perhaps during the initial existing conditions analysis phase of a comprehensive plan, is critical for future baseline planning assumptions and considerations. While it is not necessary to conduct a full-scale market analysis, especially in smaller markets, it is critical that planners understand the local market/submarket context. Doing so can help pave the way to better integration of all comprehensive plan elements around land use and character strategies that are ultimately more actionable during the implementation phase.

There are three key reasons for performing a market overview or analysis:

- It provides a “reality check” throughout the planning process
- It ensures that land use and other element decision-making policies and strategies are grounded in market and economic reality
- It offers an independent, third-party “story to tell” to public and private development and/or investment partners

More Time and Budget-Consumptive Market Considerations

These more-involved market considerations could prove beneficial to planners, particularly for those with the adequate time and budget.

- **Physical Barriers:** What is the presence of certain physical barriers, including highways, arterials and significant structures that influence driving and shopping patterns?
- **Location of Possible Competition:** What are potentially competitive projects that could diminish market share available to projects within the community?
- **Proximity to Population and/or Employment Concentrations (Clusters):** What are potential nearby concentrations of population and households that support certain types of real estate projects?
- **Zoning:** Is there a restrictive or favorable regulatory environment that will influence a developer's interest in delivering projects to one location versus another? Are zoning regulations having unintended consequences?
- **Market Factors:** What are the conditions in the community that set sale and lease prices, influence a developer's interest, or impact a project's revenue potential and/or value?
- **Drive Times, Spending and Commuting Patterns:** What are the habits and patterns that have been established that could impact the project's ability to capture market share?

Planners may find the following resources helpful in learning more about market analyses methodologies and components.

- Urban Land Institute (ULI) [Emerging Trends in Real Estate Annual Report](#): Undertaken jointly by PricewaterhouseCoopers (PwC) and ULI, this annual report is a leading primer for everything market-related. Not only can you download the report and gain valuable market insight for free, but you can also get a sneak peek at factors or trends that will drive future investment decisions.
- ULI [Real Estate Development: Principles and Process 5th Edition \(for sale\)](#): This is perhaps one of the more thorough primers on market analyses. Again, understanding the real estate development process is synonymous with understanding market analyses methodologies and components.
- [Jones Lang Lasalle \(JLL\)](#): As one of the top professional financial and professional services firms in the world specializing in commercial real estate and investment management, JLL provides a wealth of direct market analysis information. As is the case in many markets, they do the analysis for you. While the ULI report provides a good starting point, JLL is easily another must-see resource.
- [Council of Development Finance Agencies \(CDFA\)](#): While this resource does not explicitly cover market analysis, it addresses essential financing mechanisms with an eye for leveraging public and private dollars to help meet today's development finance needs. This resource will help planners choose the right public financial mechanisms to address private financial gaps.

A market overview should, at minimum, look to answer the following long-range planning questions:

- Is the community interested in identifying market voids or opportunities that are there today, or a market the community seeks to attract in the future?
- Is there demand in the community?
- What would it take to create a favorable investment environment?
- What is the regional impact or impact to surrounding communities?

See sidebar (p. 6) for additional considerations planners incorporate within a market analysis if time and budget resources permit.

Innovative Economic Development Elements Paving the Way

Although there are a growing number of communities taking more thoughtful and effective approaches to writing their economic development elements, these communities and one state are genuinely paving the way for innovation.

Frisco, Texas

Frisco, a suburban fringe community outside of Dallas, recently updated and adopted its new [comprehensive plan](#) in 2015. Among the highlights is a new component not originally in its 2006 plan. In the new economic development element are a series of policy statements that genuinely tie all other elements together.

A critical emphasis in the plan is the connection between future land-use recommendations and a market analysis conducted as the foundation to help make decisions about future land-use and character types. A detailed market analysis is provided as an appendix to the comprehensive plan that assesses the following:

- Current and future industry trends that may affect growth in Frisco
- Demographic and psychographic trends in Frisco and its surrounding trade area
- Market supply and demand dynamics that will determine Frisco's share of future growth (residential, retail, office, and industrial)

Pearland, Texas

Pearland is a fast-growing community south of Houston. Old perceptions of the city as a bedroom community started to change after the community focused on implementation of targeted strategies. [Pearland 20/20: Blueprint for Pearland, Texas Strategic Plan](#) is the culmination of such efforts. The seamless integration of the strategic plan with a 2015 update to the comprehensive plan was made possible by directly involving economic development personnel in the planning process, particularly the element dedicated to economic development. While the strategic plan does not cover issues

on a parcel-by-parcel or district-by-district level, it sets a broad framework for making those decisions. The Pearland comprehensive plan is an excellent example of leveraging other studies (as existing assets) and human capital efficiently.

Murfreesboro, Tennessee

Murfreesboro is a fast-growing community southeast of Nashville. Although the comprehensive plan is not yet adopted, a [draft economic development element](#) does well in dealing with Problem No. 4. The element does this by stressing place-based strategies rather than traditional best practices. There is also a strategic focus rather than a shotgun approach to economic development. In fact, one of the focal points in the element is a deliberate focus on continued public and private investment in innovative clusters throughout the community, such as the proposed Middle Tennessee State University Innovation District, Downtown, and the potential I-24 Aviation Corridor (Figure 4, p. 8).

Wisconsin

Wisconsin has state-enabling legislation in the form of a Smart Growth Law, which is very similar to Washington's Growth Management Act. As a result of this law, there is very specific guidance in the state of Wisconsin on how to prepare the economic development element of a comprehensive plan. In the U.S., this is the exception rather than the norm. In the [guidance document](#) is valuable information that other municipalities can follow closely.

Although the guidance may lead to uniformity and therefore less ingenuity, the document offers general guidance applicable to all local governments. More importantly, the guiding document stresses the purpose of an economic development element as being "about working together to maintain a strong economy by creating and retaining desirable jobs, which provide a good standard of living for individuals" (WEDI 2003). This recognition is important because it emphasizes the increasingly important role of economic development in public policy decision making. Furthermore, the guiding document sets the tone for arguments in support of a market assessment, by suggesting that an element "reflect current market conditions."

Other Actions to Help Planners Further Advance Economic Development Elements

This section lays out two areas in which planners can take practical actions to improve their economic development elements either as part of a comprehensive plan update or an overhaul (or creation from scratch) of an economic development element: developing an appropriate scope of work when preparing for this process and engaging the right stakeholders throughout the process itself.

Scope of Work

When advertising for a consultant for a comprehensive plan update, develop the RFQ/RFP scope of work with more attention to the economic development element. Your economic development content will only be as good as what is written in

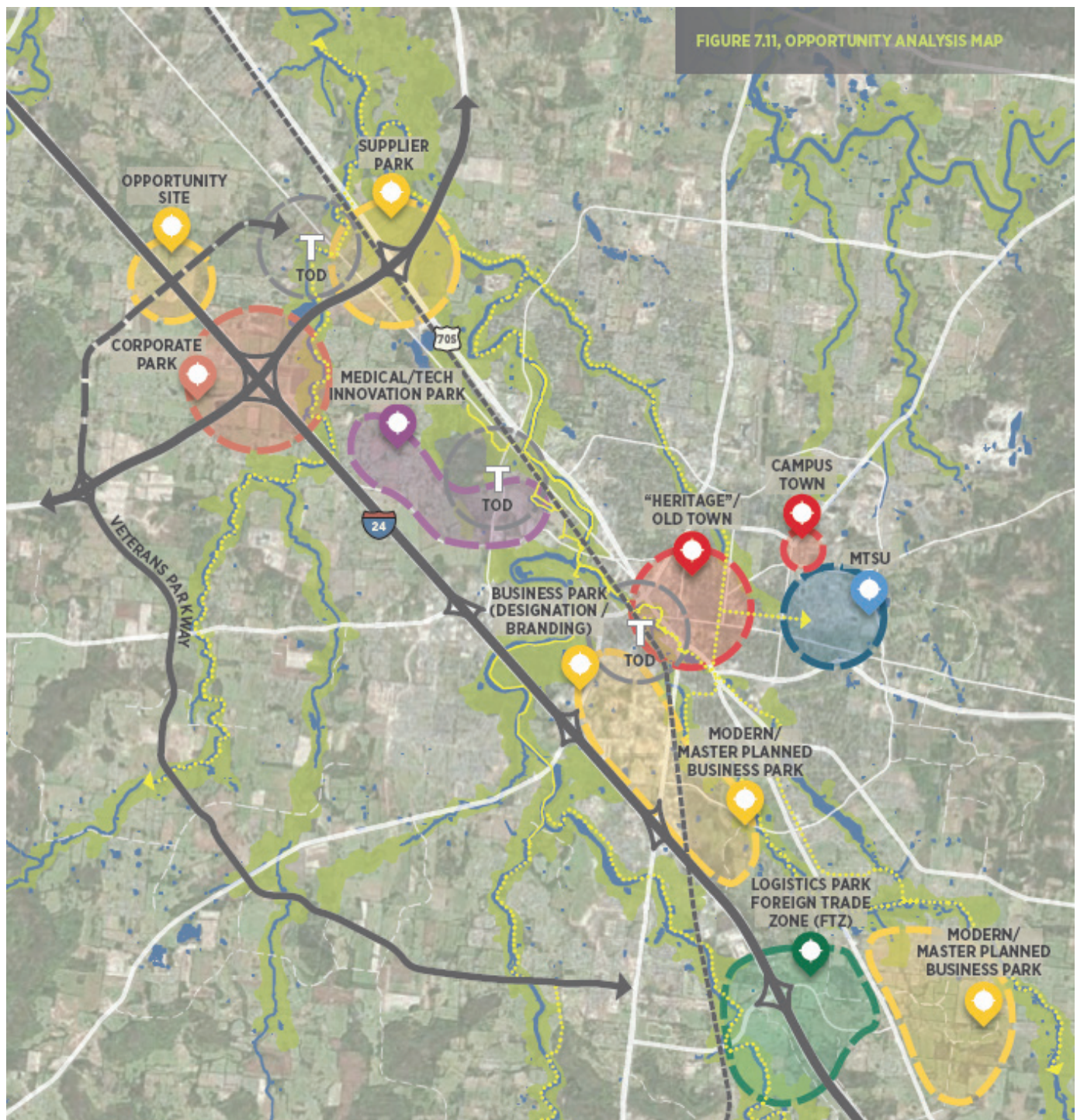


Figure 4. Economic development opportunities in Murfreesboro, Tennessee. Courtesy Kendig Keast Collaborative.

a scope of work, unless, of course, amendments are discussed with a consultant during an engagement.

- Do your homework.
 - Reach out to economic development staff and key stakeholders within your community.
 - Research different planning firms that have the capacity to address economic development in a substantive manner.
- Write down specific economic development-related questions to ask prospective consultant teams.
- Beware of the quantitative trap; focus on qualitative measures, too.
- Call different planning firms and get to know their economic development specialists directly.
- Familiarize yourself with real estate terminology and use

key words to adequately express your economic development element needs (i.e., demand, supply, price per square foot, rents, absorption rates, leakage, development pro forma, etc.). Keep in mind that you need to let consultant teams know in advance that you will expect them to place an emphasis on this element, or economic development will not receive the quality attention it deserves.

- Elaborate on the approach section; include reaching out to those suggested in this *Memo* as part of the overall community engagement strategy.
- Develop selection criteria that details desirable economic development element outcomes (i.e., quantitative and qualitative measures).

Public Engagement

Reconsider how you use traditional public engagement approaches in the comprehensive planning process, especially when seeking input on economic development issues. It is easy to place blame on planners or consultant teams when public engagement approaches and overall lack of participation do not yield sufficient and quality information.

An underrated approach in community engagement is the focus group. Focus groups involve confidential group interviews. Due to highly sensitive financial information and need for confidentiality in the economic development realm, using this approach as part of an engagement strategy could prove extremely beneficial and is perhaps a more efficient way to improve an economic development content in comprehensive plans.

Below is a list of recommended focus group participants with brief summaries of the benefits planners can gain from their involvement. In general, though, all will play a critical role in providing valuable market insights that could help planners and consultant teams develop practical, actionable plans.

- **Business and Property Owners:** While including this group this could easily become unmanageable, one way of handling it is to consider a targeted one-on-one interview instead. Either could work depending on the size of the group. A more manageable size is probably between three and five, but no more than that, unless the community is very large (200,000 plus). Business and property owners have their eyes on the ground and any economic development plan will certainly affect them. It is wise to develop a good way for getting them involved early and throughout the entire planning process. If it is difficult to set up one-on-one interview with them, engage them through a comprehensive plan advisory committee (Figure 5, p.10).
- **Brokers:** Brokers and real estate agents can lend a hand in the development of practical solutions to land-use and development regulation issues undermining economic development. They can also provide valuable information on why certain real estate transactions work seamlessly and why others encounter many more problems, particularly land development barriers.
- **Lenders:** Public and private lenders should be engaged

early. They are often willing and open regarding general strategies that could help with any planning process, particularly ways to overcome barriers to development and/or redevelopment. They can help develop sound fiscal policies, particularly those geared towards the provision of incentives, based on their expertise in the area of gap financing.

- **Developers:** Early buy-in from developers will provide critical insights into their financial strategies. A community's strategies do not need to revolve around their strategies, but knowing how they think regarding the feasibility of delivering certain projects can genuinely inform local economic development strategies and policies. Developers can also network in a nonthreatening environment to deliver unique products to a community in need of precedent-setting projects.
- **Public and Institutions:** This is a group that is particularly underrated in terms of property ownership. Schools and religious institutions generally own large parcels of land in almost every community, regardless of size. Their ownership can be leveraged in economic development strategies revolving around the acquisition and/or disposition of key assets. Often times public-public partnerships get lost in the midst of all the talk about public-private partnerships; however, if carefully engaged, public agencies might hold the key to unlocking hidden economic development potential.

Conclusion

Improving the economic development element of a comprehensive plan requires a paradigm shift in the way we think about planning practice. Much maligned plans that are overly visionary or "collect dust on a shelf" are not the result of innovation, which is something essential to economic development.

Planners have long been at the center of transformative community concepts. At the same time, they have been at the center of criticism for concepts that never come to fruition. The economic development element provides planners and their consultant teams an opportunity to change this by demonstrating how an economic development element has a quantitative and qualitative return on investment.

One way to measure return on investment is to measure the level of private investment after plan adoption, particularly highlighting tangible results. Insofar as the element stays flexible enough to respond to market conditions that will change over the course of its implementation, return on investment is indeed inevitable.

A term used frequently in the economic development world is "catalyst." Planners and their consultant teams are the catalyst to usher in a new era in comprehensive planning. To do so, they will need to evolve traditional economic development content into something more actionable by leveraging market forces and players easily within reach in an evolving global economy.

About the Author

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ECONOMIC DEVELOPMENT PRIORITIES FOR VICTORIA

When asked to consider highest priorities for economic development in Victoria, members of the City's Comprehensive Plan Advisory Committee (CPAC) responded as summarized in the chart to the right, which led to further discussion and these concluding points:

- CPAC members expressed a general understanding that all other benefits of economic growth follow from the creation of primary jobs, which was ranked by far as the highest priority.
- Growing and diversifying the tax base are natural results of the influx of additional capital and income into the community from the creation of new primary jobs. The retail, service, and other quality of life opportunities desired by residents ultimately depend on primary job growth.
- Public funding that may help to alleviate traffic issues and/or support measures to improve the quality of new development is also generated from the income and tax base growth supported by new job growth.

- Retention and expansion of existing businesses is equally important to new job growth as a tool for maintaining the vibrancy of the community.

Which should be Victoria's highest economic development priorities?

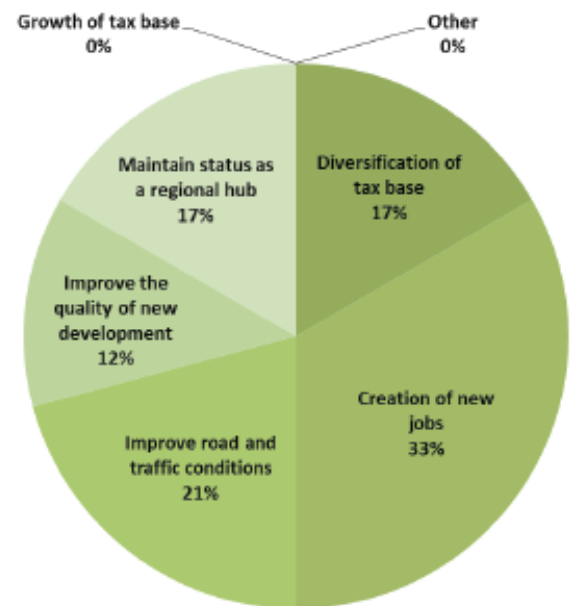


Figure 5. Comprehensive plan advisory committee's economic development priorities in Victoria, Texas. Courtesy Kendig Keast Collaborative.

tive. He has extensive planning and economic development experience spanning the public, private, and nonprofit sectors, including previous work for APA's Planning Advisory Service. His practice has included, among others, emphasis on the implementation of comprehensive and strategic plans, redevelopment, corridor revitalization strategies, and tax diversification policies. Núñez is currently working towards CECED (Certified Economic Developer) accreditation. He can be reached at www.kendigkeast.com or at luis@kendigkeast.com.

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