APA Economic Development Task Force Report

Planning for Economic Development

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I. Purpose and Report Outline

A recent APA survey of the general public found that “two-thirds of Americans believe their community needs more planning to promote economic recovery.” This finding seemed to be a stretch for planners or at worst, a contradiction. What exactly does this statement mean? Aren’t planners regulators? Can planners create jobs? And if so, what can planners actually DO to make this happen?

This Task Force was borne out of these types of questions. The President of APA, William Anderson, FAICP, created the Task Force and appointed its chair. Mr. Anderson directed the Task Force to provide APA members—planners first—with tools to tell the story of how planning is essential to economic development in this country. To do this, the Task Force took a three-pronged approach:

I. Part One provides information directly for planners to be able to understand and analyze their economy. It covers topics such as the difference between economic growth and economic development; understanding the local context and parts in a regional economy; and the types of information that will enable planners to better understand their regional and local economies. This section is meant to be accessible to planners—and provide an array of areas in which local planners can promote economic development and growth.

II. Part Two includes mini-case studies driven by planning specializations. The Task Force used APA Divisions as the drivers to select a range of examples. That is, the goal was to identify how specialized areas of planning connect with and contribute to economic development. The selection of mini-case studies was also meant to reflect geographic diversity. A criteria matrix was developed by the Task Force to aid in the selection.

III. Part Three is the conclusion and takeaways—the “so what?” What does this all mean for Planners today?

The Task Force was comprised of members of the Economic Development Division, Housing and Community Development Division, and graduate planning students from Virginia Tech. The dedication, critical thinking, and outstanding efforts of the Task Force members made this report possible. Task Force members are:

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II. Context

Introduction

The August/September 2012 issue of Planning magazine reported the results of the national scientific survey conducted for APA earlier that year which showed broad popular support for planning. Over 60 percent of the respondents expect planners to address basic needs, namely job creation, education, safety, neighborhood protection, and clean water. Can planners help carry out meaningful local economic development strategies and build community assets for sustainable economic development? The following discussion addresses this question.

Framework

National and Regional Economies
The U.S. national economy is not one entity but rather a collection of regional economies. With the exception of agriculture and other natural resource-intensive industries, regional economic activity is organized functionally into labor market areas (LMAs). Each LMA includes one metro area and its surrounding sphere of influence. LMAs represent the correct unit of analysis for understanding economic development. LMAs are open regions susceptible to global competition which makes staying competitive more important and sustaining economic development more difficult.

Economic Growth and Development
Economic growth and economic development are complementary and mutually supportive but different concepts. Economic growth is about bigger—more jobs, larger tax base and more investment in the regional economy. Economic development is about better—better jobs, higher household incomes, more innovation, widely shared benefits, and an improved regional economic structure. Planners should focus on ways to achieve both economic development and economic growth while understanding the differences between them.

Economic Base Theory
Economic or export base theory has been used to understand regional economies since the 1930s. All goods and services produced in the region are either traded/exported or not traded/local. Industries that sell to the rest of the world receive revenue that is largely spent locally. The multiplier effect

1 This chapter was written by Emil Malizia, PhD, FAICP.
measures the effects on output, earnings, or employment to gauge the impacts on the regional economy. Thus, the economy’s strength depends on the competitiveness of its traded industries.

Regional Context
Planning for economic growth and development should occur at the regional level which corresponds most closely to the functioning economy. Unfortunately, economic development practice involves each municipality, county, or state competing with their peers. Place competition leads to imitation. But no silver-bullet exists; no one size fits all. Since cooperative, coordinated, and unique development strategies formulated at the regional level are extremely rare, planners need to find ways to contribute at the local level in spite of weak or nonexistent regional planning.

Economies are regional.
Economies are regional.
Land use decisions are local.
Land use decisions are local.

Economic developers rely heavily on financial incentives to attract investment in the near term which depletes resources needed for education and infrastructure that would benefit all companies in the long term. The shorter term emphasis on exploiting existing assets is different than the orientation of planners who want to develop assets for the long term.

Inherent tensions exist between the short-term focus of economic developers and the long-term orientation of planners.
Inherent tensions exist between the short-term focus of economic developers and the long-term orientation of planners.

Planners need to understand their region’s role in the larger economic system (its economic base), find its unique features, and begin to identify innovative ways to promote economic growth and development. The most critical resource in the emerging knowledge economy is human capital; talent will largely determine regional competitiveness. With new technologies and global competition, planners need to attend to workforce development.

The region’s economic base can be viewed as a mix of skills and occupations as well as a mix of traded and non-traded industries. One way to think of these two dimensions of the regional economy is that industries determine what places make (produced goods and services) whereas occupations determine what places do (activities of workers).

Planning Implications
Planners fill different jobs in the public, non-profit, and for-profit sectors. They may focus on land use, transportation, city design, eco-systems (environment), housing, community development, economic development, etc. To flesh out planning implications in a concise manner requires narrowing the range of planning practice. Within the domains of city and regional planning that pertains primarily to the built environment—namely land-use and transportation planning—the emphasis here is on comprehensive planning. Planners can use comprehensive planning to guide future development of the built
environment while articulating their jurisdiction’s role in economic growth and development. Each place is unique in ways planners know better than most.

Growth Facilitation

Planners should learn how to help traded sectors grow by emphasizing land use, access, proximity, and location. Planners facilitate economic growth by providing the land and infrastructure needed for growth. This task involves translating expected changes in employment for traded/exporting industries into space needs and land requirements, finding proper locations for this growth increment and identifying the public investments necessary to support it in a cost effective manner.

Reserving land for basic industries is vitally important for economic growth. Knowledge-based sectors have much different locational needs than traditional industries. The number one need is the availability of talent—who increasingly prefer vibrant centers (live-work-play locations). Knowledge industries are cleaner, greener, and compatible with other land uses. In some places, it may make sense to treat land for traded industries similar to the way prime agricultural land or critical watersheds are treated, namely worthy of special attention and protection.

Development Enhancement

Traded sectors may be housed in factories, warehouses/flex space, or office buildings. Most are part of industrial clusters that enhance productivity through external economies. Planners should promote the proximity of different uses in each cluster. We have many ideas about how to make downtowns attractive to young talent, but we have not thought enough about how to redevelop suburban office parks, shopping malls, commercial strips, and major intersections for economic development.

By definition, basic industries require export channels to reach the rest of the world. Planners must find efficient ways to provide access to physical channels and to virtual (broadband) connectivity. The coordination of land use and transportation planning in this context is critical. Working with internet service providers is also important.

Supporting basic industries that generate income from the rest of the world makes sense because their growth and development will largely determine the region’s relative attractiveness. At the same time, the vagaries and differential impact of market forces makes the idea of increasing local self-reliance more compelling. Both local food systems and economic coops may result in higher real incomes by reducing costs. Health care provided locally is especially important both for services and as a source of jobs.
Local Economic Activities

The approach to not-traded sectors that primarily serve local markets should be restrictive. On the basis of market research that forecasts local commercial space needs, planners should guard against oversupply. Understanding the limits of local sector expansion through market analysis can be used appropriately to dampen speculative development. **This approach may limit competition, but to squander scarce and expensive public infrastructure is far worse.** There is no need to generate unnecessary competition for local markets that are limited by definition. Oversupply also has negative impacts on the tax base as commercial spaces in areas with high vacancy and lower rents drive tax values downward.

Where planners accommodate local activities is critically important. Planners should encourage the redevelopment of existing commercial areas instead of developing new ones. Reusing existing functional buildings is the most energy efficient way to add space. **Commercial redevelopment should support efficient public service delivery, rely on existing usable infrastructure, and afford fewer or shorter auto trips.** Revitalizing existing space already served by existing public investments in services and infrastructure provides a greater return on local government investments—provided significant reinvestment is not required. On the other hand, allowing an area to continue to decline with no reduction in infrastructure maintenance costs and then adding new infrastructure costs elsewhere generates two future maintenance liabilities on the public balance sheet. Therefore, planners should encourage compact, mixed-use development, improve public transit, and revitalize downtowns.

Related to the efficient use and expansion of infrastructure, **planners should understand the role of land use decisions on a locality’s fiscal sustainability.** Planners are best positioned to understand and communicate the local revenue and cost drivers in their communities—with real opportunities for closer interaction and collaboration between planning and finance staffs. For example, office development in localities heavily supported by sales tax revenues—such as cities in Arizona and Colorado—has a much different fiscal impact than areas of the country that are more heavily supported by property tax revenues. Furthermore, the relationship between land uses and fiscal impacts has direct implications for the responsible use of incentives. Planners are uniquely positioned to connect the dots between land use decisions and fiscal sustainability.

Finally, planners should understand the role their jurisdiction plays in the regional economy. Planners in central cities or suburban jurisdictions containing major employment nodes (traded sectors) should focus on economic growth facilitation and development enhancement described above. Planners in primarily residential jurisdictions should manage local economic activity (non-traded sectors), encourage efficient infrastructure use, and engage with education and training institutions for workforce development.

Above all, planners should foster cooperation among local jurisdictions with each making a unique contribution to the regional economy. Such cooperation is vital in the face of serious external competition.
III. Mini-Case Studies

This section provides mini-case studies from a range of locations and specializations to address the overarching question: As Planners, how can we “Plan for Economic Development?” The mini-case studies seek to answer this question from several perspectives.

Gainesville, Florida: Planning for Innovation

Key Takeaways

- Redevelopment presented a strategic opportunity to think big.
- Public and private partners are using their respective roles to plan, promote, and implement a viable live-work-play place driven by innovation.
- Attention to building design, transportation patterns, and public space is contributing to the overall success of the project by creating a space that is both aesthetically pleasing and functional for both business occupants and the community.

Through collaborative partnerships with local colleges and universities, private enterprise, and government agencies, an “innovation community” can create a physical space to build upon human capital and entrepreneurship with the goal of fostering economic development and growth. Planners and economic developers work collaboratively to develop a master plan for development based on the efficient use of physical space and maximizing the economic returns to the community. A research park is the centerpiece for the innovation community; consisting of a host of resources that provide product research and development, technology commercialization, as well as physical space for business start-ups. The success of such initiatives depends on careful planning that utilizes public-private partnerships and builds upon underutilized, existing infrastructure to create a sustainable innovation ecosystem. Urban planners in Gainesville, Florida, have taken this approach with the development of Innovation Square, a mixed-use complex in the city center.

When the Shands Alachua General Hospital closed in 2009, there were no plans for redevelopment of the abandoned site. Now the location is home to Innovation Square, a 40-acre research district created to support science and technology research in partnership with the University of Florida, Santa Fe College, and the local community. Innovation Square is home to the Florida Innovation Hub, the UF Tech Connect Business Resource Center, and housing complexes for both undergraduate and graduate students. The site will feature additional resources as the project develops.
The Gainesville Community Redevelopment Agency, an organization largely responsible for guiding the development process of the research park, emphasized the effective use of planning and zoning codes to ensure cohesive land use patterns and block design. To begin construction of the site, a new Urban Mixed Use (UMU) zoning category was created to accommodate the mixed-use renovation of existing structures and multimodal transportation plans for the area. The UMU zoning is the foundation upon which the development framework is built. The land use codes regulate development while allowing for creativity in individual building design. The development framework sets requirements for building orientation, tree spacing, parking lots, and other elements of the public realm. The entire development will take place over ten phases: The first three phases focus on the core district and each additional phase will expand outward with development. In addition to hosting science and technology related enterprises, the mixed-used master plan will serve as a live-work-play space for residents. With over 5 million square feet of real estate space, the complex has made connectivity a priority. Pedestrian walkways are integrated with greenways to connect commercial buildings to residential areas and other amenities.

Source: Innovation Square Development Summary.
As both a research park and a business incubator, the University of Florida Development Corporation (UFDC) works with Innovation Gainesville, a city initiative organized by the Gainesville Chamber of Commerce, to help attract businesses to the complex. The location of the complex provides an added benefit to businesses. Situated between Downtown Gainesville and the University of Florida—and within walking distance of both—the Innovation Square complex links businesses to the university and the city center. Serving business needs to foster job creation is a central goal of the initiative. Upon completion, it is estimated that almost 5 million square feet will be developed and bring 8,000 new residents and workers to the area.

Source: University of Florida Development Corporation, Innovation Square Brochure: Community and Innovation Redefined.

Successful innovation centers such as Innovation Square depend on state and local support to attract new commercial enterprises and retain businesses that existed prior to redevelopment. Creative policies and collaborative efforts like tax incentives facilitate new business entry into the market by allowing business owners to locate within the designated innovation district at lower cost than other locations. At the state level a number of tax refunds and tax credits are available for businesses. In addition to sales and income tax waivers, state incentives available in Florida like the Qualified Target Industry Tax Refund (QTI) and the High Impact Performance Incentive Grant (HIPI) incentivize job creation and community investment. New or existing businesses that meet eligibility requirements are given tax refunds depending on the number and wages of the jobs created. At the local level, programs like the
Company Relocation Incentive, High-Wage Job Creation Incentive, and the Façade Grant Program work in a similar fashion as state programs to attract businesses to the redevelopment area. Other incentive programs are offered through partnerships with local utility providers to incentivize energy efficient development.

Capitalizing on public-private partnerships, Innovation Square can serve as a model for developing an innovation ecosystem that maintains the goal of economic development while prioritizing sound planning and urban design. Attention to building design, transportation patterns, and public space contributes to the overall success of the project and creates a space that is both aesthetically pleasing and functional for both business occupants and the community.

Resources


Many economic development practices are implemented at the local government level, even for counties that comprise the nation’s metro areas. However, not all of the localities within metropolitan areas may have the same level of resources or capacity compared to their neighboring localities. Planner Ashley Rivera, a senior program specialist at the Atlanta Regional Commission (ARC), states that this tends to exacerbate many of the economic imbalances between the different localities. The mentality of economic competition for businesses and workers among localities also likely plays a part in intensifying the economic divide between different localities. Additionally, Rivera states that many issues are too large in scope for any one locality to handle and rectifying these issues often requires cooperation at the metropolitan or regional level. Promoting and implementing collaboration among different stakeholders is an area where planners are vital in the economic development planning process.

The Atlanta metropolitan area, which comprises over 30 counties, is one of the largest and most prosperous metropolitan areas in the country. It is the host to many universities, Fortune 500 companies, and has the busiest airport in the world, Hartsfield-Jackson Atlanta International Airport. However, despite its prosperity, Atlanta was suffering from a slow economic recovery from the Great Recession, underperformance in area schools, traffic congestion, an aging population, and trouble retaining young graduates from the universities in Atlanta. It was recognized that these issues affected all the localities that make up the metropolitan region, and would require collaboration of a wide range of stakeholders in the region to fix.

The Atlanta Regional Commission (ARC) is a planning agency which represents ten of the counties within the Atlanta metropolitan region. When it came time for the Atlanta metropolitan area to write a Comprehensive Economic Development Strategy (CEDS) for the Economic Development Administration,

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2 Special Thanks to Ashley Rivera for all her help in the writing of this case study.
it was decided that the planning stages would be done as a collaborative effort. A CEDS is a document meant for regional economic development planning, to be developed by a planning organization, and is required to receive funding from the EDA. Rivera explains that the CEDS had in years past just been comprised of the different economic development plans of the different localities. This seems to be an issue with CEDS, as a study by the W.E. Upjohn Institute for Employment Research for the EDA recommended that CEDS should begin to “focus more on strategic development and collaboration to implement regional vision,” suggesting many CEDS have issues with regional collaboration. The National Association of Development Organizations (NADO) also suggests that many CEDS are more of a list of all the projects and initiatives in the region instead of a regional visioning document. This is most likely why the EDA is reevaluating the CEDS process so that the CEDS, as described by the Texoma Council of Governments CEDS, for example, is not “a book sitting on the shelf collecting dust or… a simple check mark on an EDA grant applications for other projects in the region.” The ARC was inspired to try this new approach in Atlanta, after a trip to Seattle where all localities within the Seattle metropolitan region were able to successfully collaborate to develop their CEDS.

In 2012, ARC gathered over 100 business leaders, economic developers, planners, and local officials to figure out what strategies and projects were being implemented within the region, and to determine what issues needed to be addressed. Rivera explained that it was relatively easy to gather these stakeholders as they all wanted to be a part of this necessary conversation. They also conducted a survey of 3,500 residents to discover what was considered by the general public to be Atlanta’s greatest assets and the areas that needed improvement. Overwhelmingly, the airport was determined to be the greatest asset while areas that needed improvement were housing and transportation. ARC, along with Market Street Services (a community, workforce, and economic development consulting firm) also performed an analysis of the different initiatives and strategies in the region, an economic cluster analysis, and a competitive assessment to gain an understanding of the state of the region.

Word cloud of survey responses from the question: “What is the region’s greatest strength in terms of economic competitiveness?”
Source: ARC, “Atlanta Regional Economic Competitiveness Strategy.”

3 Texoma Council of Governments is an association of local governments representing Cooke, Fannin, and Grayson Counties in Texas, which all are on the state border with Oklahoma.
From their research and discussion with local leaders and the public, they developed the Metro Atlanta Competitiveness Strategy. The strategy addresses four specific areas:

- Create a well-educated, 21st century workforce,
- Make new businesses more prosperous while attracting new ones,
- Promote innovative entrepreneurs, and
- Create livable communities for new graduates and the aging population.

Four commissions were created to serve as implementers of the strategy. Due to how recent the strategy was formulated, it is just beginning its implementation phase. However, there has been considerable progress towards the goals outlined in the Strategy. Members of the Prosperous Committee have formed the Aerotropolis Alliance, a group dedicated to furthering economic development around the airport. The airport is critical to the Atlanta metro area as it borders seven different counties and employs over 50,000 workers. The group has developed a blueprint for economic development around the airport and is currently looking into implementing the blueprint. The city developed an internship program with the hopes that these interns would become future residents of Atlanta. Finally, the plan called for the implementation of the TOD Collaborative, a collaboration between the Metropolitan Atlanta Regional Transit Authority (MARTA) and the Atlanta Neighborhood Development Partnership (a local nonprofit) with the goal of developing mixed income housing along the MARTA stations. These would not only include affordable and workforce housing, but retail and commercial enterprises as well.

In developing the Metro Atlanta Regional Economic Strategy, Rivera stated that their role, besides performing analysis for the strategy, was that of “conveners.” Their goal was not to direct people or tell them how they should be developing, but to gather stakeholders with similar interests and goals together in the hopes that they would come up with new ideas and innovative solutions. The Strategy document itself even makes note of this, stating that the goal of the plan is to “complement” existing initiatives through collaboration. Rivera says they also encouraged stakeholder and interested parties to take leadership or collaborator roles in areas where they had greater experience or knowledge. ARC connected these stakeholders by demonstrating that Atlanta was working together to solve issues affecting the city and region as a whole. This approach is embodied in ARC’s tagline: Regional Impact + Local Relevance.

Also, the collaboration of regional partners—facilitated by planners at the Atlanta Regional Commission—facilitated the acceptance of the Metro Atlanta Regional Economic Strategy as a visioning document. The inclusive approach served to boost real local involvement resulting in localities identifying as more of an integrated part of the region instead of just one county in the Atlanta Metropolitan area. In addition, the approach and level of interaction also helped to avoid local policy debates. Ashley Rivera stated that when you pull people together for a project like this and make it more inclusive, they will be more committed to the vision set out in the plan. This can be seen from the
successes that have already occurred with the Aerotropolis Alliance and the development of the internship program.

The development of the Metro Atlanta Regional Economic Strategy shows how the principles of community and stakeholder involvement can play an essential role in economic development planning. By incorporating necessary stakeholders and public input, ARC was able to develop a plan that was not just focused on one specific locality, but was able to take a larger, regional view of the major issues Atlanta faces. The collaboration of different stakeholders also means greater collaboration on current initiatives as well as the capacity and existing relationships to develop new initiatives as future needs arise.

Resources
Atlanta Regional Commission.
Pacific Boulevard–Huntington Park, California: Planning for Changing Economies and Populations

Key Takeaways

- Adapting to major demographic changes requires ongoing and innovative strategies to bring about economic successes.
- Planners recognized these challenges in the late 1970s and focused attention and public resources on revitalization efforts to accommodate these demographic shifts.
- Current efforts continue to evolve with the needs of changing populations by reinvesting in infrastructure, improving design, and focusing on place making.

Pacific Boulevard in Huntington Park, California, is an excellent example of how economic development strategies have adapted to changing population demographics and shifts in the economic landscape. Huntington Park is approximately 8 miles south of Los Angeles. Throughout the first half of the 20th century the city underwent a rapid ethnic makeover as the population changed from majority white to majority Latino immigrant residents. Along with this cultural transition, industrial manufacturing plants moved out of the area, taking with them high-paying jobs that, at one time, were the primary source of economic stability in the region. These changes resulted in an over-burdened housing stock and declining commercial activity. By the 1960s, blighted housing and vacant retail shops had completely changed the urban landscape along Pacific Boulevard. City planner James G. Funk and the Huntington Park City Council recognized the need for an extensive economic development strategy to revitalize the area. Redevelopment of the central business district along Pacific Boulevard became the first priority. By incorporating commercial enterprises that align with the needs of the predominantly Mexican-American residents that occupy the area, Pacific Boulevard has sustained itself as a retail destination from the start of the redevelopment era in the 1970s to present day.

The late 1970s marked the beginning of an aggressive plan to use financial incentives to attract real estate developers to the area. Business owners along the Boulevard partnered with the Council to invest hundreds of thousands of dollars to undergo a reconstruction and modernization program. Supplemented by federal Economic Development Authority grants dollars, this project expanded public transportation, improved pedestrian and motor vehicle mobility through sidewalk expansion and roadway repair, and implemented building renovations for retailers. These initial improvements made Pacific Boulevard an attractive regional retail center. Additional retail plazas along the corridor incorporate a Mexican architectural design and feature Spanish names that appeal even more to the majority Mexican American residents.

In 1995, the Pacific Boulevard Merchants Association formed a Business Improvement District (BID) to promote retail activity, support businesses owners, and represent their interests to the local
community. Creation of this group was only one piece of the economic development plan. New marketing strategies and creative financing mechanisms have resulted in construction of a multi-screen movie theater, multiple shopping courtyards dispersed along the strip, and an industrial park. It is estimated that between 4,000 and 7,000 jobs were created as a result of these efforts.

More recently Huntington Beach has recognized the need for an updated revitalization strategy. The Pacific Boulevard Downtown Revitalization strategy drafted in 2013 emphasizes a change in land use with increased density, more mixed-use design, and improved walkability. The new plan features a civic center with large spaces for social gatherings and outdoor events. Additional free parking spaces will help attract regional shoppers. One innovative use of existing space the community has adopted is the “parklet,” a parking space converted to a sidewalk mini-park. The first of which was introduced on Pacific Boulevard in 2014, with more to come. The goal of these outdoor lounge spaces is to provide a comfortable meeting place along the commercial corridor.

Appealing to local residents in building design and community character is a longstanding strength of Pacific Boulevard. The cultural connection created there fosters local pride that translates into financial investment by business owners and residents. The commercial activity has created jobs and increased revenue for the city. As indicated by the long history of economic development strategies in Huntington Park, a commercial thoroughfare such as Pacific Boulevard is never really complete, but rather, it is in a constant state of change, evolving with the population, adapting to their needs, and embracing new methods in planning and urban design.

Resources


Devens, Massachusetts: Planning for Economic Diversification and Sustainability

Key Takeaways

- Planners can help communities to realize economic diversification.
- After the largest employer in the town, Fort Devens, closed as part of the Defense Base Closure and Realignment Act, the community decided they wanted to base any future economic development on sustainability.
- Through the work of Peter Lowitt, FAICP, and the Devens Enterprise Commission, an eco-industrial park was created that promotes sustainability and stresses quality of life features while generating economic prosperity.

Devens, Massachusetts, is a small town located about an hour Northwest of Boston, and is located directly next to the Oxbow National Wildlife Refuge. For over eighty years, the primary employer of Devens was Camp Devens, a U.S. Army base established in 1917. In 1990, Congress signed into law the Defense Base Closure and Realignment Act (BRAC). This law required the Department of Defense to close down several military bases, but provided resources to aid in redevelopment of former base sites. Fort Devens was selected as one of the bases that would be closed, eventually closing in 1996. This was a huge blow to Devens as the base closure took away 7,000 jobs (including 2,900 civilian jobs), a payroll of over $178 million, and was left as a superfund site due to groundwater contamination from the operations of the base (which the Department of Defense cleaned up).

In 1993, at a charrette hosted by the Boston Society of Architects, the community of Devens developed the idea of focusing redevelopment around the concept of sustainability. Peter Lowitt, FAICP, the Director of the Devens Regional Commission, stated that the community “overwhelmingly supported using sustainable redevelopment as the theme for our redevelopment efforts.” Specifically, they included models on “industrial parks on biological systems and zero waste industrial parks.”

This idea became fully formed in 1994, when the Massachusetts General Court passed Chapter 498 of the Acts of 1993, which established the former military base site as the Devens Regional Enterprise Zone. MassDevelopment (then known as the Massachusetts Government Land Bank) was selected as the primary developer of the site while the Devens Enterprise Commission was created as the land use and planning agency within the Devens Regional Enterprise Zone. The Devens Enterprise Commission is also the one organization to issue all permits within the Devens Regional Enterprise Zone.

4 Special Thanks to Peter Lowitt, FAICP, for his help in the writing of this case study. Pictures courtesy of Mr. Lowitt.
The Devens Re-Use Plan for the new site called for the development of an eco-industrial park which mixes sustainability with economic development. The strategy for Devens would preserve over 2,800 acres of Devens’ 4,400 acres as open space and recreational use, which would include an expansion of the Oxbow National Wildlife Refuge. It would also seek to promote and attract innovative and sustainable companies by creating districts dedicated to these goals. These included the Environmental Business District, which was meant for companies that develop or use environmentally friendly products or processes, and the Innovation and Technology Business District, a district for new businesses and industries to locate within Devens. Lowitt was brought in as Director of the Devens Enterprise Commission in 1999 to refocus the efforts on sustainable development. With it, he also brought the successful model for the Eco-Industrial Park, which he had previously used in Londonderry, New Hampshire.

By requiring all permits to be approved by the Devens Enterprise Commission, headed by Lowitt, Devens was able to assure that all future development met the goals of the Re-Use Plan. Lowitt explains, “...As part of the application process to get permits for projects at Devens, we ask firms how they will be sustainable members of our corporate community. We explain its more fiscal sustainability and we use it as an education[al] opportunity.” The one-stop permitting also allows for quick permitting which attracts businesses as well. The “unified permitting process” (as it is referred to in the Re-Use Plan) allowed developers to submit a comprehensive permit which provides for faster and consistent review. In fact, the Devens Enterprise Commission guarantees it will act on permits within 75 days. Bristol-Meyers-Squib was able to receive all their permits at the local and state level within 32 days.

The town also created the Eco-Efficiency Center, an organization that helps businesses within Devens become more environmentally friendly and sustainable by providing workshops, roundtables, recycling and energy efficiency assistance. Devens also sought to have green housing and building as well. Lowitt states “The [Devens Enterprise Commission] Rules and Regulations drive the development to incorporate green infrastructure, incentivize the use of green building techniques, and take a holistic approach to making development within the park greener.” They recently developed a residential neighborhood which was based on regulations from LEED for Neighborhood Development. They also have a greenhouse mitigation requirement and LEED certified green building incentives for new development in the area as well as promoting environmentally
friendly buildings, and they have a model for housing that produces more electricity than it uses. Also, any building that receives U.S. Green Building certification (LEED) will also be eligible for a green building incentive up to $10,000. Other incentives are up to, as Lowitt explains, what “the state is willing to offer.” This could include Tax Increment Financing (TIF) incentives, or Massachusetts Life Science Center funding if the project is related to the life sciences.

Devens has profited from its emphasis on sustainability and open space. Eighty-seven organizations now employ 3,600 people in the town, with an average salary of $69,210. With infrastructure improvements, capital fund, and incentives provided by Mass Development, Devens also attracted Bristol-Myers Squibb, a biopharmaceutical company, who has invested over $750 million in a biopharmaceutical manufacturing campus in Devens, and employs 400 workers. Bristol-Myers Squibb, who plans to expand their operations and add 350 new workers, was attracted to Devens due to its emphasis on sustainability, which is a core value to the company as well. This has produced a significant change in the economy, as the focus has shifted from mainly manufacturing to a mix of different industries, including “warehousing and distribution, life sciences, and motion picture production studios.” The open space and recreation facilities—especially the golf course—has aided Devens in business attraction as well. Lowitt states, “Our recreation facilities have over 150,000 visitors a year and many prospective employees and employers have their introduction to Devens through shuttling their children to recreational events on our playing fields and recreation areas...[t]hey love the balance our commitment to sustainable development...has created here at Devens.”

The redevelopment of Fort Devens shows the impact that sustainable development and the preservation of open space on economic development. It also shows the ways planners can aide in sustainable economic development planning through the efforts of the Devens Enterprise Commission. By focusing first on the conservation of land and embracing sustainability, Devens has produced an environmentally friendly community where businesses and their employees enjoy working and living.

Resources


Key Takeaways

- Planners can be instrumental in helping a community recover economically from a natural disaster.
- In 1997, Greater Grand Forks ND-MN suffered over $2 billion in damage after the Red River flooded both cities.
- Planners aided in the recovery through developing a plan for the revitalization of the downtown, which included the building of a new town square and a Greenway—as both a flood mitigation and economic development strategy.

One of the major topics in planning at the moment is disaster recovery, mitigation, and resiliency. Since Hurricane Katrina in 2004 and Hurricane Sandy in 2012, there has been extensive discussion on how planners can help their communities prosper economically after a major disaster. When looking for examples on ways to respond to a crisis, it may be best to look to history to see the ways planners can help cities recover.

The Grand Forks Region downtown revitalization can serve as an excellent example of how planners can help a region on the road to economic recovery. Greater Grand Forks is made up of two different areas that cross state borders: Grand Forks in North Dakota and East Grand Forks in Minnesota. The two cities are divided by the Red River, which flows 550 miles from Breckenridge, Minnesota, to Lake Winnipeg in Canada. The Red River was prone to flooding, and Grand Forks had fought floods in 1897, 1950, and 1979.

In 1997, the Red River rose four inches over the fifty-foot dikes, which had been implemented to protect the town from flooding. The populations of the cities of Grand Forks and East Grand Forks were evacuated, and the floodwaters surged into the cities. The flooding also caused a fire which destroyed part of the Grand Forks downtown area. Overall, the total damages to both Grand Forks and East Grand Forks totaled $2 billion. Much of both cities’ downtowns were practically destroyed, and many people lost their homes.

Source: U.S. Army Corps of Engineers
To begin the process of rebuilding, both cities received around $1 billion in funding through the state and federal government. With the aid of the publisher of the Grand Forks Herald, the local newspaper, Grand Forks began revitalizing their downtown, which encouraged businesses and developers to stay and reinvest in the city. Grand Forks also established a “Renaissance Zone” in the downtown area to help in attracting businesses. The Renaissance Zone is a state program that allows cities to apply to have areas of the city designated as “Renaissance Zones” and grant tax incentives to businesses who develop projects within the zones. East Grand Forks used CDBG grants to renovate the local mall, which is now called the Riverwalk Centre, and attract a Cabela’s (a sporting goods store) as a destination retail location. They also used some of the funds to renovate Whitey’s, a historic bar in the area.

Several planners and planning agencies were instrumental in the revitalization of downtown Grand Forks. A workshop was conducted by the Urban Land Institute (ULI) which detailed a list of recommendations based on the River Forks Plan developed by the city earlier. From the workshops, ULI drafted a vision for downtown Grand Forks to become the “heart” of the region, a sentiment which had also been suggested at a local charrette. One of the major economic development recommendations provided by ULI was to develop a business attraction and retention program, which can be illustrated by the Renaissance Zone mentioned above. Camiros, a private planning firm brought in by HUD, developed a plan for downtown based on previous charrettes, workshops, and ULI’s recommendations. The recommendations included the construction of new office space, the re-building of the Grand Forks Herald Building, and the building of a new town square. In 2000, the city opened the new town square, which replaced several businesses that had been damaged beyond repair in the flood, and it now plays host to several events including a farmer’s market. The importance of the downtown revitalization to the overall economic recovery, as pointed out by the ULI report, is that the downtown area can attract new businesses, workers, and residents by being a vibrant area which has numerous offerings in the form of office space, retail, restaurants, recreation, and entertainment.

One of the most impressive ways Grand Forks used planning to help in their economic recovery was the development of the new flood mitigation system and the Greenway. Grand Forks and East Grand Forks, with help from the federal and state governments, spent $403 million to develop a new flood mitigation system. The new system raised the height of levees to 60 feet, ten feet above the height before the flood, which an LSU Study estimates saves the taxpayers over $2.50 for every dollar spent. In between the flood mitigation system and the river, the city bought and demolished several homes destroyed or damaged in the floods, and built the Greenway, a 2,200-acre piece of open space with trails, two golf courses, three

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5 This is an updated version of the document that was used in the writing of this case study.
disc golf courses, and many other recreational amenities. The Greenway also serves as part of the flood mitigation system, allowing water to expand before it reaches the levees, relieving pressure on them. It connects Grand Forks and East Grand Forks with two pedestrian bridges, and provides recreational access to downtown Grand Forks. The original vision for the plan stated that the Greenway would support community development by providing recreation and entertainment features, and would also support economic development by supporting the downtown area and providing opportunities for year-round tourism.

The recovery of Grand Forks and East Grand Forks from the 1997 flood provides a unique example of how planners can help in the economic recovery of a community. By aiding in the development of a new downtown and the Greenway, planners have helped Grand Forks and East Grand Forks recover and prosper.

Resources


IV. Conclusion: What Are the Takeaways for Planners?

As the Task Force contemplated our charge, questions continued to emerge:

- How can planners be active participants and implementers in economic development and growth?
- How can planners be more than mere conveners?
- How do planners mitigate the inherent conflicts between planning for the long term and incentivizing short-term economic benefits?

While there may be no simple answers to the above questions, there are clear and essential roles and responsibilities for planners to promote economic development and growth:

With more data available today than at any time in history, understanding a local economy and its place and relationship in the regional economy is easier—and more vital than ever. Planners should take the lead in these efforts. The Atlanta example, while still early, provides a great example for the role of planners in providing the data, convening the stakeholders, holding meaningful and targeted discussions, and facilitating an implementation plan with the end goal of balancing and promoting both local and regional economic interests.

Supporting an environment to attract and retain talent has become an important business attraction strategy. As noted in the report, this means vibrant centers—live-work-learn-play locations like Innovation Square in Gainesville. With knowledge industries being compatible with other land uses, does it now make sense to protect land for traded industries similar to agricultural protection? Does it also make sense to preserve and promote “authenticity” to retain current workers and attract the workforce of the future—e.g., the “Keep Austin Weird” approach, but institutionalized or even incentivized.

The next wave of redevelopment—suburban malls, business parks, and employment centers—is occurring in traditional suburban employment centers such as the City of Irvine (California) and Tyson’s Corner (Fairfax County, Virginia). In these areas, while traditional economic development efforts to attract and retain businesses continue, the emphasis has shifted toward more planning-centric initiatives such as promoting residential development, walkability, and improved mobility. Will this be the key to creating the type of environment and community desired by the current and next generation of workers? If so, planners can take the lead.

The case studies demonstrate planners’ roles in recognizing changing economic trends, leveraging resources to meet new and evolving needs, and addressing one-time shocks to the economy. Pacific Boulevard foreshadowed the types of demographic changes facing many localities today. Grand Forks provides a timely and relevant example for communities planning for economic resiliency in the face of
impacts from climate change and extreme weather. Devens provides a blueprint for a long-term and sustainable approach to economic recovery and growth in response to a one-time shock to the economy.

While answers—and more questions—will continue to emerge, we hope there is much food for thought in this report. However, like any good research effort, we see areas for further and continued research and debate. We hope that the discussion continues in the planning profession and particularly in areas of planning specializations: How does your specialization support economic development? What successes are planners achieving now, and what can planners do better to support economic development and growth in the future? We look forward to an ongoing and healthy conversation.