Community Development Basic Course for IEDC

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Overview

1. Community Development

2. The relationship between community development and economic development

3. Tools of the trade

4. The community as a "product"

Defining Community Development

What is Community

Log in to Poll Everywhere

To present live activities, please log in to your Poll Everywhere account in a separate window.

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Defining Community Development

What is Community
- An interacting population of various kinds of individuals in a common location
- A group of people with a common characteristic or interest living together within a larger society
- A body of persons or nations having a common history or common social, economic, and political interest

How big is your community
- State, County, Municipality, Neighborhood/ Census tract, population count

Defining Community Development (Cont')

Are you working with multiple communities

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Defining Community Development (Cont')

Are you working with multiple communities

- ◦ Neighborhood
- ◦ Population/ workforce
- ◦ Municipal borders

Aggregation

- ◦ Should communities be brought together to make one large community
- ◦ Pros & cons

Defining Economic Development

What is Economic

◦ Of, relating to, or based on the production, distribution, and consumption of goods and services

◦ Of or relating to an economy

◦ Of or relating to economics

◦ A SOCIAL SCIENCE STUDYING THE INTERFACE OF PEOPLE AND PRODUCTION

What is Development

◦ The act, process ,or result of developing

   ◦ To create or produce especially by deliberate effort over time

   ◦ To make active or promote the growth of

Defining Economic Development (Cont')

What are the driving forces of growth

◦ More people

◦ Less people

◦ New products/ processes

◦ Incentives

Examples from Detroit

◦ Great migration – rapid need for new housing

◦ Urban Renewal – overdevelopment and a desire to manage supply

◦ The automated factory line – created unprecedented demand for unskilled labor

◦ Tax exemptions – Renaissance center, Riverwalk, etc.

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Community Dev Vs. Economic Dev - Silos

Models
- ◦ Everything separate
- ◦ One under the other
- ◦ Economic Development as an executive function
- ◦ What about engineering
- ◦ Things to consider

Community Dev Vs. Economic Dev – Silos (Cont')

Space vs. Place

- Places
  - Parks
  - Transportation networks
  - Zoning districts
- Spaces
  - For whom is the place designed
  - Who is actually using the place
  - What is the accessibility of the place
  - How does the COMMUNITY feel in the place

Tools of the trade

Federal Government
- HUD
- EDA
- SBA

State Government
- MSHDA
- MEDC
- MDOT
- MDARD

Tools of the trade (cont')

Examples of Federal programs

- ◦ Community Development Block Grant
- ◦ Section 108 loan
- ◦ Community assets – parks, sidewalks, etc.
- ◦ Special programs for police/ fire

Examples – Rural Development

Jonesboro, GA

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PRESS RELEASE

TO: All Interested Parties
FROM: Ricky L. Clark, Jr., City Manager
DATE: January 8, 2018
TITLE: **CITY OF JONESBORO RECEIVES RURAL ZONE DESIGNATION**

On December 28, 2017 the City of Jonesboro was notified by the Department of Community Affairs Commissioner Pat Wilson, that the City has been designated as a Rural Zone. Recognizing that many small, rural downtown areas have experienced varying levels of economic distress, Governor Nathan Deal through collaborative efforts with the Department of Community Affairs established the Rural Zone designation. Rural Zone Communities are eligible for job tax credits, investment credits, and rehabilitation credits for small business owners as well as investors in the designated Rural Zone. In the application submitted, the City of Jonesboro delineated its Historic District (which includes the Downtown District) as the Rural Zone.

Rural Zone Tax Credit Benefits

- $2,000/year/full-time equivalent job created within the zone for five years. At least two net, new full-time equivalent jobs must be created and maintained in order to qualify for the job credits or any additional credits listed below.

- Up to $125,000 credit (claimed over 5 years) for investing in the downtown area. This is capped at 25% of the total investment cost, not to exceed $25,000 in credits claimed over five years.

- Up to $150,000 credit (claimed over 3 years) for rehabilitating structures in the downtown area. This is capped at 30% of the total investment cost, not to exceed $50,000 in credits claimed over the three years.

Examples – MSHDA, CDBG

Pontiac, MI

Examples – Section 108 Loan Guarantee

High Point, NC

Addington Ridge
With $694,000 in Section 108 guaranteed financing, High Point, North Carolina acquired and improved a site in its Deep River neighborhood that it then sold to a developer in order to construct a 58-unit, affordable* housing development.

*We'll come back to this later

Examples – Section 108 Loan Guarantee

Austin, TX

Practice Yoga
After a devastating fire forced a small business to relocate and left the building vacant for three years, Austin, Texas made a low-interest loan under its Family Business Loan Program with $150,000 in Section 108 guaranteed funds for the Practice Yoga studio to renovate the space and create 12 new, full-time jobs.

Examples – Federal requirements

Pontiac, MI

Pontiac sold land that was improved with federal dollars and now has a parks deficit.
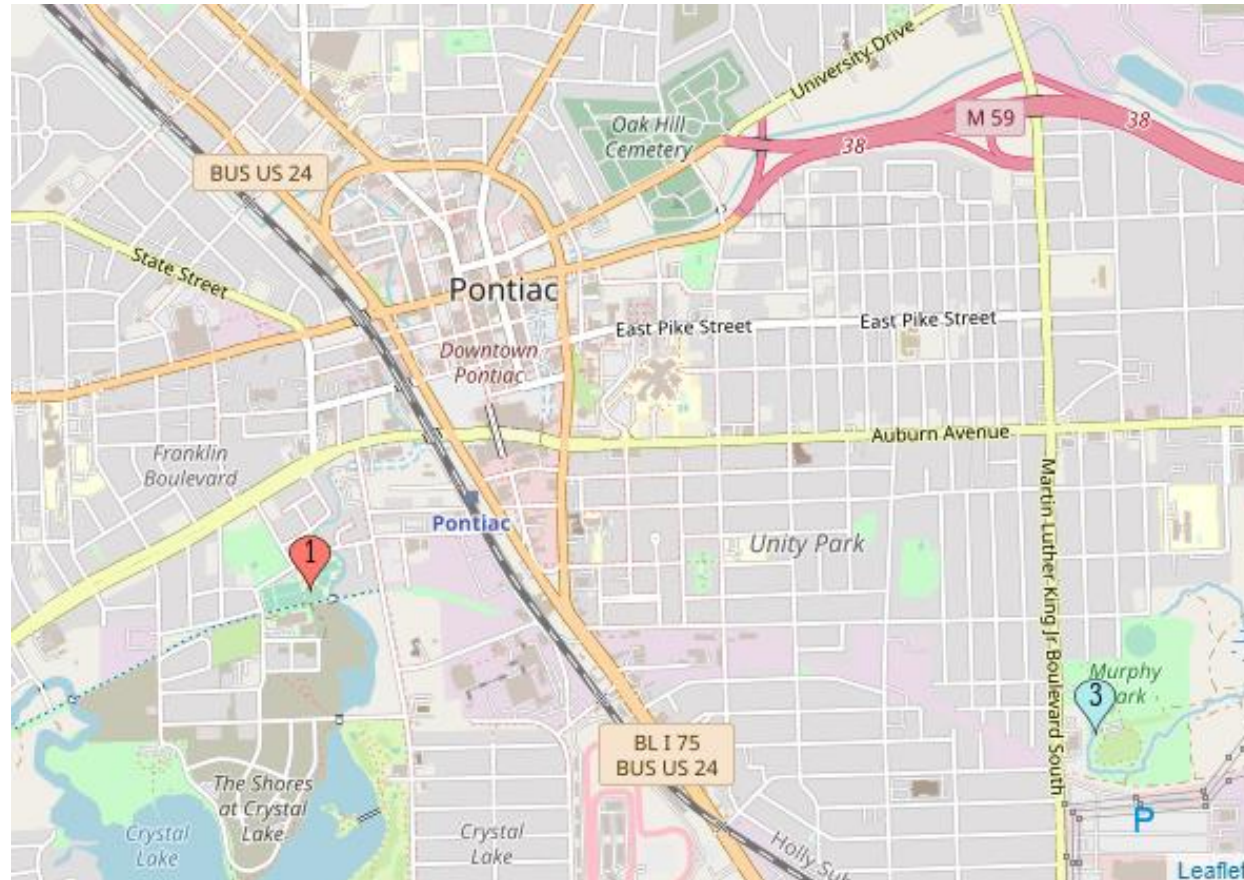
This means that the City has a large disadvantage when applying for DNR funds and as such has not received a DNR grant in many years.

Examples – State Housing loans

- Village at LaFranier Woods, Garfield Township, Grand Traverse County
- $26 million
- 115 units –
    - 59 affordable
    - 55 market rate
    - 1 manager unit

Housing loan terms

LIHTC

CHDO

PILOT

NOAH

Housing

IS

Something EVERYONE/ EVRYWHERE needs

For teachers, nurses, college graduates

A great economic development tool (when used correctly)

Best when taken as a whole

IS NOT

Somebody else's problem

Only meant for low income (but can be set aside for low income)

Meant to segregate all of the low income population in one part of town

Good to be done in isolation

Workforce   Affordable   Attainable

Need more inspiration?

Hudexchange.info/programs/home

Tools of the trade (cont')

Local Government
- ◦ Zoning
- ◦ Building/ permitting
- ◦ Negotiations
- ◦ CUSTOMER SERVICE

What is the goal

Places that attract people

Spaces where the community feels comfortable

What is your product
◦ Geographic area
◦ Image – What do people say about your space and place

What is the goal (Cont')

Managing your image – Marketing 101

PEOPLE – CUSTOMER SERVICE

What is the goal (Cont')

What is your product
- Geographic area
- Image – What do people say about your space and place

Managing your image
- What is your brand promise
  - Are you delivering on that promise
  - If not, what are your customers saying
- What are your shortfalls
  - What are your plans to mitigate those shortfalls
  - Change the promise

THE END