Northeastern University
Dukakis Center for Urban and Regional Policy

BEST PRACTICES:
STRATEGIES AND PROCESSES FOR LOCAL ECONOMIC DEVELOPMENT

About the Kitty and Michael Dukakis Center for Urban and Regional Policy

The Kitty and Michael Dukakis Center for Urban and Regional Policy at Northeastern University conducts interdisciplinary research, in collaboration with civic leaders and scholars both within and beyond Northeastern University, to identify and implement real solutions to the critical challenges facing urban areas throughout Greater Boston, the Commonwealth of Massachusetts, and the nation. Founded in 1999 as a "think and do" tank, the Dukakis Center's collaborative research and problem-solving model applies powerful data analysis, a bevy of multidisciplinary research and evaluation techniques, and a policy-driven perspective to address a wide range of issues facing cities and towns. These issues include affordable housing, local economic development, workforce development, transportation, public finance, and environmental sustainability. The staff of the Dukakis Center works to catalyze broad-based efforts to solve urban problems, acting as both a convener and a trusted and committed partner to local, state, and national agencies and organizations. The Dukakis Center is housed within Northeastern University's School of Public Policy and Urban Affairs.

Background

A robust, sustainable, and adaptable local economy depends heavily on public officials who can lead in forming and implementing an economic development strategy. A thorough strategy is developed through an understanding of local business interests and regional economic resources, and a careful assessment of the community's ability to attract new business investment and jobs.

The Dukakis Center has developed a practical method for helping cities and towns analyze their capacity for economic development. Known as EDSAT (Economic Development Self-Assessment Tool), this a secure and confidential online self-assessment mechanism for evaluating and interpreting a jurisdiction's characteristics and processes that directly linked to affect local investment.

The development of the EDSAT questionnaire began when the Dukakis Center surveyed more than 240 members of the National Association of Industrial and Office Properties, now known as NAIOP and CoreNet Global. Input was guided by these leading corporate real estate and development professionals, whose are experts on issues pertaining to site location decisions for businesses and other institutions. Members were asked to identify those factors that are most important to businesses and developers when evaluating locations. This process generated a set of 38 broad factors relevant to economic growth and development. Examples include highway access, available workforce, and the timeliness of permit reviews.

Based on the findings of the survey the EDSAT questionnaire for municipal leaders was created. The final framework of the tool has city officials work together to answer more than 200 questions in the 10 following assessment categories:

1. Access to Customers/Markets
2. Concentration of Businesses & Services
3. Real Estate and Infrastructure
4. Labor Market Factors
5. Municipal Permit Processes
6. Community Quality of Life
7. Site Related Amenities
8. Business Incentives
9. Local Tax Raters
10. Access to Local information

Based on rankings by location experts, EDSAT factors are identified as Very Important, Important, or Less Important to businesses and developers. We denote these rankings as follows: A filled circle (●) indicates *Very Important*, a half-filled circle (◖) indicates *Important*, and an unfilled circle (○) indicates *Less Important*.

Very Important ●

- Highway Access
- Parking
- Traffic
- Infrastructure
- Rents
- Workforce Composition
- **Timeliness of Approvals**
- **Jurisdiction's Website**

Important ◖

- **Public Transit**
- Physical Attractiveness
- Complementary / Supplemental Business Services
- Critical Mass Firms
- **Cross Marketing**
- Marketing Follow-Up
- Quality of Available Space
- Land
- Labor Cost
- Industry Sensitivity
- Sites Available
- **Predictable Permits**
- **Fast Track Permits**
- Citizen Participation in the Review Process
- Cultural and Recreational Amenities
- Crime
- **Housing**
- Local Schools
- Amenities
- State Business Incentives
- Local Business Incentives
- Local Tax Rates
- Tax Delinquency

Less Important ○

- Airports
- Rail
- Water Transportation
- **Proximity to Universities and Research**
- Unions
- Workforce Training
- Permitting Ombudsman

Each question in EDSAT addresses a particular location factor and provides three ways to interpret that factor relative to the response in your own community:

1. The level of importance businesses and developers place on that location factor

2. How other jurisdictions participating in EDSAT have typically responded to that question

3. How your jurisdiction's response compares to the typical response and the importance of the location factor

The EDSAT analysis compares your jurisdiction's response with those of Comparison Group Municipalities (CGM)—that is, all of the jurisdictions that have completed the EDSAT questionnaire. With regard to the Permitting Process, for example, your jurisdiction may offer significantly shorter review times than the CGM. In this case, the EDSAT analysis suggests that on this measure your jurisdiction may possess a relative advantage in what is a Very Important location factor. However, if permit reviews take significantly longer, then your jurisdiction may be at a disadvantage. While local and regional regulations or processes affect the review process, businesses are interested in “time-to-market”—the time it takes to get up and running in an ever-increasingly competitive environment.

EDSAT assigns a color code to highlight the results of your jurisdiction compared to the median response among the CGM. Colors—green, yellow, and red—indicate a municipality’s relative strength on each specific location factor. Green indicates that your jurisdiction is stronger than the CGM response; yellow indicates that your jurisdiction is average or typical; and red indicates a relative deficiency.

SAMPLE RESULT, DRAWN FROM SECTION 1: ACCESS TO MARKETS/CUSTOMERS

E. Airports

Report of Beverly as compared to all jurisdictions

Question	*Beverly*		*Comparison Group*
27: Do you have a local (municipal/ general aviation) airport?	yes		no

The interaction between the importance of a location factor and your jurisdiction’s relative strength yields powerful information. With respect to businesses and developers, a comparison yielding “red” for a Very Important factor represents the potential for a “deal-breaker,” while a comparison resulting in “green” for a Very Important factor represents the likelihood of a “deal-maker.” There are several important considerations to keep in mind when reviewing a jurisdiction’s EDSAT results:

1. If your jurisdiction is at a disadvantage in certain Very Important location factors, such as possessing a slow permitting process, a workforce that lacks necessary skills, and infrastructure that lacks the capacity to support growth, it is considered to have three distinct “deal-breakers,” regardless of its geographic location.

2. Your jurisdiction should look at its EDSAT results as an overview, and not focus on a particular location factor. One “deal-breaker” does not mean that your jurisdiction should abandon its economic development efforts. At the same time, your jurisdiction cannot rely solely on one or two “deal-makers.” Economic development is a dynamic process and should be managed in such a way that a community continually responds to the changing needs of local and prospective businesses.

3. The interpretation of comparisons and color assignments depends on your jurisdiction’s context in answering the question and its objectives for economic development. For example, if

there are significantly more square feet of vacant commercial space than the CGM median, EDSAT assigns “red” because large amounts of space may indicate outdated facilities in a stagnant local economy. However, the empty space may actually be an asset if your jurisdiction is focusing on attracting businesses that would benefit from large spaces, such as a creative mixed-use complex. Thus, your jurisdiction’s context is important in understanding EDSAT results.

For some questions, the red and green color assignments serve to highlight the response for further consideration within the context of your jurisdiction’s objectives and circumstances. Several questions have no comparison at all. They tend to be lists of potential incentives, resources, or regulations associated with the municipality and will be discussed in corresponding sections of the report.

Introduction

Economic development is a collaborative process that builds strong, adaptive economies and requires leadership. Municipal officials are at the heart of this process and must play a critical role in attracting business investment, jobs, and a strong tax base. Designing and adopting strategies appropriate to local economic development must account for rising federal deficits and a bipartisan drive to cut the federal debt, which means there will be little additional aid to local communities from the federal government. In addition, states are increasingly facing structural budget deficits, further limiting the supply of local aid from state governments.

In this new environment of fiscal constraint, local communities will prosper only if they are successful in finding new sources of revenue. Attracting business enterprise—or retaining and expanding existing businesses—to the municipality is the best way to diversify revenue streams. Municipal leaders must initiate and support this development process. The first step is to assess the municipality's strengths and weaknesses. Second, public leaders should look to change what they have control over, as well as collaborate with others on that which can be influenced.

Cities and towns have the ability to create their own destiny, and they can benefit from having sophisticated partners who can help them develop tools and information to compete successfully. That being said, communities must also come to terms with new approaches to local economic development. Economic development has become much less about offering lower costs of production than about a high quality of life and community assets that attract and retain innovative firms and their workers. This means that strategies should provide for quality housing and neighborhoods, mobility, education, and health and cultural facilities. In addition, it is important to align economic development strategies with state policy, regional clusters, and appropriate workforce education.

The purpose of this guide is to create a list of Best Practices that support municipal officials defining or refining their economic development goals and strategies. The strategies and processes described in this guide will examine some of the most important location factors for better positioning communities to attract industry, private investment, a sustainable tax base, and high-quality jobs. The guide will examine the following location factors: timeliness of approvals, website/access to information, public transit, cross marketing, permitting and zoning (including predictable permits, fast track permits, and overlay districts), housing, and universities and research.

For each of the seven location factors—highlighted in bold in the table above—the guide will provide a brief overview and explain why the factor is important to local economic development. It will then link to a case study of a best practice, explaining why it was chosen, what made it successful, and some of the key lessons it offers for policy and planning.

1. Public Transit
   Important ◖

In order to minimize transportation costs and time-to-market, businesses want adequate access to uncongested transportation corridors for their shipping needs, customers, and employees. A more modern approach to transportation planning is the first step to creating a safer, more efficient, and more effective transportation system that not only helps drive economic growth, but also strengthens communities and protects valuable cultural resources.

Public transit can make a difference in the lives of people. Investing in public transit provides environmental benefits, reduces congestion, and drives economic growth—largely by connecting people to jobs. A variety of challenges are associated with creating an efficient and effective transit network, including the difficulties of applying technological advances, coordinating service between different operators or transit modes, and limited financing tools. However, the most crucial drawback is often the lack of a collaborative governance structure with the proper capacity to make effective investment decisions.

Collaborative governance structures are vital for transportation policy. By focusing on governance, municipalities can feasibly attempt to navigate inter-municipal social and political issues around transportation that are even more complex than infrastructure and engineering related challenges. In addition, collaborative governance applies to any scale or type of community. Participation as much as leadership on regional transit issues can play an instrumental role in advancing policies that promote shared interests.

Best Practice Case Study: Governing Denver's FasTracks

Link: http://t4america.org/maps-tools/local-successes/denver/

Downtown Denver and its surrounding region offers a good example of how municipalities can work together to design, fund, and implement state-of-the-art public transit. Since the turn of the century, the Denver region had been facing increasingly complex challenges related with growth management and congestion. It responded with significant changes in transportation and land-use behavior, driven by former mayor John Hickenlooper. Building on previous mayoral successes in regional leadership, Hickenlooper forged consensus that regional transit was essential to Greater Denver, which paved the way for the FasTracks Program—one of the largest mass transit systems in the country, with a total of 119 miles of new and extended light-rail and commuter-train lines, 18 miles of bus rapid transit lanes, and 21,000 park-and-rise spots, for a total cost of $4.7 billion paid for by a voter-approved sales tax increase across a seven-county area.

Getting the region to overcome its differences and work like a city-state did not happen overnight. Hickenlooper began building on previous attempts to restore city-suburb relations by reaching out to suburban leaders. This proved to be a masterstroke not only during campaigns to get voters to approve the FastTracks program, but also when the project began facing a number of obstacles in its path, including opposition from the Governor, tax increases, and a series of lawsuits. Nonetheless, urban and suburban mayors, along with business leaders remained steadfast in their goal of supporting a regional transit-oriented development policy/.

Although each region is unique in its history, municipal boundaries, and transit networks, there are lessons to be learned from Denver's FasTracks program for improving transit governance structures. Bus and rail lines coalesce, and transit networks do not simply end at a town, city, or county border. Effective collaborative governance structures accept this fact and plan, organize, and operate with a regional perspective.

It is also important to note that most public transit funding comes from the federal government and is allocated (and supplemented) by the state. It competes with is left over from dedicated highway funding. This predisposition to municipal in-fighting, competition, and state influence peddling explains why participation in urban-regional cooperation is so crucial—on all community scales—to successful public transit development.

2. Timeliness of Approvals
   Very Important ●

Sound permitting processes seek to drive economic development, enhance the governance of land-use, and serve local residents by offering more efficient and effective ways to analyze site plan reviews and zoning variances, and to reduce bureaucracy and businesses time to market. Streamlined permitting is described by The Massachusetts Association of Regional Planning Agencies as a way of getting to a yes or no answer as quickly as possible without lowering environmental or other review standards.

Streamlining the permitting process requires a multi-faceted approach. Initiatives must look at ways of improving communication, standardizing the permitting process, and enhancing systems accountability. In practice, a city or town might simultaneously establish a single point of contact to improve communication; set criteria for special permits, as-of-right zoning, and master plans to standardize the permitting process; and create permit tracking systems as a means of bolstering performance.

One of the most feasible interventions for streamlining permitting is the creation of 'one-stop' permit systems. One-stop permit centers aim to streamline the permitting process for residents and developers by bringing together permit-related personnel from different public departments. This approach has yielded positive results in the form of improved communication, coordination, and problem solving between agencies.

Case Study: Missoula, Montana

Link: http://www.ci.missoula.mt.us/DocumentCenter/Home/View/5475

In response to the growing inefficiency and ineffectiveness of the municipal approval process, described at the time as time-consuming and poorly coordinated, Missoula Mayor John Engen spearheaded efforts to overhaul the planning and development review process. After collecting valuable input from stakeholders, the town's chief administrative officer made a series of recommendations, which included the creation of a one-stop permit shop that brings together all existing municipal; planning and development review functions and staff into a single department.

The idea was to enhance customer service by consolidating all planning-related functions in one single and easily accessible location. In Missoula, the administration targeted structural and organizational change to improve, coordinate, and ensure that reviewing agencies were in sync with one another.

3. Website
   Very Important ●

The need for a strong and easily navigable website is more important than ever. In today's digital age, location experts use municipalities' websites to gather initial information, and if it is not available, easy to find, and easy to understand, the researcher may reject a town as a potential location without further consideration.

A municipality's website is often the first result when someone searches for the name of that town, making it a powerful driver of economic development. As such, providing easy to find, up-to-date, and thorough information is crucial for showcasing what your town has to offer.

As the initial source of information, a well-designed and functional website can entice a location expert to probe deeper and to contact a municipality to seek additional information. At that point, the municipality's economic development leader or permitting ombudsman has an opportunity to step in and develop one-on-one rapport with the developer or company representative.

Case Study 1: Fitchburg, Massachusetts

Link: http://www.ci.fitchburg.ma.us/

A municipality's website should provide important information to potential businesses and residents. The town of Fitchburg's website is a perfect example of how a relatively small city can entice people and businesses to learn more about what it has to offer. The website is well designed and includes a dedicated section focusing exclusively on economic development. The website provides a link to Fitchburg's master plan—Vision 2020—which outlines the strategic vision for the town and its future. The website provides a list for all local development policies and procedures, all properties and sites available for development, and information on major industrial clusters, employment, and demographics. In addition, the website makes it easy to navigate the permitting process by providing a checklist and handbook to prospective developers, and also makes it possible to file permit applications electronically.

Case Study 2: Virginia, Beach, Virginia

Link: http://www.vbgov.com

Another example of a larger and more corporate-oriented city doing a great job with its website is Virginia Beach. The largest city in Virginia decided to take a more proactive approach to attract private sector investment by creating a website solely focused on marketing business and development opportunities. Virginia Beach's economic development site is linked to from the city's main government website and is designed to provide businesses and developers with an in-depth overview of issues relevant to the economic decision-making process.

The website provides an overview of the city's business environment by providing ample information on demographics, the cost of doing business, and transportation. It provides detailed information on the city's nine business districts, highlighting their distinct character and industry base. In addition, the website creates a snapshot for key industries such as advanced manufacturing and retail while encouraging visitors to interact with the multimedia showcasing featured properties.

4. Cross Marketing

   Important ◖

To effectively compete for critically needed private sector investment a community must market itself beyond its geographic boundaries. The key lesson for local officials is that what others say about your community is more important than what you say yourself. As such, municipalities should aggressively market themselves to potential recruits in collaboration with firms in the town, who can speak credibly about the town's business climate and quality of life. By getting business executives to tell their stories of success a town can gain the upper hand at attracting investment.

Local officials should also look to engage local and regional business organizations, regional planning agencies, and state agencies to market the community. Working with state and regional planning agencies, cities and towns can pool their resources to meet challenges that cross jurisdictional boundaries. Cities or towns within a particular regional economic cluster can jointly market their respective communities through regional planning agencies, which can lead to improved communication, planning, policymaking, coordination, and advocacy.

Case Study: City of Kennewick, Washington

Link:
http://www.go2kennewick.com/go2kennewick/DocumentHandler.ashx?path=Documents%2FBusiness%2FForms%2FEconomic+Development+Marketing+Plan

It is uncommon for towns to create and implement economic development marketing plans. Yet as part of efforts to facilitate business recruitment, expansion, and retention the city of Kennewick, Washington produced an economic development marketing plan that should serve as a best practice for cities and towns across the country. Kennewick, which along with Richland and Pasco forms the Tri-City metropolitan area in Washington, produced a marketing plan with recommendations for cross marketing as part of an “inside-out” approach for attracting private investment. The plan demanded improvements to the working relationships between business owners and public sector officials as a means of driving economic development.

Understanding that there are many benefits to fostering deep relationships with business and civic leaders within the community, the town decided to seek cooperation and support from various public and private agencies including the Chamber of Commerce, the Port of Kennewick, and the Benton-Franklin Council of Governments to identify economic development opportunities and to market the community.

As the retail hub of southeastern Washington and Northeastern Oregon, Kennewick’s leadership acknowledges the importance of continuing to recruit retail businesses. In addition, it aims to market and expand the Tri-Cities Business Builder web portal as a means of diversifying the economy and attracting higher-wage jobs. The business recruitment, expansion, and retention program recommends identifying “niche targets,” including businesses from the food processing and manufacturing industries, technology, and the health care sector..

The plan’s marketing recommendations emphasize the need to engage resident business leaders through consistent outreach including business visits, newsletters, and business surveys. The business survey in particular, which is to be developed in collaboration with the local business association, was identified as a tool to learn about businesses and their needs, as well as to generate leads. In addition, the plan recommends networking efforts directed towards building strategic relationships with private developers, financial institutions, employment and educational institutions, and economic development entities.

5. Municipal Zoning (Predictable Permits, Fast Track Permits)

Important ◖

Municipalities should treat permit applicants the same way smart businesses treat valued customers. Making permits predictable is one way municipalities can streamline regulatory processes for businesses and help reduce time-to-market. Predictable permitting involves providing businesses with a checklist, flowchart, and/or development handbook on permitting requirements and processes. This can lessen the burden on businesses by reducing delays and uncertainties and instilling confidence in the administrative system. Municipalities can also allow for single presentations of development proposals to all review boards and commissions with relevant permit authority.

One of the most important steps that a municipality can take to promote desired economic development is to ensure the zoning of commercial and industrial sites in appropriate quantities and locations. Communities can expedite permitting in a variety of ways, but two are most common: fast track and pre-permitting. Fast-track permitting for either designated areas or specific uses empowers communities to take a proactive approach and establish a vision for their future. It is important to note that businesses want a place, not just a site. As such, successful communities capitalize on their unique assets and implement a variety of regulatory and non-regulatory tools and incentives to influence new development that makes the community a better place to live, work, and visit.

One such tool involves pre-permitting development in certain districts. A site-specific device, pre-permitting seeks to attract a preferred type of development for a particular location. It covers all the regulatory requirements of the preferred use *before* private sector investment. Similarly, municipalities can "fast track" permitting to potential developers and firms. While not site-specific, "fast track" permits still offer expedited permitting for types of projects that the municipality wants to attract.

Conforming businesses also like overlay districts, even though they require additional permitting standards. Overlay districts can be established to allow expedited or restricted permitting for certain uses. Overlay zoning creates a special zoning district that is laid over existing zone(s), and overrides their requirement for a specific activity. Common uses include environmental protection (e.g. wetlands), mixed-use and/or transit-oriented development, and historic preservation. Overlay districts enable municipalities to set design guidelines that create a particular look and feel of an area while protecting valuable resources and a community's objectives.

Case Study: City of Roswell, Georgia.

Link: http://www.dca.state.ga.us/intra_nonpub/Toolkit/ModelOrdinances/ModOvrlyDist.pdf

One of the most successful communities to have implemented an overlay district is Roswell, Georgia. The Parkway Village Design District was implemented along six miles of SR 92 in north suburban Atlanta with the goal of maintaining a uniform landscape and urban design along the Crossville Woodstock Road Corridor. Maintaining the six-mile-long corridor's unique historic character was part of the orderly growth policy outlined in the city's comprehensive plan.

The zoning of the overlay district aimed to promote quality new development along the thoroughfare while advancing economic, cultural, open space, and safety features to improve the community's general welfare. Design guidelines adhered to three design principles including rural landscape tradition, vernacular architectural tradition, and site relationship standards. As for development plans, the district looked to attract single-family development and campus style corporate headquarters, discourage sprawl strip commercial development and provide for mixed-use options to encourage development consistent with the city's comprehensive plan.

The Parkway Village Design Overlay resulted in 12 to 14 villages (parcels of seven acres or larger with 400 feet of frontage for both new and existing properties) with an average size of over 20 acres and an aggregate taxable value of over $120 million. In addition, the overlay district preserved the rural character of the area, improved landscaping, and reduced traffic. The design controls also lessened retail tenant turnover and boosted the district's image.

6. Housing
   Important ◖

Significant demographic shifts are taking place in urban areas across the country, and cities and towns must plan accordingly. While most of the discussion is centered on housing millennials, it is important to remember the population is aging nationwide. As such, it is imperative to develop a variety of housing types that cater to the needs of housing market segments serving distinct populations.

In suburban communities, reforming zoning regulations can lead to the development of more multifamily housing, which can ensure that aging baby boomers looking to downsize and remain in the community can do so. In addition, adopting zoning for cluster development, inclusionary zoning, and/or Chapter 40R can help address the challenge of providing housing that is affordable for low and moderate-income households.

Case Study: Reading, MA.

Link: http://www.mass.gov/hed/docs/dhcd/cd/ch40r/profile-reading.pdf

According to the town of Reading's housing production plan, the two key findings of the housing needs assessment could be summarized as follows: First, shifting demographics indicate that the town's already ageing population is expected to continue growing: "the older-adult population (ages 60-74) is expected to increase by 71% by 2030." In addition, this demographic group seeks to age in place and would be inclined to live in smaller housing units. Second, there is demand for more diverse housing that caters to the demands of single-person households, non-family households, and so forth.

In response to the housing needs of Reading's current and future residents and as part of efforts to increase zoning for dense residential and mixed-use developments, the town decided to adopt the Massachusetts Chapter 40R Smart Growth Zoning and Housing Act. For areas to be deemed eligible locations for the adoption and implementation of smart growth zoning overlay districts they must include (as part or all of parcel) land that meets standards related to transit, areas of concentrated development (town center or commercial districts) and infrastructure (water and sewer). Under the last standard—highly suitable locations—areas with water and sewer represent sites appropriate for the development of mixed-use or high-density housing.

Reading's decision to implement two Smart Growth Overlay Districts, the Gateway Smart Growth District (GSGD) and the Downtown Smart Growth District (DSGD), allowed them to proactively identify and zone areas suitable for development in exchange for financial incentives and local control over the design process. 40R would also help advance the goals of Reading's 2005 Master Plan, which aimed to promote a more vibrant downtown, provide new and affordable housing units, attract and retain businesses, and encourage more diverse housing and mixed-use development. Adopting Chapter 40R was also made more appealing through its companion law Chapter 40S, which compensates municipalities for any net increase in school costs attributable to the newly zoned overlay district by making them eligible for State financed school-cost reimbursement.

In sum, the two 40R districts are expected to generate 458 new housing units, with 20% set aside for households with incomes below 80% of area median income at an affordable cost for a minimum of thirty years as per the statute's requirements. While both districts are still a work in progress, they offer the opportunity to address the housing needs of aging populations by changing zoning regulations to permit dense, multiunit and mixed-use developments.

7. Proximity to Universities and Research
   Less Important ◖

An oft-overlooked resource for local economic development is a city or town's network of universities and research centers. Although location specialists regard it as a less important factor, firms considering expansion or relocation are increasingly looking at the proximity and size of the pool of local talent, the availability of high-quality education for its employees' families, and the contributions nearby universities can make to their industry's research.

Given municipalities increasingly severe fiscal constraints, anchor institutions such as hospitals and universities are increasingly being called upon to revitalize and strengthen their surrounding neighborhoods. Anchor institutions are powerful economic engines with a large stake and important presence in the community. Their significant investments in real estate capital and relatively fixed assets make it inherently difficult for them to pick up and move. In addition to consuming sizeable amounts of land, universities are strong job generators, large consumers of goods and services within a community, and cultivators of culture, learning, and innovation. The challenge for governments is to make the most of such important place-based institutions to build more robust, resilient, and thriving economies.

Case Study: Syracuse University, New York.

Link: (P.5)
http://www.icic.org/ee_uploads/publications/ICIC_RESEARCH_anchor_institutions_r2.pdf

As a real estate developer, Syracuse University wielded its financial might to fund neighborhood improvements by building a better link between the university and downtown Syracuse. Initially, the university focused on improving lighting along a one-and-a-half mile route connecting the university and downtown Syracuse through the distressed Near West Side neighborhood.

The university followed its efforts to enhance safety by spearheading expansive efforts to revitalize the Near West Side. Syracuse University began attracting technology firms to the area and made the neighborhood more attractive to residents and visitors by linking arts venues through the use of landscaping, bike paths, wireless hot spots, and free shuttle bus service.

Syracuse University further demonstrated its commitment to better the community, particularly in low-and moderate-income neighborhoods, by getting students involved in the Near West Side project. Students from various programs worked to raise funds, design a Website and green affordable housing, and redesign a park. Furthermore, the Near West Side project redeveloped two derelict warehouses into mixed-use facilities that now house a green technology incubator, a culinary center and a live-work space for artists. The project also took part in the Syracuse $1 Home Program, which allows non-profits to obtain tax-delinquent properties for a dollar.

Through appropriate real estate investments for mixed-use projects, Syracuse University helped make both their campus and community more inviting. The university's efforts are a testament to how anchor institutions can facilitate dramatic real estate improvements that revitalize communities.

Anchor institutions such as universities should strive to create greater accountability and transparency, which would enable them to better partner with local government and neighborhood residents. Local governments on the other hand, should build long-lasting partnerships with anchor institutions, which present endless opportunities and sources of financing for economic and community development.