

City of Ironwood Community and Economic Development

City of Ironwood City Commission Meeting of October 13, 2014

Downtown Ironwood Development Authority Meeting of January 22, 2015

Ironwood Economic Development Corporation Meeting of February 4, 2015

Presented by Michael J. D. Brown, Community Development Director

Agenda

- ▶ Community Development Department Functions and Responsibilities
- ▶ Comprehensive Plan Status Update
- ▶ **Economic Development Activities**

Definition of Economic Development

- ▶ According to Wikipedia “**Economic development** is the sustained, concerted actions of policy makers and [communities](#) that promote the [standard of living](#) and [economic health](#) of a specific area. Economic development can also be referred to as the quantitative and qualitative changes in the economy. Such actions can involve multiple areas including development of [human capital](#), [critical infrastructure](#), regional [competitiveness](#), [environmental sustainability](#), [social inclusion](#), [health](#), [safety](#), [literacy](#), and other initiatives. Economic development differs from [economic growth](#). Whereas economic development is a [policy intervention](#) endeavor with aims of economic and social well-being of people, economic growth is a phenomenon of [market productivity](#) and rise in [GDP](#). Consequently, as economist [Amartya Sen](#) points out: “economic growth is one aspect of the process of economic development.”

Definition of Economic Development Continued

- ▶ **The International Economic Development Council** defines Economic Development as follows from its Economic Development Reference Guide on page 3
http://www.iedconline.org/clientuploads/Downloads/IEDC_ED_Reference_Guide.pdf

Economic Development: Current Tools of the Trade

- ▶ CD Director attended Economic Development Training through the International Economic Development Council (IEDC) and Michigan Economic Developers Association (MEDA) September 2014
- ▶ Confirmed Ironwood is doing what it should be when it comes to Economic Development and it is consistent with our Comprehensive Plan
- ▶ The City can't create jobs or move a company here but we can create an environment, through the strategies that are identified in the Comprehensive Plan, that encourages job creation and business growth in order to create economic prosperity

Economic Development Training Sessions: consistent with IEDC Economic Development Reference Guide earlier in presentation

- ▶ Business Retention and Expansion
- ▶ Attraction and Marketing
- ▶ Strategic Planning
- ▶ Real Estate Development and Reuse
- ▶ Financing
- ▶ Entrepreneurship; Small Business Development
- ▶ Pure Michigan Business Connect
- ▶ Community Development and Redevelopment
- ▶ Workforce Development

Business Retention and Expansion:

- ▶ Should Do: Put majority of resources towards business retention and expansion
- ▶ Why:
 - ▶ We need to understand and take care of existing customers
 - ▶ They have already invested in our community as well as employ our citizens
 - ▶ The 80/20 rule applies; bulk of new jobs are derived from existing businesses
 - ▶ It's easier and less expensive to capture their growth and expansion than it is to attract new customers to the community
 - ▶ If your existing customers aren't happy it is difficult to attract others
 - ▶ They can be your best sales people
- ▶ We Do: [Business Retention and Expansion Program](#)
- ▶ Will Do: Continue to implement the Strategies outlined in the [Comprehensive Plan](#)

Attraction and Marketing:

- ▶ Should Do: Market and Attract new businesses to Ironwood based on recommendations in Comprehensive Plan - [Chapter 6 Framing Concepts](#)
- ▶ How and what we do and need to do:
 - ▶ First have a [Comprehensive Plan](#) in place - We have that now
 - ▶ Second understand and brand the community - identified as a strategy in the Comprehensive Plan
 - ▶ Third market the community - we have a [community profile](#) but can be improved once we have branded the community and additional marketing can take place. A market analysis also needs to be completed and is identified as a strategy in the Comprehensive Plan
 - ▶ Fourth create partnerships with local governmental and non-profit groups - we do this with [IEDC](#), [DIDA](#), [IIDC](#) and other groups in the area but additional partnerships can always be formed. Recently the [Regional Prosperity Plan](#) was adopted which looks to greater coordination among agencies.
 - ▶ Fifth use the tools above to go after companies and businesses that have the potential to locate in Ironwood. We have an [available properties tool](#) free through the MEDC.
 - ▶ Attraction is very labor intense and expensive - greater focus should be on retention and expansion, but **QUALITY OF LIFE AMENITIES** are important to attracting businesses and job seekers

Strategic/Comprehensive Plan

- ▶ Should Do: Have a Strategic/Comprehensive Plan
- ▶ We Do: Have a [Comprehensive Plan](#)
- ▶ We Will: Implement the plan to create an environment that will promote economic prosperity; implementation means implementing all strategies that are identified in the plan in a balanced way
- ▶ The Comprehensive Plan has chapters/components on Land Use and Community Character, Transportation, Parks and Recreation, Community Development (Economic Development and Housing) and Infrastructure and Community Facilities. All these components work as a team and are interrelated and necessary towards economic prosperity.

Real Estate Development and Reuse

- ▶ Should Do: Work with property owners and developers to develop and redevelop property
- ▶ We Do: Work with property owners through the Site Plan Review and Development process with the Planning Commission and provide them insight on available [development tools](#) available
- ▶ Will Do:
 - ▶ Remove barriers to development through updating the Zoning Ordinance and development related ordinances - this is a strategy identified in the Comprehensive Plan
 - ▶ Work with property owners to identify priority development sites and prepare development plans and policies as identified in the Comprehensive Plan
 - ▶ Work toward becoming a [Redevelopment Ready Certified Community](#) through the MEDC which will tell developers we are open and ready for development as identified in the Comprehensive Plan

Financing

- ▶ Should Do: Provide access to financial tools and resources to implement projects
- ▶ We Do:
 - ▶ Provide an assistance page on the City's website with organizations that provide financial assistance and resources or a "[Tool Box](#)" as well as providing guidance on who to speak with and what programs may apply - MEDC Business Manager
 - ▶ [Local Façade Program](#)
 - ▶ [Regional Revolving Loan Fund](#)
- ▶ Will Do: Implement a Local Revolving Loan Fund as identified as a Strategy in the Comprehensive Plan as well as other programs that the City believes are necessary
 - ▶ The Comprehensive Plan recommends focusing on financial incentives (We should discuss what the City would be willing to consider), tax breaks (We can and do offer Tax Abatements) and land subsidies (We sell land at reduced rates)

Entrepreneurship; Small Business Development

- ▶ **Should Do:** Focus our efforts on our existing and future small businesses
 - ▶ Most new jobs won't come from our biggest employers, they will come from our smallest
 - ▶ Over the past 17 years 65% of new jobs have been created by small business
 - ▶ Small business produce more patents per capita than larger firms
- ▶ **We Do:**
 - ▶ [Business Retention Program](#)
 - ▶ [Gogebic Range Mentorship Initiative](#)
 - ▶ [Revolving Loan Fund](#)
 - ▶ [Assistance Tool Box](#)
 - ▶ [Local Façade Program](#)
- ▶ **Will Do:** Continue to run existing programs and implement new ones based on Comprehensive Plan Strategies and recommendations

Pure Michigan Business Connect

- ▶ [http://www.michiganbusiness.org/grow/pure-michigan-business-connect/b2b/?b2bparms=b2b-web%2FState Program Connecting Businesses with Businesses](http://www.michiganbusiness.org/grow/pure-michigan-business-connect/b2b/?b2bparms=b2b-web%2FState%20Program%20Connecting%20Businesses%20with%20Businesses)
- ▶ Businesses should sign up with Pure Michigan Business Connect
- ▶ We Do: Send email blasts to businesses the City has email for about business opportunities and have a link on our Business Assistance Page of City Website as well as through communication with our Business Retention Program
- ▶ Will Do: Continue to provide information and notice of opportunities from State and Federal agencies

Community Development and Redevelopment

- ▶ Focus on Community Economic Development which is Placed Based/Sense of Place Economic Development and includes areas such as:
 - ▶ Housing
 - ▶ Neighborhood Revitalization
 - ▶ Asset Building/Financial Empowerment
 - ▶ Downtown/Commercial District Revitalization
 - ▶ Benefits Access
 - ▶ Arts and Culture
 - ▶ Microenterprise Development
 - ▶ Education
 - ▶ Food Systems
- ▶ We Do and Will Do: Ironwood's Comprehensive Plan focuses on a majority of these items and we will continue to implement the plan based on place based/sense of place economic development

Workforce Development

- ▶ Michigan Works!
 - ▶ Connect Businesses to qualified job seekers
 - ▶ Train Michigan's workforce for positions employers are looking to fill
- ▶ Local Office in Ironwood
- ▶ We Do and Will Do: Provide local contact information to anyone looking for workforce development assistance

Who supports these concepts, tools and programs?

- ▶ [International Economic Development Council](#) - Certified Economic Developers
- ▶ [Michigan Economic Development Corporation](#)
- ▶ [Michigan Economic Developers Association](#)
- ▶ [Community Economic Development Association of Michigan](#)

Opportunities and Challenges for the Future

- ▶ Challenge: Ironwood has limited human and financial resources
- ▶ Opportunity: Ironwood has a Comprehensive Plan that provides it with a road map towards economic prosperity
- ▶ Opportunity: Ironwood has committed elected and appointed officials and volunteer citizens and businesses that support its efforts