

The City of Medina requested MTAS to assist in establishing an economic development program.

Background

Economic development has been defined as the process of coordinating and improving the city's resources to create jobs. A more practical definition defines economic development as the creation of wealth in a community. The wealth it creates is an expanded tax base, increased payroll and other benefits to the overall economy.

Industry prefers a city where a business can set up and sustain a successful operation over a period of time. It must make a reasonable profit. In assessing locations, industry considers workforce, location, infrastructure, availability and cost of capital, highway and other forms of transportation, and community livability. The ranking of these determinants is dependent on the industry's requirements.

What does it take to have a successful economic development program?

1. An economic development professional.
2. An adequately funded economic development program.
3. A commitment to upgrade infrastructure and other community resources.

What are some of the most common mistakes that cities make with respect to their economic development programs?

1. Often cities start an economic development program without a clearly defined purpose or mission.
2. Hire an unqualified economic development director.
3. Inadequate funding. The program has to be more than a part-time job and praying for a miracle.
4. Unwillingness to implement improvements that make your city a better place in which to live.
5. A lack of understanding of the structural change that is taking place in our economy—and that is the shift from manufacturing to service industries.

How should a city go about establishing an effective economic development program?

1. Know what you are trying to accomplish.
2. Target your efforts on specific industries that would fit your city. This may require a marketing study.
3. While manufacturing is important, focus on promotion of service industries.
4. For high technology service industries Internet communications is vital.
5. The city must have an economic development director who can help you to accomplish your goals. You do not need to hire someone to train.
6. To be successful the economic development program should have a first class web site.