

Economic Development 101

The Value of Economic Development

Many communities do not understand the value of economic development and what a professional economic developer does. It is sometimes thought that community growth will happen regardless so why invest in economic development. To say investment in economic development is of value because it brings revenue to communities does not give full credit to the profession. Economic development is about building healthy and sustainable economies and therefore having healthy and sustainable communities.

Here are some of the ways that economic development helps communities:

Increased Tax Base – the additional revenue provided by economic development supports, maintains and improves local infrastructure.

Business Retention – up to 80% of job creation is from the existing business base. When economic development communicate effectively with local business they are more likely to stay in the community and contribute to the economy.

Economic Diversification – a diversified economic base helps expand the local economy and reduces a community's vulnerability and dependence on a single industry sector.

Job Development – economic development provides better wages, benefits and opportunities for advancement. It can help create a career path within the community.

Self-sufficiency – a stronger economic base means public services are less dependent on intergovernmental influences and alliances, which can change with each election.

Land Value and Use – land and property is used for its highest and best use to maximize its value.

Recognition of Local Products and Services – successful economic development occurs when locally produced goods and services are consumed in the local market to a greater degree.

Quality of Life – more local dollars and jobs increase economic stability for the entire community, including the overall standard of living for the residents.

