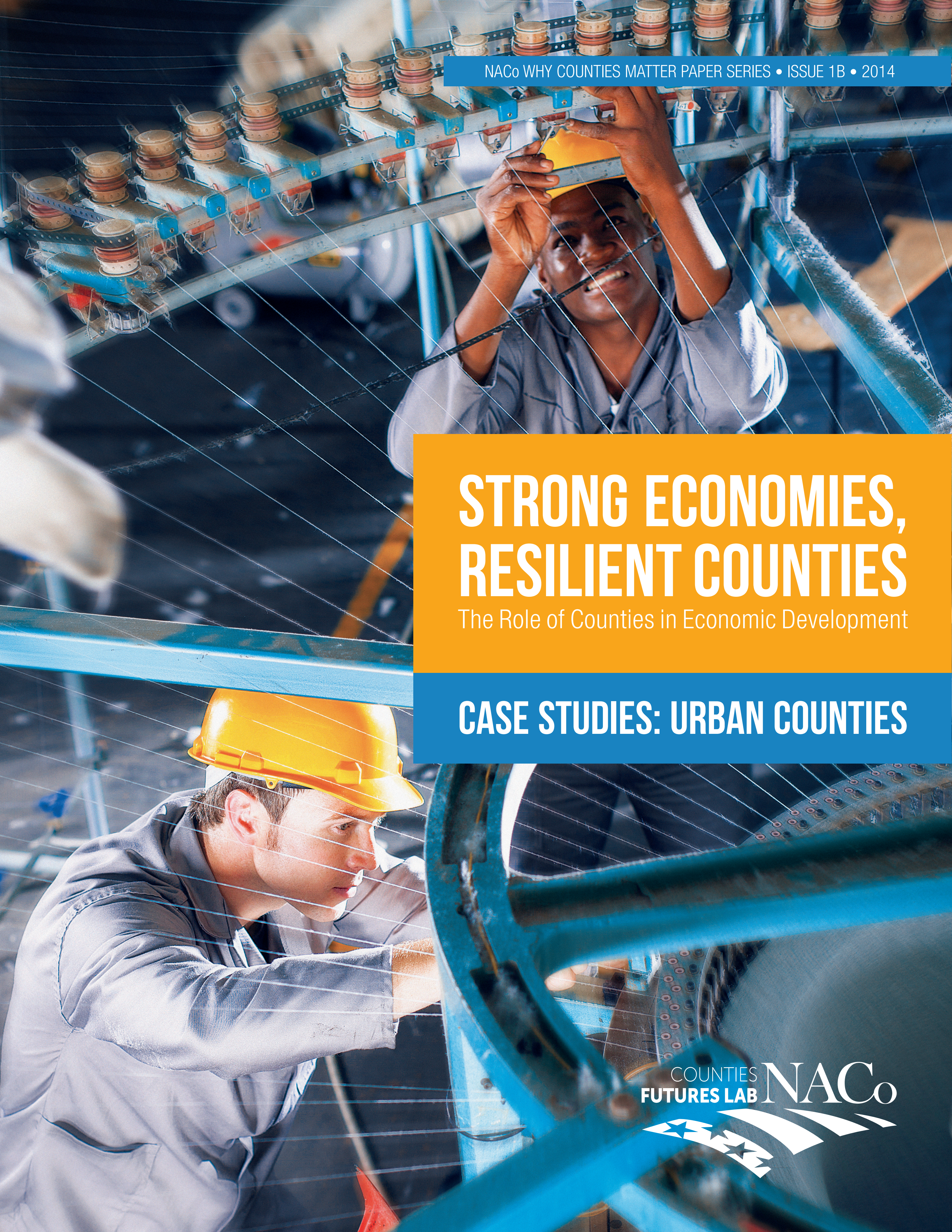

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STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development

CASE STUDIES: URBAN COUNTIES

COUNTIES FUTURES LAB NACo

The National Association of Counties (NACo) developed this research in partnership with the Lyndon B. Johnson (LBJ) School of Public Affairs at the University of Texas at Austin.

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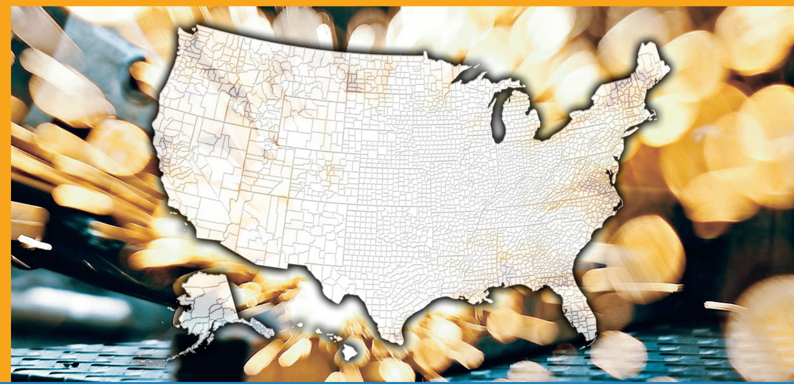
STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development



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EXECUTIVE SUMMARY

Emilia Istrate, Kavita Mak, Anya Nowakowski and
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Counties are responsible for providing core services, such as human services, criminal justice, public welfare and infrastructure, to communities of all sizes across America. To ensure the delivery of these essential services, support job growth and maintain a healthy revenue base, counties invest in economic development activities in a number of ways. An examination of county involvement, challenges and solutions in economic development across the 3,069 counties shows that:

1 **COUNTIES ARE SPONSORS OF LOCAL ECONOMIC DEVELOPMENT INITIATIVES.** Funding — often from general funds — is the most common county contribution to economic development partnerships. More than 90 percent of county governments engage in economic development initiatives, but only 57 percent of counties have a county department managing economic development initiatives. Counties most typically focus on workforce training, business attraction and retention and regional marketing in their economic development partnerships. Additionally, counties collaborate with other stakeholders to promote broader resiliency goals.

Counties are sponsors of local economic development initiatives.

93% OF COUNTIES — PARTICIPATE IN ECONOMIC DEVELOPMENT INITIATIVES

57% OF COUNTIES — HAVE A COUNTY DEPARTMENT MANAGING ECONOMIC DEVELOPMENT

81% OF COUNTIES — CONTRIBUTE FUNDING TO ECONOMIC DEVELOPMENT PARTNERSHIPS

Ethanol production equipment owned by Grass Roots Energy, a participant in the Agricultural Technology Business Incubator in Ottawa County, Mich.

For the full report, the companion interactive data tool and the text of the case studies, see the ***Strong Economies interactive*** at ***www.naco.org/StrongEconomies***

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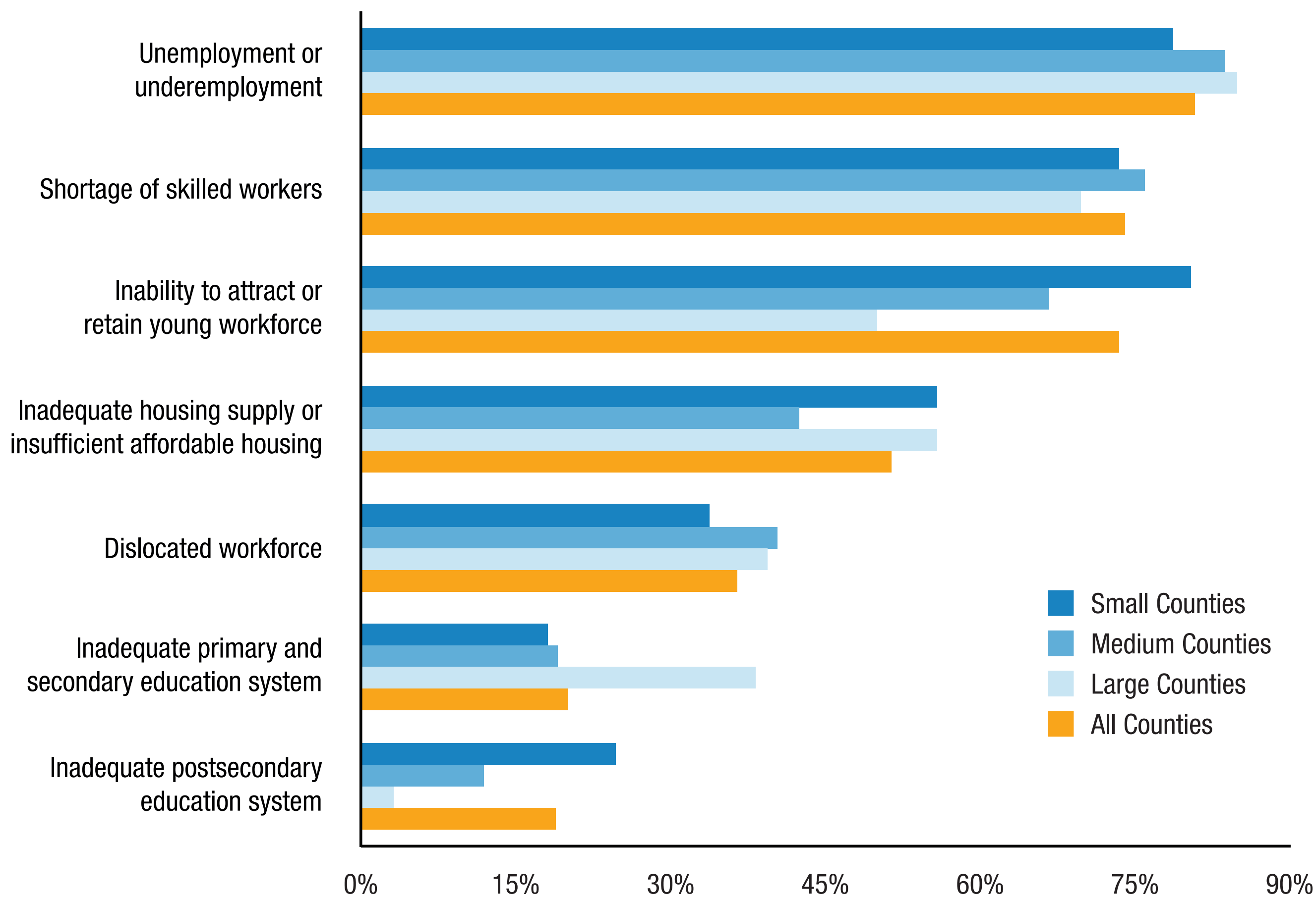
2 **WORKFORCE CHALLENGES ARE AT THE TOP OF THE COUNTY ECONOMIC DEVELOPMENT AGENDA.** Unemployment or underemployment is the most common challenge across counties (more than 80 percent of responding counties), followed closely by shortage of skilled workers (74 percent of responding counties) and the inability to attract and retain a young workforce (73 percent of responding counties). Maintaining a resilient economy with a diversified and competitive business environment is also a significant concern for counties. As major owners of infrastructure, counties deal directly with infrastructure challenges that affect the development and competitiveness of their local economies.

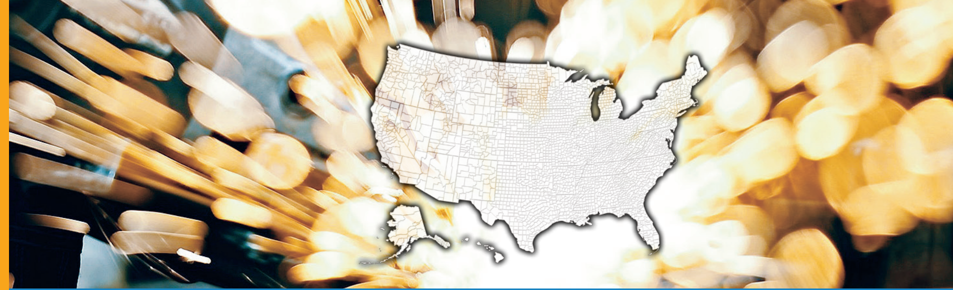
> **Counties of all sizes need more and better trade infrastructure, from ports and roads to transshipment facilities.**

WORKFORCE CHALLENGES FOR COUNTIES, PERCENT OF RESPONDING COUNTIES BY COUNTY POPULATION SIZE, 2013



Notes: Large counties have more than 500,000 residents. Medium-sized counties have between 50,000 and 500,000 residents. Small counties are counties with less than 50,000 residents.

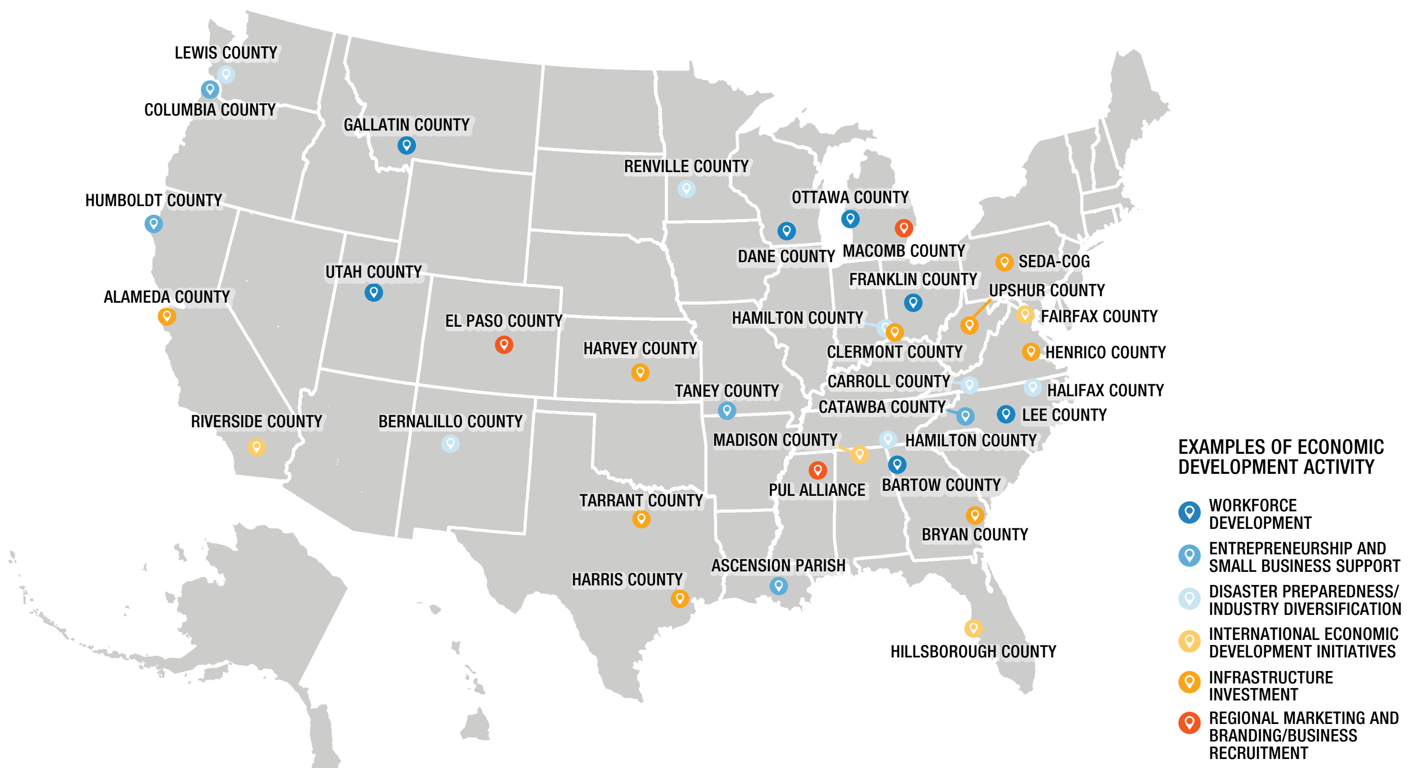
Sources: NACo survey, October 2013; 2012 population data-U.S. Census Bureau, Population Estimates, 2013



3 **COLLABORATION IS THE KEY TO COUNTY ECONOMIC DEVELOPMENT INITIATIVES.** County economic development initiatives capitalize on the networks of public, nonprofit and private partners necessary for successful local economic development. This research developed 35 case studies of county economic development initiatives from around the country, featuring a wide range of activities from workforce training, regional marketing and business recruitment and retention to infrastructure financing, small business support, business incubators, disaster preparedness, industry diversification and international economic development. While each initiative solves an economic development problem within the framework of specific local resources and constraints, these case studies highlight some of the current county practices in economic development worthy of replication.

Together with partners, counties find solutions to the most pressing economic development problems facing their communities.

CASE STUDIES OF COUNTY ECONOMIC DEVELOPMENT INITIATIVES

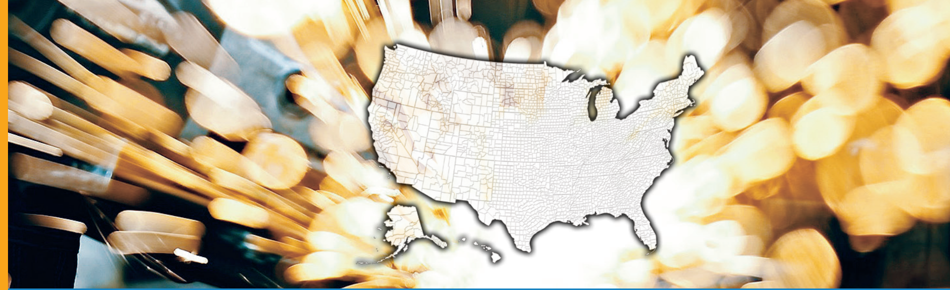


Note: The PUL Alliance in Mississippi is a regional economic development alliance among Pontotoc County, Union County and Lee County, part of the Three Rivers Planning and Development District. Susquehanna Economic Development Association - Council of Governments (SEDA-COG) is s a regional multi-county development agency serving 11 Central Pennsylvania counties. For ease of visualization, this research identifies one of the economic development initiatives featured in each case study. Most often, the case studies feature more than one initiative.

For the full range of the economic development initiatives profiled in each case study, see the Strong Economies interactive at www.naco.org/StrongEconomies

STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development



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As both global and local challenges arise, counties are poised to lead, convene and participate in economic development efforts.

Worker completing infrastructure maintenance on a roadway on the Harris County Toll Road Authority system in Harris County, Texas.

Counties of all sizes across the country are problem-solvers, able to adjust their initiatives and programs to match local assets and needs. Drawing upon the answers of 480 counties responding to the 2013 NACo survey and the 35 case studies developed for this research, this study finds that counties have a distinct ability to mobilize and coordinate resources for economic development. Local economic development challenges often require a regional solution. Counties are best positioned to be conveners for such initiatives due to the legitimacy and accountability they have as formal governments covering both incorporated and unincorporated areas in a region.

Strong local economies enable counties to improve the quality of life for their residents, create the right environment for local businesses to flourish and reduce county costs with public welfare and criminal justice, while supporting the county tax base. Counties understand that strategic planning together with their public and private partners is necessary to build strong economies and in the process make their communities more resilient to unexpected events ranging from natural disasters and factory closures to long term declines in specific industries. As both global and local challenges arise, counties are poised to lead, convene and participate in economic development efforts.

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The National Association of Counties (NACo) developed this research in partnership with the Lyndon B. Johnson (LBJ) School of Public Affairs at the University of Texas at Austin. The study draws on the results of a NACo survey of the 3,069 counties conducted between September and October 2013 and 35 case studies of counties or regional economic development organizations with county government involvement.

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ALAMEDA COUNTY, CALIFORNIA

Economic Development for Social Justice

Alameda County, Calif., is a place of great economic prosperity but also of contrasts in economic outcomes. The economy of this large county is part of the interconnected and large Bay Area region of California. Driven by the Silicon Valley software and technology firms, the region's economy — $364 billion gross product in 2013—stands eighth largest among U.S. metropolitan areas and 41st in the world, if the Bay Area were its own country. This prosperity has not spread equally across Alameda County. For example, one of the cities in the county — Oakland — has nearly 20 percent of its families living in poverty. To address this challenge, the county runs programs initiated by the Alameda County Administrator and Auditor-Controller offices to help minority youths and local small and minority-owned businesses become more self-sufficient. In addition, East Bay Economic Development Alliance (EDA) — a two-county regional public-private partnership organization working within Alameda County government —created initiatives to expand broadband access across the county and help low-income residents gain employment.

Alameda County supports initiatives to improve economic outcomes through county agencies and departments, as well as through the EDA. A five member Board of Supervisors governs the Alameda County government, consisting of more than 9,000 employees working for 21 different agencies and departments. While the county departments support some economic development efforts, the majority of these efforts occur within the EDA. Founded in 1990, the EDA is a regional economic development group, with members from government, business, university and nonprofit leaders from Alameda County and neighboring Contra Costa County. Alameda County plays a leading role in the organization, with representatives on the EDA's Executive Committee including one County Supervisor, four representatives from the Alameda County Mayors' Conference, the County Administrator, a representative from the Alameda County City Managers' Association and a county economic development director. In addition, the EDA is housed in Alameda County government offices. Alameda County acts as an issuer of industrial development bonds, which are processed through the EDA. These bonds provide financing for businesses and serve as an incentive for business attraction and expansion, resulting in the creation of new, sustainable jobs for Alameda County residents.

- Population, 2013: 1.6 million
- County Board size: 5
- County Administrator

New Beginnings Initiative

A project of the Alameda County Administrator's Office, New Beginnings provides job skills, arts education and employment for at-risk youth. County Administrator, Susan S. Muranishi initiated the program in 2007 and serves as the chairperson of the New Beginnings Advisory Committee. The initiative uses partnerships with the private sector and the Alameda County government departments to offer programs that give employment experiences to at-risk youths who might otherwise face difficulties in the workforce. Emancipated foster children can apply for New Beginnings Fellowship Program that offers paired mentoring and project management experience within Alameda County's government. In another program, called Fresh Start Café, enrollees gain work experience by operating cafes at county facilities such as libraries, offices, juvenile detention facilities and youth centers.

Youth participating in the New Beginnings program, which provides job skills, art education and employment for at-risk youth.

The Small, Local and Emerging Businesses (SLEB) Program

The Auditor-Controller's office and the General Services Agency administer the Small, Local, and Emerging Businesses (SLEB) program to provide opportunities for local small and minority-owned businesses. The program assists and expands opportunities for local and minority-owned businesses to compete for and be awarded county vendor and service contracts. Registered subcontractors receive a 5 to 10 percent bid preference on county contracts under $500,000. Between July 2009 and January 2014, SLEB clients received nearly $250 million in county contracts, amounting to over half of Alameda County's total procurement expenditures.

The East Bay Broadband Consortium (EBBC)

Alameda County officials draw on the EDA funds to connect their underserved populations with emerging technologies. In 2012, representatives from Alameda, Contra Costa and Solano counties formed the East Bay Broadband Consortium (EBBC), a grant-funded initiative to bridge gaps in broadband access. County officials shaped the EBBC's strategic plan, which is a three year work plan targeting broadband deployment, access, and adoption improvements in healthcare, workforce services and education. In 2013 Alameda County donated 500 recycled computers to community-based organizations and career centers and provided education notices on broadband to clients. The contribution and accompanying training ensure that these organizations have the equipment necessary to capitalize on regional broadband when implementation of the EBBC's strategic plan begins in 2014.

Improving Outcomes in the State CalWORKs Programs

Alameda County and the EDA are also working to improve outcomes in the state CalWORKs—California's Temporary Assistance to Needy Families (TANF) welfare program. Alameda County has the highest percentage of residents enrolled in CalWORKs in the Bay Area. Four county officials serve on the EDA's executive committee. The EDA promotes county hiring incentives with the business community, to encourage local companies to hire CalWORKs clients. These agreements are tailored to the firms' needs. Businesses throughout the county have taken advantage of wage subsidies, on the job training reimbursements and training funding through the county's Social Services Agency Workforce Investment Board programs.

Alameda County benefits from its position within the Bay Area, deriving prosperity from the region's strong technology sector. The county has undertaken initiatives to improve economic development for all its residents. Through workforce development, procurement initiatives and broadband access, the county, along with the EDA, works to ensure that challenged populations gain from the region's prosperity.

Citizens gain work experience by operating cafes at county facilities through the Fresh Start Café program.

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The Role of Counties in Economic Development

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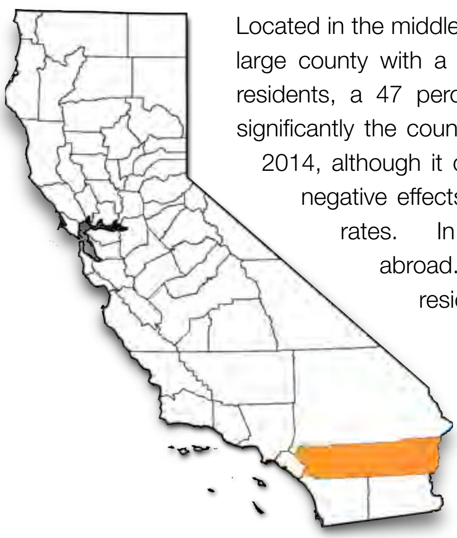
RIVERSIDE COUNTY, CALIFORNIA

Actively Pursuing Foreign Trade Opportunities



Located in the middle of the the Riverside-San Bernardino metropolitan area, Riverside County, Ca. is a large county with a fast growing population. Since 2000, the county added more than 733,000 residents, a 47 percent growth rate in only 13 years. The latest economic downturn affected significantly the county economy; the county unemployment rate is still above 8 percent, as of April 2014, although it dropped by half since 2010. Riverside County was not alone experiencing the negative effects of the recession, as the entire Riverside metro area recorded high foreclosure rates. In the same time, 90,000 jobs in the county are in manufacturing of goods sold abroad. One of the county strategies to help create job opportunities for a fast-growing resident population and counteract the latest downturn effects is the expansion of local market prospects abroad through export promotion, foreign direct investment (FDI) attraction and strategic partnerships with foreign countries.

The Riverside County Board of Supervisors established the Office of Foreign Trade (OFT) in March 2009 to diversify the economy through trade, foreign direct investment and expansion of new export markets. A Commissioner of Foreign Trade, an appointed position within the County Economic Development Agency, manages the office. OFT represents Riverside County business owners, entrepreneurs and investors during discussions with foreign governments.

Foreign Trade Zones (FTZs)

With the creation of the OFT in 2009, the county expanded its three foreign trade zones to attract foreign investment in the county. As of June 2014, Riverside County has four FTZs and a fifth underway, making it an appealing county for large manufacturers. Foreign trade zones lower costs for businesses located within the designated zone by reducing or eliminating tariffs and taxes on exports. These cost savings draw an increasing number of firms such as Skechers and Flexsteel to the county, creating jobs for county residents. In 2012, active sites within the FTZs employed 564 people and moved $1 billion worth of product through the FTZs.

- **Population, 2013: 1.6 million**
- **County Board size: 5**
- **County Executive Officer**

The county's focus on trade and use of FTZs capitalizes on its strong agricultural and manufacturing industries. Riverside County is proactive in attracting LEED certified buildings, offering discounts for manufacturing, electrical and utility

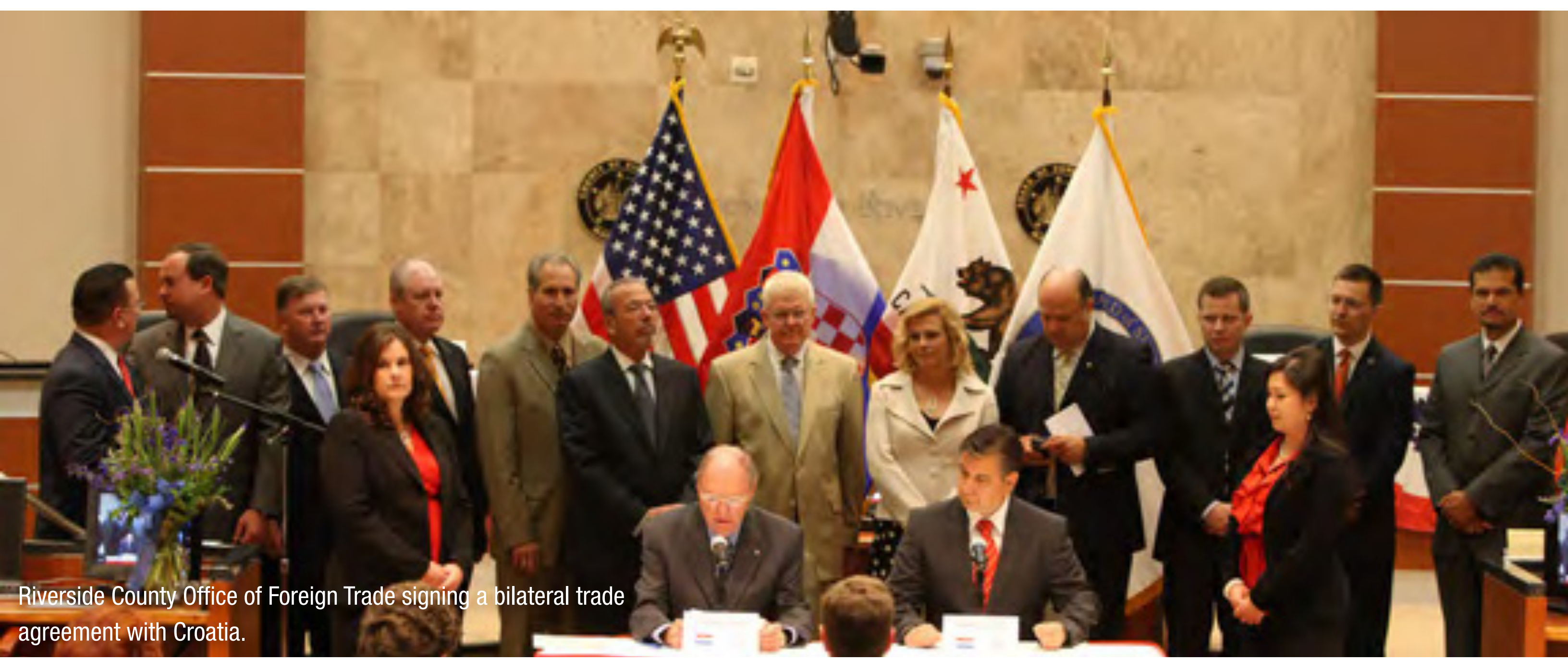
services. Manufacturing exports are rapidly growing. Between 2011 and 2012, manufacturers in San Bernardino and Riverside Counties increased their sales abroad by 13 percent, exporting $8 billion worth of goods in 2012. In 2014, manufacturers from Riverside County exported products to about 180 countries.

Additionally, Riverside County attracted more FDI in the wine industry. The county passed an expansion plan that increased the number of winery allowances from 35 to 105 and allowed planted acreage allowances to rise from 7,000 to 25,000 acres. The industry registers a growing number of foreign investors, specifically from Asia, that had an impact not only on jobs but also on the export promotion of the wine industry.

As of 2013, 35 nations invested in the county, creating an estimated 11,800 direct jobs with an annual payroll of $805 million.

Bilateral Trade Agreements

Riverside County aggressively seeks to strengthen its presence in the global economy through bilateral trade agreements. In 2013, the OFT negotiated and executed a series of bilateral trade agreements with Japan, Canada and Croatia. Most recently, county officials are pursuing a partnership with the People's Republic of China, as China not only is a large global market, but a major source of FDI. Chinese investment in the Riverside metropolitan area is about $11.5 billion, including about $4 billion for agriculture-related investments. China is also the top export market



Riverside County Office of Foreign Trade signing a bilateral trade agreement with Croatia.

for agricultural products from Riverside County. The county established trade relationships and dialogue with 68 other countries with the intention of attracting business.

Furthermore, the county partnered with the Export-Import Bank of the United States in 2009. The U.S. Export-Import Bank helps finance the export of U.S. goods and services to markets abroad by providing working capital guarantees, export credit insurance, loan guarantees and direct loans. Since 2009, Riverside County handles all loans and underwriting projects from the U.S. Export-Import Bank for the county's exporting businesses, tripling the county economy's initial $10 million export profile.

Riverside County College of Foreign Trade

In partnership with the U.S. Small Business Administration and the California Centers for International Trade Development, the Riverside County Economic Development Agency initiated the College of Foreign Trade in 2011. Hosted by the Riverside County Board of Supervisors and the OFT, the College of Foreign Trade support export promotion in the county by educating business leaders and local government officials on the importance of foreign trade and ways to use all the tools available from the county, banking institutions, EB-5 (Immigrant Investor Program) centers and FTZs. For example, the College offers seminars specifically geared towards educating the business community on the procedures for using FTZs, such as export law, financing opportunities and addressing product needs on a global scale.

In addition to the College of Foreign Trade, the county partnered with three universities and six community colleges to initiate projects that generate interest in international business in commerce and trade. In September 2012, California Community Colleges Centers for International Trade Development at Riverside Community College District was among the partner recipients of a $1.62 million State Trade and Export Promotion (STEP) grant from the U.S. Small Business Administration (SBA). Riverside Community College District and its partners — including UCLA Anderson School of Management, USC Marshall School of Business, LA County Business Federation, and World Trade Center, San Diego — use their portion of funding to coordinate training and technical assistance for small businesses that export products.

Riverside County has been proactive in expanding the market abroad for its local businesses, attract new businesses from abroad and in the process create jobs for county residents. Building on its strong manufacturing and agricultural sectors, the county is reaching out creatively to foreign investors and trade partners to ensure job creation and the successful promotion of local businesses.

Business leaders and local government officials graduate from the College of Foreign Trade.

United States Air Force Academy in Colorado Springs would provide a more engaging experience for visitors to the Academy, one of the state's top tourist destinations before September 11, 2001.

The goals of the City for Champions initiative include higher tourism spending and the creation of more than 5,100 jobs, many in highly-skilled occupations; the revitalization of the downtown area of the city; improvements of the existing infrastructure and more tax revenues to provide services for residents.

The City for Champions project is a regional collaboration with potential impact across the Pikes Peak Region and the state. In July 2013, El Paso County partnered with the City of Colorado Springs to apply for supplemental

Architectural rendition of the Sports Medicine and Performance Center, North Nevada Avenue Campus of the University of

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EL PASO COUNTY, COLORADO

Improving Economic and Social Outcomes

El Paso County, Colorado takes a holistic view on economic development by strengthening not only the local economy, but also improving the well-being of county residents. The most populous county in the state, El Paso County benefits from a strong tourism sector, with leisure and hospitality industry accounting for 13 percent of all jobs in the county in 2013. The county is home to several tourist attractions including landmarks such as Pikes Peak and Garden of the Gods. Over the past few years, major wildfires and severe flooding affected this engine of economic growth for the county. In 2012 and 2013 alone, the U.S. Federal Emergency Management Agency (FEMA) released three major disaster declarations for the county. In 2011 the county also faced another kind of disaster — in that year alone 10 children died in families across the county from abuse and neglect. This case study presents two of the latest initiatives in which El Paso County collaborated to improve the lives of its residents and strengthen the economy.

City for Champions

El Paso County works with the City of Colorado Springs and a number of other local partners to boost tourism and grow the regional economy through the City for Champions project. Initiated by the City of Colorado Springs, the project aims to attract more tourists to the region with four new venues: the United States Olympic Museum, the Colorado Sports and Events Center, the Sports Medicine and Performance Center at the University of Colorado at Colorado Springs and a new visitor center at the United States Air Force Academy. The City for Champions initiative banks on the location of the U.S. Olympic Committee in the City of Colorado Springs and aims to brand the city as "America's Olympic City." The project plans to create the United States Olympic Museum as an "Olympic Experience" for the visitors, going beyond the traditional museum concept. The project plans the Colorado Sports and Events Center as a destination for professional and aspiring athletes and a venue for regional and national sports events related to the Olympic movement. The Sports Medicine and Performance Center goes beyond tourism promotion, as a destination clinic for training and care for athletes and wounded warriors, as well as a center for aging research. A new visitor center at the

- **Population, 2013: 655,044**
- **County Board size: 5**
- **County Administrator**

funding from the state through the Regional Tourism Act (RTA) of the Colorado Office of Economic Development and International Trade. The RTA provides state funding to selected large-scale regional tourism projects that aim to attract investment and revenue from out-of-state. The RTA uses a land value capture financing mechanism, called Tax Increment Financing (TIF) that allows the state to provide for current capital project needs by allocating a percentage of the future gains in sales tax revenues generated by the project. In December 2013 the state awarded to the project 13 percent of the expected increased sales tax revenues, about $120 million over the next 30 years. The state funding helps with the $250 million cost of the project. The partners of the project aim to fund the remaining $130 million from the City of Colorado Springs, El Paso County, private donations and other sources. Construction is scheduled to begin in 2014 and last until May 2017. City for Champions expects to generate $7 billion in sales over the next 30 years and one million new visitors a year.

Not One More Child Initiative

El Paso County aims to address not only the income and job needs of their residents through traditional economic development strategies, but also their well-being and prosperity. In 2012, county Commissioner Sallie Clark teamed up with District Attorney Dan May and started the Not One More Child Initiative (NOMCI) initiative after an alarming number of child deaths occurred in 2011 because of neglect and abuse. Ten children died and seven were in families with an active-duty military member. The program seeks to end child deaths caused by neglect and abuse. Representatives from over 40 different organizations and county departments, including the County Department of Human Services, discussed the scope and products of the project. The partners decided to create seven task forces to address different aspects of the initiative. The initiative tasked the communication task force to get the message out to the community. As a result, this task force created a website and a training video and had the video aired in hospital waiting rooms throughout the community. Since some of the families affected by child abuse in 2011 involved military members, NOMCI included a military task force to address issues facing military families. For example, the program provides parenting support services when military members return home. The initiative also includes a parent support program consisting of home visitations by social workers and registered nurses and an outreach program to young fathers. These efforts had an immediate impact, reducing significantly the number of child deaths because of neglect and abuse in 2012 and in 2013.

El Paso County works with a large number of partners to improve its local economy and the lives of its residents. Through the City for Champions project and NOMCI, El Paso County continues to build its community through integrated economic development strategies. This holistic approach that involves both economic and social outcomes aims to create a stronger, more resilient county.

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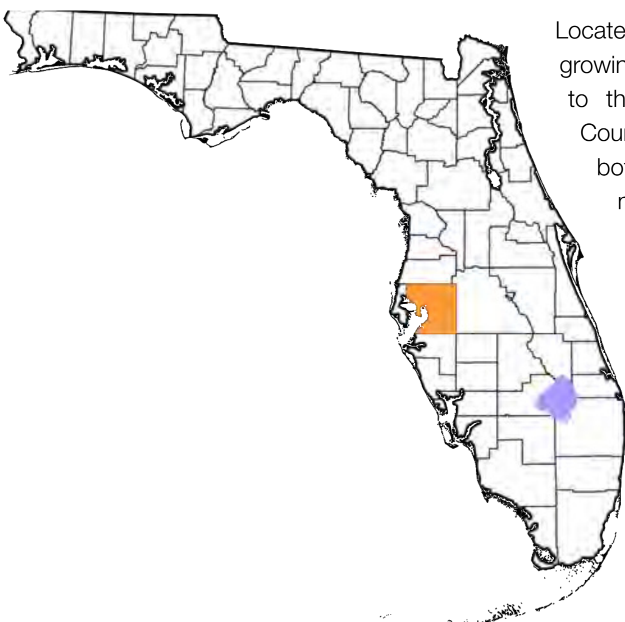
HILLSBOROUGH COUNTY, FLORIDA

Creating New Opportunities through Innovative, Effective Leadership



Located in the center of Florida's west coast, Hillsborough County, Fla., is a fast growing county with an educated labor force. One of the large counties central to the Tampa-St. Petersburg-Clearwater metropolitan area, Hillsborough County added almost 300,000 residents since 2000, at a faster pace than both Florida and the nation. The county workforce is well-educated, with nearly 30 percent of Hillsborough County residents age 25 and older possessing a Bachelor's degree or higher, more than the Florida average. As of April 2014, Hillsborough County enjoyed an unemployment rate (5.6 percent) lower than the overall Florida rate.

The county government focuses on economic diversification, building upon the substantial existing resources of the community to develop and deliver new opportunities for employment and business growth. This case study offers some of the latest examples in county leadership in economic development, including the Economic Development Innovation Initiative (EDI2), Manufacturing Academy and Apprenticeship and Internship Program, the Economic Development Innovation Initiative (EDI2) and the Competitive Sites efforts. While the Hillsborough County Economic Development Department leads these initiatives, the county also leverages the expertise and resources of other county agencies, departments and other organizations.

- Population, 2013: 1.3 million
- County Board size: 7
- County Administrator

Hillsborough County's economic development strategy hinges on strong local, regional and statewide relationships. At the county level, seven elected County Commissioners and an appointed County Administrator govern the county government, with the Administrator acting as the chief executive officer. The County Administrator implements the policies adopted by the Board of County Commissioners and is responsible for a multitude of services, ranging from preparing the county's annual operating budget to overseeing the 4,000 county employees. The County Economic Development Department leads the effort on specific initiatives, as determined by the Board of County Commissioners. With 28 employees and an operating budget of $2.9 million, the department covers a wide

range of economic activities from corporate business development, minority business enterprise, small business development, tourism development, agribusiness development to technology and innovation initiatives, business intelligence, compliance and competitive sites.

When efficient and appropriate, the county collaborates with specialized public-private partners. Based on their primary economic development activities, the county partners range from the Tampa-Hillsborough Economic Development Corporation for business recruitment and retention, Tampa Bay WaVE and USF CONNECT for entrepreneurship support, CareerSource Tampa Bay for workforce development and the Tampa Bay Partnership for regional marketing/ branding to Visit Tampa Bay for tourism development and Tampa Bay Trade and Protocol Council for international economic development.

In the past two years, county leaders empowered staff to develop and implement programs that deviate substantially from historic "business as usual" methods.

Manufacturing Academy and Apprenticeship/Internship Program (MAAIP)

In response to research examining a perceived regional manufacturing workforce skills gap, Hillsborough County is leading an effort to promote manufacturing as a career not only for students, but also the current workforce in the county, especially veterans, women, minorities and underserved communities. The MAAIP provides more relevant curriculum at early ages through a Manufacturing Academy, connects students with meaningful work-learn experiences and actively engages the private sector partners, students and their families in these training programs. The Manufacturing Academy will provide training for middle and high school students and military veterans. Students who complete the program will be credentialed through the Manufacturing Skills Standard Council's Certified Production Technician (CPT) certification. Through the Apprenticeship/Internship program, the county plans to create an ongoing commitment from the manufacturing community to engage Manufacturing Academy students in meaningful on-the-job-training opportunities in the form of apprenticeships and internships. The county collaborates with the CareerSource Tampa Bay for finding and enrolling manufacturers to participate in the program. Funded by a $1-million allocation from Hillsborough County, the two-year program will be administered by the County Economic Development Department for the Hillsborough County Board of County Commissioners.

Competitive Sites

In a fast-paced business world, the Hillsborough County's Competitive Sites program aims to provide immediate information on development opportunities, regulatory assistance and strategic public sector investments. In this

way, the county is prepared for large-scale business expansions and relocations. The Competitive Sites program, led by the County Economic Development Department, identified, inventoried and analyzed the sites throughout the county with the capacity to support targeted industry development. As of June 2014, the initiative is in the process of crafting policies and programs to guide public sector engagement and investment.

Hillsborough County secures its economic future through planning, leadership and – where appropriate – partnerships. The county government plays multiple roles in economic development in the county, as a thought leader, convener and funder. While the county entrusts partner organizations throughout the county, region and state with the implementation of certain initiatives, it maintains fiscal oversight and assumes ultimate responsibility for the outcomes. Thoughtful decisions on partnerships increase the likelihood of a prosperous outcome for Hillsborough County's residents and businesses.

Local technology businesses nurtured at FirstWaVE accelerator, funded in part by Hillsborough County's Economic Development Innovation Initiative (EDI2).

STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development

NACo WHY COUNTIES MATTER PAPER SERIES • ISSUE 1 • July

The Economic Development Innovation Initiative (EDI2)

The Economic Development Innovation Initiative (EDI2) is a comprehensive program to help the growth of technology and innovative start-ups and small businesses within the county. The goals of the initiative include the increased recognition of the existing assets for the growth of technology companies, the enhancement of the local system of assistance for technology businesses (resources, mentors and accelerators and incubators) and acting as a clearinghouse for organizations and resources that could assist these entrepreneurs. The county plans to sponsor events that would increase awareness of this segment of the local economy and attract talent and businesses to this sector, to align its current resources to be supportive of this industry and to assist non-profits that help the innovation ecosystem. The County Economic Development Department administers the two-year program for the Hillsborough County Board of County Commissioners and received a $2-million allocation from Hillsborough County. As of June 2014, 56 ecosystem-building projects received nearly $600,000 of this amount and leveraged a similar amount of private funds.

Citizens participate in the Hillsborough County Hackathon, using open data to improve communitires and governments.

NACo WHY COUNTIES MATTER PAPER SERIES • ISSUE 1 • July 2014 • www.naco.org

MACOMB COUNTY, MICHIGAN

Leveraging the Manufacturing Base through Partnerships

Michigan's third most populous county, Macomb County is part of Southeast Michigan, a region with a strong technological and industrial base. Manufacturing plays a major role in the county economy, with about 22 percent of all the jobs the county attributable to this sector, compared to only 14 percent in the state. In addition to advanced automotive industry, local businesses are active in defense related industries. Between 2000 and 2010, businesses located in the county gained over 10,000 defense contracts. The region is among top locations in the country for industrial research and development, benefitting from the presence of numerous regional colleges and universities and a highly skilled workforce of over 30,000 workers focused on engineering, research and development. Macomb County, together with local and state partners, public and private, is working on business attraction and regional marketing initiatives to promote the region's assets and create jobs in the process.

Macomb County has a long tradition in support economic development. Established in 1956, the County's Department of Planning and Economic Development (MCPED) is responsible for the implementation of the county's economic development strategies and programs. The department prioritizes business attraction, business retention and expansion and the development of small businesses and start-ups. The department employs 26 full time equivalent staff, with an operating budget just under $3 million in FY 2013.

Regional Marketing Collaborations

To complement the Home in Macomb program's efforts to expand existing business, MCPED works directly with state and regional local agencies to bring new investment to the region. The MCPED partners with the Michigan Economic Development Corporation (MEDC), a public-private partnership between the state government, regional and local development agencies and private businesses, serving as the state's marketing arm and lead development agency. The MCPED takes part in statewide branding initiatives such as the MEDC's PureMichigan that allow the county a greater scope and enhanced business assistance resources.

- **Population, 2013: 854,769**
- **County Board size: 13**
- **County Executive**

At the regional level, Macomb County collaborates with numerous public, nonprofit and private partners. The county is a member of the ten-county Detroit Regional Chamber, partnering with the MEDC and other local governments to promote economic growth in Southeast Michigan. Through collaborative efforts, the Chamber provides a vast range of economic development initiatives – such as MICHauto, Translinked and the Detroit Regional Prosperity Campaign – focused on attracting and retaining talent and investment into the region. For example, Translinked leverages the region's infrastructure assets to create an industry cluster around transportation, distribution and logistics. In the technology area, the MCPED partners with Automation Alley, a technology business association offering talent and business development services to technology related businesses. As a result of these partnerships, the county can collaborate and coordinate marketing and attraction efforts providing greater opportunity to draw businesses to the region.

Home in Macomb Business Retention Program

Macomb County's Department of Planning and Economic Development (MCPED) developed the Home in Macomb Business Retention Program to provide targeted assistance to existing businesses. Through the program, the MCPED consults directly with local businesses to help identify barriers they face and opportunities for facilitating growth and development. According to MCPED, in 2012 the Home in Macomb Business Retention Program helped generate more than $164 million in private investment by local businesses, create 1,260 new jobs and retain 3,450 jobs in Macomb County.

In coordination with regional and state organizations, Macomb County markets an eco-system that nurtures the advanced manufacturing industry in the region. Leveraging the resources and specialized knowledge of numerous partners, MCPED is active in growing current businesses and attracting new industries to the area. As a result, Macomb County plays a key role in Southeast Michigan's revitalization.

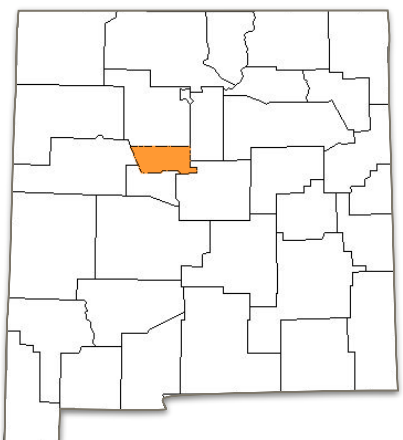
STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development

NACo WHY COUNTIES MATTER PAPER SERIES • ISSUE 1 • July 2014 • www.naco.org

BERNALILLO COUNTY, NEW MEXICO

Helping Small Businesses Grow



The most populous county in New Mexico, Bernalillo County is home to a number of federal government offices and research laboratories. Sandia National Laboratory, a U.S. Department of Agriculture field office, as well as government contractors such as Northrup Grumman and Raytheon have operations in the county. These facilities benefit from the highly educated labor force in the county; almost 32 percent of the residents 25 years or older have a Bachelor's degree or higher, significantly larger than the state 25.6 percent rate. With all the uncertainty around the federal budget, Bernalillo County is actively diversifying the county economy. While Bernalillo County helps businesses large and small to expand within the county, this case study provides a few examples of the latest county initiatives to assist small businesses and start ups and in the process to diversify the economy.

Bernalillo County Economic Development Department (EDD), housed in the County Community Services Division, is responsible for economic development activities developed on behalf of the county government. The Bernalillo County Commission created the EDD in 2007 with the purpose of fostering and enhancing local economic development efforts. The six staff members of the EDD work directly with the County Commission and Manager to strengthen the local economy by partnering with local governments and businesses in regional collaborations, providing entrepreneurial training programs for start-up firms and helping companies navigate permitting laws and lower their costs of doing business.

The Increment of One Program

Through the Increment of One program, Bernalillo County nurtures nascent and existing small businesses in the county. Initiated by County Commissioner Art De La Cruz in November 2009, the Increment of One program works to strengthen businesses and encourage their expansion. With a large number of small businesses adding employees, the overall result would be a significant increase in job opportunities throughout the county. The program empowers local business expansion and encourages growth in new start-up businesses through networking events, access to capital through a public-private partnership called "the Loan Fund" and workforce development assistance through a partnership with the local Small Business Development Center (SBDC). The SBDC provides entrepreneurial training to start-up businesses, helping them develop

- **Population, 2013: 674,221**
- **County Board size: 5**
- **County Manager**

Architectural rendition of the Keshet Center for the Arts, a unique business incubator that provides support for startup arts-related businesses.

business plans and secure funding to be successful. Networking events can offer general guidance on small business creation and development, where new businesses have the opportunity to meet with more established business owners. Some of these events are industry-specific, such as a Buen Provecho, a 2013 event focused on restaurateurs. The Albuquerque event brought together successful restaurant owners and fledgling business owners to share best practices and lessons learned.

The Keshet Dance Company Ideas and Innovation Center

In addition to the Increment of One program, Bernalillo County applies out-of-the-box thinking to enable creative application of existing financial incentives. One example is the Keshet Dance Company Ideas and Innovation Center, a unique business incubator founded in 2013. This incubator, an expansion of Keshet's original dance company, will provide support to struggling or start-up arts-related businesses in Albuquerque. Through a county ordinance, the Bernalillo County Commission participated in this expansion by voting to authorize a $150,000 Local Economic Development Act grant to support the building improvements for the incubator. The Keshet Dance Company will use the funds for building improvements at the new location, which includes the new arts business incubator called the Ideas and Innovation Center.

Keshet has an extensive screening process of businesses that can set up in the center and prioritizes expanding businesses with an overt commitment to the arts. As of June 2014, two businesses have taken residency in the incubator building with a lease term of three years, with a possible two-year extension. The incubator building has rehearsal space, a soundstage and a theatre, and it plans to eventually support up to seven businesses within the space. Programs often feature an emphasis on real-world training and applicability, including business proposals, plans and models.

Bernalillo County promotes entrepreneurship as a means to diversify the county and utilize the specialized labor force. Through a variety of initiatives, the county is taking steps to encourage small businesses to expand and create jobs in Bernalillo County.

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FRANKLIN COUNTY, OHIO

Working Smart for Economic Growth

Franklin County, Ohio enjoys a strong economy and an educated labor force. A large county in central Ohio, the county contains the state capital Columbus, 11 other cities, 17 townships and 12 villages. Thirty-six (36) percent of county residents 25 years and older have a Bachelor's degree or higher, well above the state average of 25 percent, reflecting the presence of the Ohio State University (OSU) in the county. The highly-skilled labor force fuels high value-added industries in the county, such as professional and business services, education and health services and financial activities. As a result, the county unemployment rate was 4.3 percent, one full percentage point lower than the state of Ohio's rate, as of April 2014. The per capita income in the county was $42,624 in 2012, $2,500 higher than the Ohio average.

The county government focuses on economic diversification by identifying new and growing industries for all education levels and skill sets. As key economic development strategies, the county prioritizes entrepreneurship, industry diversification and workforce development. This case study offers some examples of the county initiatives in economic development, from Smart Works, the county's flagship investment program in workforce development, job creation and job retention to export promotion and foreign direct investment initiatives. To better understand how Franklin County operates in economic development, this case study explains the structure of two of the economic development organizations closely involved with the county government — the County Economic Development and Planning Department and a non-profit organization called the Economic and Community Development Institute (ECDI).

- Population, 2013: 1.2 million
- County Board size: 3
- County Administrator

Franklin County's Economic Development and Planning Department administers programs that strengthen the economy and create jobs for residents. With the help of 24 employees, the department finds and funds innovative programs implemented by other organizations in the county. For this purpose, the department provided more than $4.5 million in incentive grants in 2013 and requested $2.3 million for 2014, funds coming mainly from the county sales tax. ECDI is one of the economic development organizations working with the department to identify industries that will benefit from additional support and to educate entrepreneurs in these budding industries. Founded in 2004, ECDI is a nonprofit community-based organization

with experience in lending, management and technical assistance that administers a micro-loan program for eligible borrowers. ECDI is the only U.S. Small Business Administration intermediary micro-lender serving all Ohio counties. Overall, ECDI received $1.85 million from Franklin County through Community Development Block Grants.

Smart Works in Franklin County

Started in 2012, Smart Works in Franklin County is the county's flagship investment program in economic development. Some of the initiatives in this program include the Workforce Innovation Training grant program, the Food Fort and the Retail Incubation Supporting Entrepreneurs (RISE).

Retail Incubation Supporting Entrepreneurs

Another example of the county's innovative and collaborative work with ECDI is the Retail Incubation Supporting Entrepreneurs Program (RISE). Formed in 2012, RISE provides opportunities for business owners to start and grow their retail enterprise in the county. Startups in retail often have difficulty competing with larger established retail businesses. The program works to level the playing field for start-ups by providing free one-on-one technical assistance and low interest loans to purchase equipment and machinery. RISE received $100,000 from Franklin County through the Community Development Block Grant and trained 20 individuals in the program's first year.

Retail Incubation Supporting Entrepreneurs Program (RISE) class training.

Workforce Innovation Training Grant Program

This part of the Smart Works program represents strategic investments in workforce training programs at companies such as Quantum Health, IBM, Sid Tool Company, MSC Industrial Supply and others. For example, this project was a key factor in IBM's decision to locate its first Client Center for Advanced Analytics in the region, a $3.2 million private investment. The county provided a $300,000 grant to train workers in high-skill, high-wage positions at the facility and the City of Columbus and the state offered multi-year tax credits. In the short time since its launch in 2012, this workforce training program has generated commitments of approximately 1,000 jobs and retention of hundreds of other jobs.

Export Promotion/Foreign Direct Investment Attraction

Franklin County is also active in international economic development. The county is engaged in a partnership with the city of Columbus and the city of Hefei in Anhui Province in China to bring solutions to environmental and energy challenges facing Columbus and Hefei. In addition, the county participates in Columbus 2020, the economic development organization for the 11-county Columbus region. One of the objectives of this collaboration is the development and implementation of a regional plan to increase exports as part of the Global Cities Initiative, a joint project of Brookings Institution and J.P. Morgan Chase. In 2012, the Columbus Region was one of 12 metropolitan areas chosen to participate in the Metropolitan Export Initiative, originally part of the Brookings-Rockefeller Project on State and Metropolitan Innovation. As the Brookings project evolved into the Global Cities Initiative, the Columbus region was selected to be a part of this new exchange in late 2013. The county and its regional partners in the Global Cities Initiative committed to strong performance measures over the next few years: 150,000 net new jobs, increasing per capita income by 30 percent and attracting $8 billion in capital investment.

Partnership with TechColumbus

Franklin County is also a key supporter of technology-based economic development in the region. The county identified technology as a growing industry given the strong role of the Ohio State University (OSU) in the field. In 2006, the county entered into a partnership with TechColumbus, a nonprofit technology incubator and accelerator to create and expand tech companies in the area. TechColumbus serves central Ohio and connects technology startups in the area with resources, funding and business mentors. TechColumbus has an impressive record: $12.3 million investment in technology startups that led to $260 million in revenue for companies and 720 jobs. In 2013, for example, the county approved a $250,000 investment in partnership with TechColumbus, providing 25 local high-tech start-ups with assistance in product development and growth strategies.

The Food Fort

Franklin County partnered with ECDI to start a food business incubator that ultimately led to the creation of Food Fort in 2010. ECDI and Franklin County identified a growing interest in starting businesses in the food industry, but the entrepreneurship was hindered by the difficulty of accessing traditional bank loans for the high capital investment needed to start a brick and mortar restaurant. The two county partners realized that mobile food vendors or food carts would involve less capital and could quickly introduce vendors into the market. As a result, they created Food Fort that provides business loans, training in legal areas, sales assistance, technical assistance and marketing. Clients can also use a commercialized kitchen to help cook safely and meet health regulations. ECDI received a total of $700,000 in funding from Franklin County between 2010 and 2012 for its micro-lending program, which supports Food Fort as well as other economic development initiatives. From its inception through September of 2013, Food Fort created 90 new businesses, 244 full time jobs and 165 part-time jobs.

Franklin County benefits from a strong county economy and continues to bolster this economy by investing in a variety of initiatives. The county's new Smart Works investment program has already achieved significant results for the regional economy, both in terms of jobs and additional income. For a diversified economy, the county partners with non-profit organizations such as ECDI and TechColumbus to help start-ups in food, retail and technology sectors. In addition to expanding local business opportunities, Franklin County is active in growing its international presence and in the process creating jobs at home and bring more income into the community.

Pitabilities started with the help of resources provided by the county through Food Fort, the business incubator for mobile food vendors.

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HAMILTON COUNTY, OHIO

Forging Partnerships for Economic Development

The largest county in the Cincinnati metropolitan area, Hamilton County has an educated labor force and a strong business climate. Thirty-three (33) percent of county residents 25 years old and over hold at least a bachelor's degree, which is well above Ohio's state average of 24.7 percent. The ten Fortune 500 companies headquartered in greater Cincinnati attest to this high concentration of skilled professionals. Of this group, American Financial Group insurance, Kroger and Macy's are among Hamilton County's largest employers. Major industrial firms operating within the county include Ford, General Electric, Ethicon Endo-Surgery and Procter & Gamble.

Hamilton County's economic development strategy centers on a network of partners. The county contracts with the Hamilton County Development Co., Inc. (HCDC), a non-profit economic development agency, designated via a section in the Ohio Revised Code (307.07) to staff the county economic development office. The HCDC has a diverse set of activities that nurture the local economy through collaborations with local communities and with businesses. Hamilton County annually allocates more than $700,000 in line-item funding to the HCDC to assist in its small business development and retention efforts. HCDC and the county work with other entities. For example, the region's electricity company, Duke Energy assists economic developers by providing site evaluations for emerging projects, investing around $25,000 on each site to assess utility needs. The county also works with the Port of Greater Cincinnati Development Authority on the county land bank.

Hamilton County Business Center (HCBC)

The HCDC opened its business incubator, the Hamilton County Business Center (HCBC) in 1989 after a General Motors plant closure. Originally focused on teaching entrepreneurial skills to unemployed autoworkers, the business center now offers guidance, networking opportunities, flexible and affordable workspace and resources for aspiring start-ups. By 2012, the business center helped almost 300 successful startups through coaching and creating connections, programs and flexible work environments. In FY 2013 alone, HCBC housed 47 tenants who employed 201 individuals with a total annual payroll of $10.4 million, bringing in excess of $17.2 million in revenues.

- **Population, 2013: 804,520**
- **County Board size: 3**
- **County Administrator**

STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development

HCDC helped KOST USA, Inc. to get an SBA 504 Loan to finance the purchase and expansion of their blending and packaging capabilities.

The Business Loan Program

Since 1983, the HCDC has helped small and medium sized businesses grow by offering small business loans and a variety of financing options. In FY2013, the HCDC partnered with 16 commercial lenders to provide businesses access to the U.S. Small Business Administration (SBA) 504 loan program and other long-term, fixed rate financing tools. In FY2013, HCDC crossed the $1 billion milestone in loans issued, equating to about 10,000 new jobs created from nearly 1,200 projects since 1983.

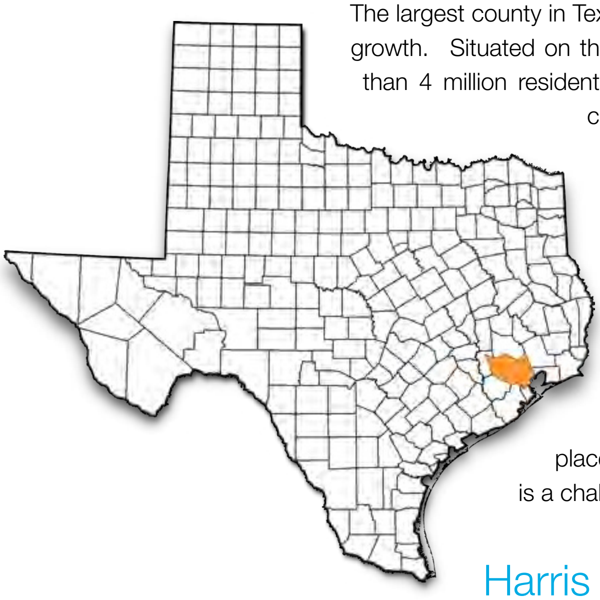
Hamilton County Land Reutilization Corporation (HCLRC)

The Hamilton County Land Reutilization Corporation (HCLRC) is the county's land bank, working to assist property redevelopment. The county is undergoing a long term trend of declining population, with about 13 percent less in population in comparison with the 1970 population level. This change can be seen in the number of foreclosure filings that increased from 2,447 in 1999 to 6,556 in 2010. The abandoned and foreclosed properties devalue neighborhoods and stymie residential and commercial redevelopment efforts in Cincinnati's urban core. Originally chartered by the Hamilton County Treasurer's Office in 2011, the HCLRC acquires foreclosed and forfeited properties within 14 designated target neighborhoods and intermediates property sales to redevelopers. By stepping in to acquire and if necessary, demolish property, HCLRC incurs overhead expenses that private developers would otherwise face. The goal is to lower the risk and cost for private development within the designated neighborhoods. Shortly after establishing the land bank, Hamilton County contracted The Port of Greater Cincinnati Development Authority to manage HCLRC. Hamilton County funds HCLRC by transferring 5 percent of its annual tax collections to the Port Authority, whose experience in land acquisition enables the land bank to operate at a low cost.

Hamilton County works with a network of partners from small business development to land redevelopment projects. Concentrating county funds towards a few specialized partners has ensured substantive results. These strategic partnerships afford Hamilton County a specialized role within a highly competitive region.

HARRIS COUNTY, TEXAS

Meeting Infrastructure Needs to Support Economic Growth



The largest county in Texas, Harris County continues to witness rapid population and economic growth. Situated on the Texas coast facing the Gulf of Mexico, the county is home to more than 4 million residents, of which nearly 1.6 million live in the unincorporated areas of the county. While the county is already one of the largest in the country, it has high rates of population expansion. Since 2000, the county added more than 900,000 residents, a 27 percent growth rate between 2000 and 2013, more than double the national average. This continues a long term trend of rapid population expansion. For example, the county population grew by more than 38 percent between 1970 and 1980. Economic growth has accompanied population expansion. During the latest economic downturn, the county economy continued to expand. While this substantial economic and population growth makes the county an attractive place for business activities, meeting the infrastructure needs of the county is a challenge.

Harris County Toll Road Authority (HCTRA)

Within an environment of state restrictions on county authority, Harris County created the Harris County Toll Road Authority (HCTRA) to meet the infrastructure challenges posed by rapid population and economic growth. In 1983, Harris County voters approved a referendum to issue $900 million in bonds to construct the first toll road, leading to the creation of HCTRA. Texas laws restrict severely the taxing authority powers of the county government so the county must rely solely on property taxes for funding. In addition, counties in Texas have limited constitutional authority when it comes to regulation of land use, especially when compared to the broader land use authority granted to cities. The nature of HCTRA as an enterprise fund of the county gave the county the freedom to plan and prioritize road projects and be financially self-sufficient through toll revenues. It also gave the county the rights to build on state-owned land within the county, easing the restrictive nature of county land use authority in Texas.

- Population, 2013: 4.3 million
- County Board size: 5
- County Judge
- County Chief Administrative Officer

Worker completing infrastructure maintenance on a roadway on the Harris County Toll Road Authority system in Harris County, Texas.

Through the HCTRA, Harris County has the authority to manage the financing, planning and construction of transportation infrastructure expansion within the county. The Harris County Public Infrastructure Department houses the entity administratively and reports directly to the Commissioners' Court. As of June 2014, HCTRA had around 1,000 employees, including approximately 700 full time employees, 200 part time employees and 100 law enforcement officers.

The need for maintaining existing roads and expanding into growing areas exceeded the initial estimates at the creation of the HCTRA, leading to its continuation. The original $900 million voter approved bond was used to finance HCTRA's first projects – the Hardy Toll Road and the Sam Houston Tollway –repaid by toll revenues collected after construction. The efficiency of the program, with projects completed ahead of schedule and under budget, led to the continuation of toll roads. HCTRA operates entirely on revenues collected from toll payments to finance their activities, not receiving any tax revenues or federal assistance. Holding the highest bond rating, the authority maintains operating costs under 25 percent — significantly lower than the average national turnpike operations costs of nearly 44 percent.

HCTRA helps fund not only toll roads but a network of roads throughout the county. The authority provides $120 million from toll revenue each year to non-toll road capital projects to improve smaller routes. This strategy shows how HCTRA recognizes the interdependence of feeder roads and highways and finds ways to improve the value the toll road infrastructure.

HCTRA takes a regionally minded approach to improving the entire transportation network throughout Harris County. The authority has exclusive rights to build on land owned by Texas Department of Transportation (TxDOT) within the county. As a result, the two agencies coordinate in all facets of the planning and construction oversight process. HCTRA also collaborates with other local agencies. For example, the authority works with the Port of Houston Authority on port specific projects such as the upcoming project to build an additional bridge across the ship channel, as well as general coordination and planning.

Within state constitutional constraints, Harris County found a way to meet the infrastructure challenges associated with fast growth. HCTRA gives the county the authority to plan, finance and construct transportation infrastructure, without consuming any tax revenue. Working together with TxDOT as well as local authorities, HCTRA continues to improve the county-wide transportation system to meet future growth.

NACo WHY COUNTIES MATTER PAPER SERIES • ISSUE 1 • July 2014 • www.naco.org

TARRANT COUNTY, TEXAS

Supporting the Economy with Financing Tools

Part of the Dallas-Fort Worth-Arlington metropolitan, Tarrant County is one of the fastest growing large counties in the country. Since 2000, the county added almost half a million residents, a 30 percent growth rate between 2000 and 2013. Tarrant County's economy recovered quickly from the latest economic downturn, adding jobs at a fast pace. The county enjoys a diversified economy with employment spread across a number of sectors including trade, transportation, utilities, health care and manufacturing. In addition to a growing economy, the county also experienced a rapid population growth; the county's 1.9 million residents in 2013 represents an annual population growth rate of 2.1 percent between 2000 and 2013, making Tarrant County in this time period. While the county uses a variety of tools to support economic development, this case study focuses on innovative financing tools to attract new businesses to the county.

Tarrant County collaborates with the cities within the county in pursuing economic development initiatives. For the county, the appointed Economic Development Coordinator is responsible for coordinating economic development initiatives and county's incentive programs with municipalities, businesses and chambers of commerce. The county focuses mainly on supporting its cities' efforts rather than pursuing businesses independently. While an advocate for business growth in Tarrant County, the county does not recruit businesses to specific locations in the county, but the county defers the recruitment efforts to cities. The county may add value to a city's economic development package by participating with tax abatements or financing through a Tax Increment Financing (TIF) district.

- **Population, 2013: 1.9 million**
- **County Board size: 5**
- **Elected County Judge**
- **County Administrator**

TIF Districts

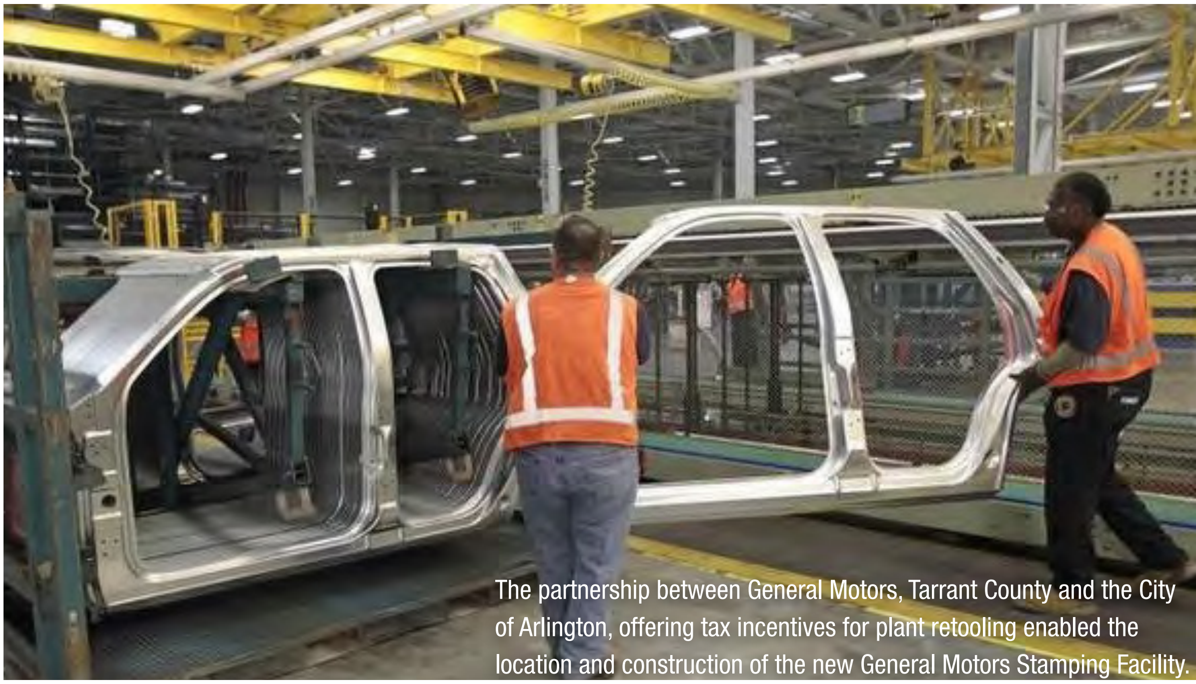
In conjunction with local municipalities, Tarrant County participates in TIF districts to fund infrastructure development for undeveloped land by dedicating future property tax revenues from the development in the TIF district for payment of project costs, notes or bonds issued to finance the infrastructure development. The State of Texas allows political subdivisions to create TIF districts, under Chapter 311 of the Texas Tax Code. The TIF districts are established by a municipality and the county joins that municipality in funding those improvements. Tarrant County does not

issue the debt to finance these improvements; the initiating municipalities issue debt or the developer that pays for the public improvements. The debt is reimbursed over time from the incremental taxes generated within the TIF district. TIF financing generally pays for infrastructure projects (including roads, bridges, parking, water/sewer/drainage, right-of-way landscaping and lighting) within the TIF district, but not private facilities in the TIF district. The county participates in TIF districts to more broadly develop large areas for retail, commercial, office and residential uses. As of June 2013, Tarrant County had 29 active TIF districts, such as the Downtown Euless TIF District, the Grapevine Mills TIF District, the Southlake TIF District and the Downtown Fort Worth TIF District.

Foreign Trade Zones (FTZs)

The county is home to three FTZs, which are areas in which the county forgoes tax revenue on imported and exported inventory values in order to stimulate business. These FTZs circulate high volumes of goods coming in or leaving the United States. For example, the FTZ at the Fort Worth's Alliance Airport ranked as the top FTZ in the county by value of goods passing through the zone in four out of the last five years. The FTZ recorded more than $4 billion worth of foreign goods in FY2010. The world's first 100 percent industrial airport, this FTZ is 9,600 acres within the Alliance Global Logistics Hub and benefits from multi-modal transportation access, including the Fort Worth Airport, rail lines, an intermodal facility and access to the interstate and highways.

Tarrant County plays an active role in supporting local economic development with finance mechanisms such as TIFs and FTZs. As each city within the county has unique needs, the county uses a collaborative policy to support and ensure those needs are met, while creating opportunities that impact residents countywide. By using innovative financial mechanisms and partnering with its municipalities, Tarrant County ensures job growth and economic diversification to support its rapidly growing population.



The partnership between General Motors, Tarrant County and the City of Arlington, offering tax incentives for plant retooling enabled the location and construction of the new General Motors Stamping Facility.

UTAH COUNTY, UTAH

Workforce Development to Boost the Technology Sector

The second most populous county in Utah, Utah County enjoys a rapidly growing technology industry, part of the "Silicon Slopes" region in the state of Utah. In 2010, the Provo-Orem metropolitan area, containing Utah County, ranked 11th in the country based on the density of information and communication technology start-ups. In the county, the number of technology and information jobs rose by 20 percent between 2007 and 2012. The rapid growth of this industry requires a constant supply of highly skilled workers. To this goal, Utah County partnered with the Utah Valley University (UVU) and Mountainland Applied Technology College (MATC) to create workforce development programs and support the growing industry.

Utah County undertakes economic development efforts through a partnership with the Economic Development Corporation of Utah (EDCUtah). This active role for Utah County in economic development is relatively new, as economic development has been traditionally the responsibility of the state and cities in the state of Utah. In the mid-2000s, Utah County Commissioners decided to involve more the county in economic development activities, to support the rising technology sector and job creation in the county. The county offers the right environment for this industry, with low tax and utility rates, a growing and well educated population and local universities with existing technology educational activities. In 2007, Utah County Commissioners decided on a cost effective way to undertake economic development efforts through a partnership with EDCUtah. Formed in 1987 as a private, nonprofit organization, EDCUtah is a public/private partnership, with decades of experience working with the private sector, state and local governments, marketing the region to businesses. The partnership allowed Utah County to work with EDCUtah's existing client base and benefit from its vast experience in the field.

The county also leverages the state's initiatives and support for economic development. For example, while the county alone cannot provide large incentives to potential businesses, Utah County has been able to use Tax Increment Financing (TIF) tools in partnership with the state. The continuing collaboration between the state and county strengthens Utah County's ability to attract and retain businesses.

- **Population, 2013: 551,891**
- **County Board size: 3**

Workforce Development through UVU and MATC Partnership

The rapid rise of demand for highly skilled workers for the growing technology industry led county officials to support new workforce development programs at UVU and MATC. The technology firms inform Utah County of existing vacancies, at some point estimated at more than 2,000 job opportunities in the technology field in the county. In response, county officials encouraged Utah Valley University (UVU), a regional state university that functions as the region's community college, to host several assessment forums with the business community, city and county representatives. These forums revealed the need for a better alignment between educational programs and their contribution to the region's talent pipeline with workforce expectations and demands.

The county's role as a channel of communication between the business community and these institutions to workforce development continues today. In response to industry input, UVU created and expanded workforce development programs including business marketing and sales analytics degree tracks. Additionally, UVU manages a Business Resource Center (BRC) that supports and incubates entrepreneurial activities and leverages available services, assets and resources to accelerate existing businesses. Utah County also supported the creation of career pathway programs for local high school students at UVU and MATC, a local vocational school.

Although its economic development efforts are relatively new, Utah County has seen success through its partnerships. Utah County sought partnerships with knowledgeable and experienced entities, such as EDCUtah. With its technology sector experiencing robust growth, Utah County partnered with UVU to provide workforce development programs so that its residents can benefit from continued job growth in the technology industry.

UVU president addresses more than 150 business, civic and educational leaders at the ribbon cutting event at UVU's Business Resource Center(BRC).

STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development

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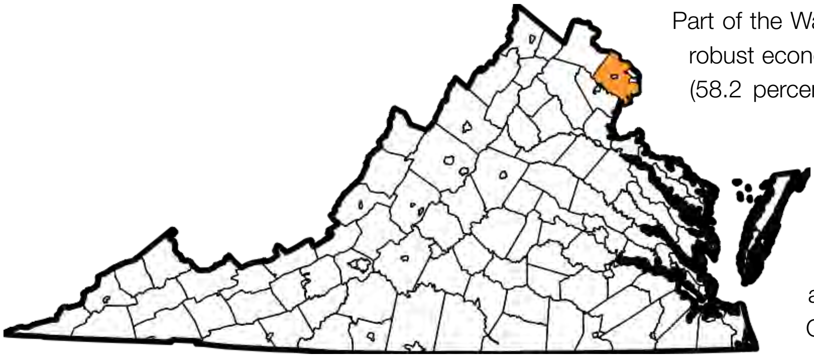
FAIRFAX COUNTY, VIRGINIA

Diversifying the Economy through International Engagement



Part of the Washington metropolitan area, Fairfax County, Va. has a robust economy and a highly educated workforce. More than half (58.2 percent) of the county residents 25 years or older have a Bachelor's degree or higher, more than double the national rate. In addition, 74 percent of Fairfax high school graduates attend some form of post-secondary education. The highly skilled labor force of the county earns a higher income than the national average — in 2012, per capita income in Fairfax County was $71,607, significantly higher than the national average of $43,735. Given the proximity to the nation's capital, Fairfax County has several federal agencies located within its borders as well as many Fairfax County residents are federal government workers or contractors. The county has long focused on economic diversification strategies that would make the county resilient to any uncertainties around the federal budget. To this end, the Fairfax County Economic Development Authority (FCEDA) employs a variety of economic development strategies, including the expansion of the county's presence internationally and attracting firms from all over the world to the county. This case study focuses on the international economic development aspects of the FCEDA activity.

Fairfax County has a long history of promoting economic development. In October 1956, the Fairfax County Board of Supervisors established an Economic and Industrial Development Committee that later became the FCEDA. As of 2014, the authority has three marketing divisions—national, international and business diversity—that work with local companies interested in expanding or new businesses looking to relocate to the area. All FCEDA operations are funded solely by the Fairfax County General Fund. Supported by a $7.2 million budget, the FCEDA had 34 full-time employees in Fairfax County and more in seven offices outside the county In FY2014. County Supervisors appoint seven members from the Fairfax County business community to the FCEDA Commission to guide and monitor these efforts and this commission hires a president and a CEO of the authority. The FCEDA headquarters are located in Tysons Corner — the county's largest business district.

- Population, 2013: 1.1 million
- County Board members: 10
- County Executive
- County Administrator

FCEDA offices worldwide.

FCEDA Offices Worldwide

The FCEDA has been one of the early local government adopters of establishing county offices in major business locations in the United States and abroad. Fairfax County is an attractive location for foreign-owned firms because of its position between Washington Dulles International Airport and Washington, D.C., a highly skilled labor force and its infrastructure assets. The FCEDA capitalized on these assets and the growing interest from foreign firms and opened its first international office in 1997 in Tokyo. Since then, the FCEDA has opened up four other international offices (Bangalore, London, Munich and Tel Aviv), moved their Tokyo office to Seoul and opened two domestic offices (Boston and Los Angeles) to promote Fairfax internationally. The FCEDA has efficient and lean operations, with one-two employees in each office, all hired locally. This is a key aspect of the FCEDA international success — local staff members understand the culture and bring in already established business relationships, thereby more effectively promoting Fairfax County. These employees follow a clear and quantifiable goal — marketing available Fairfax office space and land. These activities bring in new jobs to Fairfax, fill vacant space, increase demand for new construction, augment the county's real estate tax base and offset the costs of public services for residents.

As of June 2014, Fairfax is the only U.S. county with seven marketing offices worldwide. This strategy has proven effective in helping to promote the county's strong business environment domestically and internationally. In 2012, more than 400 foreign-owned firms from over 40 countries had operations in Fairfax County, with more than 25,000 Fairfax residents employed by foreign-owned firms.

The FCEDA continues to focus its efforts, including through its international economic development offices, on growing local businesses and bringing in more diverse industries into the county. This has been an on-going process for at least 30 years, long before the recent concerns with the federal sequestration. The FCEDA strategic initiatives increase the resiliency of the county and ensure that changes in the federal government do not severely affect the county's economy.

STRONG ECONOMIES, RESILIENT COUNTIES

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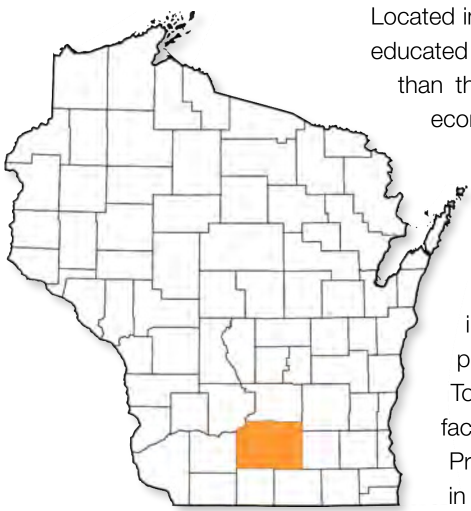
DANE COUNTY, WISCONSIN

Improving Economic Outcomes for All County Residents



Located in south central Wisconsin, Dane County benefits from a strong economy with an educated workforce. The county enjoys a 3.8 percent unemployment rate, much lower than the 5.8 percent statewide unemployment rate, as of April 2014. The county economy is strong in industries with high human capital requirements such as education and health, given the county's highly educated workforce — nearly 46 percent of county residents over the age of 25 have a bachelor's degree or higher, considerably greater than the 26.4 percent state rate. These measures of economic and educational performance, however, do not capture some of the economic development challenges within the county. For example, in 2011, the unemployment rate among African-American residents was 25.2 percent, higher than the 5.1 percent unemployment rate for the county as a whole. To address this situation and identify the challenges that workers and businesses face, Dane County Executive, Joe Parisi, founded the Dane County Jobs and Prosperity Project in 2011 and the Office of Economic and Workforce Development in 2013.

Dane County Jobs and Prosperity Project

In 2011, County Executive Joe Parisi initiated the Dane County Jobs and Prosperity Project to evaluate the county government's economic development services and to improve county economic development efforts. More than 300 representatives from key industries such as biotech, manufacturing, agriculture, health care, green energy and small and minority businesses attended six meetings held between July and August of 2011. Industry leaders helped assess the role the county should play in economic development. The Dane County Jobs and Prosperity Project revealed employment opportunities existed within the county, but the lack of alignment between the available workforce and vacant jobs created challenges. The discussions also pointed towards a need for developing training programs for potential workers in key industries that could help job seekers access available positions.

- **Population, 2013: 509,939**
- **County Board size: 37**
- **County Executive**
- **County Director of Administration**

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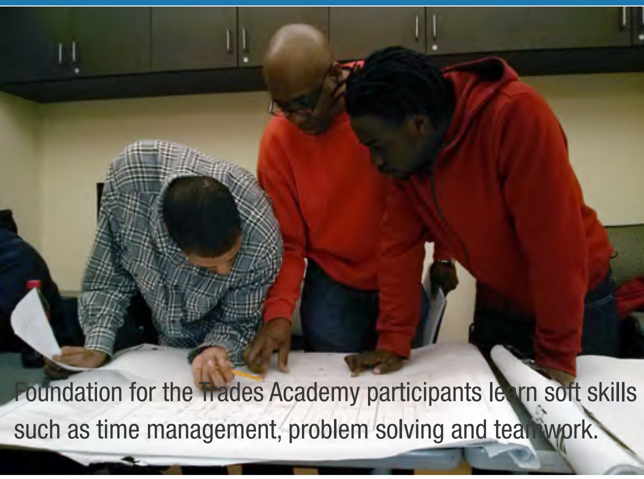

Foundation for the Trades Academy participants learn soft skills such as time management, problem solving and teamwork.

The Office of Economic and Workforce Development

As a result of the Dane County Jobs and Prosperity Project, the County Executive created the Office of Economic and Workforce Development in 2013. The office focuses on workforce development strategies to ensure the skills of the eligible workforce help meet the needs of current and potential employers; and the coordination of the county's economic development efforts including job creation, business recruitment and retention, low interest financing through the county's revolving loan funds. The office also serves as a liaison between existing public and private sector economic development efforts, including existing economic development initiatives in county government such as the Institutional Food Market Coalition, the Community Development Block Grant program, Dane County/UW Extension, Minority Business Outreach and the University of Wisconsin Small Business Development Center Answer Line. As of June 2014, the office had three employees and a Director of Office of Economic and workforce Development who reports directly to the County Executive.

Big Step

In 2014, Dane County's newly created Office of Economic and Workforce Development is working with Wisconsin Regional Training Partnership (WRTP)/Big Step to increase access to jobs for under-represented groups, including minorities and women and meet the local construction industry's demand for skilled workers. Modeled after the successful WRTP/Big Step in Milwaukee, Wis., this project has multiple phases, involving a number of local partners. The Office of Economic and Workforce Development, together with the Workforce Development Board of South Central Wisconsin and other community partners, collaborates with the building trades and contractors to identify their needs for employees for upcoming projects. WRTP/Big Step then partners with community-based organizations to recruit and train individuals to fill those needs, including Construction Training Inc./START, Operation Fresh Start, Nehemiah Community Development Association, the Urban League of Greater Madison and Madison College. The Dane County 2014 budget dedicated $30,000 to administering the program. With a series of major building projects ahead, including a new $18 million expansion at the Alliant Energy Center, Dane County is uniquely positioned to work with key stakeholders to fulfill these goals.

Through engagement of different stakeholders in the county, Dane County identified the labor needs in the economy, current misalignments and took action by creating the Office of Economic and Workforce Development. Although relatively new, the office has already begun to organize key players, take steps to address economic disparities and help match businesses with skilled workers. As the office continues to develop, officials expect it to build additional partnerships that will provide the training necessary to better align job opportunities with job seekers in the community.

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