



HOW SMALL TOWNS AND CITIES CAN USE LOCAL ASSETS TO REBUILD THEIR ECONOMIES: LESSONS FROM SUCCESSFUL PLACES

ACKNOWLEDGMENTS

This report was prepared by the U.S. Environmental Protection Agency's (EPA) Office of Sustainable Communities with the assistance of CH2M Hill and Smart Growth America under contract number EP-W-11-011.

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EXECUTIVE SUMMARY

Over time, all communities experience changes that affect the industries, technologies, and land use patterns that help form the foundation of their local economies. Economically resilient towns, cities, and regions adapt to changing conditions and even reinvent their economic bases if necessary. Even if the community has lost its original or main economic driver, it has other assets that it can use to spur the local economy. While most economic development strategies involve some effort to recruit major employers, such as manufacturers or large retailers, many successful small towns and cities complement recruitment by emphasizing their existing assets and distinctive resources. This report examines case studies of small towns and cities that have successfully used this approach, including:

- Bend, Oregon (population 79,000).
- Douglas, Georgia (population 12,000).
- Dubuque, Iowa (population 58,000).
- Emporia, Kansas (population 25,000).
- Mount Morris, New York (population 2,900).
- Paducah, Kentucky (population 25,000).
- Roanoke, Virginia (population 98,000).

While no magic bullet or set process will work everywhere, these case studies illustrate several successful tactics that other communities can use:

- **Identify and build on existing assets.** Identify the assets that offer the best opportunities for growth and develop strategies to support them. Assets might include natural beauty and outdoor recreation, historic downtowns, or arts and cultural institutions.
- **Engage all members of the community to plan for the future.** Engage residents, business owners, and other stakeholders to develop a vision for the community's future. Stakeholder engagement helps ensure plans reflect the community's desires, needs, and goals and generates public support that can maintain momentum for implementing changes through election cycles and city staff turnover.
- **Take advantage of outside funding.** Even a small amount of outside funding applied strategically to support a community's vision and plans can help increase local interest and commitment in the area and spur private investment.
- **Create incentives for redevelopment, and encourage investment in the community.** Make it easier for interested businesses and developers to invest in the community in ways that support the community's long-term priorities.
- **Encourage cooperation within the community and across the region.** Cooperation to achieve jointly established priorities helps leverage the assets that each party can bring to the table to make the most of the region's resources.
- **Support a clean and healthy environment.** Invest in natural assets by protecting natural resources and cleaning up and redeveloping polluted properties, which makes productive use of existing transportation, water, and utility infrastructure; increases the tax base and employment opportunities; removes environmental contamination; and helps spur investment in surrounding properties.

I. INTRODUCTION

Over time, all communities experience changes that affect the industries, technologies, and land use patterns that help form the foundation of their local economies. Economically resilient towns, cities, and regions adapt to changing conditions and even reinvent their economic bases if necessary. However, smaller communities often have a more difficult time making significant adjustments. They are more likely to depend on a single economic sector, and they might not have the infrastructure, facilities, and human capital they need to tackle the complicated economic and social challenges they face.¹ As a result, many small towns and cities across the country have seen their job base shrink. Many residents move to other places with more opportunities, leaving behind those with few other options and concentrating poverty in struggling communities.

Traditionally, many communities focus their economic development efforts on recruiting major employers such as manufacturers or large retailers. Many communities focus on attracting clusters of related firms and institutions that can benefit from being close to each other. While these recruitment strategies can bring new jobs to a community, recruitment often simply moves jobs from one region to another, rather than creating new jobs. Relying on recruitment alone can be particularly

challenging for small towns and cities, because local governments often offer land, tax relief, and other incentives to attract employers. Small communities often are unable to offer the same level of resources and incentives as larger cities, which makes it difficult for them to compete.²

While most economic development strategies involve some recruitment activities, many successful small towns and cities complement recruitment by emphasizing their existing assets and distinctive resources. Even if the community has lost its original or main economic driver, it has other assets that it can use to spur the local economy and rebuild its economic foundation. This report examines case studies of small towns and cities that have successfully used this approach. The communities profiled are:

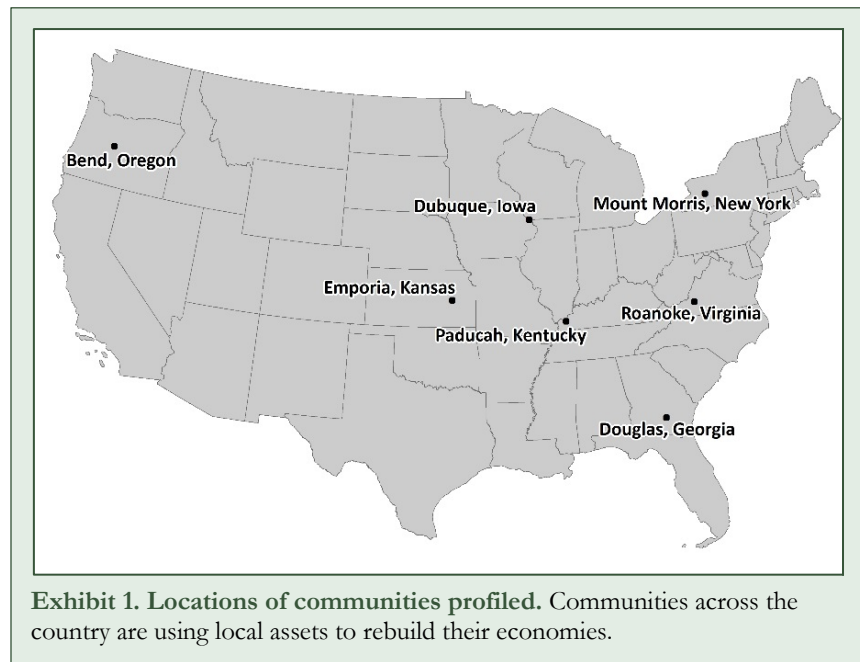


Exhibit 1. Locations of communities profiled. Communities across the country are using local assets to rebuild their economies.

¹ Pender, John, Alexander Marré, and Richard Reeder. *Rural Wealth Creation Concepts, Strategies, and Measures*. U.S. Department of Agriculture. 2012. <http://www.ers.usda.gov/publications/err-economic-research-report/err131.aspx>.

² For a general discussion of these themes, see Fulton, William. *Romancing The Smokestack: How Cities and States Shape Prosperity*. Ventura, Ca.: Solimar Press, 2010.

- Bend, Oregon (population 79,000).
- Douglas, Georgia (population 12,000).
- Dubuque, Iowa (population 58,000).
- Emporia, Kansas (population 25,000).
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While no magic bullet or set process will work everywhere, these case studies illustrate several successful tactics that other communities can use:

- Identify and build on existing assets.
- Engage all members of the community to plan for the future.
- Take advantage of outside funding.
- Create incentives for redevelopment, and encourage investment in the community.
- Encourage cooperation within the community and across the region.
- Support a clean and healthy environment.

A. Identify and Build on Existing Assets

Virtually every community, regardless of size or circumstance, has assets that can be part of building a resilient economy. Successful communities identify the assets that offer the best opportunities for growth and develop strategies to support them. Assets might include natural beauty and outdoor recreation, historic downtowns, or arts and cultural institutions. For example, Paducah, Kentucky, developed a cohesive identity around its core assets of artistic and cultural offerings, the Ohio River, and its rich history. The city provides financial and marketing support for cultural institutions, such as a quilt museum and a performing arts center, that draw activity and tourists downtown. Nonprofit arts and culture organizations generated \$39.9 million in local economic activity in the Greater Paducah region in 2007 alone, supporting 819 full-time jobs and generating \$3.6 million in local and state government revenue.³

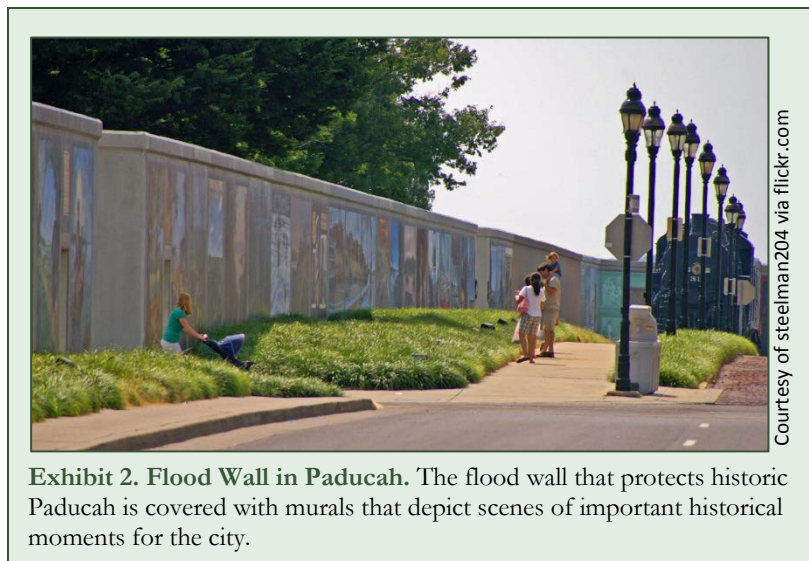


Exhibit 2. Flood Wall in Paducah. The flood wall that protects historic Paducah is covered with murals that depict scenes of important historical moments for the city.

³ Americans for the Arts. *Arts & Economic Prosperity III*. 2009. http://paducahky.gov/paducah/files/GreaterPaducahKY_FinalReportw03.pdf.

Virtually every community began and grew because its location supported economic activity. Cities were built to take advantage of natural resources and trade routes along rivers or other transportation corridors. Many communities, especially small towns and cities, historically based their economies on resource production and extraction with industries such as agriculture, mining, or timber. Some communities have recognized that conserving and restoring natural resources for outdoor recreation and tourism can help build a stronger, more diverse economy. Both Roanoke, Virginia, and Bend, Oregon, have remade themselves as outdoor recreational destinations. They have attracted new residents, visitors, and entrepreneurs, many of whom capitalize on their location by starting related businesses such as manufacturing outdoor recreational equipment. Dubuque, Iowa, recognized that its river was central to its identity and that reconnecting the city's residents with this neglected natural asset could spark revitalization of the surrounding area.

Historic downtowns are also important assets that communities can use to help spur their economies. Downtowns help define a community's identity through distinctive, often historic architecture; shops and restaurants; and community gathering places. Maintaining the places and institutions that make a community special contributes to a sense of place and neighborhood



identity, which help retain existing residents and could attract new residents and businesses. Virtually all the case study communities worked to revitalize and beautify their downtowns because a downtown center of activity is an important part of the foundation of many local economies. Downtown revitalization strategies vary but include reducing vacancies, providing incentives to fix building façades, improving streetscapes, and creating parks and greenways. Emporia, Kansas, created design guidelines for its downtown to promote development that contributes to the community's existing historic fabric and character.⁴ Emporia also used the Main Street Four Point Approach, a preservation-based tool for economic development that has helped many small towns reap financial rewards by investing in revitalizing downtowns.⁵

Government agencies, private businesses, nonprofit organizations, and community institutions can also be assets and core components of a local economy. In Roanoke, Virginia, Carilion Health Systems, Virginia Tech, and the University of Virginia have made major investments to redevelop former rail property adjacent to downtown, creating a new economic engine for the city. An asset mapping exercise can identify strengths the community can build on, assess their potential to catalyze development, and help develop and implement strategies to make the most of these assets. The

⁴ Emporia Main Street. *Downtown Design Guidelines*. 2008. <http://www.emporiainmainstreet.com/Forms/Emporia%20Main%20Street%20Guidelines,%205-20-09.pdf>.

⁵ National Main Street Center. "The Main Street Four Point Approach." <http://www.preservationnation.org/main-street/about-main-street/the-approach/>. Accessed Mar. 4, 2015.

Council on Competitiveness developed a guide to help leaders first identify human, capital, institutional, and intangible assets and then integrate them into a strategy for regional innovation.⁶ This guide and other tools for community asset mapping⁷ can be easily adapted for different areas of focus and geographic contexts.

B. Engage All Members of the Community to Plan for the Future

Communities that successfully retool their economies engage residents, business owners, and other stakeholders to develop a vision for the community's future. Stakeholder engagement helps ensure that plans reflect the community's desires, needs, and goals and generates public support that can maintain momentum for implementing changes through election cycles and city staff turnover. None of the communities profiled here implemented all the changes overnight; a long-range plan is necessary to guide work over many years. Planning often involves considerable effort coordinating and integrating multiple processes to ensure they complement each other and work together to achieve the community's goals. Comprehensive plans, area master plans, economic development plans, and other local and regional plans can help identify incremental steps that will move the community forward.

In 2005, Dubuque, Iowa, invested in a stakeholder-driven planning process to identify 10 high-impact projects for the city. Tens of thousands of people submitted ideas, and community members selected the projects. The community-driven process gave the ideas credibility among donors and residents. All of the projects have been completed or are underway. Roanoke, Virginia, launched an extensive public participation process in 2000 to develop a vision for the future. Ultimately, *Vision 2001-2020*, the city's comprehensive plan, was passed in 2001, incorporating input from a citizens' advisory

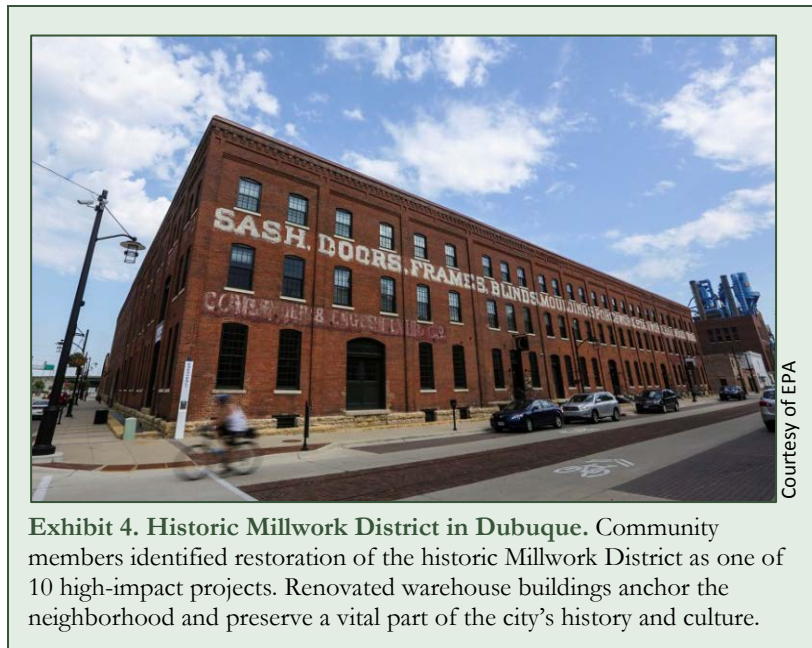


Exhibit 4. Historic Millwork District in Dubuque. Community members identified restoration of the historic Millwork District as one of 10 high-impact projects. Renovated warehouse buildings anchor the neighborhood and preserve a vital part of the city's history and culture.

⁶ Council on Competitiveness. *Asset Mapping Roadmap: A Guide to Assessing Regional Development Resources*. 2007. <http://ncf.compete.org/publications/detail/33/asset-mapping-roadmap-a-guide-to-assessing-regional-development-resources/>.

⁷ U.S. Department of Housing and Urban Development. *Connecting to Success: Neighborhood Networks Asset Mapping Guide*. Undated. [http://lnshhq05w.hud.gov/NN/websites.nsf/AttachmentsA/456E7EEFD772500C8525703F00614E6A/\\$File/assetmapping.pdf?OpenElement](http://lnshhq05w.hud.gov/NN/websites.nsf/AttachmentsA/456E7EEFD772500C8525703F00614E6A/$File/assetmapping.pdf?OpenElement).

committee, citizen-based task teams, city staff, consultants, the planning commission, city council, and the public. With the community-supported comprehensive plan to guide development decisions, the city could move forward with confidence.⁸

Planning is also an important, and often necessary, tool to help communities obtain funding for implementation. Dubuque, Iowa, created a comprehensive plan in 1995 and has used it, along with plan updates in 2002 and 2007, to guide its redevelopment efforts. One of these efforts was a plan to transform the Mississippi riverfront into a walkable, mixed-use neighborhood. Having a cohesive vision for the area helped raise the \$188 million needed for the 90-acre riverfront revitalization project from city, state, and federal sources; the Dubuque County Historical Society; and private investment.⁹

C. Take Advantage of Outside Funding

While philanthropic, federal, and state funding is important to communities of all sizes, it is particularly helpful to smaller communities that have limited resources to deal with challenges such as out-of-date infrastructure, vacant and possibly contaminated properties, and relatively few amenities to attract new residents and businesses. Even a small amount of outside money applied strategically to support a community's vision and plans can help increase local interest and commitment in the area and spur private investment. For example, Douglas, Georgia, jumpstarted its downtown revitalization through a streetscape project funded in part by a federal Transportation Enhancements grant. Mount Morris, New York, used a grant from the state's Main Street Program to help restore downtown buildings, which spurred additional private investment. Roanoke, Virginia, used a state program to designate an area as an Enterprise Zone, making new or expanding businesses in that area eligible for incentives including façade grants, tax exemptions, and fee waivers.



Exhibit 5. New Family Theater in Mount Morris. In 2010, Mount Morris received a \$433,500 grant from Restore NY to preserve and renovate the art deco façade and marquee of the 1930s New Family Theater and repurpose the building.

Courtesy of Pubdobb via Wikipedia Commons

Communities can also create their own financial incentive programs. Small public investments can be narrowly targeted to encourage private property owners in particular areas to contribute their own resources, creating a cumulative effect that is greater than the sum of its parts. For example, Douglas, Georgia, helped renovate 40 façades

⁸ City of Dubuque. *Masterpiece on the Mississippi: Application for Iowa Great Places*. 2006. <http://www.iowagreatplaces.gov/profiles/assets/dubuque-gp.pdf>.

⁹ URS Corporation, Leland Consulting Group, and EDG, Ltd. *Port of Dubuque Master Plan*. City of Dubuque. 2002. <http://www.cityofdubuque.org/DocumentCenter/Home/View/288>.

in its downtown by offering small façade-improvement grants to businesses spending an equal amount of their own money.

D. Create Incentives for Redevelopment, and Encourage Investment in the Community

Many communities reinvent their economies by making it easier for interested businesses and developers to invest in the community in ways that support the community’s long-term priorities. Tactics to facilitate private-sector investment include streamlining the development process, providing technical assistance, and creating informational guides.

Town leaders in Emporia, Kansas, partnered with Emporia’s Main Street Program to create a “code team” that brings together code officials, firefighters, engineers, and zoning staff to meet with new or expanding business owners at the business site to clarify requirements expeditiously. To help small businesses, Douglas, Georgia, created a guide for starting and growing a business that outlines local resources, permitting and zoning processes, tax policies, and steps to get business loans.¹⁰ The Mount Morris, New York, downtown development program gave private developers an inventory of all the downtown buildings with information that helped encourage private investment, including physical characteristics, rental rates, ownership, and identification of tax-delinquent properties and those near foreclosure.

Financial incentives can also help encourage redevelopment. Livingston County, New York, where Mount Morris is located, set up a program under which taxes on the improvements in a community-defined redevelopment area gradually increase over a 12-year period, allowing time for developers and businesses working in struggling areas to generate enough activity to afford the higher tax bill.¹¹ To revitalize a downtown neighborhood, leaders in Paducah, Kentucky, created a home purchase program focused on building an artist community. The town bought vacant or foreclosed buildings, then sold them to artists for as little as \$1. In the first five years of the program, the town spent about \$3 million, while the artists invested approximately \$35 million. More than 100 artists eventually came to live and work in the neighborhood, which is now filled with galleries, shops, and restaurants that attract visitors and residents.¹²

E. Encourage Cooperation Within the Community and Across the Region

Many of the communities profiled were successful in part because entities with different missions worked together to make the city a better place to live and work. Cooperation within the community and across the region to achieve jointly established priorities helps leverage the assets that each can bring to the table to make the most of the region’s resources. Conversely, counterproductive competition for limited resources can undermine a community’s or region’s attempt to generate durable economic growth.

¹⁰ Douglas-Coffee County Chamber and Economic Development Authority. *A Helpful Guide to Starting and Growing a Business in Coffee County*. Undated. <http://www.douglasga.org/pdf/HowToStartABusiness.pdf>.

¹¹ Macaluso, Tim Louis. “Development: The Mt. Morris Miracle.” *City Newspaper*. Jul. 18, 2012. <http://roccitynews.wordpress.com/2012/07/18/development-the-mt-morris-miracle>.

¹² Stodola, Sarah, “How to Save the Cities—Send in the Artists.” *The Fiscal Times*. Jun. 4, 2010. <http://www.thefiscaltimes.com/Articles/2010/06/04/How-to-Save-the-Cities-Send-in-the-Artists>.

Mount Morris, New York, has taken advantage of its proximity to the State University of New York (SUNY) Geneseo to enlist students' help in its revitalization efforts. Students have been involved in everything from beautification projects to publicity about community events.¹³ A SUNY student fills the role of a Main Street manager and coordinates advertising and social media outreach for the Main Street businesses. The city of Roanoke and the Roanoke Redevelopment and Housing Authority assembled 23 acres of former industrial properties; conducted environmental site testing; and improved public utilities, streets, and drainage. They then sold the land to Carilion Health Systems, which partnered with Virginia Tech and the University of Virginia to establish the Carilion Biomedical Institute.¹⁴ The city's \$20 million investment in the center has leveraged more than 10 times that amount in private dollars over the course of a decade.^{15,16}

F. Support a Clean and Healthy Environment

Protecting natural resources and reducing pollution are not only compatible with economic development but can also support economic revitalization. Communities that invest in their natural assets by protecting natural resources can better attract and retain residents, tourists, and businesses who value clean air and water and natural landscapes. Cleaning up and redeveloping polluted properties makes productive use of existing transportation, water, and utility infrastructure; increases the tax base and employment opportunities; removes environmental contamination; and helps spur investment in surrounding properties.

Sustainable Dubuque makes sustainability the city's top priority, establishing 12 sustainability principles that guide city operations and community development plans, including the city's comprehensive plan, long-range transportation plan, and comprehensive economic development strategy.¹⁷ This vision helps the city meet its goal of creating a legacy for generations to come through economic prosperity, environmental protection, and cultural vibrancy. In Bend, Oregon, a property the city wanted to redevelop was contaminated with hazardous substances from petroleum storage tanks, wood treatment, charcoal manufacturing, and other activities.¹⁸ The state and the site developer remediated¹⁹ the property. The resulting Old Mill District now includes recreational activities along and on the Deschutes River, as well as a variety of restaurants, shops, and art galleries. Not only has the redevelopment cleaned up environmental contamination, the Old Mill District also created an economic engine for the region, employing 1,700 people just one year after opening.²⁰ Roanoke, Virginia, is improving its natural and outdoor recreation assets through a multi-

¹³ Wadsworth, Louise, and Greg O'Connell. *Downtown Revitalization in Rural New York State*. Livingston County Development Corporation. 2011.

¹⁴ Virginia Tech. "Carilion, Virginia Tech, U.Va. create biomedical institute – Virginia Tech Forms Optical Sciences and Engineering Research Center." *ScienceBlog*. Nov. 18, 1999. <http://www3.scienceblog.com/community/older/1999/E/199904502.html>.

¹⁵ EPA. "Land Revitalization Spring '08 Newsletter – Roanoke's Industrial Core Gets Economic Transplant As Biotechnology Hub." <http://www.epa.gov/reg3hscd/bf-lr/newsletter/2008-Fall/roanokesindustrial.html>. Accessed Feb. 25, 2015.

¹⁶ City of Roanoke. "Riverside Center." <http://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N27PEMWV328BTFKEN>. Accessed Jun. 26, 2014.

¹⁷ City of Dubuque. *A Guide to the Dubuque Comprehensive Plan*. 2007. <http://www.cityofdubuque.org/DocumentCenter/View/284>.

¹⁸ City of Bend. *Bend Area General Plan*. 2005. <http://www.bend.or.us/index.aspx?page=634>.

¹⁹ Brownfield remediation is the removal or sealing off of a hazardous contaminant so that a site can be safely used again.

²⁰ EPA. *Revitalizing Southeastern Communities: A Brownfields Toolkit*. Undated.

pronged approach that includes creating a network of trails, improving facilities for bicycling, protecting scenic and ecologically valuable land, and increasing the tree canopy.^{21,22,23,24} Since these efforts began, tourism has increased, and in 2012, *Blue Ridge Outdoors Magazine* named Roanoke as the Best Mid-Sized Mountain Town.²⁵

The tactics all of these small towns are using support not just economic development, but also smart growth, an approach to community development that protects the environment and public health, creates strong neighborhoods with diverse housing and transportation options, and improves residents' quality of life. Compact, diverse, and walkable development can increase property values and property tax revenues, encourage job creation, reduce housing and transportation costs, and create amenities and places that attract and retain residents. Real estate developers and investors, businesses, and local governments can therefore use smart growth development as a strategy to maximize their economic advantages. The connection between smart growth and economic success is explored in detail in a series of publications targeted toward these audiences.²⁶



Courtesy of Roanoke Regional Partnership via flickr.com

Exhibit 6. Roanoke Go Outside Festival. An annual event to encourage healthy, outdoor recreation brings community members together for music, competitions, demonstrations, and outdoor gear sales.

²¹ City of Roanoke. "Bicycle Friendly Community." <https://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N287YM9Q607LGONEN>. Accessed Jun. 26, 2014.

²² Roanoke Valley Area Metropolitan Planning Organization. *Bikeway Plan for the Roanoke Valley Area Metropolitan Planning Organization 2012 Update*. 2012. <http://rvarc.org/wp-content/uploads/2013/12/RVAMPO-BikewayPlan-2012Update-web.pdf>.

²³ City of Roanoke. "Conservation Easements." <https://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N287YMAB696LGONEN>. Accessed Jun. 26, 2014.

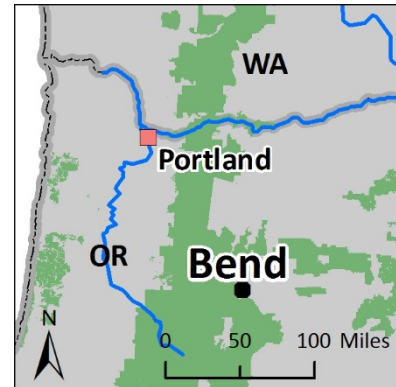
²⁴ City of Roanoke. "Tree Canopy." <https://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N287YMEY344LGONEN>. Accessed Jun. 26, 2014.

²⁵ Murray, Jack. "The Best Mid-Sized Mountain Town." *Blue Ridge Outdoors Magazine*. Nov. 2012. <http://www.blueridgeoutdoors.com/outdoors-travel/the-best-mid-sized-mountain-town>.

²⁶ EPA. *Smart Growth and Economic Success: Benefits for Real Estate Developers, Investors, Businesses, and Local Governments*. 2012. <http://www2.epa.gov/smart-growth/smart-growth-and-economic-success-benefits-real-estate-developers-investors-business>.

II. BEND, OREGON

Bend, Oregon, in the central part of the state next to the Cascade Mountains and Deschutes National Forest, draws visitors and new residents with its scenic beauty and year-round outdoor recreation. Its population was 79,118 as of 2012, a more than 50 percent increase since 2000, compared to the state's roughly 15 percent increase over that time.²⁷ Deschutes County, where Bend is located, led the state in population growth over the decade from 2000 to 2010. The city began as a logging town at the turn of the 20th century, with lumber mills on both sides of the Deschutes River. At their peak, the mills employed more than 4,000 people and helped Bend become the world's leader in the manufacture of secondary wood products.^{28,29} However, depletion of forest resources ultimately devastated the timber industry in Oregon, leading to the worst recession the state has experienced in the early 1980s, as measured by the percentage of jobs lost and the months it took to recover them.³⁰



A. Economic Development Strategies

Economic Development for Central Oregon (EDCO) is a nonprofit organization supported by public and private money that formed in 1981 to help the city diversify its economy after the loss of the timber industry.³¹ EDCO had some success attracting companies in the aviation industry, and Bend's economy began to pick up in the late 1980s as its population began growing, fueled in large part by retirees and others who were attracted to Bend's low cost of living and scenic beauty.

Bend's population grew by an average of 6 percent per year through the 1990s.³² To manage this growth, Bend encouraged infill and redevelopment in its core as a way to direct development away from sensitive natural areas toward where it could have the greatest economic impact. In 2001, the city created the *Central Bend Development Program Area Plan* for a 236-acre sector containing the central business district and adjacent commercial, industrial, and residential areas.³³ This plan aimed to enhance the function, condition, and appearance of the area while improving economic and environmental conditions. The plan's guiding principles included:

- Create a downtown center by giving high priority to the river and downtown core projects.
- Give high priority to human scale and quality of life.

²⁷ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Apr. 17, 2014.

²⁸ Old Mill District. "Our Story." <http://www.theoldmill.com/about/history>. Accessed Nov. 10, 2012.

²⁹ Secondary wood products use products produced directly from forest trees (e.g., pulp, lumber, plywood) as raw material (e.g., paper products, furniture, moldings, and toys).

³⁰ Mapes, Jeff. "For Oregon, the Early 1980s Recession was the 'Great Recession.'" *The Oregonian*. Oct. 10, 2011. http://blog.oregonlive.com/mapesonpolitics/2011/10/for_oregon_the_early_80s_reces.html.

³¹ Jacklet, Ben. "Bend's Economy is Coming Back to Life." *Oregon Business*. Jul. 2011. <http://www.oregonbusiness.com/articles/101-july-2011/5460-bends-economy-is-coming-back-to-life>.

³² City of Bend. *Bend Area General Plan*. 2005. <http://www.bend.or.us/index.aspx?page=634>.

³³ Bend Development Board. *Central Bend Development Program Area Plan*. 2001. <http://www.bend.or.us/modules/showdocument.aspx?documentid=3930>.

- Increase downtown’s role as a center for government and business activity.
- Maintain and develop cultural, historic, and entertainment resources.

To help implement the *Central Bend Development Program Area Plan*, the city prepared the *Bend Area General Plan* in 2005.³⁴ The general plan encouraged downtown revitalization by rezoning the abandoned mill property on the riverfront from heavy industrial to mixed commercial and residential use. However, before the property could be redeveloped, environmental contamination had to be cleaned up. After decades of industrial use, 180 acres of former lumber mill sites had been contaminated with hazardous substances from petroleum storage tanks,

wood treatment, charcoal manufacturing, and other activities.³⁵ The Oregon Department of Environmental Quality began remediation, and the site developer agreed to a voluntary cleanup plan to complete it. The redeveloped site, now known as the Old Mill District, includes activities such as kayaking and fishing along and on the Deschutes River, as well as a variety of restaurants, shops, and art galleries. The development preserved and repurposed portions of multiple historic buildings, including the iconic lumber mill smokestacks that enrich the neighborhood’s distinctive character and celebrate its history. Not only did the redevelopment clean up environmental contamination, the Old Mill District also created an economic engine for the region, employing more than 2,000 people by 2013.³⁶

The population of Bend grew at a rate three times that of the state during the 1990s³⁷ and early 2000s. Demand for new housing fueled the construction and wood products industries, so the housing market crash of 2008 hit Bend particularly hard. The local economy suffered, mainly because the rise in housing prices was “fueled by speculation not solid economics,” according to Roger Lee, executive director of EDCO.³⁸ At the end of 2009, housing prices were down 68 percent from just two years earlier, and many people owed more on their houses than the properties were worth.³⁹ Bend’s construction and building supplies industries declined along with the housing market. Another major blow to Bend’s economy was the downturn of the aviation industry, which was Bend’s first real foray away from construction and wood products. At the same time the

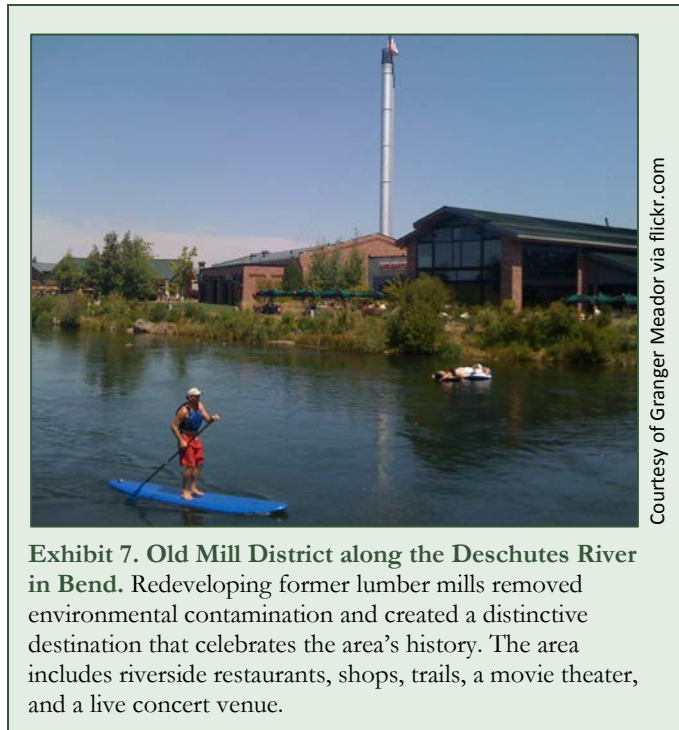


Exhibit 7. Old Mill District along the Deschutes River in Bend. Redeveloping former lumber mills removed environmental contamination and created a distinctive destination that celebrates the area’s history. The area includes riverside restaurants, shops, trails, a movie theater, and a live concert venue.

Courtesy of Granger Meador via flickr.com

³⁴ City of Bend 2005. Op. cit.

³⁵ Ibid.

³⁶ Envision Realty Advisors. *Old Mill District: Shop, Dine, Work, Live, Play*. 2013. <http://envisionrealtyadvisors.com/property-listings/The%20Old%20Mill%20Web%20Brochure.pdf>.

³⁷ City of Bend. *Analysis of Impediments to Fair Housing*. 2006.

³⁸ Jacklet 2011. Op. cit.

³⁹ Glucklich, Elon. “Bend Real Estate Recovering.” *Bend Oregon Real Estate*. Feb. 25, 2012.

housing market crashed, two major employers at the airport either shut down operations or filed for bankruptcy.⁴⁰

With the economy again struggling, the city and EDCO focused on recruiting and supporting the creation of microbrewing, biosciences, recreation equipment manufacturing, and technology companies. They focused on these types of companies in large part because entrepreneurs in these fields have the flexibility to choose where they locate. Understanding that such entrepreneurs are attracted to vibrant, walkable cities and towns with cultural and recreational activities, the city and EDCO continue to focus on quality of life and downtown development.

EDCO and the city also attract and nurture entrepreneurs by creating a supportive environment rather than simply providing loans or financial incentives. EDCO has fostered entrepreneurship by having monthly “pub talks” where growing companies can network and pitch ideas.⁴¹ Since 2004, EDCO has hosted an annual Bend Venture Conference, which attracts several hundred investors, entrepreneurs, and business leaders. The conference provides valuable coaching, mentoring, and exposure for young companies and features a competition where entrepreneurs compete for \$250,000 of startup funding.⁴² In 2011, the city of Bend formally established the Bend Economic Development Advisory Board, made up of five representatives from the business community and four from local economic development and workforce development agencies. The board advises the city council to help promote a supportive and innovative business environment.⁴³

B. Results

By several measures, the economic conditions in Bend have been improving in the six years since the end of the 2007-09 recession, especially in the city’s core. The citywide office vacancy rate at the end of the third quarter of 2014 was 11.4 percent, the lowest rate since the first quarter of 2008, when the vacancy rate was 11.2 percent. At 7.1 percent, downtown has maintained the lowest vacancy rate among the three Bend submarkets analyzed. Retail vacancy rates for the Old Mill District and downtown were 6.1 percent and 2.4 percent respectively, compared to 8.1 percent overall among seven analyzed submarkets. The industrial vacancy rate in the central submarket stood at just 1.2 percent, the lowest of four analyzed submarkets.⁴⁴ While Bend had an unemployment rate of 9.9 percent as of February 2014, the city has been making progress since the peak period of unemployment in the first three months of 2010, when the rate was more than 16 percent.⁴⁵ Outside of Portland, central Oregon shows some of the best job growth in the state, thanks in part to growth in Bend.⁴⁶

⁴⁰ Jacklet 2011. Op. cit.

⁴¹ Economic Development for Central Oregon. “Central Oregon Pubtalk.” <http://www.edcoinfo.com/events>. Accessed Apr. 16, 2014.

⁴² Schoenfeld, Bruce. “Why Bend, Ore., Is the Next Big City for Entrepreneurship.” *Entrepreneur*. Aug. 2012. http://www.entrepreneur.com/article/223997?goback=.gde_4597877_member_160115978_-_comments.

⁴³ City of Bend. “Bend Economic Development Advisory Board.” <http://www.bend.or.us/index.aspx?page=946>. Accessed Apr. 30, 2015.

⁴⁴ Compass Commercial Real Estate Services. “2013 Summary/2014 Forecast.” *Compass Points*. Q4 2013. <http://www.compasscommercial.com/index.php?id=013>.

⁴⁵ Bureau of Labor Statistics. “Databases, Tables & Calculators by Subject.” http://data.bls.gov/timeseries/LAUMT41134600000003?data_tool=XGtable. Accessed Apr. 16, 2014.

⁴⁶ State of Oregon. *Oregon Economic and Revenue Forecast*. Mar. 2014. <http://www.oregon.gov/DAS/OEA/docs/economic/forecast0314.pdf>.

Bend has been able to use its quality of life and natural resources to attract entrepreneurs to the city. The environment created by the city and EDCO through their outreach, networking, and support led *Entrepreneur Magazine* to call Bend “the most entrepreneurial city in America.”⁴⁷ As of 2014, the city had at least 95 startups across multiple technology sectors.⁴⁸ In 2010, Bend ranked 17th among 320 metropolitan regions in the United States for the number of high-tech startups in a region relative to the region’s population.⁴⁹

Bend has been able to recover from several boom-and-bust cycles in its economy by prioritizing a vibrant downtown with a high quality of life and preservation of its natural beauty. These assets have attracted new residents, tourists, and business entrepreneurs who drive economic growth.

Some information for this case study came from an interview with Joe Skidmore, Assistant City Manager, City of Bend, on November 13, 2012.

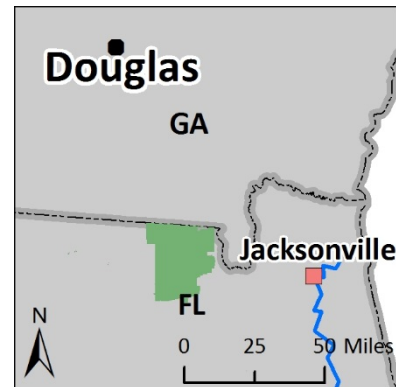
⁴⁷ Schoenfeld 2012. Op. cit.

⁴⁸ Blank, Steve. “Bigger In Bend—Building A Regional Startup Cluster.” *Forbes*. Jan. 14, 2014. <http://www.forbes.com/sites/steveblank/2014/01/14/bigger-in-bend-building-a-regional-startup-cluster>.

⁴⁹ Ewing Marion Kauffman Foundation. *Tech Starts: High-Technology Business Formation and Job Creation in the United States*. 2013. <http://www.kauffman.org/what-we-do/research/firm-formation-and-growth-series/tech-starts-hightechnology-business-formation-and-job-creation-in-the-united-states>.

III. DOUGLAS, GEORGIA

Douglas is in southern Georgia, approximately 115 miles northwest of Jacksonville, Florida. The city of almost 12,000 people⁵⁰ is the county seat of Coffee County and the economic center of the region. It is home to South Georgia State College, a two-year college, and Wiregrass Technical College.⁵¹



Historically, Douglas' economy was based predominantly on agriculture, but in the late 1950s, leaders in Coffee County recognized the importance of diversifying the economy to be more resilient to changes in the agricultural sector. As a result, the Douglas-Coffee County Economic Development Authority was formed in 1959. At first, the authority focused on recruiting large industrial employers, including PCC Airfoils and a Wal-Mart distribution center in the 1980s. Despite these successes, manufacturing jobs declined from 33 percent of all employment in 2000 to 14 percent in 2013, representing a loss of almost 700 jobs.⁵²

A. Economic Development Strategies

Douglas' strategy for economic development is grounded in cooperation among the city, county, business community, education institutions, and civic leaders. The Douglas-Coffee County Chamber of Commerce and Economic Development Authority works for a regional economy stabilized by small, local businesses.⁵³

To regain lost jobs, Douglas reoriented its approach to economic development to include support of small businesses and entrepreneurs. City and county leaders recognized that small business development would not only directly support a diverse economy but also could provide more services that might attract industrial employers. To launch the new small business strategy, the city provided funding for the Chamber of Commerce to hire a full-time director of entrepreneur and small business development in 2002.⁵⁴ One of the director's first initiatives was creating *A Helpful Guide to Starting and Growing a Business in Coffee County*, which outlines local resources, permitting and zoning processes, tax policies, and steps to get business loans.⁵⁵ The chamber also offers programs to connect experienced business owners with new ones, give community members discounts at participating businesses to encourage their patronage, and train budding leaders in workplace and community leadership skills.⁵⁶

⁵⁰ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Jun. 3, 2014.

⁵¹ Lambe, Will. *Small Towns, Big Ideas*. UNC School of Government. 2008. [http://www.iog.unc.edu/programs/cednc/stbi/pdfs/stbi_final.pdf](http://www.iog.unc.edu/programs/cednc/stbi/pdfs/stbi_final.pdf?q=programs/cednc/stbi/pdfs/stbi_final.pdf).

⁵² U.S. Census Bureau. Op. cit.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ Douglas-Coffee County Chamber and Economic Development Authority. *A Helpful Guide to Starting and Growing a Business in Coffee County*. Undated. <http://www.douglasga.org/pdf/HowToStartABusiness.pdf>.

⁵⁶ Douglas-Coffee County Chamber and Economic Development Authority. "Programs – Ambassadors." <http://www.douglasga.org/Ambassadors.html>. Accessed Apr. 23, 2014.

Douglas has also invested in preserving its architectural heritage and making downtown an attractive place for businesses to locate. In the late 1980s, downtown Douglas had a high vacancy rate, and people from the community rarely visited. A Main Street Program was started in 1987 to revitalize the area. One of the program's first activities was a façade grant program to restore Douglas' storefronts. Initially, \$10,000 from the city and the Industrial Development Authority (now the Economic Development Authority) provided matching grants for 20 façade improvements, and 20 more façades were improved a decade later.⁵⁷ Around the time the Main Street Program was formed, the city applied for and received

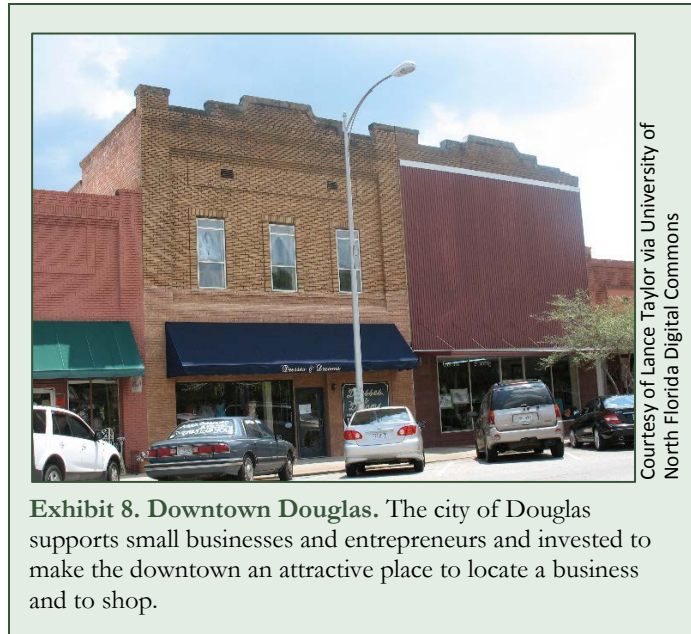


Exhibit 8. Downtown Douglas. The city of Douglas supports small businesses and entrepreneurs and invested to make the downtown an attractive place to locate a business and to shop.

a federal Transportation Enhancements grant of \$850,000. Combining the grant with a local match of \$321,317, the city began a one-year streetscape project, adding street trees, patterned brickwork sidewalks, pedestrian lighting, landscaping, a gazebo, and a brick archway at the main downtown intersection.⁵⁸ Thanks to the façade improvements and the streetscape project, the downtown area is now a gathering place for the community. A downtown market with local vendors, artists, and farmers is held on the second Saturday of the month.⁵⁹ In addition, a walking and biking trail connects downtown with the campuses of Wiregrass Georgia Technical College and South Georgia College.⁶⁰ Maintaining downtown's mix of uses and historic character and redeveloping vacant sites are components of the city's 2007 comprehensive plan update, ensuring that new development continues to support downtown.⁶¹

B. Results

Efforts to revitalize downtown reaped rewards for the city. After completion of the downtown streetscape project in 1995, the downtown vacancy rate started falling from its high of 25 percent, a

⁵⁷ Russell, Victoria. "Downtown Main Street Douglas, Georgia." *Economic Development Journal*. Winter 2002. Pages 35-51.

⁵⁸ Georgia Department of Transportation. "Douglas Streetscape." Information accessed Jul. 1, 2014.

⁵⁹ Douglas-Coffee County Chamber and Economic Development Authority. *The Friday Facts*. Mar. 8, 2013. http://www.douglasga.org/index_11_476981306.pdf.

⁶⁰ Douglas-Coffee County Chamber and Economic Development Authority. "Quality of Life." <http://douglasga.org/QualityOfLife-Economic.html>. Accessed Jul. 2, 2014.

⁶¹ Jordan, Jones, & Goulding. *Coffee County 2007-2027 Comprehensive Plan Update: Community Agenda for the City of Douglas*. Coffee County. 2007. <http://www.dca.ga.gov/largefiles/OPQG/2007/CoffeeCo.AmbroseCi.BroxtonCi.DouglasCi.NichollsCi.CAg.pdf>.

change that city officials attributed to the streetscape improvements.⁶² At the end of 2012, 12 newly opened businesses dropped the downtown vacancy rate to 6 percent.⁶³

In 2004, Douglas-Coffee County was the first community in Georgia to be designated as “entrepreneur friendly” by the state in recognition of its commitment to develop strategies that support local entrepreneurs.⁶⁴ The efforts to attract entrepreneurs were credited with creating 800 new jobs for small business and entrepreneurial startups and expansions by 2006.⁶⁵ Joanne Lewis, president of the Douglas-Coffee County Chamber of Commerce and Economic Development Authority, strongly believes that the focus on small businesses helped Douglas to weather the economic downturn later in the decade because, although many small businesses in Douglas did close during this time, there were also new businesses opening.⁶⁶

Some information for this case study came from interviews with Dale Batten, Community Development Director, City of Douglas, on November 9 and November 19, 2012, and Terrell Jacobs, City Manager, City of Douglas, on November 19, 2012.

⁶² Georgia Department of Transportation. Op. cit.

⁶³ Lightsey, Ed. “Douglas | Coffee County: Staying the Course.” *GeorgiaTrend*. Dec. 2012. <http://www.georgiatrend.com/December-2012/Douglas-Coffee-County-Staying-The-Course>.

⁶⁴ Center for Rural Entrepreneurship. “Local Success, Challenges and What Lies Ahead for Rural Georgia.” *Entrepreneurial Program of the Month*. Dec. 2005. http://www.energizingentrepreneurs.org/file_download/9479c847-3396-434b-8d4c-ffc24032a526.

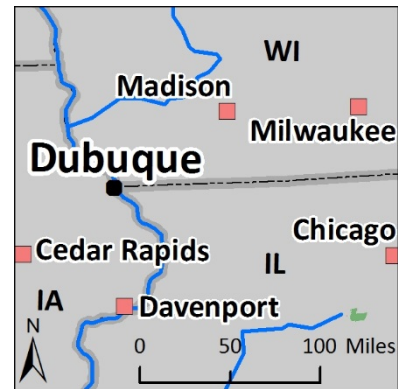
⁶⁵ Ibid.

⁶⁶ Personal communication with Joanne Lewis, President, Douglas-Coffee County Chamber of Commerce and Economic Development Authority, Nov. 13, 2012.

IV. DUBUQUE, IOWA

Located in northeastern Iowa along the Mississippi River, Dubuque is approximately 175 miles northwest of Chicago. Its population, estimated to be 58,253 as of 2013, has been stable since 2000.⁶⁷ Dubuque was one of the first settlements west of the Mississippi River and grew along its banks as the mining, fur-trading, and manufacturing sectors thrived.⁶⁸

With the loss of several large employers in the early 1980s, including John Deere and the Dubuque Packing Company, the city fell on hard times. Unemployment reached 23 percent, and the downtown vacancy rate climbed to 55 percent. Residents left as they lost hope that the city's future could improve. Between 1980 and 1990, the city lost 7.8 percent of its population, and home values fell 9 percent.⁶⁹



A. Economic Development Strategies

Dubuque's recovery was the result of a series of comprehensive, community-driven planning processes. In 1990, the city's Long-Range Planning Commission initiated Vision 2000, a public planning process, to outline the vision for Dubuque's economic future. More than 5,000 people participated, inspired to rebuild their city.⁷⁰ Vision 2000 was adopted by the city council in 1993 and guided development of a new comprehensive plan in 1995, the first since 1936.⁷¹

The city developed 23 implementation plans based on elements in the comprehensive plan. One of these was a master plan for redevelopment of the riverfront to help residents and visitors physically and psychologically connect with the Mississippi River. Though it is one of the city's most important assets, the riverfront was riddled with vacant brownfields,⁷² and residents and tourists could not easily get to the river.⁷³ The *Port of Dubuque Master Plan* aimed to transform this area into a walkable, mixed-use neighborhood.⁷⁴ In 2002, a partnership of the city, the Dubuque County Historical Society, the Dubuque Area Chamber of Commerce, the Greater Dubuque Development Corporation, and others launched America's River, a 90-acre riverfront revitalization project.⁷⁵

⁶⁷ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Jun. 4, 2014.

⁶⁸ City of Dubuque. "History." <http://www.cityofdubuque.org/index.aspx?nid=1060>. Accessed Jun. 4, 2014.

⁶⁹ City of Dubuque. *Masterpiece on the Mississippi: Application for Iowa Great Places*. 2006. <http://www.iowagreatplaces.gov/profiles/assets/dubuque-gp.pdf>.

⁷⁰ City of Dubuque 2006 Op. cit.

⁷¹ Van Milligen, Michael C. "The City of Dubuque: Masterpiece on the Mississippi." City of Dubuque. 2006. http://www.philadelphiafed.org/community-development/events/reinventing-2006/presentations/cca_roc-040606_pursuing-modern-vision_van-milligen.pdf.

⁷² Brownfields are properties, the expansion, redevelopment, or reuse of which might be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

⁷³ City of Dubuque. "History." Op. cit.

⁷⁴ URS Corporation, Leland Consulting Group, and EDG, Ltd. *Port of Dubuque Master Plan*. City of Dubuque. 2002. <http://www.cityofdubuque.org/DocumentCenter/Home/View/288>.

⁷⁵ Van Milligen 2006. Op. cit.

The \$188 million in funding for the project came from a combination of city, state, and federal sources; the Dubuque County Historical Society; and private investment.⁷⁶ The first phase of the project included a Mississippi Riverwalk, the National Mississippi River Museum & Aquarium, the Grand River Center, the Grand Harbor Resort, and the historic Star Brewery complex, all of which attracted tourists and additional investment to the area. In 2010, with phase II underway to create a second museum complex, new casino, and new movie

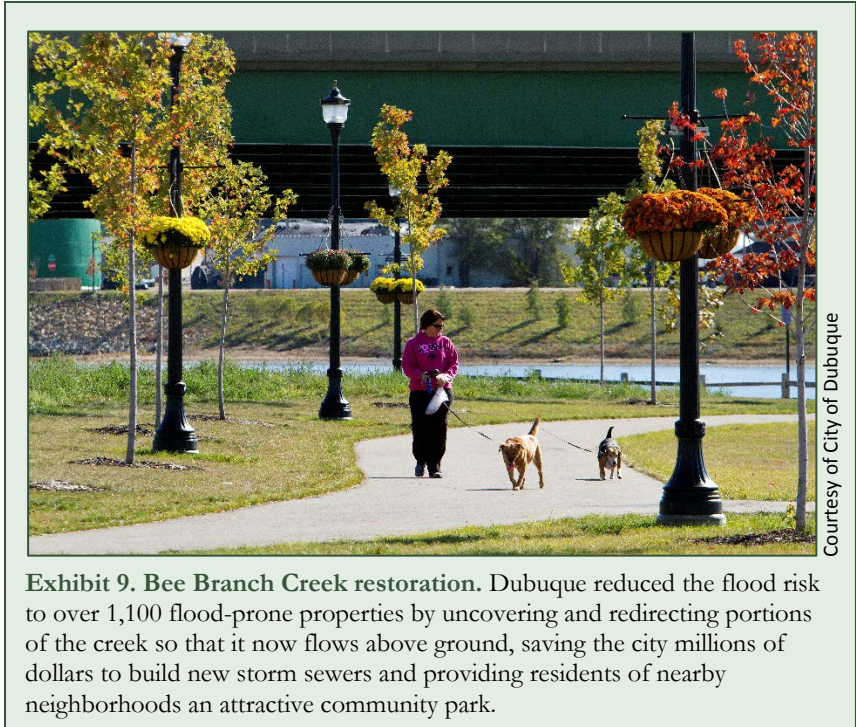


Exhibit 9. Bee Branch Creek restoration. Dubuque reduced the flood risk to over 1,100 flood-prone properties by uncovering and redirecting portions of the creek so that it now flows above ground, saving the city millions of dollars to build new storm sewers and providing residents of nearby neighborhoods an attractive community park.

theater, the America’s River Project began a campaign for its third phase, which includes daylighting the historic Bee Branch Creek to deal with recurrent flooding, creating a new gateway to the city from the north, and building a mile-long linear park along the creek to connect the historic riverfront with the core of the city.⁷⁷ Restoration of the lower Bee Branch Creek was completed in 2011. Restoration of the upper Bee Branch Creek is set to begin in 2015 and be completed in 2016.

In 2005, under the leadership of newly elected Mayor Roy D. Buol, whose platform was “engaging citizens as partners,” another citizen-driven planning process began. The Community Foundation of Greater Dubuque and the Chamber of Commerce formed a steering committee to lead Envision 2010, which aimed to identify 10 high-impact community projects. Over several months, 10,000 to 20,000 people submitted more than 3,000 ideas.⁷⁸ A selection committee comprised of community members narrowed the list down to 100, and participants in a community town hall meeting selected 30 finalists.⁷⁹ The selection committee then chose the final 10 projects, including revitalization of the Historic Millwork District, expanding the America’s River Project with new cultural destinations, a walking and biking trail system, a community health center, an indoor-outdoor performing arts center, and passenger train service.⁸⁰ Projects like these can help the city attract and retain residents and businesses, boosting property and sales tax revenue.⁸¹ In addition, the community-driven process gave the ideas credibility among donors, including a local university, casino, and

⁷⁶ Ibid.

⁷⁷ City of Dubuque. “America’s River III: Bee Branch Creek Restoration & Gateway.” <http://www.cityofdubuque.org/1420/Americas-River-III>. Accessed Jun. 30, 2014.

⁷⁸ City of Dubuque 2006. Op. cit.

⁷⁹ Ibid.

⁸⁰ Envis10n. “Final 10 Ideas.” <http://www.envision2010.org/final.html>. Accessed Jun. 5, 2014.

⁸¹ EPA. *Smart Growth and Economic Success: Strategies for Local Governments*. 2014. <http://www2.epa.gov/smart-growth/smart-growth-and-economic-success-strategies-local-governments>.

businessman.⁸² As of 2014, the Community Foundation of Greater Dubuque had received donations to endow seven of the 10 projects, all of which are either completed or underway.⁸³

Uniting all of Dubuque's efforts is the concept of creating a sustainable city. Believing that "cities that get out in front on sustainability will have competitive economic advantages in the future," Mayor Buol created Sustainable Dubuque in 2006, an initiative that makes sustainability a top priority for the community.⁸⁴ A citizen task force helped create 12 sustainability principles that guide city operations and community development plans, including the city's comprehensive plan, long-range transportation plan, and comprehensive economic development strategy. This vision helps the city meet its goal of ensuring the city will thrive for generations to come through "economic prosperity, environmental integrity, and cultural vibrancy."⁸⁵

The community engagement continues through an annual visioning and planning process. The city maintains a 20-year vision, which is supported by five-year goals. Each year, with community input, the city council creates yearly goals and priorities to achieve the five-year goals and updates the five-year goals with the 20-year vision in mind.⁸⁶ This process gives all city departments the same priorities and enables the city to work collectively toward the vision for the future.

The Greater Dubuque Development Corporation supports the city's focus on improving quality of life, seeing it as an economic development strategy that can help attract residents and employees. President and CEO Rick Dickinson says that the key to success is a "combination of making sure to create jobs while enhancing quality of life so the region becomes a magnet for talent." The organization's economic development efforts focus on the city's existing business assets by emphasizing employer retention and expansion over recruitment. In 1997, the city created a new industrial center, and 21 of the 24 firms that have located there are local firms that expanded.⁸⁷

B. Results

Dubuque's broad-ranging efforts to engage stakeholders in shaping its future have enabled the city to rebound from its low point in the 1980s. Dubuque's Metropolitan Statistical Area had 37,600 people working in 1983, a number which grew to more than 60,000 by 2014.⁸⁸ Dubuque recovered all of the jobs that it lost during the recession in the late 2000s by the first quarter of 2011, a feat

⁸² Daniels, Alex, and Ben Gose. "Community Funds Ask People From Diverse Walks of Life for Priorities." *Chronicle of Philanthropy*. Mar. 23, 2014.

⁸³ Gose, Ben. "Dubuque Community Fund's Example of Involving Locals Is Blueprint for Others." *Chronicle of Philanthropy*. Mar. 23, 2014.

⁸⁴ Sustainable Dubuque. "About Sustainable Dubuque." http://www.sustainableubuque.org/en/about_us/about_sustainable_dubuque. Accessed May 20, 2014.

⁸⁵ City of Dubuque. *A Guide to the Dubuque Comprehensive Plan*. 2007. <http://www.cityofdubuque.org/DocumentCenter/View/284>.

⁸⁶ City of Dubuque. "Mayor & City Council." <http://www.cityofdubuque.org/index.aspx?NID=67>. Accessed Jun. 5, 2014.

⁸⁷ Braun, Georgette. "Rockford should take cues from Dubuque." *Rockford Register Star*. Oct. 20, 2013. http://www.rstar.com/article/20131020/NEWS/131029939/10354/OPINION#OPINION/?Start=1&_suid=141693028395403882191682762058.

⁸⁸ City of Dubuque. "City Manager's Message." *City Focus*. Spring 2014. <http://cityofdubuque.org/ArchiveCenter/View/File/Item/4145>.

accomplished by only 18 other cities out of 363 that were examined.⁸⁹ In November 2013, its unemployment rate was just 3.5 percent, half the national average, and it had the 17th highest gross domestic product growth rate in the country at 5.1 percent.⁹⁰



Courtesy of SD Dirk via flickr.com

Exhibit 10. Dubuque riverfront. The Mississippi River has been one of the city’s most valuable assets throughout its history. Originally used primarily to support industry, it now also helps attract more than 1 million tourists annually.

Many tax incentives given to businesses that helped revitalize Dubuque are due to expire, and the city’s financial payoff from these earlier programs will begin. In 2018, the Dubuque Technology Park tax-increment financing⁹¹ district is set to expire, providing the city an additional \$1 million in annual tax revenue. In 2020, when the Dubuque Industrial Center West tax-increment financing district expires, the city can expect an additional \$3 million in tax revenue per year.⁹²

Businesses continue to invest in the city. In 2009, IBM announced the opening of a new facility in one of Dubuque’s historic downtown buildings, bringing more than 1,000 jobs.⁹³ The company was lured in part by the city’s demonstrated ability to bring together diverse public and private interests around a common purpose. IBM’s presence has helped attract additional employers, fostered a more educated and diverse workforce, and supported the downtown’s revitalization. In the five years after IBM’s facility opened, 250 new residential units were built downtown.⁹⁴

The city estimates that “more than one million tourists visit Dubuque annually to ride the riverboats, learn the history, and see the sights.”⁹⁵ The city’s Main Street Program, the longest-running Main Street Program in the country, received the first Great American Main Street Award in 1995. By 2006, downtown had real estate sales near \$92 million, a first-floor vacancy rate of 10 percent (down from 55 percent at the organization’s founding), and a net gain of 1,923 jobs.⁹⁶

⁸⁹ U.S. Conference of Mayors. “Return to Peak Employment.” 2013. <http://usmayors.org/metroeconomies/0613/BondsImpactJobsdatareport.xls>.

⁹⁰ City of Dubuque “City Manager’s Message.” Op. cit.

⁹¹ Property owners in tax-increment financing districts are eligible to finance new development based on the anticipated property taxes that would result from the increase in taxable valuation of those properties after development.

⁹² City of Dubuque. “Capital Improvements: Bridging Present and Future Needs.” *City Focus*. Sep. 2012. <http://ia-dubuque.civicplus.com/ArchiveCenter/ViewFile/Item/3096>.

⁹³ Greenblatt, Alan. “Corporate Entrepreneurs Are at the Heart of Downtown Revitalizations.” *Governing*. Jan. 2014. <http://www.governing.com/topics/urban/gov-corporations-at-revitalizations-center.html>.

⁹⁴ Ibid.

⁹⁵ City of Dubuque. “Masterpiece on the Mississippi: Application for Iowa Great Places.” Op. cit.

⁹⁶ Ibid.

Dubuque's high quality of life has been recognized by many organizations. Among many other awards:

- It was voted one of the 10 best riverfronts by readers of USA Today in 2014.
- EPA gave it a 2013 National Award for Smart Growth Achievement.
- It was named a 2013 All-America City by the National Civic League for the third time in six years.
- It has been named one of 100 Best Communities for Young People by America's Promise Alliance five times, most recently in 2012.
- In 2010, it was named Best Small City to Raise a Family by *Forbes*.
- In 2008, it was awarded Most Livable Small City in the United States by the U.S. Conference of Mayors.⁹⁷

Much of Dubuque's success can be attributed to the city's engaged community and a comprehensive citizen-driven planning process that focuses on long-term sustainability for the economy, environment, and community.

Some information for this case study came from interviews with Teri Hawks Goodmann, Assistant City Manager, City of Dubuque, on October 26, 2012, and Roy D. Buol, Mayor, City of Dubuque, on November 7, 2012.

⁹⁷ City of Dubuque. "Awards & Recognition." <http://www.cityofdubuque.org/index.aspx?NID=73>. Accessed Feb. 13, 2015.

V. EMPORIA, KANSAS

Emporia is in eastern Kansas between Topeka and Wichita, just over 100 miles from Kansas City. The population has been relatively stable in the past decade, decreasing from 26,760 in 2000 to 24,799 in 2013.⁹⁸ Emporia is the county seat of Lyon County and the largest city in the county.⁹⁹ Emporia is the home of Emporia State University, with approximately 6,000 students,¹⁰⁰ and Flint Hills Technical College, with approximately 750 students.¹⁰¹



Historically, Emporia was primarily an agricultural and manufacturing town.¹⁰² Due to the decline of agricultural prices in the late 1970s and early 1980s, many factories and businesses that depended on agriculture moved out of town, starting the city's decline. At the same time, jobs created by the construction of a regional power plant drew local workers out of Emporia. Emporia's downtown vacancy rate eventually reached 30 to 40 percent.

A. Economic Development Strategies

The city and county governments joined with the Downtown Association and Chamber of Commerce to create a Main Street Program in 1991.¹⁰³ The Emporia Main Street Program provides promotion, design, business enhancement, and organization services to current and potential downtown businesses. It also helps to connect businesses to a variety of federal, state, and local funding sources, including:

- Zero-interest loan programs from the Kansas Department of Commerce; the privately funded Trusler Foundation; and Network Kansas, a statewide organization established by the Kansas legislature to provide entrepreneurial support.
- Historic preservation tax credits and competitive grant programs.
- Loan guarantee programs.
- Tax-increment financing.¹⁰⁴

The city has also been involved in downtown revitalization efforts. The city partially funds Emporia Main Street (40 percent of its funding comes from the city's general fund and 60 percent from private sources). The city and Emporia Main Street worked together to create a "code team" in 2005 to help facilitate development approvals. The team brings together code officials, firefighters,

⁹⁸ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Jul. 31, 2014.

⁹⁹ Lyon County, Kansas. "Lyon County Fact Sheet." http://lyoncounty.org/index/?page_id=64. Accessed Jun. 2, 2014.

¹⁰⁰ Kansas Department of Commerce. "Small Town Success Stories: Emporia." <http://www.kansascommerce.com/index.aspx?NID=479>. Accessed Jun. 2, 2014.

¹⁰¹ National Center for Education Statistics. "Flint Hills Technical College." <http://nces.ed.gov/collegenavigator/?q=flint+technical+college&s=all&id=155052#programs>. Accessed Jun. 2, 2014.

¹⁰² Kansas Department of Commerce. Op. cit.

¹⁰³ National Trust for Historic Preservation. "Emporia, Kansas." 2005. <http://www.preservationnation.org/main-street/awards/gamsa/2005/emporia-kansas.html#.VVDkT5Pd1QJ>.

¹⁰⁴ Emporia Main Street, Inc. *Historic Downtown Emporia Kansas: Business Investment Guide*. 2012.

<http://www.emporiainmainstreet.com/wp-content/uploads/2012/03/2013-Business-Investment-Guide.pdf>.

engineers, and zoning staff to meet with new or expanding business owners at the business site to clarify requirements expeditiously.¹⁰⁵

The city and Emporia Main Street also worked together to create and adopt downtown design guidelines to promote mixed-use development and reinvestment in downtown Emporia that contributes to the area's existing historic fabric and character.¹⁰⁶ The design guidelines address the street grid, architectural detailing, construction materials, design principles for adaptive reuse and infill construction, signage, integrating multiple transportation modes into the existing streets, parking design and placement, lighting, street trees, and street furniture.

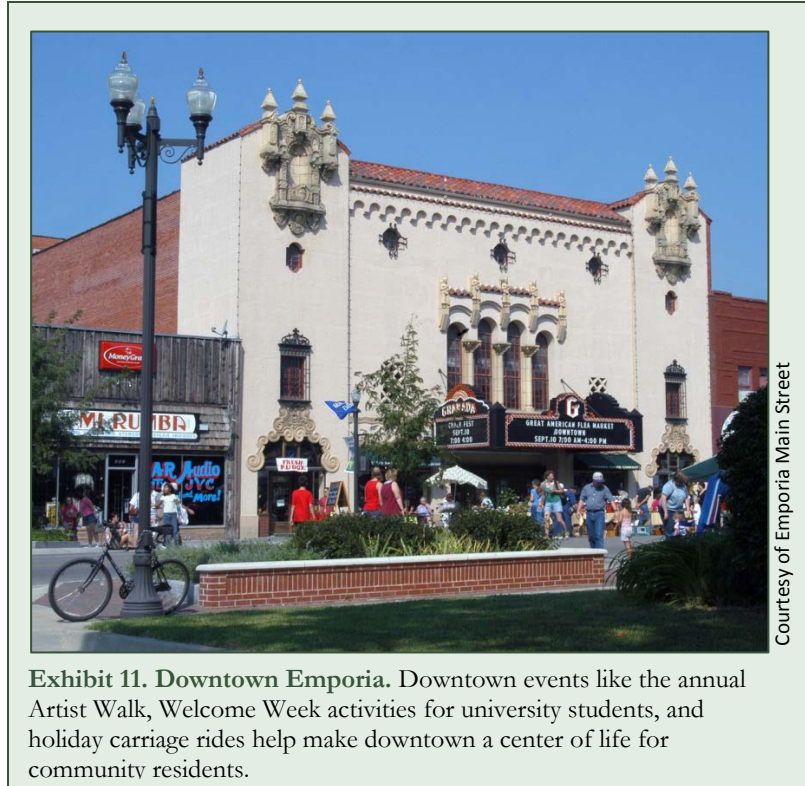


Exhibit 11. Downtown Emporia. Downtown events like the annual Artist Walk, Welcome Week activities for university students, and holiday carriage rides help make downtown a center of life for community residents.

The city created the *Neighborhood Revitalization Plan* in 2008, along with a tax rebate program, to encourage improvements to residential and commercial properties in distressed areas.¹⁰⁷ Emporia's 2008 comprehensive plan includes goals to help create a vibrant downtown, including promoting downtown investment and redevelopment, providing incentives for redevelopment and infill in blighted areas, restoring and preserving the original façades of downtown buildings, improving pedestrian and bicycle connections throughout Emporia, creating a park for downtown and surrounding neighborhoods, and providing a wide range of housing options throughout the city.¹⁰⁸ In 2011, Emporia established a downtown historic district that gives property owners access to historic tax credits to help with renovation costs.¹⁰⁹

In addition to being the county seat and having a historic downtown, the city has Emporia State University and Flint Hills Technical College and can draw educated workers from nearby Kansas State and Wichita State universities.¹¹⁰ As well as providing the city with access to a skilled labor

¹⁰⁵ Ibid.

¹⁰⁶ Emporia Main Street. *Downtown Design Guidelines*. 2008. <http://www.emporiamainstreet.com/Forms/Emporia%20Main%20Street%20Guidelines,%205-20-09.pdf>.

¹⁰⁷ City of Emporia. *Neighborhood Revitalization Plan*. 2008. http://www.emporia-kansas.gov/files/nra_plan_2008.pdf.

¹⁰⁸ City of Emporia. *City of Emporia Comprehensive Plan*. 2008. http://development.emporia-kansas.gov/files/gis/maps/City_of_Emporia_Comprehensive_Plan.pdf.

¹⁰⁹ Emporia Main Street, Inc. "Historic Incentives." <http://www.emporiamainstreet.com/buisness-resources/historic-incentives/>. Accessed Mar. 12, 2015.

¹¹⁰ Kansas Department of Commerce. Op. cit.

force, Emporia State University is home to a Kansas Small Business Development Center. One of eight regional centers in Kansas, it provides counseling, training, and resources to entrepreneurs and small businesses in a nine-county area.¹¹¹

B. Results

Around 2000, Emporia completed a \$2.3 million downtown streetscape project, helping to spur the renovation of hundreds of buildings. Every public dollar spent led to a return of \$33 in private investment.¹¹² As of 2012, Emporia Main Street's initiatives since the early 1990s resulted in \$57 million of investment in downtown and a decline in the vacancy rate from 30 percent to 7 percent.¹¹³ Emporia Main Street won the 2005 Great American Main Street Award. At the time of the award, efforts to improve downtown Emporia had resulted in 637 new jobs, 124 new businesses, and 23 new housing units.¹¹⁴ Since 2005, major downtown revitalization projects include the restored historic Granada Theatre and the Emporia Arts Center, which spurred the formation of a new arts and entertainment district.¹¹⁵ In the three years after the establishment of the downtown historic district, property owners invested \$3.8 million in historic renovations.¹¹⁶ New development also occurred. The Granada Plaza and Lofts, Broadview Tower, and Kellogg Plaza and Lofts were completed between 2009 and 2012, adding new mixed-use development downtown that further increased the number of residents and businesses in the area.¹¹⁷ Investment in the town's core between 2009 and 2015 has totaled \$32 million,¹¹⁸ including the opening of Emporia's first brewery since before Prohibition.¹¹⁹

Some information for this case study came from interviews with Casey Woods, Executive Director, Emporia Main Street, Inc. on August 30, 2012 and March 12, 2015.

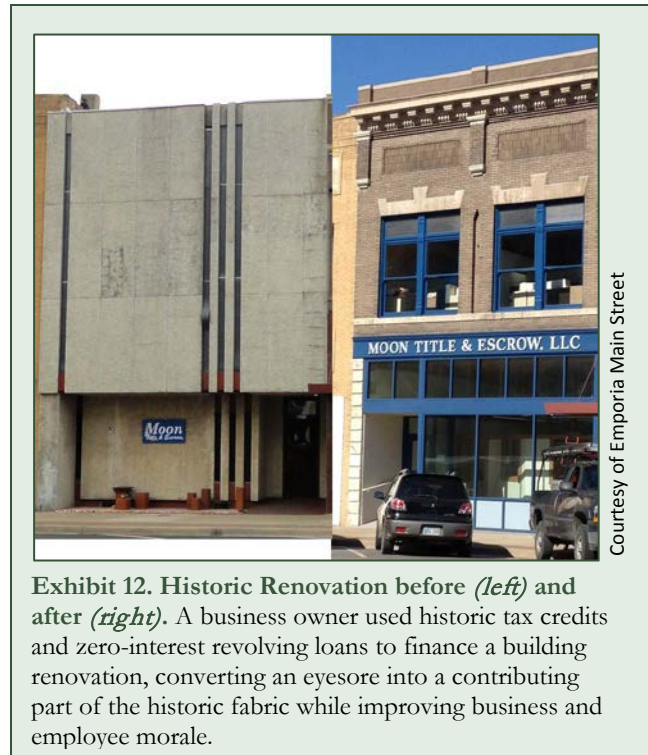


Exhibit 12. Historic Renovation before (left) and after (right). A business owner used historic tax credits and zero-interest revolving loans to finance a building renovation, converting an eyesore into a contributing part of the historic fabric while improving business and employee morale.

¹¹¹ Emporia State University. "Kansas Small Business Development Center." <http://www.emporia.edu/sbdc/mission.html>. Accessed Jun. 2, 2014.

¹¹² National Trust for Historic Preservation. "Emporia, Kansas." Op. cit.

¹¹³ Emporia Main Street, Inc. 2012. Op. cit.

¹¹⁴ National Trust for Historic Preservation. "Emporia, Kansas." Op. cit.

¹¹⁵ Emporia Main Street, Inc. 2012. Op. cit.

¹¹⁶ Personal communication with Casey Woods, Executive Director, Emporia Main Street, Inc. on Mar. 12, 2015.

¹¹⁷ Bolerjack, Don. "Emporia Downtown Home to New Businesses, Boosting Economy." *Kansas First News*. Apr. 29, 2014. <http://kansasfirstnews.com/2014/04/29/emporia-downtown-home-to-new-businesses-boosting-economy>.

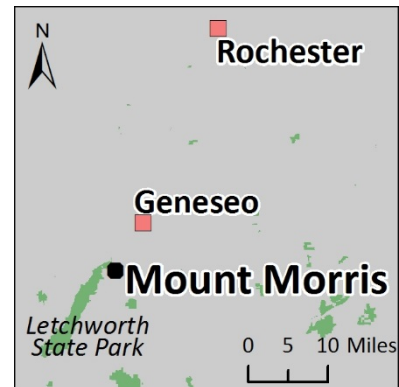
¹¹⁸ Ibid.

¹¹⁹ Bolerjack, Don. Op. cit.

VI. MOUNT MORRIS, NEW YORK

Mount Morris, New York, is a village of 2,929 people in western New York, 45 miles south of Rochester. The village is in Livingston County, which had a population of about 64,800 in 2012. Mount Morris lost 10 percent of its population from 2000 to 2012, while Livingston County grew by about 1 percent.^{120,121}

In the mid-19th century, Mount Morris transitioned from a small farming community into a bustling commercial agricultural and milling town thanks to the Genesee Valley Canal, which allowed goods to be shipped out of the valley to market. However, operation of the canal proved too costly, and it closed in 1878. With no viable means of transporting goods, many communities along the canal route, including Mount Morris, sought to replace the canal with a new rail line. By 1882, rail service linked Mount Morris and Rochester, allowing the village to continue to prosper through the early 20th century.¹²² By the mid-20th century, Mount Morris, like many communities across western New York, had begun a long economic decline as manufacturing jobs left the area. Exacerbating this long-term trend, an expressway bypassed the village in the 1970s, road construction blocked off routes through the village for two years, and competition from a nearby Wal-Mart left half the downtown storefronts empty by 2007.¹²³



A. Economic Development Strategies

To help revive the economy, the Livingston County Development Group¹²⁴ (LCDG) focused on supporting small businesses and encouraging entrepreneurship. It provides classroom instruction, one-on-one technical assistance, downtown relocation services, and a loan fund for small businesses' start-up or expansion expenses.¹²⁵

LCDG also promotes downtown redevelopment.¹²⁶ When an expressway bypassed the village of Mount Morris in the 1970s, downtown businesses suffered, and buildings fell into disrepair or were abandoned. In 2003, LCDG and the village leadership developed a downtown program that catalogued downtown buildings, subsidized rent, and advertised Mount Morris to developers. In 2007, the development potential of the village's historic buildings in the largely intact, but neglected,

¹²⁰ ACT Rochester. "Livingston County Data and Trends." <http://www.actrochester.org/Livingston>. Accessed Apr. 21, 2014.

¹²¹ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Apr. 21, 2014.

¹²² The Gombach Group. "Mount Morris Village." http://www.livingplaces.com/NY/Livingston_County/Mount_Morris_Village.html. Accessed Sep. 5, 2012.

¹²³ Dobbins, Sean. "Greg O'Connell Helps Breathe New Life Into Mount Morris." *Democrat & Chronicle*. Apr. 17, 2011. <http://roc.democratandchronicle.com/article/20110417/NEWS01/104170355/Greg-O-Connell-helps-breathe-new-life-into-Mount-Morris>.

¹²⁴ LCDG comprises three public authorities: the Industrial Development Agency, the Development Corporation, and the Capital Resource Corporation.

¹²⁵ LCDG. "Programs & Services." <http://www.livingstoncountydevelopment.com/programs-services.html>. Accessed Apr. 30, 2015.

¹²⁶ LCDG. "Downtown Partnership." <http://www.livingstoncountydevelopment.com/downtown-partnership.html>. Accessed Apr. 30, 2015.

downtown caught the eye of Greg O’Connell, a New York City developer who had been a student at the State University of New York (SUNY) at Geneseo in the 1960s.¹²⁷ LCDG gave O’Connell an inventory of all the downtown buildings, including physical characteristics, rental rates, ownership, and identification of tax-delinquent properties and those near foreclosure. LCDG’s downtown program was also applying for grants and received one from the New York Main Street Program to help restore downtown buildings.¹²⁸ The possibility of significant investment in downtown made the area more attractive to O’Connell.

O’Connell spent more than \$1 million to buy 20 buildings and another \$1 million to rehabilitate them, restoring historic storefronts and interiors and renovating second-floor apartments. He pursued an eclectic mix of retailers, including a café and bakery, barbershop, and antiques dealer. To help these businesses succeed, O’Connell charges as little as \$100 per month for rent and, in exchange, asks business owners to help create a dynamic downtown neighborhood by, for example, staying open one evening a week and regularly changing window displays. O’Connell makes a profit on the properties by renting the upper-story apartments to people who want to live in the center of activity.¹²⁹

Livingston County set up a program under which taxes on the improvements in a community-defined redevelopment area gradually increase over a 12-year period, allowing time for developers and businesses working in struggling areas to generate enough activity for them to afford the higher tax bill.¹³⁰

Community involvement has been key to revitalizing downtown. Mount Morris has taken advantage of its proximity to SUNY Geneseo to enlist the help of students. They have been involved in everything from beautification projects to publicity about community events.¹³¹ A SUNY student acts as a Main Street manager, coordinating advertising and social media outreach for the Main Street businesses—a position created and funded by O’Connell. Merchants have also worked



Exhibit 13. Jane’s Pantry in Mount Morris. This fine foods and spices shop was one of the first stores to open on the revitalized Main Street. A few years later, its success led the owner to expand by adding a tea room.

¹²⁷ Garner, Dwight. “The Last Townie.” *New York Times*. Mar. 18, 2011. <http://www.nytimes.com/2011/03/20/magazine/mag-20KEYSSmallTown-t.html>.

¹²⁸ Genesee/Finger Lakes Regional Planning Council. *Genesee-Finger Lakes Economic Development District Comprehensive Economic Development Strategy*. 2012. <http://www.gflrpc.org/Publications/CEDS/2011-12/2012CEDSFinal.pdf>.

¹²⁹ Garner. Op. cit.

¹³⁰ Macaluso, Tim Louis. “Development: The Mt. Morris Miracle.” *City Newspaper*. Jul. 18, 2012. <http://roccitynews.wordpress.com/2012/07/18/development-the-mt-morris-miracle>.

¹³¹ Wadsworth, Louise, and Greg O’Connell. *Downtown Revitalization in Rural New York State*. Livingston County Development Corporation. 2011.

together to create a viable business district by jointly funding publicity, collaborating on events to bring people downtown, and agreeing to uniform business hours.¹³²

The County's efforts to promote downtown redevelopment have continued. In 2010, Mount Morris received a \$433,500 grant from Restore NY to preserve and renovate the art deco façade and marquee of the 1930s New Family Theater and repurpose the building.¹³³ Mount Morris hopes to build on other assets beyond downtown by capitalizing on its proximity to Letchworth State Park and the Genesee Valley Greenway, an 84-mile multi-use trail that parallels the Genesee River.¹³⁴ In 2012, tourism revenue per resident in Livingston County was only about half of the regional rate,¹³⁵ suggesting an area ripe for additional growth. Building on the natural assets and attracting more of the region's tourists to visit downtown could help further the village's economic development goals.

B. Results

Thanks to the efforts of Greg O'Connell and other community leaders, Mount Morris has filled vacant downtown storefronts with several small businesses, including restaurants and antiques dealers. One of the first restauranteurs to open on Main Street in 2010 was able to turn a profit in just 10 months, largely due to the affordable rent,¹³⁶ and three years later, he opened a second establishment, an ice cream parlor.¹³⁷ Another of the first businesses to open in a renovated storefront, Jane's Pantry, expanded a few years later by adding a tea room to the fine foods and spices shop.¹³⁸

Some information for this case study came from interviews with Louise Wadsworth, Downtown Coordinator, Livingston County Economic Development Corporation, on September 7, 2012, and Charles DiPasquale, Supervisor, Town of Mount Morris, on September 5, 2012.

¹³² Thomas, Kay. "The Reimagining of Main Street in Mount Morris." *Life in the Finger Lakes*. Fall 2011.

<http://www.lifeinthefingerlakes.com/reimagining-main-street-mount-morris>.

¹³³ Mills, Wendy. "Mount Morris Village Working to Revitalize Main Street." *Time Warner Cable News*. Feb. 24, 2010.

http://www.twcnews.com/archives/nys/rochester/2010/02/24/mount-morris-village-working-to-revitalize-main-street-NY_497064.old.html.

¹³⁴ D'Imperio, Tony. "Where does Mount Morris go from here?" *The Livingston County News*. Nov. 4, 2011.

¹³⁵ ACT Rochester. Op. cit.

¹³⁶ Dobbin. Op. cit.

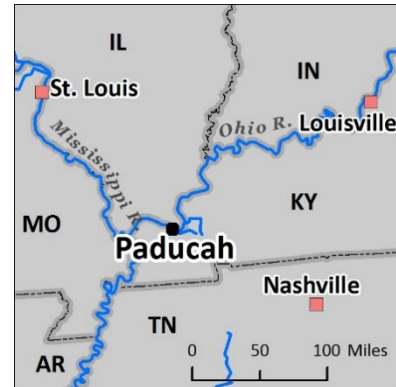
¹³⁷ Williams, Josh. "Zeppo's Ice Cream new addition for Mount Morris." *Genesee Sun*. Jul. 29, 2013. <http://www.genesee-sun.com/zeppo-s-ice-cream-parlor-new-addition-to-mount-morris>.

¹³⁸ "Jane's Pantry opens new Tea Room." *Genesee Sun*. Aug. 1, 2013. <http://www.geneseesun.com/jane-s-pantry-add-a-tea-room>.

VII. PADUCAH, KENTUCKY

Paducah is a city of 25,048 in western Kentucky at the confluence of the Ohio and Tennessee rivers.¹³⁹ From the city's beginning in the early 19th century, it was an agricultural and trade center, capitalizing on its waterways and later rail transportation. Paducah had decades of steady population growth leading into the 20th century.

Most significant for the town's economy, the Paducah Gaseous Diffusion Plant was built in surrounding McCracken County in 1952 and produced enriched uranium for nuclear power plants until 2013.¹⁴⁰ An estimated 30,000 people moved to Paducah for the plant's construction, and it had as many as 2,200 workers as recently as 2010.¹⁴¹ As Paducah's population grew in the 1950s, the outskirts of Paducah and McCracken County started to suburbanize, and downtown Paducah began to lose population and struggle economically. In the early 1980s, a shopping mall built on the outskirts of the city further hurt Paducah's downtown retail.¹⁴²



A. Economic Development Strategies

In 1988, Paducah residents elected Gerry Montgomery as mayor. She believed that returning vitality to downtown Paducah was critical to the area's economic future. Along with several other community leaders, she launched an effort to reinvest in downtown and restore the sense of place and quality of life that Paducah had lost over time. They saw downtown as critical to the city's future success, as it is the "front door" to their community, gave Paducah its sense of place, and attracted visitors. However, faced with a 70 percent downtown vacancy rate and high crime, Mayor Montgomery and the community had a daunting task.

In 1989, the mayor helped launch the Paducah Renaissance Alliance, an organization dedicated to developing and retaining the historic integrity of the Renaissance Area, which includes the LowerTown Arts District, the historic downtown, and the riverfront. The organization's approach, which is based on the Main Street Four-Point Approach developed by the National Main Street Center,¹⁴³ includes:

- Enhancing the design of the Renaissance Area by supporting an attractive, pedestrian-oriented streetscape that takes advantage of its historic buildings.

¹³⁹ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Apr. 29, 2014.

¹⁴⁰ Centrus. "Paducah Gaseous Diffusion Plant." <http://www.centrusenergy.com/gaseous-diffusion/paducah-gdp>. Accessed Apr. 30, 2015.

¹⁴¹ Feldhaus, Rebecca. "At the heart of the Atomic City: Paducah's Gaseous Diffusion Plant." WKMS. May 11, 2010. <http://www.publicbroadcasting.net/wkms/news.newsmain/article/0/1/1648416/Local.Features/At.the.heart.of.the.At.omic.City.Paducah's.Gasesous.Diffusion.Plant>.

¹⁴² City of Paducah. *Lower Town Neighborhood Plan*. 2002. <http://paducahky.gov/paducah/files/u3/LTpdfPlan.pdf>.

¹⁴³ National Main Street Center. "The Main Street Four Point Approach." <http://www.preservationnation.org/main-street/about-main-street/the-approach>. Accessed Jun. 3, 2014.

- Promoting the distinctive characteristics of the Renaissance Area that make it a great location to live, work, shop, and invest.
- Restructuring the economy to strengthen Paducah’s existing assets while also diversifying its economic base by recruiting new businesses that can contribute to the central commercial district.
- Organizing a volunteer-driven program to build consensus and cooperation toward common goals.¹⁴⁴

Paducah has used this approach to develop a cohesive identity around its core assets: art, the Ohio River, and history. A key component of nurturing the arts was supporting cultural institutions that would draw activity to the Renaissance Area. The city already was home to the William Clark Market House Museum and Market House Theater, both housed in a historic 1905 structure that is an icon of downtown Paducah.¹⁴⁵ Adding to these cultural assets, a local couple who were quilting enthusiasts led an effort to establish the National Quilt Museum. In 1991, the museum opened the doors to a new \$2.2 million building in downtown Paducah.¹⁴⁶ It draws about 40,000 national and international visitors a year.¹⁴⁷

Around the same time the quilt museum opened, the nonprofit Paducah Film Society opened the Maiden Alley Cinema. A few years later, a team of community leaders launched an effort to build a regional performing arts center that would house the Paducah Symphony Orchestra. Understanding the center’s potential economic impact and educational value for the entire region, 13 surrounding counties passed resolutions supporting its construction. In 2004, the Luther F. Carson Four Rivers Center opened to the public.¹⁴⁸ During its first five years of operation, 665,000 people from 49 states attended events at the center.¹⁴⁹

In 2008, the Paducah School of Art and Design opened as an anchor in the LowerTown Arts District, and in 2013, it expanded into renovated facilities. The school is planning another 25,000-

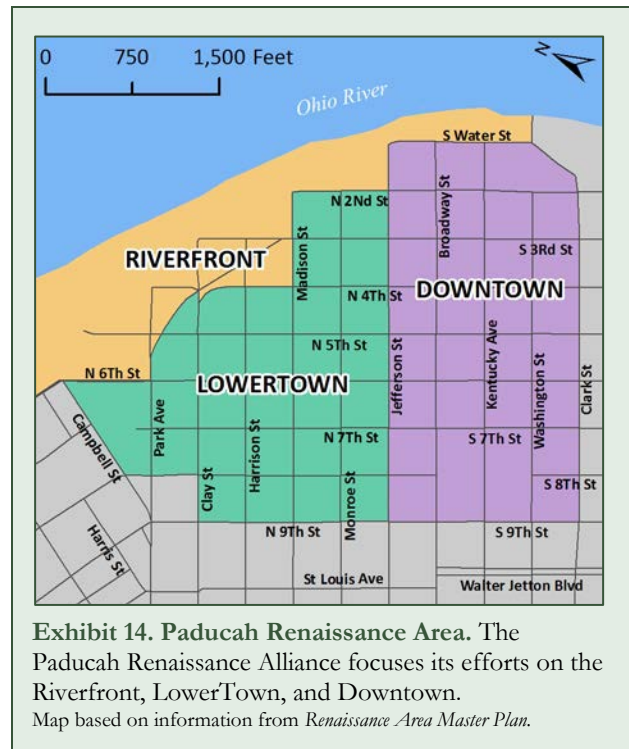


Exhibit 14. Paducah Renaissance Area. The Paducah Renaissance Alliance focuses its efforts on the Riverfront, LowerTown, and Downtown. Map based on information from *Renaissance Area Master Plan*.

¹⁴⁴ Paducah Main Street. “Our Approach.” <http://www.paducahmainstreet.org/about-our-approach.htm>. Accessed Jun. 2, 2014.

¹⁴⁵ City *Visions* Associates; AECOM; ConsultEcon, Inc.; and HNTB. *Renaissance Area Master Plan*. Paducah Riverfront Development Authority. 2011. http://matchbin-assets.s3.amazonaws.com/public/sites/1140/assets/3T5K_Final_RAMP_2012.pdf.

¹⁴⁶ The National Quilt Museum. “Museum History.” <http://www.quiltmuseum.org/history.html>. Accessed May 1, 2014.

¹⁴⁷ City *Visions* Associates et al. 2011. Op. cit.

¹⁴⁸ The Carson Center. “History.” <http://thecarsoncenter.org/history>. Accessed May 1, 2014.

¹⁴⁹ Paducah Economic Development. “The Carson Center.” <http://www.epaducah.com/why-paducah/the-carson-center>. Accessed May 1, 2014.

square-foot expansion into a renovated historic building in the fall of 2015.¹⁵⁰ The city considers its collection of cultural institutions to be a major asset that draws people from near and far.¹⁵¹

This concentration of cultural and arts attractions is complemented by the city's efforts to revitalize LowerTown, one of Paducah's oldest residential neighborhoods with many historic buildings.

However, by the late 1990s, LowerTown was in serious decline, with high poverty and unemployment, dilapidated buildings, a low homeownership rate, and high crime.¹⁵² In 2000, Mark Barone, a local artist, and Thomas Barnett, the city planner at the time, set out to revitalize the neighborhood by building on Paducah's new cultural investments. They created the Artist Relocation Program to attract artists to live and work in the neighborhood, and the city hired Barone to manage the program.¹⁵³ As part of the program, the city bought 55 vacant or foreclosed buildings that it then sold to artists for as little as \$1. The city gives buyers up to \$2,500 for professional design services, as well as



Exhibit 15. LowerTown Arts District. The LowerTown neighborhood celebrates an annual Arts and Music Festival that brings residents and visitors to the area, supporting local businesses and artists.

business and marketing support. The artists in turn promise to renovate the building for use as their home, studio, or retail space. Paducah Bank agreed to offer mortgage loans at well above the properties' appraised values so new owners could afford renovations, which was critical to the program's success.¹⁵⁴ In the first five years of the program, the city spent about \$3 million, while the artists invested approximately \$35 million. More than 100 artists eventually moved to live and work in the neighborhood, which is now filled with galleries, shops, and restaurants that attract visitors and residents.¹⁵⁵ By facilitating homeownership for the people spearheading the area's revitalization, the program helps them afford to stay as property values rise.

¹⁵⁰ Paducah School of Art & Design. "Facilities." <http://paducahschoolofartanddesign.org/facilities>. Accessed Feb. 19, 2015.

¹⁵¹ City *Visions* Associates et al. Op. cit.

¹⁵² City of Paducah 2002. Op. cit.

¹⁵³ Brundige, Wendy. "New York, Paris, Paducah? Kentucky Attracts Artists." *ABC News*. Dec. 23, 2006. <http://abcnews.go.com/Entertainment/WNT/story?id=2748161>.

¹⁵⁴ Patton, Zach. "Work of Arts." *Governing Magazine*. Jul. 2007. <http://www.governing.com/topics/economic-dev/Work-Arts.html>.

¹⁵⁵ Stodola, Sarah. "How to Save the Cities—Send in the Artists." *The Fiscal Times*. Jun. 4, 2010. <http://www.thefiscaltimes.com/Articles/2010/06/04/How-to-Save-the-Cities-Send-in-the-Artists>.

Revitalization efforts continued in other parts of the Renaissance Area. In 2005, the city created a riverfront redevelopment master plan. Projects under this plan include expanding a public park by adding fill material from the Ohio River, creating a downstream harbor as well as building a boat launch, dock, and marina. Paducah secured just over \$10 million in federal and state funding for the riverfront's redevelopment, including \$6.3 million from the Federal Highway Administration, \$3 million from the U.S. Department of Housing and Urban Development, and \$910,000 from the U.S. Fish & Wildlife Service.¹⁵⁶ Construction began in May 2013 on the Ohio River boat launch and was completed in 2014.¹⁵⁷

Building on the overwhelming success of the LowerTown neighborhood redevelopment, in 2007, Paducah turned its attention to revitalizing the Fountain Avenue neighborhood, one of the city's first streetcar suburbs that suffered from years of disinvestment.¹⁵⁸ The city created several incentives to attract existing and new homeowners—not just artists—to invest in the neighborhood.¹⁵⁹ Current residents can apply for a loan of up to \$20,000 that covers up to 15 percent of a renovation project costing \$50,000 or more, with 20 percent of the loan forgiven per year, while new residents are eligible for up to 10 percent of the cost of a renovation or new construction project. In addition, the city offered for sale city-owned vacant lots or houses requiring renovation at prices as low as \$1; a waiver for planning application, inspection, permit, and sewer connection fees; 24-hour turnaround for inspections; and free sidewalk replacement for new infill and major rehabilitation projects. More than \$8 million in public and private funds has been invested in the area, and crime has declined an average of 77 percent per year between 2000 and 2011.¹⁶⁰

To coordinate the many downtown investment strategies, the city commission created the Paducah Riverfront Development Authority in 2008. In 2011, the authority commissioned the *Renaissance Area Master Plan* to improve the physical connections among Paducah's downtown, the LowerTown Arts District, and the riverfront; reinforce downtown character; and improve transportation.¹⁶¹ The authority is tasked with redeveloping the former site of a riverfront hotel and helping with planning and implementation of the *Renaissance Area Master Plan* and the Paducah Riverfront Project.¹⁶²

¹⁵⁶ City of Paducah. "Riverfront Master Plan." <http://paducahky.gov/paducah/riverfront-master-plan>. Accessed May 1, 2014.

¹⁵⁷ City of Paducah. "Ohio River Boat Launch." <http://paducahky.gov/paducah/ohio-river-boat-launch>. Accessed Feb. 19, 2015.

¹⁵⁸ City of Paducah. *Fountain Avenue Neighborhood Phase I Revitalization Plan*. 2007. <http://www.fountainave.com/documents/FinalPlanweb.pdf>.

¹⁵⁹ City of Paducah. "Fountain Avenue Neighborhood: Incentives." <http://www.fountainave.com/incentives.php>. Accessed May 1, 2014.

¹⁶⁰ City of Paducah. "Fountain Avenue Neighborhood: Project Purpose." <http://www.fountainave.com/index.php>. Accessed May 1, 2014.

¹⁶¹ City *Visions* Associates et al. Op. cit.

¹⁶² City of Paducah. "Paducah Riverfront Development Authority PRDA." <http://paducahky.gov/paducah/PRDA>. Accessed May 1, 2014.

B. Results

Paducah's investments in its downtown have strengthened the city's economy. A study conducted by Americans for the Arts found that, in 2007, the nonprofit arts and culture organizations generated \$39.9 million in local economic activity in the Greater Paducah region, supporting 819 full-time jobs and generating \$3.6 million in local and state government revenue. More than two-thirds of this economic activity was generated by event-related spending, much of it from tourists. Nearly 400,000 people attended arts events in Paducah during 2007, 37.5 percent of whom came from out of state. These out-of-state visitors spent more than five times as much as local residents for event-related expenses, including lodging, meals, transportation, and shopping, not counting admission fees.¹⁶³

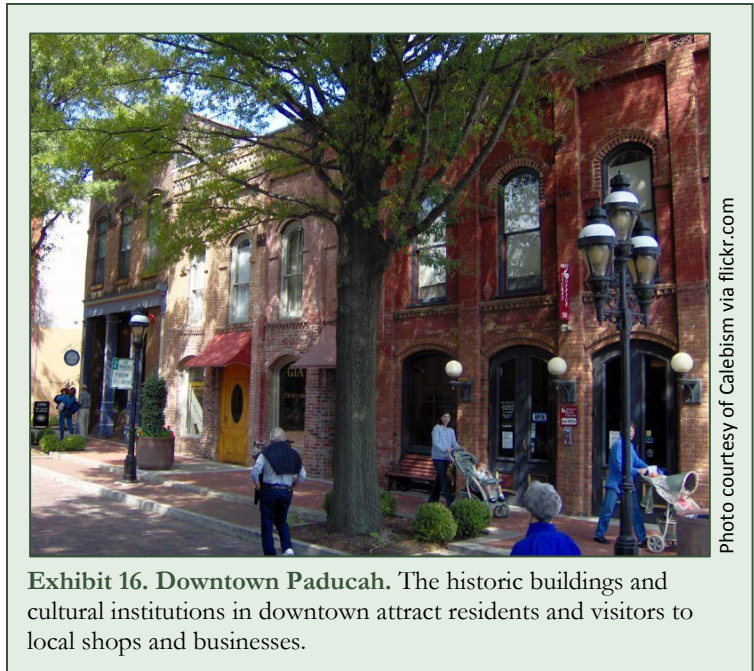


Exhibit 16. Downtown Paducah. The historic buildings and cultural institutions in downtown attract residents and visitors to local shops and businesses.

As investors and entrepreneurs saw how the city improved downtown, they made investments of their own. As of 2010, more than \$100 million had been invested in downtown, about half from public investment and half from private investment.¹⁶⁴ In 2010, the National Trust for Historic Preservation gave Paducah a Great American Main Street Award for its efforts to revitalize the city's historic retail district. At the time of the award, the Paducah Renaissance Alliance's efforts were responsible for 234 new businesses, 1,000 new jobs, the renovation of 119 buildings, and a drop in the vacancy rate from 70 percent to 14 percent, dramatically improving the economy and quality of life.¹⁶⁵

Paducah has continued to build on its assets and garner recognition for its work. In 2013, the United Nations Educational, Scientific and Cultural Organization (UNESCO) designated Paducah the world's seventh City of Crafts and Folk Art.¹⁶⁶ This recognition was based on the city's art institutions, programs, events, and training, along with the number of active artists living in Paducah—all assets the city has cultivated for more than a decade.

Some information for this case study came from interviews with Steve Ervin, Director of Economic Development, City of Paducah, and Steve Doolittle, Executive Director, Paducah Riverfront Development Authority, on November 7, 2012.

¹⁶³ Americans for the Arts. *Arts & Economic Prosperity III*. 2009.
http://paducahky.gov/paducah/files/GreaterPaducahKY_FinalReportw03.pdf.

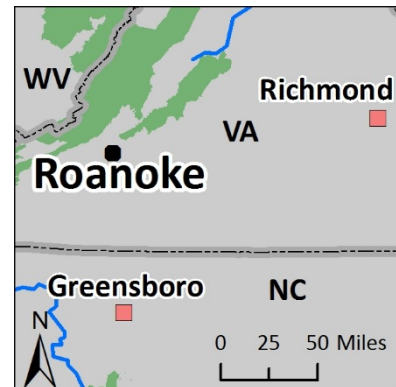
¹⁶⁴ National Main Street Center. "Paducah Renaissance Alliance: Congratulations Paducah, Kentucky!" 2010.
<http://www.preservationnation.org/main-street/awards/gamsa/2010-gamsa-winners/paducah-renaissance-alliance.html>.

¹⁶⁵ Ibid.

¹⁶⁶ City of Paducah. "Paducah, A UNESCO Creative City of Crafts & Folk Art."
<http://paducahky.gov/paducah/news/paducah-unesco-creative-city-crafts-folk-art>. Accessed Jun. 3, 2014.

VIII. ROANOKE, VIRGINIA

Located in southwestern Virginia, Roanoke is the largest city in the western part of the state. Approximately 170 miles west of Richmond and 100 miles north of Greensboro, North Carolina, Roanoke sits along the Blue Ridge Parkway, a 469-mile National Parkway connecting Great Smoky Mountains and Shenandoah national parks and the Appalachian Trail, a 2,180-mile hiking trail running from Maine to Georgia.¹⁶⁷ Roanoke is adjacent to other public lands, including the George Washington and Jefferson national forests.¹⁶⁸ The population has been relatively stable, increasing from 94,911 in 2000 to 98,465 in 2013.¹⁶⁹



Roanoke was historically an industrial town, and prior to the 1980s, its economy was largely driven by railroads. Roanoke was home to the headquarters, workshop, and maintenance facility for the Norfolk & Western Railway for nearly 100 years. In 1982, however, the Norfolk & Western Railway merged with Norfolk Southern, and the corporate headquarters moved to Norfolk, along with many jobs. Around the same time, several banks in Roanoke consolidated with banks in North Carolina, resulting in even more job loss. Additionally, in 1979 the Virginia state legislature abolished cities' ability to annex land. These factors, combined with residents moving out to the growing suburbs, resulted in a largely vacant downtown and large swaths of underused or abandoned industrial properties. No longer able to expand its economy by expanding its boundaries, the city realized that the only way to grow was to use its assets and redevelop within its current footprint.

A. Economic Development Strategies

In 2000, the city launched an extensive public participation process to develop a vision for the future. *Vision 2001-2020*, the city's comprehensive plan, passed in 2001, incorporating input from a citizens' advisory committee, citizen-based task teams, city staff, consultants, the planning commission, city council, and the public. The comprehensive plan is built on a set of guiding principles including:

- Quality of life and economic development are integrally related.
- Quality design principles enhance the city.
- Roanoke is the heart of the region.
- Roanoke needs both public and private investment in high-quality amenities, infrastructure, and services to ensure continued vitality and growth.

¹⁶⁷ Blue Ridge Parkway Association. "About the Blue Ridge Parkway." <http://www.blueridgeparkway.org/v.php?pg=7>. Accessed Jun. 26, 2014.

¹⁶⁸ Murray, Jack. "The Best Mid-Sized Mountain Town." *Blue Ridge Outdoors Magazine*. Nov. 2012. <http://www.blueridgeoutdoors.com/outdoors-travel/the-best-mid-sized-mountain-town>.

¹⁶⁹ U.S. Census Bureau. "American Fact Finder." <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Accessed Jul. 10, 2014.

- Roanoke should be a sustainable community.¹⁷⁰

With the comprehensive plan to guide development decisions, the city undertook several economic development initiatives, including:

- Redeveloping downtown.
- Making outdoor recreation an economic driver.
- Creating a biomedical research facility and technology park.

1. Redeveloping Downtown

Part of Roanoke’s downtown redevelopment strategy included designating the area centered along the main east-west tracks of the Norfolk & Western Railway as an Enterprise Zone under a state program. New or expanding businesses in this zone are eligible for state and local incentives, including:

- Façade grants for up to one-third the cost of renovations.
- Exemptions from increased real estate taxes due to increases in assessed value as the result of rehabilitation or renovation of commercial, mixed-use, or industrial buildings.
- Rebates for development fee and water, fire, and sewer hookup fees. The amount is based on a sliding scale, from 10 percent for investments of \$125,000 to \$249,999.99 up to 100 percent for investments of \$1 million or more.
- Grants to neighborhood organizations for neighborhood and park beautification projects.
- Job-training grants.¹⁷¹

For residential, commercial, and industrial buildings at least 25 years old, Roanoke also offers partial tax exemptions for five years equal to the difference in the appraised value before and after completion of rehabilitation.¹⁷²



Exhibit 17. Downtown Roanoke. A refurbished Dr. Pepper sign from the 1940s was moved to a renovated office building at a prominent downtown corner. The Roanoke Valley Preservation Foundation recognized the sign’s preservation with an award in 2006.

Courtesy of Brent Moore via flickr.com

¹⁷⁰ City of Roanoke. *Vision 2001-2020*. 2001. <http://www.roanokeva.gov/85256A8D0062AF37/vwContentByKey/N254FQP9276FGUREN>.

¹⁷¹ City of Roanoke. *Enterprise Zone One A Incentives*. Undated. [http://www.roanokeva.gov/85256A8D0062AF37/vwContentByKey/6B51776E13D71E0C85257AA20050D6F5/\\$File/Enterprise%20Zone%20One%20A%20Information.pdf](http://www.roanokeva.gov/85256A8D0062AF37/vwContentByKey/6B51776E13D71E0C85257AA20050D6F5/$File/Enterprise%20Zone%20One%20A%20Information.pdf).

¹⁷² City of Roanoke. “Tax Credits.” <http://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N254UMHM330LBASEN>. Accessed Jun. 26, 2013.

2. Making Outdoor Recreation an Economic Driver

The city is using its environmental assets, including nearby state parks, the Appalachian Trail, and the Blue Ridge Parkway, to spur economic development. In 2006, the Roanoke Regional Partnership, a regional economic development organization, began branding Roanoke as a premier spot for outdoor recreation, launching a website and dedicating staff to the effort.¹⁷³ The partnership and the city are using the area's natural assets to attract tourism, outdoor-oriented businesses, and new residents.

The city is improving its natural and outdoor assets through a multi-pronged approach:

- Greenways: The city and regional partners completed a *Roanoke Valley Conceptual Greenway Plan* in 1995 and updated it in 2007 to document progress and prioritize new routes for construction.¹⁷⁴ In addition, the city's comprehensive plan incorporates a policy to develop a high-quality network of regional greenways for recreation, conservation, and transportation and identifies actions to achieve this goal.¹⁷⁵ Between 1995 and 2012, 26 miles of greenways were built in the city and surrounding area.¹⁷⁶
- Biking: The city took several steps to improve bicycling amenities with the aim of being designated a Bicycle Friendly CommunitySM by the League of American Bicyclists, a goal the city achieved in 2010.¹⁷⁷ The Roanoke Valley Area Metropolitan Planning Organization approved a bikeway plan in 2005 and updated the plan in 2012. The plan helps the region develop a regional transportation network that makes bicycling safe and appealing.¹⁷⁸
- Conservation easements:¹⁷⁹ Between 2008 and 2010, the city placed almost 12,000 acres under conservation easements, including the largest single tract ever protected in Virginia, safeguarding the main freshwater source for the city, scenic views, and wildlife habitat.¹⁸⁰
- Tree canopy: In 2002, the city created a goal of achieving 40 percent tree canopy in 10 years. By 2010, it had surpassed this goal, with 48 percent tree cover, by improving tree maintenance and revising zoning ordinances to encourage tree preservation and require tree canopy on developed lots.¹⁸¹

¹⁷³ Roanoke Regional Partnership. "Roanoke Outside.com." <http://www.roanokeoutside.com>. Accessed Jul. 10, 2014.

¹⁷⁴ Roanoke Valley Greenway Commission and Roanoke Valley- Alleghany Regional Commission. *Update to the Roanoke Valley Conceptual Greenway Plan*. 2007. <http://www.roanokecountyva.gov/DocumentCenter/Home/View/253>.

¹⁷⁵ City of Roanoke 2001. Op. cit.

¹⁷⁶ Roanoke Valley Greenways. "Progress." http://greenways.org/?page_id=28. Accessed Jul. 22, 2014.

¹⁷⁷ City of Roanoke. "Bicycle Friendly Community." <https://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N287YM9Q607LGONEN>. Accessed Jun. 26, 2014.

¹⁷⁸ Roanoke Valley Area Metropolitan Planning Organization. *Bikeway Plan for the Roanoke Valley Area Metropolitan Planning Organization 2012 Update*. 2012. <http://rvarc.org/wp-content/uploads/2013/12/RVAMPO-BikewayPlan-2012Update-web.pdf>.

¹⁷⁹ Conservation easements limit the type or amount of development that can occur on property that remains under private ownership.

¹⁸⁰ City of Roanoke. "Conservation Easements." <https://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N287YMAB696LGONEN>. Accessed Jun. 26, 2014.

¹⁸¹ City of Roanoke. "Tree Canopy." <https://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N287YMEY344LGONEN>. Accessed Jun. 26, 2014.

3. Creating a Biomedical Research Facility and Technology Park

In 2000, the city increased the downtown service area by 40 percent by creating the South Jefferson Redevelopment Area, 110 acres of land adjacent to downtown that had been home to much of Roanoke's railroad and industrial past and included numerous brownfield properties.¹⁸² The Roanoke Redevelopment and Housing Authority and the city assembled 23 acres, conducted environmental site testing, and improved public utilities, streets, and drainage. They designated the area as the Riverside Center for Research and Technology.¹⁸³ In 2006, the majority of the land was sold to Carilion Health Systems, which partnered with Virginia Tech and the University of Virginia to establish the Carilion Biomedical Institute that would build on the assets of these local and regional institutions.¹⁸⁴ In addition to the Carilion Biomedical Institute, the Riverside Center is now home to the Carilion Clinic, a hotel, and a medical school funded by a state bond package in 2008.¹⁸⁵

This redevelopment project is part of the city's strategy to reuse brownfield properties to provide locations for growth in a city that is 95 percent built out, better use property zoned for industrial and commercial uses, create new jobs and housing, increase the tax base, and correct environmental problems. In 2008, the Roanoke City Council adopted the *City-Wide Brownfield Redevelopment Plan*, which establishes the city's role in brownfields redevelopment and encourages and facilitates reinvestment in brownfield properties.¹⁸⁶



Exhibit 18. Historic Roanoke City Market. Located in the heart of downtown, the City Market is open every day. It has been in operation since 1882 and is a popular destination for both residents and visitors.

¹⁸² Roanoke Redevelopment and Housing Authority. "South Jefferson." <http://www.rkehousing.org/redevelopment/south-jefferson>. Accessed Nov. 5, 2012.

¹⁸³ City of Roanoke. "Riverside Center." <http://www.roanokeva.gov/85256A8D0062AF37/CurrentBaseLink/N27PEMWV328BTFKEN>. Accessed Jun. 26, 2014.

¹⁸⁴ Virginia Tech. "Carilion, Virginia Tech, U.Va. Create Biomedical Institute – Virginia Tech Forms Optical Sciences and Engineering Research Center." *ScienceBlog*. Nov. 18, 1999. <http://www3.scienceblog.com/community/older/1999/E/199904502.html>.

¹⁸⁵ Virginia Tech Carilion. "About VTC." <http://www.vtc.vt.edu/about>. Accessed Jun. 26, 2014.

¹⁸⁶ City of Roanoke. *City-Wide Brownfield Redevelopment Plan*. 2008. [http://www.roanokeva.gov/85256A8D0062AF37/vwContentByKey/26EEAAD1B77A18D685257B17004FF023/\\$File/CityWideBFPlanJanuary2008.pdf](http://www.roanokeva.gov/85256A8D0062AF37/vwContentByKey/26EEAAD1B77A18D685257B17004FF023/$File/CityWideBFPlanJanuary2008.pdf).

B. Results

Downtown Roanoke has undergone a dramatic change since the turn of the century. In 2000, fewer than 10 people lived in downtown, but that number grew to around 1,200 by 2012.¹⁸⁷ Between 2009 and 2012, 25 restaurants opened downtown, many drawing on the popularity of local food by featuring products from Roanoke's long-running farmer's market.¹⁸⁸ One of the downtown developers capitalized on Roanoke's success by founding CityWorks (X)po, an annual place-making conference that seeks to strengthen small towns.¹⁸⁹ Smarter Travel named Roanoke one of the 10 best small cities on the rise, citing the new residents attracted to downtown and the 333 new downtown residences in the works.¹⁹⁰

Roanoke is also reaping dividends from its efforts to capitalize on the region's natural assets.

- The annual Blue Ridge Marathon event series (featuring a full marathon, half marathon, and 10K races) attracts a growing number of visitors from outside the metropolitan region—59 percent of participants in 2014. The total economic impact of the event was \$521,326 in 2014, up 9 percent from 2013. Since its inception in 2009, the event has generated more than \$2 million dollars in regional economic activity.¹⁹¹
- The city continues to gain accolades for its appeal to bicyclists and outdoor enthusiasts since being designated a Bicycle Friendly CommunitySM by the League of American Bicyclists in 2010. *USA Today* picked the Roanoke Valley as one of the 10 most bike-friendly cities in 2014.¹⁹²
- In 2012, *Blue Ridge Outdoors Magazine* named Roanoke the Best Mid-Sized Mountain Town and said the city is “rapidly gaining a reputation as one of the country's top outdoor destinations.”¹⁹³
- *Metro Parent Magazine* touts Roanoke as a family-friendly vacation destination for the number and variety of hiking options close to downtown attractions.¹⁹⁴

The Riverside Center for Research and Technology has also been a success. Between 2003 and 2007, the Carilion Biomedical Institute generated “\$33 million in economic impact, 10 new companies and

¹⁸⁷ Chang, Nicholas. “Don't Call it a Comeback: The Rebirth of Downtown Roanoke, VA.” *Smart Growth America*. Aug. 16, 2012. <http://www.smartgrowthamerica.org/2012/08/16/dont-call-it-a-comeback-the-rebirth-of-downtown-roanoke-va>.

¹⁸⁸ Ryzik, Melena. “Virginia Developer is on a Mission to Revive His Town.” *New York Times*. Jul. 24, 2012. <http://www.nytimes.com/2012/07/25/us/in-virginia-developer-is-on-a-mission-to-revive-his-town.html>.

¹⁸⁹ Ibid.

¹⁹⁰ Moore, Jamie. “America's Best Small Cities on the Rise.” *Smarter Travel*. Jul. 20, 2014. <http://www.smartertravel.com/photo-galleries/editorial/americas-best-small-cities-on-the-rise.html?pid=802>.

¹⁹¹ Roanoke Valley – Alleghany Regional Commission and Roanoke Regional Partnership. 2014 *Economic Impact Analysis*. 2014. http://blueridgemarathon.com/wp-content/uploads/2014/06/EconomicImpact_2014.pdf.

¹⁹² Turnage, Neal. “10Best: Bike-Friendly Cities.” *USA Today*. Jul. 1, 2014. <http://www.usatoday.com/story/experience/weekend/my-weekend-experience/2014/07/01/10-best-cities-for-biking/11894665/#>.

¹⁹³ Murray 2012. Op. cit.

¹⁹⁴ Gough, Kristen J. “Trails, Trains and More in Roanoke, Virginia.” *Metro Parent*. May 27, 2014. <http://www.metroparent.com/daily/family-travel/family-vacations/trails-trains-and-more-in-roanoke-virginia/>.

60 new jobs in the Roanoke and New River valleys.”¹⁹⁵ The city calculates that its initial \$20 million investment in the center has leveraged more than 10 times that amount in private dollars.¹⁹⁶

These efforts have made the city an attractive place to live. Roanoke has won a multitude of awards, including being named an All-America City six times by the National Civic League, named one of America’s Most Livable Communities by Partners for Livable Communities, and voted Number 2 in Kiplinger’s Best Cities Reader’s Poll award in 2010.¹⁹⁷

Some information for this case study came from interviews with Tom Carr, Director, Planning Building and Development, City of Roanoke, on October 11, 2012; Rob Ledger, Economic Development Manager, City of Roanoke, on October 30, 2012; Christopher Morrill, City Manager, City of Roanoke, on October 30, 2012; Brian Townsend, Assistant City Manager for Community Development, City of Roanoke, on October 30, 2012; Pete Eshelman, Director of Outdoor Branding, Roanoke Regional Partnership, on October 30, 2012; Curtis Mills, Jr., Chair, Downtown Roanoke, and Senior Vice President, Carilion Clinic, on October 30, 2012; and Steve Musselwhite, President, Downtown Roanoke, on October 30, 2012.

¹⁹⁵ Barchi, Daniel. “Carilion Biomedical Institute is Creating Dividends.” *Roanoke Times*. Mar. 26, 2007.

¹⁹⁶ City of Roanoke “Riverside Center.” Op. cit.

¹⁹⁷ City of Roanoke. “Awards and Honors.” <https://www.roanokeva.gov/85256A8D0062AF37/vwContentByKey/N25Z7NUX818LBASEN>. Accessed Jun. 26, 2014.

IX. CONCLUSION

While small towns and cities can face more significant challenges than their larger counterparts, they also have great opportunities. The case studies show how communities of various sizes facing a diversity of challenges can successfully retool their economies to fit the changing economic climate. Small towns and cities, often with limited resources, must be innovative, thinking beyond just being a good place to do business and focusing on using their distinctive assets for economic development. Leaders of the case study communities understood this and effectively integrated their economic development activities into efforts to support and nurture those features that make their communities distinctive, whether it is a historic downtown or access to treasured natural areas.

No two communities are the same—they do not face the same challenges, and they cannot recover from economic downturn by merely replicating efforts that have succeeded in other places. However, the tactics discussed in this report can be useful to many communities and can be tailored to the strengths and needs of the individual place to help struggling communities regain their economic footing and create a better quality of life for their residents.

