

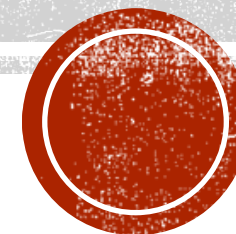


The Montrose Group, LLC

# **CCAO NEW MEMBER TRAINING ECONOMIC DEVELOPMENT FUNDAMENTALS**

Ryan Scribner

The Montrose Group, LLC



# The Montrose Group, LLC



**Dave Robinson**  
Principal & Founder



**Nate Green**  
Managing Director,  
Economic  
Development



**Wade Williams**  
Director, Economic  
Development



**Ryan Scribner**  
Director, Economic  
Development



**Tim Biggam**  
Director,  
Government  
Relations



**Harrison Crume**  
Manager, Economic  
Development





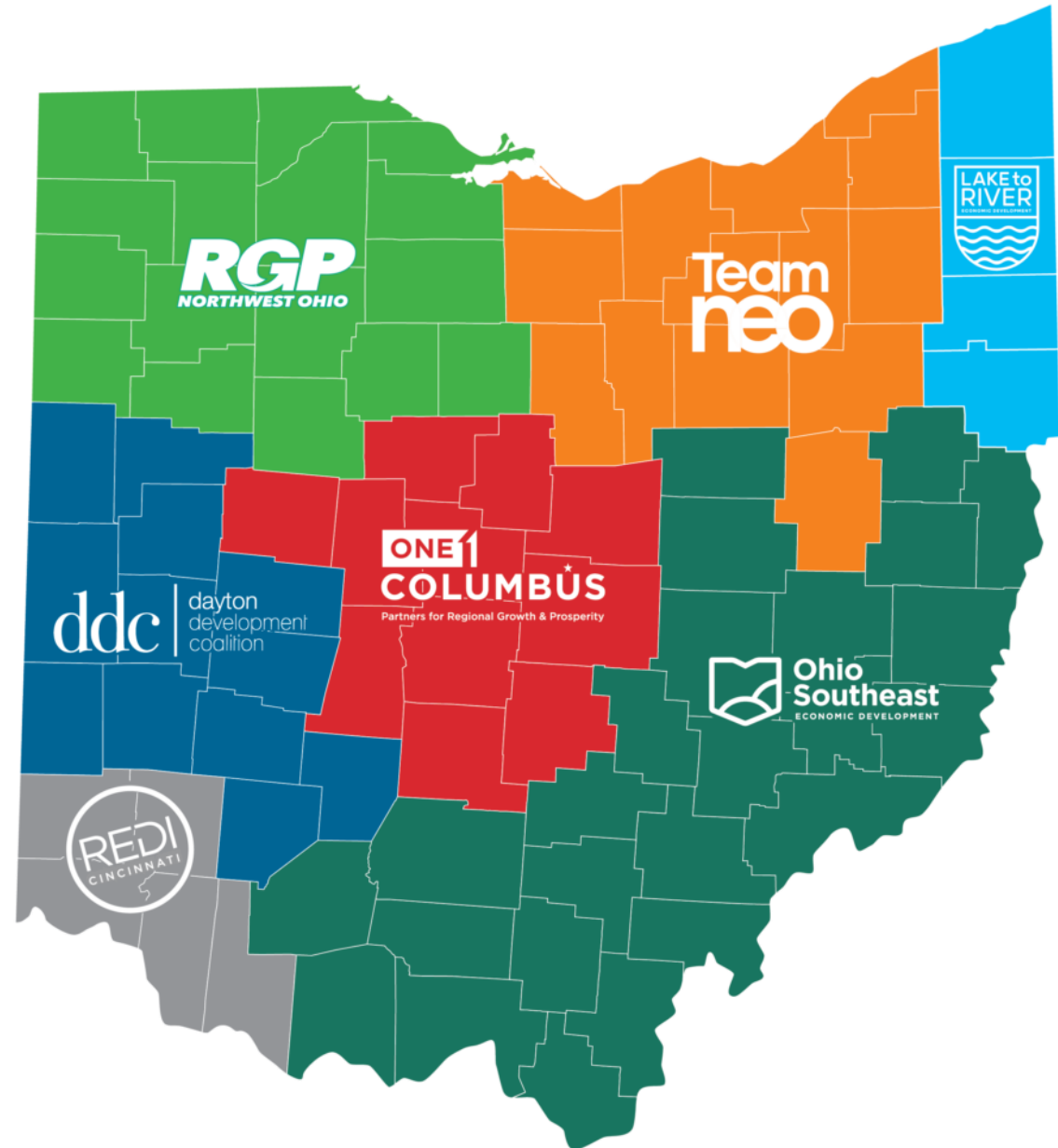
- Hard to define.
- Realizing potential.
- Incredibly competitive.
- Path of least resistance and greatest return.
- Definition of insanity...
- Why not?
- Projects are won locally!

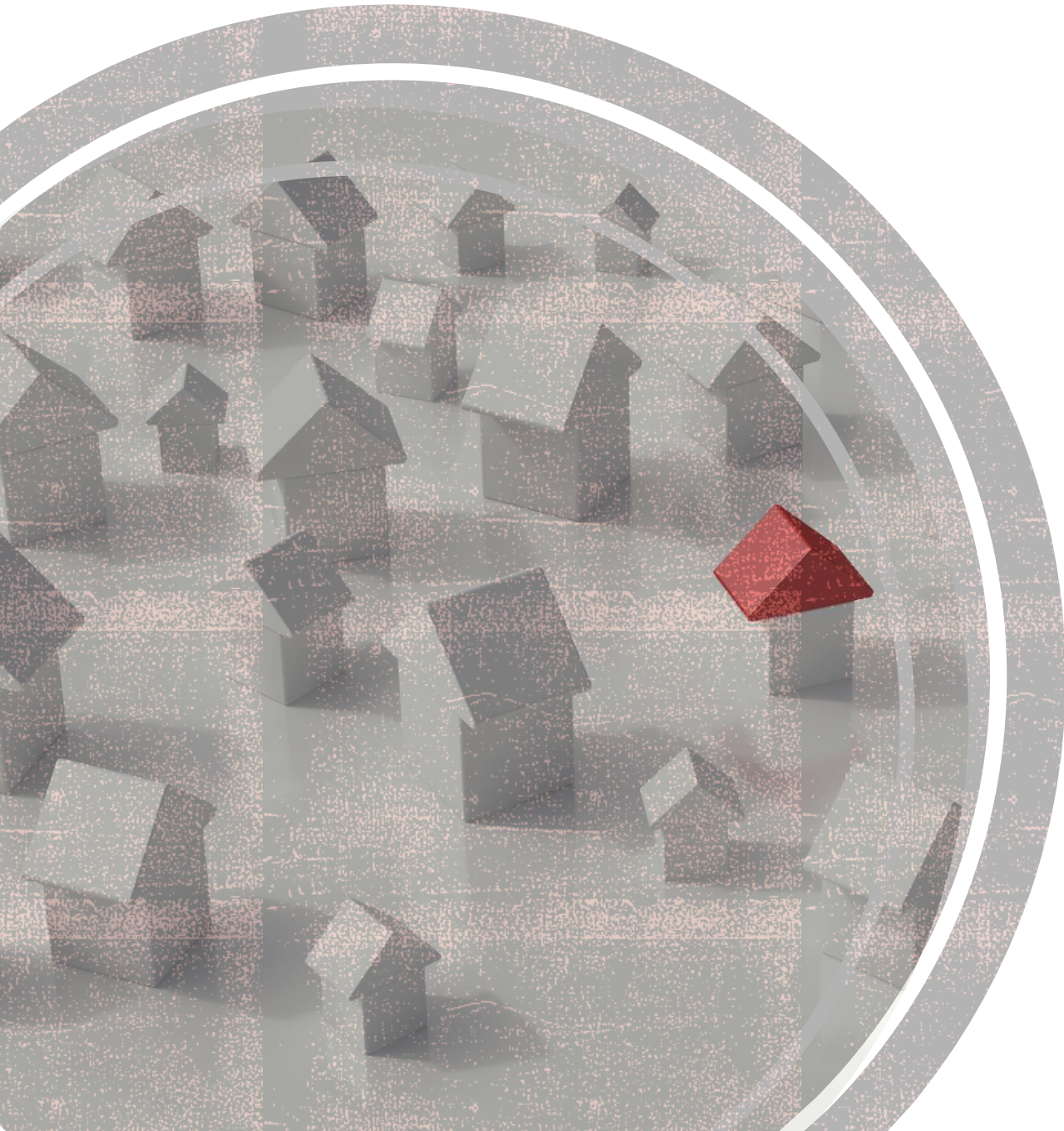
# ECONOMIC DEVELOPMENT FUNDAMENTALS

- Business Retention & Expansion (BRE)
- Community Development
- Marketing & Attraction



- Understand the model.
- Regional relationships matter.
- Credibility = opportunities.
- Force multiplier.

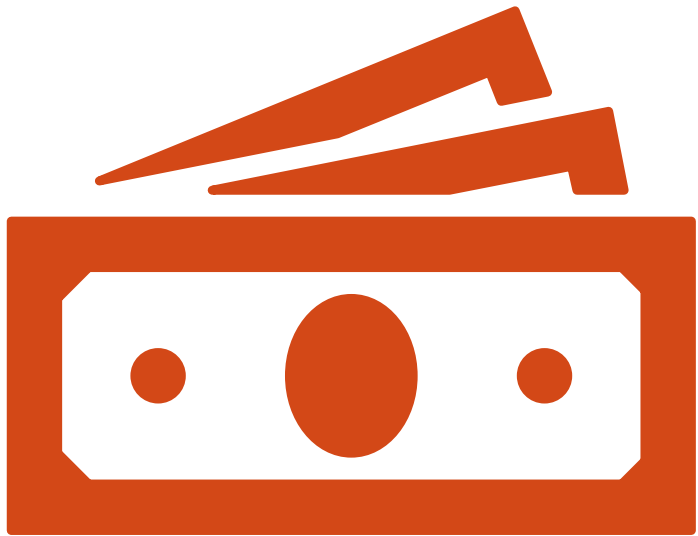




## **LOCAL ECONOMIC DEVELOPMENT ORGANIZATIONAL STRUCTURES**

- Public – County, Township, Municipal
- Community Improvement Corporations
- Port Authorities
- Transportation Improvement Districts (TID)
- Private Non-profit

# LOCAL ECONOMIC DEVELOPMENT FUNDING MODELS



- General Fund
- Set asides
- Incentive fees
- Private donations

# PLANNING & STRATEGY MATTERS!

- What potential are you trying to realize?
- What is your value proposition?
  - “Realistic dreaming”
- Are you aligned?
  - Regionally & locally.
  - Intergovernmental relationships.
  - Incentives philosophy.
- Are you ready?
  - Sites & Buildings
  - Infrastructure
  - Workforce





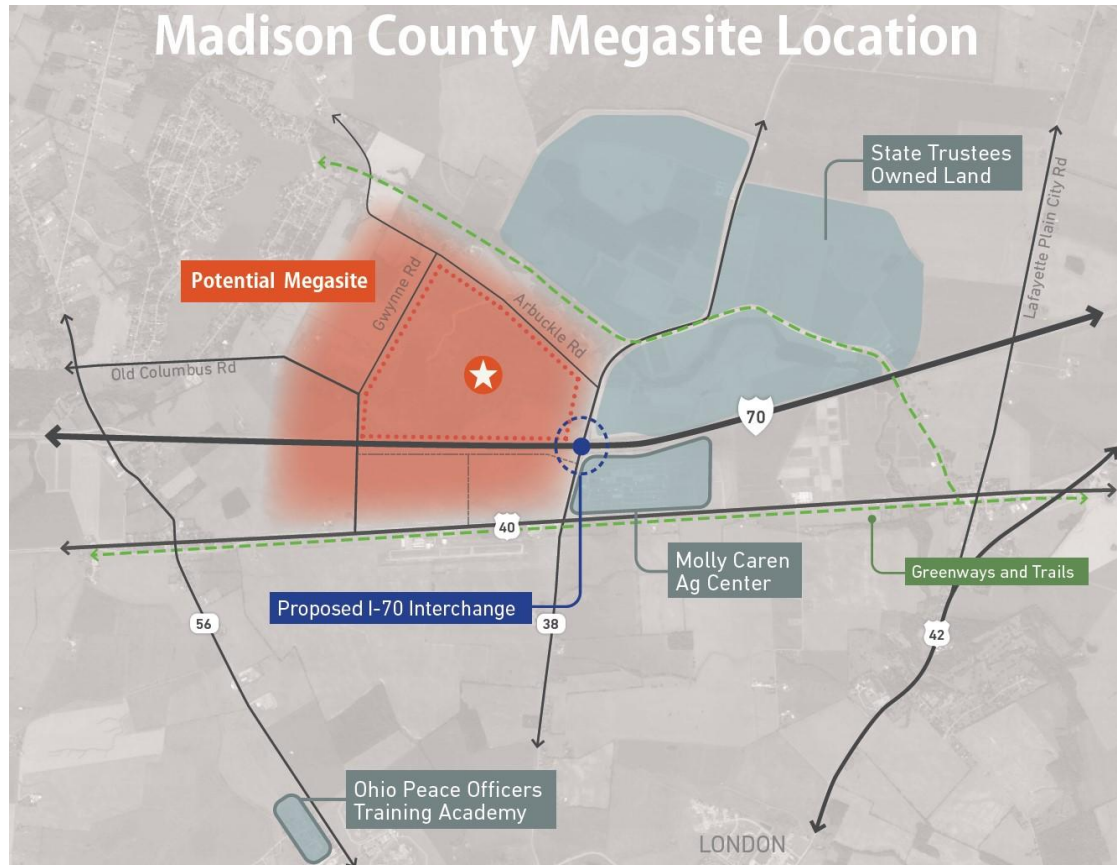
# LOCAL PLANNING OPPORTUNITIES



- Comprehensive Plans
- Land Use
- Economic Development Strategic Plan
- Infrastructure Plans
- Site Development Plans
- Workforce Development
- Housing Strategy

**Learn. Listen. Do.**

# COUNTY SITE DEVELOPMENT STRATEGY



## Industrial Park Development Steps

- Define the industrial growth potential in the region
- Define key industry sector strength of the site and region
- Identify potential sites aligned with key industry targets
- Identify availability of utilities located at the potential sites
- Understand the potential sites infrastructure capacity
- Define the sites skilled and available workforce
- Understand the site's geotechnical and environmental challenges
- Negotiate site ownership interest
- Advocate land use entitlements such as zoning and annexation
- Advocate for local and state economic development incentives

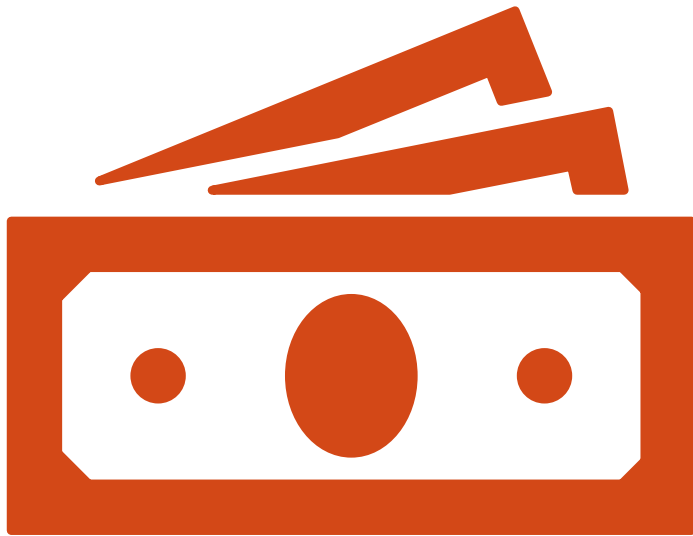




# LOCAL INCENTIVE TOOLS

- Alphabet soup...
  - CRA, EZ, TIF, JEDD, DRD, NCA, TID, SID
- Incentives vs. Rewards
- Most impactful means of support.
- Benchmark.
- Understand Impacts & ROI.

# LOCAL INCENTIVE TOOLS



- Property Tax Exemptions
  - Community Reinvestment Area (CRA)
  - Enterprise Zone
- Tax Increment Financing
- Construction Materials Sales Tax Exemptions
- Grants - local, non-local

A white calculator is positioned on the left side of the slide, resting on a document with a grid pattern. The calculator's display is dark, and its buttons are clearly visible. The background of the slide is a light gray grid.

# CRA & EZ TAX ABATEMENTS

- Provide significant cost avoidance.
- Up to 30 years and 100%
- 15/75 threshold.
- CRA area vs. CRA agreement.
- Can support all kinds of development.
  - Industrial, commercial, residential
- 100% of nothing...

# TAX INCREMENT FINANCING (TIF)

## BASIC TIF MODEL

Revenues from property taxes—assessed against the increment value only—are captured to:

- Pay public improvement costs
- Repay bonds issued for public improvements

Incremental Taxes

New Tax Base  
Revenues flow to regular taxing bodies

Existing Tax Base

Revenues continue to flow to regular taxing bodies

..... Statutory Life of TIF District .....>

- Great way to finance public infrastructure.
- Bondable.
- Developer reimbursement.
- Can be beneficial for school funding.



# CONSTRUCTION MATERIALS SALES TAX EXEMPTIONS

- Port Authorities – local or non-local
- Local vs. state share of sales tax
  - 5.75% state
- Capital Lease
- \$10,000,000 project
  - 50% construction materials x 7.25% = \$362,000
- Savings can go to developer and/or be shared locally.

# UNDERSTANDING IMPACTS & ROI

- “I think this is good.” isn’t good enough.
- Makes for good policy.
- Insulates from critique.
- NIMBY
- Revenue Streams – short/long term.
- Local/Regional GDP
- School Impacts.





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Montrose Group  
County  
Economic  
Development  
Model



Conclusions



Thoughts



Questions



Contact

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