

ECONOMIC DEVELOPMENT EXPLAINED

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- 1. What is Economic Development:** Economic Development is a very broad term that applies to many criteria within the area of "development". It can refer to the efforts of the policymakers in Washington, D.C. or the Community that broadly promotes the economic health and possibly a standard of living for a specific area. It involves many of the development criteria, such as, development of human capital, critical resources needed, sustainability of structures, health and safety issues for the community and many other social items or actions. The differences between economic development issues and economic growth are many. Economic Development broadly covers the policies that aim at the social well-being of people, whereas Economic Growth is related to the well-being of the market in terms of the markets productivity, gross product produced and other economic factors. Thus, economic growth occurs as a part of and directly from economic development functions and activities.
- 2. What is the Economic Development Administration:** The Economic Development Administration is the Federal arm of the Government. It is an agency within the U.S. Department of Commerce. It basically provides grants to economically depressed Cities (and communities). The focus of these grants is to generate new jobs, new employment opportunities through the location of new businesses within the City. Another purpose of this Administration is to support the Cities in retaining companies and jobs through the stimulus of adding new industrial and commercial growth opportunities. This includes the incentives needed to add or relocate new companies within the City.
- 3. What is the History of Economic Development:** The Economic Development Administration (Federal) was established under the Public Works and Economical Development Act of 1965, with a primary focus of creating new jobs, retaining existing jobs and stimulating new growth. These activities were focused towards growth in economically distressed urban and rural areas throughout the U.S. These areas typically experienced high unemployment, low income and / or other severe economic stresses.

- 4. What is an Economic Development Agency:** the Economic Development Agency ("EDA") is a department within a City. Like the Redevelopment Agency "RDA", the EDA is fully staffed and is a functional group. Quite often the EDA Director reports directly to the City Manager along with RDA Director. In many cities, the single Director is identified as the "combined" RDA and EDA Director, i.e., this person carries out both functions for the City. The primary focus for the EDA Director is to head an agency whose goal is to help achieve the development and economic growth objectives for the City. This function quite often is analogous to that of a Broker in that the Director works with public and private entities to support the inclusion of new businesses within the City as well as providing for retention of existing businesses and jobs. This Agency is the best place to obtain economic and statistical information on existing and new business activities within the City, region and / or State that is needed to make good (new or existing) business decisions.
- 5. What are their Primary Tasks and Investment Priorities:** The EDA priorities are the creation of public, private and public / private partnerships with other entities. Again, their focus is towards the City's growth in terms of jobs. They accomplish their objectives by encouraging new development of all types with the areas that they serve and those that are in most need of new development. This encompasses both urban and suburban areas within the City.
- 6. What are the Elements of Economic Development:** Economic development is the focus between the public and private sector to find a means by which both entities can work in either a suburban or urban area wherein the prospective development opportunities may be "stopped" due to blight, business opposition, neighborhood crime, multiple ownerships and other issues that need to be resolved. Thus, the private sector will work with the public sector to resolve or solve these issues. For example the details of brown-fields presents a typical opportunity to turn a prior industrial type land area and / or building or use into a productive shopping center or commercial structure that will bring new tax revenues, new jobs and new neighborhood image and with current architectural upgrades to the City. Thus, the older, under-performing assets get redeveloped into state of the art businesses. The resultant project can be privately owned or jointly in partnership with the public entities. Therein lays one of the opportunities wherein the EDA can work with the RDA (eminent domain) and the private sector to bring new growth / jobs to the City.