

# Local Economic Development Basics

What is it? Why is it important?



# What is Local Economic Development?



## Most definitions include:

- Securing livelihoods
- Improving infrastructure
- Managing local resources

“To achieve sustainable growth to bring economic benefits and improved quality of life for all residents in a local municipal area.”

# What is Local Economic Development?

Economic development is the process of creating and sustaining wealth. We know that it is occurring when:

- New jobs are being created
- Existing jobs are being maintained
- The standard of living is improving, and

- a “real” increase in average household income is occurring
- the “equity” of income distribution is improving
- the local tax base is keeping pace with the cost of government services
- business and industry are creating quality jobs
- the local quality of life keeps getting better

Economic growth is about bigger...

Economic development is about “better”...



# Why is it important?

- Spur private investment
- Spur job creation and job retention
- Tax-base creation
- Increase in property values
- Create/retain of prosperity— bringing money into the region (import) is better than circulating money that's already in the region.



# Why is it important?

- Reduction of poverty
- Economic stability
- Economic self-sufficiency
- Economic resiliency—ability to weather downturns and recover quickly
- Quality of life

# Quality of Life from Economic Development:

- Availability of quality housing at reasonable costs
- Strong basic skills in education
- Presence of colleges & universities
- Low crime rate
- Good medical & health care



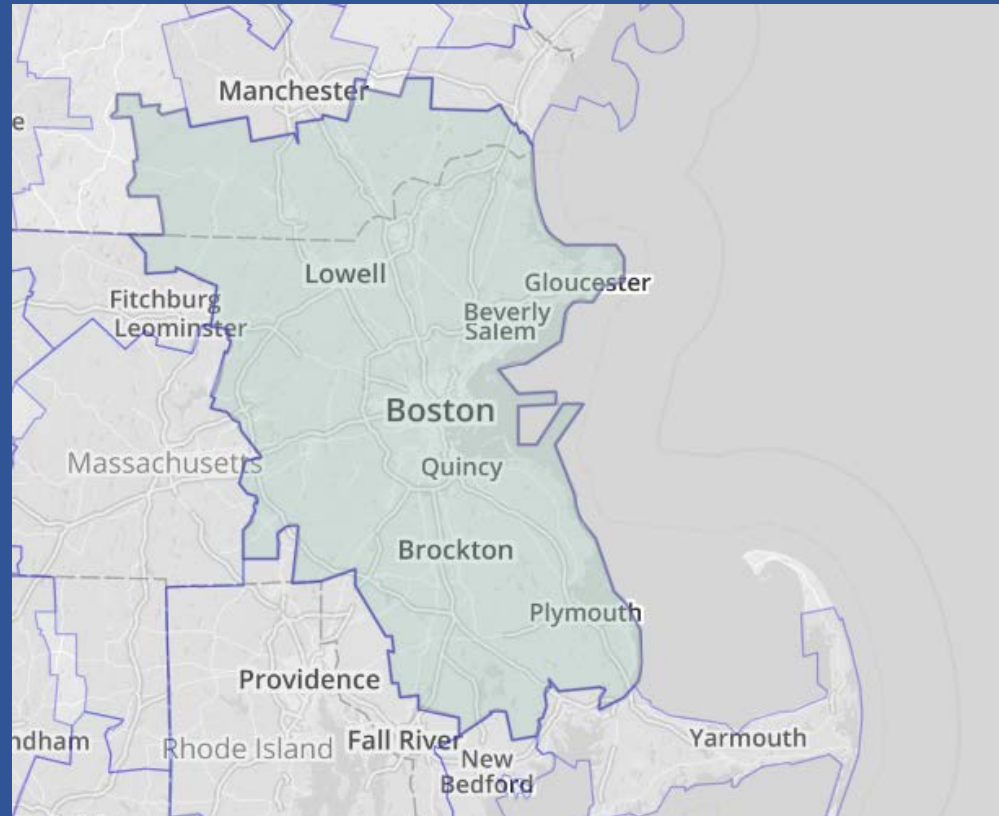
# Quality of Life from Economic Development:

- Variety of retail & customer services
- Lodging & restaurants
- Attractive & clean environment
- Good traffic flow
- Range of cultural & recreational opportunities

Source: University of Tennessee County Technical Assistance Service (CTAS) Basic Principles and Trends in Economic Development

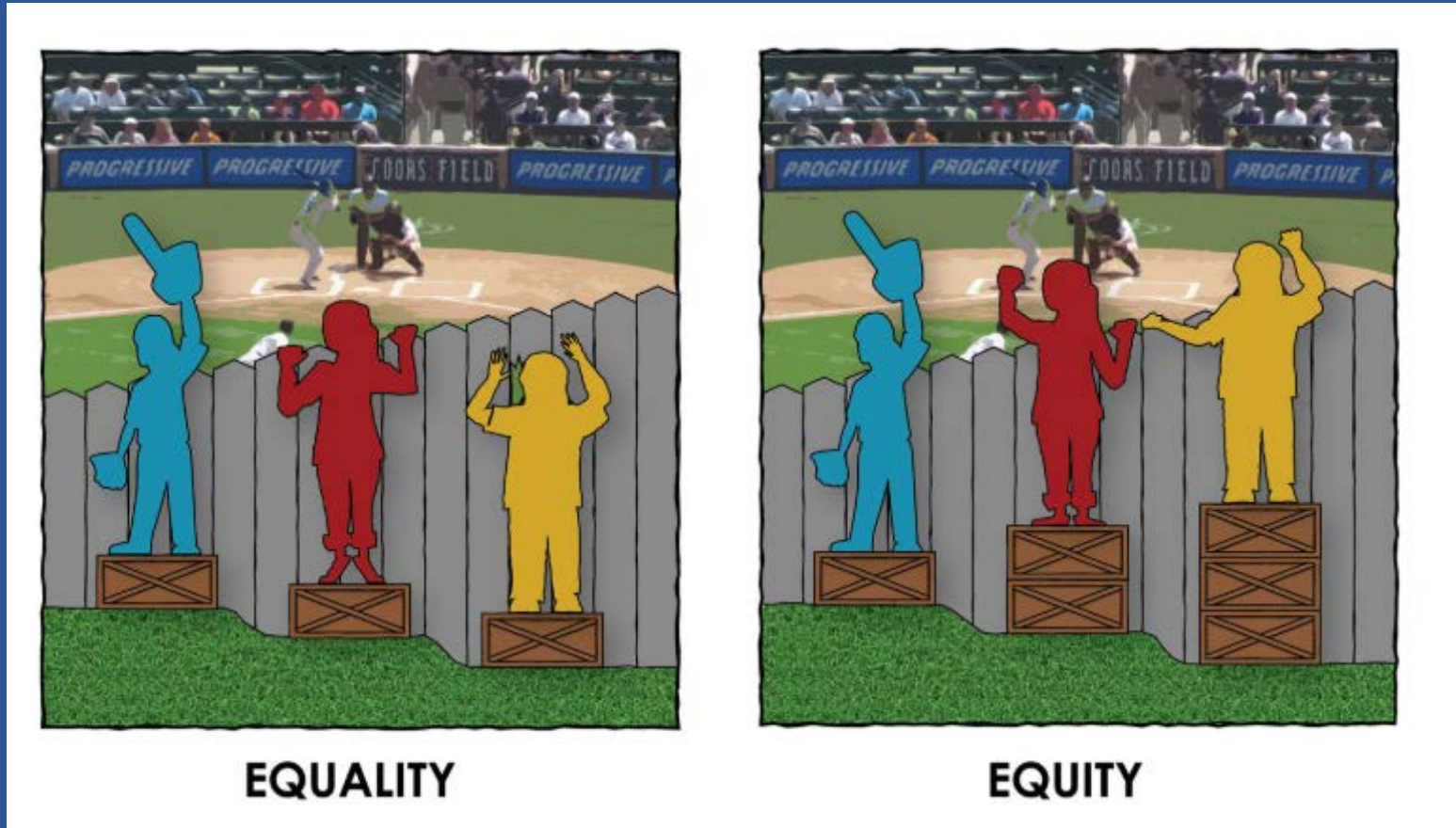
# Labor Market Area (LMA)

- A single metro and its surrounding region
- Used for economic development measurement



# Closing concepts

## Equality vs. Equity



# Closing concepts

## Triple Bottom Line (People, Planet, Profits)



# Lexington Comprehensive Plan Update

## Economic Development Existing Conditions and Trends