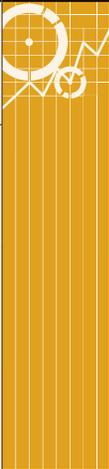


Summary of economic development best practices

CHALLENGES			OPPORTUNITIES		
COMMON PRACTICES	WHAT THIS MEANS		BEST PRACTICES	WHAT THIS MEANS	CASE STUDY EXAMPLES
Reactive use of incentives to attract or retain specific businesses	Incentives are deployed to respond to a specific short-term challenge or threat		Strategic planning to establish investment priorities	Investments align with strategic plans that help guide state and regional priorities and incorporate local input	<ul style="list-style-type: none"> ▪ New York State regions have developed five-year strategic plans to guide economic development investments ▪ Metropolitan Denver analyzes and targets key industry clusters for growth and investments
	Investment decisions are made without a plan that establishes priorities and targets public resources			Data-driven plans are informed by up-to-date information on assets, economic specializations, and other challenges and opportunities	
	Incentives are used to compensate for weak spots in the overall tax or business climate				
Uncoordinated and duplicative programs and services	Related services and programs for businesses and workers are administered without coordination across agencies		Coordinated and streamlined programs to improve the experience for business and workers	Programming and program evaluation is coordinated across state agencies	<ul style="list-style-type: none"> ▪ A consolidated application in New York coordinates all State agency funding requests ▪ Metropolitan Denver Economic Development Corporation serves as a single point of contact for businesses interested in locating in the region
	Duplicative programs and investments are costly and cannot be sustained in light of constrained public budgets			Streamlined applications and reporting tools are used across economic development programs	
Limited monitoring and evaluation to measure what works	Agencies collect rudimentary data, that provides little insight on outcomes or impact of the investment		Accessible information and evaluation of programs to inform public policy	All incentives are budgeted for and closely monitored	<ul style="list-style-type: none"> ▪ New York annual strategic plans, progress reports, and funding application results are made available to the public. ▪ Non-partisan legislative staff in Washington review incentives and, together with a citizen's commission, provide recommendations to the state legislature ▪ Renewal of tax credits in Oregon is completed as part of the appropriations process
	Without ongoing monitoring and analysis of outcomes, it is difficult to make informed policy decisions on whether to continue, reform, or terminate an incentive or program			Processes to create, reform, or eliminate economic development programs and policies are clearly established and open to public input	
				Data and information are made accessible and programs are analyzed on a regular basis	
Intraregional competition over finite financial resources	State tax policies often encourage local competition over limited financial resources		Outward facing metropolitan strategy to compete nationally and globally	Metropolitan-wide priorities and procedures help to guide strategies for attracting and retaining businesses and workforce	<ul style="list-style-type: none"> ▪ Metropolitan Denver studies its region's clusters, develops strategies, and deploys national and international marketing plans based on those findings ▪ Metropolitan Denver developed a "region first" Code of Ethics that promotes the metro area before individual communities
	Intense intrastate and intraregional competition distracts from developing strategies to gain competitiveness in the global marketplace			Multi-jurisdictional and collaborative efforts facilitate development of plans to grow regional industry clusters	

Source: Chicago Metropolitan Agency for Planning analysis.