



ECONOMIC DEVELOPMENT GUIDING PRINCIPLES

We believe in...

-  **Mitigating the tax burden on commercial property** with specific policies to help incentivize necessary and/or desirable development. (Goals 1 and 2)
-  More efficiently allocating resources through **partnership opportunities** between economic development groups and **avoiding duplication of efforts**. (Goals 1 and 4)
-  Ensuring a properly skilled workforce and **encouraging the retention of recent graduates** through coordination of educational programs with private sector businesses. (Goals 1 and 4)
-  **Investing in high quality infrastructure and beautification of priority corridors** in order to enhance the livability for residents, boost the image of the City for visitors, and encourage private investment. (Goals 2, 3, and 5)
-  **Following through with long-term, goal-based investments** to ensure maximum results for public funding decisions over time. (Goal 5)

ENVISION COLUMBIA GOALS

- #1** Grow opportunities for entrepreneurship, business development and a skilled workforce to achieve a healthy economy.
- #2** Connect the City's neighborhoods and business districts through cohesive land use, infrastructure development, and transportation planning.
- #3** Foster a healthy quality of life focusing on safety, culture, and recreation.
- #4** Collaborate and partner with entities within the Midlands region to become the state's prime destination for residents, visitors, and businesses.
- #5** Provide high quality municipal services, effectively, efficiently, and responsively.



Are we missing any guiding principles for this element?
If so, leave yours with us on a sticky note.





KEY FOCUS GROUP FEEDBACK THEMES

(8 focus groups, September- November 2018)

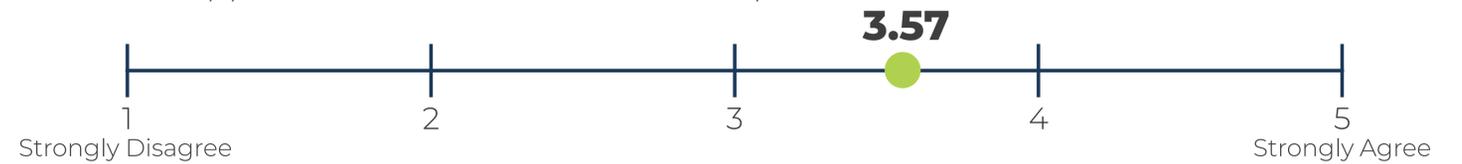
-  **Partnerships** - Lots of groups working on Economic Development but not coordinated and coming together
-  **Property Taxes** - Commercial/industrial property tax rates price us out of comparable real estate markets in the southeast for development
-  **Corridors** - Our commercial corridors are unattractive and a hindrance to the image of the City of Columbia
-  **Workforce Training** - Technology education needs to be closely coordinated with the local technology business community



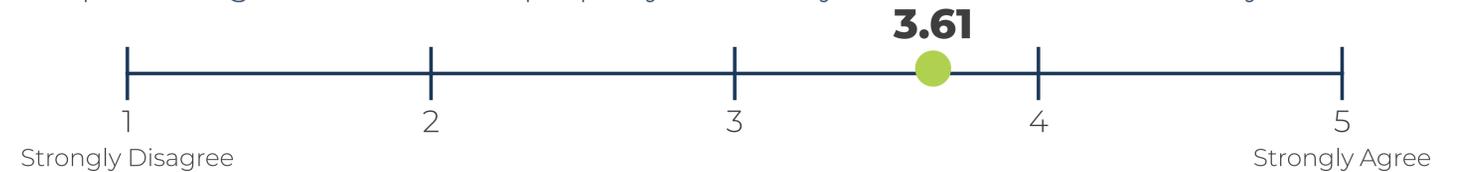
Survey respondents also left 260 comments specific to economic development. The most commonly used words are scaled to represent their frequency of usage.

Almost 1,200 community members participated in the on-line survey, and 844 of those ranked Economic Development as one of their most important elements. The graphics below represent the average responses for five survey questions related to economic development issues.

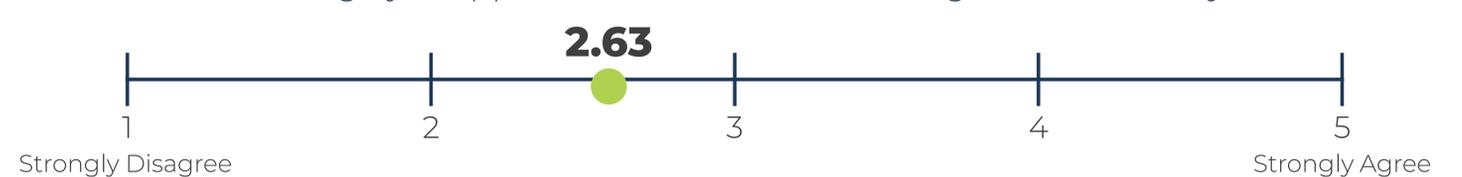
Economic opportunities in Columbia have improved in the last decade:



The percentage of non-taxable property in the City creates financial difficulty:



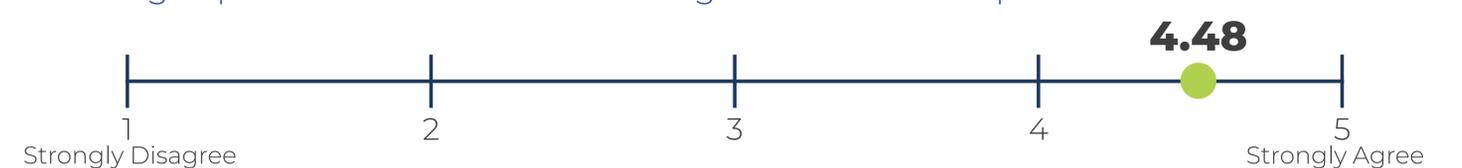
Columbia has enough job opportunities to entice recent graduates to stay:



Jobs are conveniently located near where people live:

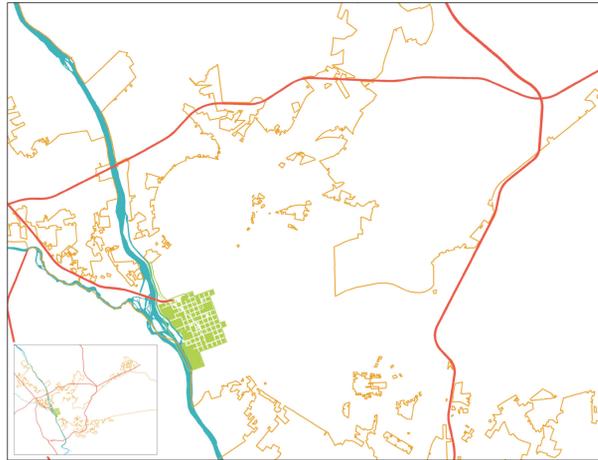


Investing in public infrastructure with long-term vision is important:

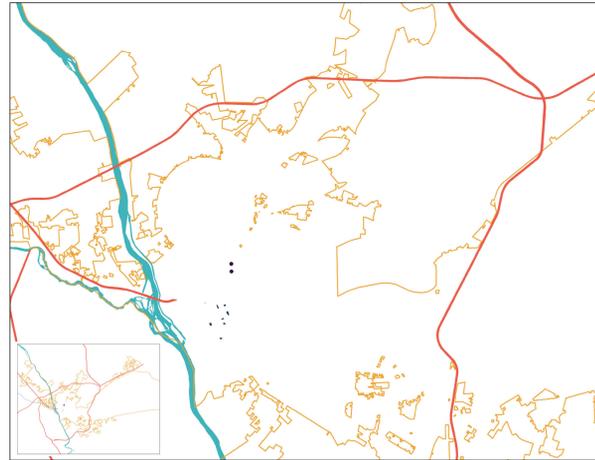




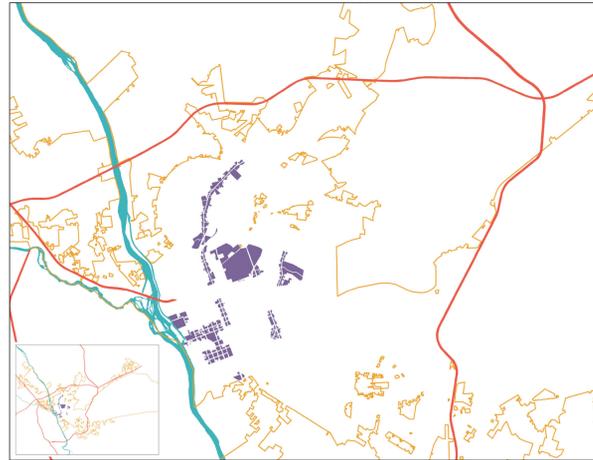
Tax Increment Financing District



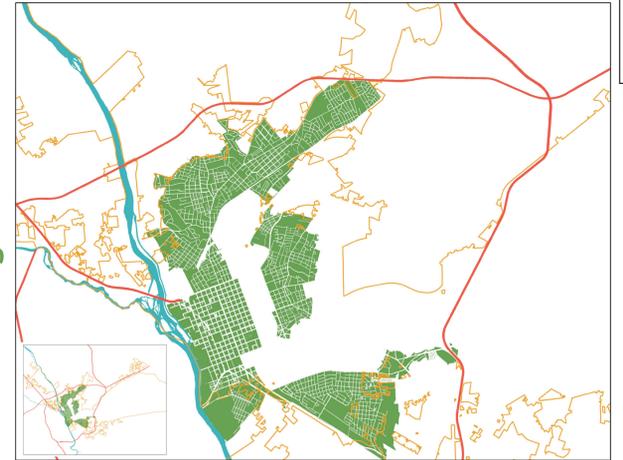
Public Parking Garages



Streetscape Investment



Area Planning



Investment - how has Columbia invested?

Over the past two decades the City of Columbia has continually invested in the community to bring added value to residents, business, and property owners. All these efforts look to provide stimulus to encourage private investment. Public Investment also shows the private sector that we are open for business. Across the nation public entities are investing in their communities and investment by the public has proven to be a catalyst for private (re)development.

Tax Increment Financing Districts

Tax Increment Financing Districts (TIF or TID) are districts that are approved by a city, county and school district where the tax increment going forward is used to pay off bonds related to public investment, while the original property tax amount continues to go to the general funds of each government agency.

Public Parking Garages

The City has currently invested in seven parking garages. These investments extend back 40+ years with two structures built between 2000-2010 and one between 2010-2018. Currently, the City is committed to investing in garages in the Bull Street Development.

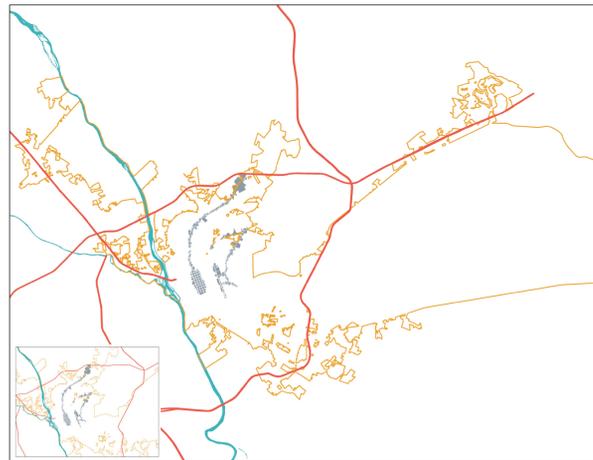
Streetscape Investments

Streetscape improvements include rebuilding the infrastructure of the road, sidewalks, and adding lighting, trees, and other amenities.

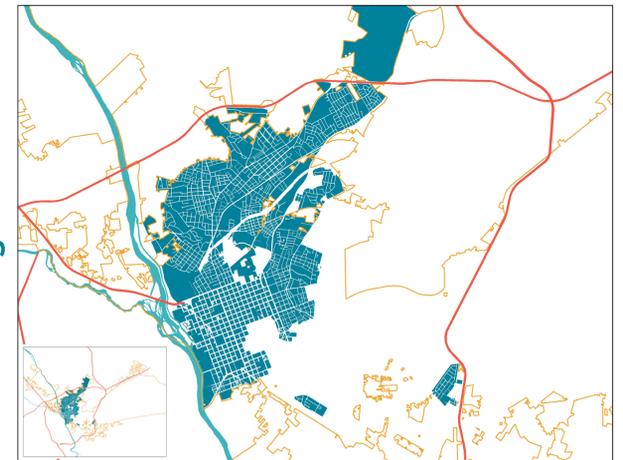
Planning Areas

A small area plan is a plan that addresses issues in a geographic portion of the city. Often the defined area will have a cohesive set of characteristics or similar issues.

Façade Program



CDBG Funding Areas



Façade Program

The façade program provides grant funding to private property owners to improve the quality and appearance of a building or parcel in a targeted area.

CDBG Funding Areas

The Community Development Block Grant (CDBG) Program is a federal grant program which provides funds for qualifying communities for investment and housing, infrastructure, and programs for low to moderate income persons.



Do you have ideas about the past investment? How about investment in the future?
If so, leave us a sticky note.





What We Heard:

In the fall of 2018 over 45 people participated in Economic Development Focus Groups. Below are the major themes:

■ Duplication/Collaboration

■ There are a dozen or more groups working on economic development, but they state they are not coordinating and communicating enough, resulting in a duplication of efforts. This is particularly true for start-up incubators, which are scattered.

■ Focus groups had frank conversations about how we need to collaborate better on our economic development efforts.

■ Competitiveness

Stakeholders noted that city and region struggle to compete with our peers. Competitiveness is measured by:

- Talent - ability to attract and retain
- Innovation - an area's ability to create new ideas, products and processes
- Entrepreneurial and Business Environment - ease of doing business
- Industry Clusters - a region's strength and density of clusters
- Livability - a region's ability to be inclusive and dynamic

■ Perceptions

- The perception of school quality drives business decisions to locate and expand.
- Housing affordability, preference, and availability influences decisions to locate and expand.
- Columbia's corridors present a poor image to outsiders, who then choose to invest in another location, such as Charlotte.

Growing an Economic Cluster InsurTech in Des Moines

Greater Des Moines Partnership

The Greater Des Moines Partnership is the economic and community development organization that serves Greater Des Moines (DSM), Iowa. "Together with 24 Affiliate Chambers of Commerce, more than 6,400 Regional Business Members and 340+ Investors, The Partnership drives economic growth with one voice, one mission and as one region."

One example is the deliberate growth of Des Moines into one of the largest InsurTech clusters in the country, with 81 insurance companies and the highest concentration of insurance employment among metros in the US.

Industry leaders have actively partnered to grow the sector and to make it appealing to millennial workers, who now make up 30 percent of the workforce. Insurance isn't a traditionally "sexy" industry, but appealing to today's young workforce means focusing on non-monetary benefits such as wellness programs, casual dress codes, and flexible work hours.

In 2015, the Global Insurance Accelerator (GIA) was launched. This is a mentor-driven business accelerator designed to foster innovation in the insurance industry by supporting InsurTech startups targeting the global insurance industry. Each year GIA hosts a 100-day immersive program for 8-10 InsurTech start-ups to include coaching, exposure to insurance company operations, and access to additional potential investors.



One company, Holmes Murphy, offers a 9-week introduction training course for new workers called "The Brainery" which is an intensive training and leadership skills course that sets a tone for the work hard, play hard culture of the company.

Merging Economic Development Organizations

Charlotte Regional Business Alliance

In 2018, the Charlotte Chamber and the Charlotte Regional partnership united to create the most vibrant, innovative, and healthy economy in the nation. "One Economic Enterprise for one Region with one dream of prosperity for all."

The Charlotte Regional Business Alliance unites the exceptional and diverse strengths of all the counties in the region. The Alliance is a nonprofit/private economic development organization. The Alliance focuses on 16 counties (12 in NC and 4 in SC) and is divided into regional chapters - Ballantyne, Central, North, and South. A larger component of the CRBA is attracting and retaining business and talent.

<https://charlotteregion.com/>



Metro Denver Economic Development Corporation

"The Metro Denver Economic Development Corporation (EDC) is a national model for regionalism in economic development, political cooperation, culture and sports." The EDC is the nation's first regional economic development entity and operates under a Code of Ethics. The EDC was developed out of the Greater Denver Corporation and the Metro Denver Network. Repeatedly the EDC has been pointed out as "a mode for a new era of regional politics." The EDC brings together 70 cities, counties and individual economic development agencies to one collaborative organization. The EDC focus areas are: Economic Development, Political Cooperation, and Arts and Culture.

<http://www.metrodenver.org/>



Employer Rental Assistance Incentive Program

Live Midtown Program

In 2011, the Live Midtown Program was developed to offer four types of incentives to eligible employees to entice people to move and retain people in the the Midtown Detroit neighborhood. The collaboration was between Wayne State University, Henry Ford Health System, and the Detroit Medical Center. During the pilot year investments were matched by the Hudson Weber Foundation, and the Michigan State Housing Development Authority and the Kresge Foundation. Total funding for the first year was \$1.2 million.

Details:

- # of Employees Participating 2011-2015: 1,600
- Companies Participating:
 - Wayne State University
 - Henry Ford Health System
 - Detroit Medical Center
- Funding Incentives Include:
 - \$20,000 forgivable loans for new homeowners purchasing their primary residence
 - \$5,000 in matching funds for exterior home improvement projects
 - \$2,500 for new renters the first year, plus \$1,000 the second year
 - \$1,000 for existing renters who renew leases

Eligibility: All (subsidized benefits) eligible employees with the exception of graduate students are eligible for both the rental and purchase programs. Graduate students are only eligible for the rental program.

Total incentives invested into the community: \$2,951,500

Administration of Program: Midtown Detroit Inc. (MDI) formally known as University Cultural Center Association.



Mixed Use Development Public Private Development

The Standard at East Library

Since 1878, Milwaukee Public Library has been a free provider of education and information for residents of Milwaukee and beyond. The system has 14 locations and more than three million items. In 2011 they began a replacement plan to update all buildings, while being a catalytic community project for each neighborhood and business district in which they are located.

Details:

- East library: 16,000 Sq. Ft.
- Apartments: 99 Units
- Parking Residents: Underground
- Parking Patrons: Surface Parking
- Public: Art by three artists
- Original Height: 1 story
- New Height: 5 stories
- Previous Tax Revenue: \$0.00
- Previous Assessed Value: \$0.00
- 2015 Assessed Value: \$12,109,00
(Land: \$1,048,900),
(Improvements: \$11,060,100)
- Property Tax Bill 2015: \$356,216.74
- City Tax: \$273,897.83
- County Tax: \$81,586.09



East Side Library Before and After

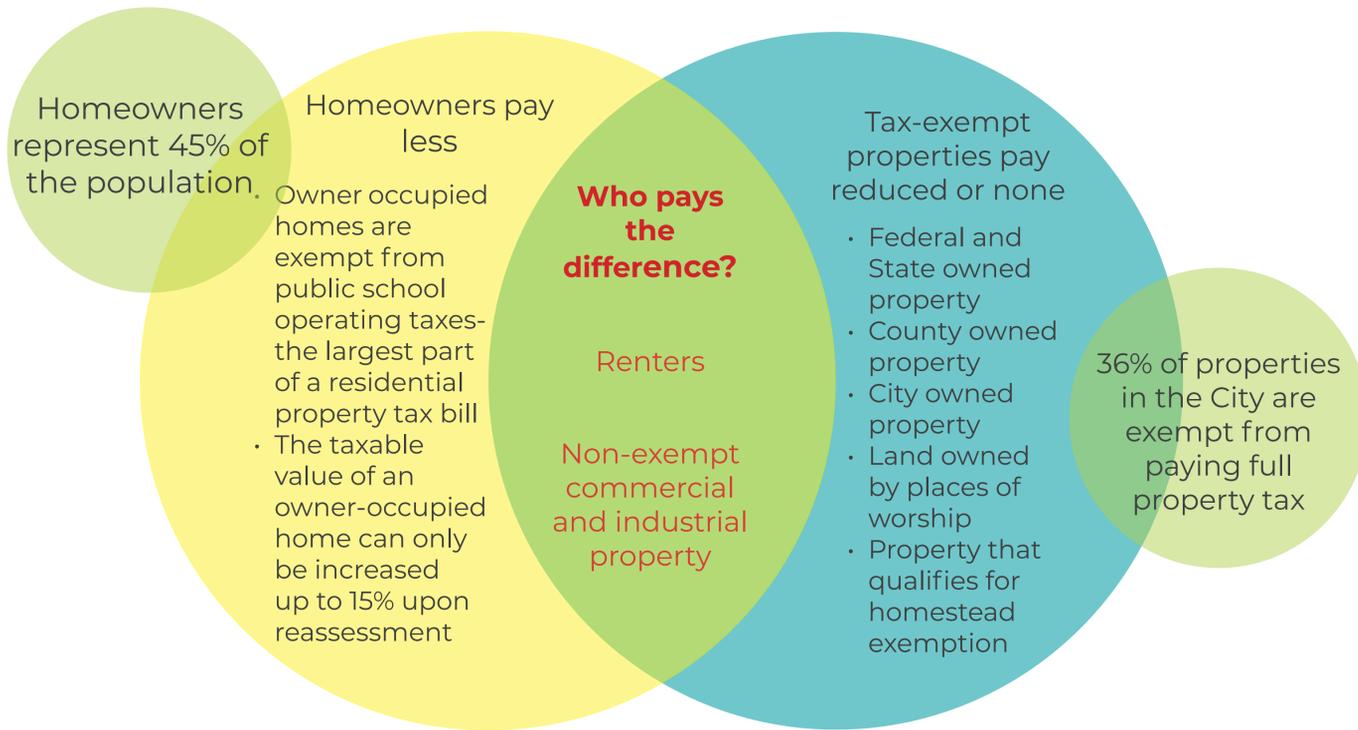


Do you have ideas about the how the City and private sector can partner to accomplish our vision for 2036? If so, leave us a sticky note.



WHO IS PAYING THE MOST TAXES?

How does the property tax structure in South Carolina affect growth?
Who is paying the most for our current standard of living?



Strategy: Urge State lawmakers to reconsider property owners' exemption from school operating taxes

Strategy: A PILOT system (Payment In Lieu Of Taxes) is a voluntary payment by tax-exempt property owners that helps offset the cost of City services

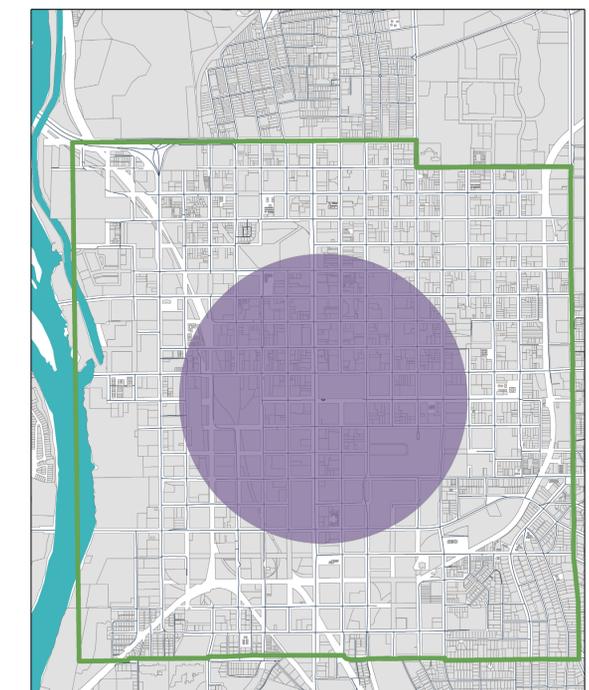
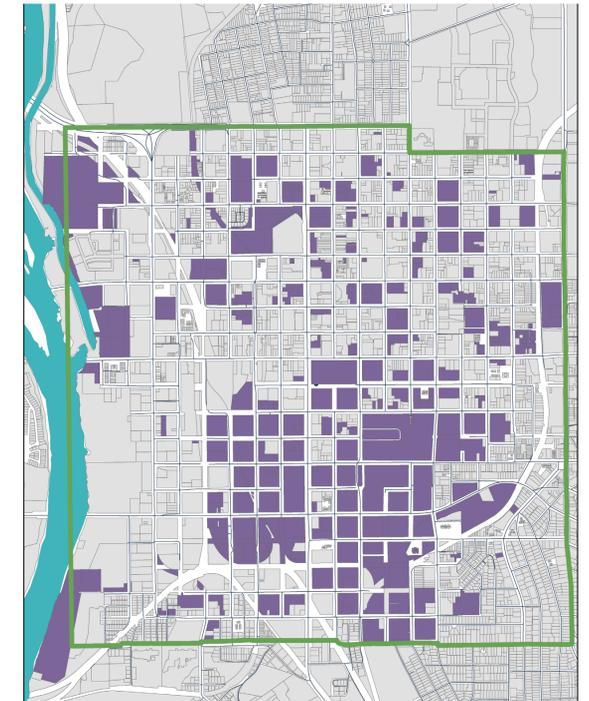
HOW CAN WE OFFSET THE COSTS?

Properties within the downtown street grid are the most valuable properties in the City. The illustration to the right shows that when the acreage of tax-exempt properties is aggregated, how much of the grid it represents. These properties still need public services, leaving the tax paying properties to shoulder the cost.

CASE STUDY: BOSTON

In 2009, Boston Mayor Thomas Menino created a PILOT task force with the objective of making PILOT contributions more consistent across institutions and increasing revenue from PILOTs. The task force included representatives from universities, hospitals, city government, business, and community groups. Despite their divergent interests, the group unanimously reached a set of recommendations: that PILOTs should continue to be voluntary, and the goal should be to equal 25% of what the property owner would pay if they were taxable.

Lincoln Institute of Land Policy



Do you have ideas about the property tax system? If so, leave them with us on a sticky note.



Economic Development

IMPLEMENTATION STRATEGIES

Which three of the below are the most important (●) for Columbia to accomplish in the next 10 years? Let us know by placing your dots.

Pick 3!
most important (●)

Corridors	PUBLIC IMPROVEMENTS ON CORRIDORS Investing in public amenities such as street trees, lighting, improved sidewalks and multi-modal infrastructure is an effective way to revitalize struggling commercial corridors.	
	PRIVATE IMPROVEMENTS ON CORRIDORS Using public dollars to provide façade grants and other financial incentives for business and property owners to improve commercial properties is an effective way to revitalize struggling commercial corridors.	
	QUALITY DESIGN Focusing on quality building and site design, landscaping, and reducing sign clutter is a critical factor in revitalizing Columbia's commercial corridors.	
Taxes	BUSINESS LICENSE TAX Reforming the business license taxes would be an effective way to attract and retain businesses to Columbia.	
	FEES TO OFFSET TAX SHORTAGE Implementing a fee structure (to the 70% of tax-exempt properties in the City) to help cover the cost of services is an effective and fair way to supplement the 30% of tax paying properties that pay for 100% of City services.	
Public Investment	FOCUSED INVESTMENT Investing in a specific focus area over a ten-year period then moving on to another area is the most effective way to revitalize several parts of the City	
	EQUALLY DISPERSED INVESTMENT Investing equally in several areas equally over the course of a ten-year period is the most effective way to revitalize several parts of the City of Columbia.	
	QUALITY OF LIFE Maintaining a high quality of life, which includes a low cost of living, access to cultural resources and opportunities, and access to natural resources is critical in attracting and retaining talent in the City.	
Other	JOB TRAINING Matching education and training to jobs and employers should be the primary focus to attract and retain talent within the City.	
	INCENTIVIZE ADAPTIVE REUSE AND INFILL Identify areas where these practices could benefit the community and the urban fabric, and target these areas within City programs.	

Is there a strategy we are missing that we should consider accomplishing in next ten years? Write it down on a sticky and leave it here.

