



# Building Partnerships for Economic Vitality

*A Municipal Action Guide*

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## THE CHALLENGE

For America's cities and towns, today's rapidly changing global economy presents an array of challenges and opportunities, including growing international competition for jobs and business and increased demand for workers with higher-level skills. Municipal officials need partners to respond successfully to these challenges. They need to reach out across sectors and across their regions to engage all stakeholders in the work of reinventing local and regional economies.

Especially in an era when public funds are severely stretched, partnerships offer opportunities for local government to bring other resources and other capacities to the table. Forging stronger ties between government and business is just one part of the answer. The larger imperative is to broaden the list of potential partners for economic vitality and to structure collaborative efforts that keep everyone excited, engaged, and rewarded while making the most of what each partner has to offer.

## STRATEGIES

Not every activity is a candidate for partnering. So the first strategic step is to assess the wisdom of "going it alone."

Building partnerships for economic vitality entails a shift in strategy from government solutions to the broader concept of *governance*. The question at the heart of the governance approach: how can municipal officials work with governmental and nongovernmental partners to strengthen local and regional economies?

One answer is by rethinking the role of government. Instead of designing and implementing its own economic development programs, local government can serve as a convener, catalyst and broker. This means adopting strategies to identify and convene key players in the local and regional economies.

"Bringing the necessary actors to the table and then moderating differences and negotiating cooperation is a new local government responsibility," according to Susan Clarke and coauthor Gary L. Gaile in their book, *Local Politics in a Global Era: Thinking Locally, Acting Globally*.

Many analysts of local economic development recommend creating partnerships that include but also go beyond the "usual suspects."

One of the key partners is likely to be other local governments. Instead of an economic development approach

based on competition with neighboring cities, success in the changing economy requires reaching out across the region. Leaders and citizens in every city or town need to understand and appreciate that they are part of a regional economy. To the extent that cities and towns coordinate their economic development work with others in their regions, they will be more successful.

A crucial role for local elected officials is to build unity among key stakeholders around a compelling vision for

### Usual Suspects

Federal government	Chamber of commerce
State governments	Longtime civic leaders
Business leaders	Community foundations

### Unusual Suspects

Higher education — including community colleges	Arts and cultural organizations
Neighborhood-based groups	Hospitals
Small business executives and entrepreneurial support organizations	Residents
Faith-based organizations	Special purpose entities like airport authorities or sewer districts
	Philanthropic organizations

the local and regional economy. How will your community define economic success? What is it going to take to get there? And, what are the unique and differentiated responsibilities of all stakeholders in achieving the community's vision?

### ACTION STEPS

**1. Build a diverse coalition appropriate to the task.** Some of a city's partners will be obvious—such as businesses, chambers of commerce, and civic leaders. But cities also need to reach beyond the usual suspects and consider the potential contributions of others. From arts organizations to hospitals to faith-based organizations, a wide range of entities in the community can contribute to local efforts aimed at promoting economic vitality. After identifying potential partners appropriate to the task, local elected officials can take the lead in bringing them together and exploring options for ongoing partnerships to strengthen the economy.

**2. Assert yourself.** Initiating and sustaining a collaboration requires someone with the vision to recognize the value of bringing the partners together, and the legitimacy, prestige, resources, and/or moral authority to convene the key groups. Local elected officials often are in the best position to serve as conveners for community partnerships, but they need to be sure they can carve out the necessary time to play an active and leading role. Asserting yourself means articulating the importance of building a strong and sustainable local and regional economy, and using your bully pulpit to keep people focused on a coherent and compelling vision for the community – and how to get there.

**3. Figure out the city hall contribution to the partnership.** Develop a clear sense from the start of what the city is willing and able to contribute to the partnership as it sets out to support local and regional economic vitality. From city economic development funds to staff time to leadership and even space for meetings, municipal government can contribute in a variety of ways to helping the partnership succeed. Other partners are going to want to see a strong commitment from the city to the effort, so be sure to budget the necessary funds, time, staff, and other resources.

**4. Lay out the economic and other benefits of the partnership for all participants.** All partners need to feel they have a clear stake in the success of

By convening people and building consensus around the answers to these questions, and then making sure there are processes for ensuring that the partners live up to their commitments, local officials can make economic development the work of the entire community, not just government.

the partnership. It is the job of municipal officials to make a compelling case for the work by outlining the benefits of a stronger, more vibrant local economy for all stakeholders. This means more than focusing on the benefits for the community as a whole; people will want to know what's in it for them. Partners also need a good understanding of why others are at the table. Local officials and other partnership leaders should make sure the group's agenda and goals reflect the interests and priorities of all participants.

**5. Create early opportunities for partners to build understanding and trust.** The most successful partnerships begin with partners listening to and learning about each other, and discovering the goals and interests they have in common. Municipal officials can initiate a facilitated dialogue among stakeholders about the community's economic challenges, how they affect the members of the group, and where the partners see opportunities for action. An important focus for the group's early discussions: what the partners hope to achieve through their participation.

**6. Nurture a collective understanding of the economic issues.** Cross-sector collaborations for economic vitality need a solid base of knowledge about economic trends affecting their cities and regions. Local leaders can help make sure partners have access to materials such as “dashboard indicators” showing the performance of the local and regional economy. Another option: inviting experts and practitioners to present to the group about key economic issues and existing programs. Be sure the group hears from diverse voices about economic challenges facing all segments of the population, as well as strategies to ensure that all residents can share in the community's economic success.

**7. Clearly define roles and responsibilities of all partners.** At the beginning of the partnership, participants should reach consensus on goals, a timeline, and the precise roles and responsibilities of each of

the partners. How will decisions be made and by whom? How will the partnership define and measure economic success? And how will each partner contribute to the effort? All partners should know the answers to these and other questions. A clearly defined plan or memorandum of understanding should lay out key roles and responsibilities from the start.

**8. Look for early successes.** Nothing keeps people engaged like early successes. At the start of the partnership, identify one or two “low-hanging fruit” – i.e., tasks the partners can accomplish in a short period of time. Examples might include developing courses in key job skills or entrepreneurship at a local community college; or convening businesses in one or more related industries to develop a plan for supporting and growing industry clusters. Be sure to communicate these accomplishments to all participants and the larger community, and mark achievements with appropriate celebrations.

**9. Monitor and assess the partnership’s progress.** Establish measurable goals and monitor the partnership’s progress along the way. Possible goals could include: creating a specified number of new, living-wage jobs; raising a targeted dollar amount in seed capital for entrepreneurial, home-grown businesses; expanding business incubators to new neighborhoods; or providing training to a specified number of workers or entrepreneurs. Review and refine the partnership’s goals on an ongoing basis. Trumpet the group’s successes, and be sure to create opportunities to learn from any failures.

**10. Communicate.** Determine how often key players in a partnership need to meet and how long those meetings will last. Between meetings, create mechanisms for all part-

ners to remain informed and engaged through e-mail listservs, conference calls and other means. Throughout the process, external communications also should be a priority — build added support for the partnership by informing the press and the broader community about key achievements.

## Checklist for Success

The following factors for successful partnerships emerge from surveys of partnerships and workshops including practitioners:

- ✓ Agreement that a partnership is necessary
- ✓ Respect and trust between different interests
- ✓ The leadership of a respected individual or individuals
- ✓ Commitment of key interests developed through a clear and open process
- ✓ The development of a shared vision of what might be achieved
- ✓ Time to build the partnership
- ✓ Shared mandates or agendas
- ✓ The development of compatible ways of working, and flexibility
- ✓ Good communication, perhaps aided by a facilitator
- ✓ Collaborative decision-making, with a commitment to achieving consensus
- ✓ Effective organizational management

Source: Partnerships Online,  
[www.partnerships.org.uk/AZP/part.html#anchor3396283](http://www.partnerships.org.uk/AZP/part.html#anchor3396283)

## EXAMPLES OF PROGRAMS

**Lakewood, Colorado** (pop. 140,671) Lakewood’s Belmar Downtown development replaces a struggling 1960s-era shopping center with a genuine main street, public square, and places for people to live, work, dine, and participate in cultural and community events. The mayor-created Villa Advisory Committee – consisting of residents, members of civic groups, and neighborhood leaders – provided the developer with guiding principles for the new downtown.

**Morrilton, Arkansas** (pop. 6,607) Morrilton developed a successful plan to prevent economic devastation following the disappearance of one-third of the city’s jobs after two major plants closed within a span of two weeks. A first step was identifying the workforce needs of today’s high-tech, information-driven business economy. Then, the city, local economic development corporation, and the local community college began providing continuing education and workforce development opportu-

nities to displaced workers and community residents. The partners also identified customer service call centers as industries worth introducing into the community to support the high-tech sector. Within six months, the city was able to attract two new major employers to the area.

**Cities in White County, Illinois** (pop. 15,284) The White County Economic Development Group is a collaborative of local mayors, community leadership, and local businesses that work to keep existing jobs in the rural county and attract new businesses to the region. The group encourages local mayors to make major infrastructure investments and, in partnership with another regional organization, administers a revolving loan program that assists small businesses in the county. This cooperation of private- and public-sector forces brought a new motel, a 50-job distribution facility, and a maximum-security prison employing 760 people to the region.

**Norman, Oklahoma** (pop. 101,719) The Norman Economic Development Coalition (NEDC) is a public-private partnership that includes representation from the city, the chamber of commerce, and the local university. With the help of a professional economic development consultant and input from the community, NEDC developed a comprehensive plan with concrete goals including: increasing per capita income; helping existing businesses; and attracting knowledge-based workers to the area. The coalition identified 16 industries – including computer programming, data processing, biomedics, and avionics – that mesh with the city’s goals. NEDC continues to facilitate the development of sites suitable for these industries.

**Detroit, Michigan** (pop. 886,671) The Detroit/Wayne County Roundtable on Sustainable Development focuses on integrating environmental and economic growth concerns. Forty representatives from neighborhood organizations, environmental groups, lending institutions, businesses, governments, and charitable and religious groups make up the roundtable. Much of the roundtable’s efforts address the redevelopment and marketing of brownfields sites. Since its inception, several major redevelopment projects have been launched, including a stadium, airport, and casino.

**Columbia, South Carolina** (pop. 117,088) USC businessLINK is a partnership between the City of

Columbia and the University of South Carolina to tap the university’s wealth of knowledge and intellect as an economic development asset. The service provides a point of contact to receive information or assistance from USC faculty or researchers for the city’s economic development staff and businesspersons in the city and state. The program’s office is located in the city’s Office of Economic Development, which facilitates the sharing of information and skills. Together, the city and university work to attract new businesses to the downtown and gain grants for downtown development.

**Ely, Nevada** (pop. 4,041) The citizens of Ely, Nevada faced an economic predicament when the J.C. Penney Company closed its store in Ely and the nearest available shopping center was 190 miles away. The city’s civic leaders and residents established the Community-Owned Mercantile Project to develop a retail store in town. Seed money for the project came from city, county, and state agencies; and a private foundation. Private citizens, however, did most of the work, sitting on the company board, selling stock, and volunteering their labor. The store, Garnet Mercantile, focuses on clothing and shoes and, in its first year, outpaced expected earnings.

**Wichita, Kansas** (pop. 354,865) The city of Wichita worked in partnership with the Chamber of Commerce, surrounding cities, the county, and their Congressman to support the Fair Fare\$ program—an incentive package for a low-fare airline to enter the air-service market. In addition to public dollars, nearly 400 businesses pledged millions of dollars for air travel to the campaign. As a result, AirTran now provides significant air service out of the Wichita Mid-Continent Airport. The city has efficient access to comprehensive affordable air transportation that is critical to global business expansion. The estimated savings to air travelers using the Wichita Mid-Continent Airport as a result of the presence of AirTran exceeds \$200 million dollars.

For more information, please visit the Economic Vitality page on NLC’s web site at [http://www.nlc.org/inside\\_nlc/7253.cfm](http://www.nlc.org/inside_nlc/7253.cfm) or contact Melissa Germanese or Katie Seeger at 202-626-3000.

