

Rural Communities: Keys to Successful Business Attraction

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Opportune Time

1. Global competitive trends
 - Favoring the U.S.
 - Rural areas offer cost competitive options
 - Manufacturing
 - Back office
 - Distribution
 - Data center
2. U.S. competitiveness
 - Innovation
 - Technology
 - Labor content
 - Supply chain
 - Customer preference
 - Cost compression
3. Expanding economy
 - Consumer spending
 - Capital investment
 - Profits
 - Jobs coming around
4. U.S. exports
5. One serious obstacle: workforce
 - Qualified entry (basic skills)
 - Machine OPS
 - Skilled crafts
 - Engineers
 - IT

The Essentials for Rural Areas to Shine as a Business Location

1. Progressive/forward thinking leadership
2. Public/private partnerships
3. Unified economic development
 - County the showroom
 - Communities the automobiles
4. Industrial sites
 - All utilities
 - Graded
 - Zoned
 - Access
 - Physically attractive
 - Green
 - Shovel ready or certified ideal
 - Both
 - Freestanding
 - Business park
5. Modern vacant buildings
 - Shell buildings a major plus
 - Industrial
 - Office
 - Complete (except floor in manufacturing)
 - Typical size
 - Manufacturing: 50,000-100,000 SF
 - Office: 40,000-60,000 SF (lots of parking)
 - Expandable (by at least 2x)
 - Rail siding a plus
 - Dual utility feed a big plus
 - Power
 - Teleco (office)
6. Vibrant downtown
7. Adequate highway infrastructure (rail a plus)
8. Excess utility capacity
9. Reliable electric power

The Essentials for Rural Areas to Shine as a Business Location (Cont'd)

10. Workforce readiness

- High school grads (workforce ready)
- Adult basic skills training
- Manufacturing career tracks
- Secondary Vo-tech education/training
- Post-secondary technical education
- Promotional efforts to increase throughput
- Effective pre-employment and retraining
- Proximity to four year college/universities a plus
- Major involvement/direction from business
- Workforce partnerships

11. High speed broadband

12. Participation in regional economic development, especially

- Marketing
- Workforce
- Gardening

13. Leverage umbrella E.D. resources, e.g., State, Utilities

14. Adequately fund E.D.

15. Respond fully and expeditiously to project requests

16. Well planned/orchestrated community visits

17. Single point of contact for prospects

18. Effective, data rich websites

19. IEDC standards the holy grail

20. Maps helpful too

21. Commute shed stats (30-45 min.) where applicable (especially labor & pop)

22. Business resource base (e.g., motor carriers, higher education institutions, support services, quality-of-life) within an hour

23. Mobile apps friendly

24. Most fundamental marketing tool is a great website

25. Showing well

- Infrastructure
- Workforce
- Incentives
- Appearance
- Leadership (e.g., vision, same page)



Responding to Initial RFIs (Request for Information)

1. Immediately acknowledge request
2. Clarify any aspect of RFI not well understood
3. Identify best sources to collect requisite data
4. Provide responses in the precise format (probably a form) requested
5. Any elaboration should be in succinct attachments
6. For preliminary incentives, define key assumptions
7. If a direct corporate prospect, agree on confidentiality parameters
8. In a cover note to the response, briefly summarize your area's "case" for the project in question
9. Call prospect to confirm receipt
10. Unless a unique project (e.g., steel plant) most RFIs should be completed in 3-5 business days
11. Hopefully, much of the information is readily available
12. Store RFIs to reuse selected data as appropriate

Typical Components of Initial RFI

1. Site availability/cost (IEDC data standards has pertinent info fields)
2. Building availability/cost (see IEDC data standards for typically requested characteristics)
3. Major employers, including industry specific
 - Company
 - Address
 - Industry/products/services
 - Function
 - Data established
 - Employees
 - Union
4. New/expanding companies (including incremental employment by when)
5. Downsizing companies (jobs lost from three years before & year of close)
6. Water sources/availability
7. Electric power
 - Cost
 - With and without riders
 - Sales tax exemption/reduction
 - Capacity
 - Fuel sources
 - Reliability (e.g., SAIDI, CAIDI, ASAI)
8. Water/sewer treatment capacity (excess over peak demand)
9. Water/sewer costs including hookup
10. Natural gas availability/cost
11. Airport downtime due to severe weather
12. Transportation services (e.g., motor carriers with terminals)
13. Planned highway improvements
14. Applicable tax practices/rates
 - Include exemptions
 - Especially property and sales
15. Local wage survey
16. Resident skill base by occupation (especially for prospects without extensive databases)



Typical Components of Initial RFI (Cont'd)

17. Annual college grads by selected field
18. Air quality attainment
19. Fast-track construction/permit approval
20. Potential incentives
 - Program
 - Eligibility
 - Estimated savings by year
 - Ability to couple with other incentives
 - Underlying assumptions

Planning a Community Visit

1. Confirm disclosure/confidentiality rules
2. Understand letter and spirit of the field trip request (what is prospect seeking to accomplish?)
3. Confer with your immediate stakeholders
4. Circle back to prospect with:
 - Recap of understanding
 - Questions concerning the trip
 - Suggestions for modifying the prospect's request subject to her/his approval
 - Confirm who from client will be making the trip
 - Confirm arrival/departure times
 - Secure lodging preferences
 - Elicit in-area travel preferences (e.g., large van)
 - Agreement that on which, if any, discussions will include EDO rep
 - Reach mutual understanding of the overarching issues/sensitivities
 - Suggest that an orientation briefing at EDO office should formally kick-off the visit
5. Contact local stakeholders to:
 - Request participation
 - Brief them on prospect
 - Indicate expectations
 - Define discussion topics
 - Delimit presentation times
 - Suggest interactive discussion
 - Explicitly list 'who' stakeholder will bring to the table, with no changes unless cleared by you
 - Encourage forthrightness and absence of boosterism
6. With guidance from prospect, determine which sites/buildings to target for in-depth investigation while in field
7. Firm up itinerary with stakeholders
8. Send itinerary to prospect
9. Call prospect to discuss and, if warranted, modify itinerary

Planning a Community Visit (Cont'd)

10. Make final arrangements for prospect pick-up/drop-off

11. Needs to be one lead ED agency, e.g.:

- Regional or county
- With active support of
 - State
 - Utility
 - Rail (if appropriate)
 - Local or regional (as appropriate)
- Auto showroom analogy

Commencing the Visit: Orientation Briefing

1. Purpose
 - Summarize area's locational resources, customized to the project in question
 - Relate ongoing/planned improvements to locational resource base
 - Indicate type of companies expressing interest in locating in the area
 - Review the community visit agenda
 - Address any questions
2. Topical discussion
 - Area history
 - Economic composition
 - Economic growth
 - Major new projects
 - Real estate
 - Trends
 - Submarkets
 - Targeted site/building profiles
 - Permits
 - Fast-track construction
 - Labor market
 - Education/training
 - Utilities
 - Transportation
 - Quality-of-life
 - Taxes
 - Incentives (project specific): Statutory; Discretionary
 - Target Industries
 - ED Priorities/Initiatives
 - Plan a 2-hour session
3. Ground rules for the visitation
 - Interviews
 - EDOs should not participate in employer interviews
 - Typical do not partake in any interviews
 - Tours
 - Timing
 - Transportation
 - Personal time



Commencing the Visit: Orientation Briefing (Cont'd)

4. NO-NOs during the trip
 - Prying into client confidentiality
 - Making false claims
 - Spinning the truth
 - Leaking to media
 - Bringing anyone to the table not approved by prospect
 - Denigrating the competition
 - Engaging in too much partying
 - Not adhering to the schedule
 - Having stakeholders not on the same page
 - Having any stakeholders engage in overt selling
 - Failing to provide any “downtime”

The Essentials for a Community Visit: Composition of the Trip

1. Comparable employer interviews
 - Site operations manager plus others (e.g., HR division) as needed
 - Profile of local operation
 - Operating experiences
 - Recent
 - Projected
 - Overall satisfaction
 - Pluses
 - Minuses
 - Opinion on location's viability for project in question
 - One hour discussion
 - Facility tour optional
 - Prefer on-site interviews
2. Additional interviews
 - Staffing agency
 - Workforce
 - Education/training
 - Utilities (general & site-specific)
 - Transportation
 - City/county government
 - Real estate
 - Commercial
 - Residential (quality-of-life)
 - Environmental
 - Other (per prospect request)
3. Site/building tours
 - Windshield
 - Walking
 - On-site presentation by owner/broker
 - Zoning
 - Dimensions
 - Geotechnical
 - Environmental
 - Access
 - Utilities
 - Tenants



The Essentials for a Community Visit: Composition of the Trip (Cont'd)

- Nearby land use
 - Security
 - Cost
 - Fast-track permitting and construction
 - Special incentives
 - Future expansion/improvement
 - Funnel future/additional details through lead EDO
 - Aerials, stat profile, photos should have been already supplied
 - All of the above should be contained in a briefing book
4. Quality-of-life tours
- Downtown
 - Range of housing
 - Executive neighborhoods
 - City
 - Suburban
 - Exurban
 - Schools (windshield)
 - Major points of interest
 - While driving talk about relocating talent to area
 - Experienced
 - Recent college grads
5. Debriefing
- Recap from prospect
 - EDO feedback
 - Next step milestones
 - Communications protocol
6. Nondisclosure agreement
- Increasingly more common
 - Illustrates importance of confidentiality
7. The lead EDO typically escorts the prospect throughout the visit
8. Most initial visits, 1-2 days
9. Follow-up visits usually involve more client team members
10. Single point of contact (from RFI through visit) critical
11. Again, cannot stress enough the concept of “showing well”

Beyond Business Recruitment

1. Marketing to attract new business very important for economic growth/diversity, job creation, and tax base
2. However other pro-active endeavors are also key for generating more/better quality jobs
3. Rural economic development organizations should play either a lead or supporting role in the following
4. Industry retention/expansion (BR&E)
5. Business start-up/economic gardening
 - Incubator (space/support infrastructure to nurture a business)
 - Accelerator (super fast-track to launch, seed capital, physical space)
 - Co-work space
 - SBDC
 - Angel Network
 - Partnership (business, government, education, nonprofit)
 - Often a regional resource
6. Downtown revitalization
7. Retail
8. Retirement
9. Tourism
10. Exports
11. Film
12. Workforce (in conjunction with WIB)

Some Best Practice Examples

1. Webster City, IA
 - Lead role for the all-important ED Triangle
 - Attraction
 - Retention
 - Start-up (including incubators)
 - Active other job creation endeavors (e.g., downtown)
 - Extensive workforce efforts, especially manufacturing
 - Shell building
 - Excellent website (IEDC standards)
 - Consultant outreach/Newsletter
 - Local incentives
2. Atlanta, TX
 - The Triangle
 - ½ cent sales tax for ED
 - Local incentives (Including deal closing)
 - Shell building
 - Participation in regional marketing (The Right Corner)
3. Athens, TX
 - Similar to Atlanta
 - Including ½ cent sales tax
 - Ice House Grants for Entrepreneurs
 - Regional (TX 1-20 corridor) and state (Texas One) participation
4. LaGrange County, IN
 - The Triangle
 - Revolving loan fund
 - Deal closing fund
 - Shell building (JV with a private developer)
 - Like all the examples pro-active in workforce/manufacturing skills development
 - Regional marketing (NW IN ED Partnership)

Some Best Practice Examples (Cont'd)

5. Newberry County, SC
 - The Triangle
 - Certified mega site
 - Shell building
 - Local incentives
 - Newberry College & Piedmont Technical College active involvement
 - Regional marketing (Central SC Regional ED)
6. Grenada, MS
 - The Triangle and most other activities (e.g., export)
 - Operation Jump Start (Economic Gardening)
 - Business Park
 - Shell building
 - Skills development including Grenada Career & Technical Center
 - Downtown revitalization
 - Local incentives
 - Regional marketing (North MS Industrial Development Association)
7. A few others worthy of investigation
 - Wells County (Blufton), IN
 - Martinsville/Henry County, VA
 - Lufkin, TX
 - Lincolnton, NC
 - Starkville, MS
 - Fayetteville, TN (You Tube link for shell building)
 - Ada, OK
8. Kansas, New Mexico, Utah
 - Economic gardening
 - Focus on rural areas
 - Guidance from
 - Nat'l. Center for Economic Gardening
 - Part of the Edward Lowe Foundation
 - Pilot Programs

Some Best Practice Examples (Cont'd)

9. Washington (State) for workforce

- Integrated basic education and skills training
 - I-Best
 - National model
 - Basic skills
 - English
 - Technical proficiency
 - On job training
- Adult basic education
 - By state board for Community's Technical Colleges
 - Administers federal & state education & literacy funding to local sources
 - Provides program development guidance/training

10. TN workforce

- T-CAT (technical centers for secondary and adult education)
- Robust community college system
- Community college tuition forgiveness

11. Kansas for grooming skills in high schools, waiving community college tuition

12. VA for the Dream-it/Do-it

- From National Manufacturing Institute
- Coordinated by VA Manufacturing Association
- Includes manufacturing skills and other certifications
- Publicize socio/economic value of technical careers

Some Best Practice Examples (Cont'd)

13. Some additional resources

- USDA Rural Economic Development
- USDOC, Economic Development Administration
- HUD Main Street
- National Main Street Center
- Edward Lowe Foundation/National Center for Economic Gardening
- International Economic Development Council
- Southern Economic Development Council
- National Manufacturing Institute
 - Dream it/Do it
 - Skills Certification
- Work Keys
 - By ACT
 - Skills certification
 - Community certification
- REDI
 - Rural Economic Development Institute
 - Florida
- Florida Main Street
- Enterprise Florida
- Manufacturers Association of FL (especially skills development down to the high school level)

Summing It All Up

1. U.S. more competitive than ever
2. Best window of opportunity for rural communities in many years
3. Priority focus to Succeed: Workforce
 - Critical for FL
 - ½ of counties have higher proportion of adults (vs. U.S. average) without high school degree
 - ¾ of counties have SAT scores below U.S. norm
 - Skills shortages (e.g., Machine Maintenance) exist in many parts of the state
4. Other priorities to effectively play in the economic development game
 - Fully serviced industrial parks
 - Shell buildings
 - High speed broadband
 - Limited access, four-lane highways (or superior two-lane not too far from Interstate)
 - Local incentives, including deal closing funds
 - Participation in regional marketing
 - Attractive downtowns
 - Economic gardening
5. Winning prospects
 - Website
 - Crisp/fast response to RFI
 - Single point of contact
 - Well planned/executed community tours
 - The orientation briefing sets the stage
 - Leadership cohesion/progressiveness
 - Quality appearance
 - Show well
6. Reach out to Best Practice Examples (and others suggested at this Boot Camp)
7. Take advantage of technical/funding resources, such as
 - USDA
 - REDI
 - FL Main Street



Speaker Biography

Dennis J. Donovan

Partner

Wadley Donovan Gutshaw Consulting (WDGC)

Dennis J. Donovan is responsible for worldwide site selection services at WDGC. He is one of the firm's partners. WDGC has been advising corporations on office and industrial facilities location for 39 years. Its client base captures about 1/3 of the Fortune 500. Additionally, WDGC has consulted with a wide array of middle market companies.

Client assignments have spanned an array of industries (e.g., manufacturing, distribution, business services) and functions (e.g., headquarters, back offices, R&D centers, warehouses, and production facilities). Among companies that Dennis has advised on site selection are Amerigroup, Amylin, Apria Health, Bank of America, Barclays, BOC/Linde, Brembo, Canon Information Technology, Covance, Chubb, Gardner Denver, Genentech/Roche, Harbor Freight Tools, Marriott, Pitney Bowes, and Target. Middle market clientele have included Metalized Carbon (carbon graphite), Plibrico (refractory materials), Grafco (plastics), Indo-Mim (precision metals), and PFERD (brushings).

Dennis has assumed a leadership position in the industry's primary trade association -- CoreNet Global. He created and teaches the organization's site selection course both for certification and professional development. Additionally, Dennis was a member of CoreNet Global's 2020 Strategy of Place Task Force, which assessed future trends in the design and execution of global location strategy. Dennis is a frequent CoreNet workshop presenter and earned one of the organization's luminary awards for the "Around the World in 90 Minutes" sessions.

He is also a prominent speaker and author on the subject of corporate site selection. Recent articles written by Dennis have addressed manufacturing location trends, the latest in customer service site selection, metalworking location dynamics, food processing site selection, aerospace location strategy, and headquarters relocation.

Dennis is a founding member of the Site Selectors Guild. This is an organization that was created to advance the site selection profession and provide knowledge sharing for the economic development community.

A geographer by trade, Dennis earned a bachelor's degree from the University of Nebraska at Omaha. He was awarded a master's degree in economic geography from the University of Rhode Island.

