# Cities Mean BISMESS

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A PUBLICATION OF THE MUNICIPAL ASSOCIATION OF SOUTH CAROLINA

Economic development director's job changes by the minute

## Strategic tourism

Attracting visitors a boon to cities

## You see a police car...



**We see a police officer who works** closely with fire departments and EMS, who knows every business owner downtown, who can name

every city street and who buys 12 snow cones on Saturdays even though his T-ball team has never won a game.



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# CONTENTS

6 A Day in the Life of Economic Development Directors

By Amy Geier Edgar



#### Cities Mean **BUSINESS**

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#### Letter from the Editor By Reba Hull Campbell

10 Places to See

Strategic tourism development benefits locals and visitors alike *By Reba Hull Campbell* 

#### 13 Expedited opening

Licensing departments are taking care of business *By Amy Geier Edgar* 

5 Regional cooperation By Jeff McKay

4



# Letter from the **EDITOR**

#### Economic development can mean different things for South Carolina

hometowns depending on the size, location or economic base of a city or town. In this issue of *Cities Mean Business* magazine, we take a look at several aspects of the role cities play in local economic development

First, Jeff McKay, executive director of the Northeastern Strategic Alliance and 2014 president of the S.C. Economic Developers Association, discusses how cities and towns are central to regional economic development all over the state.

Many cities and towns employ economic development professionals to lead local efforts in recruiting and retaining businesses. Learn more about how economic development directors in Camden, Greer, Greenville and West Columbia collaborate with a wide variety of agencies, jurisdictions and organizations to attract and keep businesses in their communities.

Tourism is a key economic driver in many South Carolina cities and towns that are leveraging local assets into tourism assets. Read about how Sumter, Blythewood and Newberry are strategically using tourism to benefit residents and tourists alike.

It's often the "behind the scenes" work in a city that isn't seen every day that makes the wheels turn for local businesses. Learn about what Columbia, Greenville, Lexington, Anderson and Sumter are doing to make the business license process simpler and more user-friendly by listening to the needs of local business owners and streamlining processes.

Enjoy reading!



Hull Cangbell

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#### ECONOMIC DEVELOPMENT

### Economic development without borders: the role of cities in regional alliances

#### By Jeff McKay



Jeff McKay is executive director of the Northeastern Strategic Alliance and President of the S.C. Economic Developers' Association. SCEDA has served as S.C.'s Voice of Economic Development since 1965 and its mission is to enhance the professional development of its membership and to advocate economic development to benefit the citizens of South Carolina. For additional information, please visit www.sceda.org.

egional alliances have become commonplace in economic development, and cities play an important role in these modern job-creation engines.

A little more than a decade ago, the concept of regionalism was still a cutting-edge economic development theory in some places. The idea that strategies could be coordinated among several cities and counties, making each more effective at job creation, was sometimes met with skepticism.

How would cities and counties that have been rivals in everything from industrial recruitment to high school football work together to help create jobs?

Today, as you look around South Carolina – and almost all states where job creation is a priority – you will find an array of regional economic development alliances. Each serves a different group of cities and counties and has a custom-designed strategy for attracting investment and growing its employment base.

In South Carolina, many of these regional alliances have formed around familiar geographic markers: the Upstate, Midlands, Northeastern, Lowcountry, etc.

But as one looks at these regional alliances more closely, one will also see that cities frequently serve as a hub around which these coalitions are built. As Commerce Secretary Bobby Hitt wrote in a previous edition of *Cities Mean Business*: "Cities and towns are the center that defines an area. They are the soul of a region and of our state."

Just as major employers such as Boeing or BMW attract workers from throughout an entire region, cities are a magnet for business.

Cities often are home to regional amenities: airports, entertainment facilities, higher education, hospitals, financial and legal services, shopping and dining — the list goes on. Interstate highways form key logistical intersections near cities such as Columbia, Florence and Spartanburg. In addition to transportation infrastructure, cities and towns that have more robust water and sewer infrastructure are also vital to economic development.

And while many manufacturing and distribution prospects seek large tracts of land that are hard to find inside municipal boundaries, there is a national economic development trend that specifically involves cities. Recently, companies in the high-tech and services sectors have been moving their suburban headquarters and back-office facilities to downtown locations.

Another economic development trend has been talent recruitment. Numerous studies and experts have pointed out that young professionals are seeking to live in areas that have a defined sense of place appealing to their specific lifestyles, both at work and at play.

Among a recent round of funding from the Department of Commerce's Community Development Block Grant program were grants for streetscaping projects in the towns of Abbeville, Liberty and Walterboro. As cities enhance their downtowns and hone their unique sense of place (similar to something we in South Carolina have long referred to as "quality of life"), they will play an important role in attracting the entrepreneurs that create jobs throughout a region.

The results of all this activity are symbiotic. Workers may be employed at a facility in one town, live in another, and shop in a third. A manufacturing plant may be in a rural area, but its management may live in the county seat. A regional headquarters in a downtown area may draw workers from several adjacent counties.

When corporate executives are looking at locations to expand their business, they may use a city name as a shorthand reference to a metro area that includes smaller municipalities and unincorporated suburbs. Or they may be speaking of an entire multi-county region.

Either way, economic development does not stop at a city or county line. And cities play a role beyond their borders in job creation throughout the Palmetto State.



A Day in the Life of

## **ECONOMIC DEVELOPMENT DIRECTORS**

- By Amy Geier Edgar

*Economic development directors in South Carolina cities and towns are responsible for attracting and retaining businesses, community development and planning.* 

In Camden, Wade Luther has been with the city for four years – the first year as downtown manager, the next three as economic development director. Prior to his work in Camden, he was a planning consultant in the private sector and a land development planner for the City of North Myrtle Beach. The duties of an economic development director vary greatly from day to day, Luther said.

"One minute you are managing an engineering project, the next working with various tourism agencies on marketing plans or assisting a potential small business in finding a location downtown," Luther said. "The job responsibilities cover a wide spectrum of duties from project management to policy development and implementation, to marketing, tourism, business retention, recruitment and expansion."

"It is not a profession you can go into with tunnel vision. You must be aware of how the economy applies to all aspects of your community and others, and be a little bit of an expert on everything," he said.

Nancy Whitworth agrees. She has been in economic development with the City of Greenville for more than 30 years, serving as director since 1992. During her tenure, Whitworth has seen the demands and expectations of an economic development professional in a municipal setting increase.

"There is pressure from all constituencies – elected officials, neighborhood groups, businesses, developers – to get it right! The skill set of a successful local economic developer must adapt and change as the demands and expectations change," Whitworth said. "Keeping the process transparent, yet maintaining appropriate confidentiality can test even the most seasoned professional. It's also about maintaining a sense of urgency along with a healthy dose of patience."

Others may not realize that interpersonal skills play such a large role in business development, Luther said.

"The most important part of business development in our small city is building relationships," Luther said. "Without those key relationships and partnerships in place, the rest of your economic development strategies will remain idle."



*Greer's historic downtown has received assistance from the economic development corporation. Photo/Steve Owens, City of Greer* 

Indeed, relationships are vital to the job of economic development, Whitworth said.

"One often assumes it is important to understand the technical aspects of the profession, but the ability to work with others, communicate effectively and employ the gentle art of persuasion have much more to do with success," she said.

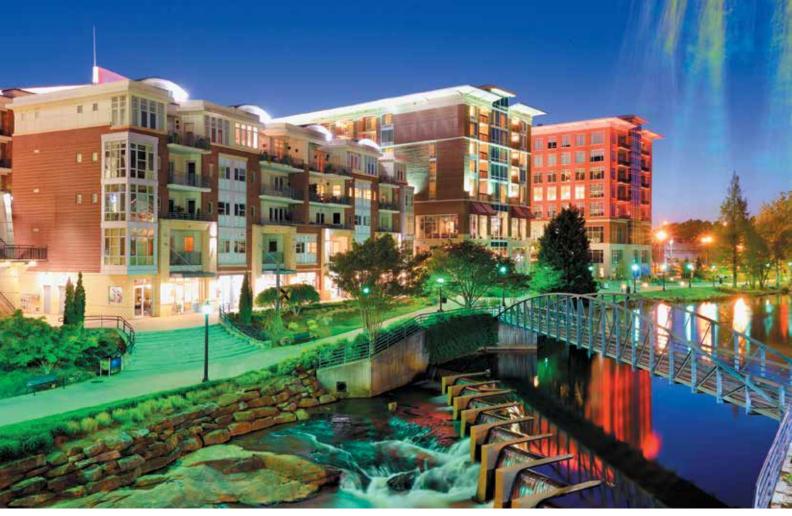
For Whitworth, a day at the office could involve her working on a major downtown development project, responding to a request for information from a prospect, helping solve a myriad of business concerns, or holding a neighborhood meeting to discuss a redevelopment project. Her role also includes planning, community development, and building and environmental codes.

Whitworth thinks most people do not realize that everyone in local government is in the business of economic development.

"Greenville's effectiveness in economic development is a result of providing superior levels of service and ensuring that Greenville is a great place to live and do business. It is a 'can do' spirit that permeates throughout the departments and allows us, who are charged with economic development, to be able to tap into a depth of resources," she said. "We in economic development might be the face, but it is all of our city departments that make it work. I also think that the link back to the city also ensures that we evaluate incentives not just from the standpoint of making the deal but also as to the long-term impact of a particular project – it gives that added level of accountability."

Luther said he did not expect there to be so much collaboration between communities on developing economic development programs, policies and projects. In fact, staff members in surrounding communities are very eager to share their experiences and give advice to help further each city's economic development goals, he said.

Although new business recruiting tends to get the most public attention, others may be surprised to learn that business retention is one of the most important functions of the job, said Reno Deaton, who has been the executive director of the Greer Development Corporation since 2007. Before that, he served as executive director of the Carroll



Greenville's downtown amenities, such as the Reedy River falls and park, make it an appealing place for economic development.

County Community Development Corporation in Kentucky.

"We spend a great deal of time and effort working with existing businesses and industries to understand the nature of their business, the challenges that they face, and the strategies that are available to help them to eliminate and overcome those challenges," he said.

Deaton said his work at the Greer Development Corporation includes four areas of focus: business retention, new business recruiting, marketing and product development. Most of his days include work in each of these focus areas and usually involve a series of meetings, phone calls and emails with internal and external partners including consultants, industry professionals, industrial and commercial prospects, staff from the county and state economic development agencies, real estate brokers, bankers, utility "Greenville's effectiveness in economic development is a result of providing superior levels of service and ensuring that Greenville is a great place to live and do business."

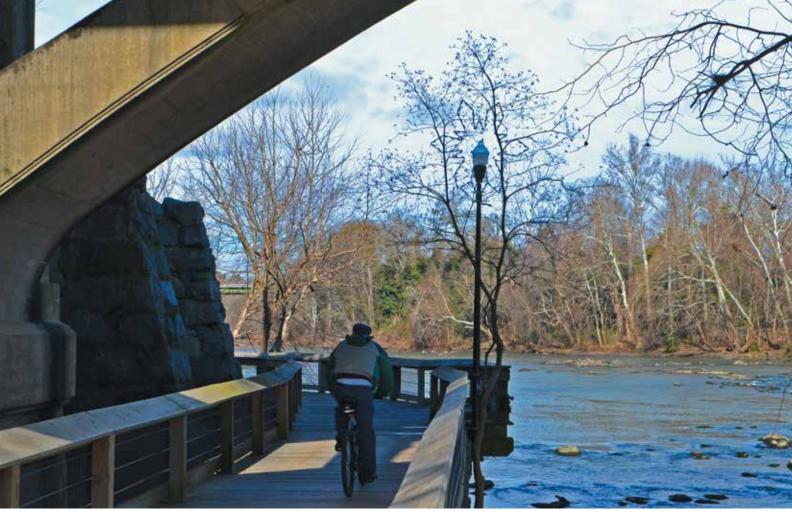
> Nancy Whitworth economic development, City of Greenville

providers, and staff of the City of Greer and Greer Commission of Public Works.

Deaton's organization provides staff support for the Partnership for Tomorrow, a community-based public-private partnership that maintains an independent program of work that includes economic development, quality of life initiatives, and community master planning. They also assist the Greer Station Association, the historic downtown merchants' association.

Donna Smith started working for the City of West Columbia as the director of economic development in August 2005. Before that, she held a similar role with the Town of Lexington, in conjunction with being the executive director of the Lexington Economic Development Association. Prior to moving to South Carolina, she was the director of business services for the Virginia Peninsula Economic Development Council.

For Smith, a day at work may consist of administering and inspecting ongoing grant projects; meeting with contractors, engineers and SCDOT representatives; talking to various business owners and potential owners;



West Columbia has enhanced its welcome with development of its Congaree riverfront, including the Riverwalk, amphitheater and picnic areas.

researching property information for commercial realtors and/or businesses – including zoning information and water and sewer availability; talking to businesses and homeowners groups about annexation; and attending ribbon cuttings and grand openings.

The most significant factor in business development over the last decade, Smith said, is the change in banking standards. "Loans once fairly easily obtained for most businesses are now at a premium," explained Smith.

Smith said that when she started working for the City of West Columbia, her biggest surprise was her level of involvement in the grants she secured.

At other jobs, she wrote and secured grants, but the administration was done by someone else. In West Columbia, Smith not only writes the grant application, but she also administers the grant and is the on-site project manager. "I've worked directly with engineers and contractors and am responsible for the design aspects of the project. I have been involved with such details as selecting the brick and granite for signs and water features, and selecting flowers, trees and shrubs, paint colors for façade renovations, and streetlight fixtures," she said.

Despite the challenges, these economic development professionals say they feel rewarded by their contributions to the community.

Smith relishes seeing a project come to fruition. "In economic development, there is no 'instant gratification.' Many months and years can go into preparing for the project, so whether it's landing a new business or completing a business façade renovations project, when the ribbon is finally cut, you know you've put in a lot of hard work and it's finally paid off," she said. Deaton said he enjoys being part of a team of partners in the Greer community, at the state and county level, and in the private sector who work together well to create jobs and attract new capital investment.

For Whitworth, the most rewarding part of the job is seeing how her contributions have led to positive changes in the lives of others, whether through jobs created or retained or through the public and private investments that have created wonderful public spaces.

Luther said he takes pride in a completed project.

"Not only can I look back and say I took part in that, but a whole cast of people can also make that same claim," Luther said. "We can all look back and take satisfaction in the fact that we worked together and we left behind something that will make this community a better place." •



The Newberry Opera House has helped bring thousands of visitors to the city, supporting restaurants and hotels. Photo/Newberry Opera House



#### Strategic tourism development benefits locals and visitors alike

..... By Reba Hull Campbell .....

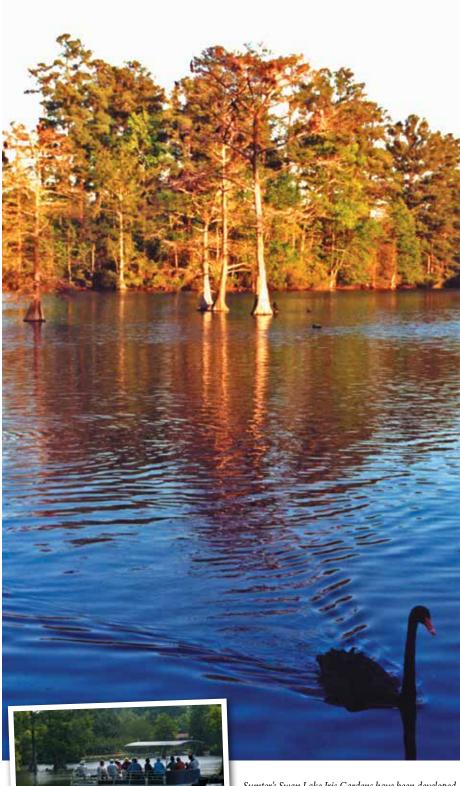
There's no "if we build it they will come" approach for many South Carolina cities and towns that are using tourism to bring jobs, increase visitors and, at the same time, leverage dollars to increase the quality of life for residents and businesses.

Strategic tourism development is increasingly a major economic force in many cities and towns. "Facilities, natural attractions and events are three major drivers when it comes to tourism as an economic development tool," says Sumter Mayor Joe McElveen, Municipal Association president. "Tourism related facilities and activities should serve the purpose of both visitors and residents. When a city or town holds an event and generates outside interest for the community – not to mention outside dollars – many positives can result."

McElveen points out Sumter's Swan Lake Iris Gardens is by far the most popular tourist destination in Sumter County, with walking trails, wildlife and natural habitats for park visitors to experience. Both locals and visitors alike benefit from Swan Lake, which is the only public park in the United States to feature all eight swan species. The park is also home to some of the nation's most intensive plantings of Japanese iris.

The 150 acres of land were donated to the city by two local families between 1927 and 1949. "Since then, the development has taken place through accommodations and hospitality tax dollars, the local penny sales tax and some local donations and sponsorships," says McElveen.

Expansion and renovation at Swan Lake continue, increasing its attractiveness by adding visitor amenities and attractions every year. "Recovery," a 14-foot sculpture by acclaimed local artist Grainger McKoy, was



Sumter's Swan Lake Iris Gardens have been developed on land donated to the city, with funds from accommodations taxes and other sources.

added in 2010 using a combination of penny sales and hospitality taxes plus local partnerships with businesses and organizations.

The Swan Lake Visitors Center serves as the only designated visitor information center in the city or county and was built using a combination of hospitality tax and local partnerships funding as well.

Sumter's Swan Lake Gardens are a win/ win for locals and visitors, says McElveen. "From an economic development perspective, the Gardens help us bring new dollars and new people into our community. From the perspective of residents and businesses, the Gardens add a quality of life amenity that is so important to people when deciding where to live and work."

The City of Newberry has successfully leveraged a historic landmark to anchor its downtown district to benefit tourists and the local community. The 426-seat Newberry Opera House hosts more than 270 performances and 100,000 visitors annually.

Deborah Smith, long-time director of the Newberry Opera House, points out, "Our mission is directed toward the economic and cultural development of Newberry County and the Midlands. The main thing our founders wanted was an economic engine for downtown Newberry. The Opera House has now become a real marketing arm for the city, the county and the entire region."

Smith credits city officials for using the local accommodations tax to allow the Opera House to advertise and promote its programs in the county, state and region. "Now more than 100,000 visitors come through the Opera House doors annually, and we are able to support our downtown restaurants, merchants and hotels. We have developed downtown as a tourism center with some of the best restaurants in the state, a major hotel chain and support for downtown businesses that likely wouldn't have happened without the Opera House as a strong and consistent tourism draw."

In Blythewood, Doko Meadows is the town's new 25-acre park that is part of a 10year vision to create a center of community activity for recreation, music and arts, celebration events, cook offs and other competitions.

"Our goal for this park facility is for it to be 'a place within a place' where locals and visitors can come and enjoy individual and group activities," says Mayor Michael Ross.

One of the first realities of the park is the Manor at Doko Meadows that opened in March 2013 as a 7,500-square foot venue that has already hosted more than 100 events as diverse as Rotary Club meetings, wedding receptions, festivals and bridal showcases. The Manor at Doko Meadows also exhibits local artists' work and showcases natural assets that attract locals and visitors alike.

The park and the manor facility are used by both residents and tourists, so the funding of the project is supported by town general funds as well as accommodations and hospitality tax revenues.

"The dollars tourists bring to the community by visiting a facility like the Manor at Doko Meadows help grow the local economy and make the community more attractive to bring in even more visitors. This in turn increases the quality of life and the quality of services available to residents and businesses," says Ross. •



# EXPEDITED OPENING

Licensing departments are taking care of business

n years past, when a business owner wanted to open shop in the City of Columbia, he filled out a clearance form and was responsible for setting up inspections and getting approval from departments such as zoning, building and fire inspection. These days, Columbia has an automated process through the business licensing department that takes the burden off the business owner.



When an individual comes in to apply for a business license, all of his information is keyed into a computer. Appointments are set up for the required city departments. Business licensing officials can easily access and track the processing of applications.

"It keeps everything on track," said Columbia Business License Administrator Roger Myers. "It gets the businesses up and running faster."

Small businesses provide vital jobs and economic development that keep local economies strong and healthy. Like Columbia, a number of municipalities have taken steps to make their business licensing and permitting process easier in an effort to be more welcoming and attractive to businesses.

The City of Greenville made some changes in 2012 as part of a plan to encourage new businesses to locate in Greenville and to retain current businesses, according to Revenue Administrator Jodie Dudash.

First, Greenville officials updated their business license ordinance to make it easier to understand. They condensed their 22 business license rate categories down to 15, and applied a declining rate schedule to the categories.

Also, they provided a 2 percent discount for businesses that renewed their license before the end of January each year.

They also created anniversary discounts as a way to recognize businesses that already have invested in the community, Dudash said. After a business has been in existence for 10 years, it can receive a 5 percent discount on calculated business license tax remittance for that year. After 15 years, the discount goes to 7.5 percent; after 20 years and every five years thereafter, the discount is 10 percent.

"Businesses are what make our cities thrive and grow," said Greenville City Council Member Jil Littlejohn, who spoke about the city's efforts as part of a panel in November at the National League of Cities' annual conference. "It's very important for municipalities to make the business licensing process as simple and accessible as possible."

Other municipalities are taking their own steps.

The Town of Lexington has a Building Development Services Center, which serves as the department for building/zoning, business licensing, engineering and economic development, according to Town Accountant Sonya Lee. Administrative assistants and customer service personnel are the initial point of contact for anyone needing a permit, business license or engineering review.

These employees begin the permit and business license paperwork and walk it through the process so customers don't have to walk from department to department, Lee said. It's a sort of "concierge service" for customers, she said. Once the approvals are complete, Lee said the city staff contacts the customer to sign the final paperwork and pay the fees.

Lexington also recently added a dedicated phone line for contractors to set up inspections. Before, contractors would sometimes leave messages for two or three different inspectors, creating confusion and duplicating work. Now there is one phone line for inspection purposes only which is checked by inspectors each day, Lee said.

Like Lexington, the City of Anderson also consolidated offices into one building for a "one-stop shop," according to Business License/Risk Management Administrator Ken Mullinax. Having the business license, building and codes, and planning departments in one location saves time and makes the process smoother.

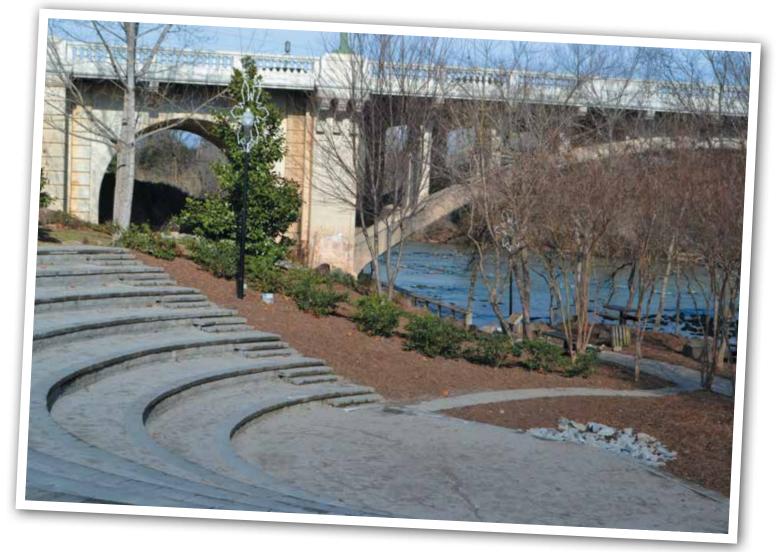
A few years ago, officials in the City of Sumter were concerned that the clearance approval process for a new business coming into the city or county was too long, showed a lack of personal attention, and did not include adequate communication between departments, according to Director of Business Licenses Becki Ard.

In 2009, the city formed a team to study what could be done to make the process more organized and quicker for business owners. One change made was keeping active code clearance forms in a centralized location. Previously, forms were passed from office to office depending on where it was in the approval process. Putting everything in a central location allows staff to know exactly where the application is in the process, Ard explained.

"By doing so we improved the image of the city, improved morale in the office, and made it much easier for the customer to do business with us," Ard said. •

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## HOMETOWN SNAPSHOT



Photo/Licia Jackson

The Wyman M. "Mac" Rish Riverwalk Park and Amphitheater in West Columbia is quiet on a winter day but soon will be humming with joggers, walkers, cyclists and concerts. The park is on the Congaree River.



## You see a street...



We see a lifeline that is a hometown with planned traffic flow, fire stations, thousands of visitors each year, city parks and community centers for children of all ages. Our streets take us to our jobs, our churches, our fun places and even to grandma's house.

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