

Community Resource Assessment

Resource assessment is central to economic development planning since local resources are the primary means through which communities can effect economic development outcomes.

Resource Assessment Goals:

- Identify critical resources and assets
- Evaluate their potential and current contribution to development goals
- Define ways to more effectively apply them

Several basic questions guide the assessment process:

- (1) What are the applicable resources? Which are most important to your goals or represent the greatest assets? What gaps, constraints or weaknesses exist?
- (2) How well are they utilized and by whom? What are key obstacles to their use? How well are resources being managed? Is sustaining them for future use being planned for and addressed?
- (3) What are specialized resource needs for key clusters or industries, for under-served or targeted populations, for target areas or neighborhoods and for environmental goals? How well are these specialized needs being served and by whom?
- (4) How can existing resources be improved, better utilized and targeted to achieve economic development goals? What investments, services, activities, and organizations can address the identified problems?

Cover both supply and demand sides

Five resource areas to evaluate:

- (1) land, facilities and infrastructure that supply (and sustain) the physical assets and systems that support economic activity
- (2) human capital and labor force resources, including the education and training system, that provide the skills and talent to form, manage and operate enterprises.
- (3) capital resources that finance businesses, community facilities and other community needs.
- (4) technology resources that contribute new products and processes, technical know-how, and best practices to the economy.
- (5) organizational capacity and relationships to undertake economic development activities.

Framework is the same for each area but the type of resources studied, the institutions and data sources differ by area.

Special concerns and barriers vary by resource area.

Refine assessment scope and issues based on:

- Economic development goals & vision
 - Infrastructure and physical resources are especially important to downtown revitalization
 - Human resources are critical to addressing employment needs of low income residents
- Understanding of the local economy

Land and Infrastructure Resources

- Land and facilities for firms
- Water supply and its protection
- Sewer and wastewater collection and treatment
- Solid waste: recycling and disposal infrastructure
- Utilities--electricity, gas, telecommunications
- Transportation
 - Local roads and bridges
 - Interstate highway access
 - Bicycle and pedestrian access
 - Parking
 - Rail freight
 - Seaport\water freight
 - Airports and air transportation
 - Mass transportation
- Parks, recreation, open space, other amenities
- Physical appearance and attractiveness
 - Gateways and major thoroughfares
 - Public spaces and business centers
 - Residential areas and neighborhoods
- Zoning regulations and development approval process
- Environmental and pollution control regulations

Potential Assessment Tasks

1. Inventory current systems, services, utility providers, costs
2. Review reports and data on systems conditions, performance, type and quality of services. (Capacity, level and reliability of service, environment impacts and justice)
3. Current and projected needs of businesses, community, and emerging or targeted sectors
4. Physical inspection and observation
5. Information on users' evaluation of systems
6. Review planned investment activity, projects, improvements
7. Review zoning regulations and how well processes are working
8. Identify other regulatory issues effecting land & infrastructure
9. Consider financial issues--how are systems being funded,
10. Identify current or potential problems, unmet or specialized needs, and new opportunities (e.g., electric deregulation)
11. Develop recommendations to address these needs

Potential Information Sources

1. Local government reports/budgets/plans. **Comprehensive or Master Plans** often address many of these issues
2. State & local public works/environmental agency reports and staff. Mass State of the Environment Report
3. Regional planning agency reports, staff interviews.
4. Reports, data and interviews with utilities
5. Business surveys, interviews, and focus groups
6. Interviews with local officials and economic development practitioners
7. Environmental impact reports from major projects
8. Zoning and environmental regulations

What economic development related land infrastructure issues and constraints would you expect in urban communities?

- (a) Largely developed environment with limited land availability;
- (b) Out-dated, abandoned, or contaminated buildings, especially in former industrial areas;
- (c) Age of systems and technologies resulting in poorly performing infrastructure (e.g., CSO problem)
- (d) Limited financial resources to improve systems;
- (e) More complex regulatory procedures.

Infrastructure issues faced in Fitchburg economic development plan:

- Transportation Access to Route 2 and highway system
- Unattractive and congested corridors leading to the city
- Limited new land for economic development
- Under-utilized river, historically dedicated to industrial use
- Sewer capacity constraints due to infiltration and inflow
- High utility costs
- Zoning regulations that didn't reflect the city's actual development or its vision
- Insufficient protections for historic areas, key entrances and assets
- Cumbersome and complex development approval process
- Downtown vacancies

Fitchburg had some valuable assets to build upon:

- Strong telecomm infrastructure
- Inter-modal, mass transportation services
- Existing vacant buildings that partially offset limited land
- Good water and sewer capacity
- Regional utility purchasing groups in place
- Strong awareness and leadership on infrastructure issues

What are options to address these issues?

Human Resources /Employment & Training System Assessment

1. Demand side analysis:
 - (a) where are they job opportunities, what are their requirements, how well do they fit targeted employment groups
 - (b) specialized or emerging labor force and skills needs critical to the future growth & competitiveness of key clusters
 - (c) what programs and services are used by employers to hire and train workers, their perception of their effectiveness
2. Supply side analysis:
 - (a) education, skills, “quality”, cost of local labor force
 - (b) availability for key occupations
 - (c) experience and employment obstacles for target groups
3. Assess performance of education & training system.
What services are provided, their quality and effectiveness
4. Identify key gaps, issues and problems in the system for employer and worker needs

Aspen Institute, *Labor Market Profiling* Publication

Demand side analysis

1. Define the geographic area
2. Employment demand for occupations and type of jobs by industry/sector, especially areas with expected shortages
3. Required skills and competencies by occupation and jobs: e.g., education, experience, certification
4. New skills needed for existing workforce
5. Job characteristics (wages, benefits, career advancement, etc.) for key occupations, industries, and employers
6. Location of jobs by occupation & industry
7. How employers recruit & hire employees by job type
8. Employer experience with labor force: perceived availability and quality

Other issues:

- Major demographic shifts/retirements that may open up job opportunities and substantial demand (Steel Industry in Gary)
- May target analysis to certain industries or populations

Examples:

Lawrence Airport Industrial Park:

Define Target industries by size, regional growth, wages (from ES-202 data analysis)

Identify employers in target industries—key informants, directories

Interview firms to assess demand, hiring requirements, wages

Case Western: 1. Used ES-202 data to define location of employers and industries; 2. Used industry/occupation matrix to estimate occupational openings by industry and location; 3. Used Directory of Occupational Titles to assess job requirements

Supply side Analysis

1. Demographic profile of labor force (age, gender, race, etc.)
how does it compare to the entire population=>potential employment problems and obstacles
2. Educational attainment
3. Work experience, special skills, earnings
4. Unemployment rates & causes of unemployment across demographic groups
5. Profile of unemployed and people out of labor force
6. Profiles of workforce in key industries or employers
7. Obstacles to employment
8. Employee perceptions of key industries, employers, and job opportunities (negative perceptions of manufacturing jobs in Connecticut study)
9. Non-traditional skills and experience (e.g., entrepreneurial, volunteer work political experience, etc.)

Assessing the education and training system

Consider system as a whole: division of labor, coordination, and inter-relationships among institutions and programs

1. Key institutions and providers to study:
 - high schools, esp. vocational high schools
 - community colleges
 - adult vocational schools and technical institutes
 - proprietary trade schools
 - community based organizations
 - WIA system & welfare-to-work programs
 - Other (craft unions, industry assoc.)
2. State and federal mandates & constraints (e.g., WIA changes, TANF requirements and restrictions)
3. Training provided by each type of institution/program:
 - a. Type of training and credential (e.g., degree, GED, etc.)
 - b. Occupations and industries trained for
 - c. Length of training programs
 - d. Eligibility and cost to trainee
4. Who is served: numbers, population groups
5. Relationship to other providers (are there clear progressions and ladders); formal and informal coordination mechanisms
6. Relationships with employers
7. How well do programs meet demand? Adapt to changes?
8. Do they address key labor force needs and obstacles?
9. Indicators of system quality and performance:
 - accessibility to individuals served
 - accessibility to employers
 - adaptability to changing labor market needs
 - employment and income results
 - quality of training
 - cost of training
 - integration with other services
10. Linkage\coordination with economic development activities

Information Sources

Labor Demand

1. Government Secondary Data Sources
 - Trends in Employment Growth by Industry: ES-202, CES, Economic Census, etc.
 - Occupational Structure of Industries: BLS National Industry Staffing Patterns Data
 - Occupational projections by state employment agencies
 - Occupational Wage Statistics- state employment agencies
2. Industry association data on labor force needs
3. Studies by state and regional ET boards
4. Survey and interviews with employers

Labor Supply

1. Government Secondary Data Sources on Labor Force
 - Decennial census data, data
 - BLS Local Area Statistics, Current Population Survey, Profile of UI claimants,
2. Data from school system and training programs
3. Interviews with educational\employment and training staff
4. Interviews\surveys of ET clients and unemployed

Education and Training System

1. Studies & program evaluations of ET programs
2. Agency annual reports, budgets, state and local plans
3. Interviews and surveys of education, training, and economic development organizations

Findings from Hyams Foundation Study

- Weak Linkages Between Neighborhood-Based Service Providers and Other Actors in Workforce Development
- Insufficient Availability of Basic Skills Training and Job Readiness Training: demand for ABE, ESL and Job Readiness exceeded supply
- Lack of Client-Driven Case Management Services
- Low Child Care Availability and Quality
- Weak Connections Between Workforce Development Service Providers and Employers
- Inadequate Job Retention or Career Advancement Assistance

Capital Market Assessment

1. Define geographic area
2. Inventory financial institutions/ sources serving the area
3. Assess capital availability and supply for community
4. Assess demand for capital
5. Evaluate capital market failures and capital supply gaps
6. Develop plan to address gaps

Capital Availability and Supply

1. Consider the full range of institutions that serve the area
 - commercial banks
 - savings banks and thrift institutions
 - commercial finance companies
 - insurance companies
 - venture capital funds
 - SBA programs (7a loan guarantees and 504 program)
 - public and non-profit entities
 - informal investors, clubs, angels
 - other private sector sources (e.g, MBDC, MCRC, etc.)

Demand Side Analysis

1. Demand for capital by firms
 - type of financing required (debt vs. equity, working capital, equipment, fixed assets, research and development, etc.)
 - amounts of financing needed
 - capacity of firms to qualify for and profitably use funds
2. How are firms meeting these needs and their experience with private capital sources?
3. What is firms' knowledge and use of full range of financial institutions and resources?
 - awareness and use of public and non-profit sources
 - extent of SBA lending by banks
 - what are the obstacles to under-utilized sources?
4. How does the composition of the local economy effect demand for capital?
5. Capital requirements for development projects and other critical community needs

Data and information sources

1. Secondary and published data sources
 - a. HMDA and CRA Data (www.ffiec.gov)
 - b. Banking directories and compilations of banking data
 - c. Bank annual reports, CRA files and call reports
 - d. Studies and analysis by regulators and economists
2. Primary data sources
 - a. surveys of financial institutions and firms
 - b. interviews with bank regulators, financial institutions, other key informants

Technology Resource Assessment

Supply side--generation of new technology. Sometimes referred to as **technology development**. Supply-push view of the technology transfer process as driven by the development of new technology.

Demand side--the needs and use of technology by the community and firms. Sometimes referred to as **technology deployment or diffusion**. Demand pull view of the technology transfer process—adapt and apply technology to needs of firms and community

Assessment address the technology assets in a region (supply side) and how these assets relate to local industry needs and how well industry is utilizing them (demand side).

Steps include:

- (1) Supply side inventory\evaluation of technology assets
- (2) Demand side needs and potential to utilize these assets
- (3) Reviewing technology transfer programs, services and activities
- (4) Identifying obstacles and gaps in key areas of new technology development and effective deployment, linking supply and demand
- (5) Formulating recommendations

Sources of Information

1. Electronic and published information from institutions
2. Interviews and focus groups with institutions and firms
3. Interviews with industry and technology experts
4. Business and trade press
5. Industry and technology reports and studies
6. Program evaluations
7. Business\user surveys

Supply Side Asset Inventory\Analysis

1. Identify sources of technology:
 - a. universities
 - b. federal laboratories
 - c. hospitals
 - d. research institutions
 - e. private firms
2. Identify largest and strongest technology\research areas.
What are the greatest competencies, expertise and capabilities?
3. Intellectual property holdings (patents, licenses, etc.)
4. Specialized facilities, laboratories, equipment
5. Current and potential commercial applications
6. Existing relationships and collaboration with industry, formal (including licensing of technology, sponsored research, research consortia, etc.) and informal
7. Technology transfer policies and activities, institution's culture and leadership related to technology transfer
8. New firm spin-offs and entrepreneurial activity

Demand Side Analysis

1. Technology trends, issues and needs facing industries and firms in the region
2. Research and development agendas for key industries & firms
3. Technology related needs:
 - New technology applications development
 - Collaborative research or facilities needs
 - More flexible and responsive regulatory systems
 - Production process improvements
 - Employee training
4. Firms' relationships with and use of institutions, services and resources
5. Firms' perceptions of and evaluation of services and resources

Technology Transfer Services and Programs

Help small firms & entrepreneurs access technology resources and use them to improve their business and productivity

Type of services:

- Information on available technology, help identifying potentially useful technologies
- Legal mechanisms through which technology, research or facilities can be accessed
- Technology and market feasibility assessment on application of technology to a firm's need
- Technical and engineering assistance/consulting to implement/deploy technologies
- Employee training
- Business planning, financing assistance
- Availability of risk\venture capital

Effectiveness Measures:

- Accessibility and utilization of services
- Breadth of services provided
- User evaluation of services
- Outcomes: new businesses formed, licensing agreements, new products brought to market, new processes implemented
- Impact on firms: increased sales, employment, reduced resource use, reduced waste streams and pollution

Potential Technology Transfer Obstacles and Gaps

1. Gaps in type of research and technology development: not relevant to regional industries, lack of applied focus
2. Emphasis on large national firms at expense of small and medium sized local firms
3. Lack of information about resources and opportunities among firms
4. Absences of formal linkages and mechanisms to facilitate technology transfer and use
5. Absence of clear or effective policies on ownership rights, how to license technologies, how sponsor research, etc.
6. Weak articulation of industry needs and/or industry organization to access resources
7. Gaps in key ancillary or support services
8. Financing and funding gaps