



Christine Nelson
Vice President,
Regional Business Development
Team NEO

Critical Condition

Infrastructure for Economic Development



ECONOMIC DEVELOPMENT
RESEARCH PARTNERS



Research Statement

Infrastructure is vitally important to economic development, yet infrastructure systems across the country face various stresses. How can economic developers get involved in infrastructure planning, financing, and construction in order to grow their communities' wealth?



Outline of Paper

- The economic value of infrastructure
- The history of infrastructure planning and finance in the United States
- The current state of infrastructure in the United States: challenges and opportunities
- Infrastructure planning processes
- Financing mechanisms
- Conclusions



The Business Case for Infrastructure

- Stronger supply chains
- Decreased inventory costs
- Increased competition (lower prices, more product selection)
- Deeper labor pools
- Less business uncertainty and risk
- Better business planning



History of Infrastructure Planning and Finance

- Infrastructure development has been a cause of, and a reaction to, economic development
 - And a reaction to changing demographics, business practices, and technology
- There are many ways to finance infrastructure
- Changes in economic conditions and needs have led to different approaches in infrastructure financing, including federal, local and private investment



11 Crucial Challenges for Infrastructure

1. Changing demographics
2. Changing business needs
3. Emerging technologies expand possibilities
4. Funding mechanisms reflect past policy rather than current situation
5. Planning does not maximize economic development outcomes
6. System congestion
7. Maintenance issues
8. High international investment in infrastructure
9. Environmental effects
10. Inequality impacts
11. Threats to infrastructure security



How Economic Developers Can Address These Challenges

- Participate in local, regional and state infrastructure planning.
- Educate community leaders on the importance of infrastructure to competitiveness.
- Work to promote taking action on these challenges and their solutions to lawmakers and business leaders.
- Analyze how national challenges will manifest themselves in their communities.
- Support financing of infrastructure construction and maintenance.





Participate in Planning

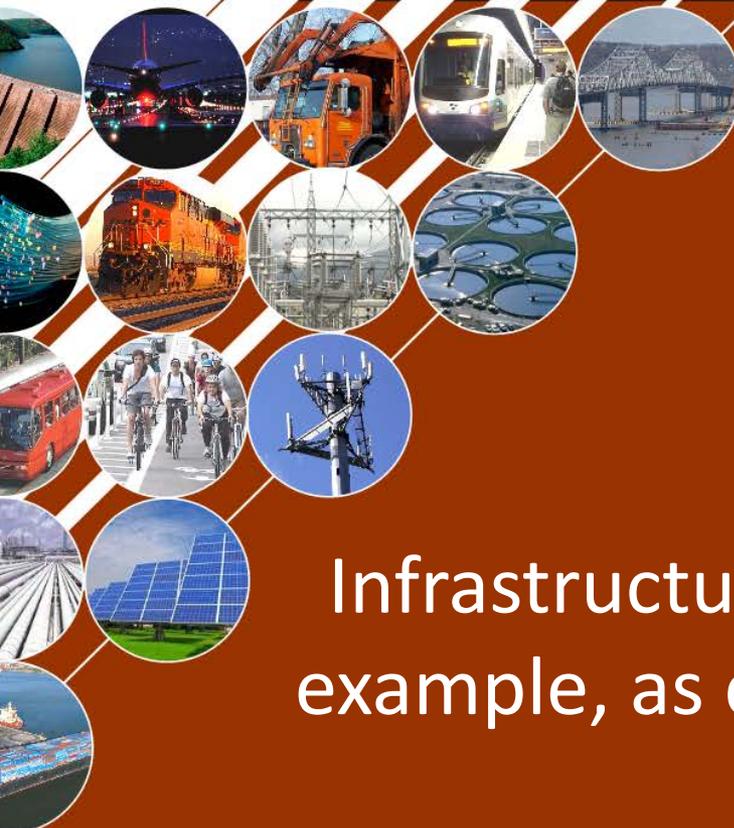
Economic developers must participate in planning processes so that future infrastructure investments take into account business needs.



Promote Awareness

Economic developers can build support for effective, pro-growth infrastructure planning and finance funding by speaking with business and government leaders.





Analyze National and Local Infrastructure Needs and Priorities

Infrastructure needs change over time. For example, as cities become more technology and service industry oriented, infrastructure that supported manufacturing and other heavy industry is obsolete.





Support Innovative Finance

Given their contacts in both the private and public sectors, economic developers can position themselves as brokers for innovative project financing, such as public private partnerships.



Case Studies

- Economic Development Coalition of Southwest Indiana
- The Tennessee-Tombigbee Waterway
- ConnectArlington
- Transportation Economic Development (TED) program (Minnesota DOT, DEED and the Public Facilities Authority)
- West Coast Infrastructure Exchange





Paper is Now Available

- Paper is available for \$75
 - Free for IEDC Members
 - <http://bit.ly/1SMsdGA>
- “Building Critical Infrastructure for 21st Century Economic Development webinar on Wednesday, 2/17
 - <http://bit.ly/1QjvZqn>

