

The Role of Economic Development in Communities: A Public Information Series on the Value of Economic Development

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Part 1: The Basics

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Let's start with a definition. To build a framework, let's look at some associations. First, you have residential development. Those involved in this build homes and subdivisions. Secondly, you have commercial development. Those in this build commercial structures and perhaps industrial parks. So, likewise, economic development is building economies. In a nutshell, that's it. Simple enough, right? But there is a little more to the story.

In general, there are two parts to developing economies. First is the capital investment that builds the tax base. Companies invest in the community by adding taxable value. Most often it's in the form of real property improvements, like buildings, and

“Economic development is a way to keep communities strong.”

often includes inventories and equipment. This value translates into taxable revenues, which, in turn, help pay for services and infrastructure throughout the community. No

investment. No taxable value. No revenue to help provide services or infrastructure. They are all interconnected.

Secondly, you have jobs. We can debate about what makes a good quality of life. However, I think we can all agree that a good quality of life starts with a good job. More jobs in the community means more opportunity for citizens to work locally if they so choose. Working locally also enhances the quality of life because you don't have to spend hours in a car going to and from work. I think we can also agree our lives would be better without traffic too! Given a competitive salary to work locally, you automatically save money on fuel and it enhances the quality of your life.

These two key components, a strong tax base and quality jobs, are the building blocks of a sustainable community. We have all seen ghost towns. The jobs have left, the people have left and the community is in a state of decline. Sustainable communities, by contrast, invest in their future by using economic development. Adding new value and jobs sustains a community. If investment leaves, then the community declines. Economic development is a way to keep communities strong.

Stay tuned for the next part in this series on economic development. If you have any questions or feedback, please feel free to email me at vyokom@wallercounty.org.

About the Waller County Economic Development Partnership (WCEDP): The WCEDP is a Texas non-profit corporation with an IRS 501 (C) 6 tax designation. We are non-political and have a 24-member board, which includes representation from every community in Waller County that has an economic development program. To learn more, visit www.wallercounty.org.

Mission: The WCEDP is organized to operate a charitable service center to foster increased, environmentally balanced business commerce, positive growth, and overall cooperation and coordination for all communities throughout Waller County, Texas.