



PLACE-BASED ECONOMIC DEVELOPMENT

Building on Your Town's Unique Assets and Identity

SPEAKER

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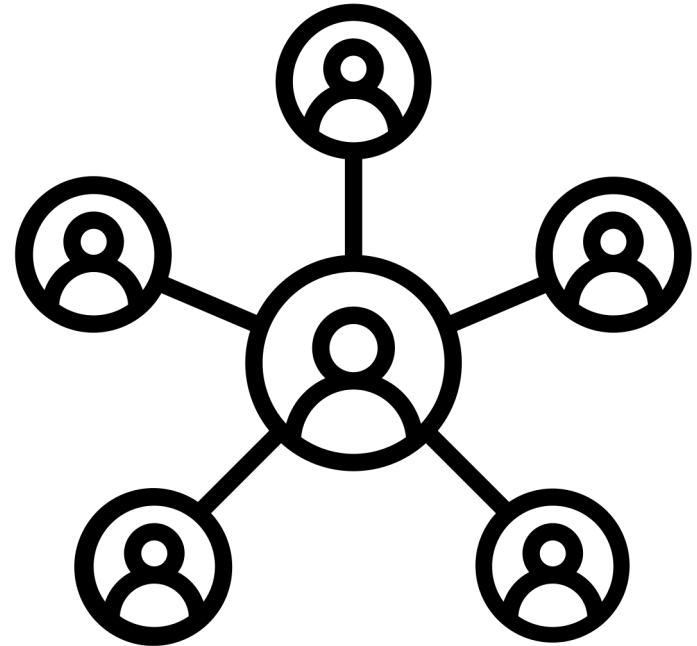


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Objectives

- Get to know each other and our communities.
- Learn about WealthWorks principles
- Consider our community's assets and opportunities
- Consider new and existing partners through value propositions.



WealthWorks...

is an approach to economic development that connects a region's **assets** to market **demand** in ways that build **rooted wealth** for local people, places and firms.

brings together a range of public, private and non-profit sector partners who have **self-interest** in the outcomes and an openness to discovering **shared or common interests**.

focuses on building a **sector** rather than individual and unrelated businesses.



Principles of WealthWorks



#1 – **Create wealth**, broadly defined, and aspire to do no harm.

#2 – Root wealth in local people, places and firms through **local ownership, control and influence**.



#3 – Build **lasting livelihoods** by intentionally including people and firms on the economic margins.



#1: Investing in and Building 8 Capitals



Wealth is **not just money.**

Wealth is the reservoir of all assets that can contribute to the well-being of people, places or economies.

Every place has wealth.



Key Concept

Wealth Components: Eight Capitals

Intellectual

- Knowledge and innovation

Individual

- Skills, education, health

Social

- Trust and relationships

Natural

- Natural resources

Built

- Infrastructure

Political

- Influence on decision makers and shapers

Financial

- Savings and investment

Cultural

- Traditions, customs and ways of doing

Assessment
Design
Measurement



#2: Wealth without Ownership isn't Rooted

Capitals that are “owned” locally build wealth.

- Ownership means you capture and control the flow of benefits from the capitals over time. It creates enduring, stable benefits.
- Benefits – e.g., income, know-how, better technology – flowing from local ownership of capitals can be re-invested and re-circulated locally, enriching many.
- Preserving local ownership or control over your capitals can increase the chances of preserving local jobs.
- **Local ownership is an anchor** that helps wealth and change to stick.



Making Wealth Stick: Local Ownership and Control



Buy Local Campaigns



Regional branding



Cooperatives



Resident Owned Communities



#3: Build Lasting Livelihoods

“Lasting livelihoods” means...

- Ability to overcome vulnerability, maintain dignity and control, take risks to seize opportunities.
- People at the margins are **earning (and saving!) more.**
- They have **improved skills** to qualify for **higher-paying jobs** and to **build their careers.**
- They are putting something aside for the future, e.g., **building assets**, so they are more resilient.



Inclusion – What Does it Mean?



Explorers and planners



Producers or suppliers



Employees



Owners of assets



Consumers



Beneficiaries



Exercise:

What Makes a Community Great?

What are the positive assets in your community? What would land your place on a “Top 10 Places to Live” list?

These are the assets you can build upon.

- Take a few minutes to ponder this.
- Write down your two strongest ideas



Key Concept

Remember Our Goal: Rooted wealth

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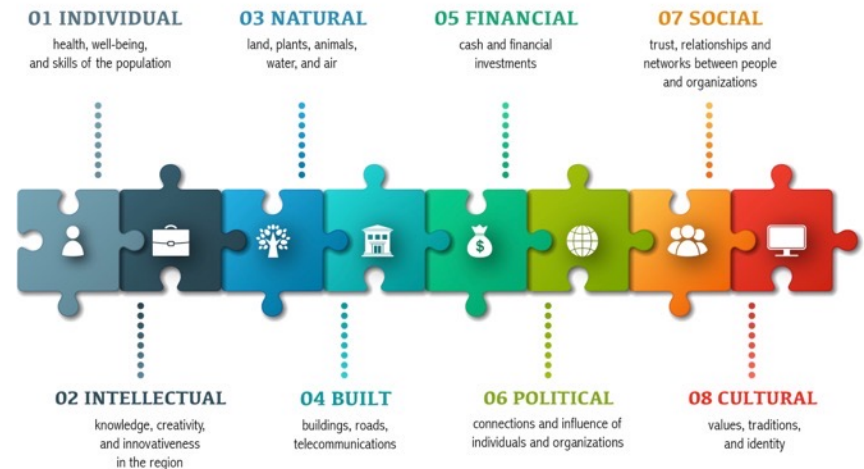
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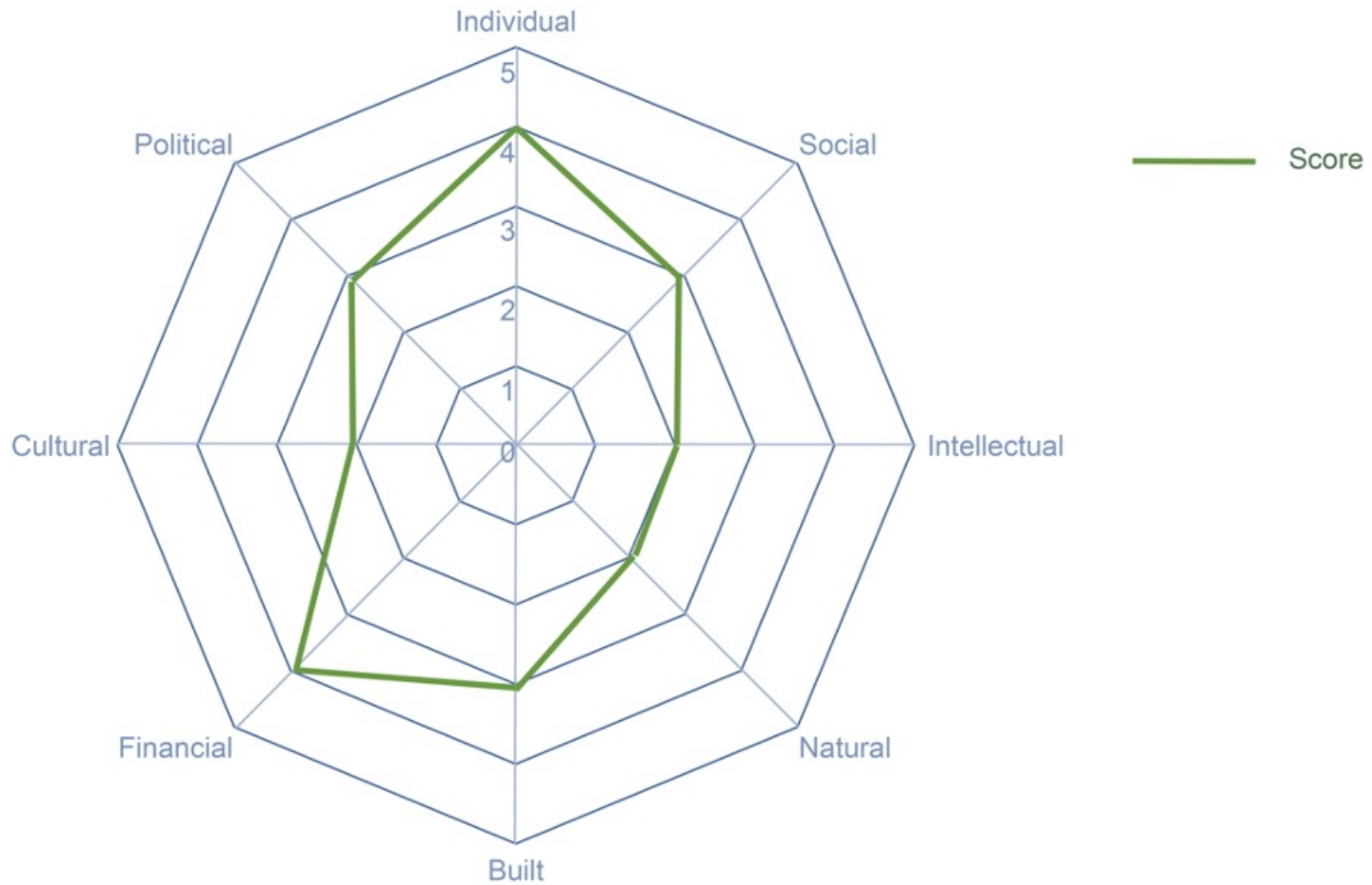


Focus on Assets – 4 ways

- Asset inventory and mapping
- Consider capitals in your SWOT/SOAR analysis
- Evaluate progress
- Area marketing and promotion.



Asset Mapping Using the Spider Diagram



Asset Inventory

The Capitals	Definitions	What do we have?
Individual	Skills, understanding, physical health and mental wellness in a region's people	
Intellectual	Knowledge, resourcefulness, creativity and innovation in a region's people, institutions, organizations and sectors.	
Social	Trust, relationships and networks in a region's population.	
Cultural	Traditions, customs, ways of doing, and world views in a region's population.	
Natural	Natural resources—for example, water, land, air, plants and animals—in a region's places.	
Built	Constructed infrastructure—for example, buildings, sewer systems, broadband, roads—in a region's places.	
Political	Goodwill, influence and power that people, organizations and institutions in the region can exercise in decision-making.	
Financial	Monetary resources available in the region for investment in the region.	



Acadiana Planning Commission - Marketing the Community

- Acadiana Planning Commission in Louisiana markets its communities using prospectuses that are organized around the eight capitals.



LA OCD STANDING STRUCTURES AND DISTRICTS

Historic buildings and structures play a special role in creating the distinctive character of each and every community. Their essential legacy of cultural, educational, recreational, aesthetic, social, and environmental benefits must be preserved and/or documented for present and future generations. The Louisiana Division of Historic Preservation's professionally trained staff work in the public's interest to recognize, revitalize, rehabilitate, and record the historic built environment in the state through the important programs and technical assistance offered.



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HISTORIC & CULTURAL DISTRICTS

Within this map are the nationally registered East Main Street Historic District, the New Iberia West End Historic Cultural District, the New Iberia Residential Historic District, and the nationally registered Downtown New Iberia Commercial Historic District. The points on the map represent local and nationally registered structures that are recognized for their age, architecture, engineering, commerce, community planning and development, industry, or transportation significance.



SWOT using community capitals

Strengths:

- Capitals we have, use, could use more
- Energy and enthusiasm
- Partnerships between business, government, and organizations

Weaknesses:

- Capitals we are missing, or are weak
- People, firms, and organizations on the economic margins
- Lack of partnerships between business, government, and organizations

Opportunities:

- Underutilized capitals we can invest in
- Upward mobility for all
- Emerging Markets/Demand
- Gaps in activities needed to meet demand for products and/or services in specific emerging markets where investment will have the greatest impact (leverage)
- Repurposed by-products or residuals
- Local, broad ownership
- Potential to go to scale

Threats:

- Policy barriers
- Ownership by those outside of the region
- Negative opinion shapers and parties unwilling to collaborate



SWOT ANALYSIS - INTERNAL FACTORS

Strengths

Individual - Skilled labor for oil and gas extraction, manufacturing, and ancillary support services.

Intellectual - Presence and output of Acadiana's Univeristy and Technical Colleges including the research capacity of higher educational institutions.

Social - Availability of job opportunities.

Cultural - Acadiana's food, traditions, sporting culture and heritage are highly valued among natives.

Natural - Large amount of natural resources and natural environment for recreational opportunity.

Built - Capacity of electric and natural gas service. Non-traded economic drivers to include medical facilities, restaurant and retail, air service, and ports.

Political - Strong support and systems for community planning efforts.

Financial - Low cost of doing business and tax-friendly business climate. Entrepreneurial development.

Weaknesses

Individual - need something here

Intellectual - Quality of workforce and retention of trained employees.

Social - Inability to retain young professional and management level talent. Duplication of community organizations versus leveraging existing capacity.

Cultural - Lack of regional investment in the creative economy. Lack of national connectivity with Acadiana's cultural norms.

Natural - Lack of investment and education among residents concerning coastal impacts and flood protection.

Built - Basic infrastructure to include multimodal transportation, flood and coastal resiliency, and lack of affordable housing stock.

Political - Lack of implementation for community planning. Low building standards that contribute to vulnerable development.

Financial - Low workforce wage level, lack of financial literacy, high local sales tax rates, and lack of economic diversification



#4: Tie wealth to place and connect regionally

Wealth Creation Value Chains connect local production to regional demand to bring fresh money into rural communities, defined as:

A network of people, businesses, institutions, and non-profits who collaborate to meet market demand for specific products or services – each advancing individual self-interest while together creating greater local wealth.



Select market opportunity

Define target groups and goals



Compare market opportunities –
criteria



Preliminary demand research



Stakeholder decision making process.



Compare Market Opportunities

		Rating		
	Criteria	High	Medium	Low
Relevance to target market	# of people from target group with potential to be active in the sector/value chain			
	Potential for target group to own businesses			
Wealth building potential	Market demand with potential for growth			
	# of new jobs or businesses that can be created.			
	Potential to increase ownership & control over local assets			
	Potential to build multiple forms of community wealth.			
Feasibility	Demand partners identified			
	Willingness of market players to adopt new practices			
	Prospects for attracting investment			



Preliminary Demand Research



Talk with businesses



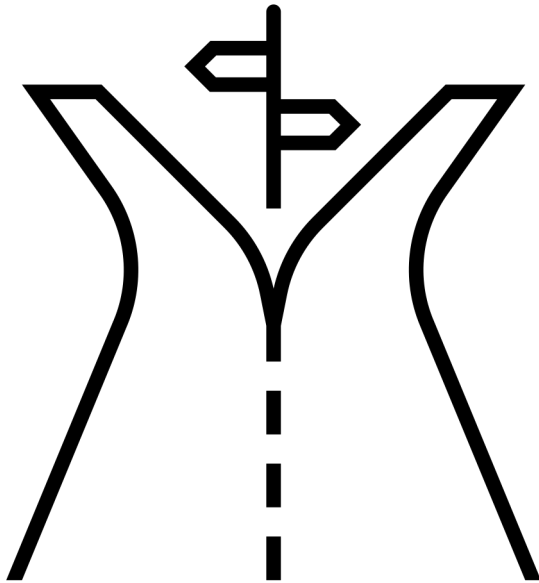
What are other sources of demand – scale, buyer types, added value, replacing imports.



Talk with current and potential buyers (demand partners)



Stakeholder Decision-Making Process



Assets: Build on regional assets and businesses' interests.

Competition: What does the competitive landscape look like?

Scale: Scalable Business Opportunity.

Attainable: Next Steps

Energy/Enthusiasm



Strategies to Sustain Wealth Building

- Start with **market demand!**
- Choose market opportunities with the greatest “wealth-building” **potential**
- Connecting community assets to real **market demand**
 - Start by serving local demand – it may be more flexible
 - Find regional customers / demand partners to bring initiative to scale
- Map process and partners from input to end customer (**value chain** is a great tool)
- Identify the **gaps** – create opportunities for new entrepreneurs



Connecting a Value Chain



Demand: Final consumers/end market - Buyers



Functions: Those things that have to happen to deliver the product or service



Transactional partners: Those people, businesses, or organizations that play a direct role in sourcing, aggregating, distributing, processing, purchasing the product, etc.



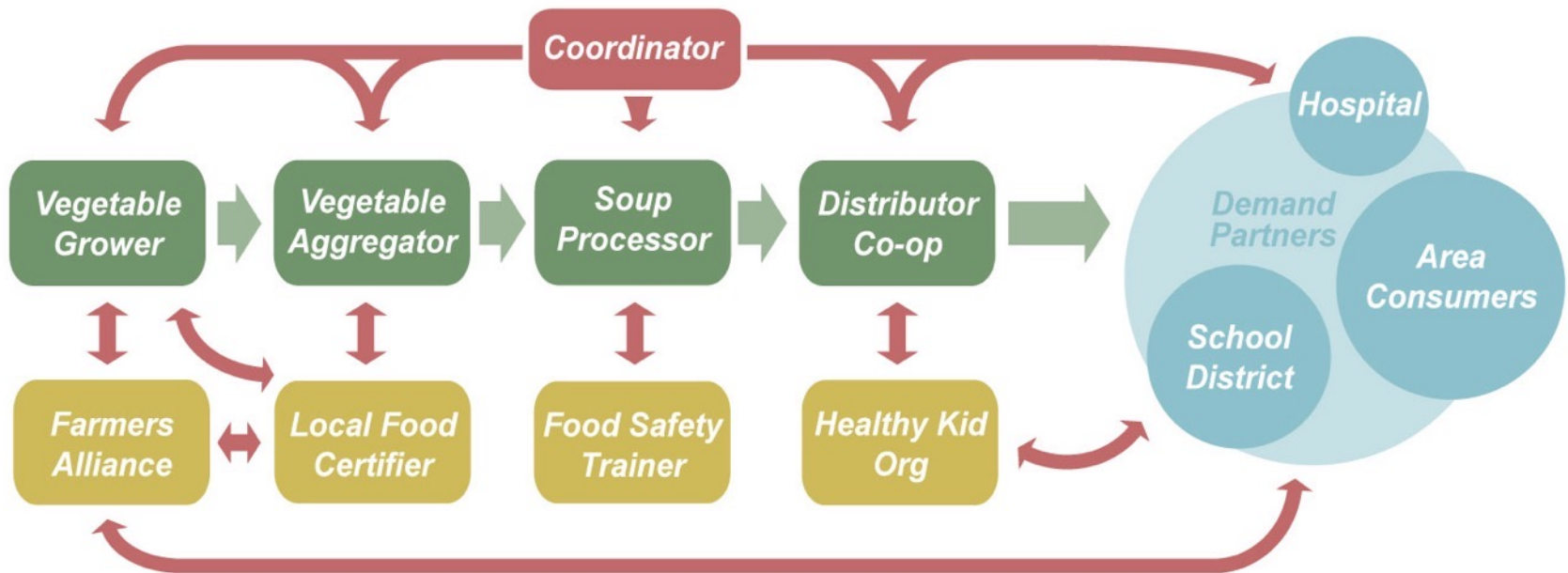
Support partners: Those people, businesses, or organizations that provide the infrastructure, technical assistance and support that helps the transactional partners to produce



We are really talking about a Value Chain System!



Value Chain Example



Uncovering Motivation for Engaging

**What is their self-interest in engaging further?
What benefits can we/the product offer that they value?
This is their “value proposition.”**

Three levels of Interests:

Self: What’s in it for me?

Shared: What’s in it for us?

Common: What’s in it for other
people/the region?



Opportunities to Build Partnerships

Community Capital	Current partners	Potential partners working to build these assets	Why would they be interested in participating in your work? How would you engage them?
Individual capital (health, wellness, workforce, education, other skills)			
Intellectual capital (innovation partners)			
Natural capital (businesses, organizations, or agencies focused on land, water, air, etc.)			
Built capital (owners and operators of infrastructure, including private sector)			



Remember our Goal

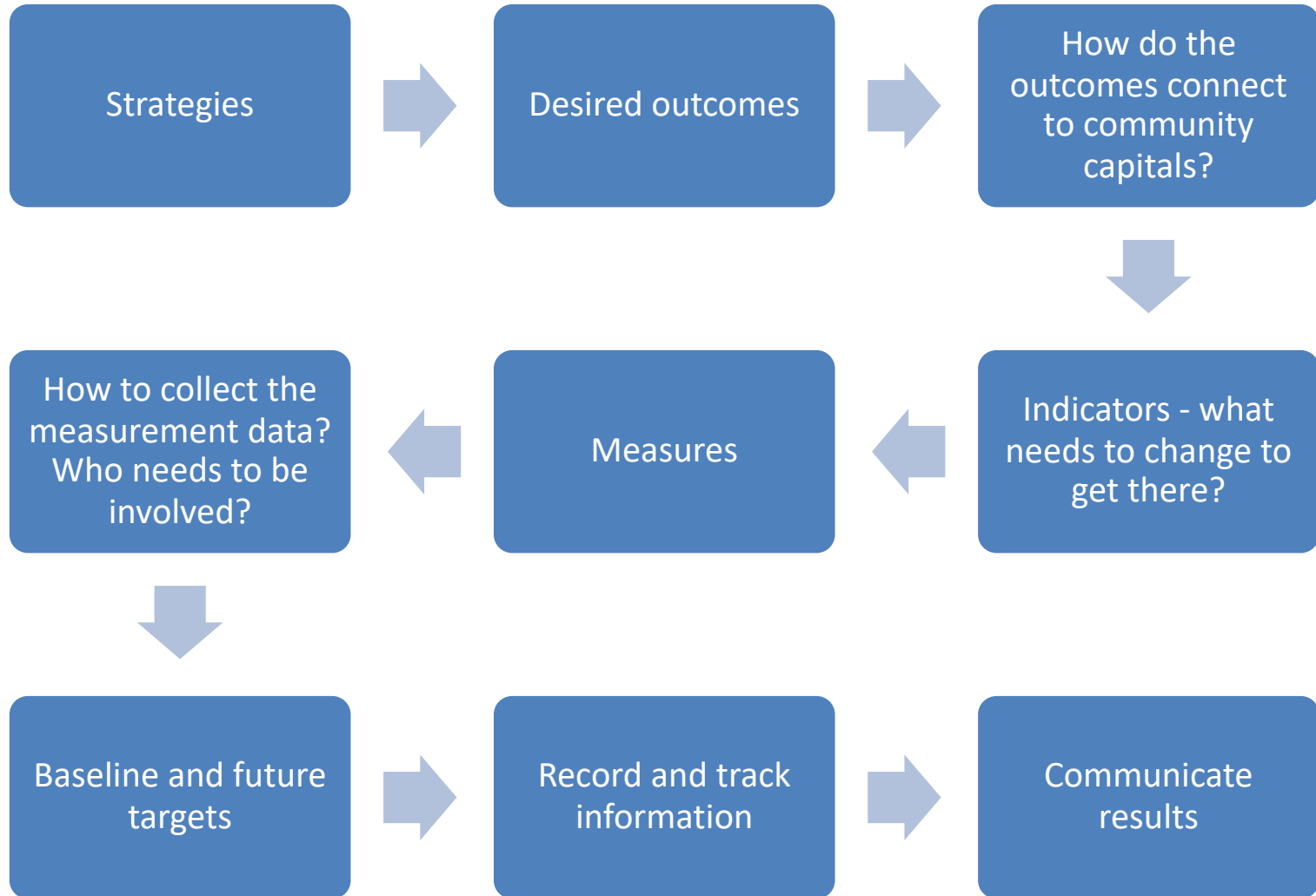
**Build rooted wealth, community prosperity,
lasting livelihoods.**

Look for ways to build wealth by...

- **Filling a gap** in the value chain (e.g., creating a waste oil recycling business)
- **Removing a barrier** (e.g., providing GAP certification to minority farmers)
- Building multiple capitals that are **rooted in place** (e.g., creating a green building program at the community college)
- Finding ways to **include residents on the economic margins** in the activity (e.g., providing entrepreneurial training to self-employed, low income contractors to build green houses)



Measuring Wealth Creation



Wealth Measurement Matrix

Name of Organization:		Date:				
Type	Strategy (What actions will you take?)	Indicator (What is the change you're seeking?)	Measure (How would you measure that change?)	Baseline (This is the first time you measure.) and Target (What are you working toward?)	Methodology (How will you measure and use the data?)	Partners (Are there any key partners needed?)
Individual						
Social						
Intellectual						
Natural						



Next Steps

What are some logical next steps for your community?

- Who else has a self-interest or a shared interest in being engaged further?
- What else do you need to know before you can move forward, i.e., research needs?
- Are there gaps or barriers identified today that could be addressed next?
- What are **concrete next steps** you might take?

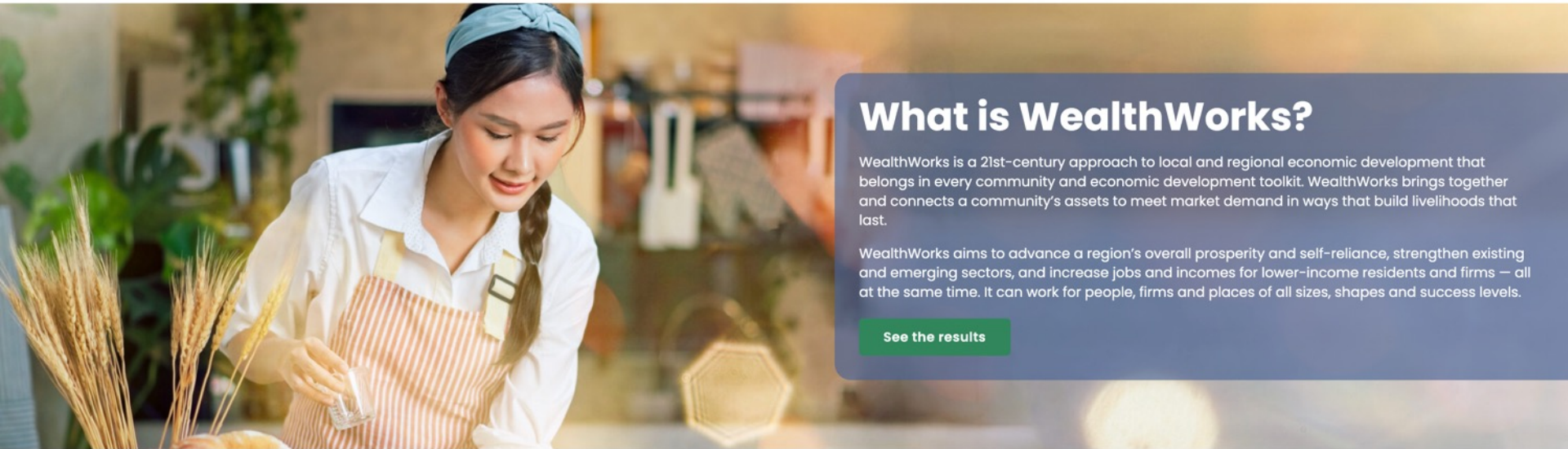


[WealthWorks Website - www.wealthworks.org](http://www.wealthworks.org)

Connecting community assets to market demand to build lasting livelihoods.



[About](#) [The Basics](#) [Success Stories](#) [Resources](#) [Connect](#)



What is WealthWorks?

WealthWorks is a 21st-century approach to local and regional economic development that belongs in every community and economic development toolkit. WealthWorks brings together and connects a community's assets to meet market demand in ways that build livelihoods that last.

WealthWorks aims to advance a region's overall prosperity and self-reliance, strengthen existing and emerging sectors, and increase jobs and incomes for lower-income residents and firms — all at the same time. It can work for people, firms and places of all sizes, shapes and success levels.

[See the results](#)

[The Basics](#)

[Resources](#)

[The Hubs](#)



NADO Wealth Creation Website –

www.nado.org/wealthcreation

Wealth Creation



Wealth Creation Home

Wealth Creation Reports

Blog ▾

Training Materials and Resources

For several years, the NADO Research Foundation has trained EDD staff and partners on a wealth creation framework known as *WealthWorks* that seeks to build multiple types of capitals or assets in a community or region. This approach, recognized as a best practice in EDA's CEDS Content Guidelines, emphasizes support for local ownership and control of businesses and assets in order to root wealth in a region. It is also intentionally inclusive, seeking ways to incorporate a variety of voices as planners and owners, not only as intended beneficiaries or consumers. A handful of EDDs are using wealth creation in CEDS and other EDD regional planning efforts, demonstrating that this approach can influence EDD operations, including improving consideration of equity and access when designing stakeholder participation or even procurement and hiring. Through the Economic Development District Community of Practice (EDD CoP), made possible through an award from the Economic Development Administration, the NADO Research Foundation is coordinating with EDD practitioners and other rural and regional development practitioners to incorporate this wealth creation model where appropriate.

Wealth creation is an approach to economic development that connects a region's assets to market demand in ways that build rooted wealth for local people, places and firms. It brings together a range of public, private and non-profit sector partners who have self-interest in the outcomes and an openness to discovering shared or common interests.

EDD Wealth Creation Summit - Greenville, South Carolina

July 31-August 2, 2024

<https://www.nado.org/wealth-creation-summit/>



wealthworks



For More Information

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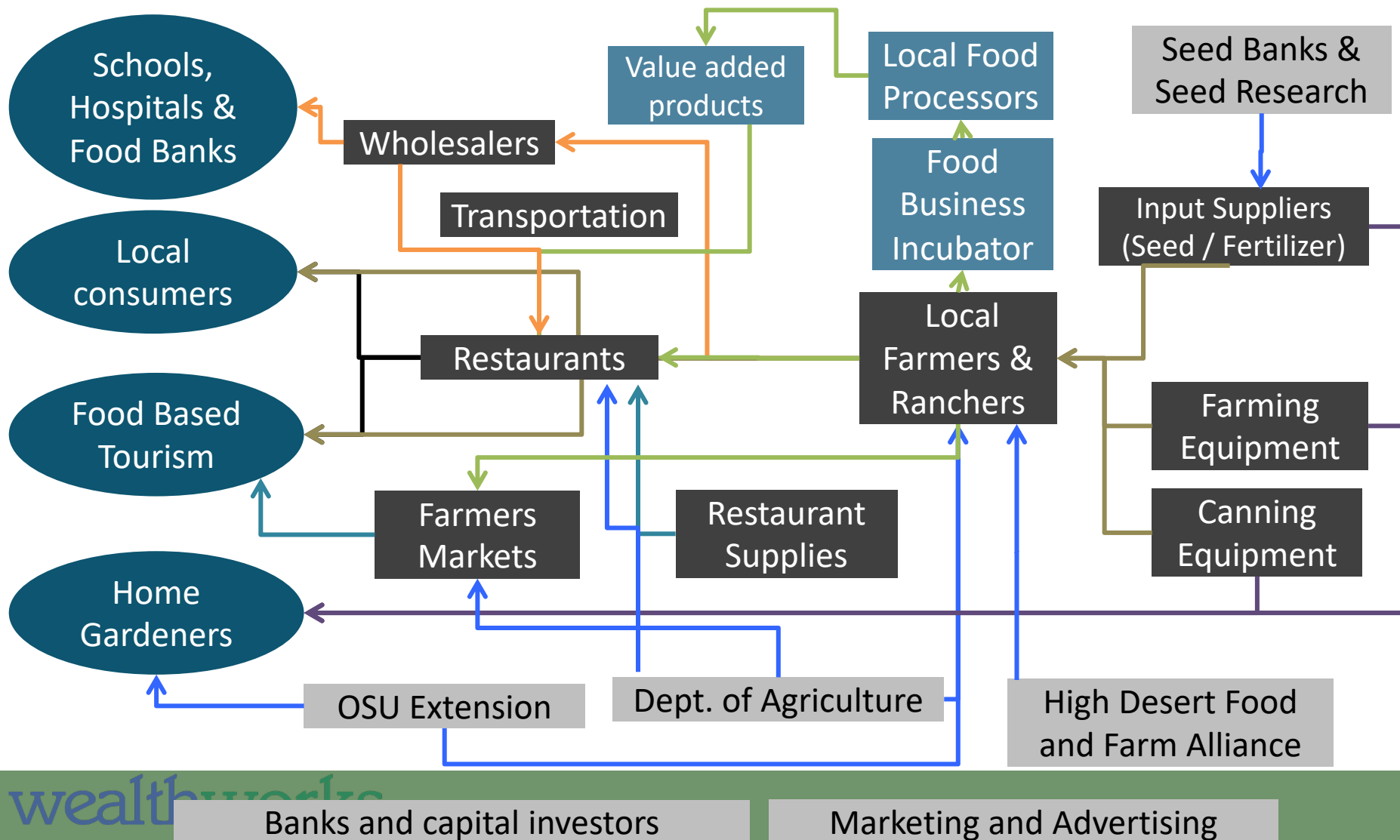


NEXT UP

- Emerging Leaders Awards, 12:00 p.m. - 12:20 p.m.
- Buffet Lunch, 12:30 p.m. - 1:30 p.m.
- Mid-afternoon Breakouts, 1:40 p.m. - 2:55 p.m.



OR Local Food Value Chain Map



Newaygo County Trails Value Chain

Supporting Functions



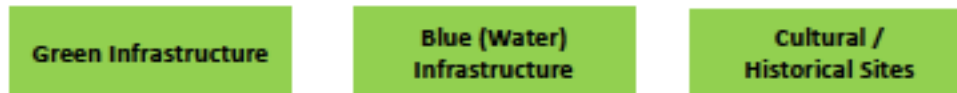
Demand Partners



Transactional Functions

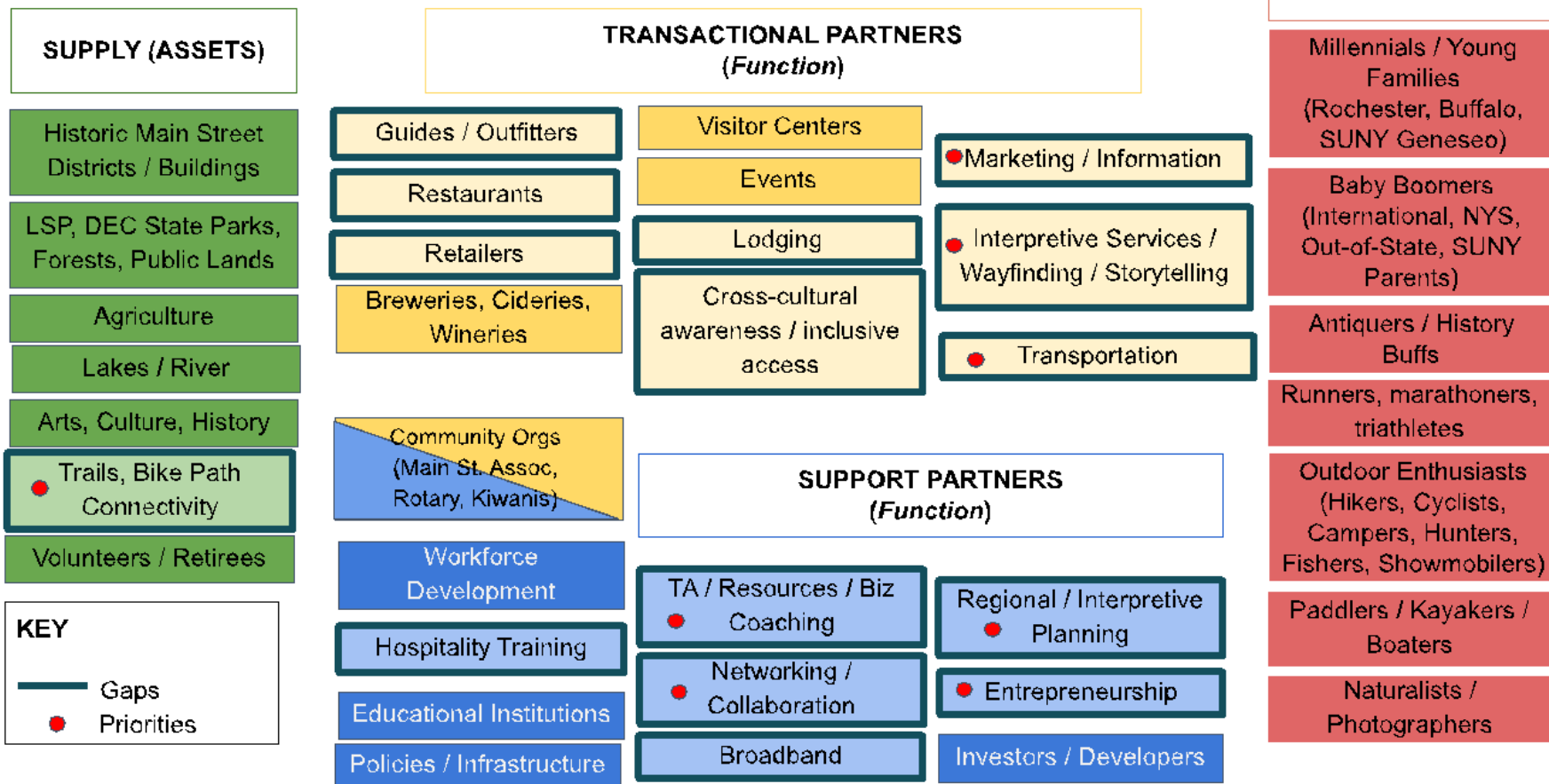


Underutilized Assets





Regional Outdoor Recreation / Tourism Value Chain



New Hampshire Recreation

