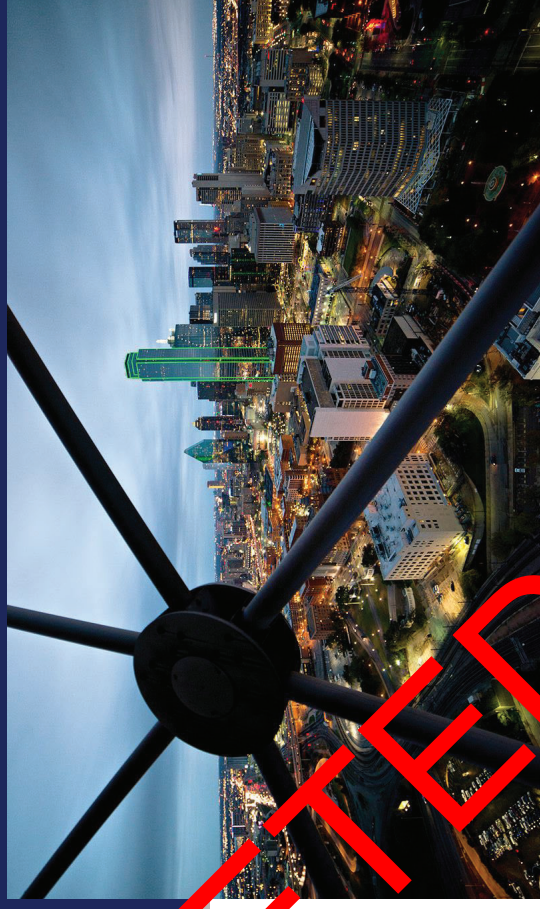


## Exhibit A

# City of Dallas

## Strategic Economic Development Plan 2019



# Acknowledgments

AngelouEconomics would like to express our appreciation to the individuals and organizations that provided invaluable input to this strategic planning process. The key issues identified within this report could not have been fully identified and explored without their help. We would like to give special thanks to the following individuals for their time and assistance:

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**Deputy Mayor Pro Tem/District 10**

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**District 3**

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**District 4**

Carolyn King Arnold

**District 5**

Jaime Resendez

**District 6**

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**District 7**

Adam Bazaldua

**District 8**

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**District 9**

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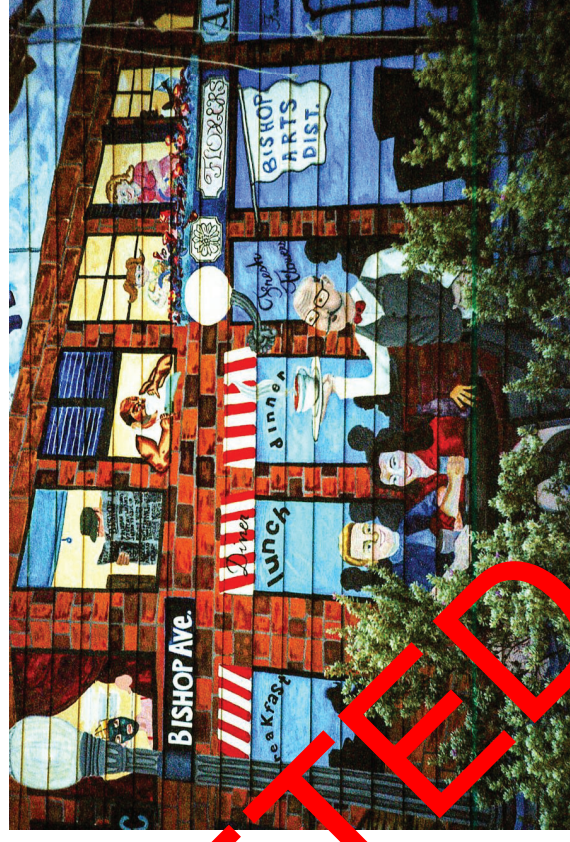
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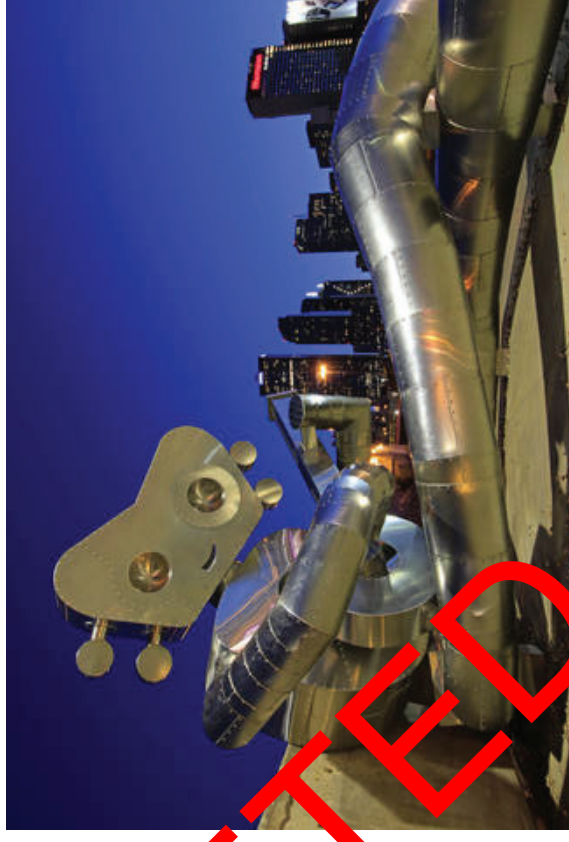
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Source: Bishop Arts District | Adam Simmons/Flickr

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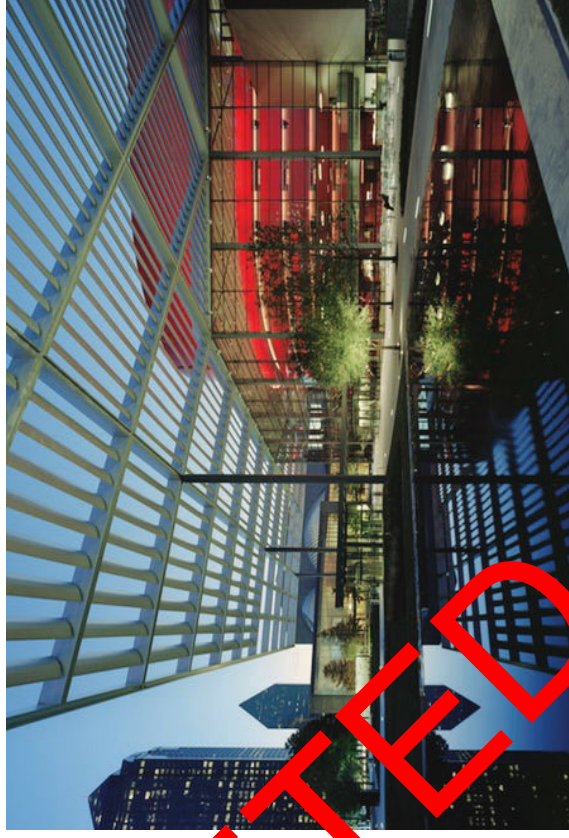
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Source: The Traveling Man, Deep Ellum | Dorti/Shutterstock

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Source: AT&T Performing Arts Center | VisitDallas

# Forward

Strategy means “the art of devising or employing plans toward a goal.” So what is a strategic economic development plan?

An economic development strategy is a decision-making tool that is designed to help a community understand and respond to changes in the economy. In its most fundamental sense, strategic planning answers four basic questions:

- “Where are we now?”
- “Where do we want to be?”
- “How do we get there?”
- “How do we know if we got there?”

The City of Dallas Strategic Economic Development Plan reflects the process by which public-sector, business, and non-profit organizations came together to create better conditions for economic growth and job creation. It places a strong emphasis on the connection between resources and actions and helps to evaluate the strategic options for community investments. The strategic plan is an action-oriented blueprint that is intended to affect positive change and achieve meaningful results in the foreseeable future.

AngelouEconomics, with oversight from the City of Dallas Office of Economic Development and Strategic Economic Development Plan Steering Committee, has adhered to a set of concise objectives:

- Review current economic development efforts
- Create a vision through stakeholder engagement tactics

- Utilize research, analysis, and forecasting techniques to gain a better understanding of the social, economic, and demographic issues related to the City of Dallas
- Identify key target industries for business attraction, retention/expansion, and small business/entrepreneurial development
- Create an actionable strategy for the next 5-7 years.

Putting the strategic plan into practice—the final step—is the key to making it all work.

*Angelou Angelou*

Angelou Angelou  
Principal Executive Officer  
AngelouEconomics

Courtney D. Pugh, CCIM  
Director

City of Dallas  
Office of Economic Development

# Executive Summary

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# Executive Summary

## Project Scope

The Strategic Action Plan is the final phase of a four-step process used to prepare a strategic economic development plan for the City of Dallas.

### Strategic Economic Development Planning Process



This is an ambitious, yet achievable plan, guiding equitable economic development that unlocks the full potential of the local economy by dismantling barriers and expanding opportunities for all Dallas citizens. It started with Stakeholder Engagement, wherein AngelouEconomics (AE) reviewed existing plans and studies—identified by the City of Dallas Office of Economic Development—to better understand the baseline of local and regional conditions to support economic development initiatives (see Appendix “A”). This review also helped AE to identify local or unique data sources that were utilized during the Market Assessment and Target Industry Analysis phases.

Through an in-depth market analysis of Dallas and its benchmarks—Atlanta, Chicago, Denver, and Phoenix—along with a thorough review of the City of Dallas’ Comprehensive Housing Policy and Market Value Analysis, and a careful examination of current industry clusters in the community, AE worked closely with key stakeholders in Dallas to construct a roadmap to future economic prosperity. The purpose of the Strategic Action Plan, paired with the Market Assessment and Target Industry Analysis, is to provide a cogent



understanding of current economic conditions and to identify the primary challenges and opportunities that are impacting or could impact the local economy in order to prepare a new economic development strategy for the City of Dallas. Many of the strategic recommendations in the Strategic Action Plan can be implemented in the next five years, while the completion of other strategies and action items may require 20–40 years.

All final report deliverables include:

- Meetings with the Strategic Economic Development Plan Steering Committee
- Interviews and focus groups
- Town hall meetings
- Review of existing plans and studies
- Initial summary of stakeholder engagement
- Presentation of the initial findings of the Market Assessment and Target Industry Analysis
- Strategic Recommendations
- Strategic Action Plan
- Best Practice Case Studies
- Presentation of Strategic Economic Development Plan
- Implementation Matrix
- Organizational Analysis
- Performance Metrics

All full-length reports can be found on the project website:

<http://www.dallasecdev.org/544/Strategic-Economic-Development-Plan>

# Executive Summary

## City of Dallas

The City of Dallas (pop. 1,341,103) is the 9<sup>th</sup> largest municipality in the U.S. and the most populous city in the Dallas/Fort Worth Metroplex, which ranks as the 10<sup>th</sup> largest metropolitan area in the nation at 7.4 million people. Moreover, it is one of the top cities attracting residents from other major metro areas.

Dallas is rated as a “Beta+” world city, based on its international connectedness. It is home to 21 Fortune 500 companies and over 250 corporate headquarters, each of which employs more than 1,000 employees globally. Dallas/Fort Worth International Airport and Dallas Love Field put air travelers within 3.5 hours of major North American business centers: New York, Los Angeles, Mexico City, Toronto, Chicago, and Atlanta.

Corporate locates, rapid population growth, a relatively young and diverse workforce, and lower cost of living are tremendous economic assets. However, Dallas also faces many challenges, not the least of which are strong economic competition from neighboring communities in North Texas, and economic segregation in terms of race/ethnicity, income, education, and wealth that have a disproportionate concentration in southern Dallas and other underserved areas of the community.

## Stakeholder Engagement

Throughout 2018, AE conducted site visits to the City of Dallas, interviewing more than 200 stakeholders during private sessions and focus groups, along with phone interviews, and obtaining vital feedback from the **Strategic Economic Development Plan Steering Committee**. In October, online community surveys were launched, engaging the

community in the strategic economic development planning process and eliciting responses and additional input from 1,250 residents and 228 businesses. Community attributes that were most important to residents and registered the widest gap between rated importance and Dallas’ performance were: Quality of public schools, city infrastructure, and affordable housing. The most important attributes and those with the widest gap between rated importance and performance for business respondents were: Quality of public schools, development and permitting processes, utilities and infrastructure, and regulatory environment.

Alternatively, residents and businesses are generally pleased with Dallas’ branding and image, creative and cultural arts scene, and presence of suppliers.

## Market Assessment

Qualitative information gathered through the stakeholder engagement process were combined with quantitative data from local, state, and national sources, including Avison Young, ZEP, CBRE Group, Inc., City of Dallas, County Business Patterns, Cushman & Wakefield, Energy Information Administration, ESRI GIS software, Internal Revenue Service, National Center for Education Statistics, National Science Foundation, U.S. Bureau of Labor Statistics, U.S. Census Bureau, and WalletHub.

Based on that extensive research, the market assessment examined City of Dallas demographics, economic capacity and characteristics, workforce, local assets, and competitive position in comparison to the benchmark communities of Atlanta, Chicago, Denver, and Phoenix. This information was used to prepare a Strengths, Weaknesses, Opportunities, and Threats (SWOT) chart (see page 33).

# Executive Summary

## Strengths

The SWOT analysis confirmed that Dallas is an international city with a wide range of assets that allow it to compete alongside many of the world's leading markets. Dallas is centrally located, and the combination of Dallas/Fort Worth International Airport, major freeways, public transportation, and rail connects it to destination points throughout North America.

Dallas has a diverse economy and growing population that attracts millennials; a competitive tax climate, strong business brand, low cost of government, and emerging centers for entrepreneurship, innovation, and investment; easy access to capital, best-in-class arts and cultural offerings, a thriving medical district; and vibrant neighborhoods.

Higher education institutions that are located in or immediately adjacent to Dallas include Southern Methodist University, the University of Texas at Dallas, the University of North Texas at Dallas, Dallas County Community College District (network of seven colleges), Dallas Baptist University, Paul Quinn College, Criswell College, Dallas Theological Seminary, Parker University, Dallas Christian College, and the University of Dallas, among others.

The community has already accomplished a near impossible task—aligning political leadership towards unified outcomes related to the City's development. This is being accomplished through a series of connected and interdependent plans, policies, and studies: Comprehensive Housing Policy, Dallas Cultural Plan, Downtown 360 Plan, Market Value Analysis, Neighborhood Revitalization Plan, Parks and Recreation Master Plan, Resiliency Strategy, Transportation Study, along with this Strategic Economic

Development Plan. Furthermore, the GrowSouth Initiative has businesspeople looking hard at opportunities in Dallas' southern sector.

The Trinity River Corridor—a \$2 billion public-private partnership—is the nation's largest urban water project, stretching 20 miles through Dallas and encompassing 10,000 acres. A revitalization highlight is the AT&T Bryon Nelson Championship at Trinity Forest Golf Club, a venue that was created explicitly to attract prestigious golf championships back to Dallas, while driving community impact and local charitable giving.

Dallas also has a variety of revitalization tools: General obligation bond funding, City-owned real estate, Community Development Block Grants (CDBG), New Markets Tax Credits, Opportunity Zones, Property Assessed Clean Energy (PACE), Property Tax Abatement, Public Improvement Districts (PIDs), Tax Increment Financing Districts (TIFs), and other development initiatives that can be leveraged to improve infrastructure, attract development, improve neighborhoods, and create a better quality of life.

## Challenges

In contrast to Dallas' strengths, a number of economic development issues require attention as the community seeks to maximize economic opportunity. Most obvious is the near-universal desire to bridge the widening economic divide between southern Dallas and North Texas as a region.

Emerging technologies, education, and rising income gaps are making the situation worse, growing chronic over a period of decades. Technological innovation has hollowed

# Executive Summary

out middle-income jobs, with the lower income going to services and the higher incomes to those with education and training—for example, people who work with computers, manage employees, and are responsible for complex problem solving.

At the same time, fast-growing suburbs in North Texas are attracting new business investment and residents, concentrating poverty in southern Dallas. Why does geography for poverty in the U.S.? Single-parent families and their children (14 million people) which make up roughly one-third of all people in poverty. That characteristic is reflected in Dallas (Mayor's Task Force on Poverty, 2018). Residents are also divided ethnically, not just by wealth (Communities Foundation of Texas, Center for Public Policy Priorities, 2018).

A negative perception of K-12 schools persists in Dallas, although a wave of change appears to be starting. While Dallas has the capacity to recommit itself to education, the question is does everyone involved—educators, parents, and students—have the collective will? Clearly, changes are needed to make improvements to public education.

Like many other large cities, Dallas is feeling the effects of the nation's affordable housing crisis. The rule of thumb is that housing costs should not exceed 30% of income. In Dallas, 38.5% of owner-occupied units surpass that threshold. For the rental market, more than 58% of renters go beyond that percentage and are said to be "cost burdened."

In the U.S., market demand for affordable housing continues to climb, driven by a combination of demographic, economic, and generational shifts. Renting has increased among all age groups, household types, and income groups. Millennials and immigrants are forming new households at record levels. Rental rates for Gen-Xers and baby



Source: City of Dallas

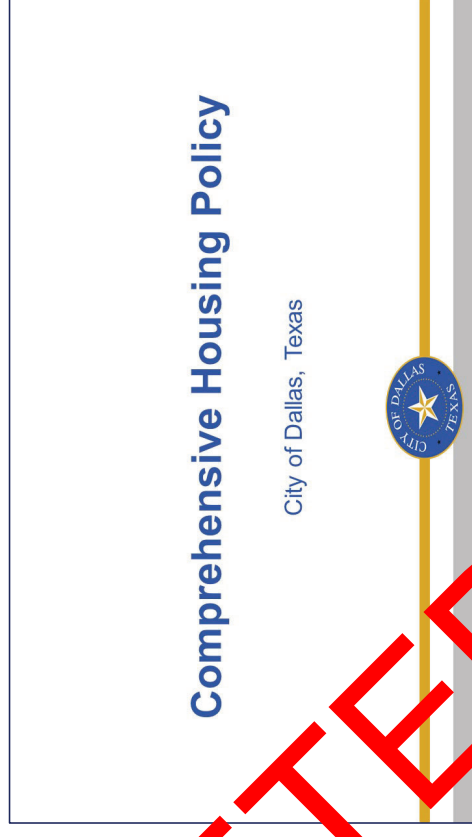
# Executive Summary

boomers have also risen, altering the historical profile of the renter population. As a result, renter growth has reached levels not experienced since the mid-1960s, accelerating to nearly double the growth rate in the 1970s, when the baby boomers reached adulthood (Harvard Joint Center for Housing Studies, 2016).

People also lose sight of the gradual erosion of affordable workforce housing due to destruction, demolition, and deterioration. Across the country, it is estimated that as many as 125,000 affordable housing units are lost each year (Multi-Housing News, 2016).

The City of Dallas Comprehensive Housing Policy contemplates a housing shortage of 20,000 units and establishes production goals and income bands to be served. At the same time, AE recognizes that the cost of creating, operating, and sustaining affordable housing is rarely an affordable proposition. There is a huge gap between what it costs to build, renovate, and maintain affordable housing and the rents most people can afford to pay (Urban Institute, 2019). Complicating matters are federal housing policies that tend to favor homeowners over renters, despite homeowners earning nearly twice as much as renters (Multi-Housing News, 2016). Moreover, Dallas is attempting to unwind decades of economic and racial segregation.

Solutions to help close the affordable housing gap? Linking affordable housing to workforce development, new funding models, pro-active efforts to solicit developer proposals for high-quality affordable housing, and voluntary inclusionary zoning are recommended. This implies a deep collaboration between the public, private, and nonprofit sectors.



Source: City of Dallas

# Executive Summary

## Target Industry Analysis

Target industry analysis is an analytical methodology used to identify a community's best fit with traded-sector industries—those that would benefit from the area's community assets and be inclined to expand or locate in the area—and those industries that bring value to the community in terms of capital investment, jobs created, annual payroll, square footage constructed, and local purchasing.

AE's target industry analysis provides Dallas with a customized list of industry clusters that will do the most to advance its global competitiveness. This allows the community to focus limited resources on recruiting businesses in clearly and carefully defined markets. From a site selector's perspective, this is appealing to corporate locate decision-makers.

The target industries are: Life Sciences and Healthcare; Telecommunications and IT; Business Services; National and International Corporate Headquarters; Entrepreneurship, Digital Arts, and Innovation; Advanced Logistics; Food Processing; and Advanced Manufacturing.

These industries are supported by niche areas to focus on what will best grow each respective industry. The niches cover mature and diversification industries, as well as entrepreneurial and emerging targets, including Biotechnology and Research Development; Block Chain, Artificial Intelligence, and Augmented Reality Technologies; Product Design Services; International Corporate Headquarters; Internet of Things (IOT) Technologies; Driverless Technologies and Testing; Specialty Foods; and Electronic Components; among other areas (see pages 39 and 40).

## Target Industries



# Executive Summary

## Strategic Goals

To ensure the economic prosperity and global competitiveness of Dallas, the community should focus on four aspirational, broad, and overarching goals:

- **New Roles: Create “Invest Dallas”**
- **Grow Your Own: Make Dallas a World-Class Entrepreneurial City**
- **Human Capital: Widen the Talent Pipeline**
- **Inclusive and Equitable Economic Development**

These four goals, which provide a framework for strategic recommendations, are supported by specific strategies and action items to facilitate their implementation. Examples include:

- 1) **Create a New Economic Development Organization**
  - a) Promote the Dallas brand
  - b) Diversify the local economy and attract high-wage jobs
  - c) Focus on employment centers/corridors
  - d) Focus on target industry clusters



# Executive Summary

## 2) Expand Dallas' Entrepreneurial Ecosystem

- a) Start an angel investment fund for businesses in underserved areas
- b) Create a minority accelerator/incubator
- c) Build a commercial kitchen

## 3) Adopt New Methods for Education and Training

- a) Attract a destination school
- b) Place Junior Achievement™ in every school

## 4) Build Local Workforce Capacity

- a) Create apprenticeship training for target industry sectors
- b) Develop public-private partnerships for childcare opportunities
- c) Reincorporate convicted felons

## 5) Link affordable housing to workforce development

- a) Enhance fiber-optic broadband / Wi-Fi
- b) Improve transportation connectivity



# Executive Summary

- 6) Revitalize South / West / Southern Dallas
  - a) Rectify the affordable housing shortage
  - b) Break the cycle of poverty

Working toward these goals is an investment in the success of the entire community. It will stimulate economic growth, and create a better quality of life.

## Best Practices

Developing a strategic economic development plan is half the challenge. The other half—translating strategies into results—requires robust planning and structured implementation. To facilitate successful execution, the AE team has incorporated best practices—related strategies that have been successfully undertaken by other communities—throughout this report.

## Economic Development Metrics

Economic development metrics that are tied to the action items will generate reliable data on the effectiveness and efficiency of the economic development strategies.

## Implementation Matrix

The implementation matrix is organized by strategies and action items, timeframe, and outlines roles for partners involved in implementation.



# Stakeholder Engagement

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# Stakeholder Engagement

## Introduction

Stakeholder engagement is the first phase of the strategic planning process. AngelouEconomics (AE) began this phase by facilitating focus group discussions, one-on-one interviews, conducting an online community survey of residents and businesses, and meeting with the **Strategic Economic Development Plan Steering Committee**. Altogether, these interactions contributed to understanding the vision and goals of the community's economic development efforts.

Online questionnaires received 1,272 responses to a survey of residents and 228 responses to a survey of businesses (see Appendices B and C). Together, a total of 1,500 responses were received from those participating in the online surveys. One-on-one interviews and focus groups engaged a multitude of other stakeholders as well (see Appendix D).

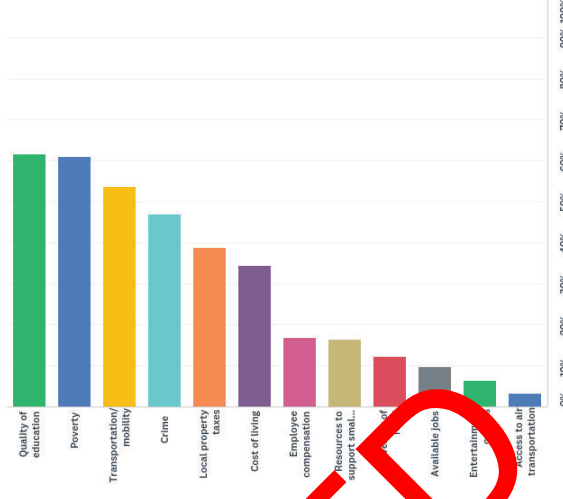
## Resident Survey

Resident respondents are older, better educated, and more affluent than Dallas' populace. Whereas the median age in Dallas is 32 years, nearly 80% of respondents were 35 or older. While 45% of Dallas residents have no more than a high school degree, over 97% reported having some college experience or professional degree (see page 14).

When asked what are the most significant challenges facing Dallas, residents identified quality of education, poverty, and transportation mobility as the areas of greatest concern. Residents were also asked to compare a variety of factors based on their perceived importance and their satisfaction of the factor as experienced in the local

## Online Resident Survey

What are the most significant challenges facing Dallas?

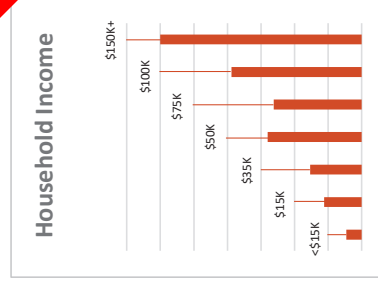
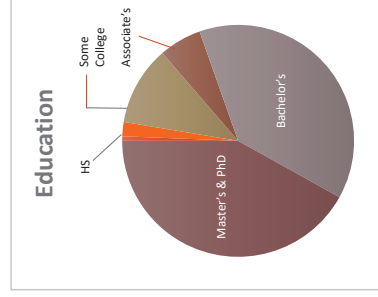
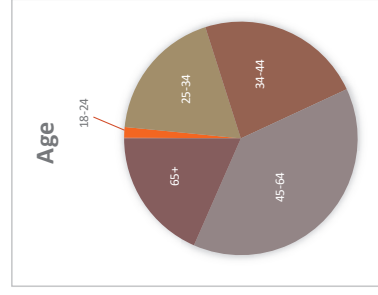


Source: AngelouEconomics, Online Resident Survey

# Stakeholder Engagement

community. Quality of schools, city infrastructure, and affordable housing were the leading issues, having determined which factors had the widest gaps between importance and satisfaction (2.00 or greater). Secondary factors with challenges included property taxes, ability to walk to shops and restaurants, cost of living, and community appearance, parks and resources for recreation, and employee compensation.

A third tier consists of factors that are more attuned with resident rankings for importance and satisfaction (less than 1.00), include available jobs, ability to take an active role in the community, population diversity, parking availability, and creative and cultural arts scene. For branding and image, resident satisfaction outpaced importance by a small fraction.



Source: AngelouEconomics, Online Resident Survey



Source: AngelouEconomics, Online Resident Survey



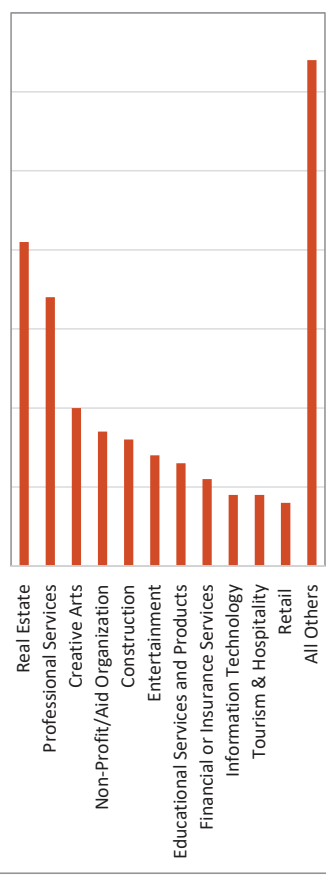
| Resident Comparison of Importance vs. Satisfaction |                  |                    |            |
|----------------------------------------------------|------------------|--------------------|------------|
|                                                    | Importance (1-5) | Satisfaction (1-5) | Difference |
| Quality of Public Schools                          | 4.58             | 2.22               | 2.36       |
| City Infrastructure                                | 4.61             | 2.39               | 2.22       |
| Affordable Housing                                 | 4.43             | 2.42               | 2.01       |
| Affordable Healthcare                              | 4.51             | 2.66               | 1.85       |
| Local Property Taxes                               | 4.22             | 2.48               | 1.75       |
| Ability to Walk to Shops and Restaurants           | 3.98             | 2.46               | 1.53       |
| Cost of Living                                     | 4.48             | 3.01               | 1.48       |
| Community Appearance                               | 4.33             | 2.90               | 1.44       |
| Parks and Resources for Recreation                 | 4.36             | 3.20               | 1.16       |
| Employee Compensation                              | 4.18             | 3.06               | 1.11       |
| Available Jobs                                     | 4.40             | 3.64               | 0.76       |
| Ability to Take Active Role in Community           | 4.13             | 3.37               | 0.76       |
| Population Diversity                               | 4.01             | 3.35               | 0.67       |
| Parking Availability                               | 3.50             | 2.87               | 0.63       |
| Creative and Cultural Arts Scene                   | 4.16             | 3.79               | 0.37       |
| Branding and Image                                 | 3.13             | 3.17               | -0.04      |

# Stakeholder Engagement

## Business Survey

The business survey drew a diverse set of 228 responses from various industries with the most common reported industry sectors being real estate, professional services, and creative arts. Other important industry sectors include non-profit organizations, construction, entertainment, educational services and products, financial or insurance services, information technology, tourism and hospitality, and retail. Approximately 55% of respondents are self-employed or employ less than 10 workers. Thirty-eight percent of respondents have been in business in Dallas for 25 years or more.

Respondents by Industry



Source: AngelouEconomics, Online Business Survey



Business Comparison of Importance vs. Satisfaction

|                                                 | Importance<br>(1-5) | Satisfaction<br>(1-5) | Difference |
|-------------------------------------------------|---------------------|-----------------------|------------|
| Quality of Public Schools                       | 3.88                | 2.44                  | 1.44       |
| Development and Permitting Process              | 3.85                | 2.50                  | 1.35       |
| Utilities and Infrastructure                    | 3.91                | 2.72                  | 1.19       |
| Regulatory Environment                          | 3.87                | 2.72                  | 1.15       |
| Climate                                         | 4.01                | 2.93                  | 1.08       |
| Cost of Permits and Other Fees                  | 3.65                | 2.67                  | 0.98       |
| Ability to Attract and Retain Skilled Employees | 4.12                | 3.36                  | 0.76       |
| Operating Costs                                 | 3.87                | 3.15                  | 0.72       |
| Logistics and Transportation                    | 3.62                | 2.90                  | 0.72       |
| Availability of Financial Incentives            | 3.44                | 2.73                  | 0.71       |
| Quality of Life                                 | 4.19                | 3.52                  | 0.67       |
| Access to Customers                             | 4.32                | 3.73                  | 0.65       |
| Cost of Utilities                               | 3.55                | 2.92                  | 0.63       |
| Branding/Image                                  | 3.93                | 3.31                  | 0.62       |
| Entrepreneurial Environment                     | 3.98                | 3.38                  | 0.60       |

Source: AngelouEconomics, Online Business Survey

# Stakeholder Engagement

In response to a similar series of questions that were asked of residents, quality of public schools and development and permitting process were cited as the two most important issues to businesses. Other factors mentioned as significant ranking factors include utilities and infrastructure and regulatory environment. Overall, the gaps between business respondents' measure of importance and satisfaction with Dallas' performance were less pronounced than resident responses. However, cost of permits and taxes did show a sizeable gap.

Business respondents rated ability to take an active role in the community, population diversity, and colleges/universities with a relatively high degree of satisfaction. Creative and cultural arts scene and presence of suppliers received satisfaction ratings that exceeded their corresponding scores for importance.

***"Dallas likes to talk about what it will be...  
it's very aspirational."***

— Local Stakeholder

***"We can help shape the city. We can be a part of  
history."***

— Local Stakeholder

| Business Comparison of Importance vs. Satisfaction<br>(continued) |                     |                       |            |  |
|-------------------------------------------------------------------|---------------------|-----------------------|------------|--|
|                                                                   | Importance<br>(1-5) | Satisfaction<br>(1-5) | Difference |  |
| Availability of Financing/Capital                                 | 3.71                | 3.13                  | 0.58       |  |
| Labor Costs                                                       | 3.75                | 3.20                  | 0.55       |  |
| Aesthetics/Appearance                                             | 3.78                | 3.25                  | 0.53       |  |
| Cost of Living                                                    | 3.86                | 3.40                  | 0.46       |  |
| Parking Availability                                              | 3.29                | 2.90                  | 0.39       |  |
| Ability to Take an Active Role in the Community                   | 3.90                | 3.59                  | 0.31       |  |
| Population Diversity                                              | 3.58                | 3.40                  | 0.18       |  |
| Colleges/Universities                                             | 3.49                | 3.32                  | 0.17       |  |
| Creative and Cultural Arts Scene                                  | 3.52                | 3.54                  | -0.02      |  |
| Presence of Suppliers                                             | 3.07                | 3.41                  | -0.34      |  |

Source: AngelouEconomics, Online Business Survey

# Stakeholder Engagement

## Past, Present, and Future

During the stakeholder engagement phase, the AE team reviewed previous economic development studies, reports, and related information provided by the City of Dallas Office of Economic Development, as well as additional organizations within the local community. Reviewing these documents helps to build upon existing policies and strategies already in place, where appropriate.

Baseline data was provided through earlier strategic economic development plans. **Strategic Engagement** was approved by the Dallas City Council in 2005, and later updated in **Strategic Engagement 2013**. Both strategic plans were prepared by City staff. The more current strategic plan focused on **Downtown Dallas 360**, which called for expansion of the central business district and creation of a vibrant, urban core; and **GrowSouth**, a comprehensive strategy to build a foundation for sustainable growth in southern Dallas.

More recently, a **Market Value Analysis (MVA)** was prepared by The Reinvestment Fund for the City of Dallas. The MVA is a database tool that provides policymakers, residents, and other stakeholders with a better understanding of their local residential real estate markets. This has been accompanied by a **Comprehensive Housing Policy** that provides for the creation and preservation of affordable housing throughout Dallas. Other Citywide plans address arts & culture, infrastructure, neighborhood revitalization, parks and recreation, planning, resiliency, transportation, and other related topics.

The **Strategic Economic Development Plan** is meant to be harmonized with these plans and guide economic development for the next five years.



# Market Assessment

**DELETED**

# Market Assessment

## Introduction

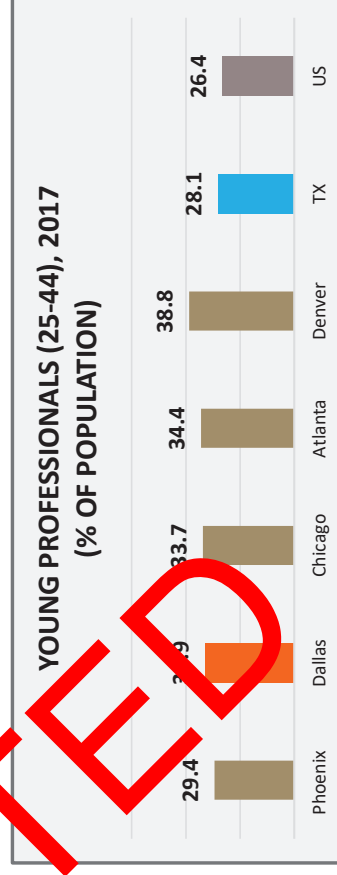
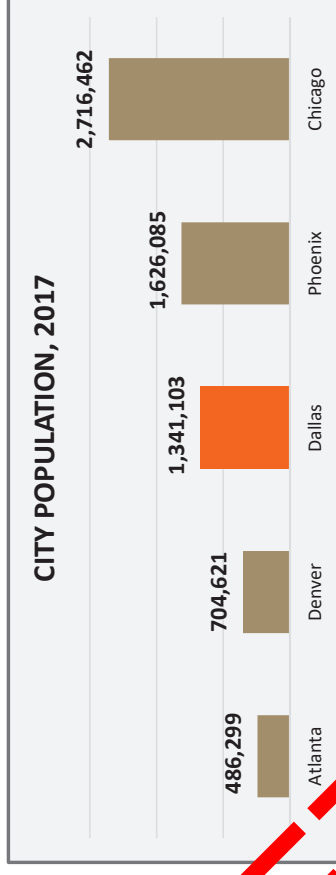
AE's review of Dallas' business climate and quality of life identified the current assets, and challenges important to economic development. Rather than focus on Dallas alone, the market assessment provides in-depth analyses that benchmark Dallas against four competitor communities—Atlanta, Chicago, Denver, Phoenix, and other cities in Texas. This information provides a solid foundation for the selection of strategic recommendations that will improve Dallas' competitive position.

## Current Economic Climate

**Population.** Dallas (pop. 1,341,103) falls at the mid-point in comparison to Atlanta (pop. 486,299); Denver (pop. 704,621); Phoenix (pop. 1,626,085); and Chicago (pop. 2,716,462). Dallas also falls in the middle of the benchmark communities in terms of population density (number of people per square mile of land) and is located in the second largest metropolitan statistical area, eclipsed only by Greater Chicago.

Dallas ranks highly in population growth. Only Atlanta had higher population growth in 2017. Chicago has struggled with growth in recent years, even posting negative growth rates.

For young professionals, Dallas outpaces state and national trends. When compared to the benchmarks, all rank similarly, except for Phoenix on the low end and Denver on the high end. Dallas also boasts a median age (32.4) that is younger than all the other benchmarks. This constitutes a significant strength for Dallas' workforce and future economic capacity.



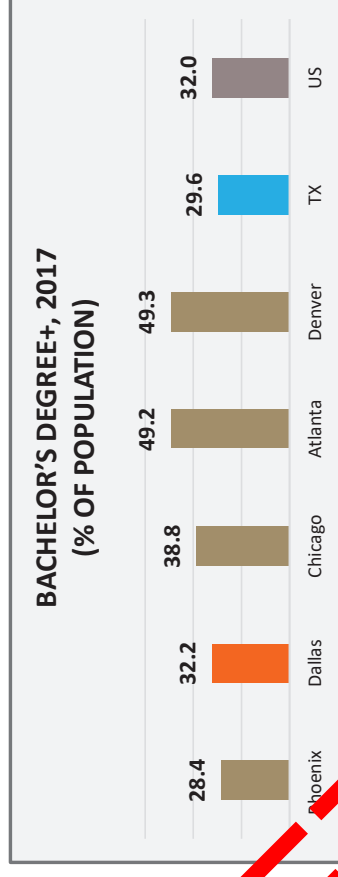
# Market Assessment

In Dallas, migrants from other parts of Texas earn the lowest adjusted gross incomes, while foreign migrants earn the highest adjusted gross incomes. This trend is true for all geographies except for Bexar County, San Antonio and Maricopa County, Phoenix.

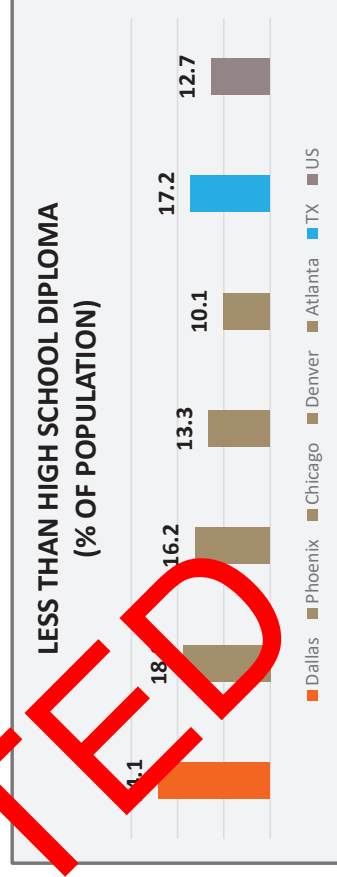
**Education.** Nearly one-third of Dallas' population over 25 years old have a bachelor's degree or higher. However, Dallas only ranks higher than Phoenix. Chicago, Atlanta, and Denver all have significantly higher levels of college educated persons. Educational attainment proves out that Dallas has lower proportions of highly educated persons. Dallas has the highest share of persons with no high school diploma, including comparisons to state and national averages.

Comparatively, many Dallas students elect to take the SAT rather than the ACT. Among major Texas cities, Dallas SAT scores are the second lowest (887), falling ahead of students in Bexar County, San Antonio. Composite ACT scores show Dallas (16) as the lowest among the benchmarks. Typically, a score of 18 is generally considered to be the threshold for college readiness.

It should be noted that Dallas Independent School District has made recent progress, but it will take years for that to show up in this data. Incongruously, Dallas has the highest level of high school graduates (88%) compared to the benchmarks, which speaks either to the progress made by DISD, or that graduates do not have the requisite skills. Operational and instructional expenditures per pupil illustrate the amount that is spent per student on facilities, staff, and materials at the K-12 level. Across all districts in Dallas County, \$13,474 is spent per pupil, which is the second lowest among Texas counties (Travis County, Austin; Tarrant County, Fort Worth; Harris County, Houston; Bexar County, San Antonio). That is considerably lower than the state average of \$16,038.



Source: U.S. Census Bureau



Source: U.S. Census Bureau

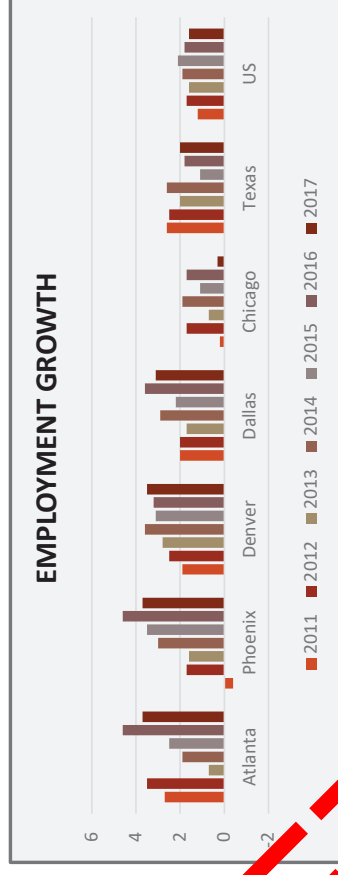
# Market Assessment

**University R&D Expenditures.** In 2016, Dallas had two higher education institutions that received Federal R&D funding—Southern Methodist University (SMU) and the University of Texas Southwestern Medical Center. That is on par with Phoenix and Denver. However, Chicago and Atlanta far outpace all the other benchmarks. In R&D expenditures per capita, Dallas ranks 2<sup>nd</sup> overall. In the long run, investment in R&D activities can positively impact the productivity and economic growth of state, regional, and local economies.

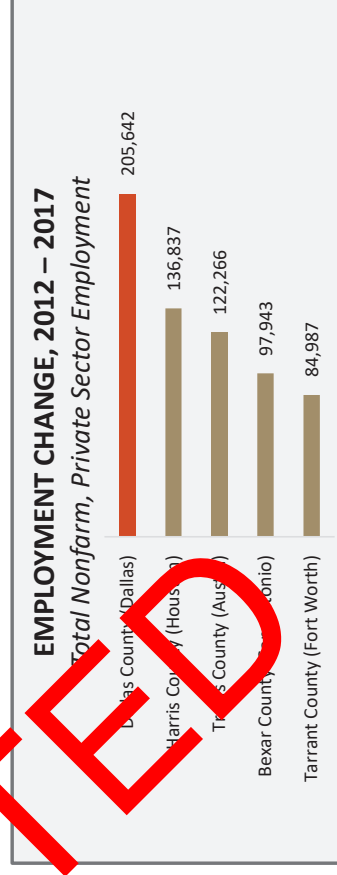
**Workforce.** While Dallas has population growth that outpaces most benchmark cities, its employment growth that falls in the middle of all other benchmarks. The unemployment rate in Dallas falls in line with state and national averages. However, the unemployment rate is greatest within the census tracts of southern Dallas, in some instances reaching 14.1%. Chicago and Atlanta still have relatively high unemployment rates, while Denver has increasingly low rates.

Among major Texas counties, Dallas County has gained the largest number of non-farm, private sector jobs (205,642) from 2012 to 2017. In terms of employment growth, Dallas County, Dallas employment grew by 15.7% from 2012 to 2017, falling behind Travis County, Austin (25.5%) and Bexar County, San Antonio (16.0%). Statewide employment grew by 13.2% over this period.

Dallas' labor force participation rate was 69.3% in 2017. Dallas has maintained the 2<sup>nd</sup> highest labor force participation rate among benchmark cities. Locally, the census tracts with the lowest labor force participation rate can be found in areas of southeast and southwest Dallas (see Appendix E). From the benchmark perspective, Denver has the highest labor force participation rate, 72.0%.



Source: Bureau of Labor Statistics



Source: Bureau of Labor Statistics

# Market Assessment

County-wide, Dallas has a diverse and large economy, making it an attractive place for most types of corporate investment. The largest employment sectors are Trade, Transportation, & Utilities, Professional & Business Services, Education & Health Services, Financial Activities, Leisure & Hospitality, and Manufacturing. Even within the services sector, Dallas employs at least 100,000 workers.

**Housing.** Generally, homeownership and rental costs are recommended not to exceed 30% of a household's total income. For homeownership, Dallas has the second largest share of owners whose monthly owner costs are 30% or greater than household income. This indicates that Dallas has a relatively large percentage of homeowners living in dwellings that are relatively unaffordable given their household income. A large share of those are in northeast and southwest Dallas.

From a rental perspective, Dallas has the lowest share of rentals (45%) where gross rent is 30% or greater of total household income. This figure indicates that rentals in Dallas are more affordable than they are in benchmark cities.

**Income.** Dallas has the lowest median wages (\$50,600) of all benchmark communities, including state and national averages. Dallas, Atlanta, and Denver have average wages that are more than \$30,000 higher than the median wages. This suggests a higher volume of people making very high salaries, which is indicative of income inequality. Lower wages are a double-edged sword. They make Dallas competitive for corporate investment but contribute to affordability problems.

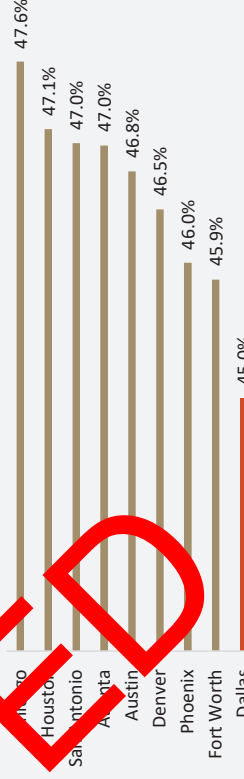
Manufacturing wages in Dallas County are the highest among benchmark counties. The average manufacturing wage in the Dallas is \$79,208.

SHARE OF OWNERS WHOSE MONTHLY OWNER COSTS ARE 30% OR GREATER THAN HOUSEHOLD INCOME, 2017



Source: U.S. Census Bureau

SHARE OF RENTALS WHOSE GROSS RENT IS 30% OR GREATER THAN HOUSEHOLD INCOME, 2017



Source: U.S. Census Bureau

# Market Assessment

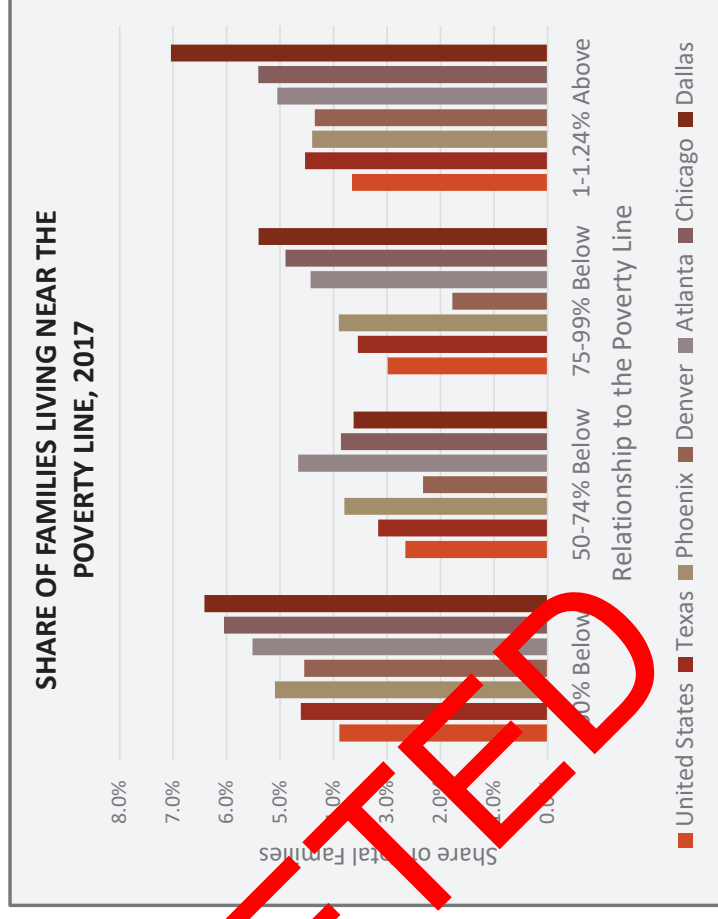
**Poverty.** In Dallas, 15.4% of families live beneath the poverty line, which is the highest share among benchmark cities. An additional 7.0% of families live slightly above the poverty line, bringing the total share of families living near the poverty line to 22.4%. Chicago has the next highest share of families living near the poverty line at 20.2%. Census tracts with the greatest share of individuals living near the poverty line are concentrated in southern Dallas, with the highest concentrations in southeast, southwest, and west Dallas.

Among benchmark cities, Dallas has the second highest rate of residents below the age of 18 years living beneath the poverty line (34.2%). Atlanta has the highest rate—35.7% of its population below the age of 18 years live beneath the poverty line. Across Texas, this figure is 22.9%. Similarly, Dallas has the third highest rate of residents aged 65 years and older living beneath the poverty line (14.1%) compared to the benchmarks. Chicago has the highest rate (16.2%) followed by Atlanta (15.0%). Across Texas, this figure is 10.7%.

**Construction Costs.** Compared to the benchmarks, Dallas has the lowest construction costs (\$84.91 per square foot).

**Commercial Real Estate.** Commercial real estate rents were compared to the four benchmark communities. Dallas' office rent (\$25.03 per sq. ft.) was the lowest of all benchmarks (\$25.03 - \$39.85 per sq. ft.); industrial rent (\$5.12 per sq. ft.) was competitive within the benchmark range (\$4.82 - \$8.22 per sq. ft.); and retail rent (16.71 per sq. ft.) was also competitive within the benchmarks (\$14.45 - \$18.90 per sq. ft.).

**Commute Patterns.** Dallas' average travel time to work is similar to all other benchmarks, except for Chicago, which has a much higher average. The commuting methods in Dallas



# Market Assessment

are similar to state and national trends. However, Dallas has lower rates of people who take public transit. In fact, only Phoenix has lower rates of public transit commuters. Overall, residents living in north and central Dallas have the shortest commutes, while residents in southern Dallas have the longest commute times (see Appendix A).

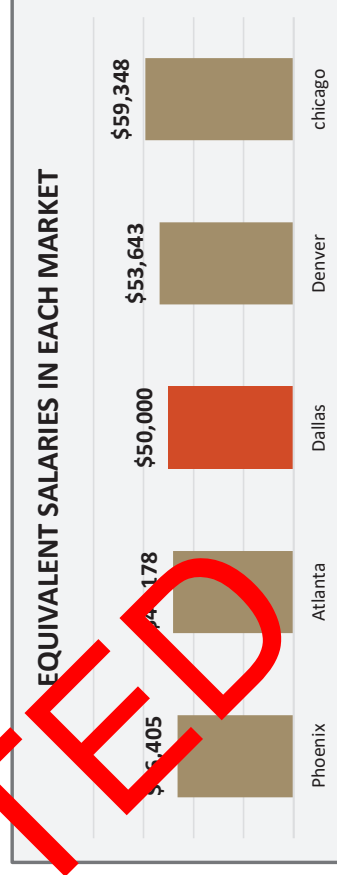
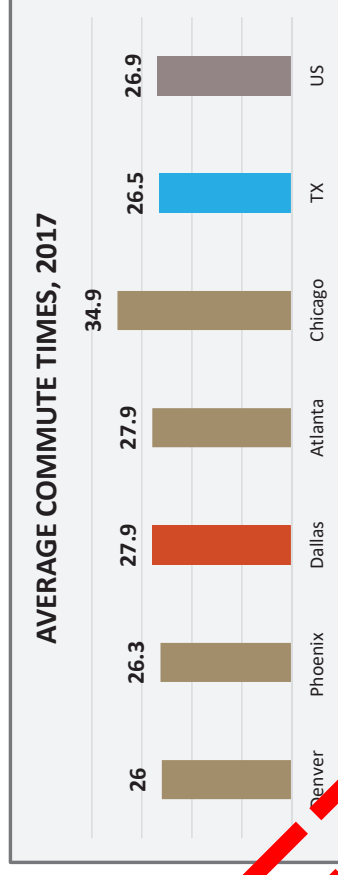
The vast majority of people that work in Dallas travel from outside the city. There are 238,828 people that live and work in Dallas. There are 570,249 people that live outside but work within Dallas. There are 271,993 people that live within but work outside of Dallas. In total, there are 809,077 people that work in Dallas.

**Cost of Living.** The greatest cost of living benefit is housing and transportation. Utilities are Dallas' least competitive cost category.

**Availability of Health Coverage and Technology.** Compared to the community benchmarks (86.9% – 90.4%), Dallas has the lowest percentage population (76%) with health coverage. This is below state (82.7%) and national (91.3%) averages.

Dallas has the lowest percentage (83.6%) of households with a computer, slightly less than Chicago (83.9%). Both are below state (87.6%) and national (87.2%) averages. Comparatively, Phoenix, Denver, and Atlanta (86.8% - 90.2%) have more households with a computer.

Similarly, Dallas has the lowest percentage (71.4%) of households with a broadband Internet subscription, sitting below state (76.8%) and national (78.1%) averages. Chicago, Atlanta, Phoenix, and Denver broadband Internet subscriptions (73.5% - 81.1%) are more prevalent in their households.



# Market Assessment

## SWOT Analysis

After completing the review of Dallas' current business climate, a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis was conducted to identify favorable and adverse factors influencing economic development in the community (see page 33).

## Assets to Leverage

Dallas is an international city with a wide range of assets that allow it to compete alongside many of the world's largest markets.

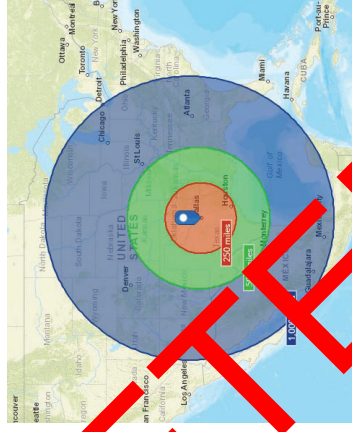
**Strategic Location and Proximity to Major Markets.** According to AE's radial analysis, Dallas is within 1,000 miles of 167 million people, or 52% of the US population. Additionally, our drive time analysis shows that Dallas is within a 5-hour drive of all major markets in Texas and Oklahoma.

**Centers for Entrepreneurship, Innovation, and Investment.** Dallas is fortunate to have a robust environment for entrepreneurship, innovation, and investment. Anchor institutions for entrepreneurship include: Dallas Entrepreneur Center, Tech Wildcatters, Motive, REVTECH Accelerator, and DFW Accelerator, to name a few. Catalysts for innovation include: Dallas Innovation Alliance (Smart Cities Living Lab – Phase I), Southern Methodist University, and others. The Dallas Regional Chamber's International Engagement team helps to build bridges that stimulate global investment.

**Corporate Headquarters.** Corporate headquarters are inextricably linked with Downtown Dallas. The presence of 9 Fortune 500 companies in the central business

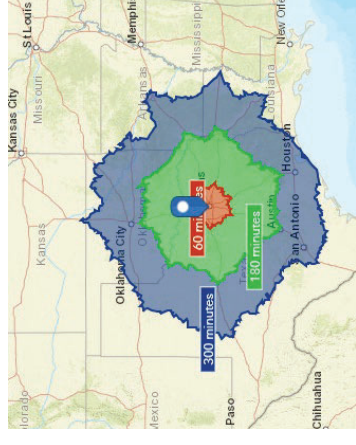
## Strategic Location / Proximity to Major Markets

Radial Study (250, 500, & 1,000 Miles)



Source: ESRI

Drive Time Analysis (1, 3, & 5 hours)



Source: ESRI

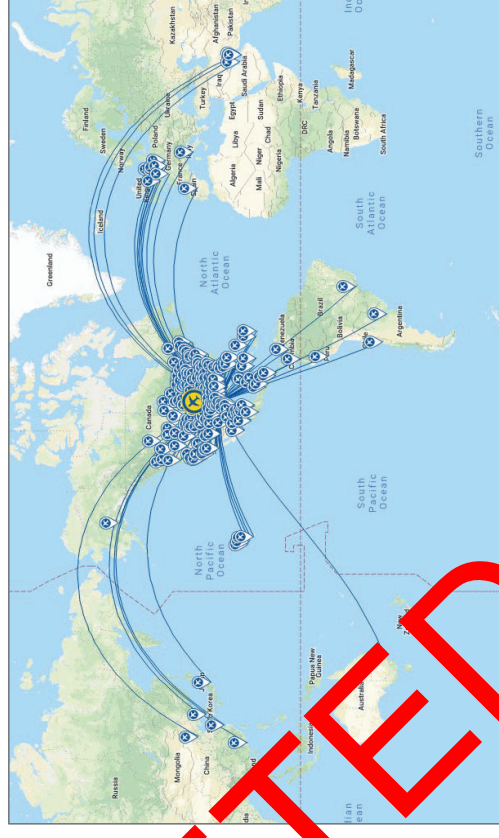
# Market Assessment

district has created a healthy demand for multi-family housing. In the third quarter of 2018, there were 26,613 multi-family units in Downtown Dallas, with 4,477 units under construction, generating a 94.1% occupancy rate. Downtown Dallas, TX, continues the strong pace of residential construction, leasing of commercial/office space, location of new tenants, new parks and open spaces, Royal Blue Grocery, and proposed a Montessori Elementary School Downtown, which was recently approved by the Dallas Independent School District (*Expectations Shattered: 2018 Annual Report*). This development activity is aligned with the Downtown Dallas 360 Plan.

**Dallas/Fort Worth International Airport.** Dallas/Fort Worth International Airport (DFW) world rankings are 4<sup>th</sup> in terms of operations, 12<sup>th</sup> in terms of passengers; serving 244 destinations (182 domestic, 62 international); generating 228,000 full-time jobs, \$12.5 billion annual payroll, and \$37 billion in economic activity throughout North Texas. Most recently, DFW Airport was recognized as “2019 Airport of the Year” by *Air Transport World*. The City of Dallas has a significant ownership interest in the airport, appointing 7 of 12 members to the DFW Airport Board of Directors.

**Vibrant Neighborhoods/Public Space.** Some of the trendiest, most vibrant neighborhoods in Dallas are Uptown, Preston Hollow, Lake Highlands, Bishop Arts District, Deep Ellum, Downtown Arts District, Greenville Avenue, Knox-Henderson, and M Streets. Examples of urban public space (current and proposed) include: Bachman Lake, Dallas Arboretum and Botanical Garden, Dragon Park, Klyde Warren Park, Midtown Park, Oak Lawn Park, South Dallas Fair Park, Southern Gateway Deck Park, Trinity River Audubon Center, and White Rock Lake. Dallas’ parks, conservation programs, and recreational activities help create desirable and livable neighborhoods, as well as places where people come together to enjoy one another.

DFW International Airport / Route Map



Source: *The Blue Swan Daily* (March, 2018)

# Market Assessment

## Strengths to Promote

Dallas has many strengths that enhance the city's competitive business for global economic development.

**Political Leadership United in Improving Dallas.** Dallas has already accomplished a nearly impossible task—aligning political leadership towards unified outcomes related to the city's development. This is being accomplished through a series of connected and interdependent studies, including:

- Comprehensive Housing Policy
- Dallas Cultural Plan 2018
- Downtown Dallas 360 Plan
- Market Value Analysis (MVA)
- Resiliency Dallas Strategy 2018
- Strategic Economic Development Plan
- Strategic Mobility Plan

**Competitive Tax Climate.** With an overall rank of 15<sup>th</sup>, Texas is the most highly ranked state representing each of the benchmark cities. In particular, Texas ranks favorably in individual income tax rates and unemployment insurance tax rates. Texas ranks poorly in the complexity of its franchise tax.

Dallas has the second lowest sales tax rate of all benchmarks. Denver is the only city with a lower total sales tax rate. In terms of property taxes, Dallas falls in the middle, being significantly lower than Atlanta and Chicago, but higher than Denver and Phoenix.

## Competitive Tax Climate

| Sales Tax Rates, 2017 |              |              |             |             |               |
|-----------------------|--------------|--------------|-------------|-------------|---------------|
|                       | Denver       | Dallas       | Phoenix     | Atlanta     | Chicago       |
| State                 | 2.9%         | 6.25%        | 5.6%        | 4.0%        | 6.25%         |
| Local                 | 4.75%        | 2.0%         | 3.0%        | 4.9%        | 4.0%          |
| <b>Total</b>          | <b>7.65%</b> | <b>8.25%</b> | <b>8.6%</b> | <b>8.9%</b> | <b>10.25%</b> |

Sources: Various City Departments

| Property Tax Rates, 2017 |                                                  |                      |  |
|--------------------------|--------------------------------------------------|----------------------|--|
|                          | Combined City & County Rate                      | Tax on a \$250K Home |  |
| Denver                   | 77.134<br>(7.2% of Assessed Value)               | \$1,388              |  |
| Phoenix                  | 7.7309 per \$1,000 valuation                     | \$1,676              |  |
| Dallas                   | 1.0198 per \$100                                 | \$2,550              |  |
| Atlanta                  | 41.4 /per \$1,000<br>(40% of Appraised Value)    | \$4,140              |  |
| Chicago                  | 2.9627 -10k * .12126<br>(10% of Appraised Value) | \$7,769              |  |

Sources: Various City Departments

# Market Assessment

**Low Cost of Government.** Dallas has a relatively low cost of government, both in terms of dollars paid and as a percent of income. On average, government services cost \$1,021 per person. In Dallas, \$1,021 is equivalent to 2% of median household income. The cost of government is not just a measure of how expensive a city's government may be, but also a reflection on the "product" the city is offering.

**Diversity.** Dallas has the highest share of foreign-born residents (24.9%), in comparison to the benchmarks (ranging from 7.5% in Atlanta to 20.8% in Chicago).

**Dallas is a Great City for Business.** Even though Chicago has the largest population and highest number of businesses entries, Dallas has the highest number of net new businesses. Dallas sustains more successful businesses than all the benchmarks. Moreover, Dallas has the 2<sup>nd</sup> lowest population per business entry. This suggests that Dallas has more business startups per capita than all except Atlanta.

Establishment growth in Dallas County is most heavily concentrated in Professional and Business Services, Financial Activities, and Leisure and Hospitality. Natural Resources and Mining firms experienced a decline in establishments from 2016 to 2017.

An estimated 89.7% of business survey respondents stated that Dallas is a good place to do business. The same percentage recommended Dallas as a place to do business.

**Arts and Culture.** Dallas is renowned for its best-in-class arts and culture offerings. Recent adoption of the Dallas Cultural Plan 2018 will guide the community toward building an even more vibrant, economically healthy, and equitable artistic ecosystem. Arts in Dallas represents an \$891 million industry responsible for driving 33,000 jobs.

## Dallas is a Great City for Business

Net New Business Formation, 2015

|         | Establishments | Entries | Exits   | Net     | Population per Entry | Net Entries per Capita |
|---------|----------------|---------|---------|---------|----------------------|------------------------|
| Atlanta | 116,898        | 13,766  | 11,262  | 2,504   | 35                   | 194                    |
| Dallas  | 135,132        | 15,800  | 11,727  | 4,073   | 85                   | 329                    |
| Denver  | 67,224         | 8,230   | 6,273   | 1,957   | 86                   | 360                    |
| Chicago | 209,654        | 21,461  | 18,854  | 2,607   | 127                  | 1,042                  |
| Phoenix | 117,196        | 9,242   | 7,501   | 1,741   | 176                  | 934                    |
| TX      | 520,624        | 57,668  | 46,628  | 11,040  | 491                  | 2,564                  |
| US      | 6,886,453      | 704,978 | 589,797 | 115,181 | 458                  | 2,805                  |

Sources: County Business Patterns

# Market Assessment

## Challenges to Overcome

Despite the many assets and strengths of Dallas, there are significant challenges that must be overcome. These issues limit Dallas' ability to compete for global investment.

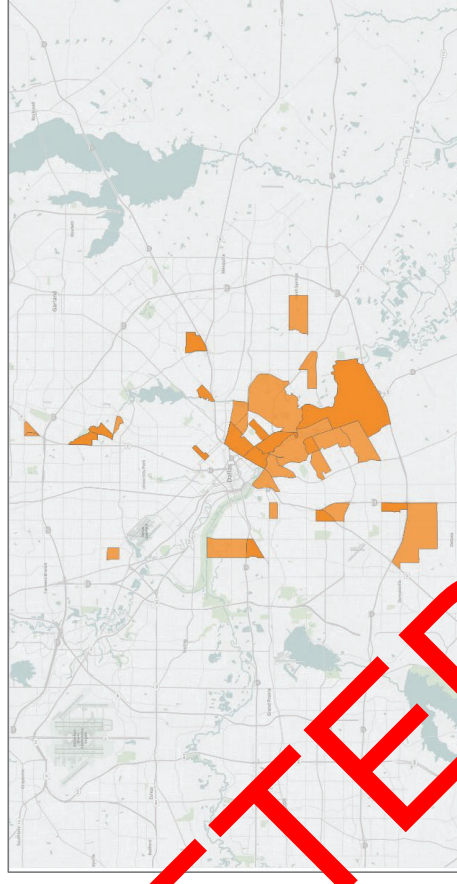
**Poverty, Crime, and Perception of Public Schools.** Many of the challenges facing Dallas are systemic issues that have existed for decades, namely poverty and crime. In 2017, 9.5% of census tracts in Dallas were Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs), which is nearly double the percentage of R/ECAPs identified in 2000.

The violent crime rate in Dallas is 774.64 crimes per 100,000 residents, which is the highest violent crime rate of any city within the Dallas-Forth Worth-Arlington MSA. Comparisons with the benchmark communities creates a broader perspective—Chicago (1098.86) and Atlanta (935.72) have higher violent crime rates; Phoenix (760.93) and Denver (675.61) have lower violent crime rates. The Federal Bureau of Investigation (FBI) website cautions about ranking this data, which can lead to simplistic or incomplete analyses, or create misleading perceptions. Additionally, the FBI website also warns against using this data to pass judgment on the effectiveness of law enforcement agencies, as there are many factors influencing crime rates.

Education is also a primary concern. Although, given the improvements with DISD, the issue may be perception more so than reality.

Transportation and mobility is another primary concern for Dallas residents. According to the Center for Neighborhood Technologies, 42.5% of Dallas households are underserved by public transit.

Racially or Ethnically Concentrated Areas of Poverty  
(R/ECAPs) 2017



| Dallas, Texas                                       |      |      |      |
|-----------------------------------------------------|------|------|------|
|                                                     | 2000 | 2010 | 2017 |
| Share of Dallas census tracts Identified as R/ECAPs | 5.2% | 9.2% | 9.5% |

# Market Assessment

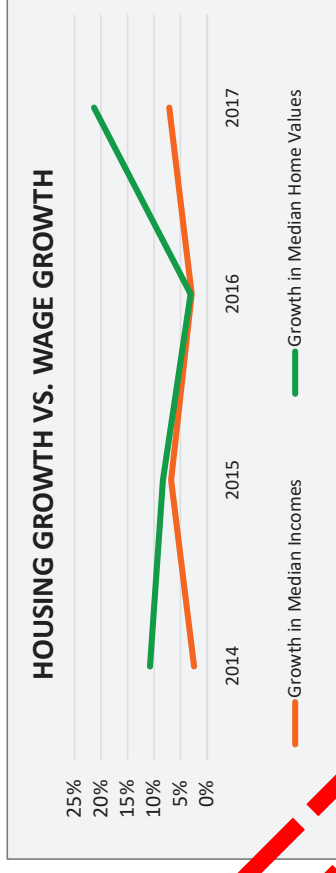
Stronger public/private partnerships are needed to tackle the challenges. Effective, sustainable economic development efforts are not sufficient on their own to alleviate these challenges.

**Inadequate Public Policy.** Dallas' economic development activities are largely reactive, transactional processes and not long-term focused. Incentive deals are a series of one-offs without a greater vision to guide investment decisions. The policies themselves are shallow and don't offer guiding principles, thresholds, industry targets, or robust criteria to measure success.

**Housing Affordability.** The rule of thumb is that housing costs should be less than 30% of income. In Dallas, 25.8% of owner-occupied units exceed the rule of thumb, which puts near the higher end comparatively. In the rental market, more than 45% of renters exceed the rule of thumb. Even though Dallas has the fewest number of renters exceeding the rule of thumb, still nearly 1/3 of all renters are over-leveraged.

Dallas also follows a more troubling trend that is occurring nationally, housing values are growing faster than wages. Housing values have outpaced wage increases in each of the past four years. These trends are exacerbated by overall low wages and high rates of poverty. Dallas experiences poverty at similar rates as Atlanta.

**Relatively High Cost of Utilities.** Dallas benefits from Texas natural gas. As such, it offers the lowest natural gas rates. However, Dallas has the highest water rates, second highest wastewater rates, and relatively high electricity rates.



*Build affordable housing in every area of Dallas."*

— Local Stakeholder

*"Develop southern Dallas."*

— Local Stakeholder

# Market Assessment

**City Lacks Independent EDO for Marketing.** Dallas lacks an organization that markets and promotes the City itself. Current marketing organizations promote the entire region or small neighborhoods or other subsets of the community, and the City has not taken advantage of its own public/private resources. The world over, people know Dallas. However, that recognition is not being leveraged to attract investment. An independent EDO agency will help improve Dallas' competitiveness and business attraction.

**Economic Development Allies/Rivals.** Dallas' suburban partners for regional economic development are also rivals for assisted corporate locates. The opening of the Dallas Cowboy's world headquarters and training facility (Frisco), JCPenney (Plano), Keurig, Dr. Pepper (Frisco), PGA of America (Frisco), Pizza Hut (Plano), Toyota (Plano), and SRS Distribution (McKinney), among others, underscores the reality that neighboring communities in North Texas are stiff competitors in the fight for high-wage jobs, new corporate investment, and local tax revenue. There is broad recognition about the need for urban revitalization in southern Dallas, yet simultaneously, the economic center of the region is shifting northward toward affluent suburbs that are growing at some of the fastest rates in the nation. Dallas is challenged to position itself as a vibrant and viable urban alternative—one renowned for recruiting talent, providing quality education and good public transit, and offering attractive business sites and neighborhoods.

***“Dallas’ suburban partners for regional economic development are also rivals for assisted corporate locates.”***



Source: Dallas Regional Chamber

# Market Assessment



# Market Assessment: SWOT Analysis

| Strengths                                                            |  | Weaknesses                                                                                       |  |
|----------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------|--|
| Diverse economy                                                      |  | Economic disparities as demonstrated by the Market Value Analysis (MVA)                          |  |
| Strategic location & strong business brand                           |  | Perception of low-quality, public school system                                                  |  |
| DFW Airport                                                          |  | Housing affordability                                                                            |  |
| Arts and culture                                                     |  | Lacking focused economic development strategy                                                    |  |
| Vibrant neighborhoods                                                |  | Inadequate public policy for sustainable economic development                                    |  |
| Competitive tax climate                                              |  | Relatively high commercial water, wastewater, and electricity rates compared to benchmark cities |  |
| Easy access to capital                                               |  | Skills gap                                                                                       |  |
| Downtown/Vibrant Urban Core                                          |  | ED staffing, capacity and program resources                                                      |  |
| Medical District                                                     |  |                                                                                                  |  |
| Opportunities                                                        |  | Threats                                                                                          |  |
| Expansion of economic opportunity in southern Dallas                 |  | Relentless competition from North Texas suburbs                                                  |  |
| High speed rail                                                      |  | Tariffs/trade wars (Unfair trade practices for technology, intellectual property)                |  |
| Attract international corporate investment                           |  | Unwillingness of developers to invest in southern Dallas                                         |  |
| Growth of medical industry                                           |  |                                                                                                  |  |
| Expansion of creative industries & Greater focus on entrepreneurship |  |                                                                                                  |  |
| Focused and sustainable Economic Development                         |  |                                                                                                  |  |
| Leverage & accelerate implementation of Public/Private Partnerships  |  |                                                                                                  |  |

# Market Assessment: Community Scorecard



Source: AngelouEconomics

# Target Industry Analysis

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# Target Industry Analysis

## Introduction

Target industry analysis is a technique used to identify specific industries that are most attractive for the City of Dallas, based on its competitive position. Emphasizing these industry sectors will enable Dallas to focus their business attraction and development efforts, which will increase the effectiveness of their economic development strategies. Furthermore, this analysis will help calibrate how incentives are used to encourage new business investment.

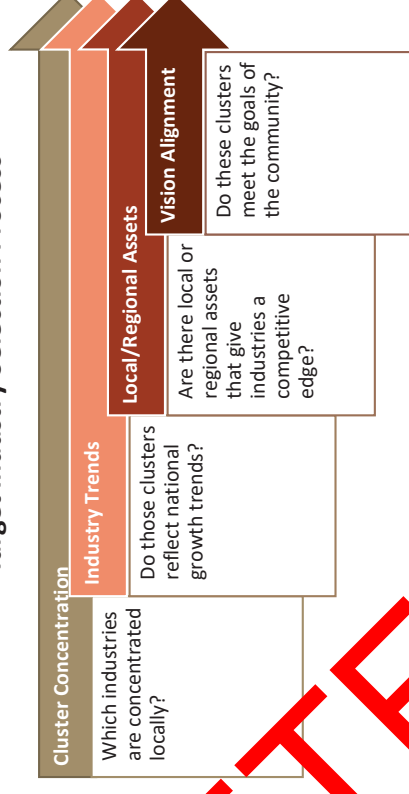
## Selection Process

### Step 1: Cluster Concentration

The first step is to determine which industries are concentrated locally. Location quotients are calculated to determine how concentrated particular industries are in Dallas, in comparison to the national average. Industry clusters measure know-how, employment skills, supply chain, and R&D. A location quotient of 1.0 indicate an average cluster; greater than 2.0 denotes a strong cluster; and less than 0.5 is considered a weak cluster.

Dallas has eight industry sectors with a location quotient > 1.0: Finance and insurance (1.74); Real estate and rental/leasing (1.71); Administrative and waste services (1.54); Wholesale trade (1.53); Information (1.48); Transportation and warehousing (1.43); Professional and technical services (1.39); Management of companies and enterprises (1.17); and Construction (1.09).

## Target Industry Selection Process



*"[We need] strategic growth to increase our relevance and dominance with all key industries with whom we are already involved."*

— Local Stakeholder

# Target Industry Analysis

## Step 2: Industry Trends

The second step is to build on the cluster concentrations, providing context and identifying identification, supplemental diversification targets, and entrepreneurial and emerging industry recommendations that reflect national growth trends. Sizeable clusters include:

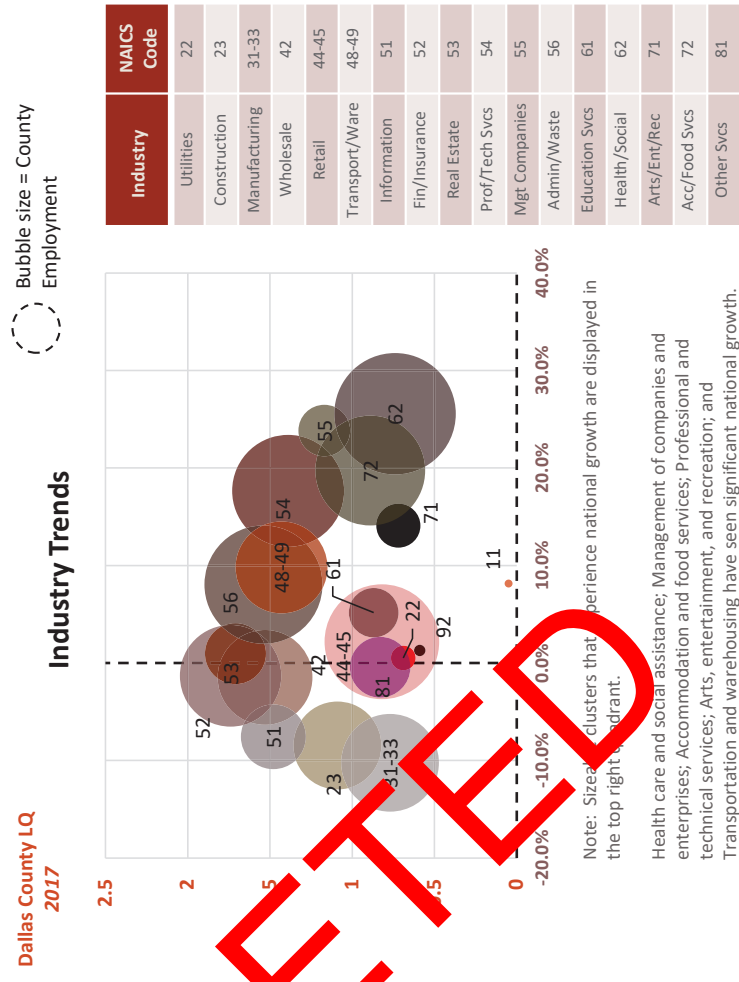
**Core targets** represent industries already established within Dallas and have been selected based on existing institutional capital, employment, payroll, past growth economic outlook. Future efforts within these industries should focus on retention and expansion.

**Diversification targets** are complementary industries that have exhibited growth at the state or national level. Future efforts within these industries should focus on attraction, retention, and expansion.

**Entrepreneurial and emerging targets** represent niche industries that are expected to grow in the future. Future efforts within these industries should focus on attraction and support activities for entrepreneurs.

## Step 3: Local/Regional Assets

Local/regional assets give industries a competitive edge through their ability to lower costs for businesses, develop and attract skilled workers, offer profitable markets for companies to participate in, or connect businesses to a broader range of ideas, suppliers, or other resources. For Dallas, these include: Strategic location and proximity to major markets; Emerging centers for entrepreneurship, innovation, and investment; corporate headquarters; Dallas/Fort Worth International Airport; and Vibrant neighborhoods.



# Target Industry Analysis

## Step 4: Vision Alignment

Lastly, the goals expressed by community members throughout the stakeholder engagement process, along with the overarching goals developed for this economic development plan also factor into the target industry selection process. The recommended target industries identified through this process are presented on pages 39-40. Underneath each major industry cluster are the core, diversification, and entrepreneurial/emerging targets that will be the primary focus for the City of Dallas and its strategic partners. These selected target industries will drive promotion efforts and use of business incentives, which are addressed later in the strategic action plan.

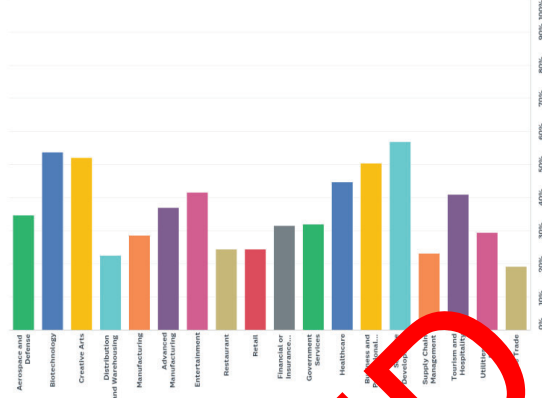
It is important to understand that the selection of target industries should not be viewed as a strategy to ignore all other industries. If Dallas can successfully grow its targeted industries, many other sectors will benefit throughout the local/regional economy.

***“[Recruit] more colleges with alternative subject matter.”***

— Local Stakeholder

## Dallas Resident Survey

Q10 What type of employers would you like to see expand or locate in Dallas?



Source: AngelouEconomics, Online Resident Survey

# Target Industry Analysis

| Economic Development Activities                                                                                                  | Life Sciences & Healthcare                                                                                                                                                                                                                                                 | Telecommunications & IT                                                                                                                                                                                | Business Services                                                                                                                                                                                                                                                                   | National & International Corporate HQs                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Core Targets:</b><br><i>Retention &amp; Expansion</i>                                                                         | <ul style="list-style-type: none"> <li>Hospitals &amp; Physicians Offices</li> <li>Home Health Care Services</li> <li>Medical Suppliers</li> <li>Insurance</li> </ul>                                                                                                      | <ul style="list-style-type: none"> <li>Wireless Telecom Centers</li> <li>Data Centers &amp; Hosting Services</li> <li>Software Publishing</li> <li>Telecommunications Resellers</li> </ul>             | <ul style="list-style-type: none"> <li>Legal &amp; CPA Offices</li> <li>Engineering, Architectural, &amp; Interior Design Services</li> <li>Custom Computer &amp; Computer Systems Design Services</li> <li>Management Consulting Services</li> <li>Advertising Agencies</li> </ul> | <ul style="list-style-type: none"> <li>Manufacturing</li> <li>Banks &amp; Other Financial Services</li> <li>Health Services &amp; Insurance</li> <li>Investment Banking</li> </ul>                                 |
| <b>Diversification Targets:</b><br><i>Attraction, Entrepreneurship, &amp; Small Business Development</i>                         | <ul style="list-style-type: none"> <li>Medical Equipment</li> <li>Child Day Care, Nursing Care Facilities &amp; Skilled Nursing</li> <li>Medical Equipment &amp; Devices</li> <li>Cosmetic Surgery</li> <li>Kinesiology &amp; Geriatrics</li> </ul>                        | <ul style="list-style-type: none"> <li>Telecom Chip Design, Research &amp; Development</li> <li>Internet Publishing</li> <li>Book Publishing</li> <li>Motion Picture &amp; Video Production</li> </ul> | <ul style="list-style-type: none"> <li>Media Publishing</li> <li>National Public Relations Agencies</li> <li>Building Inspection, Surveying &amp; Mapping Services</li> <li>Product Design Services</li> </ul>                                                                      | <ul style="list-style-type: none"> <li>Telecom</li> <li>Chip Design &amp; Testing</li> <li>International Corporate Headquarters</li> <li>National &amp; Regional Investment Banking</li> <li>E-Commerce</li> </ul> |
| <b>Entrepreneurial &amp; Emerging Targets:</b><br><i>Expansion, Attraction, Entrepreneurship, and Small Business Development</i> | <ul style="list-style-type: none"> <li>Tech Innovations for Patient Care (Healthtech &amp; Data Analytics)</li> <li>Biotechnology Research &amp; Development</li> <li>Medical Laboratories</li> <li>Sports Medicine</li> <li>Continuing Care Retirement Centers</li> </ul> | <ul style="list-style-type: none"> <li>Cyber &amp; Data Security</li> <li>Block Chain, Artificial Intelligence, &amp; Augmented Reality Technologies</li> </ul>                                        | <ul style="list-style-type: none"> <li>Marketing Research &amp; Public Opinion Services</li> <li>Testing Laboratories</li> <li>Industrial &amp; Graphic Design Services</li> <li>Entrepreneurial Business Services</li> </ul>                                                       | <ul style="list-style-type: none"> <li>National &amp; International Health Tech Firms</li> <li>Research &amp; Development Firms</li> <li>Medical Equipment and Devices</li> </ul>                                  |

# Target Industry Analysis

| Economic Development Activities                                                                                                  | Entrepreneurship, Digital Arts, & Innovation                                                                                                                                                                                                                                                     | Advanced Logistics                                                                                                                                                                                                 | Food Processing                                                                                                                                    | Advanced Manufacturing                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Core Targets:</b><br><i>Retention &amp; Expansion</i>                                                                         | <ul style="list-style-type: none"> <li>Fintech</li> <li>Video Games &amp; Gaming</li> <li>Microbreweries</li> <li>Health Tech</li> </ul>                                                                                                                                                         | <ul style="list-style-type: none"> <li>Advanced Logistics</li> <li>Warehouse &amp; Distribution</li> </ul>                                                                                                         | <ul style="list-style-type: none"> <li>Food &amp; Dairy Products</li> <li>Snack Food Manufacturing</li> </ul>                                      | <ul style="list-style-type: none"> <li>Computer &amp; Electronic Products (Semiconductors, Communications)</li> <li>Transportation Equipment (Aerospace &amp; Aircraft Parts)</li> <li>Fabricated Metal Products (Construction Metals, Machine Components, &amp; Sheet Metal)</li> </ul> |
| <b>Diversification Targets:</b><br><i>Attraction, Entrepreneurship, &amp; Small Business Development</i>                         | <ul style="list-style-type: none"> <li>E-Sports Development</li> <li>Creative Medical Devices</li> <li>Digital Arts &amp; Design</li> <li>Computer Simulation &amp; Animation</li> <li>Product Development &amp; Design (Maker's Spaces)</li> <li>Retail &amp; E-Commerce Innovations</li> </ul> | <ul style="list-style-type: none"> <li>Advanced Logistics &amp; Software</li> <li>Driverless Technologies &amp; Testing</li> <li>E-Bike &amp; Scooter Platforms</li> <li>Parking Technology Innovations</li> </ul> | <ul style="list-style-type: none"> <li>Meat &amp; Frozen Foods</li> <li>Commercial Bakeries</li> <li>Sugar &amp; Confectionery Products</li> </ul> | <ul style="list-style-type: none"> <li>Electronic Components</li> <li>Electrical Equipment &amp; Appliances</li> <li>Machinery Manufacturing (Industrial, HVAC, Commercial, Electric Lighting)</li> <li>Aerospace Products &amp; Parts</li> <li>Sporting Goods</li> </ul>                |
| <b>Entrepreneurial &amp; Emerging Targets:</b><br><i>Expansion, Attraction, Entrepreneurship, and Small Business Development</i> | <ul style="list-style-type: none"> <li>Healthtech &amp; Data Analytics</li> <li>Urban Transportation Technologies &amp; Apps</li> <li>IOT Technologies</li> <li>Creative Sectors</li> <li>Software Publishing</li> </ul>                                                                         | <ul style="list-style-type: none"> <li>Smart Transportation &amp; Commuter Software</li> <li>Ride Share Technologies</li> <li>Trucking &amp; Logistics Management Software</li> </ul>                              | <ul style="list-style-type: none"> <li>Specialty Foods</li> <li>Dietary Health Products</li> <li>Vitamins &amp; Supplements</li> </ul>             | <ul style="list-style-type: none"> <li>Scientific &amp; Electronic Instruments</li> <li>Surgical Appliances</li> <li>Detection &amp; Navigation Instruments</li> </ul>                                                                                                                   |

# Target Industry Analysis

## Life Sciences & Healthcare

### Core Target Snapshot (2017)

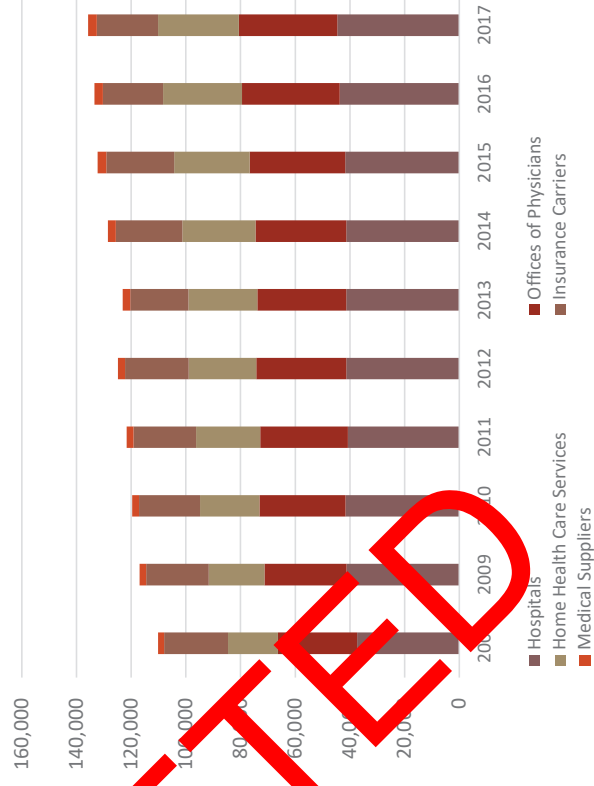
Total US Payroll: \$9.9 B  
Average Wage: \$77,600  
Establishments: 3,924

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 135,690            | +29,490 jobs      | 28%                    | 2.5%                           |

Source: Bureau of Labor Statistics

### Core Target Employment 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

The North American Industry Classification System (NAICS) is the standard used by the Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing data related to the U.S. business economy. NAICS replaced the Standard Industrial Classification (SIC) in 1997.

### Life Sciences & Healthcare

| NAICS Code | Industry Group                                                       | NAICS Code | Industry Group                                                                                                     |
|------------|----------------------------------------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------|
| 32519      | Other Basic Organic Chemical Manufacturing                           | 541713     | Research and Development in Nanotechnology                                                                         |
| 3253       | Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing | 541714     | Research and Development in Biotechnology (except Nanotechnology)                                                  |
| 3254       | Pharmaceutical and Medicine Manufacturing                            | 541715     | Research and Development in the Physical, Engineering, and Life Sciences (except Nanotechnology and Biotechnology) |
| 334510     | Electromedical and Electrotherapeutic Apparatus Manufacturing        | 6211       | Offices of Physicians                                                                                              |
| 334516     | Analytical Laboratory Instrument Manufacturing                       | 6212       | Offices of Dentists                                                                                                |
| 3391       | Medical Equipment and Supplies Manufacturing                         | 6213       | Offices of Other Health Practitioners                                                                              |
| 524114     | Direct Health and Medical Insurance Carriers                         | 6214       | Offices of Ambulance Centers                                                                                       |
| 541380     | Testing Laboratories                                                 | 6215       | Medical and Diagnostic Laboratories                                                                                |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017 Manual

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### Life Sciences & Healthcare (cont.)

| NAICS Code | Industry Group                                                                                     | NAICS Code | Industry Group                                                                        |
|------------|----------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------|
| 6216       | Home Health Care Services                                                                          | 6231       | Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly |
| 6219       | Other Ambulatory Health Care Services                                                              | 6244       | Other Residential Care Facilities                                                     |
| 6221       | General Medical and Surgical Hospitals                                                             |            | Child Day Care Services                                                               |
| 6222       | Psychiatric and Substance Abuse Hospitals                                                          |            |                                                                                       |
| 6223       | Specialty (except Psychiatric and Substance Abuse) Hospitals                                       |            |                                                                                       |
| 6231       | Nursing Care Facilities (Skilled Nursing Facilities)                                               |            |                                                                                       |
| 6232       | Residential Intellectual and Development Disability, Mental Health, and Substance Abuse Facilities |            |                                                                                       |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017 Manual

# Target Industry Analysis – O\*NET-SOC

## Occupational Information Network (O\*NET)

The Occupational Information Network (O\*NET) is the nation's primary source of occupational information. A free online database, it contains hundreds of standardized and occupation-specific descriptors on almost 1,000 occupations covering the entire U.S. economy. The O\*NET is a Standard Occupational System (SOC) based system.

### Life Sciences & Healthcare

| O*NET-SOC  | Occupation                                                                                                                                     | O*NET-SOC  | Occupation                                                                                                                                                        |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11-9111.00 | Medical and Health Services Managers  <b>Bright Outlook</b> | 19-1041.00 | Microbiologists                                                                                                                                                   |
| 11-9121.00 | Natural Sciences Managers  <b>Bright Outlook</b>            | 19-1042.00 | Medical Scientists, Except Epidemiologists  <b>Bright Outlook</b>                |
| 13-1041.00 | Compliance Officers                                                                                                                            | 19-2031.00 | Chemists                                                                                                                                                          |
| 15-2041.00 | Statisticians  <b>Bright Outlook</b>                        | 19-4021.00 | Biological Technicians  <b>Bright Outlook</b>                                    |
| 17-2031.00 | Biomedical Engineers                                                                                                                           | 19-4031.00 | Chemical Technicians                                                                                                                                              |
| 17-2199.00 | Engineers, All Others                                                                                                                          | 19-4099.00 | Life Physical and Social Science Technicians, All Other  <b>Bright Outlook</b> |
| 17-3029.00 | Engineering Technicians, Except Drafters, All Others                                                                                           | 29-1011.00 | Micropractitioners  <b>Bright Outlook</b>                                      |
| 19-1020.01 | Biologists                                                                                                                                     | 29-1021.00 | Dietitians and Nutritionists  <b>Bright Outlook</b>                            |
| 19-1021.00 | Biochemists and Biophysicists  <b>Bright Outlook</b>      |            |                                                                                                                                                                   |

Note:  Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

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### Life Sciences & Healthcare (cont.)

| O*NET-SOC  | Occupation                                                                                                                                  | O*NET-SOC  | Occupation                                                                                                                                  |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| 29-1041.00 | Optometrists  <b>Bright Outlook</b>                      | 29-1079.00 | Physicians and Surgeons, All Others  <b>Bright Outlook</b> |
| 29-1051.00 | Pharmacists                                                                                                                                 | 29-1071.00 | Physician Assistants  <b>Bright Outlook</b>                |
| 29-1061.00 | Anesthesiologists  <b>Bright Outlook</b>                 | 29-1081.00 | Radiatrists  <b>Bright Outlook</b>                         |
| 29-1062.00 | Family and General Practitioners  <b>Bright Outlook</b>  | 29-1122.00 | Occupational Therapists  <b>Bright Outlook</b>             |
| 29-1063.00 | Internists, General  <b>Bright Outlook</b>              | 29-1111.00 | Physical Therapists  <b>Bright Outlook</b>                |
| 29-1064.00 | Obstetricians and Gynecologists  <b>Bright Outlook</b> | 29-1124.00 | Radiation Therapists  <b>Bright Outlook</b>              |
| 29-1065.00 | Pediatricians, General  <b>Bright Outlook</b>          | 29-1125.00 | Recreational Therapists                                                                                                                     |
| 29-1066.00 | Psychiatrists  <b>Bright Outlook</b>                   | 29-1126.00 | Respiratory Therapists  <b>Bright Outlook</b>            |
| 29-1067.00 | Surgeons  <b>Bright Outlook</b>                        | 29-1129.00 | Therapists, All Others  <b>Bright Outlook</b>            |

Note:  Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

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### Life Sciences & Healthcare (cont.)

| O*NET-SOC  | Occupation                                                                          | O*NET-SOC  | Occupation                                                           |
|------------|-------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------|
| 29-1131.00 | Veterinarians 🌟 <b>Bright Outlook</b>                                               | 29-2041.00 | Cardiovascular Technologists and Technicians 🌟 <b>Bright Outlook</b> |
| 29-1141.00 | Registered Nurses 🌟 <b>Bright Outlook</b>                                           | 29-2031.00 | Diagnostic Medical Sonographers 🌟 <b>Bright Outlook</b>              |
| 29-1151.00 | Nurse Anesthetists 🌟 <b>Bright Outlook</b>                                          | 29-2033.00 | Nuclear Medicine Technologists 🌟 <b>Bright Outlook</b>               |
| 29-1161.00 | Nurse Midwives 🌟 <b>Bright Outlook</b>                                              | 29-2034.00 | Radiologic Technologists 🌟 <b>Bright Outlook</b>                     |
| 29-1171.00 | Nurse Practitioners 🌟 <b>Bright Outlook</b>                                         | 29-2040.00 | Magnetic Resonance Imaging Technologists 🌟 <b>Bright Outlook</b>     |
| 29-1181.00 | Audiologists 🌟 <b>Bright Outlook</b>                                                | 29-2041.00 | Emergency Medical Technicians and Paramedics 🌟 <b>Bright Outlook</b> |
| 29-1199.00 | Healthcare Diagnosing or Treating Practitioners, All Others 🌟 <b>Bright Outlook</b> | 29-2051.00 | Orthodontic Technicians 🌟 <b>Bright Outlook</b>                      |
| 29-2011.00 | Medical and Clinical Laboratory Technologists 🌟 <b>Bright Outlook</b>               | 29-2052.00 | Pharmacy Technicians 🌟 <b>Bright Outlook</b>                         |
| 29-2012.00 | Medical and Clinical Laboratory Technicians 🌟 <b>Bright Outlook</b>                 | 29-2053.00 | Psychiatric Technicians                                              |

Note: 🌟 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

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### Life Sciences & Healthcare (cont.)

| O*NET-SOC  | Occupation                                                               | O*NET-SOC  | Occupation                                                         |
|------------|--------------------------------------------------------------------------|------------|--------------------------------------------------------------------|
| 29-2054.00 | Respiratory Therapy Technicians <b>Bright Outlook</b>                    | 29-2059.00 | Emergency Medical Technicians and Paramedics <b>Bright Outlook</b> |
| 29-2055.00 | Surgical Technologists <b>Bright Outlook</b>                             | 29-9000.00 | Athletic Trainers <b>Bright Outlook</b>                            |
| 29-2056.00 | Veterinary Technologists and Technicians <b>Bright Outlook</b>           | 31-1011.00 | Home Health Aides <b>Bright Outlook</b>                            |
| 29-2057.00 | Ophthalmic Medical Technicians <b>Bright Outlook</b>                     | 31-1013.00 | Psychiatric Aides                                                  |
| 29-2061.00 | Licensed Practical and Licenses Vocational Nurses <b>Bright Outlook</b>  | 31-1014.00 | Nursing Assistants <b>Bright Outlook</b>                           |
| 29-2071.00 | Medical Records and Health Information Technicians <b>Bright Outlook</b> | 31-1015.00 | Orderlies                                                          |
| 29-2081.00 | Opticians, Dispensing <b>Bright Outlook</b>                              | 31-2011.00 | Occupational Therapy Assistants <b>Bright Outlook</b>              |
| 29-2091.00 | Orthotists and Prosthetists <b>Bright Outlook</b>                        | 31-2012.00 | Occupational Therapy Aides <b>Bright Outlook</b>                   |
| 29-2092.00 | Hearing Aid Specialists <b>Bright Outlook</b>                            | 31-2021.00 | Physical Therapist Assistants <b>Bright Outlook</b>                |

Note: Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

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### Life Sciences & Healthcare (cont.)

| O*NET-SOC  | Occupation                  |                  |            |                                               |                  |
|------------|-----------------------------|------------------|------------|-----------------------------------------------|------------------|
| 31-2022.00 | Physical Therapist Aides    | 🟢 Bright Outlook | 51-9013.00 | Dental Laboratory Technicians                 | 🟢 Bright Outlook |
| 31-9011.00 | Massage Therapists          | 🟢 Bright Outlook | 51-9013.00 | Ophthalmic Laboratory Technicians             | 🟢 Bright Outlook |
| 31-9091.00 | Dental Assistants           | 🟢 Bright Outlook | 53-3011.00 | Ambulance Drivers and Attendants, except EMTs | 🟡 Bright Outlook |
| 31-9092.00 | Medical Assistants          | 🟢 Bright Outlook |            |                                               |                  |
| 31-9093.00 | Medical Equipment Preparers | 🟢 Bright Outlook |            |                                               |                  |
| 43-6013.00 | Medical Secretaries         | 🟢 Bright Outlook |            |                                               |                  |
| 49-9062.00 | Medical Equipment Repairers | 🟢 Bright Outlook |            |                                               |                  |

Note: 🌟 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET OnLine, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis

## Telecommunications & IT

### Core Target Snapshot (2017)

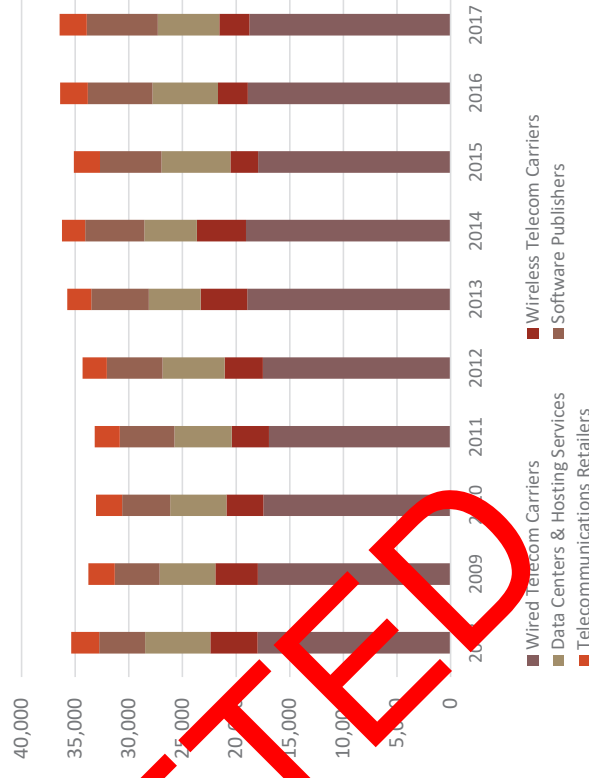
Total US Payroll: \$4.2 B  
Average Wage: \$115,600  
Establishments: 741

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 36,453             | +983 jobs         | 3%                     | 0.3%                           |

Source: Bureau of Labor Statistics

### Core Target Employment 2008 - 2017



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## North American Industry Classification System (NAICS)

The North American Industry Classification System (NAICS) is the standard used by the Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing data related to the U.S. business economy. NAICS replaced the Standard Industrial Classification (SIC) in 1997.

### Telecommunications & IT

| NAICS Code | Industry Group                                              |        |                                              |
|------------|-------------------------------------------------------------|--------|----------------------------------------------|
| 511130     | Book Publishers                                             | 5415   | Computer Systems Design and Related Services |
| 5112       | Software Publishers                                         | 541411 | Custom Computer Programming Services         |
| 5121       | Motion Picture and Video Industries                         |        |                                              |
| 5173       | Wired and Wireless Telecommunications Carriers              |        |                                              |
| 5174       | Satellite Communications                                    |        |                                              |
| 5179       | Other Telecommunications                                    |        |                                              |
| 517911     | Telecommunications Resellers                                |        |                                              |
| 518210     | Data Processing, Hosting, and Related Services              |        |                                              |
| 519130     | Internet Publishing and Broadcasting and Web Search Portals |        |                                              |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

# Target Industry Analysis – O\*NET-SOC

## Occupational Information Network (O\*NET)

The Occupational Information Network (O\*NET) is the nation's primary source of occupational information. A free online database, it contains hundreds of standardized and occupation-specific descriptors on almost 1,000 occupations covering the entire U.S. economy. The O\*NET is a Standard Occupational System (SOC) based system.

### Telecommunications & IT

| O*NET-SOC  | Occupation                                                                                                                                             | O*NET-SOC  | Occupation                                                                                                                               |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------|
| 11-3021.00 | Computer and Information Systems Managers  <b>Bright Outlook</b>    | 15-1133.00 | Computer Network Architects                                                                                                              |
| 15-1111.00 | Computer and Information Research Scientists  <b>Bright Outlook</b> | 15-1151.00 | Computer Use Support Specialists  <b>Bright Outlook</b> |
| 15-1121.00 | Computer Systems Analysts                                                                                                                              | 15-1152.00 | Computer Network Support Specialists                                                                                                     |
| 15-1131.00 | Computer Programmers                                                                                                                                   | 15-1199.00 | Computer Occupations, All Other                                                                                                          |
| 15-1132.00 | Software Developers, Applications  <b>Bright Outlook</b>           | 17-2011.00 | Computer Hardware Engineers                                                                                                              |
| 15-1133.00 | Software Developers, Systems Software  <b>Bright Outlook</b>      | 17-2072.00 | Electronics Engineers, Except Computer                                                                                                   |
| 15-1134.00 | Web Developers  <b>Bright Outlook</b>                             | 49-2021.00 | Radio, Cellular, and Tower Equipment Installers and Repairers                                                                            |
| 15-1141.00 | Database Administrators  <b>Bright Outlook</b>                    | 49-2022.00 | Telecommunications Equipment Installers/Repairers, Except Line Installers                                                                |
| 15-1142.00 | Network and Computer Systems Administrators                                                                                                            | 49-9052.00 | Telecommunications Line Installers and Repairers                                                                                         |

Note:  Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis

## Business Services

### Core Target Snapshot (2017)

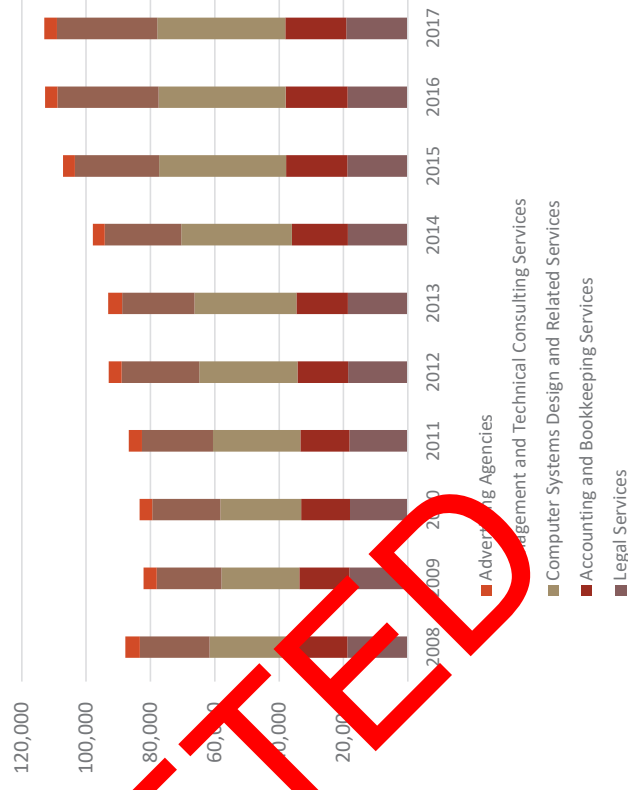
Total US Payroll: \$12.3 B  
Average Wage: \$108,900  
Establishments: 9,425

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 113,034            | +29,085 jobs      | 35%                    | 3.0%                           |

Source: Bureau of Labor Statistics

## Core Target Employment 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

The North American Industry Classification System (NAICS) is the standard used by the Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing data related to the U.S. business economy. NAICS replaced the Standard Industrial Classification (SIC) in 1997.

| Business Services |                                                                |                                                                |
|-------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| NAICS Code        | Industry Group                                                 |                                                                |
| 511120            | Periodical Publishers                                          | 541420 Industrial Design Services                              |
| 5411              | Legal Services                                                 | 541430 Graphic Design Services                                 |
| 5412              | Accounting, Tax Preparation, Bookkeeping, and Payroll Services | 541490 Other Specialized Design Services                       |
| 541310            | Architectural Services                                         | 5415 Computer Systems Design and Related Services              |
| 541330            | Engineering Services                                           | 5416 Management, Scientific, and Technical Consulting Services |
| 541350            | Building Inspection Services                                   | 5417 Advertising, Public Relations, and Related Services       |
| 541370            | Surveying and Mapping (except Geophysical) Services            | 541910 Marketing Research and Public Opinion Polling           |
| 541380            | Testing Laboratories                                           |                                                                |
| 541410            | Interior Design Services                                       |                                                                |

# Target Industry Analysis – O\*NET-SOC

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### Business Services

| O*NET-SOC  | Occupation                                                                                                                                            | O*NET-SOC  | Occupation                                                                                                                                |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 11-2011.00 | Advertising and Promotions Managers                                                                                                                   | 13-1011.00 | Human Resources Specialists                                                                                                               |
| 11-2021.00 | Marketing Managers  <b>Bright Outlook</b>                          | 13-1111.00 | Management Analysts  <b>Bright Outlook</b>               |
| 11-2031.00 | Public Relations and Fundraising Managers  <b>Bright Outlook</b>   | 13-1141.00 | Compensation, Benefits, and Job Analysis Specialists                                                                                      |
| 11-3011.00 | Administrative Services Managers  <b>Bright Outlook</b>            | 13-2011.00 | Accountants and Auditors  <b>Bright Outlook</b>          |
| 11-3021.00 | Computer and Information Services Managers  <b>Bright Outlook</b> | 13-2021.00 | Budget Analysts                                                                                                                           |
| 11-3031.00 | Financial Managers  <b>Bright Outlook</b>                        | 13-2082.00 | Tax Preparers  <b>Bright Outlook</b>                   |
| 11-3111.00 | Compensation and Benefits Managers                                                                                                                    | 19-3011.00 | Economists                                                                                                                                |
| 11-3121.00 | Human Resource Managers                                                                                                                               | 23-1011.00 | Law Enforcement Officers                                                                                                                  |
| 11-3131.00 | Training and Development Managers  <b>Bright Outlook</b>         | 23-2011.00 | Paralegals and Legal Assistants  <b>Bright Outlook</b> |

Note:  Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

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### Business Services

| O*NET-SOC  | Occupation                                             | O*NET-SOC  | Occupation                                                                      |
|------------|--------------------------------------------------------|------------|---------------------------------------------------------------------------------|
| 23-2099.00 | Legal Support Workers, All Others                      | 43-4011.00 | Correspondence Clerks                                                           |
| 27-3031.00 | Public Relations Specialists                           | 43-4071.00 | File Clerks                                                                     |
| 41-1012.00 | First-Line Supervisors of Non-Retail Sales Workers     | 43-4141.00 | New Account Clerks                                                              |
| 43-1011.00 | First-Line Supervisors of Office/Admin Support Workers | 43-4161.00 | Human Resources Assistants, Except Payroll and Timekeeping                      |
| 43-3021.00 | Billing and Posting Clerks                             | 43-4191.00 | Receptionist and Information Clerks                                             |
| 43-3031.00 | Bookkeeping, Accounting, and Auditing Clerks           | 43-6011.00 | Executive Secretaries and Executive Administrative Assistants                   |
| 43-3051.00 | Payroll and Timekeeping Clerks                         | 43-6012.00 | Legal Secretaries                                                               |
| 43-3061.00 | Procurement Clerks                                     | 43-6014.00 | Secretaries and Administrative Assistants, Except Legal, Medical, and Executive |

Note: 🌟 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis

## National & International Corporate HQs

### Core Target Snapshot (2017)

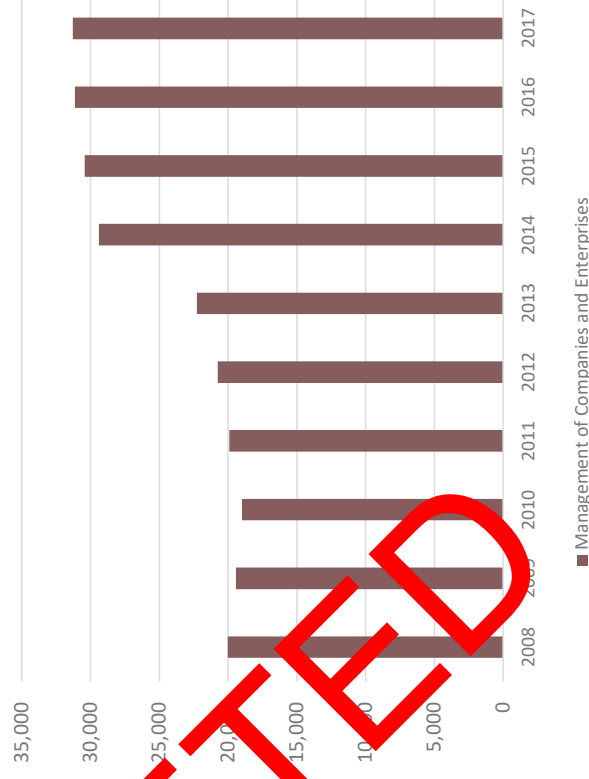
Total US Payroll: \$3.7 B  
Average Wage: \$119,200  
Establishments: 506

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 31,286             | +13,874 jobs      | 80%                    | 6.0%                           |

Source: Bureau of Labor Statistics

### Core Target Employment 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

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### National & International Corporate HQs

| NAICS Code | Industry Group                                                           |
|------------|--------------------------------------------------------------------------|
| 339112     | Surgical and Medical Instrument Manufacturing                            |
| 454110     | Electronic Shopping and Mail-Order Houses                                |
| 52         | Finance and Insurance                                                    |
| 522110     | Commercial Banking                                                       |
| 523110     | Investment Banking and Securities Dealing                                |
| 54171      | Research and Development in the Physical, Engineering, and Life Sciences |
| 5511       | Management of Companies and Enterprises                                  |
| 551114     | Corporate, Subsidiary, and Regional Managing Offices                     |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

# Target Industry Analysis – O\*NET-SOC

## Occupational Information Network (O\*NET)

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### National & International Corporate HQs

| O*NET-SOC  | Occupation       |
|------------|------------------|
| 11-1011.00 | Chief Executives |

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis

## Entrepreneurship, Digital Arts, & Innovation

### Core Target Snapshot (2017)

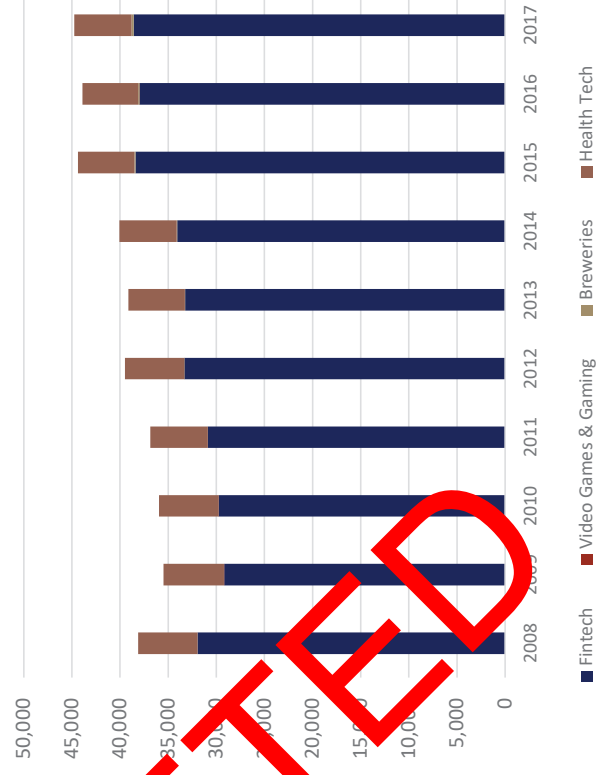
Total US Payroll: \$4.8 B  
Average Wage: \$107,000  
Establishments: 2,661

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 44,768             | +6,939 jobs       | 18%                    | 1.7%                           |

Source: Bureau of Labor Statistics

### Core Target Employment 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

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### Entrepreneurship, Digital Arts, & Innovation

| NAICS Code | Industry Group                                   |      |  |                                              |
|------------|--------------------------------------------------|------|--|----------------------------------------------|
| 3121       | Beverage Manufacturing                           | 5415 |  | Computer Systems Design and Related Services |
| 312120     | Breweries                                        | 547  |  | Scientific Research and Development Services |
| 3399       | Other Miscellaneous Manufacturing                | 621  |  | Other Ambulatory Health Care Services        |
| 511210     | Software Publishers                              |      |  |                                              |
| 5182       | Data Processing, Hosting, and Related Services   |      |  |                                              |
| 512191     | Teleproduction and Other Postproduction Services |      |  |                                              |
| 5222       | Nondepository Credit Intermediation              |      |  |                                              |
| 5239       | Other Financial Investment Activities            |      |  |                                              |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

# Target Industry Analysis – O\*NET-SOC

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### Entrepreneurship, Digital Arts, & Innovation

| O*NET-SOC  | Occupation                                  | O*NET-SOC  | Occupation                                                                    |
|------------|---------------------------------------------|------------|-------------------------------------------------------------------------------|
| 11-1011.00 | Chief Executives                            | 27-4011.00 | Photographers                                                                 |
| 15-1121.00 | Computer Systems Analysts                   | 27-4031.00 | Film and Video Editors <span>🔴 Bright Outlook</span>                          |
| 15-1199.11 | Video Game Designers                        | 29-0099.00 | Health Technologists and Technicians, All Other <span>🔴 Bright Outlook</span> |
| 15-2041.00 | Statisticians <span>🔴 Bright Outlook</span> | 43-9111.00 | Statistical Assistants                                                        |
| 27-1011.00 | Art Directors                               | 43-9141.01 | Bioinformatics Technicians                                                    |
| 27-1014.00 | Multimedia Artists and Animators            | 51-3092.00 | Food Batchmakers                                                              |
| 27-1021.00 | Commercial and Industrial Designers         |            |                                                                               |
| 27-1024.00 | Graphic Designers                           |            |                                                                               |

Note: 🔴 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.  
Source: AngelouEconomics, O\*NET OnLine, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis

## Advanced Logistics

### Core Target Snapshot (2017)

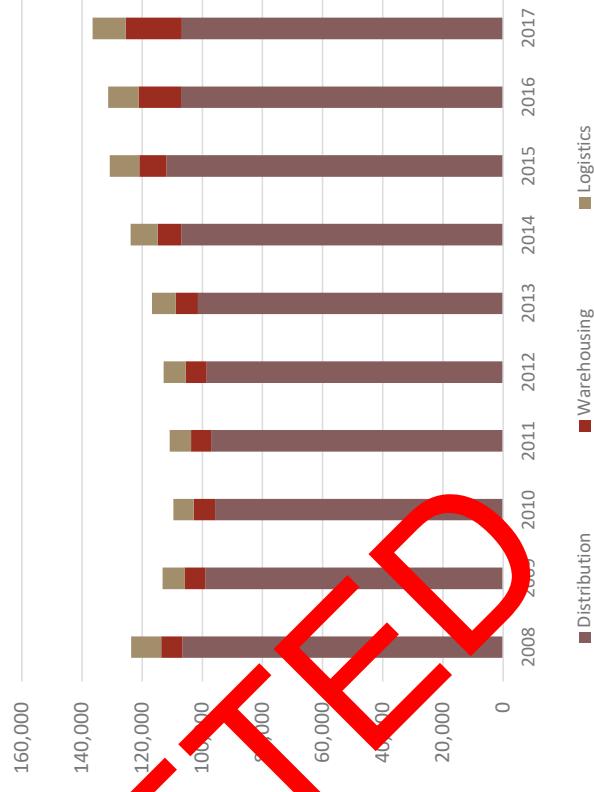
Total US Payroll: \$10.5 B  
Average Wage: \$76,900  
Establishments: 6,640

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 136,481            | +15,416 jobs      | 13%                    | 1.2%                           |

Source: Bureau of Labor Statistics

### Core Target Employment 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

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### Advanced Logistics

| NAICS Code | Industry Group                                          | 5416 | Management, Scientific, and Technical Consulting Services         |
|------------|---------------------------------------------------------|------|-------------------------------------------------------------------|
| 336991     | Motorcycle, Bicycle, and Parts Manufacturing            | 5414 | Process, Physical Distribution, and Logistics Consulting Services |
| 4238       | Machinery, Equipment, and Supplies Merchant Wholesalers | 8120 | Parking Lots and Garages                                          |
| 4246       | Chemical and Allied Products Merchant Wholesalers       |      |                                                                   |
| 4841       | General Freight Trucking                                |      |                                                                   |
| 485999     | All Other Transit and Ground Passenger Transportation   |      |                                                                   |
| 4885       | Freight Transportation Arrangement                      |      |                                                                   |
| 4931       | Warehousing and Storage                                 |      |                                                                   |
| 541380     | Testing Laboratories                                    |      |                                                                   |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

# Target Industry Analysis – O\*NET-SOC

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### Advanced Logistics

| O*NET-SOC  | Occupation                                            | O*NET-SOC  | Occupation                                                                        |
|------------|-------------------------------------------------------|------------|-----------------------------------------------------------------------------------|
| 11-3071.00 | Transportation, Storage, and Distribution Managers    | 15-1199.07 | Data Warehousing Specialists                                                      |
| 11-3071.01 | Transportation Managers                               | 17-3071.00 | Industrial Engineering Technologists                                              |
| 11-3071.02 | Storage and Distribution Managers                     | 43-5011.00 | Cargo and Freight Agents <span>🔥 Bright Outlook</span>                            |
| 11-3071.03 | Logistics Managers                                    | 43-5011.01 | Freight Forwarders <span>🔥 Bright Outlook</span>                                  |
| 11-9199.04 | Supply Chain Managers                                 | 43-5011.02 | Shipping, Receiving, and Traffic Clerks                                           |
| 13-1081.01 | Logistics Engineers                                   | 43-5081.00 | Stock Clerks, Stockroom, Warehouse, or Storage Yard <span>🔥 Bright Outlook</span> |
| 13-1081.02 | Logistics Analysts                                    | 53-1021.00 | First-Line Supervisors of Helpers, Laborers, and Material Movers, Hand            |
| 15-1141.00 | Database Administrators <span>🔥 Bright Outlook</span> | 53-3032.00 | Heavy and Tractor-Trailer Truck Drivers <span>🔥 Bright Outlook</span>             |
| 15-1199.06 | Database Architects                                   | 53-7051.00 | Industrial Truck and Tractor Operators                                            |

Note: 🔥 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET OnLine, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

[illegible]

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[illegible]

Note: 🌟 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.  
Source: AngelouEconomics, O\*NET OnLine, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development. 2019

# Target Industry Analysis

## Food Processing

### Core Target Snapshot (2017)

Total US Payroll: \$679.6 B

Average Wage: \$56,200

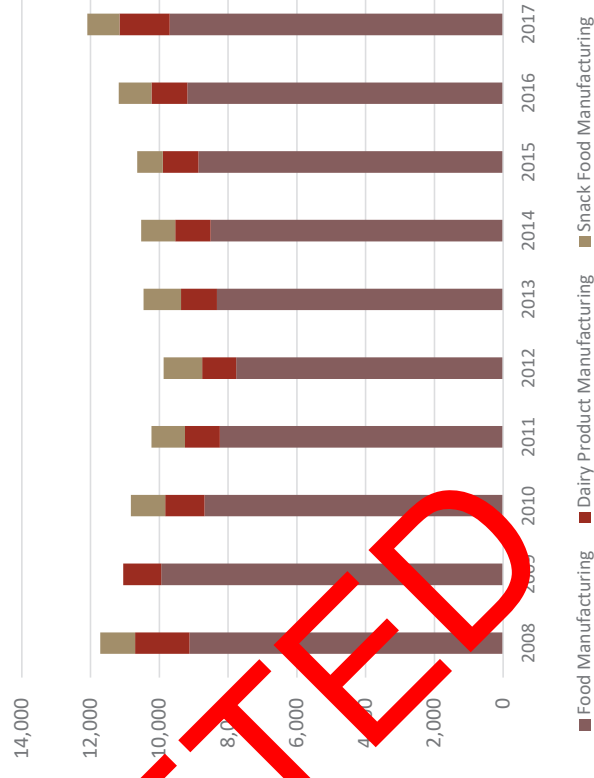
Establishments: 269

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 12,096             | -2,811 jobs       | -19%                   | -2.1%                          |

Source: Bureau of Labor Statistics

### Core Employment Targets 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

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| Food Processing |                                                                 |                                       |
|-----------------|-----------------------------------------------------------------|---------------------------------------|
| NAICS Code      | Industry Group                                                  | Industry Group                        |
| 3111            | Animal Food Manufacturing                                       | Other Food Manufacturing              |
| 3112            | Grain and Oilseed Milling                                       | Medicinal and Botanical Manufacturing |
| 3113            | Sugar and Confectionery Product Manufacturing                   |                                       |
| 3114            | Fruit and Vegetable Preserving and Specialty Food Manufacturing |                                       |
| 3115            | Dairy Product Manufacturing                                     |                                       |
| 3116            | Animal Slaughtering and Processing                              |                                       |
| 3117            | Seafood Product Preparation and Packaging                       |                                       |
| 3118            | Bakeries and Tortilla Manufacturing                             |                                       |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

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### Food Processing

| O*NET-SOC  | Occupation                                                 | O*NET-SOC  | Occupation                                                            |
|------------|------------------------------------------------------------|------------|-----------------------------------------------------------------------|
| 11-9051.00 | Food Service Managers                                      | 51-1011.00 | First-Line Supervisors of Production and Operating Workers            |
| 17-2199.04 | Manufacturing Engineers                                    | 51-3021.00 | Slaughterers and Meat Packers                                         |
| 17-3029.06 | Manufacturing Engineering Technologists                    | 51-3091.00 | Food and Tobacco Roasting/Baking/Drying Machine Operators and Tenders |
| 17-3029.09 | Manufacturing Production Technicians                       | 51-3092.00 | Food Batchmakers                                                      |
| 19-1012.00 | Food Scientists and Technologists                          | 51-3011.00 | Food Cooking Machine Operators and Tenders                            |
| 19-4011.00 | Agricultural and Food Science Technicians                  | 51-9111.00 | Packaging and Filling Machine Operators and Tenders                   |
| 19-4011.02 | Food Science Technicians                                   |            |                                                                       |
| 35-1012.00 | First-Line Supervisors of Food Preparation/Serving Workers |            |                                                                       |
| 35-2021.00 | Food Preparation Workers                                   |            |                                                                       |

Note: 🌟 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis

## Advanced Manufacturing

### Core Target Snapshot (2017)

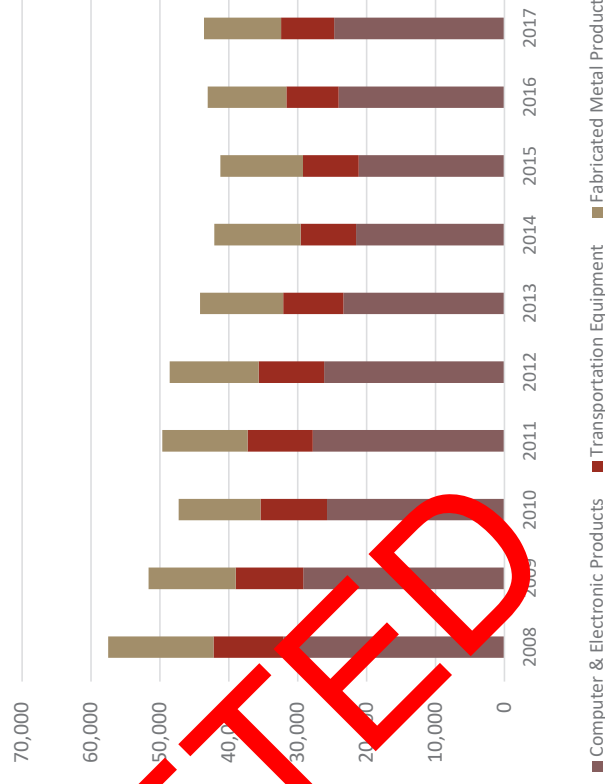
Total US Payroll: \$5.2 B  
Average Wage: \$119,791  
Establishments: 693

### Core Target Growth 2007 - 2017

| 2017<br>Employment | 10-Year<br>Growth | 10-Year<br>Growth Rate | Compound Annual<br>Growth Rate |
|--------------------|-------------------|------------------------|--------------------------------|
| 43,591             | -15,335 jobs      | -26%                   | -3.0%                          |

Source: Bureau of Labor Statistics

### Core Employment Targets 2008 - 2017



# Target Industry Analysis - NAICS

## North American Industry Classification System (NAICS)

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### Advanced Manufacturing

| NAICS Code | Industry Group                                                                           | NAICS Code | Industry Group                                                                               |
|------------|------------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------------------------------|
| 3241       | Petroleum and Coal Products Manufacturing                                                | 3311       | Iron and Steel Mills and Ferroalloy Manufacturing                                            |
| 3251       | Basic Chemical Manufacturing                                                             | 3312       | Alumina and Aluminum Production and Processing                                               |
| 3252       | Resin, Synthetic Rubber, and Artificial and Synthetic Fibers and Filaments Manufacturing | 3315       | Textile Mill Industries                                                                      |
| 3253       | Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing                     | 3321       | Architectural and Structural Metals Manufacturing                                            |
| 3254       | Pharmaceutical and Medicine Manufacturing                                                | 3331       | Agriculture, Construction, and Mining Machinery Manufacturing                                |
| 3259       | Other Chemical Product and Preparation Manufacturing                                     | 3332       | Industrial Machinery Manufacturing                                                           |
| 3271       | Clay Product and Refractory Manufacturing                                                | 3333       | Commercial and Service Industry Machinery Manufacturing                                      |
| 3279       | Other Nonmetallic Mineral Product Manufacturing                                          | 3334       | Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing |

Source: AngelouEconomics, North American Industry Classification System, United States, 2017

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### Advanced Manufacturing

| NAICS Code | Industry Group                                                               | NAICS Code | Industry Group                                           |
|------------|------------------------------------------------------------------------------|------------|----------------------------------------------------------|
| 3336       | Engine, Turbine, and Power Transmission Equipment Manufacturing              | 3351       | Manufacturing and Reproducing Magnetic and Optical Media |
| 3339       | Other General-Purpose Machinery Manufacturing                                | 3352       | Electrical Lighting Equipment Manufacturing              |
| 3341       | Computer and Peripheral Equipment Manufacturing                              | 3353       | Household Appliance Manufacturing                        |
| 3342       | Communications Equipment Manufacturing                                       | 3354       | Electrical Equipment Manufacturing                       |
| 3343       | Audio and Video Equipment Manufacturing                                      | 3361       | Other Electrical Equipment and Component Manufacturing   |
| 3344       | Semiconductor and Other Electronic Component Manufacturing                   | 3362       | Motor Vehicle Manufacturing                              |
| 334419     | Other Electronic Component Manufacturing                                     | 3363       | Motor Vehicle Body and Trailer Manufacturing             |
| 3345       | Navigation, Measuring, Electromedical, and Control Instruments Manufacturing |            | Motor Vehicle Parts Manufacturing                        |

Source: AngelouEconomics; North American Industry Classification System, United States, 2017

# Target Industry Analysis - NAICS

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### Advanced Manufacturing

| NAICS Code | Industry Group                                |
|------------|-----------------------------------------------|
| 3364       | Aerospace Product and Parts Manufacturing     |
| 3365       | Railroad Rolling Stock Manufacturing          |
| 3366       | Ship and Boat Building                        |
| 3369       | Other Transportation Equipment Manufacturing  |
| 3391       | Medical Equipment and Supplies Manufacturing  |
| 339113     | Surgical Appliance and Supplies Manufacturing |
| 3399       | Other Miscellaneous Manufacturing             |
| 339920     | Sporting and Athletic Goods Manufacturing     |

Source: AngelouEconomics; North American Industry Classification System, United States, 2017

# Target Industry Analysis – O\*NET-SOC

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### Advanced Manufacturing

| O*NET-SOC  | Occupation                                                                                                                                  | O*NET-SOC  | Occupation                                        |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------|
| 11-3051.00 | Industrial Production Managers                                                                                                              | 17-2119.08 | Robotics Engineers                                |
| 15-1132.00 | Software Developers, Applications  <b>Bright Outlook</b> | 17-3029.00 | Electrical and Electronic Engineering Technicians |
| 17-2071.00 | Electrical Engineers                                                                                                                        | 17-3026.00 | Industrial Engineering Technicians                |
| 17-2072.00 | Electronics Engineers, Except Computer                                                                                                      | 17-3029.00 | Industrial Engineering Technologists              |
| 17-2112.00 | Industrial Engineers  <b>Bright Outlook</b>             | 17-3026.06 | Manufacturing Engineering Technologists           |
| 17-2131.00 | Materials Engineers                                                                                                                         | 17-3029.00 | Mechanical Engineering Technologists              |
| 17-2141.00 | Mechanical Engineers                                                                                                                        | 17-3029.09 | Manufacturing Production Technicians              |
| 17-2199.04 | Manufacturing Engineers                                                                                                                     | 17-3024.00 | Electrical and Electronic Technicians             |
| 17-2199.05 | Mechatronics Engineers                                                                                                                      | 17-3024.01 | Robotics Technicians                              |

Note:  Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics; O\*NET OnLine, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Target Industry Analysis – O\*NET-SOC

## Occupational Information Network (O\*NET)

The Occupational Information Network (O\*NET) is the nation's primary source of occupational information. A free online database, it contains hundreds of standardized and occupation-specific descriptors on almost 1,000 occupations covering the entire U.S. economy. The O\*NET is a Standard Occupational System (SOC) based system.

### Advanced Manufacturing

| O*NET-SOC  | Occupation                                                                                                                                   | O*NET-SOC  | Occupation                                                                               |
|------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------|
| 17-3026.00 | Industrial Engineering Technicians                                                                                                           | 49-1011.00 | First-Line Supervisors of Mechanics, Installers, and Repairers                           |
| 17-3027.00 | Mechanical Engineering Technicians                                                                                                           | 49-2091.00 | Electrical and Electronics Repairers, Commercial and Industrial Equipment                |
| 25-1032.00 | Engineering Teachers, Postsecondary <span style="color: orange;">Bright Outlook</span>                                                       | 49-9041.00 | Industrial Machinery Mechanics                                                           |
| 25-1194.00 | Vocational Education Teachers, Postsecondary                                                                                                 | 49-9043.00 | Maintenance Workers, Machinery                                                           |
| 27-1021.00 | Commercial and Industrial Designers                                                                                                          | 51-2011.00 | Electrical and Electronic Equipment Assemblers                                           |
| 41-4011.00 | Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products                                                        | 51-2092.00 | Textile, Apparel, and Leather Workers <span style="color: orange;">Bright Outlook</span> |
| 41-4012.00 | Sales Representatives, Wholes and Manufacturing, Except Technical and Scientific Products <span style="color: orange;">Bright Outlook</span> | 51-4031.00 | Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic  |

Note: Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.

Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

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### Advanced Manufacturing

| O*NET-SOC  | Occupation                                                                    |
|------------|-------------------------------------------------------------------------------|
| 51-4041.00 | Machinists                                                                    |
| 51-4121.00 | Welders, Cutters, Solderers, and Brazers                                      |
| 51-4193.00 | Plating and Coating Machine Setters, Operators and Tenders, Metal and Plastic |
| 51-4199.00 | Metal Workers and Plastic Workers, All Others                                 |
| 51-5111.00 | Prepress Technicians and Workers                                              |
| 51-9061.00 | Inspectors, Testers, Sorters, Samplers, and Weighers                          |
| 51-9141.00 | Semiconductor Processors                                                      |

Note: 🌟 Bright Outlook occupations are expected to grow rapidly in the next several years or will have large numbers of job openings.  
Source: AngelouEconomics, O\*NET Online, U.S. Department of Labor, Employment & Training Administration and National Center for O\*NET Development, 2019

# Strategic Action Plan

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# Strategic Action Plan

## Overarching Goals

The Strategic Action Plan is built around four overarching goals:

- **New Roles: Create “Invest Dallas”**
- **Grow Your Own: Make Dallas a World-Class Entrepreneurial City**
- **Human Capital: Widen the Talent Pipeline**
- **Inclusive and Equitable Economic Development**

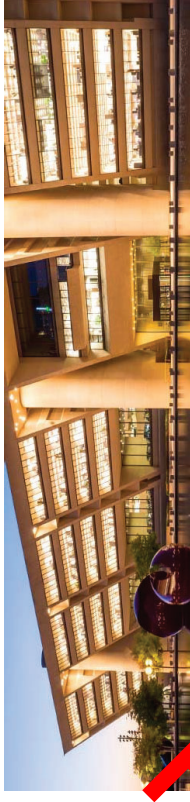
These recommendations will require Dallas to focus its economic development efforts, which implies making difficult trade-offs—choosing what not to do—while establishing a differentiated, competitive position in the free marketplace.

At the heart of the strategies and action items are eight target industry sectors—Life Sciences & Healthcare; Telecommunications & IT; Business Services; National & International Corporate Headquarters; Entrepreneurship, Digital Arts, & Innovation; Advanced Logistics; Food Processing; and Advanced Manufacturing. The challenge is to link the targeted industries to employment centers/corridors, developers, and real estate throughout the community, while placing a strong emphasis on the revitalization of more stressed Market Value Analysis (MVA) areas. This linkage will provide a greater focus towards Dallas’ economic development programs, such as customizing incentive packages that are offered within the targeted industry cluster. Resources can be more efficiently utilized, and businesses will recognize that Dallas can meet their needs.



Another important linkage occurs with Dallas’ community capacity building efforts, where all members of the community, including the poorest and most disadvantaged, are able to take greater control over their lives and contribute to inclusive economic development.

### Dallas City Hall



Source: City of Dallas

For Dallas, the focus for community capacity building is on affordable housing, cultural arts, entrepreneurship, education and workforce development, infrastructure, parks, and public-private partnerships. This implies there is a need for informed leadership from local elected officials.

It has been said, “The political influence of elected leadership is critical to helping communities stay the course toward a vibrant economic future” (National League of Cities, International Economic Development Council, 2017). The City of Dallas is no exception in this regard. For this reason, the AE team identifies key public policy issues that must be addressed in order to implement the strategic action plan. Local public policy is an instrument of economic development and has a strong influence on the ability to turn recommendations into reality.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Introduction

The City of Dallas is taking a strategic approach to economic development in order to enhance its competitive position. Their strategic approach builds on the first three phases conducted for this report—stakeholder engagement, market assessment, and target industry analysis. For the strategic action plan (fourth phase), we can now determine the type of economic development organization which will best serve the community.

**EDO Structure.** The City of Dallas Strategic Economic Development Plan helps to determine the type of structure of its economic development organizations (EDOs), and their respective functions. This is not a case of one-size-fits-all. Rather, deciding how to organize for economic development is deliberate and a predictor of future success.

Based on feedback received during the stakeholder engagement phase, and later confirmed with the market assessment of Dallas’ competitive position, it became clear there is a need for a new, independent economic development organization for business attraction and marketing, business expansion/retention, and entrepreneurial and small business development. While “Dallas” is prominent in regional marketing, there is little differentiation between the urban core and suburban communities that constitute the Dallas-Fort Worth Metroplex. What is needed is economic development marketing that draws audience attention to City of Dallas assets, strengths, and identity, in a manner that sets it apart from other competitors in North Texas.

**Local/Regional ED Organizations.** Conservatively, there are no less than 17 chambers of commerce, business associations, governmental agencies, or non-profit agencies with different economic development marketing messages:

- City of Dallas Office of Economic Development
- Dallas Black Chamber of Commerce
- Downtown Dallas, Inc.
- Dallas Junior Chamber of Commerce
- Dallas Regional Chamber
- Greater Dallas Asian American Chamber of Commerce
- Greater Dallas Hispanic Chamber of Commerce
- Greater East Dallas Chamber of Commerce
- Lakewood Highlands Chamber
- North Dallas Chamber of Commerce
- Oak Cliff Chamber of Commerce
- Southern Dallas Chamber of Commerce
- South West Dallas Hispanic Chamber of Commerce
- Southwestern Corridor Business Association
- U.S.-India Chamber of Commerce – Dallas/Fort Worth
- VisitDallas
- West Dallas Chamber of Commerce

Some of their marketing messages are parochial in nature; others take a DFW regional perspective; still more are positioned somewhere in between. What is lacking is clear and consistent messaging that differentiates and reinforces a “City of Dallas” brand that engages target industry executives and site selection consultants.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

The AE team recommends creating a new, independent economic development organization. There is a need to ramp up business attraction and marketing efforts that are solely focused on the City of Dallas. For this strategy, the idea is to have an independent organization carry out economic development activities in collaboration with the public and private sectors.

**Dallas Regional Chamber.** In partnership with the City of Dallas, the Dallas Regional Chamber (DRC) strives to bring companies and new jobs to the Dallas region. DRC’s focus is to “attract U.S. and international headquarters, recruit good manufacturing jobs—including to southern Dallas—and to drive job growth, innovation, and to foster an entrepreneurial culture” (Annual Report 2019). The Dallas brand is prominent in their program of work, and they are effective from a regional perspective. However, because DRC has such a broad range of members, the organization’s focus can become diluted as it attempts to address a multitude of needs from its membership.

Most importantly, it does not provide the City of Dallas with an effective mechanism for competing directly with neighboring communities in the North Texas region, nor is it making a measurable impact on southern Dallas. This is not a recommendation to throw the baby out with the bathwater. Rather, there are new realities that require Dallas to create a stronger identity in the midst of DRC’s economic development marketing.



## BEST PRACTICE

### “Invest Atlanta” Atlanta, Georgia

Invest Atlanta is the economic development authority for the City of Atlanta. Founded in 1997, Invest Atlanta focuses on business attraction, business retention and expansion, small business, innovation and entrepreneurship, affordable housing, homeownership, and neighborhood development. The authority is governed by a nine-member board of directors, chaired by the Mayor of Atlanta.

Marketing and business attraction efforts are directed toward six target industry sectors: Tech, Corporate Headquarters, Logistics, Health IT, Cybersecurity, and Film/Television. The Invest Atlanta team travels worldwide to meet with executives, academics, and entrepreneurs at international conferences, including Mobile World Congress, Healthcare Information and Management Systems Society (HIMSS), InfoSec Europe, Smart City Expo World Congress, BIO International Convention, and Money 2020.

In 2018, Invest Atlanta’s efforts resulted in 8,756 new full-time jobs created, \$1.6 billion in total capital investment, 926 affordable housing units created, \$5.5 million in new capital investment through small business loans, and 135 homeownership incentives provided.

For more information, click on: <https://www.investatlanta.com/>

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**City of Dallas Office of Economic Development.** The Office of Economic Development has oversight responsibility for several programs, including the Public/Private Partnership program (incentive-based partnerships for commercial projects); Tax Incremental Financing Districts (encouraging high-quality development); New Markets Tax Credits (equity investment for job-generating projects); Dallas B.R.A.I.N. (business resources and information made available through a partnership with the Dallas Public Library); Property Assessed Clean Energy (PACE); and Public Improvement Districts (assessment districts for service enhancements).

Community profile information is shared on the Office of Economic Development website, along with an Interactive Data Search Tool that provides demographic information (1, 3, 5, or 10-mile radius) for selected locations. The website also promotes “Minority- and Women-Owned Business Enterprises,” and “How to Start a Small Business in Dallas,” with access to the “Small Business Quick Reference Guide.”

**Marketing Division.** It can be argued that the most appropriate answer to the question of how to do better economic development marketing is to strengthen and expand the Office of Economic Development through creation of a marketing division. This option is not without its advantages. Many of the economic development issues confronting Dallas fall into the realm of public policy-making. For example, when it comes time to

## BEST PRACTICE

### “NYCEDC” New York City, New York

The New York City Economic Development Corporation (NYCEDC) is dedicated to promoting and growing quality jobs for all New Yorkers, while cultivating dynamic, resilient communities across five boroughs—Bronx, Brooklyn, Manhattan, Queens, and Staten Island. It is New York’s official economic development corporation.

Through annual contracts with the City of New York, NYCEDC is heavily involved with negotiating tax incentives with prospective businesses; assists with the development of real estate; provides business, economic, and policy advice to the City, non-profit, and for-profit sectors; manages City properties and assets; invests in and provides financing for businesses and non-profit organizations; and conducts research, collects input from stakeholders, and launches initiatives. In 2016, the annual cost of the City’s economic development efforts totaled \$3.2 billion, with much of this overseen by NYCEDC.

The NYCEDC Board of Directors consists of 27 members, with appointments made by the Mayor of New York (some directly, some from nominees of the Borough Presidents and Speaker of the New York City Council), and Chairperson (from a list of persons approved by the Mayor). NYCEDC is a non-profit corporation and is not a New York City agency.

For more information, click on: <https://www.nycedc.com/>

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

compete for an assisted corporate locate, it is likely that landing the prospect will require something only the local government can provide (e.g., incentives, infrastructure, etc.). As such, there must be an economic development professional within the municipal organization that serves in a business liaison role, as only a public sector practitioner manages these resources (contingent upon the approval of local elected officials).

Moreover, effective public sector economic development marketing reinforces the message that Dallas is “open for business.” This is particularly true for business attraction and recruitment. Public sector support can enhance how Dallas’ business climate is perceived, which helps to attract more business investment. A business may choose to expand or locate in Dallas based, in part, on past interactions with local economic development staff that gives them confidence that future issues with the City of Dallas will be successfully resolved. Not to be overlooked, either, is the benefit of having access to the influence and leadership of the Mayor and City Council, something that is helpful to overall marketing efforts.

But there are drawbacks to a public sector marketing division. First, public sector marketing initiatives are subject to civil service and contracting rules that can hinder efforts to manage staff or act quickly when responding to qualified business prospects.

## BEST PRACTICE

### “Fairfax County Economic Development Authority” Tysons Corner, Virginia

The Fairfax County Economic Development Authority (FCEDA) is an independent economic development organization. Their mission is “to promote the competitive advantages of Fairfax County and influence the growth of a diverse and innovative ecosystem that enhances the tax base, creates demand for commercial space, and supports an extraordinary and equitable quality of life across Fairfax County.”

To fulfill their mission, FCEDA has been tasked with developing and executing a business attraction and expansion/retention program. The organization has three marketing divisions—National, International, and Business Diversity—that work with prospective companies interested in starting, expanding, or relocating their business to Fairfax County. Other divisions include: Market Intelligence, real estate services, and communications. The FCEDA also maintains a worldwide presence with offices in Bangalore, Boston, London, Los Angeles, Munich, Seoul, and Tel Aviv.

According to the organization’s 2017 Annual Report, the FCEDA provided assistance to 164 businesses that contributed to the creation of 8,200 new jobs throughout Fairfax County. The largest assisted corporate locate was Amazon Web Services, which brought 1,500 jobs to its east coast campus in Herndon.

For more information, click on: <https://www.fairfaxcountyeda.org/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

Second, the local government budgeting process can become unpredictable when it comes to funding marketing trips or booths at trade shows or soliciting funds for major industry-specific marketing campaigns. Third, relying on the City’s General Fund to pay for staff resources creates a certain amount of financial instability due to the annual budget appropriation process. Even with Dallas’ biennial budget process, economic development is constantly competing with other worthwhile public services unless a dedicated funding source is identified (see “best practice” on right).

Finally, public sector economic development is often tied to the political interests of the Mayor and Council. The strategic focus of economic development marketing is likely to shift with each administration (or perhaps more frequently). One of the major challenges Dallas faces is how to maintain a longer-term strategy that cuts across succeeding office holders.

In the meantime, the Office of Economic Development is busily providing service to the Mayor, 14 District Councilmembers, City Manager, Chief of Economic Development and Neighborhood Services, other municipal departments and divisions (e.g., Housing & Neighborhood Revitalization; Planning & Urban Design), and a host of clients and economic development allies. This does not lend itself to effective business attraction and marketing on a scale required for the 9<sup>th</sup> largest municipality in the nation.



## BEST PRACTICE

### “Type A and B Economic Development Corporations” State of Texas

The Development Corporation Act of 1979 gives cities the ability to finance new and expanded business enterprises in their local communities through economic development corporations. Cities are authorized to adopt a sales tax to fund the corporations and determine which projects EDCs are allowed to undertake.

**Type A EDCs – Developing Industries** are often used for industrial development projects by funding business infrastructure, manufacturing, and research and development, and can also be utilized to fund military base realignment, job training classes, and public transportation.

**Type B EDCs – Developing Industries & Cultivating Communities** can be used to fund all projects eligible for Type A, as well as parks, museums, sports facilities, and affordable housing. However, Type B EDCs are subject to more administrative restrictions than Type A.

Dallas competitors in North Texas who have established Type A and/or B EDCs include Allen, Arlington, El Paso, Frisco, Grapevine, McKinney, and Mesquite.

For more information, click on: <https://comptroller.texas.gov/economy/local/type-ab/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

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**Independent EDO.** Establishing a new, independent economic development organization is a strategy to better engage the private sector in efforts to grow the local economy. Private, non-profit entities have several advantages:

- Focus on business attraction and marketing—telling Dallas’ story.
- Engage in branding, outbound marketing (earned media, marketing missions, national advertising, trade shows/industry conferences, inbound marketing (familiarization tours, networking with real estate brokers and developers), and organizing “hot teams” specific to each target industry—to promote the City of Dallas.
- Strengthens the ability to highlight Dallas’ employment centers/corridors, while advocating for the redevelopment and revitalization of underserved areas in the community.
- Allows for organizational stability—the implementation of long-term strategies that cut across Mayor and Council administrations.

As a start, the City of Dallas can benchmark its marketing, business attraction, marketing, retention efforts and outcomes with the “best practices” identified in the strategic action plan.



## BEST PRACTICE

### “World Business Chicago” Chicago, Illinois

World Business Chicago (WBC) is a public-private, non-profit partnership that drives inclusive economic growth and job creation, supports business, and promotes Chicago as a leading global city. Working on behalf of all Chicagoans, WBC strives to ensure that all Chicagoans can prosper and take part in the economic growth of this city.

WBC’s Board of Directors is composed of prominent leaders who guide the progression of Chicago’s business climate. As liaisons between the public and private sectors, WBC works closely with Mayor Lori E. Lightfoot’s Office, the City of Chicago’s Department of Business Affairs and Consumer Protection, the state of Illinois’ Department of Commerce and Economic Opportunity, and many other partners throughout the region.

Chicago Sister Cities International (CSCI) is part of the WBC. CSCI promotes Chicago as a global city, develops international partnerships and networks, and shares best practices with its 28 Sister Cities, located in almost every region of the world.

WBC is also home to the ChicagoNEXT council of technology leaders—a dedicated effort driving opportunity in science innovation and technology entrepreneurship.

For more information, click on: <http://www.worldbusinesschicago.com/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

Outlined below is a more robust discussion of a “best practice” business attraction and marketing program that could be implemented by “Invest Dallas.”

**Branding.** Successful place branding is one of the most misunderstood and difficult challenges in economic development. There are plenty of independent campaigns, logos and slogans developed for local/regional organizations—Dallas Regional Chamber “Building Tomorrow Together,” Visit Dallas “Big Things Happen Here,” Workforce Solutions for North Central Texas “Qualified Candidates, Better Jobs, No Charge”—but to what degree do they tell a common story?

What is needed is a strong, authentic, and consistent message that expresses the unique identity of Dallas, both to those who live in the community, and to people located outside the City’s borders. Developing an effective brand occurs through an in-depth process of public engagement, defining the community’s characteristics, storytelling, and fulfilling the brand promise. Done properly, it ties together individual, disparate marketing efforts—economic development, tourism, workforce development—and provides a coordinated framework for external and internal messaging.

**Brand Experience.** The key to effective brand management is creating a positive and memorable brand experience for the target audiences on the receiving end of Dallas’



## BEST PRACTICE

### “Smart and Open” Columbus, Ohio

The Columbus “Smart and Open” brand is the product of a multi-step process that involved collaborative leadership, consensus-building (seeking input from the entire community), and development of a shared vision and sense of purpose, culminating in the stakeholders’ decision to proceed with the following brand narrative:

*Columbus is a city with an open-minded approach to life and business. It’s a smart city with a progressive attitude, where people are free to go out on a limb. Where diversity is just a state of being but a state of mind. It’s made by real people, businesses and neighborhoods – everyday. Because we share the philosophy that Columbus is open to all, we are always taking risks, always thinking big and always open to new ideas.*

A local marketing firm helped break through the traditional silo marketing and establish a strategic framework. All segments of the community have been able to pull from the “Smart and Open” brand to shape messages for their respective audiences during the execution phase. Marketing support at <https://brandcolumbus.com/> provides users with creative content, photos, and other visual material for individual marketing campaigns. Columbus continues to live the brand, and in the process, is now the fastest growing metropolitan area in the Midwest.

For more information, click on: <https://align2market.com/how-columbus-broke-through-the-challenges-of-city-branding/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

brand strategy—business prospects, site selection consultants, out-of-state workers thinking about relocating to Dallas, entrepreneurs, and others. It’s all about their perception of the brand, which is the sum of their personal experiences with the economic development organization and community-at-large.

**Outbound Marketing.** Outbound marketing is designed to generate leads or build a brand with global networks of corporate executives from target industries who are not actively looking to locate or invest in Dallas.

**Earned Media.** AE recommends hiring 10-15 freelance writers (or alternatively, a public relations consultant that knows the media, knows economic development, and knows the community) to prepare and disseminate economic development marketing content. The idea is to leverage their public relations skills and have articles placed online (blogs, news sites, social media) and in traditional newspapers and magazines (*New York Times*, *The Wall Street Journal*, *Forbes*, *The Economist*, *Washington Post*, *USA Today*, *National Public Radio*, and *Bloomberg*).

**Marketing Missions.** The AE team recommends compiling a list of 100 companies that the economic development organization wants to see locate in Dallas. In preparing this list, it is helpful to understand who is looking at the organization’s website (viewing pages

## BEST PRACTICE

### “Energetic Bodies, Energetic Minds” Metro Denver EDC Denver, Colorado

The Metro Denver EDC was looking to brand the region as a vibrant and progressive place, friendly to both entrepreneurs and businesses, and enlisted Development Counsellors International (DCI) to assist with their earned media strategy.

Metro Denver EDC’s desire to raise awareness of their brand—“Energetic Bodies, Energetic Minds”—became the focal point for a combination of lead generation, public relations, and digital tactics. DCI went on to secure major placements on Metro Denver’s key industries and healthy workforce in national publications (*Time*, *Newsweek*, *Wall Street Journal*, *New York Times*) and major broadcast outlets (CNBC, Bloomberg, and Fox News).

DCI has a history of working with the Metro Denver EDC to launch and manage several marketing campaigns, including “Colorado Loves California,” “Metro Denver E-Force,” the media space at the Democratic National Convention, and Colorado’s Cleantech Hub. Overall, DCI arranged for a total of 42 meetings/conference calls with decision-making executives at target companies, and numerous luncheons with site selectors.

For more information, click on: <https://aboutdci.com/case-studies/metro-denver-economic-development-corporation/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

that might indicate their interest in site location assistance), competitor regions, and leverage the supply chain of major employers. After preparing the list, make arrangements with the prospective companies for a small delegation to come for a visit. Dallas’ delegation should include elected officials, local business executives who are familiar with the target industry (dialogue with industry peers is powerful), and economic development staff.

Organize international trade missions to countries with companies interested in expanding to or moving to Dallas. The community’s delegation can listen to host-country briefings by the U.S. State Department, meet with foreign dignitaries and economic development representatives, and share collateral materials that depict Dallas’ economic assets, preferably organized into business corridors, employment centers, and target industry clusters.

The intent is to build close and enduring relationships with executives from these international companies, earn their attention, and make Dallas familiar to them. When the opportunity for making an investment or site location decision arises, they won’t hesitate to reach out for assistance. Because of Dallas’ pro-active marketing efforts, they will be drawn to the economic development organization’s website—which will have content they value—and know who to call.

## BEST PRACTICE

### “Oklahoma Business Roundtable” Oklahoma City, Oklahoma

The Oklahoma Business Roundtable is a non-profit association of business leaders and economic development partners dedicated to growing Oklahoma. Their stated mission is “Business Leadership Advancing Oklahoma’s Economy.” Their mission is achieved by serving as the state’s primary economic development “support” organization, which provides funding for business attraction, business expansion/retention, and entrepreneurial development initiatives.

The Roundtable assists Oklahoma’s Governor, Lieutenant Governor, Commerce Department, and other strategic partners a number of economic development activities, including trade and investment missions; marketing Oklahoma globally; hosting prospects; site selection consultants, and dignitaries; promoting quality improvement; and economic development strategic planning efforts; and sponsoring special business development events.

Strategic business and industry presentations, networking receptions, and target industry prospect meetings were held in Atlanta, Dallas, Houston, New York City, Los Angeles, and Europe the past year. These activities helped create new business leads and projects for Oklahoma companies and communities.

For more information, click on: <http://okbusinessroundtable.com/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

**National Advertising.** A national advertising campaign in competing major markets offers opportunities to accelerate the process of business attraction. One of the keys to success is producing advertising that is content-rich, persuasive, and uses clear messaging to promote Dallas’ brand.

**Trade Shows/Industry Conferences.** Trade shows and industry conferences provide an opportunity to connect with representatives from prospective companies in target industries. They allow economic development staff to gain insights into the industry, identify lead companies, and meet executives. For example, the SelectUSA Investment Summit provides high-caliber attendees an opportunity to network and share business location intelligence (see Appendix G). Effective marketing at trade shows requires a great deal of advanced planning, hard work once on site, and careful follow-up, but generates results.

**Inbound Marketing.** Inbound marketing refers to methods where prospective companies, decision-makers, and influencers are already interested in Dallas, making them want to find out more about the community.

**Familiarization “FAM” Tours.** A familiarization, or “FAM” tour is when a community, region, or state hosts journalists and site selection consultants at their location for one to

## BEST PRACTICE

### “UXTO Campaign” Toronto Global Toronto, Ontario, Canada

Toronto Global is a non-profit organization responsible for attracting foreign-owned businesses to the Toronto Region (Cities of Toronto, Mississauga and Brampton, and the Regions of Durham, Halton and York).

The UXTO Campaign was the centerpiece of the Toronto Region’s bid for Amazon’s new corporate headquarters, dubbed “Amazon HQ2.” Toronto Global had learned that Amazon would be polling its employees for their HQ2 location preferences, so the organization chose to work with LinkedIn to launch a campaign targeting over 110,000 Amazon employees in Canada and the United States. The idea was to reach millennial talent in the tech sector with “UXTO”—a play on the term “UX” or “user experience” and the Toronto Region. The goal was to generate excitement about Toronto’s HQ2 proposal, while simultaneously developing and testing social media strategies, assets, and programs for future use in targeted lead generation activities.

Toronto Region was the only Canadian city shortlisted. Through the UXTO campaign, Toronto Global saw 15,000 downloads of their 191-page bid book, which was made available to the public on the day it was submitted to Amazon.

For more information, click on: <https://torontoglobal.ca/uxto/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

three days. Organizing a successful FAM Tour of Dallas is an effective tool for helping them become “familiar” with what the community has to offer. It’s a great way to expand Dallas’ marketing reach and boost awareness about the community’s economic assets with credible third-parties.

Agendas for FAM Tour events usually combine social events, business roundtable discussions, tours of available buildings and sites, a presentation that showcases economic development programs, and meetings with local business and civic leaders. The idea is to build relationships with site selectors and business decision-makers, allowing them to meet face-to-face with local civic leaders and gain first-hand knowledge about Dallas’ investment opportunities.

**Network with Real Estate Brokers and Developers.** Whether they’re representing a client or developing a business park, it’s always a good idea to network with commercial/industrial real estate brokers and developers. To expand and nurture Dallas’ pipeline for quality business prospects, AE recommends hosting (or co-host with local chambers of commerce or universities) a Real Estate Trends Luncheon to help strengthen relationships with these strategic partners. Luncheon presentations should provide an outlook on the state of real estate development, where we are in the business cycle, competitor markets, and prospects for the foreseeable future. The luncheon program

## BEST PRACTICE

### “Southern New Mexico Familiarization Tour” New Mexico Partnership Ruidoso, New Mexico

New Mexico Partnership, a statewide organization of local and regional economic development agencies, regularly hosts familiarization, or “FAM” tours, bringing top site selection consultants to New Mexico and their communities. These events provide an opportunity for local civic leaders and economic development professionals to have one-on-one conversations with the site selectors while promoting their state.

A recent familiarization event was held in Ruidoso, New Mexico, focusing on 30 participating communities in southern New Mexico. Representatives from the communities were delighted to hear from three site selectors who were invited to speak at the event. Afterward, they were able to share information about community assets, strengths, economic potential, and target industries with the site selection consultants.

Another highlight was economic development “speed dating” rounds, which allowed each community to sell themselves to the site selectors. The site selection consultants benefited from the exchange of information by learning how the communities had positioned themselves for new business investment.

For more information, click on: <https://nmpartnership.com/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

could also feature a panel of prominent experts in retail, office, industrial, and residential development who can share their perspectives and observations.

**Hot Teams.** The AE team recommends that Dallas organize “hot teams” specific to each target industry. The role of “hot team” members is to help sell the City of Dallas to business prospects. Their activities could range from providing testimonials for use in earned media placements to personal participation in market missions and familiarization tours, to helping close deals during the final stage of the site location process.

Outlined above is what the AE team believes to be the cornerstones for developing a world-class economic development marketing and business attraction program. Crafting the economic development strategies and action items is the most creative part of the strategic planning process. Execution is the most demanding part, and will require time, commitment, and resources. Skillful implementation by Dallas’ new economic development organization, its leadership and staff, in combination with an expanded business retention and expansion program, will connect the dots between Dallas’ marketing, telling the city’s distinct and unique story, building a better community, and competing on a state, national, and international stage—while allowing the organization to remain nimble and adjust to inevitable changes in the local economic base.

## BEST PRACTICE

### “Site Selectors Guild Annual Conference” Site Selectors Guild Little Rock, Arkansas

Each year, the Site Selectors Guild annual conference event is held with all 42 global Guild members in attendance. The Annual Conference features information sharing and networking between Guild members, economic development practitioners, and investment development professionals from around the world.

Guild members perform all conference planning activities, such as extending invitations to outside speakers. They also serve on conference panels and participate in breakout sessions with conference attendees. This is an important feature of the Annual Conference, which offers multiple opportunities for attendees to network and communicate with Guild members. Most unique to this event, and fun, is the annual networking dinner and talent show that features both Guild members and economic developers displaying their vocal and musical talent.

At the conference, the Guild’s Excellence in Economic Development and Excellence in International Investment promotions awards are presented to high performing EDOs and IPAs who have done outstanding work.

For more information, click on: <https://siteselectorsguild.com/events/annual-conference/>.

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

#### Action Items

- Create “Invest Dallas”
- Develop an effective, united brand strategy for the City of Dallas
  - Hire a branding firm
- Promote Dallas’ brand through national advertising, public relations, inbound/outbound global marketing, and lead generation efforts
  - Attend SSG, IAMC, SelectUSA, BIO, CES Conferences and Dallas Regional Chamber-led international missions
- Compile a list of 100 target companies; conduct marketing missions; package industry and economic assets into corridors/districts
- Leverage the supply chain of major employers
- Hire 10-15 freelance writers to prepare and disseminate articles which promote Dallas-related content and its target industries
- Host annual Familiarization “FAM” Tours for media editors from competing markets and site selection consultants

Pegasus



Source: Stephan Masker, flickr

# Strategic Action Plan

## ○ New Roles: Create “Invest Dallas”

### Strategy #1: Create a new, independent economic development organization

#### Action Items

- Network with local commercial/industrial real estate brokers and developers
- Organize “hot teams” specific to each target industry

#### Key Policy Issues

- ✓ Define “Invest Dallas” roles and responsibilities vis-à-vis Dallas Regional Chamber and City of Dallas Office of Economic Development.

The Eye



Source: Fast Company

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Introduction

Entrepreneurs create businesses and new businesses create jobs, strengthen the market competition, and increase productivity. Entrepreneurism is quintessentially American and an acclaimed part of our nation's identity and self-image. Both sides of the political aisle celebrate entrepreneurial startups, viewing them as an indispensable source of jobs, innovation and economic growth. Furthermore, entrepreneurship is seen as a path toward upward mobility—a way for average people to accumulate wealth.

### Entrepreneurial Guidelines

A few years ago, the Kauffman Foundation's *Entrepreneurship Policy Digest* published "Guidelines for Creating Vibrant Entrepreneurial Ecosystems" (2015). The guidelines recommend the following:

**(1) Avoid Startup Monoculture.** Communities are encouraged to create their own recipe for entrepreneurial success by connecting existing ingredients to construct an environment that is conducive to new business growth, rather than attempt to copy what other cities have done. What are those ingredients? The list includes: Philanthropy, mentors and successful entrepreneurs, place attractiveness, supportive culture, accelerators and incubators, existing businesses and large corporations, responsive regulatory policy, government research institutions, talented and skilled workforce, institutions of higher education, and investment capital.

The City of Dallas is blessed with a cupboard full of ingredients for entrepreneurial success. Most are listed by Dallas Innovates, a collaboration of the Dallas Regional Chamber and D Magazine Partners; and Dallas B.R.A.I.N., a partnership between the City of Dallas Office of Economic Development and Dallas Public Library.

Recipes often need to be adjusted to meet the needs of different situations. AE's strategic recommendations are focused on modifying Dallas' recipe to maximize the impact of entrepreneurship in the community.

**(2) Convene Entrepreneurs and Organizations.** Bringing entrepreneurs and support organizations together facilitates learning between entrepreneurs across industry sectors, and across organizations.

During a previous group meeting with local entrepreneurs, the AE team asked stakeholders which legal firm they would recommend for assistance with intellectual property needs. No one in the room was able to answer the question. Even more revealing, most of those in attendance had never met each other before. The AE team speaks to the need for active networking and collaboration to improve Dallas' entrepreneurial ecosystem in the strategic recommendations.

**(3) Encourage Diversity.** The Kauffman Foundation encourages diverse participation in Dallas' entrepreneurial activities, to include women, minorities, and immigrants. During the market assessment phase, AE determined that diversity was a strength to be promoted, noting that Dallas has the highest share of foreign-born residents (24.9%), and is ranked #5 on 2018's Most Diverse Cities Index. Our strategic recommendations are designed to build on this strength.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

**(4) Strengthen Local Education and Increase Graduation Rates.** This guideline speaks for itself. During the Stakeholder Engagement phase, residents and businesses identified “quality of public schools” as a top concern. Readers will find strategic recommendations that address this topic in multiple sections of this report.

**(5) Listen to Local Entrepreneurs.** The idea here is to listen to understand who works for entrepreneurs and what doesn’t. This is the essence of AE’s outreach activities and is reflected throughout the strategic action plan.

**(6) Improve Business Licensing and Permitting Processes.** Streamlining the development and permitting process and making it easier to navigate creates a level playing field, putting startup owners on an even footing with businesses that are more experienced when it comes to interfacing with the City of Dallas Sustainable Development and Construction Department.

This was a key issue identified by businesses in the community survey conducted during AE’s Stakeholder Engagement phase. Therefore, the AE team has prepared strategic recommendations that address this concern.

**(7) Simplify Municipal Tax Codes.** This guideline calls for simplifying municipal tax codes by modernizing payment systems (e.g., online payments). In this instance, City of Dallas ePay and Dallas County Tax Office online payment systems are already in place. Therefore, no strategic recommendations are offered by the consultants.



Source: Dallas Entrepreneur Center

*“There’s a lot of synergy and a strong entrepreneurial spirit.”*

— Local Stakeholder

*“Support local entrepreneurs and the kinds of environments/neighborhoods/markets that sustain them.”*

— Local Stakeholder

# Strategic Action Plan

## ○ **Grow Your Own: Make Dallas a World-Class Entrepreneurial City**

**(8) Celebrate Entrepreneurial Success.** Championing entrepreneurial success in the City of Dallas builds awareness and internal support for startup activities. Effectively, it sends a powerful message that entrepreneurship is accorded the same level of respect as other drivers of economic development. AE offers a new twist on how entrepreneurial excitement can be extended to startup firms in southern Dallas.

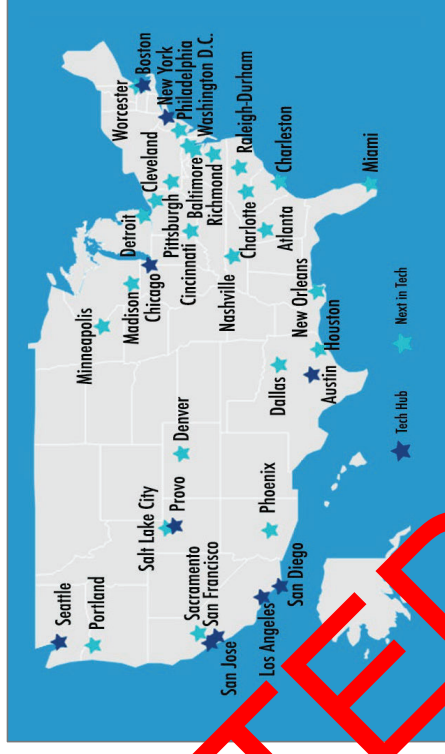
**(9) Map and Measure Dallas' Entrepreneurial Ecosystem.** Smart cities map their entrepreneurial ecosystem, keep an inventory of their assets, and develop performance metrics to evaluate progress and measure the impact of public policies.

A good example from a regional perspective is the Dallas-Fort Worth Regional Innovation Study 2018 prepared in collaboration with Accenture, the Dallas Regional Chamber, SMU, and United Way of Metropolitan Dallas. AE has a strategic recommendation that calls for the City of Dallas to compile similar information, specific to the municipality, on an annual basis.

***"Provide incentives and financing options for startups."***

— Local Stakeholder

**The Next in Tech: 25 Emerging Startup Hubs**



Source: TechNet, 2018

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

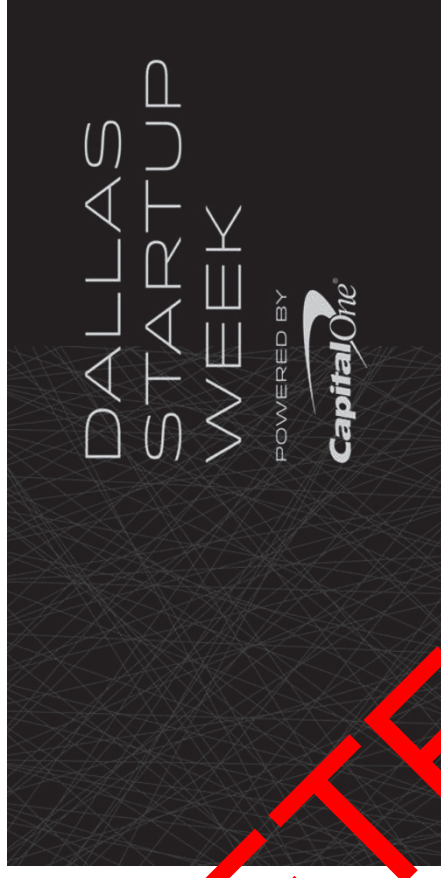
### Strategy #1: Expand Dallas' Entrepreneurial Ecosystem

An entrepreneurial ecosystem refers to the social and economic environment and its impact on local/regional entrepreneurship. Involved are early-stage companies and owners who create and develop new products. They are supported by a mix of public, private, and non-profit organizations, who nurture and sustain them, making it easier for entrepreneurs to succeed. AE's strategic recommendations are designed to enhance Dallas's entrepreneurial ecosystem, allowing it to flourish and grow through improved collaboration/networking, improved infrastructure, better access to finance, and streamlined development processes.

### Networking

A prime example of entrepreneurial networking is Dallas Startup Week (DSW), a free, five-day event that brings together over 8,000 North Texas entrepreneurs and change agents. According to its website, the #DSW19 agenda features 150 sessions across 16 tracks, the launch of the Women of Innovation Summit, a new Corporate Startup Innovation Summit, a series of premiere keynotes and speakers, and the Annual State of Entrepreneurship. This venue provides a perfect opportunity for startups to promote their brand and tap into the local entrepreneurial ecosystem.

Last year's DSW spread out its sessions and programming across the Dallas-Fort Worth (DFW) region, branching out to Fort Worth, Frisco, Denton, and Addison. The AE team



Source: Dallas Startup Week

*"Startups are setting the standard. [They] continue to set the tone for the rest of the city."*

— Dallas Mayor Mike Rawlings

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #1: Expand Dallas' Entrepreneurial Ecosystem

recommends making intentional efforts to involve entrepreneurs (on the spectrum of entrepreneurs from southern Dallas and other underserved areas in the community) while shedding light on how entrepreneurship is a key mechanism for helping residents to escape poverty.

Meetup.com provides a list of "Entrepreneur Networking groups in Dallas" that can be located within various distances from Dallas, TX. These networking events should be heavily promoted by local/regional economic development organizations.

An opportunity for improved networking exists at RedBird Mall. AE applauds the establishment of The DEC @ RedBird, an extension of The Dallas Entrepreneur Center, to provide co-working space, education, mentorship, and advocacy. The consultant team recommends exploring options to expand this facility with additional support agencies, similar to the collection of affiliated groups at the National Entrepreneur Center in Orlando, FL. Bring startup assistance to entrepreneurs in southern Dallas.

Dallas may also want to consider creating a coworking, makerspace, remote work partnership program. "Betahaus" is located in Berlin, but the startups, entrepreneurs, freelancers, and other change agents who make use of this facility have access to partner spaces in Barcelona, Sofia, Hamburg, and 16 other locations around the world. Adopting this partnering concept would strengthen Dallas' international business reputation.



## BEST PRACTICE

### "National Entrepreneur Center" Orlando, Florida

Founded in 2003 as a public-private partnership between Walt Disney World, Orange County Government, and the University of Central Florida, the National Entrepreneur Center (NEC) has become nationally known for its efforts to help local entrepreneurs and startup firms.

The NEC is a "shared facility" that draws on the collective expertise of 13 nonprofits, chambers of commerce, and government-related agencies that provide business support services to early-stage startups and small business firms. The 22,000 square-foot facility is located at Fashion Square Mall, in office space designed like a village to house their resource partners. Together, the affiliated groups offer professional business assistance, quality educational programming, and access to practical industry expertise. In addition to an Activity Calendar (seminars) and Business Toolbox (business checklist and business plan template), the NEC website provides a direct link to the Florida Virtual Entrepreneur Center, which is funded through a grant from the Florida High Tech Corridor Council.

Since inception, the National Entrepreneur Center has coached and trained 100,000+ businesses and facilitated more than \$150 million in loans.

For more information, click on: <http://www.nationalec.org/>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

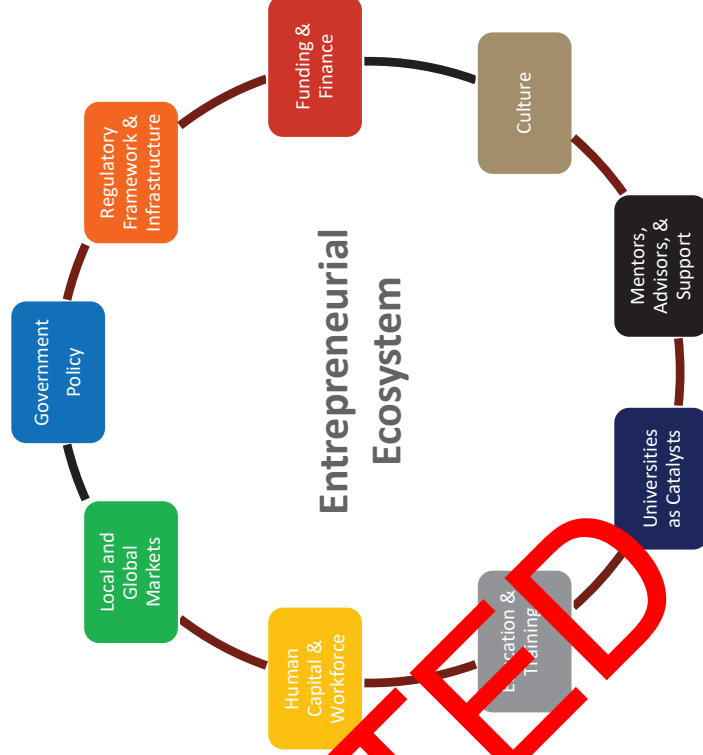
### Strategy #1: Expand Dallas' Entrepreneurial Ecosystem

#### Action Items

- Actively promote Dallas Startup Week
  - Involve entrepreneurs (or prospective entrepreneurs) from southern Dallas and other underserved areas in the community, while shining a light on how entrepreneurship is a key mechanism for helping residents to escape poverty.
- Encourage participation in Entrepreneur Networking groups.
- Explore options to expand entrepreneurial support for The DEC @ Redbird.
- Create a coworking, makerspace, remote work partnership program.

#### Key Policy Issues

- ✓ Provide 100% property tax exemptions for entrepreneurial startups located in lower MVA classifications



# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #2: Create a Minority Business Accelerator/Incubator

At an entrepreneurial level, accelerators/incubators seek to help startups achieve success. They offer a platform that provides entrepreneurs with a variety of support services—coaching, educational programming, mentorship, networking, seed funding, and access to new business opportunities—often in exchange for an equity stake.

#### Minority-Owned Startups

The Association for Enterprise Opportunity report, “The Tapestry of Black Business Ownership in America: Untapped Opportunities for Success,” explores the challenges facing the nation’s 2.58 million African-American-owned businesses. Their report considers business ownership to be one of the great equalizers in wealth disparity. This is because the gap in average wealth between Black and White adults decreases from a multiplier of 13 to 3 when comparing the wealth of business owners by race. The report also shows that most Black-owned businesses have less than five employees.

The accelerator/incubator platform addresses some of the biggest obstacles facing minority-owner startups—a wealth gap, due to family and friends having fewer assets and less disposable income; a credit gap, stemming from a lack of collateral and business experience; and a trust gap, which can be attributed to the stress and frustration that comes from dealing with credit-worthiness issues, financial institution biases, and racial discrimination.



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## BEST PRACTICE

### “Community Wealth Building Accelerator” Atlanta, Georgia

The Guild’s 2019 Community Wealth Building Business Accelerator is designed to advance existing minority-owned small businesses seeking to open or retain a brick and mortar retail location in Atlanta’s Southside. Minority business owners face several systemic challenges, including lack of access to capital, risk of business displacement, and lack of information to successfully grow their business. The Guild’s Accelerator aims to alleviate the systemic barriers faced by minority-owned businesses and support them in a holistic manner.

Additionally, The Guild has partnered with Invest Atlanta to launch the Accelerate Southside Program. This is a pilot project to help make buying real estate more affordable for locally, economically underserved businesses in Southeast and Southwest Atlanta. With a focus on the 30-acre Pittsburgh Yards site located on the Atlanta Beltline, the program will support entrepreneurs interested in purchasing a shipping container to locate at the Pittsburgh Yards Shipping Container Garden. Invest Atlanta is also launching the pilot Accelerate Southside Commercial Down Payment Assistance Program, providing entrepreneurs with an additional resource to lessen the burden of owning their own business.

For more information, click on: <https://www.theguild.community/community-wealth-accelerator>

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #2: Create a Minority Business Accelerator/Incubator

**Latino-Owned Startups.** Latino-owned startups are confronted with their own challenges. A report published by the Stanford Graduate School of Business, “2018 State of Latino Entrepreneurship,” indicates there are 3.3 million Latino-owned businesses in the U.S., having grown an estimated 46% from 2007–2012. Within that same timeframe, White-owned businesses declined by 6%.

Despite their growth rate having outpaced all other demographic groups, Latino entrepreneurs face challenges dealing with access to information and obstacles to market entry. The Stanford report acknowledged that entrepreneurial networks and education programs can help alleviate the lack of knowledge. However, a number of external factors have a negative impact—access to capital, cost of capital, labor, taxes, government regulations, slow business, late-paying clients, market unpredictability, and changes in technology.

Of these, the factor having the most impact on unscaled businesses is slow business. Comparatively, scaled businesses are more likely to struggle with finding qualified workers, and the impact that taxes have on their profitability. Both unscaled and unscaled startups have difficulty accessing capital.

**Women-Owned Startups.** Women-owned startups are making an indelible mark in the realm of entrepreneurship. The “2018 State of Women-Owned Business Report,”

## BEST PRACTICE

### “Minority Business Accelerator” Cincinnati, Ohio

In 2003, the Cincinnati USA Regional Chamber created the Minority Business Accelerator (MBA) to address disparity in the region’s business community, as part of their response to recommendations of the Cincinnati Community Action Now Commission. The intent was to boost economic activity in the Cincinnati region’s minority entrepreneurial community.

Although the MBA caters specifically to sizeable, high-growth potential African-American, Latino-owned and Latino-owned startups, there are no restrictions on location, age, industry or customers. From a supply perspective, MBA provides management and financial consulting to accelerate growth and achieve long-term sustainability. From a demand standpoint, MBA identifies and facilitates access to contracts for the products and services of the minority-owned startups. MBA also leads a spend goal program, in which companies commit to spend an annual amount on local minority firms. Currently, minority-owned startups in the portfolio employ over 3,500 workers, 50% of which are minority-owned, and 40% women-owned.

The MBA operates as part of a broader entrepreneurial effort known as the Cincinnati Minority Business Collaborative (CMBC). For more information, click on: <http://www.cincinnati-chamber.com/the-inclusive-chamber/minority-business-accelerator>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #2: Create a Minority Business Accelerator/Incubator

commissioned by American Express, indicates there 12.3 million women-owned businesses, representing 40% of all U.S. firms. That is a dramatic increase from 402,000, or 4.6%, in 1972. Driving this growth are women of color, who account for 77% of all women-owned businesses.

The report states that women-owned businesses employ 8% of the private workforce and contribute 4.3% of total revenue. Those business firms equally owned by men and women—14,622,700—represent 48% of all businesses. These firms employ 16,155,900 people or 14% of the workforce and generate \$3.1 trillion or 7% of total revenue.

Because of these demographics, AE recommends that Dallas create a minority business accelerator/incubator to help mitigate the challenges faced by minority- and women-owned startups.

***“We have to invest time and mentorship in startups.”***

— Local Stakeholder

## BEST PRACTICE

### **“Aviatria Accelerators” Covington, Kentucky**

Aviatria Accelerators (formerly known as Bad Girl Ventures) is an educational and micro-finance non-profit organization focused on enabling and empowering women to start and sustain businesses. Their target markets are Northeast Ohio and Cincinnati/Northern Kentucky.

Aviatria’s educational programming takes a three-phase approach: Explore, Launch, and Grow. Each phase focuses on essential educational components, best practices, and guidance from mentors and coaches as the startup business progresses from the Explore phase to the launch phase to the growth stage. Explore is open to first-time entrepreneurs, while the early-stage business owners. Launch is designed for women-owned startups that have a stable, well-vetted business with revenue and a client/customer base. Grow is intended for established entrepreneurs and business owners who are planning for growth, expansion, and financing.

From its inception in 2010, Aviatria has served over 1,500 women and helped secure nearly \$850,000 in low-interest loans. Participating clients have received over \$6 million in follow-on financing and have generated over \$68 million in sales revenue upon completion of their program.

For more information, click on: <https://aviatraccelerators.org/about/>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #2: Create a Minority Business Accelerator/Incubator

#### Action Items

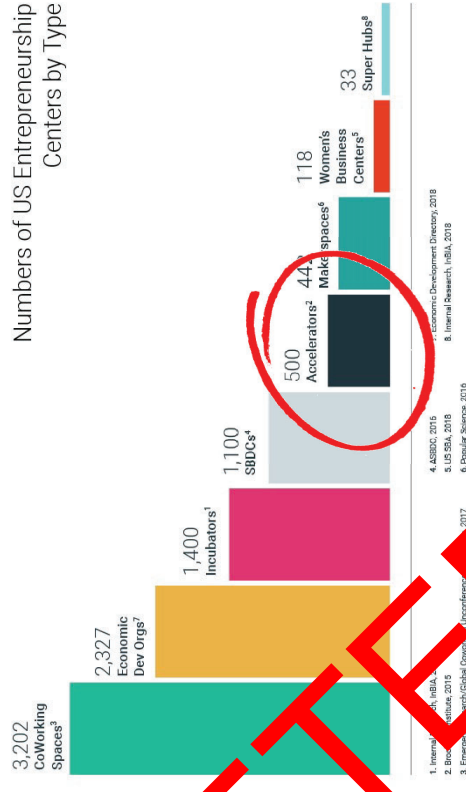
- Create a minority business accelerator/incubator
  - Define the mission—what will the accelerator/incubator do?
  - Choose a specialism—the focus is minority- and women-owned startups
  - Design the funding structure—how will the accelerator/incubator be funded and what funding will be offered to startups?
  - Attract startup talent—how will you recruit startups?
  - Select the startups—how will the selection process be managed?
  - Develop a program package—what support will be offered to startups?
  - Access customer/investor networks—what networks will startups be linked to?
  - Build an alumni service and post-program support—how will you support startups once the program has ended?
  - Measure/evaluate performance—how will you track the impact of your program?

Source: Nesta

#### Key Policy Issues

- ✓ The advancement of diversity and economic inclusion through minority entrepreneurship and subsequent hiring of minority workers.

Numbers of US Entrepreneurship Centers by Type



# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #3: Start an Angel Fund for Underserved Entrepreneurs

Angel investors are high-net worth individuals, or groups of individuals, who provide early-stage financing that is critical to the success of high-growth startups. They are often experienced entrepreneurs who have exited from their own ventures and now invest in the next generation of startups. They not only contribute cash, but also share industry knowledge and contacts with new entrepreneurs, drawing on their experience in starting and growing a company.

#### Access to Capital

“The State of Access to Capital for Entrepreneurs: From Barriers to Potential” is a forthcoming report from The Kauffman Foundation. Their report explores the current capital landscape and identifies options for overcoming barriers facing underserved entrepreneurs.

A key finding is that 83% of entrepreneurs don’t receive venture capital or a bank loan and have difficulty obtaining financing from private institutional capital markets. Their research indicates that 65% rely on personal and family savings, compared to bank loans (16.5%) and personal credit cards (1.9%). One proposed solution for improving entrepreneurial access to early-stage financing is the building of a capital markets infrastructure. The capital markets infrastructure is further broken down into four types of infrastructure they consider to be promising: Capital infrastructure, people

## BEST PRACTICE

### “Capital Access Lab” Kansas City, Missouri

The Ewing Marion Kauffman Foundation has launched a national initiative—the Capital Access Lab—to break down barriers and increase capital for entrepreneurial startups. This new pilot program will seek out and fund innovative strategies to support the 83% of entrepreneurs who don’t have access to bank loans or venture capital and are not well-served by traditional funding sources. This is not a typical fund—the Capital Access Lab will provide early capital to innovative, emerging funds that make investments directly to underserved entrepreneurs.

The Kauffman Foundation has committed \$3 million to seed this new fund.

The Capital Access Lab is designed to stimulate the formation of new financing mechanisms that increase capital investment to underserved entrepreneurs who have been historically left behind, due in part to their race, ethnicity, gender, socioeconomic class, and/or geographic location. It will provide capital in the range of \$250,000 to \$1 million into three-to-five investments funds that will, in turn, provide capital to underserved entrepreneurs. Greater availability of capital means that more entrepreneurs will be able to start and grow their businesses.

For more information, click on: <https://www.kauffmann.org/what-we-do/entrepreneurship/market-gaps/capital-access-lab>

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #3: Start an Angel Fund for Underserved Entrepreneurs

infrastructure, information infrastructure, knowledge infrastructure, and policy infrastructure.

More specifically, they are looking to create a greater diversity of investment vehicles and intermediary financial institutions to successfully bridge the gap between finance providers and underserved entrepreneurs seeking capital. They also foresee a role for capital entrepreneurs to develop new investment vehicles that will serve the 83% of entrepreneurs who don't have access to private institutional capital. An improved information infrastructure can smooth market operations and speed the flow of capital to a larger number of entrepreneurs. Knowledge infrastructure refers to targeted research that better informs efforts to improve capital access. Policy infrastructure is concerned with entrepreneurial advocacy when policies are being formed that impact capital markets serving entrepreneurs.

#### Angel Fund

The AE team recommends creating a new angel investment group or seed fund for underserved entrepreneurs in southern Dallas and other underserved areas of the community. Efforts could be made to leverage seed funding that is being made available through The Kauffman Foundation's "Capital Access Lab," and/or create a similar pilot program tailored to the City of Dallas.

## BEST PRACTICE

### "TEDCO's Builder Fund for Entrepreneurs" Columbia, Maryland

Builder Fund, sponsored by TEDCO, is a funding program that focuses on assisting startup companies run by individuals that have a socially or economically disadvantaged background. They seek to expand the state's pool of fundable companies, as well as strive to grow a more diverse, innovative, and competitive startup ecosystem. In particular, they are seeking startup companies that are generally less than two years old, commercialize a product or technology, and have founders that are able to demonstrate their marginalized status has affected their access to conventional funding.

Builder Fund is geared towards investing in startup companies and their internal and external excellence. Startups receive an original investment and assistance with education, operations, and progress checks. Throughout the first twelve weeks, company founders receive a personalized learning plan and attend weekly meetings that include one-on-one coaching, guest speakers, and networking. For the next twelve weeks, TEDCO sources their Operations Support to work directly with the firms and facilitate their success. To ensure companies are advancing towards a feasible investment opportunity, pre-determined milestones are tracked after nine and twelve months. The first cohort launched in 2018; a second cohort starts in early 2019.

For more information, click on: <https://tedcomd.com/builderfund>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #3: Start an Angel Fund for Underserved Entrepreneurial Communities

#### Action Items

- Create a new angel investment group or seed fund for underserved entrepreneurs in southern Dallas and other underserved areas in the community.

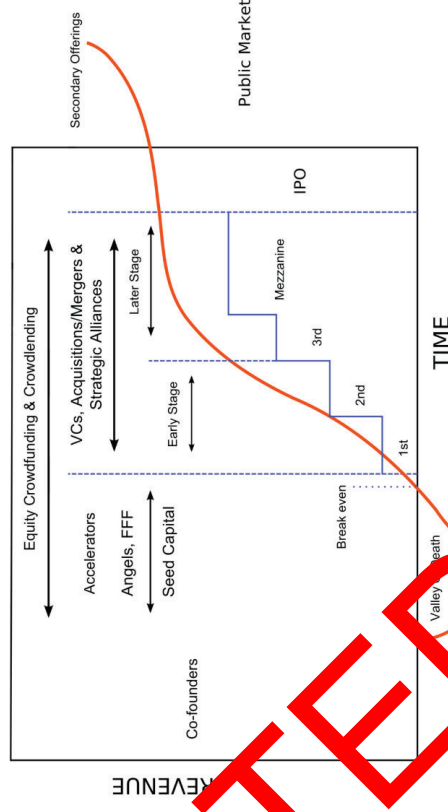
Note: See "Angel Investment Groups, Networks, and Funds: A Guidebook to Creating the Right Angel Organization for Your Community" (Preston, 2004), Ewing Marion Kauffman Foundation

#### Key Policy Issues

- ✓ The City of Dallas is home to 15 federally-designated Opportunity Zones. Opportunity Zones are an economic development tool—that is, they are designed to spur economic development and job creation by offering capital gains tax relief for investments in business in distressed communities (Internal Revenue Service, U.S. Department of the Treasury, 2019). As such, they have the potential to drive angel and venture capital investment in these areas.

Investors can defer tax on prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at

#### Startup Financing Cycle



Source: EBAN

# Strategic Action Plan

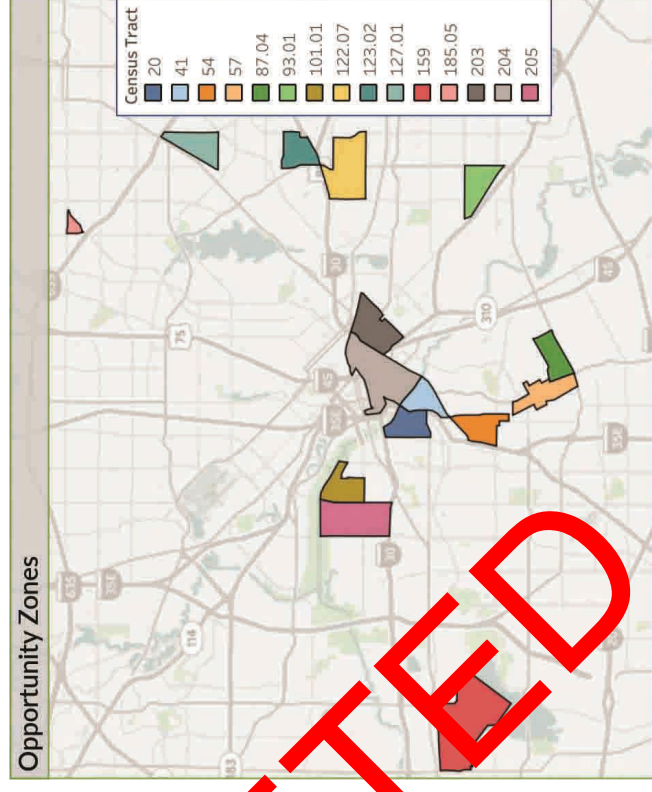
## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #3: Start an Angel Fund for Underserved Entrepreneurs

least ten years, the investor is eligible for an increase in basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged (Internal Revenue Service, U.S. Department of the Treasury, 2019).

This favorable treatment provides a benefit for venture capital, and social impact investors, and could go a long way to getting unrealized capital gains off the sidelines and rolled into qualified opportunity funds—investment vehicles established for investing in opportunity zone businesses.

Statistics show there is a scarcity of angel and venture capital for minority-owned startups, with less than 1% of these funds flowing to underrepresented entrepreneurs. It is hoped that the potential tax benefits of the Opportunity Zone legislation, and strong emphasis on companies operating in economically disadvantaged communities, will incentivize funding more of these companies.



Source: City of Dallas, Office of Economic Development

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #4: Develop Citywide Entrepreneurial Competition

Entrepreneurial competitions abound in Dallas-Fort Worth. Most competitions are linked with cash prizes that are sought after by young students and early-stage startups, who participate in events like the Big Idea Competition (UT Dallas – Richardson), Model Launch (Frisco), Female Founders of Dallas Final Pitch Competition (Fort Worth), Pitch Perfect (Plano), TiE Young Entrepreneurs (Dallas Chapter), and others.

Some events draw outsiders seek female talent, such as NextSeed (Houston), a crowdfunding platform that recently sponsored a pitch competition. Others have Dallas' young entrepreneurs traveling out-of-state to the NFTE National Youth Entrepreneurship Challenge (New York).

Closer to home is the \$100,000 Investment Challenge, which was awarded at Capital Factory's Women in Tech Summit. Their competition is intended to promote female founders with tech startups. Given their intentional focus on diversity and inclusion in the tech industry, how much more impressive would it be if a similar competition was organized for entrepreneurs with startups located in southern Dallas and other low-income areas of the community? What if the competition focused on startup owners who have succeeded at escaping poverty? What if the competition was open to applicants from bootstrap companies that haven't found it necessary to go after outside funding? What if the competition were designed to shine the national/international spotlight on special needs and social entrepreneurs in Dallas?



## BEST PRACTICE

### "Speed Addicts" Mission Hills, California

Schad Van Leeuwen is the grandson of a national racing champion and grew up helping out with the family business—a motorcycle parts and accessories business. To help sell their old inventory, Schad began listing it on eBay. It wasn't long before he was running his own business—Speed Addicts—out of his college dorm room in Santa Barbara, California. Today, Speed Addicts has multiple offices, retail space in Los Angeles, and \$2.4 million in gross revenue on eBay.

Most of Speed Addicts' sales occur online, with Schad working out of a small warehouse on the outskirts of Los Angeles. The warehouse itself is small, with minimal inventory, all of which is packaging supplies. Nonetheless, Schad is running a multimillion-dollar business. This is because of the firm's business model, known as "drop shipping." Motorcycle parts are listed on their website. Once a customer purchases a part, Schad pays a wholesaler to ship that part directly to the buyer. This keeps overhead low and means Schad has cash on hand before contacting his wholesalers.

There is plenty of competition, and profit margins are razor thin. However, drop shipping is what allowed Schad to bootstrap his company. Schad never went after outside funding because he didn't need to.

For more information, click on: <https://speedaddicts.com/>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

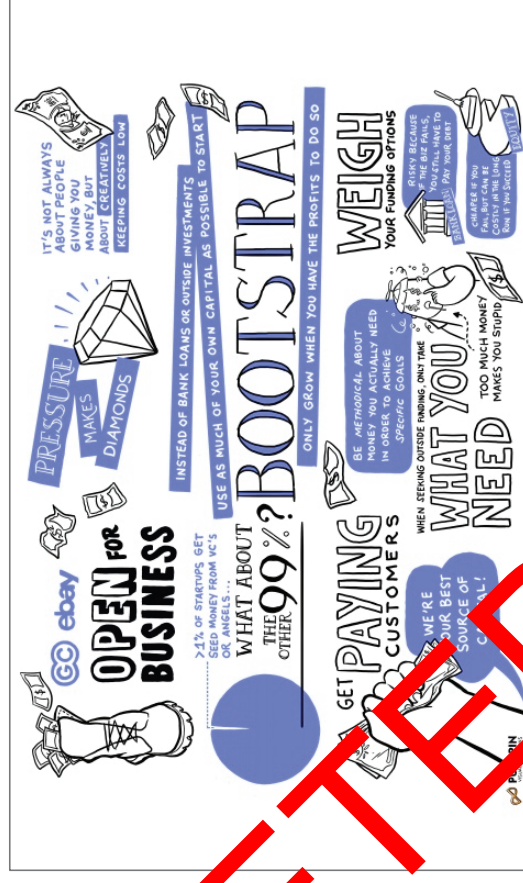
### Strategy #4: Develop Citywide Entrepreneurial Competition

#### Action Items

- Develop a Citywide entrepreneurial competition
- Recognize entrepreneurs from southern Dallas and other underserved areas of the community
- Have special award categories for:
  - Bootstrap Entrepreneur – A startup launched by an entrepreneur with little or no outside cash or other support
  - Immigrant Entrepreneur – Startup owner who, as a recent arrival in the country, starts a local business (in collaboration with the City of Dallas Office of Welcoming Communities and Immigrant Affairs)
  - Special Needs Entrepreneur – Entrepreneur that provides employment opportunities for special needs adults and/or teenagers
  - Social Entrepreneur – An entrepreneur that pursues an innovative idea with the potential to solve a community problem

#### Key Policy Issues

- ✓ Provide public and private financial support, as appropriate.



Source: eBay, Pushpin Visual Solutions

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### Strategy #5: Build a Commercial Kitchen

A commercial kitchen (also known as “kitchen incubator”) is “a fully-equipped commercial food processing facility designed to allow multiple entrepreneurs or food processing operators to grow their businesses by providing a kitchen space with food and packing equipment” (Association of Food and Drug Officials).

Aspiring food entrepreneurs may not be able to build or lease their own kitchens, so they rent or reserve space in a shared kitchen on an hourly or daily basis. This allows them to complete small-scale food processing in a facility being used by multiple users, while adhering to regulatory guidelines. The incubator model offers entrepreneurial support services and can be distinguished from food accelerators by the fact that they concentrate on new and early-stage startups, whereas accelerators focus on later-stage businesses looking to expand.

#### Kitchens in Dallas-Fort Worth, Texas

Per The Kitchen Door, there are 12 commercial kitchens in the Dallas-Fort Worth metropolitan area. Two of them—Culinary Kitchen & Beyond, LLC and Esmeraldas Bakery, are located northwest of Downtown Dallas. The others are clustered throughout North Texas, but no such facility exists in southern Dallas. There are a variety of reasons why this geographic pattern exists, but AE believes that a potential spot for setting up shop is a location surrounded by underserved populations where the community and

## BEST PRACTICE

### “Detroit Kitchen Connect” Detroit, Michigan

Detroit Kitchen Connect (DKC), a program of Eastern Market Corporation, was created to provide local food entrepreneurs with access to a licensed commercial kitchen, in a supportive, reduced risk environment, starting in 2013. The program was designed to increase entrepreneurial success for food business startups by helping them overcome the high cost of setting up a commercial kitchen.

DKC excels at providing pathways to good food entrepreneurship by providing financial and technical assistance, while making sure that their programming is available to startup owners at all economic levels, including entrepreneurs who come from traditionally marginalized populations. Clients needing assistance with starting a food business receive help from mentor partners: FoodLab, TechTown Detroit, Build Institute, ProsperUS Detroit, and Accounting Aid Society.

Co-Founder Devin Davis was presented with a \$25,000 Toyota Standing O-Vation award by Oprah Winfrey in 2014. The grant funds were used to purchase new equipment for the commercial kitchen and contribute to a local food entrepreneur scholarship program. In 2014, Morgan Chase has invested \$2.5 million in Detroit’s Eastern Market to provide burgeoning food entrepreneurs with expanded kitchen facilities.

For more information, click on: <https://detroitkitchenconnect.com/>.

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### Strategy #5: Build a Commercial Kitchen

company can help each other grow. This runs counter to the food movement of connecting food producers and food consumers in the same geographic region—which often mirrors white, middle-class sensibilities and pays little deference to the cultural histories of diverse populations in terms of what constitutes “good food.” The commercial kitchen we have in mind would reach out to low-income, minority, and other underrepresented entrepreneurs.

Building a commercial kitchen is not for the faint of heart. A successful enterprise needs to have clear philosophical, economic, and social objectives. Market research will be a critical component of establishing those goals. This is not a matter of “build it and they will come.” The market research will dictate the level of financial support needed to sustain a community kitchen. Market research will help determine if the kitchen can generate enough income from rents to cover expenses, or whether the facility will require outside funding in the form of grants and public assistance (e.g., universities, state government, welfare-to-work programs, etc.).

Committed leadership, an aggressive marketing strategy, and solid plans for long-term profitability are needed to generate support. Client networking within the facility can generate ideas and information that will help food entrepreneurs succeed. Properly executed, a commercial kitchen can create businesses in the community that employ people from the surrounding area.

## BEST PRACTICE

### “Kitchen Chicago” Chicago, Illinois

Kitchen Chicago offers a fully-equipped, commercially-licensed shared-used kitchen to entrepreneurs that is available for rent on an hourly basis. By providing this facility, young startups and established businesses can reduce the financial risks that come with opening and operating a commercial kitchen. Hourly rental rates removes the burden of long-term leases from early-stage startup companies.

Food entrepreneurs have used Kitchen Chicago for menu planning, training, taste testing, product development, brainstorming, and production. Their space is divided into four functional areas: a catering kitchen, pastry kitchen, cool room, and packaging storage area.

Current clients include Abbi Alexandra, Beacon Donuts, Beaver’s Donuts, Bruges Brothers, Corner Bakery, Cynthia’s Gumbo Express, Herb-N-Juice, Huegah, Justice of the Peace, Kimmy Kakes, Little Bunches, Madison & Rayne, Maison Cuisine, Matt N Mike’s, Ms Tittle’s Cupcake, My Mighty Meals, No Denial Foods, Northern Fork, Soupology, Twisted Egg, Whisked & Cate, and Yummpops.

Kitchen Chicago is a 4,000 sq. ft. facility, open 24 hours per day, 7 days per week.

For more information, click on: <http://kitchenchicago.com/>.

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### Strategy #5: Build a Commercial Kitchen

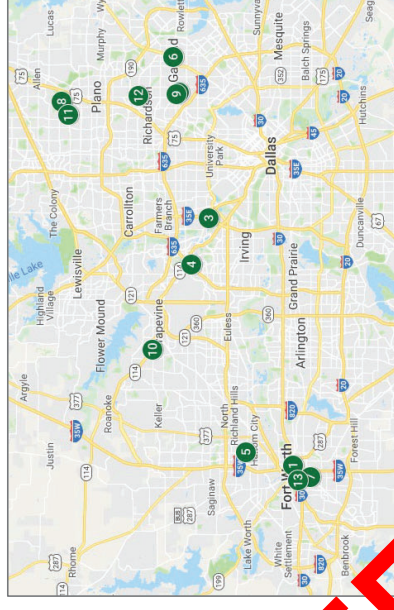
#### Action Items

- Build a commercial kitchen in southern Dallas.
- Organize a group of committed leaders
- Conduct market research
- Establish goals
- Secure financing
- Provide the right equipment and product development support
- Prepare an aggressive marketing plan
- Provide technical and marketing assistance

#### Key Policy Issues

- ✓ Secure financial assistance (e.g., grants, state funding, technology from universities or companies)

## DFW Commercial Kitchens



Source: AngelouEconomics, The Kitchen Door

- |                                            |                                          |                                              |
|--------------------------------------------|------------------------------------------|----------------------------------------------|
| (1) Ivan Slate<br>Fort Worth, TX           | (6) Hour Kitchen Dallas<br>Garland, TX   | (11) The Cookline<br>Plano, TX               |
| (2) Commercial Kitchen 24<br>Garland, TX   | (7) Lovacore<br>Fort Worth, TX           | (12) The Hot Stove Kitchen<br>Richardson, TX |
| (3) Culinary Kitchen Beyond<br>Dallas, TX  | (8) Perfect Temper Kitchen<br>Plano, TX  | (13) Z's Café & Catering<br>Fort Worth, TX   |
| (4) Curion Insights<br>Irving, TX          | (9) Revolving Kitchen<br>Garland, TX     |                                              |
| (5) Elixir Kitchen Space<br>Fort Worth, TX | (10) Taste Buds Kitchen<br>Southlake, TX |                                              |

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #6: Attract Global Foreign-Born Entrepreneurs

The Business Roundtable has found it noteworthy that America lacks an “entrepreneur visa”—they lament not having a legal mechanism that allows a foreign-born individual with a good idea to obtain both a temporary visa and permanent residence or starting a successful business in the country.

Only after years of waiting to become family- or employer-sponsored immigrants (but not through a visa designed for foreign entrepreneurs) do foreigners start businesses in the United States. The current lack of an entrepreneurial visa encourages foreign-born founders with creative business concepts and ability to attract financing to pursue startup opportunities outside of the U.S. when appropriate. These entrepreneurs are being actively recruited by Australia, Canada, France, Germany, Japan, Singapore, Switzerland, the United Kingdom, and other nations.

Foreign-born entrepreneurs are coveted because they are twice as likely to start their own companies compared to American-born citizens. This is reflected in data captured during the market assessment phase, which showed that foreign immigrants in Dallas earn the highest adjusted gross incomes (\$109,175), whereas non-immigrants earn less (\$82,990). Unfortunately, foreign-born immigrants make up only 0.9% of the total migrant population coming to Dallas—the second lowest amount compared to benchmark communities and other selected cities in Texas. AE is recommending action be taken to increase the number of foreign-born entrepreneurs in the community.

## BEST PRACTICE

### “Global Entrepreneur in Residence”

#### Chicago, Illinois

Five Illinois universities administer Global Entrepreneur-In-Residence (EIR) programs that are designed to retain foreign-born founders by providing pathways to an H1-B visa for highly-skilled immigrant entrepreneurs. These universities include Northwestern University, Loyola University DePaul University, Columbia College Chicago, and Illinois Institute of Technology.

Currently, there are limited visa options for entrepreneurs. Many enter the H1-B visa lottery, but they are particularly difficult to obtain—approximately 36% of applicants receive a visa through the yearly lottery for 85,000 visas; university employees are exempt from the cap and can receive H1-B visas more easily.

Universities partner with entrepreneurs in two ways according to their company’s stage of growth: Early-stage entrepreneurs work part-time for the university in a role best-suited for their expertise; later-stage startups are physically housed at the university as an affiliate of the university’s entrepreneurship center or innovation hub, while mentoring students interested in entrepreneurship. Each university funds their own program, handles their own application process, make program admissions decisions, and support admitted entrepreneurs.

For more information, click on: <http://thinkchicago.net/geir>.

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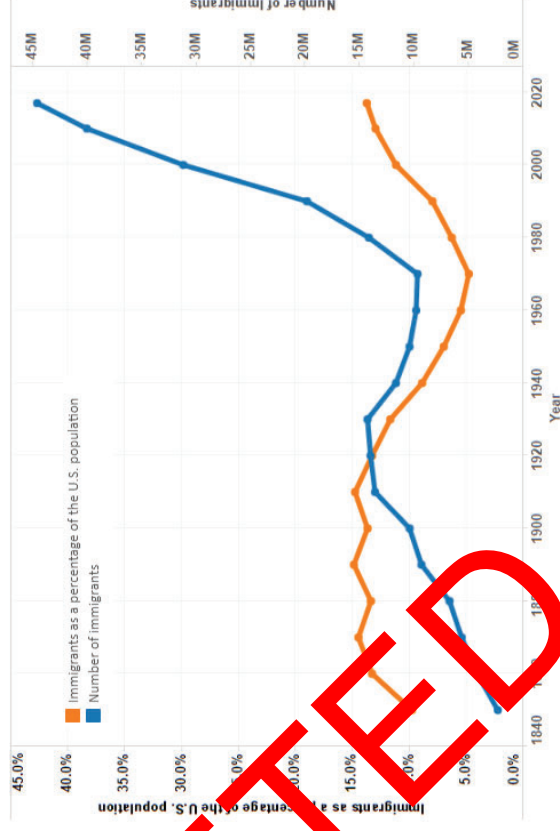
### Strategy #6: Attract Global Foreign-Born Entrepreneurs

This recommendation is made knowing full well that immigration has been a controversial part of our nation's political and public debate for decades, as politicians and voters weigh economic, security, and humanitarian concerns. Congress has not been able to reach a consensus on comprehensive immigration reform for years. Instead, major policy decisions have been moved to the executive and judicial branches of government, which has fueled further debate at the state and local level.

In the midst of this debate, immigrants continue to face obstacles created by U.S. visa restrictions. The Kauffman Foundation and Cornell University report that foreign-born Ph.D. graduates with science and engineering degrees from American universities who apply for technology startup jobs receive offers at the same rate as their U.S. counterparts, but only half are likely to work at startups due to the restrictions visa policies create for small companies seeking specialized, in-demand skills. This creates an uneven playing field for startups who compete with established companies to recruit top talent. This also creates a disadvantage for cities competing to attract foreign-born entrepreneurs and the talent many of their startups need to scale.

*Note: Every EB-5 application requires an economic impact study to validate the minimum job creation requirement. AngelouEconomics has created a proven report template and methodology that has been approved by USCIS (U.S. Citizenship and Immigration Services).*

Size and Share of the Foreign-Born Population in the United States  
1850 - 2017



Source: Migration Policy Institute (MPI) tabulation of data from US Census Bureau, 2010-2017 American Community Surveys (ACS), and 1970, 1990, and 2000 Decennial Census. All other data are from Campbell J. Gibson and Emily Lennon, "Historical Census Statistics on the Foreign-Born Population of the United States: 1850 to 1990" (Working Paper No. 29, US Census Bureau, Washington, D.C., 1999)

# Strategic Action Plan

## ○ **Grow Your Own: Make Dallas a World-Class Entrepreneurial City**

### **Strategy #6: Attract Global Foreign-Born Entrepreneurs**

#### **Action Items**

- Create Global Entrepreneur-In-Residence programs
  - Dallas leaders partner with local universities to connect international student entrepreneurs with visas, enabling them to accelerate business growth and development

#### **Key Policy Issues**

- ✓ Federal Level: Startup visa that authorizes non-citizens to start and operate a business in the United States.
- ✓ State Level: Global Entrepreneurs-in-Residence, state-based work visas, and recognition of foreign college degrees
- ✓ Local Level: Continued support for the City of Dallas Office of Welcoming Communities & Immigrant Affairs



Source: GlobalEIR.org

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #7: Develop an Annual Report on Entrepreneurship

Several startup terms are commonplace in discussions about entrepreneurship: accelerators/incubators, angel investment, business plan competitions, crowdfunding, patents, venture capital—but do not operate in isolation. They work in collaboration with one another in a comprehensive ecosystem that supports entrepreneurial startup firms.

While it is generally accepted that entrepreneurship is important for economic growth and wealth creation, few communities have a thorough understanding of what's happening with entrepreneurship in the geographic area for which they have oversight responsibility. Babson Global's model for an entrepreneurial ecosystem consists of six domains: Culture, markets, human capital, finance, supports, and policy. Stangler and Bell-Masterson (2015) provide a theoretical framework consisting of four broad domains: Density, Fluidity, Connectivity, and Diversity. Taich, Piazza, Carter and Wilcox (2016) refined Stangler and Bell-Masterson's framework into three broad categories: Innovation, Centers of Commerce, and Small Business Hubs. All three paradigms provide quality data indicators that depict the vibrancy of the startup ecosystem.

Having good data on entrepreneurial activity is valuable information in and of itself, but good performance metrics will allow Dallas to explore cause-and-effect relationships for on-going changes in performance. This puts the community in a stronger position to manage entrepreneurial programs in a pro-active manner.

## BEST PRACTICE

### “We Create Jobs” SourceLink at the UMKC Innovation Center Kansas City, Missouri

Traditionally, the economic impact of startups has been measured at the national level. With *We Create Jobs*, Kansas City has created a new and unprecedented way to track that data for the bistate, nine-county region of Kansas City.

Previous research on entrepreneurship confirms that new and young firms are the primary source of job creation in the U.S. economy. However, the research doesn't reveal the impact of entrepreneurs on local economies. To overcome this issue, SourceLink tracked net new job creation by startups at the metropolitan level. In partnership with its Kansas City network, SourceLink tracked first-time employers with fewer than 20 employees and calculated the number of jobs created by looking at employers who paid for unemployment insurance for the first time—a registration required by law.

*We Create Jobs* reports that startups added an average of 16,376 new jobs to the Kansas City metropolitan area each year for the past five years. Their reports were recognized with a Bronze Excellence in Economic Development Award from the International Economic Development Council (2018).

For more information, click on: <https://www.joinsourceink.com/jobs>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #7: Develop an Annual Report on Entrepreneurship

#### Action Items

- Create entrepreneurial performance metrics for annual report.
- Display on Entrepreneurial Dashboard
- Utilize surveys (SurveyMonkey, Google Forms, Zoho), econometric and statistical analyses (# of companies, employment by North American Industrial Classification System code, income, patents, publications, angel and venture capital investment, Small Business Innovation Research contracts and grants).

#### Key Policy Issues

- ✓ Performance measures inform public policy about the effectiveness of public and private investment in early-stage companies and small businesses.



# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #8: Increase Small Business Support

According to the U.S. Small Business Administration, there are 30.2 million small businesses, representing 99.9% of all U.S. businesses (2018). Small business firms employ 58.9 million people, or 47.5% of the private workforce. Generally, firms with fewer than 500 employees, the largest share of small business employment, is concentrated in firms with fewer than 100 employees.

Against this backdrop, it should come as no surprise that nearly 9 of 10 business firms in Dallas are classified as being an independent, small business. Encompassed within the small business category are “entrepreneurial startups” and “small businesses.” People tend to use the terms interchangeably—both meet the definition of “small- and medium-sized business” in the Small Business Act (15 U.S. Code Chapter 14A). However, there are important distinctions between startups and small businesses that need to be taken into account:

- Innovation: Small businesses offer traditional products and services; whereas startups create new products that don’t exist or represent a drastic change in product delivery or service.
- Wealth Creation: Small businesses are driven by incremental growth, profitability, and stable, long-term value; startups are focused on fast growth, maximizing profits, and growth potential.

## BEST PRACTICE

### “Neighborhood Small Business Growth Strategy”

City of Chicago  
Chicago, Illinois

The City of Chicago considers small businesses to be the lifeblood of their local economy, encompassing half of the city’s workforce and serving as anchors in neighborhoods across the community. After holding roundtable discussions with 200 small business and community leaders, a strategy was developed to:

- Empower local chambers of commerce to deliver customized business counseling
- Foster neighborhood engagement with the local business community
- Drive neighborhood economic vitality by attracting businesses to targeted locations and corridors
- Enlist small businesses in making their neighborhood safer for business

Compared to the neighborhood small business growth strategy are references to other initiatives and resources, including a site selector online real estate mapping tool; “The New Americans Business Series” for immigrants; “Cash Flash” to boost spending at a resident-supported small business; and local task force to crack down on problem businesses that attract crime and blight in commercial corridors.

For more information, click on:

<https://www.chicago.gov/content/dam/city/depts/bacp/Small%20Business%20Center/2013neighborhoodsmallbusgrowthstrat.pdf>.

# Strategic Action Plan

## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #8: Increase Small Business Support

- Risk Tolerance: Approximately two-thirds of small businesses with less than 10 employees survive at least 2 years and about half survive at least 5 years; as many as 75% of venture-backed companies never return cash to their investors.

It is important to facilitate entrepreneurial activity, but not at the expense of providing support to traditional small businesses. The City of Dallas Office of Economic Development currently offers a wide range of small business development programs and resources:

| Small Business Programs                 | Small Business Resources                                     |
|-----------------------------------------|--------------------------------------------------------------|
| Adaptive Reuse Grant Program            | Small Business Quick Reference Guide                         |
| Dallas B.R.A.I.N.                       | IRS Guide to Starting a Business                             |
| Small Business Revolving Loan Program   | Assumed Name Procedure – Dallas County Clerk                 |
| Property Assessed Clean Energy          | Texas Sales & Use Tax Registration                           |
| South Dallas/Fair Park Opportunity Fund | Texas Secretary of State Business Startup Guides & Resources |

Staffing resources appear to be stretched due to the dynamic nature of small business growth in the local economy. AE commends the latest increase in funding for two new positions who will work with partner agencies to support and expand existing programs intended for prospective/current entrepreneurs and small business owners.



## BEST PRACTICE

### "Ten Steps to Starting a Business" City of San Diego San Diego, California

The City of San Diego Economic Development Department publishes an information sheet entitled "Ten Steps to Starting a Business." This document outlines key steps to follow, which can vary depending upon type of business, for small business owners.

- (1) Research the Basics and Visit the OpenCounter Portal.
- (2) Create Your Business Plan
- (3) Determine Your Business Name
- (4) Determine the Legal Structure of Your Business
- (5) Select Your Business Activity Type
- (6) Select Location and Determine Zoning and Site Permit Needs
- (7) Obtain Licenses and Permits
- (8) Get Tax Information
- (9) Know Your Employer Responsibilities
- (10) Apply for a Business Tax Certificate

The City's new Business Resource Matcher helps clients discover available financing, such as tax credits, grants and loans, as well as services, such as consulting and mentorship.

For more information, click on: <https://www.sandiego.gov/economic-development/business>.

# Strategic Action Plan

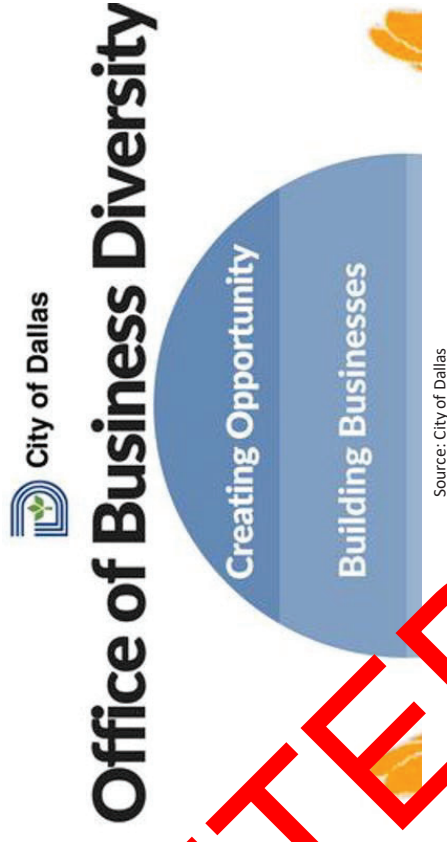
## ○ Grow Your Own: Make Dallas a World-Class Entrepreneurial City

### Strategy #8: Increase Small Business Support

This could be the harbinger for further expansion of Office of Economic Development activities in the related areas of business development, compliance, data analytics/research, and other roles that make it possible to execute the strategic economic development plan. An initial starting point is an evaluation of Dallas' budget and staffing levels in comparison to the economic development departments in Austin, El Paso, Fort Worth, Houston, San Antonio (see Appendices H, I, J and K). Additional data will be needed to account for capital projects, enterprise funds, general obligation bond funds, grants, and tourism.

Such an evaluation should take into consideration related City departments/divisions, such as the Office of Business Diversity, which is expanding its programming through the B.U.I.L.D. program. B.U.I.L.D. intends to raise the capacity of Dallas-based minority- and women-owned businesses through technical assistance, training, and advocacy.

Included in this budget analysis is the impact of transferring four positions from Housing and Neighborhood Revitalization to the Office of Economic Development to support housing initiatives, along with other reorganization plans (e.g., urban revitalization agency, workforce development). Per AE's recommendation to create a new, independent economic development organization for business attraction and marketing, it will be necessary to define "Invest Dallas" roles and responsibilities in relation to the Dallas Regional Chamber and Office of Economic Development (see page 91).



# Strategic Action Plan

## ○ **Grow Your Own: Make Dallas a World-Class Entrepreneurial City**

### **Strategy #8: Increase Small Business Support**

#### **Action Items**

- Monitor staffing levels and programmatic funding for small business development programs
- Conduct a comprehensive evaluation of the City of Dallas Office of Economic Development budget and staffing levels in comparison to the economic development departments in Austin, El Paso, Fort Worth, Houston, and San Antonio

#### **Key Policy Issues**

- ✓ City of Dallas budget preparation process and competition for scarce funding resources.



Source: City of Dallas

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Introduction

The Dallas/Fort Worth Regional Workforce Leadership Council (RWLC) is the recognized leader for education, training, and workforce development programs that benefit the region's target industry sectors—Aerospace, Healthcare, Infrastructure, Logistics, Retail, Technology—and two emerging sectors, Digital Technology and Hospitality (Annual Report 2017). Addressing the employment, training, and certification needs of these industry clusters plays an important role in advancing regional economic development.

Established in 2002, RWLC takes the position that Dallas/Fort Worth operates with one regional labor market. This means that workers move freely across governmental boundaries while moving throughout the region. Under these conditions, business prospects and employers are able to maximize their ability to attract qualified workers and compete in the global economy. From a regional perspective, the workforce is “borderless, seamless, and accessible” (Annual Report 2017).

Secondary to the regional labor market are the differences in educational attainment levels, income, and demographic characteristics for individual counties, municipalities, and special districts. Consider the North Dallas suburbs in comparison to southern Dallas—not all labor pools are the same. While Dallas benefits from RWLC, its members, and industry-led workforce solutions, additional steps should be taken to improve its position *within* the region's labor market. To improve its human capital, AE is recommending strategies to widen the talent pipeline.



### The Digital Divide

No discussion about education and workforce development would be complete without mentioning the “digital divide.”

The digital divide refers to “the gap between people who have access to broadband services and know how to use the Internet and those who do not have such access or knowledge” (Federal Reserve Bank of Dallas). Those who find themselves on the wrong side of the digital divide have a hard time finding a job and developing new skills. At the same time, the digital divide limits business development in low-income areas of the community.

This is a concern for Dallas, which has the lowest percentage of households with a computer and a broadband Internet subscription, when compared to the benchmarks:

| City    | Median household income | Households with a computer | Households with broadband Internet subscription |
|---------|-------------------------|----------------------------|-------------------------------------------------|
| Dallas  | \$32,285                | 83.6%                      | 71.4%                                           |
| Chicago | \$51,197                | 83.9%                      | 73.5%                                           |
| Phoenix | \$22,080                | 86.8%                      | 77.0%                                           |
| Atlanta | \$51,701                | 87.1%                      | 75.7%                                           |
| Denver  | \$60,098                | 90.2%                      | 81.1%                                           |

Source: U.S. Census Bureau, 2013–2017 American Community Survey

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

According to *Area Development's* 32<sup>nd</sup> Annual Corporate Survey and 33<sup>rd</sup> Annual Consultants Survey, availability of skilled labor is ranked as one of the top site selection concerns (88.8% for corporate respondents, 100% for site selection consultants). Creating an education-to-workforce pipeline requires human capital management, public-private partnerships, and workforce initiatives. Outlined below are AE's recommendations for adopting new methods for education and training that align with Dallas' targeted industries.

#### Destination School

The largest universities in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area by number of graduates—University of Texas at Arlington (10,472 and 13%), University of North Texas (8,598 and 10.7%), and Tarrant County College District (7,759 and 9.6%)—actually lie outside of the City of Dallas. This points to an opportunity to attract a destination school, one that complements the existing mix of higher education institutions, like Southern Methodist University (SMU), University of Texas Southwestern Medical Center, UNT-Dallas, Paul Quinn College, and Dallas County Community College District, among others.

Creative design institutions appear to meet this criteria, and align well with the Entrepreneurship, Digital Arts, & Innovation target industry cluster. Prospects include



## BEST PRACTICE

### “Higher Education Initiative” Mesa, Arizona

The City of Mesa Higher Education Initiative took form in 2012 with an official announcement that three private, non-profit, liberal arts colleges and universities—Benedictine University, Upper Iowa University, and Wilkes University—would be locating in the community.

Mesa's attraction strategy focused on education institutions that require physical space, emphasizing classroom instruction over the provision of online, distance education. Classes began in 2013 with more than 180 students “in the classroom and on campus” in Downtown Mesa. Today, it is estimated these higher education institutions have a collective enrollment of 1,100+ students.

To attract and update the new schools, three vacant, City-owned buildings were renovated to provide state-of-the-art classrooms, conference and community rooms, nutrition and engineering labs, and academic, administrative, and study spaces in Downtown Mesa. The initiative is also supported by “Mesa Educates U,” a campaign to promote the community's higher education assets; and “Mesa Counts on College,” which provides college scholarship programs through a local education partnership.

For more information, click on: <https://www.selectmesa.com/business-environment/education/higher-education-initiative>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

DigiPen Institute of Technology (Redmond, WA), a leader in game development education; Rhode Island School of Design (Providence, RI), ranked among the best education institutions in the world for art and design; and Savannah College of Art and Design (Savannah, GA), a premier university for creative careers, with locations in Atlanta, GA; Hong Kong, and Lacoste, France.

### Coding Schools

Six years ago, coding schools appeared as a new paradigm for education technology. It used to be that individuals who wanted to become a software developer would attend a college or university, earn a four-year degree in computer science, learn on the job, and read training manuals in their spare time. This approach would take several years, and there was no promise of landing a job. For millennials and tech-oriented employers, this model was no longer feasible. Businesses needed programmers immediately and didn't have time to groom non-tech workers or wait until an employee completed their undergraduate degree.

This perfect storm gave rise to the coding bootcamp phenomenon. Coding schools began to offer brief (average 14-16 weeks), intense curricula that would lead to high-paying jobs (average salary \$70,698). Since 2013, bootcamps have grown by a factor of nine, increasing from 2,178 to 20,316 students (Course Report).

## BEST PRACTICE

### "DigitalCrafts" Atlanta, GA and Houston, TX

DigitalCrafts offers a 16-week full-time and 26-week part-time full stack developer boot camp for working professionals, entrepreneurs, and students in Atlanta and Houston. Their coursework transforms beginners into full stack software developers trained in JavaScript, React, Node.js, Python, and more. An Elective Program, which is unique to DigitalCrafts, provides an option for alumni and students to study rotating concepts like "CS Fundamentals" as an added benefit of joining their network.

To assist with tuition costs (\$13,950 full-time/\$9,500 part-time), the coding school offers an Income Share Agreement. Once graduates earn \$40,000 or more, they agree to pay 15% of their pre-tax income for 3 years. Maximum total payment is \$28,000.

DigitalCrafts automatically offers diversity scholarships for women and veterans who attend their Immersion and Flex Programs. For those who do not qualify, the school sponsors The Build Your Scholarship, which is awarded to applicants with inspiring back stories and career goals.

Per SwitchUp, DigitalCrafts is the top-reviewed coding bootcamp in Atlanta and Houston and is one of the best-reviewed programming schools in the country.

For more information, click on: <https://www.digitalcrafts.com/>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

Research indicates that a majority of coding students have already earned a bachelor's master's degree and are looking to make themselves more competitive in the programming marketplace. Moreover, they're looking for economic rewards that are better than the market value afforded by their college degrees.

A growing number of coding bootcamps (24) are working with corporate training partners to provide in-house training for an additional 16,593 students. This provides them with a viable mechanism to upskill/reskill their workforce. For example, companies like Deloitte, Accenture, and Bardays have created formal "intrapreneurship programs" to teach employees how to be innovators in their own companies. There is even an organization called "League of Intrapreneurs" that serves as a global network for intrapreneurs from around the world. The organization seeks to empower high potential intrapreneurs, foster organizational learning for intrapreneurship, and strengthen the intrapreneurship ecosystem. More to the point, General Electric recently launched a program to teach all new hires how to code.

The AE team believes that the coding school paradigm is useful for training people in the latest digital technologies. At the same time, their program pedagogy can be duplicated to suit the changing needs of Dallas employers, particularly those in the target industries. Short-term, intensive training programs can help close the existing skills gap. Herein lies an opportunity for Dallas' public-private workforce partnerships.

## BEST PRACTICE

### "General Electric" Boston, Massachusetts

In 2016, General Electric CEO Jeff Immelt announced that all new hires, including the 4,000 to 5,000 college graduates hired each year, will now learn to code as part of a larger over-haul for the 127-year-old company. He was quoted as saying, "It doesn't matter whether you are in sales, finance, or operations. You may not end up being a programmer, but you will know how to code."

What is the rationale behind this decision? Immelt said he believes "the new middle-class jobs are a programmer, a data scientist." It's part of his plan to adopt a "startup mentality," drive innovation, and make products that are digitally driven. "We [GE] need to move quickly, take risks, fail fast and behave like a startup to keep winning," wrote Immelt.

In a new study released the same year, coding skills—once required for highly specific, technical careers—have become requisite for everything from scientific research to set design. Moreover, 20% of U.S. career-track jobs (those that pay at least \$15 per hour—now require coding skills (Oracle Academy and Burning Glass Technologies).

General Electric currently employs 313,000 people worldwide.

For more information, click on: <https://www.ge.com/>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

#### Early College/Collegiate and P-TECH High Schools

The City of Dallas is blessed to have a multitude of Early College/Collegiate High Schools and Pathways in Technology (P-Tech) Early College High Schools. Students attending these schools have an opportunity to earn a high school diploma and up to 60 college credit hours or an associate degree in four years. Study pathways include accounting, arts & humanities, business administration, computer aided design and drafting, construction technology, digital media, education, electronics technology, energy management, engineering, health science/tech, hospitality management, HVAC, information technology, law enforcement, logistics, mechatronics, multidisciplinary, public health, software programming, and visual communications. This puts students in a position to enter the job market with a work-ready skill after graduation.

AE recommends promoting the public-private partnerships among K-12, community college, university, and industry. Furthermore, a concerted effort should be made to demonstrate how the study pathways align with Dallas' target industries.

#### Junior Achievement® of Dallas

Research sponsored by Junior Achievement (JA) and Ernst & Young LLP shows that 41% of teenagers would consider starting a business as a career option. The same survey also



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## BEST PRACTICE

### "P-TECH 9-14 School Model"

**Australia, Morocco, Taiwan, United States**

Pathways in Technology Early College High Schools (P-TECH) are innovative public schools spanning grades 9 to 14 that prepare young people with the academic, technical, and professional skills required for 21<sup>st</sup> century jobs and on-going education. Developed by IBM in collaboration with educators, policymakers, and elected officials, P-TECH is part of a national effort to reform career and technical education. Since 2011, P-TECH has grown from one school to more than 100 schools in four countries.

With 15 years, students graduate with an associate's degree in applied science, engineering, information technology, or other STEM disciplines, along with the skills and knowledge they need to continue their education, or move into high-growth positions in some of the nation's fastest-growing industries. The school model helps close the achievement gap among underserved youth, and many first-generation college students from low-income families in rural, suburban, and urban areas.

P-TECH students are supported by more than 500 business partners. The industry partners make sure that students are career-ready, serve as mentors, participate in site visits, and assist with paid internships. IBM and other stakeholders have prepared a detailed playbook on how this model can be replicated elsewhere.

For more information, click on: <https://www.ptech.org/>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

finds that 61% of teenage girls have given thought to starting a business, compared to 54% of boys. Moreover, 6% of boys have already started a business, while less than 4% of girls have done the same (2018).

In response to this youthful enthusiasm, JA of Dallas has taken on a leadership role to provide K-12 programs that foster work-readiness, entrepreneurship, and financial literacy skills. Through a smorgasbord of JA programs, ranging from JA Standard to JA Finance Park® to JA BizTown®, an estimated 4,576 local volunteers were able to reach 50,783 students in 178 schools.

Despite their extensive coverage, JA programming is not available in every school. AE recommends taking steps to provide more JA experiential learning opportunities in public schools affiliated with the Dallas Independent School District, particularly in southern Dallas and other underserved areas of the community.

### Digital Learning Technologies

To develop 21<sup>st</sup> century skills, students will need to access digital technologies that improve their education, while learning how to become competent digital citizens. There are an extensive number of digital tools, apps, and platforms available for use in the classroom.



## BEST PRACTICE

### “JA Be Entrepreneurial®” Dallas, Texas

JA Be Entrepreneurial® outlines the basic elements of a business plan and then challenges students to create an entrepreneurial startup while in high school. During this program, students learn about the successful characteristics and practices of entrepreneurs. They also learn about advertising, competitive advantages, financing, management, marketing, product development, and ethical decision-making. Coursework is offered in seven sessions, culminating with completion of a sample business plan.

### “JA Finance Park®” Dallas, Texas

JA Finance Park® provides middle and high school students with a solid foundation on personal finance in a curriculum that correlates to Texas Essential Knowledge and Skills (TEKS). Organized into 15 individual lessons and a 4.5 hour simulation, students learn about personal budgeting (e.g., rent/mortgage, car payments, insurance, savings, entertainment, groceries). Student are asked to create a balanced budget, which teaches them about the value of money, and makes the connection between hard work, education, and future earnings.

For more information, click on: <https://www.juniorachievement.org/web/ja-dallas/>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

Selected examples (from a list of no less than 75 digital tools and applications) are outlined below:

**Google Forms.** This is a Google Drive app that allows students to create documents that can be prepared through collaboration with classmates in real time using smartphones, tablets, and laptops.

**Mentimeter.** Mentimeter allows students to use mobile phones or tablets to vote on any question a teacher asks, increasing student engagement.

**Vocaroo.** This free service allows users to create audio recordings without the need for software. Students can embed the recording in slide shows, presentations, or websites. An effective tool for collaborative group work and presentations.

**Yacapocal.** Teachers can create and assign quizzes with ease.

Adapting to digital learning technologies is important for capturing the minds of millennial students. They are tech-savvy, actively engage in social media, learn by exploring, want continuous feedback, expect and demand instant gratification, are committed to their personal learning and development, and are lifelong learners. For these reasons, AE recommends that Dallas schools take bold steps to make their K-12 curricula millennial-friendly.

## BEST PRACTICE

### SETDA

#### “Transformative Digital Learning: A Guide to Implementation”

Glen Burnie, Maryland

The State Educational Technology Directors Association (SETDA) is a non-profit organization that has developed professional learning resources to help educational institutions make the transformation to digital learning. SETDA has prepared an online source that provides guidance and best practices to support these efforts.

Transformative Digital Learning: A Guide to Implementation is organized into six components: (1) Planning, (2) Operations, (3) Professional Learning, (4) Instructional Materials, (5) Equity & Access, and (6) Stakeholders.

SETDA also complements the National Education Technology Plan (NETP), which calls for a “revolutionary transformation rather than evolutionary tinkering” in education, with the understanding that educators must leverage technology to provide engaging learning experiences for students (U.S. Department of Education).

This approach empowers students to take control of their own learning through flexibility and choice.

For more information, click on:

[https://digitallearning.setda.org/?fwp\\_topic\\_areas=best-practices](https://digitallearning.setda.org/?fwp_topic_areas=best-practices).

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

#### Mobile Workforce Outreach

Sometimes in workforce development, it becomes necessary to perform outreach to people in their communities and make intentional connections to the workforce development system. Such is the case with mobile workforce development programs in Baltimore, MD; the District of Columbia; Milwaukee, WI; Newark, NJ; and in nearby Arlington, TX.

Employ Milwaukee Mobile Workforce Connections (MWC) team members canvas neighborhoods and special events to connect job seekers in high unemployment, high poverty areas with employment and training opportunities.

Baltimore's Mobile Workforce Center, DC's Workforce on Wheels, and NewarkWOW (Workforce on Wheels) Mobile Unit are mobile service operations that are designed to reach citizens where they live.

Given Dallas' public transportation issues and limited number of workforce centers, AE recommends incorporating similar outreach efforts in southern Dallas and other economically-disadvantaged areas of the community. Mobile workforce outreach has the potential to help residents prepare for employment opportunities and businesses to connect with qualified applicants.



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## BEST PRACTICE

### "Mobile Workforce Unit" Workforce Solutions for North Central Texas Arlington, Texas

Since 2002, Workforce Solutions for North Central Texas has operated a Mobile Workforce Unit (MWU), which serves as a moving extension of the organization's workforce centers. Equipped with 13 computer stations and Internet access, the MWU allows job seekers the ability to search for jobs, improve their resumes, and receive training wherever needed.

The MWU is a moving extension of an operating workforce center, bringing direct services to customers in areas where there is no traditional workforce center presence. Employers who have utilized the MWU to aid in their recruitment and job fair efforts include Fossil, Amazon, Cabela's, WinCo, Toyota of Plano, and Frito Lay.

Workforce Solutions for North Central Texas is intentional about using technology to increase access to services for underserved populations and individuals residing in rural areas. The organization is currently working to partner with local government, educators, economic developers, and others to form a consortium to address potential barriers to employment.

For more information, click on: <https://dfwijobs.com/workforce-centers/mobile-workforce-unit>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

#### Community Scholarships

Educational philanthropy has played an important role in American history, from John Harvard's bequest leading to the establishment of Harvard University in 1636, to the monetary gifts of Scottish-American businessman Andrew Carnegie that were the catalyst for building 2,509 libraries from 1883 to 1929, to the 21<sup>st</sup> century contributions of The Bill and Melinda Gates Foundation and Chan Zuckerberg Initiative.

The American tradition of philanthropy is embodied in Communities Foundation of Texas (CFT), which manages more than 60 scholarship funds. In their 2018 scholarship cycle, CFT and their donors awarded approximately \$1.1 million to 254 scholarship recipients attending 120 colleges, universities, and trade schools. Many of these scholarships are earmarked for graduating seniors from specific high schools, reward high academic achievement, or list preferences for applicants interested in a particular academic discipline.

The AE team recommends creating a community scholarship program for at-risk, low-income, and minority students who reside in southern Dallas or other impoverished areas of the community. The intent is to give recipients the resource needed to graduate from high school with the skills needed to earn a college degree, enter the workforce, and set them on a clear path toward success.



## BEST PRACTICE

### “Project STARS Scholarship” Tallahassee, Florida

Project STARS (Scholarship Tuition for At-Risk Students) is a state-based scholarship program sponsored by the Stanley G. Tate Florida Prepaid College Foundation. This public-private-non-profit partnership receives funding from individuals, businesses, educational foundations, and the Florida State Legislature. Scholarships are awarded to low-income, “at-risk” and minority students who may not have the opportunity to attend college. The Foundation also supports scholarships in recognition of Hispanic Heritage Month and Black History Month.

Since its founding in 1990, 32,546 scholarships have been awarded to low-income students at risk of dropping out of school. Beside the Stanley Tate Project STARS program, the Foundation also sponsors scholarship programs in recognition of Hispanic Heritage Month, Black History Month, and the Governor’s Recognition Scholarship Program.

When the Stanley Tate Project STARS program and scholarships purchased by other charitable organizations, the Foundation has awarded 42,099 scholarships, assisting more than 23,000 students.

For more information, click on:  
<https://www.floridaprepaidcollegefoundation.com/about.aspx>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #1: Adopt New Methods for Education and Training

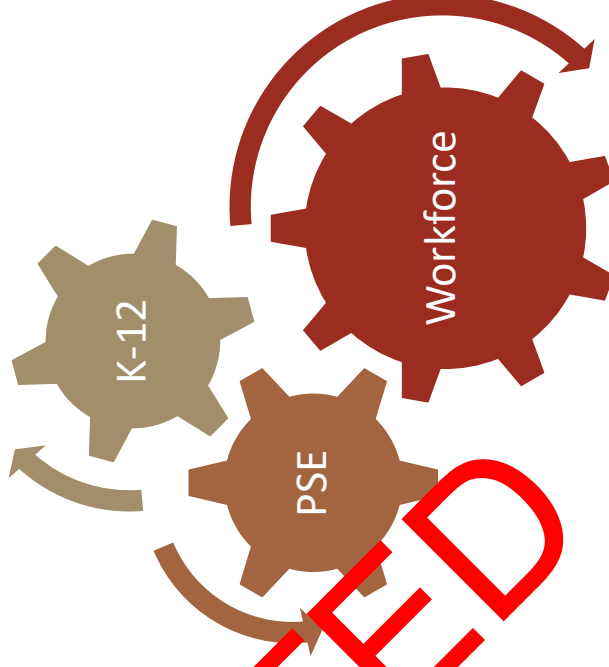
#### Action Items

- Attract a destination school
- Coding schools to close the skills gap
- Continue to promote/expand Early College/Collegiate and P-TECH high schools and ensure study pathways align with Dallas' target industries
- Junior Achievement® of Dallas in every school
- Online digital technologies (tools and apps for smart phones, tablets, and laptops)
- Bring workforce development programs closer to southern Dallas
- Offer community scholarships for at-risk, low-income, and minority students

#### Key Policy Issues

- ✓ State/local funding issues

## K-12 / Post-Secondary Education / Workforce



# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #2: Expand Workforce Capacity

State and national unemployment rates are at historic lows. Most economists consider this to be a positive indicator of a thriving economy. For businesses, however, low unemployment means that fewer skilled workers are available. Tight labor markets are leading them to broaden their search for qualified candidates, including people they wouldn't have previously considered hiring. Dallas needs to capitalize on these employment conditions and take advantage of non-traditional methods to attract and retain talent.

#### Child Care

In a recent guest column, Matthew K. Rose, Executive Chairman, BNSF Railway Co., and Board Chair of the Dallas Federal Reserve Bank, writes, "The time is right for companies to take a lead in supporting their parenting employees with childcare" (*The Dallas Morning News*, 2018). He cites the Economic Policy Institute, which finds that high quality childcare is out of reach for working families. "The average American couple spends 25.6 percent of net income on childcare, and that percentage soars to 52.7 percent for single parents. In Texas, families may spend more on childcare than they will on public college tuition for those same children."

Assisting in these efforts is a federal appropriations bill that includes a \$2.4 billion increase for the Child Care and Development Block Grant (CCDBG), the largest

## BEST PRACTICE

### "Child Care Executive Partnership" State of Florida

The Child Care Executive Partnership (CCEP) program is an innovative, public-private partnership that helps employers meet the needs of working parents. Through this program, federal and state funds are "matched" with financial contributions from local governments, charitable foundations, and participating businesses on a dollar-for-dollar basis to provide childcare services to participating families. The program helps communities expand childcare funding for lower-income working families and helps employers increase profits by providing valuable work-life benefits for employees.

The Office of Early Learning (OEL) partners with 30 local early learning coalitions to deliver comprehensive early learning services statewide. The office oversees three programs: School Readiness Program, Voluntary Prekindergarten Education Program, and Child Care Resource and Referral services. The state CCEP board determines the program's annual budget, distributes funds to local early learning coalitions and makes policy decisions about administering the program. OEL provides board staff support, marketing and technical assistance. At the local level, early learning coalitions make funding decisions, administer the program, manage contributions and determine eligibility for families who want to participate.

For more information, click on: <https://www.floridaearlylearning.com/coalitions/ccep-program>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #2: Expand Workforce Capacity

discretionary funding increase in history. The CCDBG Act authorized the Child Care Development Fund, which is administered at the state level. This will help alleviate the demand for quality childcare, but the funding increase will impact only about 10% of the families qualifying for assistance.

Therefore, the AE team recommends creating a public-private child collaborative that combines public, private, and charitable funds. The intent is to improve access to quality childcare for all children, strengthen the role of childcare providers, and provide critical infrastructure for economic development in Dallas.

Efforts of the public-private childcare collaborative would dovetail with employer-provided childcare and other mechanisms designed to offset the costs of quality childcare—the type of childcare that promotes learning, rather than simply warehousing children.

### Fair Chance Hiring

In December 2018, President Trump signed into law the “First Step Act,” a bi-partisan criminal justice reform bill. The legislation reforms sentencing laws and gives non-violent offenders the chance to reenter society as productive, law-abiding citizens, along with other provisions.



## BEST PRACTICE

### “Early Education Partnership” Ithaca, New York

The Early Education Partnership is a joint venture between the Tompkins County Chamber of Commerce, Day Care and Child Development Council, Department of Social Services, areas businesses and banks, philanthropic interests, Ithaca College, and Cornell University. The partnership is working to build a community fund that will provide a single point of entry that makes financial assistance universally accessible to low- and middle-income families in Tompkins County. Beyond the high cost of childcare, the partnership is also working to deal with other problematic issues, such as a critical shortage of childcare services during non-standard work hours.

Cornell University recently sponsored “The Linking Economic Development and Child Care Research Project,” which aims to better identify the economic linkages of childcare from a regional perspective. This is part of an effort to support states and localities interested in creating an economic development framework to build coalitions with the economic development community, business interests, and policy makers to help craft new approaches to childcare finance. To determine the economic importance of the childcare sector in individual communities, research was conducted to calculate the value of the sector, determine linkage effects, and craft economic development strategies to strengthen the childcare sector.

For more information, click on: <http://www.mildredwarner.org/econdev/child-care>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #2: Expand Workforce Capacity

This is consistent with the “ban the box” or “fair chance hiring” movement, which has gained momentum across the country. These terms are associated with an international campaign aimed at persuading employers to remove the conviction checkbox from their job applications. The intent is to delay inquiries into job applicants’ conviction histories until they have a chance to be interviewed and discuss their qualifications for the job.

Seventy million adults living in the U.S.—nearly one in three American adults—has a criminal record that will show up on a routine background check. This creates a serious barrier to landing a job and makes it difficult to become self-supporting, find a place to live, or take care of a family.

Accordingly, the Economic Development and Housing Committee was presented with several options to implement a Fair Chance Hiring Ordinance Policy. The public policy options included a resolution of support for Fair Chance Hiring; a comprehensive ordinance covering most employers in the community; and a resolution covering vendors, contractors, and suppliers who do business with the City. All three are viable options; however, adoption of a comprehensive ordinance would be more impactful and keep pace with employers who have already “banned the box”—Walmart, Target, Accenture, Home Depot, Starbucks, Proctor and Gamble, Microsoft, Koch Industries, Royal Dutch Shell, and others.



## BEST PRACTICE

### “Fair Chance Hiring Ordinance” Austin, Texas

The City of Austin’s Fair Chance Hiring Ordinance is intended to give job applicants a fair chance at employment by delaying inquiries into their criminal history until after a conditional job offer has been made. Adopted in 2016, this policy applies to Austin employers with fifteen or more employees.

The Austin City Council determined that denying an employment opportunity to an otherwise qualified person based on their criminal history—assuming it is not relevant to the job—under consideration—to be unjust, detrimental to the city, prevents the integration of the person into the community, creates a burden on public resources and law enforcement, contributes to crime and recidivism, and contributes to unemployment, which harms the local economy.

Per the ordinance, employers are not allowed to take adverse action against a job applicant because of their criminal history unless the employer decides that the applicant is unsuitable for the job based on an individualized assessment conducted by the employer. If the employer takes adverse action against an applicant based on their criminal history, they must inform the candidate in writing that the adverse action was based on the person’s criminal history.

For more information, click on: <https://www.austintexas.gov/fairchancehiring>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #2: Expand Workforce Capacity

#### Apprenticeships

The concept of “dual-training” is the essence of every apprenticeship program. Apprentices split time between classroom instruction at a vocational school and on-the-job training at a company. Theoretical concepts learned in class are reinforced by practice at work. Trainees learn how to develop good work habits and assume responsibility, and during their tenure, absorb the culture of the company. Best of all, they get paid for their time, both at work and in class.

Apprenticeships last two to four years, depending on area of specialization (e.g., information technology, finance and business, healthcare, hospitality, transportation, and manufacturing). Both employer and trainee hope the arrangement will lead to a permanent job, which is often the case. The U.S. Department of Labor states that more than 90% of apprentices remain employed after completing their dual-training program. Their average wage exceeds \$60,000. During the span of their careers, apprentices earn more than \$300,000 compared to vocational workers who do not complete an apprenticeship.

Vocational schools alone are not equipped to prepare skilled workers. What’s needed are businesses who *want* to train workers, in tandem with classroom learning. And while this can be an effective way to create a pipeline of skilled workers, it doesn’t come cheap.

## BEST PRACTICE

### “Apprenticeship 2000” Charlotte, North Carolina

Apprenticeship 2000 is an industrial apprenticeship partnership that offers technical career opportunities to students after graduating from high school.

Through Apprenticeship 2000, partner companies—Ameritech Die and Mold, Inc.; Alum, Inc.; Bürkert Fluid Control Systems; Chiron America, Inc.; Max Daetwyler Corporation; and Pfaff-Molds L.P.—recruit highly-skilled applicants to fill a select number of technical positions, such as: CNC Machinist, Tool & Die Maker, Mechatronics Technician, and Injection Molding Technician. Each partner company provides on-site apprenticeship training.

Apprentices participate in an 8,000-hour training program for a period of four years. Trainees who successfully complete the program earn an AAS degree in Mechatronics Engineering Technology from Central Piedmont Community College. They are also presented with a Journeyman’s Card and Certificate by the State of North Carolina, and a certification from the U.S. Department of Labor.

The organization works closely with career counselors at local high schools to find qualified candidates for the apprenticeships.

For more information, click on: <http://apprenticeship2000.com/zwp/>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #2: Expand Workforce Capacity

Siemens, which operates its flagship apprenticeship program in Charlotte, NC, spends \$187,000 to train one apprentice. That's more than three times the cost of hiring a new, experienced worker directly from the labor market.

However, Siemens likes to play long ball and finds that the benefits of apprenticeship outweigh the costs. Their apprentice graduates are more productive than off-the-street hires, so much more so that they actually yield an 8% internal rate of return in comparison.

Dallas has a number of German companies—DHL Global comes to mind—that are capable of providing advice and counsel on how domestic companies can adapt to the apprenticeship model. AE recommends exploring how dual-training can be expanded to companies in the target industry sectors.

***“We don’t need to get people in jobs, we need to put people in careers.”***

— Local Stakeholder

## BEST PRACTICE

### “Skills Initiative” Embassy of the Federal Republic of Germany Washington, D.C.

The German Embassy, through the Skills Initiative, seeks to identify and share information about apprenticeships, in cooperation with German companies investing in the U.S. German companies are in a strong position to undertake this effort because of their familiarity with Germany’s first-class dual system of vocational training, which is a major reason for Germany’s economic success. Apprenticeships provide trainees with a unique combination of theory and practice, learning and working, thereby offering a highly attractive career path after high school, serving as an alternative and complementary option to university education.

Foreign direct investment from Germany is significant—more than 3,400 German companies, ranging from large multinationals to small and medium-sized businesses—have invested in the American market. Their investments exceed \$310 billion and created approximately 692,000 jobs. German apprenticeships offer benefits for companies, employees, and the economy. They promote manufacturing as a powerful driver of growth, effectively lower the youth unemployment rate, and ease the burden on public sector budgets.

For more information, click on:

<https://www.germany.info/usen/welcome/wirtschaft/03-Wirtschaft>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #2: Expand Workforce Capacity

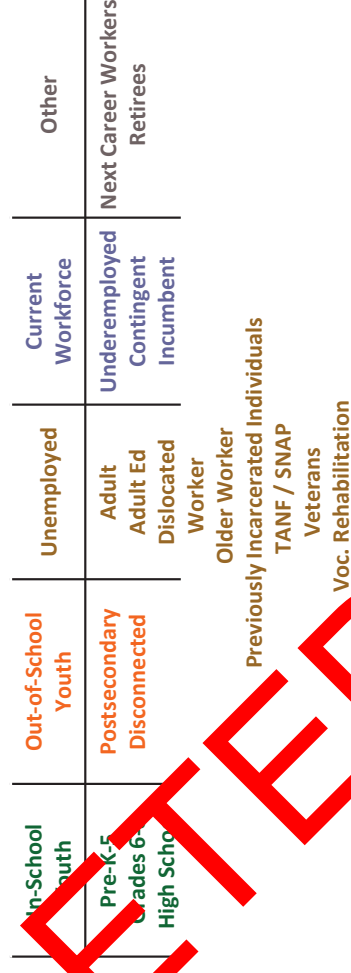
#### Action Items

- Develop public-private childcare collaborative
- Adopt Fair Chance Hiring practices
- Develop apprenticeship training for target industry sectors
  - Partner with Apprenticeship 2000 to create a Dallas Chapter
  - Leverage Germany's Skills Initiative
  - Create a Sister Cities relationship in Germany

#### Key Policy Issues

- ✓ Advocate to raise limits on Child and Dependent Care Tax Credit.
- ✓ Increase limit for dependent care flexible account / dependent care assistance programs
- ✓ Paid parental leave / flexible return policies / flextime / telecommuting
- ✓ Voluntary / mandatory Fair Chance hiring
- ✓ Strengthening Career and Technical Education for the 21st Century Act

## Talent Pipeline



Source: Workforce Investment Board of Western Illinois

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

Not everyone understands the link between affordable housing and workforce development. Affordable housing is a critical component for building and maintaining a competitive workforce and strong local economy. At the same time, a competitive workforce has access to higher incomes, putting workers in a position where they can afford a decent place to live.

Linkages between affordable housing and workforce development are place-oriented and relate to infrastructure—access to education, health, and retail services; commute patterns; utilities; parks and recreation amenities. More affluent areas have stronger demand, higher prices, and better infrastructure; lower-income and impoverished areas have weaker demand, lower prices, and substandard infrastructure.

Dallas' Market Value Analysis provides a data-rich breakdown of *which* areas and neighborhoods need assistance. *How* to help these communities is discussed in the Comprehensive Housing Policy and is relevant to this strategic action plan.

### Capital Investment

Government Finance Officers Association (GFOA) Best Practices are a collection of policies and procedures that are designed to improve government management. Their purpose is to encourage change and recognize excellence rather than codify existing



## BEST PRACTICE

### "Long-Range CIP Strategic Plan" Austin, Texas

Austin's Long-Range Capital Improvement Program (CIP) Strategic Plan was created soon after adoption of "Imagine Austin," the city's comprehensive plan for the future. Implementation of "Imagine Austin" is outlined by a five-point program, which includes "Capital Investment."

The Long-Range CIP Strategic Plan takes a data-driven approach to planning for the City's future capital improvements. Updated annually, the document takes into account how Austin will grow and develop in the next ten years, linking the municipality's capital investments to City policies and priorities. It is part of a larger CIP planning cycle—a continuous process of planning that includes the Five-Year CIP Plan and the annual Capital Budget.

An integral part of preparing the Long-Range CIP Strategic Plan is the organization's prioritization criteria: (1) Federal or State Mandates, (2) Urgent Need, (3) Planning Priorities, (4) Policy Priority, (5) Business Priorities, and (6) Impact Criteria. Using a prioritization matrix provides a structured approach that features consensus-building, objectivity, transparency, and numerical scoring of projects, and multi-dimensional thinking.

For more information, click on: <https://www.austintexas.gov/cipstrategicplan>.

○ **Human Capital: Widen the Talent Pipeline**

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**Strategy #3: Link Affordable Housing to Workforce Development**

procedures and maintain the status quo. One of GFOA's Best Practices is entitled, "Coordinating Economic Development and Capital Planning." This document recommends that economic development strategies and capital improvement planning be coordinated and integrated within local government.

The AE team concurs with GFOA's professional guidance and recommends that Dallas adopt the practice of preparing a Long-Range Capital Improvement Program Strategic Plan. It is further recommended that Dallas embrace prioritization procedures, not unlike the process being utilized by the City of Austin.

**Strategy #3: Link Affordable Housing to Workforce Development**

During the Stakeholder Engagement phase, residents and businesses indicated that City infrastructure was a major issue. Moving forward with long-term capital planning will help alleviate their concerns and provide support for affordable housing and workforce development.

Transportation is ranked high on the list of important quality of life factors, along with education, employment, recreation, and health. Some have described it as the glue that holds everything else together. This is true for affluent residents living in master-planned communities, but takes on a whole new meaning for those residing in low-income



Source: Dallas Area Rapid Transit

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

neighborhoods. For the working poor, transportation—the ability to get back and forth from home to work—is the single most important determinant in their ability to climb the economic ladder and escape poverty.

In Dallas, there is a keen awareness about the connection between transportation, accessibility, affordability, and upward economic mobility:

- *Neighborhood Plus* (2015) calls for the expansion of transportation programs in low-income areas.
- *Transportation Equity & Access to Opportunity for Transit Dependent Population in Dallas* (2017), talks about the disconnect between transit dependent cores and regional jobs.
- The Communities Foundation of Texas *Economic Opportunity Assessment* (2018) states that 43% of workers in low-income areas spend more than 30 minutes traveling one way to work.
- The *Mayor's Task Force on Poverty Update* (2018) endorses CPPP solutions for transportation: "Establish goal for DART to reduce home-to-work travel time to under one hour for significant percentage of rider and transit mobility goals for DART to ensure access in currently underserved communities."

SOC-3 Rail Alignment



Source: Dallas Area Rapid Transit

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

- *Resilient Dallas: Dallas' Path to Shared Prosperity* (2018) calls for Dallas to "ensure our local and regional transit system provides transit-dependent residents with reasonable, reliable, and equitable access to employment, housing opportunities, and quality services that foster well-being."

This is to be accomplished by:

- Ensuring that *Connect Dallas*—the City of Dallas' first-ever 5-Year Strategic Transportation Vision—incorporates transportation equity into all elements of the plan, including the vision, goals, guiding principles, partnerships, resource allocation, and funding priorities.
- Regularly convening Dallas members of the Dallas Area Rapid Transit (DART) Board to establish and formalize City goals and policy recommendations to guide decision-making and align representation with Dallas' priorities.
- Improve transportation access to employment, housing, education, healthcare, and other essential service for Dallas residents by addressing neighborhood infrastructure and system operational standards.

At this writing, the City of Dallas Department of Transportation is soliciting comments from local citizens about the community's multimodal transportation needs. Through

## DART Transit-Oriented Development



# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

this planning process, civic leaders, residents, and other stakeholders are working together to develop a long-term transportation plan that will coordinate and integrate existing mobility plans from various agencies into one cohesive and strategic vision.

**Transit-Oriented Development.** Transit-Oriented Development (TOD) refers to a mix of commercial, residential, office, entertainment, or mixed-used development that is centered in the vicinity of transit stations. The DART TOD Development Policy, TOD Guidelines, and Station Area Plans are designed to build sustainable rail-connected development and help create communities where residents can live, work, and play, without relying on an automobile (DART, 2019).

Against this backdrop, the AE team offers the following recommendations:

- Advance from transportation analysis/planning to implementation.
- Extend DART light-rail transit routes to business corridors/employment centers in southern Dallas (e.g., Redbird) and other underserved areas of the community.
- Improve bus coverage and accessibility to vulnerable populations and strategies for solving last-mile transportation issues.
- Reduce travel time to work for residents in southern Dallas.

## BEST PRACTICE

### “The Jobs Bus” Niagara, Ontario, Canada

The Job Bus is a public-private partnership between hospitality and technology services employers, employment agencies, and Opportunities Niagara. The program provided transportation for workers with no other means of commuting to jobs in other municipalities throughout the region.

Project partners contacted employers and performed research on the region’s labor market. They developed a sophisticated system of linking job seekers to employment opportunities. Niagara 21<sup>st</sup> Group served as the lead agency for job openings and on-site training. Community partners helped with promotion, worker recruitment, assessments, and training. Transit contracts, financing, and cost-sharing arrangements were provided to plan the Job Bus participants and the Niagara 21<sup>st</sup> Group shared the costs of providing the bus services (Cabaj, 2012).

Results from the initial six-month pilot project were promising. As a result, the Jobs Bus expanded its operation, adding new routes and new employers. Organizers initiated a summer-time Youth Job Bus. Overall, more than 200 unemployed residents secured employment through the Job Bus initiative (Cabaj, 2012).

For more information, click on:

<https://cdn2.hubspot.net/hubfs/316071/VC/Cities%20Reducing%20Poverty.pdf>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

#### Fiber Optic Broadband / Wi-Fi

Fast and low-cost access to the Internet has become a ubiquitous feature of the modern economy. Unfortunately, a “digital divide” between the “haves” and “have nots” continues to persist. There are those who have Internet access and know how to use it; and those don’t have access or understand how it works. The differences in digital inclusion have created economic and social disparities for Dallas’ low-income and underserved residents.

Lack of broadband access has a disproportionate impact on those who are economically disadvantaged. Statistics show there is a strong correlation between households with no Internet access and household income. The Federal Communications Commission (FCC) Fixed Broadband Deployment mapping tool provides insight and can be used to zoom to the county and census tract level (see page 142).

Broadband is now considered basic infrastructure that—no less than electricity, streets, water, and wastewater—is needed in every business, home, and neighborhood. On a positive note, Dallas residents have access to some of the fastest Internet speeds available, with three Internet providers (Spectrum, AT&T, and Frontier) offering speeds of approximately 1,000 Megabits per second (Mbps). Speeds of up to 1,000 Mbps are available in 40% of Dallas, compared to 13% overall in the U.S. (Allconnect, 2019; FCC,

## BEST PRACTICE

### “Gig City®” Chattanooga, Tennessee

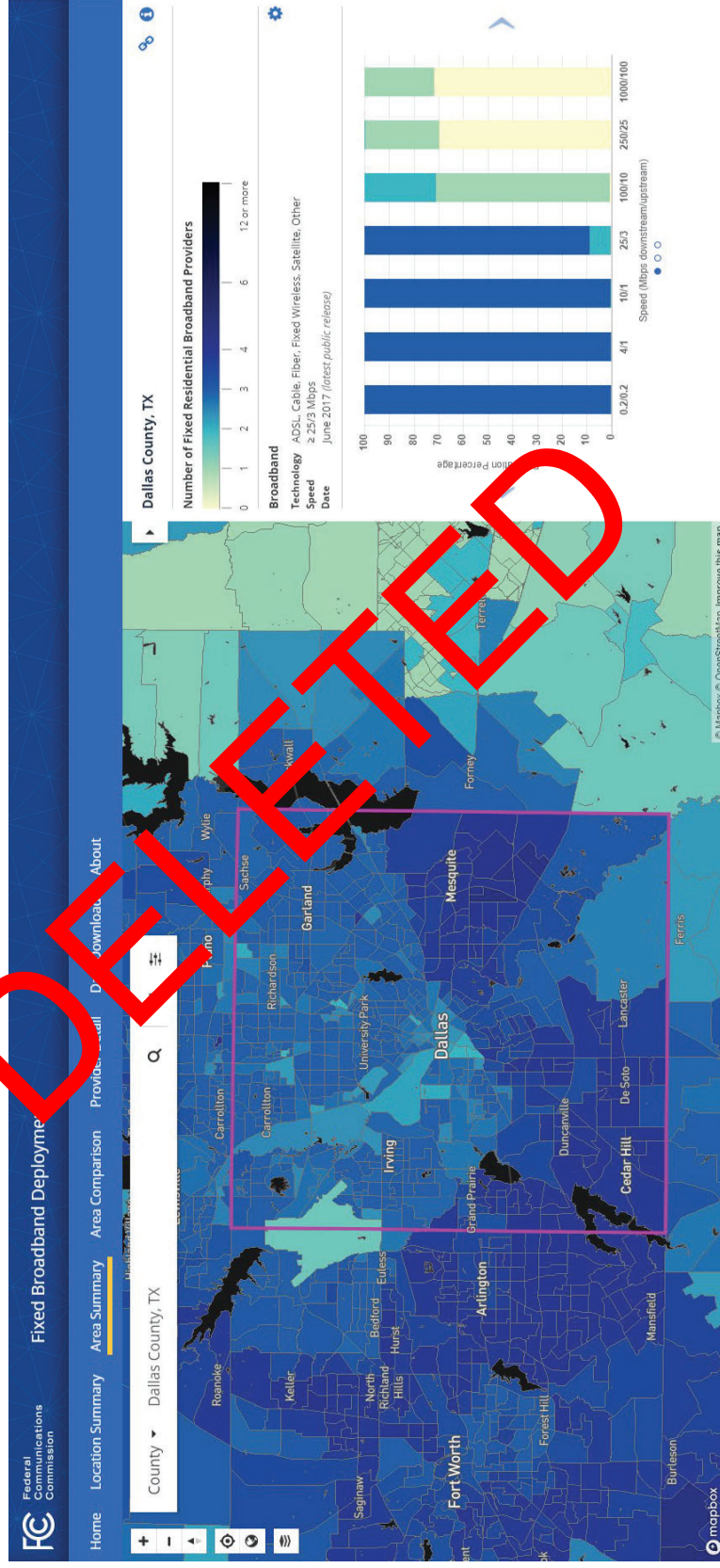
Chattanooga is well known for being the first community in the U.S. where access to 1 Gigabit-per-second Internet speed is available to every home and business through a municipally-owned network. Residents, businesses, and entrepreneurs enjoy faster and lower cost access to the Internet than any other place in the nation.

The community’s fiber network began modestly in the 1990s, when Chattanooga’s Electrical Power Board (EPB) made a few fiber optic investments to connect its substations. In the early 2000s, EPB took another small step and began offering telephone and broadband services to local businesses. Soon thereafter, EPB decided to expand its broadband services.

In 2007, EPB prepared a 10-year plan to build a Fiber Optic network throughout its entire service area. The plan was confronted with opposition and a few lawsuits from Comcast and the state cable association, who attempted to scare local citizens into opposing the project, but their plan was enthusiastically supported by the public and elected officials. Today, Chattanooga’s Fiber Optic Network allows for upload and download speeds that are 200 times the national average, and 10 times faster than the FCC’s National Broadband Plan.

For more information, click on: <http://chattanoogaigig.com/>.

# Strategic Action Plan



# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

**Strategy #3: Link Affordable Housing to Workforce Development**  
2017). Despite the availability of high-speed broadband service, 16.4% of Dallas households have no computer; and 28.6% have no broadband Internet subscription (U.S. Census Bureau, 2013-2017 American Community Survey).

Wi-Fi hotspots are located at Dallas public libraries, certain public parks, select cars and coffee shops (Starbucks, Stupid Good Coffee, Garden Café, and Café Brazil), and along all Dallas Area Rapid Transit routes. Spectrum and AT&T customers have access to free Wi-Fi hotspots at various locations; Frontier currently doesn't offer Wi-Fi hotspots in Dallas.

The Federal Reserve Bank of Dallas makes an important distinction between broadband access, computer access, and training/technical assistance. All three are interrelated, but not necessarily equal. For example, a person who buys a computer and participates in workforce skills training isn't likely to obtain the desired results if they don't have access to broadband service. This has a tremendous impact on workforce development. The vast majority of job openings are posted online. Computers are a necessary tool for preparing a resume, submitting a job application, or participate in a job training program. Moreover, the Internet opens up to a whole new world of distance education. A similar pattern applies to K-12 education, financial services, small business development, affordable housing, and health care. Dallas' anchor institutions and employers can provide opportunities, but the right combination of broadband access, computer access, and training/technical assistance is required to make them a reality.

## BEST PRACTICE

### "E-Streets: Connecting Mesa" Mesa, Arizona

In a multifaceted move to make Mesa a "connected community" and prepare the Phoenix-Mesa Gateway Airport employment center for commercial growth, the City installed a 36-mile conduit loop to carry fiber-optic transmission lines. The loop runs from the Falcon Field employment center, through the Superstition Springs employment center, south to Phoenix-Mesa Gateway. The goal is to prevent telecommunications carriers from tearing up Mesa streets as they install their own lines, and to supply needed infrastructure to attract more businesses to the area.

The City installed 6-foot diameter "vaults" along the loop that allow carrier crews to slip their glass strands underground without tearing up streets again. Repeatedly digging up streets shortens the life of the pavement, and eventually the City must repair them—at a cost. What Mesa did saves telecommunications companies from digging up and repairing the streets themselves.

More than anything else, though, this is an economic development move. The looped area is located in the fastest-growing part of Mesa for residential and commercial use and is the focus of City economic developers. Having this fiber available has helped to encourage high-tech investment, including the Apple Global Command Center.

For more information, click on: [Cities in the Technology Economy](#) (Hackler, 2009).

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

AT&T is doing their part by offering high-speed Internet service to low-income residents for \$5 per month. This attractive rate applies to those who meet AT&T's eligibility standards within their service area. Spectrum Internet Assist provides eligible low-income families and senior citizens with unlimited high-speed Internet for \$14.99 per month. Frontier offers the Texas Lifeline Discount Program in coordination with the Public Utility Commission of Texas.

The City of Dallas should solicit input from local businesses during business retention/expansion visits about their fiber-optic, high-speed broadband requirements. Moreover, the AE team recommends that fiber-optic broadband access, cost, and support services be taken into consideration when formulating economic development incentive packages. Prioritize those that help increase the percentage of households with high-speed Internet service.

### Affordable Housing

The City of Dallas Comprehensive Housing Policy states the community has a housing shortage of approximately 20,000 units and establishes production goals and income bands to be served. There is a strong focus on building new housing or rehabilitating existing housing stock, with City investment in designated redevelopment, stabilization, and emerging market areas.



## BEST PRACTICE

### "Foundation Communities" Austin and North Texas

Foundation Communities (FC) is a non-profit organization dedicated to providing affordable, attractive homes, while offering free on-site support services to a diverse clientele—families with children, veterans, seniors, and individuals with disabilities. Their affordable housing model assists residents with achieving educational success, financial stability, and healthier lifestyles. The organization owns and operates communities in Austin, Arlington, and Carrollton, Texas.

Educational programming consists of after-school and summer learning programs for 1,000 children and teens who earn, on average, an overall GPA of 3.40. Other educational programs include English as a Second Language, and College Hub, which is directed at non-traditional students looking to start or finish a college credential. Financial stability programs are available at their Community Financial Centers for anyone who makes less than \$55,000 per year. Residents also have on-site access to primary and mental health care, substance abuse counseling, physical activities, nutrition, and community health programs.

Foundation Communities works with a wide variety of community partners in all four of their core program areas.

For more information, click on: <https://foundcom.org/>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

Resolutions of Support or No Objection for developers seeking Housing Tax Credits through the Texas Department of Housing and Community Affairs are also contemplated in the Comprehensive Housing Policy. Within the City's self-scoring application, points are awarded for non-profit organization participation, transit amenities, and resident services, among other criteria. This is in keeping with recent trends in the housing industry, which is waking up to the need to do more than simply build units.

In a recent article, Ken White, Vice President, Resident Services, National Housing Partnership (NHP) Foundation, a non-profit organization dedicated to making investments that preserve and create affordable multi-family housing for low- to moderate-income families and seniors, stated "financial literacy and workforce development programs are important components of high-quality affordable housing." He goes on to advocate for the provision of "opportunities to sustain and improve [children's] education," "bolster existing digital access," and create "high-quality housing that reduces a carbon footprint." AE agrees with these sentiments and recommends the City of Dallas continue to solicit developer proposals for modern, high-quality affordable housing.

**Sustainable Communities Innovation Challenge.** Fannie Mae's 2-year, \$10 million, open competition, Sustainable Communities Innovation Challenge is intended to generate innovative ideas for addressing the nation's affordable housing crisis. During Phase One,

## BEST PRACTICE

### "Southside Career Homes" Nationwide Children's Hospital Columbus, Ohio

Nationwide Children's is a top-ten pediatric system that leads Healthy Neighborhoods Healthy Families programs in housing, workforce education, safety, and wellness. Their proposal for "Southside Career Homes" was named as a contract awardee in Phase 1 of Fannie Mae's Sustainable Communities Innovation Challenge.

Nationwide Children's is collaborating with Community Development for All People (CD4AP) and Goodwill Columbus Workforce Development to revitalize the Southside neighborhood that is located within one mile of their facility. The affordable housing project will include integrated healthcare workforce training that goes beyond entry-level job training. Job coaching assistance, recruitment/retention of rental candidates with average median income below 80 percent, a bootcamp for unemployed and underemployed participants, the Goodwill and Nationwide Children's U.S. Department of Labor-sponsored "Careers in Technology" program, which includes paid internships in information technology, and CD4AP coordinator for building, transportation, facilities, program management, and rental recruitment are featured components of the training program.

For more information, click on: <http://www.nationwidechildrens.org/about-us/population-health-and-wellness/healthy-neighborhoods-healthy-families>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

**Strategy #3: Link Affordable Housing to Workforce Development** which focused on affordable housing and employment opportunities, 104 applications were submitted for consideration.

Selected were three proposals from Florida, Ohio, and Colorado, that called for the expansion of affordable housing development and on-site healthcare workforce training (Nationwide Children's Hospital), Accessory Dwelling Unit development as an affordable housing option for residents in gentrifying neighborhoods (West Denver Renaissance Coalition), and transforming vacant commercial property into entrepreneurial co-housing in low-income communities (Florida Housing Coalition).

Phase Two called for ideas on healthy, affordable housing. They cite research showing that poor quality housing can have a negative impact on a person's health. The idea submission window for this phase has closed. Proposals for Phase Three, which focuses on affordable housing, education, and economic mobility, are being reviewed by Fannie Mae.

AE recommends reviewing Fannie Mae's searchable database, which provides executive summaries of the many high-quality proposals they received in response to The Innovation Challenge, for affordable housing ideas. This could spark networking and enable local developers to connect with the initial applicants, learn from them, share best practices, and develop new ideas and funding.

## BEST PRACTICE

### “West Denver Single Family Plus Initiative” Denver, Colorado

The West Denver Single Family Plus Initiative (WDSF+) is a housing strategy being led by the West Denver Renaissance Collaborative (WDRC), their partners, and West Denver community leaders. The WDSF+ Initiative covers several different neighborhoods, including Athmar Park, Barnum, Barnum West, La Alma Lincoln Park, Sun Valley, West Colfax, Westwood, Valverde, and Villa Park.

The impetus for WDSF+ is the threat of involuntary displacement, or “gentrification” in West Denver. Organizers will sponsor homeowner forums that connect homeowners to critical resources and to existing housing service providers. Included in the WDSF+ initiative is a New Accessory Dwelling Unit (ADU) Pilot Program to help qualified homeowners navigate the process of developing an ADU.

This initiative is one of three projects names as a contract awardee in Phase 1 of Fannie Mae's Sustainable Communities Innovation Challenge. In preparation for implementation of the West Denver Renaissance Collaborative has compiled the “WDSF+ ADU Handbook: A guide to Detached ADU & Tandem House Development,” to assist homeowners who would like to participate in their initiative. Homeowners are pre-qualified, agree to enrollment criteria, and are financially prepared.

For more information, click on: <http://www.mywdrc.org/wdsf.html>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

As a potential further step, AE might consider adopting Fannie Mae's Sustainable Communities Innovation Challenge framework and create a customized, local competition to generate ideas for affordable housing and workforce development.

***“Financial literacy and workforce development programs are important components of high-quality affordable housing.”***

— Ken White

## BEST PRACTICE

### “Urban Greenhouses” Chicago, Illinois

Recognizing that many affordable housing developments exist in “food deserts” — areas with limited access to affordable and nutritious food — Vertical Harvest has been awarded a \$500,000 grant from the Federal National Mortgage Association, or Fannie Mae, through its Sustainable Communities Innovation Challenge.

Vertical Harvest plans to use the funds to underwrite a feasibility study that will analyze the efficacy of building vertical greenhouses at three existing affordable housing developments in the Chicago area. The study will assess what model of greenhouse could be integrated into the developments, and what products would best serve the Midwestern metropolis market. It will also look at programs that could be integrated into greenhouses and that provide ancillary benefits for the community.

The firm plans to provide employment for underserved populations by growing food at a commercial scale. Their flagship project, located in Jackson Hole, Wyoming, employs people with physical and intellectual disabilities while producing food for the local community. Vertical Harvest partners with private investors, public resources, and philanthropy to fulfill their mission. Their efforts have been recognized by the New York Times, The Huffington Post, The Atlantic, Fast Company, and the Future of Food.

For more information, click on: <https://www.verticalharvestjackson.com/our-mission>.

# Strategic Action Plan

## ○ Human Capital: Widen the Talent Pipeline

### Strategy #3: Link Affordable Housing to Workforce Development

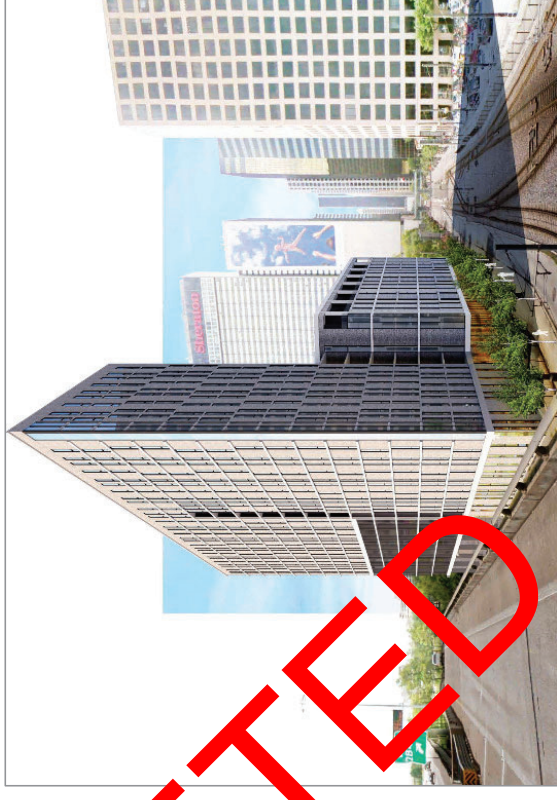
#### Action Items

- Develop a Long-Range CIP Strategic Plan
- Advance from transportation analysis/planning to implementation.
- Extend DART transit routes to business corridors/employment centers in southern Dallas and other underserved areas of the community.
- Improve bus coverage and accessibility to vulnerable populations and strategies for solving last-mile transportation issues.
- Take fiber optic broadband access, cost, and support services into consideration when formulating economic development incentive packages. Prioritize those that help increase the percentage of households with high-speed internet service.
- Continue to solicit developer proposals for high-quality affordable housing.
- Explore Fannie Mae's high-quality proposals received in response to The Innovation Challenge for affordable housing ideas.

#### Key Policy Issues

- ✓ Transportation funding

2400 Bryan Street



Source: Towers

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Introduction

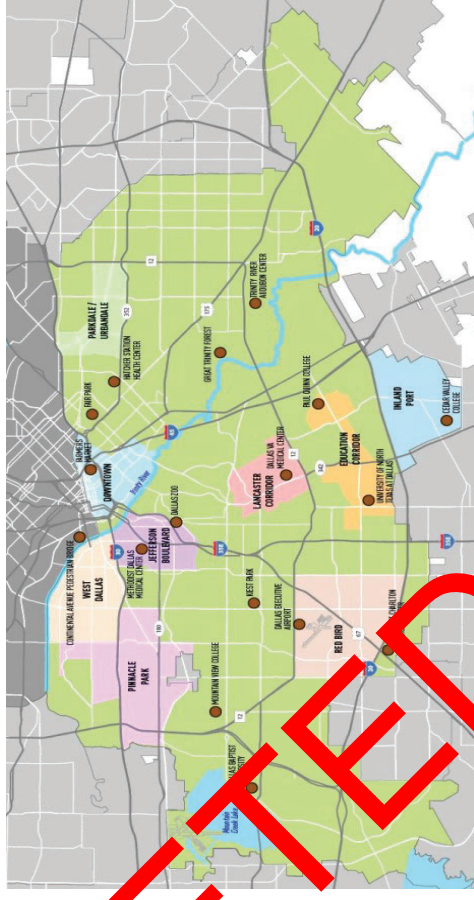
Nothing captures the public discourse about Dallas' economic future quite like former Mayor Michael S. Rawlings' GrowSouth initiative.

GrowSouth is a comprehensive strategy that was created to build a foundation for sustainable growth in southern Dallas. The opportunity is framed in terms of population and potential tax revenue. Approximately 55% of the City's population resides in North Dallas, generating 85% of the municipality's tax revenue. By comparison, southern Dallas is home to 45% of the population and provides 15% of the local tax base. The disparity is obvious, but so is the economic potential for a 185-square-mile area that is larger than Atlanta.

The GrowSouth Plan has multiple focus areas, which are divided into three categories:

- (1) Focus areas that are already on a clear path to successful growth (Greater Downtown/Cedars, North Oak Cliff, Pinnacle Park Expansion);
- (2) Focus areas that have anchors in place and are about to attract large-scale private development (Education Corridor, International Inland Port of Dallas, Red Bird, West Dallas);
- (3) Focus areas where major public investments are building private market demand in the near future (DART Green Line, Lancaster Corridor).

### The GrowSouth Plan



Source: City of Dallas

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

Four initiatives were added in later years—The Mayor’s GrowSouth, Neighbor Up, High Impact Landlord Initiative, and Single-Family Housing Initiative.

**Neighbor Up.** Neighbor Up is a non-profit organization created to further economic development in three target southern Dallas neighborhoods:

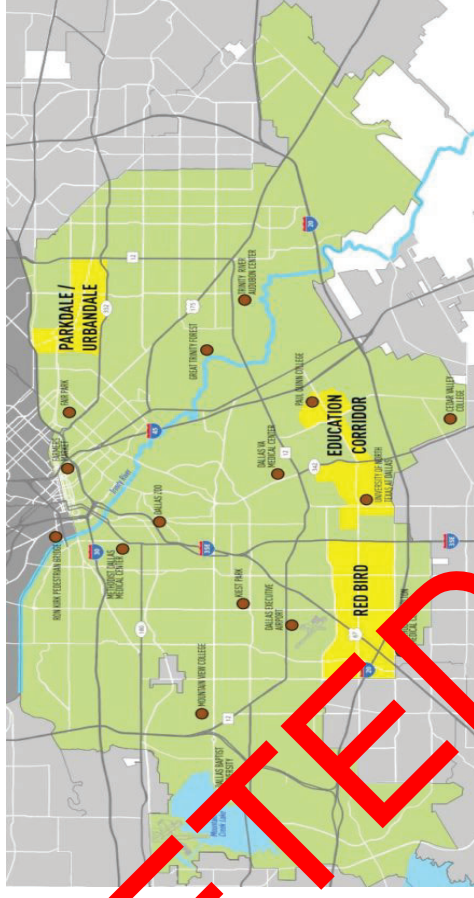
- Redbird from I-35E to South Cockrell Hill Road
- Parkdale/Urbandale in southeast Dallas
- The Education Corridor which is anchored by Paul Quinn College on the east and UNT-Dallas on the West

Three General Managers and one administrative assistant provide on-site support for neighborhood development activities.

**High Impact Landlord Initiative.** The HILL Initiative, as it is known, involves outreach to owners of the most single-family housing rental properties in southern Dallas. The owners were asked to become an active participant in helping to eliminate blight from neighborhoods where their properties are located.

**Single Family Housing Initiative.** A Housing Steering Committee was formed to prepare plans for building 1,500 new homes in southern Dallas, with a price range of \$150,000 - \$500,000. The Committee has also sought to streamline the permitting process for new

## GrowSouth / Neighbor Up



Source: City of Dallas

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

single-family homes, utilize incentives for builders, expand a land bank strategy allowing new homeowners to access land, and create a homebuilder steering committee.

**GrowSouth Community Indicators Progress Report.** For the past seven years, a GrowSouth Community Indicators Progress Report has been compiled to provide development highlights and performance measures for the focus areas in southern Dallas. The 2018 report features 12 selected indicators:

Measures of Commitment – Population, public school enrollment, residential investment, median home sales price, and real property tax value.

Measures of Resilience – Percentage of residents with a bachelor's degree or higher, public high school graduation rate, per capita income, and labor participation rate.

Measures of Amenities – Property crimes per 1,000 residents, violent crimes per 1,000 residents, and school performance.

Notable overall trends from 2012-2017 include: Population growth of 14,221 residents; a two-and-a-half times increase in residential investment (accompanied by a healthy increase in median home sales prices); a decline in public school enrollment (families are moving into the area, but are opting out of the Dallas Independent School District); and substantial decline in property crime rates (violent crime rates have increased by a small margin).



Source: City of Dallas

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

**North Texas Regional Assessment of Fair Housing.** Another key document that provides indicators about Dallas' economic divide is the North Texas Regional Assessment of Fair Housing. This report, which was prepared on behalf of the City of Dallas and the North Texas region, is a response to the U.S. Department of Housing and Urban Development's (HUD) requirement to complete an assessment of fair housing.

The fair housing report outlines several issues that were identified as part of the assessment. One of the key issues is the persistence and proliferation of Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs). R/ECAPs are census tracts that have a non-white population of 50 percent or more and a poverty rate of 40 percent or more (extreme poverty). While some R/ECAPs have diminished over time in the North Texas region, "the number of R/ECAPs in Dallas doubled over the past 26 years, with persistent patterns in south and west Dallas. Two-thirds of the 1990 R/ECAPs retain their designation." (North Texas Regional Housing Assessment, 2018, p. 15).

Other key issues include: The nonwhite and poverty population disproportionately resides in Dallas in comparison to the North Texas region; Black and Hispanic households have a lower access to opportunities than white households; there is an increasing level of nonwhite/white segregation; the prerogative of landlords to refuse voucher holders impacts housing choice and the concentration of poverty; rising home prices, apartment rents, and property taxes exceed the capacity of many residents to afford housing; and lower income residents have limited access to affordable housing in proximity to good jobs with better wages (North Texas Regional Housing Assessment, 2018, p. 14-15).



Source: City of Dallas

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

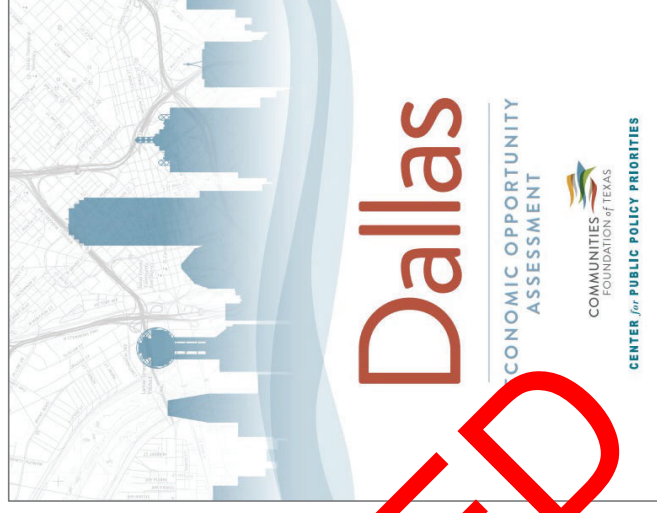
**Poverty.** The issue of poverty is thoroughly documented in the Communities Foundation of Texas “Dallas Economic Opportunity Assessment” and “Mayor’s Task Force on Poverty Update” (2018). Both reports make it clear that Dallas has high levels of geographic segregation by race-ethnicity, income, educational attainment, and wealth.

Drivers of poverty include:

- Sharp decline in median income
- Declining share of middle-income households which increases the number of “have” and “have not” neighborhoods
- Lack of affordable transportation
- Lack of educational attainment
- Limited English language proficiency
- High teen birth rates

These findings helped to raise awareness that “Higher-income households are concentrated in the predominantly White area of north central Dallas. Lower-income households are disproportionately located in areas that have more people of color” (Communities Foundation of Texas, 2018, p. 11).

The situation is projected to worsen unless further action is taken. AE’s recommendations outlined herein are intended to weaken the drivers of poverty, provide better opportunities for all residents, and bridge the economic divide.



Source: Communities Foundation of Texas

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #1: Revitalize South Dallas/Southern Dallas

For decades, Dallas' economic ambitions pointed north to what is now mostly finished farmland in Plano, Frisco, and Allen. Those ambitions were largely fulfilled but left in the wake is an inconvenient reality—Dallas has run out of business park space in the northern half of the community. For North Dallas, Mercer Crossing Business Park is the only development of this type shown on a business park map produced by the City of Dallas Office of Economic Development, and the bulk of that master-planned development lies in Farmers Branch.

This heightens the need for revitalization efforts in southern Dallas. Such efforts require a blend of developer know-how, skill in navigating the area's complicated political landscape, massive capital investment, and the ability to focus on economic development in defined business corridors and employment centers.

#### Affordable Housing

Affordable housing was addressed in the context of human capital and widening the talent pipeline in the preceding section of this strategic action plan. In this section, the conversation turns to development finance and real estate.

**Impact Dallas Capital.** Impact Dallas Capital is a non-profit organization dedicated to increasing investment in southern Dallas. An outgrowth of the GrowSouth initiative, this



## BEST PRACTICE

### “Barnes Housing Trust Fund / Community Land Trust” Metro Nashville, Tennessee

In 2013, Metro Nashville created its first housing trust fund to leverage affordable housing developments and reduce poverty in Davidson County. Named after Reverend Bill Barnes, a long-time affordable housing advocate and revered champion of Nashville's poor, the Barnes Housing Trust Fund makes competitive grants to non-profit housing developers to provide more affordable housing for local residents. Grant funds are used for homeownership, rental, and homeowner rehabilitation opportunities. The fund has leveraged over \$127 million of federal and private funding to construct more than 1,300 units.

In 2017, the Metropolitan Housing Trust Fund Commission created Nashville's first Community Land Trust (CLT) and selected the Housing Fund to develop and steward this model. The CLT is the first city-wide entity to provide permanently affordable homeownership opportunities to assist working families in Nashville. Their mission is to protect local residents from displacement by ensuring working families can live in their communities and keep their homes affordable for generations to come. Combined with seed funding used to launch the CLT, Metro is in the process of donating 14 properties.

For more information, click on: <https://www.nashville.gov/Mayors-Office/Housing/Barnes-Fund.aspx>.

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #1: Revitalize South Dallas/Southern Dallas

is accomplished through their sponsorship of a \$40 million private equity investment fund designed to offer mezzanine funding for projects in southern Dallas. Impact Dallas Capital is described as a “family of double bottom line investment funds” that will catalyze investment in the community—the first bottom line being a return on the equity investment, the second bottom line being economic impact in historically underserved areas of southern Dallas.

The idea is to attract market-rate investment for large-scale real estate development projects (\$10+ million, with a target of \$15-\$20 million). However, finance packages are multi-layered, which makes them more difficult and time-consuming to assemble. They require a thorough understanding of what is often perceived as an unproven market, while at the same time obtaining community buy-in.

One project has been funded to-date—Re-Imagine Redbird—with City of Dallas 2006 Bond Funds of \$244,518; 2012 Bond Funds of \$1,743,282; Mall Area Redevelopment TIF District funds of \$15,600,000; and Public-Private Partnership Funds of \$12,000,000. These monies are being used to support the \$157 million mixed-use development of apartments, new retail and office space, and renovation of the old mall.

AE considers Impact Dallas Capital to be an important piece of the revitalization puzzle. The on-going challenge is to attract more high-quality mixed-use projects with an

## BEST PRACTICE

### “Affordable Housing Trust Fund” Minneapolis, Minnesota

Created in 2003, the Affordable Housing Trust Fund (AHTF) provides gap funding for affordable housing for a diverse population: Senior, homeless, AIDS, families, workforce, veterans, artists, and other special needs. Combined with Low-Income Housing Tax Credits, Tax Increment Financing, Housing Revenue Bonds, and funding from other public and private partners, the intent is to make affordable housing projects attractive and feasible for private sector investors.

AHTF generated a 1:9 return on investment and succeeded in creating Transit Oriented Developments in close proximity to their expanding transportation system (light rail, bus rapid transit, and local mass transit service). A secondary benefit is the creation of construction jobs, and professionals in architecture, engineering, finance, and law. Lastly, AHTF helps expand the community’s tax base by renovating older buildings and replacing blighted and underutilized properties.

More than 6,100 units of affordable housing have been renovated or built since inception of the program. During the first decade of program activity, the City’s tax based increased by nearly \$800 million as a direct result of AHTF investment.

For more information, click on:

[http://www.ci.minneapolis.mn.us/cped/rfp/AHTF\\_home](http://www.ci.minneapolis.mn.us/cped/rfp/AHTF_home).

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #1: Revitalize South Dallas/Southern Dallas

affordable housing component and build momentum within the southern Dallas development pipeline.

**Dallas Impact Investing Collaborative.** In 2016, President Michael Sorrell, Paul Quinn College, accepted a \$1.1 million investment from the Dallas Impact Investing Collaborative (DIIC). The funds were appropriated for a 200-unit, mixed-use apartment complex, with one-third of the units set aside for students, one-third for single mothers, and one-third for teachers. Funds were also budgeted for a childcare center, academic development center, and entrepreneurial space.

**New Markets Tax Credits.** Two years later, Paul Quinn College broke ground on its first new building on campus in 40 years—the Trammel S. Crow Living and Learning Center. This facility will be LEED-certified and feature 30,000 square feet of residential space and 10,000 square feet of classroom and office space. Also included in the building is a dance studio and 1,500-person capacity competitive gym. The Texas Mezzanine Fund, a Community Development Financial Institution and Community Development Entity that promotes economic growth in low- and moderate-income communities throughout Texas, allocated \$11.5 million of its \$75 million in New Markets Tax Credits (NMTC) for the project. The NMTC program increases the flow of capital to low-income communities by providing a modest tax credit to investors. Financial contributors to the project include PNC Bank, Butler Snow, and Renaissance Capital Partners.



## BEST PRACTICE

### “Downtown Density Bonus Program” Austin, Texas

Implemented in 2014, the City of Austin’s Downtown Density Bonus Program (DDBP) is designed to promote a thriving downtown area, while also encouraging the development of affordable housing and other community benefits. A downtown bonus density is requested during the site plan review process.

The DDBP allows for developments in the downtown area to achieve greater height and density in exchange for providing a higher-quality development with community benefits. During the site plan review process, program applicants are required to describe the proposed development project, and how they propose to meet the requirements of the Downtown Density Bonus Program. No less than 50 percent of the bonus density has to be earned by providing on-site affordable housing or by paying a development bonus fee into Austin’s Housing Trust Fund (HTF).

The Housing Trust Fund also receives 40 percent of City property tax revenue from developments built on previously City-owned lands towards affordable housing. Since inception, the HTF has funded an estimated \$12.2 million in rental housing and \$2.4 million in home ownership development. Historically, the HTF is one component of a larger, multi-layered development finance strategy.

For more information, click on <http://www.austintexas.gov/downtown-density-bonus>.

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #1: Revitalize South Dallas/Southern Dallas

The finance packages being used to underwrite development projects at Paul Quinn College are an example of the multi-layered financing that accompanies a multitude of successful revitalization efforts, an approach that should be replicated throughout southern Dallas.

**Comprehensive Housing Policy.** The City of Dallas Comprehensive Housing Policy outlines existing and future funding sources and related approaches to facilitate the development and maintenance of affordable housing. Federal funding sources include the Community Development Block Grant (CDBG) and Home Investment Partnership Program. Similarly, state and local funding sources include General Obligation Bonds and Tax-Exempt Bond Financing.

Implementation of the Housing Policy is reflected in the recent establishment of a housing trust fund to support the preservation and production of affordable housing. Voluntary inclusionary zoning has been approved. Neighborhood Empowerment Zone #9 and #10 have been created, along with pilot economic development programs specifically tailored for each zone. A non-contiguous Tax Increment Financing District to assist with meeting housing unit production goals with affordability requirements and Sublease Program to facilitate the rental of units to voucher holders are being contemplated. The AE team endorses this line of attack and recommends moving in an expeditious manner to put the new housing programs into practice.

## BEST PRACTICE

### “Columbia Pike Form Based Code - Neighborhoods” Arlington County, Virginia

In 2013, Arlington adopted a Neighborhood Form Based Code that applies to multi-family residential areas along Columbia Pike Corridor. Property owners retain the right to develop under the existing zoning code. However, under the form-based code, developers can build at greater heights and densities if they meet affordability requirements.

Current zoning along Columbia Pike generally allows development to be no taller than three to four stories. For multi-family projects that come under the form-based code, their height can reach up to six or eight stories (and occasionally higher under certain circumstances). Slightly lower parking requirements of 1.125 parking spaces per unit are also available.

To take advantage of the development potential, developers are required to set aside between 20 and 30 percent of net new units as affordable housing. The exact affordability requirement is linked to the additional development potential provided at the development site. As the ratio of new-to-existing development increases, so does the affordability percentage.

For more information, click on:

<https://projects.arlingtonva.us/neighborhoods/neighborhoods-form-based-code/>.

# Strategic Action Plan

☐ Inclusive and Equitable Economic Development

## Strategy #1: Revitalize South Dallas/Southern Dances

**Funders for Housing and Opportunity.** One year ago, nine of the nation's largest private foundations came together to launch a housing collaborative known as Funders for Housing and Opportunity (FHO). The Annie E. Casey Foundation, Bill & Melinda Gates Foundation, Conrad N. Hilton Foundation, Ford Foundation, John D. and Catherine T. MacArthur Foundation, The JPB Foundation, The Kresge Foundation, Melville Charitable Trust, Oak Foundation—joined later by the Robert Wood Johnson Foundation and Humanity Church Wall Street—have committed \$5 million to five non-profit organizations whose mission is to address affordable housing and its impacts.

The first set of grantees include:

- Partnership for Children & Youth
- The National Low-Income Housing Coalition
- National Housing Trust and Enterprise Community Partners
- Center for Community Change's Housing Trust Fund Project
- The Alliance for Housing Justice

Subsequent grants will be issued through invitation or a formal Request for Proposals (RFP) process. AE recommends networking with this formidable collaborative to raise Dallas' national profile, and when the opportunity presents itself, submit grant applications for eligible affordable projects in southern Dallas.



# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #1: Revitalize South Dallas/Southern Dallas

#### Real Estate, Corporate Expansion, and Social Service Projects

The City of Dallas Office of Economic Development, through creation of its Community Development Entity (CDE) Dallas Development Fund (DDF), administers allocations of New Market Tax Credits from the U.S. Department of the Treasury. During the past decade, DDF received four allocation allocations—in 2009, 2012, 2014, and 2017—for a total of \$185 million. Their most recent allocation of \$55 million is available for new revitalization projects.

**Dallas Development Fund.** The DDF uses NMTC to provide equity funding for real estate, corporate expansion, and social service projects in traditionally under-served communities. Sample projects include: CitySquare Opportunity Center, C. H. Guenther, Cristo Rey Dallas, Dormae Products (Serta), Girl Scouts of Northeast Texas, Interfaith, Kroger Fresh Fare, Lancaster Urban Village, NYLO Dallas South Side Hotel, Parkland Hatcher Station Health Center, Pioneer Frozen Foods, Resource Center, The Family Place, and Vogel Alcove. Often combined with other financing sources, these revitalization projects represent success stories that can and should be replicated in southern Dallas, priority Market Value Analysis (MVA) zones, and Opportunity Zones. Furthermore, the AE team endorses the continued prioritization of projects that create high-quality jobs, nonprofits providing needed community services, and projects that offer grocery/produce to underserved areas.

Lancaster Urban Village



Source: [lancasterurbanvillage.com](http://lancasterurbanvillage.com)

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

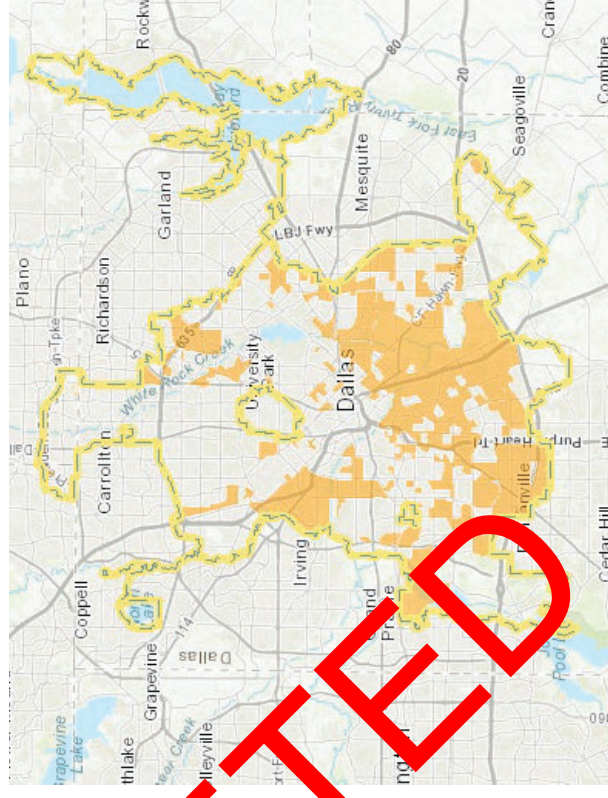
### Strategy #1: Revitalize South Dallas/Southern Dallas

**Public/Private Partnership Program.** The Public/Private Partnership (PPP) Program is designed to assist for-profit companies and developers to offset project development costs by leveraging a number of economic development incentives. Projects are considered on a case-by-case basis, with a key provision being the ability to demonstrate that “but for” the incentives sought, the proposed project will not move forward or will be substantially altered so that the public benefits contemplated would not otherwise be realized.

Minimum project requirements have been established for target areas, non-target areas, and for non-confirming projects. Potential sources of economic development incentives include real estate/property tax abatement, Economic Development Chapter 380 Grant Program, Economic Development General Obligation Bond Program, tax increment financing, Neighborhood Commercial/Retail Redevelopment Grant Program, public improvement districts, Small Business and Adaptive Reuse Incentives, City of Dallas Regional Center – EB5, New Market Tax Credits, Foreign-Trade Zone, and state incentives (e.g., Enterprise Zone Projects, Texas Enterprise Fund, and the Texas Emerging Technology Fund).

Further case-by-case, special, or secondary considerations apply to target industry projects, non-confirming projects, and competitive and retention projects. Need-based eligibility also applies to projects with financial gaps or for projects that represent a

### Public/Private Partnership Program Target Area Map



Source: City of Dallas Office of Economic Development

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

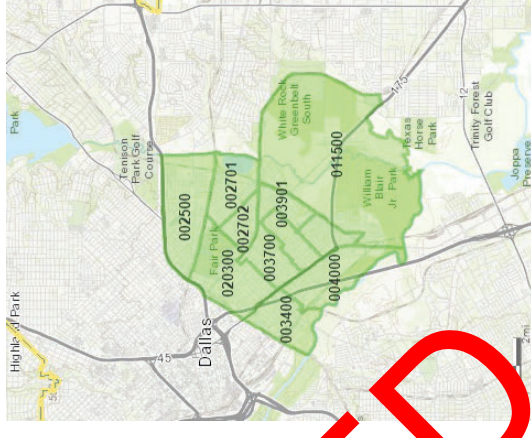
### Strategy #1: Revitalize South Dallas/Southern Dallas

competitive situation for the City against non-Dallas locations. Public-Private Partnerships Program grants and abatements can be used in combination with other resources of federal, state, or City funds where it is deemed necessary to achieve the public purpose advanced by a project.

This conglomeration of economic development incentive programs offers a diverse set of creative financial solutions to pursue the economic the City's economic goals of tax base diversification, job creation, affordable housing formation, and business retention and expansion. It is no accident that a significant portion of the PP/P target area is aligned appropriately for revitalization projects in southern Dallas.

**South Dallas/Fair Park Opportunity Fund.** The South Dallas/Fair Park Opportunity Fund has a renewed focus on offering loans and grants for economic development projects, while providing support for human development initiatives in the neighborhoods surrounding Fair Park. The loans and grants are designed to support businesses or entities in targeted census tracts, or serve a population made up of 90% of residents from those census tracts. Previous projects include Parkland Hospital – Hatcher Station Health Center, South Park YMCA, St. Philip's School and Community Center, Two Podners BBQ & Seafood Restaurant, and Multiple Community Development Corporations. AE recommends maintaining this fund as an economic development tool without backtracking into a social service funding program.

### Eligible Program Areas South Dallas/Fair Park Opportunity Fund



Source: City of Dallas

# Strategic Action Plan

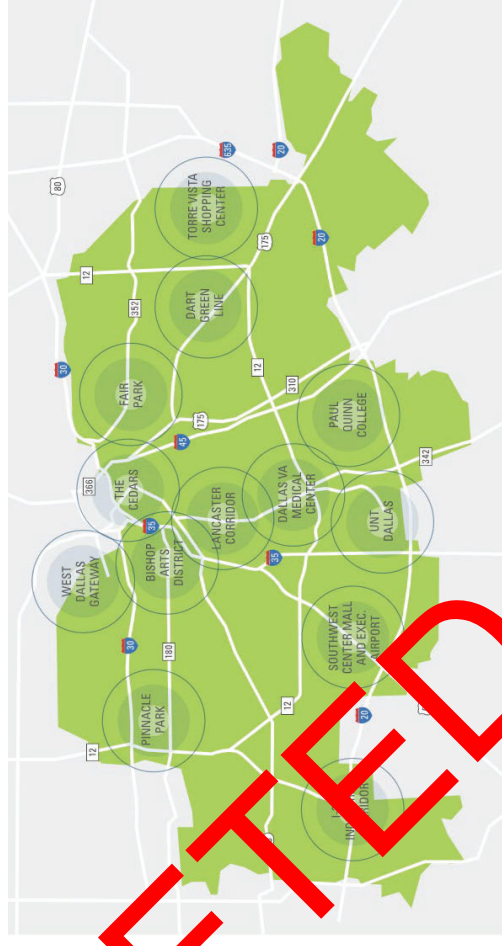
## ○ Inclusive and Equitable Economic Development

### Strategy #1: Revitalize South Dallas/Southern Dallas

#### Action Items

- Leverage City of Dallas development finance, housing, and real estate programs
  - Attract high-quality mixed-used development projects with an affordable housing component
- Carry on with Notices of Funding Availability (NOFAs) and Requests for Proposals for City-owned properties
- Continue to coordinate/negotiate with developers to ensure high-quality, mixed-income housing in mixed-used development projects
- Fully implement the Dallas Housing Trust Fund (e.g., governance structure, funding policies, criteria)
- Replicate the multi-layered financing approach utilized by Paul Quinn College and Reimagine Redbird
- Create a non-contiguous Tax Increment Financing District to assist with meeting affordable housing production goals
- Utilize Voluntary Inclusionary Zoning incentives that allow for by-right development bonuses

### Southern Dallas Beachheads of Activity



Source: Impact Dallas Capital / GrowSouth

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

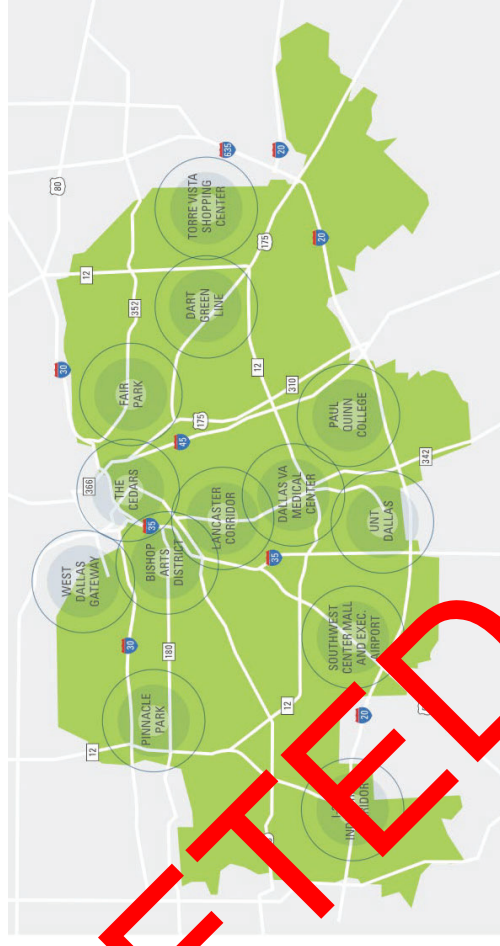
### Strategy #1: Revitalize South Dallas/Southern Dallas

- Formulate a Sublease Program to facilitate the rental of units to voucher holders
- Network with Funders for Housing Opportunity, and when the opportunity presents itself, submit grant applications for eligible affordable projects in southern Dallas
- Continue to utilize the Dallas Development Fund and New Market Tax Credits by providing equity funding for real estate, corporate expansion, and social service projects in traditionally underserved communities
  - Build on southern Dallas beachheads of activity
  - Maintain the South Dallas/Fair Park Opportunity Fund as an economic development tool
  - Prioritize projects that create high-quality jobs, nonprofits providing needed community services, and projects that offer grocery/produce to underserved areas

#### Key Policy Issues

- ✓ Next steps for the Mayor's GrowSouth Initiative.

### Southern Dallas Beachheads of Activity



Source: Impact Dallas Capital / GrowSouth

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

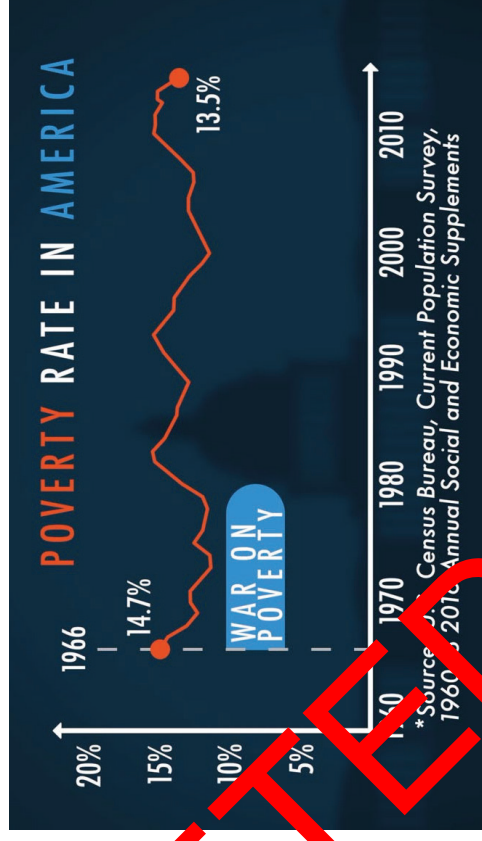
### Strategy #2: Reduce Poverty

#### The Opportunity Gap

Poverty has been a chronic part of the American experience. Since the advent of President Johnson's "War on Poverty" programs in the mid-1960s, there has only been a slight decrease in the U.S. poverty rate. That rate, as computed by the federal government, has fluctuated over the decades, starting at 14.7% in 1966, to the current 13.5%—a net reduction of 1.2%. All this, despite having spent an estimated \$20 trillion on poverty relief programs. Much of this funding has vastly improved living conditions for the poor, but these statistics remind us that there is a big difference between making people less miserable in poverty and helping them escape poverty.

**Mayor's Task Force on Poverty.** Several issues pertaining to poverty reduction have been addressed earlier in this report—affordable housing, apprenticeships, childcare, community scholarships, fair chance hiring, fiber optic broadband service, mobile workforce outreach, and transportation.

Not mentioned is the high poverty rates for single women heads of household with children, a salient point raised by the Mayor's Task Force on Poverty. Strongly correlated to this are high teen birth rates. It has previously been reported that zip codes 75203, 75212, 75215, 75216, and 75220 have teen birth rates that are similar to Burkina Faso, the Gambia, and Somalia. Moreover, "in certain zip codes, a teen girl has a higher chance



Source: Prager U

\*Source: U.S. Census Bureau, Current Population Survey, 1960-2010 Annual Social and Economic Supplements

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

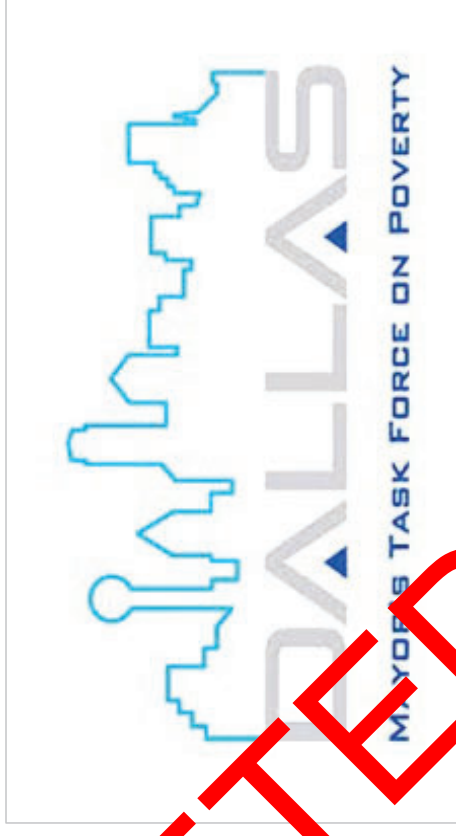
### Strategy #2: Reduce Poverty

of giving birth before age 19 than ever attending college” (North Texas Alliance to Reduce Teen Pregnancy, 2016).

To reduce the poverty rate for single women heads of household with children, the Mayor’s Task Force on Poverty recommended taking a qualitative approach to proposed solutions, not the least of which is placing an increased focus on teen pregnancy reduction, including support for a media campaign. The AE team endorses this recommendation.

**Child Poverty Action Lab.** The Child Poverty Action Lab—a non-profit organization affiliated with the GrowSouth initiative—has been created to elevate child poverty as a common agenda requiring collective action. Within this collaboration of leaders, advisory organizations, and community members, it is the consultant’s hope that resources and strategies to reduce teen pregnancy reduction will be at the forefront of their efforts. If Dallas does not stem the tide of children born into poverty, the flow of young children will continue to overtake those who escape poverty.

This strategic recommendation should not be interpreted as being limited to economically-disadvantaged areas in southern Dallas, but also other underserved areas in the community.



# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #2: Reduce Poverty

#### Action Items

- Provide support for the Child Poverty Action Lab
  - Support a social-change initiative to reduce teen birth rates

#### Key Policy Issues

- ✓ Affordable Housing
- ✓ Child Care
- ✓ Education
- ✓ Fair Hiring Practices
- ✓ Fiber-Optic Broadband / Wi-Fi
- ✓ Transportation
- ✓ Workforce Development

The cycle of poverty cannot be broken by only treating symptoms.

Trauma and toxic stress widen the opportunity gap for low-income children. Scalable results will require us to focus resources toward children and prevention.



Source: Child Poverty Action Lab, 2019

# Strategic Action Plan

## ○ Inclusive and Equitable Economic Development

### Strategy #3: Reduce Crime

#### Crime

The Economic Opportunity Assessment prepared by Communities Foundation of Texas (2018), property and violent crimes fell by 50% in Dallas. At the same time, the report further notes that most homicides occur in the southern part of Dallas County. Besides the tragic loss of human life, violent crimes exact an economic toll on the community, incurring direct costs of \$363 million and indirect costs of \$1.4 billion.

One of the positive aspects of local crime prevention is Dallas' commitment to community policing. This led to creation of the Neighborhood Police Team, a specialized group that serves serving as a liaison between the City of Dallas Police Department and the community. The group helps establish community Crime Watch groups, attend Crime Watch and Homeowner's Association meetings, and participate in community events, functions, and special projects. The intent is to afford Dallas residents the ability to take back their community and maintain a positive working relationship with the Police Department.

To assist with Dallas' community policing initiatives, AE recommends the leveraging of private surveillance systems, allowing police to use them as their eyes and ears. The installation of security devices on homes and businesses is an effective deterrent to lawless behavior, and when it does occur, help in solving crime.

## BEST PRACTICE

### "Neighbors App"

#### Ring

#### Santa Monica, California

Ring, a maker of security cameras and Internet-connected doorbells, was recently purchased by Amazon. Their acquisition of the firm aligns nicely with Amazon Key, a smart doorlock and security camera service that allows Amazon delivery people to drop packages inside of people's homes. Amazon's purchase of Ring moves them further into the home security business.

Soon thereafter, Ring launched a social network called Neighbors, which allows users to share photos and videos of packaging thieves, burglars, and other suspicious activity. The Neighbors App pairs with Ring's signature product—a doorbell with a Wi-Fi-connected camera—instead of a peephole. Users can watch video of their street or porch from a smartphone and talk back over a speaker. The device is one of several low-cost security cameras that have hit the market in the past decade, including Citizen, an app for tracking local crime, and Nextdoor, a neighborhood watch social network, helping people unite to fight crime.

Local police departments are able to join Neighbors to send out crime and safety alerts and view shared videos.

For more information, click on: <https://shop.ring.com/pages/neighbors>.

# Strategic Action Plan

- Inclusive and Equitable Economic Development

## Strategy #3: Reduce Crime

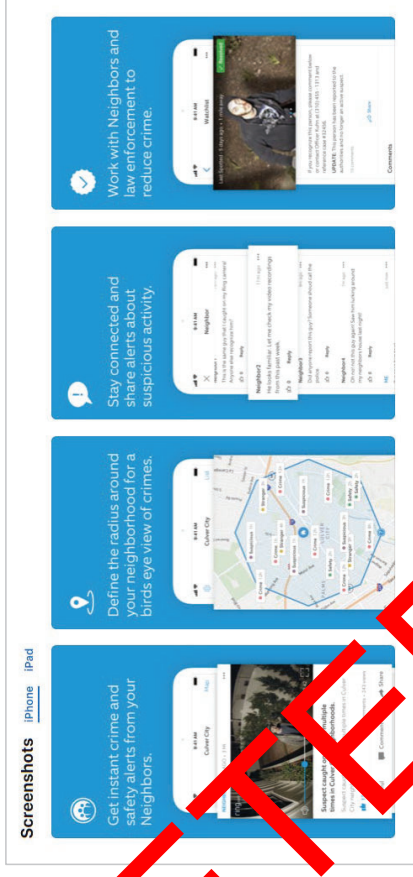
### Action Items

- Establish a private security camera sharing program

### Key Policy Issues

- ✓ How to balance civil liberties

## Neighbors App



Source: Apple Store / Ring

# Strategic Action Plan

☐ Inclusive and Equitable Economic Development

## Strategy #4: Embrace Development Areas / Corridors

Development corridors are defined geographic areas that serve as a component of economic development and/or municipal planning. They typically have one or more anchors as a focal point (e.g., Paul Quinn College and UNT-Dallas, Education Corridor, southern Dallas). Expansion plans are typically based on a complementary mix of place-based community development and economic development strategies. Their boundaries reflect live-work patterns, and job centers.

## Incentives Policy

Like other large urban cities, Dallas has used public funds to incentivize private development projects that strengthen the local economy. These public incentives have taken different forms, such as property tax abatements, public infrastructure, and workforce development. Their use is intended to help achieve economic development goals—diversification of the tax base, job creation, housing, and business retention and expansion—among others.

To assist with implementation of the strategic action plan, AE has prepared a spreadsheet that outlines a proposed incentives policy for economic development (see adjacent graphic). The incentives policy is designed to help the organization move away from a high concentration of “one-off” real estate transactions to a more focused and productive use of public resources.

[illegible]

# Strategic Action Plan

☐ Inclusive and Equitable Economic Development

## Strategy #4: Embrace Development Areas / Correctors

Highlights of the incentives policy are shown below:

- The first column applies to *all industries* in desired development areas/corridors, whereas the second column is appropriate for *targeted industries* in other development areas.
- Eligibility for incentives is linked with performance criteria (e.g., number of jobs created, minimum hourly wages + healthcare benefits, minimum investment, and effective timeframe).
- Anticipates that Public Improvement Districts (PIDs) will be created in all reinvestment areas and opportunity zones.
- In the desired development areas/corridors, Dallas should consider a combination of incentives—sales tax rebates, hotel/motel tax, building permit waivers, and development fee waivers.
- Special projects (corporate headquarters, \$50+ million investment, Dallas County participation) are left to the discretion of the Dallas City Council.

[illegible]

# Strategic Action Plan

☐ Inclusive and Equitable Economic Development

## Strategy #4: Embrace Development Areas / Corridors

### Action Items

- Update incentives policy.

## Key Policy Issues

- ✓ Consider freezing or lowering property taxes to provide relief and lower the risk of tax delinquencies and foreclosures for long-time residents in gentrifying neighborhoods.
- ✓ Consider freezing property valuations for façade improvements on buildings and homes in desired development areas/corridors.

[illegible]

# Implementation Matrix

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# Implementation Matrix

| Line Item            | Strategy   | Implementation Timeline |   |   |   |   |   |   |   |   |   | Implementation Partners |   |   |   |   |   |   |   |  |  |
|----------------------|------------|-------------------------|---|---|---|---|---|---|---|---|---|-------------------------|---|---|---|---|---|---|---|--|--|
|                      |            | A                       | B | C | D | E | F | G | H | I | J | K                       | L | M | N | O | P | Q | R |  |  |
| Economic Development |            |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| Priority 1           |            |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 3                    | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 4                    | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 5                    | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 6                    | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 7                    | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 8                    | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 9                    | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 10                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 11                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 12                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 13                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 14                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 15                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 16                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 17                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 18                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 19                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 20                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 21                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 22                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 23                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 24                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 25                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 26                   | Strategy 4 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 27                   | Strategy 5 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 28                   | Strategy 5 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 29                   | Strategy 5 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 30                   | Strategy 5 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 31                   | Strategy 6 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 32                   | Strategy 6 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 33                   | Strategy 6 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 34                   | Strategy 6 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 35                   | Strategy 6 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 36                   | Strategy 6 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 37                   | Priority 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 38                   | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 39                   | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 40                   | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 41                   | Strategy 1 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 42                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 43                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 44                   | Strategy 2 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 45                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 46                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 47                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 48                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 49                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |
| 50                   | Strategy 3 |                         |   |   |   |   |   |   |   |   |   |                         |   |   |   |   |   |   |   |  |  |

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## Economic Development Metrics

# Economic Development Metrics

## Economic Development Metrics

Continued performance evaluations is a critical to the success of Dallas Economic Development efforts. The economic development measures proposed on the following pages will assist the City of Dallas in effectively measuring implementation of the strategies and action items outlined within this plan.

Economic development professionals and public-sector practitioners will have an opportunity to demonstrate the positive results of their activities and for the public to determine whether resources are well spent and whether the community's assets are being properly applied. Strategic planning partners must agree upon a concise set of the most appropriate performance measures and a schedule for the period reporting on results.

The City of Dallas and its strategic partners should hold an annual "scorecard" meeting to review progress. Additionally, the City of Dallas should consider creating a website to track performance metrics and maintain accountability to its citizens for the effectiveness of the organization's programs and initiatives.

***"What gets measured gets done."***

— W. Edwards Deming

## Business Climate

### Permitting

- Number of commercial/residential permits issued annually
- Average duration of commercial/residential permitting process
- Percentage of permitting completed online
- Ratings of permitting process through post-permitting survey

### EDO

- Deal conversion rate (ratio of prospect visits into recruited projects)
- Number of prospect inquiries
- Number of prospect visits
- Number of annual BR&E visits
- Percentage of businesses surveyed and profiled

### Marketing and Branding

- Number of media impressions about Dallas
- Website visitor engagements
- Average number of backthroughs on website
- Average number of page views by visitors
- Average time spent on website
- Number of social media followers (Facebook, LinkedIn, Twitter, etc.)
- Number of social media shares (re-tweets, likes, etc.)
- Number of subscribers to content (newsletter)
- R&E survey

# Economic Development Metrics

## Economy

- Average wage
- Total wages and percent change
- Per capita income
- Total new jobs
- Average wages for new jobs
- GDP growth
- Population changes
- Local new job listings
- Unemployment rate
- Changes in property values (all product types)

## Infrastructure/Real Estate

### Residential

- Average price of multi family rent
- Average price of housing sales
- Average price of new homes
- No. of months in single family inventory
- No. of utility hooks ups

### Commercial

- Office, industrial absorption/vacancy
- Office, industrial price/square feet
- Average no. of days to issue development permits
- No. of utility hooks ups

## Target Industries

### Growth

- Jobs created/lost related to target industries
- Number of total firm expansions/relocations
- Total capital investment
- Tax revenue generated
- ROI of CDD budget to total new jobs and income (annual)

### Target Industries Talent Pool

- Total number of annual higher degree graduates
- Percentage of annual STEM related graduates vs. non-STEM graduates
- Number of high school graduates
- Percent of high school graduates enrolling in college/technical school
- Number awarded certificates via workforce development programs

# Economic Development Metrics

## Employment Centers/Corridors

- Employment center business growth
- Employment center job creation
- Employment center gross revenues
- Number of new development projects

## Entrepreneurial Metrics

### *Business Creation*

- New business starts (incorporations)
- Number of incubated businesses
- No. of minority/women-owned businesses

### *Capital and R&D Activity*

- Angel and venture funding
- Number of patent applications/patents approved
- R&D spending
- ROI of private investment to public investment (annual)

## International

- Value of exports
- Foreign direct investment
- Number of international inquiries
- Number of qualified leads

DELETED

# Appendices

**DELETED**

# Appendix A – Review of Past Plans and Studies

AE reviewed past plans and studies identified by the City of Dallas Office of Economic Development to better understand the baseline of local, regional, national, and international conditions to support economic development. This review helped AE to identify other local or unique data sources for utilization during subsequent project tasks. The plans and studies are catalogued here to provide background for this report.

## Arts & Culture

Arts and Prosperity®5

The Economic Impact of Nonprofit Arts and Cultural Organizations & The Audiences

Fiscal Year 2015

Dallas Cultural Plan 2018

## Economic Development Plans

City of Dallas Economic Development Stakeholder Task Force Findings and Recommendations (June 1, 2005)

City of Dallas Office of Economic Development Strategic Engagement: Dallas' Economic Development Plan (2005)

Downtown Dallas 360 Plan (2007, 2011, 2017)

The Grow South Plan

City of Dallas Office of Economic Development Strategic Engagement 2013

Goals, Objectives, and Strategies (February 2013)

Arlington, TX: An Economic Development Strategic Plan (September 2014)

City of Plano Comprehensive Plan Economic Development Element

Comprehensive Economic Development Strategy for the North Central Texas Region North Central Texas Council of Governments (February 15, 2016)

Economic Development Strategic Plan City of Fort Worth, Texas (December 2017)

Irving Economic Development Strategic Plan (January 2017)

# Appendix A – Review of Past Plans and Studies

## Entrepreneurship and Innovation

Dallas-Fort Worth Regional Innovation Study 2018  
Dallas Innovation Alliance  
Smart Cities Living Lab Case Study

## Housing

City of Dallas Market Value Analysis  
Comprehensive Housing Policy  
City of Dallas Department of Housing and Neighborhood Revitalization  
March 19, 2018 (last amended April 27, 2018)

## Planning

forwardDallas! Comprehensive Plan (2006)  
Neighborhood Plus  
Neighborhood Revitalization Plan for Dallas  
October 7, 2015

## Public Policy

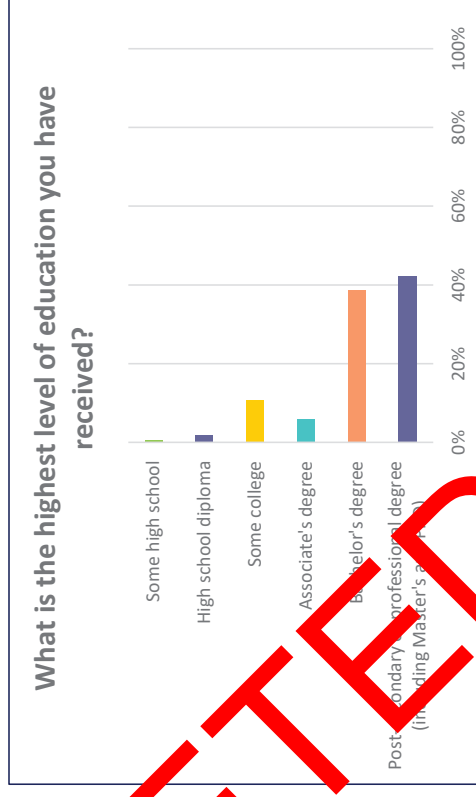
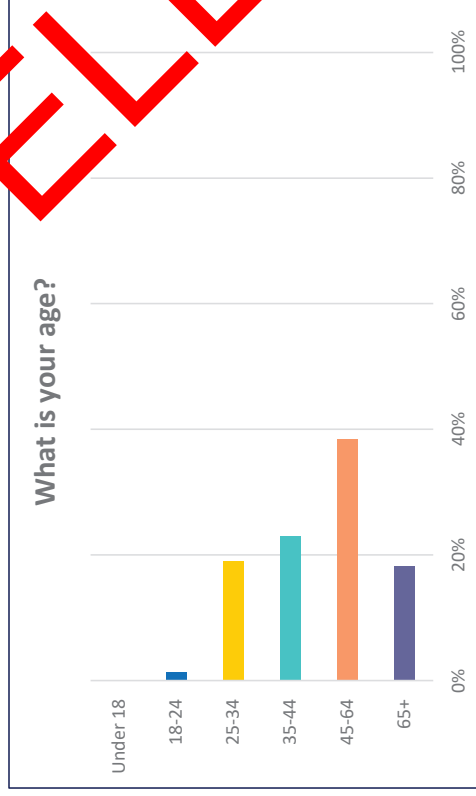
Dallas Economic Opportunity Assessment  
Communities Foundation of Dallas  
Center for Public Policy Priorities  
March 2018

Inclusive Recovery in US Cities  
Urban Institute - April 2018

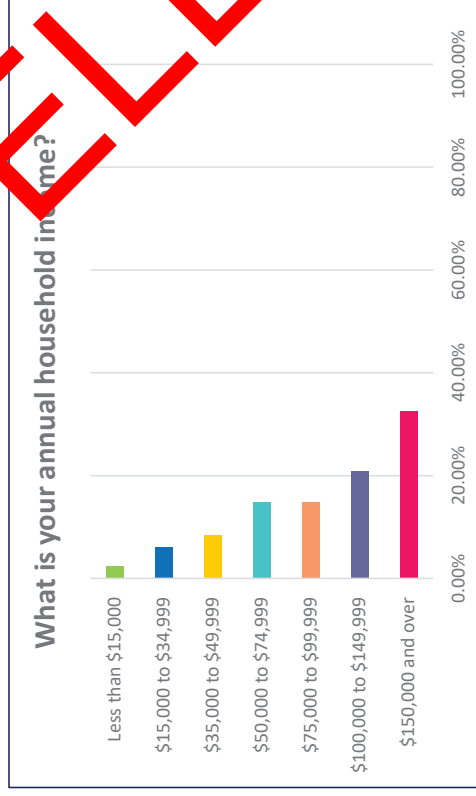
## Workforce Development

Socioeconomic Analysis of the Dallas Workforce: Identifying Economically Isolated  
Populations and Neighborhoods  
Resilient Dallas Diagnostic Report (DRAFT – June 2017)  
Strengthening Dallas-Fort Worth: Building a Middle-Skill Pipeline to Sustain Economic  
Growth and Expand Opportunity (May 2015)

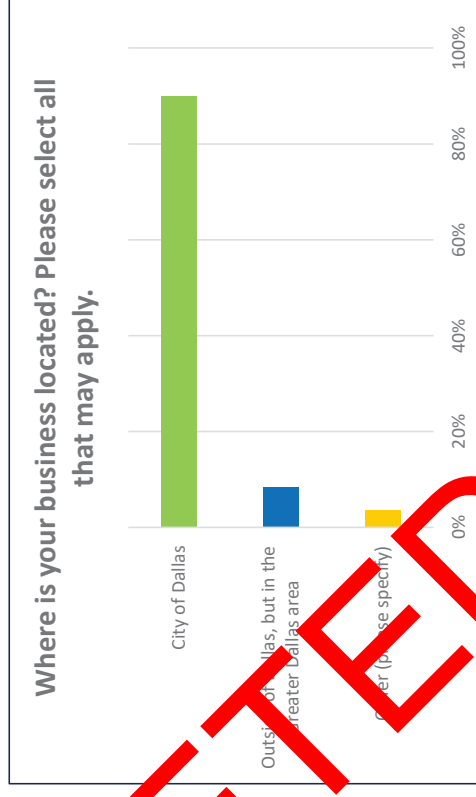
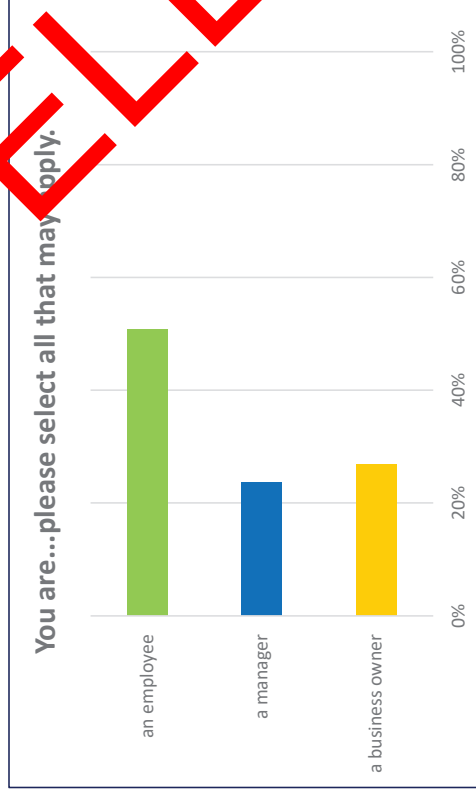
# Appendix B – Online Resident Survey Respondents



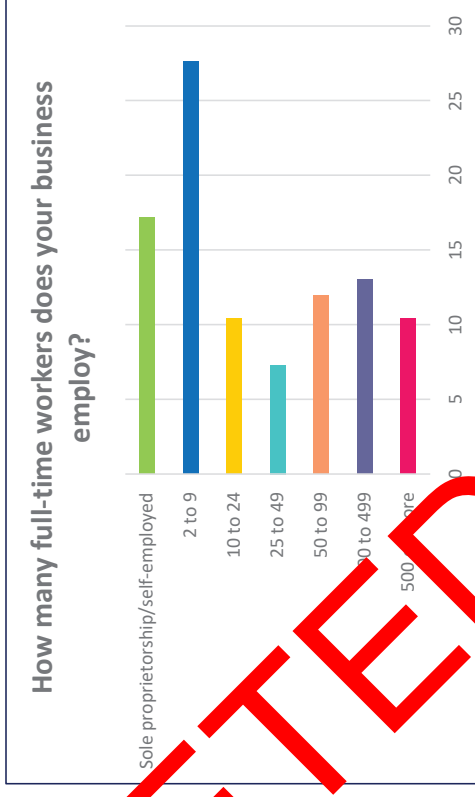
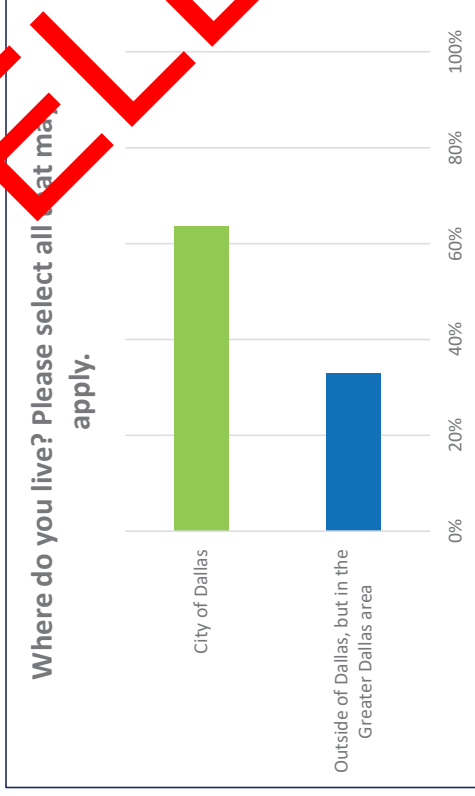
# Appendix B – Online Resident Survey Respondents



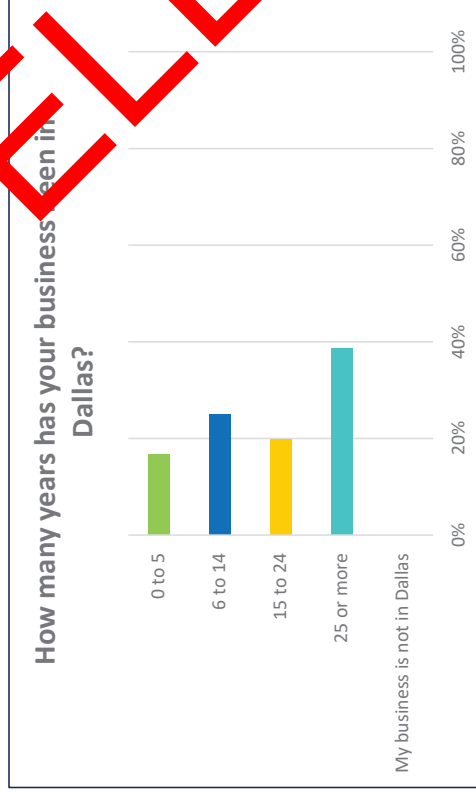
# Appendix C – Online Business Survey Respondents



# Appendix C – Online Business Survey Respondents



# Appendix C – Online Business Survey Respondents



# Appendix D – Focus Groups and Interviews

AE conducted focus group meetings with representatives from across the community who have specialized knowledge or represent institutions on a variety of economic development-related issues. Moreover, interviews were held with government and industry leaders who provided specific insights into the issues affecting the City of Dallas. Supplemental interviews were conducted throughout the duration of the project to ensure all data is collected and stakeholders are engaged. Included were persons from the following stakeholder groups:

## **Business Incubators, Startups and Entrepreneurs**

Comprised of business incubators, organizations which are designed to help create and grow entrepreneurial companies and startups through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections. This focus group includes managers of coworking spaces in Dallas, entrepreneurial mentoring and training programs.

## **Chambers of Commerce**

Comprised of Chambers of Commerce representatives within Greater Dallas. This focus group discusses business opportunities in Dallas, local economy initiatives and attracting new business and development.

## **Creative Industries**

Comprised of a collective of individuals representing entertainment industries including: music, art, television, film, animation, gaming, design, literature, production studios, entertainment attorneys and SAG/AFTRA. This focus group discusses the opportunities and challenges they face with doing business in Dallas.

## **Education**

Comprised of leaders in the education field. This focus group is a collaboration of representatives from Dallas ISD, colleges and universities, trade and technical schools, coding schools, charter schools and the Dallas County Community College District.

## **Growth Fund**

Comprised of representatives from financial institutions, real estate, development companies and the Dallas Citizens Council. This focus group discusses Mayor Mike Rawlings' Growth South Initiative and economic development in the southern sector of Dallas.

## **Innovation**

Comprised of experts in technology, transportation, IT and networking. This focus group also includes representatives from Dallas Innovation Alliance, automobile manufacturers, Texas Research Alliance and Blackstone LaunchPad at UT Dallas-Institute for Innovation and Entrepreneurship.

# Appendix D – Focus Groups and Interviews

## International Strategy

Comprised of World Affairs Council of Dallas/Fort Worth, a member of strategic advisors, investment firms, asset management and financial services companies, international community leaders and development companies. This focus group discusses international connections to enhance the global stature of Dallas.

## PID & TIF Managers

Comprised of representatives from Tax Increment Financing Districts (TIF) and Public Enhancement Districts (PID). A TIF is a special purpose district; a way for the City of Dallas to reinvest added tax revenue from new development back into the area where it originated. The TIF program is used to finance new public improvements in designated areas. A PID is a special district that allows for the City to levy a special assessment against properties within the district to pay for improvements to the properties within the district.

## Real Estate Development

Comprised of real estate professionals, developers and The Real Estate Council (TREC). This focus group advises on community transformation, policy and trends in the Dallas housing and real estate markets.

## Site Selectors

Comprised of consultants that advise on the process of choosing the best location for anticipated uses. This focus group discusses attracting and retaining businesses.

## Small Business Capital Providers

Comprised of banks, micro-lenders, the Federal Reserve Bank of Dallas and the Small Business Administration (SBA). This focus group discusses financial matters and lending practices for small businesses and entrepreneurs.

## The Black Church and Economic Development Initiative

Comprised of faith-based leaders, this focus group originated from a forum on the Black Church and Economic Development hosted by Senator Royce West in 2017. This focus group discusses economic justice, gentrification and ways to innovate and encourage entrepreneurial opportunities, specifically in the City's southern sector.

## Workforce Development

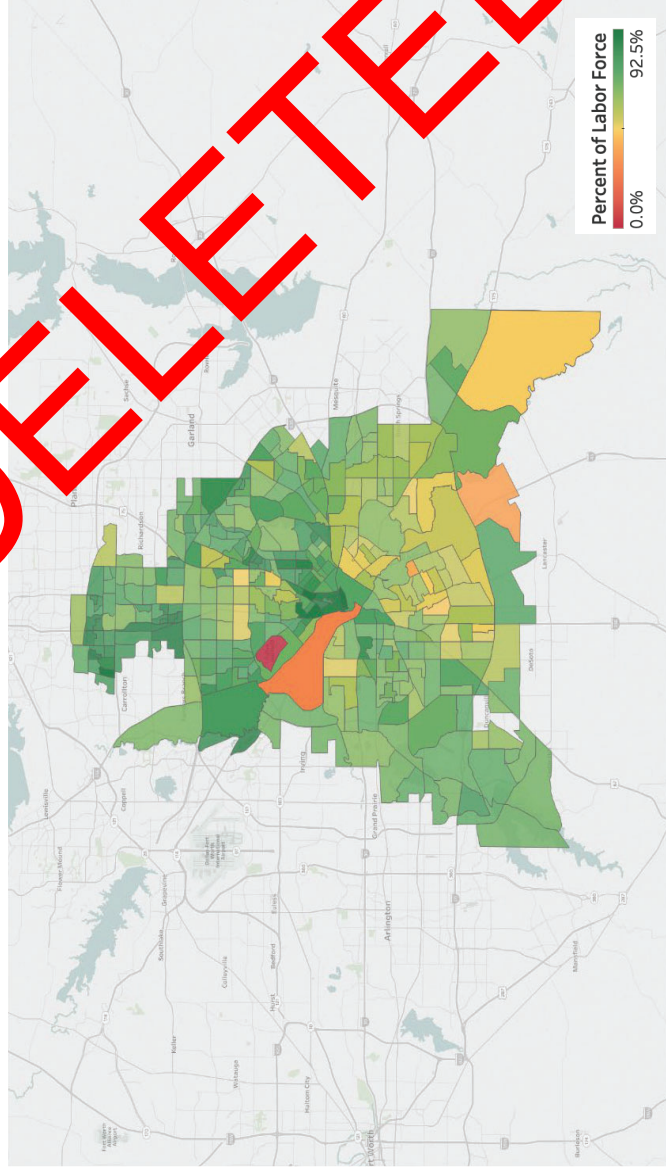
Comprised of representatives from workforce and industry-based training program certifications, employment services, adult education and supportive services organizations. This group discusses the resources needed to develop a stronger and prepared workforce and addresses tackling poverty and inequities.

## Young Leaders

Comprised of young leaders actively involved in service to the City through initiatives and improvement projects. This group includes young professional in the education, legal, public safety, housing, innovation and impact investing fields.

# Appendix E – Workforce

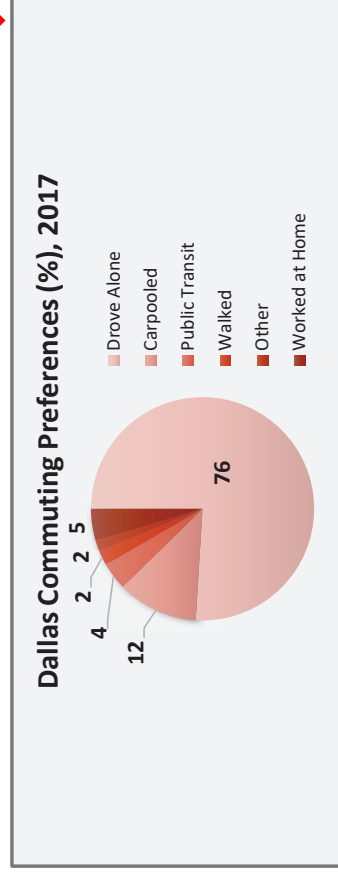
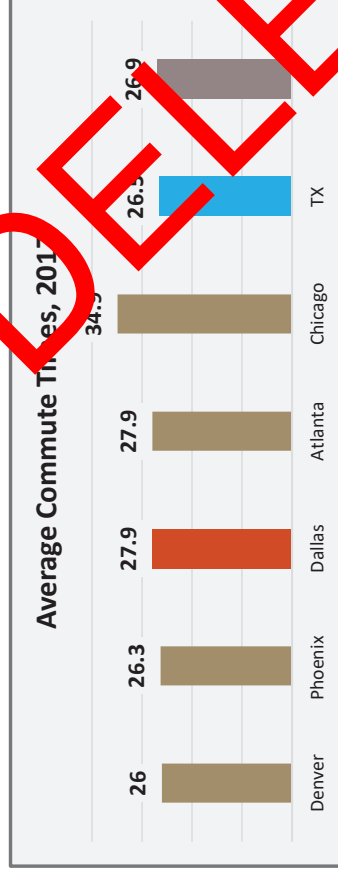
City of Dallas  
Labor Force Participation Rate, 2017 (by Census Tract)



## Workforce

- The Census Tract with the lowest labor force participation rate is the area immediately surrounding Dallas Love Field Airport. This census-tract should be discarded as the U.S. Census Bureau indicates that there are no residents living in this area.
- Otherwise, census tracts with the lowest labor force participation rate can be found in areas of southern Dallas.

# Appendix F – Commuting Patterns

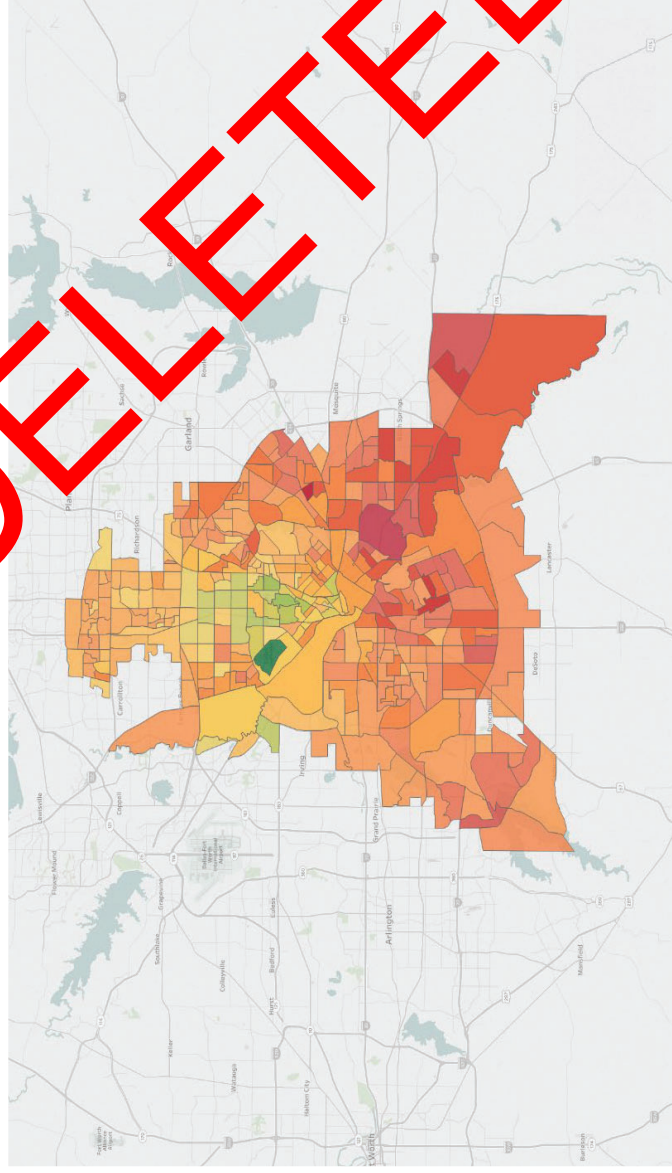


## Commuting Patterns

- Dallas' commute is similar to all other benchmarks, except for Chicago, which has a much higher average.
- The commuting methods in Dallas are similar to state and national trends.
- However, Dallas has lower rates of people who take public transit.
- In fact, only Phoenix has lower rates of public transit commutes.

# Appendix F – Commuting Patterns

City of Dallas  
Average Travel Time to Work, 2017 (by Census Tract)



## Commuting Patterns

- The Census Tract with the lowest labor force participation rate is the area immediately surrounding Dallas Love Field Airport. This census-tract should be discarded as the census bureau indicates that there are no residents living in this area.
- Otherwise, census tracts with the lowest labor force participation rate can be found in areas of southern Dallas.

# Appendix G – Economic Development Organizations

## Industrial Asset Management Council (IAMC)

Founded in 2002, the IAMC describes itself as “the leading industrial and manufacturing real estate trade association, offering dynamic professional development, networking opportunities and endless resources for its members in the U.S. and abroad.”

IAMC offers membership categories for economic developers and service providers including opportunities to increase their visibility to corporate real estate decision makers.

For more information, visit:  
<https://www.iamc.org>

## SelectUSA

SelectUSA is a government-wide program led by the U.S. Department of Commerce. The organization was created to showcase the United States as a prime location for business. The nonprofit organization’s Reshoring Initiative is designed to bring good, well-paying manufacturing jobs back to the United States by assisting companies to more accurately assess their total cost of offshoring and shift collective thinking from offshoring is cheaper to local reduces the total cost of owners. SelectUSA offers a number of free tools to advance their mission.

For more information, visit:  
<https://www.selectusa.gov/welcome>

## American Chambers of Commerce Abroad (AmChams)

Organized under the U.S. Chamber of Commerce’s International Division, AmChams are organizations of business leaders that represent U.S. business interests to the government, business leaders, and communities of the host countries. Currently, there are 117 AmChams representing U.S. business interests in 103 countries worldwide.

Membership in AmChams not only provides networking opportunities and business leads, but also access to publications, libraries, and consolidated information on business climate’s and regulations.

For more information, visit:  
<http://www.amchamsineurope.com/>  
<https://www.uschamber.com/amcham-directory>  
<https://www.aaccla.org/amchams/>

## Site Selector’s Guild

The Site Selector’s Guild is the most prestigious professional organization for corporate site selectors in the world. Founded in 2010, the Guild maintains the highest standards of membership with demonstrated site selection experience and peer vetting both requirements for membership.

The Site Selector’s Guild seeks to push professional site selection to the forefront of corporate location decisions through collaboration between site selectors, corporate customers, and economic development organizations. The Guild also seeks to create the future of professional site selection through education opportunities and mentorship of the next generation of site selection consultants.

For more information, visit:  
<https://siteselectorsguild.com/>

# Appendix H - Comparison of Texas Metros

## Population & Employment

| City        | Population | 5-Year Population Growth | Employment | 5-Year Employment Growth | Unemployment Rate |
|-------------|------------|--------------------------|------------|--------------------------|-------------------|
| Dallas      | 1,341,103  | 8.1%                     | 680,350    | 15.8%                    | 5.2%              |
| Ft. Worth   | 876,060    | 12.0%                    | 430,145    | 21.5%                    | 5.1%              |
| Houston     | 2,313,230  | 7.0%                     | 1,115,198  | 8.1%                     | 6.3%              |
| Austin      | 950,714    | 12.8%                    | 551,084    | 20.2%                    | 3.5%              |
| San Antonio | 1,511,913  | 9.3%                     | 706,348    | 13.2%                    | 5.0%              |
| El Paso     | 683,583    | 1.6%                     | 293,771    | 11.7%                    | 6.6%              |

Source: Bureau of Labor Statistics, U.S. Census Bureau

- Dallas is the third largest city in Texas and has the fourth highest population growth rate.
- Likewise, Dallas has the third largest workforce and the third highest growth in its workforce.
- The unemployment rate for Dallas is near the middle. Austin's low unemployment is creating shortage pressures, while Houston and El Paso's higher rates leave opportunity on the table.

# Appendix H - Comparison of Texas Metros

## Workforce, Education, Housing & Income

| City        | Young Professionals | % Bachelor's Degree | Median Home Value | Median Rent | Median Income |
|-------------|---------------------|---------------------|-------------------|-------------|---------------|
| Dallas      | 32.9%               | 31.20%              | \$190,600         | \$992       | \$50,627      |
| Ft. Worth   | 30.6%               | 29.7%               | \$169,400         | \$994       | \$60,205      |
| Houston     | 32.3%               | 32.7%               | \$173,600         | \$986       | \$50,896      |
| Austin      | 38.5%               | 51.0%               | \$332,700         | \$1,244     | \$67,755      |
| San Antonio | 29.4%               | 26.5%               | \$148,200         | \$926       | \$50,044      |
| El Paso     | 27.2%               | 24.7%               | \$127,700         | \$832       | \$44,754      |

Source: Bureau of Labor Statistics, U.S. Census Bureau

- Dallas has the second highest rate of young professionals, behind Austin.
- In terms of college educated population, Dallas ranks third, behind Austin and Houston.
- Median home values are the second highest among Texas metros.
- Rents rank similar to Ft. Worth and Houston. Austin is on the very high end, while San Antonio and El Paso are on the low end.
- Median incomes in Dallas rank fourth among Texas metros, ranking higher than only San Antonio and El Paso.

# Appendix I – City of Dallas Value Analysis

| Aggregate Value of Owner-Occupied Dwellings, per Capita |                                 |                |                                 |
|---------------------------------------------------------|---------------------------------|----------------|---------------------------------|
| City                                                    | 2017 Aggregate Value per Capita | 10-Year Growth | Compound Annualized Growth Rate |
| San Francisco                                           | \$497,794                       | 62%            | 4.8%                            |
| Denver                                                  | \$194,539                       | 55%            | 4.50%                           |
| Houston                                                 | \$100,092                       | 53%            | 4.3%                            |
| Austin                                                  | \$152,093                       | 51%            | 4.20%                           |
| Dallas                                                  | \$110,396                       | 47%            | 3.90%                           |
| New York                                                | \$287,653                       | 46%            | 3.80%                           |
| Fort Worth                                              | \$65,433                        | 30%            | 2.70%                           |
| San Antonio                                             | \$55,488                        | 24%            | 2.20%                           |
| Atlanta                                                 | \$179,362                       | 23%            | 2.10%                           |
| Los Angeles                                             | \$274,539                       | 23%            | 2.10%                           |
| El Paso                                                 | \$48,770                        | 16%            | 1.50%                           |
| Chicago                                                 | \$126,615                       | 1%             | 0.10%                           |
| Phoenix                                                 | \$92,596                        | -11%           | -1.20%                          |

Source: U.S. Census Bureau

- The current aggregate value per capita for owner-occupied dwellings is \$110,396 in Dallas.
- Among the 13 major cities selected, Dallas ranks 8<sup>th</sup>.
- On an annual basis, aggregate value per capita in Dallas has grown by 3.9% since 2007.

# Appendix J – Dallas Output Analysis

| MSA                                   | Total Output per Capita      |                |                                 |
|---------------------------------------|------------------------------|----------------|---------------------------------|
|                                       | 2017 Total Output Per Capita | 10-Year Growth | Compound Annualized Growth Rate |
| San Francisco-Oakland-Hayward, CA     | \$100,918                    | 18%            | 6%                              |
| Austin-Round Rock, TX                 | 80,303                       | 14%            | 5%                              |
| Los Angeles-Long Beach-Anaheim, CA    | \$78,160                     | 15%            | 5%                              |
| Atlanta-Sandy Springs-Roswell, GA     | \$65,541                     | 13%            | 4%                              |
| Chicago-Naperville-Elgin, IL-IN-WI    | \$71,293                     | 12%            | 4%                              |
| Phoenix-Mesa-Scottsdale, AZ           | \$51,635                     | 10%            | 3%                              |
| San Antonio-New Braunfels, TX         | \$40,263                     | 10%            | 3%                              |
| El Paso, TX                           | \$34,433                     | 8%             | 3%                              |
| New York-Newark-Jersey City, NY-NJ-PA | \$84,529                     | 10%            | 3%                              |
| Denver-Aurora-Lakewood, CO            | \$72,317                     | 7%             | 2%                              |
| Dallas-Fort Worth-Arlington, TX       | \$72,360                     | 6%             | 2%                              |
| Houston-The Woodlands-Sugar Land, TX  | \$71,103                     | 19%            | -3%                             |

Source: Bureau of Labor Statistics, U.S. Census Bureau

- In 2017, the total output per capita for the Dallas metro area was \$72,360, which is 4th among the 12 metro areas in the United States. The Dallas metro area falls behind the Los Angeles, San Francisco, and New York-Newark-Jersey City MSA's.
- Over the past 3 years, the Dallas metro area per capita output has grown by 6%, which ranks 11<sup>th</sup> out of the 12 metro areas considered.
- On an annual basis, total output per capita in the Dallas metro area has grown by 2% since 2014.

# Appendix K – Comparison of ED Budgets

| City        | Department                     | Operating Divisions/Programs                                                                                                                                                                                     | FY 2019-2020 Budget | FTE  |
|-------------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------|
| Austin      | Economic Development           | Cultural Arts and Contracts • Global Business Expansion • Heritage Tourism Music and Entertainment Division • Redevelopment • Small Business Program Support Services, Debt Service, and Other Requirements      | *\$49,496,776       | 74   |
| Dallas      | Office of Economic Development | Area Redevelopment • Business Development • Creative Industries Targeted Development • Community Development                                                                                                     | *\$5,365,845        | 46.5 |
| El Paso     | Economic Development           | Business Incentives • Business Retention & Expansion • Contract Compliance International Development • Redevelopment<br>Special District Management                                                              | *\$802,412          | 15   |
| Fort Worth  | Economic Development           | Administration • Strategic Development and Revitalization Office of Business Diversification                                                                                                                     | *\$26,967,157       | 23   |
| Houston     | Office of Business Opportunity | Certification and Designation • Contract Compliance External Affairs and OBO Evaluation Center Turnaround Houston Initiative/Workforce Development Unit The Homebuilders Institute (HBI) Accredited Home Program | \$3,562,378         | 32.2 |
| San Antonio | Economic Development           | Industrial & International Business Development • International Relations Office Small Business Office • Workforce Development                                                                                   | \$15,815,113        | 38   |

Source: Cities of Austin, Dallas, El Paso, Fort Worth, Houston, and San Antonio, 2019

\*Proposed FY 2019-2020 Budgets

# Appendix K – Comparison of ED Budgets

| City        | Department                     | Funding Sources                                                                                                                                                                | FY 2019-2020 Budget | FTE   |
|-------------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------|
| Austin      | Economic Development           | Cultural Arts Fund • Economic Development Fund<br>Economic Incentives Reserve Fund<br>HUD Section 108 Family Business Loan Program Fund<br>Music Venue Assistance Program Fund | *\$46,268,113       | 74.00 |
| Dallas      | Office of Economic Development | General Fund • Clean Energy Program • New Market Tax Credits<br>South Dallas Fair Park Opportunity Fund • City of Dallas Regional Center Fee                                   | *\$5,365,845        | 46.50 |
| El Paso     | Economic Development           | General Fund • Non-General Fund                                                                                                                                                | *\$802,412          | 15.00 |
| Fort Worth  | Economic Development           | General Fund • Transfer from Fort Worth Local Development Corporation                                                                                                          | *\$26,967,157       | 23.00 |
| Houston     | Office of Business Opportunity | General Fund                                                                                                                                                                   | \$3,562,378         | 32.20 |
| San Antonio | Economic Development           | General Fund • Economic Development Incentives Fund<br>Starbright Industrial Development Corporation Fund<br>Delegate Agencies – Workforce Development                         | \$15,815,113        | 38.00 |

Source: Cities of Austin, Dallas, El Paso, Fort Worth, Houston, and San Antonio, 2019

\*Proposed FY 2019-2020 Budgets



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AE is located in west Austin on Hwy 2244 (Bee Cave Road) directly between the Hwy 360 interchange (to the east) and the Hill Country Galleria in Bee Cave (to the west).

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## About Us

AngelouEconomics partners with client communities and regions across the United States and abroad to candidly assess current economic development realities and identify opportunities.

*Our goal is to leverage the unique strengths of each region to provide new, strategic direction for economic development*

As a result, AngelouEconomics' clients are able to diversify their economies, expand job opportunities and investment, foster entrepreneurship growth, better prepare their workforce, and attract 'new economy' companies.

To learn more, visit [www.angeloueconomies.com](http://www.angeloueconomies.com)

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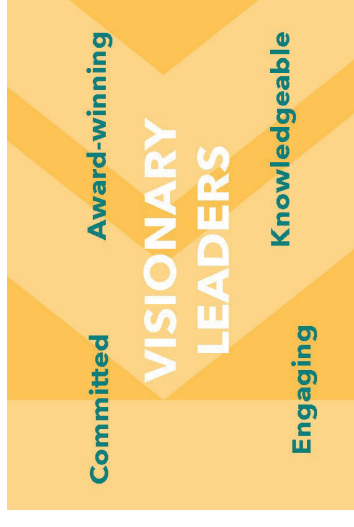


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Founded in 2002, we have more than a decade of public relations experience in the public sector. With a founding staff of 14 professionals, K Strategies has worked on major projects for the City of Dallas, Dallas Cowboys, DFW International Airport, Dallas Independent School District, Fort Worth Independent School District, Omni Hotels and Resorts, Southwest Airlines, and the Texas Department of Transportation.

Our continued success can be attributed to our reputation for excellence, our commitment to the community, our relationships with key leaders, and most importantly, our dedication and devotion to meeting our clients' needs.



**Katrina Keyes, CEO and President**  
**Amanda O'Neal, Senior Communications Specialist**

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