Synergies and Strategies:
How Local Government is Knocking Down Barriers for Business

ILCMA Winter Conference
Thursday, February 7, 2019

Addresses ICMA Practice Areas 2 (Community Engagement) and 10 (Service Delivery)

Small Business Snapshot

2018 Small Business Profile

- 30.2 million small businesses in the U.S.
- 58.9 million small business employees
- 47.5% of all U.S. employees
- Private sector employment increased by 1.8% & number of small business owners increased by 2.3% - *compared to 2017*

Value Adds for Communities from Small Business

➤ Employment opportunities for residents who can spend $ locally and contribute back into economy
➤ Sales tax revenues support core municipal services
➤ Local employees contribute to income tax, and property taxes – which also benefits local government
➤ Owners of local businesses are more likely to be invested in the community in which they exist
➤ Strong local business presence reduces vacant storefronts, and can attract new residents, businesses and shoppers from other areas

Source: *U.S. Small Business Administration*

Small Business Snapshot

Small Business Challenges

- Unreasonable regulations from local government
- Lack of communication from local government on paperwork/compliance issues
- Loss of time is a significant growth impediment
- Finding qualified employees
- Low unemployment rate causing small businesses to struggle with 'tight' labor market
- Healthcare costs
- Affording attractive benefits
- Retaining talented employees

Source: National Federation of Independent Business (NFIB)

ILCMA
Illinois City/County Management Association
A State Affiliate of ICMA

Winter Conference 2019

Panelists

**Ray Rummel, Village Manager
Elk Grove Village**

**Melanie Santostefano, President
Vicarious Multimedia (VM)**

**Leslie McKnight, PhD, City of Peoria
Economic Development**

**Jim Platt, Business Liaison, Principal
CAM Services**

Learning Objectives:

1. How municipalities are **engaging with local business**.

2. **Barriers being removed** by local government to create an environment **conducive to business growth and commerce**.

3. Ways that municipalities can **partner with business** groups & associations to promote the entire business community **through communications**.

4. **Shop local strategies** & campaigns that emphasize the value and importance of **supporting local business**.

Foster a 'Business Friendly' Environment

Ray Rummel, Elk Grove Village

Be Proactive

- Illinois has earned a "not so business-friendly" reputation
- Other Headwinds
- Competition from other states: Foxconn, Amazon HQ2
- How to overcome these factors? *Distinguish Your Community!*

Do the Research

- Benchmark with other communities
- Support business/Government Discussion Group
- Played, "*The Great Game of Business*"
- Focus Groups **with** businesses centered on needs and services
- Industrial/Commercial Revitalization Commissions (ICRC) and Business Leaders Forum

Elk Grove Village gathered massive amounts of data on what business owners want from a municipality.

Foster a 'Business Friendly' Environment

Ray Rummel, Elk Grove Village

What does the business community want from local government?

Recognize time is money – every hour NOT running a business is a loss in profit
Provide predictable & reliable services – quick permit review and communication with owner
Provide a safe environment, build trust–efficient services for safety, enhanced community
Synergies and build relationships – recognize businesses make substantial investments in the community through sales tax generation and enhancing quality of life

What Elk Grove Village has done in response to these wants….

Single Point of Contact: One person point of responsibility/accountability
Permits Streamlined: 10-day turnaround permit reviews; immediate approval for simple permits
Pre-meetings: Added owners to pre-reviews with architects/contractors
Resources Provided: Development Manual/ Business Resource Guide
Predictable Services/Safety: Installed 1,100 street lights, enhanced snow plow routes
Communication with Ownership: Biz Hub, bi-monthly business e-newsletter, traditional newsletter, Business Leaders Forum, Chamber of Commerce

Foster a 'Business Friendly' Environment

P P
P P

Staff Development: White Glove & 4Ps

Measure success through surveys

Ray Rummel, Elk Grove Village

- **Polite:** First Impression, costs nothing and gains everything; not a pushover…..
- **Professional:** Village provides technical skills that business owners do not have, which instills confidence
- **Proactive Problem Solver:** If you see problems coming, have the initiative to address it immediately
- **Partner:** Present a positive attitude; business success is local government success!

Leverage Relationships
- Business between neighbors
- Shorten supply lines
- Vertical integration
- EGV BIZHUB
- Incubator
- Accelerator
- Made in Elk Grove: Manufacturing Expo

ELK GROVE VILLAGE
THE EXCEPTIONAL COMMUNITY

Does it Work? Yes! Elk Grove recognized as:
- Best American City for Global Trade
- Award for Business Excellence
- Top 3 Cities in Illinois by CitiesJournal.com
- Top 10 towns for Best Business Climates in the U.S.
- Top 7 Places to Start a Business in Illinois
- Best Place to Start a Business in Cook County

Identify Synergies, Create Partnerships

Melanie Santostefano, Vicarious Multimedia (VM)

Building connections, finding common goals/synergies between business and local government where they can work together…..to educate the public about benefits of supporting the local economy.

Explore Palatine Campaign

➢ Dedicated day (9/8/18) where residents and others encouraged to 'explore' Palatine businesses
➢ Palatine Area Chamber of Commerce initiative (VM client)
➢ VM reached out to Village of Palatine for buy-in, approval for communications support
➢ Sponsorships obtained by VM covered printing and other collateral communication material costs
➢ Communications included education about sales taxes and how they support core municipal services
➢ Community building opportunity
➢ Promoting the '*experience*' of patronizing/supporting smaller retailers

Identify Synergies, Create Partnerships

Melanie Santostefano, Vicarious Multimedia

- VM created website - **explorepalatine.org** - where ***all Palatine businesses*** invited to sign up/participate
- **Explore Palatine Communications:** press releases to news media, social media, e-communications, articles published to online news media, postcards distributed to participating businesses, signs, banners, flyers/posters
- **Messaging shared by the Village of Palatine:** website calendar, E- and print newsletters, social media, town center electronic sign, postcards at Village Hall
- Village expedited approval of 65 signs and helped to map out locations to place them
- Yard signs planted throughout Village in three days leading up to Explore Palatine
- Approved/displayed two Explore Palatine banners

Identify Synergies, Create Partnerships

Melanie Santostefano, Vicarious Multimedia (VM)

Explore Palatine Campaign Results

More than 300 businesses participated in Explore Palatine (chamber and non-chamber members)

Nearly 1,000 people visited one or more of the participating locations during *Explore Palatine*

Business community has a new relationship/stronger connection with the Village through a mutually beneficial partnership

A strong business community can help to nurture and make significant contributions toward an overall stronger community…

Shop Local 365 Campaign

Leslie McKnight, PhD, City of Peoria
Economic Development

Shop Local 365 Campaign

**Leslie McKnight, PhD, City of Peoria
Economic Development**

- ➢ Regional Brand
- ➢ Infographics to educate consumers
- ➢ Social media, seasonal campaigns
- ➢ Data collection and measurements
- ➢ Incentives to Shop Local
- ➢ https://www.shoplocal365.co/

LOCAL SHOPS PRODUCE A NET ANNUAL **RETURN** OF **$326** PER 1000 SQ. FT.

Santa Shops Local

Every Season. Many Reasons.

Identifying Synergies, Creating Partnerships

Jim Platt, CAM (Consulting-Alignment-Management)

Small Business Development Agreement (SBDA)

Identify the Need
a. Government looking to improve
b. Sources of current perception
c. Perception on the street
d. Outside view for a clear picture

Develop the Concept
a. Listen and Value your clients
b. Identify the issues
c. Staff buy in
d. Transparency
e. Look for common threads

Value Action Plan
a. Retention and Recruitment
b. Problem solve & build partnerships
c. Launch initiatives to close gaps
d. Measurable ROI

Identifying Synergies, Creating Partnerships

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Phase One – ENGAGE

- One-on-one visits with businesses in their own space
- Listen to their stories
- Assess the business tone
- Express appreciation for efforts & commitment to community
- Look for patterns/common threads causing challenges - case studies
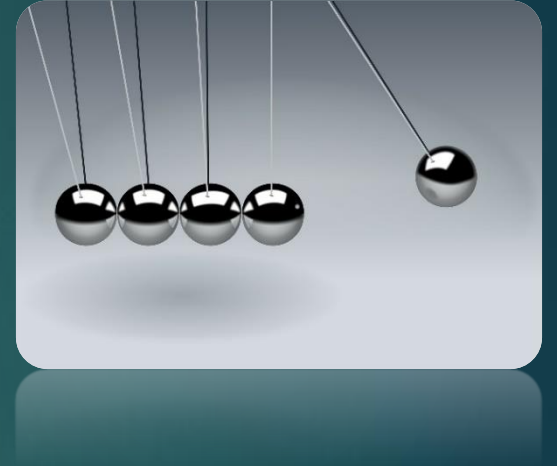
Phase Two – ACTION

- Contacts come from existing businesses (retention) and prospective businesses (recruitment) looking to navigate the municipality's process - prepare their project before going before government body
- Case studies evolve from past experiences to live experiences that required immediate attention
- Issues become approachable with Village staff as trust with the SBDA builds produces actions that achieve solutions, rather than defensive actions
- Success isn't always measured in 'happy business owners'
  a. Education is used to reinforce ordinances
  b. Issue awareness may provide a future solution

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Phase Three – SOLUTIONS

Common Threads are often gaps in current processes where a category of business or type of issue have collected. Initiatives are developed to shrink the gaps/designed to:

➢ Utilize minimal staff time
➢ Build upon existing system with a proactive strategy
➢ Create sustainable solutions - 'with' rather than 'for' businesses
➢ Simplify navigation of the process with business translations
➢ Become part of staff's working fabric to take ownership

Return on your investment (ROI) comes when you create Equitable Sustainable Solutions

➢ Retention
➢ Recruitment
➢ Staff time
➢ Sales tax through local economy infusion
➢ Property tax

The Panelists Answer…

How do our efforts to support business complement or compete with what chambers of commerce are doing?

The Panelists Answer…

How can a 'shop local' campaign influence customers – with all of their available options – to shop locally?