PUBLIC REVIEW DRAFT

CHAPTER 9

Economy

Fargo will build on its agricultural and manufacturing heritage and will be known as a cutting-edge creative economy. We will educate and retain the best workforce in the nation and foster an innovative entrepreneurial environment.

ECONOMY

Fargo withstood the global economic downturn with impressive strength. This was due in large part to the city's economic diversity. Fargo is a regional hub for goods and services such as education, healthcare, retail, and financial services. In addition, Fargo has an impressive base of primary sector, wealth-creating industries such as manufacturing, back office operations and agricultural processing. Fargo's unemployment rate is an impressively low 2.9%. This plan represents an opportunity to improve on these strengths and pursue strategies to make Fargo even more competitive in the future.

Initiatives:

01: AMENITIES AND BEAUTIFICATION AS AN ECONOMIC DEVELOPMENT TOOL

Invest in amenities and beautification as an economic development tool to attract creative individuals. For example, improve the streetscape and walkability of Fargo's main corridors.

02: INCENTIVES FOR SPECIALIZED SPACE

Provide incentives for developing specialized space where both the demand and public benefit are substantially demonstrated. For example, there may be a need for more "wet" laboratory space to strengthen the bioscience industry and provide more jobs.

03: TECHNOLOGY INFRASTRUCTURE

Create strategies to increase the quality of Fargo's communication infrastructure. This infrastructure will give Fargo a competitive advantage for technology related businesses to locate in Fargo.

04: ENTREPRENEURSHIP

Create an environment of entrepreneurship through business support and public awareness campaigns.

05: PROMOTE CONNECTIONS AND INFILL IN WEST ACRES COMMERCIAL AREA

Direct future development around the West Acres commercial area to increase the amount of retail space, density, and promote walkability to increase the competitiveness of this regional shopping destination.

06: WORKFORCE TRAINING

Promote workforce Training at the local universities and colleges.

BEFORE: SPARSE PUBLIC REALM INFRASTRUCTURE

Several forces work together to drive economic development in cities. The power of urban amenities is emerging as a driving force in city development. More and more people are choosing where to live and then look for a job. This before and after photo simulation illustrates the idea that public realm improvements can catalyze private development.

AFTER: PUBLIC REALM IMPROVEMENTS CATALYZE PRIVATE DEVELOPMENT

INITIATIVE 01

AMENITIES AND BEAUTIFICATION AS AN ECONOMIC DEVELOPMENT TOOL

RECOMMENDATIONS

- Prioritize pedestrian and bicycle streetscape improvements when upgrading infrastructure.
- Create design guidelines for well-designed neighborhoods and urban districts.
- Create incentives developers to include public realm improvements.
- Invest in trails and parks.

DESCRIPTION

Creativity is emerging as one of the driving forces in the development of cities. As creative industries continue to grow, attracting skilled individuals and businesses that engage the creativity of their workers is becoming one of the most important tools for economic development. Improving urban amenities, such as trails, transit, schools, parks, and well designed neighborhoods and urban districts is an effective strategy for attracting and retaining skilled residents.

Fargo will invest in amenities and beautification as an economic development tool to attract creative individuals. For example, the City will explore improving the streetscape and walkability of Fargo's main corridors.

BENEFITS

Investing in amenities, such as streetscape improvements, trails, and parks can attract and retain creative individuals. This group creates a pool for firms to draw from and can attract more creative firms to Fargo. Of course, streetscape improvements, trails, and parks have benefits far beyond economic development; they increase quality of life for all members of the community.

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FROM MINDMIXER

Beautify Fargo with art--create more murals and do creative things in the alleys. This will create a buzz and enhance tourism. – sababa

FROM MINDMIXER

Beautiful and socially functional environments attract both investment and in migration of talent. If we want to attract both, we will need to beautify our main corridors." -Cat

"

CASE STUDY

Chicago –Millennium Park

Chicago reinvented it's downtown with the completion of Millennium Park in 2004. The park replaced old rail lines and parking lots and created a prominent civic center near the Lake Michigan shoreline. This iconic public amenity is responsible for reshaping perceptions of downtown Chicago and drawing creatives to the city to participate in a vibrant rebirth of Chicago's creative economy.

INITIATIVE 02

INCENTIVES FOR SPECIALIZED SPACE

RECOMMENDATIONS

- Create incentives for businesses to invest in high-tech spaces in Fargo.
- Perform cost benefit analyses for all public/private partnerships.

DESCRIPTION

Fargo's diverse economy includes highly technical and specialized industries. It is in the public interest to ensure these industries are competitive in Fargo and continue to provide employment for a highly educated workforce. Fargo can maintain competitiveness in these areas by providing incentives for developing specialized space where both the demand and public benefit are substantially demonstrated. For example, there may be a need for more "wet" laboratory space to strengthen the bioscience industry and provide more jobs. The private sector may have difficultly financing the large initial investment this kind of development requires. The city could provide a low interest loan or grant if the additional tax revenue, employment, and stimulus to the local economy exceeds the cost to the city. The City should evaluate each development proposal individually and determine if the benefits out weigh the costs. These public/private partnerships have the opportunity to expand Fargo's economy and make the economic pie bigger for everyone.

BENEFITS

Public/Private Partnerships can benefit the community by catalyzing businesses and development that otherwise would not happen. Public dollars can leverage large private investments and are an effective way for the public sector to stimulate private employment and business development.

"

FROM MINDMIXER

Red River Research Corridor….Create ways to connect Fargo with Winnipeg, Grand Forks and Sioux Falls, so that we can truly see this as a "River of Research." -Drew FM

"

CASE STUDY

Kansas Bioscience Authority

Kansas Bioscience Authority awarded $500,000 to Evogen, Inc., a Kansas City, MO-based device and diagnostics company, to support the relocation of its facility to Olathe, KS. Evogen's move will result in the immediate creation of 16 net new jobs, and yield 35 jobs over three years. The company also plans to invest approximately $1.8 million in its new facility over three years.

EDA Grant, St. Louis, MO

EDA awarded $1 million to the BioGenerator, the Donald Danforth Plant Science Center, the Economic Council of St. Louis County, the St. Louis Development Corporation, St. Louis University, the University of Missouri, and Washington University-St. Louis, Missouri, to advance bioscience technology commercialization in the St. Louis region by building an entrepreneurial infrastructure that is market-based around the needs of existing bioscience firms and investors. This project will strengthen the biosciences as a key regional economic engine for the future, growing new companies and fostering innovation and job creation. This investment, funded through the i6 Challenge, which is administered by EDA, in partnership with the National Institutes of Health and the National Science Foundation, is part of a $2 million project.

INITIATIVE 03

TECHNOLOGY INFRASTRUCTURE

RECOMMENDATIONS

- Encourage and provide the construction of broadband networks throughout the city with affordable access for individual residents and businesses.
- Employ creative solutions that provide information to residents in different forms.
- Maintain relationships with the University and corporations to enhance infrastructure and information availability to all parties.
- Develop outreach programs and services which provide availability and assistance to residents with limited knowledge of technology services.

DESCRIPTION

Fargo will create strategies to increase the quality of its communication infrastructure to provide the community with a competitive advantage in the region. This initiative involves employing strategies to enhance citizens' access to communication and technology. Access to information increases Fargo's desirability to potential students, homeowners, and businesses. The City will work towards providing a robust technical framework throughout the city, in an effort to attract businesses and a skilled workforce.

Strategies to be employed by the City aren't limited to infrastructure underground, but the quality of information available to Fargo citizens by city services including the library and the city's website. The use of Mind Mixer for idea generation throughout this comprehensive plan process has shown current residents' desire for information and input in a new way. Fargo has the opportunity to continue this movement by employing new and enhancing existing efforts to provide the most update and accessible information. Continued enhancement of the online GIS software available to residents is an example of this effort.

FROM MINDMIXER

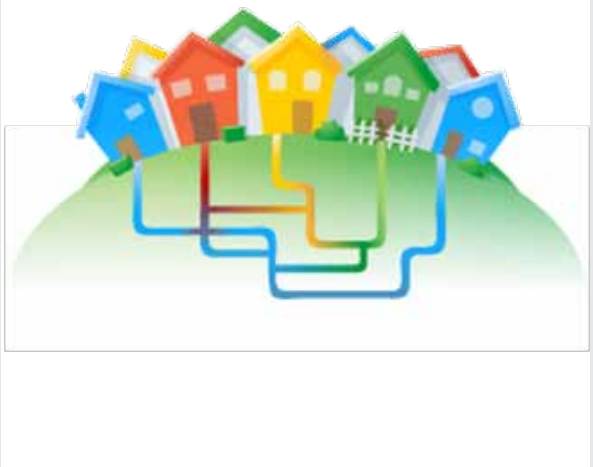
"….businesses need the infrastructure to succeed,. Work with other providers that can give Fargo better service. That includes high speed internet [and] better connection speeds. -- fmmetroplex

Coordination with North Dakota State University's Information Technology Services will be paramount to the future success of Fargo's technology infrastructure. As the university expands it campus geographically and the research within, both entities can work to ensure quality services for the community. This outreach extends to large companies in the area whose presence and work warrants focus in this area.

BENEFITS

Fargo's competitive advantage for technology related businesses to locate to the region is the main benefit of increased communication infrastructure. Business growth serves as an economic generator for the city as well as the addition of a highly skilled workforce into the area. Increased access to information is a magnet for students and families to move to the region. Increasing and enhancing the availability of information regarding public services can decrease the number of inquiries into staff and can also increase participation and awareness in programs.

CASE STUDY



Google Fiber – Kansas City, Kansas and Kansas City, Missouri

Google announced in the spring of 2011 that they would be bringing Google Fiber to Kansas City, KS and Kansas City, MO. The goal of the project is to build an experimental, ultra-high speed broadband network, and test it in these communities. As installation of the fiber line continues, citizens are encouraged to gear up for its launch, such as encouraging small businesses currently without a website, to create one. This included the presence of OfficePort in Kansas City, MO for a few days to assist in website creation. The completion of the fiber lines through these two communities will allow Google to study the effects of this ultra-high speed connection.

Source: http://googlefiberblog.blogspot.com/

INITIATIVE 04

ENTREPRENEURSHIP

RECOMMENDATIONS

- Support the NDSU Research Foundation, which works to protect and commercialize discoveries and inventions by NDSU faculty, staff, and students.
- Support NDSU Research and Technology Park, Inc.
- Develop a toolkit of assistance and financing to help entrepreneurs launch new businesses.
- Explore additional business incubators to provide space for startups.

DESCRIPTION

Fargo residents are full of great ideas. Startups and small businesses are a key reason why Fargo continues to have such low unemployment in the face of the national recession. Many of the big employers in town, including Microsoft (formerly Great Plains Software), Essentia Health (formerly Innovis Health), and Phoenix International began as startups in Fargo. Creating an environment of entrepreneurship will ensure that Fargo will continue to lead in innovation and job growth.

This initiative focuses on ensuring that entrepreneurs have access to financing, startup space, and assistance - all the raw materials to launch a business. Strategies to accomplish this include creating a entrepreneurship toolkit that collects information about financing programs and technical assistance in one place. A business incubator could further support entrepreneurs by providing low cost start up space and access to mentors. The NDSU Research and Technology Park, Inc. is an example of a business incubator. This technology incubator park has 19 tenants and has created 893 jobs through direct employment with an average salary of $57,000. The spending of these new employees in the community created an estimated 551 indirect, off-site

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FROM MINDMIXER

Locally owned business money stays in the community and more importantly these business owners have a stake in the community…our locally owned business owner’s live here, their kids go to school here, and they care more about Fargo…Let’s start a Buy Local program like Austin Texas. Let’s do a study to calculate the benefits of locally owned businesses. – MikeFGO

”

jobs. The technology park has been good for the City fiscally, creating 3.6 million for local governments from taxes and fees. Fargo will explore replicating this model in other industries to create even more employment and keep Fargo's economy on the forefront of innovation.

BENEFITS

Supporting entrepreneurship creates a launching pad for generating new jobs and businesses in Fargo. All companies begin as startups, and the payoff for the community of launching a successful business is large in terms of direct benefits to the businesses employees and multiplier effects as those employees spend money throughout the community.

CASE STUDY

Nashville Entrepreneur Center

"The Entrepreneur Center fosters innovation and entrepreneurship by Turning Ideas Into Reality, helping to start businesses and create jobs. As a non-profit 501(c)3 organization, the Center is funded through sponsorships, partnerships, donations and grants. The EC relies on support from leading corporations, successful entrepreneurs and those who have a vested interest in the Center's success."

Source: entrepreneurcenter.com

FROM MINDMIXER

Identify a number of empty storefronts in both downtown and 13th Avenue areas and create 2-3 small business incubators. There could be an agricultural products incubator…a small manufacturing incubator, etc. This would create new businesses in places near established businesses, and locate services near fledgling businesses. – Drew FM

INITIATIVE 05

PROMOTE CONNECTIONS AND INFILL IN WEST ACRES COMMERCIAL AREA

RECOMMENDATIONS

- Create a Master Plan that identifies infill opportunities and creates a new pattern of development for the area
- Explore incentive packages, such as infrastructure investments and Tax increment financing to encourage mixed use, infill development.

DESCRIPTION

West Acres Commercial Area is a successful regional shopping attraction, yet the existing patterns of development promote automobile transportation as the most convenient and most accessible mode of transportation. There is an opportunity to enhance this commercial area by promoting infill and strengthening pedestrian connections within the shopping district and to the surrounding areas. Fargo will explore strategies to redevelopment West Acres commercial area to increase the amount of retail space, density, and promote walkability. This will increase the competitiveness of this regional shopping center and achieve goals of health and aesthetics by making a more walkable and attractive shopping area.

BENEFITS

Promoting infill and pedestrian connections in the West Acres commercial area benefits the appearance of the community, health of residents, environment, and strength of the local economy.

FROM MINDMIXER

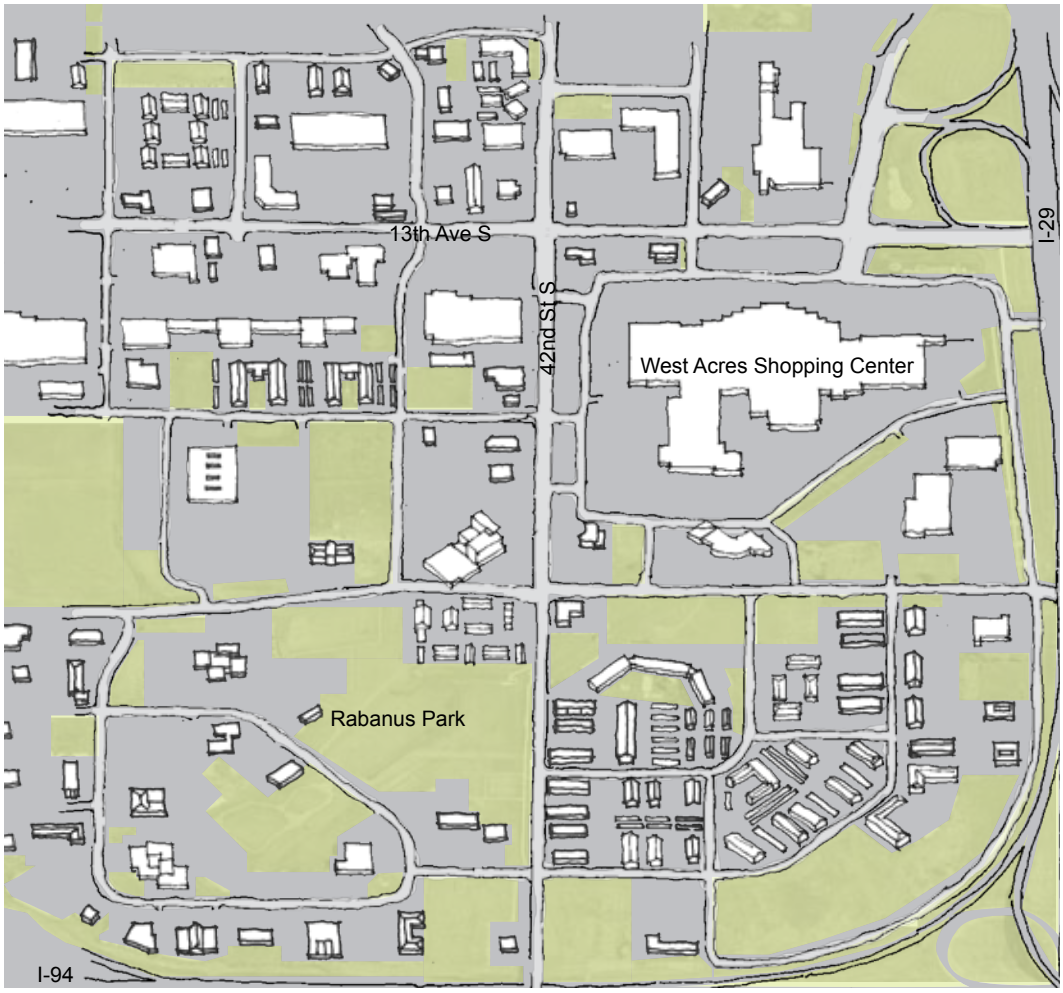
Redeveloping is an excellent idea, especially if done with a redesign of the mall parking areas to increase safe pedestrian access. – Marta

FROM MINDMIXER

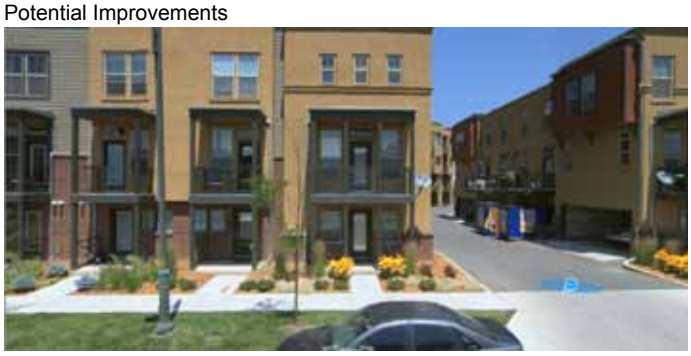
"The area is already a major attraction to out-of-towners; think of what it could be with updating, reinvestment, and a greater sense of place, where people want to spend more time and more money." – 15-year resident

Large surface parking lots surround destinations

The vast amount of pavement surrounding destinations is not an environment that promotes walking and biking. Strategies to promote walkable and bikable connections amidst large surface parking lots include creating infill development that fronts the street, bolstering existing streetscapes with pedestrian amenities, parking reduction strategies, and considering approaches that arrange parking in a central lot, tucked under buildings, in an internal

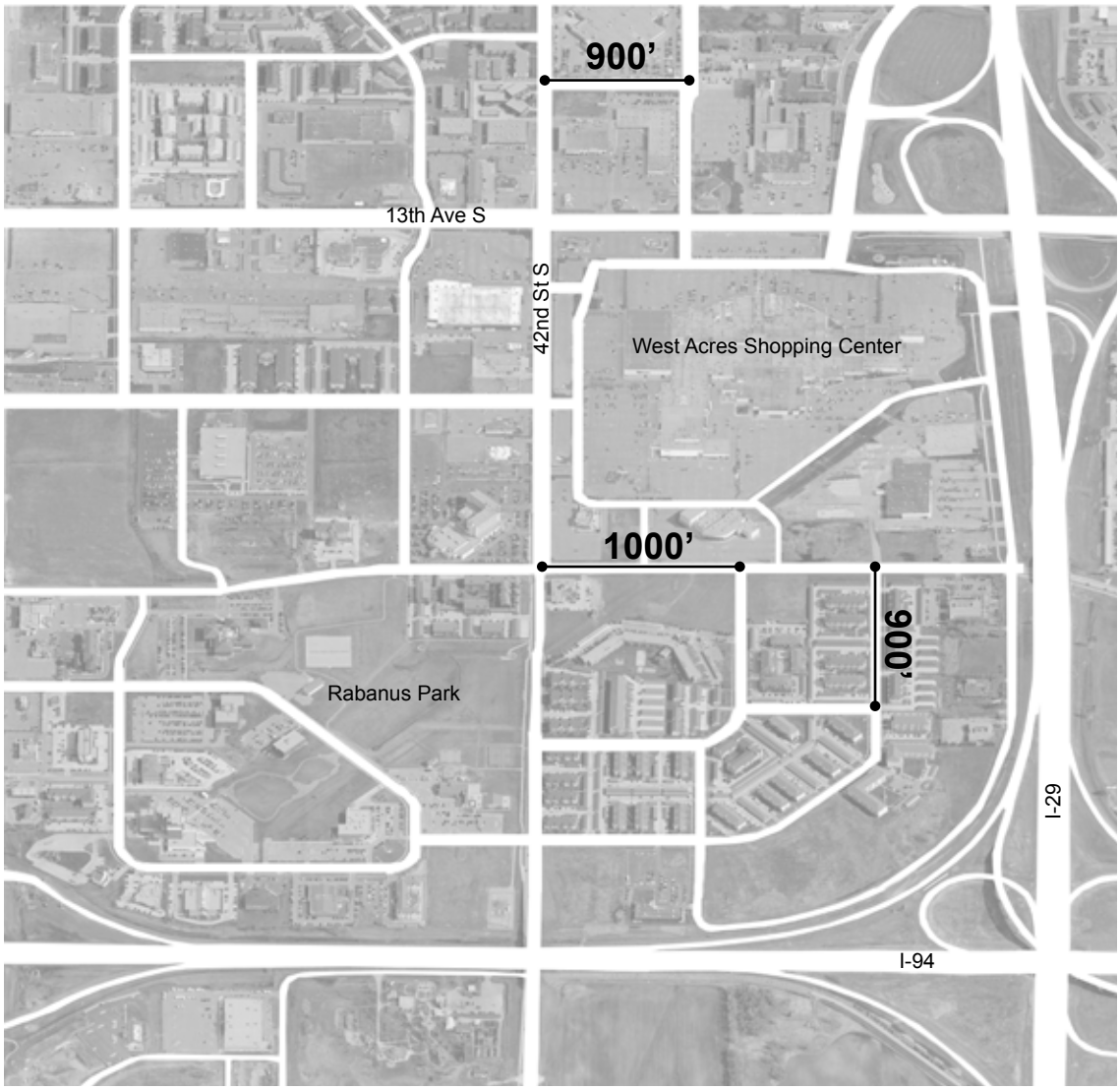


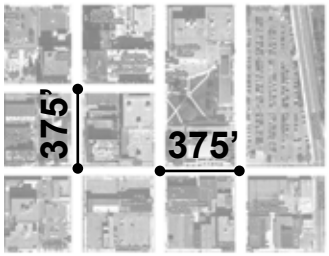
Potential Improvements



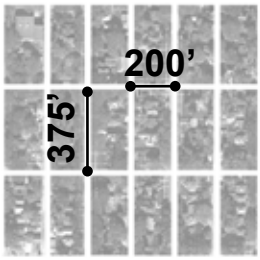
Large block sizes concentrate street traffic and increase distances between destinations

These maps compare street grids at the same scale. The average block at West Acres is twice the size compared to more walkable examples such as downtown Fargo, Fargo's Hawthorne neighborhood, and Denver's Stapleton neighborhood. New connections that help create smaller block sizes is a strategy to promote walking and biking. A fine-grained street grid ensures trips are as short as possible, provides numerous routes that disperse street traffic, fosters development that engages and activates public streets, and precludes large development sites with monolithic architecture.

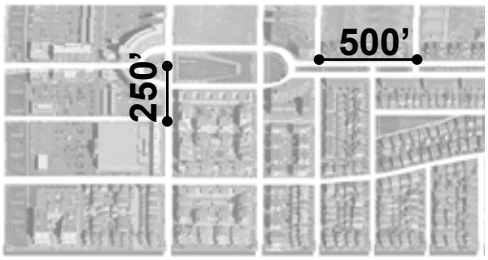




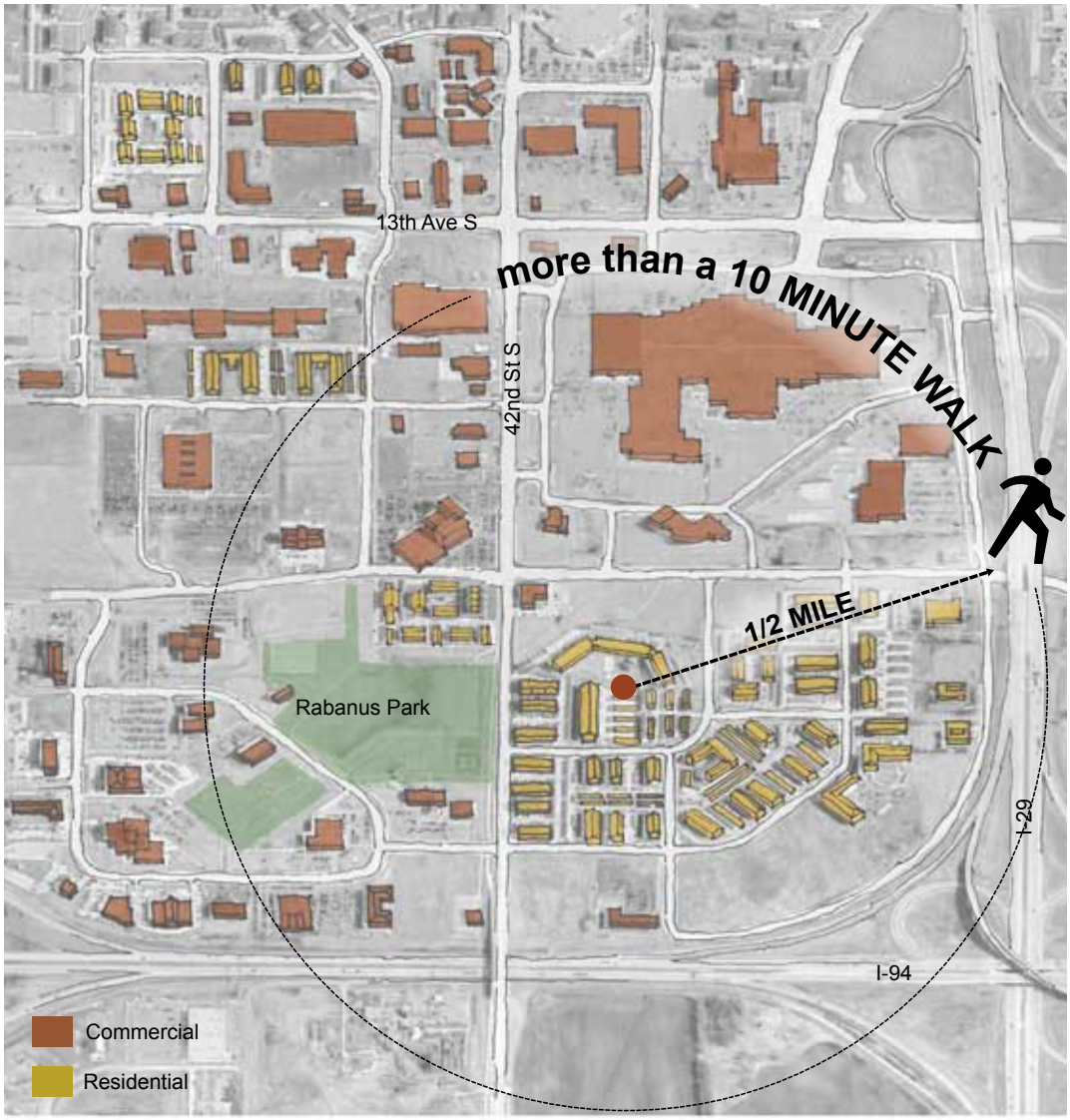
Downtown Fargo



Fargo's Hawthorne Neighborhood



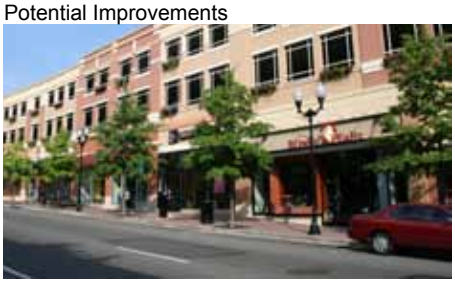
Stapleton, Denver



Few amenities within a ten minute walk can be reached by neighboring residents

Most of the development at West Acres separates residential and commercial uses, and creates building patterns that make distances too far for most people to conveniently walk or bike. Strategies to improve connections between people's homes and commercial amenities include creating mixed-use development and allowing for density. Density increases employment, retail, and other options for urban residents. The key is to mix housing with a variety of uses and to arrange it in a pattern that is suitable for walking. Residential density should occur in a pattern that is diverse and interconnected. Density should be complemented by green infrastructure in the form of parks, greenways, or tree-lined streets.

Potential Improvements



INITIATIVE 06

WORKFORCE TRAINING

RECOMMENDATIONS

- Partner with universities and colleges to create workforce training programs.
- Evaluate programs offered by the Greater Fargo Moorhead Economic Development Corporation to determine successful strategies that may be applied in North Dakota to increase workforce training efforts.
- Monitor changes in the Fargo economy and workforce needs to ensure the development of workforce training programs which meet those needs.
- Direct workforce training programs to new residents and immigrants in Fargo.
- Develop cross-sector partnerships that address language, math and job skills along with cultural acclimation and on-the-job social skills.

DESCRIPTION

Fargo is a regional hub for goods and services such as education, healthcare, retail, and financial services. In addition, Fargo has a base of primary sector, wealth-creating industries such as manufacturing, back office operations and agricultural processing. Workforce training will be customized to meet the employment needs of these sectors, and changes in the economy will be monitored to ensure that workforce training also meets the needs of emerging industries in the community.

The Fargo-Moorhead metropolitan area is also a regional hub for higher education. In addition to three four-year degree universities, Associates degrees and workforce training are available at Rasmussen, North Dakota State College of Science, Minnesota State Community and Technical College and the Minnesota School of Business. Workforce training programs at these educational institutions are well-matched to the industries which are strongholds for the Fargo economy. Customized training is offered to support the specific needs of industry employers,

FROM MINDMIXER

"Work with high school counselors and teachers, and help them understand the needs of businesses in the community. This will help guide high school students in their selection of majors and help get them thinking about the right path for post-secondary education."
– 15-year resident

with flexible locations and a wide variety of skills. To continue the strength and progress of Fargo's economy, increased workforce training efforts should be customized and encouraged to match primary sector and emerging wealth-creating industries.

Workforce demographics in the city of Fargo are shifting as new American citizens migrate to the community. A significant change in ethnic diversity presents different training needs to prepare an able workforce for the Fargo economy. Workforce programs which provide language, math and cultural acclimation skills will improve job placement and retention of New Americans.

BENEFITS

Partnerships between employers and educational institutions in the Fargo area will allow for customized training that fully equips a workforce to meet the employment needs of the Fargo community. Monitoring of changes in the economy and emerging industries will allow workforce training efforts to optimize the fulfillment of area employment needs. Integrated training for immigrating citizens can yield significant increases in earnings, job quality, and stability for this growing workforce. Adapting workforce training to the needs of a diverse community will equip and retain a strong employment base.

ENERGY

Federal and state resources dedicated toward the development of green jobs began with the federal Green Jobs Act in 2007, which authorized $125 million per year to create an Energy Efficiency and Renewable Energy Worker Training Program as an amendment to the Workforce Investment Act. Green jobs target energy efficiency retrofits, construction and renewable energy production.

The Minnesota Green Jobs Act, adopted in 2008, includes five policy mechanisms to assist the statewide emerging green economy and provides a regional case study for green jobs development. As of November 2011, growth in hiring demand for green jobs averaged 30 percent, virtually identical to growth of the overall economy. 54 percent of positions were new, rather than caused by employees' leaving. Green jobs hiring represented 2.5 percent of overall hiring demand, mostly represented by small firms.

The Bureau of Labor Statistics began green jobs data collection in 2010, through the Quarterly Census of Employment and Wages and Occupational Employment Statistics programs. Data is collected both for jobs that produce goods or services that benefit the environment or conserve natural resources as well as for jobs in which production processes are environmentally friendly.

Most green jobs are middle skill jobs which require education levels between high school diplomas and four year degrees, though some do require bachelor degrees. Workforce training that prepares green job employees should build on existing educational infrastructure and programming. Fargo can work with other jurisdictions, institutions and the State of North Dakota to target workforce training partnerships for key green industries. Existing green jobs training includes geothermal energy workshops through the International Ground Source Heat Pump Association, wind power training through Interstate Renewable Energy Council and the North American Board of Certified Energy Practitioners. Energy auditor training is available through the Association of Energy Engineers and Everblue. The US Green Building Council offers LEED certification.

CASE STUDY

Minnesota Job Skills partnership program:

Created to join Minnesota businesses and schools in developing a competitive workforce. Provides grants to educational institutions to supply new-job training or retraining. Funds are allocated to training costs or educational infrastructure improvements. Partner business must match grant amount with in-kind contributions.

Hire Education Loan Program:

This program provides short term, no interest loans directly to businesses that contract with training institutions for customized workforce training.

Wisconsin Department of Children and Families Road to Work Program:

Federally funded Road to Work (RtW) funds are used to provide an employment and training program with a Vocational English as a Second Language (VESL) component, designed to meet the employment needs of Hmong, African, Meskhetian Turks, and other refugees with limited education, including women with little or no English or transferable job skills and work experience; and older youth (18-25) who are not in school. RtW focuses on partnerships with employers to develop on-the-job training (OJT) with VESL in subsidized employment (primary focus), and, where the situation is appropriate, a customized, short-term, bilingual skill training with VESL may be conducted.

CASE STUDY

Instituto del Progreso Latino, Chicago, IL

This community organization partnered with Humboldt Park Vocational Education center to connect Hispanic immigrants to jobs and skills. Programs provide ESL classes, vocation specific classes and job placement in area firms. By administering the largest Latina/o serving Workforce Development Department in Illinois, Instituto responds to the respective industry and community demands of higher-skilled, bi-lingual workers and the need for higher wages. Career pathway programs such as Carreras en Salud: A Chicago Bi-lingual Healthcare Initiative, sector training centers such as ManufacturingWorks, and financial and employment services offered through the Center for Working Families provide a holistic approach to asset development of the Latina/o community.