Urban Economic Development in the U.S.: Current Thinking

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Stalemate in War Between the States..and Cities

- Incentives and locational strategies still dominant but growing use of entrepreneurial approaches
- Continued spatial targeting: TIFs, BIDs, EZs, etc
- Place-making focus: new significance of quality of life/amenities strategies
- Interest in attracting talent
- Both competition and cooperation at local level
Distinctive U.S. Policy Features

- State-local Context Significant
- Local Fiscal Imperatives Drive Strategies
  - Tax structure incentives/disincentives
- Shortcomings
  - Regional focus critical
  - Put emphasis on human capital
  - Regulate local incentives
  - Coordinate ED strategies across federal agencies
  - Restructure block grants
  - Resilience v. Sustainability?
New Directions, From the Bottom Up

- Emergence of Green Agenda
- Smart Growth Takes Off
- Transit-Oriented Development (TOD)
- Eds&Meds as Anchors
- Creative Cities
- New Collaborative Arrangements
New Directions From the Top... Finally

- **2 Obama Transition Task Forces**
  - Urban Policy
  - City-Focused Economic Development Agenda

- **ARRA 2009 swamps policy initiatives**

- **Slow Start but FY 2011 Budget Distinctive**
  - Still not authorized
Obama Initiatives

- Next Economy: Export oriented, low carbon, innovation fuelled—& led by metro areas
- Cabinet-level White House Office of Urban Policy
- Support for MetroRegions
- Encourage Regional Innovation Clusters
- Put the “UD” in HUD
- Inter-agency Coordination
- Sustainable Communities
- Neighborhood Revitalization
Is it Urban Policy?

- Many opportunity costs, more debt, missed chances
- Modest challenges to existing political coalitions
- But ideas have consequences
  - Concepts as foundation for a new U.S. urban policy
  - Brookings Institution influence evident
- More funding, new programs and paradigms
  - Oversubscription of innovative programs
Points of Convergence

- New Initiatives for Regional Innovation Clusters
- Sustainability as Mobilization Key
- Hard-wire Collaborative Efforts
- Regional Collaboration Emerging from Bottom Up/Top Down
- Innovation and Creativity Discourse
  - Rediscover our “innovation mojo”
- Ambiguity of Governance in New Economy