

**Handouts for Berea Public Discussion of Economic Development Alternatives
8 December 2011**

**Economic Impacts of Self-Reliance
(IMPLAN Input-Output Model – Details)**

	Current Jobs	25% Shift
Farming, Ranching, and Forestry	294	119
Mining, Oil and Gas	0	10
Energy & Utilities	11	7
Construction	408	51
Manufacturing	0	
* <i>Food Products</i>	0	22
* <i>Textiles & Clothing</i>	0	17
* <i>Wood Products</i>	4	12
* <i>Printing</i>	2	7
* <i>Petroleum-based Products</i>	0	22
* <i>Rubber, Glass, Stone, Concrete Product</i>	129	16
* <i>Metals</i>	170	56
* <i>Metal Products</i>	34	22
* <i>Arms, Machinery & Equipment Productio</i>	540	74
* <i>Computers & Electronics</i>	19	34
* <i>Vehicles, Boats, and Planes</i>	779	25
* <i>Furniture & Woodwork</i>	34	6
* <i>Health Industry Products</i>	3	3
* <i>Other Products</i>	0	9
Wholesale Trade	15	198
Retail	841	117
Transportation	95	73
Warehousing & Storage	0	9
Services	0	
* <i>Information Businesses</i>	30	43
* <i>Banking & Financing</i>	199	105
* <i>Realty, Equipment Leasing & Rentals</i>	64	132
* <i>Professional Services</i>	337	317
* <i>Private Education</i>	910	32
* <i>Health & Social Services</i>	1,206	134
* <i>Entertainment, Restaurants & Tourism</i>	866	168
* <i>Personal Services</i>	765	124
Public Sector	0	
* <i>Government Enterprises</i>	53	33
* <i>Local Schools</i>	1,849	147
* <i>State & Local Government</i>	202	16
* <i>Federal</i>	459	71
TOTAL	10,317	2,229

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Top Leaky Clusters

Description	Direct	Indirect	Induced	Total
Goods Distributions				
Wholesale trade businesses	196.4	1.4	0.5	198.3
Transport by truck	27.2	4.1	1.1	32.4
Warehousing and storage	8.4	0.3	0.0	8.7
	232.0	5.8	1.6	239.4
FIRE				
Real estate establishments	118.8	3.7	3.5	126.0
Securities, commodity contracts, investm	19.5	5.2	2.7	27.4
Insurance carriers	17.1	0.1	0.1	17.3
Nondepository credit intermediation and	8.1	3.6	2.9	14.5
Funds, trusts, and other financial vehicle	3.5	0.0	0.2	3.6
Insurance agencies, brokerages, and rel	2.0	7.9	0.6	10.5
	169.0	20.4	9.9	199.3
Local Food				
Grain farming	45.1	0.7	0.1	45.9
Food services and drinking places	15.1	21.2	65.9	102.1
Retail Stores - Food and beverage	10.1	0.3	4.9	15.3
Oilseed farming	7.9	0.1	0.0	8.1
Animal production, except cattle and pou	3.8	20.4	4.5	28.8
All other crop farming	3.8	2.8	0.3	6.8
Animal (except poultry) slaughtering, ren	3.0	0.1	0.1	3.2
Bread and bakery product manufacturing	2.8	0.0	0.1	2.9
Fruit farming	2.7	0.0	0.0	2.7
Vegetable and melon farming	2.6	0.0	0.1	2.8
Commercial Fishing	2.5	0.0	0.0	2.5
Poultry processing	2.4	0.0	0.1	2.6
Wineries	0.7	0.0	0.0	0.7
	102.5	45.8	76.1	224.4
Professional Services				
Legal services	36.6	1.8	1.3	39.8
Employment services	31.6	16.7	4.4	52.7
Management of companies and enterpris	33.9	0.2	0.0	34.1
Services to buildings and dwellings	22.7	5.5	1.7	29.9
Management, scientific, and technical co	21.3	2.1	0.4	23.8
Accounting, tax preparation, bookkeepin	20.3	2.5	0.6	23.4
Scientific research and development serv	16.6	0.1	0.0	16.7
Machine shops	15.3	0.3	0.0	15.6
Other support services	12.9	4.7	0.8	18.4
Investigation and security services	11.1	0.2	0.1	11.4
Printing	5.9	0.4	0.1	6.4
Architectural, engineering, and related se	5.7	6.1	1.4	13.2
Office administrative services	4.9	0.2	0.1	5.1
Couriers and messengers	4.4	0.5	0.0	4.9
All other miscellaneous professional, sci	4.2	0.3	0.0	4.5
Business support services	2.8	0.3	0.0	3.1
	247.3	41.5	11.1	300.0
Tourism				
Hotels and motels, including casino hote	17.1	4.8	4.4	26.2
Civic, social, professional, and similar or	10.2	3.4	6.4	20.0
Scenic and sightseeing transportation ar	7.6	1.8	0.3	9.8
Amusement parks, arcades, and gambli	7.5	0.0	0.6	8.1
Fitness and recreational sports centers	6.9	0.4	0.9	8.2
Other amusement and recreation industr	5.9	0.1	0.3	6.3
Performing arts companies	4.9	0.1	0.1	5.2
Spectator sports companies	3.8	0.1	0.1	4.1
	60.3	10.5	13.0	83.8

SWOT ANALYSIS

Strengths

- *Central location.*
- *Large manufacturing base.*
- *Myriad local businesses.*
- *Berea College & College Square.*
- *High quality of life (low crime & taxes).*
- *Financially stable government.*

- Strong public education.
- Diverse population and cosmopolitan culture.
- Solid infrastructure like water, sewer, and utilities.
- Civic discourse.
- Tourism & ecotourism attractions.
- National reputation.
- Local food & restaurants.
- Health services.
- Talented residents.

Weaknesses

- *Youth out-migration, and aging population.*
- *The manufacturing base is not locally owned.*
- *Limited recreational and entertainment opportunities, and no alcohol.*
- *Many empty storefronts and retail gaps (purchasing lost to I-75)*
- *Workforce lacks basic job skills*

- Many workers don't live local.
- Limited capital and entrepreneurship resources for local businesses.
- Challenges of town-gown collaboration.
- Car culture; lack of walkways and bikepaths.
- Spatial disconnections between different parts of town.
- Lack of farmland protections.
- Inadequate efforts at energy efficiency.
- Gaps in the tourist resources and marketing.
- Gaps in high-speed internet.
- Economy not very diversified – missing basic businesses.
- Not the county seat.
- Resistance to change
- Newcomers don't feel welcome.
- Limits to local media—lost radio station

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Opportunities

- *Broader approach to tourism, with festivals, biking, recreation.*
 - *Expected regional growth along I-75.*
 - *Vocational school & EKV-Berea training programs.*
 - *Industrial park is thriving and could expand.*
 - *Expansion of the arts and crafts cluster.*
 - *Expanding local food, farms, markets, and restaurants (including “moist” ones).*
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- Many outstanding local nonprofit, educational, and public partners.
 - Berea College has huge endowment, could invest locally.
 - More town-gown projects.
 - Green infrastructure, green jobs, and storm-water management.
 - Better signage could expand tourism.
 - Creating walkable communities and neighborhoods.

Threats

- *Deep political and cultural divisions, rivalries.*
 - *Unplanned growth could have adverse consequences.*
 - *Loss of human capital -- population is aging, young people are exiting.*
 - *Capital gaps for small business expansion.*
 - *Overemphasis on corporate attraction, and vulnerability to sudden exits.*
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- Old nerve gas depot.
 - Poor US and state public policies
 - Looming shortages of oil and water.
 - Richmond Center could draw tourist traffic from Berea.
 - Loss of a clear community identity to chains and global culture.
 - Too much control of land in too few hands (like College).
 - Absence of a community center.
 - Mismatch between worker skills and job opportunities.

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Economic Development Strategy Worksheet

Strategy?	Plug Leaks?	SWOT Consistent?	Potential Meta-Business

A One-Page Strategic Plan¹

Vision -

What is your strategy?

- How will your strategy start new local businesses or expand existing ones?
- How will it expand the city's base of jobs, wealth, tax revenue, or otherwise improve the quality of life?
- Does the leakage analysis demonstrate that there is the requisite demand for this business expansion?
- Is the strategy consistent with the city's SWOT profile?

Obstacles -

What are the key obstacles facing implementation?

- What resources are required (financial, technological, people, political)?
- Where might these resources come from?
- Who are the people who must be recruited for support?
- Who might oppose your strategy, and how can their concerns be addressed?

Action Plan -

What are the proposed action steps?

- What needs to be done, when, and by whom?
- How do these steps overcome the obstacles?
- What concrete indicators can you set to measure progress toward implementing your strategy?
- What kind of revenue-generating strategy ("meta-business") might support implementation?
- What additional people do you need to recruit?
- What strategic alliances do you need for form?

Public Policy -

Besides providing money, how can the city help?

- Do regulations, zoning, or licensing procedures need to be changed?
- Can the city help with its procurement or investment policies?
- How can city officials help rally public support?

¹ Adapted from Professor Peter Hackbert's work at Berea College.