

EDJ THE IEDC Economic Development Journal

734 15th Street, NW Suite 900 • Washington, DC 20005

Volume 2 / Number 4 / Fall 2003

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tucson's commercial property online

By Russell C. Riblett

Quality, accurate and timely data are key factors in the decision making process for any company. An economic development agency's ability to provide data to clients looking to relocate or expand has become increasingly important in today's technology driven environment. The Internet allows businesses to search anonymously for information about cities and towns, thus placing a greater importance on the availability of timely and precise economic development data. As Mark Waterhouse, president of Garnet Consulting Services, points out, "We see an increasing reliance by companies and consultants to do the initial information gathering on a wide range of communities and regions early in the process. Rather than having contact with ED professionals, companies and consultants are gathering this information exclusively from Web sites and databases available on Web sites."

Background

The city of Tucson had a great deal of vacant commercial property zoned for industrial, retail and office use that was remaining unoccupied. In spring 2000, the city was faced with questions dealing with the constant rezoning of industrial property to other uses. At that time, there was an identified need for housing although the industrially zoned land did not have infrastructure to accommodate rezoned residential development. There was also a perception that there was an overabundance of industrial property. Additionally, an assessment was made regarding the information available to potential clients and the amount of time that staff spent responding to requests for information.

Although the city was interested in attracting businesses to the community and assisting existing businesses with expansion, there was no clear



"User-defined Available Property Search"—This function allows users to search for available property in the community. Once a property is selected, a map is displayed with the location of the selected property, as well as information relating to that property.

understanding of why this vacant property was not attractive to potential clients. The city's Office of Economic Development (OED) needed to get an accurate sense of what was happening on the ground, including issues as varied as demographics, utility infrastructure, and economic incentive zones. The city also realized that there was no accurate inventory of all the commercial properties in the city. While many larger communities have comprehensive commercial multiple listing services (MLS), Tucson's commercial MLS is extremely limited because real estate brokers and the economic development organizations were each using internal databases to track available property. This made it difficult for economic development organizations and private realtors to assist businesses in locating available commercial space in Tucson.

A CASE STUDY IN GIS AND ECONOMIC DEVELOPMENT

The city of Tucson has successfully integrated the use of geographic information systems (GIS) in its economic development website, Tucson's Commercial Property Online. In today's economic development climate, the availability of fast and accurate community information is a must for any economic development program. Companies looking to relocate or expand and site selectors alike are using the Internet to compare prospective locations. The use of GIS technology to provide timely and relevant data about a community puts that community one step closer to landing that hot prospect.

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After careful review of many of the issues the city was facing, it was clear early on that a web-based GIS solution was needed. No other solution could bring together such a wide variety of data to give a clear picture of commercial property opportunities. The challenge for the city, then, was to create a tool that was useful to city government, local real estate companies and businesses considering locating in Tucson. Tucson wanted to go beyond a basic property database and instead set a goal of building an economic development and community planning system. To do this, the city partnered with Pima County, the area's largest economic development organizations, the state of Arizona and the commercial real estate community.

Tucson's Commercial Property Online

Tucson's Commercial Property Online (TCPO) is a Web-based GIS program that allows prospective businesses to search for commercial property in the city. TCPO can be found on the web at <http://www.ci.tucson.az.us/ed/ed.htm>. The program provides user-defined and site-specific demographic and business data analysis reports. Users can also visualize data analysis through interactive mapping. The "thematic mapping" features allow users to view business data, economic incentive zones, digital aerial photos, traffic counts and utility information. All property data is updated in real-time through an easy-to-use browser interface. The target audiences of this program are prospective businesses, expanding companies, real estate developers, and real estate professionals including brokers.

TCPO is a web-based GIS solution developed by GIS Planning Inc. using ArcIMS, HTML, JavaScript, and Active Server Pages. The program provides the following capabilities:

- Allows users to search for commercial properties based on a variety of criteria, including size, type of building, location, special economic incentive zones and demographics.

- Provides photographic maps of the selected properties, characteristics of the lot or building facilities, and utility infrastructure information.
- Provides site-specific standard or custom demographic analysis and business cluster reports.
- Allows registered real estate brokers to update information through a secure web interface by adding, modifying or deleting properties as required.

Because of the foundation work done by the city's GIS Cooperative, Tucson and Pima County were already sharing digital aerial photography and base-map databases of the entire valley, as well as standard parcel addresses and other data layers. With this data foundation in place, OED and its consultant, GIS Planning Inc., created TCPO. The total development time from conceptual design to launch was nearly six months and was completed for a cost of approximately \$50,000, including hardware and software.

Benefits

City staff recognize the benefits they are experiencing through feedback they have received from parties across the world. There are currently 355 vacant land and building properties listed on the site, covering more than 46 million square feet of available space. Approximately 162 of the building properties are classified as vacant industrial, and 140 (86 percent) of these are listed on the website. The project's goal is to have 95 percent or more of the available space listed on the site.

The development of TCPO has effectively resulted in a program that consolidates commercial property into an easily accessible database. Now real estate professionals can add and update all of their available commercial property to the TCPO web page on-line and in real time. Also, the database has the potential to contain an unlimited amount of properties. Through this Internet program, the city is able to receive the benefit from both centralization of data and the decentralization of data access. In addition to this, as the number of available properties listed on TCPO grows, so does the OED inventory of all commercial properties in the city.

As new businesses are locating in Tucson with the assistance of TCPO, the city is receiving the benefits of enhanced tax revenue and new jobs. This makes the return on investment quite compelling for providing services like TCPO. In addition, thousands of people can access the data through the Internet, making the cost of these services per user virtually zero over time.

In order to achieve success with this project, public and private sector groups and organizations were involved. The city of Tucson, Pima County, the commercial real estate community and the economic development organizations were all involved in the design, implementation and maintenance of

the site to make it successful in the community. This project is defined by partnership due to the day-to-day involvement of the various organizations. The public sector agencies are responsible for creating and maintaining base data to run the GIS component of the site, and the commercial real estate community inputs and updates property information. Working together for mutually beneficial results has strengthened the partnership and interaction between the OED and the real estate community.

Effectiveness

The development of this web site allows both city officials and business leaders to locate, identify and research property in the metropolitan area. Once a property is identified, other information about the site is displayed. Searchable demographic and business license information is provided as well as assessor tax data and utility infrastructure. Armed with this information, interested parties can begin to make complex site location decisions based on the data provided on the web site.

Businesses have responded positively, recognizing that the site is a valuable tool for them. Phase one site selection inquiries can now be done all in one place. "This site is a valuable tool for the community," said Tim Healy, industrial real estate broker for CB Richard Ellis. "It sends the right message out to the corporate community. They're used to doing business online. If they are thinking of relocating, they will see we're a progressive city. The infrastructure component of the site is a valuable tool for researching sites. Within the first two weeks of listing properties on the site, I received a call about one of my listings."

For the first three years, the site has generated about 30,000 unique hits per year. It was initially believed that because the use of GIS in economic



"Searchable Business License Report and Business Clustering Display"- This tool allows users to view a visual display of the business climate in a selected area. By using geographic information systems, website users are able to visualize information in ways that are not possible through standard databases.

development was so new, many of the hits were from users interested only in the technology. If this were true, it could be reasoned that the number of hits would decrease each year as the newness of the technology passed. Since the number of hits has remained nearly the same each year, it is clear that more users are accessing the site in order to evaluate Tucson.

From a regional economic development standpoint, the web site is instrumental in assisting companies in making site location decisions. It also assists local economic development professionals with community planning. By providing a geographical representation of a particular area of the community, the web site encourages development in areas with existing infrastructure, which achieves the community-wide goal of promoting infill development. By choosing sites with available infrastructure, companies can avoid the costly expense of bringing basic services to their site. This also allows the city to plan for its future, looking at the overall picture of service delivery and the entire pattern of commercial development within the community.

"Without question, to be successful Tucson must be able to provide the services and opportunities successful businesses require. Tucson's Commercial Property Online is an invaluable tool for businesses, providing timely, easy-to-access information that is key to economic success."

- James R. Keene, Jr., Tucson city manager

While the city feels that TCPO in its existing form provides a wealth of information, it intends to continually improve and expand upon what is currently being offered. The system will soon include site-specific construction development information, detailed infrastructure information, and economic incentive zone analysis. Future improvements in

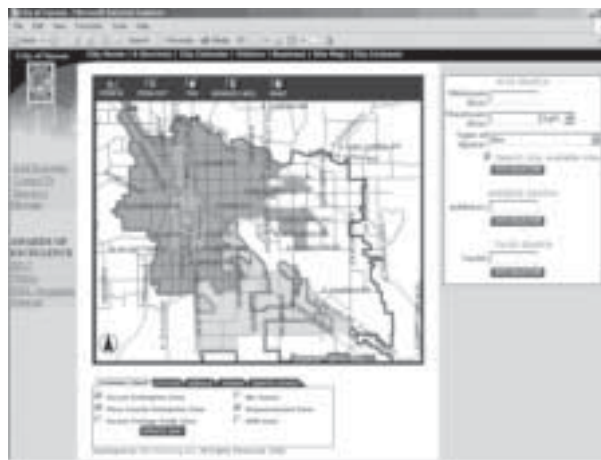
The city of Tucson's Office of Economic Development was contacted by the owner of a firm that wanted to relocate to Tucson. The owner requested a listing of available commercial property with specific criteria including square footage, proper zoning, and a location in both the Tucson Empowerment Zone and the Tucson/Pima County Enterprise Zone. OED staff used Tucson's Commercial Property Online to perform a search that found three buildings meeting the company's criteria. The company has relocated to Tucson, bringing 50 new jobs to the community. The ability to access one website to quickly locate available property that met the company's criteria helped to accelerate the company's evaluation of Tucson, and saved OED staff a significant amount of research time.

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information delivery to economic development customers include pertinent development data as well as geographical linkages made to workforce development and job creation. Pulling all of this information together in a format that is understandable and useable is a high priority for this project. The use of GIS to present a more comprehensive picture facilitates a better quality characterization of the entire data set.

Value Advantage

One of the most important goals of economic development in Tucson is to create quality jobs for its residents. The data available with ArcIMS at



“Interactive Incentive Zone Mapping”-Users of the website have the ability to show geographic information on the interactive map display to determine which, if any, incentive zone the selected property is located in.

TCPO goes a long way to promote this goal. As companies increasingly use the Internet to research relocation or expansion options, it becomes imperative that communities provide information in a one-stop location. GIS not only allows these companies to view the data, but also allows them to manipulate the data for their specific needs. As Tucson is experiencing, communities that provide the needed data in a clear, concise and timely manner will attract and retain the companies that will bring quality jobs.

The value to the economic developer is that there is a wealth of real time information available at a moment's notice. In the past, the economic developer would have to research requests for information on a case-by-case basis, many times answering the same questions but for different parts of the community. With the use of the Internet-based GIS technology, these questions can be answered over the phone or by e-mail, and multiple areas of town can be analyzed as needed.

The advantages to the business community are substantial. For the company looking to relocate, customized information is available at the click of a mouse. No longer do they have to wait for the economic development professional to “get back to them” with the information they requested. Also, by using the Internet, the numerous companies involved in a confidential site selection analysis can anonymously access the information. Many times companies do not want communities to know they are looking in their area. The anonymous phase one site selection is nothing that the economic developer needs to be threatened by because, as Kate McEnroe points out, “There is still the need for human contact and site visits before the ultimate decision on where to place a new factory is made, but the Internet has become a critical piece of the puzzle.” By using the Internet and not requiring registration, companies can do phase one searches without the economic development community pressuring them for a decision.

The community gains by the use of technology as well. The city documented a \$400,000 return on investment (ROI) during the first two years of operation. The ROI was calculated based on the staff time saved by not having to perform the research associated with the volume of contacts processed on the website. In addition, the community benefits when businesses use the site to gather information about the community and ultimately decide to locate in Tucson. During the first year alone, four major businesses used TCPO to expand or to relocate in Tucson, thereby creating new jobs, capital investment and expansion of the tax base.

Lessons Learned

The development of TCPO has provided many valuable lessons for the economic development agency. The first and most important is the availability of accurate data. This is important for two reasons: 1) the GIS software needs to have accurate data; and 2) the business community is in search of the most accurate information in order to make informed decisions about a community. The better the data, the better the response provided to the client. This is no different than a written response to a client, but instead of a responsive reaction to a question, a proactive approach to economic development is taken.

Another benefit of this project is the ability to provide information in a centralized location. The one-stop-shop concept for data is a movement that has been implemented throughout the country in city governments. Conceptually, TCPO builds upon this principle but with a focus on economic development information services. By using a GIS approach to providing information, the data delivery system is scalable. The more information and data that are available, the more that can be displayed on the Internet. For example, the city was awarded a Federal Empowerment Zone designation a year after launching the site. Within minutes of the announcement of this designation, the zone boundaries and benefits were up on TCPO and were available to be searched by companies looking to locate to Tucson. The technology allowed us not only to respond with the information to our clients, but also allowed the information to be changed in a very rapid manner.

Another lesson learned is the value of partnerships. The development of TCPO required both public/public partnerships and public/private partnerships. The public partnerships involved Pima County and the city. The city/county partnership is responsible for the base data used for the web site. If this data were not available, the city would have had to purchase information like the parcel base, street network and addresses, and that would have driven up the cost of the project. The county is responsible for maintaining this information and through an agreement with the city, makes the data available to the city for its use. This partnership initially began with a handshake and a desire for accurate information and has evolved into some of the best GIS data available nationwide. It is the true definition of partnership.

The second partnership is between the city and private real estate brokers. The web site is provided free of charge, but there is no way for the city to legislate participation and force brokers to list properties. There is also an inherent distrust of government from the private sector. In order to overcome this, many steps were taken to enlist the support of the real estate community. The only way the site



“Customized Demographic Profile for Chosen Site”-The website is designed to allow users to create customized demographic reports that are centered on the property which they have selected. This feature is very useful for determining the correct location for a business that is looking to relocate or expand.

would be successful was for the brokers to participate. During the design of the site, broker assistance was enlisted to ensure that the language used on the site was the same language being used when dealing with clients, and the brokers regularly attend follow up meetings to provide input on how to make the site better. This is a community project and the feedback of the group using the site is vital.

The delivery of quality data is one of the economic developer’s most important jobs. Technology has increased the ability of economic development professionals to deliver this quality data. In today’s environment, the Internet allows for real time delivery of quality information about a community.

In February 2002, the city of Tucson was awarded a Federal Empowerment Zone designation by the U.S. Department of Housing and Urban Development (HUD). Within minutes of the official notification of the designation, the Empowerment Zone boundaries were loaded onto the TCPO website. Prospective clients were immediately able to search for available sites in the new Empowerment Zone incentive area. Within a few days, OED and its GIS consultant developed an application called “Are You In The Zone?” This application uses the functionality of TCPO and GIS to allow users to input an address to find out what incentive zones the site may be located in. The implementation of this tool has saved staff countless hours of address matching. HUD has singled out this application as one of the best uses of technology implemented in the Empowerment Zone program nationwide.