When A Military Base Should Be Part Of Your Business Development Strategy

by James J. McGraw, Jr.

This is not about BRAC or a military re-use strategy. Rather, this is an example of recognizing a major military asset, hidden in plain sight, and seizing its value as a civilian business creation engine.

Coming out of the Great Recession, Tampa Bay is bustling again with significant economic action. From a new international non-stop flight, to

port growth, to new company announcements, to new growth plans in partnership with Orlando, pushing the realization of the mega market trend, Tampa is indeed a very attractive market. But what the Tampa economic developers added to their toolkit this past year may surprise its competitors. It is a specific business development plan focused on civilian business opportunities produced through the horsepower of MacDill Air Force Base in the heart of South Tampa. Yes, MacDill is home to the 6th Air Mobility Wing and the 927th Air Refueling Wing. But it is not about these critical tankers. This rather unique business strategy is about two of the world's most important military headquarters and a non-descript unnamed building just a five-iron outside MacDill's main gate.

MacDill is home to the US Central Command (USCENTCOM), the US Special Operations Command (USSOCOM), and USCENTCOM's coalition mission partners. In addition, USSOCOM can conduct its own procurement from just outside the main gate where it runs its Technology and Industry Liaison Office.

MacDill's population of 15,485 military personnel along with 2,798 civilian jobs and over 46,000 retirees residing in the Tampa Bay region produces an annual economic impact of \$4.98 Billion and a \$2.31 Billion MacDill payroll. (Continued, Page 10)

Fear, Place Avoidance And Urban Revitalization

by Ken Stapleton

National and regional crime rates continue to fall. Even many central cities have seen decreases in violent crime rates. And studies of how safe people feel walking at night in their own neighborhoods have shown steady improvement. But for businesses, organizations, and political leaders working to revitalize urban places, these improvements have still been inadequate to spur sustainable reinvestment in most urban neighborhoods and parts of downtowns.

The reasons for this are simple. Key market segments still do not feel safe enough in these places to spend their time and money there, and most *civic efforts to improve revitalization continue to lack innovative, intentional, and integrated approaches to addressing this fear.* An innovative approach to improve real and perceived safety can help attract the investment in vibrant urban places sought by civic and business leaders, but several *traditional practices keep the transformation from happening*.

Old Habits Inhibit Innovation

First and foremost, those most involved in urban revitalization rely almost exclusively on the police to resolve both crime and fear of crime issues. This includes an over reliance on crime statistics and high profile arrests as measures of success or failure. Crime prevention efforts by police, and even the use of strong disorder crime initiatives, are typically given very little priority or resources. Measures of fear conducted by police are rare, and measures of perceptions of particular neighborhoods or districts are almost non-existent.

Moreover, measures of fear and place avoidance of new visitors and potential residents - groups that cities are trying to attract - are exceedingly rare. Of course the police are not necessarily the best group of people to undertake the task of measuring and changing perceptions, but our near complete deference to police with regard to urban safety means others also do not get the assignment. Police have clear and important

roles to play, but so do many stakeholders.

The second fatal flaw in the current approach is using generalized measures of levels of fear to reach conclusions about progress and potential solutions. Whether we use a ranking system of concerns, the typical "walking at night in my neighborhood" question, or even questions about places "getting safer." the traditional approach fails to consider several essential aspects of place avoidance behavior:

Documented significant differences in fear and behavior by gender, age, income, and race.

The crucial position of the "safety threshold" in personal decision trees. That is, a fundamental decision that a place is not "safe enough" for a particular individual to go there means other considerations about retail mix, parking, distance, architecture, and price points become irrelevant.

Recognition that place selection and avoidance decisions for shopping, dining, home buying/renting, and recreational activities are dominated by women (over 80%) who have much higher safety thresholds than most men.

Considering the "total travel path" part of place selection decisions, including whether any part of the travel path will be made after dark, and how much travel will be outside the safety of a private vehicle.

The psychology of admitting fears.

Third, there is an *over reliance on "increased visibility"* of security and other personnel solutions to impact real and perceived safety. This includes police, private security, cameras, and even "clean & safe ambassadors." Essentially, most cities use the most expensive tool they have and almost exclusively - to intentionally address safety perceptions.

This is in spite of clear evidence that the physical environment and presence of other "safe" people have the most significant impact on fear and place avoidance behavior. In a fascinating twist, there is also often a

1

Not About Jobs (Continued from Page 6)

in asset creation, infrastructure improvement and public policy reform will need to be made with a better understanding of the impact on resident's ability to achieve the American Dream. A positive ROI on taxpayer dollars will be mandatory; and, both near-term and long-term risks will need to be fully vetted before a major investment decision is made.

What Does it Take To Make the ADCI the Standard Performance Measure?

One of the biggest changes will be the need to have the economic development profession hold itself accountable for facilitating an effective community strategic planning and deployment process. In addition to the capital investment attraction, retention and expansion role it has traditionally played, EDOs must be accountable for ensuring their community has a competitive 10-20 year strategic plan and resultant action plans that drive investment choices. This will require the EDO to manage the strategic planning process and monitoring process. Typically, the process will be lead by a community leadership team the EDO in turn provides facilitation support to. For many EDOs, this requires a new skill set. It isn't simply about selling the community. It is now about branding the community and ensuring appropriate guidance of its development.

Communities that opt to hold their EDOs and elected officials accountable to residents for enabling the American Dream will ultimately become the preferred destination locations for top talent and business investment. Even more important, they will be creating compelling reasons for companies to be as community loyal as possible thereby reducing the risk of relocation.

What Should You Do Now?

There are three near-term steps you can take.

- While the team at Xavier University continues to work to make the ADCI data available at the MSA level, take the time to learn about the measure and understand how to leverage the data for strategic planning. The best way to learn about is it to download the <u>2012 American Dream State Ranking Report</u> and better understand your state level performance.
- 2. If you are an EDO Executive Director or Board member, assess the skill set of your local EDO staff to determine if it is in a position to provide strategic planning and deployment facilitation. If not, then address the outages as quickly as possible. If needed, look to the private sector for expertise and support.
- 3. Review your current community strategic plan and deployment processes. Does the Plan provide clear answers to the questions of Where to Play? and How to Win?. Does the Plan have strategies that address the 5 sub-indexes (or drivers) of the American Dream? Is your community plan myopically focused on job growth? Does your community plan have enthusiastic support of community leadership?

The winners in the future will be communities that comprehend economic development is not about jobs – it's about enabling the American Dream. By measuring the right thing, we can get our nation back on track.

For more information, contact Ed Burghard, CEO of The Burghard Group at eburghard@mac.com

Urban Revitalization (Continued from Page 3)

tendency to schedule these "patrols" during times of high activity when they have little impact on fear, and if overdone, can actually have negative impacts. Good mall and lifestyle center managers are keenly aware of this phenomenon.

The fourth flawed practice regards strategic communications about safety. Civic leaders in urban areas, including police, frequently lack a sophisticated and thoughtful approach to managing public messages about crime and fear. Whether it is a citizen march, a new law prohibiting panhandling, a press conference about crime statistics, public meetings with church leaders, brochures about safety, gun buyback programs, or unplanned comments to the media, the *fundamental message is often* "we have a safety problem here."

The result is worsened perceptions of safety. In contrast, suburban malls and lifestyle centers avoid direct messages about safety except in extreme circumstances. Even then, the messages are strategically constructed and delivered by carefully selected and prepared spokespersons, often women, with messages strategically constructed to positively impact perceptions.

The fifth and final practice that reduces the effectiveness of urban safety initiatives is the widely held belief that *safety improvements only come after major rebuilding of physical places*. This becomes a Catch 22 because without appropriate physical improvements, the fear and place avoidance create a lack of market support (and related tax revenues) for more substantial investments. In fact, strategic small investments in physical improvements and programs/patrols- often with existing budgets - can easily change perceptions. Of course they must be carefully designed and combined with strategic communications to be most effective.

An Effective New Approach

This alternative approach of strategic small investments is part of an innovative, integrated, and intentional Safedesigntm system that I developed to improve real and perceived safety based on my work in South Beach, Downtown Miami, Downtown Hollywood, Downtown Cleveland, Downtown Lexington, Downtown Akron's University Park, and multiple Cleveland neighborhoods.

(Continued, Page 8)

Urban Revitalization (Continued from Page 6)

Safedesigntm uses a number of principles, strategies, and tactics to counteract the flawed practices outlined above, and notable aspects of the system include the following:

More Than Just Police - Both real and perceived safety are impacted more by actions of non-police than by police.

Neighbors watch out for each other. Landlords make sure locks and lights function properly. Architects and engineers design places that reduce opportunities for crime. Code enforcement officers deal with signs of disorder. Vendors and others keep areas free of litter. Artists and landscapers create signs of order and care. There are 1000 small things that can be done by non-police that improve real and perceived safety in urban places. Most of them require no additional funds, and many can be identified by target market participants during a professionally guided "safety audit" or walking tour.

Strategic measures of fear and place avoidance - Each urban place has one or more target markets, and each of those groups of people has a different "safety threshold". Use targeted focus groups, indirect survey questions, creative cross-tabs, and visual preference surveys to bypass psychological barriers about admitting fears.

Intentional cross-training and assignments for the existing workforce - Utilize a variety of uniformed personnel to create a
presence at times and locations the target markets are most
fearful, to monitor the physical environment for needed improvements or maintenance, and to create a communications
web in the case of incidents.

Positive, indirect messaging - Given the emotionally charged nature of safety messages and the typical negative reactions about "safety initiatives" in a particular place, utilize images and wording that communicate safety indirectly. Examples are night-time events for children, images of strollers, images of women or teenage girls relaxing and walking and laughing in well- lighted areas after dark. Even the uniforms of personnel can indirectly communicate the safety of a place - think Disney and not prison guards with sunglasses.

Innovative physical design changes - There are many aspects of design that can make your target market feel vulnerable and fearful, and fixing these issues takes very careful attention to detail. Whether you are making a place less comfortable for panhandlers, reducing isolation in parking garages or lots, or improving exit wayfinding signage, it takes a careful blend of solutions to positively impact both potential criminal behavior and perceptions of target markets.

Designs to improve access control, natural surveillance, territoriality, and informal social interaction must be deftly and innovatively woven together to get results.

Beginning with land use patterns and down to the details of interior layouts, lighting color, and plant materials, design adjustments will have major impacts on real and perceived safety. This goes way beyond the simplistic concept of "eyes on the street" often mentioned by designers and planners, and certainly requires a more sophisticated approach than the very basic target hardening and electronic surveillance recommendations of most building security experts or police crime prevention officers.

Training the crowd - A number of the concepts incorporated into Safedesigntm have been in use by small numbers of police and design professionals for some time. However, the weaving together of all the necessary components requires a sustained effort by a variety of participants who understand and support the approach. If only a few "experts" are involved, the efforts often fail when the experts move on or when others who need to implement the details simply get things wrong. A culture shift is needed for success. This means a large group of people need training to understand new concepts and techniques, including the landscape crew, the neighborhood watch captain, the architects, the civil engineers, the lighting and storefront designers, communications staff, elected officials, and many others.

Total Travel Path Analysis - When selecting a place to visit, work, or live, most people imagine their daily routine and travel path. With urban places, a key part of that exercise involves where along our path a person might be vulnerable to attack. Depending on the situation, that might be when we are stopped at a traffic light in our car, when we are walking to our car after work at night, when we are at the bus stop or train station, or even as we walk from our detached garage into our home.

Safedesigntm utilizes many other detailed techniques and strategies to maximize impact. The essence of the system is to weave safety considerations into nearly every aspect of urban places beginning with design and continuing through daily operations. This extensive attention to detail changes everything.

Accelerating Success

The vast majority of downtown and urban revitalization efforts have been underway for *more than four decades*, and very few can claim that a traditional market-based system is now driving investment. Special financial incentives, eminent domain, federal and state grants, private grants, and tax abatement or diversion programs dominate the landscape and keep a large number of non-profit and governmental employees in their jobs because they still have not changed consumer and investor perceptions.

The most incredible examples of successful urban revitalization and transformation made *real and perceived safety a top priority* and used innovative approaches to get results fast. New York City, South Beach, Bryant Park, and Cleveland's Euclid Avenue went from places

(Continued, Page 9)

Urban Revitalization (Continued from Page 8)

to be avoided to places attracting major investment. All of these efforts paid close attention to safety perceptions and used improvements to the physical environment, programs/patrols, and strategic communications to change marketplace behavior and transform great urban places.

Safedesigntm helped directly in South Beach and Cleveland, and it incorporates lessons learned in New York, Toronto, Portland, and Miami. Other communities can learn from the examples above and use Safedesigntm innovations to shift the paradigm, eliminate the old bad habits, and accelerate success. The bottom line will be a much quicker path to more livable cities, more sustainable regions, healthier tax revenue streams, more equitable prosperity, and more profitable real estate investments.

Ken Stapleton is in an affiliated consultant with KMK Consulting and President of The Safedesigntm Institute. For more information, contact Ken at KenStapleton. Associates@gmail.com

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KMKC's Facilities Management Group – A Valuable Resource

Whenever you are expanding, realigning, relocating your facilities, whether building or leasing, adding or repositioning your workforce, there are three critical cost areas requiring careful review that are easily glossed over or overlooked.

Each of these can produce significant positive cost savings on your growth or realignment projects.

KMK Consulting's Facilities Management Group, combining over 100 years of deal expertise, is positioned to assess the best and most realistic opportunities for your project in each of these three areas:

Public Finance Incentives Energy

Our track record incorporates projects from downtown Cincinnati to over 100 other markets across the United States with project values ranging from \$500,000 to over \$200,000,000 from private firms to Fortune 100 companies.

We are dedicated to our clients. They respect our work and our success for them:

"Our company recently announced a new major project. This site selection effort started with 150 possible locations across six states. The winning site incorporated a significant incentive package.

Building on our successful experiences in the past, we once again chose to partner with KMK in the complex effort to secure every available incentive. We benefitted from KMK's knowledge, expertise, negotiating skills and wise strategic counsel. We have utilized KMK's services and advice on incentives in a number of states, from California to New York. We trust the firm's counsel and expertise, which is delivered with extraordinary credibility and professionalism. We are fortunate KMK is our partner in this important area and are pleased to recommend them to others."

- Vice President, Corporate Client
- "...In the end, our county was not selected. However, the exercise left us better positioned to offer two exceptional properties for future business needs. And it also left us with a sense of respect and admiration for the firm of KMK. The firm as a whole was exceptional, and KMK's lead partner was outstanding.

In all of our interactions with him, he was skilled, transparent and above all operating in the interest of his client. He is a true professional who represented your company with distinction. He is a man of integrity."

- President and CEO, County EDC

Each of these cost saving opportunities requires both a deep understanding of the substantive issues as well as negotiation skills and tactics to produce effective results for our clients:

PUBLIC FINANCE - These services include bonds (taxable and tax-exempt), TIFs, New Markets Tax Credits, EB-5 financing, alternative ownership structures using port authorities and other similar quasi-governmental entities.

INCENTIVES - These services incorporate job creation tax credits, enterprise zones, foreign trade zones, sales and property tax abatement programs, grants, loans, research and development investment tax credits, JEDDs, and workforce procurement/training.

ENERGY - These services include infrastructure, planning and cost negotiations, muni/coop contracts, legacy utility retail support, third party power procurement, system management.

We would be pleased to meet with you to help you understand these important services and the significant cost savings implications. Contact any of our Facilities Management Group team members whenever you are considering a facilities or workforce project:

Jim McGraw, Team Leader jmcgraw@kmklaw.com 513.639.3968	Dick Spoor, Team Leader rspoor@kmklaw.com 513.579.6424
John Cranley jcranley@kmklaw.com 513.579.6509 Mark Sims msims@kmklaw.com 513.579.6966 Greg Elam gelam@stepresources.com 513.792.0146	Geoff Leder gleder@kmklaw.com 513.562.1403 Andrew Spoor aspoor@kmklaw.com 513.579.6481