



The Economics of Historic Preservation

Kimber Lanning | Local First Arizona

Why Localism?

- Connection to Place
- Jobs
- Economics
- Self-Reliance



WHEN YOU SPEND HERE

your money stays here



LOCAL
— vs. —
NON-LOCAL



For every **\$100** spent at a locally owned business, **\$43 remains in the economy.**

For every **\$100** spent at a non-locally owned business, **only \$13 remains in the economy.**

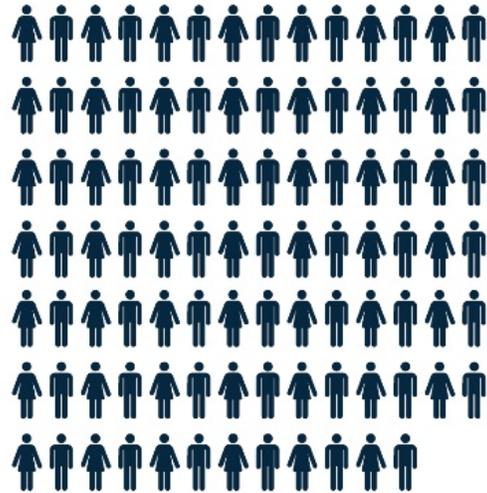


VS



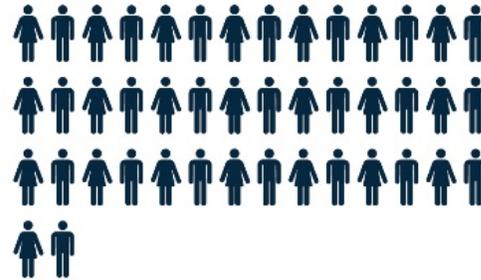
JOBS PER \$10 MILLION IN SALES IN THE U.S.

110 JOBS



INDEPENDENT RETAILERS

50 JOBS



CHAIN RETAILERS

14 JOBS

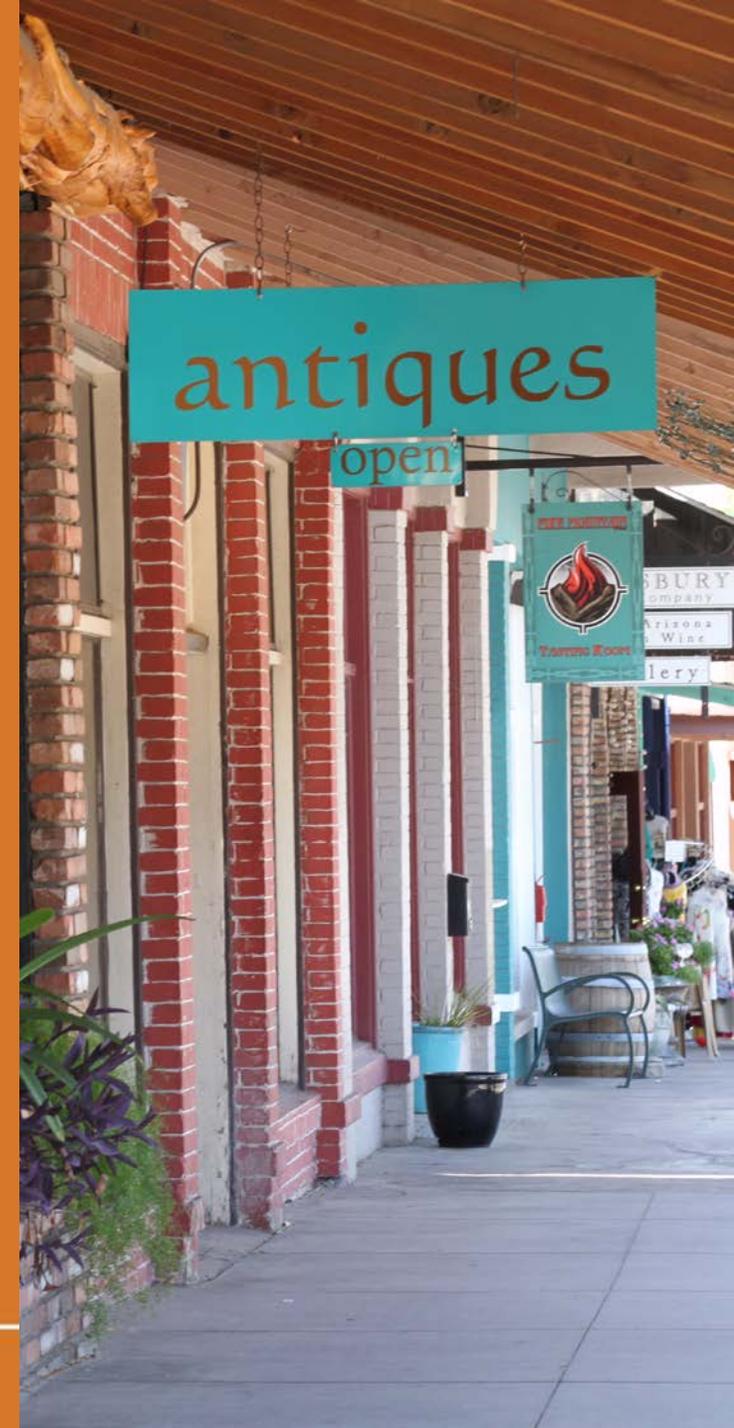


AMAZON

Source: Institute for Local Self Reliance

Strategies for Building Self-Reliance

- Reduce Economic Leakage
- Avoid the 'Big Whale' strategy
- Leverage local talent
- Focus on retention/expansion
- Tourism and Events
- Establish Unique Position in the Market
- Invest in business corridor, cluster
- Food Systems Development



Economic Gardening

The Secret to Job Growth
in America: Think SMALL

-Harvard Business Review 2010



5 Key Components of Developing Entrepreneurship and Self-Reliance

- Adequate building stock
- Access to capital
- Collaboration
- Strong and Competitive Business Community
- Develop the Marketplace

Adequate Building Stock



Why is Adaptive Reuse so Important?

THE GREENEST BUILDING OF ALL IS AN EXISTING BUILDING

OLD Pasadena Outperforms NEW 2-to-1 in Sales Tax Revenues

OLD

- Privately funded
- Grew organically
- Almost 100% locally owned businesses
- Located in primarily older buildings
- Limited parking

NEW

- Publicly funded
- Planned
- Almost 100% national brands
- Located in all new development
- Maximum planned parking





National Trust *for*
Historic Preservation

preservation
TIPS&TOOLS



New Findings from Preservation Green Lab

OLDER, SMALLER, BETTER

Key Findings

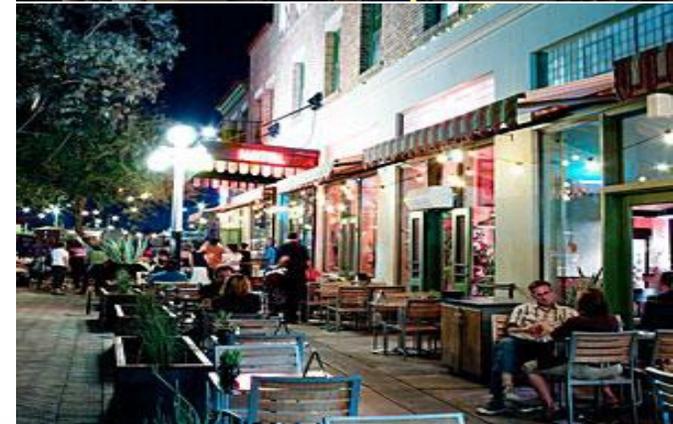
Where you find older, smaller buildings and mixed-vintage blocks, you see significantly:

- Greater walkability
- Younger residents and a greater mix of people at different stages of life
- Greater nightlife and cultural vitality
- More jobs, creative jobs, and businesses per square foot
- More women and minority-owned businesses, non-chain businesses, small businesses, and new businesses



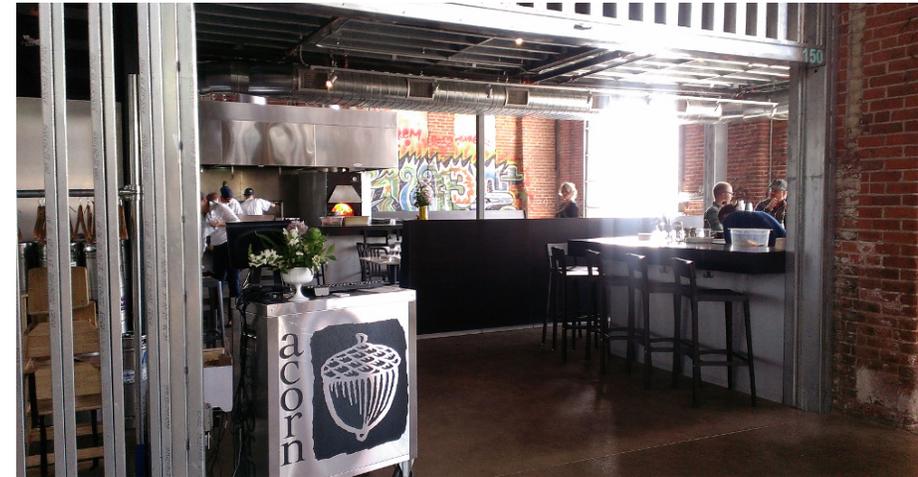
Policy Guidance

- Preservation and reuse of older buildings (historic and non-historic) should be supported by city planning and policies.
- When possible, city fabric with high character score should be retained where it exists, and its development should be encouraged where there are opportunities for infill and redevelopment.
- The urban design lessons from “Older, Smaller, Better” city fabric can also be applied to foster “Newer, Smaller, Better” fabric that is dense, economically high performing, livable, and compatible with older fabric.



The Case for Preservation

- Town centers are gaining population across the US
- Attraction of older, mixed-use, walkable neighborhoods, including many historic districts
- Move of tech and creative office market to older buildings
- Areas with older, smaller buildings, areas with a mix of newer and older buildings, and historic districts all play important roles in supporting a more livable, socially diverse, and economically resilient community.



Performance Metrics

Measure What Makes Sense for Your Community

- Intensity of human activity
- Economic and cultural vitality
- Diversity and inclusion
- Real estate performance
- Alternative transportation options
- Sales Tax Generated
- Shade Cover/Tree Canopy
- Business Licenses (locations and start ups)
- Building permit activity (new vs. existing buildings)
- Walkability



Access to Capital

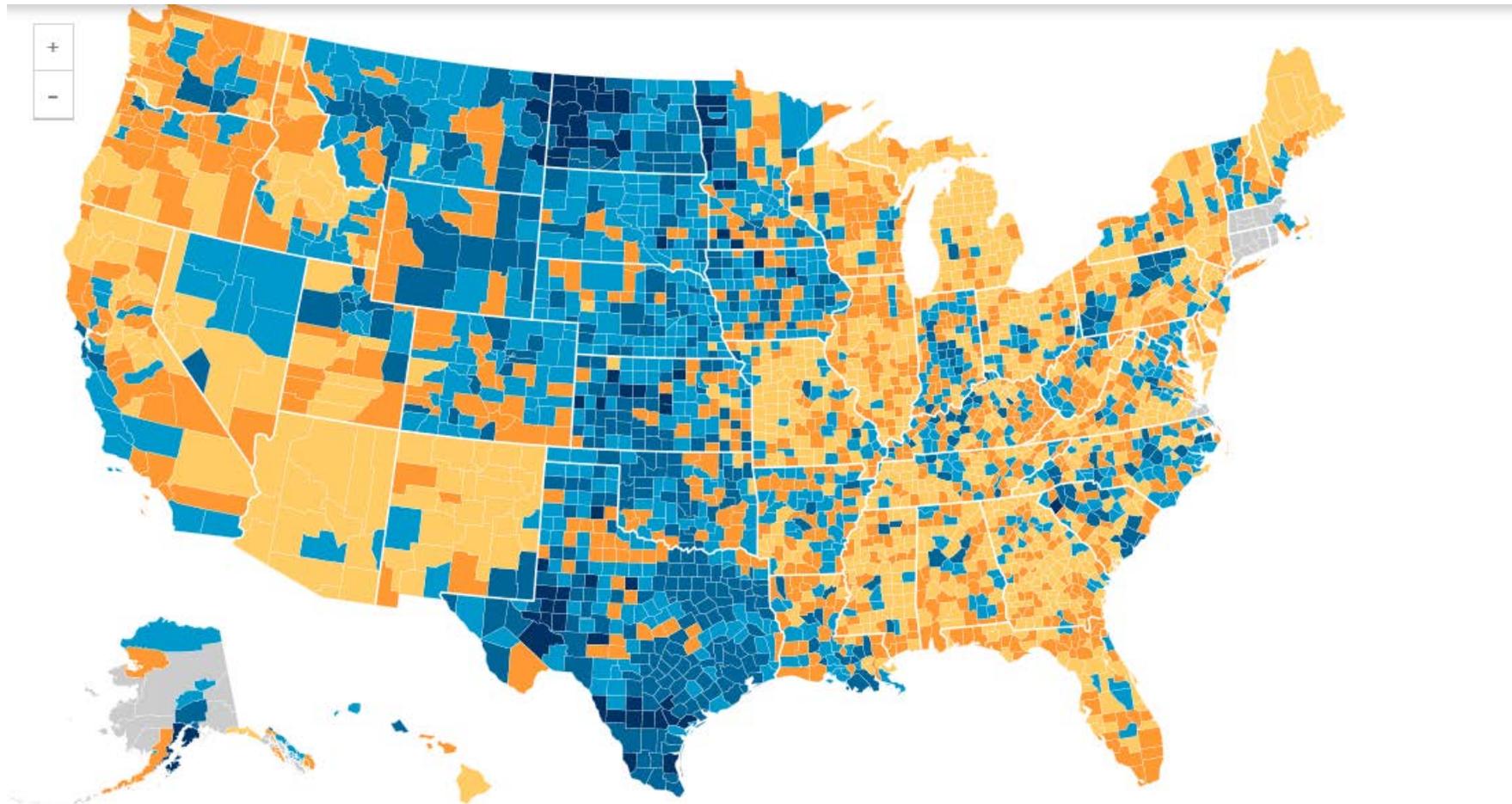


Community banks are integral to Main Streets. Invest your dollars in your home. Bank local.



Move Your Money Where It Matters.

LocalFirstAZ.com/Banking



Source: NACo Analysis of Moody's Analytics, U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis and U.S. Census Bureau.

2014 County Economic Tracker
Recovered on # Indicators



*county data is unavailable if the county is colored grey

Definitions:

Deposits & Local Decision-Making

“First Bank invests heavily at the local level because we recognize that nonprofit organizations and small businesses are integral to the social fabric of Colorado. When you consider the dynamics, investing in the community is not only the right thing to do, it's also good business.” – John Ikard, CEO

Arizona

- Total deposits in non-local banks: 96%
- Total deposits in the three biggest banks: 76%
- Number of AZ counties with no local banking option: 8
- Number of local community banks in the entire state: 13

Colorado

- Of the top three banks, one is a community bank, First Bank
- First Bank has \$15B in assets over 122 locations in CO
- First Bank was a partner in redevelopment of downtown Denver
- 4th wealthiest private bank in US

Collaboration



modified arts

Roosevelt Row

12 Years Later

- 22 galleries
- 5 restaurants
- 3 wine bars
- 2 coffee shops
- 4 retailers
- 1 light rail stop



Strong & Competitive Business Community

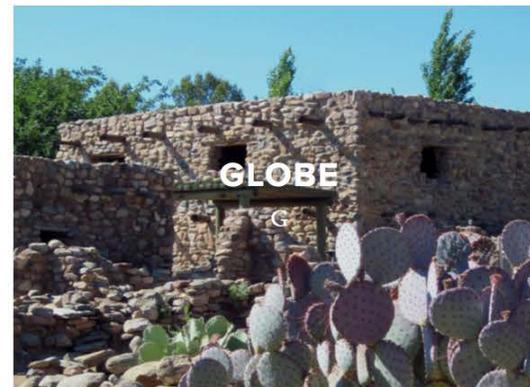
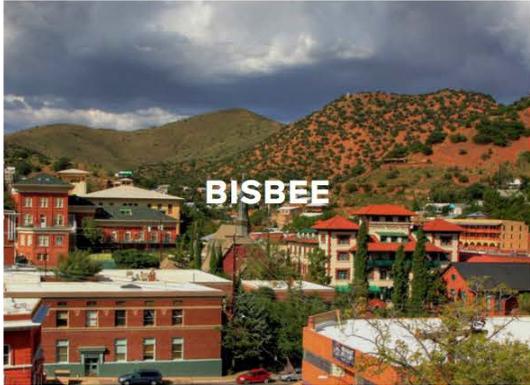
Develop the Locally Owned Business Community

- BE DIFFERENT
- HAVE better customer service
- HAVE more expertise on staff
- HAVE a wider variety
- Go the extra mile
- Be convenient and consistent
- Offer products big guys don't have
- Tell Your Story



Develop the Marketplace

Develop the Marketplace



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LOCAL FIRST ARIZONA
FOUNDATION
Rural Development Council