Fiscal Issues in Community and Economic Development

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Graduate Program in City & Regional Planning
The University of Memphis

Preface

This e-text was written by the students of Financing Community Development, a course in the Graduate Program in City & Regional Planning at the University of Memphis. When I set out to teach this class for the first time in the spring of 2006, I wanted to introduce students to the relationship between planning and a community’s fiscal health, emphasizing the causes of fiscal stress in local government and the actions that planners take in response. This approach relied on concepts from a variety of different disciplines, and I found that a convenient class text containing only relevant information did not exist. The student-authored e-text project was intended to serve two purposes:¹

1. To develop a concise resource that will be informative to planning students and practitioners interested in fiscal issues in community and economic development,

2. To allow students to pursue specialized knowledge in relevant subject areas beyond what might be covered in regular class discussion and readings.

Part I of the text tackles a set of hot-button topics in community and economic development that are currently generating debate in metropolitan areas across the country: Wal-Mart, the “Creative Class,” and professional sports subsidies. Laura Jewell sorts out the various impacts of Wal-Mart to decipher whether big-box retail is a benefit or a burden at the local level. Tim Moreland takes a closer look at the latest chamber of commerce buzz-word, placing the creative class hype in the context of supply-side versus demand-side approaches to regional economic development. Patrick Napier examines why cities have been willing to spend so much public money on professional sports facilities.

Part II examines some policies and tools available to address the fiscal challenges facing American metropolitan areas. Emily Hunter describes a regional approach to problem-solving, examining the concept of tax-base sharing. Whitney Choat explores a local-level solution, covering the pros and cons of tax increment financing. Finally, Donald Anthony provides a grass roots perspective in his discussion of community development corporations.

I hope that this first edition will be followed by many future editions of Fiscal Issues in Community and Economic Development.

¹ The e-text approach was inspired by a similar project developed by Professor Norman Krumholz at Cleveland State University that I came across while preparing my syllabus for Financing Community Development. (I try to teach my students to always give credit where it is due.)
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