



LOCAL FIRST UTAH'S WISH LIST FOR SALT LAKE CITY

1. A clearly stated and publicized vision of where the City plans to go with regard to local business and how they plan to get there, along with a top-down effort across city government to bring that vision to fruition.
2. Bottom-up education of City employees concerning the reasons for that purpose statement and the value of locally owned independent businesses to the local economy; city employees should regard locally owned businesses as valued customers who collectively represent the economic backbone of the city.
3. An umbrella Purpose Statement at the beginning of the City's zoning code that appropriately supports and describes the value of local business
4. An effort to embed language from that purpose statement into the zoning code at all levels.
5. Adoption of the draft commercial zoning guidelines which we have been discussing, so the City can align its activity with what they say they value; this would free up the time of business/commercial property-owning community to improve their own businesses, engage in constructive partnerships with the city through Local First programs, and thus have a positive impact on the local economy
6. Promotion of unique neighborhood business districts in City publications and website, similar to Tacoma. Local First would love to partner with the city in these efforts; our expertise in organizing, branding, and educating fits perfectly and we would love to be a part of this effort.
7. Appointment of an ombudsman (this is already done, I believe) and intensive education of this person(s) on the necessity of thriving local business to the economy. Also, intensive customer service training for City employees who interface with the public.
8. A place for a LF staff and board member on the Business Advisory Board and inclusion of Local First in efforts to sustain the business community whenever economic policy decisions that affect local business are contemplated and wherever organizing, educating, branding efforts are needed.
9. Proactive policies on Local Business issues; this might take the form of City/Local First Partnerships to nurture and sustain locally owned independent businesses in Salt Lake City and cut the cycle of boom and blight that is so common in business nodes whether on Main Street or in neighborhoods. To do so would greatly improve the economy as a whole. One idea is a partnership between the city, the SBA and bank(s) to grant loans to businesses trying to buy their buildings. There is legislation along these lines before the legislature in the state of Washington.
10. Support for Local First so that we can continue in our educational, organizing, and branding efforts throughout the city. Education of the public about the value of locally owned businesses to the economy and the community is vital since increasing public support of local business has been shown by study after study to be pivotal in improving the overall health of the economy, not to mention the vitality of the community as a whole.

Advantages

of Small Businesses to the Economy

1. The key to economic recovery: On a national level, small firms have generated **60% to 80% of new jobs annually** over the last decade and employ almost **half of all private-sector employees**. According to economists, in **each of our past recessions, small business growth has been pivotal in economic recovery.**

2. National studies confirm benefits of local:

- Studies in Austin and Mid-coast Maine tell us every time you spend a dollar in a locally owned independent business (LIB), **three times as much of that dollar stays in the local economy** (in the form of wages paid to local workers and goods and services purchased from other local businesses) than is the case with chains.
- Studies in San Francisco and Grand Rapids show that a **shift of just 10% in shopping habits from chains to local would generate on average well over \$100 million dollars in new local economic activity and create around 1500 new jobs.**
- Studies in Andersonville, Ill., U. of CA Irvine and Berkeley, U. of Missouri show that **LIBs spend a larger share of their revenue on local labor**, and that **chains eliminate jobs** (for every new retail job created by Wal-Mart 1.4 jobs in existing businesses are lost) and **drive wages and benefits down.**
- Studies at Loyola, U. of Chicago, U. of Iowa and Vermont State Environmental Board show **big boxes drive existing LIBs out of business and do not increase overall retail sales or sales tax revenue.**

3. Cost to cities of commercial big box development:

- A study in Massachusetts by Tischler & Associates found that the annual cost of providing city services to traditional downtown and neighborhood business districts was \$786 per 1,000 square feet of retail space. **Big-box stores were 30% more costly**, requiring \$1,023 in services per 1,000 sq. ft., while **strip malls were even more expensive at \$1,248.**
- Studies in Ohio, Illinois, Massachusetts, and New Hampshire have found that **big-box development projects often do not generate enough tax revenue to cover their much higher public services costs, resulting in a net shift of the tax burden to residents and small businesses.**
- A St. Louis study of \$2 billion in tax incentives given for large shopping-centers and big-box development showed only a modest net gain in jobs and **no net increase in tax revenue.** The subsidized projects created 32,550 jobs but caused a loss of 27,150 jobs at existing businesses, for a net gain of just 5,400 jobs at a **cost of \$370,370 per job.** Other research indicates that programs that focus on community development and small business growth produce jobs at much lower taxpayer cost.
- An ITF study in Texas and Oklahoma shows that supercenters of 200,000 sq. ft. generate on average **42% more traffic** than the rate listed in the Institute of Transportation Engineers Trip Generation manual that traffic engineers, developers, and city officials use to estimate the traffic impact of development projects.
- A New Rules study of big-box vacancies in 2008 showed a dramatic rise, with chains planning to **close more than 6,500 outlets by year's end**—one can only guess what the figure would be a year later in this failing economy. Between 1990 and 2005 **retail space per capita doubled** while per capita **consumer spending increased only 14%.** This pandemic of abandoned big boxes not only negatively affects the tax base (especially if subsidies are involved) but is an environmental and social catastrophe for cities.

None of this begins to address the environmental and social costs to cities if LIBs disappear or diminish—the cost to charities and boards, to social services and to the community at large. Cities need flourishing locally owned independent businesses, downtown, in their neighborhoods, on their outskirts. Cities cannot prosper without us because we are the very backbone of community, economically, culturally, socially, and in every other way.

Buy
Local
FIRST
KEEP UTAH INDEPENDENT