



## City of Memphis/Shelby County, TN

### *Structure and Organization of New City/County Office of Economic Development*

**The Memphis Region has evolved from a 19<sup>th</sup> Century river town into an internationally known logistics and distribution hub and historically strong manufacturing center.** These industries have fueled job growth and wealth creation in the Memphis Region for decades, providing a steady tax base from which to fund public services and infrastructure development. However, Memphis and Shelby County, the heart of the region, recently faced a number of fiscal and economic challenges as more and more companies selected suburban locations for their operations. This trend, reflecting the experience of many other cities in the nation, created budget and service provision challenges for the Memphis and Shelby County governments. Population and revenue growth was stagnant, and Memphis and Shelby County (M/SC) faced the dilemma of being unable to increase tax rates to maintain revenue growth for fear of reinforcing the trend of tax-sensitive distribution operations moving to outlying areas.

Given this scenario and choosing to be proactive, M/SC desired to develop a plan to diversify its economy and become more directly involved in economic development. To this end, Mayor A C Wharton and the M/SC Office of Planning and Development retained Janus Economics' Principals to assess the current status of economic development programs in M/SC and the region and make recommendations on what M/SC can do to significantly improve its economic development efforts.

To understand the current economic development situation in M/SC and the Memphis Region, Janus Principals held 37 interviews and meetings with key economic development professionals, elected officials, and other community leaders. Janus reviewed numerous past studies dealing with local and regional economic development in the Memphis Area and completed a "best practice" analysis by conducting personal interviews with key economic development players in five metro areas comparable in size to the Memphis Region. This best practice analysis provided a useful yardstick by which to measure the effectiveness of the economic development effort in the Memphis area and make recommendations on specific programs for M/SC.

**The resulting report for this project contained Janus Economics' analysis and recommendations for M/SC's economic development program.** Memphis is in the process of implementing the recommendations suggested in the report.