

Economic Development Chapter

Introduction

The health, quality of life and sustainability of a city is anchored in its ability to retain and create family-wage jobs and provide an environment where businesses can thrive. A sound economic development plan and accompanying strategy are central to realizing Tulsa's full potential. To achieve the community goals set out in *Our Vision for Tulsa*, economic development must be thoroughly integrated with the land use, transportation, housing, and other key elements of the plan. A strong, diverse economy will provide many of the resources necessary to accomplish plan goals. However, economic prosperity does not happen on its own. It requires a strategic approach with clearly articulated priorities, goals, and strategies for implementation.

In this chapter we provide an analysis of the Tulsa economy, including long-term socioeconomic trends, an assessment of key industry clusters, and a look at entrepreneurial activity. We then describe the key priorities that will guide Tulsa's economic development efforts for future decades. This chapter ends with a list of goals, setting the bar for the city's economic development efforts.

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Part I: Analysis and Findings

Long-term Socioeconomic Trends

Who lives in Tulsa? Successful economic development planning requires a thorough understanding of area demographics. In this section, we discuss relevant demographic trends from 1990 through 2008, and projections for 2030

In 2008, according to the US Census Bureau, the Tulsa Region was home to 918,154 residents, including 388,890 residents within the City of Tulsa.¹ The City's population experienced growth in the 1990s, but has declined since 2000. According to population estimates from the U.S. Census Bureau, Tulsa's population fell 22,602 people from 2000 to 2005 (from 393,049 to 370,447) but has been growing since. In 2008 the US Census estimated the city's population to be 388,890, a gain of 18,443 since 2005, but still 4,159 short of the city's 2000 total. The County as a whole is also declining in population slowly, losing 2,868 residents, a .51% decrease. However, growth continues at a healthy pace for the region as a whole. The Tulsa Metropolitan Statistical Area (MSA) grew from 803,235 people in 2000 to 918,154, a gain of 102,520 residents (14.3%).

The City continues to be more racially and ethnically diverse than Tulsa County or the broader Tulsa region. In 2008, 12% of Tulsa residents were Hispanic, compared to 10% in the County, and 7% in the region. Growth in the Hispanic population in the City is slowing, but continues to outpace the non-Hispanic population, as shown in Table 1.

Table 1. City of Tulsa Population by Ethnicity, 1990 – 2013

	1990	2000	2008	2013	Avg. Annual Rate of Change		
					1990-2000	2000-2008	2008-2013
Hispanic	9,508	28,057	46,072	55,717	11.4%	6.4%	3.9%
Not Hispanic	356,166	364,912	337,697	325,134	0.2%	-1.0%	-0.8%
Total	365,674	392,969	383,769	380,851	0.7%	-0.3%	-0.2%

Source: Tulsa Metro Chamber, 2009 Tulsa Demographics. Data from Experian/Applied Geographic Solutions

Since 1990, the City has experienced subtle shifts in the distribution of population by age group. Youth and young adults (ages 24 and under) have declined as a portion of total population, from 35.2% in 1990 to 34.4% in 2008. This has been accompanied by an increase in the proportion of seniors (ages 65 and over) from 12.8% to 13.6% during the same time period. These trends are expected to continue in future years, with the aging of the baby-boom generation, and the decreasing number of children per household. Table 2 shows trends in Tulsa's population by age group.

¹ The Tulsa Metropolitan Statistical Area (MSA) is defined by the U.S. Census Bureau as a seven-county region including: Tulsa, Rodgers, Wagoner, Okmulgee, Creek, Pawnee, and Osage counties.

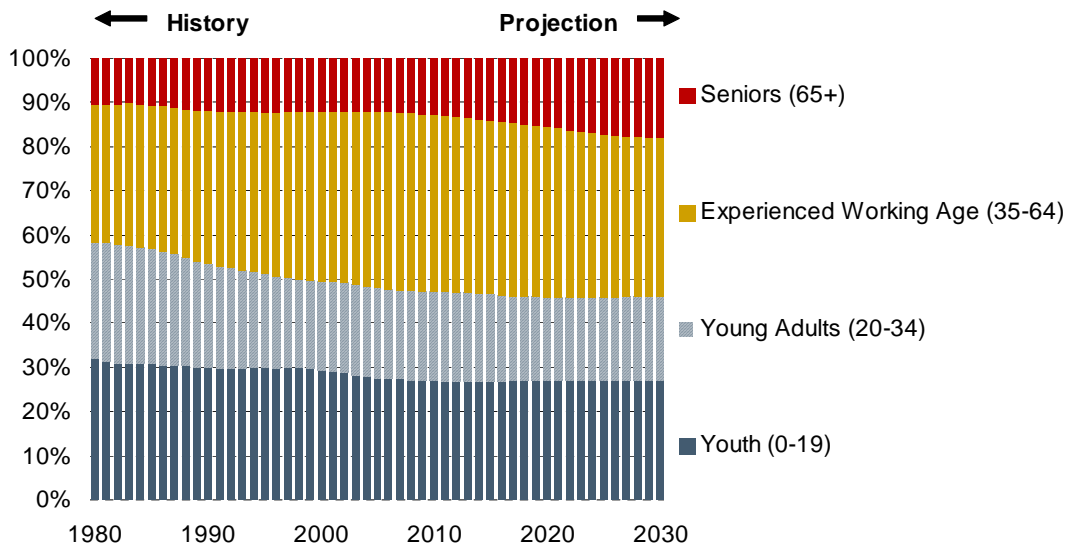
Table 2. City of Tulsa Population by Age Group, 1990 – 2013

Age Group	1990	2000	2008	2013
0 to 4	27,260	28,316	26,667	23,837
5 to 14	48,703	53,498	51,533	50,014
15 to 19	23,769	27,139	24,723	24,906
20 to 24	29,055	31,279	29,051	28,456
25 to 34	66,183	58,739	50,972	49,764
35 to 44	55,665	58,938	49,870	45,984
45 to 54	36,320	52,376	55,073	51,776
55 to 64	32,085	32,220	43,663	49,011
65 to 74	27,133	25,961	25,761	30,915
75 to 84	14,689	18,242	18,898	18,609
85+	4,815	6,262	7,593	7,614

Source: Tulsa Metro Chamber, 2009 Tulsa Demographics. Data from Experian/Applied Geographic Solutions

Chart 1 illustrates the Tulsa metropolitan area’s projected age profile up to 2030. Households made up of baby boomers (those born between 1946 and 1960) are more likely to have just one or two people after their children move away. According to the U.S. Census Bureau, in 2006, about one third of Tulsa’s households had just one person; over two thirds (69%) of households have one or two people.

Chart 1. City of Tulsa Population by Age Group, 1990 – 2013



Source: US Census Bureau (accessed via Moody's Analytics)

Educational attainment is on the rise for Tulsa residents. From 1990 to 2008, the percentage of residents ages 25 and older that had not earned a high school degree declined from 18% to 10%. During the same period, the percentage of residents ages 25 and over with a bachelors or graduate degree increased from 26% to 32%. Table 3 shows the educational attainment for Tulsa residents.

Table 3. City of Tulsa Educational Attainment for Population 25+, 1990 – 2013

	1990	2000	2008	2013
No High School	11,854	11,992	8,564	6,839
Some High School	30,154	27,342	17,415	13,048
High School Graduate	62,214	64,089	74,636	81,099
Some College, No Degree	56,701	61,784	51,553	46,056
Associates Degree	14,951	16,090	18,455	19,624
Bachelor's Degree	42,011	48,192	55,268	59,501
Graduate Degree	18,965	23,250	25,939	27,507
Total	236,850	252,739	251,830	253,674

Source: Tulsa Metro Chamber, 2009 Tulsa Demographics. Data from Experian/Applied Geographic Solutions

Table 4 shows Tulsa households by income level. From 1990 to 2008, median household income in Tulsa has nearly doubled from \$26,000 in 1990 to \$49,000 in 2008. Per capita income has experienced similar growth during this time period, increasing from \$15,000 to \$29,000. If these figures are adjusted for inflation, however, there is virtually no real growth in median household income or per capita income since 2000.

Table 4. City of Tulsa Households by Income Level, 2000 – 2013

	1990	2000	2008	2013
\$0 - \$24,999	75,011	57,610	44,524	38,424
\$25,000 - \$74,999	66,906	79,312	76,592	75,170
\$75,000 - \$149,999	9,791	21,989	30,720	34,074
\$150,000 +	2,987	6,801	11,640	14,976

Source: Tulsa Metro Chamber, 2009 Tulsa Demographics. Data from Experian/Applied Geographic Solutions

Note: Household income is reported in nominal dollars (not adjusted for inflation).

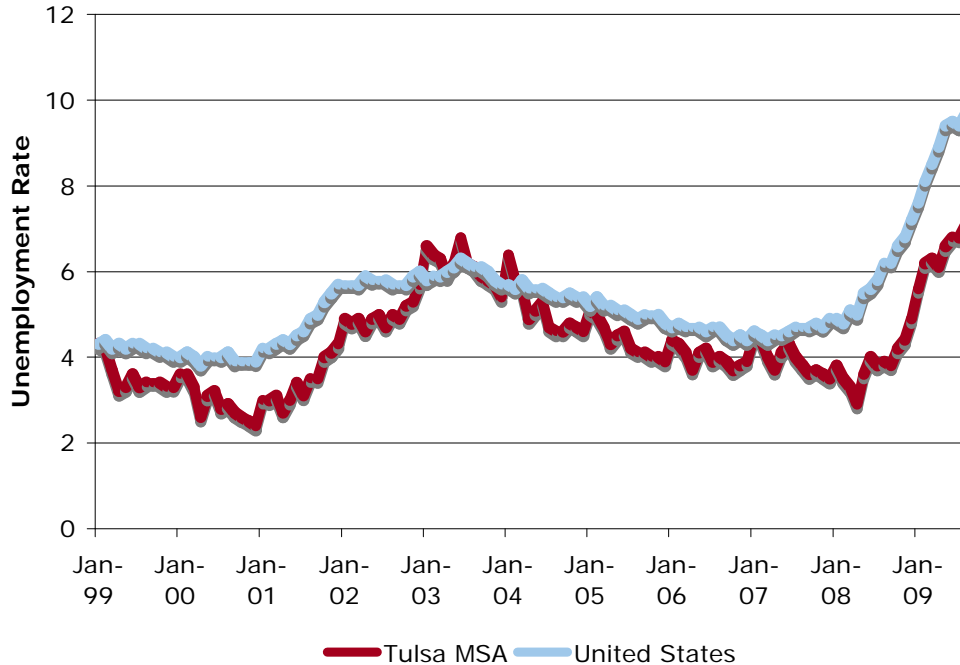
Employment in Tulsa

As this plan is written, the United States is struggling through the 2009 recession. Over the past two years, job losses have mounted, the unemployment rate has skyrocketed, housing prices have declined, and consumer confidence has been shot. The impacts of the recession are leaving a deep mark. However, it is important not to let the current crisis overshadow long-term trends and prospects for growth.

Tulsa has fared relatively well during this recession. Chart 2 shows the unemployment rate for the Tulsa region compared to the United States. For most of the past decade, Tulsa has experienced lower unemployment levels than the Country as a whole. The

difference in unemployment rate between the US and the Tulsa region has become more pronounced over the recession. The most recent data for August 2009 shows unemployment rate in the Tulsa region is 7.1%, the highest it has been this decade, but still lower than the national rate of 9.7%.

Chart 2. Unemployment Rate for Tulsa MSA and United States, Jan. 1999 – Aug. 2009



Source: Bureau of Labor Statistics, Accessed 10/2/2009.

Note: Data for Tulsa MSA is not seasonally adjusted.

Table 6 shows a breakdown of employment by industry sector in the Tulsa MSA in 2007.² The Tulsa region had 425,800 jobs. Sectors with the most employment were Government (52,400), Manufacturing (51,500), Health Care and Social Assistance (50,500), and Retail Trade (45,100). Prior to the recession, the Tulsa region experienced significant job growth this decade. Overall employment in the Tulsa MSA increased 4.4% from 2000 to 2007. The fastest growing sectors during this period were Educational Services (39.2%), Natural Resources and Mining (28.8%), and Admin, Support, and Waste Management Services (22.9%). The information sector experienced the largest decline in employment (-33.3%).

² This is the most recent year for which data was available from the Bureau of Labor Statistics, Current Employment Statistics. This data does not reflect the heavy job losses that occurred in 2008 and 2009.

Table 6. Tulsa MSA Employment by Industry Sector, 2000 – 2007

Industry Sector	2000	2007	% Change
Educational Services	5,100	7,100	39.2%
Natural Resource and Mining	5,200	6,700	28.8%
Other Services	14,500	17,900	23.4%
Admin, Support, Waste Mgmt Serv.	29,200	35,900	22.9%
Health Care and Social Assistance	42,700	50,500	18.3%
Construction	19,600	21,900	11.7%
Prof., Scientific and Tech. Services	18,100	20,100	11.0%
Government	47,800	52,400	9.6%
Leisure and Hospitality	34,200	35,400	3.5%
Wholesale Trade	17,600	18,200	3.4%
Financial Activities	25,000	25,400	1.6%
Transportation and Warehousing	19,200	18,700	-2.6%
Utilities	3,500	3,300	-5.7%
Manufacturing	55,700	51,500	-7.5%
Retail Trade	49,100	45,100	-8.1%
Mgmt. of Companies and Enterprises	6,400	5,800	-9.4%
Information	15,000	10,000	-33.3%
Total Nonfarm	407,700	425,800	4.4%

Source: Oklahoma Employment Security Commission, Current Employment Statistics from the Bureau of Labor. Accessed on 10/2/2009.

The Tulsa Chamber of Commerce, in collaboration with the City of Tulsa and other regional partners, has completed an analysis of key industry clusters. The most recent analysis was conducted by Market Street Services, Inc., and the results were described in the *Target Business Review*, published in July 2008. The purpose of the study was to identify key industries that have the greatest potential to create new jobs and wealth, to be the focus the region's economic development resources. Market Street identified six priority target industries, as well as two emerging targets. In this section, we briefly describe each of the priority target sectors.

Priority targets:

- Aviation and Aerospace
- Healthcare
- Professional Services and Regional Headquarters
- Energy
- Machinery and Electrical Equipment Manufacturing
- Transportation, Distribution, and Logistics

Emerging Targets:

- Information Security
- Entertainment and Tourism

Market Street calculated location quotients (LQ) for four of the priority clusters, shown in Table 7.³ Each of these clusters has high regional employment, and pays a high average wage to their employees. Transportation, Distribution, and Logistics was the largest cluster (more than 27,600 employees), though its relatively low LQ suggests Tulsa does not have a comparative advantage in this field. The Energy cluster had the largest LQ of any priority cluster, indicating a strong advantage in Tulsa compared to the Country as a whole. Firms in the energy cluster include: oil and gas extraction, electric power generation, scientific research and development services, and other related activities.

Table 7. Summary of priority clusters, Tulsa MSA (2007)

Cluster	Tulsa MSA 2007		
	Jobs	LQ	Avg. Wage
Transportation, Distribution and Logistics	27,652	0.99	\$48,343
Machinery and Electrical Equipment Manufacturing	11,994	2.80	\$52,343
Energy	10,932	3.19	\$78,850
Aviation and Aerospace	5,393	2.59	\$51,061
Healthcare	N/A	N/A	N/A
Professional Services and Regional Headquarters	N/A	N/A	N/A

Source: Market Street “Marketing & Existing Targets Review: target Business Review” for Tulsa, OK. 7/2008.

Note: Market Street had insufficient data to calculate employment, location quotients and average wages for Healthcare and Professional Services and Regional Headquarters clusters.

Market Street identified two emerging target industries: Information Security, and Entertainment and Tourism. Currently, Tulsa does not possess a competitive advantage in these industries, and there is insufficient infrastructure and institutional capacity to justify significant investment of economic development resources in these industries. However, Market Street recommends keeping an eye on these industries in future years, because they possess the potential to become viable economic engines for regional growth.

The conclusion of the Market Street analysis was:

“Ultimately, growth of target industries is realized through strategies encompassing recruitment, retention and expansion of existing companies, entrepreneurship and small business development, workforce and training development, and optimization of local competitiveness. Importantly,

³ A location quotient measures the relative concentration of an industry. In this instance, Market Street compared a clusters portion of employment in the Tulsa MSA, to the cluster’s portion of employment nationally. Location quotients (LQs) higher than 1.0 indicate the cluster is more highly concentrated in the Tulsa economy, suggesting a comparative advantage in that cluster. Data limitations prevented Market Street from calculating LQs for the Healthcare and Professional Services and Regional Headquarters clusters.

determination of regional industries to target does not preclude the Tulsa Metro Chamber from acting on other development opportunities that may arise. These reactive activities are important, though the proactive targeting of priority regional growth industries will more effectively move Metro Tulsa towards greater economic diversity and sustainability.

Entrepreneurship in Tulsa

Entrepreneurship is important in sustaining economic growth and remaining competitive in a changing economy. However, entrepreneurship is a tricky area for the public sector to influence. A mix of cultural and economic forces combine to encourage entrepreneurial activity.

The State of Oklahoma appears to be fertile grounds for entrepreneurs. Oklahoma has received the “District of Creativity” distinction, which is an international designation for areas interested in fostering innovation, and entrepreneurial creativity. Recent statewide efforts to foster entrepreneurial activity include the Oklahoma Creativity Project. The project was launched in 2008 to showcase the creativity and innovation of Oklahomans in a variety of fields.

The City of Tulsa does not require general business licenses, which makes it difficult to measure the level of entrepreneurial activity in Tulsa, or analyze trends over time. The City should work with regional partners like the Collaboratorium, Beacon 400, the Oklahoma Small Business Development Center, and other private, public, and nonprofit groups to improve methods for quantitatively monitoring the level of entrepreneurship in the region.

Conversations with representatives of these groups identified a lack of funding as the main issue limiting entrepreneurial activity in Tulsa. Even before the global financial crisis, there were not many lenders willing to support local entrepreneurs with venture capital. Although several banks in the area are very supportive of small businesses once they’ve established themselves.

Another obstacle to entrepreneurship is a lack of infrastructure. Local organizations focused on supporting entrepreneurship have expressed that there is a prevalent need for infrastructure in terms of space, networking, funding, and mentoring for entrepreneurs. Given sufficient infrastructure, the creative class in Tulsa has the talent and expertise to become a hotbed

Part II: PLANiTULSA Economic Development Priorities

Tulsa's economic development plan should be focused on top priorities to maximize their effectiveness. Clearly articulating these priorities will also help coordinate the economic development efforts of regional partners (both private and public). We have identified four main priorities for the Tulsa economic development plan:

- Spur and support entrepreneurial ventures and small businesses.
- Connect education and training institutions with private and public sectors.
- Retain industry clusters that are strong now, cultivate new clusters with future potential.
- Support aggregation of employers downtown and in centers.

Spur and Support Entrepreneurial Ventures and Small Businesses

Entrepreneurship and innovation fuel small business creation and growth. Although entrepreneurship and small businesses are closely linked, we discuss each of them separately in this section.

Entrepreneurship

The current economic climate makes this a particularly important time to focus on entrepreneurial activity. New businesses started at the end of a bad recession (where we are today) have a higher success rate than businesses started at other times in the economic cycle. This may sound counterintuitive, but consider these factors:

- During recessions many talented and experienced workers are laid off, and receive severance packages from employers. This results in potential new business leaders with starting capital.
- Many existing companies close or drop out of markets, so there is less competition, leaving new firms with fertile ground for growth.
- The cost of doing business is cheaper. The costs of raw materials, labor, and rents decrease during recessions. During recessions, wage rates for white- and blue-collar workers are less.
- There is a larger pool of highly-qualified workers. New companies can find skilled workers for affordable wages that may have never considered joining a start-up company during better economic times.

Fear is one barrier common to those with new business ideas. A contributing factor is the lack of knowledge about how to start a business. The City of Tulsa, and other regional partners, can be a catalyst for entrepreneurial activity by being accessible to answer

questions, help with rules, permits, and documents, providing links to resources, and encouraging entrepreneurship.

Accessibility means being where people shop, meet, or bank with business start-up experts. The City should be accessible and responsive to all prospective entrepreneurs, with a variety of business ideas. You never know what will be the next idea to make it big. Someone who is unemployed in Tulsa could have the idea for the next Starbucks or Microsoft, but they need that spark or encouragement to step forward and take that chance.

Small Business

Small businesses play a critical role in Tulsa's economy. Statewide, small businesses (those with less than 100 employees) accounted for 40% of total employment in 2005.⁴ Small businesses support neighborhood commercial districts, providing entertainment, shopping, and services. These businesses contribute to the City's quality of life, and create vibrant neighborhoods where people want to live and work. Supporting small businesses will strengthen Tulsa's economy for years to come.

Most large businesses started small with a good idea and hard work. When these businesses evolve locally they build a strong allegiance to the community, even if they branch out nationally or internationally. It is important for the City to continue to communicate with and nurture these firms to avoid these firms relocating in search for cheaper labor, lower operating costs, and more favorable tax policies. Essentially, a large corporation is the product of a successful small business. The small businesses of today that are able to survive will grow into the big corporations of tomorrow. The role of the City is to provide a nurturing environment for these local businesses to thrive.

Connect Education and Training Institutions with Private and Public Sectors

Education is a fundamental tool for successful, sustainable economic development. A highly-educated work force with the skills and training necessary for growing industries is vital for Tulsa to compete in the global economy. Tulsa is fortunate to have a number of public and private institutions of higher-education in the region, including:

- University of Tulsa
- Tulsa Community College
- Oral Roberts University
- University of Oklahoma – Tulsa

⁴ U.S. Census Bureau Business Dynamics Statistics, accessed on 10/5/2009.

- Northwestern State University
- Community Care College
- Platt College
- Oklahoma Wesleyan University
- Southern Nazarene University – Tulsa
- Spartan College of Aeronautics and Technology
- St. Gregory’s College for Working Adults
- University of Phoenix
- Vatterott College

These higher education institutions are centers of innovation and workforce development and play a role in economic development in the region. However, these efforts are separate and fractured, and lack coordination at the regional level. The City should identify the significant research capabilities and economic development efforts of each institution, and look for opportunities for collaboration among public agencies, private businesses, and institutions of higher education.

Education plays a powerful role in providing the workforce with training necessary for a growing economy. The City should coordinate with regional institutions to align workforce development efforts to match the skills needed by target industries. To do this, the City must communicate with representatives of the industry clusters it has elected to focus on to understand what skills are most beneficial for their workforce. The City should then develop a coordinated approach with regional institutions to ensure the curricula focuses on developing these skills.

In addition to colleges and universities, K-12 schools play multiple economic development roles. First, having a high quality K-12 system helps attract and retain high-quality firms and their employees, many of whom want the best education possible for their children. Second, not all high school graduates go on to various forms of higher education. Making sure these graduates have skills that can help launch their careers is important for Tulsa’s economic and community health, as well as one’s personal well-being. Finally, for those unable to complete high school, the K-12 system needs to provide links to alternative educational/training providers to help keep people and the community as productive as possible. The State does a great job of focusing on early education. Oklahoma is the top state in the Country in the percentage of four-year-olds attending public preschool programs.⁵ The City should work with K-12 schools to ensure all students have access to a quality education that prepares them to join the workforce or go on to higher education.

⁵ According to the National Institute for Early Childhood Research (NIERR).

The City has established the following goals to connect education and training institutions with private and public sectors:

Retain Industry Clusters that are Strong Now, Cultivate New Clusters

Over the last 15 years, the description and evaluation of regional economies have increasingly turned to *industrial clusters* as the unit of analysis. The defining characteristics of a cluster are (1) multiple companies and institutions, (2) linked by interdependencies in the production of some related goods or services, and (3) operating in the same geographic region (usually defined as a metropolitan area or smaller).

Earlier in this chapter, we discussed the target industry clusters that have been identified for Tulsa. These are clusters with the greatest potential to create new jobs and wealth in the region. The target clusters include:

- Aviation and Aerospace
- Healthcare
- Professional Services and Regional Headquarters
- Energy
- Machinery and Electrical, Equipment Manufacturing
- Transportation, Distribution, and Logistics

Collectively, these clusters employ XXXXX people in the region (Y% of total regional employment). Although these clusters are a small part of the economy, they are deemed worthy of public-sector attention because they are expected to grow quickly, diversify the regional portfolio, contribute to a brand, or provide or suggest the presence of business opportunities and services that attract the creative class of workers and entrepreneurs.

Focusing economic development policies around these six key clusters can lead to a more efficient use of resources. It allows for the coordination of otherwise disparate efforts at business retention, expansion, and workforce development. Additionally, it allows the City, institutions of higher education, and other regional partners to develop in-depth knowledge and expertise in these clusters, increasing the likelihood of developing important innovations to fuel economic growth in these clusters.

Another purpose of identifying target clusters (and as, if not more important than providing assistance and incentives to businesses within the target clusters) is to assess the competitive advantages of the region. These clusters were identified, in part, because they are larger and more concentrated in Tulsa than the nation as a whole. The City should investigate what led to the success of these clusters, and how can the City protect, enhance, and capitalize on those factors. One way to do that is to interview and survey firms in target clusters: Why are they here? What factors are most important to their growth? And what policies does the City have that affect those factors?

Collaboration is necessary for setting regional economic development policies. Different jurisdictions will have different competitive advantages. The City of Tulsa has an obligation to pursue economic development policies that are in the interest of the citizens it serves. There are several ways to do that, and some may be better for the rest of the region and, ultimately, the City itself. The economic development goals and strategies proposed in this plan consider the impacts to the larger region

Support Aggregation of Employers Downtown, Neighborhood and Regional Centers, and Existing Industrial Areas

The Downtown core, and other neighborhood and regional centers provide ideal opportunities for a high concentration of commercial and retail employers. At the same time, the City's existing industrial areas are a valuable asset for the community, providing many family-wage jobs for area residents. The needs of industrial employers are different than employers downtown or in neighborhood centers, so we discuss them in two separate sections.

Downtown, neighborhood, and regional centers

A vibrant downtown is important for maintaining a high quality of life for Tulsa residents and businesses. The Land Use Chapter goes into greater detail on the role of downtown in providing employment, housing, entertainment, shopping, and other services. Development in downtown and other centers is a key component of creating a sustainable city, allowing for a more efficient use of land and improved mobility.

The aggregation of employment downtown and in new centers is critical to the success of these neighborhoods. Maintaining a jobs / housing balance in these areas allows residents to work close to their homes, reducing the cost and time of their daily commute, and allowing them to take advantage of alternative transportation options.

Employers in these centers will also offer opportunities for shopping, dining, entertainment and other services. As more services are provided downtown, the area will become a more desirable place to live, contributing to a vibrant urban environment.

Encouraging employers to locate near one another in a dense urban environment will also support collaboration among firms, strengthening connections between the private and public sectors, as well as institutions of higher learning (discussed earlier in this chapter). Aggregating employers downtown will facilitate interactions among firms and employees, supporting innovation and collaboration.

Perhaps most importantly, focusing growth downtown and in new centers is a sustainable development pattern. Development patterns of the past 50 years have been characterized by suburban sprawl, with residential and employment moving further away from core cities to take advantage of cheap land and reduced congestion. However, these development patterns are unsustainable, consuming large amounts of open space, increasing our dependence on single-occupancy vehicle (SOV) commutes, polluting the environment, and contributing to global climate change. By focusing on compact urban

development in downtown and new centers, the City of Tulsa will take the lead in acting locally to combat these global challenges.

Existing industrial areas

Industrial development is an important component of a strong economy. Industrial firms provide high-paying jobs, and produce goods for export, bringing new money into the local economy. It can be challenging, however, to provide adequate land for industrial uses. Typically, these firms require lots of space on flat, affordable land. These firms also need to be located away from residential and commercial areas, as industrial uses often generate noise and air pollution.

To strengthen the industrial sector in Tulsa, a regional approach is required. Tulsa needs to work with neighboring jurisdictions to ensure there is an adequate supply of industrial land. The first step is projecting demand for industrial land for the future. Analyzing past development patterns, and future socio-demographic projections will allow Tulsa to make reasonable predictions on the amount of land required for future industrial development.

The region should maintain an inventory of developable industrial land. All jurisdictions in the region should coordinate their land use planning and zoning efforts to ensure sufficient land is set aside to accommodate long-term industrial development. It is likely that the majority of this land will be outside the City of Tulsa, where land is more affordable, and it is easier to avoid conflicts with incompatible adjacent land uses.

The inventory of developable land should be kept up-to-date, and be made available online for prospective developers. All relevant site characteristics should be recorded, including a description of the infrastructure serving the sites. “Shovel ready” sites, those with all necessary infrastructure to support immediate development, should be marketed and promoted for industrial firms considering locating in the Tulsa region.

The importance of adequate infrastructure in attracting industrial development should not be overlooked. Having available, vacant land with the appropriate zoning is a start. But, industrial firms often have specific infrastructure needs. Transportation access is of critical importance. Industrial users need adequate transportation access to ship their products by truck and by heavy rail. Some users may also require access to sea or air ports. Additionally, many industrial firms use large amounts of water, wastewater, and electricity. To attract industrial development, Tulsa needs to ensure that vacant industrial land has access to the variety of infrastructure that prospective developers may require.

Land within the City of Tulsa may not be appropriate for all industrial development. Most industrial firms do not need to be centrally located, where land is relatively scarce, and rents are high. Land outside of Tulsa, at the urban fringe, could be better suited for some industrial firms, particularly those that are likely to conflict with other urban land uses.

Areas within the City of Tulsa that are already zoned for industrial development should be marketed towards industrial firms that are compatible with other urban users, e.g., those that require relatively small lot sizes, and emit low levels of noise and air pollution.

The City's efforts at business recruitment should focus on attracting companies that will strengthen existing industry clusters. Target clusters with a significant industrial component include: Aviation and Aerospace, Energy, and Machinery and Electrical Equipment Manufacturing. Tulsa International Airport should play a central role in industrial development efforts targeted towards the aviation and aerospace cluster.

Another target cluster, health care, may not seem to fit the category of industrial development. However, this cluster includes more than just hospitals, nursing homes, and ambulatory health centers. The health care cluster includes scientific research and development services, as well as manufacturing of pharmaceuticals, medicines, and medical equipment and supplies. Tulsa should leverage its regional assets, including numerous hospitals, medical centers, and institutions of higher education to become more competitive in the industrial sectors of the health care cluster.

A highly skilled and educated workforce is necessary to attract industrial development. These jobs often require very specific training, and extensive experience. Tulsa should coordinate with regional universities, community colleges, and other institutions of higher education to ensure students receive the necessary education and training to work in growing industrial sectors. Tulsa's workforce is already educated in sectors identified as key clusters. Existing firms in these clusters have helped Tulsa develop a skilled labor pool. Tulsa can capitalize on these skills, by attracting new industrial development in these clusters.

Part VII: Priorities, Goals and Policies

This section is organized into priorities, goals and policies that if followed will move Tulsa towards the community's vision.

- Priorities are the big idea topical areas that address the guiding principles. They capture big picture changes that must occur to implement the plan.
- The Goals establish specific, measurable, attainable and realistic objectives that guide plan implementation by ensuring that the community and stakeholders have a clear awareness of what must happen to move Tulsa toward the Vision.
- Policies delineate the steps needed to achieve the goals.

Page references to background information in the policy plan text are provided after each goal.

In addition to priorities, goals and policies, the Plan recommends the Strategic Actions that should be taken in the first 3 to 5 years following plan adoption. These strategic actions are found in the Implementation and Action plan.

Economic Development Priorities

Economic Development decisions should be focused on improving the quality of life of all of Tulsa's citizens so that Tulsans in all parts of the city benefit from future growth and development. Our Vision for Tulsa provides an overview of the top economic development priorities. This section includes detailed priorities, goals and polices that build on the land use priorities described in the Vision.

Economic Development Priority 1: Spur and Support Entrepreneurial Ventures and Small Businesses

Goal 1: Businesses have easy access to a full range of economic development assistance. Policies to support this goal include:

- 1.1 Establish a one-stop shop within the City where businesses can access information on all economic development programs.
- 1.2 Provide an economic development tool kit that identifies all available City loan, grant and technical assistance programs available to businesses.

- 1.3 Streamline the City permitting process to improve efficiency of doing business with the City.
- 1.4 Provide economic development training for elected officials and key City staff members to ensure City leaders are knowledgeable about economic development issues, trends, and tools.

Goal 2: Entrepreneurs have thriving businesses and contribute to the local economy. Policies to support this goal include:

- 2.1 Expand revolving loan funds and technical assistance for small and micro business start-ups.
- 2.2 Collaborate with non profits that provide assistance to entrepreneurs and innovators through incubation facilities, trainings, support services.
- 2.3 Ensure local universities and community colleges provide adequate training for aspiring entrepreneurs and the workforce skills their emerging companies will need.

Economic Development Priority 2: Connect Education and Training Institutions with Private and Public Sectors

Goal 3: The City and Chamber of Commerce work closely with institutions of higher education to collaborate on economic development policies and implementation. Policies to support this goal include:

- 3.1. Develop and refine pertinent programs and curricula to better address job skills required for employment in target industry clusters. Curricula should also stress leadership and entrepreneurial skills that will benefit students, regardless of which industry sector they choose to work in.
- 3.2. Establish/expand internship opportunities with local businesses and public agencies for high school, trade school and college/university students.
- 3.3. Collaborate with colleges and universities, the public school system and other large public agencies to adopt procurement policies that more strongly support local, businesses particularly those owned by minorities and women, as well as those which are newly emerging

Economic Development Priority 3: Retain Industry Clusters that are Strong Now, Cultivate New Clusters

Goal 4: Investment strategies support existing and emerging industry clusters.

Policies to support this goal include:

- 4.1 Work with industry leaders in target clusters to identify public and private actions and investments to strengthen competitive advantages of the region.
- 4.2 Prioritize infrastructure projects that support retention and expansion of businesses in target clusters
- 4.3 Utilize land within the city effectively by taking advantage of existing infrastructure, assistance programs and tools to help existing clusters expand and nourish the next generation of clusters

Economic Development Priority 4: Support Aggregation of Employers Downtown, Neighborhood and Regional Centers, and Existing Industrial Areas

Goal 5: New development supports vibrant, sustainable, transit-oriented communities. Policies to support this goal include:

- 5.1 Revise City code to encourage infill development, and provide developers with guidelines and design prototypes for attractive, quality, in-fill development.
- 5.2 Release a small number of RFQs for demonstration projects that exemplify the desired sustainable in-fill development types on publicly-owned parcels.
- 5.3 Develop a phased approach and financing plan for multi-modal transportation infrastructure that includes bikes, streetcar, bus rapid transit, and light rail.

Goal 6: Downtown Tulsa is the core of the regional economy. Policies to support this goal include:

- 6.1 Expand the development tool kit to enable adaptive re-use and occupancy of historic and viable older buildings downtown that are currently vacant.
- 6.2 Enter into partnerships and provide appropriate tools that will bring about more new, sustainable mixed-use, and residential development on vacant or underutilized sites owned by the private sector, public agencies and religious institutions.

6.3 Examine and apply alternative ways to utilize the City's parking authority so that it can become a more effective vehicle in stimulating adaptive re-use and new mixed-use development