

Economic Sustainability

A Framework for Addressing Sustainability in the Context of Arlington's Economic Development Strategic Plan

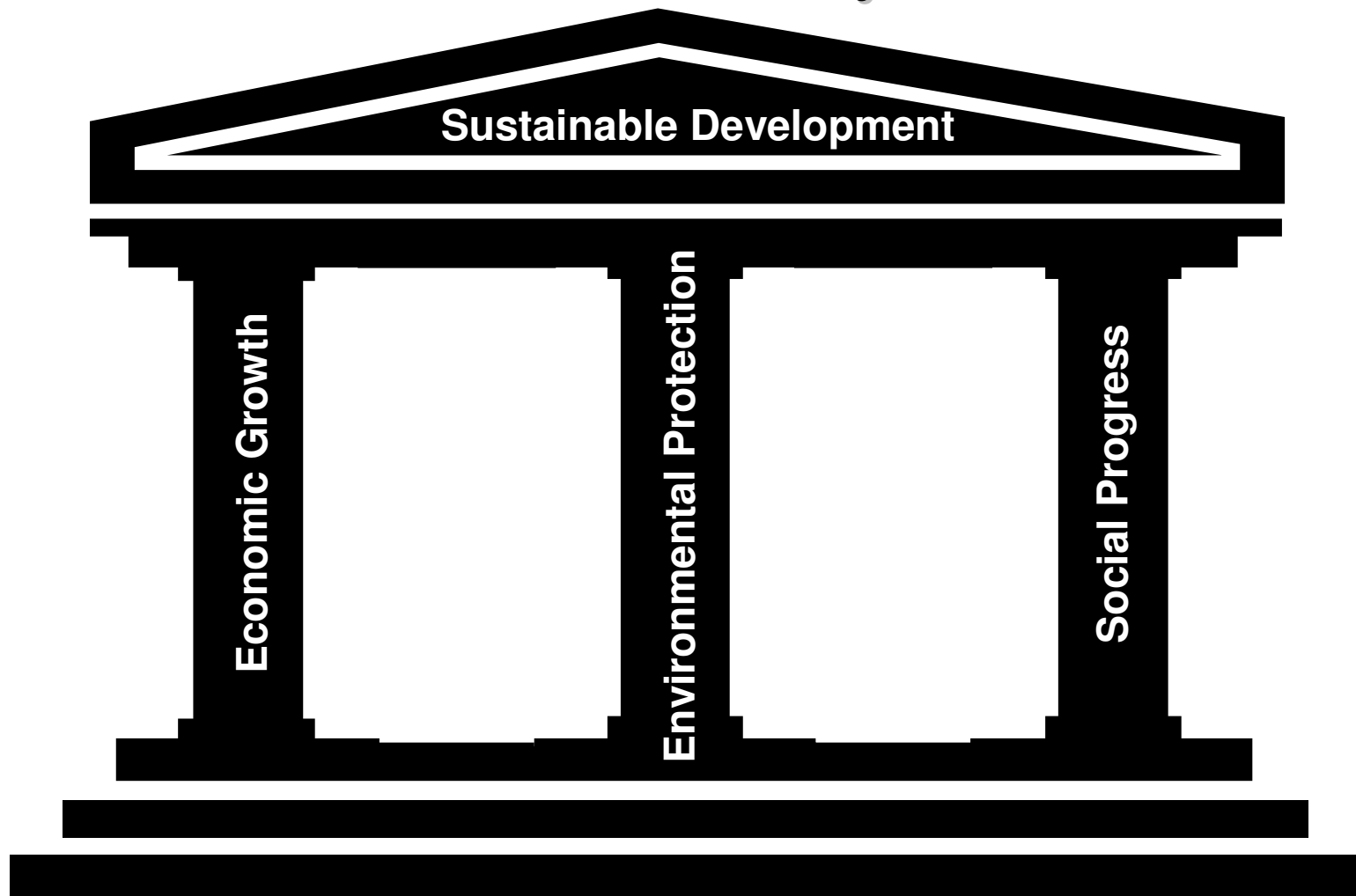
Economic Development Commission

January 12, 2010

Thoughts about Sustainability

- Ample scientific evidence that humanity is living unsustainably
 - Returning human use of natural resources to within sustainable limits will require a major collective effort.
 - Community efforts are critical.
- In general, sustainability refers to a pattern of efficient and responsible use of resources
 - “to meet current needs without compromising the ability of future generations to meet their needs” *(United Nations, 2006; World Congress of Architects, 1993)*
 - “...we can no longer consume the world’s resources without regard to effect” *(President Obama, January 2009)*
- Our aim is to achieve business economic sustainability while considering improved environmental and social sustainability.

Concept of the “Three Pillars of Sustainability”





Three Pillars of Sustainability

- **Environmental Sustainability** requires that natural capital remains intact.
- **Social Sustainability** requires that the cohesion of society and its ability to work towards common goals be maintained.
- **Economic Sustainability** occurs when development, which moves towards social and environmental sustainability, is financially feasible.



Economic Sustainability

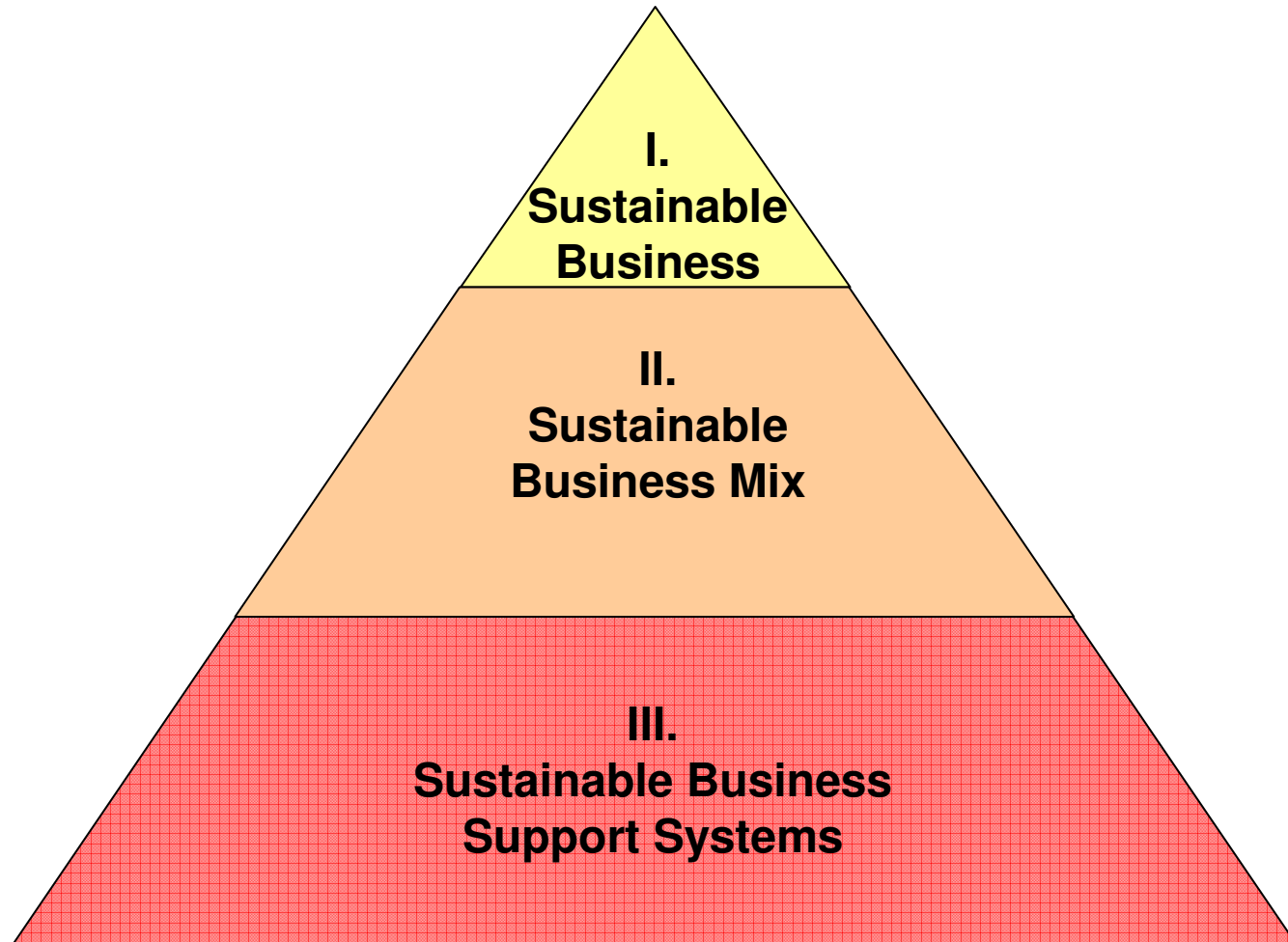
- Debate as to its precise definition and how it is achieved
- Measured and monitored by implementing metrics/ indices.
 - e.g., decreasing per capita energy use and constant or increasing per capita incomes; energy usage or carbon emissions per unit of output
- Economic sustainability for business is “achieving profitability along with environmental sustainability”
- Some view as opportunities for private enterprise to provide innovative and entrepreneurial solutions.
- Clearly defined goals from national or local governments are key.

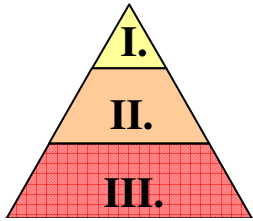


Key Questions on Economic Sustainability

- How should we measure economic sustainability?
- Where do social equality and economic development actually clash?
What are we going to do about it?
- What kind of community do we envision over the next one or two decades?
- What role does the business community have in achieving that community?

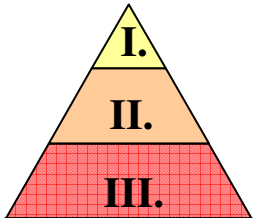
Economic Sustainability Framework





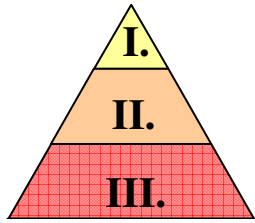
I. Sustainable Business

- Has no negative impact on the global or local environment, community, society, or economy
- Strives to meet the triple bottom line: an expanded spectrum of values and criteria for measuring organizational (and societal) success: economic, ecological and social
- Has progressive environmental and social policies
- Participates in environmentally-friendly or green activities to ensure that all processes, products, and manufacturing activities adequately address current environmental concerns while maintaining a profit
- Assesses product design with respect to the current environmental situation and product performance minimizing resource use and/or taking advantage of renewable resources



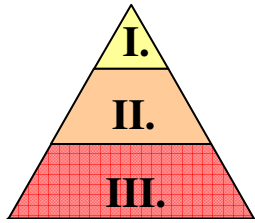
II. Sustainable Business Mix

- The goal of community sustainability is to establish local economies that are economically viable, environmentally sound and socially responsible.
- Achieving this goal requires participation from all sectors of the community
 - to determine community needs
 - to identify and implement innovative and appropriate solutions.



III. Sustainable Business Support Systems

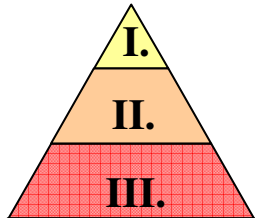
- Infrastructure
 - Alternative transportation access
 - Reliable utilities/energy
- Real Estate
 - Variety of available work spaces
- Finance
 - Adequate investment capital
- Workforce
 - Ready and future pipeline of needed skills



Initial Questions:

I. Sustainable Business

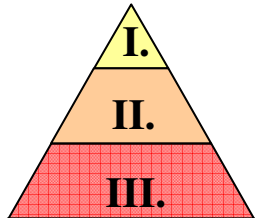
- What are the business factors promoting sustainability, as well those that hinder sustainability?
- What are the most widely used sustainability-related business practices?
- What is the relationship between sustainability and business performance?
- How do sustainable businesses create broad stakeholder engagement that is built on a foundation of sustainable values and alignment?



Initial Questions:

II. Sustainable Business Mix

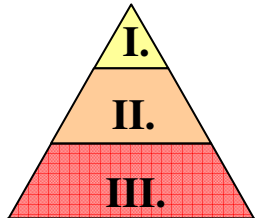
- What firms or industries are successful and established in Arlington?
- How do they sustain economic business cycles?
- What are their top concerns?
- What are the emerging clusters?
- What kind of support do they want from their local government?
- What is our targeted industry mix and underlying rationale?



Initial Questions:

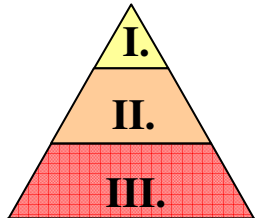
III. Sustainable Business Support Systems

- What are the community characteristics that attract and retain a high quality workforce?
- Do we have the transportation infrastructure to support the needs of sustainable businesses?
- Do we have the right mix of housing to attract talent needed by business?
- Do we need to adjust our tax policy to provide the right incentives?
- Do firms need special local government services or technical assistance?



EDC Workplan: 2010 Objectives

- Increase awareness of the economic sustainability of Arlington, assist with individual business needs enhance the business mix and ensure business support systems.
- Develop measures and indices of economic sustainability
- Suggest recommendations to address concerns, and provide opportunities to increase economic stability of Arlington's business community.
- Present to the County Board by the end of the year.



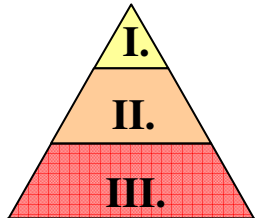
EDC Workplan: 2010 Research Approach

Phase 1:

1. EDC members form teams based on topic areas: individual businesses, Arlington's mix of businesses, and business support systems (2).
2. Each team identifies potential issues and opportunities and formulates key questions.
3. Each team holds a focus group session of invited experts.
4. Results from all focus groups are presented at EDC worksession

Phase 2:

1. Based on EDC worksession, determine scope of continued work
2. Develop draft "product" of measures, recommendations, opportunities (September)
3. Adopt "product" at November EDC meeting



EDC Workplan: 2010 Roles and Responsibilities

Project Chair:

Christine McDaniel, Overall Coordination

Topic Captains for Phase 1:

Individual Business Sustainability: HK Park

Sustainable Mix of Businesses: Erik Pages

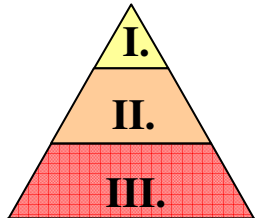
Sustainable Business Support Systems:

Workforce: Dana Theus, David Remick /Arlington
Alexandria WIB

Real Estate: Michael Foster

Phase 2:

TBD



EDC Workplan: 2010 Proposed Schedule

Phase 1

1. Initial Meeting of Chair and Team Captains: Before baby McDaniel arrives (!!!)
2. Focus Groups: March, April, May (specific dates TBD)
3. Post Focus Group Discussion with All Team Captains: Tuesday June 8, 2010
4. Worksession and Presentation of Focus Group Results: Tuesday July 13, 2010 (EDC Regular Meeting)

Phase 2

1. Consider potential “product” of measures, recommendations, opportunities: August 10, 2010
2. Worksession and Presentation of draft “product”: Tuesday September 14, 2010 (Regular EDC meeting)
3. Presentation of Final Product: Tuesday, November 9, 2010 (Regular EDC meeting)