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FOR ECONOMIC DEVELOPERS AND COMMUNITY STAKEHOLDERS • GUIDE 04

Attracting Businesses to Your Community

What businesses actually look for, what communities often get wrong and how to build relationships that last.

04

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PART 01

Why Businesses Choose Where They Go

Every business owner making a location decision is asking a version of the same question: will this community help me succeed, or will it make things harder?

That question sounds simple. The answer is not. It involves demographics, traffic, available space, lease terms, local regulations, incentives, and something harder to quantify: the feeling that a community actually wants them there.

Economic developers and community development organizations have enormous influence over that answer. The work you do, or do not do, shapes whether businesses see your community as a place to plant roots or a place to pass through.

This guide is written honestly. Attracting businesses to a community is genuinely hard. Markets are competitive. Resources are limited. Some communities are working against decades of disinvestment. None of that changes the fact that the relationship between businesses and communities is one of mutual need. Businesses need customers, talent, infrastructure, and a stable environment to operate. Communities need the jobs, tax revenue, foot traffic, and vitality that healthy businesses bring.

When that relationship works, both sides grow. When it breaks down, both sides lose. This guide is about building it intentionally.

PART 02

What Businesses Actually Look For

Ask most business owners what they are looking for in a location and they will say something like good foot traffic or affordable rent. Those things matter. But the full picture is more layered than that, and communities that understand the full picture are better positioned to make the case for themselves.

The Basics

- Demographics: Who lives and works nearby? What are their income levels, age ranges, and spending habits? A business needs to know its customer base will be there.
- Traffic and visibility: How many people pass the location daily? Is the site easy to find, easy to access, and easy to park near?
- Available and suitable space: Is there a space that fits the business type, size, and configuration? Is it priced at a level that makes the numbers work?
- Lease terms: Is the landlord flexible? Is there a tenant improvement allowance? What does the lease actually require?

The Deeper Factors

- Responsiveness of local government: How long does permitting take? Is the process transparent? Does anyone return phone calls?
- Safety and perception: What does the surrounding area look like? What do people say about the neighborhood? Perception matters even when it lags reality.
- Neighboring businesses: Who are the other tenants nearby? Is there a complementary mix that drives shared traffic, or a pattern of turnover that raises red flags?
- Incentives and support: Are there programs that reduce the cost or risk of locating here? Is anyone actively helping businesses navigate them?

The Honest Part

Some of these factors are within your control. Some are not. A community with aging infrastructure, low median incomes, and limited foot traffic is working with a harder hand. Acknowledging that honestly is not defeatist. It is the starting point for a strategy that is actually grounded in reality.

> **WORTH KNOWING**
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> Businesses talk to each other. Word of mouth about a community moves fast, in both directions. One business owner who had a terrible permitting experience will tell ten others. One who felt genuinely supported will do the same.

PART 03

Your Community's Value Proposition

Every community has something to offer. The work is in identifying what that is honestly, and communicating it clearly to the right businesses.

Start With What Is Actually True

The most effective community pitches are specific and honest. Broad claims like great location or business friendly environment do not land with sophisticated business owners or their brokers. What does land is specificity.

- We have 18,000 residents within a one mile radius with a median household income of $62,000
- Our permitting process averages 14 business days for a standard commercial buildout
- We have three vacant storefronts on the same block as an established anchor tenant with strong foot traffic
- Our city has an active facade improvement grant program with funds currently available

Know Your Competitive Advantages

What does your community offer that nearby communities do not? Lower commercial lease rates, stronger incentive programs, a more walkable environment, proximity to a hospital or university, an underserved customer base that larger markets overlook? Those are your selling points.

Know Your Honest Challenges Too

This one is harder but more important. If your commercial corridor has high vacancy, say so, and explain what you are doing about it. If your permitting process is slow, acknowledge it and describe any improvements underway. Businesses and their advisors will find out the truth eventually. Communities that lead with honesty build credibility. Communities that oversell lose it.

> **PRACTICAL STEP**
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> Write a one page community fact sheet that includes your demographics, available incentive programs, current vacancy rates, key employers, and contact information for your economic development office. Update it at least once a year. Share it with brokers proactively.

PART 04

Incentives as a Tool, Not a Crutch

Incentives get a lot of attention in economic development conversations. Tax abatements, grants, facade improvement funds, and TIF districts are real tools. They can make a marginal deal work. They can tip the scales when a business is choosing between two comparable communities.

But incentives alone do not attract businesses. They attract businesses to locations that already make sense. If the demographics are wrong, the space is unsuitable, or the surrounding environment feels unsafe, no incentive package will fix that.

When Incentives Work

- The location already makes sense for the business, and the incentive reduces the financial risk of committing
- The community is competing with a nearby location that is otherwise comparable
- The business is making a significant capital investment or employment commitment that justifies public support
- The incentive is tied to real accountability: job creation targets, investment thresholds, or timeline commitments

When Incentives Become a Crutch

If a community is using incentives to paper over fundamental problems, that is a short term fix with long term costs. Businesses that came for the incentive and stayed for nothing else will leave when the abatement expires. The community will have invested public resources without building real, lasting commercial activity.

The harder and more valuable work is fixing the underlying conditions: improving safety perception, speeding up permitting, filling anchor vacancies, investing in streetscaping and infrastructure. Incentives can support that work. They cannot replace it.

> **HARD TRUTH**
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> A business that locates in your community only because of an incentive is not a community partner. A business that locates because the location genuinely works and the community showed up to support them is. Build for the second one.

PART 05

The Role of the Broker Relationship

One of the most underused tools in economic development is the commercial real estate broker. Brokers are often the first point of contact for a business owner who is starting to think about a new location. If brokers do not know about your community, your available spaces, your incentive programs, or your responsiveness, they will not send businesses your way.

Why This Relationship Matters

A broker representing a tenant is looking for spaces that fit their client's needs. They are working from a mental map of available inventory across multiple communities. If your community is not on that map, you are invisible to a significant pipeline of potential tenants.

How to Build It

- Introduce yourself. Reach out to commercial brokers who are active in your region and let them know you exist, what you have available, and how to reach you.
- Be easy to work with. Return calls and emails quickly. Provide clean, accurate information about available spaces and active incentive programs.
- Share your inventory. Make sure your available commercial spaces are listed on platforms brokers actually use, like CoStar and Crexi, with accurate information and good photos.
- Invite brokers to see the community in person. A walking tour of your commercial corridor with a knowledgeable guide does more than any brochure.
- Follow up. If a broker sends you a prospect and it does not work out, let them know why and ask what would have made it a better fit.

> **WORTH NOTING**
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> Brokers remember which communities made their job easier and which ones made it harder. Be the community that picks up the phone, has accurate information ready, and follows through on what it promises.

PART 06

Removing Friction

Friction is the term for anything that makes it harder than it needs to be for a business to open, operate, or grow in your community. Friction is often invisible to the people inside a system and painfully visible to the businesses trying to navigate it from the outside.

Common Sources of Friction

- Slow or opaque permitting: A business owner who cannot get a straight answer on how long a permit will take or what is required cannot plan their opening date. This kills deals.
- Zoning complexity: If a business owner cannot quickly determine whether their use is permitted in a given location, they will often move on rather than fight through the uncertainty.
- Multiple points of contact with no coordination: Being passed between departments with no clear owner of the process is exhausting and signals that the community is not organized to support business.
- Unclear incentive processes: If a business owner cannot find out what programs are available, who administers them, and what the timeline looks like, those programs might as well not exist.

What Low Friction Communities Do Differently

- They designate a single point of contact for new business inquiries and make that person easy to reach
- They publish clear, current information about permitting timelines, zoning maps, and available incentives
- They treat the first conversation with a prospective business as a welcome, not an intake process
- They follow up proactively rather than waiting to be chased

> **REAL TALK**
>
> Every week a business spends waiting on a permit or a zoning answer is a week they are reconsidering whether your community was the right choice. Time is money. Slow processes cost deals.

PART 07

Filling Vacant Storefronts

Vacant storefronts are one of the most visible signs of economic distress in a community. They signal to passing businesses and residents that something is not working. Filling them is not just an economic goal. It is a signal to everyone watching that the community is moving in the right direction.

The Challenge

Vacancy is rarely simple. A storefront may be vacant because the asking rent is too high for the market, because the landlord is absent or unresponsive, because the space needs significant work, or because the surrounding conditions have not yet reached the threshold that makes a business feel confident about committing. Sometimes all of the above.

Economic developers are often working with landlords they do not control, spaces they do not own, and market conditions they did not create. That is the honest reality. The work is in identifying which levers you do have and pulling them.

Strategies That Work

- Build relationships with commercial property owners, not just tenants. A landlord who trusts your judgment and knows you are trying to help is a partner. One who never hears from you is not.
- Use pop up activations and temporary uses to fill spaces in the short term and build foot traffic. A block that feels active attracts permanent tenants. A block that feels empty does not.
- Target businesses that fill gaps in the community's current mix. A neighborhood with three hair salons and no grocery option has a clear need. Match the recruitment to the gap.
- Make the case to businesses that your community is underserved, not just undervalued. For the right business, an underserved market is an opportunity, not a liability.
- Connect small business owners who are ready to grow with the spaces that fit them. This is where relationships with brokers, CDFIs, and SCORE mentors pay off.

Businesses Need Community Support to Survive

This deserves to be said directly. Attracting a business is only the beginning. A business that opens in your community and then struggles in isolation is not a success story. It is a cautionary tale.

The communities that retain businesses are the ones that keep showing up after the ribbon is cut. That means residents shopping locally with intention. It means other businesses referring their neighbors. It means the economic development office checking in, sharing resources, and connecting new owners to networks they would not find on their own.

Small businesses, especially first time owners from underserved communities, often open without the support systems that more established operators take for granted. They do not always know about available grants. They may not have relationships with lenders. They may not know how to read a lease or negotiate a renewal. The community that helps them build that knowledge and those connections is the community they will stay in and speak well of.

THE REAL GOAL

Attraction is a one time event. Retention is a relationship. Communities that invest in both build commercial corridors that last.

PART 08

Quick Reference: Action Items

Use this table as a starting point for building or strengthening your business attraction strategy.

Action	Why It Matters	Who to Involve
Build a community fact sheet	Gives brokers and businesses a clear, credible picture of your community	Economic development staff, planning department
Map your active incentive programs	Ensures businesses and brokers know what is available before they walk away	City finance, state program contacts, CDCs
Introduce yourself to local brokers	Puts your community on the map for tenant reps working the region	Economic development office, chamber of commerce
Audit your permitting process	Identifies friction points that are costing you deals before you know it	Building department, city administration
Inventory vacant commercial spaces	Creates a baseline for targeted recruitment and landlord outreach	Planning department, property owners, CoStar or Crexi
Connect new businesses to support resources	Increases retention and sends a signal that your community invests in its businesses	SCORE, SBDC, CDFIs, chambers, city staff
Build a follow up rhythm	Keeps relationships warm and surfaces problems before they become exits	Economic development office, CDC staff

Questions about commercial leasing in Northeast Ohio?

QUESTIONS ABOUT COMMERCIAL SPACE?

Let's talk it through.

Hey, I'm CiCi Caver, Licensed Real Estate Sales Agent at Kowit and Company Real Estate Group. If you're looking at a space in Cuyahoga County and want a second set of eyes before you sign, reach out.

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