SHAREEXCHANGE
incubating the local economy

Community Localization and Assessment Tools
Share Exchange
January 2012

The Share Exchange specializes in community-specific economic localization services. We offer professional economic assessments, "think local" marketing programs and development of local economy centers. Our goal is to help communities identify local economic development opportunities and implement proven local programs to incubate the local economy, stimulate local production, create local jobs and generate new income for cities and the community.

The Share Exchange offers these services under the direction of Kelley Rajala, founder of The Share Exchange in Santa Rosa, and Joanne Brion, an urban economist with over 25 years of experience and based in Santa Rosa. Ms. Rajala and Ms. Brion are assisted by other consultants as needed for specific technical services that best meet the needs of our clients.

Below is a menu of our services. For each assignment we determine with the client the specific services that will be most beneficial to the situation and within the client's budget.

Community Localization Services:
Tools for Community Engagement, Marketing and Incubation
_____

1. Community Mapping. This is an interactive public process to engage the community in identifying resources and needs related to shared goals -- building a strong local economy and creating local jobs. Community mapping provides collaborative feedback to learn 'where you are' in comparison to 'where you want to be'. This process helps create neighborliness, promote sharing and accelerate problem solving. It engages residents and business owners to generate local wealth, and innovation.

2. 'Think Local' Marketing Campaigns. This is a simple and effective way to educate the public on the many benefits of supporting local businesses. From the economic multiplier effect to preserving unique community character to supporting local jobs, a well-designed campaign can help drive demand for local goods and services and make a positive, measurable impact on the local economy while increasing the sense of hometown pride.

3. Develop a BALLE Network. BALLE is the Business Alliance for Local Living Economies and is the world's fastest growing network of independent businesses. BALLE believes that local businesses are among our most potent change agents, uniquely prepared to take on the challenges of the twenty-first century with agility, sense of place, and a relationship-based approach. BALLE networks uniquely support their local businesses and tap into the best practices of local economies across the country.

4. Create a Local Economy Innovation Center. Much work is being done to spark local innovation but often what is needed is to create a sheltered space for this innovation to take shape. From coworking to incubators to shared community space, our team can help assess what will work best in your community and help get it off the ground by building on the results of Community Mapping discussed above.

5. Develop a Made Local Marketplace. A Made Local Marketplace can support hundreds of local jobs by leveraging year-round shared retail space, common branding and business services for artisans, crafters and local manufacturers who otherwise would struggle on their own. Local production has the highest economic multiplier effect and therefore is a good place to focus local economic development support.

Community Economic Assessments:
Community Assessment Tools for Import Substitution and Local Business Opportunities
_____

1. Geography. All the assessments will require establishment of a market area or a set geography that encompasses the area the client wishes to serve or study. The assessments generally will be provided at the city or county level but could include communities as defined by the census.

2. Demographic Profile. Overview of demographics of the community based on the most current available data from the California Department of Finance, Council of Governments forecasts such as ABAG, the US Census and American Community FactFinder, and any other community specific forecasts available as needed. This data will include items such as population, households, employment, average household income, per capita income, poverty levels, etc. as available at the particular geographic level. Data can also be collected for historical years and/or projections as needed.

3. State Sales Tax Analysis. A review of the current sales tax data and number of sales tax permits available from the State Board of Equalization. This data is always at least one year old and is published quarterly. Smaller cities only report total taxable sales and not by retail store category. This data is not available at the small non-incorporated city level. Historical data can be collected as needed to analyze trends.

4. Retail Demand. Estimate of expected household retail demand or "expenditure" potential using average household income data collected in item #1. In some situations the overall average income for the city is used; in other cases we will prepare a series of demand estimates by household income range and number of households in each range. This analysis uses data from the Bureau of Labor Statistics, Consumer Expenditure Survey and has detailed estimates on how households spend income on food items (see sample).

5. Retail Leakage Analysis. Using the data from the above two analyses, this analysis compares the reported sales to the actual estimates of potential demand. This analysis takes the data from the state by retail store category and compares it to potential household expenditures sorted by retail store categories. This type of analysis is focused on identifying retail store categories that are underserved currently. Whether or not a community can capture additional retail stores by category takes additional market analysis that we may or may not choose to provide.

6. BALLE Import Substitution Analysis. For this work we will rely on the Business Alliance for Local Living Economies (BALLE) import substitution data. This data is available at the county and zip code level. For communities the data will need to be aggregated by zip code. The results of this analysis will be compared to the above analysis. This data will complement the other analyses conducted above.

7. Opportunities and Constraints Analysis. This work will combine all the information generated above combined with other services conducted by the Share Exchange such as community mapping results to develop an opportunities and constraints analysis and set of recommendations.

8. Small Business Financial Proforma Analysis. For very specific clients and situations we can produce a proforma analysis of a specific business such as a food production company. We will develop a simple financial proforma that can test very preliminary feasibility and can be adapted to a more detailed analysis as needed. This more detailed work is quite involved and would be priced separately than the above analysis items.

9. Employment Generators. This item will estimate the various employment benefits of any identified projects that result in this analysis. If new businesses are proposed we will assist in estimating the number of new employees that could be generated, what the average salary and wages might be, etc.

10. Economic Multiplier Analysis. This is an optional area of analysis that we can offer. It has a cost component to buy the software and the data sets needed for the analysis but is useful if we are working for a city or county. This work, also called Input/Output analysis estimates the amount of additional economic activity generated by a new business or group of businesses in terms of additional dollars spent in the community, and the benefits of the wages and salaries of new employees. Similar to the BALLE data, this work can be done at the county level or the city level by aggregating a series of zip codes.