

T H E

# WeeklyTAKE

PEOPLE WHO NEED PEOPLE: ECONOMIC DEVELOPMENT & THE VALUE OF TALENT AS A LOCATION DRIVER  
W/ TIM COWDEN, THERESA FOXLEY, KENNY MCDONALD AND ERIC STAVRIOTIS [02.23.2021]

## **Spencer Levy**

I'm Spencer Levy and this is The Weekly Take. On this episode we'll discuss smaller American cities that are playing a big role in our economic recovery. We welcome a panel of experienced executives, including the top economic development leaders from three rising markets.

## **Theresa Foxley**

You know, when I first got involved in economic development, quality of life matters were very much a secondary thought. I think for a lot of the companies with whom we were working, they were really driving towards solving a financial equation.

## **Spencer Levy**

That's Theresa Foxley, the CEO of EDCUtah. Theresa joined us from Salt Lake City, the capital of a state that saw its population grow by nearly three times the national average over the past decade.

## **Kenny McDonald**

We think driving the economy, winning deals, that kind of thing actually fuels kind of in a reverse way the quality of life here.

## **Spencer Levy**

We're also joined by Kenny McDonald, president and chief economic officer of One Columbus in Ohio, one of the fastest growing areas in the country for professionals in the 25 to 34 year old demo.

## **Tim Cowden**

One thing that we're all saying here is you have to listen. You know, you have to listen to your customer. You have to really listen to what is driving their decisions to relocate.

## **Spencer Levy**

And that's Tim Cowden, president and CEO of the Kansas City Area Development Council. Tim covers a metro region with a population of two point four million and growing. We also welcome a fourth guest to our development roundtable, bringing a big city occupier-centric perspective for the show, Eric Stavriotis, an executive vice president and the leader of CBRE's Location and Sentence Group, who joins us today from Chicago.

## **Eric Stavriotis**

Bigger isn't always better. Better is better.

## **Spencer Levy**

We'll look ahead to the post-pandemic recovery from an important angle for commercial real estate. We'll discuss the evolution of these markets. Local and regional approaches to development, the city versus suburbs attracting talent in a world of remote work, infrastructure incentives and more. Coming up, location, location, location, economic development with a fresh take on that age old real estate mantra, that's right now on The Weekly Take. Welcome to The Weekly Take, and this week we're going to be talking about

T H E

# WeeklyTAKE

economic development with three great leaders of three great cities, Kansas City, Columbus and Salt Lake City, all cities that we consider to be on the rise. But let's start with you, Tim. How do you and Kansas City approach economic development using the tools that you have available?

## **Tim Cowden**

Well, Spencer, again, thanks for having me. And it's great to see my colleagues and friends Kenny and Theresa across the country. You know, we approach economic development in Kansas City very holistically. We are definitely a region and we approach economic development regionally. We call it affectionately a coalition of the willing 18 counties and two states that act as one.

## **Spencer Levy**

Well, I like that word regional because I think it speaks to a new evolution of economic development. Kenny, how does Columbus approach it both individually, but also in the regional sense that Tim suggested?

## **Kenny McDonald**

I couldn't agree with Tim more that you want to take a market based approach to economic development so that you can match the way the clients look at you. They're not looking at taxing jurisdictions or looking at markets and where they're going to draw talent and resources from. And that's how we go to market in much the same way as Kansas City and other great regions around the country. You know, we have evolved a little bit, I think, over the last 10 years we had a unrelenting pursuit of growth. And to sort of get ourselves ignited in our market, we ramped up our operations around how to get more in the game, not only nationally, but globally. And what's evolving now is thinking a little bit more comprehensively about this, getting a little bit more involved in workforce, getting a little bit more involved in some of our transportation, even in addressing some of the inequities that were laid bare by the pandemic with a simple economic purpose. But we want to use the entire capacity of our region, talent, resources, everything we have. So we're evolving and probably getting even more aggressive as we move towards 2030.

## **Spencer Levy**

Theresa, I want to ask you the same question. How do you and your agency approach economic development both for Salt Lake and regionally?

## **Theresa Foxley**

We're kind of an interesting organization. We're a statewide group. And our business model is very similar to those on the call today, which is that we're a partnership based organization. And so we think about any when in the state of Utah is being a win for the entire community. But like everyone else, as mentioned, we're so focused on what assets exist within our community and how do those assets translate into a good value proposition and make a business case for why a company might expand in the state of Utah and consequently what types of roles they're going to hire for and how that translates into opportunity for individuals and households throughout the state. And so we likewise think about this in a realistic way, in a partnership based way and in a way that ultimately is about creating opportunity for individuals and families.

## **Spencer Levy**

That's an interesting comment there, individuals and their families, because one of the topics we're going to touch on in a few minutes is the changes that have occurred due to the

T H E

# WeeklyTAKE

pandemic with work from home. But, Eric, let me turn to you now. You represent companies looking at these various regions trying to determine what is the best place for them, what's the best place for their employees? What are the companies looking at from a regional from a city perspective? And how do you best advise them on where to choose to put their business?

## **Eric Stavriotis**

Thanks, Spencer. I think for the client, it's all about looking for opportunities. So, for example, we were recently looking at four cities. One of them was in Utah. We got to Utah and visited with Theresa's team. And we spent most of the day walking around town, driving around town and interfacing with various stakeholders in the community, all with one purpose. We were trying to understand if the company located in Utah, how would they tap into the talent spectrum? How would they compete? How would a prospective employee look at this company in light of all the other places they could go to work? And we wanted to know that equation. And that's what Theresa's team did, a great job of setting up all those discussions, whether it was a university or other employers in town that were willing to be candid with us and then all the economic development stakeholders to help the company understand how would we be positioned in this market and does that drive competitive advantage?

## **Spencer Levy**

I think there's a common theme here. It's talent and the attraction and retention of it. Tim, do you agree that talent, attraction and retention is the key to any economic development strategy?

## **Tim Cowden**

Well, absolutely. It's all about talent. Talent brings the ideas that form companies. And we're doing something we think is pretty unique in Kansas City that we've always had a really good and strong B2B program working with companies on relocating or expanding into the Kansas City region. And just over the past year, we've really created a whole B2C approach around talent. We're calling it our Casey Hartland initiative, and we're doing some really cool things around that, targeting different groups, talent in different parts of the country. You know, certainly Salt Lake and Columbus are at the top of our target list and are going in to recruit talent out of those two markets. Now, that's a bit of a joke there for you. Just to see if my colleagues are still awake.

## **Kenny McDonald**

We were paying attention Tim.

## **Tim Cowden**

You're paying attention.

## **Spencer Levy**

And now the call is getting spicy. I was hoping for the steel cage match to start a little bit later. But you opened the door.

## **Tim Cowden**

I got to get my shots in early. But seriously, we're doing some really unique things to target remote workers, Kansas City is right at the top of the list for remote work. It's an easy place from which to do that. We're seeing a lot of people move here from dense markets on the east and West Coast, quality of life. And it's just a great place to build a life and career.

T H E

# WeeklyTAKE

## **Spencer Levy**

Theresa, let me turn to another element of talent, attraction and retention, which is live, work, play. And I say this with love to my friends here from Kansas City and Columbus. Salt Lake City got a little competitive advantage with Park City only an hour from downtown. But I'd like to know how this live, work play element has changed over the last 10 plus years as a real attractor to talent, when in the past maybe people were looking at Park City as a vacation spot. Now they're looking at that broader area as a place to live.

## **Theresa Foxley**

Super interesting. You know, when I first got involved in economic development, quality of life matters were very much a secondary thought. I think for a lot of the companies with whom we were working, they were really driving towards solving a financial equation. Now they're so much oriented towards solving a talent equation. And I keep wondering if as a result of, you know, sort of what we've all lived through over the last 10, 12 months, if there's been a real permanent shift in the employer employee dynamic as a result of the flexibility that we've all experienced. And so if so, what are employees going to want on the back end of this? A sense of community. Right. And they're going to want a little bit of elbow room. And so this live work play concept that a lot of our urban planners and a lot of our development partners have been pointed towards for the last 10 plus years seems to really have hit this point of maturation, particularly in markets like all of ours that do offer a terrific quality of life. In our case, it's proximity to outdoor recreation, to skiing, to national parks, and then this connectivity through a great new airport rebuild in every other market in the world, globally. The live work was aspirational. And now it's, I think, a must have in any market to succeed again, because this talent equation is the top thing that most of our clients are trying to solve for. So we're going to be trying to solve for logistics. But the first cut will always be talent.

## **Kenny McDonald**

Spencer, I want to add something here. I think it's interesting if you look at all these different markets, how they might approach it, it doesn't matter where you are and what tack you take. I've been talking a lot about this recently that one of the reasons we want to keep our foot down on the pedal on growth is that in a market like Ohio or let's just say the Midwest, it's really important to have a great economy because that actually attracts talent. And while not everybody will have to physically be here to work for some of our companies, there are certainly companies where that is true. The more growth we have, we think that feeds the quality of life as well and the vibrancy of the market. So we think driving the economy, you know, winning deals, that kind of thing actually fuels kind of in a reverse way the quality of life here, because you move here maybe because of the job or because of the company or the opportunity that you have to do research or one of our health care institutions or something like that.

## **Theresa Foxley**

Kenny, that's a good point. It's a flywheel, right? You have good jobs. You have good opportunity. That's going to attract ambitious people and individuals who want to be part of it. And having ambitious, talented, smart people are going to attract corporate investment. I think that is the magic of some of the markets that we represent. You know, we've all been involved in trying to jumpstart that flywheel and now we're sort of seeing it. And I think it's going to move faster because of this flexibility.

## **Tim Cowden**

T H E

# WeeklyTAKE

One thing that we're all saying here is you have to listen. Opportunity's important to them because you have to have a vibrant economy to provide opportunity. But you also have to make a place where people want to come and build their life and their career and it's their life first. They can work from anywhere now. So you have to really listen to what is driving their decisions to relocate. So we're seeing growth. People are figuring it out, places like Columbus and Salt Lake and Kansas City.

## **Eric Stavriotis**

Spencer, I'm going to throw in a quote from my good friend Scott Marshall at CBRE, who says, you know, bigger isn't always better. Better is better. A lot of economists are asking questions about New York and San Francisco and comparing those to tier two markets and trying to understand where will the employees shift to, if at all, where will companies shift to, if at all? And I think what Kenny and Theresa and Tim are talking about is how to build a better market. And it's well-rounded that everyone sees advantage in being in as opposed to just going to the biggest population center they can find and figuring I'll find a great way to create a life where I'll find a great way to create a business. Now, they're really being much more strategic on how to make that decision and which markets are going to be resilient and flexible with them as things change.

## **Spencer Levy**

Eric, you see it, the big city option, the smaller city option. And, well, you're sitting in Chicago right now, so I guess that that's somebody voting with their feet. So, Eric, how do you walk through these different options for our clients, big city versus small city?

## **Eric Stavriotis**

I think for most customers, it starts off with a risk profile between cost and productivity. And talent is a big, big chunk in that as well. You know, a lot of folks will look back and say, you know, you got to be in a small subset of markets in order to find that level of productivity. And I think there's historical reasons for that. But I think what we're looking at is helping clients understand that sort of tapestry of their options around the country. And I think it all comes down to alignment. You know, what are the factors that are going to drive their business growth in the next three, five, 10 years? And let's sit down and let's find a market that's most aligned to what they're doing and can be a competitive advantage to help drive their growth. And, you know, we'll sit in a room, we'll go on a four market visit that takes you four days. And it's a lot of planes, trains and automobiles. And you'll see the moment in the client's eye where they're in a room with 15 economic development partners from a region that get their business and want to help them grow and want to help them mitigate risk. And the light bulb goes off and, you know, we go back to the airport and I know what the client's going to say is they're saying this is where I want to be. And once they find that alignment, they're off to the races.

## **Spencer Levy**

Theresa, Eric mentioned my favorite movie, Planes, Trains and Automobiles. So I'm going to go there right now with you, Theresa, about the importance of infrastructure. And I'm going to go back 20 or so years ago when Salt Lake City had the Olympics and a lot of infrastructure was built around that. So I want to ask you two questions. One is the importance of infrastructure, planes, trains and automobiles. And second, do you play small or big with respect to infrastructure? And the Olympics being obviously a great example of something that drives that growth? Or are you trying to have a lot of small wins put together?

T H E

# WeeklyTAKE

## **Theresa Foxley**

The Olympics we talk about it as being Utah's coming out party. Right. And it was our chance to show the world that, yes, we could do something really, really big and we could do it in a moment when the nation and really our global community needed it, which was right on the heels of the horrible 9/11 attack. But all of the preparation that went into it with highway upgrades, transit for a community of our size, to have the type of transit investment that we made to bring the Olympics was fantastic. But one of the things that has happened since the time that we've had the Olympics is the reconstruction of our airport. So to answer your question, we are very much an infrastructure first community. We go big, we go hard, we don't cut corners. And we want all of our infrastructure to really be first class. And we're seeing it is so important after what we've all experienced over the past year, now that we've seen these supply chain disruptions, can I get my product to market faster? Can I mitigate some of the disruptions that we saw during the fall? How can I build more resiliency into my own supply chain? And so when it comes to logistics, the big win is getting your logistics right and all of the other wins will follow from there.

## **Spencer Levy**

Well, speaking of a smaller win, intra-city infrastructure, Tim, I was in downtown Kansas City recently. I had a good experience and a bad experience. The bad experience, you know, I ordered a Kansas City strip. I'm a big steak guy. Steak was delicious, but it was it was missing a bone. It doesn't a Kansas City strip need a bone?

## **Tim Cowden**

And, you know, I got to talk to them. You got to tell me offline who that was. And I'll go down and I'll address that on your behalf, Spencer.

## **Spencer Levy**

Well, thank you, Tim. But that bad experience aside and by the way, steak was still delicious. Kansas City is now revitalizing its light rail in the city center. And I stopped by there and I stopped by the new developments there by the hockey arena. How important is infrastructure within the city like light rail to Kansas City's future economic development?

## **Tim Cowden**

It's absolutely critical. And we know that. And we're really proud of the fact that we just got a big federal grant to extend our light rail or streetcar known locally out to our university, another four and a half miles south of Downtown and I know that Theresa talked about the new terminal, when does it come online?

## **Theresa Foxley**

It's online now. September 2020.

## **Tim Cowden**

So we've got one that will be online in 2023, a brand new airport terminal as well. So Casey is keeping up with Salt Lake with regard to new airport terminals that are being constructed in the United States. And I love the fact that we're doing so much downtown. If you know, within the last 10, 15 years, we've invested, you know, billions and billions of dollars downtown. And people are noticing.

## **Spencer Levy**

So, Eric, let me get to the nuts and bolts of the math here for a moment. Why don't you walk us through how our clients look at the math of the incentives locally and other foreign or

T H E

# WeeklyTAKE

other capital that they may draw to a market?

## **Eric Stavriotis**

I think the incentives component really represents the financial side of what a public private partnership does to help drive a decision. Right. So clients need that university partnership to help them attract talent. They need the airport infrastructure to get products to market and get their people where they need to be. The incentives piece is the financial equation that helps the company look at that first 10 years of investment and underwrite that and get that to the right ROIC and ultimately have this become not a tenure decision, but a 30 year decision. But I think ultimately it helps chip away at some of that upfront investment, helps the company spend more in the community, frankly, to build a great training program, build out a space that becomes a center of excellence and becomes a great, vibrant part of the community. And it just fits into that larger public private partnership.

## **Spencer Levy**

Theresa, let me turn now to you onto the work from home question. Does that change the equation of incentives, of how you approach your business, or is it really just the same game by a different name? How does work from home change, Theresa?

## **Theresa Foxley**

Well, it's a super interesting question and one that we're grappling with a lot here because we like to like Kenny, we've been a beneficiary of net migration, not just through the pandemic, but for the decade leading up to it. And so it does shift the power dynamic. On the one hand, I think it's amazing for Utah companies who now have the ability to access talent that is in Utah. Right. They could maybe go and access somebody that's been in a different market. On the other hand, of course, you're going to see it on the other side of the equation as well, which is maybe some of these super talented people that wanted to be in Utah because they had family here, because they dug the snowboarding or they wanted to spend their weekend in the Red Rocks and enjoying our national parks. Well, maybe they're going to be a little bit more attractive to a coastal employer. The talent balancing is going to be really interesting to see. I do think tertiary second tier markets will ultimately end up benefiting from them due to quality of life, and particularly, as you know, as millennials age into this middle age demographic. But it will be really interesting to see how communities respond to it, because what is part of the reason why a company might put a little skin in the game when it comes to an incentive, particularly at the local level, it's that employees are going to be downtown. They're going to be by and large, they're going to be maybe stopping by at a supercenter on their way back home. And some of that spend, we're just going to have to figure out other ways to capture it. And so I think it will change the incentive game a little bit. You know, I think it might change the way that some of our smaller communities think about attraction. Will they get into the talent attraction game beyond just placemaking? It's one that we're thinking through a lot. But I would say the jury is still very much out on how it will impact communities like ours in the go forward.

## **Kenny McDonald**

There's one certainty in this and there's tons of thoughts about it, but one certainty is the accountants and the lawyers will clean up.

## **Theresa Foxley**

They always do.

## **Kenny McDonald**

T H E

# WeeklyTAKE

Because, you know, we are, I think, digesting what is starting to happen. It'll continue to change a ton over the next twenty four months while we get a handle on how this is going to play out. And, you know, every contract that exists between companies and their communities or states, you know, is going to require a little attention because it's going to change and their aperture has been open that they can hire a person in San Diego. And that's really cool right now. Is that going to be cool in 15 months when they actually are back in an office and they're trying to build a culture physically around the place and stuff? So there are just so many thoughts.

## **Tim Cowden**

Well, Kenny, I'd add, you know, just think back a year ago before the pandemic really hit. And if you talk to Kenny, you talk to Theresa May always about how tight the labor market was in our market from. Er, where are companies going to find talent and one thing we've learned, I mean, we're as economic developers, we're glass half full people. And the silver lining of this is that we know now that technology can provide the ability for people to work from anywhere. And now Kansas City companies are with a survey that was done here recently. One in three are now actively recruiting out of Kansas City for jobs that are based here or were based here. So it's opened up everything. My son lives downtown and he works for a company that's based in Chicago. He's never been there. So it really is turning everything on its ear. It's pretty cool.

## **Spencer Levy**

Theresa used a phrase that I have now I'm going to borrow, and that is called capture the spend. That was a phrase that Theresa just used. And I love that phrase. And the reason why I love that phrase is there was an interesting thing that happened in San Francisco about two years ago when new companies were coming to their cities. They tried to ban the construction of new cafeterias within the companies. They were doing that because many of these companies that were coming to San Francisco were creating these little mini fortresses where people would walk in in the morning, wouldn't walk out until night, would not spend in the restaurants or the bars or the ancillary services. So in terms of capturing the spend, Eric, I want to turn to you, is that now top of mind for our companies, not only for themselves, but for the broader community? And how do you measure that?

## **Eric Stavriotis**

I think what the pandemic has shown is that, you know, the choices you make each and every day of where to go and which amenities to tap are a function of productivity. Where am I most productive to drive the best outcome for me and my family? And if that is sitting at home for a while, then they're going to do that from home. But we all know they're going to go back at some point because that is not their highest productivity that they can achieve post pandemic. Right. And I think once you see that, you will see people using those amenities in ways that they did before and probably new ways that we can't even project. But I think there's no question that a lot of companies and we have a lot of our clients will actually evaluate their total spend in a market as a proxy to understand do our people value the amenities around them? And if there's not a lot of spend, then their hypothesis is, no, we're not providing the right level amenities. And we've had those conversations directly with a CFO of a company says, look at my spend on hotels and restaurants and all these things in the community. And they're using that to understand are we in the right place. So I think it's a great question.

## **Spencer Levy**

For those of you who have seen me speak, I often talk about my five factors of awesome

T H E

# WeeklyTAKE

cities. And by the way, you're all awesome cities. But among the five factors of awesome is foreign money attracted to your city. That's probably even a better proxy for the growth of the cities, because cities like Austin, Texas and Seattle have long ago been discovered by investors around the world. So Kenny, how important is foreign money to the future development of Columbus and how are you seeking to attract it?

## **Kenny McDonald**

I'll start just by saying that our whole economic development organization is built on the premise that we've got to build the economic foundation and we want to focus on the economic base and bring new money into the state in the region. Ohio is an incredibly global state, so seventh biggest state in the country, second biggest automotive state, second biggest aerospace supplier state, all those things. Right. So what that means is these global supply chains run through Ohio and they are absolutely global. And so our ties to the world are incredibly important. And our ability to provide the infrastructure and the talent for them to execute and be profitable here is really important. I not only think it's going to be a more important going forward, but I do think there's probably going to be a bit of an explosion in foreign direct investment around this because of who's here. Honda's headquarter here, they have their engineering headquarters and their manufacturing headquarters and they've announced that they're going to be an all-electric company by 2030. That's going to create a new supply chain. Many of those suppliers are going to come from around the world. How are we going to be a great place for them? We want Ohio. We want Columbus to be a big part of that. And we're positioning already for that.

## **Spencer Levy**

Tim, Theresa, same question to you. Foreign direct investment.

## **Tim Cowden**

It's critical to our future. And Kenny said it right. You know, from a country standpoint, I think that there will be much more interest in these second tier markets like Kansas City. You know, we're at the hub of a growing global supply chain. 2020 saw a tremendous influx of new companies that are tied to a supply chain that stretches around the world. So we've got to get out and be more aggressive as things open back up. We can't wait until it's time to get back on planes, we've got to do it now and we leverage the great work that's done by both of our state partners in that area in Missouri and Kansas. They have offices all over the world.

## **Theresa Foxley**

I guess we would just sort of speak about Utah in the sense that for a small state with only three point two million people, we view ourselves on the global stage. And you mention the Olympics. We've talked about this airport rebuild, but we haven't talked about is this very unique cultural element in Utah. People are familiar that the Church of Jesus Christ of Latter day Saints is headquartered in Salt Lake City and a number of young individuals that are active believers in the church go out and do missionary service. So they spent two years oftentimes abroad, learning a new language, becoming fluent in other cultures. And it's a benefit. It's a benefit to companies that operate in this state, whether they're Utah companies like our tech companies that now have operations in Europe and Asia and elsewhere because they have this global sales force that speaks their language, or it's a benefit to companies that are global in nature and they need an engineer who can speak German or a financial analyst that can speak Brazilian, Portuguese. And so Utah does have this super unique mindset when it comes to both how we approach, how we enter the world and then also how we welcome the world when they come to our market. And so foreign direct investment, super important, you know, I mean, there's a ton of statistics around

T H E

# WeeklyTAKE

companies that have foreign direct investment. They tend to have more IP. They pay their employees a little bit better. So it's certainly part of our strategy and it's one where we think our community has something that's pretty unique to offer.

## **Spencer Levy**

I want to go back to a conversation that, Eric, you and I had with a client of ours. This was probably five, six months ago. And we talked about how do we bring manufacturing back to the United States generally, not just these cities, but any cities. And I think the comment that you gave is that, look, even though that the United States has all the great attributes that Kenny and Tim and Theresa were talking about, there is a shortage of skilled labor here in that immigration is an issue that actually gets in the way. Can you give us more color on that?

## **Eric Stavriotis**

Yeah, I think it comes in the form of technology based projects in manufacturing the most. Tim talked about it earlier that when our economy is as productive as it can be, there can be a shortage of certain types of skill sets that help businesses continue to grow and drive advantage. And if those skill sets and those talents are also available elsewhere in the world and are willing to come to work here and help drive additional growth in the United States, our clients are willing to bring those jobs here and bring those skill sets here. And if there are policies that slow that down or prohibit that, then that's something that can be unlocked in order to drive more growth. As we've talked about, FDI, foreign direct investment is the purest form of competition globally. Those companies want to be where capital is cherished. They want to be at the least point of resistance in terms of what can drive their business. And if we can do things to unlock skills and unlock talent and bring more of that to the United States, then all of these communities will benefit. You know, the CBRE's of the world will benefit and our country will benefit. There's no question that if you're a H.R. manager at a major company, you want to hire the best talent. And if that talent is sitting in another country right now and is willing to come here and drive innovation and drive growth, you know, that's something that can be very positive.

## **Spencer Levy**

We're just about out of time here. And at the risk of reopening the steel cage of touting your city over others, I would just love your final thoughts on where incentives, where economic development is going over the next two years and how it's changed because of COVID. But any other final thought, starting with you, Theresa?

## **Theresa Foxley**

Our whole world has changed. I mean, this has been just an absolute sea change in society. And the way that we think about talent and the way that we think about how companies build cultures and the way that we think about supply chains and what we've all experienced over the last 10 months to a year has really exposed some things about ourselves that I think we need to address as a country and certainly within our own community as well. And so I think you're going to see a lot more focus, at least from our economic development partners on resiliency will be the buzzword when it comes to supply chains. Culture will be the buzzword when it comes to economic diversification projects. And then you'll see a real focus on how do you improve household earning and opportunity. And that'll be done through great placemaking. And that's my prediction for the next couple of years.

## **Spencer Levy**

Placemaking that's another one of my favorite words. So well done, Tim. Kansas City.

T H E

# WeeklyTAKE

## **Tim Cowden**

You know, I think as economic developers, we're at. Great spot right now, it's very exciting because it's our country, in a sense, reopens to the world. I mean, we're going to see more talent that is going to be coming into our communities. I'm excited about where things are going, but we've got to remember that it's all about providing a skilled talent base and to have the cop and foundation headquartered here in Kansas City and they are doing some really innovative things around Real World Learning Initiative. So by 2030, every child that graduates from high school in our region is going to have some market value asset that they can take, you know, an internship, something to go forward with a diploma into the marketplace. And that's what all of our communities have to do looking forward. So I'm excited. Couldn't be in a better profession and very excited about our region moving forward.

## **Spencer Levy**

Any final thoughts for you on Columbus?

## **Kenny McDonald**

A couple of final thoughts. One is we've had a reckoning in every possible way you could have economically, socially over the last 10 or 12 months. And I'm just unbelievably determined and believe that the U.S., North America and a bunch of our communities are going to be way more competitive than we were even a few years ago because of this, not in spite of it. And a couple of reasons why companies are going to have to make more decisions about locations than ever. Midsize cities are well positioned to take advantage of that. And then I don't think we've even touched on it enough in this conversation is diversity and diminishing the inequities that have been kind of laid bare by the pandemic and things that maybe we were paying attention to, but not moving forward on enough things like broadband, things like that, or going to make massive increases and are going to over time some of those inequities are going to go away. And as we get more diverse, America's, you know, historic strength, we're going to be better and better and better. And Columbus, Ohio, as you know, representative of all of those things, when the country does well, we're going to do really well. We're doubling down on that. So a final thing is I got a shout out to CBRE, appreciate all of the leadership through this pandemic and everything that you put out to help us lead through this and my friends, Tim and Theresa for their empathy and allow me to cry on their shoulder a couple of times this past 10 months as I was trying to figure out what we were doing on a Tuesday or Wednesday.

## **Spencer Levy**

Thank you Kenny. Last word to my friend and colleague, Eric, head of CBRE's Incentives Group. Eric, take it away.

## **Eric Stavriotis**

I agree with Kenny. I think, simply put, the next couple of years are going to be probably the highest amount and sort of velocity of companies making location decisions in the United States. Foreign direct investment. Yes, but also all the innovation and growth we're seeing in this country. I think you've seen the industrial market, Spencer. You've led the conversation around this with others is as hot as it's ever been. I think that continues. There is hardly any available industrial product in the United States. So there's going to be a lot of citing of new facilities in this country. And where they go is going to be fascinating to see. And I think from an office perspective, we're all itching to get back in the office and companies are going to make a lot of decisions around where that should be. And I think if done properly, they're

T H E

# WeeklyTAKE

going to locate everywhere, both the largest cities in the country as well as Tier two and Tier three markets. And they're going to pick the place that's best for them. And I think in that all these regions will win and we'll see a lot of really exciting projects. So that's what I'm most excited about.

## **Spencer Levy**

Thank you to my terrific guests today from Kansas City, Columbus, Ohio, and Salt Lake talking about economic incentives. And, of course, my friend and colleague Eric Stavriotis, head of the CBRE Incentives Group. Thank you all for coming.

## **ALL**

Thank you. Thank you. Great to be with you all. Thanks.

## **Spencer Levy**

For more on our show, check out [cbre.com/TheWeeklyTake](https://cbre.com/TheWeeklyTake). You can also find our new report, Rethinking Resilience, Location Drivers and the Shifting Market Landscape with an analysis of 11 well-positioned markets outside the status quo. The report will take you even deeper into the topics we just covered on this show. We'd also love to hear your thoughts no matter what big city or small town you hail from. So give us a shout whether you found us on Apple podcast, Spotify or another platform, please subscribe rate and review us wherever you listen. Thanks for joining us. Until next time. I'm Spencer Levy. Be smart. Be safe. Be well.