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Patterns in Local Economic Development in Light of COVID-19

Abstract

The COVID-19 pandemic pressured local governments to employ creative and untested economic development strategies to stabilize private businesses. To explore how the uncertainty of the pandemic impacted the priorities and strategies of economic development officials, we surveyed officials about their initial economic development response to the pandemic coupled with subsequent in-depth interviews in the Cincinnati metropolitan region. Our analysis suggests that local officials did not drastically alter their use of supply-side tools during the pandemic. However, they did start coupling supply-side with demand-side policies in unique ways compared to past economic crises. This study also finds that the pandemic affected collaboration processes, leading officials to deepen and forge relationships with other local governments. We find that these shifts have proven durable over the past year as municipalities continue to grapple with changing economic conditions due to COVID-19. As additional waves are likely, we suggest that administrators must consider the skills required to manage evolving economic conditions as well as both the supply and demand sides of local economic development.

Keywords

Local Government, Economic Development, COVID-19

Introduction

The economic impact of COVID-19 continues to affect local economies across the United States (Dua et al. 2020). Early in the pandemic, MetLife and the U.S. Chamber of Commerce surveyed small businesses and found that 58% were worried about having to permanently close due to the financial hardship of the pandemic ("Small Business Coronavirus Impact Poll" 2020). To respond to this unprecedented challenge, local governments across the United States have utilized a mix of economic development strategies that have included both conventional and novel approaches borne of necessity and desperation (Wilson et al. 2020). Numerous scholars have emphasized the importance of understanding how government agencies are responding to challenges related to COVID-19 (e.g. Afonso 2021). Yet, there is little understanding of how municipalities have used their economic development toolkit to address the crisis. This article explores how local governments used economic development strategy to address the COVID-19 crisis. Specifically, we investigate whether these approaches were likely to continue post-pandemic, the evolution of collaborative relationships with other organizations in delivering economic development policies and whether they differed from strategies used during the Great Recession.

This article presents a case study of local economic development efforts in the Cincinnati metropolitan statistical area (MSA), a medium-sized metropolitan area with numerous municipalities. We conducted a survey of those municipalities economic development practices in the immediate aftermath of the pandemic outbreak. One year later, we conducted 12 semi-structured in-depth interviews to understand the current regional economic development landscape and determine whether the crisis created a new normal. We find that the pandemic necessitated new economic development practices and partnerships that were distinct from

conventional approaches and during the Great Recession. Further, we found that many of these economic development practices have persisted or evolved since the onset of the pandemic. The single case study approach allows us to offer tentative conclusions and suggest future avenues of research.

The pandemic economic context represents a unique environment for local communities; triggering an approach to economic development that is (1) focused on stabilizing existing businesses by increasing demand for business products and services, rather than just mitigating costs, and (2) fostering collaborative relationships with other organizations. The rapid onset of dire economic conditions and the ambiguity of its effect on each community has resulted in ad hoc adjustments by communities that defy traditional categorization methods. To analyze this situation, we propose a simpler categorization approach, contrasting supply and demand strategies, that clarifies the policy response to the crisis.

Local Economic Development and COVID-19

Local economic development (LED) is a core function of local governments whose purpose is to improve the financial position of the community by ensuring adequate jobs are accessible to residents, attracting and maintaining businesses, and ultimately increasing property values and governmental revenues (Hendrick and Crawford, 2014; Overton, 2017; Peterson, 1981; Rubin and Rubin, 1987; Reese and Rosenfeld, 2002; Wilson, 2015; Wilson and Riddell, 2020).

Research has considered the factors that drive local governments to utilize specific economic development strategies. One approach identifies four "waves" that reflect the evolution of LED practice and philosophy (Clark and Gaile, 1992; Eisinger, 1988). First wave policies aimed to

attract firms and businesses primarily through financial incentives like tax abatements and tax credits. The second wave aimed to retain and expand existing businesses through careful engagement. Third wave strategies sought to bolster their entrepreneurial ecosystem through business incubators and specialized training. Finally, fourth wave strategies have been broadly conceived as prioritizing community development, environmental sustainability, and improving social equity (Deslatte and Stokan, 2017; Filion, Reese, and Sands, 2019; Osgood, Opp, and Demasters, 2016; Stokan, Deslatte, and Hatch 2020; Wilson and Polter 2020). Previous research has shown that governments use a mix of strategies (Lowe and Feldman, 2018), may return to prior approaches during recessions (Warner and Zheng, 2013; Zheng and Warner, 2010), and that policy layering may better reflect these transitions given continued usage of earlier strategies (Stokan, Deslatte, and Hatch, 2020).

The traditional strategies of LED were not designed to address the challenges of a crisis like COVID-19 and our study of LED efforts in the immediate aftermath of the onset of the pandemic emphasized the importance of stabilizing existing businesses quickly (Wilson et al. 2020). These efforts can be analyzed using a categorical scheme reflecting either supply- or demand-side strategies. Municipal governments have broad and fungible regulatory and operational capabilities that can be redirected and repurposed to transition between these strategies (Deslatte and Stokan, 2020). While scholars differ in their interpretation of this distinction (Reese and Rosenfeld, 2002); we take the perspective of the effect on a business. Simply, if the government policy aims to reduce business operating costs, it is a supply-side strategy. Supply-side policies include property tax abatements (mitigating the cost of land), governmental grants and loans (reducing the cost of interest in the private market or mitigating the risk of default), tax credits, deferments, and other forbearance mechanisms (lowering taxes

for the business). Often, financial tools are used to attract, expand, or retain businesses using supply-side strategies. As business profit is a function of costs and revenues, supply-side strategies minimize the overall costs to businesses.

Conversely, demand side policies spur demand for goods or services sold by the business, increasing business revenue. Examples of such policies include business marketing support, direct purchasing (on behalf of the government), removing barriers to potential customers, and export promotion. Minkoff (2013) shows that demand-side policies and collaborations reduce government costs and increase economic gains- both necessities during a fiscal crisis. Mitigating risk through such efforts may be critical to these developmental efforts (Carr, Hawkins, and Westberg, 2017). These policies are often aimed at manufacturing durable goods, contract procurement, or even small business market identification.

A caveat is necessary to this clean delineation: some policies simultaneously mitigate business costs while increasing revenues. Such is the case with vendor-supplier matching, import substitution policies, and business incubation. Governments, through vendor-supplier matching, reduce information costs associated with match-making service between business suppliers and demanders. Import substitution attracts businesses to the community where there is a missing link in a supply-chain (need a producer). Business incubation works similarly by subsidizing the costs to businesses through rent and service subsidies while fostering opportunities for business-to-business transactions. From the business perspective, each of these could be considered both supply- and demand-side strategies. Yet, despite this distinction, this categorical scheme is particularly salient in discussing LED in response to pressures experienced because of COVID-19.

The economic crisis from COVID-19 is unique in its severity, cause, and impact on the economic behavior of individuals. First, the lockdowns imposed to prevent the spread of COVID-19 were sudden and affected the entire economy causing many businesses to see their revenues unexpectedly and severely decrease. Second, because the economic impact was not geographically isolated, few businesses sought to relocate at the onset of the pandemic. This situation created issues that were not addressed by typical LED strategies that had been used during past economic crises like the Great Recession (Warner and Zheng, 2013; Zheng and Warner, 2010). As a result, governments began to focus on demand-side policies to stabilize local business revenue.

COVID-19 also affected LED collaborative relationships (Wilson et al. 2020). Local governments make independent decisions for their economic development efforts, yet they coexist in a larger environment with spatial spillovers from one unit to the other. This situation results in competition and collaboration among local governments for resources, business, and people (Tiebout, 1956; Ostrom, Tiebout, & Warren, 1961; Overton, 2017). In non-crisis situations, competition is a crucial motivator for policy selection (Rubin and Rubin 1987; Rubin 1988; Fleischmann, Green, and Kwong 1992; Overton, 2018; Stokan and Deslatte 2020; Zheng and Warner, 2010). As a result, fragmented Metropolitan Statistical Areas (MSAs) are incentivized to use more localized economic development policies and focus on development-oriented efforts at the expense of sustainable outcomes (Stokan and Deslatte 2020). There is also substantial perceived risk associated with collaboration (Carr, Hawkins, and Westberg 2017) in formal and informal networks (Terman, Feiock, and Youm 2020; Wilson, 2015). However, when uncertainty is high, and resources are scarce, governments may increasingly and strategically collaborate with other regional organizations to maximize the available economic development

while minimizing direct costs (Kim et al. 2020). Cooperation among local governments can be beneficial as it can internalize externalities, improve coordination, generate efficiencies, leverage the strengths and resources of partnering institutions, and decrease uncertainty (Minkoff, 2013). This insight is at the core of Institutional Collective Action (ICA), which posits that cooperation will occur when the expected costs (including transaction costs) of forming that collaboration are lower than the expected benefits (Kim et al. 2022).

Economic Development Policies used During the Crisis: The Case of the Cincinnati Region

Method

A case study approach allows exploration of concepts deeply while illuminating many elements at play in a complex environment (Flyvbjerg, 2006) and clarifying areas where there is theoretical uncertainty (Barzelay, 1993). Economic development scholars frequently employ case studies to understand complex decision-making and processes, such as how governments respond to the closure of major industries (Kalogiannidis, 2020; Feloy et al., 1992). Moreover, a single region case can include many different organizations within similar institutional and economic contexts.

To evaluate the economic development policy landscape resulting from COVID-19, we conducted surveys and interviews of local government officials in the Cincinnati MSA. The Cincinnati MSA includes three states, 13 counties, and 97 cities. In collaboration with the Center for Local Government, Cincinnati Area Management Association, and Northern Kentucky City/County Management Association, we administered a survey in April 2020 to all the municipal Chief Administrative Officers (CAOs) in the MSA. Twenty-seven respondents completed the survey between mid-June and mid-July 2020, accounting for roughly a quarter of

the municipalities in the area (28% response rate). An additional seven respondents began the survey but failed to complete it. Those seven responded to our question regarding what policy tools they used in the initial aftermath of the survey (36% partial response rate, AAPOR RR2). We recognize that this is a small sample, even in the context of one region; however, it is consistent with recent International City/County Management Association (ICMA) economic development survey response rates (2004: 19.6%; 2009: 22% RR; 2014: 23%). Additionally, many CAOs were extremely busy responding to the crisis. Yet, despite data being from only one region, the responses represented a diversity of local government types and sizes. Our responding administrators varied in the environmental context (urban, suburban, rural), population size (min: 3,518; max: 60,424), and state context (OH, KY, IN).

We conducted twelve follow-up interviews with survey participants via Zoom or by phone between May 2021 and July 2021. At the time of the interviews, there was a lull waves of the pandemic while possibility loomed with recently passed Federal government efforts to stabilize local governments with new money through the Coronavirus Aid, Relief, and Economic Security Act (CARES), American Rescue Plan (ARP) and expanded funds for the Community Development Block Grant (CDBG) program. A semi-structured interview format was chosen to ensure the interviewers could cover certain topics while allowing follow-up questions if the interviewees provided responses that warranted further investigation. We make no claims to the generalizability of the findings from this subset; however, we took care to include administrators in different sized communities of varying character (central versus suburban) representing the experience from two states (KY and OH). The interview script included follow-ups from the initial survey as well as questions about the local governments anticipated future economic development practices. We were interested in better understanding the intent of local economic

development responses to the business community, particularly with reference to the decision to use supply and/or demand policies. Additionally, we asked interviewees about the level of collaboration among governments and other organizations during the economic response, how it compared to the pre-pandemic period, and whether they expected these collaborations to continue in a post-pandemic world. Finally, we asked about the government's implementation of federal support.

While the survey results provided a high-level picture of the municipal response to the economic situation created by COVID-19, the in-depth interviews yielded greater assurance of the conclusions drawn and added context to what was happening on the ground. There is a high degree of communication among managers in the region both formally and informally through professional groups, such as ICMA. Therefore, participants were in an excellent position to speak about what they were doing in their communities and reflect on what was happening across the region.

Initial Response to the Crisis

Municipalities focused on policies or activities requiring little cost to themselves or property owners. In situations where funding was needed, 59% of respondents said any costs associated with the policies came from their general fund, 19% indicated that it was from an economic development fund, and 37% relied on another type of fund. By mid-2021, all cities we interviewed had or were receiving both CARES and ARP funding. Many spoke to the challenges in expending resources from the CARES and ARP funding, with uncertainty around state coordination and the permissibility of spending categories. Several discussed using the money to

fill operational gaps, particularly by paying overtime for public safety officials. Most, however, did not intend to initiate new programs with these funds.

[Figure 1: Policy Use Frequency]

During the initial COVID crisis, we observed that the prime goal was to stabilize businesses through supply- and demand-side strategies. The urgency of the moment required adjustments to the tools to lower business costs from a supply-side perspective. We found that these efforts were repurposed to reduce costs in the immediate term through tax deferment (59%) and grants (19%). Governments relied on supply-side policies that lowered the cost of operation on businesses, consistent with policies used before the pandemic. These policies included the usage of grants, tax adjustments, and low-interest loans for businesses, most supplementing existing programs with the additional federal money. Supply-side policies also aimed to improve local businesses' access to resources available from other sources, particularly from the federal governments such as through the creation of web pages and partnerships with local business organizations to communicate about programs such as the Payroll Protection Loans- a characteristic post-pandemic response (Wilson et al. 2020).

"With the CARES Act money, we were able to expand our small business grant program from \$50,000 to \$200,000." - City Manager, Ohio

Overall, on average, governments identified 3.6 distinct policies that they used at the onset to address economic development concerns. Only one government reported using no policies. 24% of those policies are classified as demand-side policies, 59% were supply-side, and an additional 17% were identified as "other." 10 of the 33 governments that responded to this

question did not use a demand-side approach, while the remaining 23 used at least one. At most, local governments listed up to three demand-side strategies used in their locality (N=2).

Inducing Demand

Our research highlighted an expansion of efforts to induce demand for local business products and services. Most respondents indicated that they utilized their municipality's social media account to promote businesses (Figure 1), a practice that had been rare prior to the pandemic, reflecting the adaptation of an available tool to support and promote the business community. In one municipality, the Mayor used Facebook Live to promote businesses.

Governments also modified their regulatory standards and zoning ordinances to increase consumer demand by reducing operational constraints on parking and outdoor dining. Of the nine responses to "Other," seven of the respondents said they relaxed zoning rules for businesses, mostly related to enhanced signage, suspended building code enforcement, and expanded options for outdoor dining.

The scale of the LED municipal response to the crisis was primarily based on how leadership viewed the impact on the business community and the nature of their economic base. For many, retail trade, food services, arts/entertainment, and healthcare were hit particularly hard. Because of the nature of these industries, demand-side efforts were critical. Other sectors were more resilient to the demand-side shock and could stave off decline by applying for federal and state-level support. Where communities were already primed to help their businesses stabilize and increase consumer demand, such as those with active downtown associations, we observed demand-side strategies such as advertising or regulatory adjustments to serve take-out or outdoors.

"The pandemic accelerated the existing decline of brick-and-mortar retail in suburban communities like mine. We've tried to help our retail businesses the best we can. If there are vacant retail spots, we've worked with our community investment corporation to try to acquire the building and find a new tenant, so they won't negatively impact the shopping atmosphere for customers." - Township Administrator, Ohio

Other insights emerged from the changing economic conditions. Several municipalities reported their businesses experienced a surge in demand because of their to-go capabilities. Others recognized that the longer-term risk is likely to be diminished demand for office space, a significant contributor to local property tax revenue.

Collaboration in Economic Crisis

Our survey results showed an increase in collaboration compared to the pre-pandemic period, consistent with efforts during other periods of emergency (Song, Park, and Jung, 2017). Many of the collaborative efforts around COVID-19 were informal, rather than codified in a contractual agreement. This behavior reflects the expediency at the onset of a rapid economic shock. Figure 2 highlights the top areas of policy collaboration, both emphasizing demand-side strategies, such as the creation of web pages. Figure 3 displays the contact frequency within each collaboration. The demand-side policies are far more frequently collaborated on than supply-side policies. Park, Krause, and Hawkins (2020) show that informal mechanisms have a statistically positive effect

on collaborations in sustainability policies even after accounting for formal tools, capacities, and priorities and that informal collaborations become further cemented over time.

[Figure 2: Policy Collaborations]

[Figure 3: Collaboration Contact Frequency]

The crisis has incentivized local governments to increase their collaborative efforts to address economic uncertainty (Figure 5). Consistent with the Institutional Collective Action (ICA) framework, within the context of this crisis, municipalities sought leverage their existing relationships to mobilize resources from multiple organizations to alleviate the economic impact on the region collectively while mitigating their resource burdens and risks (Kim et al., 2022). Within MSAs, people regularly cross local government borders, if not state borders, to work or buy goods and services. Regional economic development viewed through the ICA Framework demonstrates that collaboration may result when local governments have limited individual resources (Lee, 2011), have greater trust (Hawkins et al., 2010), already have existing agreements with other organizations (Hawkins and Feiock, 2011), and when the focus is on regional development (Chen et al., 2015; Minkoff, 2013). Consistent with our results, Hawkins and Andrew (2010) find that governments which engage in joint ventures, one form of collaboration, are more likely to utilize demand-side economic development activities than supply-side policies.

[Figure 4. Pre- and During-COVID-19 Collaborations]

Subsequent interviews highlighted the increased frequency and value of collaborative relationships. Interviewees noted that county government emergency management took on an

expanded role in information sharing. Information sharing in emergencies is critical both with the public (Maxwell, 2003) and between public organizations (Yang and Maxwell, 2011). Many municipalities became conduits for information, which was used as a catalyst for collaboration, ensuring everyone was on the same page. Counties also helped mitigate public pressure over lockdown rules, with Kentucky cities leaning on their state department of health and Governor's office and Ohio cities depending on their local health boards. Most of these relationships were already established, but the crisis increased meeting frequency to share information and pool resources and coordinate policies.

"Before the pandemic, not every Administrator or City Manager worked with their counterparts from other jurisdictions. However, since the start of the pandemic, our regional group of Administrators has gone from meeting monthly to now every Wednesday, and we have seen Administrators that hadn't been going to the meetings joining us regularly." - Township Administrator, Ohio

Individual governments that have sought to innovate in their pursuit of economic development have led to broader collaborations, overcoming the traditional transaction costs and risks involved in such arrangements (Kim et al., 2022). Some of our participants partnered with other governments, while others worked with private and not-for-profit organizations. These collaborations relied on formal and informal networks to address the crisis, emphasizing collaborative capacity for responsive, economic development. For example, a city in Kentucky provided the funding for a small business grant program during the early stages of COVID-19 and partnered with the regional development organization to process applications and administer the grants ("Ft. Mitchell to Create Funding Program for Small Businesses", 2020). In one of the participating cities in Ohio, collaboration with the local business community provided direct

demand-based assistance; the business association distributed \$50 gift cards to all residents through their sewer bills, funded by the municipality.

Most of the local governments had already worked with other entities in the region. As Figure 5 indicates, most respondents interact with other municipalities and their county government monthly. Additionally, respondents interact regularly with their downtown business association, Chamber of Commerce, and regional development organization. However, they do not interact as frequently with the state government, the federal government, and area colleges and universities. This result is interesting as many of the responses rely on support from state and federal government resources, implying that resource support, especially from higher-level organizations, is not seen as inherently collaborative.

[Figure 5: Specific Collaborator Contract Frequency: Before COVID-19]

Effect of COVID-19 on the Future of Local Economic Development

In interviews a year later, participants discussed which strategies had persisted and likely to remain. We found a mixed pattern without a clear trajectory for all cities. While some communities' economic development strategies remained in flux, they generally felt that things were beginning to return to normal with a more supply-side focus and a stabilized business environment. However, several administrators who were active in seeking to stabilize businesses felt more could be done to increase demand for businesses into the future. Because many created or expanded demand supporting programs in response to COVID-19, several wanted the programs to carry on.

What seems clear is that, for at least a few municipalities, COVID-19 may change how they perceive their role in economic development. This is particularly true in demand-side policy. The emphasis of these strategies reflected the sectoral makeup of the community. For governments more dependent on retail trade, food services, and arts/entertainment, staff may work closely with organizations and entities. Whether these findings generalize to other cities and across time is to be determined, but if they do -and there is reason to believe they will (Wilson et al., 2020)- it may be a departure from a narrower vision for economic development practice.

Our interviewees shared growing concern that the pandemic could alter their communities' economic and revenue landscape into the future. Where municipalities collect income tax the budget implications of an increased home-bound workforce are unclear, raising questions about how income should be taxed and where. In cities with large office complexes whose workforces increasingly work from home, there could be a loss of revenue and a need for new income source. With uncertainty around the long-term effects of these shifts, our interviewees noted the potential need to adjust strategy in their economic development activities considering the evolving crisis. One village administrator, for example, indicated he evaluated the regulatory changes needed to adapt to allow more multi-family development to bolster tax revenue.

“...everybody's evaluating the regulations moving forward and what stays and even using it as a catalyst, look at the entire regulatory regime, being beyond things that were affected by this, to figure out what actually has to stay.”

- Municipal Administrator, Ohio

Economic Development in the Great Recession and the Pandemic

The impact of the pandemic on local economic development practice has been unique. At the onset, COVID-19 simultaneously and very rapidly suppressed demand for local goods and services due to government forced or citizen-led social distancing efforts, reduced capacity to work, increased unemployment, diminished earnings, and shifts in consumer demand. Likewise, the Great Recession of 2007 to 2009 resulted in decreased consumer demand triggered by a shortfall in wages, increased unemployment, and widespread foreclosures. In the aftermath, many local governments were impacted by a severe reduction in property taxes and suppressed consumer demand (Hinkley and Weber, 2021).

Given the overlap in the two crises, we review what is known about the LED response during and following the Great Recession. We also caution that COVID-19, at the time of this writing, continues to affect consumer demand in local businesses, disrupt global supply chains, and necessitate government stabilization, contributing to inflation in the US. The economic effects have not yet been fully realized. Thus, we are capturing only the initial onset of responses and the outlook of LED practitioners through the first year and a half of the crisis.

Warner and Zheng (2013) analyzed LED patterns between 2004 and 2009 using the ICMA economic development survey. They concluded that local governments responded to the crisis by increasing business incentives and attraction efforts. They also increased their utilization of business retention and expansion, small-business development, community development, and quality of life investments. Opp, Osgood, and Rugeley (2014) found that the emphasis was on visible and salient development-oriented policies to signal those efforts were being made during the Great Recession. Hinkley and Weber (2021) found in a recent analysis of the Great Recession's impact on economic development and fiscal planning in Fresno and

Milwaukee that Milwaukee responded by increasing their usage of Tax Increment Financing (a supply-side strategy) and both Fresno and Milwaukee increased regional economic development efforts. In other instances, local governments responded by diversifying their industrial profile by focusing on industries that were more resilient and shock-resistant, like high-tech and biomedical research (Cowell, Gainsborough, and Lowe, 2016; Deller and Watson, 2016). The trend in the great recession was on supply-side strategies with an assumption that the economy was changing.

COVID-19 seems to have had a distinct impact on LED strategies compared to the Great Recession. For one, policies were less oriented toward attracting new or diversified businesses. While fiscal resources would prove to be a constraint for many communities, the immediate concern was stabilizing existing businesses that quickly saw a steep drop in customers and revenue. Like the Great Recession, governments worked to secure federal funds to stave off further economic collapse; however, it was geared less toward long-term strategic planning and regional development efforts and more immediately on buoying local businesses. The targeted businesses for these efforts were not the high-tech or economically resilient industries, but instead small retail shops, restaurants, and main street businesses. The strategies adopted during the Great Recession were generally supply-side and focused on business attraction. In contrast, during COVID-19, much of the focus shifted toward demand-side strategies with governments directly promoting local businesses to consumers. The Great Recession gave rise to new collaborative efforts, including public-private partnerships and multi-sectoral networks; however, these envisioned longer-term strategies toward resiliency while the COVID-19 collaborative networks were formed rapidly across horizontally configured governments for the specific purpose of stabilizing existing businesses and information sharing in an ambiguous environment.

Conclusion

The rapid onset of COVID-19 caused many municipalities to quickly adjust their economic development strategies. First, municipalities took several steps, including partnering with community organizations, promoting open businesses, and even leveraging social media to spur consumer demand for local businesses. Second, later into the pandemic, administrators leveraged existing supply-side tools, such as grants and loans, and expanded them with funds from federal interventions (CARES and ARP Act funding). Additionally, they worked to relax regulations that might hinder demand. Third, local governments began forging frequent contact with informal networks of governments and organizations. In Northern Kentucky, municipalities coordinated quickly given that a robust intergovernmental climate already existed. In Ohio, where the intergovernmental environment exhibited more contentious relationships, the county was left coordinating responses. Emergency Management offices became necessary resources for addressing the concerns of member cities, while creating a space to discuss ways to address problems. Municipal governments also leaned on local health authorities for direction and then reinforced their decisions.

At the one year mark of these responses, we found that there was some level of stability in the increase of demand-side strategies and persistence of newly formed networks. Because cities are still grappling with the aftermath of COVID-19's impact on consumer trust, global supply chain shortages, increased inflation, and the prospects of mutations that may lead to additional closures, we can offer only a tentative outlook on the likely future for economic development practice. Nonetheless, as time passes before we return to something akin to pre-pandemic practices (though we may remain in an endemic phase for decades), this tentative shift

toward demand-side practices and expanded networks is likely to calcify and become the new normal. This has implications for economic development practice and research.

Beyond policy modifications, what skills will our future administrators need in an endemic or post-pandemic era? Will public administration, community and economic development training require greater focus on marketing and spurring consumer demand for main street businesses? Will long-range planning efforts need to consider the connection between public health and economic development practices? Will policymakers need to consider alternative sources of taxable revenues if citizens fail to return to in-person jobs within our cities? Will young professionals, having reversed a trend toward suburbanization, once again flee the city to enjoy greater freedom from the concerns around public health exigencies? Of course, we don't have answers- but we do think practitioners, policymakers, and administrators should be asking these questions.

Of course, researchers should consider how we develop prospective answers as well and inform our training processes. Research also needs to evaluate how economic development practice can be pursued while addressing the inequities magnified by the onset of COVID-19. How can governments stabilize economic growth, while balancing sustainability, equity, and the possibility of public health crises? Researchers should continue to consider how organizational structures and intergovernmental networks lead to the best possible outcomes for each of these considerations. If COVID-19 has taught us anything, it is that we need the foresight to consider these questions and prepare before the next exigency before we are left scrambling with ad hoc responses that may not be ideal.

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Figure 1

Figure 1: Policy Use Frequency

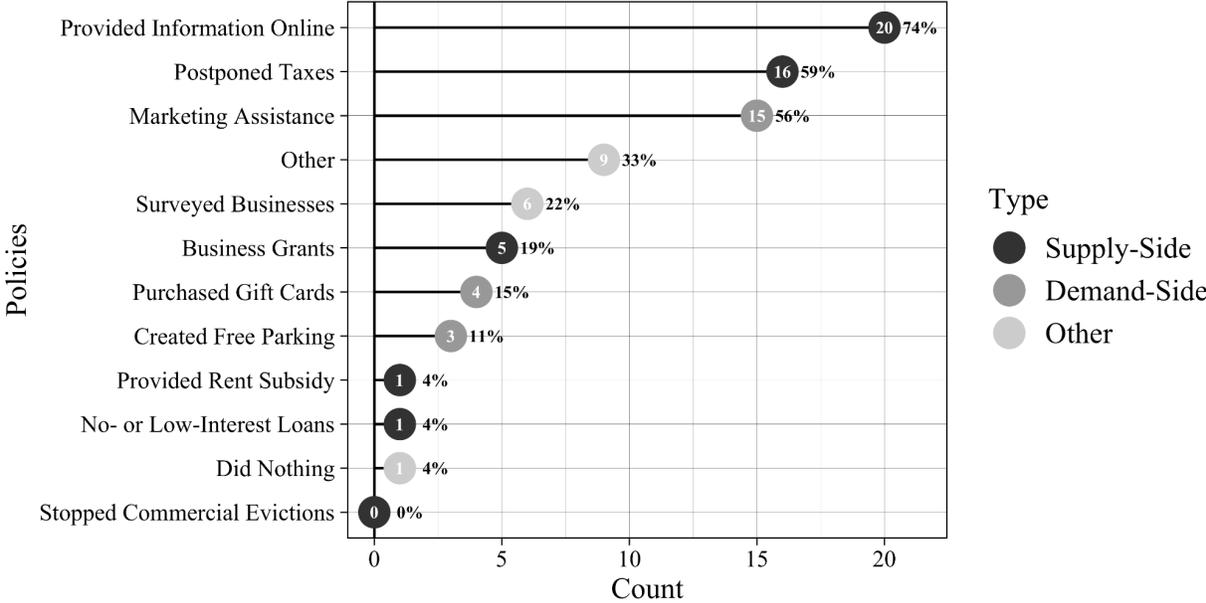


Figure 2

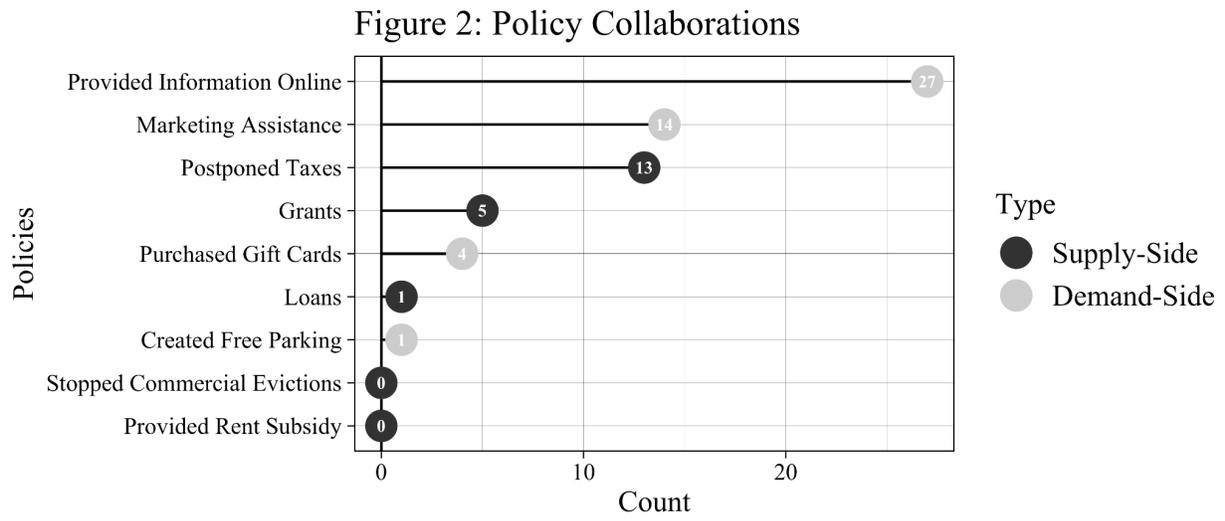


Figure 3

Figure 3: Collaborator Contact Frequency
Total Contact Prior to COVID-19

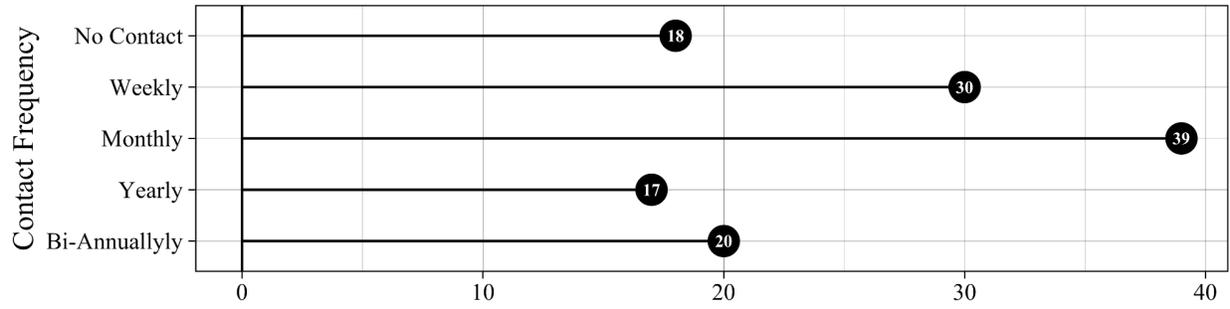
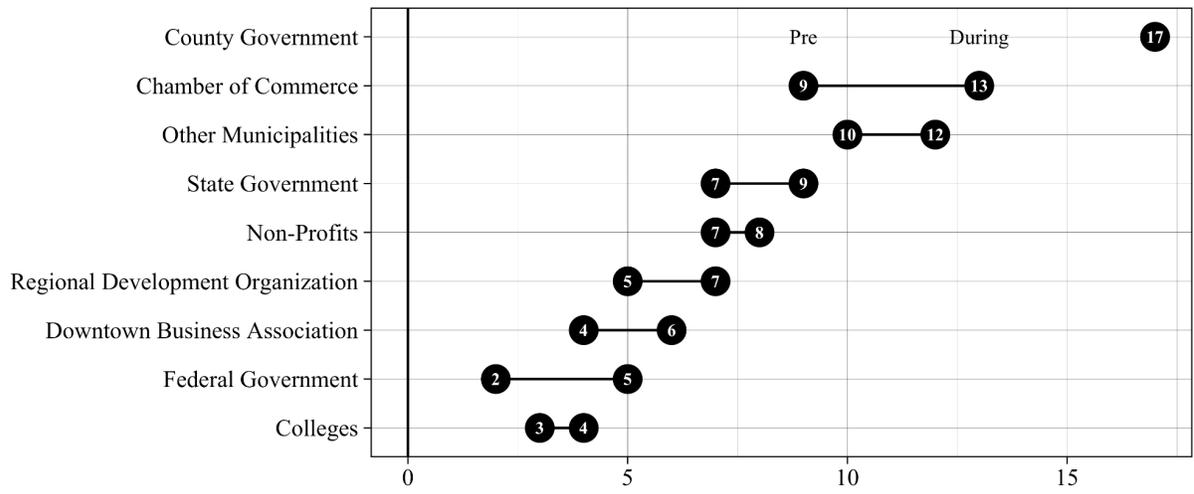


Figure 4

Figure 4: Pre- and During-COVID-19 Collaborations



No New County Government Collaborations during COVID-19

Figure 5

Figure 5: Specific Collaborator Contract Frequency
Prior to COVID-19

