

# Innovations in civic engagement for local economic development



City of Mosbach



Established companies disappear

# How to address the decline?

**Principle of local self government means: DIY!**

**Economic structural change: Not a problem – it's a chance.  
Don't lament about what you don't have – consider what you have!**

**Numerous educational institutions**

**Cultural heritage and sites**

**Pristine natural environment**

**Affordable attractive houses and flats**

**Railroad**

**Sports and leisure facilities**

**Flat local taxes**

**Low labour costs**

**European subsidies**

**Engaged Citizens to be involved**

## **Win affected inhabitants over to involved citizens**

- Facilitating the City administration.
- Developing better and more creative ideas and solutions.
- Implementing ideas, programs, and policies faster.
- Creating involved citizens instead of demanding “customers”.
- Building community and citizen pride within a city.

## **Forms of Civic Engagement**

- Residents' consultation.
- Citizens' Request.
- Public discussion of plans.
- Voluntary activities.
- Residents Question Time at public Council Meetings.
- Citizens' forums, town hall meetings.
- Social Audit.
- Future Workshop.
- Ideas Competition.
- Public discussion of plans.
- World Café.

# Citizens Council Mosbach

- Potential participants were identified by the random principle.
- 500 citizens were invited. 50 of them reported. Finally 27 people established the Citizen's Council. They met regularly on 3 weekends for **moderated workshops**.
- They summarized the results together in a jointly elaborated statement.
- This was discussed with all citizens at a town meeting, the **"Citizen Café"**.
- The results of Citizen's Council and Citizen's Cafe were examined from technical experts for their feasibility.
- The final advisory opinion was presented to the **City Council** for decision making.

# 10 measures for local economic development

1. Promotion of Local Economy is a “matter for the boss”
2. Hiring a municipal officer for local economic promotion
3. Establishing a “one-stop-agency” for local economy affairs
4. Setting up of an municipal office for “City Marketing”
5. Creating of an Intercommunal Industrial Park
6. Establishing of a municipal incubator for business start ups
7. Special conditioned loans and state grants for start ups
8. Requesting for setting up of a Cooperative State University
9. Requesting for improvement of transport connections
10. Improving the local broadband infrastructure (fast internet)

# Funding

The investments and other activities were financed depending on the availability of financial means and the economic efficiency.

## **Municipal Revenue:**

- **Share of taxes** (income taxes as well as value added taxes)
- **Own Taxes** (property tax, business tax, dog license...)
- **Charges for municipal services** (fees, building permit)
- **Financial allocations** (Grants, Municipal fiscal equalisation)
- **Loans** (only for Investments and dept conversion)
- **Private Public Partnership (PPP)**
- **Donations / Endowments**

Municipalities annually issue a budget listing planned income and expenses.

The budget plan shall be balanced.

It has to be resolved by the Council and submitted to the legal authority for examination of the legality and approval of loans.

# Intermunicipal business park

- It is owned and operated by 5 municipalities in the form of a functional association. 27 hectares for commercial buildings.
- The association has its own council (made up of councillors from participating municipalities).
- The investment was financed by the association (according to their share).
- Establishment was subsidized by the EU.
- The return of investment is expected as common business tax.



Small number of plots sold so far.

Strong competitors.

Far from highways.

Extraordinary measures needed.

# Business start up incubator

The “Ideenwerkstatt” (workshop of Ideas) is owned and operated by the City of Mosbach.



MPDV a successful start up with 250 employees.



- Extremely favorable rental rates in the three-year start-up phase. Support in request for European subsidies.
- All-round advice by voluntarily working Senior Experts - Workshops - Secretarial Service – Conference Hall – Special Events.....
- Board of trustees forms City Council, The Mayor, Chamber of Commerce, local banks, Cooperative State University
- 3 years after start-up phase the company remains in Mosbach