

The Effect of Town and Gown on Local Economic Development: An Analysis of Partnerships, Planning, and Policy

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Abstract

The relationship between institutions of higher learning and their local communities is often described as “town and gown.” Few studies examine how these partnerships affect state and local public administration and local economic development. We analyzed data from the 2014 Economic Development Survey carried out by the International City/County Management Association (ICMA) to reveal empirical evidence regarding the factors that influence the formation of town and gown partnerships and the effects of these partnerships on local economic development. Communities that form town and gown partnerships were more likely to have written economic development plans and to utilize multiple development tools.

Keywords: economic development tools, town and gown partnership



State and local governments operate in an environment of constraint, facing complex economic and social challenges. Colleges and universities are some of the most important assets for state and local governments. These institutions contribute greatly to the social, political, and economic life of the communities in which they are located (Carroll & Smith, 2006; Chatterton, 2000; Gray, 1999). Institutions of higher learning maintain large, stable, and creative workforces that play significant roles in local economies (Lendel, 2010), and they are in a unique position to provide culture and amenities and a steady supply of new ideas and technologies. Boston’s highly productive creative class economy, for instance, owes an enormous debt to the city’s world-class institutions of higher learning (Florida, 2014), just as Silicon Valley owes an enormous debt to the expertise provided by the faculty and students of Stanford University (Glaeser, 2011).

Yet despite the vital assets that universities and colleges represent for many communities, town and gown relations often

become strained, impeding the formation of partnerships (Brockliss, 2000; Bruning et al., 2006; Kemp, 2013; Martin et al., 2005; Mayfield, 2001; O’Mara, 2012). Conflict may arise over such issues as taxes, land-use decisions, and the behavior of students (Hatcher & Childress, 2016). Efforts to foster town and gown partnerships must accordingly take into account factors that promote their formation in the first place, as well as their effects on local policy. These issues, however, have been understudied in the public administration literature. Few studies, before this one, have used empirical data to assess the characteristics of communities that form strong relationships with local institutions of higher learning and the effects of these relationships on state and local government and economic development.

Beyond the economic benefits of town and gown and partnerships, there are a host of engaged learning opportunities produced by universities and their communities working together. The engaged learning opportunities can include internships, service-learning projects, speaker series,

applied research, and other experiential activities that benefit students and community partners as well (Martin et al., 2005). Additionally, robust town and gown partnerships have the potential to create interdisciplinary workgroups that include faculty from numerous fields working with students and community partners to address local problems and in doing so provide an effective engaged learning experience for students (Laniga et al., 2011).

Given the economic, social, and learning impacts of universities and colleges, public administration has a responsibility to help state and local governments form meaningful town and gown partnerships. The present study was accordingly designed to answer two research questions. First, what factors influence the formation of town and gown partnerships? Second, are there significant differences regarding local economic development in communities with town and gown partnerships? To answer these questions, we relied on data from the 2014 Economic Development Survey conducted by the International City/County Management Association (ICMA) (ICMA, 2014a). The ICMA's Economic Development Survey is a national survey sent to U.S. counties and municipalities to collect information on the economic development priorities, practices and challenges of local governments. Given the limited research on town and gown partnerships, our analysis was necessarily exploratory in nature, intended to offer a grounded explanation for the formation of these partnerships and an account of their effects on community economic development.

Town and Gown Relations

Universities and colleges serve as hubs for innovation and research, connecting public, private, and nonprofit entities in ways that promote local economic development and strengthen state and local governance. Educational institutions are stable assets that not only benefit local economies but also invigorate communities socially and politically (Breznitz & Feldman, 2012). Such economic success stories as those of Boston and Silicon Valley have been widely discussed in the scholarly and popular literature on community development (Glaeser, 2011). Past studies have focused on such issues as the influence of educational institutions on economic growth through technology transfer (Miner et al., 2001),

with little attention paid to the contributions of universities to the development of the surrounding communities (Breznitz & Feldman, 2012; Feller, 1990; Franz, 2009; Trencher et al., 2014).

In many cities, institutions of higher education have played crucial roles in the revitalization of neighborhoods, especially in areas bordering universities and colleges (Garber & Adams, 2017). An example is Louisville, Kentucky, where the University of Louisville, through the Housing and Neighborhood Development Strategies (HANDS; now known as Sustainable Urban Development or SUN) initiative, spearheaded the redevelopment of the city's East Russell neighborhood, helping to address local economic problems by building a consensus among various partnering development organizations (Mullins & Gilderbloom, 2006). This effort promoted new businesses in the neighborhood, improved the availability of housing, and led to a discussion of redesigning the streetscape to include slower two-way roads with bike lanes (Meares et al., 2015). The Louisville case is an example of the benefits to be gained from an understanding of the administrative features of town and gown partnerships and the roles of universities as coordinating bodies in the forging of a consensus for community development.

Moreover, universities serve as anchor institutions (Birch et al., 2013), for the education industry is central to the growth of the knowledge economy. And since this industry is characterized by significant levels of face-to-face interaction, colleges and universities are commonly bound to a particular location, for which reason their land-use, procurement, and employment practices help to stabilize local economies. The procurement policies of the University of Pennsylvania, for example, have injected nearly \$122 million into local businesses in West Philadelphia during fiscal year 2015 (University of Pennsylvania, 2016).

University and local officials often, however, find themselves engaged in conflict rather than cooperation (Martin et al., 2005; Silva et al., 2003), so there is again a need for research in public administration to understand how state and local governments can help form collaborative town and gown partnerships. Collaboration among public institutions is obviously required to address the complex challenges that states and localities face (Kettl, 2006). This need

is underscored by the environment of constrained resources that public agencies operate in, which encourages competition rather than collaboration. Public managers who appreciate the interdependence of community governance and economics tend to encourage their organizations to engage in collaborative solutions (O'Leary & Bingham, 2009; Thomson & Perry, 2006), one important example being administrative decisions to form town and gown partnerships.

The aforementioned cases of the University of Pennsylvania and the University of Louisville highlight some of the positive features of town and gown relationships; however, there are also negative aspects. Although universities serve as anchor institutions and have a vested interest in nearby neighborhoods, the main focus of a university is attracting and retaining students (Bose, 2015; Ehlenz, 2018). Thus, university investment decisions may at times reflect a tradeoff between serving the students and being a good community partner. This has led to many instances of tense relationships between a university and the surrounding neighborhoods. The development activity of a university can increase rents and home prices in adjacent neighborhoods (Bose, 2015). Universities also market some neighborhoods as student enclaves, which can exert upward pressure on the cost of housing in these neighborhoods. The increase in housing cost can lead to gentrification and displacement of existing residents, as has occurred, for example, in the Brighton neighborhood in Boston. Brighton is located in close proximity to local universities. With a growing demand for private market student housing close to campus, the cost of housing has increased significantly, which has pushed a portion of the nonstudent population out of the neighborhood (City of Boston, 2014). This problem is seen in many cities, including Atlanta, London, Toronto, New York, Philadelphia, and Chicago (Ehlenz, 2016, 2018; Foote, 2017; Smith, 2008). Tense relationships between universities and the surrounding neighborhoods hinder collaborative efforts of cities and universities in different policy areas, including economic development.

Further case study evidence makes clear that collaboration can be difficult to achieve. First, the development decisions of universities often run counter to the wishes of local officials and business leaders (Kemp,

2013; Martin et al., 2005), with issues relating to land use and taxation having proved particularly vexatious for town and gown relations. A second major source of tension reflects social concerns. In some cases, universities view the surrounding areas as unsafe; in others, students are held responsible for a variety of community problems ranging from misbehavior to lack of parking (Kemp, 2013). Again, however, these challenges must be considered in the context of the wealth of opportunities that town and gown partnerships can bring when, for example, faculty share their expertise with the community, students volunteer to take part in local projects, and instructors use local communities as classrooms (Barnes et al., 2009; Kennedy, 1999; cf. Bringle & Hatcher, 2002; Murrasse, 2002).

Scholars and practitioners have arrived at various, often competing, explanations for the ways in which town and gown partnerships can provide experiential learning opportunities for students (Bringle & Hatcher, 2002), facilitate public health outreach (Seifer, 2000), and improve economic development. Once more, however, few studies have sought to identify the specific features of communities that form town and gown partnerships. In one such study, Martin et al. (2005) relied on case study evidence to identify funding, communication, synergy, measurable outcomes, visibility of applied research, and organizational capacity as key factors in the formation of successful town and gown relationships; however, neither this study nor any other has yet provided an empirical account of the characteristics of communities that form town and gown partnerships and the effects of these partnerships on local economic development policy. We accordingly sought to address this gap in the literature by using ICMA data to identify factors that promote the formation of town and gown partnerships and to explore the effects of those partnerships on local economic development policy.

Methodology and Exploratory Research Models

Since there have been few studies in the literature examining the administrative features of town and gown partnerships, we developed an exploratory research design that used data from ICMA's 2014 survey on local economic development. ICMA administered this survey by mailing a paper copy in June 2014 to a nationwide sample of

5,237 municipal and county governments. Accordingly, the units of analysis were cities and counties. ICMA also made an online survey available. Of potential participants, 1,201, or 23%, completed the survey, a response rate that falls within a range commonly seen in public administration scholarship. We recognize this response rate as a limitation on our research and thus again stress that our work here was exploratory in nature. At the same time, data collected by ICMA have been used in numerous studies in the public administration literature, including investigations of the effectiveness of local government (Pavlichev, 2004), the implementation of e-government services (Reddick, 2009; Reddick & Frank, 2007), and especially economic development (Feiock & Kim, 2001; Sharp, 1991).

The ICMA survey instrument contains a number of economic development questions relevant to this study. To examine empirically the efficacy of town and gown partnerships, we used those indicating the existence of town and gown partnerships and those indicating the economic development practices in place in various communities. We analyzed the questions using basic descriptive analysis and multivariate analysis to develop three complementary models to account for the formation of town and gown partnerships and their effects on economic development planning and policy.

Model 1: Explaining the Formation of Town and Gown Partnerships

In developing a model for the formation of town and gown partnerships, we hypothesized that the size of a community, the form of the local government, the type of organizations responsible for local development, and the regional context would be significant factors in determining whether a community is likely to form partnerships with a local institution of higher learning. The formation of a town and gown partnership was thus the dependent variable for the first model.

Regarding the effect of community size, larger cities and counties may be home to multiple industries and therefore less dependent on local higher learning institutions than smaller ones and less likely to form town and gown partnerships. Furthermore, such sources of friction between local governments and institutions of higher learning as land use and development may be more prevalent in larger communities than

smaller ones. We accordingly created the variable “metro size” or analysis of the size of communities in all of our models.

Moving on to the next factor, previous studies have demonstrated that, unsurprisingly, the form of local government affects economic development policy (Feiock and Kim, 2001; Sharp, 1991). Thus, governments can be classified in terms of their structure as mayor-council, council-manager, commission, town meeting, or representative town meeting, and counties as commission, council-administrator (or council-manager), or council-elected executive. (These classifications were based on the ICMA data and the literature on the influence of the form of local government.) We found systems run by a professional city or county manager and a council to be most likely to adopt and implement rational, evidence-based policies. From our perspective, the formation of town and gown partnerships when possible is more rational than the pursuit of policies that do not involve such partnerships. To analyze the effect of the local form of government, we coded the communities based on their answers to the ICMA survey question regarding their form of government, being particularly interested in the effect of a professionally selected manager or local executive on town and gown policies.

The type of organization responsible for local economic development is the third factor taken into account in Model 1 with regard to the relationship between town and gown partnerships and economic policy outcomes. The type of organization responsible for local economic development is classified into two groups: directly managed by the local government or operated by a nonprofit organization. Agencies directly managed by the local government normally include offices within cities and counties. The types of nonprofit economic development organizations (NEDOs) involved in local economic development include many forms of nonprofits. Some examples are chambers of commerce, business advocacy groups, state and federally funded community organizations, and small-business development. Administrative decisions may differ in a community that relies primarily on nonprofit organizations, or rather, on government agencies to manage its economic development (Feiock & Andrew, 2006; Lipsky & Smith, 1989; Mirvis, 1992; Moore, 2000). As it happens, communities

have in recent decades turned to NEDOs—which blend private and public features and are inherently less political than governmental agencies—for local development policy (Sullivan, 2004). Given that nonprofit organizations tend to be more flexible than governmental agencies (Feiock & Andrew, 2006), we hypothesized that communities in which NEDOs are primarily responsible for local economic development would be more likely to form town and gown partnerships than those in which governmental agencies are primarily responsible for development. In order to test this hypothesis, we included the variable of economic development responsibility in our models.

Model 2: Explaining the Effect of Town and Gown Partnerships on Economic Development Planning

Model 2 was designed to examine the effect that town and gown partnerships have on the overall efficacy of local economic development. Our aim here was to determine whether communities that had entered into town and gown partnerships were more likely to have been pursuing evidence-based strategies than communities that had not. Previous studies have investigated thoroughly the role of planning in local economic development (Blair, 1998; Garcia et al., 1991; Pammer, 1998). In the literature on local government and economic development, planning has consistently been identified as a crucial evidence-based strategy for communities. Kemp (1992) found that strategic planning helped local governments to function effectively and moderated the influence of politics on local administrative decision-making. Leigh and Blakely (2013) argued similarly that, by planning for local economic development, communities could avail themselves of a means of addressing economic challenges created by changing employment climate processes such as globalization, growing inequality, and the increasing scarcity of stable jobs. To assess whether town and gown communities were more likely to plan, we created a binary dependent variable for whether communities did or did not have a written economic development plan. The other independent or control variables for this model were the same ones used in Model 1, and the dependent variable for Model 1 (i.e., town and gown partnerships) served as an independent variable in Model 2. When considering the planning performed by local agencies, the form of government is an important

variable to take into account. Thus, for instance, Feiock and Kim (2001) found that council-manager cities were more likely to engage in strategic planning for economic development than mayor-council cities.

Models 3a–3c: Explaining the Effect of Town and Gown on Economic Development Policies

With our last series of models, Models 3a–3c, we examined the effects of town and gown partnerships on the types of economic development policies on which local development agencies rely. The ICMA survey asked respondents to identify economic development tools used by their agencies, and their answers were used to construct Models 3a–3c. Table 1 reports the types of tools used by the various communities. Previous research has found diversity in the types of policies implemented with respect to these tools (Feiock and Kim, 2001), with scholars urging communities to be entrepreneurial by implementing a variety of them (Clarke and Gaile, 1989).

To examine the effect of town and gown partnerships on local economic development policies, we constructed indices of the respondents' answers to the questions regarding the types of development tools used by their communities relating to (a) small business, (b) business retention and expansion and attraction of businesses, and (c) community development. The dependent variable for these models was accordingly the type of tools deployed. To be specific, and as discussed further in the Analysis and Results section, we constructed the indices based on the sum of responses for the various types of development tools (see Table 1) and used them as the dependent variables for Models 3a–3c (which, again, were designed to explicate the effects of a town and gown partnership on a community) concerning the types of tools used in the areas of, respectively, small business, business attraction and business retention and expansion, and community development. The other independent variables or controls were the same ones used in Model 1.

In effect, the variables of interest for these analyses were partnership with college or university, economic development plan, economic development tools, economic development responsibility, form of government, metro status, and geographic region.

The first of these variables, partnership

Table 1. Local Economic Development Tools**Small business**

- a. Revolving loan fund
- b. Small business development center
- c. Microenterprise program
- d. Matching improvement grants (physical upgrades to business)
- e. Vendor/supplier matching
- f. Marketing assistance
- g. Management training
- h. Executive on loan/mentor

Business retention and expansion

- i. Surveys of local business
- j. Ombudsman program
- k. Local business publicity program (community-wide)
- l. Replacing imports with locally supplied goods
- m. Export development assistance
- n. Business clusters/industrial districts
- o. Technology zones
- p. Energy efficiency programs
- q. Business improvement districts
- r. Main Street Program

Business Attraction

- s. Local government representative calls on prospective companies
- t. Promotional and advertising activities (e.g., media, direct mail)

Community development

- u. Community development corporation
- v. Community development loan fund
- w. Environmental sustainability—energy audits/green building
- x. Transit to promote commuting
- y. High quality physical infrastructure
- z. Job training for low-skilled workers
- aa. Business assistance, loans, and grants to support child care
- bb. Affordable workforce housing
- cc. Investments in high quality of life (good education, recreation, and arts/culture)
- dd. Tourism promotion
- ee. Public/private partnerships
- ff. Programs to promote age-friendly businesses for seniors

Note. Information compiled from ICMA (2014a) Economic Development Survey.

with a college or university, was measured based on responses to the ICMA survey question asking whether communities had formed partnerships with a local institution of higher learning. We coded communities that had entered into such a partnership as 1 and communities that had not as 0.

The economic plan variable was measured based on responses to survey questions asking whether communities had a written economic development plan; those that had such a plan were coded as 1 and those that did not as 0.

Economic development tools were measured in terms of the three aforementioned general economic development areas concerning small business, business attraction and business retention and expansion, and community development. Each general economic development area was assessed using a series of four-point scale items relating to communities' evaluations of the extent of their use of various tools. The response options for the ICMA survey questions consisted of *not at all* = 1, *low* = 2, *medium* = 3, and *high* = 4. For the purpose of this analysis, we constructed a composite score for each of the three general economic development areas using the sum of the responses to the respective survey items so that higher scores indicated more extensive reliance on a given tool.

The economic development responsibility variable was measured based on responses to the survey question regarding the entity that had primary responsibility for undertaking economic development activities within each community. This variable was coded 0 for communities in which nonprofit development corporations managed economic development and 1 for communities in which local governmental agencies were responsible.

The form of government was coded as 1 for "council-manager or council-administra-

tor" or 0 for "mayor-council or council-elected."

Metro status was operationally coded as 0 for large communities comprising urbanized areas with at least 50,000 people or 1 for smaller communities with urban areas between 10,000 and 50,000 people.

Finally, geographical region was assessed by creating dummy variables based on the four population regions distinguished by the U.S. Census Bureau, namely Northeast, North Central, South, and West, with "Northeast region" as the reference group. Regions with more nonprofits may have more NEDOs conducting economic development for local governments. Hatcher and Hammond (2018), for example, found that the South had fewer NEDOs than other regions. Accordingly, we include region as a variable to examine variations in the study's variables across different parts of the nation.

Analysis and Results

A striking finding from the ICMA data is that, although a majority of local governments (63%) reported the presence of a college or university in their communities, only a quarter (25%) had actually formed a partnership with an institution of higher learning for the purpose of collaboration on economic development strategies (Table 2). Given the benefits of town and gown partnerships, there is need for a call to action (discussed in the conclusion of this article) for institutions of higher learning to focus on building effective relations with their local communities and for local policy makers to look to their universities for support on community projects.

Also significant was the finding that, among the partners with whom local governments had worked on economic development, various local agencies were more common

Table 2. Colleges and Universities in Economic Development

	Local government	Percent ^a
Have a college or university in their communities	731	63%
Partner with a college or university in their development strategies	297	25%

Note. Data from ICMA (2014a) Economic Development Survey.

^a Percentages do not add up to 100.

Table 3. Local Government Partners for Economic Development

Type of partnership	Percent involved in the partnership	Type of partnership	Percent involved in the partnership
City	86%	Public/private partnership	33%
County	55%	Private business/industry	32%
State government	37%	Private/community economic development foundation	10%
Federal government	6%	Utility	21%
Chamber of commerce	57%	College/university	25%
Economic development corporation	40%	Citizen advisory board/commission	26%
Regional organizations	38%	Ad hoc citizen group	8%
Planning consortia	8%	Nonprofit organizations servin the poor	

Note. Data from ICMA (2014a) Economic Development Survey. Table reprinted from ICMA's (2014a) summary report on the survey.

than colleges or universities. Thus, 57% of communities reported having partnered with chambers of commerce, 38% with regional organizations, and 33% with private industry, whereas, again, only 25% reported having partnered with an institution of higher learning.

Table 4 provides the frequencies and percentages for the main variables used in the models. Given that planning is, as has been seen, a key tool of evidence-based economic development (Feiock & Kim, 2001), a surprising finding was that nearly half of communities (43%) that responded to the survey reported they had no written plan. This is more surprising because the ICMA sample (as seen in Table 3) was biased toward council-manager forms of local government and, at least according to Feiock and Kim (2001), council-manager cities are more likely to utilize strategic planning than mayor-council cities. More extensive use of written comprehensive plans might also be expected based on the large number of council-manager systems included in the ICMA data (77%).

We would like to contextualize the finding concerning economic development plan-

ning. Past studies (Feiock & Kim, 2001) found that council-manager forms of local government were more likely to conduct strategic planning than other forms of local government. Our analysis found that many communities (43%) did not have an economic development plan. However, this does not mean that the communities do not engage in strategic planning in the area of economic development. Their economic planning strategies may be part of a larger, comprehensive plan. Future studies need to explore the extent to which cities and counties write separate plans for economic development.

Regression analysis was used to assess the study's three main models, specifically logistic regression for Models 1 and 2 and ordinary least squares (OLS) regression for Model 3. All models were found to be statistically significant; the range in the variance from 4% to 8% we attribute to the exploratory nature of our study. Moreover, methodologists have agreed that these measures, although they can seem quite small in comparison with most statistical metrics, can have practical significance in natural settings (Abelson, 1985; Ellis, 2010; Schutt, 2011).

Table 4. Description of Variables

Variable	Frequency (%)
<i>Economic development responsibility</i>	
Nonprofit (0)	254 (23.9%)
Local government (1)	810 (76.1%)
<i>Form of government</i>	
Mayor-council and council-elected (0)	235 (23.3%)
Council-manager and council-administrator (1)	774 (76.7%)
<i>Metro status</i>	
Large—Urbanized with at least 50,000 people (0)	749 (82.9%)
Small—Urban with at least 10,000 people (1)	155 (17.1%)
<i>Written economic development plan</i>	
No (0)	397 (43.5%)
Yes (1)	515 (56.5%)
<i>Geographic region</i>	
Northeast	133 (12.5%)
North Central	330 (31.0%)
South	353 (33.2%)
West	248 (23.3)

Note. Table adapted from ICMA (2014b) Economic Development Survey. Data from ICMA (2014b) Economic Development Survey.

The first model, as discussed, examined factors influencing the formation of town and gown partnerships. Logistic regression was accordingly used to determine the type of communities likely to form such partnerships. For each model, we used three control variables, namely (1) the type of government, (2) the entity responsible for economic development, and (3) the size of the locality. As discussed in the previous section, each of these variables has been associated in the literature with economic development activities and thus needed to be accounted for when determining the statistical significance of the impact of town and gown relationships on economic development.

As can be seen in Table 5, the model depicting the likelihood that a city or county would form a partnership with a college or university for the purpose of economic development was statistically significant. Furthermore, with the exception of form of government, all of the other variables appeared to have a statistically significant effect in predicting whether a city or county

had formed an economic development partnership with an institution of higher learning.

Contrary to our expectations, communities in which local governments managed economic development were found to be some 47% more likely to form town and gown partnerships than communities in which NEDOs took the lead. This finding may be attributable to the expertise that a NEDO provides or to administrative differences between the two sorts of entities (Feiock & Andrew, 2006; Lipsky & Smith, 1989; Mirvis, 1992; Moore, 2000).

Another significant finding was that communities that were smaller as defined above were 1.57 times more likely to partner with a college or university for economic development than larger communities. This result is consistent with our hypotheses that smaller localities would be relatively more dependent on local institutions of higher learning for expertise and that the latter, because they exert significant power in the local economy, would be more likely

Table 5. Logistic Regression Analysis of Partnership with College or University

Independent Variable	Coefficient (SE)	Wald	Odds (Exp(B))	95% CI^a
Economic development responsibility	-.75 (.18)	17.59	.47**	.33-.67
Form of government	-.10 (.20)	.27	.90	.61-1.33
Metro status	.45 (.20)	4.87	1.57*	1.05-2.34
North Central region	-1.01 (.36)	8.10	.36**	.18-.73
South region	-.50 (.34)	2.14	.61	.31-1.19
West region	-.49 (.36)	1.89	.61	.30-1.23
Constant	.07 (.37)	.05	1.09	
Pseudo R ²	.07			
Model X ² (6)	41.57			
N	1,064			

Note. Table adapted from ICMA (2014b) Economic Development Survey. Data from ICMA (2014b) Economic Development Survey.

^a 95% CI denotes the lower and upper 95% confidence interval of the odds ratio. The dependent variable in this analysis is whether a city or county has a partnership with a college or university.

* $p = .05$. ** $p = .01$.

to be included in economic development planning. Also, region of the country was shown to have a significant effect, with communities in the Northeast being less likely than those in other regions to engage in town and gown partnerships targeting economic development. This finding may have occurred because the region, like the South, has fewer NEDOs than other regions (Hatcher & Hammond, 2018).

For the second model, regarding the effect of a written economic development plan, we again employed logistic regression, in this case to assess factors that predispose a community to come up with such a plan. Table 6 presents the results of this regression analysis, controlling for the entity with economic development responsibility, form of government, metropolitan status, and geographic region.

Model 2 proved statistically significant, but none of the control variables had a statistically significant effect in predicting whether cities or counties had a written economic development plan. Although this latter finding contradicts our hypothesis, again, given the exploratory nature of this research, it is not a cause for concern regarding the overall validity of our argumentation. Controlling for the effect of the other variables did not affect the statistical significance of the

effect of a town and gown partnership for economic development apart from a slight increase in the odds ratio; thus, communities engaged in such a partnership were more likely to have come up with a written economic development plan. This finding, which suggests that this kind of partnership tends to be formed by localities that pursue evidence-based strategies, may be attributable to the fact that higher learning institutions often provide an economic development plan or assist in the formulation of one when a town and gown partnership is established.

Model 3 examined the effect of town and gown partnerships on communities' economic development policies. An ordinary least squares regression was employed to determine whether a town and gown partnership for the purpose of economic development actually had any effect. The analysis was performed for the three major economic development activities described above (i.e., those relating to small business, business retention and expansion and business attraction, and community development). Table 1 details the types of economic development activities, each of which was measured based on an index score comprising the sum of a number of economic development initiatives. Thus, the variable for small business activities was measured

Table 6. Logistic Regression Analysis of Written Economic Development Plan

Independent Variable	Coefficient (SE)	Wald	Odds (Exp(B))	95% CI ^a
Partnership with college or university	.48 (.18)	6.96	1.61**	1.13–2.30
Economic development responsibility	.27 (.19)	2.04	1.31	.91–1.88
Form of government	.29 (.18)	2.50	1.33	.93–1.90
Metro status	-.08 (.21)	.15	.92	.61–1.39
North Central region	.01 (.34)	.00	1.01	.52–1.98
South region	.36 (.34)	1.15	1.44	.74–2.78
West region	.56 (.35)	2.57	1.75	.88–3.49
Constant	-.46 (.37)	1.53	.63	
Pseudo R ²	.04			
Model X ² (6)	23.25			
N	1,064			

Note. Table adapted from ICMA (2014b) Economic Development Survey. Data from ICMA (2014b) Economic Development Survey.

^a 95% CI denotes the lower and upper 95% confidence interval of the odds ratio. Dependent variable in this analysis is whether city or county has a written economic development plan.

** $p = .01$

Table 7a. OLS Regression Analysis of Small Business Activities

Independent variable	Coefficient (SE)	t value	95% CI ^a
Partnership with college or university	2.17 (.34)	6.32**	1.49–2.84
Economic development responsibility	-.08 (.36)	-.22	-.79–.63
Form of government	-.12 (.36)	-.32	-.83–.60
Metro status	1.83 (.41)	4.48**	1.03–2.62
North Central region	-.39 (.71)	-.54	-1.78–1.01
South region	.30 (.70)	.42	-1.09–1.68
West region	-.33 (.72)	-.45	-1.75–1.09
Constant	13.60 (.77)	17.65**	12.09–15.11
Model F-test	11.43, $p < .05$		
Adjusted R ²	.08		
N	865		

Note. Data from ICMA (2014b) Economic Development Survey. Data from ICMA (2014b) Economic Development Survey.

^a 95% CI denotes the lower and upper 95% confidence interval of the coefficient. The dependent variable in this analysis is small business activities; the sum of eight small business initiatives serves as the index score.

** $p = .01$.

Table 7b. OLS Regression Analysis of Business Retention and Expansion Activities

Independent variable	Coefficient (SE)	t value	95% CI^a
Partnership with college or university	2.89 (.52)	5.54**	1.87–3.91
Economic development responsibility	-.33 (.55)	-.61	-1.41-.74
Form of government	.55 (.55)	.10	-.53-1.63
Metro status	-.63 (.62)	-1.02	-1.84-.59
North Central region	.06 (1.08)	.05	-2.07-2.18
South region	.96 (1.07)	.90	-1.14-3.05
West region	1.18 (1.10)	1.07	-.98-3.34
Constant	23.62 (1.17)	20.21**	21.33-25.92
Model F-test	6.05, $p < .05$		
Adjusted R ²	.04		
N	863		

Note. Table adapted from ICMA (2014b) Economic Development Survey. Data from ICMA (2014b) Economic Development Survey.

^a 95% CI denotes the lower and upper 95% confidence interval of the coefficient. The dependent variable in this analysis is business retention and expansion and business attraction activities; the sum of 12 business retention and expansion and business attraction initiatives serves as the index score.

** $p = .01$

Table 7c. OLS Regression Analysis of Community Development Activities

Independent variable	Coefficient (SE)	t value	95% CI^a
Partnership with college or university	3.52 (.50)	7.12**	2.55-4.49
Economic development responsibility	-.93 (.52)	-1.80	-1.95-.09
Form of government	-.09 (.52)	-.17	-1.12-.94
Metro status	.63 (.59)	1.07	-.52-1.78
North Central region	-1.91 (1.02)	-1.87	-3.92-.10
South region	-1.42 (1.01)	-1.41	-3.41-.56
West region	-1.89 (1.04)	-1.82	-3.93-.15
Constant	26.80 (1.11)	24.24**	24.63-28.97
Model F-test	10.67, $p < .05$		
Adjusted R ²	.07		
N	862		

Note. Table adapted from ICMA (2014b) Economic Development Survey. Data from ICMA (2014b) Economic Development Survey.

^a 95% CI denotes the lower and upper 95% confidence interval of the coefficient. The dependent variable in this analysis is community development activities; the sum of 12 community development initiatives serves as the index score.

** $p = .01$.

as the sum of eight relevant initiatives, that for business retention and expansion and business attraction activities as the sum of 12 relevant initiatives, and that for community development activities as the sum of 12 relevant initiatives. Tables 7a–7c show the results of the regression analysis explaining the effect of town and gown partnerships on economic development policy.

Though the analyses showed that the models explained only a relatively small portion of the variation in economic development activities, the results did make clear that cities or counties that had partnered with a college or university for economic development were consistently more likely to engage in the three kinds of activities just listed than those that had not formed such partnerships. This finding further supports the notion that town and gown partnerships facilitate localities' engagement in significant economic development activities.

Discussion

The analysis, then, produced models with relatively low explanatory power, but we are again quick to point out that our research was exploratory in nature. We accordingly hope that our results will point the way to future research into the administrative features of town and gown partnerships. Having communities that take advantage of their assets is a key goal of state and local government. And in many communities, institutions are the primary asset. Public administration has a responsibility to help state and local governments form meaningful town and gown partnerships.

Although our analysis failed to validate for the exploratory models meant to describe town and gown relations, our choice of variables did find statistical support. Specifically, we were able to show that governmental agencies are more likely than NEDOs to partner with colleges or universities. This finding is in contrast with earlier research and in this respect alone represents a contribution to the literature. Previous work has demonstrated that nonprofits tend to rely on partnerships to build capacity (Wing, 2004). Entities that fund nonprofits (i.e., donors, governments, and other nonprofits) thus encourage organizations to form collaborative partnerships for precisely this purpose in furtherance of their organizational goals (Cairns et al., 2005; Connolly & York, 2002). This being

the case, NEDOs would be expected to take advantage of the added capacity that colleges or universities provide in town and gown partnerships. Thus, for example, faculty members and students might assist in the design, administration, and analysis of surveys for local nonprofits involved in economic development.

However, as noted, we found that communities in which local governmental agencies were primarily responsible for economic development were more likely to form town and gown partnerships than those in which nonprofits took the lead. Part of the explanation for this finding may be that the nonprofits engaging in economic development may have lacked the time or resources to cultivate town and gown relationships.

Also worthy of further consideration is the finding that smaller metro areas (again, those with populations ranging from 10,000 to 50,000) were more likely than larger metro areas (those over 50,000) to form town and gown partnerships. As mentioned, smaller communities may rely more heavily on local institutions of higher learning than do larger communities with a wider array of economically vital sectors. From this perspective, a lack of policy capacity in small communities may push them to partner with various organizations, including colleges and universities, to increase their expertise. Thus, taking into account the previous result as well, we found that small metro areas in which local governmental agencies were in charge of economic development were more likely to form town and gown partnerships than large metro areas in which nonprofits were managing development.

A further significant finding is that town and gown partnerships affect economic development planning and policy. Thus, communities engaged in such partnerships were more likely to have come up with a written plan for economic development than those that had not worked closely with local higher learning institutions. Through these partnerships, community leaders may have opportunities to interact with experts from various fields who advocate the use of planning as an economic development tool. When communities draft development plans, they are practicing evidence-based management, in the context of which they may come to recognize the value of partnering with local institutions of higher learning. Our study does show that the commu-

nities that had partnered with colleges and universities tended to engage in planning and also to deploy a fairly wide variety of economic development tools.

Town and gown partnerships affect economic policies, in particular regarding the development of small business and the community in general. Our analysis thus shows that partnerships with local institutions of higher learning can be an important factor in local development planning and policy. Town and gown communities can promote entrepreneurial economic development by making use of a variety of tools (Clarke & Gaile, 1989).

Our findings are not entirely consistent with earlier work by Feiock and Kim (2001), suggesting that the form of government has an effect on the likelihood that a community will engage in development planning and on the types of development policies that it pursues. The present study does, however, corroborate research by Kwon et al. (2009) regarding the importance of institutional factors in local economic development; their work also, like ours, downplayed the importance of the form of government in predicting development policies.

The analysis presented here by design took into consideration only the likelihood that local governments would partner with institutions of higher learning and the relationship of such partnerships to evidence-based development practices. The analysis showed our models to be underspecified and to explain only a small amount of variation in partnering on the part of governments. Nevertheless, it is our hope that this exploratory research will suggest future avenues for making sense of town and gown relations.

Conclusions and Building Town and Gown Partnerships

This study, then, provides a starting point for further exploration of the formation and effects of town and gown partnerships. Our finding that communities in which local governmental agencies managed development were more likely than those in which nonprofits held this role to form town and gown partnerships represents a significant finding given that earlier work has shown nonprofits to be more likely than governmental agencies to engage in partnerships designed to develop policy ca-

capacity. Similarly significant is our finding that smaller communities were more likely than larger ones to form town and gown partnerships. State and local governments can use this information in their efforts to form town and gown partnerships. Future research needs to move beyond our exploratory findings by designing specific survey instruments on the administrative features (e.g., barriers, institutional arrangements, benefits) of town and gown partnerships. Also, according to the analysis presented here, communities that had formed town and gown partnerships were significantly more likely than those that had not to engage in economic planning. Communities in town and gown partnerships likewise showed a greater tendency to make use of a variety of economic development tools in the three areas covered in this study: small business development, business attraction and business recruitment and retention, and community development.

The findings here are certainly consistent with the general opinion voiced in the literature that communities benefit when they strengthen town and gown relationships. One area of benefits can be engaged learning. We want to stress how strong economic development projects from town and gown partnerships provide a host of opportunities for engaged learning. Accordingly, by bringing the university into the town, communities benefit from university expertise in their economic development work, and students gain additional opportunities to participate in experiential learning. Even with these benefits, however, our study found that only 25% of surveyed local governments reported partnerships with the colleges and universities in their communities. Thus, many communities are not exploring the benefits of professors, university leaders, local government leaders, citizens, and students working together to form effective town and gown projects. This finding should be a call to action to push university leaders and local governments to build effective town and gown relations. Having strong town and gown partnerships will provide social, economic, and educational benefits.

To help build town and gown partnerships, we suggest that university leaders and local government officials focus on the following strategies. Advocates of town and gown partnerships should focus on the benefits, not the costs, of the projects. Arguments

should point to how local nonprofits, governments, businesses, students, faculty, and others will benefit from the partnerships. Discussion should recognize the tensions between universities and their communities, especially in the area of land use, but focus should be turned to the benefits of effective town and gown. Advocates can also focus on potential benefits of having the combined support of universities and community organizations, in that local projects may be more likely to receive federal or state funding. The goal of economic development may be a unifying one, helping advocates make these arguments, and to put these strategies in place, universities need to have a dedicated infrastructure focused on building town and gown partnerships, such as an office of town and gown, community outreach, or volunteer services.



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