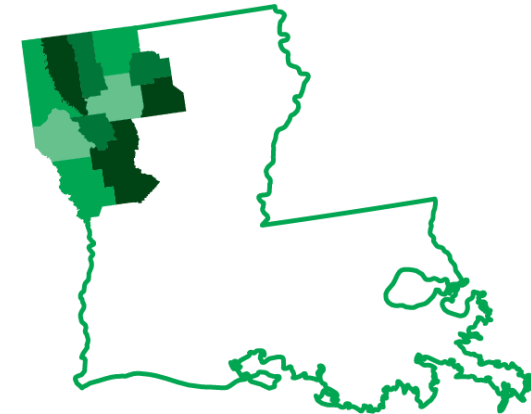


2025 Community Development Institute in Louisiana

**ETHICS &
CONFIDENTIALITY**

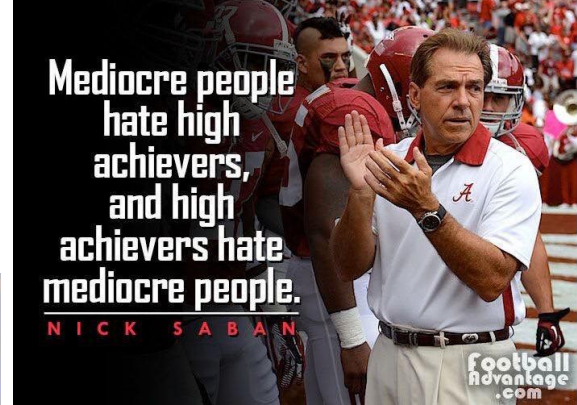


LOUISIANA



Bossier  **Chamber**
of Commerce

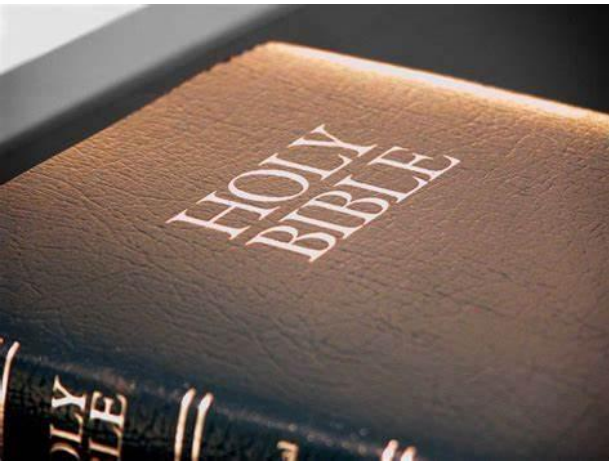
Dean Baugh- Me in a Minute



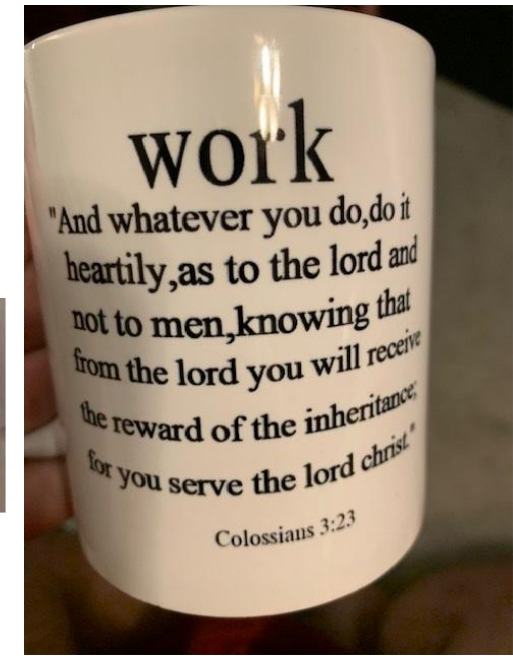
It matters what leaders do or don't do

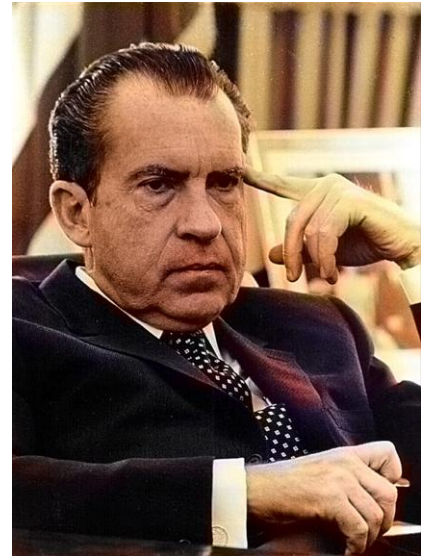
"The culture of any organization is shaped by the worst behavior the leader is willing to tolerate."

Gruenter and Whitaker



The most dangerous phrase in the language is "we've always done it this way."





Reputation

- “The reputation of a thousand years may be determined by the conduct of one hour.” Japanese Proverb
- “Take care of your reputation, it is the most valuable asset of your business.” – H. Jackson Brown, Jr.
- “Your brand is what other people say about you when you’re not in the room.” – Jeff Bezos
- “It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently.” – Warren Buffet



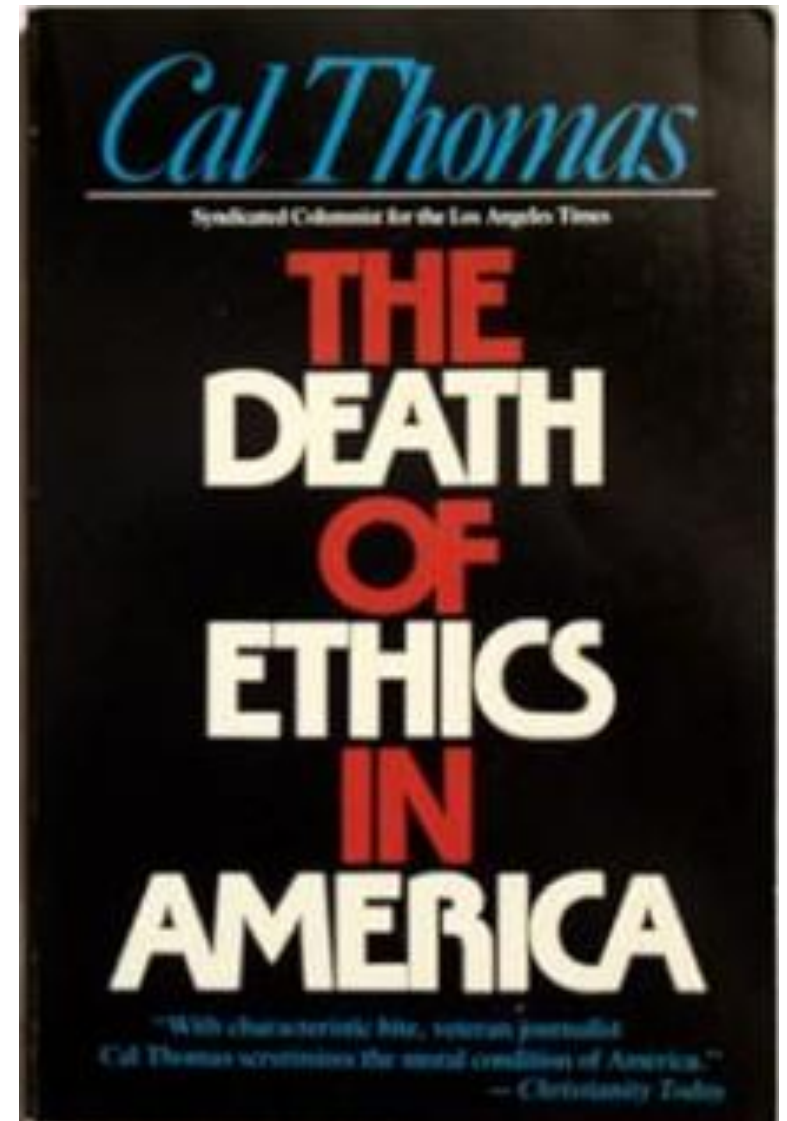
Teaching of Ethics

- Is ethics important?
- If so, why?



The Death of Ethics in America, Cal Thomas

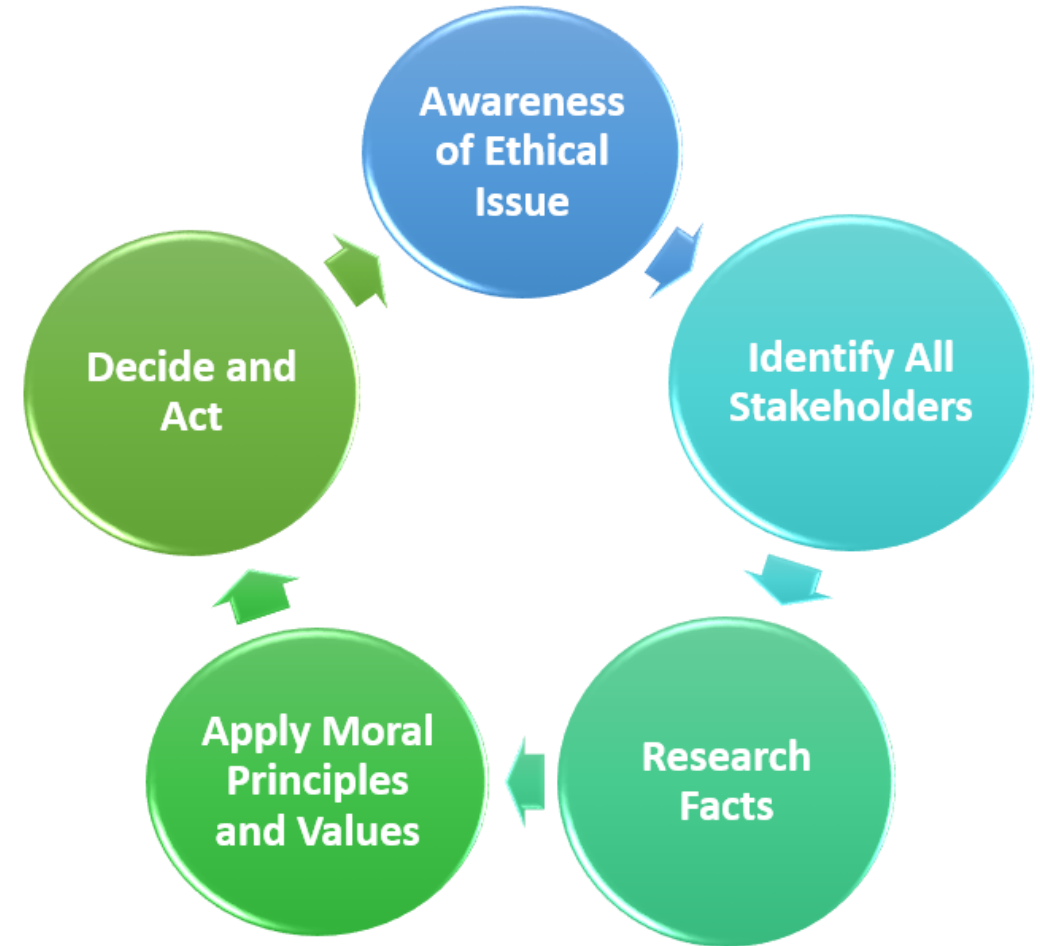
- “If we want to produce people who share the values of a democratic culture, they must be taught those values and not be left to acquire them by chance.”



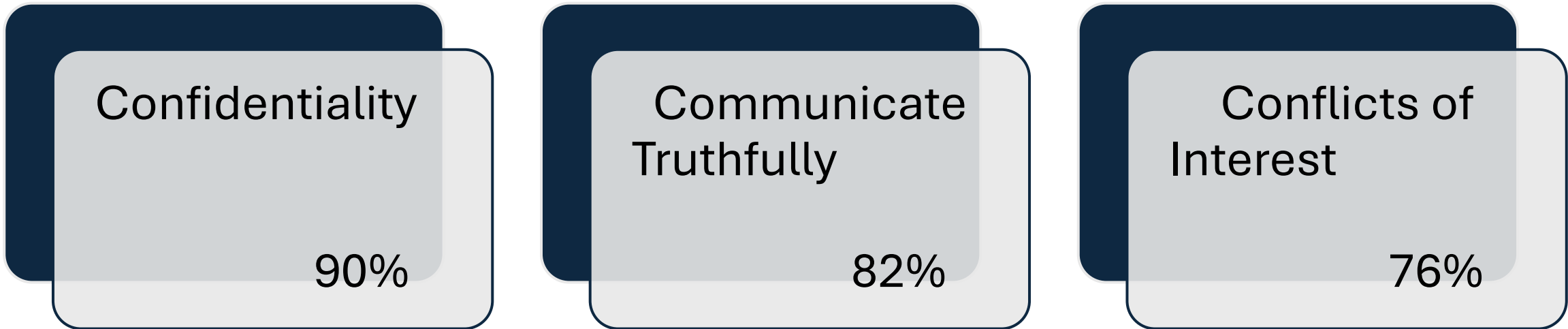
Ethics is...

- How we act as individuals
- How we structure our organizations and their work
- How we structure our society, our laws, and our systems

ETHICAL DECISION-MAKING PROCESS



Top Three Ethics Issues Mentioned by Economic Developers





ethics is not about platitudes, let alone
tautologies, logic or mathematics, but about
difficult choices - dilemmas.

Martin Cohen, 101 Ethical Dilemmas

Common Ethical Dilemmas

- Ethical dilemmas in community and economic development often arise when competing interests, limited resources, and long-term consequences must be weighed.

Common Ethical Dilemmas

- Gentrification vs. Community Stability
- Economic Growth vs. Environmental Sustainability
- Public Funds & Private Interests
- Short-Term Gains vs. Long-Term Community Well-Being
- Community Engagement vs. Decision-Making Efficiency
- Fair Wages vs. Economic Competitiveness
- Conflicts of Interest in Development Projects



Economic Growth vs. Environmental Sustainability

- **Dilemma:** New factories, highways, or real estate developments create jobs but may cause pollution or harm local ecosystems.
- **Ethical Questions:**
 - Should short-term economic gains outweigh long-term environmental costs?
 - How can sustainability be integrated into economic planning?
 - Who is responsible for mitigating environmental damage?



Public Funds & Private Interests

- **Dilemma:** Government officials may offer tax breaks or subsidies to private businesses for economic development, but this can divert funds from public services like education and healthcare.
- **Ethical Questions:**
 - Should public money be used to attract private investment?
 - How can transparency and accountability be ensured in public-private partnerships?
 - What happens if a company fails to deliver on promised jobs and investments?



Conflicts of Interest in Development Projects

- **Dilemma:** Decision-makers (e.g., politicians, urban planners) may have personal financial interests in development projects, influencing their choices.
- **Ethical Questions:**
 - How can conflicts of interest be prevented?
 - Should officials disclose all financial ties before making development decisions?
 - What penalties should exist for unethical decision-making?



Conflict of interest



Meta Selects Northeast Louisiana as Site of \$10 Billion Artificial Intelligence Optimized Data Center





Questions to Consider

- Is it legal?
- Does it violate the spirit of the law?
- Does it comply with our rules and regulations?
- Is it consistent with our organizational values?
- Does it match our stated commitments?

Questions to Consider

- Am I the only or primary beneficiary?
- Will I feel okay and guilt free if I do this?
- Is bias or emotion clouding my judgement?
- Would I do it to my family, friends, or myself?
- Would the most ethical person I know do this?



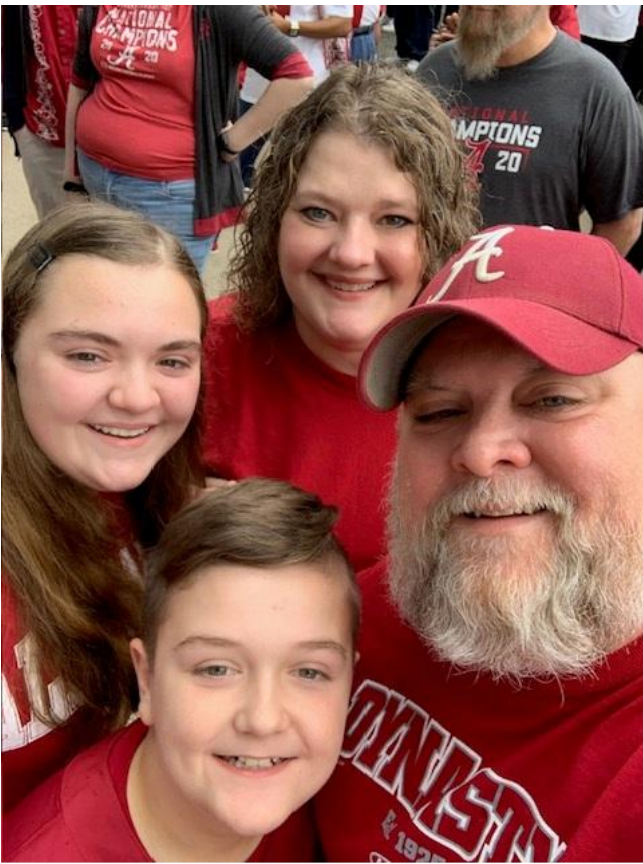
Questions to Consider

- Did you gain an unfair advantage?
- Did you get information by using your position in the community?
- What would you think of someone else if they did it?
- Can you be fired?
- Did everyone have the same opportunity?
- Will your actions promote win-win relationships within your community?



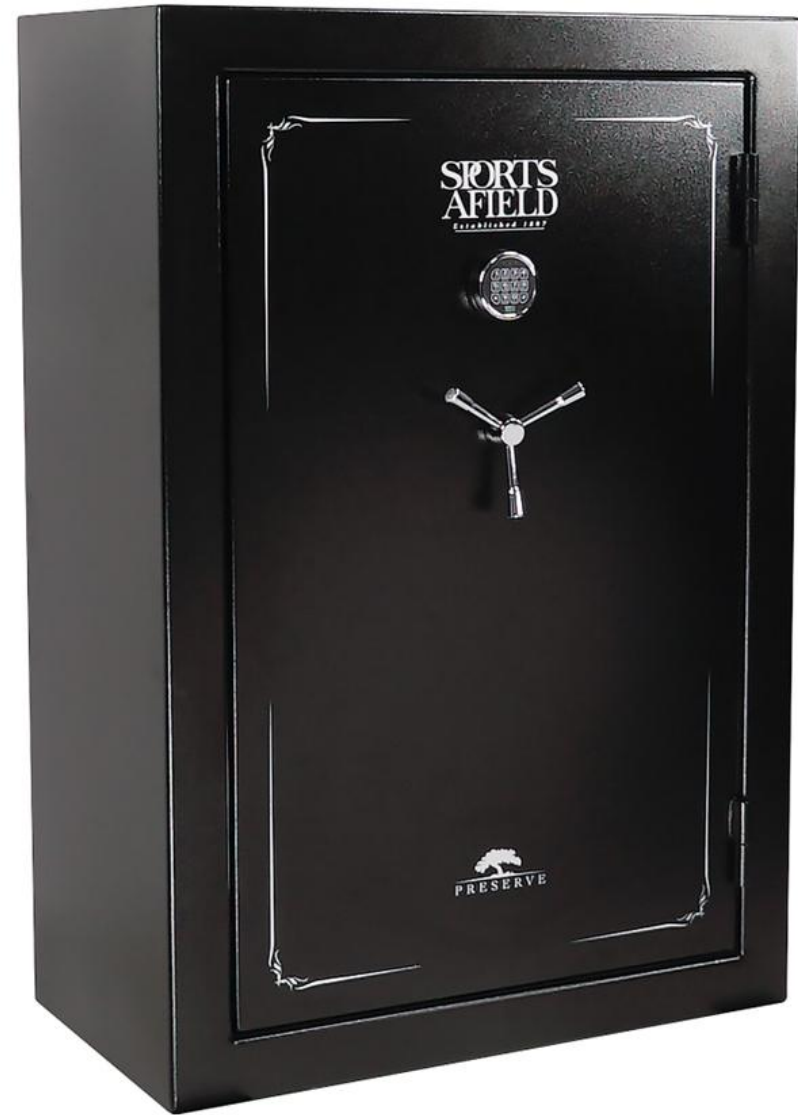


Perception is Reality!



Find Ultimate Decision Maker

Confidentiality





Confidentiality- crucial in economic & community development

- Maintains trust
- Protects sensitive information
- Ensures fairness

How Confidentiality Relates to Ethics

- **Protecting Stakeholder Interests**
 - Confidentiality ensures that sensitive financial data, business strategies, and community concerns are not misused or prematurely disclosed.
- **Transparency vs. Confidentiality Dilemma**
 - While transparency is essential for ethical governance, certain negotiations require confidentiality to protect legitimate business and public interests.
- **Avoiding Insider Advantage & Corruption**
 - Confidentiality helps prevent insider trading, conflicts of interest, and favoritism in economic development projects.
- **Respecting Community Privacy**
 - When working with vulnerable communities, organizations must respect personal and cultural privacy. (Ex. Community Needs Assessment)
- **Responsible Data Management & Legal Compliance**
 - Economic development projects often involve market research, demographic studies, and public-private partnerships that collect personal or proprietary data.



Best Practices for Ethical Confidentiality in Development

- Establish Clear Confidentiality & Disclosure Policies
 - Define what information must remain confidential (e.g., proprietary business data, early-stage negotiations).
 - Set clear timelines for when public disclosure is required.
- Use NDAs Ethically (LED & NLEP Templates in packet)
 - Non-Disclosure Agreements (NDAs) should protect sensitive business data, not hide public interest decisions.
- Prioritize Community Engagement & Trust
 - Before releasing sensitive community data, get informed consent and ensure anonymity when possible.
 - Hold public meetings and use community advisory boards to increase trust.
- Implement Conflict of Interest & Ethical Training
 - Train public officials and development professionals on ethical confidentiality.
- Ensure Responsible Data Management
 - Follow data protection regulations and use secure databases and limited access controls to prevent unauthorized leaks



NDA Templates (LED & NLEP)

- NDA where one entity (company) is disclosing confidential information to your organization (economic/community development organization).
- **NOTE:** If you need to share a company's confidential information with a third party, such as another governmental organization, governmental official, or other individual, the attached NDA will need to be edited to fit that situation.



Ethics Scenario 1

- As the Mayor of your community, you were working with an out-of-town contractor that was carpeting the new city hall.
- There is around 1,000 square feet of carpet that is left over on the roll. The contractor, which no one knows in your community, tells you he will just put the rest of the roll in your house. What should you do?



Ethics

Scenario 2

- A real estate agent has the listing for an available building that he wants to submit to your economic development group.
- He tells you that he does not have the time to fill out your database questionnaire for the building. He offers you \$100 to fill out your own questionnaire. What should you do?





Ethics Scenario 3

- You are on the City Council. Your local chamber director knows the name of a company that is coming to your community, but he will not tell you, the rest of the Council, or the Mayor who the company is. What do you do?

Ethics Scenario 4

- A major resort/vacation home developer calls your economic development office wanting land values and information on an old, rundown golf course being considered for purchase.
- The developer will be investing several millions of dollars to upgrade the course and other property that will be converted into condominiums and home sites.
- Several nearby tracts are now available at the low, current market price. What should you do?



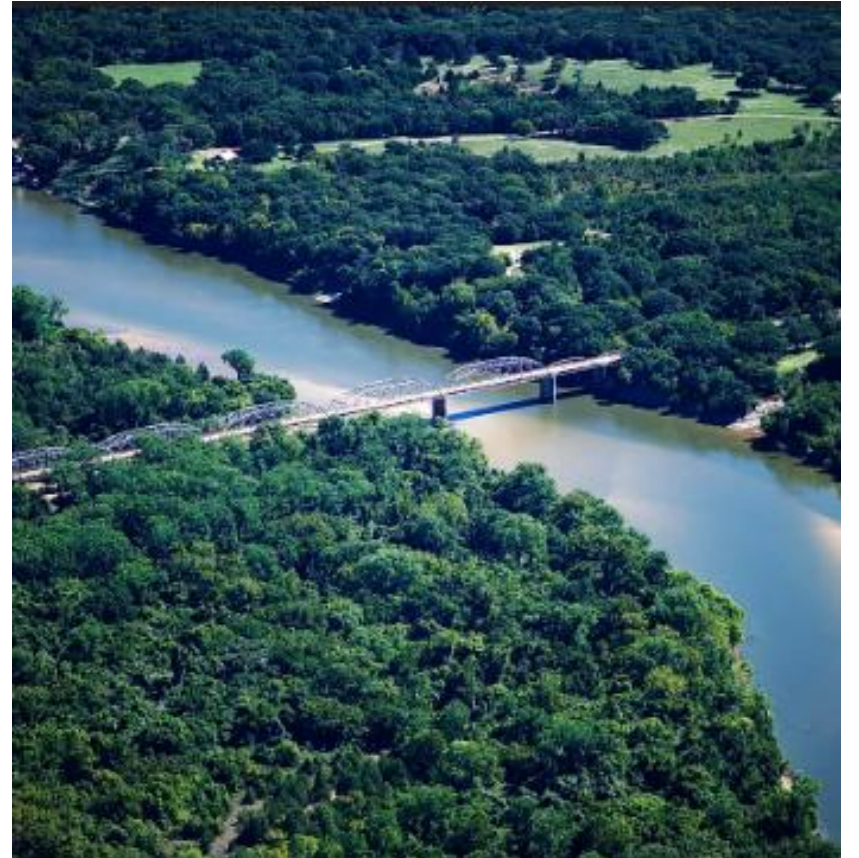
Ethics Scenario 5

- You are assisting an industrial company to sell their building that they are vacating. They have an offer, but it is only good for ten days.
- The company tells you that they are willing to pay \$1,500 above the fee to expedite the appraisal.
- They shut the door and tell you if you can get the appraiser to speed up the process, they will pay the appraiser \$1,000 and you can keep \$500. What should you do?



Ethics Case Study 1

- A private developer planned a large housing project in an area known for its biodiversity and proximity to the main river of a community. The river and its surroundings are a vital ecosystem in the region. The project promised to alleviate the region's housing shortage but would result in environmental degradation.
- **Questions:**
 - Can environmental sustainability be compromised for economic development when the long-term costs could outweigh the short-term benefits?
 - Should the development be halted to protect the environment, or should the focus be on providing homes for the growing population?
 - How can development be managed in a way that prioritizes both ecological and community needs?



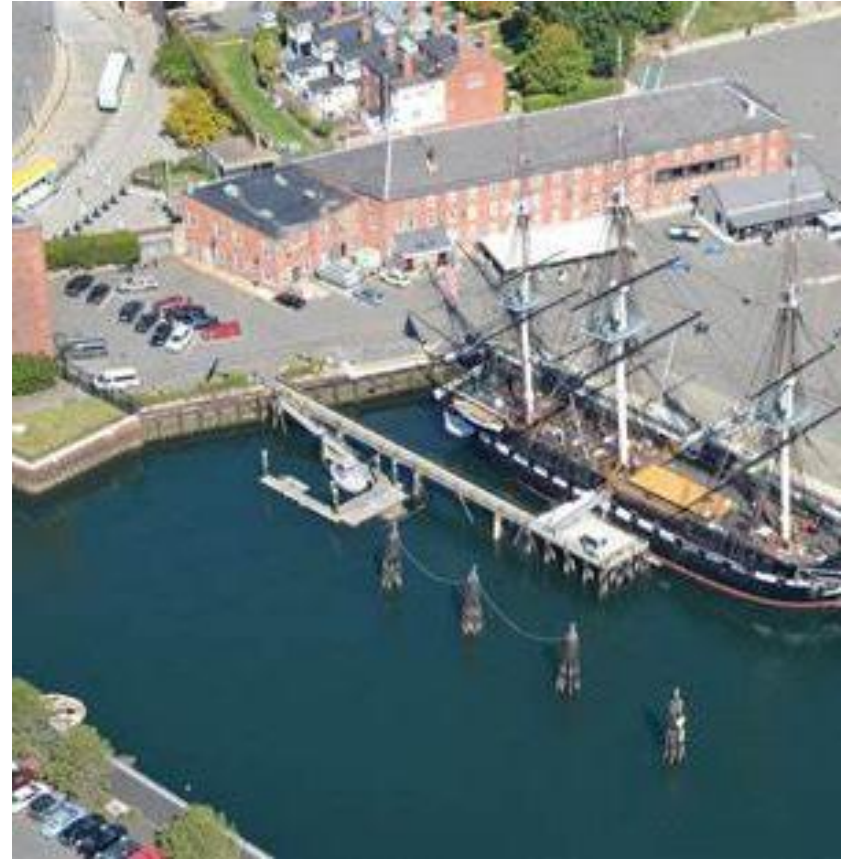
Ethics Case Study 2

- In a small city, city officials engaged in massive corruption, secretly paying themselves exorbitant salaries while diverting public funds from community development projects. The corruption was only exposed after investigative journalists revealed the officials were earning up to \$1.5 million annually in a low-income city where many residents struggled to afford basic services.
- **Questions:**
 - How can communities prevent government corruption and conflicts of interest?
 - Should city officials be legally required to disclose their salaries and financial decisions?
 - What mechanisms ensure public funds are used ethically for community development?



Ethics Case Study 3

- A former Navy Yard, which was once a hub for shipbuilding, is now a thriving industrial park with a focus on high-tech businesses. The city invested millions in its revitalization to attract new businesses, but the surrounding community, primarily low-income and working-class families, feared being displaced by rising rents and upscale developments.
- **Questions:**
 - Should the city prioritize attracting businesses and creating jobs at the expense of potentially harming the local community's stability?
 - How can the city balance economic revitalization with the need for affordable housing?
 - Should developers and the city have been required to provide affordable housing and protect tenants from rising rents?
 - How can the voices of long-term residents be better integrated into the planning process to ensure they benefit from development?



Ethics Case Study 4

- As a Chamber Director, you have been working on a Walmart Super Center for the past three months. Just before the land closes, an elderly woman that owns 25 acres next to the new development in the community dies. Her son that lives in another state calls you to see if you can help him find a buyer for the 25 acres that he has inherited from his mother.
- **Questions:**
- As a Chamber Director, should you personally assist in selling the land, or would that create a conflict of interest?
- Would recommending a specific buyer (such as Walmart or a developer) be seen as bias or favoritism?
- Should you disclose your role in the Walmart project to the son of the deceased owner?
- Should you make the land sale opportunity public so multiple buyers, including local businesses, can make offers?
- If Walmart is interested in the land, should they be given a special advantage because of their existing deal?







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