BEST PRACTICES AND STRATEGIES
For
RURAL ECONOMIC DEVELOPMENT

Successful Practices and Strategies in Rural America

By

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Economic Development Best Practices Manual

How to Use This Manual: This manual is a compilation of best practice articles from various economic development sources in the United States. The manual is intended to provide information and instruction on implementing successful economic development strategies in rural Georgia. While some best practices may, at first glance, appear inapplicable to rural Georgia, the articles encourage innovative implementation strategies such as public-private partnership formation, regionalism, alternative funding sources, and untapped community resources to respond to the problem at issue, and improve the quality of life in each community examined. Readers should review the articles to glean whatever pearls are relevant to their community situation and are encouraged to transfer and interpret those pearls anew in their own community strategies. Although many of these programs are dated, most of the practices/procedures are still applicable to the development of a similar program.

Central to the success of each best practice is the coordination of the community in assessing its strengths and weaknesses and ascertaining a workable solution. Each best practice article is provided in an easy to read and follow format which allows and encourages duplication of the practice in any community. Readers are encouraged to consult the contact persons or sources noted in each article for further details.

Consult this link for other valuable, topical information on rural development programs and practices:

http://www.nal.usda.gov/ric/ricpubs/ricpubs.htm

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Arts

Topic: Arts

Subject: Developing an Arts Council

Location: Southcentral Wyoming (WY)

Summary

This program, which began in 1990, established the Platte Valley Arts Council in Saratoga located in southcentral Wyoming. Prior to the Council, many felt that this community lacked cultural activities such as art and theater. The Platte Valley Arts Council succeeded in bringing these activities to the area as well as increasing the amount of economic activity by organizing an arts fair as part of its 4th of July celebration. In addition to the 4th of July celebration, the Council also sponsors a local drama club, the Platte Valley Players, and supports art in the public schools by bringing in local artists to work with the children to develop an appreciation for art.

The Council is supported with modest, but diverse funding from many businesses and individuals in the community. To provide organization and leadership, the community accessed the talents and experience of a local actress who helps to direct Council activities. A future goal of the Council is the development of an arts center that will contribute to the long-term cultural and economic strength of the area.

Successful Practice

The Platte Valley Arts Council used artistically talented individuals in the community to bring artistic and cultural diversity, and increased economic activity to their community. They solicited support from many diverse and varied sources in the community including individuals and businesses.

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Case Study

The Problem
Many citizens felt that their area of southcentral Wyoming lacked artistic diversity and enthusiasm. Although there were two art galleries in the region, there were no activities surrounding them and little interest in what they offered. Students from local schools were equally lacking in artistic appreciation and interest as area schools did not include an adequate amount of art in the curriculum.

Another impediment to developing an interest in art in the community was the fact that there are few no radio or television stations and the nearest movie theater is 45 minutes away. Normally, these outlets would provide some exposure to the arts. The one major event that did get some attention was the annual 4th of July celebration. This, however, was generally very small and not well attended.

The Approach Adopted

Citing this dearth of art related activities, concerned citizens from the Carbon County area formed the Platte Valley Arts Council (PVAC) in Saratoga. The Council was established in 1993 to promote, encourage and support all forms of the arts. The PVAC's mission is to enrich the quality of life of the area and to expand the basis for the arts in the surrounding communities through increased educational opportunities. An important goal of the PVAC is to facilitate the planning, funding, construction, and continuing maintenance of a permanent arts center in order to contribute to the long-term cultural and economic strength of the area.

How They Implemented the Approach

PVAC was started by a group of citizens in the Carbon County area who felt that their community lacked artistic activities. They felt that a greater appreciation for art would give residents greater respect for their community. Although several people are responsible for the operation and management of PVAC, the group was led by woman new to the community who had experience as an actress. With her leadership, PVAC was able to coordinate artistic programs and events.

The first program that PVAC decided to concentrate their efforts on was improving the annual Fourth of July festival. Although this festival was usually poorly attended, PVAC group members felt that there was a great deal of potential if the activities could be enhanced and expanded. First, they decided to make the festival into a multi-day event with many activities and exhibits. Although this event would cost a great deal of money, PVAC was able fund activities through a modest grant for $800 from the Wyoming Arts Council, private donations, membership dues, and admission fees from exhibit participants. The festival also received a tremendous amount of in-kind support from individuals who donated their time and energy. An estimate of the entire festival ranges around $50,000 although the actual monetary expense was closer to $14,000.

Although the PVAC sponsors many activities, the Fourth of July Arts Celebration is the largest program which attracts thousands of participants. The five day event includes an art exhibition, a parade, cowboy poetry, musical performances, a triathlon, and a barbecue. In addition to the Fourth of July celebration, the Council also supports the Saratoga High School Drama Club, performances by a nationally known artists, and an artist-in-residence program in the public schools. In the future, the Council hopes to improve the programs and events that are already in place as well as launch an "arts in the parks" program either this or next summer.

Results

PVAC has been successful in bringing artistic culture to this part of southcentral Wyoming. It has organized and sponsored a multi-day Fourth of July festival, a high school drama club, and several other smaller art programs and activities for the benefit of the schools and the community at-large.

Although this program was not intended to directly benefit the business community, many local vendors have commented that business activity increases greatly during the Fourth of July Arts Festival. Whereas in the past the Fourth of July celebration would only attract a few hundred for one day, for the past five years the festival has attracted nearly 5,000 participants from all over the region. This increase in attendance is directly attributable to the increase in sales that area businesses report.

Demographics of Carbon County

Area of Focus

population 16,147 (United States N/A)
population per square mile 2 (United States 72)
per capita income $11,592 (United States $14,420)
percentage of population with incomes below the poverty line 10 (United States 13.1)
Source: 1994 City and County Data Book

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Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Arts

TOPIC: Iowa Cultural Audience Recruitment and Development

LOCATION: Iowa

SUBJECT: Improving Access to the Arts for Low-Income People

SUMMARY

Low-income individuals and families in Iowa did not have access to many cultural or artistic events because of the often prohibitive cost of such events and because these events often do not take place in communities with high low-income populations. Five Iowa community action agencies (CAAs) joined with the Iowa Arts Council and other local arts groups to make it easier for low-income people to attend and participate in community arts and cultural events. The Iowa-Cultural Alliance Recruitment and Development (I-CARD) program has two goals: (1) to provide cultural and entertainment opportunities to low-income families who might not otherwise take part in the cultural life of the community; and (2) to allow arts organizations to attract new audiences and new support for their activities. Across the five participating communities, 1,200 low-income people have used their I-CARDs to obtain free or discounted tickets to a variety of cultural events.

SUCCESSFUL PRACTICE

Established a partnership among five community action agencies, the state arts council, and local arts groups to develop a program to improve the access of low-income people to the arts.

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CASE STUDY

The Problem: Low-income individuals and families in Iowa did not have access to many cultural or artistic events because of the often prohibitive cost of such events and because these events often do not take place in communities with high low-income populations.

The Approach Adopted: Five Iowa community action agencies (CAAs) joined with the Iowa Arts Council and other local arts groups to make it easier for low-income people to attend and participate in community arts and cultural events.

How They Implemented The Approach: Operation New View (ONV), the CAA in Dubuque, was the first agency to develop such a program. ONV received a small grant in

1993 to cover the cost of producing Key Cards—special identification cards that low-income people could use to obtain discounted or free tickets to cultural events. Local arts organizations agreed to establish discounted rates. Benefits of the Key Cards include plays at the Bam Community Theatre, dance productions at the Heartland Ballet, and visits to museums such as the Dubuque Museum of Art.

Operation Threshold (OT), the CAA in Waterloo, developed a similar program with funds from its Community Services Block Grant (CSBG) and a local foundation. OT involved not only local arts organizations, but also the Waterloo Recreation Commission and the MET Transit Authority. Involving the transit authority has been a key element to OT's success in this program because transportation expenses can make even free events unaffordable for low-income families.

While the CAAs were developing their access to the arts programs, the Iowa Arts Council was using a planning grant from the National Endowment for the Arts to reach underserved communities. The Council evaluated barriers to participation in the arts. As expected, the study found that the rural nature of the state was a major barrier. However, the study also found that income was a significant barrier. The Council evaluated methods to eliminate the income barrier and decided to establish program's like ONV's Key Card in other communities.

Working with three other CAAs, the Council established the Iowa-Cultural Alliance Recruitment and Development (I-CARD) program in three additional Iowa communities. The Council gave small grants to the Woodbury County Community Action Agency, the Hawkeye area Community Action Agency, and Mid-Sioux Opportunity, Inc.

The I-CARD program has two goals: (1) to provide cultural and entertainment opportunities to low-income families who might not otherwise take part in the cultural life of the community; and (2) to allow arts organizations to attract new audiences and new support for their activities.

The CAAs use the grants from the Iowa Arts Council to purchase cameras, film, and other materials for the program. CSBG funds cover the staff time necessary to register people for the program.

Each agency has worked with the arts organizations in its community to develop its own method of recruitment and registration. One CAA had a kick-off party for 250 people with pizza, entertainment by the Sioux City Symphony and the Siouxland Youth Chorus, and the chance to register for an I-CARD.

Results: The Iowa Arts Council conducted an evaluation and found five primary benefits of the I-CARD program: The price of admission—the major barrier to participation in the arts for low-income people—was eliminated or drastically reduced. Social service agencies and arts organizations formed partnerships that have increased mutual awareness and should yield additional cultural programs to serve low-income people.

Participants were able to more fully participate in community events, thus strengthening the community and their families. CAAs were able to offer a new program at a relatively low cost. Arts organizations increased the respect they received from other segments of the community.

The evaluation also pointed out some problems the program still needs to address. First, transportation is major barrier to access for many Iowans. Operation Threshold dealt with this by involving the local public transportation provider. Other agencies are trying to develop similar arrangements. Second, "classism" is also a persistent barrier to the blending of low-income and more affluent members of the community. As one participant put it, "It takes more than the price of admission to assure a warm welcome once inside."

Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Business Development

Central Vermont Community Action Council

TOPIC: Community Economic Development

SUBJECT: Micro-Business Development Program

LOCATION: Vermont -- Statewide

SUMMARY:

Originated in 1988, the Micro-business Development Program (MBDP) is a partnership between five Community Action Agencies (CAA's) and the State of Vermont Office of Economic Opportunity. Each CAA houses a MBDP staff person or Business Development Specialist who provides technical assistance to income-eligible Vermonters interested in starting or expanding businesses. The State provides access to financing through its Job Start Loan Program. The Business Development Specialists offer both classroom training and one-on-one assistance to program participants. Central Vermont Community Action Council (CVCAC), one of the CAA's, acts as the lead agency and houses the MBDP Director.

SUCCESSFUL PRACTICE

Implementation of a state-wide program to teach low-income individuals who want to start a micro-business -- or begin self-employment -- how to write a business plan, make a loan application, and manage their start-up business.

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CASE STUDY

The Problem:

The start-up of a micro-business or the pursuit of self-employment is a viable alternative for many low-income individuals, particularly in areas where employment opportunities are limited. However, most low-income individuals lack the skills to develop a business plan and lack access to start-up capital.

The Approach Adopted:

Initiate a micro-business and self-employment program where low income individuals are taught to write a business plan, make a loan application and manage their business.

How They Implemented The Approach:

More than 80% of Vermont's businesses have fewer than 10 employees, and more than 60% of them have no more than four employees. Small businesses form the background of the state's economy, yet many in Vermont have a hard time obtaining loans to either start a business or expand an existing one. This is even a greater problem for a low-income individual without any business experience

CVCAC, in partnership with other CAA's, private funding organizations (such as Working Assets), banks, state, federal and local government funding sources decided to attack this problem through the creation of a state wide micro-business development program targeting income-eligible Vermonter's who were at or below 125% of the official poverty guidelines.

Micro-business Development Specialists were established at each of Vermont's CAAs, developing a statewide network to provide classroom training, business development technical assistance and individual counseling services to low income entrepreneurs. Being located within the CAA structure facilitated the identification of potential program participants and increased awareness of the Micro-business Development Program among low income persons already using CAA services.

In a rural state like Vermont, networks among service providers are an effective means of coordinating and streamlining services. A variety of state agencies also served as primary partners for the MBDP including Vermont Job Start (a business start-up loan program), The Vermont Department of Employment and Training, the Division of Vocational Rehabilitation, and the Small Business Development Program. The latter three partners were sources for mutual referrals of the eligible low-income clientele to technical assistance services provided by the Micro-business Development Program, e.g. MBDP clients may have attended training provided by SBDC which was more convenient in time or place.

Other lending institutions within the state provided referrals of low income loan applicants to Vermont Job Start. In some instances Vermont Job Start referred these loan applicants to the technical assistance services provided by the Micro-business Development Program.

Results:

564 eligible low-income Vermonters participated in the program. 5,183 hours of technical assistance were provided, with approximately one-third involved in one-on-one

technical assistance with individual business development specialists. The additional two-thirds was devoted to business development classes. A total of eighty-five micro-businesses were started or expanded.

PROGRAM SPIN-OFFS

The state of Vermont now includes the needs of low income entrepreneurs in its economic development strategies. Private business development programs such as "Working Assets" have expanded into Vermont. Previously "Working Assets" was in all other New England states except Vermont. The Vermont Banking Association has endorsed the program and state funding has replaced federal funding at the completion of the initial federal funding support period.

Webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Business Development

TOPIC: Economic Development

SUBJECT: Capital Investment/ Revolving Loan Fund to Halt Out-migration

LOCATION: Rural Northeast South Dakota - 22 counties

SUMMARY:

To minimize out-migration in the area, the North East South Dakota Energy Conservation Corporation (NESDECC), a 501(C) (3) private non-profit community development corporation was created by its parent corporation, the Northeast South Dakota Community Action Program (NESCAP). Its mission was to assist small rural communities with business development and job creation, targeting the low-equity sectors. The NESDECC established a Revolving Loan Fund (RLF) to assist low-income /disadvantaged and low-equity individuals secure loans and to begin or expand an existing business. The RLF has four loan programs: CD Pledge Program, Supplemental Income (Loan) Program, Direct Loan Participation Program (DLPP) and the Small Business Administration (SBA) Microloan Demonstration Program.

SUCCESSFUL PRACTICE

Creation of a viable revolving loan fund that stimulated capital investment in a 22 county area of rural northeast South Dakota, and reduced out-migration.

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CASE STUDY

The Problem:
22 counties in rural northeast South Dakota were faced with a major out-migration, with most of the counties having lost anywhere between one-third and one-half of their population as a result of the demise of the family farm.
The Approach Adopted:

In 1978, the NESDCAP Board approved a plan to develop NESDECC as a new, separate 501 (C) (3) private non-profit corporation to stimulate business opportunity, economic

development, increased employment and self-sufficiency, increased economic diversity, decreased net out-migration, and greater receptivity of the financing community to the needs of low-equity residents so as to expand accessibility to capital.

How They Implemented The Approach:

NESDCAP sponsored Area Councils (composed of low-income residents) and the NESDCAP Board of Directors were instrumental in a planning process that led to the identification of economic development as a major need in the communities of rural northeast South Dakota. Staff from the State Economic Opportunity Office (SEOO) helped in developing written documents and plans crucial in the development stage. Consultants identified by the SEOO were instrumental in the election/selection process to create the NESDECC Board of Directors, and in developing Articles of Incorporation and By-laws. NESDCAP staff with experience in starting-up a home furnishing business and a live-stock co-op were extensively involved in the NESDECC development.

The South Dakota SEOO authorized the reprogramming of existing Weatherization funds to the newly incorporated NESDECC which allowed the hiring of a Business Management Specialist, and launched the first venture: a Weatherization contractor.

Since its inception, the NESDECC has received grants or loans to establish a revolving loan fund from: Community Services Administration/ U.S. Department of Health and Human Services, United Presbyterian Church, NESCDAP, Community Services Block Grant (State Department of Commerce and Regulation), East River Electric, First State Bank of Roscoe, South Dakota Community Foundation, Traverse Electric Co-op, North Western Public Service Company, Spink Electric Co-op, Aberdeen Development Corporation, Sisseton Development Corporation, Northwest Area Foundation, and the U.S. Small Business Administration. Fifty-seven private financial lending institutions either have been, or are now partners in the RLF Program.

The RDL Program consists of four types of loans that assist low-income/disadvantaged and low equity individuals to secure loans to begin a business or expand an existing business. These programs are:

(1) The CD Pledge Program --NESDECC can pledge a CD of up to 50% of a small business loan. The actual loan is made by a private lending institution, with $20,000 being the maximum pledge.

(2) Supplemental Income (Loan) Program --This program provides direct assistance to low-income applicants seeking to develop secondary sources of income such as a part-time business to supplement a primary source income. There is a $2,500 maximum on these loans.

(3) Direct Loan Participation Program (DLPP) --With these funds, NESCECC participates directly with conventional lending institutions and the borrowers to complete a loan financing package. The DLPP assists in coordinating capital investments for low-equity businesses in north east South Dakota. A typical loan package consists of 40%

NESDECC, 50% lending institution, and 10% applicant with a maximum NESDECC limit of $75,000.

(4) Small Business Administration (SBA) Microloan Demonstration Program -- This program provides assistance to women, low-income, and minority entrepreneurs, business owners, and other individuals desiring to operate business concerns. Designed to assist small business concerns in those areas suffering from a lack of credit due to economic conditions, these microloans generally do not exceed $10,000. In certain circumstances, a borrower who demonstrates that they are unable to obtain credit elsewhere at comparable interest rates, and is a good prospect for repayment, may receive a loan for up to $15,000.

Results:

Collaboration between NESDCAP, NESDECC and over 57 area banks and a variety of funding sources has led 291 area businesses to get financed. A total of 413 loans have been processed and the creation or retention of 981 jobs has reduced out-migration. The Rural Loan Fund concept has been replicated in many rural counties of South Dakota.
A total of $3,497,488 has been loaned, with a total of $7,654,924 leveraged as a result of the loan activity.

PROGRAM SPIN-OFFS

NESDECC has since expanded to 12 adjacent counties from the original 10 county service area. An Affordable Housing Project has been launched in cooperation with NESDCAP. In addition, NESDECC provides Rural Loan Fund training to city, county and multi-county organizations in South Dakota and throughout the United States.

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Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Business Development

TOPIC Capital Opportunities

LOCATION Montana (Statewide)

SUBJECT Microbusiness Training, Technical Assistance, and Loan Funds for Low-Income Entrepreneurs

SUMMARY

The Human Resource Development Council of Bozeman (HRDC), a community action agency serving Gallatin County in southwestern Montana, had an existing partnership with Women In Transition (WIT), a Job Training Partnership Act employment program for low-income women, in which they operated a microbusiness incubator called Headwaters Entrepreneurial Resource, Inc. (HERI). HRDC and WIT decided to augment HERI's existing training, technical assistance, and support services with a revolving loan fund to increase the ability of low-income people to pursue their microbusiness ideas. The U.S. Department of Health and Human Services' Office of Community Services (OCS) awarded a Demonstration Partnership Project (DPP) grant in 1989 to begin the Capital Opportunities project. DPP renewal grants in 1990 and 1991 allowed Capital Opportunities to expand from one county to five counties and two Native American reservations. In three years of DPP funding, the program extended 71 loans and helped develop or expand more than 100 microbusiness enterprises.

SUCCESSFUL PRACTICE

Developed a partnership to improve an existing microbusiness incubator program by providing crucial, but previously lacking, loan funds to low-income people seeking to pursue microbusiness enterprises.

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CASE STUDY

The Problem: Low-income people in Montana lack opportunities to pursue self-sufficiency through microbusinesses. While some entrepreneurial training, technical

assistance, and support services are available, the scarcity of low-interest loan programs severely diminishes the ability of low-income people to pursue their microbusiness ideas.

The Approach Adopted: The Human Resource Development Council (HRDC) of Bozeman, a community action agency serving Gallatin County in southwestern Montana, had an existing partnership with Women In Transition (WIT), a JobTraining Partnership Act employment program for low-income women, in which they operated a microbusiness incubator called Headwaters Entrepreneurial Resource, Inc. (HERI). HRDC and WIT decided to augment HERI's existing training, technical assistance, and support services with a revolving loan fund.

How They Implemented The Approach: In 1989, the U.S. Department of Health and Human Services' Office of Community Services (OCS) awarded the partners a Demonstration Partnership Project (DPP) grant to begin the Capital Opportunities project in Gallatin County.

OCS awarded another DPP grant in 1990 so that Capital Opportunities could expand into four additional counties in Montana. Four other Human Resource Development Councils—those in Kalispell, Missoula, Helena, and Billings—became partners in the project.

A 1991 DPP grant by OCS allowed Capital Opportunities to include Native Americans living on the Crow and Northern Cheyenne reservations to participate in the program. The 1991 grant also allowed Capital Opportunities to implement an outreach program to recruit public assistance recipients to the program.

After the first year of operating Capital Opportunities, HRDC recruited a new primary partner, the Montana Department of Commerce, which agreed to undertake outreach efforts to recruit participants, gather information from applicants to determine program eligibility, provide applicants with technical assistance in preparing business plans, provide business consulting services to applicants after they start their microbusiness, and provide matching funds.

Additional subpartnerships were established as the program evolved. Among those subpartners are the Gallatin County Welfare Department, which agreed to pursue administrative rule clarifications to allow welfare recipients to continue receiving assistance temporarily after getting a loan and starting a business. Other subpartners include the Montana Department of Social and Rehabilitative Services, the Montana Department of Labor, the Bozeman Chamber of Commerce, Montana State University, the banking community, various business associations, and other public and private agencies.

Capital Opportunities' training, technical assistance, and loans are available to dislocated workers, victims of farm closures, AFDC recipients, JOBS clients, Native Americans, displaced homemakers, the elderly, youth, minorities, and people with disabilities. Loan applicants must be at least 18 years old, lack sufficient access to conventional sources of

credit, and have inadequate financial resources to undertake their business proposals. Each county included in the program has a loan review board comprised of volunteers from various segments of the local community.

Capital Opportunities' training and technical assistance includes basic skills training in running a business and more advanced training in developing business plans, business accounting, pricing, conducting market feasibility studies, projecting cash flows, and securing financing. Program staff also act as advocates for clients seeking commercial loans.

Results: Over the three years of DPP funding, Capital Opportunities extended 71 loans to low-income entrepreneurs in Montana. The default rate was 16.4 percent, and approximately 28 percent of the businesses created failed.

The average amount of public assistance received by program participants has decreased by 21 percent, and eight of the 49 participants receiving public assistance when they entered the program left public assistance all together.

Upon entering the program, participants had an average yearly income that was 77.1 percent of the federal poverty level (with about 70 percent of participants earning less than 100 percent of the poverty level), and 18.6 percent were on public assistance. The average monthly AFDC payment was $272, and the average food stamp subsidy was $169 per month.

About two-thirds of the participants increased their annual earnings. Average yearly earnings for all participants upon entering the program was $10,644; by the end of the program average earnings had climbed to $16,577—a 56 percent increase. Income increases brought average earnings to 119 percent of federal poverty level. Half of the participants remained below the poverty level, but this is down from 70 percent at the start of the project. About 35 percent of participants were above 125 percent of the poverty level, and 14 percent were over 200 percent of the poverty level.

Anecdotal results, as reported by participants, show that Capital Opportunities helped participants financially, improved their self-esteem, gave them opportunities for a better future, and, by owning their own businesses, gave them a feeling of accomplishment and recognition in their communities.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Business Development

TOPIC: The Grafton Project: Center for Rural Enterprise
LOCATION: West Virginia

SUBJECT Establishing a Center for Micro-Business Development

SUMMARY

Low-income residents of Taylor County, West Virginia, needed financial and technical assistance in the development of new, sustainable businesses. As part of a comprehensive plan to revitalize the county, the West Virginia Community Action Directors Association established a revolving loan fund and the Center for Rural Enterprise. The Center encourages entrepreneurism, managerial effectiveness, citizen participation, and managed development throughout the state. The Center administers a revolving loan fund for micro-businesses loans and provides technical assistance to small businesses using staff experts and outside consultants. The Center will renovate and revitalize two important buildings in Grafton, West Virginia.

SUCCESSFUL PRACTICE

Created a community resource center where businesses and individuals could attend seminars, gain expert advice, receive funding, and form partnerships with others in the community.

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304-363-2170
304-366-8846 (FAX)

CASE STUDY

The Problem: Residents of West Virginia need financial and technical assistance to build the community's social and economic fabric.

The Approach Adopted: The North Central West Virginia Community Action Agency and the West Virginia Community Action Directors Association began a two part project: (1) The purchase and sensitive renovation of the Willard Hotel and the Depot Train station in Grafton, West Virginia, and (2) establishment and operation of the Center for Rural Enterprise and a micro-business loan fund.

How They Implemented The Approach: In April 1995, North Central West Virginia Community Action Agency received a one million dollar appropriation from the U.S. Department of Commerce to establish the Center for Rural Enterprise. The budget included $250,000 for a revolving loan fund, $250,000 for the Center, and $500,000 for acquisition and renovation of two historic structures in Grafton, West Virginia.

The revolving loan fund accepts applications from the community for the start-up of new businesses. Loan sizes range from $500 to $10,000. The loans are made to for-profit businesses that employ fewer than 10 people. Applicants need to clearly demonstrate that they will create jobs or retain existing ones. The loans can be used for equipment, machinery, working capital, leasehold improvements, or inventory. The loans are intended for people who do not qualify for bank financing but have the background and ability to run a successful business. Several applications are pending and the first loans are expected to be made in April 1996.

The Center for Rural Enterprise is a demonstration of community visioning, planning, and action. Some people have described the work of the Center as community development, others as economic development. The primary objective of the Center is to focus available resources on the development of the community in the broadest sense.

The Center's program and curriculum encourage entrepreneurism, effective management, citizen participation, and managed development in all communities. The Center has a goal for the Community to own, control, and utilize its own resources.

The Center has many roles in the community. It operates as a training site for community and business development activities, the organizational center for the micro-business loan fund, a community loan office, and a small business technical center. The Center staff and outside consultants help small businesses in issues such as, environmental regulations, business planning, tax planning, and compliance with regulatory agencies.

In Grafton, seat of government for Taylor County, the Center has become, in many respects, staff and consultant for the city and county. Linkages to the business and banking communities, colleges, Small Business Development Centers, the general community, and government have all been created by the Center's staff. The Center also functions parallel to the Economic Development Authority and in support of its work.

The Center also coordinates its efforts in small business development with other employment and development initiatives from colleges and state and county governments. Community building activities include the development of a "Time

Dollars" volunteer service, youth recreation, and oral history programs. The staff is also very active with both city and county planning and organization.

"Time Dollars" is an exchange of services between citizens in the community. One hour of any work is valued as equal to the value of any other type of work. Records are kept by the Center so that people can barter their time and skills for the work of other people and their skills.

The overall goal of the Center is to encourage the development of enterprises that will be supported by rural communities. Each business should support the growth of other enterprises and spur new activities in the hope that some economic stability and synergy will be achieved.

Results: The Center has assisted city and county governments in community based planning that has resulted in the production of the first strategic plans. A series of business workshops has begun that has helped existing business. The Center has been very successful at addressing the problem of deteriorating housing in the state. The Center has received loan applications and will make its first loan in April 1996. The Time Dollars program has been established and will be expanded to include businesses and their goods and services.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Business Development/Assistance

Cordele-Crisp BellSouth Small Business Resource Center
Cordele, Georgia

May 1999
Prepared by: Alfie Meek
Center for Economic Development Services,
Georgia Institute of Technology
Atlanta, GA

Context and History

In 1994, the need for increased development of small businesses and micro-enterprises in Crisp County was brought to the forefront when Crisp and neighboring Dooly County received federal designation as a Rural Enterprise Community, one of only 30 areas nationwide to receive this designation. One of the primary objectives of this designation is to train low-income individuals and help them to achieve economic self-sufficiency through small business ownership.

In 1997, BellSouth began the Chamber Grant Program for Small Business Development. As the name implies, the program was to help chambers satisfy critical needs relating to small-business development in their communities. The Cordele-Crisp Chamber of Commerce first applied for such a grant in October 1997 to fund a Small Business Technology Resource Center. According to its proposal, the resource center would:

"allow the chamber to move toward its goal of providing the area's current small-business owners access to a technically advanced business systems operation center which would provide the resources, training and assistance necessary to better plan, promote and subsequently grow their businesses. In addition, this resource center would encourage the development of new businesses by initially providing the resources and training necessary to develop in-depth business and marketing plans for launching micro-enterprises."

In December 1997, Citizens Bank in neighboring Dooly County upgraded its computers and donated three of the replaced computers to the chamber for use in the Small Business Resource Center. Also in December, BellSouth awarded the Chrisp chamber a $2,000 grant for use in the resource center. The chamber used the money to purchase various software packages useful to small business use, such as Adobe Pagemaker, JIAN BizPlan Builder, and JIAN Marketing Plan Builder. However, the chamber soon discovered that the donated computers were not sufficient to run much of the software. This left the resource center with only minimal capability to provide services and technology beneficial to local small businesses.

In April 1998, a manager at the local Wal-Mart contacted the chamber about applying for a community development grant that Wal-Mart was offering. In May 1998, that

application was submitted. However, during the course of the year the chamber did not hear from Wal-Mart, and follow-up on the application revealed that it had been lost. The application was resubmitted in January 1999 and is currently pending.

By the fall of 1998, the center was still not operational due to the lack of adequate computers. BellSouth announced another round of grants for small-business development, and in September, the Cordele-Crisp chamber applied once again, this time for money to purchase the much-needed hardware. In December, BellSouth awarded the chamber a grant of $5,000, which it used to purchase a high-end desktop PC, a 17-inch monitor, a scanner, a digital camera, and a CD-ROM burner, as well as training materials, and miscellaneous supplies. All of the purchases for the resource center were made from local vendors, and the center opened its doors in March 1999.

Organization of the Practice

The resource center itself is managed by the Cordele-Crisp Chamber of Commerce. However, as part of the process to put together a useful resource center, the chamber partnered with several other local organizations. The purpose of this was twofold. First, the Chamber wanted to avoid duplicating the efforts of other organizations. Second, the partners would bring valuable skills and/or services to the center, making it a more effective resource for small business. In addition to the chamber, the partners include the local Internet Service Provider (Sowega.net), the Cordele-Crisp Industrial Development Council (IDC), the Cordele campus of the South Georgia Technical Institute, University of Georgia Business Outreach Services (UGA BOS), Dooly County, and the Crisp/Dooly Enterprise Community. However, due to the fact that Dooly County was not in BellSouth's service area, for purposes of the BellSouth proposal, it was not included.

As partners, these organizations provide various services to the center. For example, Sowega.net provides free Internet access to the resource center. South Georgia Technical Institute provides skills evaluation and training. The IDC supplies volunteers that offer assistance to users of the center. The UGA BOS office in Albany regularly sends a business consultant to the chamber.

The Practice in Operation

The BellSouth Small Business Resource Center is physically located inside the Cordele-Crisp Chamber of Commerce. As the name implies, the center provides resources to small businesses that may not otherwise have them due to capital constraints. These resources include a photocopier, fax machine, and various computer equipment, including a scanner, digital camera, and a CD-ROM burner. The software packages available to these small businesses include Lotus SmartSuite (word processor, spreadsheet, database, etc.), Quickbooks, Quicken, Microsoft Publisher, Adobe Photoshop and Pagemaker, JIAN BizPlan and Marketing Plan Builder, and Fast Track Project Scheduler, to name a few. In addition to these "traditional" business applications, there is also Internet access. Through this access, small businesses can send and receive e-mail, research newsgroups, browse the Web, and even build their own Web sites using

software provided by the center (for example, Corel WebMaster Suite). All of this technology would be useless without proper training. Toward that end, the resource center also provides free training on most of the hardware and software through the use of interactive CD-ROMs and/or experts from one or more of the partner organizations.

All of these resources, including the Internet access, are available to any small business, whether or not it is a member of the chamber, or even located in Cordele, Crisp, or Dooly County. A nominal fee of $1 per hour for chamber members and $2 per hour for non-members is charged to ensure the maintenance and materials needed to operate the center. There is also a charge of $.05 per page for black and white printouts and $.10 per page for color. (Appendix A lists all of the guidelines established for the use of the resource center.) It is expected that future significant upgrades to software and equipment will be made through additional grants and/or sponsorships.

The center is promoted to the community in various ways. The Cordele-Crisp Chamber of Commerce held a ribbon-cutting ceremony to announce the opening of the center, and further promotes it through a newsletter. However, one of the most effective means of spreading the word has come through the University of Georgia Business Outreach Services office. When entrepreneurs and small business owners are looking for assistance, they often go to the Small Business Development Center at the UGA BOS office. In addition to other assistance, the business consultant informs them of the availability of the Small Business Resource Center in their community. Several visitors to the center have come because of this referral.

Program Outcomes

Although the Cordele-Crisp BellSouth Small Business Resource Center has only been operational for a short time, small businesses in the community have already begun to utilize its resources. One small firm in particular is WGF Enterprises, a local business engaged in the distribution of merchandise to consumers and retailers. The founder of WGF Enterprises, Williams G. Ford, has used the resource center to develop promotional flyers, design business cards, and write his business correspondence. In addition, Ford uses the center's Internet access to check his e-mail, and conduct research on the Web. Also, he is beginning to develop his own Web site to promote his small business on a larger scale. According to Ford, without the resource center he would not have been able to do the "groundbreaking work" to start WGF Enterprises. He estimates that the resource center has saved him over $4,000 in start-up costs and has allowed him to expand his customer base through the Internet.

The Cordele-Crisp BellSouth Small Business Resource Center in a good example of neighboring counties and local public and private organizations coming together to promote development in their community. By working together, these organizations created a synergy that would have otherwise been impossible to achieve. Together, they created a resource that after just a few months is already encouraging the development of new small businesses and micro-enterprises.

Acknowledgments

This case study is based on an interview conducted with Monica Simmons and Ricky Smith on February 9, 1999, and information sent by Ms. Simmons via e-mail, regular mail, and fax. The author gratefully acknowledges Monica Simmons, president of the Cordele-Crisp Chamber of Commerce, and Ricky Smith, chairman of the Cordele-Crisp Chamber of Commerce, for participating in the interview, for answering several follow-up questions that arose as the case study developed, and for reviewing the case. Questions or requests for information about this case should be directed to Monica Simmons, President, Cordele-Crisp Chamber of Commerce, 302 E. 16th Avenue, Cordele, Georgia 31010, (voice) 912/273-1668, (fax) 912/273-5132, email: cccofc@sowega.net.

Chronology of Milestones

December 1994	Crisp and Dooly County received designation as a Federal Rural Enterprise Community.
September 1997	Cordele-Crisp Chamber of Commerce began work on the application for the first BellSouth Small Business Development Grant.
October 1997	Cordele-Crisp Chamber of Commerce submitted the application for the first BellSouth Small Business Development Grant.
December 1997	Citizens Bank donated computers to the Crisp-Cordele Chamber of Commerce. A $2,000 small business development grant awarded by BellSouth.
April 1998	Wal-Mart contacted the Crisp-Cordele Chamber about applying for a community development grant that Wal-Mart was offering.
May 1998	Wal-Mart grant application submitted.
September 1998	Officials began work on the application for the second BellSouth Small Business Development Grant.
December 1998	The chamber was awarded a $5,000 small business development grant by BellSouth.
January 1999	Cordele-Crisp Chamber of Commerce resubmitted the Wal-Mart grant application, first application had been lost by Wal-Mart.
March 1999	BellSouth Small Business Resource Center opened.

Reference Material

1. Interview with Monica Simmons, president, Cordele-Crisp Chamber of Commerce, and Ricky Smith, chairman, Cordele-Crisp Chamber of Commerce on February 9, 1999.
2. Proposal For BellSouth Chamber Grant Program, Cordele-Crisp Chamber of Commerce.
3. Various e-mail messages from Williams Ford, founder of, WGF Enterprises.

APPENDIX A

Guidelines for Cordele-Crisp BellSouth Small Business Resource Center

1. Although the resource center is intended to help area entrepreneurs unable to purchase hardware and software to assist in the planning and marketing of products and services, it is necessary to charge minimum fees to ensure the maintenance and materials needed to operate the resource center. Chamber members will be charged a fee of $1 per hour of use and non-members will be charged $2 per hour of use. It is necessary to schedule time in advance to ensure a specific day and time for member and non-member use. Walk-in or same-day scheduling will be allowed only when there is no scheduled use of the resource center.
2. The Epson Stylus 800 printer is provided as a means to have printed copies of necessary materials (business plans, marketing plans, etc.). It is not intended for bulk printing of flyers, sales materials, order forms, or other high volume materials. The available programs of the resource center allow any person to prepare and save to disk (zip) any materials of this nature for a commercial printer to prepare and print at a much lower "cost per copy" than the resource center printer allows. Replacing the black and color cartridges for the resource center printer costs approximately $60 (combined). To maintain printer cartridges and paper, a charge of $.05 per copy for black and white and $.10 per copy for color copies will be assessed on all copies past the first 10 copies (which are free).
3. Users of the resource center are encouraged to bring their own floppy disks and/or limited amount of both floppy and zip disks for sale on premises. Floppy disks will sell for $1.50 each; zip disks will sell for $10 each. There will be no charging or accumulation of fees.
4. There will be no charging or accumulation of fees for using the resource center. Use of the center will be suspended for any business or individual who has any outstanding charges. All fees and charges are due the same day as use of the resource center.
5. Use of the Mavica digital camera off premises will require specific information from the user, such as name, address, phone number, etc. Non-chamber members may be required to provide a security in the form of a credit card number, which will be disposed of upon return of the camera.
6. No information by an outside user should ever be saved on the resource center computer. All work should be saved to floppy or zip disk and removed after each session. Any unauthorized information on the computer will be deleted.

7. No additional software or computer programs should be loaded on the resource center computer without the express permission of the chamber of commerce. Any unauthorized programming will be removed as soon it is discovered.

Any use of the resource center for materials deemed inappropriate by community and chamber standards will be grounds to suspend future use of the center indefinitely. This also covers the use of the resource center computer to search the Internet for sites not directly related to the business use intended.

Source: www.ceds.gatech.edu/bestpractices

Child Care

Topic: The Children's Center

Location: Central New York

Subject: Child Care for the Working Poor

Summary

A lack of center-based childcare in Chenango County, New York, was having an adverse impact on both parents who wanted to work and employers seeking to fill vacancies. In 1986-1987, several different segments of the community joined together to initiate planning for a licensed childcare facility. Partners in the project include Opportunities for Chenango, Inc. (OFC), the Chenango County Chamber of Commerce Foundation, the City of Norwich, the New York State Department of Social Services, local businesses, and volunteers. The business community raised $300,000 for construction costs, the city donated land in downtown Norwich, and OFC, a Community Action Agency serving Chenango County in central New York, agreed to operate the center. The state legislature and the state Department of Social Services provided crucial support in 1989 when they awarded OFC start-up grants of $20,000 and $108,000, respectively. The Chamber of Commerce Foundation pledged approximately $50,000 per year in operational support. The Children's Center, which opened in 1991, currently serves 113 children ranging in age from 18 months to school-aged children who attend an after school program.

Successful Practice

Built a coalition of private, public, for profit, and nonprofit organizations to create a child care facility in an area that was suffering from under-employment due to the unavailability of child care.

Contact

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(A Community Action Agency)
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Case Study

The Problem: In 1986, the business community and other concerned citizens identified the lack of affordable child care as a problem for parents and businesses in Chenango County, a rural county in central New York. Because there was insufficient quality, licensed child care, parents who wanted to work often could not enter the work force, and businesses with vacancies to fill had difficulty attracting candidates with pre-school-aged children.

In 1987, Opportunities For Chenango, Inc. (OFC), a Community Action Agency serving Chenango County, established the Child Care Resource and Referral Service (CCRRS) to help parents find child care. Later in 1987, CCRRS evolved into an economic development project to assist day care providers obtain licenses. However, the need for a dramatic increase in the availability of quality, affordable child care remained.

The Approach Adopted: In the fall of 1989, one year after the Chenango County Chamber of Commerce sponsored a breakfast forum on child care, participants decided to establish a centralized child care facility. The Chenango County Chamber of Commerce Foundation, the City of Norwich, and Opportunities For Chenango forged a partnership to carry out the initiative.

How They Implemented The Approach: OFC agreed to operate the facility; the Chamber of Commerce Foundation committed to raising funds for the building and pledged $50,000 per year in operational support, and the City of Norwich donated land in downtown Norwich for construction. The New York State legislature approved a $20,000 grant in 1989 to help pay start-up costs for the Children's Center. The New York State Department of Social Services added another $108,000 in start-up funds.

The project partners set a course to open the Children's Center in 1991. OFC's Board of Directors established two conditions to OFC's agreement to operate the Center: (1) the Children's Center must be community based—open and affordable to children from families in all socioeconomic groups; and (2) the Children's Center must be financially sound—the project must not adversely affect OFC finances and must be a self-supporting program.

In 1990, Proctor and Gamble Pharmaceuticals (a major local employer) presented a fundraising challenge to the business community at a business recognition dinner. Local businesses and individuals responded by donating almost $600,000 for construction and operating costs.

The Children's Center opened in May 1991 with three day care rooms. By March 1992, all five of the Center's classrooms were in use.

In 1992, as part of its ongoing self-evaluation to ensure financial security, OFC's Board of Directors established an ad hoc Children's Center Challenge Committee. The Committee identified several important strategies to improve the Children's Center's delivery of services and financial position. Strategies included better integration of compatible programs, the difficult decision to discontinue infant care, and better utilization of volunteer, student, and job trainee resources.

The Challenge Committee's recommendations helped stabilize the Children's Center, and, in the summer of 1993, the Center was ready to expand. OFC established a partnership with the New York Board of Cooperative Education Services (BOCES) that allowed the Center to begin offering summer care to school-aged children and a pre-school program.

In September 1993, OFC used Head Start expansion funds to integrate its Head Start program with the Children's Center's activities. In November 1993, the Center began making barter arrangements with parents suffering from tough economic times. In exchange for reduced-cost childcare, parents donated clerical support, desktop publishing services, and staff training.

In 1994, the Center built a playground with help from the Norwich Rotary Club and set up a picnic area on its grounds.

Results: The Children's Center currently provides day care and after school services for 113 children. As of July 1995, approximately 90 families send their children to the Children's Center, thus enabling parents to work or attend school or job training classes assured that their children are receiving quality, developmental care. These parents are employed in more than 40 local businesses, which benefit from the Children's Center's services because of a larger job applicant pool and reduced absenteeism among employees.

The Children's Center currently has seven full time and 14 part time employees. In July 1995, volunteers, job trainees, and student interns contributed 811 hours of service.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Child Care

I. **TOPIC**: STRIDES in Child Care Demonstration Project

II. **LOCATION**: Northeastern Minnesota

III. **SUBJECT**: Demonstrating Micro-Business Opportunities for AFDC Recipients and Other Low-Income Individuals

IV. **SUMMARY**

In 1992, the U.S. Department of Health and Human Services' Office of Community Services awarded a Demonstration Partnership Project (DPP) grant to a childcare training and business development program. Partners in the project were the Arrowhead Economic Opportunity Agency (a Community Action Agency in northeastern Minnesota), the Northeast Minnesota Entrepreneur Fund, the Arrowhead Community Economic Assistance Corporation, and St. Louis County Social Services. STRIDES in Child Care (STRIDES) offered skills training designed specifically to develop childcare micro-businesses. The project helped seven participants leave Aid to Families with Dependent Children, three participants establish their own businesses as child care providers, one find employment at a local child care center, and another reach the final stages of the state child care licensure process while providing legal, unlicensed child care. Since the project's completion, the state legislature has passed legislation to develop childcare provider training projects in four other Minnesota counties, and the counties will consult with STRIDES to develop their own training models. Local technical colleges also use elements of STRIDES to certify Child Development Associates.

V. **SUCCESSFUL PRACTICE**

Conducted a two-year demonstration project in micro-business development that led to the creation of three new child care provider businesses, the employment of two individuals by existing child care providers, and state legislature actions to replicate the project in four other counties.

VI. **CONTACT**

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VII. CASE STUDY

The Problem: Recipients of Aid to Families with Dependent Children (AFDC) and other low-income individuals and families in rural, northeastern Minnesota were suffering from two separate problems: (1) insufficient job or small business opportunities; and (2) a lack of qualified, licensed child care providers.

The Approach Adopted: In 1992, three public and private service providers formed a partnership to establish a low-income, micro-business, self-sufficiency project to address both of these problems. The partners in the project, St. Louis County Social Services, Northeast Minnesota Entrepreneur Fund, and Arrowhead Economic Opportunity Agency, took a different approach to micro-business development. Instead of providing general business training to entrepreneurs, they proposed a program to provide training and technical assistance designed specifically to create new, licensed childcare providers.

How They Implemented The Approach: In 1992, the U.S. Department of Health and Human Services' Office of Community Services awarded a two-year, $150,000 Demonstration Partnership Project (DPP) grant to the STRIDES in Child Care (STRIDES) project partners. In addition to the DPP funds and their own contributions of funds and time, the partners received in-kind support from St. Louis County, the local Head Start program, the local school district, local technical colleges, and many low-income volunteers from the community.

STRIDES offered a nine-month training and assistance program to give participants all the skills and support they needed to establish a childcare business. The program included three distinct training areas: (1) interpersonal skills development, (2) child development, and (3) small business development.

In addition to skills training, the project had a strong case management and technical assistance component. While participants received skills training, project staff worked with them to bring their homes into compliance with state laws and regulations governing in-home childcare. Staff also helped participants complete the childcare licensing process.

Case management services stressed the importance of the family decision-making process. Participants who sought to establish child care businesses in their own homes needed to be aware of how that would affect their home and family. Other family members had to have a voice and lend a hand for the business venture to succeed.

The partners publicized the STRIDES project through their other service programs and in the community at large to recruit participants. Thirty-three AFDC and other low-income individuals signed up for STRIDES in the first year. Only five participants completed the nine-month training, however.

Project staff and independent evaluators studied STRIDES' structure and first year results to find ways to reduce the dropout rate. The first change they made to the program was to

develop tighter screening procedures for participants. Instead of accepting all applicants, as STRIDES had in its first year, the program would limit participation. STRIDES staff also made changes to the structure of the skills training. The three skills training areas were conducted sequentially during the first year of the project. Participants went to classes two times per week for nine months. Project staff learned from participants and their own analysis that it might be better to provide training in the three areas concurrently. During the second year, STRIDES provided training in all three skills areas concurrently, and classes met three to four times a week.

Eight of the 13 people who started the program in its second year completed the revamped skills training component.

One of STRIDES' overarching goals was to develop a heightened sense of professionalism among and toward child care providers. To improve their self-image as licensed professionals, STRIDES worked to develop an informal network of providers. This helped create a professional support system among providers. By developing a network, STRIDES was also able to secure internship sites for STRIDES participants.

Results: All 13 of the participants who completed their training were receiving AFDC or other public assistance when they joined STRIDES. By the time they finished the program, seven had left AFDC. Three participants established their own child care businesses, one worked for a local child care center, and another was in the final stages of the state licensure process and was providing legal, unlicensed child care.

As a Demonstration Partnership Project, an important measure of success for STRIDES is whether it is replicated. The Minnesota legislature passed a law to develop child care provider training projects in four other counties. Planning teams from those counties will consult with STRIDES as they develop their own program models. Local technical colleges also use elements of the STRIDES model in their certification programs for Child Development Associates.

VIII. PROGRAM SPIN-OFFS

While STRIDES worked to improve the professional image of child care providers and developed its network of providers, staff found a need among providers for a toy exchange program. STRIDES created a toy lending library for licensed child care providers. The library has been a valuable resource for the professional child care community and is fully operated by volunteers from the community.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Community Development

Topic Community Development

Subject: Advertising Campaign for Community Development

Location Central Arkansas (AR)

Summary

The Arkansas Strategic Vision Program was created in 1991 to address Perry County's poverty and stagnant economy. Although the focus of this program is on developing tourism, it also created a strategic plan for bringing central Arkansas into the 21st Century. To promote program activities, organizers used television and radio advertising, door-to-door invitation and the print media. Almost immediately after this program was instituted, citizens began to respond through increased attendance at town meetings.

Within a year, the Arkansas Strategic Vision Program had a leadership training program and a partnership with Project International through U.S. Department of Agriculture (USDA) the Economic Development Administration, the Environmental Protection Agency, the Federal Highway Administration, Winrock International, several state and local agencies, and private sources. Over 100,000 three page brochures were distributed throughout the state advertising the tourist activities within the county. Additionally, 10,000 copies of a color facility/attractions card was developed for distribution by area businesses. With a small grant from the Forest Service of the USDA, this program has been successful in revitalizing the business and tourism industry in Perry County.

Successful Practice

Using tourism and a strategic plan as a means to promote economic and community development in a region that suffers from an undiversified and stagnant economy.

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Case Study

The Problem

Since 1980, Perry County has suffered from a great decline in its number one industry in this forest rich area, timber. Between 1980 and 1990, employment in the natural resource-

based industry sector declined 8.9 percent. With timber sales down, marginally-employed loggers and haulers and related service workers were hard-pressed to make the transition into other employment areas. They lacked the skills and technical training that would have allowed them to seek other kinds of employment in more advanced fields.

In addition, this region also lacks existing manufacturing or service-based industries to help fill the void left by the timber industry. Developing and encouraging new industry would be difficult as the region's infrastructure including roads, bridges and sewer systems are outdated and unable to support any new, large manufacturing or service facilities. This economic decline and inability to adapt has had a great negative impact on the social fabric of the area.

The Approach Adopted

To help this community diversify their economy and become less dependent on the timber industry, members from the Lake Sylvia Community Project Group (LSCPG), a local non-profit community activist organization, and the U.S. Forest Service formed a public/private partnership to develop the Strategic Vision Program for the Year 2000 and Beyond. The Vision focuses on tourism development as an alternative industry that can be used to generate increased business activity. The idea of the program is to capitalize on the area's greatest natural resource strengths; it's recreational potential and scenic beauty by using it in new, non-traditional ways such as tourism. To coordinate program activities, organizers established the Perry County Tourism Association.

Although the Vision focuses on tourism to achieve its many goals, it also outlines specific changes to Perry County in many areas of the region including the economy, the community, education, health care, infrastructure, and sanitation. The document helps to focus energies and highlight activities that are needed to accomplish the set goals.

How They Implemented the Approach

This project began as a partnership between the LSCPG and the U.S. Forest Service. Winrock International's Rural Enterprise Center played a major facilitation role in the formative stages of the partnership, as well as initial development of the grant application.

After receiving a $10,000 Rural Development Grant from the State of Arkansas, Private Forestry and U.S. Forest Service, members from the two groups worked together to form the Strategic Vision Plan. The plan identifies the various issues and concerns; opportunities that exist; and actions necessary to ensure the area's economic recovery. It illustrates how rural Arkansans, non-governmental organizations, and federal and state governments can, by collaboratively working together, achieve sustainable economic change.

Since the focus of the economic revitalization plan is on tourism, organizers felt it was necessary to develop a Tourism Association. The Perry County Tourism Association is

made up of elected individuals -- many of whom are active in the Lake Sylvia Community Project Group. The major goal of the Tourism Association is to establish a rural tourism-based economy.

To develop the tourist trade, much of what the foundation needed was already in place in Perry County. In this area there is much wilderness suitable for hiking, camping, boating, fishing, hunting, and other outdoor activities. In addition there is the Bluegrass Music Show, the Perry County Fair, and the Toad Suck Ferry Festival. With all of this already in place, the Tourism Association used the grant money to buy a three page ad in a regional tourism association that has a circulation of several thousand and reaches both in-state and out-of-state visitors. They also provided local businesses color promotion cards for distribution.

Results

The Strategic Vision Plan has helped to facilitate community leadership in this rural area of Arkansas. It has resulted in the establishment of a Perry County Tourism Association, and provided technical assistance to a 26.7 mile rural water delivery system critical not only to tourism development, but to the very quality of rural life. Over 100,000 three page advertisement ads will be distributed to Arkansans and to out-of-state visitors. In addition, they have also printed 10,000 copies of a color facility/attractions card for distribution from area businesses. Lastly, this project has helped secure a $35,000 matching grant for Federal Highway funds for surfacing a road to access several businesses and outdoor recreation amenities. In addition, it provided technical assistance to a local community for sewer improvements to meet public needs, safety, and environmental concerns, as well as facilitate discussion of, and expansion for, a public health unit, and provided recommendations for a county solid waste unit/recycling center.

Demographics of Perry County

Area of Focus
Population 8,348 (United States N/A)
Population per square mile 15 (United States 72)
Per capita income $8,848 (United States $14,420)
Percentage of population with incomes below the poverty line 20.3 (United States 13.1)
Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Community Development

TOPIC: The Transition Demonstration Project

LOCATION: Fort Gay, West Virginia

SUBJECT: Community Development in Fort Gay, West Virginia

SUMMARY

Fort Gay is a small West Virginia Town consisting of a few local government offices, two schools, a housing development and a few local businesses. It serves the towns population of approximately 800 and the surrounding rural areas.

Southwestern Community Action, through the Transition Demonstration Project (TDP), placed a worker in this area. The community organization which grew out of her work chose to build a playground. Because of limited public facilities the project evolved into a school/community park.

SUCCESSFUL PRACTICE

A small underserved community learned that their combined efforts do matter, that each individual has something to offer, and that improving their way of life is within their power.

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CASE STUDY

The Problem: Fort Gay was a small underserved community in West Virginia that had limited public facilities and no community organization to advocate on their behalf.

The Approach Adopted: Southwestern Community Action, through the Transition Demonstration Project, placed a worker in this area. The community organization which grew out of her work chose to build a playground. The project evolved into a School /community park.

How They Implemented The Approach: The group began their work by earning a "nest egg" to show their commitment. They researched playground safety regulations. They wrote to their local, state and national political leaders. They contacted all local businesses and agencies. Through grant matching funds, technical assistance from State Parks and Recreation Outreach, environmental assistance from the State Soil and Conservation and Forestry Division, they raised $100,000 of their $130,000 project.

Through volunteer work this group has completed the drainage and grading work. They have purchased $46,000 worth of playground equipment. The walkways and the emergency entrances have been installed. With approximately 60% of the on-going project finished, the park is expected to be completed in the near future.

Results: The creation of a school/community park through grass roots community-based community development

PROGRAM SPIN-OFFS

The creation of a sense of community development in which a small community has learned that their combined efforts can make a difference in the quality of their lives.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Community Development

TOPIC: Federation for Interracial Neighborhood Dignity

LOCATION: Lorain, Ohio

SUBJECT: Interracial Neighborhood Development

SUMMARY

A group of residents of the west side of Lorain, Ohio, were concerned about the future of their community. Homes were deteriorating and residents started to lose their sense of pride in their neighborhood. People were beginning to move out of the neighborhood and residents began to lose trust. They decided to get together and get involved in cleaning up the community. They knew that by doing so, they would be able to create changes concerning the conditions faced by neighborhood residents. With the assistance of the Lorain County Community Action Agency, the Federation for Interracial Neighborhood Dignity (FIND) was formed.

The initial projects of FIND included painting homes in the neighborhood, providing minor home renovations to older homes and helping neighbors who were elderly, disabled, or otherwise in need of assistance. A volunteer task force was created to help senior citizens and other residents in using their own expertise to aid one another. Community events such as picnics and socials have been held to build pride in the neighborhood and to introduce residents to each other. Once the community was cleaned up and repairs done, the group decided to focus on other issues in the community that affected them on a day to day basis.

Crime was a big factor in the community, especially during the summer months. A community block watch was developed. A monthly newsletter was created and distributed throughout the community so that residents remained aware of community events. Numerous committees were formed to deal with current issues such as leadership, leadership training, communication, crime watch, grantsmanship, and youth leadership/mentorship.

SUCCESSFUL PRACTICE

Created a community-based grass-roots organization to deal with the problems of neighborhood deterioration, isolated senior citizens, crime and the alienation of community members from each other.

CONTACT

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CASE STUDY

The Problem: The residents of the west side of Lorain, Ohio were concerned about the future of their community. Homes were deteriorating and residents were losing their sense of pride in their neighborhood. People were beginning to move, and residents were losing their trust in each other. Crime had become a big factor in the community, especially in the summer months.

The Approach Adopted: Neighborhood residents, with assistance from the Lorain County Community Action Agency, decided to get together and get involved in cleaning up the community. They knew that by doing so, they would be able to create changes concerning the conditions faced in the neighborhood.

How They Implemented The Approach: The initial projects of FIND included painting homes in the neighborhood, providing minor home renovations to older homes, and helping neighbors who were elderly, disabled or otherwise in need of assistance. A volunteer task force was created to help senior citizens and other residents in using their expertise to aid one another. Community events were held to build pride and to introduce residents to one another. A community block watch was formed to deal with the impact of crime on the community, especially in the summer months. A monthly newsletter was created and distributed throughout the community. Other committees were formed to deal with current issues in the neighborhood.

The program was initially funded with a grant from the Ohio Department of Development. CSBG funds have supported community efforts such as leadership workshops and community forums. Additional funds have been received by the local community action foundation, from British Petroleum America, The George Gund Foundation, the Stocker Foundation and Ohio Edison.

As the group developed, a set of five objectives were determined for FIND. These include:

- To raise the standard of living in the community;
- To promote the welfare of all residents;
- To insure that adequate laws for the care and protection of the community are being observed;
- To become active, not only in the neighborhood, but in the greater community as a whole; and

- To bring into closer relation, the community and decision-making processes.

Results: The most important benefit of FIND for participants has been the bonds formed through their grass-roots efforts that demonstrate that people will care about each other, help each other, watch out for each other, and work together to generally improve the overall sense of the community.

PROGRAM SPIN-OFFS

Though FIND was originally formed by the low and moderate income residents of the west-side of Lorain, it has expanded membership to all residents of the city. The current membership is diverse, with seniors, single-heads of households, and couples from a wide variety of racial and ethnic groups. A second program in a neighborhood area was also founded. Called the Elyria Renaissance, the two groups work together on several projects such as a county-wide clean-up.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Community Development

Topic: Community Development

Subject: Mobilizing an Entire Community

Location: Wallace (NE)

Summary

In early 1994, this community sought to improve their town and make it a more enjoyable place to live in. They did this by instituting an Economic Development Committee which consisted of community leaders. The Committee held several well-attended public meetings where residents helped to develop a strategic plan for the town. After the plan was developed, volunteers formed 11 different committees including: Park, Housing, Business and Industry, Community Foundation, Clean-up, School Addition, Library, Tourism, Swimming Pool, NCIP and the Medical Committee. These committees worked separately but were overseen by the Economic Development Committee which called itself the Steering Committee. Many accomplishments have been realized due to the efforts of these community driven committees. The town park has been renovated, a Farmer's Market has been developed, trees have been planted and several other town activities and projects have been initiated through this program.

Successful Practice

Directly seeking the ideas of and using volunteers from an entire community as a way to reinvigorate a town and empower the community members to implement their strategic plan at the grassroots level.

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Case Study

The Problem

Like many areas in the mid-west, Wallace, Nebraska suffered greatly during the 1980s when the agriculture industry began to rapidly decline. Not only was farming the number one industry in the area, most other industries and services tended to revolve around it. Because of this narrow focus in economic development, many jobs were lost as businesses closed their doors. The result of this was out-migration as people moved from

the area in search of jobs. More young people were going away to college with no desire to return to Wallace because of the lack of opportunity. If this problem were to continue, there is a chance that this community may disappear.

The Approach Adopted

To help reinvigorate this community of 308, a group of local leaders organized and formed the Economic Development Committee. The original goal of the Committee was to research new programs or processes that would help improve Wallace. After some debate and discussion, the method that the Committee choose was to very broadly look to the citizens for guidance and advice. The Committee decided that the best way to accomplish this was to conduct public hearings and ask the citizens of Wallace to volunteer their knowledge and experience in developing a long-range plan. Although the community would be the driving force behind the improvement project, the Committee would continue to serve as the main focus group and help steer public debate.

How They Implemented the Approach

In early 1994, the Committee held its first public meeting, with support from Con Agra, Inc. of Omaha, Mid Plains Community College and Chadron State College, where citizens could voice their opinion on the future of Wallace. After several hours of debate, it was decided by the group in attendance that the best way to determine the needs of the community would be to survey residents on how they felt about Wallace and identify areas where they believed that greater focus was needed. Once these areas were identified, all community efforts would then be made to improve and build on them. The survey asked participants to list what they thought were the top concerns and priorities for Wallace. These concerns and priorities would serve as the basis for the following meeting.

At the next meeting nearly one month later, with one-third of the town present, each attendee choose four of the most important priorities from the entire list that they felt believed needed the most attention. Once these results were complied, eight priorities stood out as being the most critical to the residents of Wallace. These priorities were: a Community Clean-Up campaign; building an addition to the school; Housing; developing a Community Foundation; constructing a Health Clinic; Tourism; Business and Industry; and hiring a full-time Economic Development Coordinator.

The listed issues were the basis for eight committees that were formed. The existing Economic Development Committee was selected as the Steering Committee with the primary purpose of assisting the other committees. After a few weeks, three more committees were formed. They were Park, Library and Swimming Pool. These twelve committees were responsible for their own area of focus.

The next task of the Steering Committee was to focus on the younger people in the town. To do this, the Committee used similar methods that it had employed in the town meeting. Each high school junior and senior in the town was surveyed on what they liked

and disliked about Wallace. Based on this list, the students suggested ideas and projects which would improve their community. They were then directed to the established committees where they had the most interest.

Results

The support from the community for this project has been overwhelming. More than half of the town is actively involved by serving on one of the twelve committees. Some of the more notable accomplishments of the committees include: park improvements such as new water fountains, picnic tables and playground equipment; the establishment of a Farmer's Market as well as three new businesses; 130 volunteers provided over 500 hours of community clean-up time; an agreement between the community and the Grant Clinic for one-year of medical service; and the establishment of Fun Day which raised over $1,500.

Demographics of Lincoln County

Area of Focus	United States
population	33,104	N/A
population per square mile	13	72
per capita income	$12,091	$14,420
percentage of families with incomes below the poverty line	12.1	10

Source: 1994 City and County Data Book

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Community Development

Topic: Community Center

Subject: Family Support

Key Words: Child Abuse, Parenting and Parent Resource Centers

Location: Central New York

Summary

In early 1990 the Coalition of Parent Educators (COPE) and the Children and Youth Services Council of Broome County published a "white paper" which specifically identified the need for parent resource centers, especially in rural areas of New York. Soon after the paper was issued, the State of New York issued a Request For Proposals to establish a Parent Resource Center (PRC) to provide counseling and education to families in need of assistance. In two weeks, members of COPE were able to mobilize the community, locate space, identify a lead agency, obtain support letters, and complete a grant application. In 1992, the Center was opened.

Today, PRC provides support and education to families in distress living in rural areas. There is no fee for service which relies on volunteers, donations, and funding from the NYS Department of Social Services to operate. In 1993, the Center had 7,400 visitors and has had excellent review from the people who have used its services.

Successful Practice

The investment in families in the community to promote healthier and happier household environments

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Case Study
The Problem

Child abuse is a problem that afflicts the entire nation including many rural areas. Southcentral New York is one rural area which suffers from this same difficult, domestic issue. Although no formal study was ever conducted measuring the rate of abuse in this

part of New York, child abuse received a great deal of exposure during the 1980's when two abuse related adolescence deaths attracted state-wide attention. Many believed that these deaths as well as the other lesser cases of child abuse were the result of a feeling of stress and isolation on the part of the children's parents.

The Approach Adopted

To help prevent child abuse, community leaders developed the Parent Resource Center (PRC). The PRC offers parents an informal setting where they can gather parenting information, discuss problems with other parents and counselors and offer children a safe, clean environment where they can play and meet new friends. It offers parents a place where they can take their children when the parents are feeling extreme pressure and isolation. Professionals and other parents are there to lend support and help the parents develop appropriate expectations of their children. In addition, staff is trained to model parenting techniques so that they serve as a model for center clients.

The Center provides a play area for children, meeting places for parents and counselors, physical therapy, workshops on parenting skills, a library of books and tapes on parenting and workshops on such issues as toilet training, immunization and discipline. The PRC receives a wide range of parents. Typically, the families that use PRC services are two-parent, white and middle income with the mother staying at home.

How They Implemented The Approach

In early 1990 the Coalition of Parent Educators (COPE) and the Children and Youth Services Council of Broome County presented a "white paper" which specifically identified the need for parent resource centers, especially in rural areas. This white paper created interest in children services at the state level. Later that year, the NYS Department of Social Services issued a Request For Proposal for a PRC. Because of COPE's proactive approach gaining a PRC, it took less than two weeks for them to locate space in a school, identify a lead agency, obtain support letters and complete the grant application.

Due to this aggressive and well-developed planning, Broome County soon won a grant from the New York State Department of Health and Human Services to build a PRC. This grant provided funding for four years for a total of $119,250 ending in March 1996. With state funding ending next year, the PRC is looking toward corporate and individual sponsors to help support the Center. To help assist with administering services, the PRC uses the help of college interns from nearby Broome County Community College and the State University of New York at Binghampton. These interns provide a steady and reliable core of volunteers that provide professional assistance while gaining college credit.

Results

The PRC is open Tuesday through Friday from 9:30 to 1:30 and occasionally on Saturdays. In February of 1995, the PRC had over 500 visits with some traveling from as much as 45 minutes away. Today, the Center which relies on volunteers and paid staff to provide services, offers activities for parents and children through age six. There is no fee for services.

Program Spin-offs

A second PRC opened in what is called the Triple Cities area of New York. This area includes Johnson City, Binghampton and Endicott. Unlike the PRC in Broome County, this center relies on funding from many diverse and varied sources. Funding is provided by the state, local government, the United Way, businesses and individuals. Although this center opened in the Fall, already it has had over 1,000 visitors.

Demographics of Broome County, New York
Population 212,471
Per capita income $13,626
Poverty rate 6.5%
Rate of Children Below Poverty 8.3%
Pop./sq.mile 241

Source: 1994 City and County Data Book

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Dispute Resolution/Consensus Building

Are different factions within your community fighting one another?

Are public officials unable to make decisions on a critical public issue, such as siting highways?

Is your community entangled in costly lawsuits?

Is your community facing a controversial policy or resource allocation decision? If so, you may want to consider using dispute resolution.

What Is It?

Dispute resolution and consensus building processes have been used successfully to resolve many public disputes. The major stakeholders in a particular dispute voluntarily negotiate an agreement that will serve all their interests, sometimes with the help of a neutral intermediary.

Why Use It?

- Remove a major obstacle to community development
- Avoid costly and time consuming lawsuits
- Achieve more stable and satisfactory outcomes for all stakeholders
- Deal with differences effectively and constructively

Different Forms of Dispute Resolution

Unassisted: Unassisted negotiation does not involve an intermediary. This form of dispute resolution is most appropriate if: 1) the issues and stakeholders are few and readily identifiable, 2) the stakeholders can establish communication that allows for joint problem solving, and 3) moderately high uncertainty about the outcome of unilateral action exists for all stakeholders.

Facilitation: The simplest form of assisted negotiation involves a facilitator, who focuses on the process, as opposed to the substance of the negotiation. Facilitators will rarely volunteer ideas; rather, they try to foster a climate conducive to problem solving. All parties jointly select the facilitator, but any one can "fire" him or her. Facilitation is most useful when the disputing parties need some assistance, but want it limited to focusing or moderating their discussions.

Mediation: In mediation, the intermediary engages in the substance of the dispute and must be knowledgeable about it. At the start of the negotiation, the parties meet privately with the mediator. The mediator then understands what room for negotiating exists and

attempts to bring the parties closer to agreement. Mediation is valuable where the parties have become "hardened" in their public positions and need help in exploring options.

Arbitration: In arbitration the stakeholders control the design of the process and approve the outcome, but the intermediary is more involved in devising solutions. After listening to all sides the arbitrator suggests a solution that the parties accept or reject. Arbitration can be binding or non-binding, but the former is rarely used in public disputes.

How to Begin

1. Convene the negotiation: Contact all the stakeholders and suggest that they meet and talk. An outsider with no direct stake in the outcome may be the best person to do this. The initial meeting should involve no commitments.

2. Identify stakeholders: Determine which groups should be represented and who can speak for them. It is always better to include too many, rather than too few groups, at the outset. A stand-in may be sought for groups that are not organized.

3. Select an intermediary: Disputants may decide to call in an intermediary at the beginning, or later if unassisted negotiations fail. The intermediary must be acceptable to all parties, and his or her role must be well defined. The disputants should decide what skills, styles and level of involvement they seek from an intermediary.

4. Set ground rules and the agenda: The parties must decide procedural issues of how they will work together, and what they will discuss. All major concerns should be considered potential agenda items. These concerns can then be clustered to bring the agenda to a manageable size.

5. Joint fact finding: To sort out fact from fiction, the parties must jointly determine what they do and do not know about the issues, experiences, and contexts relevant to the dispute.

6. Invent options: Next, the parties develop options for each agenda item. The brainstorming process works best if parties do not feel locked in to the options they suggest. To increase the chances of a satisfactory agreement, they should "focus on interests, not positions." This involves outlining their concerns, rather than insisting upon a particular outcome.

7. Package the options: Each party will value and prioritize the options differently. During negotiations, they try to determine how other parties value the options. By packaging and trading options, they attempt to reach a mutually satisfactory agreement.

8. Prepare a written agreement: The final agreement should be written to ensure that all parties have the same understanding of the outcome. They can then take back the

same information to their respective constituencies. The document should also specify performance measures--and how they will enforce the agreement.

Additional Resources

- State offices of mediation
- Society for Professionals in Dispute Resolution
- *Getting to Yes,* by Roger Fisher and William Ury
- *Breaking the Impasse,* by Lawrence Susskind and Jeffrey Cruikshank

Source: Office of Community Development U.S Department of Agriculture, Rural Development, Room 701, 300 7th Street, S. W, Washington. DC 20024 (1-800-645-4712). Copies may also be obtained at www.rurdev.usda.gov/ocd.

Community Empowerment: Keys to Success

The Empowerment Zones/Enterprise Communities Program seeks to enhance long-term community development by empowering communities and citizens to promote development using local resources. But empowerment may be hard to visualize, and even harder to achieve.

- Is your community focusing on the long-term vision in its strategic plan, or is it preoccupied with other projects?
- Are community organizations and citizens finding active roles in implementing the plan, or are a few groups and individuals running the process?
- Is the community making a special effort to build its capacity to promote development without Federal help, or is it focused on spending the SSBG funds?

Some Keys to Success

Community empowerment means far more than having access to the Social Services Block Grants and other financial resources available to designated EZ/EC communities. Empowerment means enabling poor communities to build the capacity and the confidence to succeed at development using their own resources and the help of other partnership organizations. How do you achieve empowerment? There is no single formula; each community will have to succeed in its own way. But, here are some "keys to success" to keep in mind as your community struggles with the day-to-day challenges of making empowerment work.

1. **Your strategic plan is your guide; stick with it.**

Your strategic plan is the written version of your community's vision for where it wants to go, and how it plans to get there. The plan incorporates decisions your community made about approaches to take, and those to postpone or ignore altogether. And, it embodies your community's strategy for moving from early successes to long-term enhancements. Resources for development are limited and straying from your roadmap increases your chances of getting lost.

2. If conditions change, update your plan

Although your community's plan was built for 10 years, nobody can see that far into the future with accuracy. Conditions change. Some of your programs will succeed; others will merit rethinking. To keep your plan vital, you should amend it when it begins to get out of date.

3. Use your SSBG funds carefully

The Social Services Block Grants (SSBG) awarded to EZ/EC's are special funds. You already have them; you don't have to compete for them again. Because SSBG funds are

already "in hand," the temptation is to use them instead of going to the trouble to apply for other programs. But, communities that use their SSBG funds wisely can stretch them out by attracting other dollars ("leveraging"). By doing this, you will get the most value out of these precious funds.

4. Community strength comes through teamwork: keep your team together

Long-term success will not occur through the efforts of a few community leaders, no matter how well intentioned. Communities succeed by acting as a whole--as communities. In order to build strength to last into the future, you will need to keep your community together.

5. Think and act as one region, not separate communities

Many EZ/EC's are made up of many towns and counties. Often, historical rivalries have made it difficult for communities to work together. But, most rural communities are too small to succeed on their own in the modern world. To overcome this, rural communities must think beyond their own borders and act together--regionally.

6. Build active partnerships, inside and outside your community

Long-term success in rural communities depends on building partnerships with organizations that have resources--funds, knowledge, organization, commitment--that can be used to foster community development. EZ/EC is your community's chance to establish partnerships that will last well after the 10-year EZ/EC initiative.

7. Build your capacity to succeed over the long run

More important even than creating jobs and providing services is building your community's ability to carry out development actions on its own. At the end of the 10-year period, your community will be "graduated"; what you learn during this period, and the skills you develop, will determine whether, in the long run, you and this Initiative have succeeded.

8. Keep community residents informed, and involved

Your own citizens are your biggest assets. In empowered communities, they bring willing hands and open minds to the development process. No community can become empowered without active citizen involvement. Keep them informed, and look for ways to keep them involved.

9. Manage your programs, and your resources, effectively

Your community is one of a small number who were chosen to lead the Nation in using the empowerment approach to development. What you do and how you act will be subject to close national scrutiny. To assure that the EZ/EC initiative is not brought into disrepute, it is critical that you do nothing to hurt its reputation. Even more, you must manage your resources in a way that proves that even small communities like yours merit the confidence the nation has placed in you to succeed.

10. Build the self-discipline to sustain your development program over a long time

Community empowerment is a long-term process. Poverty took generations to create; it will take years, perhaps decades, to overcome. Prepare yourself and your community for a long-term process by building an organization and partnerships that will work well over a period of years. Also, develop your ability to learn from your mistakes and to change your plans to meet new challenges.

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 64-4712 or at www.rurdev.usda.gov/ocd

Facilitation: What It Is And When to Use It

- When your community or organization holds meetings, do you often fail to reach decisions?
- Are meeting participants unclear about their roles and responsibilities?
- Is there confusion about objectives and expectations for meetings?
- Do your meetings display communication problems, negative attitudes and apathy?
- If so, you may want to consider facilitation to make your meetings more productive.

What Is It?

According to the Webster's Dictionary, facilitate means "to make easier". A facilitator is a person who can make your meetings flow more smoothly and be more productive. The facilitator paces the group, offers a variety of possible ways to approach problems, and waits until an agreement on a particular process is made. In other words, "the facilitator oils the tracks for groups to work effectively in meetings" (Doyle and Straus p. 37).

Why Use Facilitation?

- To keep meetings focused on the subject of discussion
- To have a neutral person present who will manage the process
- To accomplish goals in a more timely manner
- To give the group a sense of accomplishment

The Role of the Facilitator

The facilitator manages the process of a meeting by stepping into different roles as necessary:

- **The Opener:** Opens communication channels and initiates discussion, or facilitates better communication if the group is already talking.

- **The Legitimizer:** Reminds all parties to recognize the right of others to express opinions and be involved in decisions.

- **The Process Facilitator:** Lays down ground rules for the meeting and often formally leads the discussion, especially in the early sessions.

- **The Trainer:** Educates participants who may lack skills or preparation in the processes of negotiation and problem solving.

- **The Resource Expander:** Provides procedural assistance to the groups and links them to outside resources that may lead to more informed or varied viewpoints.

- **The Problem Explorer**: Examines a variety of viewpoints and helps the group achieve consensus.

- **The Agent of Reality:** Uses critical as well as creative thinking to question and challenge group members who have extreme and unrealistic goals.

- T**he Leader:** Mobilizes the group's resources to achieve goals.

In short, a facilitator is an expert, not in providing answers, but in managing the dynamics of the group that is doing the work.

Responsibilities of an Effective Facilitator

Facilitators often encounter situations that may interfere with the meeting process. These situations include, among other things, a lack of focus in meetings, getting stuck on an issue, lack of participation, repetition, and people interrupting the meetings. An effective facilitator should have the ability and the personality to deal with these types of problems. The facilitator is responsible for ensuring participation, handling silences, helping the group maintain focus, knowing when to move or to slow down, avoiding repetition and dealing with problem people.

The Facilitator

While we are able to define the roles and responsibilities of a facilitator, the fact is that there is no "right" way to facilitate. Much of the style of a facilitator depends on the personality of the individual and the situation and the nature of the group. Since the role of facilitator is based on flexibility and accommodation to the needs of the group members, there is no real step-by-step procedure to follow. The facilitator has to employ a combination of techniques to address the needs of a particular group (Doyle and Straus, p. 89).

Keep Diversity in Mind

A facilitator should acknowledge diversity in the community. In most communities, there are ethnic, cultural, and social differences that may interfere in the meeting process. Therefore, the facilitator is responsible for meeting everyone's needs. For example, if a community is bilingual, it is better to have a bilingual facilitator or to obtain a translator so that the full participation of all meeting participants is ensured.

How to Choose a Facilitator

Numerous consulting firms and individuals can be hired to facilitate meetings. For a list of these companies in your area, search the Internet or consult the telephone directory. In some instances these firms have workshops on facilitation or are able to provide useful material on the subject. Public agencies such as the Extension Service or regional councils and non-profit organizations may also have access to people with facilitation skills.

Groups that cannot afford to hire a professional facilitator may choose to train some or all of their members in facilitation techniques. Group members can learn facilitation skills either through reading and researching the subject or by attending a facilitation workshop. It is also common for a group's leader to serve as a facilitator. He or she is then responsible for assuring the participation of all members. However, the group leader should "step out" of the facilitation role if he or she wishes to express a personal opinion or make a policy recommendation.

By Francisco Enriquez November 1996 CD Technote 4

Additional Resources

- How to Make Meetings Work! by Michael Doyle and David Straus (New York: Berkley Books, 1993).
- Interaction Association, Inc., 600 Townsend St. Suite 550, San Francisco, CA 94103 (415) 241-8000.

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024, 800-645-4712, www.rurdev.usda.gov/ocd

Community Planning

- Do you feel your community lacks direction or vision?
- Is there a lack of community participation?
- Do you feel your community not going anywhere?
- If so, community planning may help you overcome those obstacles.

What Is Planning?

According to Webster's Dictionary, planning is the formulation of a detailed scheme, program, or method worked out beforehand to accomplish or attain an object (community development, in this case).

Why Plan?

A community plans:

- to improve economic development;
- to focus its efforts for change;
- to establish long-term goals;
- to unite and incorporate the community.

The community planning process can be used by anyone who has an interest in improving his/her community. This includes concerned citizens, developers, students, commissions, public officials, church and school boards, and others. All those who are willing to organize, participate and make a change in their communities can be involved in the community planning process.

Preparatory Steps

Do a Community Profile

A community profile is an analysis of conditions in the community. By creating a community profile (also called community evaluation and analysis), you will better understand your community's social, economic, and human resource base and its problems and opportunities. The analysis should use current information about economic trends, natural resources, and demographics. This is helpful before entering the planning cycle.

Form a Planning/Steering Committee

The planning/steering committee will manage all aspects of the planning process. It will be in charge of guiding the research, setting goals, and directing the work of various project subcommittees. A planning committee is usually composed of various interest groups, local organizations, government officials, local businesses, schools, churches, universities, and other partners.

Hold Organizational Meetings
In organizational meetings, all sectors of the community come together to reach consensus on goals and processes. These meetings allow discussion of all concerns and hopes. Discussing the development of a community plan can unite a community and establish a bond between the community and public officials.

Form Task Forces
Task forces or project subcommittees are assembled to research different subjects, brainstorm, hold community/town hall meetings, and meet with selected experts.

Hire a Consultant
If you feel you lack the knowledge to plan on your own, consider hiring a consultant. The consultant can help guide and develop the community-planning process, organize the steering committee, facilitate town meetings, advise task forces, and conduct volunteer training. However, some consultants may not be familiar with the unique circumstances in your community. To be successful, communities need to make sure that they remain in charge of their own planning process and employ the consultant in an advisory capacity.

The Planning Cycle

Assess Your Current Situation
Develop a profile of the social, physical, economic, environmental, and human resource assets and conditions of the community. Numerous methods have been developed to achieve this. One approach is called "New Ideas". This is a simple approach that examines problems and develops new ways to improve or correct them. Another method, SWOT Analysis, is a systematic approach that examines a community's Strengths, Weaknesses, Opportunities, and Threats.

Select and Analyze Priority Issues (Goals) Priority-issue selection and analysis helps in narrowing the scope of the plan. A priority issue can be broken down into a vision statement and a mission statement. The vision statement is a community's ultimate goal for themselves, a shared view of community development. A mission statement is the concrete expression of the vision statement. It will explain how to achieve the vision statement.

Plan the Details
Detail planning deals with getting results and seeing who is going to do what, when, and how. It includes identifying key tasks, prioritizing activities, and establishing control mechanisms such as benchmarks, reporting, deadlines, and quality and cost controls.

Get Commitment to the Action Plan Commitment to the action plan is essential if the plan is to function. One can assume that the plan can work if there is commitment by community leaders to create a long-term strategy statement, set annual objectives and conduct strategic benchmarking. The long-term strategy statement describes all the approaches, methods, and strategies required to fulfill the community's objectives during

the implementation process. The annual objectives serve as building blocks toward the final outcome. Strategic benchmarks are standards for measurement used throughout the implementation process to help your community evaluate its progress toward reaching the desired end results.

Implement the Action Plan

The implementation of the action plan is the substance of the planning cycle. If this part of the cycle fails, so does the whole plan. One can implement the plan by establishing an oversight team, establishing community action teams, creating implementation tools and by learning how to manage change. An oversight team should be composed of local officials and community leaders and may include other key advisors such as the State Rural Development Coordinator. Community action teams are the groups of people who actually do the work. They carry out all the strategic goals and work with the oversight team. Execution tools are used to observe and monitor implementation of benchmarks and progress. The tools are a form of accountability. Yearly planning and diaries are good ways to log progress and are often used as execution tools.

Bring Closure to the Plan

Not all plans come to an end. The best plans are constantly being updated and keep growing. Evaluation and feedback are means for achieving closure by acknowledging progress publicly and deciding how the plan needs to be changed. Evaluations and feedback can help the steering committee to learn from its mistakes and improve future plans.

By Veronica de la Garza March 1997 OCD Technote 8

Additional Resources

- The Small Town Planning Handbook by Thomas L. Daniels, John W. Keller and Mark B. Lapping, American Planning Association
- *The Quality Community Process Guidebook* by Tennessee Valley Authority
- *The Community Leadership Series* by the Saskatchewan Committee on Rural Area Development

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

How To Organize Community Meetings

- Do you have low attendance at your community meetings?
- Do your meetings drag on and go nowhere?
- Do people forget or fail to follow through on things they agreed to do?

If so, the tips on organizing and planning meeting provided in this document may be helpful.

What Is the Purpose of a Community Meeting?

By bringing together a cross-section of viewpoints, a community meeting is the perfect setting to exchange ideas and information. In a successful meeting, a variety of active participants are brought together, information and opinions are shared, resources and volunteers are identified, and goals and action plans are established.

What is the Problem?

A lot of time and money is wasted in poorly-managed meetings. We all have been to meetings where we begin lamenting in the first five minutes, "This is going to be a long meeting," or those where the group leader rambles on, making us wonder, "Why am I here?" These poorly run-meetings are often the product of inadequate preparation and organization.

How Should a Community Meeting be Planned and Organized?

Plan early: Start planning at least one month (or as early as possible) before the meeting date.

Designate a planning committee: Although a community meeting is a community-wide event, it is helpful to designate a civic organization or a separate committee to handle the planning or organization of the meeting.

Set a date, time and place: Make sure to avoid conflict with other regularly scheduled meetings and plan a snow date (if necessary).

Develop and set a goal: Why are you holding the meeting? Establish a clear goal or objective for the meeting. For example:

"To present results of a town survey to the community."

"To solicit opinions from community members on strengths and weaknesses of the community."

A meeting without a well-stated and well-publicized goal will not be well attended. Remember, time is precious to everyone, especially in small communities. Let citizens know what to expect from the meeting and what will be expected from them.

Develop an agenda: The agenda should naturally follow the stated goals. Think about your audience when inviting guest speakers and developing the program. What is likely to interest and involve everyone? The group should know what to expect before attending a meeting. You should be clear about what is being planned, how the meeting is going to be run, and who is going to play what role. Make sure not to overload the agenda. Once the agenda is set make sure that the meeting starts and ends on time.

Invite participation: Community meetings should be as inclusive as possible. Invite youths, elderly, teachers, bankers, farmers and every one in between. It is also important to include representatives from your town's churches, businesses, civic organizations, and city and county government. Note: in organizing a community meeting be sensitive to its diversity. Many communities have ethnic, cultural, and social differences that you need to accommodate. For example, if your community is bilingual it is essential that you obtain a translator and print all documents in both languages to give everyone in the community a chance to participate.

Publicize: Usually the local media takes an active role in promoting events deemed beneficial to the community. Develop a contact person at the local print and visual media and provide them with a short press release on the specifics of the meeting. By catching the interest of the community newspaper and radio and television stations, the community meeting will attract more attention among the general public.

Increase Attendance: 1) Have each person on the planning committee bring one or two community members to the meeting. 2) Ask chairpersons of various community organizations to announce the community meeting in their regular meetings. 3) Create a phone pyramid by asking two people to call two of their friends to explain the meeting and encourage them to attend, and then have them call two of their friends to do the same and so on.

Follow up: It is important to provide follow-up information about the results of the meeting. Providing information through a press release, letters to the editor, or mailing to area groups or organizations are important ways to let people know that their input was meaningful and useful.

How to Evaluate Your Community

To ensure that your meetings are successful and that they address the needs of the audience, you need feedback. If you have the time, it is worth asking participants to complete an evaluation before they leave the meeting. Make the evaluation brief and easy to complete. Ask a few questions about both the content and the format of the

meeting that will help you plan future meetings. Ask participants not to sign the evaluations.

By Francisco Enriquez **August 1997** **OCD Technote 9**

Additional Information

Make Your Town Hall Meetings a Success at the following Internet address:

gopher:IIUNLVM.UNL.EDU.1711001
commdevltownhall. text

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

COMMUNITY POLICING AND LAW ENFORCEMENT

- Is your community at special risk for crime?
- Are you concerned about the security and safety of your community?
- Would you like to take an active stand for the well-being of your community?

If so, use the community policing approach to reduce fear and crime associated with it.

Why Do It?

With the existence of crime in society, law enforcement is greatly needed. Although police are always here to protect us, many people wish they had a voice in how they need to be protected. Community policing enables residents to join with local police to more actively combat crime in their communities.

Elements of Community Policing

Community policing builds on fundamental policing practices with an emphasis on crime prevention and lasting solutions to problems. It requires new commitment from citizens and new thinking from police officers. Central to community policing are three essential and complementary components:

Community Partnerships: Community partnerships recognize the value of bringing people back into the policing process. All elements of society must pull together as never before to deal effectively with the unacceptable level of crime claiming America's neighborhoods.

Problem Solving: Once priority concerns have been identified, problem solving involves analyzing information about the problem to find out who is being victimized and how, when and exactly where the problems occur and what environmental (or other) conditions make it easy for the crime to occur. Once the nature of the problem is better understood, tailor-made solutions are jointly developed and implemented by police and community members. They also work together to define success and measure the impact of their efforts.

Change Management: This requires recognizing that forging community-policing partnerships and implementing problem-solving activities will change the organizational structure of policing. Properly managed change involves recognizing the need for change, communicating a clear vision that change is possible, identifying the concrete steps needed for positive change to occur, developing an understanding of the benefits of change, and creating an organization-wide commitment to change.

How Community Policing Works

Policing Goals: As the police and community become partners to address the problems of disorder and neglect that breed serious crime, community policing places a greater emphasis on crime prevention. As the partnership strengthens, community policing can address the roots of crime.

Active Community Involvement: Community policing recognizes that community involvement gives new dimension to crime control activities. While police continue to handle crime fighting and law enforcement responsibilities, the police and community work together to modify conditions that encourage criminal behavior.

Trust: Establishing and maintaining mutual trust is the central goal of this community partnership. Trust will give police greater access to valuable information that can lead to solving and preventing crimes. Building trust will require an ongoing effort, but it is essential to effective community policing.

Long-Term Commitment: Community policing does not offer a quick fix. It requires a long-term commitment by police to work with community members to reach mutually acceptable goals.

Wide-Ranging Benefits

Police are finding that, in addition to bringing them closer to the people, community policing offers myriad other benefits. Making effective use of the talents and resources available within communities helps extend severely strained police resources. As police interaction with the community becomes more positive, productive partnerships are formed. This may lead to greater satisfaction with police services and increased job satisfaction among police officers. Reduced levels of crime allow more police resources to be allocated to services that have the greatest impact on the quality of community life.

How to Begin

Communication is the foundation for cooperation, coordination, collaboration, and change. Start communication early in the community-policing implementation process.

If you are a law-enforcement agency representative interested in implementing community policing, join your peers in examining the crime control problems in your community and discuss how a community-policing approach can enhance your current enforcement efforts. Share what you know about community policing with community members and representatives of local groups. Begin talking about their perceptions of crime and disorder in their neighborhoods.

If you are a member of a community organization, contact your local law enforcement agency to discuss its community policing efforts. Ask them how your community organization can assist them in addressing the problems of crime in your neighborhood.

By Marcia Davis **March 1998** **OCD Technote 14**

Additional Resources

- U.S. Department of Justice, Office of Community Oriented Policing Services, I I 00 Vermont Avenue, NW, Washington, DC 20530, (202) 514-2058 or 1(800) 421-6770

- Bureau of Justice Assistance at http:/www.ojp.usdoj.gov/BJA

- Community Policing Consortium, 1726 M St. NW, Suite 801, Washington, DC 20036, (800) 833-3085, Fax (202) 833-9295

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

Economic Development

The University of Georgia Fanning Leadership Center

Location: Athens, Georgia, with programs in place statewide

Partners: Fanning Leadership Center; University of Georgia Business Outreach Services, Carl Vinson Institute of Government, Cooperative Extension Service, Georgia Center for Continuing Education, and Institute of Community and Area Development; Leadership Georgia Foundation; local chambers of commerce; other sponsors

Summary: The goal of the Fanning Leadership Center is to develop effective leaders for the betterment of Georgia communities. The center produces curriculum materials and trains volunteer instructors for both adult and youth leadership programs across the state. Its programs for volunteer leaders in Georgia have three tiers. The first tier adult program is conducted by Fanning Leadership Center with a local partner such as a chamber of commerce, cooperative extension office, or other organization. The program selects a diverse cross section of community residents and provides eight to ten 2.5 hour training sessions, sometimes with a retreat. The curriculum focuses on skills development, issue discussions, and a community project. Tuition is usually nominal, including $40 for materials. The second tier often is conducted by local chambers of commerce. Each selects 20-30 community leaders, who usually meet monthly. The curriculum focuses on economic and community issues with a limited focus on skills training. Tuition ranges from $150 to $1,300, depending on the local program. The top tier, Leadership Georgia, selects 60 participants and their spouses from across the state, who meet five times during the year for 2.5 day sessions. The curriculum's focus is solely on issues, and tuition is $1,800. Leadership Georgia and some first and second tier programs have alumni associations that meet periodically. Youth Leadership in Action also has a three tier structure. The first tier is an elective class offered to high school students, who receive a credit in social sciences. The curriculum devotes 12 weeks each to individual, group, and community leadership skills. The second tier, combining skills and issues discussions, is offered at the county level to selected tier one graduates. This 18-hour program also can be offered as a stand-alone program. The third tier operates in a multi-county region, focusing on policy issues facing youth. The Fanning Leadership Center also supports regional and special audience leadership programs for adults, including educators and persons with disabilities.

Accomplishment: The Fanning Center supports a comprehensive system of leadership programs for Georgia adults and high school students.

Contact: Melba Cooper, Director Fanning Leadership Center University of Georgia
Athens, GA 30602 706/542-1108 FAX 706/542-7007

Source: *Rural Strategies That Work*, The North Carolina Rural Economic Development Center, Inc., 1997.

Economic Development

Topic: Economic Development

Subject: Proactive Intervention to Diversify a Rural Economy

Location: Northern Montana

Summary

Northern Montana is faced with chronic unemployment, an exceedingly high poverty rate, and an undiversified economy. With the major employer in the region beginning to downsize, Bear Paw EDD instituted a Revitalization Plan. The plan included rescuing a manufacturing firm in order to preserve the viability of the local industrial park, as the industrial park was central to the region's diversification. This public private partnership combines the efforts of the regional development corporation and area businesses to create jobs and achieve economic stability and diversity. This project serves as a model for proactive intervention in communities that have a declining, narrowly-focused industrial base in a sparsely populated area.

Successful Practice

This area was proactive in recognizing the decline of Big Bud Manufacturing which anchored the local industrial park. Because the industrial park is crucial to the region's economic diversification, Bear Paw Economic Development District (EDD) formed a partnership with a manufacturing firm, which moved into the park and retained the jobs that otherwise would have been lost. The public-private partnership between the regional economic development corporation and the new business not only salvaged vulnerable jobs, but it diversified the economy, and brought viability to the industrial park, encouraging other businesses to move in as well.

Contact:
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Bear Paw Development Corporation
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Havre, Montana
Phone (406) 265-9226 FAX (406) 265-5602

Case Study
The Problem:
This northern section of Montana is faced with an undiversified economy. A number of years ago, the largest employer in the area, the local railroad company, has been downsizing its operations. Additionally, in the early 80's this already economically fragile area was faced with the closure of the Big Bud Manufacturing Company. This firm employed approximately 50 with high paying manufacturing jobs. With these circumstances present, the economic outlook on the region was not healthy.

The Approach Adopted

To deal with these economic problems, the Bear Paw EDD put its Revitalization Plan into effect. The proactive approach used to diversify the economy and encourage industrial development was to construct a 30 acre industrial park which could house six plant sites. To combat the closing of the Big Bud Manufacturing Company, the Bear Paw EDD entered into a public/private agreement with the Meissner Tractor Company.

How They Implemented The Approach

To begin construction of the industrial park, Bear Raw EDD gained funding from the Economic Development Administration ($260,000), and the Farmers Home Administration ($500,000). The first tenant of the park was Big Bud. Unfortunately, soon after moving to this new site, Big Bud began to feel the effects of a declining farming industry and high interest rates. In 1982, Big Bud closed its doors putting 50 people out of work. To offset this loss, the Bear Paw EDD, with help from a $1,500,000 State of Montana Community Development Block Grant, secured a loan allowing Meissner Tractor to purchase the assets of Big Bud to continue the production of its tractor operation. Eventually, this plant became an engine rebuild center as it slowly phased out the construction of tractors. Meissner's success in this area led it to build a second plant, one that manufactured Case IH engines. One of the more remarkable aspects of the industrial park project is that there is no need to develop a recruiting program. Bear Paw EDD is able to rely on existing businesses in the area that are seeking to expand operations or move from another part of the state. The industrial park is gaining name recognition and has a positive reputation in the area. For instance Waterchef, a new business in the region, looked at several different Montana sites before deciding that the industrial park in Hill County offered them with the best opportunity.

Results

This industrial park and the public private partnership between the Bear Paw EDD and Meissner Tractor has resulted in the creation and retention of nearly 100 jobs. Overall, the infrastructure of the area has been greatly improved allowing smaller businesses in the area to expand and improve their operations. Additionally, because of the installation of sewer lines, homeowners were able to abandon their septic tanks for cleaner, safer, and more efficient sewers. This decreased maintenance cost for homeowners and improved the sanitation in the region. Although there still remains two sites in the park that are undeveloped, it is expected that they will be filled shortly.

Demographics of tri county area (Blaine, Hill, and Liberty)

population 26,831	per capita income $10,256
poverty rate 15.6%	unemployment 7.3%
pop./sq.mile 4.6	

Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Economic Development

Topic: Economic Development

Subject: Forming a Cooperative

Key Words: Networks, Economic Development and Wood Manufacturing

Location: Northern Vermont and Northern New Hampshire

Summary

Many of the industries in Northern Vermont and Northern New Hampshire are very small, have a few employees, and are not aware of marketing potentials. As a result, these companies are not operating at their full capacity and as a result, they are not experiencing the kind of business success that they should. Forming a cooperative helped wood manufacturers in this region to solve this problem.

This project, The Northern Vermont and Northern New Hampshire Wood Products Network, is helping to assist wood manufacturers in Northern Vermont and New Hampshire to form a cooperative that aid participants improving promotional efforts and reducing costs by achieving economies of scale by participating in joint purchases. It also helps to remove communication barriers that exist between the participants by and providing opportunities to realize the benefits of working together as one collective body.

Successful Practice

Forming a cooperative to help break down communication and industry barriers, reduce production costs, improve promotional efforts and expand the economic base.

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EDC of Northern Vermont, Inc.
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Phone (802) 524-4546
Fax (802) 527-1081

Case Study

The Problem

In this region of Northern New England, many wood manufacturing businesses are small and are highly competitive in narrowly focused specialties. In addition to this, other

issues have complicated this industry, including environmental concerns, increasing forest land taxation, soaring worker's compensation rates, increasing competition from foreign competitors, and complications of state permit processes. These problems and issues limit this industry's opportunities for future expansion, diversification or transition.

The Approach Adopted

A report was conducted by the Economic Development Council (EDC) of Northern Vermont, Inc. that determined that a nine county, two state, flexible network was needed for wood manufacturers. A flexible network is a multi-company alliance in which member firms collaborate to meet common challenges and pursue new market opportunities. They are set up to combine the marketing, purchasing and informational efforts that are needed to operate a successful business. The network enhances the members capacity to act rapidly and effectively to emerging opportunities, changing markets and intermediate demand opportunities. In response to the report, wood manufacturers and the EDC of Northern Vermont organized The Northern Vermont and Northern New Hampshire Wood Products Network.

How They Implemented The Approach

The design of the Vermont network is taken from The Wood Products Network in Bemidgi, Minnesota. This network model was chosen because of its similarity in size and business characteristics the Vermont and New Hampshire wood products industry. There are two major elements that are required to make a network successful: a broker who serves as the organizer of the project, and a well defined process for defining the goals of the network. A network broker is generally a small business owner who recognizes the importance and possibilities of forming a network. They are aware of the realities of operating a small business and possess a talent for organizing and motivating busy people and for dealing with difficult personalities. Once the broker has been identified, it is important to identify the goals of the network. This is done at a meeting of the businesses where ideas are exchanged. The broker serves as the facilitator at this meeting and is responsible for developing the network plan. The plan will cover seven areas including: products, markets, marketing process, manufacturing process, personnel, responsibilities of participating firms/legal arrangements and finances.

Although it is not true of all networks, if the network involves joint production, it is necessary to carefully define product quality and attributes so there is a basic understanding of what is expected. Although the network approach does not require additional funds, incentives may be necessary to encourage some businesses to participate. This funding comes in the form of a "challenge grant." Although this incentive is mainly used in Europe, a few states including Indiana, South Carolina and Oregon use a three stage grant which includes funding for a brief exploration, followed by a detailed feasibility study and then finally a subsidy to cover the first two or three years of operation.

Results

Although the network is still in its formative stages, the accomplishments to this point are impressive. By bringing these wood manufacturers to the table for the first time, the EDC of Northern Vermont has overcome one of the greatest challenges that this group will face, communication and fear of change. Many of these manufacturers are brought up in a fiercely competitive environment where the strong survive and the weak go back to working for someone else. The idea that working together is not only desirable collectively, but individually as well is completely foreign to these people. By helping them to realize that a network is a positive change, the EDC of Northern Vermont has overcome a great hurdle.

Program Spin-offs

The success of this project has led McLean County to renovate two more abandoned buildings including a jail facility and an old school house. These building are also used for county and regional purposes.

Demographics of Northern Vermont and Northern New Hampshire

Population 263,659

Per capita income $12,238

Poverty rate 7.6%

Pop./sq.mile 36

Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Economic Development

I.**Topic**: Economic Development

II**. Subject**: Business Recruiting Through Collaboration

III**. Location** Western Kentucky (KY)

IV. **Summary**

Each of the three counties in this area initially made individual efforts to recruit Hudson Foods. After realizing competition possibly stood in the way of the business coming to the region at all, the three counties formed a partnership and worked together to attract the food manufacturer. The three counties collaborated to: fund the needed water and sewer facilities and waive the property and school taxes for the first five years the plant is open, with an additional 50 percent waived for the following five years. Without the counties' cooperation, Hudson Foods would not have moved to this area. This relationship will serve as a model for future collaboration among the three counties.

This project is expected to have an enormous impact on the region. It is estimated that in the first two years the plant is open, Hudson will hire approximately 700 people. Ultimately the plant is expected to employ over 1,200. Hudson Foods opened in March of 1995.

V. **Successful Practice**

County government agencies successfully collaborating together to recruit needed business to the region.

VI. **Contact**

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Telephone (502) 926-4433
FAX (502) 684-0714

VII. **Case Study**

The Problem

This three county area suffers from high unemployment and poverty rates. Once active coal mines are closing and farming is in decline. In addition, a lack of employment opportunities has spurred outmigration, drained the region of its youth and educated

people. Historically, the three counties (Henderson, Webster, and McLean) often worked alone in efforts to solve these problems. However, in order to attract industry to the region, greater resources were necessary.

The Approach Adopted

To combat the resulting outmigration from a depressed economy, administrators from the three area counties in Western Kentucky formed a partnership to help recruit a large employer, Hudson Foods, to the region. Working in concert with the Green River Area Development District (ADD), the three counties were able to develop the infrastructure and secure funding for this multi-million dollar chicken processing complex that will include facilities in all three counties. The complex will consist of a chicken processing facility and protein plant, a feedmill and grain terminal, and a chicken hatchery.

How They Implemented the Approach

After initial efforts to recruit Hudson Foods to their individual counties failed, the three counties that make up the Green River ADD instituted a regional approach to entice the food manufacturer to the area. One of the key factors to recruiting Hudson was an agreement between the counties to help the City of Henderson finance the construction of water and sewage treatment facilities necessary to serve the company. Green River ADD assisted in facilitating and nurturing this relationship as it guided the counties through many stages of the project.

Recruiting Hudson Foods to this area required $8 million in start-up costs. The Green River ADD was instrumental in preparing the Community Development Block Grant ($2,000,000) applications and the application for the Economic Development Administration's Grant ($2,000,000). The project also received support from the Kentucky Infrastructure Authority (nearly $4 million) as well as $85 million in tax credits from the Kentucky Rural Economic Development Authority. In addition to the funding, each of the three counties waived school and property taxes for the first five years, with a 50 percent break for an additional five years. Through the bond agreements, the counties will lease their respective facilities to Hudson. This project also enjoyed enormous grassroots support from the community. Citizens rallied behind Hudson Foods as many contacted their local officials to voice their support of the company and their desire to locate in Western Kentucky.

Results

This project is expected to have a tremendous impact on the region. It serves as an excellent model for regionalism and what it can accomplish. Hudson estimates employment of 700 people in the first two years of the start-up, with ultimately 1,200 jobs being created. The annual payroll is expected to be $15-25 million. In addition, the company will contract with 250 area farmers to raise chickens. Growers will be paid approximately $15 million per year. Local farmers that produce grain are expected to benefit from the nine million bushels of corn needed for the Hudson feedmill and grain

terminals as well as an additional nine million bushels needed for the Hudson poultry operations in Alabama. This project led Governor Brerton Jones to declare, "This really shows what can happen when people decide to work together."

VIII. **Demographics of the three county region**
(Henderson, Webster, and McLean)

Area of Focus United States

Population 67,100 N/A

Population per square mile 79 72

Per capita income $11,326 $14,420

Percentage of families with 13.2 10

Incomes below the poverty line

Net population increase (1980-1992) 4.6 12.6

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Economic Development

Topic: Economic Development

Subject: Agricultural Show

Location: Central Washington (WA)

Summary

This program is the result of an effort to capitalize on the region's agricultural resources and tap into lucrative foreign markets. The idea of an agricultural trade show grew out of the 1990 Goodwill Games in Seattle where a trade exhibition was held showcasing products from all over the United States to international buyers. Officials from the Kittitas-Yakima Resource Conservation and Economic Development District believed that a similar event should be held to showcase the region's abundant agricultural products and attract interest in their markets. The first agricultural trade show entitled the Fruit Bowl of the Nation (later changed to The Agricultural Showcase) was held in August 1992.

The inaugural show attracted nearly 100 buyers from 11 countries. The trade show marked the first time that farmers were able to display their products and meet face-to-face with buyers. In addition to displaying their products, exhibitors were provided with peer-to-peer training in export promotion and one-on-one counseling through an agricultural resource center sponsored by Washington State University.

Successful Practice

Developing a trade show to highlight a region's economic strength for the purpose of promoting economic development.

Contact:

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Case Study

The Problem

This area suffers from extremely high poverty (over 20 percent) and has a largely agricultural economy with over 37,000 farms. Many farmers in this area do not possess the capital resources or technological means to market their products beyond familiar and known buyers, because most of their capital is tied up in the operation of their farms. This lack of marketing, however, impedes their business as their products do not get the kind of exposure to foreign and other domestic markets that they could. The result is that their businesses are not able to expand, thereby losing the ability to gain higher profits.

The Approach Adopted

To assist Washington farmers in marketing their produce to new, lucrative foreign and domestic markets, the Kittitas-Yakima (Ki-Yak) Resource Conservation and Economic Development District developed the Fruit Bowl of the Nation agricultural trade show. Organizers at Ki-Yak believed that an agricultural trade show would improve the profitability of the region's farming sector which is the region's greatest economic strength.

The first Fruit Bowl of the Nation was held in August 1992. The trade show attracted nearly 100 international buyers from 11 different countries and included 174 state-wide agricultural business exhibitors. By participating in the trade show, agricultural companies new to exporting were able to test products for the international marketplace. The show made it possible for growers, packers, processors, and manufacturers to display their products, meet face-to-face with buyers, and attend a variety of social gatherings during the three day event.

In addition to the trade show, participants attended training sessions dedicated to international marketing and were provided with on-site technical assistance. The training sessions provide peer-to-peer instruction in basic export promotion prior to the event through six regional export readiness seminars. During the show, representatives from Washington State University, the US Department of Agriculture Extension Service, and the Small Business Administration were present for one-on-one counseling and expert information through an agriculture resource center. Local agricultural firms had access to financiers, marketing researchers, and assistance for putting together a deal at the show with foreign buyers.

How They Implemented the Approach

The 1990 Goodwill Games trade exhibition served as a catalyst for officials of Ki-Yak who felt the same type of exhibition could be reproduced in the form of an agricultural trade show. They believed that a trade show would improve the profitability of the region's agricultural sector, allowing economic development to proceed in conjunction with agriculture.

International buyers were recruited in a number of different ways including: increasing the number of cooperative relationships with overseas commodity commission contacts and Foreign Agricultural Service officials, marketing through the World Trade Center Network, and sending small recruitment teams to target markets to put recruitment mechanisms into place. Those choosing to participate in the trade show pay an entrance fee of $600.00 for a 8'X10' display table. Exhibitors can display any product or products that they wish during the two-day event.

The Fruit Bowl of the Nation, later changed its name to The Agricultural Showcase was funded from a variety of sources including seed money from the Washington State Department of Community Development. Additional funding came from the US Department of Agriculture, the Economic Development Administration, private sources, and entrance fees. The educational component of the project was sponsored by Washington State University. Money was spent to promote the trade show to both potential participants and attendees as well as securing a location and materials needed to promote the event.

Results

The Agricultural Showcase has been a very successful to farmers of Central Washington in marketing their produce to wide and varied international and domestic audience. The 1994 trade show generated $37 million in immediate sales and an estimated $100 million in sales pending. Many businesses generated up to $100,000 in new sales. Beginning its third year in 1995, the show is expected to attract over 400 international and domestic buyers from nearly 30 countries and several states.

Demographics of Kittitas and Yakima Counties

Area of Focus
Population 225,939 (United States N/A)
Population per square mile 41.7 (United States 72)
Per capita income $10,730 (United States $14,420)
Percentage of population with incomes below the poverty line 20.2 (13.1)
Percentage of population living on a farm 4.4 (United States 1.6)
Farm income as a percentage of total income 15.4 (United States 1.8)
Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov
Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.dov

Money Drain in Your Community

Do local residents go out of town to buy basic goods and services?
Are businesses investing their money outside the community instead of supporting local ventures? Are they buying their supplies outside the community?
Are community residents, locals businesses, or local government investing and spending local resources on ventures that do not pay off?
If so, money may be draining out of your community.

Where Does the Money Go?

By doing a quick analysis of your community's economy you can learn:

- How your community's current economy works
- Where to reduce income leakage from your economy
- How to increase prosperity in your community

Your Economy as a Leaky Bucket

To figure out where money is flowing out of your community, compare your local economy to a rain bucket. Water flows in and out of the rain bucket. The water level in the bucket will rise and fall depending on the volume flowing into and leaking out of the container. This water line represents the prosperity of the community.

You can look at the leaky bucket (your local economy) in two different ways. First, you can focus on how money flows in and out of the bucket, but not inside the bucket itself. Or, you can look at what is inside the bucket as well as what is flowing in and out. We will explore these models further.

The Static Model

Here, we look at what happens between your local economy and the larger marketplace.

Inflow: Money flows into the bucket in two ways:

1. When local firms sell their products to customers outside the community (exports).
2. When local government agencies or citizens bring in funding from outside sources.

This can include social security and other retirement payments, interest and dividend receipts from investments, investments by outsiders, and grants from other government agencies.

Outflow: Money flows out of the bucket in five ways:

1. Local firms buy their supplies from outside sources
2. Local households go out of town to buy goods and services.
3. Local employees pay taxes and social security to higher governmental units.
4. Community residents, local firms, and local government invest and spend local resources on ventures that don't pay off.
5. Community residents invest their money in outside ventures instead of local business opportunities.

Summary: From this simple model, we learn that new dollars must be either earned or captured from outside sources. We also learn that if we can plug the leaks going to outside businesses and if we can avoid the inefficient uses of local resources, the rain bucket may be able to fill faster than it empties.

The Dynamic Model

In this model we view the local economy as dynamic, instead of a rain bucket which has inflows and outflows only. When all firms, households, governmental units, and other producing entities are working at full capacity, the community's level of prosperity is high. When the productive forces slow down, the level of prosperity drops.

The community benefits when money is recycled within it--as it passes from one firm to another and from a firm to local households. When local businesses sell products or services outside the community, those profits help pay the wages of employees who are residents of the community. Of course, this depends on the profitability of local firms as well as their purchasing patterns. Money drain occurs when local household income is spent or invested outside the community or taxed away by state and federal governments.

Summary: When we put the static rain bucket model into motion by adding the local businesses, local governments, schools, etc., we add the dynamic element to the model. These decision making units combine local resources, such as land and buildings, with non-local resources, such as borrowed money and new inventions, to make products and services sold both at home and away. These community efforts can generate new income within the community that will benefit local households.

Strategies To Contain A Leaky Bucket

Increase Exports: Like a small country, your local economy is stimulated by the dollars earned from exports. One way to expand the local economy is to sell more goods and services to outside customers. There are many types of economic activity that can be a part of the economic base that earns these exports dollars. The types of industries most often considered are agricultural production, mining, forestry, fishing, and manufacturing. However, any firm in any industry can become an exporter.

Substitute Imports: Another strategy to plug leaks is to provide locally those goods or services currently being purchased outside the area. This may be a product bought by a local firm to use in its production process or purchased by many local households to consume.

Other Strategies: An additional way to plug leaks is to encourage people to invest their savings locally. This keeps the money circulating in the economy and adds to the productive capacity of the local economy.

Finally, if we put inefficiently utilized local resources (poorly spent tax dollars) to work more productively, we can plug another leak.

By Kayce Donoho **December 1996** **OCD Technote 6**

Additional Resources

- State departments of commerce
- Local economic development organizations
- Economic Research Service, United States Department of Agriculture
- *Understanding Your Community 's Economy,* Cooperative Extension Service, Kansas State University, Manhattan, Kansas
- *Take Charge - Economic Development in Small Communities,* North Central Regional Center for Regional Development, Ames, Iowa

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.fov/ocd

Economic Development

How To Write A Successful Press Release

- Is your community doing good work but going unnoticed by the media?
- Do citizens in your community generally know less about your program than they should?

If so, then you should consider the use of press releases to help provide notices of events or issues that are an important part of your community.
A press release can be the single most effective tool for informing the public about specific issue or subject matter. It can also make the difference in whether an event succeeds. Proper preparation and timing is essential for the press release to be effective.

What Is a Press Release?

A press release is a tool that an organization, group or individual can use to notify the public regarding an issue (subject) or event. Press releases generally serve two purposes:

- They announce an event or subject that has already occurred and give specifics about that event.
- They announce forthcoming events or subjects and tell what can be expected at the event.

A press release can be used as an advertising tool to attract attention or participation with interested parties. A press release can also be used to keep the public informed about issues of community-wide concern.

Who Receives the Press Release?

Generally, press releases are directed toward media facilities, such as newspapers and radio or TV stations, that have the capability to disseminate the information to the public Press releases can also be sent to non-media organizations, such as local or regional foundations or community groups, for informational purposes.

Develop a Successful Press Release

A successful press release provides the intended receiver with as much information in as little space as possible. In short, "brevity" is key to the process. A press release generally should be should be no longer than a few paragraphs and should contain the following information:

- A contact person who can supply additional information and his or her phone number should be established at the top of the release. A main heading that identifies the topic of the release (e.g., XYZ Empowerment Zone/Enterprise Community announces the opening of its new community center. A first paragraph that announces the topic of the release followed by times an location of the event. A brief description of the participants and the subject matter should also be given in the paragraph. It is also desirable to use quotes and comments from individuals associated with the event.

- A second paragraph could include additional information such as events leading up to the announcement. A good press release generally answers the questions: who, what, when, where, how, and why.

Press releases can also be used to provide informational updates on specific issues or subjects of continuing public concern.

Timetable for Press Releases/Media Advisories

As a general rule a press release should be sent out 48-72 hours in advance of a forthcoming event and within 24 hours of an event that has already occurred. It is important to remember that delaying a release can jeopardize your chance for receiving publication of your event. For bi-weekly or monthly periodicals, plan on submitting your press release at least a week in advance. To ensure timely publication, prepare ahead of time by knowing the media you are likely to target and their publication deadlines.

How To Submit a Press Release

A news organization is most likely to use your press release if the top managers know you and are generally familiar with your program. It will also be very useful if the press release is prepared in a way that requires little or no additional re-writing or formatting to be ready for publication or announcement.

If you do not already know the news director at your local newspaper, local radio and TV station, make an appointment to introduce yourself. Provide information about your community and what it is trying to accomplish (carry along some brief background materials on your community program).

Find out from the news directors the format they would like you to use in preparing your press release and the most appropriate days and hours that press releases should be sent to them. In today's fast-paced world of telecommunication, electronic facilities have become quick and efficient tools for sending information. Today, the most common method for sending press releases to various organizations is through the use of facsimile machines and personal modems. Both these methods are efficient and cost effective.

Once you have sent out your press release, it is always a good idea to follow up with a phone call to each of the organizations and confirm that the release has been received. You can also confirm whether that organization plans to attend your event or just follow up about the issues covered in the release.

By OCD Staff September 1997 OCD Technote 11

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024, (800) 645-4712 or www.rurdev.usda.gov/ocd

Leadership Development

Do you find that a few people continuously hold leadership positions in your community?

- Are volunteers getting burned out from having too much responsibility?
- Are you looking for new ideas and energy?
- Do many youth leave your community to pursue other opportunities?

If so, you many need to cultivate new leaders in your community.

Why Train New Leaders?

Community development can only be sustained over the long term if there are motivated and committed local residents who keep the momentum going. Even if your community is thriving right now, volunteers and local leaders may feel burned out in the future. You need to ensure that a constant supply of new people are being trained and encouraged to assume leadership positions.

As federal and state agencies downsize their programs, more responsibilities are being turned over to our local governments. Especially in rural areas, this may mean that more volunteer work is required to meet these new demands.

Many rural areas find that their "best and brightest" youth leave because they cannot find work. Community development activities can provide opportunities for young people to get involved and have a direct impact.

Tips to Recruit New Leaders

Seek out underrepresented groups

1. Leadership development is important in securing broad, diverse participation in your community's decision making. In economically-depressed areas, certain segments of the community may be chronically under-represented. To better understand the needs and concerns of these segments, it is worth taking the extra effort to engage them and seek out individuals who can represent their issues before the larger community.

Start with schools

2. The future of a community lies with its youth, so why not engage them early on? As you plan community activities, think of ways that school children can participate and learn about local issues. Provide opportunities for youth to organize their own activities

and reward those efforts. Make presentations at the local schools and incorporate school administration in community development plans.

Look for useful skills

3. When you are looking for new volunteers, think about what skills different individuals could bring to a task or project. Don't just think about who they are or what they might have been involved in before. You may be surprised at who can provide resources you need. This exercise helps draw in individuals who may not otherwise participate.

Appeal to self-interests

4. When you are recruiting new volunteers and leaders, try to relate to their particular interests. Instead of just saying that it will be good for the community as a whole, mention how their involvement can help them learn new skills, meet new people, or whatever seems to appeal to them.

Cast a wide net

5. When you are seeking out new recruits, don't limit yourself to those people whose skills and interests satisfy your immediate objectives. Encourage people who may only be able to contribute in small ways, because it will foster long-term viability of the community. All skills and contributions are valuable and should be viewed as such.

Involve by degrees

6. Start cultivating new leaders by giving your volunteers small tasks they can easily handle, Over time, their confidence and ability will grow and they will be able to take on larger responsibilities. People from historically disadvantaged segments of the population may need strong encouragement before assuming a leadership role.

Define tasks, clarify expectations and goals

7. Before you ask someone for help on a project, be sure to define the task clearly. Early clarification will prevent future misunderstandings. Be specific about the end products that you desire and provide the contacts or resources that are needed to get the job done.

Use people's time efficiently

8. Community members may be volunteering their time above and beyond work, school, home, and other responsibilities. Make sure their time is well spent so they will continue participating in activities. Prepare in advance to make sure your meetings are focused and productive. Set a time frame for the meeting and stick to it. Establish clear goals and follow through on commitments.

Offer rewards for participation

9. Let people know you value their participation and reward them for their efforts. You could have an annual recognition dinner or provide letters of recommendation. People who have not been in the workforce can obtain valuable experience, so be prepared to provide them documentation about tasks performed and skills learned.

Publicize your successes

10. Keep other community organizations, such as churches, schools and civic associations, informed about your activities. Maintain a good relationship with your local media so that your successes will be publicized throughout the community. Over time, this will establish a good reputation for your organization and attract additional people.

By Karen Kohl **October 1997** **OCD Technote 12**

Additional Resources

- Community colleges
- USDA extension services

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

How to Write A Grant Proposal

How To Prepare

1) **Define your project** by clarifying your underlying purpose. Determine general project goals and specific objectives to accomplish the goals. Consider a timetable, anticipate outcomes, and develop a method for evaluation results and estimating staffing needs. You also should determine how your project adheres to the philosophy or mission of your agency. Potential funders will consider more favorably fully developed and practical project plans.

2) **Estimate costs and identify the right funding sources** by looking for consistency between the purpose/goals of your project and those of the fonder. Direct contact with the funding source is imperative. Be sure to inquire about the maximum amount of money available and the average size of awards. You also should find out how the funder makes decisions, what types of projects it funds, and whether it has other grant sources. If possible, identify a project officer to be your liaison. Find a potential funder who will support your proposal so you will not have to change your goals to fit those of the funder.

3) **Acquire proposal guidelines and submission requirements** by requesting this information from the funding source.

How To Write an Effective Proposal

1) **The Executive Summary** conveys all key information and serves to convince the reader of the importance of your project and its potential in successfully addressing your goals. It should include a brief statement of the problem/need recognized by your organization and a concise description of the proposed solution. You also should give an explanation of the amount of grant money required for your project and any plans for future funding. You should briefly state the name, history, and activities of your organization, emphasizing its capacity to carry out the proposal.

2) **The Statement of Need** presents the facts and evidence that support the need for your project. It should demonstrate that your program addresses the need differently or better than other projects. Remember to include goals and measurable objectives.

3) **The Project Description** presents your plan by aligning your project with the purpose/goals of the funding source. It should include specific details of the method and process by which the goals and objectives will be accomplished. Be sure to note the distinction between methods, objectives, and goals. Outline the proposed activities and their expected outcomes. A description of personnel functions with nannies and credentials of key staff/ consultants often proves beneficial in this portion of the proposal.

4) **The Evaluation Plan** indicates you take your objectives seriously and want to know how well you have achieved them. Two types of evaluations are product/outcome measures and process analyses. Describe the manner 'in which evaluation information will be collected and how it will be analyzed and the results reported Consider asking the funder about its evaluation expectations.

5) **The Budget** specifies estimated costs, listing all the personnel and non-personnel items included in your project. The budget should include new costs added if the project is funded and any on-going expenses for items that will be allocated to the project. Costs should be grouped into subcategories, reflecting the critical areas of expense. A narrative portion might help explain unusual items in the budget, though it is not always needed.

6) Are **Supporting Materials** needed? If so, attach a resume of your nonprofit organization, describing its structure, programs, and special expertise. Attach a list of the board of directors. These materials may endorse the project and the applicant, provide certifications, or add information about project personnel and consultants.

7) **The Conclusion** calls attention to the future, outlining possible follow up activities. State how the project might carry on without further grant support to assure the funders that they are making an investment in something that will last. This is your last chance to make an appeal for your project. Briefly restate what your organization wants to do, why it is important, and why you need funding to accomplish it.

ADDITIONAL RESOURCES

- Internet sites: http:www.tgci.com or http:// www.nonprofits.com
- Writing Winning Proposals by Judith Mirick Gooch. Washington, DC: Council for Advancement and Support of Education.

By Ilona Varallyay **February 1998** **OCD Technote 13**

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024, (800) 645-4712 or www.rurdev.usda.gov/ocd

Economic Development

Conflict of Interest:
What It Is and How to Avoid It

Conflict that generates suspicion and distrust can frustrate community efforts and must be avoided.

- Do you know how to identify conflicts of interest?
- Are you prepared to resolve conflict of interest issues should they arise?

The work environment of the Empowerment Zones (EZ), Enterprise Communities (EC) and Champion Communities (CC) opens them up to possible charges of conflict of interest. Local organizers, particularly community board members of these organizations, should focus on establishing a work environment that is open and inclusive, embracing fair play and encouraging participation by all segments of the community. If the community feels their work is motivated by nepotism and programs are not inclusive and that actions are driven by unfair personal gain, community-wide support for programs and projects will begin to deteriorate. In order to avoid problems that generate resentment from the citizens who are crucial for a viable community development program, EZ/EC/CC board members should establish a policy for identifying potential conflicts of interest or the appearance of conflicts of interest and procedures to ensure that these situations are avoided.

What Is Conflict of Interest?

Any activity or action is considered a conflict of interest when elected or designated EZ/EC/CC board members or officers have an interest -- or incur an obligation of any nature -- in a business, transaction, individual, or professional activity which could unduly interfere with the proper discharge of duties in the best interests of the employer, contractor or organization. In other words, conflict of interest exists when a board member or officer personally benefits, or is perceived to personally benefit, from an activity of the organization.

Examples of Potential Conflicts of Interest

1. Failure to disclose occurs when:
    - Income-generating activities are connected with, or affected by, the community's strategic plan;
    - A board member has financial interest in property the governing board may lease, buy or sell.
2. Failure to report occurs when:
    - A board member is in a position to influence directly or indirectly the organization's operations in ways that could lead to personal gain.
3. Favoring of interests for personal gain occurs when:
    - A board member recommends the hiring of a staff member or consultant who is a relative without first divulging the relationship to the governing oar

- A board member is employed by an organization that receives funding or grants associated with the community's strategic plan.

4. Inappropriate use of information occurs when:
   - A board member uses for personal gain, or other unauthorized purposes, privileged information acquired as a result of his or her position or involvement with community development activities. Such information might include knowledge of forthcoming developments, future purchases, etc.;
   - Board members delay the dissemination of project information, or prematurely announcement of information for personal gain.
5. Employment and evaluative relationships occur when:
   - A board member participates in the selection, employment, supervision, instruction, or evaluation of a person with whom the individual is related, or has business or other financial ties, without disclosing the relationship to the governing board.

Ways to Resolve and Avoid Conflicts of Interest

The organization's bylaws should clearly state that conflicts of interest, or even the appearance of conflicts of interest, are strictly prohibited and will result in the immediate suspension of the board member involved. The existence or mere appearance of conflicts of interest, real or potential, can span a wide spectrum from minor and inconsequential to those that have serious consequences. Regardless of the degree of seriousness, all conflict-of-interest issues should be addressed and resolved swiftly. The very best way to accomplish this is to ensure that effective organizational standards and procedures are in place to prevent conflicts of interest.

- Develop a clear set of bylaws that address issues pertaining to conflict of interest, disclosure requirements, allowable involvement of outside interests and procedures for dealing with these issues when they emerge. Consider adding language to address financial and other issues that may generate conflict or disputes; e.g., external activities of board members sometimes demand so much time or attention that they interfere with the individual's responsibilities to the organization.

- Conduct open meetings and encourage board members and the general public to review all activities and records of the EZ/EC/CC governing body.

- Ensure that a board member does not participate in the selection of a relative for a position he or she is likely to supervise. If the relative is selected for employment despite the board member's non-vote, the governing board must develop an alternate evaluation process for the employee so that board member is not the supervisor, instructor or lone evaluator of the employee's performance.

- Regularly communicate the operating principles, values and vision of your organization at meetings through newsletters, newspapers or other media.

- Form a committee on conflicts of interest appointed by the chair of the board to oversee the periodically distribution to all staff and board members of a uniform disclosure form that addresses conflict-of-interest situations.

- Establish a list of ethical and legal obligations to assure that board members conduct themselves and the organization in accordance with the highest standards of integrity.

- Conflict of interest is best avoided or resolved through the use of good bylaws, policies, procedure and judgment or discretion.

- Disclose pertinent information pertaining to all staff members regarding their own external commitments and interests.

- Take appropriate action to avoid creating actual or potential conflicts of interest.

- Honor the bylaws as they relate to operating policies and financial and audit requirements

Benefits of Avoiding Actual or Apparent Conflicts of interest

- Assures the community that the business of the EZ/EC/CC organization is ethical and based on objective determinations to advance the goals of the total community;

- Demonstrates that accountability will be achieved within the organization;

- Demonstrates a willingness to use resources wisely; and

- Provides an increased level of trust from state, county, public and private organizations.

By Sharon Colbert **April 1999** **OCD Technote 15**

Internet Resources:

http://www.research.cornell.edu/CRF/Policies/ Conflicts.html

Source: Office of Community Development, USDA, Rural Development,
Room 701, 300 7th Street, Washington, DC 20024, (800) 645-471

Applying for 501(c)(3) Tax free Status

- Is your community or organization considering applying for a grant or foundation money?
- Does your community want to attract tax-deductible contributions?
- Is your community concerned about maintaining its operational structure when its federal empowerment designation expires?
- Did you know that forming a non profit corporation is the most common legal structure used by rural Empowerment Zones/Enterprise Communities (EC/EZ) and Champion Communities (CC)?

Before setting off on the grant-writing trail, your community or organization should consider establishing a nonprofit corporation to help attract tax-deductible contributions and private grant money.

What Is a Non profit organization?

Congress recognized that certain enterprises should be free from the burden of having to pay taxes. Thus, organizations that exist for the public benefit are sanctioned under 501(c)(3) of the Internal Revenue Code. Because of this designation, qualifying nonprofit organizations are known as 501(c)(3) organizations. A corporation or organization classified as a nonprofit entity is exempt from paying taxes and generally has greater eligibility for government or foundation grants.

To qualify for tax-exempt status, the organization can be a coalition, a community organization, a corporation, unincorporated association, or trust. The organization does not have to be incorporated, but because board members and others could face potential personal liability for the organization's activities, more nonprofits are choosing to incorporate. The liability protection varies from state to state. Because nonprofit organizations must serve a scientific, literary, educational, artistic or charitable purpose that benefits the public, they are also called public benefit corporations. Nonprofit organizations are not prohibited from making a profit, but there are limitations on how they can make and spend money. Congress has set limitations on nonprofit corporations through strictly enforced rules.

Why Start a Nonprofit Organization?

- A nonprofit organization is an authorized recipient of private, nonprofit or government grants.
- A nonprofit organization can serve as an eligible recipient of tax-deductible contributions.

- Nonprofit status allows an organization to apply for exemption from paying income taxes.
- Forming a nonprofit organization establishes a legal structure for an EZ/EC and CC seeking to implement a community-wide development plan.

How to Start a Nonprofit Organization:

1) Bring together a group of interested citizens to establish a nonprofit community organization. Name your organization, its goals and objectives.

2) Call your Secretary of State's office and request the materials required to establish a nonprofit corporation. The materials will include an Articles of Incorporation form and instructions; the state's nonprofit statutes, which should be reviewed carefully prior to preparing your articles of incorporation and corporate bylaws; a list of fees for filing; and instructions for post-incorporation activities. The Secretary of State's office will also be able to determine whether your organization's proposed name is available to incorporate under and is not the name of another incorporated organization.

3) Acquire IRS Publication 557, "Tax Exempt Status for Your Organization," from the Internal Revenue Service (IRS) by phoning (800) 829- 3676. You can also obtain other required IRS publications and forms by visiting the IRS website at: http://www.irs.gov.

4) Write and file Articles of Incorporation with your Secretary of State. The Articles of Incorporation are difficult to amend, so you may want to consider writing the Articles of Incorporation in general terms. You can use more specific language in your bylaws. Each state has its own laws and format, but it is important that certain "Internal Revenue Service organizational test language" be inserted into the Articles of Incorporation. This language deals with the permitted charitable purposes, earnings and provisions regarding dissolution of the corporation. You may want to consider hiring an attorney to help guide you through the process of filing for 501(c)(3) status. Many lawyers will provide this service to you at no cost as part of their professional public service commitment, or you can contact Legal Aid, or state or local bar associations for information on availability of free legal services in your community. Usually, an attorney will file the Articles of Incorporation and IRS Form 1023. It is a good idea to include a cover letter, which describes the history and activities of the corporation.

5) Write bylaws to address issues such as membership, board-of-directors policies, fiscal management, etc. Bylaws are fairly easy to amend and therefore can contain details regarding operations.

6) Once you have incorporated, the next step is to file for tax-exempt status with the IRS. This is done by filing Form 1023, "Application for Recognition of Exemption Under Section 501(c)(3)." In Form 1023, you will tell the IRS all about your organization

and why you should be exempt from taxation. The IRS conducts a thorough, in-depth review of Form 1023, which necessitates that it be prepared professionally.

7) The IRS will also review your group's proposed legislative activities. The IRS looks at the amount of money, resources, staff time, or effort expended on lobbying relative to other activities of the organization. In general, if a substantial part of the activities of your organization consists of promoting a political agenda or otherwise attempting to influence legislation, your organization's application for exemption from federal income tax will be denied.

8) Once you receive tax-exempt status, there are other IRS returns and reports that must be filed. The most common return is Form 990, if your gross receipts in each tax year are more than $25,000.

Keep in mind, that you can also make use of another nonprofit organization's 501(c)(3) status by making it an "umbrella organization" or your fiscal agent. You then apply for and administer grants or other funds under that organization's tax-free status. You can also use another 501 (c)(3) as your fiscal agent until your 501 (c)(3) is approved. If you wish to consider this avenue, contact nonprofit organizations located in your area to inquire about this possibility.

From the IRS you will need:

- Publication 557: Tax Exempt Status for Your *Organization*
- *Form 1023: Application for Recognition of Exemption*
- Form 8718: User Fee
- Form 884: Applying for Tax ID Number
- Form 5768: Election Revocation of Election
- *Form 2848: Power of Attorney/Declaration of Representation.*
- *Form 872C: Consent Fixing Period of Limitation Upon Assessment of Tax*

By CC TAPS **April 1999** **OCD Technote 16**

Internet Resources**:**
http://www.irs.gov or 877/829-5500
http://www.hanson.com/articles.htm, for a generic Articles of Incorporation.
Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, Washington, DC 20024, (800) 645-4712 or www.rurdev.usda.gov/ocd

Development Strategies for Remote or Declining Rural Communities

> Is your community losing more population from outmigration than it is gaining from new residents moving in?
> Is your community located a long distance from metropolitan areas of larger trade centers?

If so, these development strategies may be worth considering.

Although rural America as a whole is gaining population, many rural communities face special problems due to population loss through outmigration. Net outmigration occurs when more people move out of a community than move in. Net outmigration is especially problematic in the Midwest and Great Plains regions, where the economy is highly dependent on farming. But, it can be a problem in any region.

Outmigration creates special problems because of a shrinking population base. It becomes harder for businesses to stay alive, and the sight of empty storefronts is common in many rural towns. Services become harder to finance, since costs are spread over fewer people. But even when not declining, small size and long distances from urban centers may make it hard for rural communities to obtain specialized health care and other services, and limit the number of jobs within commuting distance.

No development strategy is guaranteed to work equally well for all communities. But the following ideas may be especially worth considering remote communities and those facing population loss and outmigration.

Enhance Local Assets

Every rural community has distinctive assets that can be the basis for further development. Some may be obvious, such as an outstanding natural feature that is an attraction to visitors, a college or regional hospital whose staff members bring valuable specialized skills to the community, or an abundant supply of timber or other natural resources. But many other assets are often neglected. These might be a rich community life that can provide leadership and organization to undertake development, a skilled labor force, an abundance of entrepreneurial spirit, or an ethnic or crafting heritage.

Every community can benefit by evaluating its assets. Then, by taking steps to enhance and use these assets, communities can build a basis from which additional development can occur. In fact, the evaluation is so important that it should be considered as a prerequisite before any other steps are taken.

Stop Dollar Leaks from Your Economy
Communities that are too small to serve as regional trade centers often find their workers' earnings "leaking" out to other areas. Dollar leaks occur when workers shop outside the local community or when businesses purchase goods and services from larger regional suppliers. One of the first steps a community can take is to identify where its dollars are going and why, then take actions to close the leaks. What goods and services are most often purchased outside your community? Is there a local supplier who could meet these needs? If so, what would it take for more local buying to occur? If not, is there sufficient demand for these goods and services to support a new, local business?

Build a Base of Export Businesses
Just as the United States has a foreign trade balance, so communities have net trade balances--the difference between the amount of local products they sell and the products they import from outside. Communities that buy more non-locally than they do locally have negative trade balances and their economies cannot survive for long. Plugging leaks can slow the hemorrhage of dollars to the outside. But in order to grow, an economy must be able to produce goods and services for sale to the outside world. Businesses that sell outside the community make up the community's export base.

Raw commodities such as minerals or agricultural products are one important source of exports for many rural communities. However, the importance of raw commodities as a percentage of the economy is far lower today than in the past, and it has been declining for decades. This means rural communities can no longer rely on commodities alone to earn their livelihoods. Other exports--such as manufactured goods or services like tourism that bring in outside dollars--are more and more important.

Rural communities should consider several approaches. One is to "add value" to local commodities by processing as much as possible locally. Instead of shipping raw agricultural commodities to regional markets for processing, local processing plants could be established. Communities can consider ways to encourage residents to "buy locally." Another approach is to build on the community's desirability as a place to live, in order to attract businesses that use modem telecommunications to conduct their business and that can operate from anywhere. Yet another is to encourage tourism and build ways to capture some of the dollars from people passing through town.

Share Services Regionally
As communities shrink and the demand rises for high-quality services such as education and health care, many communities find that they are too small to support all the services their citizens desire. Significant improvements in service quality as well as reductions in service cost may be obtainable through cooperation among several towns or counties.

Regional cooperation is seldom easy to start, however. Often, rivalries between local towns are longstanding. Still, improvements in telecommunications make it

possible to provide many services--such as medical care and education--over wider areas. Not only can regional cooperation make communities more attractive for new businesses, but it can remove some of the reasons why citizens move away in the first place. There are few rural areas that cannot benefit significantly by thinking more regionally about how they define themselves as "communities."

Target High- Value Products

Increasing the number of jobs is one important goal for any community faced with population loss, but it should not be the only objective; the amount of income from sales is at least as important, if not more so. Why is this the case? Low-wage jobs are often easier to attract to rural communities because living costs are lower. But low-wage jobs bring minimal income into a community. And because they are often highly cost-sensitive, the community risks losing them to overseas locations where wages and other production costs are even lower.

A better development strategy is to focus on high value goods and services. Not only do high-value industries bring more dollars into the community, but they usually depend on unique local assets--such as a business owner committed to the community, specialized skills in the workforce, or the availability of high-quality local resources--that are difficult to replicate elsewhere. Jobs in these businesses are likely to be more stable as well as lucrative.

Many high-value products are produced for specialized or "niche" markets. High-value goods and services are characterized by high quality and specialized use. Often, they are produced for very limited or rapidly changing markets. Manufacturers of medical equipment or musical instruments and providers of knowledge-based services are examples. Frequently, these businesses rely on access to specialized market information to keep abreast of trends among their customers and competitors. Communities can make themselves attractive to these businesses by investing in the things they need: an educated workforce, telecommunications, a desirable living environment, and a willingness to support risk-taking within the community. In some cases, a multi-community strategy that links producers of high-value goods with suppliers of the inputs they require can bring development on an even larger scale.

Although other strategies may be equally important, each of these merits consideration by communities struggling to reverse population losses or to bridge their separation from urban economies.

By J. Norman Reid **June 1999** **OCD Technote 17**

Resources:

- Kayce Donoho, *Money Drain in Your Community, CD* Technote No. 6, December 1996. Available at http:// www.rurdev.usda.gov/ocd/tn/tn6.pdf

- Edward J. Feser and Stuart H. Sweeney, *Out-migration, Population Decline, and Regional Economic Distress.* Washington: U.S. Department of Commerce, Economic Development Administration, December 1998. Available at http://www.doc.gov/eda.

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

Economic Development: Principles for High Performance Strategies

Traditionally economic development strategies have focused on quick increases in new businesses and jobs. These strategies may help meet short-term needs, but they may be poorly suited to achieve the best long-term results.

- Is your community's economic development strategy focused on productivity increases rather than on creating jobs?
- Are the development efforts focused on high-value industries?
- Does your community use information about the successes and failures of its development activities to improve future efforts?

If not, your community could benefit from applying these principles for a high-performance economic development strategy.

Traditionally, economic development strategies have focused on attracting new businesses to create additional jobs. But job creation alone does not always translate into other important development goals, such as maximizing local wealth, moderating vulnerability to cyclical trends, and limiting the risk of business closures. These other objectives may be best served by strategies that promote industrial diversification and enhance productivity.

In fact, development strategies may embody inherent contradictions. A short-term strategy that concentrates on low-wage jobs within a limited industrial sector may only create jobs at the expense of these other long-term goals. On the other hand, concentrating on long-term productivity enhancements may be possible only after suffering short-term job losses. Still, it is through long-term development strategies that areas and workers are best served.

Economies that are heavily oriented toward short-term strategies may benefit significantly from a change in their development programs. Economist Lee W. Munich has identified 10 principles that can help produce a high-performance economy.

Goals

Munich suggests that an area seeking to achieve a high-performance economy should re-examine its goals.

1. **Competitiveness**

A community should take stock of its comparative advantages--its strengths and assets compared to other areas--and how they are changing. Where assets are underutilized, the community should invest in enhancements that improve the productivity of the local economy. In addition, the community should establish programs to market its assets to the outside world.

2. Equity
Every community experiences disparities in productivity and wealth among areas or population groups. The overall effectiveness of any economy is greatly affected by how well it addresses these disparities. Investing in a way that reduces economic disadvantage is an important strategy for local development.

Scope

The scope of economic strategies--the range of issues they address--is an important factor in their success.

3. Global Economy
As the economy becomes increasingly global, building the capacity to sell to world markets becomes more imperative. High-performing communities assess their advantages and disadvantages in world markets, address barriers to global marketing, and promote international business opportunities among their industries.

4. Comprehensive Strategy
High-performing communities understand the interrelationships between economic development strategies and other strategies--such as education, environmental enhancement, housing, and recreation--that improve the overall community climate. To assure maximum impact of their investments, they correlate business investments with improvements in other areas of the community.

Organization

The way economic development programs are organized determines their effectiveness.

5. Regional Collaboration
Economic development cannot truly be local. A community's economy is greatly influenced by the larger region of which it is a part. Communities that participate in broader, regional strategies will be more effective than those that try to go it alone. Especially in rural areas, where resources are often stretched to the limit, the effectiveness of development efforts can be maximized when they are taken in collaboration with partners within the same region.

6. Industrial Focus
Effective economic development strategies are built on a sound awareness of the strengths and weaknesses of local industries. In high-performance economies, development officials exhibit keen awareness of the key sectors or clusters in the economy, and their performance is tracked closely and issues affecting their future are identified and addressed. Development strategies emphasize actions to understand and support industrial clusters and their linkages with other local and regional industries.

Process

How the development process is organized and how strategies are implemented is also important.

7. Customer Orientation

In high-performance economies, there is keen awareness of the customers of economic development strategies--the businesses, communities, and citizens that are affected by development policies. Attention is given to meeting customers' needs. And, customer input is not only sought out but is used carefully in crafting development strategies and programs.

8. Partnerships

The strongest development programs rest upon solid partnerships among local organizations. Partnerships can range from the simple exchange of information to alliances that combine resources to achieve results beyond the means of any single organization. Strong alliances do not just happen, however; they require farsighted leadership to form and special cultivation to maintain.

9. Measurement and Evaluation

High-performing organizations measure their outputs and evaluate the reasons for success or failure. This means that they collect information about their own performance. Then they regularly evaluate their performance against the goals they established and hold themselves accountable for the outcomes.

10. Learning

No effort is without the potential for improvement, and high-performance development programs seek out a wide range of ideas on how to improve their strategies and delivery methods. They eagerly compare themselves with other development programs in other regions. And, they maintain a posture of flexibility that makes it easier to put new ideas into operation.

By J. Norman Reid **June l999** **OCD Technote 18**

Resources

Lee W. Munich, Jr., "Emerging Principles in Local and State Economic Development: A Benchmarking Tool," in Norman Walker, ed., Community Strategic Visioning Programs (Westport, Connecticut: Pager, 1996)

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.org.gov/ocd

Economic Development

Topic: Information

Subject: Foundation Center

Location: Northeast Pennsylvania

Summary

In 1984, sponsors from the Pocono Northeast Development Fund set up the Foundation Grantseekers Information Service (FGIS) center. This center provides factual information on philanthropic giving, and can assist interested individuals and agencies in locating appropriate funding sources for their organizations. FGIS serves a seven county rural region in northeast Pennsylvania.

The FGIS offers many services including computer searches, a foundation library, grant writer's training, "Hot Line" requests, a monthly newsletter, and a grants advisory committee. Although some of the services at FGIS are free to the public, others are provided at cost. Those who opt for membership in the FGIS receive the full range of available services either free, or at a reduced cost. Yearly membership for FGIS is a nominal $25. Any individual or organization can join.

Successful Practice

Setting up a foundation center that offers centralized and comprehensive grant information services benefiting individuals or agencies that rely on philanthropic giving for their organization.

Contact
Lynne Breza
Foundation Grant Seekers Info. Service Center
1151 Oak Street
Pittston Township, PA 18640-3795
Telephone (717) 655-5581
FAX (717) 654-5137

Case Study

The Problem
Many nonprofit organizations have come to rely on philanthropic foundations and federal agencies to provide them with assistance and funding for their projects and programs. Finding this information is challenging, however, because it tends to be scattered in many locations, thus making it difficult to locate. This problem is exasperated in rural areas such as northeastern Pennsylvania where resources are limited and information is more

difficult to find than in more metropolitan areas where large libraries and universities provide information sources. Nonprofit organizations are further burdened in this area as across the nation, federal agencies have become less dependable for financial assistance leaving these organizations to rely primarily on private sources. Unfortunately, finding accurate and reliable information on private foundations is difficult and time consuming. This combination has created the need for a centralized information source for philanthropic giving.

The Approach Adopted

To provide nonprofit organizations is their region with information on philanthropic foundations throughout the United States, the Pocono Northeast Development Fund, located in the offices of the Economic Development Council of Northeastern Pennsylvania offers the Foundation Grantseekers Information Service (FGIS) center. FGIS provides factual information on philanthropic foundations, and can assist interested individuals and agencies in locating appropriate funding sources for their organization's projects and programs. The center offers computer searches, a foundation library, grant writer's training, a "Hot Line," and a newsletter.

In addition, FGIS provides a trained, professional staff that can provide grant information seekers with guidance and assistance using FGIS resources including books and computers. Individuals can use the facility for free paying fees for some services, or pay a $25 yearly subscription to use the Service. Those who choose to subscribe receive full benefits of the center, but are also required to pay fees for time intensive services.

How They Implemented the Approach

To develop FGIS, the Pocono Northeast Development Fund applied to become a member of the Foundations Center's Cooperating Collection Network. To become part of the Network, applicants must submit letters of support from other organizations in the community including nonprofits and grant writers as well as meet other criteria set by the Foundation Center located in New York City.

All Cooperating Collections are required to pay an annual membership fee of $750 for the first three years. After that period, the cost is $500 per year. This fee covers the core collection of foundation indexes including the Foundation Directory, (Parts I and II), the Foundation Directory Supplement, the National Directory of Corporate Giving, and many others. These books are updated yearly or when applicable. The fee also includes technical assistance, a regular quarterly bulletin, telephone reference assistance, a limited number of private foundation IRS returns on aperture cards, brochures, network lists, and Center publications catalogs, a Cooperating Collections Directory, and additional copies of core collection and other Foundation Center publications sold for a 40 percent discount. A Cooperating Collection would ideally be housed in a library or other information center.

There are additional expenses to operating a Cooperating Collection that organizations should consider. There needs to be one full-time professional or equivalent librarian and at least one half-time clerical assistant. The librarian should be well-versed in information resources, dedicated to public service, and especially knowledgeable about private philanthropy throughout the nation. Lastly, the Cooperating Collection should have appropriate amounts of furniture and equipment such as microfiche readers, a reader-printer, a photocopy machine, a storage unit for aperture cards, and a well-lit area for reading.

Results

FGIS has been in operation for over ten years. It directly serves a seven county area in the northeastern part of Pennsylvania. FGIS provides important information and services to nonprofit organizations that are seeking grant information from philanthropic organizations. The center is open weekdays from 9 am to 5 pm. The fee for full membership is only $25 yearly, although many services are provided for free and is open to anyone.

Demographics of Seven County Area in Northeast Pennsylvania

(Wayne, Pike, Lackawanna, Luzerne, Schylkill, Monroe, and Carbon)

Area of Focus

Population 936,585 (United States N/A)
Population per square mile 305 (United States 72)
Per capita income $12,147 (United States $14,420)
Percentage of population with incomes below the poverty line 10.3 (United States 13.1)
Source: 1994 City and County Data Book
webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Entrepreneur Development in Rural Communities

Subject: Entrepreneur Services Coordinator

Location: Georgia Rural Economic Development Center at East Georgia College

Summary: In July 2000, the Georgia Rural Economic Development Center (GREDC) was created and funded by the Intellectual Capital Partnership Program (ICAPP) of the University System of Georgia and a significant private donation. The goal of the center is to lead the state's rural economic development efforts by: testing new ideas, conducting research to seek solutions to local, regional and state development problems, educating local and regional leadership, and collecting and disseminating information on rural economic and social situations. The rural center focuses on economic development issues that build economic strength, as well as develop innovative, practical strategies that prepare rural communities to prosper in the years ahead. Successful, existing collaboratives exist with state and local government agencies, other University System institutions, Department of Technical and Adult Education (DTAE), community economic development organizations, the private sector, and others to efficiently and cost effectively coordinate and implement economic development programs.
In April 2001, GREDC collaborated with Georgia Institute of Technology's Economic Development Institute (EDI) to sponsor an Entrepreneur Services Coordinator (ESC). The ESC was created to assist rural communities with entrepreneur development in order to grow technology-based businesses in their respective communities. While most rural communities focus on recruiting large industries to their town, many of the smaller business start-ups who are often initiated by local businesspersons, are overlooked or ignored. The focus of the program is to teach rural communities how to "grow your own" business, by identifying local entrepreneurs and providing start-up assistance to those companies.

EDI and GREDC entrepreneurship efforts are focused in four areas to create and to retain high value, long-term private sector jobs:

- Management and technical assistance to entrepreneurs and existing small start-up companies

- Guidance to local economic development authorities, chambers of commerce, community leaders, and legislators to encourage entrepreneur development and growth

- Development of entrepreneurs into suppliers for large Georgia companies

- Coordination of services to entrepreneurs through agencies such as GREDC, Small Business Administration (SBA), Small Business Development Center (SBDC), Department of Community Affairs (DCA), Department of Industry, Trade and Tourism (DITT), USDA Rural Development, and units of Georgia

Tech including EDI, Advanced Technology Development Center (ATDC), Georgia Tech Research Institute (GTRI), and others

In one progressive community, the ESC has successfully launched an Entrepreneur Support Team comprised of an attorney, certified public accountant, banker, community leaders, and several successful entrepreneurs who volunteer to provide vital business assistance to local entrepreneurs. It is the goal of the ESC to launch support teams in all communities that are receptive to the concept, and can adequately staff the team with professional volunteers.

The GREDC is building an extensive Entrepreneurship library and is studying the feasibility of a model entrepreneur business incubator.

Results: Since its inception in April 2001, the ESC has assisted over 50 entrepreneurs and 13 communities within its 21 county region. Many of these entrepreneurs, if left unassisted, may have sought assistance from outside their home community, and potentially located there, or may have abandoned their startup ideas altogether. Retaining and growing these local businesses will assist the economic growth of the respective communities where they locate. While most businesses will begin will a small employee base, many have the potential to grow into larger businesses as their customer base enlarges, thus providing a number of jobs for each expansion. Additionally, vacant buildings in rural industrial parks or downtowns can often be remodeled and obtained at a reasonable rate, stimulating occupancy rates in the industrial parks, encouraging downtown growth and providing affordable workspace for growing businesses. The ESC is responsible for facilitating meetings between the entrepreneur and local leaders to encourage such growth.

Successful Practice and Follow Up: Collaborating with Georgia Tech's EDI has allowed the Georgia Rural Economic Development Center, via the ESC, to provide rural communities with essential tools for fostering entrepreneurship. The collaboration is a cost effective method for educating rural community leaders about economic development trends. The unique "hands on" approach has been well received by entrepreneurs. In working with the rural communities, the ESC has noted that some communities are better equipped to assist entrepreneurs, and are more receptive to the creation of an Entrepreneurial Support Team. To quantify this, the ESC and Georgia Tech's ENet group, developed an Entrepreneur Readiness Assessment (ERA) to gauge a community's awareness of entrepreneur contributions to their local economy. The ERA identifies opportunities and obstacles associated with local entrepreneur development and recommends strategies for insuring a community is "entrepreneur ready". The assessment provides rural communities with a roadmap for implementing a local entrepreneur development program.

Contact Information:
Patrick Wilbanks
Georgia Rural Economic Development Center at East Georgia College

131 College Circle
Swainsboro, Georgia 30401
Telephone: 478-289-2138
Fax: 478-289-2107

Source: Georgia Rural Economic Development Center at East Georgia College, 131 College Circle, Swainsboro, Georgia, 30401; (478) 289-2121.

Entrepreneurial Development in Rural Communities

Subject: St. Mary's High Hydroponic Greenhouses

Location: St. Mary's (Pleasant County), West Virginia

Partners: St. Mary's High School; Future Farmers of America

Summary: As part of the agriculture science curriculum at St. Mary's High School, students raise lettuce in one hydroponic greenhouse and tomatoes and cucumbers in another. The produce is trucked to markets as far away as Pittsburgh, Pennsylvania, which is a two and a half hour trip. Lettuce is the most profitable crop because it is easiest to raise; however, more agricultural science teaching occurs around growing the other vegetables. Students raise and harvest vegetables, maintain the greenhouses, control pests, keep records, constantly monitor costs, and periodically assess potential new markets. The Agriculture Science III and IV classes develop the marketing plan, which is a sophisticated and thorough document. Students improved their equipment to reduce leakage and keep costs down. Recently they changed their packaging in response to rising prices for paper products. Throughout the process, students learn how their performance affects the bottom line. Initial funding for greenhouse construction came from a state grant of $42,000 that was supplemented with in-kind supplies and labor from the local board of education (about $5,000 worth) and government (another $5,000 worth). Since then, receipts from the sale of produce have funded the program, making the greenhouses self-supporting. Although the market for high quality vegetables is still not as strong as initially hoped, the business has been able to support itself and pay for the students' educational experience. Students gain real world experience in all aspects of raising vegetables in a greenhouse and of operating a small business while developing high level analytical and communication skills and computer literacy.

Accomplishment: For ten years, this program has taught the students, math, English, computer use, and business and analytical skills in the context of running a small business; it has succeeded in the marketplace by emphasizing good business practices---on-going market analysis and market attention to costs.

Contact: Erwin Berry, St. Mary's High School, 7007 2nd Street
St. Mary's, WV 26170, Telephone: (304) 684-2421

Source: *Rural Strategies That Work*, The North Carolina Rural Economic Development Center, Inc., 1997.

Entrepreneurial Development in Rural Communities

Subject: Child Development Center and Construction Operation

Location: Quitman, Georgia

Agency: Brooks County High School

Summary: Brooks County, Georgia, is a low income rural area on the Georgia-Florida line, just west of I-75. The largest city and county seat is Quitman, which has fewer than 2,500 residents. In the late 1970's, a partnership between Brooks County Public Schools, the Rural Entrepreneurship through Action Learning (REAL) program, and Georgia School-Based Development Enterprises conducted a market analysis to identify needs in Quitman that could be filled by student enterprises. Two of the needs identified were a day care center and a construction operation. The high school started businesses in these areas to meet community needs and give the students an opportunity to gain real world skills. The Child Development Center provides quality daycare for 55 children while training students to become licensed day care providers and providing jobs with benefits to five day care workers. The center is funded by fees for service and Carl Perkins grants, which subsidize day care services for children of eligible high school students. The construction program is a three year construction curriculum that teaches students the basics of building skills---plumbing, electrical work, and carpentry the first year, more detailed skills the second year, and provides on-the-job experience the third year. Third year students work on community improvement projects such as the construction of ramps at the hospital. Students also learn to read blueprints, estimate time and materials, and plan projects. The construction operation meets state vocational education criteria and receives state funding. Its revenues are used to buy additional materials and better quality tools. Both programs teach students job skills, practical experience, and how to manage a small business.

Accomplishment: The school-based businesses have met real community needs while teaching two decades of students vocational and entrepreneurial skills.

Contact: Jeff Massey, Vocational Director; Sharon Cunningham, Director of Child Care; Chris Kohler, Construction Program: Brooks County High School, 1200 Tall Oaks Road, Quitman, Georgia 31643; Telephone: (912) 263-8923. FAX: (912) 263-7049

Source: Rur*al Strategies That Work*, The North Carolina Rural Economic Development Center, Inc., 1977.

Environment

Topic: Environment

Subject: Wetland Management

Location: Northwest Wisconsin (WI)

SUMMARY:

The City of Superior Special Area Management Plan (SAMP) was designed to preserve vast areas of wetlands and other natural and scientific areas, while reducing the cost and time involved in the wetlands review process. It has also enhanced the level of communication between government and regulatory agencies. The project is voluntary and is locally financed without assistance from outside grants.

The project abandons the previous wetland review process which looked at each individual permit request on a case-by-case basis. The program identifies wetlands in the area that need protection and those that are generally suitable for development, providing no other alternatives are available. SAMP has assisted developers by streamlining the permit process in certain areas and has also given assurances to environmental interests that cumulative impacts of development on wetlands have been analyzed in the context of broad ecosystem needs.

SUCCESSFUL PRACTICE

The development of a special, but legal, wetland designation that allows for development without jeopardizing an environmentally sensitive area.

CONTACT
Bruce Davis
Executive Director
Northwest Regional Planning Commission
1400 S. River St.
Spooner, WI 54801
Telephone (715) 635-2197
FAX (715) 635-7262

CASE STUDY

The Problem
Although wetlands are a vital part of the ecosystem that need protection, lengthy wetland review processes often bring costly delays for development projects. For instance, in 1990, a proposal to build a department store that would create many jobs in the City of Superior was met with objections from Environmental Protection Agency officials. The plan called for a portion of the facility to be built on a wetland area. Following a lengthy

appeals process, which delayed development by several months, the project was approved and the loss of wetlands mitigated through a wetlands replacement project. This kind of frustration served as a catalyst for the project. Clearly, business interests needed to work in harmony with environmental protection.

The Approach Adopted:

To make the wetland review process more efficient, administrators from the Northwest Regional Planning Commission developed the City of Superior Special Area Management Plan (SAMP). This plan is intended to reduce the problems associated with traditional case-by-case review of projects. Through advance planning, the community identifies moderate- and high-value wetlands in need of enhanced protection, while allowing development of less valuable wetlands.

SAMP has streamlined the review process, making it more efficient for business interests and more effective for environmental interests. By reducing permit processing time in certain situations potential developers have been provided a measure of predictability. At the same time, environmental interests have been assured that cumulative impacts of development projects have been analyzed in the context of broad ecosystem needs.

SAMP achieves the above goals in two ways. First, it facilitates appropriate local and state approvals for development, but only for activities and situations described in the plan. SAMP is also the basis for a general permit application to the US Army Corp of Engineers which allows development in wetlands which are generally suitable for development, providing no practicable upland alternatives are available. Second, SAMP includes local and state and federal restrictions on undesirable activities and designates properties as too valuable for development. An individual permit review may be conducted for activities that do not fall into either of these two categories.

How They Implemented the Approach:

SAMP was developed with the cooperative leadership of a local Steering Committee (comprised of representatives from the Douglas County Board, Douglas County Extension office, City of Superior Planning Department, City Council, City Public Works Department, the Douglas County Fish and Game League, the Superior School District, and Northwest Regional Planning Commission (NWRPC) staff) and a Technical Advisory Committee (consisting of representatives of US Fish and Wildlife Service, US Soil Conservation Service, the EPA, the Wisconsin Department of Natural Resources, the Corps of Engineers, Douglas County Board, Douglas County Extension office, NWRPC staff, and a consulting wetlands ecologist). NWRPC staffed the effort of both bodies by doing the necessary research, analysis, coordination, and plan preparation. Between 1990 and 1995, nearly $150,000 was spent on the project. Funding came from the City of Superior ($73,000), Douglas County ($45,000), and NWRPC ($31,400). In addition to the cash, the City of Superior has provided in excess of 2,000 hours of staff time from the Department of Public Works and the City Attorney's office.

Results:

The development of the Special Area Management Plan has had a great impact on the region. In addition to the benefits listed above, several other positive things have come out of this project. First, the community, particularly some of the developers, has recognized the need for growth management and have adopted an enhanced resource conservation attitude. Second, because the regulators and the community have been working together closely on this issue, new relationships and working groups have been established between the city and the Wisconsin Department of Natural Resources. Last, a new spirit of cooperation has become evident between the City of Superior and Douglas County as a result of their collaboration.

DEMOGRAPHICS OF DOUGLAS COUNTY, WISCONSIN

Population 42,473 (United States N/A)

Population per square mile 32 (United States 72)

Per capita income $10,744 (United States $14,420)

Percentage of families with 11.1 ((United States 10)

Incomes below the poverty line

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Health Care

Topic: Health Care

Subject: Access Emanuel: Affordable Health Care for the Working Poor

Location: Emanuel County, Georgia

Summary: Access Emanuel provides access to primary, preventive care to all citizens of Emanuel County regardless of ability to pay through a network of 13 primary care providers, 6 specialty physicians, the local hospital, local health department, laboratory and 4 local pharmacies. Access Emanuel also serves as a unifying organization to advocate quality and appropriate healthcare and serves as a referral network for healthcare services needed.

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Case Study

The Problem: Access to affordable healthcare has long been a concern for many residents living in Emanuel County, Georgia. Statistics revealed that many workers in Emanuel County were not offered health insurance from their employer, or were unable to afford the health insurance premiums so offered. Many workers were not eligible for Medicaid and were unable to afford healthcare. As a result, minor health conditions were often left untreated, which oftentimes grew into emergency room visits. Primary or preventive care was not an affordable option for these working poor. While Emanuel County has a primary care clinic with a sliding fee scale, and a county health department, the disbursement of the patient load was needed, as was the assistance of specialists and pharmacies to complete the necessary treatment services.

The Approach Adopted: Medical providers in Emanuel County were contacted for interest in participating in the program. After several meetings and discussions, medical providers agreed to accept Access Emanuel patients into their practice, agreed to the sliding fee system and reserving the right to limit the number of recipients. Pharmacies agreed to reduce the fees to $7.00 for certain prescriptions for recipients.

How They Implemented the Approach: After agreement by the Emanuel County medical providers to participate in the program, each signed a Letter of Intent. Guidelines for enrollment in the program are: that recipients are Emanuel County residents, have income under 200% of the federal poverty level, and have no other health insurance.

Services are provided on a "sliding scale" fee payment based on household income. Patients who qualify for Medicaid or other assistance programs are required to apply for coverage and assistance is provided. Patients are enrolled for a one year period and are required to sign a "Patient Responsibility Agreement" which covers keeping scheduled appointments, complying with treatment plans, reporting changes in income, and applying for other benefits. All patients are issued an ID card, to be presented at each appointment. Patients are billed for services based on the level of pay determined when they are enrolled. Providers agree to accept a limited number of Access Emanuel patients and referrals are to be made to all participating providers in an equitable manner. Access Emanuel recipients receive certain specified prescription drugs at a reduced rate of $7.00 per prescription.

All enrollees are assigned a primary care provider. Access Emanuel schedules an initial visit with that provider upon enrollment. All providers complete a HCFA form which is returned to Access Emanuel for tracking purposes.

This program is a pilot project of the Georgia Department of Community Health. Initial funding was a $67,000 grant from the Georgia Indigent Care Trust Fund. Additional grants were provided by the U.S. Health Resources and Services Administration ($30,000), Georgia Department of Medical Assistance ($20,000), Georgia Medical Education Board ($5,000), St. Joseph's – Candler Hospital ($5,000) and several smaller grant sources. The Access Emanuel office suite is located on the 3rd floor of a county-owned building, and was donated by the county. In-kind contributions and community matching funds provided additional assistance.

The Results: Since the program began in 1999, over 1,000 Emanuel County residents have received reduced fee preventive and primary care medical services and prescriptions. The program also offers assistance to applicants in completing the Access Emanuel application, and for those denied, offers referrals to other appropriate programs, thus providing a valuable service to the community and the applicant.

Source: *Access Emanuel: Opening Doors to Healthcare for All, 2000.*

Telephone interview with Rebecca Riner, Director, Access Emanuel, October 6, 2000.

Topic: Health Care

Subject: Health Care Insurance

Location: Northeastern Minnesota

Summary

The Health Ensurance Coalition (HEC) was developed in the late 1980's in response to a need by area residents whose employers, mainly very small businesses, could not provide them with health insurance due to the high expense. HEC studied the health insurance needs of the community and implemented a solution. By setting up a network of over 200 providers, HEC provides affordable health insurance plans to 54 employers and over 100 individuals. Currently all former HEC recipients are now covered by the larger, state-run MinnesotaCare Program.

Successful Practice

Researched and designed a cooperative health care insurance system for people and those who worked for small, rural businesses that could not provide health care and who could not afford individual plans. Regional program resulted in statewide program designed to help the working poor.

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Case Study

The Problem

This region in northeastern Minnesota suffered from poor access to health care for the uninsured. In a survey conducted by the Health Ensurance Coalition, Inc. (HEC), it was determined that 37 percent of regional employers did not offer health insurance, 75 percent of which blamed the high cost. It was further discovered that 75 percent of the area's uninsured have a job, or are the dependents of a worker. Until this survey was conducted, there was wide speculation that the uninsured did not work, were young and did not want coverage, or were wives covered by their husband's plan.

The Approach Adopted

HEC focused its efforts on the working uninsured. Working with these individuals, the Coalition designed a project which makes a low-cost limited benefit program available through their employer. The plan differed in several ways from insurance that is currently offered to small employers. The most significant differences were in the plan's cost, the benefits it provides, and who was eligible to enroll. Monthly premiums ranged from $33 to $50 (smoker) for adults and $22 for dependent children. Coverage was limited to $500 per year in outpatient costs and $500 per year in inpatient expenses. There were no co-pays or deductibles. This was an important feature to the plan as high deductibles often proved to be a disincentive for people who could not afford early or preventative care. Only people who work for an employer which did not offer health insurance were able to enroll.

HEC implemented an effective plan to remedy these problems allowing for greater access to health care insurance for those in greatest jeopardy. In two years, HEC enrolled over 200 providers, 54 employers and over 100 individuals who all meet the target population. This program had a direct impact on the development of state policy in health care access leading to the evolution several successful programs. Currently, all of the former HEC recipients are now enrolled in the state-managed MinnesotaCare Program.

How They Implemented The Approach

To market the program to providers, employers and individuals, HEC implemented a cost-effective approach of direct mail, phone calls to target business, extensive newspaper, radio and TV news coverage and civic group presentations. This was successful in reaching small businesses and generated over 1500 requests for enrollment materials.

To coordinate program activities, HEC had an advisory board, which was made up of a diverse group of local representatives including business, government, labor, citizens and health care interests who want to improve medical care access for their neighbors. Staffing was provided by the Arrowhead Regional Development Commission located in Duluth. The program began as a two-year demonstration project with funding of $270,000 from the State of Minnesota and an additional $285,000 from private foundations. This money was used to set up a provider network of hospitals and physicians, subsidize insurance costs and market the plan.

Results

HEC conducted the first statewide evaluation of its health insurance needs. Previously, access to health insurance had not been considered a great need of state residents. The survey however indicated that a great number of people in the state lacked health insurance even though they were working full-time. Based on these survey results, HEC established an insurance plan for these people.

Program Spin-offs

Based on the results of HEC's survey, MinnesotaCare, mentioned above, was developed by the state legislature. MinnesotaCare is a preventative-based medical benefits plan that focuses on that portion of the population that makes up the uninsured, working poor.

Also, a significant result of HEC is the establishment in 1992 of Regional Coordinating Boards (RCBs) that have been modeled after HEC's Advisory Board. Similar to HEC's board, the RCBs include representatives of the medical field, small business, labor, insurance, government and consumers. These boards, which are made up members who come from a wide range of geographic and employment backgrounds and attempt to solve regional health care problems in their area of the state.

Demographics

Population 381,376

Per capita income $11,273

Poverty rate 14.2%

Pop./sq.mile 18.5

Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Health Care

Topic Project: GoodHealth

Subject: Health Care for Children in Low-Income Families

Location: Southeastern New Hampshire

Summary

Rockingham Community Action, a Community Action Agency serving southeastern New Hampshire, received a grant from the Robert Wood Johnson Foundation in 1992 to establish Project GoodHealth, a health care program directed towards children of low-income families. These families usually cannot afford routine medical care, sometimes resulting in minor health problems developing into serious conditions. Furthermore, when children do not receive regular checkups, they do not establish a continuous medical record, which is essential to ensuring effective treatment for problems that might develop later in life. The doctors participating in Project GoodHealth agreed to follow a rate schedule that reduces their usual fees for office visits by approximately 50 percent. Eligible families pay $5-$15 per office visit, and Project GoodHealth pays the balance. Project GoodHealth also assists low-income families with prescription medicine costs and specialist care. In addition to health care for children, Project GoodHealth began providing free counseling services when a group of private therapists volunteered their services. Project GoodHealth also provides information and referrals on topics such as parenting, child development, immunizations, home lead levels, and nutrition. Since May 1992, more than 500 children have enrolled in the program.

Successful Practice

Developed a program of service and education involving a national health care foundation, other national and local nonprofit foundations, doctors who reduced their rates, volunteer counselors, the Visiting Nurse Association, and Community Action Agency staff to help meet the health care needs of low-income families who otherwise would not be able to afford basic medical care.

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Case Study

The Problem

In 1992, a comprehensive assessment of the health care needs of low-income families in the greater Portsmouth, New Hampshire, area found that these families are often forced to go without medical care, or to postpone care until the situation warrants a trip to the emergency room. Easily treated problems often become more serious, and more costly to alleviate, by the time treatment is sought. Low-income families often face the difficult choice of paying a heating bill or buying food instead of taking a sick child to the doctor. These families are generally unable to establish sustained relationships with family physicians, which results in children growing up without having established a continuous medical record that helps ensure effective treatment for problems that might recur over the long term.

The Approach Adopted

Rockingham Community Action (RCA) established a task force comprised of physicians, nonprofit health and social service providers, local welfare administrators, and consumers to examine several health care delivery options. The task force determined that a physician's office-based model that provides care to children through a network of primary care doctors would be the most effective and practical way to ensure that low-income families receive the health care services they require.

How They Implemented The Approach

RCA received a two-year, $112,000 start-up grant from the Robert Wood Johnson Foundation in 1992 to establish Project GoodHealth. Additional funding came from the United Way, the Foundation for Seacoast Health (a local health care foundation), and other private foundations. RCA developed the program in partnership with the Visiting Nurse Association.

To be eligible for the program, a family's income must be too high to qualify for Medicaid, but it must not exceed 225 percent of the federal poverty level. This income range includes families usually referred to as the "working poor," and it is these families that are most at risk of going without necessary medical care. Families with limited health insurance coverage can qualify for Project GoodHealth if the deductible exceeds $100 per child.

RCA recruited all eight of the local medical practices that provide primary pediatric care in Portsmouth and the six surrounding communities to participate in the program. Through Project GoodHealth, families select a primary care physician from among the participating doctors. The doctors agreed to reduce the cost of office visits for children enrolled in the project. The fee structure is based on the physicians' fixed costs and is similar to Medicaid reimbursement rates. The fees are usually about half what the doctors

normally charge. The family makes a small co-payment of $5-$15, and Project GoodHealth covers the balance. Project GoodHealth also helps families pay for prescriptions resulting from office visits.

Specialist care is available on a case-by-case basis. Primary care physicians make referrals when they think it is necessary. The referring physician and Project GoodHealth work informally with the specialists to negotiate fee reductions. The patients pay what they can afford, and Project GoodHealth pays the balance.

In 1994, Project GoodHealth began providing free counseling services to families after 26 private therapists volunteered their time. The therapists insisted that the only fee be a small co-payment worked out between the therapist and the patient. All members of the family are eligible for counseling, which includes a full range of family and individual counseling. The participating therapists are not psychiatrists. Therefore, they cannot prescribe medications, but they can work with Project GoodHealth physicians to arrange for medications when needed.

In addition to the direct health care benefits, Project GoodHealth offers an array of support services. A Project Nurse, who comes from the Visiting Nurse Association, and a Health Educator make home visits and provide one-on-one counseling to provide participating families with information and advice on health-related issues that the families indicated were important to them when they enrolled in the program. Project GoodHealth also publishes a newsletter to provide in-depth information and referrals on issues important to families, e.g., parenting, child development, immunizations, lead levels, and nutrition.

Project GoodHealth staff also serve as a resource on Medicaid eligibility. The staff works to enroll families in the Medicaid program if they are eligible. There are also special assistance programs for people not usually covered by Medicaid; Project GoodHealth helps families get access to these services.

Results

Since May 1992, more than 500 children have enrolled in Project GoodHealth, and they have made approximately 1,200 pediatric office visits. These families have established a consistent relationship with a single doctor, who can become familiar with the child's particular medical history and needs.

Project GoodHealth's dual approach--direct health care combined with support services--has significantly improved the quality of health care available to low-income families and has provided support and education to alleviate the symptoms that perpetuate the long-term cycle of poverty and poor health.

The task force that helped develop Project GoodHealth has continued to serve an advisory role. It has taken the Project GoodHealth model and developed a new program to provide health care services to adults and children. Seacoast HealthNet will begin

serving New Hampshire's low-income population in the fall of 1995. Seacoast HealthNet will include specialist care in most medical fields and counseling services from the beginning of the program. The Robert Wood Johnson Foundation awarded a one-year planning grant of $94,000 under the Foundation's Physician Reach-Out Initiative to develop Seacoast HealthNet. The Foundation has agreed to follow with a three-year implementation grant of $225,000 to get the new project underway.

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Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Health Care

Topic: Vermilion Area Community Health Care Organization

Subject: Health Care for Low-Income Individuals and Families

Location: East Central Illinois

Summary

In 1993, the East Central Illinois Community Action Agency received a $50,000 start-up grant from the Illinois Department of Commerce and Community Affairs to open the Vermilion Area Community Health Center. The center provides health care to individuals and families with limited or no health insurance. The health center was made possible through the collaborative efforts of a local church, which donated space in its basement for the clinic; the city of Danville; local financial, legal, and educational institutions; and several county-based organizations, including two clinics, two medical centers, a nursing college, a medical school, four pharmacies, and the county health department. Area physicians, physician assistants, and nurses provide basic health care services either for free or for a small fee. Services include educational classes, health maintenance programs, flu immunizations, glucose screening, group sessions on substance abuse, Lamaze classes, childcare, and diet and nutrition information.

Successful Practice

Built a broad coalition of partners to provide health care services to low-income families and individuals with limited or no health coverage, thus encouraging better personal health care practices and reducing health care costs for both the recipients and taxpayer-supported health care programs.

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Case Study

The Problem

Vermilion County, a rural county of 88,000 people in east central Illinois, is experiencing high levels of poverty. Unemployment in the county is 8.6 percent, and the area's largest manufacturing facility, the General Motors Powertrain Plant, will close in 1996, laying off 1,000 workers in the process. Fifteen percent of Vermilion County's population lives below the federal poverty level. For children, the rates are even higher: 28.03 percent for children ages 12-17, 33.99 percent for children ages 6-11, and 32.06 for children under five. Nearly 6,000 workers earn less than $200 per week. Estimates show that 14,000 of the county's 88,000 residents are uninsured.

In addition to their distress over the increasing number of people with no health insurance at all, a coalition of county residents was concerned that people on public assistance had to travel 30 miles or more to find physicians who would accept their public aid cards.

The Approach Adopted

Vermilion County residents agreed that the county needed a community health center to serve those in need. The East Central Illinois Community Action Agency (ECICAA) volunteered to help establish the clinic.

How They Implemented The Approach

ECICAA reviewed its client files and found that more than 50 percent of the people applying for services were uninsured. In 1993, ECICAA used this information as the basis for applying to the Illinois Department of Commerce and Community Affairs, which administers the state's Community Services Block Grant (CSBG). The state approved a $50,000 grant from its discretionary funds to establish a community health center. Additional funding came from the Robert Wood Johnson Foundation, the Gannett Foundation, the Vermilion County Health Foundation, the Webster Foundation, and local companies.

In June 1993, the Vermilion Area Community Health Center (VACHC) incorporated as a nonprofit organization with a board of directors comprised of community leaders and representatives from participating organizations. The First Presbyterian Church of Danville donated space in its basement for the clinic. ECICAA served as financial agent and conduit of funds for the health center. Other partners and service providers include: Bettone Hearing, Danville Carle Clinic, Danville Polyclinic, Danville Polyclinic Pharmacy, Danville Area Community College, Gulick Pharmacy, Lakeview College of Nursing, RJ Hearing, Southtown Pharmacy, The Prescription Shop, United Samaritans Medical Center, University of Illinois College of Medicine and School of Nursing, Vermilion County Health Department, Vermilion County Medical Society, and Veterans Medical Affairs.

Clinic services are available to people with no health insurance, no Medicare, restricted public aid cards (Medicaid), and who earn less than 135 percent of the federal poverty level. The targeted population consists of the working poor, working single-parent families, people with seasonal jobs, people striving to become self-sufficient and leave welfare, college students without family support, people residing at the Rescue Mission, Salvation Army, and other shelters, striking workers, and laid-off workers with no benefits. VACHC also provides shuttle bus service for people living in outlying areas of the county. The Center asks patients to make a $5.00 donation for services if they can afford it, but there is no requirement of payment.

VACHC distributes fliers and general information on its services and income guidelines to area social service agencies, businesses, and churches to publicize its services. VACHC also conducts yearly orientations for social service agencies' staff on VACHC services, protocols, and procedures.

The VACHC volunteer medical corps consists of general practitioners, family physicians, and ear/nose/throat specialist, internists, pediatricians, general surgeons, plastic surgeons, and obstetricians/gynecologists. VACHC has recruited 40 physicians, 10 nurse practitioners, and five physician assistants to provide services free of charge. Medical providers donate 10 hours per week.

VACHC provides primary care, preventive health educational programs, limited chronic care, pre-school physicals, employment physicals, hearing tests, x-rays in some cases, and limited lab testing. Two local clinics, the Danville Carle Clinic and Danville Polyclinic have each pledged to provide diagnostic laboratory and x-ray services. VACHC has limited agreements with six local dentists to provide emergency dental services, such as tooth extractions, but not preventive care. Each of the dentists will see one patient per week.

If necessary services, including referrals to specialists, are not available for free at VACHC or the participating clinics, the VACHC staff works with the patient to find financial assistance. A local hospital, United Samaritans Medical Center, has a patient assistance program to determine if patients have the resources to pay for services.

VACHC maintains a medicine cabinet of samples donated by area physicians and pharmaceutical companies. For prescriptions not available in the Center's medicine cabinet, VACHC pays for prescriptions from four local pharmacies. These pharmacies agreed to charge the Center only the actual cost of the medicine plus $1.00.

Among the Center's special services are a registered nurse trained to assist patients suffering from diabetes. The specialist checks sugar and glucose levels and counsels patients on managing their condition. The Center also has two volunteer dietitians who provide education and counseling on high blood pressure, cholesterol, hypertension, eating habits, shopping habits, and exercise programs.

The Center itself has a waiting area for patients and a play area with books and toys for children. The medical area has two fully equipped examining rooms and space available if more examining rooms are needed. The Center also has an examining room that is accessible to people with disabilities.

Lakeview College of Nursing provides as many as six student nurses per week to the VACHC. These students, who work for eight hours per week, support VACHC's volunteer doctors and nurses and gain valuable hands on training experience.

Local residents and students from Danville Area Community College and the vocational/technical school donate their time to work in VACHC's office. These volunteers schedule patients, screen patients for eligibility, prepare charts, answer phones, help with fund raising, and support the Center's director.

All VACHC volunteers receive a volunteer manual describing VACHC's daily operations and procedures. Volunteers also attend quarterly in-service training sessions for updates on new policies, board of directors decisions, and services provided. Volunteers share ideas, identify problems, and discuss successful practices. Guest speakers from other service providers explain their services and eligibility requirements.

VACHC strives not to duplicate services already available in the area. Therefore, the Center does not provide drug testing, abortions, physical therapy, second opinions, controlled drugs, dental care, eye care, Hepatitis screening, Well Baby checkups, family planning, immunizations, and care for sexually transmitted diseases. Most of these services are provided by the Vermilion County Health Department.

VACHC seeks to treat the entire individual. Therefore, it also provides a Patient Advocate to help clients gain access to services to meet other needs they may have, e.g., housing, employment, food, utility concerns, childcare, transportation, and clothing. The Patient Advocate works with patients and various social service agencies to obtain appropriate services.

Results

More than 50 area physicians, physician assistants, nurse practitioners, registered nurses, and student nurses volunteer their time to provide quality medical care to the low-income population of Vermilion County. During its first year of operation, VACHC treated 1,161 patients. It treated more than 1,300 patients in 1994.

webmaster@rurdev.usda.gov
Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Health Care

Topic: Health Care Subject Primary Care Center

Location Lincoln County (WV)

Summary

Like many rural areas, Lincoln County had for years attempted to gain funding necessary for the construction of a hospital. After four unsuccessful years, an alternative and better choice arose. After careful research, organizers discovered that grant money was available from the Appalachian Regional Commission and the National Health Service Corps specifically for the development of primary care centers. Once received, grant money and donations were used to help pay for the construction of the center and a portion of the physicians' salaries. To further reduce expenses, organizers used a variety of cost saving methods. Instead of constructing a new facility, developers renovated an old grocery store saving thousands of dollars on construction costs. Additionally, volunteers from the community assisted in renovating the structure by donating time, materials and tools to the effort. Once completed in 1977, the Lincoln County Primary Care Center became the first Rural Health Clinic in the nation under a law that provided cost-based reimbursement for medical services in rural areas that had difficulty retaining physicians. In its first year alone the center had treated nearly 10,000 patients. Approximately 15 years later, a new, modern facility was constructed serving the same area.

Successful Practice

The development of a primary care center that provides regional residents with needed health care services. To alleviate costs, organizers used existing resources and the labor of volunteers.

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Case Study
The Problem
Access to health care has long been a concern for many residents living in Lincoln County, West Virginia. Besides suffering from an extremely high poverty rate (33.8 percent) the population also suffers from an extremely low doctor/resident ratio (19 per

100,000 as compared with 214 per 100,000 in the rest of the United States). Prior to the Primary Care Center, if an individual was injured or otherwise in need of medical attention, the nearest hospital that the patient could receive care was located in either Huntington or Charleston not less than one hour away. For some, this could mean up to a two hour drive through mountainous, winding two lane roads, which in some cases during the winter may be rendered impassable. Additionally, the low incomes and high poverty rates suffered by a great amount of the population here make healthcare insurance a relative luxury as many cannot afford the expensive costs that hospitals require. Because of this, many ailments and injuries tend to go untreated.

The Approach Adopted

To address this lack of health care facilities and medical professionals, a group of citizens from Lincoln County, after years of trying, developed the Lincoln County Primary Care Center. Originally, the care center facility was housed in a vacant grocery store. Later, as funding became more available, the clinic moved to a new 17,500 square-foot facility with 16 examination rooms, two trauma rooms, a specialty room, a library, several physicians' offices and a residents' call room. Although the Center's main purpose is to focus on outpatient and preventative care, it is equipped to handle everything from stabilizing a serious trauma case to routine physical therapy.

Realizing that the clinic would serve West Virginia's poorest individuals and families, organizers of the Center instituted a sliding schedule of fees based on the patient's ability to pay. In some cases, a patient who is out of work will not be billed for any services received and in others where a patient is making only a little money, their bill will reflect that as well. Center organizers have made a special effort to ensure that every individual who enters their clinic will receive the best medical care possible regardless of the patient's income.

How They Implemented the Approach

In 1971, citizens from Lincoln County organized to construct a hospital for their area. This effort lasted for four years as organizers attempted to raise money. During this time however, it became clear that the best option for residents of Lincoln County to receive medical treatment was not through a hospital, but instead a clinic. To develop this, organizers turned to the National Health Service Corps (NHSC). This agency was designed to assist impoverished areas with access to health care. Under a program developed by NHSC, doctor salaries are subsidized for health care practitioners willing to practice in underserved areas. This helped to eliminate a great expense for the county.

In a further effort to enhance services at a reasonable cost, developers of the clinic turned to a federal program called the Rural Health Clinics. This program was established by Public Law 95-210. Legislation under this law allows clinics to obtain cost-based reimbursements for medical services and use physician assistants and nurse practitioners as health care providers. When it opened in 1977, the Lincoln County Primary Care Center became the first Rural Health Clinic in the nation.

To house the first clinic, a vacant grocery store was leased and then renovated with donations ($6,000) and volunteer labor from citizens of Lincoln County. To help cut costs, the volunteers instituted many thoughtful and ingenious ideas. For example, when the X-ray machine was delivered to the clinic, a volunteer suggested that the wood from the crate be used to build shelves. Although it may not have been aesthetically pleasing, the remodeled clinic also featured reused wood paneling for some of the examination rooms reducing costs further. Additional funding for the original clinic came from the Claude Worthington Benedum Foundation ($25,000), NHSC ($25,000), and the Appalachian Regional Commission ($59,000).

Fifteen years later, the clinic moved to its present home. Once again, community involvement was essential as donors and volunteers provided the necessary funds ($64,000) and labor to make it possible. Capital also came from Benedum ($100,000), The Kresge Foundation ($100,000), the Lincoln County Emergency Services ($15,000), and a loan from the Farmer's Home Administration ($400,000).

One of the greatest factors to the success of the clinic is its relationship with the Marshall School of Medicine. Since many of the clinic's clientele are very poor, they often times have difficulty referring them to specialists when necessary. To ease this problem, Marshall provides a referral resource of specialists and a local hospital where faculty have admitting privileges. In return, the school gets a clinical site where they can train students and residents.

Results

The clinic is open Monday through Friday 8:00 a.m. to 10:00 p.m., Saturday 9:00 a.m. to 10:00 p.m., and Sunday and Holidays 1:00 p.m. to 10:00 p.m. 364 days a year closing only for Christmas. The close proximity of the clinic to county residents makes traveling for routine check-ups and emergency situations for patients much safer and less burdensome. Its relationship with both Marshall and the hospital in Huntington has allowed the clinic to provide expert medical care at reduced cost and provide services that otherwise would be too costly. Approximately 30,000 patients visit the clinic every year.

Demographics of Lincoln County, West Virginia
Area of Focus

Population 21,686 (United States N/A)
Population per square mile 50 (United States 72)
Per capita income $7,224 (United States $14,420)
Percentage of population with incomes below the poverty line 33.8 (United States 13.1)
Number of doctors per 100,000 residents 19 (United States 214)
Source: 1994 City and County Data Book

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Health Care

TOPIC: Panhandle Family Health Resource Center

LOCATION: Gering, Nebraska

SUBJECT: Providing Health Care Services to Underserved and Unserved Individuals and Families

SUMMARY

In October 1994, the Division of Shortage Designation of the Nebraska Department of Health and Human Services designated Scotts Bluff County as a primary medical care health professional shortage area. Before 1993, Panhandle Community Services (PCS), a Community Action Agency serving the area, provided health care services to the underserved and unserved population through contracts with local doctors. PCS sought to address the continuing shortage of services by opening a Family Health Resource Center. The targeted population of the health center is the underserved/unserved of the area. Services are allocated on a sliding fee basis with no one turned away because of inability to pay. The new PCS facility houses dental and medical health services, nutrition services, and a family resource center. The Family Health Resource Center also contains an X-ray room and treatment facilities for minor surgery, casting, etc. As of March 1995, the Center employs 80 licensed medical professionals including doctors, dentists, physician assistants, registered nurses, dietitians, and practical nurses. One of the Center's objectives is to increase the number of two-year-olds who are current on their immunizations.

SUCCESSFUL PRACTICE

Developed a full array of family health services and opened a new health care facility to meet the needs of the underserved and unserved population.

CONTACT

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CASE STUDY

The Problem: In October 1994, the Division of Shortage Designation of the Nebraska Department of Health and Human Services designated Scotts Bluff County as a primary medical care health professional shortage area.

The Approach Adopted: Panhandle Community Services (PCS), a Community Action Agency, had been providing health care services to the area's underserved and unserved population through contracts with local doctors. To meet the continuing shortage of health care, PCS planned a new medical facility. The center would provide services on a sliding scale basis with no one being turned away because of inability to pay.

How They Implemented The Approach: PCS built a 12,300 square foot health care facility and family resource center. The building houses dental and medical health services, nutrition services, and a family resource center. Services are provided in 10 medical exam rooms and four dental exam rooms. The facility also has an X-ray machine and facilities for minor surgery.

PCS has significantly increased the number of medical professionals serving the area by retaining 80 physicians, physician assistants, dentists, registered nurses, dietitians, and practical nurses.

PCS has instituted a Continuous Quality Improvement Committee through which PCS can assure that the services provided meet high medical and dental standards and are accessible, affordable, and efficient. The Committee is responsible for performing chart reviews, documenting findings, planning and implementing corrective actions, and dealing with patient complaints.

Panhandle Community Services is a subcontractor to the Nebraska Department of Health to provide migrant health services and operates the only migrant program in the state of Nebraska. PCS also has a strong emphasis on education and preventive health care, including the Women, Infants, and Children program and the Commodity Supplemental Food Program. Health services staff collaboratively plan and conduct monthly education classes for prenatal, postpartum, and teen mothers and for mothers who speak only Spanish. A diabetes support group meets monthly at the agency and many educational videos and handouts are available during the clinic hours.

Results: The new PCS facility has made 80 new professional medical personnel available to the community. From January to December 1994, there was an increase of 48 percent in the number of people in the community served. During the six-month period from October 1994 to March 1995, dental services averaged 192 clients per month and 219 visits per month as compared to no clients or visits in 1993. During that same period, the Center averaged 589 clients and 782 visits. Immunization programs are up, with 898 immunizations given from October 1994-March 1995.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Health Care

TOPIC: Telephone Assistance Program

LOCATION: Globe, Arizona

SUBJECT: Providing Crucial Service To Medically Needy Low-Income Families

SUMMARY

Through the Telephone Assistance Program (TAP), Arizona assures that low-income, medically needy people have access to basic telephone service. A service that often represents a lifeline to vital services. Individuals apply to TAP at local community action agencies and other non-profit providers such as health care case management services. In order to be eligible, applicants must have incomes below 150% of poverty and be medically needy. To demonstrate medical need, applicants must have a physician certify that the household requires a telephone in case of a possible health related emergency. This certification asks the physician to estimate whether the service will be necessary for a period of one, two or three years.

Once eligibility is determined, the applicant is notified to contact U.S. West, the telephone service provider, to obtain service. If the household has back bills, they need to make payment arrangements to receive assistance. The program covers the cost of basic monthly service and, when necessary, any installation fees. Households continue to receive basic telephone service until the period of their medical need certification ends, at which point they can reapply for services.

SUCCESSFUL PRACTICE

Established a partnership between the public and private sectors and between local agencies and the state of Arizona to provide a crucial service to medically needy low-income families.

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CASE STUDY

The Problem: Approximately 94% of all households in the United States have telephone service, including 90% of households with annual incomes below $12,500. The telephone is a major mode of communication for most Americans. For families and individuals with medical needs, the phone often represents a lifeline to vital services. In Arizona, the problem was how to link those medically needy low-income households to this vital service.

The Approach Adopted: Through the Telephone Assistance Program (TAP), Arizona assures that low-income, medically needy people have access to basic telephone service. In order to be eligible, applicants must have incomes below 150% of poverty and be medically needy. To demonstrate medical need, applicants must have a physician certify that the household requires a telephone in case of a possible health related emergency.

Once eligibility is determined, the applicant is notified to contact U.S. West, the telephone service provider, to obtain service. The program covers the cost of basic monthly service and, when necessary, any installation fees. Households continue to receive basic telephone service until the period of their medical need certification ends, at which point they can reapply for services.

How They Implemented The Approach: Originally, the program expected to serve 6,800 households in 1995, the first year of operation. Since then it has continued to serve an estimated 7,000 to 8,000 households each year. Supported by CSBG funds, the community action network provides program outreach and takes applications, while the state determines eligibility and coordinates the program with U.S. West, the telephone company who contributes $1,000,000 annually to provide basic telephone service.

Results: The program provides a crucial service to 7,000 to 8,000 medically needy low-income households annually, and generates $1,000,000 in services from U.S. West. In addition the establishment of TAP helped to create strong partnerships and an effective advocacy network between the public and private sectors and between local community action agencies, other non-profits, and the state.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda..gov

Industrial Park

TOPIC: Economic Development

SUBJECT: Technological Business Development

LOCATION: Muskegon County (MI)

SUMMARY:

This county suffered a severe economic downturn during the late 1970's and early 1980's. To address this problem, administrators from the West Michigan Shoreline Regional Development Commission (RDC), Muskegon County, GTE, and the Economic Development Administration (EDA) worked together to develop SmartPark. A SmartPark is a GTE designed industrial park that offers state-of-the-art communications (i.e. satellite uplink, downlinks, and fiber-optic wiring) technology. Not only does GTE provide the design, but it also acts as the primary marketing agent for the park, saving local organizations time and money.

SmartPark is the primary reason for the resurgence of economic confidence in the Muskegon County region. Already, many of the lots in the park have been sold or optioned to prospective businesses. Once this project is complete, SmartPark is expected to create nearly 1,750 jobs and generate close to $125 million in private investment.

SUCCESSFUL PRACTICE

By abandoning traditional industrial park designs, this project creates a technologically advanced SmartPark that serves the 21st century needs of businesses.

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Case Study

The Problem:
Muskegon County suffered major job losses during the late 1970's and early 1980's. During this time, over 4,000 manufacturing employees lost their jobs. The economic conditions were so severe that the county was awarded a Title IX Economic Dislocation

Adjustment Strategy Grant by the Department of Commerce, Economic Development Administration (EDA).

The Approach Adopted:

Using EDA Title IX grant money, the West Michigan Shoreline Regional Development Commission (RDC), Muskegon County, and GTE worked together to develop the first GTE SmartPark in Michigan to attract high paying, technological jobs. A SmartPark is classified by GTE as a business park that contains state-of-the-art communications technology (i.e. satellite uplink, downlinks, and fiber-optic wiring) that will be provided by GTE. The 165 acre park will attract diverse industries including: high standard, light industrial, assembly, high technology, telecommunications-intense, back office, research and development, and other engineering-related operations.

How They Implemented the Approach:

Because this area suffered from such severe economic circumstances for an extended period of time, EDA awarded a Title IX Planning Grant worth $60,000 to the West Michigan Shoreline RDC to develop a plan that would bring business development to Muskegon County. An additional $20,000 in matching funds was provided through in-kind services from the RDC, and Muskegon County and the City of North Shores.

Shortly thereafter, the West Michigan RDC and Muskegon County formed a partnership with GTE. After careful planning the three groups determined that the area would benefit greatly from a Smart Park. Once this decision was made, EDA approved a grant worth $1.2 million which was combined with $2.5 million from Muskegon County and $1.1 million from the Federal Aviation Administration.

As a partner, GTE provides all of the technology needed for the development of the SmartPark. GTE also assumes the responsibility as the primary marketing agent of the park and actively recruits potential tenants. In return, local partners must promise to install a minimum number of GTE phone lines and special communications links.

Results:

The construction of the SmartPark has signaled the economic revitalization of Muskegon County and has keyed a resurgence in economic confidence. Since the announcement and groundbreaking of the business park, a grant was secured for construction of an access highway. The park also served a catalyst in developing a new interchange on the US 31 expressway at Sternberg Road. This interchange has spurred retail growth and expansion providing thousands of additional jobs.

The SmartPark has also been responsible for increased construction at the local airport. Muskegon County has just completed construction of a new passenger terminal at the airport in anticipation of more business travelers. EDA, in a further effort to encourage this project, granted $700,000 to build new airplane hangers at the airport to service firms

locating in the business park. Once this project is complete, it will have created approximately 1,750 jobs with private investment of $125 million.

Demographics of Muskegon County, Michigan

Area of Focus

Population 161,980 (United States N/A)

Population per square mile 318 (United States 72)

Per capita income $11,345 (United States $14,420)

Percentage of families with 12.4 (United States 10)

Incomes below the poverty line

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Industrial Park/Joint Economic Development Organizations/Regional Cooperation

Appling, Bacon, and Jeff Davis County Regional Industrial Park

Appling, Bacon, and Jeff Davis Counties, Georgia

April 1999
Prepared by: B. William Riall, Ph.D.
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Conditions Leading to Development

The tri-county area comprising Appling, Bacon, and Jeff Davis Counties has traversed economic ground common to many other rural Georgia, or rural Southern, areas. Their economic roots are in agriculture, textile and apparel manufacturing, and resource-based industries related to the pine tree; and, like their rural counterparts, their economic futures probably lie elsewhere. The decline of the apparel and textile industries, the reduction of employment opportunities in agriculture, and limited opportunities to expand resource-based industries all conspire to force new directions on, and present significant challenges to, the economic development officials in these counties.

Economically, the three counties have very similar profiles and histories. Their per capita income levels (all about $16,000 in 1996) have had similar growth patterns over the last 15 years as shown in Table 1. Appling County has a somewhat larger population, but the age distributions are virtually identical. Population growth rates since 1990 differ somewhat, with Bacon County showing the highest growth (7.5 percent) and Appling the lowest growth (3.6 percent), but they apply to the lowest and highest 1990 populations, respectively, so the differences in population levels are actually shrinking.

Table 1.
Population and Per Capita Income in the Tri-County Region

		Appling	Bacon	Jeff Davis
Population	1980	15,529	9,402	11,507
	1996	16,333	10,344	12,612
Average Annual Growth Rate		0.32%	0.60%	0.57%
Per capita income	1980	$5,821	$5,859	$6,927
	1995	$15,810	$15,695	$16,102

Source: Georgia Tech Economic Development Institute

For all of the minor differences among these counties, however, each saw its economic development future to lie along the same path with a central strategic element of landing medium-sized firms, primarily in manufacturing, that pay wages comparable to or higher than those currently received. And each was running out of developed industrial space. Jeff Davis and Appling Counties were down to about 20 acres each, and Bacon was similarly constrained. Even with additional land, however, each county by itself could not attract firms beyond small, low-paying companies.

The Emergence of Regionalism

The large number of counties in Georgia and the relatively sparse population served by county governments in rural areas have hampered economic development efforts in much of Georgia. This conclusion, first developed at the Growth Strategies Commission in the late 1980's, became a keystone of statewide economic development efforts starting with the administration of Zell Miller. Governor Miller adopted the concept of regionalism to ameliorate the fractious planning efforts by local governments and he applied it to education, service provision at the local level (such as solid waste disposal), and economic development.

The economic development leadership of the tri-county area saw the significant advantages a regional approach could offer their area and acted to put this concept into practice.

Setting the Stage

During a conference in the fall of 1994, the idea of a tri-county regional economic development authority was first discussed informally. Someone simply posed the question, "what if we were to get together on economic development?" No one now seems knows who first asked that question (which, itself is a tribute to their spirit of cooperation), but it does seem that a regional industrial park was, from the beginning, the focus of what local officials wanted the regional authority to accomplish as a tangible product of their cooperative activities.

The first objective was to establish a joint development authority, not as a paper organization formed to take advantage of statewide tax incentive legislation, but as an effective means of focusing local energies to regional purposes.

A Plan is Born

Achieving their economic development objectives would require a number of disparate pieces to come neatly together. What the economic development community in the tri-county area knew was that, (1) they needed new industrial land, (2) they had little extra money to fund infrastructure (and getting funds for such development is difficult at best), (3) their economic situation and what they had to offer firms was similar to many other areas (that is, they needed a competitive advantage), (4) and they would be stronger as a

region than as individual counties. Also, knowing the emphasis state government was placing on regionalism, they decided that if they could (1) be the first functioning regional development entity, (2) demonstrate their functionality to state development and funding agencies, (3) establish a reputation as an innovative, pioneering, and effective economic development region, and (4) bring their respective communities to share these visions, they could get their needed industrial park and a boost up the recognition ladder among statewide developers so important to securing prospect visits.

Before any of the vision of a functional, innovative, regional economic development program could be realized, the joint development authority had to be established. The name, Southeast Georgia Regional Development Authority, (SEGA RDA), was the easy part. The hard part was convincing each of the local governments that the vision was worth contributing hard-earned tax dollars to it. Although all the local development authorities and chambers of commerce (and some of the elected officials) shared the regional vision, it took persistence to get each of the counties involved convinced that money possibly spent outside its political jurisdiction would nevertheless be to its advantage. Elected officials' first responsibilities are, after all, to their constituents, not to the voters in neighboring counties.

A series of informational dinners were organized during the first six months of 1995 which brought in state-level as well as local speakers to openly discuss the various issues that would arise as the regional approach was implemented. Mac Holladay from the Governor's Development Council visited several times and Commissioner Jim Higdon from the Department of Community Affairs also spoke. An atmosphere of openness was cultivated from the start with invitations to local media and open invitations to concerned citizens a consistent part of the informational campaign.

It was also clear from the beginning that the first objective of the SEGA RDA would be to develop a regional industrial park. By raising this issue early, the logical concerns that are raised - such as, how do you select a site or how do you split up the costs and revenues, could be met head-on and resolved in a manner that was perceived as equitable to all participants.

Organization

In August of 1995, the first step was accomplished - each of the three participating counties contributed $5,000 and passed the required resolutions to formally establish the SEGA RDA. The organization's board was established with nine directors, evenly divided among the three counties. The representatives are appointed to four-year terms by the county commissioner with the only requirement being that each be a taxpayer in the jurisdiction represented. By tradition, each county has appointed it's board members to represent (1) the local economic development authorities, (2) the county, and (3) the principal city in the county (that is, Alma, Baxley, and Hazlehurst).

The Practice

Apportioning Costs and Revenues

The first task before the newly formed board was how to apportion the costs and revenues associated with a regional industrial park. While there are many possible ways to accomplish this, it was quickly decided that an "even Steven" approach was most equitable. In other words, each county would pay one-third of the costs of developing the park, and each county would receive one-third of all revenues from leases, property taxes, business license fees, sales, or other revenues. Each county would also share equally in the decision-making.

The emphasis on equality in sharing costs, revenues, and decisions in part came from experiences one of the board members had with another regional project (solid waste) where the shares were not equal. Without equality in decision-making, the junior partners were not sufficiently included. The SEGA RDA was determined not to let that happen to their partnership.

An interesting twist to their policies relating to cost- and revenue-sharing is that a project does not have to be in the park to be considered a "regional" project. If a large project opportunity arises and resources from all of the regional partners would improve the chances that one of them would get it, they can consider it a regional project. As such, all revenues deriving from the location and any costs associated with attracting the firm would be divided equally regardless of which county lands the project.

Each county development authority remains free to work its own prospects, and how the decision is made on what is a regional project and what is a local project has not been worked out in great detail as yet. But the presence of a mechanism that keeps the door open to furthering regionalism unimpeded by a cumbersome approval process will allow the partners much-needed flexibility as they struggle to meet the demands of today's prospects.

Selecting a Site

One of the thorniest issues to face any joint development authority attempting to establish a regional industrial park is deciding on a location. It is rare that an appropriate site would be equally advantageous to all partners, leaving the disadvantaged partners with a difficult selling job to their respective constituencies. Such was the case in the tri-county area.

The method the SEGA RDA devised and implemented to resolve this issue provides a model of effectiveness. First, each of the partners submitted a number of candidate sites for the park. The board members then met with the Oglethorpe Power Corporation SITE team to refine the selection criteria that would be applied to the sites. The SITE team, organized to evaluate potential industrial park sites, presented the criteria it used and the SEGA RDA board generally accepted the criteria with minor modifications (for example,

it raised the importance of having a rail connection). The SEGA RDA board then allowed the SITE team to conduct a preliminary screening of the 12 submitted sites in the fall of 1995.

After applying the initial screening criteria, the list of 12 potential sites was reduced to four, and Georgia Tech supplied estimates of infrastructure costs and options for them. At this point, the external organizations bowed out and left the board with the responsibility of deciding on a single site.

The four candidate sites were located (1) near Hazlehurst in Jeff Davis County, (2) near Baxley in Appling County, (3) halfway between Hazlehurst and Baxley in Appling County, and (4) at the juncture of the borders of the three counties. It was quickly obvious that the politically favored site - the fourth one - would not be feasible because it was too far from good road access, was prohibitively expensive to serve with utilities, did not have rail access, and had a large number of owners. This left the board with three feasible sites.

The biggest single problem presented by these sites is that none was located in or near Bacon County. But because all partners believed in the equity of the process by which the sites were chosen and recognized the validity of the selection criteria, it was possible to choose a final site that seemed to favor two of the counties over the third. The choice of sites was made palatable to Bacon County by an agreement with Appling County to accelerate the improvements to a road which provided additional site access for the citizens of Bacon County.

With final selection in March 1996, additional informational sessions were scheduled to overcome the next hurdle - securing the funds to purchase the site. The site consisted of 125 acres at a price of $1,800 per acre for a total needed of $225,000, or $75,000 from each of the three partners. The toughest sell was in Bacon County, but, with the road improvements agreed to by Appling, by March 1997 the funds were provided and the land purchased.

Infrastructure Costs

It is no longer accepted that an industrial park be simply open land that is properly zoned. To be effectively marketed, an industrial park must have adequate infrastructure (water, sewer, gas, power, road access), be graded, and have unbuildable areas, such as wetlands, identified. The reputation the SEGA RDA had established as a cohesive, effective organization combined with the strength of its project, enabled the group to receive the largest Regional Assistance Program (RAP) grant awarded in 1998 bringing the total of REBA and RAP grants received to $700,000.

Some of these funds have been used to begin the engineering work necessary to plan for the infrastructure improvements. A result of that work is a cost estimate to complete the park of between $2 million and $3 million. The hurdle now facing the SEGA RDA is securing the needed additional funding. Its first hope is that the state and local funds

already invested - plus additional local in-kind cost-share, the history of effective collaboration, the reputation generated as an innovative program, and the bright prospects for success at the selected site - will enable SEGA RDA to develop a successful grant application to the Economic Development Administration (EDA).

The burden of providing access to utilities to the park represents an example, however, of how cooperative relationships sometimes have to extend beyond the strict rule of equality established early in the SEGA RDA history. Because the expansion of utility systems needed to reach the park will primarily benefit Jeff Davis and Appling counties, Bacon County will not be required to equally share in the entire cost but will share equally in the cost of infrastructure in the park itself.

Marketing

The marketing efforts of the SEGA RDA have several important dimensions. First is the strategy the group developed for marketing its plans for a regional industrial park to local constituencies, including numerous informational dinners that brought expertise into the community to address concerns ranging from the mechanics of forming regional institutions to the options available to resolve difficult problems relating to cost- and revenue-sharing and site selection. The success of these community-wide efforts is measured both by the willingness of local governments to financially support the SEGA RDA initiatives and by the "buzz" at local coffee shops which seems to concern when the park might be functioning - and not whether the park is an appropriate recipient of local government support.

A second dimension to the marketing efforts of the SEGA RDA is the work done to bring state-level attention to the effective, innovative, and cohesive organization that was formed here in contrast to the largely paper organizations formed around the state to take advantage of the BEST (Business Expansion and Support Act) legislation options. The success of this effort is measured by the significant funding received from DCA and the increased awareness of the park's development among state-level economic developers such as the project managers at the Georgia Department of Industry, Trade, and Tourism, Georgia Power Company, and Oglethorpe Power Corporation.

The final dimension to this effort will be the marketing of the park when it is completed. The success here will depend upon many factors, some outside the control of the SEGA RDA (such as the continued strength of the economic expansion in the U.S.), but given the high profile these pioneering efforts have generated so far, it is likely that if it is possible to succeed in bringing new and expanding firms to this region, then the SEGA RDA will.

Results

The SEGA RDA has forged a strong partnership in the tri-county region; one which appears to have the support of the economic development community, the elected officials at the county and city level, and the general population. The ongoing

implementation of the SEGA RDA's original vision has provided the community so far with two tangible assets: a 125-acre site for the regional industrial park and $700,000 in funds to help provide infrastructure to it. If the current grant-seeking efforts are successful, the remainder of the $2 million to $3 million needed to complete the infrastructure will be forthcoming and the park will then become a significant economic development asset. By reaching this point, the SEGA RDA has demonstrated the advantages of regionalism in economic development and formulated a workable approach to resolving the significant difficulties facing any regional project.

Rival Explanation

The only rival explanation that can be developed for the success of the SEGA RDA strategy is that its founders are lucky - they were in the right place at the right time. But it seems more likely that their skills, understanding, and insights into the process allowed them to make their own luck - sometimes defined as when preparation meets opportunity.

Conclusions

With a successful EDA funding application, the SEGA RDA will be ready to install the infrastructure and begin marketing the park. In the meantime, plans are being made to conduct a target industry study, and marketing materials from other parks are being studied to generate ideas. But there seems to be no lack of ideas in this group, and certainly no lack of vision. Not all of the pieces needed to open their park are in place, but if history is any guide, their goal of beginning the park's marketing before the end of 2000 is a pretty good bet.

Acknowledgments

This case study was based on a visit conducted March 18, 1999 and a telephone interview conducted April 7, 1999. The author gratefully acknowledges the following individuals for their assistance with this case study: Mr. Dale Atkins, Executive Director, Development Authority of Appling County; Ms. Sallie Comstock, Executive Director, Development Authority of Jeff Davis County; and Mr. Roger Boatwright, Mayor, City of Alma.

Chronology of Regional Industrial Park Development

Early 1970s	Employment opportunities in traditional industries of agriculture, textile and apparel, and resource-based were diminishing or stable
1989	Governors Growth Strategies Commission identifies regionalism as a key strategy to overcome constrained local resources.
Fall 1994	CEDO 11 conference introduces local economic development officials to potential of regionalism.
November 1994	State passes amendment to Georgia Constitution allowing tax sharing among local governments.

January - July 1995	Economic development officials from tri-county area conduct numerous dinners with local elected officials to present regionalism concept.
August 1995	Southeast Georgia Regional Development Authority (SEGA RDA) formed and began process of developing a regional industrial park.
Fall 1995	Each county submits potential sites (12) for possible location of regional industrial park.
March 1996	Sites narrowed to three by site selection team formed from non-regional personnel.
March 1997	Final site selected and purchased for $225,000.
Fall 1997	SEGA RDA began applying for monies for infrastructure.
Early 1998	SEGA RDA received RAP and REBA grants totaling $700,000 for infrastructure.
March 1999	Design of park infrastructure nears completion

Source: www.ceda.gatech.edu/bestpractices

Industrial Park/Recruitment/ Telecommunications

LaGrange Industrial Park and Telecommunications Infrastructure

LaGrange, Georgia

February 1999
Prepared by: Jan Youtie
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Industrial Park

Conditions Leading to Practice

LaGrange, Georgia, the county seat of rural Troup County, is located near the Alabama line about 70 miles from downtown Atlanta. The population of LaGrange stayed in the mid-20,000 range between 1970 and 1990. Real per-capita income of less than $15,000 fell below the state and national averages. (See Table 1.) The city's economy was dominated by the textile industry, which composed roughly 70 percent of the employment base in 1970. Prior to that time, LaGrange had not attracted new industry for 15 years.

In the early 1970s, LaGrange's major textile manufacturer was acquired, the mills were automated, two of the textile mills closed, and 2,500 workers were laid off. Concerned about the large number of unemployed workers, officials from the LaGrange-Troup County Chamber of Commerce (Chamber) met with the Georgia Department of Industry, Trade, and Tourism (GDITT) concerning what LaGrange needed to do to attract industry. GDITT recommended that the community set aside land for industrial use and furnish it with utilities.

Organization

Changes in statewide legislation allowed the creation of the Development Authority of LaGrange in 1973. The development authority consisted of seven members appointed by city government. Members included representatives of the banking community, the publisher of the local newspaper, a prominent citizen to help with land purchases from local families, and another citizen to help with entertaining prospects. The latter was important because LaGrange did not have a place for entertaining prospects, so officials used the board member's private residence.

Later, when state legislation relating to development authorities changed, LaGrange established a second development authority for the city—the LaGrange Development Authority. The LaGrange Development Authority is composed of five members. The two development authorities have held joint monthly meetings. Chamber President Jane Fryer

serves as secretary and spends about 80 percent of her time on development authority business.

LaGrange economic development officials worked closely with GDITT; for example, with training. GDITT also provided information about what the community had to do to (e.g., purchase land, furnish utilities) in preparation for industrial recruitment. In addition, GDITT helped LaGrange economic developers communicate local benefits to prospects: location approximately one hour from Atlanta, driving proximity to Hartsfield International Airport, local four-year college, educational and medical community, recreational offerings. Another way they cooperated was in coordinating prospect visits. GDITT has scheduled prospect visits but the local economic developers set the agendas.

LaGrange chamber officials also maintained close connections to the city government. Chamber officials treat the city's Department of Economic and Community Development as part of the economic development team. Typically chamber officials have gathered prospect requirements for utilities, permitting, and other city services, and called the Department of Economic and Community Development manager who has provided information and even calculated bills tailored to prospect specifications. In addition, LaGrange city government provided labor to install water and sewer infrastructure in the two major industrial parks.

Marketing

In the 1970s, the Development Authority targeted economic development with a strategy designed around three goals: (1) good quality jobs in environmentally sound industries; (2) small and mid-sized employers in the 100-to-250- employee range such that the local economy would not be dominated by one industry that could have a devastating effect on the economy if it closed; and (3) maintain the city's non-union environment.

This strategy remained through the 1990s, except that the size of relocations grew in the mid-1990s. For example, in December 1998, Wal-Mart purchased property for the construction of a 1-million-square-foot distribution center in LaGrange employing 600 workers.

One factor constraining the size and types of companies LaGrange could serve in the 1970s and 1980s was limited water and sewer capacity. By the mid-1990s, the city upgraded its water and sewer system such that capacity limitations were no longer an issue.

Marketing approaches to attract targeted industries included construction of spec buildings and connections with GDITT recruitment specialists. Also, a joint city/chamber marketing program was developed, including a logo with the tag line "LaGrange Georgia Smart MoveSM." Jane Fryer says that spec buildings have helped attract prospects, even though many prospects have elected to buy and build their own facilities rather than purchasing the spec buildings.

Delivery

In the early 1970s, LaGrange officials purchased land for an industrial park. Officials received loans from three different banks for $800,000. They acquired 350 acres owned by a large family. The city and county added 150 acres around the airport, which the economic development officials used as collateral for the loans. Officials obtained a loan from the U.S. Department of Commerce's Economic Development Administration to furnish water and sewer infrastructure for the industrial park, and the LaGrange city government provided the labor to install this infrastructure. In addition, officials convinced CSX Railroad to install a rail spur in the park.

By 1990, the LaGrange Industrial Park had grown to 1,600 acres, with fewer than 100 acres unoccupied. Economic development officials identified another area for a second industrial park near I-85 and I-185. The development authority purchased 600 acres of land in 1990, but did not have funds to furnish water and sewer infrastructure. The city underwrote the debt on the land, but without utilities the Authority had to "land bank" it for several years. In 1996, a major prospect wanted to locate in the second industrial park. The development authority had just enough funds to furnish this prospect with water and sewer, which was installed by city workers. Then the city issued $1.5 million in bonds for its water and sewer system, which financed the completion of the water and sewer infrastructure in the second industrial park as well as that of a nearby commercial area.

In total, over $75 million were invested in water, sewer, roads, schools, and hospital infrastructure, as well as the industrial park. In the1970s and 1980s, the Authority had the legal obligations associated with purchasing and paying the debt on the industrial park. The Authority was making enough money selling land and spec buildings such that the city did not have to make any investments to support the park. However, in the 1990s, the Authority had to use its funds for economic development incentives. It asked the city and county to share the debt associated with the second industrial park based on population (65 percent paid for by the city and 35 percent paid for by the county). In 1997, the county paid off its portion of debt in one lump sum payment. The city paid the rest of the debt on the land.

Firm and Public Benefits

LaGrange's industrial parks allowed prospects to relocate more quickly. LaGrange's economic developers attracted 35 major industries employing 5500 workers. At the same time, foreign competitions and mergers resulted in a shrinking manufacturing sector. This new economic development activity minimized the loss of manufacturing jobs to only 600 to 700. This loss has been offset in part through the addition of service and support businesses such as mechanical contractors and trucking and tire companies.

Telecommunications Infrastructure Program

Conditions Leading to Practice

The continued decline of manufacturing jobs prompted a city council retreat in 1992 in which leaders explored policies and programs to diversify the city's economic development efforts beyond that of industrial recruitment. The mayor and council appointed a telecommunications committee, which hired a consulting firm to prepare a general analysis. The analysis showed that employment in the services sector in Georgia was growing and employment in the state's manufacturing base was declining. LaGrange was not getting its share of this services-sector growth, as employment in its services sector remained rather flat. (See Figure 1.) The question became, how could LaGrange expand its services sector? The resulting recommendation was that LaGrange should complement its industrial attraction effort by focusing on service industries, particularly back-office operations such as telemarketing firms.

When LaGrange officials attended a back-office-industry trade seminar in early 1993, they learned that their city was at a disadvantage compared to other communities because it lacked a digital switch, fiber-optic infrastructure and a long-distance point of presence (POP). A digital switch provides greater flexibility for expansion, upgrading, and ease in providing enhanced digital data services. Fiber optics support multiple digital transmissions at faster speeds and with less interference. A POP is the physical connection where the local telephone company joins a long-distance carrier; a POP reduces mileage-sensitive charges for accessing long-distance service. As a full-service city that operates its own electricity, natural gas, sanitation, and water and sewer facilities, LaGrange did not provide its own telephone service. Preliminary discussions between city leaders and the local telephone company in the second half of 1993 ended with the phone company declining to deploy this infrastructure because it could not financially justify deployment given the city's insufficient demand and the phone company's obligations to recover existing equipment investments. LaGrange's leadership looked for alternative approaches to obtaining this infrastructure.

Organization

The LaGrange Community and Economic Development Department originally was responsible for implementing the telecommunications initiative. Department officials enrolled in courses to learn about telecommunications and subscribed to trade magazines. The city has since reorganized the function so that it falls in the Utilities Department, composed of engineers and specialists with technical skills. Alliances with private-sector partners also filled gaps. For example, LaGrange joined the Municipal Electric Agency's (MEAG) Statewide Municipal Fiber Optic Network. In the marketing area, a separate private-sector organization, Corporate Operations, was temporarily established to market the city to telemarketing firms.

Marketing

LaGrange developed new approaches to market itself to telemarketing firms, including a New brochure that highlighted relevant technical attributes of the network, and a "Business and Industry" section on the city's web site. The web site contains most of the information site location consultants typically expect. Most effective was attendance by local leaders at a Direct Marketing Association trade show in Toronto, Canada, in 1997.

Service Delivery

LaGrange engaged in two main initiatives to obtain advanced telecommunications infrastructure. The first initiative involved building the infrastructure itself. Between 1993 and 1995, the city spent $75,000 to install a four-mile ring of dark-fiber cables on its existing electric poles. Of that investment, $52,000 was returned through a leasing arrangement for development of a local POP with a private-sector company that serves as a carriers' carrier, providing conduits to carry long-distance traffic along its fiber-optics system for MCI, Sprint, and other long-distance providers. LaGrange also eventually convinced its local exchange carrier to install a digital remote switch by asking a large, local private-sector corporation to present its need for the advanced telecommunications services for its manufacturing business to the carrier.

The dark fiber could not be operated by the city without overcoming a legal regulatory hurdle—obtaining certification from the Georgia Public Service Commission. Changes in state laws in 1995 opened local telecommunications service provision to competition, paving the way for Georgia municipalities to apply for certification with the Georgia Public Service Commission. Following the first "test case" municipality approval, LaGrange applied for certification in May 1997. The city was awarded certification under certain conditions—(1) no cross-subsidizing telecommunications services with other revenue streams and (2) financial and technical capacity.

To mitigate potential financial risk to the city, LaGrange tied construction to customer commitments rather than to a comprehensive plan. Its fiber network configuration in 1997-98 reflected this customer-oriented approach—a 35-mile fiber network comprising a ring and spurs to customer sites. Regarding the POP, five alternative carriers operated long-distance services out of the POP located in the LaGrange central business district. The city's long-distance phone rates dropped from $.25 a minute to $.09 per minute as a result of the local deployment of the POP, and increased long-distance service competition. The digital remote switch added new capabilities to the LaGrange network; however, mileage-sensitive pricing for some but not all of these capabilities made usage more expensive than in most urban areas for services such as integrated services digital network (ISDN).

Initially, customers received dark-fiber service, handling their own telecommunications systems in-house. LaGrange found dark fiber service (because it lacks monitoring applications) difficult to maintain, so the city no longer offered it as part of its service package. The city promoted several services, including T-1 service, "virtual local area

network" (Ethernet) service, and ATM and frame relay capability. Most of the newer customers received fundamental T-1 service and a few used the virtual local area network capability. For these services, the city's utility department installed the phone lines, and the customer was responsible for connecting these lines to their voice or data networks, including purchasing any special terminal equipment.

By 1998, the city spent about a half a million dollars, most of it in 1997, upgrading its telecommunications infrastructure. This expenditure was relatively minor in comparison with the city's total budget of $65 million. The city received about $75,000 annual revenue from its business and institutional telecommunications customers. The estimated rate of return on this investment based on a 10-year horizon and 5 percent discount rate is 15 percent.

The city's telecommunications network still lacked important service capabilities, according to the Director of Community and Economic Development. For example, there was no local Internet POP (although an Internet service provider operated a local dialing number in a neighboring city about 15 miles from LaGrange). The city wanted to use telecommunications services such as remote meter reading and energy management to improve its efficiency, and enhance its fiber capacity. It wanted to reach residential customers and more business customers.

To address these voids, LaGrange engaged in a second major initiative—an innovative partnership with the local private-sector cable company, St. Louis-based Charter Communications, which served about 17,500 LaGrange area residents. The "Charter PiplineTM" joint venture, approved for funding through a $9.2 million bond issue in May 1998, called for the city to acquire the cable company's transmission lines and equipment in its jurisdiction, upgrade the system, and lease capacity back to the cable company. The upgrade enabled the cable company to offer LaGrange residents with 500 kilobits per second (one-way) Internet download access via cable modem, free e-mail, 5 megabytes of space for a web site, and customer support all at a price of $39.95 a month. The city invested $4 million in the cable company's transmission lines and retained capacity to deliver remote meter reading, energy management, and other municipal services, which it estimated would yield $100,000 annually in savings.

Developing a joint venture between a city and private-sector cable company involved some complexities relating to ownership, financing, and risk. Approaches to mitigate the financial risk included (1) requiring monthly payments from the cable company, which will earn the city interest estimated at $20,000; (2) receiving lease-back fees from the cable company of $40,000 after the second year; (3) continuing to receive a franchise fee from the cable company estimated at $160,000; (4) savings accruing to the city from remote meter reading and utility management capabilities; and (5) setting up the joint venture as a separate unit of the cable company with a board member representing the city. Controversies about loss of competition in the cable industry and risks to local taxpayers delayed the project by three years. The Charter PipelineTM joint venture allowed LaGrange to expand its telecommunications infrastructure quickly—over a one-year period rather than employing the previous piecemeal approach which would have

taken 10 or more years—while avoiding cable industry opposition plaguing other municipal telecommunications initiatives in the state.

This telecommunications strategy involved more than just upgrading telecommunications infrastructure. The city focused on upgrading its education and training offerings. The community set up a program called TechPrep to offer a track for the non college-bound student to engage in vocational-technical training. The program involved the high school and local technical institute, providing training in computer operation, dialect, and telephone deportment. The technical institute obtained additional telecommunications resources from a statewide program, which dramatically increased the local technical institute's capabilities to train workers for telemarketing and technical positions.

Firm Benefits

By early 1998, the city had 13 commercial and institutional telecommunications customers. Customers experienced several benefits from the LaGrange telecommunications initiative. The price of a T-1 line dropped from several thousand dollars to a starting price of less than $300. For companies with multiple facilities in LaGrange (e.g., banks), the city's virtual network service was the only local offering.

At the Toronto, Canada Direct Marketing Association trade show in 1997, representatives from LaGrange met an outbound telemarketing firm considering relocating its facility. The firm narrowed its list to LaGrange and another city in rural Georgia, and LaGrange won, in part because it had a local POP. The large number of long-distance phone calls that an outbound telemarketing firm made the POP important. The POP reduced the long-distance costs of a typical outbound telemarketing firm from about $2,000 a month for 24 voice T-1 service to $700.

Public Impacts

The telemarketing firm employed about 100 workers, and with the exception of the one or two managers who moved to the area to start the new facility, all the employees came from the LaGrange seven-county labor draw area, which has an employment base of 159,000, including 30,000 in Troup County.

Several months after the relocation of the outbound telemarketing to LaGrange, the city reoriented its economic development strategy away from proactive back-office industry recruitment. One factor responsible for this refocusing was the rapid growth of a holding company composed of diverse telecommunications service providers in a community 15 miles away in another county. This service provider indicated to city officials that the company relied on LaGrange to supply labor for technical and telemarketing positions.

A second factor was the need to attract companies that require extensive water resources. The city invested $35 million to upgrade its water and sewer system to accommodate existing commercial and industrial needs. Some large water users subsequently instituted

conservation measures that dramatically reduced demand. At least one large water user closed its LaGrange facility. The current economic development policy targets food processors and other heavier water users as proactive recruitment priorities.

As a result, LaGrange has become less aggressive in proactively pursuing back-office development, although it continues to support inquiries and existing back-office development expansion. It reoriented its marketing message about telecommunication services to one that represents telecommunications as part of a bundle of municipal services demonstrating the city's efficient service delivery. Nevertheless, Jane Fryer said that she was, "beginning to notice benefits from the telecommunications services. They are an asset depending on the type of industry, such as firms that have to communicate with overseas offices."

Rival Explanation

The growth of Atlanta is one reason for LaGrange's success. "LaGrange sees a tremendous amount of prospects as are other cities 60 miles from Atlanta." said Jane Fryer. Even so, the city could not have managed its growth and services company needs as well without its infrastructure investments.

Table 1
Population and Per Capita Income: LaGrange vs. Georgia and the United States

		LaGrange	Georgia (millions)	United States (millions)
Population	1970	23,301	4.6	203.8
	1990	25,597	5.5	249.4
Per capita income	1989	$14,902	$16,478	$18,172

Note: Per capita income 1989 is for Troup County rather than the city of LaGrange.
Source: Bureau of Economic Analysis, 1998 and City of LaGrange, 1992

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Chronology of Infrastructure Development

Early 1970s	Major textile employer acquired local textile manufacturer; two mills closed, 2500 workers unemployed.
	Land for the LaGrange Industrial Park was purchased.
1973	Troup County Development Authority established.
1990	The development authority purchased 200 acres of land for second industrial park.
1992	City council retreat to consider information technology-based economic development.
1993	LaGrange officials attended a back-office-industry trade seminar.
	Talks with local telephone company about upgrading local infrastructure stalled.
1993-1995	The city obtained four-mile ring of dark fiber, long-distance point of presence (POP), and a remote digital switch.
Mid 1990s	LaGrange upgraded its water and sewer system.
	LaGrange Georgia Smart MoveSM program was developed.
1996	Second industrial park established with water and sewer infrastructure.
May 1997	LaGrange approved to provide local telephone service.
1997	City deployed $500,000 35-mile fiber network composed of a ring and spurs to customer sites.
	Representatives from LaGrange met an outbound telemarketing firm that decided to locate in LaGrange.
Early 1998	The city had 13 commercial and institutional telecommunications customers.
May 1998	Charter PipelineTM Venture between city of LaGrange and the local cable company was approved for funding through a $9.2 million bond issue.
February 6, 1999	City held NetFest to demonstrate Charter PipelineTM Internet service.

Source: www.ceds.gatech.edu/bestpractices

Industrial Park/ Recruitment/ Regional Cooperation/Telecommunications

Thomasville, Georgia: An Industry-specific Industrial Park and Advanced Telecommunications Infrastructure

Thomasville, Georgia

May 1999
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Genesis Food Park

Conditions Leading to Practice

The food park concept began in early 1991 because of declines in the regional economy. Population growth, per capita income, and unemployment rates were generally worse than the state average. The Second Congressional District of Georgia (southwest Georgia) was the ninth poorest congressional district in the United States in 1990(1). Southwest Georgia's major industries -- textiles and apparel – were declining due to offshore competition. Thomas County was among the strongest southwestern counties, but even it experienced plant closings in 1989, resulting in 800 lost jobs. The region's agricultural economy was strong, but few food processing companies resided in the region.

Don Sims, president of the Thomasville-Thomas Chamber of Commerce, evaluated the area's strengths and weaknesses and concluded there should be opportunities to recruit value-added food processing companies. With economic developers from a local utility, he went to a food processing conference in Chicago where an industry expert suggested that they look at a specialized food-processing industrial park in Scotland. After visiting Motherwell Food Park, near Glasgow, Scotland, local developers decided to go further with this concept and develop a specialized park.

Organization

The Genesis FoodPark is a specialized industrial park focused on building a regional food processing industry cluster in southwestern Georgia. Operated jointly by the Brooks, Colquitt, Thomas Joint Development Authority, the Thomasville Payroll Authority, and the Thomasville-Thomas Chamber of Commerce, the 360-acre park includes a farmers' market run by this group and the Georgia Department of Agriculture. Final preparations are being completed for the Genesis Advanced Food & Technology Center that will provide area firms with leading-edge services tailored for the food processing industry. The park operates on $160,000 annual funding.

Different organizations are responsible for the three components. Don Sims, president of the Thomasville-Thomas Chamber of Commerce, is the main contact for the industrial park. The Thomasville Payroll Development Authority, an organization established to obtain financing for large industrial projects in the county, owns the industrial park. The auction portion of the farmers' market is part of the statewide market system funded and operated by the Georgia Department of Agriculture (GDA). In April 1997, the GDA broke ground on the $360,000 auction portion of the expanded farmers' market. The Georgia Department of Community Affairs awarded a $400,000 grant to build the first section of privately run storage and packing facilities at the new $4 million farmers' market in April 1998. The development of the Advanced Food & Technology Center is being led by the Thomasville-Thomas chamber. Its construction will be financed by a public-private partnership of the Brooks, Colquitt, Thomas Joint Development Authority, the Thomasville Payroll Development Authority, Team 2000 (raises funds for industrial recruitment), Flowers Industries (a Thomas County food processor), the Georgia Department of Community Affairs, the U.S. Department of Agriculture (USDA), and the Thomas County Board of Commissioners. Almost $1.5 million in firm commitments (letters of intent and grant awards) are in place for the center, with additional grant requests pending for the additional $1.5 million required to build the facility.

The Genesis FoodPark has a limited staff. Don Sims handles industrial recruitment for the park. The Payroll Development Authority contracts with the Thomasville-Thomas Chamber of Commerce to run the day-to-day operations and manage the real estate and infrastructure. The Georgia Institute of Technology, which operates three technology incubators under its Advanced Technology Development Center program, will run the Advanced Food & Technology Center. The center also will have support staff from Thomas College (a four-year liberal arts college in Thomasville), the USDA's Market Bulletin, the Georgia Cooperative Extension Service, and the federal Farm Service Agency. The size of the center's permanent staff has not been determined. Don Sims is developing a set of adjunct professionals, each specializing in some part of the industry-from agriculturalists to processing experts-from various organizations such as the USDA, the University of Georgia, and various food processing associations, to support food-processing-related companies in the industrial park and in surrounding counties.

Marketing

The Genesis FoodPark concept began as a traditionally marketed specialized industrial park. Don Sims worked trade shows and conducted direct mailings to generate prospect leads. To effectively market the park, he invested in professionally prepared marketing materials (a logo and information packets with color inserts) in 1992. Between 1992 and 1994, he initiated conversations with several promising prospects, but none was landed. Market research conducted by Sims led to refinements.

After southwest Georgia lost prospects to metropolitan areas with higher costs, Sims realized that infrastructure and proximity to suppliers and service providers, rather than cost, were more important to food-processing-industry plant managers and engineers. Interviews with food processing experts determined that the area needed a cluster with

"critical mass" before prospects would seriously consider locating there. Although agrarian in character, Thomas County didn't have very many food processing companies in the early 1990s. However, combined with the food processors in nearby counties, there were enough to claim the existence of a small cluster.

At this point, two changes in marketing occurred. First, by enlisting the support of neighboring Brooks and Colquitt counties, Sims launched a regional approach to economic development. Also, he began pursuing service industries- such as freezing, canning, dehydrating, and contract packaging operations- to be the park's anchor tenant. Second, the regional program also had to be marketed to local officials. It is often difficult to gain support for a regional program because county commissioners and local officials do not like to see their county's resources used to support economic development in another county. However, in 1997, about 2,000 jobs were lost in the region because of textile plant closings. These losses were felt across the region by economic developers, business owners, and residents in all of the counties. Although there are still pockets of resistance, the county economic development offices used the evidence of regional loss to reinforce the potential for regional benefits. Gaining this support allows these offices (1) more freedom to use their chambers' resources to recruit Genesis FoodPark prospects, (2) to present a stronger coalition to prospects, and (3) to get more assistance from local business leaders in the recruitment process. (In general, post-location interviews have shown that local business leaders tell prospects about the advantages of the business climate, and having a community make a prospect "feel welcome" has often influenced location decision makers.)

The project is now marketed as regional food-processing industry cluster leveraging local and state funds and utilizing a multi-organizational team. Sims follows the "80-20 rule": 80 percent proactive recruitment of food processing prospects and 20 percent reactive to prospects in other industries.

Service Delivery

Working with the two other organizations in Thomas County responsible for industrial recruitment, the Thomasville Payroll Development Authority and Team 2000, Dons Sims located land suitable for a specialized industrial park. In 1992, the development authority purchased 360 acres of land in Thomasville. The city improved the park's water and sewer infrastructure to make it suitable for food processing. Besides the availability of utilities, several sites have been improved by grading and by being accessible by paved roads and rail. Sims attempted to recruit food processing industrial prospects to the park using traditional means -- promoting the availability of infrastructure and low production costs to any company in the industry -- with no success.

After market research showed that having a cluster would be an effective marketing tool, Don Sims evaluated whether Thomas County could claim to be a small cluster if it combined its food processing companies and the related suppliers with those in two adjacent counties. County economic development offices from Colquitt and Thomas counties decided to create a marketing plan for the region. (Brooks County does not have

a developer.) The regional-cluster concept involves integrating industrial recruitment efforts and services for the park with those of other counties in the region. The plan includes continuing Sims' efforts to market the industrial park in Thomas County and niche marketing of synergistic situations in all four counties. The niche marketing looks for specific opportunities or needs, such as recruiting a vinegar processor to complement an existing pickling operation or recruiting a cole slaw manufacturer because one of the counties is a leading producer of cabbage. All three developers will work with a prospect even if it is determined that a site outside their county boundaries is the best location because their goal is a fully developed regional food processing cluster. Incentives offered to a prospect are the responsibility of the county where the site is located. In 1998, the four counties created a joint development authority (a public corporation composed of the member counties created to support and attract business within the counties) as a tool for enhancing the regional cluster.

As part of the commitment to include operations involved in raw materials all the way through to finished goods, Don Sims worked to get the Thomasville Farmers' Market to move to an expanded site at the industrial park. In April 1997, the GDA broke ground on the $360,000 auction portion of the expanded farmers' market. Construction of the first section of privately run storage and packing facilities at the new $4 million farmers' market is expected in 1999.

Georgia Tech's regional office in Douglas, Georgia, proposed the concept of an Advanced Food & Technology Center as an added feature for the Genesis FoodPark in 1994. The proposed center sought (1) to give the food park credibility and offset the perception many prospects have that rural areas cannot support state-of-the-art production facilities, (2) to strengthen the cluster, (3) to add to the sense community as companies work together and share the center's resources, and (4) to bring in a new set of partners. Assistance with high-tech support services, such as Internet access and teleconferencing, will be provided by the Georgia Research Alliance (a collaboration among six Georgia research universities to foster science and technology development) and Thomasville Utilities' Community Network Services (which offers a high-speed Internet service called Rose.Net Express). Other partners include non-resident industry experts, which the technology center plans to link via satellite (teleconferencing).

The planned Advanced Food & Technology Center will offer the Genesis FoodPark additional value-added services, including an incubator, research and development capabilities, shared laboratories and office equipment, high-tech services, and assistance from industry experts. The Georgia Tech-run facility will provide these services to park residents and food processors in the region on a for-fee basis. This will allow companies access to needed resources without requiring each company to make large investments in equipment. The low-rent incubator spaces will provide opportunities for companies to start food processing operations with lower capital requirements and easily accessed experts to provide advice, which should lower the failure rate typical of all business start-ups. Finding funding for the technology center has been slow and difficult. In the past five years, Sims has obtained about half the necessary funding for the project and

continues to pursue as many funding opportunities at the local, state, and federal levels as possible.

The county economic development offices have many future plans and goals besides continuing to pursue existing strategies. One involves adding Grady and Mitchell counties to the joint development authority to expand the region to include some important existing food processors and to add additional resources to the region. Another is to investigate other niche markets and pursue secondary products manufacturers that use food from the federal school lunch program, such as cheese, and create value-added products, such as pizza or macaroni and cheese, to be served in local schools. Once the Advanced Food & Technology Center opens, Georgia Tech management plans to hold regularly scheduled meetings run by staff and open to all food-processing-related entities in the region. Buying consortia are planned so companies can take advantage of cost reductions for bulk purchases. The group plans to create of an association of food processing parks in Georgia and later open the association to the nation. Finally, the county economic development offices hope to create four to five more industrial parks like Genesis so that every agricultural community in the region can be within 60 miles of a park.

Impacts and Benefits

Economic development at the Genesis FoodPark has been a slow, long-term process. The park had one company (CARMAR) locate in 1997, a firm specializing in custom freezing, storage, and food products distribution. Because it needs to be close to major customers, CARMAR wanted to locate in Georgia. It chose the location at the food park because it felt it would be beneficial to be a part of the Genesis FoodPark cluster and it liked the telecommunications infrastructure (Rose.Net Express). This type of facility is the anchor tenant Don Sims had tried to attract since 1994. There has been considerably more interest in the park since 1996 when CARMAR announced its intention to locate at the park, but to date no other construction has begun. As of 1999, the Genesis FoodPark has letters of intent to locate at the park from three companies -- a contract packing company that also makes frozen dinners, a dehydration facility, and a company that sell food processing machinery parts. The county economic development offices are also working with 10 serious prospects, including a service provider (dry storage) and a supplier (corrugated boxes).

Industrial recruitment for the FoodPark is conducted in a non-traditional way. Instead of a shotgun approach recruiting any industry that seemed a good target, Thomas County elected to increase its opportunities for success by focusing on food processing, chosen because of one of the area's strengths -- agriculture -- and creating a regional approach to its cluster development, which provides more of the location factors food processing prospects want. The FoodPark also distinguishes itself from traditional industrial parks by concentrating on satisfying both traditional (water, sewer, roads, etc.) and non-traditional (shared services, attracting suppliers, etc.) location requirements.

Six years of work with few leads and no successes finally led to one plant opening in 1997. Three benefits to the region of this cluster's development are (1) unsolicited inquiries coming in, which helps leverage limited industrial recruitment resources; (2) expansion of the customer base for the region's farmers with the addition of new food processors; and (3) the support of existing industry with the attraction of suppliers and service industry companies. The park should benefit new companies by (1) reducing start-up risks; (2) creating synergistic relationships between companies, which may reduce costs; and (3) having the shared resources of the Advanced Food and Technology Center readily available, which should reduce the barriers to entering the market.

Telecommunications Infrastructure Program

Conditions Leading to Practice

In informal discussions with business leaders in the late 1980s, Thomasville officials realized that the city lacked the infrastructure needed for advanced telecommunication services, which could be as critical to local industry as electricity, gas, or water. The community lacked access to services, such as an integrated services digital network (ISDN) lines, and long-distance service had to be routed through facilities in Albany, which could cost an extra $100 a month for a single line. The city manger determined that these missing services could be a critical resource for economic and community development. Thomasville lost one telemarketing firm relocation in 1996 because the necessary services were not available that reinforced his concerns.

The city manager attempted to obtain access to advanced telecommunications by dealing with established carriers. Facilitated by the Thomasville Chamber of Commerce, meetings between city officials and BellSouth and AT&T were held roughly in parallel with the development of the preliminary plan. During these meetings, the telephone companies maintained that the community had adequate services. The companies did not have plans to invest in infrastructure improvements nor to provide all of the services available in major metropolitan areas. The local cable system operator, TCI, did not reinvest in its local network despite requirements in its franchise agreement to do so and did not plan to add interactive services. The city manager also requested access to fiber optic cables passing through Thomasville from a small long-distance carrier, ATC, and later from MCI/Worldcom that purchased ATC, but that was also rejected.

Because negotiations were proceeding slowly and did not look promising, the city manager and the Thomasville Utilities(2) Technical Services Group created a preliminary plan to build a local advanced telecommunications network to supplement the established carriers' services while the meetings were being held. This plan, presented to 22 key stakeholders -- including the heads of local health care, manufacturing and banking concerns, the city and county school superintendents, and the mayor -- fit into a larger development strategy that had both economic and social objectives. With the support from this group, the plan was submitted to and approved by the Thomasville City Council in 1990.

About this time, the Chamber was developing the concept of the Genesis FoodPark. The ability to offer advanced telecommunications services to the park's prospects seemed synergistic with function of the Advanced Food and Technology Center at the park.

Organization

Thomasville Utilities, assisted by local business executives and the Thomasville-Thomas County Chamber, is responsible for implementing the telecommunications plan. Its managers report to the city manager who, in turn, reports to the city council. Thomasville Utilities' telecommunication and technical services teams, which are responsible for defining, implementing, and running the community network services (CNS), provide the advanced telecommunications services for Thomasville and four nearby municipalities. Building on available expertise, some of the department's 13 employees were trained in the new telecommunications technology. Only one analyst was hired from outside the community.

Some of the reasons Thomasville Utilities could gain the support of local business and city leaders is that its plan focuses on building an infrastructure to provide additional services and does not require tax subsidies. Funding for the two parts of the telecommunications network comes from different sources. Capital costs for the synchronous optical network technology network (SONET)(3) were largely covered by a Federal Telecommunications and Information Infrastructure Assistance Program (TIIAP) grant the city received in 1996, which provided $560,000 for telecommunications equipment purchased from industry leaders Cisco Systems and Lucent Technologies. The hybrid fiber-coax (HFC)(4) technology network infrastructure is being financed on a lease-basis by a local bank. CNS' operating costs come from Thomasville Utilities' internal funds. No public bonds or other appropriations are being used to build or operate CNS. All network costs are imputed to CNS just as they would be for any other telecommunications service provider. State and federal law prohibits any cross-subsidy between CNS and Thomasville Utilities' other lines of business.

Marketing

Thomasville Utilities promotes the availability of these advanced telecommunications services to residents and existing businesses and the chamber promotes it to prospects. These services improve the county's quality of life by (1) providing Internet access for residents as well as providing other services, such as entertainment television and, in the future, remote security monitoring; (2) enhancing educational opportunities by making distance learning and the Internet available to students in all grades; and, in the future, (3) providing access to remote medical services through Georgia's Statewide Academic & Medical System(5) (GSAMS).

The first customers were the city government and the county school system. Thomasville city government connected its LANs (computer networks) using the SONET network. Then, the service was provided to local schools for LAN interconnection and distance

learning. At first, school officials were somewhat reluctant about the network project, but now they've adopted the technology and are using the Internet and video capabilities.

Thomasville Utilities recently hired a full-time marketing professional to focus on these services. Demand varies for the different services. Local businesses with multiple locations can now lease capacity on the SONET network to interconnect their LANs and telephone systems. The service is experiencing similar growing pains in the business market as it did with the school system. Larger enterprises in the area are using these services, but demand from smaller customers is lagging. However, demand does seem to be increasing slowly but steadily. On the other hand, demand for dial-up Internet service is outstripping original projections.

Because CNS is still under development and currently lacks some critical capabilities, its market appeal is limited. The SONET-based services are more advanced than many customers need, and dial-up Internet service isn't enough. CNS TV and Rose.Net Express services, which will be introduced in mid-1999, are planned for that market. CNS TV will focus on the entertainment market and offer about 80 television channels, including pay-per-view with parental control. This cable connection also will allow remote security monitoring and energy management services in the future. Rose.Net Express is being positioned as a reasonably priced, high-speed data communication and Internet access service. The HFC network will make CNS much more marketable by filling the capability gap with services suitable for small and medium-sized businesses and residential users.

Service Delivery

Thomasville Utilities expanded its original plan and elected to design and build its own telecommunications infrastructure. A citywide fiber optic network, the first part of Thomasville Utilities' Community Network Services (CNS), was built in 1995 to bring technological, educational, and information resources to local businesses and schools. CNS currently offers three services: (1) a high-capacity point-to-point service for interconnecting private computer, video, and telephone systems (including distance learning applications); (2) dial-up Internet service; and (3) telephone carrier service for connection to other public telecommunication networks (for example, local and long distance carriers).

Thomasville Utilities offers its carrier services through connections to AT&T's network point of presence (POP) in Albany via a network operated by the Municipal Electric Authority of Georgia (MEAG). CNS also has two dedicated high-speed Internet connections through AT&T. An interconnection agreement has been reached with Alltel, an independent telephone carrier serving areas around Thomasville, to allow calls initiated by Thomasville Utilities' customers to travel on Alltel lines. Thomasville Utilities hopes to provide local access to the state's Internet service (PeachNet) and the Georgia Statewide Academic & Medical System (GSAMS) with CNS, which would allow high-capacity access to these services at a reduced cost.

The CNS dial-up Internet service has more than 3,000 customers, enough to prompt Thomasville Utilities to double its dedicated Internet access capacity recently. The demand for Internet access is well beyond what was originally projected. This unforeseen demand is good; however, it also creates additional costs. More customers means more line charges because CNS Internet customers have to dial into the service on BellSouth telephone lines. An interconnection agreement with BellSouth will significantly reduce these line charges. This agreement, mandated by regulatory reforms, is being negotiated but is proceeding slowly. Thomasville Utilities is also considering becoming a BellSouth reseller, which would round out its services by enabling the firm to sell BellSouth ISDN services, making Thomasville Utilities a "one-stop shop" for all utilities, including the full range of telephone and cable television services.

Additional services via broadband facilities and cable modems which should be available in 1999, and an enlarging service area should allow expansion of the customer base to the entire county. CNS TV will include 80 television channels, video-on-demand programming, and parental control features to its cable subscribers. CNS TV will be marketed to the 12,000 cable TV customers in Thomasville and Cairo (in neighboring Grady County) as well. It will also deliver high-speed data service (Rose.Net Express) for Internet access and virtual private networks(6). This service will support business applications such as telecommuting, electronic commerce, and multimedia collaboration. In the future, it may be used for remote security monitoring, energy management, and telephone services.

In August, 1999, Thomasville established a relationship with the City of Tifton to provide support for high-speed Internet access in Tifton. Thomasville Utilities will assist Tifton with the system design, equipment selection, and installation. Thomasville will also furnish communication lines from the Tifton head end facility to the Internet gateway in Thomasville, provide customer and marketing support, develop a web site for Tifton and provide Internet Explorer software to Tifton to be installed on customers' computers.

Impacts and Benefits

CNS is bringing two things to Thomasville that are not available in most major cities: reasonably priced advanced telecommunication services and, later in 1999, a choice for standard cable television and telephone services. Competition from incumbent carriers should keep quality high and prices low. Since the availability of CNS SONET-based services, BellSouth has lowered the prices of its similar service by as much as 45 percent. Similarly, TCI lowered prices for cable television service shortly after plans for CNS TV were announced.

CNS's SONET network can easily meet all of the demand for high-capacity communication services within the Thomasville city limits. This service has direct benefits for the city government, city and county schools, and major businesses by facilitating better communication, reducing telecommunication costs, and allowing more efficient use of information resources. The city government has been able to operate

more effectively and reduce its telecommunication services costs using CNS services. Also, revenue from CNS helped the city reduce total property taxes from more than $800,000 in 1998 to zero in 1999. As the CNS matures and offers more services, especially CNS TV, it should make even larger contributions to the municipality's cash flow.

Internet access is in high demand from residents and businesses. In response to this demand that has nearly filled its dedicated lines, Thomasville Utilities has upgraded its infrastructure to handle the additional load. Internet access is also offering new educational opportunities. Twelve local schools and two school board offices are now connected for video conferencing, and can share multimedia educational materials with each other, other Georgia schools, locations across the nation, and places around the world.

Similarly, the city's major businesses are using information technologies in ways that weren't cost-effective before CNS. After recently purchasing controlling interest in two other firms, an existing Fortune 500 firm located in the city consolidated much of its information systems functions in Thomasville. CARMAR Freezers, which located in the Genesis FoodPark in 1997, gave the telecommunications infrastructure as one of the reasons it chose Thomasville.

The original goals of the project were both economic and social, split 50-50 between improving quality of life and attracting new industry. Indeed, county planners see economic conditions as intertwined with social conditions. Economic benefits will come from improved productivity and greater industrial diversity. Social benefits will come from better education, more knowledge-worker jobs, and improved delivery of public services. CNS is developing in conjunction with other projects that promote such improvements (e.g., the Genesis FoodPark), enabling social and economic benefits to reinforce each other.

Acknowledgments

This case study was based on an on-site visit in June 1998, two in-person interviews -- one conducted with William T. (Tom) Berry on February 25, 1999 and one with Don Sims on April 1, 1999, and one telephone interview with Sarah Butler on May 7, 1999. Background information was obtained from promotional materials received from the Genesis FoodPark, and from the Web sites of the Genesis FoodPark, Thomasville-Thomas Chamber of Commerce, and Thomasville Utilities. The author gratefully acknowledges Mr. Sims and Mr. Berry for participating in the interviews and for reviewing the case. Questions or requests for information about the Genesis FoodPark should be directed to Don Sims, President, Thomasville-Thomas Chamber of Commerce, 401 S. Broad St., P.O. Box 560, Thomasville, GA 31799, (voice) 912-225-1422, or (fax) 912-226-9603 and about the Community Network Services to Tom Berry, City Manager/Utilities Superintendent, Municipal Building, 144 E. Jackson St., Thomasville, GA 31799, (voice) 912-227-6987 or tberry@rose.net.

Chronology of Industrial Park Development

Early 1991	Developers started considering food processing firms as targets for recruitment.
March 1991	Sponsored by Oglethorpe Power Company, county economic development offices and Oglethorpe Power Company economic developers went to a food processing conference in Chicago and heard about the Motherwell, Scotland Park.
Late 1991	The Payroll Development Authority of Thomasville and Team 2000 created a planning group.
1992	The Payroll Development Authority purchased 360-acre tract of land in Thomasville and established the industrial park.
	The Genesis FoodPark designed a logo and printed an information packet with color inserts helped by and with funding from the Municipal Electric Authority of Georgia.
1994	County economic development offices realized that infrastructure was not the most important factor and changed focus of recruitment of the anchor tenant to service companies and suppliers.
	Developed the concept of the Genesis Advanced Food & Technology Center to be located at the food park.
Early 1996	Received $100,000 grant from USDA for the incubator.
June 1996	USDA study recommended the privatization of the farmers' market, except for the auction portion.
April 1997	Groundbreaking on expanded farmers' market.
June 1997	First food park tenant: specializes in custom freezing, storage, and food products distribution.

April 1999	Georgia Department of Community Affairs awarded grant of $400,000 for packing and processing facilities at the farmers' market and $480,000 for the Genesis Advanced Food and Technology Center.
Spring 1999	Letters of intent received from three additional companies.

Expected Summer 1999: Groundbreaking for the Genesis Advanced Food & Technology Center.

Expected Fall 1999	Completion of the expanded Thomasville State Farmers' Market.

Chronology of Telecommunications Infrastructure

1988-89	Began building telecommunications expertise internally; Held informal discussions between Thomasville Utilities, chamber staff, and community leaders.
1990	Developed preliminary plan; Made formal presentation to community leaders; Approval of plan by Thomasville City Council.
1991	Held meetings with BellSouth and AT&T.
1994-95	Installed initial fiber.
1996	Received TIIAP grant of $560,000; Purchased equipment; Interconnected city LANs; Offered service to local schools and businesses.
1997	Held interconnection negotiation with carriers; Negotiated Alltel interconnection agreement.
1998	Expanded SONET network into other portions of Thomas County.
1999	Constructed HFC network; Planned introduction of CNS-TV and Rose.Net Express.

References

Don Sims, President, Thomasville-Thomas Chamber of Commerce, interview, April 1, 1999

Tom Berry, City Manager, interview, February 29, 1999

Sarah Butler, Marketing Associate, Thomasville Utilities, interview, May 7, 1999

Thomasville-Thomas Chamber of Commerce Web site

Genesis FoodPark of Southwest Georgia Web site

Median Family Income by Congressional District,
www.heritage.org/cd_ranking/39median.html

Notes

1. Rankings determined using median family income compiled from the 1990 Census' long form.

2. Thomasville built its own electric infrastructure, beginning in the early in the 1900s. The Utilities Department also provides natural gas, water, and sewer services.

3. SONET is a fiber optic network that supports high speed transmission of data, video, and images and is intended as a transmission vehicle for Asynchronous Transfer Mode (ATM), Local Area Network (LAN) Interconnect, and Switched Multi-megabit Data Service (SMDS).
4. HFC enables cable operators to provide subscribers with telephone service, hundreds of channels of interactive TV, and high-speed data services for PCs.

5. With over 400 sites, GSAMS is one of the world's largest two-way interactive video networks, providing Georgia citizens access to resources without the restrictions of time or distance.

6. A virtual private network has some parts connected using the public Internet, but the data sent across the Internet is encrypted, so the entire network is "virtually" private.

Source: www.ceds.gatech.edu/best practices

Industry Council/ Industrial Retention

Franklin County, Georgia: Franklin-Hart Existing Industry Manufacturing Council

Carnesville, Georgia

April 1999
Prepared by: Cathy Bouffier
Center for Economic Development Services
Georgia Institute of Technology
Atlanta, GA

Conditions Leading to the Practice

Before 1997, the Franklin County Industrial Building Authority Board, composed of the mayors from each of the county's five cities and two citizens appointed by the county commissioners, was almost exclusively focused on industrial recruitment. It had one part-time consultant whose compensation directly depended on the number of new jobs created. In early 1997, because not all of the county's needs could be addressed by a part-time employee, the board accepted the consultant's recommendation and hired a full-time economic developer - Phil Mellor.

Before Mellor was hired, the county had no formal existing industry program. However, a loosely formed group of plant managers from major manufacturers in Franklin and Hart counties met to discuss their business concerns. The group was created and led by the plant manager from Johnson and Johnson (one of Franklin County's major employers) and met irregularly.

Because the consultant focused primarily on industrial recruitment, existing-industry needs were not addressed. Examples of typical problems included difficulty finding new employees, unionization attempts, and ignorance of the availability of statewide problem-solving resources. Problems such as these can often hinder a company's growth and profitability.

Organization

The existing industry program (EIP) in Franklin County is run by the county's Industrial Building Authority. The EIP is funded from the authority's budget; however, no specific amount is set aside for this program. The authority gets its operating revenue from the county's general fund. It is co-located with the Franklin County Chamber of Commerce that provides space at no cost. When needed, the authority informally contracts with the chamber to use its administrative assistant for projects. The authority's director of economic development spends about 20 percent of his time on the program, with support from the Authority's part-time administrative assistant.

A two-county (Franklin and Hart) manufacturing council is a major project for Franklin County's EIP. Mellor has responsibility for the council meeting's agenda and most of its projects. The volunteer economic developer at the Hart County Industrial Authority also supports the manufacturing council, which uses resources at the three Chambers of Commerce in Franklin County for special projects.

Marketing

Franklin County uses the manufacturing council to market its services to manufacturers and to large non-manufacturing companies in the county by sending quarterly meeting announcements, including the agenda. This information also goes to companies in Hart County. However, Franklin County does not provide assistance other than manufacturing council projects to companies in Hart. Franklin County also sends companies the results of any projects conducted at the request of the manufacturing council. When appropriate, the EIP promotes successes, project results, and company interactions in one or both of the county's weekly newspapers. These articles build awareness of the EIP's efforts and reinforce the importance of company interactions through the authority and the manufacturing council.

Delivery

When the full-time director of economic development for Franklin County (Phil Mellor) was hired in 1997, there was not enough information available about existing manufacturers and large non-manufacturers to create an effective existing industry program. To fully understand his client base, Mellor built a manufacturing directory and conducted an abbreviated business retention and expansion program (BREP) survey to determine these firms' needs. The results of this survey became the basis for the EIP.

Mellor took on the responsibilities of organizing the two-county (Franklin and Hart counties) manufacturing council and decided to use it as a mechanism to deliver Franklin County's existing industry program services. The council holds monthly meetings with manufacturers. Its secretary (the authority's executive secretary) sends minutes and a synopsis of each month's program to all of the companies in Franklin and Hart counties. This sheet serves as a reminder to those who attended and informs those who didn't about the services and support provided by the authority. The EIP program's services are available to any company in Franklin County -- participating council member or not. (Hart County's Industrial Authority offers services to its companies separately.) Mellor changed the content of the meetings because a majority of members indicated the meetings weren't completely satisfying their needs, which was evidenced by falling attendance in the years prior to Mellor's involvement. Mellor incorporated the manufacturers' ideas and added programs and speakers on topics of interest to the manufacturers, such as work force and occupational health and safety issues, to the meetings' agendas. He brought in outside resources -often from state agencies, technical schools, and universities - to give overviews of their services or provide educational programs. Attendance rebounded.

The modified BREP survey indicated that work force preparedness was also a concern for many area manufacturers. The EIP addressed this problem by starting several projects that involved several local resources. For example, Mellor encouraged the manufacturing council to work with Athens Area Tech, which later added advanced job skills training to its curriculum. Also, the Franklin County Chamber of Commerce and the manufacturing council began an annual retreat for school board members to discuss how modifications to the high school curriculum could improve the future work force. To show their support for the high school's efforts, several companies donated older, but functioning, equipment for vocational training courses at the high school, and a youth apprenticeship program began in 1998. High school leadership and Mellor also created a standardized form (to be filled out by high school teachers and administrators) containing work preparedness information about each senior to help employers with hiring procedures. This past year, the first school-to-work program was held. Sponsored jointly by the high school leadership and Mellor, 26 local companies presented information on employment opportunities and expectations to 320 students so the students would be more prepared to enter the work force.

The manufacturing council has always served as a mechanism to share information between companies. Using these relationships, the EIP, with the administrative assistance of the Franklin Chamber of Commerce, conducted two additional surveys -- wages and benefits and commuting patterns -- to provide information about the business conditions in the county that affect each company's ability to hire and keep employees.

Benefits

One of the EIP's goals was to strengthen each company's ties to the county and improve the business climate. Mellor hoped to do this by providing services to the companies often through the council and by calling on an overlooked resource - the companies themselves. If existing companies find the county conducive to and supportive of business, they will want to expand and prospects will want to locate there. If the EIP helps companies solve problems and increase profitability, those firms probably will stay in the county, employing local people, and generating tax revenues. In other words, both the county and the companies benefit from the EIP's efforts.

Sixty to 80 percent of Franklin County's job growth in the last two years has been because of expansions of existing businesses. One reason companies are staying in Franklin County is EIP support. For example, the existing industry program attempts to build a relationship with each company and between companies. As problems arise, each company can find the problem-solving resources it needs through these relationships.

Because many of the plant managers live outside Franklin County, they are often not involved with traditional organizations, such as Rotary Club, that offer opportunities to share information. An example of how the EIP-sponsored manufacturing council fosters relationships between companies is evidenced by the cooperation of two plant managers to solve a problem. One company needed a new forklift, which was on back order for several weeks. That delay would slow down the production line. Upon hearing of the

dilemma at a council meeting, another plant manager offered the use of a spare forklift until delivery of the new equipment. This sharing of equipment sounds simple and an obvious solution; however the two managers would not have known about the other without the discussion that occurred at manufacturing council meeting. Another area in which the county, its residents, and local companies benefit as a result of the EIP is an improved educational system, one which graduates more prepared workers. Work force issues have become paramount, according to many industrial recruitment consultants. Besides the obvious benefits of providing better education, work preparedness programs in the schools should make the county more desirable to prospects.

A successful existing industry program maintains the stability of its business base and fosters employment growth in the county. The Franklin County EIP benefits its constituents (both the county and its companies) by talking with the firms to ensure the services the EIP offers are truly those the firms need, not those the EIP thinks they need.

Acknowledgment

This case study was based on an interview with Phil Mellor on April 21, 1999. Background information was obtained from promotional materials received from the Franklin County and from the Franklin County Industrial Development Authority Web Site. The author gratefully acknowledges Mr. Mellor for participating in the interview and for reviewing the case. Questions or requests for information should be directed to Phil Mellor, Director, Franklin County Industrial Building Authority, P.O. Box 151, Carnesville, GA 30521, (voice) 706/384-5112, or (fax) 706/384-4659.

Chronology of Major Events

April 1997	Phil Mellor hired as Franklin County's full-time director of economic development.
1997	Manufacturing directory developed and abbreviated BREP conducted by Industrial Development Authority. Mr. Mellor refocused content of manufacturing council meetings.
1998	The Manufacturing Council addressed work force issues through joint programs with local educational institutions (high schools and Athens Area Tech). The Council conducted wages and benefits and commuting patterns surveys.

References

Interview with Phil Mellor, director of economic development, Franklin County Industrial Building Authority, April 21, 1999.
Web site: http://www.franklin-county.com
Minutes from the Franklin-Hart Manufacturing Council May 1999 and June 1999 meetings

Source: www.ceds.gatech.edu/bestpractices

Industry Council/ Industry Retention

Hall County Existing Industry Program

Gainesville, Georgia

September 1999
Prepared by: Gordon Kingsley
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Conditions Leading to the Practice

Hall County is located in northeast Georgia roughly 50 miles from Atlanta. For almost a century, agriculture and agribusiness have been the county's mainstays of economic stability. Known locally as the "Poultry Capital of the World," Hall County generates over $153 million in poultry-related industry for the region.

However, recent rapid growth has led to a transition from a predominately rural area to an affluent urban community. Hall County has capitalized on the region's dynamism to diversify its economic base. The county is now home to 35 Fortune 500 firms and over 300 manufacturing and processing concerns. Currently, manufacturing employs 29.5 percent of the 64,929 available workers and has become the second largest source of jobs. Since July 1, 1998, there have occurred 10 expansions from local existing industries that account for 636 new jobs and will generate over $42 million in capital investments. Furthermore, Hall County has been singled out by the U.S. Bureau of Economic Analysis as now having one of the wealthiest citizenries in the nation.

The rapid growth and change in the economic structure of Hall County led to the sponsorship of a Business Retention and Expansion Program (BREP) survey six years ago. Business executives responding to the survey noted that a consequence of the quick growth was that they did not know one another very well. Similarly, they expressed a need to become more familiar with the political leadership of the county and the regional service providers.

The Existing Industries Program (EIP) was created five years ago by the Greater Hall Chamber of Commerce in response to this need. Local plant managers and other business leaders are invited to regular meetings where they can interact, develop programs of mutual interest, and bring in speakers to address common concerns. However, the program is primarily cast as an opportunity for manufacturing businesses to establish informal networks. Both member and non-members of the chamber are invited to participate. The work of the EIP is conducted through four committees devoted to different issues: agribusiness, human relations, environmental management, and an industry council for plant managers.

Organization

The most distinctive practices associated with this EIP stem from the organization structure of the Greater Hall Chamber of Commerce. Since its inception, the program has been of sufficient importance to the chamber that a senior staff member has been assigned the task of managing the program. Currently, Carole Ciriacks is the Assistant Vice President for Existing Industries, having joined the chamber three years ago from a similar position in Illinois. She reports directly to the president of the Greater Hall Chamber of Commerce. She observed that many EIPs across the country try to manage with volunteers or part-time help. One factor that attracted her to this program is that the commitment is strong enough to support a full-time senior position. She is the only chamber official charged with managing and administering the EIP. Other staff support is limited and shared among the other programs conducted by the chamber.

Ms. Ciriacks' training is in sales. She also recently completed a four-year economic development curriculum with the Economic Development Institute at the University of Oklahoma. Both experiences have proved beneficial to the EIP. She explains that roughly half of her job involves talking to individual firms about their needs and interests. The other half of her time entails managing the EIP's four committees. This includes all the administrative details associated with arranging committee meetings.

Managing the EIP also involves maintaining close and cooperative relationships with local economic development agencies and the chamber. Although the chamber has taken responsibility for managing the program, funding comes from three sources: one-third from the city of Gainesville (the county seat), one-third from Hall County, and one-third from the Greater Hall Chamber of Commerce. Cooperation between the chamber and local economic development agencies is extensive. In the case of the EIP, Ms. Ciriacks has been called upon by city and county economic developers to advise and assist in creating similar types of networks for non-manufacturing organizations.

Marketing

Outreach for the EIP comes through several distinct channels. First, Ms. Ciriacks visits companies to assess particular needs or concerns they may have. In any given month, she will visit eight or nine companies in conjunction with the EIP. The focus of these visits is not to pitch the EIP to the company but rather to listen to particular needs and determine ways in which the chamber as a whole might assist. However, this approach has served as the principal means for attracting companies to the EIP. The schedule of visits is prioritized by the size of the company, where larger companies are visited first. Also, visits are scheduled when new personnel assume leadership positions within the local company or when a local plant is considering relocation or expansion. During a company visit she gives a brochure to the firm as a marketing aid, one describing the full range of EIP programs.

A second form of outreach builds on the efforts of the chamber to recruit new businesses to the county. When new industries come to the region, it is the EIP's responsibility to

facilitate transition of firms from the chamber's recruitment operations to participation in the EIP. The recruitment of new business is typically handled by the president of the chamber. But the EIP will be present at all groundbreakings and events marking relocation of firms. At the first available opportunity, introductions are made to the EIP and a visit scheduled for the plant.

Participating companies and local economic developers also serve as outreach channels by inviting companies to join them in EIP events and programs.

Delivery

The EIP's work is performed by four committees: (1) agribusiness; (2) industry roundtable; (3) human resources; and (4) environmental management. Each committee creates a particular program of activities and functions. Similarly, each committee has a distinct membership base. Membership in the chamber is not a requirement for participation in the EIP. Key participants on each committee are a mix of members and non-members.

Each committee is led by a chairperson who works with Ms. Ciriacks to develop and arrange a program of activities. Chairpersons are nominated and elected annually by the individual committees without guidance from the chamber or EIP. Ms. Ciriacks is always second-in-command to the committee chairpersons and performs all of the administrative arrangements on behalf of the committee.

Because Ms. Ciriacks is a senior manager within the chamber, she can interact with business leaders as a peer. In her experience, this enhances the confidence of business leaders that their needs are being understood. Also, because she is a senior manager, she has the authority and resources to develop activities and programs on behalf of the committees and the chamber. Effective networks are characterized by the complementary interests of their members and the strength of network administration. By having a senior full-time manager, the EIP can enhance the complementary interests by offering programs tailored to the interests of the committees. The presence of this manager also assures the strength of the network administration. Each month, the EIP manager must file a report with the chamber on the activities of each committee. A brief description of the types of programs developed by each committee follows.

Agribusiness. This committee has met monthly since the EIP inception. The committee program tends to revolve around poultry production as this is the regions largest agribusiness. Each November, the committee has a Farm City Breakfast that presents a topic for discussion, such as cooperative arrangements between local farming and the poultry companies or education and training in the poultry industry. Each spring, local high school counselors tour the agribusiness and poultry industry to see what's available regarding jobs. In March, the committee sponsors an Agribusiness Award Breakfast that recognizes the farmer-of-the year for Hall County.

Industry Roundtable. The target group for this committee consists of plant managers of the region's major manufacturing facilities. There has been considerable turnover among local plant managers in the last few years. As a consequence, the EIP has attempted to maintain close contact with this group. For example, initially this committee met quarterly. However, attendance began to lag with the lack of frequent contact and high turnover. One of the first actions by Ms. Ciriacks was to reorganize this committee so that it meets each month. In addition, the program of activities was expanded to include bimonthly tours of the facilities to which only plant managers are invited. The plant managers have the chance to talk about their facilities and maybe learn about those of other plant managers.

Human Resources. Like many areas in the nation, Hall County is experiencing extremely tight labor markets. The human resource counselors from member companies hold monthly luncheons to discuss issues such as worker benefits, job incentives, recruiting, and training. In Ms. Ciriacks' experience, earlier meetings had little planned activity and tended to turn into a free-for-all. Over time, the companies involved have come to prefer the structure of a scheduled topic for each meeting.

However, this committee is also a venue for addressing major human resource issues confronting the community. The issue may be specific to a single firm. For example, when a company expects to expand and knows it will need 100 more employees to do it, the EIP assists in finding labor. In doing so, Ms. Ciriacks will check with other companies about their recruitment strategies and contact local educational institutions, churches, apprenticeship programs, and the public agencies in the region. However, sometimes the issue is more generic, affecting several firms participating in the committee. For example, the fastest growing demographic in Hall County is the Hispanic population. As a consequence, immigration laws are of great concern to human resources departments throughout the region. Through the EIP, seminars have been held on immigration laws. Similarly, training programs in Spanish for workers and managers have been developed.

Environmental Management. This committee meets monthly to discuss environmental issues confronting manufacturers. Most meetings are organized around a planned topic. For example, a recent seminar explored proposals by the Georgia Environmental Protection Division to tighten restrictions on air quality. Another recent seminar addressed community concern about the disposal of car batteries and old paint cans. The committee also has a Research and Technical Subcommittee that provides the EIP with a panel of experts who understand environmental issues and can help with technical questions.

Through this committee, the EIP conducts non-threatening environmental audits of companies. Audits under the EIP's Enviroshare Program are conducted by peers and provide plants with a report on the types of issues they could face under current regulations. The report also provides information on how to have better environmental practices and how to manage recycling or waste management. The committee also has prepared a resource booklet that provides information about where to recycle or who to

contact about specific environmental concerns. Recently, this committee was instrumental in securing a grant that funded construction of a compost made of chicken litter and wax corrugated cardboard. This particular project brought together both the environmental management committee and the agribusiness committee.

Benefits

Presently, 335 manufacturing companies are involved in the EIP. This number has grown steadily over the five-year life of the program. Although the EIP does not maintain any formal evaluation or assessment of performance, its manager can offer anecdotal evidence of the programs growth. In particular, Ms. Ciriacks can point to numerous company visits that have led to EIP participation.

Ms. Ciriacks explained that companies experience several benefits from EIP participation. First are the benefits from networking through the committees. Companies have told the Chamber that this resource is particularly effective when they can identify other companies facing similar problems and explore alternative solutions. Second, the EIP is a good venue for meeting with community leaders to address and coordinate their common concerns. Several companies also have pointed out the financial benefits they have enjoyed through the EIP committees. In some cases, this has come through their participation in grant programs. In others, the benefits have come in the form of cost savings from the good ideas they encounter at the committees. Another source of benefits have been in the area of human resources. Here, the committees have been a venue for comparing ways to recruit, train, and retain the local workforce.

However, Ms. Ciriacks believes that the biggest success of the program is in the personal relationships it fosters. She believes that her availability and assistance keep companies coming back to the EIP. She tells them that she is a conduit to help handle their complaints and do what she can to either solve problems or provide forums where they can solve them. Through her individual visits and the committee interactions, a sense of trust has been created among companies participating in the EIP.

Acknowledgment

This case study was based on an interview with Carole Ciriacks on September 17, 1999. Background information was obtained from promotional materials received from the Greater Hall Chamber of Commerce and from the Web sites maintained by the chamber and Hall County. The author gratefully acknowledges Ms. Ciriacks for participating in the interview and for reviewing the case. Questions or requests for information should be directed to Carole Ciriacks, Assistant Vice President for Existing Industries, Greater Hall Chamber of Commerce, P.O. Box 374, 230 E.E. Butler Parkway, Gainesville, GA 30503; (phone) 770/532-6206 or (fax) 770/535-8419.

Chronology of Major Events

1993 Business Retention and Expansion Program survey conducted.
1994 Existing Industry Program created. From inception, the program has had a full-time senior manager. It is organized into four separate committees and focuses on serving manufacturing concerns.
1997 Ms. Ciriacks joined the EIP from a similar program in Illinois. Industry Roundtable shifted from a quarterly to a monthly format.
1999 EIP membership stands at 335 companies.

Source: www.ceds.gatech.edu/bestpractices

Industry Council/ Industry Retention

Laurens County, Georgia: Business Retention and Expansion Process (BREP)

Dublin, Georgia

August 1999
Prepared by: Cathy Bouffier
Center for Economic Development Services,
Georgia Institute of Technology
Atlanta, GA

Conditions Leading to Practice

.When Willie Paulk became president of the Dublin-Laurens County Chamber of Commerce and Development Authority in November 1990, she didn't know any of the county's business or community leaders. Ms. Paulk had improved her relationships with business leaders in her previous position as president of the Adel/Cook County Chamber of Commerce using a business expansion and retention process (3) survey (BREP) and decided to use it in Laurens County. She found that the Laurens chamber had conducted a BREP survey in 1986, but had done little with the results.

Organization

Ms. Paulk conducts every interview for the BREP. She is accompanied by one additional person, typically a representative from the chamber board, development authority staff and board, or local government. The Georgia Department of Community Affairs (DCA) trains these volunteers, if needed. Completed surveys go to DCA for tabulation and analysis. Implementation is Ms. Paulk's responsibility. No specific budget is set aside for this process, which is considered part of her regular duties.

Marketing

In 1990, Ms. Paulk needed to convince local officials and the chamber board of the value of a BREP survey to obtain the required support(4). Less and less effort has been required to gain this support with each biennial survey. During and after the survey process, she maintains support for the program by using the news media to publicize to officials, companies, and residents the accomplishments resulting from information uncovered during the interviews.

Delivery of the Practice

The first BREP conducted by Ms. Paulk for Laurens County occurred in 1991. According to Ms. Paulk, it takes about six months to complete the interviews. The amount of time required to get the results back from DCA varies depending on the number of communities undertaking a BREP at the time. She has conducted a BREP every two

years since 1991, with the results of next one due in early 2000. Each time, the new survey results are compared to the results from previous years.

Before a BREP survey begins, Ms. Paulk holds a kickoff meeting for all those volunteering to help do surveys. Those volunteers who have not participated in a previous BREP are trained in the BREP process and on proper interviewing techniques, either by Ms. Paulk or DCA personnel. Ms. Paulk tries to ensure that these volunteers will participate in future BREPs by having each person attend only two interviews, which limits the time they must commit.

Thirty-five companies are surveyed for each BREP, and all of the county's larger firms are included (50 employees and above). A different set of the smaller firms is selected for each biennial BREP. Ms. Paulk typically adds a few questions to the standard format to address issues specific to her county's needs or to provide information of interest relative to development authority, chamber, or county commission activities, such as whether companies would support efforts to build a new recreation complex.

All completed surveys go to DCA for analysis. Ms. Paulk presents the results to the county commissioners, the mayor, and the city council during one of their regular meetings. The news media are invited to these meetings. Ms. Paulk uses local newspapers and television to help inform her clients of the progress she's making toward solving their problems. The local paper's editor has been convinced of the program's value to the county and shows support by regularly reporting on it. Ms. Paulk also shares the results with her board.

Individual company information is not disclosed. However, if Ms. Paulk discovers a problem unique to one company or one that seems to recur regularly, she will attempt to solve it without waiting for the return of the formal results of the surveys.

Between surveys, she reviews the results every three months or so to remind herself of issues that may need attention. Throughout the year, she takes plant managers to lunch to discuss the progress being made on the problems of special interest to them, as well as other issues.

Results

It is often difficult for a new chamber president to build relationships with business leaders and local officials. The BREP process is one way to break the ice. It creates a feeling of community togetherness as an open line of communication is developed with both sides benefiting.

The results of the surveys have made the development authority, the county commissioners, and the chamber aware of their constituents' needs and how valuable they find the county's existing programs. Plant managers are now willing to join with recruitment efforts. The BREP surveys have made companies more comfortable with alerting the chamber to what's happening in the county, especially with regard to plant

closings and expansions, even between surveys.

During the first BREP in 1991, some managers said that they hadn't been contacted by any local authority since they opened. Often adding, they felt little ties to the community. By asking for their opinions in a BREP survey, officials have begun to re-establish a community spirit, which has improved the county's business climate and quality of life. For example, when the community theater needed renovation, companies and residents willingly offered money and time to support the effort. Another example is an annual contribution to the chamber by one company (above its membership level) with a note stating that the owner appreciated the chamber's efforts to make him feel a part of the community and to help solve some of his problems. Existing industries are more likely to stay and expand in the county if they feel involved in it. And via BREP, companies now know who to call for assistance.

Several problems elicited in previous surveys have been corrected. For example:

Several major manufacturing plants are on a four-lane highway that was always extremely congested during shift changes. After years of effort, last year the Georgia Department of Transportation announced that it would add an additional lane to this stretch of highway.

The local country club has one of the county's nicest restaurants. Plant managers wanted to entertain guests there, but were often not members of the country club. Ms. Paulk negotiated with the country club to create a special membership for that purpose and to allow companies to enter on the chamber's membership for those needing it less frequently.

One company's accounts payable office was at its out-of-town headquarters. By the time its utility bills were sent to headquarters and returned, the payments were always late. Upon Ms. Paulk's request, the local utility company relaxed its late policy by several days to allow this company sufficient time to pay its bill without the accrual of late charges.

The chamber used the interactions with companies during a BREP program to ascertain that they would support a work place "Drugs Don’t Work" program. A coordinator was recently hired to start the program.

The plant manager was concerned about high school kids "cruising" on the street in front of his plant on weekends. Ms. Paulk talked to the police chief who increased the patrol of that area, which eliminated the problem. (The plant manager thanked Ms. Paulk who in turn thanked the police chief, ensuring the next time a similar problem occurs they will again get the necessary support.)

Now that problems have been brought out and some solutions have been documented, the BREP process encounters little resistance from local officials (on whether it should be

done again), the chamber board (on whether it should be funded again), or from plant managers (on whether they should participate).

Acknowledgment

This case study was based on an interview with Willie Paulk on July 2, 1999. The author gratefully acknowledges Ms. Paulk for participating in the interview and for reviewing the case. Questions or requests for information should be directed to Willie Paulk, President, Dublin-Laurens County Chamber of Commerce and Development Authority, 1200 Bellevue Ave., Box 818, Dublin, GA 31040, (voice) 912/272-5546, or (fax) 912/275-0811.

Chronology of Major Events

1986 First BREP conducted in Laurens County; no follow-up.
1991 First BREP conducted by Ms. Paulk.
1993 Repeated BREP.
1995 Repeated BREP.
1997 Repeated BREP.
1999 Repeated BREP. Results expected in early 2000.

References

Interview with Willie Paulk, president, Dublin-Laurens County Chamber of Commerce and Development Authority, July 22, 1999.
Georgia Department of Community Affairs web site:
http://www.dca.state.ga.us/economic/brep.html

Notes

1. Managed by the Georgia Department of Community Affairs, the process is designed to provide data on the needs and perceptions of firms in a community.

2. DCA requires a signed resolution of support from county and city officials.

3. Managed by the Georgia Department of Community Affairs, the process is designed to provide data on the needs and perceptions of firms in a community.

4. DCA requires a signed resolution of support from county and city officials.

Source: www.ceds.gatech.edu/bestpractices

Industry Council/ Industry Retention

Metro Augusta Quality Council

Augusta, Georgia

September 1999
Prepared by: Alfie Meek
Center for Economic Development Services
Georgia Institute of Technology
Atlanta, GA

Context and History(1)

In 1991, Augusta businessman Keith Kreager became involved in the community-of-excellence effort of Greenwood, South Carolina. Shortly thereafter, he approached Al Hodge, president of the Metro Augusta Chamber of Commerce, about bringing the community-of-excellence program to Augusta. At about the same time, Elliot Price, of the Georgia Tech Industrial Extension Office, was presenting information to the chamber about both the communities-of-excellence program and Dr. W. Edwards Deming, the man considered to be the architect of Total Quality Management (TQM).

A philosophy about processes and the people involved in them, TQM directs organizations to continuously examine their processes to find ways for improving them. In addition to problem-solving tools, the process involves utilization of employee, supplier, and customer input.

The president of the chamber was enthusiastic about bringing this program to Augusta. The chamber organized a bus trip of 15 people to visit Greenwood, South Carolina to learn more about TQM and the community-of-excellence program. Attendees included representatives from Georgia Tech, BellSouth, Georgia Power Company, and other Augusta industries. Upon their return, these 15 people became the original steering committee for the Metro Augusta Quality Council (MAQC), and Elliot Price was selected as "team leader" of the group.

Organization of the Practice(2) (3)

The mission of the MAQC is "to develop, implement, and continually improve a process supported by public and private organizations in the Central Savannah River Area to work toward a community of excellence by applying TQM."

Considered a committee of the Metro Augusta Chamber of Commerce, the MAQC comprises individuals from a diverse set of public and private organizations, including colleges, manufacturers, banks, hospitals, utilities, and even civilian and military personnel from Fort Gordon. The only requirement for membership in the council is to be

a member of the Metro Augusta Chamber of Commerce "with a desire to improve yourself, your organization, and your community."

Direction for the MAQC comes from a steering committee and a board that are responsible to the chamber. There is also an appointed quality administrator (QA) who is a chamber staff member reporting to the economic development division. This person is responsible for surveying and interviewing organizations that have expressed an interest in TQM. The QA can also make recommendations regarding the implementation of TQM with or without the assistance and/or resources of the MAQC.

For the first six years of its existence, the MAQC was led by a chairman appointed by the executive director of the Metro Augusta Chamber of Commerce. The period of the appointment was one year, and the primary duty of the chairman was to preside over the steering committee. That committee coordinated the bimonthly meetings and organized the annual quality conference.

Beginning in 1999, the MAQC reorganized its structure. The MAQC now holds a planning meeting at the beginning of the year to appoint three chairmen. Each chairman has a volunteer steering committee and is responsible for organizing a mini-conference on quality held during the year.

The Practice in Operation(4)

When the MAQC began, it held meetings every other month and invited a speaker to address quality-related issues. It also began an annual quality conference, the first of which was held in 1993 and drew more than 220 people.

The MAQC also put together a quality manual that included information about available training, tools to assess current quality practices, examples of best practices in quality management, and models to involve people in quality programs.

After six years, the MAQC changed from staging one annual conference to holding three mini-conferences, each focusing on a different aspect of the quality process. Currently, these three mini-conferences are the only official events of the MAQC, as the bimonthly meetings have been discontinued.

Results To Date(5)

As a result of the quality initiatives in the metro Augusta area, several local facilities have been chosen by their parent companies as expansion locations. For example, Ruetgers Organic, a manufacturer of specialty chemicals, was the first plant in the company to achieve ISO 9000 certification. This certification resulted directly from the quality initiatives of the MAQC. Because of this certification, the company chose the Augusta location over several others for a major expansion, which doubled the size of the Augusta facility. Another chemical company, DSM Chemicals, was able to start an entirely new operation -- the recycling of spent carpet -- as a result of its quality initiatives. Another

example of the benefits of the quality initiative is Greenfield Industries, a local company that manufactures drill bits and end mills. Paul Jones was President of Greenfield Industries and the first chairman of the MAQC. The quality emphasis that Greenfield implemented contributed to its ability to take the company public. Other examples of companies that have benefited from their involvement with the MAQC are John Deer, Huron Tech, Procter and Gamble, EZ-GO, Club Car, BellSouth, and Georgia Power.

Lessons Learned

There are two important lessons to be learned from this case study. First, while most existing industry programs do not focus on the internal processes of local industries, the results of the MAQC show that an emphasis on quality initiatives in a community can result in significant economic development. As mentioned, several expansions took place in metro Augusta that can be attributed to the emphasis on quality.

The second lesson is that programs like the MAQC often have a lifecycle, and it is important to understand the lifecycle and make adjustments as necessary. In the case of the MAQC, after six years of bimonthly quality meetings, it changed to more focused mini-conferences held only three times per year. One reason for this is that after six years, the companies involved in metro Augusta's quality focus had matriculated up the "quality curve" and the emphasis on quality had become a part of their daily operations. As such, their needs with respect to TQM training had changed. Therefore, the MAQC also had to change to meet the members' current needs. By changing and adapting to the needs of the community, the MAQC has a better chance to continue the quality emphasis in metro Augusta for some time to come.

Chronology of Milestones

1991 Metro Augusta Chamber of Commerce was introduced to Total Quality Management and the community-of-excellence program. The chamber decided to pursue this program.

1992 Metro Augusta Quality Council began bimonthly meetings.

1993 The Metro Augusta Quality Council completed a quality manual and initiated an annual conference on quality. More than 220 people attended the first conference.

1998 The Metro Augusta Quality Council moved to having three mini-conferences on quality per year instead of one large conference. These mini-conferences also replaced the bimonthly meetings.

1999

Reference Material

1. "Why Total Quality Management Isn't Just a Tool for Manufacturing: The Case of Metro Augusta, Georgia," Economic Development Review, summer 1993, pp. 31-33.
2. Ibid.
3. Elliot Price, interview on September 17, 1999.
4. Ibid.
5. Ibid.

Source: www.ceds.gatech.edu/bestpractices

Industry Council/ Industry Retention

Union County Manufacturers Council

Blairsville, Georgia

September 1999
Prepared by: Alfie Meek
Center for Economic Development Services
Georgia Institute of Technology
Atlanta, GA

Context and History1

In mid-1994, L. Thomas (Tom) Murphy became the Executive Director of the Union County Development Authority. At that time there were only 13 Union County manufacturers listed in the Georgia Manufacturing Directory -- not because there were only 13 in the county, but because most of the local manufacturers were not very involved with the development authority or with each other. In some cases, few people even knew they existed.

To get the manufacturers more involved and talking to one another, Tom Murphy began the Union County Manufacturing Council in January of 1995. He invited the top two managers from each manufacturing and manufacturing-related company in Union County. The first meeting had 20 managers in attendance. The council continued to meet on a bimonthly basis, at dinner meetings with several managers attending on a regular basis.

In 1996, for approximately six months, the council changed from a dinner meeting to a luncheon. Under this format, the council did attract some managers that had not attended the dinner meetings, but overall, attendance declined -- so much so that the council members became discouraged, and considered dropping the council altogether. However, they changed back to the dinner meeting format, and attendance has increased to the point where the meetings now average 30 in attendance.

Organization of the Practice2

The Union County Manufacturers Council is composed of the top two managers from each manufacturing or manufacturing-related company in Union County. To ensure the managers can network with one another, council members are asked not to send any substitutes if they are unable to attend. The thinking is that if people sent substitutes, then the networking opportunities would diminish and other managers would cease to attend.

The council has chosen not to elect any officers. Instead, the executive director of the Union County Development Authority handles all the arrangements for the meeting, including picking a location, scheduling a speaker, and sending out the meeting notices.

The Practice in Operation3

Approximately every two months, the executive director of the Union County Development Authority sends out a letter, via fax, inviting the top two managers from every manufacturing or manufacturing-related company in Union County to the manufacturers council meeting. Rather than send out a general announcement, the letters are personalized for each individual using a mail-merge program that the development authority has on its computer. Also, on the day of the meeting, another fax goes out to remind everyone of the meeting.

The meetings are usually held at a local restaurant and include a guest speaker who addresses topics of concern to all or most of the council members, e.g., drug testing or absenteeism. Because the primary goal of the council is to get the manufacturers together to discuss common problems, local issues, and possible supplier/buyer linkages, there is ample time for networking at each meeting.

Occasionally, the meeting is held at a county facility or the plant of one of the council members. Rather than a speaker, these meetings typically include a plant/facility tour. Examples of past meeting locations include the Union County High School Technical Department, Elan Natural Waters, Georgia Boot, and Speedling, Inc.

Results To Date4

All of the manufacturers interviewed stated that the manufacturers council had been very beneficial to them in several ways. First, the invited speakers have been both interesting and informative, and have dealt with issues of interest to the manufacturers -- a key to keeping top managers in attendance. Topics of the meetings have included workers compensation, drug-free workplace, methods to recruit and retain workers, and of course, the Y2K problem.

Second, the members have begun to use the council as a "want ad" for unwanted plant equipment. Several members have put together a list of surplus equipment, and that list is circulated to the council membership.

The third, and probably most often-mentioned benefit, is the time to network with the other members. One of the members interviewed stated that it was nice to find out what the other employers were doing with respect to hiring, drug-testing, training, etc. This allows the local employers to make their procedures more uniform. Several other manufacturers mentioned that it was nice to discuss with other plant managers the local issues that affect every employer.

The final, and possibly most interesting, benefit from the manufacturers council, is the opportunity to learn about the needs of the other manufacturers. By learning about each other's business needs, they begin to find supplier/buyer linkages among themselves, which keeps Union County money in Union County. The extent to which they can keep

their dollars within the community significantly affects the overall well-being of the local economy.

There were several examples of these linkages, even among the four manufactures interviewed. For example, Elan Water had a lot of corrugated boxes that it was compacting and shipping away. Heidelberg International needed a large number of corrugated boxes for some of its products. Now, rather than compact and dispose of its boxes, Elan Water sends them over to Heidelberg. Another example has to do with pallets. One company was burning excess wood pallets while several local manufacturers were purchasing wood pallets for their shipments. Now, because of the manufacturers council, pallets are being reused locally. One more example includes Panel-Built, manufacturer of building panels, and the Owenby Company, manufacturer of men's shirts. Panel-Built was purchasing large amounts of rags for use in its plant. Owenby was throwing away a huge amount of cloth from its men's shirt operations. Now, Panel-Built simply goes over to Owenby and gets the discarded cloth for use in its plant, and has saved a lot of money as a result.

These are just a few ways the businesses in Union County are saving money from getting to know one another through the manufacturer's council. However, there is more going on than just boxes, pallets, and rags.

One example of how the manufacturers council has dramatically affected the businesses in Union County is Heidelberg International, which is involved in the manufacture of dozens of products. However, it also does a lot of tool-and-die and steel fabrication work. Described by one of the other manufacturers as "a group of inventors," Heidelberg has developed solutions to several of the problems of the other local manufacturers. For example, Georgia Boot Company in Union County needed tool-and-die and machine shop work on its rubber-boot heel machines. The firm got together with Heidelberg, and not only could Heidelberg do the work, but suggested a program for automating the machines at a fraction of the cost of replacement. So far, four machines have been automated, and Georgia Boot is pleased with the results. Several Union County manufacturers have stories similar to this one, and by the year 2000, Heidelberg International expects that at least 75 percent of its business will come from other local manufactures. That percentage is a direct result of the Union County Manufacturers Council.5

These are just some of the results of the Union County Manufacturers Council, but they show what can be accomplished locally in a rural community by simply getting the existing industries "plugged in" to one another. From 13 identified lone manufacturers in 1994 to more than 50 manufacturers in 1999, many of whom work together on a regular basis, the Union County Manufacturers Council is a model for other communities in rural Georgia.

Acknowledgements

This case study is based on personal interviews with Union County manufacturers, an interview with Tom Murphy, executive director of the Union County Development Authority, and information sent by Mr. Murphy via fax. The author gratefully acknowledges Tom Murphy for participating in the interview, for arranging several visits with local manufacturers, for answering several follow-up questions that arose as the case study developed, and for reviewing the case. The author would also like to thank Denis Hauser, plant manager for Elan Natural Waters; Bob Lee, president of Corrugated Replacements, Inc.; Dave Arnold, plant manager for Panel-Built, Inc.; and Phillip Stolzfus, chief engineer for Heidelberg International, Inc. for taking time to sit down and answer questions about the Union County Manufacturing Council. Questions or requests for information about this case should be directed to Tom Murphy, executive director, Union County Development Authority, P.O. Box 801, Blairsville, Georgia 30514-0801, (voice) 706/745-9832, (fax) 706/745-9832, email: ucda@stc.net.

Chronology of Milestones

Mid-1994	L. Thomas Murphy becomes the executive director of the Union County Development Authority.
January 1995	Manufacturing Council began to meet. The first meeting had 20 people in attendance.
1996	The Manufacturers Council attempted to move to a luncheon meeting. Attendance dropped off and the council almost disbanded. The luncheon idea was abandoned after six months and the dinner meetings resumed.

Reference Material

1. Interview with Tom Murphy, executive director of the Union County Development Authority on August 26, 1999.
2. Interview with Denis Hauser, plant manager for Elan Natural Waters on August 26, 1999.
3. Interview with Bob Lee, president of Corrugated Replacements, Inc. on August 26, 1999.
4. Interview with Dave Arnold, plant manager for Panel-Built, Inc. on August 26, 1999.
5. Interview with Phillip Stolzfus, chief engineer for Heidelberg International, Inc. on August 26, 1999.

Source: www.ceds.gatech.edu/bestpractices

Job Training/ Workforce Development

Coosa Valley Mobile Learning Program

Location: Rome, Georgia, serving 15 counties

Partners: Coosa Valley Regional Development Center; Frigidare

Summary: The Coosa Valley Regional Development Center implements the JTPA program for 15 counties in rural, mountainous northwestern Georgia. An innovative component of its JTPA displaced workers activity is the Mobile Learning Program, a computer equipped mobile laboratory with 12 workstations. It is housed in a 30-foot long converted Winnebago that can be driven to a site and set up to provide computer assisted aptitude and interest assessment, education, and training. The lab can operate on generators and remain on site, in a secure location, for several days. The lab has a wheelchair ramp and is handicapped accessible. Federal "Warn Act" legislation requires that employers notify the state of impending lay-offs of 50 or more employees. A Georgia Department of Labor Rapid Response Team, which includes a representative from the local JTPA program, contacts the employer within 48 hours of receiving the notification to set up a meeting with the employer and estimate the worker education, training, and placement needs that will result from the impending lay-offs. The mobile lab enables the regional development center to respond rapidly and to reach workers at the job site, before they actually have lost their jobs, dispersed to various locations, and begun looking to government for transfer payments. It also helps the employer demonstrate concern and avoid problems with disgruntled employees. The regional development center purchased the lab, hardware, and software in the summer of 1994 for $ 124,000, using JTPA funds from several titles. Operating expenses vary with the project, but are handled within the involved agencies' regular budgets. A displaced worker, who was hired by the regional development center and then trained to drive the mobile lab and operate the equipment, is a positive contact point for the displaced workers the program serves. The use of computers enhances the learning experience for clients and being able to operate a computer adds to their self-confidence. The lab provides a discrete adult learning environment with flexible, self-paced instruction. The regional development center also uses the lab to go to clients in distant parts of its area, wherever there is a group of ten or more people to make up a class, and in its summer youth program.

Accomplishment: The mobile lab reaches displaced workers before they leave their jobs and become discouraged and uses computers to increase their self-confidence.

Contact: Gwen Dellinger, JTPA Director Coosa Valley Regional Development Center PO Box 793,Rome, Georgia 30162-1001 706/295-6485 FAX 706/295-6665
Source: *Rural Strategies That Work*, The North Carolina Rural Economic Development Center, Inc., 1997.

Job Training/Workforce Development

Bainbridge-Decatur County Workforce Development through Educational Initiatives

Bainbridge, Georgia

September 1999
Prepared by: Ann O'Neill
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Conditions Leading to Practice

In the last five years, Decatur County has gained approximately 1,000 manufacturing jobs, for which employers have had difficulty finding qualified applicants. Although prospective workers applied for the positions, many of them were high school dropouts lacking the basic skills needed by these employers. (The illiteracy rate for Decatur County was 39 percent as of the 1990 Census, versus 29 percent for Georgia and 25 percent for the whole country.) The chamber of commerce and local industry have a historically close relationship, which prompted these firms to approach the chamber for assistance in solving the problem.

Because of the link between the county's high dropout rate and the lack of basic skills, the chamber decided initially to focus on the educational system. Prior to this, although the chamber had an education committee, it had not been particularly strong. That changed in 1996 when a local banker -- John Monk -- became its chair. He and the chamber began brainstorming to solve the problem. One of their first decisions was to bring all the players to the table to discuss the situation. This included the plant managers or CEOs of local businesses, the superintendent of the school system and its principals, and representatives of the local technical institute and Bainbridge College. Each was telephoned by the chamber or John Monk and invited to attend. During the meeting, this group realized that if they worked together, they had the ability and the resources to improve the shortfall in basic skills among the population. At this point, the chamber's executive board and its president - Cile Warr - selected a new education committee from among the various constituencies present at that initial meeting.

Organization

The Bainbridge/Decatur County Chamber of Commerce was founded 75 years ago. It has three full-time staff members and one student apprentice. The current president has been employed by the chamber for five years. Its 470 members are governed by a seven-member executive board. The education committee, whose activities are the focus of this case, has 13 members and is chaired by Jeff Hanson, president of First Community Bank. The members represent the school system, Bainbridge College, several local businesses,

two local banks, the hospital, the public library and the chamber. A new chairman is appointed every year, although sometimes one may serve for a two-year term. The membership turns over every two years. The committee reports to a chamber officer who has been assigned responsibility for this area.

Delivery of the Practice

Each October, the chamber of commerce holds a retreat for its board of directors. The members of that board are also the chairs of the chamber's committees. During this retreat, they develop the chamber's annual plan of work. As part of this process, they also develop general goals and objectives for each committee. In November, the committees meet to review and formalize these goals and objectives and to develop their own, more detailed plan of work. This is finalized in December. All of these plans together determine the budget and action plan for the chamber for the following year.

Like all the committees, the education committee meets monthly. At the beginning of the year, it assigns responsibility for each goal to one of its members. The chamber president attends each of these meetings and provides staff support to assist in achieving each committee goal. Certified Literate Community Program. Since its revitalization, the education committee has successfully implemented several initiatives to improve the quality of the local workforce. One of the first and most ambitious was the decision in 1996 to participate in the state's Certified Literate Community Program (CLCP), a 10-year project to reduce illiteracy in Decatur County by half. The program was created and is administered statewide by the Georgia Department of Technical and Adult Education (DTAE), but implementation is strictly local, involving a partnership between business, community and education. Together, these partners must develop a formal application to join the program, documenting eight criteria for participation. Among these are a needs analysis, the existence of appropriate plans and objectives for achieving increased literacy, a methodology for measuring progress, and a budget and commitment of funds.

In June 1996, Cile Warr and Billy Barber, then chairman of the chamber, first learned about the CLCP when they were invited to Moultrie to attend an informational meeting. Afterward, they presented what they had learned to Decatur County leaders at a community retreat. With the support of the community leadership, the education committee was asked to move forward on CLCP. Each member took responsibility for completing a different part of the application. It was formally evaluated by the DTAE in June 1999 and Decatur County was notified of its acceptance to the program in August 1999.

The local CLCP organization has a part-time professional director (starting in November 1999), four officers, and a 14-member board of directors. Its annual budget is around $55,000 and is overseen by the chamber's board of directors. Its goals are:

a. Within 10 years, decrease the 39 percent illiteracy rate by 50 percent.
b. Communicate, assist, and work with all literacy providers on a monthly basis.

c. Design and implement a marketing program to raise community awareness of the importance of literacy.
d. Promote CLCP programs and materials through marketing and public speaking.

Since its inception, it has helped to establish several literacy training efforts, including in-plant training sponsored by manufacturers, classes operated by Bainbridge College, and some efforts by local churches. As yet, no figures are available on the success of these efforts.

Youth Apprentice Program. While not initiated by the education committee, this program is another example of a strong partnership – in this case between the committee, Bainbridge High School and local businesses. It began in 1996 when Martha Hawthorne, associate principal of Bainbridge High School, was looking for practical experience/real-world examples for students in the school's allied health program. At the same time, the local hospital -- Memorial Hospital and Manor -- was having difficulty finding and retaining skilled employees. Hawthorne called the chamber because of its industry contacts, and she was put in touch with the education committee. Through this, she struck a deal with Jim Peak, CEO of the hospital, to set up an internship program for these students, based on a similar program in Clarke County.

Students begin as unpaid interns shadowing a medical professional for two hours per day. They receive a letter grade for the year and, if successful, are offered the option to continue as paid, part-time apprentices through the remainder of high school and even on to college or technical school. Students may also compete for scholarships to the Georgia college of their choice. (This is in addition to the HOPE scholarships, so that students from this program can attend college at little or no cost to themselves or their families.) The only conditions are that they must maintain a "B" average (3.0 on a 4.0 scale), and for each year they receive a scholarship, the students agree to work for a year in a medical position in Bainbridge/Decatur County.

Since 1996, the medical apprenticeship program has had 38 participants, 26 of whom have gone on to seek post-secondary education. Of these, 23 have chosen a medical or scientific field of study. Eighteen have received scholarships and 10 have been employed by the hospital during high school and/or post-secondary training. As yet, no students have returned to Decatur County to fulfill their employment obligation because all are still in school.

The success of the medical program has prompted other businesses to participate. The education committee publicizes the program and encourages local businesses to participate. Apprenticeships have been created in manufacturing, construction, education, veterinary medicine, and with the chamber of commerce itself. It has also resulted in the creation of additional educational opportunities for high school students. For example, the high school curriculum has been expanded to include a Certified Nursing Assistant program and a class in computer information technology.

Schools Foundation. In summer 1996, the education committee began another initiative, led by John Roach of Amoco, to establish an education foundation. A permanent foundation funded by grants and donations from local businesses, individuals, and other trusts and foundations, it rewards academic excellence in local schools by funding academic and/or arts activities for which regular school funds or tax revenues are not available. It specifically prohibits the use of funds for athletic activities.

The foundation raised most of its funds in the first two years of its existence. Shortly after it was established, the Kirbo Foundation agreed to match any contributions from that date forward. To date, funds held by the Decatur County Education Foundation total approximately $223,000. The interest from these funds is administered by its executive committee, which meets quarterly to consider requests from teachers, schools, parent groups, and administrators. The committee disburses $9,000 to $12,000 each school year. This level of funding appears adequate for the needs of local schools, such that there are no ongoing fund-raising efforts.

In 1998, the Education Foundation made 17 grants totaling more than $9,500. Some examples of activities supported by the foundation include:

a. Honors picnic for elementary students with high grade-point average
b. Payment of expenses for students competing in state and national academic/vocational contests
c. Grants to teachers or classes for overnight field trips
d. Payment of expenses for performances by professional musicians and/or performance artists.

Work Ethics Video. This represents another cooperative effort between the education committee and local industry. As in many communities, a poor work ethic was identified by the committee as a weakness among entry-level workers. The committee, local industry, and Bainbridge College decided to produce a work ethics video and associated instruction manual to address this problem. Funds were provided by 10 organizations, including local businesses, the chamber, and a local bank.

The effort to produce the video was overseen by Bob Coker from Bainbridge College and by Cile Warr. Targeted mainly at local high school students, the materials can be adapted to college students and entry-level employees. Filmed at various local businesses and educational institutions, the film includes appearances by managers, employees, and teachers. It emphasizes various aspects of work ethics, including punctuality, low absenteeism, honesty, enthusiasm, the ability the follow directions, and strong teamwork.

The video was completed in the spring of 1999 and local firms immediately incorporated it into their hiring process. The accompanying instruction manual is due shortly, which will enable the video to be used for instruction in the local high school.

Since the revitalization of the education committee, the chamber has increased its staff by 1.5 to accommodate the additional workload. All chamber staff have participated in training to assist them in better serving the needs of the committee, including the staff

clinic of the Georgia Association of Chamber of Commerce Executives and the U.S. Chamber Institute at the University of Georgia. Keeping the process going has gone fairly smoothly. The committee has accomplished a great deal in a short period of time and enthusiasm remains high. In fact, there is more demand for seats on the education committee than there are openings.

Marketing

The activities and successes of the education committee are promoted through various channels. The chamber includes them in its newsletter. The committee hosts a monthly breakfast where it discusses ongoing efforts with local business. At both the chamber's quarterly "Business After Hours" meeting and the annual chamber meeting in January, the education committee delivers a report to attendees. The local paper covers the committee's activities weekly. Along with these efforts to educate local businesses and citizens, the chamber also includes information about the benefits of the committee in its prospect marketing activities.

Firm Benefits

Because the education committee has only been in existence since 1996, few of the children targeted by its efforts have entered the workforce. When they do, the benefits to local firms are expected to include:

1. a larger labor pool as more graduates remain in Decatur County to seek jobs
2. a better-educated labor pool with a higher literacy rate
3. a labor pool with a stronger work ethic.

Public Benefits

As with the firm benefits, it is too soon to see a measurable increase in public benefits. The most obvious benefit to date stems from the Education Foundation, through its grants to local schools for enrichment activities. Other expected benefits include better jobs and higher income for citizens as a result of the Certified Literate Community Program, the work ethics video, and the Youth Apprentice Program.

Rival Explanations

Because there are as yet few measurable benefits from the activities of the education committee, it is difficult to talk about rival explanations for those benefits. The committee has been very active, undertaking many initiatives over a short period of time. They have been highly successful in garnering broad-based support for those activities. The historically strong relationship between the chamber and local industry may have been a contributing factor. Other than this, it appears that the committee's strong leadership and hard-working members are the main factors in its success.

Preface and Acknowledgments
This case was based on a telephone interview conducted May 12, 1999 with Cile Warr, president of the Bainbridge/Decatur County Chamber of Commerce. Her cooperation and the extensive supporting documentation she provided are gratefully acknowledged. For additional information, she can be reached at P.O. Box 736, Earle May Boat Basin Park, Bainbridge, GA 31717, (912) 246-4774. John Monk, president and CEO of First Port City Bank, provided additional information on the Schools Foundation. He can be reached at 400 W. Shotwell St., P.O. Box 1037, Bainbridge, GA 31718, (912) 246-6200. Martha Hawthorne, assistant principal for Bainbridge High School and Youth Apprenticeship Program Coordinator, provided details on this program. She can be reached at Bainbridge High School, 1301 E. College St., Bainbridge, GA 31717, (912) 248-2230. The author would like to thank both of them for their generosity in sharing their knowledge with the economic development community.

Chronology of Education Initiatives

Jan. 1996 John Monk became chair of education committee.
Jan. 1996 New education committee members appointed.
Aug.1996 Youth Apprentice Program began.
Sept. 1996 County began application process for Certified Literate Community Program.
1997 Schools Foundation reached fund-raising goal (+$200,000).
Mar. 1999 Work ethics video completed.
May 1999 Youth Apprentice Program awarded 18th scholarship.
Aug. 1999 County accepted into Certified Literate Community Program..

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Source: www.ceds.gatech.edu/bestpractices

Job Training/Workforce Development

Topic: Rural Energy Enterprises

Location: Alaska (Statewide)

Subject: Developing Jobs and New Services for a Rural, Low-Income Population

Summary

The Rural Alaska Community Action Program (RurAL CAP), a Community Action Agency serving the entire state of Alaska, wanted to establish a for-profit venture to generate unrestricted, non-grant income to increase efficiency in its delivery of services and, at the same time, help low-income people save money by reducing their energy costs. Employing a combination of funding sources, including a U.S. Department of Energy grant, an Alaska Rural Development Loan, private loans, and several small bank loans, RurAL CAP established Rural Energy Enterprises, Inc. (REE), a wholly owned, for-profit subsidiary that sells high-efficiency, oil-burning, space heaters, compact fluorescent lighting products, marine heaters and stoves, portable cooking stoves, portable kerosene heaters, wood-burning camping stoves, snow scoops, and miscellaneous energy conservation products. REE recruited and trained independent dealers in Alaska and four northwestern states to sell its products. REE's gross income was $3.2 million in 1994, and net income was $170,000. REE employs 180-200 dealers.

Successful Practice

Established a wholly owned, for-profit subsidiary that allows RurAL CAP to implement new programs to benefit Alaska's rural, low-income population, provides income to low-income residents throughout Alaska and four northwestern states, reduces energy costs for consumers, and enhances the environment by selling energy-efficient products.

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Case Study
The Problem

Most of RurAL Alaska Community Action Program's (RurAL CAP's) operating funds are in the form of grants to conduct specific programs. The grants often require the funds to

be used only for program activities. Grants may include provisions for administrative and overhead costs of the programs, but they do not allow the funds to be used by the agency for purposes outside the program itself. RurAL CAP recognized that it needed to increase its pool of unrestricted funds so it could work to develop new programs to serve the low-income population in its service area, which includes the entire state of Alaska, and improve its service delivery capabilities.

Low-income people in rural Alaska are isolated, experience extreme cold weather, and pay a high price to heat seriously dilapidated and often inadequate housing. RurAL CAP was particularly interested in finding ways to alleviate this situation.

The Approach Adopted

RurAL CAP's Board of Directors proposed developing a for-profit enterprise with a two-fold purpose: (1) to generate unrestricted, non-grant income; and (2) to assist low-income people save money by reducing their energy costs.

How They Implemented The Approach

In 1985, RurAL CAP applied for and received a $35,000 grant from the U.S. Department of Energy to conduct feasibility studies on three potential for-profit activities that would promote energy conservation. RurAL CAP's research concluded that selling Toyostoves, an oil-burning, space heater with one of the highest fuel efficiency ratings in the world and manufactured by Toyotomi of Japan, was the most feasible option.

RurAL CAP used its Community Services Block Grant (CSBG) funds to support the new business endeavor, which it incorporated into its existing Energy Conservation program. In 1987, the project's first year of operation, RurAL CAP became a Toyostove franchisee and sold 25 stoves.

Demand for the stoves grew quickly, but RurAL CAP's CSBG funds were insufficient to order as many stoves as were needed. The speculative nature of the business, and RurAL CAP's non-profit status, made banks reluctant to extend credit. Therefore, RurAL CAP sought out and received $75,000 in loans from private investors.

Sales continued to rise, and the for-profit entity began paying its own costs without RurAL CAP's CSBG funds. In light of this success, banks dropped their reluctance to extend credit to RurAL CAP and made several small loans for inventory purchases from 1988-1990.

In 1989, RurAL CAP incorporated the project as Rural Energy Enterprises, Inc. (REE), a wholly owned, for-profit subsidiary. Also in 1989, the Community Enterprise Development Corporation of Alaska gave REE a $50,000 Rural Development Loan to develop and provide training to new, small, rural dealerships.

Results

In 1988, REE sold more than 700 stoves and made an $80,000 profit--a profit margin of 25 percent. Individual dealers in 25 villages augmented their incomes with sales commissions, and stove buyers saved $200-$500 per year in energy costs.

As sales and profits rose, REE expanded its staff and added more independent dealers. REE also diversified its product line. In addition to Toyostoves, it also sells compact fluorescent lighting products, Toyotomi marine heaters and stoves, Toyotomi portable cooking stoves, Toyotomi portable, unvented kerosene heaters, wood burning camping stoves, Wolverine brand snow scoops, and miscellaneous energy conservation products.

In 1991, REE had gross sales of $1.2 million and made an $80,500 profit. By 1994, annual sales grew to $3.2 million, and net income for REE was $170,000. REE now enjoys a $200,000 line of credit with its primary bank.

To ensure its continued viability, REE is reinvesting much of its profits into expansion. In 1992, adding to its 85 dealerships throughout Alaska, REE established 25 dealerships in Idaho, Montana, Washington, and Wyoming. Currently, REE has about 180-200 dealers in Alaska and the northwest. In 1995 REE will expand into Canada with dealers in British Columbia and the Yukon Territory.

webmaster@rurdev.usda.gov
Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usdsa.gov

Job Training/Workforce Development

Topic: Job Training

Subject: Family Sensitive Job Training

Summary

Genesis, a job training program, combined job training for parents with transportation and day care services provided. As participants attended daily courses in such areas as mathematics, business administration, personal budgeting and employment skills such as appearance and professionalism, their children were just a few doors away at a professional day care. This program was very effective in placing participants in jobs that they enjoyed and were qualified for. One year after the first participants had been placed, 84 percent remained with the same company.

Genesis combined the efforts of several different community organizations. The space for the classroom and day care facility was donated by the county, instruction was provided by the local Junior College, day care service was provided by the Community Action Program (CAP) and job placement was made by the South Delta Planning and Development District with funding from the Job Training Partnership Act (JTPA) program.

Successful Practice

Developing a unique program in which participants received effective job training including free transportation while their children were at a nearby, professional day care facility.

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Case Study
The problem

This area of western Mississippi suffers from chronically high unemployment (the highest of any other region in Mississippi), poverty and high school drop-out rates. Over one-third of all individuals live below the poverty line and the high school drop-out rate is nearly 40 percent. In an effort to make themselves more marketable, many residents of this area enroll in job training programs. Unfortunately, many cannot take advantage of

job training because they cannot afford day care for their children or the transportation to the job training program.

The Approach Adopted

To address this need for job training, transportation and day care, the South Delta Planning and Development District (PDD) instituted the Genesis program. Genesis is a two part program that combined an effective job training and education program with day care facilities that were on-site. Parents and children were transported via shuttle bus from their homes to the facility. When they arrived at the facility, the parents attended class and the children entered the day care program. During the lunch hour, parents and their children ate together in the cafeteria. In the evening the shuttle bus returned them home.

To administer Genesis activities, the Volunteer Advisory Council was developed to guide all aspects of the project. The Council reflected the demographic characteristics of the South Delta and included minority leaders, elected officials, public agencies and private sector business leaders.

Anyone in the region could apply to be part of this program. The targeted population was persons 18 and older who meet JTPA eligibility. Some participants in this program were high school dropouts while others have college degrees with extensive employment experience. Genesis was broken down into two different tracks for two different types of participants. Track I of the program consisted of courses in reading and language, math, GED preparation, personal and business related budgeting, personnel management and employability skills such as presentation and professionalism. This track was for less qualified participants in need of more basic skills. Track II contained more advanced training in business development including law, taxes, insurance and management. This Track was designed for participants who have business experience but need to enhance their skills and abilities.

How They Implemented the Approach

Genesis was funded with a two year, $950,000 JTPA grant. The funding was used for transportation, securing space in a local civic center for classroom and day care facilities, staff for class instruction and child supervision and other administrative expenses. Money was also used for outreach into the community to promote the program. Although many applicants were recruited from active files of the State Employment Service, County Welfare offices and local CAP agencies, others were recruited through newspaper and radio advertising, through presentations to groups and by word of mouth.

After initial placements were made, the program soon gained a positive reputation in the area as producing well-qualified employees. Not long after the program began, employers began to actively recruit Genesis graduates which made placement an easier task. One of the major reasons for this success was the course instructor, who was instrumental in

guiding participants into careers that best suited them. The program produced an extremely high job retention rate (84 percent) one year after a placement was made.

Results

Over 100 people went through this program. Of these, 84 percent remained at the same company after one year of employment. These jobs tended to be higher paying then what they had received at previous employment and in many cases involved management positions. One of the largest employers of Genesis graduates was a local gas station chain. Although most who began with this company started in non-management positions, many moved up to mange their own stations. This was attributable to the varied and comprehensive management skills that Genesis graduates were able to develop. Other types of job placements included hospital work, trucking and house cleaning. Although this program was effective, Genesis was not renewed and currently organizers are searching for new funding.

Demographics of three county area

(Sunflower, Bolivar and Washington)

Population 142,305

Population per square mile 69

Per capita income $7,782

Percentage of population with 33.9 national average 10%

Incomes below the poverty line

High school drop-out rate 44.62

Source: 1994 City and County Data Book

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Job Training/Workforce Development

TOPIC: Project HOPE

LOCATION: Tacoma, Washington

SUBJECT: Providing Education and Training for At-Risk Youth

SUMMARY

Youth ages 17 -21 were at risk of gang and drug involvement, were low-income, and were at risk of dropping out of school or had already dropped out. The Metropolitan Development Council (MDC), a Community Action Agency, formed community partnerships to develop a program to provide at-risk youth with educational opportunities, support services, and employment and training opportunities in hospital-based professions. The hypothesis of the project stated that high risk youth engaged in educational and on-the-job training programs are more likely to become self-sufficient than youths that do not have the same opportunities. The program had both process and outcome evaluation components. The process component assessed who the program served and how it served them, and whether the implementation was carried out as planned. The outcome component assessed whether the project was successful in improving self-sufficiency among its clients.

SUCCESSFUL PRACTICE

Developed partnerships to provide at-risk youth with educational and support services and to provide training and employment opportunities in hospital-based professions to assist them in becoming economically self-sufficient.

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CASE STUDY

The Problem: Youths, ages 17 -21 were at risk of gang and drug involvement, were low-income, and at risk of dropping out of school or had already dropped out.

The Approach Adopted: The Metropolitan Development Council (MDC), a Community Action Agency serving the Tacoma area, formed partnerships with the public school

system, the local Private Industry Council, and area hospitals to provide at-risk youth with educational opportunities, support services, and employment and training opportunities in hospital-based professions. Project HOPE (Hospital Opportunities for Professional Employment) also assists clients in obtaining full-time employment and becoming economically self-sufficient. The project's hypothesis is that those receiving services are more likely to gain self-sufficiency than youths who do not receive such services.

How They Implemented The Approach: MDC coordinated activities between private hospitals, public schools, and social service providers to serve clients. Clients received wrap-around case management services, including ongoing counseling, intervention, referral, and employer/employee liaison. Tacoma Public Schools provided remedial education toward education completion. The Private Industry Council provided Job Training Partnership Act (JTPA) eligibility screening, pre-employment assessment, try-out employment funding, and employment opportunities. Hospital employers provided mentors, paid internships, and Level A Pharmacy Tech training opportunities. It was expected that 45 youth each year would enter and complete the on-the-job training component. To meet the workplace regulations of some of the try-out employment environments, it was necessary for the project to expand its eligibility criteria and include youths who had completed high school or earned a General Equivalency Diploma (GED). The majority of Project HOPE's clients had either a diploma or GED.

Results: Preliminary results indicate that Pharmacy Tech has been the most successful in retaining clients at follow-up. This program has the most stringent entry requirements, is the most demanding, and offers the most in job benefits, including salary. The major difficulty faced was financial, due to the participating local hospitals having declining resources available to support the employment training. Despite the difficulty, the hospitals remained committed to and enthusiastic about the program, its clients, and its staff, and several clients were hired by the hospitals upon program completion.

Source: United States Department of Agriculture, Rural Development, Ideas that Work, www.rurdev.usda.org

Job Training/Workforce Development

TOPIC: Rural Opportunities, Inc.

LOCATION: West Chester, Pennsylvania

SUBJECT: Providing Education and Training to Migrant and Seasonal Farmworkers

SUMMARY

Through the experiences of Rural Opportunities, Inc. (ROI), it became evident that migrant and seasonal farmworkers participating in ROI's programs wanted to further their education. Because many of the workers' reading and math skills were at approximately a third grade level, it made it difficult for them to participate in the typical classroom environment. ROI developed a unique curriculum based on hands-on knowledge in combination with English-as-a Second-Language (ESL) and Workplace Literacy. The program brought together private and government sector organizations to combat the problem. Moyer Packing Company became a partner in the venture by establishing a Meat Cutter/Apprentice Training Center. If the pilot program was successful, Moyer would develop additional training which would evolve and help the company expand and create jobs. The program used multiple sources of funding and brought the community together. The local community provided educational workshops including drug and alcohol education, vocational tours, and AIDS counseling. In addition to these services, the City of Reading provided relocation assistance.

SUCCESSFUL PRACTICE

Developed community partnerships to provide migrant and seasonal workers with additional education and vocational opportunities.

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CASE STUDY

The Problem: Through the experiences of Rural Opportunities, Inc. (ROI), a Community Action Agency, it became evident that migrant and seasonal farmworkers participating in ROI programs wanted to further their education. Because the average reading and math

skills level was equivalent to third grade, this made it difficult for them participate in a typical classroom environment.

The Approach Adopted: ROI developed a unique curriculum tailored to the special needs of its clients. In conjunction with the local community and a private company, ROI provided training programs and educational workshops on various topics.

How They Implemented The Approach: Based on the needs of their clients, ROI created a course that took a more hands-on, knowledge-based approach combined with English-as-a-Second-Language (ESL) and Workplace Literacy programs. To complement the program, Moyer Packing Company became a partner by jointly establishing a Meat Cutter/Apprentice Training Center that, if successful, would evolve and assist the company with expansion and help create jobs for the community.

The project used multiple sources of funding from the United States Department of Labor, the Pennsylvania Department of Community Affairs, Federal Emergency Management Agency, Telecommunications Education Fund, and the Moyer Packing Company. The local community provided educational workshops, including drug and alcohol education through Help Counseling, AIDS counseling through Project SALUD, and vocational tours through ACME Markets. Relocation assistance was provided by using revitalization funds through the City of Reading.

Results: ROI brought together private and government agencies, as well as the community to provide essential services that were lacking in the community. Many of these people now serve as mentors for ROI's Migrant Headstart Children.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Job Training/Workforce Development

Providing Education, Job Training, and Other
Opportunities to At-Risk Youth (South Carolina)

TOPIC: Youth Opportunities Project

LOCATION: Florence County, South Carolina

SUBJECT: Providing Education, Job Training, and Other Opportunities to At-Risk Youth

SUMMARY

The youth population of Florence County, South Carolina, had a high rate of dropping out of school, exhibited low reading and math skills, and performed poorly on South Carolina's high school exit examination. The Pee Dee Community Action Agency (PDCAA) formed partnerships with the South Carolina Department of Social Services, Poyner Adult and Community Education Center, Palmetto Vocational Center, and Florence/Darlington Technical College to provide a center-based program of training and counseling for at-risk youth. The partners received a Demonstration Partnership Project grant from the U.S. Department of Health and Human Services to establish the Youth Opportunities Program (YOP). YOP emphasizes prevention of the at-risk scenario that often consumes young people. The program provides services to both in-school and out-of-school youths. Activities include computer training and keyboarding, reading and language arts instruction, math instruction, employment training and counseling, and job placement services. Youths work with counselors and staff to form productive mentoring relationships. YOP served 93 youths during its two-year DPP grant period. In-school youths improved their attendance records and their performance in all academic areas. YOP's employment counseling and job placement services were successful in finding jobs for 31 youths and apprenticeships for six others.

SUCCESSFUL PRACTICE
Established a partnership among a community action agency, the state department of social services, and three local educational institutions to provide education, training, and employment counseling and placement services to at-risk youths using a developmental model to address all areas of a youth's personal development.

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CASE STUDY

The Problem: The youth population of Florence County, a rural county in eastern South Carolina, had a high rate of dropping out of school, exhibited low reading and math skills, and performed poorly on South Carolina's high school exit examination. The cycle of at-risk youth was perpetuated by a lack of job and counseling opportunities for youths

The Approach Adopted: The Pee Dee Community Action Agency (PDCAA) formed partnerships with the South Carolina Department of Social Services, Poyner Adult and Community Education Center, Palmetto Vocational Center, and Florence/Darlington Technical College to provide a center-based program of training and counseling for at-risk youth.

How They Implemented The Approach: PDCAA received a Demonstration Partnership Project (DPP) grant from the U.S. Department of Health and Human Services' Office of Community Services to establish the Youth Opportunities Program (YOP). YOP emphasizes prevention of the at-risk scenario that often consumes young people. The program provides services to both in-school and out-of-school youths.

Youths who participate in YOP form developmental relationships with staff members and volunteer mentors. The developmental support model created through these relationships addresses four elements of a youth's development: physical, cognitive, social, and emotional.

Center-based activities include computer training and keyboarding, reading and language arts instruction, math instruction, employment training and counseling, and job placement services. Working with YOP counselors and occasional travel activities help to seal the mentoring relationships between clients and the staff and counselors.

YOP clients reported that the greatest life obstacles they face are associated with transportation, daycare services, lack of respect from others, peer pressure, lack of parental support, poor study habits, need for tutoring, lack of self-discipline, hostility, rejection, teen parenthood, delinquency, and lack of friends. Many of these obstacles fall under the social and emotional realms of development The kinds of developmental support that youths get from their relationships with mentors are in direct response to these expressed needs.

Results: YOP served 93 youths during its two-year DPP grant period; 57 youths were in school and 36 were out of school. Participants' self-esteem and disciplinary records improved noticeably.

Of the in-school youths, 47 improved their attendance frequencies to become statistically equivalent to other students; 41 youths advanced to the next grade level and three went on the additional adult education.

All 36 out-of-school clients received word processing and bookkeeping instruction. Twelve of these clients achieved all of their vocational goals, six were prepared for or had earned their General Equivalency Diplomas (GEDs), and eight opted to pursue the standard state high school diploma. Twelve other clients entered adult education programs, one enrolled in a technical college, and two took courses to qualify for regular college admission.

YOP's employment counseling and job placement services were successful in finding jobs for 31 youths and apprenticeships for six others.

Despite its success in many areas of youth development, the Youth Opportunities Program ended after the two-year DPP grant because of lack of funding.

Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Joint Economic Development Organizations

Liberty County, Georgia: Chamber and Development Authority
Merger

Hinesville, Georgia

July 1999
Prepared by: Cathy Bouffier
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Conditions Leading to Practice

In the early 1990s, Liberty County had a separate chamber of commerce and development authority, neither was operating at peak efficiency. The development authority could not always handle large information requests due to staffing constraints. And, although the chamber and authority were co-located, neither staff felt obligated to assist the other. The chamber staff was not knowledgeable about authority activities and services and vice versa. Due to budgetary constraints, the chamber had no employee benefits package and was often limited in its ability to upgrade office equipment. The chamber board felt the lack of a benefits package was a serious hurdle in hiring and keeping high-caliber staff. At that time, the authority was experiencing limited success with industrial recruitment at its Midway Industrial Park due in part to its inability to devote a sufficient amount of time to the effort.

Organization

About three years ago, at the chamber's suggestion, the chamber and development authority combined their staffs. The authority now employs all staff members; provides benefits; pays for office space rental, insurance, and utilities for both groups; and purchases and maintains the office equipment. The chamber contracts with the authority for services and space. The chamber is still directly responsible for its own postage, printing, and long-distance telephone calls.

The combined chamber and development authority has four staff members: a director, executive vice president (previously employed as the chamber director), administrative assistant, and a receptionist (previously employed by the chamber). The director is responsible for traditional authority tasks, such as industrial recruitment and business retention. The executive vice president is responsible for chamber activities. The authority's director - Ron Trolley - is responsible for reallocating staff resources from chamber to authority tasks and vice versa when needed to complete projects on time. Both the chamber and the authority have a board of directors, and Trolley reports to both boards.

The authority strives to leverage its resources by bringing in as many outside groups as possible. The authority counts on support from Georgia Power Company, its local electric membership corporations (EM's), Georgia Tech's regional office in Savannah, Savannah Technical Institute, Ft. Stewart's Career and Placement Center, and the Fort Stewart Liberty Center (a Georgia consortium that provides educational opportunities for civilians, military personnel, and their dependents on the Army base).

Service Delivery

Both organizations have benefited from the merger. The authority can now quickly respond to prospect requests and, because of the availability of additional staff, can also do more proactive recruitment activities. The chamber enjoys better utilization of its resources, provides benefits to its employees, and has a lower operating budget than it did before the merger.

Combining the authority and chamber allows both to operate more cost-effectively. For example, the two groups now share office equipment and basic supplies, such as a fax machine and copier, reducing the total capital outlay. These cost savings allowed the purchase of other items that neither would have been able to obtain alone, such as display banners, decorative table skirts with imprinted authority and chamber logos, special promotional items, etc.

The boards have also become more efficient. Any questions of duplicate efforts on the part of either board, for example, can be readily addressed by the director who is familiar with the programs and project of both boards. Both staffs have benefited as well. Before the merger, the authority had a director and an administrative assistant, while the chamber employed a director (who became the executive vice president) and a receptionist. The chamber can now offer a benefits package, which it believes helps recruit and keep a professionally trained staff. Before the merger, the chamber's receptionist's time was not fully occupied. Now that the position works for both groups, the receptionist is always engaged in productive work. The authority's staff can concentrate its recruitment and retention efforts instead of having to spend time answering the phone and performing clerical tasks now done by the receptionist. The authority can now respond more quickly to prospect and consultant requests and spend more time qualifying prospects. The authority also spends more time on follow-up calls and can visit some prospects at their home locations. These trips, not always feasible with a limited staff, are important to show strong interest in the prospects' recruitment and ensure the prospects are a good match for the county.

At the director's discretion, the executive vice president, normally assigned to chamber duties, works on special or large authority projects. This greatly improves the authority's responsiveness. The authority currently customizes response packets for each prospect and no longer uses generic packets. Aside from direct project assistance by the executive vice president, the authority now has an expanded staff that knows enough about the community and its resources to assist with minor industrial recruitment and retention activities when the authority needs to concentrate on a large project or prospect. The

authority also uses this expanded staff to develop strong relationships with statewide developers and site selection specialists.

Every six months, the authority has a gathering for existing industries as a way for the group to present business-related programs and develop relationships in an informal environment. Both chamber members and authority staff attend. The combined organization also supports existing industries by using products that contain parts made by local manufacturers as corporate gifts. (No local company makes a final product that would be suitable for this project.) Examples of these gifts are magi lights that use locally made seals and Cross pens containing ink cartridges that are metal-plated locally. To solidify the connection to the community, each gift always has a note showing the connection, and whenever possible, uses the community's color scheme (the same colors as on its promotional materials) and has a community logo on it.

The authority tries to help the chamber when it can in return for the assistance it receives. For example, to support a chamber "quality-of-life" promotional piece, the authority paid for an 8-page insert that presents information of interest to prospects. Occasionally, the authority needs the support of the executive vice president when she is fully committed to chamber activities, and that has created some temporary tension. However, the chamber board has come to realize the importance of a strong business base in the county and usually supports the shift from chamber work to authority projects. The chamber board sees the assistance provided by chamber staff to the authority as a way to solidify relationships with its members -- the county's companies -- and that industrial recruitment brings potential new chamber members to the county.

The chamber provides services to and has a closer relationship with county residents than does the authority. Therefore, when the authority needs a bond for infrastructure improvements or wants to show the community to a prospect, it can call on the chamber to help gain the residents' support. Ron Trolley believes the combined organization sends a message of cooperation and unity to the community, its businesses, economic development allies, and new business and industry prospects.

Benefits

According to Tolley, combining the development and chamber staffs has made both organizations more efficient. The extended staff allows the authority to respond more quickly and with more effective, individualized packets to more requests and to do better follow up on prospect visits and calls. The chamber has a greater opportunity to attract and keep qualified employees by offering benefits, and it can operate more cost effectively.

The chamber and the development authority maintain separate boards of directors. Occasionally, the chamber board expresses concern over the executive vice president's inability to perform all of her duties when she has been asked to assist with development authority projects. To date, Ron Tolley has always been able to reassure the chamber board by presenting the reasons for the reassignment, explaining his priorities, and once

the authority's project is complete, reassigning authority staff to the chamber to ensure it meets its obligations as well.

Tolley feels that capitalizing on each opportunity is essential for small counties because they often do not encounter many opportunities. During the last few years, the combined organization has done so. Over the last four years, nine new companies located in the county -- more than during any other four-year period. For example, Elan Technologies, after considering 30 sites in five states, opened a facility in Liberty County in 1998. Two of the reasons it sited were that it liked the personalized service it received (the authority traveled to New Jersey to show its interest and to make sure the company was well matched with the county) and that it was impressed with the authority's quick response to each of its questions and requests. Also, several expansions have occurred during that period. For example, one chemical company grew from 15 employees nine years ago to its current size of 300 and a giftwrap company that located in 1997 has already doubled its facility to over 200,000 square feet.

Source: www.ceds.gatech.edu/bestpractices

Industrial Park/Joint Economic Development Organizations/Regional Cooperation

Appling, Bacon, and Jeff Davis County Regional Industrial Park

Appling, Bacon, and Jeff Davis Counties, Georgia

April 1999
Prepared by: B. William Riall, Ph.D.
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Conditions Leading to Development

The tri-county area comprising Appling, Bacon, and Jeff Davis Counties has traversed economic ground common to many other rural Georgia, or rural Southern, areas. Their economic roots are in agriculture, textile and apparel manufacturing, and resource-based industries related to the pine tree; and, like their rural counterparts, their economic futures probably lie elsewhere. The decline of the apparel and textile industries, the reduction of employment opportunities in agriculture, and limited opportunities to expand resource-based industries all conspire to force new directions on, and present significant challenges to, the economic development officials in these counties.

Economically, the three counties have very similar profiles and histories. Their per capita income levels (all about $16,000 in 1996) have had similar growth patterns over the last 15 years as shown in Table 1. Appling County has a somewhat larger population, but the age distributions are virtually identical. Population growth rates since 1990 differ somewhat, with Bacon County showing the highest growth (7.5 percent) and Appling the lowest growth (3.6 percent), but they apply to the lowest and highest 1990 populations, respectively, so the differences in population levels are actually shrinking.

Table 1.
Population and Per Capita Income in the Tri-County Region

		Appling	Bacon	Jeff Davis
Population	1980	15,529	9,402	11,507
	1996	16,333	10,344	12,612
Average Annual Growth Rate		0.32%	0.60%	0.57%
Per capita income	1980	$5,821	$5,859	$6,927
	1995	$15,810	$15,695	$16,102

Source: Georgia Tech Economic Development Institute

For all of the minor differences among these counties, however, each saw its economic development future to lie along the same path with a central strategic element of landing medium-sized firms, primarily in manufacturing, that pay wages comparable to or higher than those currently received. And each was running out of developed industrial space. Jeff Davis and Appling Counties were down to about 20 acres each, and Bacon was similarly constrained. Even with additional land, however, each county by itself could not attract firms beyond small, low-paying companies.

The Emergence of Regionalism

The large number of counties in Georgia and the relatively sparse population served by county governments in rural areas have hampered economic development efforts in much of Georgia. This conclusion, first developed at the Growth Strategies Commission in the late 1980's, became a keystone of statewide economic development efforts starting with the administration of Zell Miller. Governor Miller adopted the concept of regionalism to ameliorate the fractious planning efforts by local governments and he applied it to education, service provision at the local level (such as solid waste disposal), and economic development.

The economic development leadership of the tri-county area saw the significant advantages a regional approach could offer their area and acted to put this concept into practice.

Setting the Stage

During a conference in the fall of 1994, the idea of a tri-county regional economic development authority was first discussed informally. Someone simply posed the question, "what if we were to get together on economic development?" No one now seems knows who first asked that question (which, itself is a tribute to their spirit of cooperation), but it does seem that a regional industrial park was, from the beginning, the focus of what local officials wanted the regional authority to accomplish as a tangible product of their cooperative activities.

The first objective was to establish a joint development authority, not as a paper organization formed to take advantage of statewide tax incentive legislation, but as an effective means of focusing local energies to regional purposes.

A Plan is Born

Achieving their economic development objectives would require a number of disparate pieces to come neatly together. What the economic development community in the tri-county area knew was that, (1) they needed new industrial land, (2) they had little extra money to fund infrastructure (and getting funds for such development is difficult at best), (3) their economic situation and what they had to offer firms was similar to many other areas (that is, they needed a competitive advantage), (4) and they would be stronger as a

region than as individual counties. Also, knowing the emphasis state government was placing on regionalism, they decided that if they could (1) be the first functioning regional development entity, (2) demonstrate their functionality to state development and funding agencies, (3) establish a reputation as an innovative, pioneering, and effective economic development region, and (4) bring their respective communities to share these visions, they could get their needed industrial park and a boost up the recognition ladder among statewide developers so important to securing prospect visits.

Before any of the vision of a functional, innovative, regional economic development program could be realized, the joint development authority had to be established. The name, Southeast Georgia Regional Development Authority, (SEGA RDA), was the easy part. The hard part was convincing each of the local governments that the vision was worth contributing hard-earned tax dollars to it. Although all the local development authorities and chambers of commerce (and some of the elected officials) shared the regional vision, it took persistence to get each of the counties involved convinced that money possibly spent outside its political jurisdiction would nevertheless be to its advantage. Elected officials' first responsibilities are, after all, to their constituents, not to the voters in neighboring counties.

A series of informational dinners were organized during the first six months of 1995 which brought in state-level as well as local speakers to openly discuss the various issues that would arise as the regional approach was implemented. Mac Holladay from the Governor's Development Council visited several times and Commissioner Jim Higdon from the Department of Community Affairs also spoke. An atmosphere of openness was cultivated from the start with invitations to local media and open invitations to concerned citizens a consistent part of the informational campaign.

It was also clear from the beginning that the first objective of the SEGA RDA would be to develop a regional industrial park. By raising this issue early, the logical concerns that are raised - such as, how do you select a site or how do you split up the costs and revenues, could be met head-on and resolved in a manner that was perceived as equitable to all participants.

Organization

In August of 1995, the first step was accomplished - each of the three participating counties contributed $5,000 and passed the required resolutions to formally establish the SEGA RDA. The organization's board was established with nine directors, evenly divided among the three counties. The representatives are appointed to four-year terms by the county commissioner with the only requirement being that each be a taxpayer in the jurisdiction represented. By tradition, each county has appointed it's board members to represent (1) the local economic development authorities, (2) the county, and (3) the principal city in the county (that is, Alma, Baxley, and Hazlehurst).

The Practice

Apportioning Costs and Revenues

The first task before the newly formed board was how to apportion the costs and revenues associated with a regional industrial park. While there are many possible ways to accomplish this, it was quickly decided that an "even Steven" approach was most equitable. In other words, each county would pay one-third of the costs of developing the park, and each county would receive one-third of all revenues from leases, property taxes, business license fees, sales, or other revenues. Each county would also share equally in the decision-making.

The emphasis on equality in sharing costs, revenues, and decisions in part came from experiences one of the board members had with another regional project (solid waste) where the shares were not equal. Without equality in decision-making, the junior partners were not sufficiently included. The SEGA RDA was determined not to let that happen to their partnership.

An interesting twist to their policies relating to cost- and revenue-sharing is that a project does not have to be in the park to be considered a "regional" project. If a large project opportunity arises and resources from all of the regional partners would improve the chances that one of them would get it, they can consider it a regional project. As such, all revenues deriving from the location and any costs associated with attracting the firm would be divided equally regardless of which county lands the project.

Each county development authority remains free to work its own prospects, and how the decision is made on what is a regional project and what is a local project has not been worked out in great detail as yet. But the presence of a mechanism that keeps the door open to furthering regionalism unimpeded by a cumbersome approval process will allow the partners much-needed flexibility as they struggle to meet the demands of today's prospects.

Selecting a Site

One of the thorniest issues to face any joint development authority attempting to establish a regional industrial park is deciding on a location. It is rare that an appropriate site would be equally advantageous to all partners, leaving the disadvantaged partners with a difficult selling job to their respective constituencies. Such was the case in the tri-county area.

The method the SEGA RDA devised and implemented to resolve this issue provides a model of effectiveness. First, each of the partners submitted a number of candidate sites for the park. The board members then met with the Oglethorpe Power Corporation SITE team to refine the selection criteria that would be applied to the sites. The SITE team, organized to evaluate potential industrial park sites, presented the criteria it used and the SEGA RDA board generally accepted the criteria with minor modifications (for example,

it raised the importance of having a rail connection). The SEGA RDA board then allowed the SITE team to conduct a preliminary screening of the 12 submitted sites in the fall of 1995.

After applying the initial screening criteria, the list of 12 potential sites was reduced to four, and Georgia Tech supplied estimates of infrastructure costs and options for them. At this point, the external organizations bowed out and left the board with the responsibility of deciding on a single site.

The four candidate sites were located (1) near Hazlehurst in Jeff Davis County, (2) near Baxley in Appling County, (3) halfway between Hazlehurst and Baxley in Appling County, and (4) at the juncture of the borders of the three counties. It was quickly obvious that the politically favored site - the fourth one - would not be feasible because it was too far from good road access, was prohibitively expensive to serve with utilities, did not have rail access, and had a large number of owners. This left the board with three feasible sites.

The biggest single problem presented by these sites is that none was located in or near Bacon County. But because all partners believed in the equity of the process by which the sites were chosen and recognized the validity of the selection criteria, it was possible to choose a final site that seemed to favor two of the counties over the third. The choice of sites was made palatable to Bacon County by an agreement with Appling County to accelerate the improvements to a road which provided additional site access for the citizens of Bacon County.

With final selection in March 1996, additional informational sessions were scheduled to overcome the next hurdle - securing the funds to purchase the site. The site consisted of 125 acres at a price of $1,800 per acre for a total needed of $225,000, or $75,000 from each of the three partners. The toughest sell was in Bacon County, but, with the road improvements agreed to by Appling, by March 1997 the funds were provided and the land purchased.

Infrastructure Costs

It is no longer accepted that an industrial park be simply open land that is properly zoned. To be effectively marketed, an industrial park must have adequate infrastructure (water, sewer, gas, power, road access), be graded, and have unbuildable areas, such as wetlands, identified. The reputation the SEGA RDA had established as a cohesive, effective organization combined with the strength of its project, enabled the group to receive the largest Regional Assistance Program (RAP) grant awarded in 1998 bringing the total of REBA and RAP grants received to $700,000.

Some of these funds have been used to begin the engineering work necessary to plan for the infrastructure improvements. A result of that work is a cost estimate to complete the park of between $2 million and $3 million. The hurdle now facing the SEGA RDA is securing the needed additional funding. Its first hope is that the state and local funds

already invested - plus additional local in-kind cost-share, the history of effective collaboration, the reputation generated as an innovative program, and the bright prospects for success at the selected site - will enable SEGA RDA to develop a successful grant application to the Economic Development Administration (EDA).

The burden of providing access to utilities to the park represents an example, however, of how cooperative relationships sometimes have to extend beyond the strict rule of equality established early in the SEGA RDA history. Because the expansion of utility systems needed to reach the park will primarily benefit Jeff Davis and Appling counties, Bacon County will not be required to equally share in the entire cost but will share equally in the cost of infrastructure in the park itself.

Marketing

The marketing efforts of the SEGA RDA have several important dimensions. First is the strategy the group developed for marketing its plans for a regional industrial park to local constituencies, including numerous informational dinners that brought expertise into the community to address concerns ranging from the mechanics of forming regional institutions to the options available to resolve difficult problems relating to cost- and revenue-sharing and site selection. The success of these community-wide efforts is measured both by the willingness of local governments to financially support the SEGA RDA initiatives and by the "buzz" at local coffee shops which seems to concern when the park might be functioning - and not whether the park is an appropriate recipient of local government support.

A second dimension to the marketing efforts of the SEGA RDA is the work done to bring state-level attention to the effective, innovative, and cohesive organization that was formed here in contrast to the largely paper organizations formed around the state to take advantage of the BEST (Business Expansion and Support Act) legislation options. The success of this effort is measured by the significant funding received from DCA and the increased awareness of the park's development among state-level economic developers such as the project managers at the Georgia Department of Industry, Trade, and Tourism, Georgia Power Company, and Oglethorpe Power Corporation.

The final dimension to this effort will be the marketing of the park when it is completed. The success here will depend upon many factors, some outside the control of the SEGA RDA (such as the continued strength of the economic expansion in the U.S.), but given the high profile these pioneering efforts have generated so far, it is likely that if it is possible to succeed in bringing new and expanding firms to this region, then the SEGA RDA will.

Results

The SEGA RDA has forged a strong partnership in the tri-county region; one which appears to have the support of the economic development community, the elected officials at the county and city level, and the general population. The ongoing

implementation of the SEGA RDA's original vision has provided the community so far with two tangible assets: a 125-acre site for the regional industrial park and $700,000 in funds to help provide infrastructure to it. If the current grant-seeking efforts are successful, the remainder of the $2 million to $3 million needed to complete the infrastructure will be forthcoming and the park will then become a significant economic development asset. By reaching this point, the SEGA RDA has demonstrated the advantages of regionalism in economic development and formulated a workable approach to resolving the significant difficulties facing any regional project.

Rival Explanation

The only rival explanation that can be developed for the success of the SEGA RDA strategy is that its founders are lucky - they were in the right place at the right time. But it seems more likely that their skills, understanding, and insights into the process allowed them to make their own luck - sometimes defined as when preparation meets opportunity.

Conclusions

With a successful EDA funding application, the SEGA RDA will be ready to install the infrastructure and begin marketing the park. In the meantime, plans are being made to conduct a target industry study, and marketing materials from other parks are being studied to generate ideas. But there seems to be no lack of ideas in this group, and certainly no lack of vision. Not all of the pieces needed to open their park are in place, but if history is any guide, their goal of beginning the park's marketing before the end of 2000 is a pretty good bet.

Acknowledgments

This case study was based on a visit conducted March 18, 1999 and a telephone interview conducted April 7, 1999. The author gratefully acknowledges the following individuals for their assistance with this case study: Mr. Dale Atkins, Executive Director, Development Authority of Appling County; Ms. Sallie Comstock, Executive Director, Development Authority of Jeff Davis County; and Mr. Roger Boatwright, Mayor, City of Alma.

Chronology of Regional Industrial Park Development

Early 1970s	Employment opportunities in traditional industries of agriculture, textile and apparel, and resource-based were diminishing or stable
1989	Governors Growth Strategies Commission identifies regionalism as a key strategy to overcome constrained local resources.
Fall 1994	CEDO 11 conference introduces local economic development officials to potential of regionalism.
November 1994	State passes amendment to Georgia Constitution allowing tax sharing among local governments.

January - July 1995	Economic development officials from tri-county area conduct numerous dinners with local elected officials to present regionalism concept.
August 1995	Southeast Georgia Regional Development Authority (SEGA RDA) formed and began process of developing a regional industrial park.
Fall 1995	Each county submits potential sites (12) for possible location of regional industrial park.
March 1996	Sites narrowed to three by site selection team formed from non-regional personnel.
March 1997	Final site selected and purchased for $225,000.
Fall 1997	SEGA RDA began applying for monies for infrastructure.
Early 1998	SEGA RDA received RAP and REBA grants totaling $700,000 for infrastructure.
March 1999	Design of park infrastructure nears completion

Source: www.ceda.gatech.edu/bestpractices

Military Initiatives

Columbus Civilian-Military Initiatives

Columbus, Georgia

September 1999
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Context and History

The Columbus Chamber of Commerce's relationship with the military dates back to the beginning of this century. In 1917, a chamber of commerce delegation was sent to Washington, D.C. to compete for a new military installation. In 1918, the U.S. Secretary of War awarded Columbus, Georgia the installation - Camp Benning. By 1922, Camp Benning was redesignated as Fort Benning, a permanent military installation. Since then, numerous units have been added to Fort Benning, even in the 1990s when base alignment and closures were in effect across the country.

Fort Benning is by far the greater Columbus area's largest employer. As of June 1999, it employed 22,284 military personnel and 7,781 civilians. There are also approximately 52,298 family members of soldiers serving at Fort Benning who have access to various military services. Therefore, the economic impact of Fort Benning on the area is significant.

Fort Benning also draws in a sizable transient population to the Greater Columbus area. It has been home to the U.S. Army Officer Candidate School since 1941. In 1982, the U.S. Army Infantry Center was established at Fort Benning, where all soldiers in the U.S. Army must complete their basic training. In 1984, the U.S. Army School of Americas, a training institution for Latin American military officers and government civilian personnel, opened at Fort Benning.

During the late 1980s and early 1990s, the Columbus Chamber of Commerce, Fort Benning, and leaders in the greater Columbus area recognized the importance of a military operation's positioning within a community to its long-term sustainability. They refocused their efforts on strengthening the three factors that affect such positioning - civilian-military relationships, quality of life, and military capacity.

At the same time, greater Columbus faced a shortage of land for industrial development. Fort Benning, however, owned a substantial amount of undeveloped land. Greater coordination among the civilian and military sectors was required for the metro area's future economic development.

The desire to diversify the Greater Columbus area's industry base beyond government/military and manufacturing operations also led to strengthening civilian and military relationships. The chamber recognized that the highly skilled, drug-free work force provided by Fort Benning gave the Greater Columbus area a comparative advantage for post-industrial and high-tech industries. Not only would leveraging this advantage yield significant economic development benefits for the communities, but it also would help military personnel with their transition to civilian life.

Organization of the Practice

Two organizations lead, foster, and coordinate civilian-military relations – the Columbus Chamber of Commerce and the Civilian and Military Council. Both organizations meet monthly.

The Columbus Chamber of Commerce works with Fort Benning through its Military Affairs & Commercial Development and the Economic Development departments. Both department heads are former military officers.

The Military Affairs & Commercial Development Department created the Military Affairs Committee in 1992 as a think tank for airing problems, discussing solutions and providing updates on military-related activities. The committee is responsible for fostering strong relations between Columbus and Fort Benning. The committee's membership is composed of volunteers representing the military, business, civic, and government sectors of the community.

The chamber's Economic Development Department is the official economic development agency for the city and its four-county metropolitan area. Since 1992, it has invited the Job Assistance Center at Fort Benning to participate in business development initiatives.

The Civilian and Military Council was established in 1946 by Lieutenant General John W. O'Daniel, who had once commanded Fort Benning. The purpose of the council is to solve problems that exist in the relationships between soldiers, Fort Benning, the City of Columbus, Phenix City and their citizens. The chairperson of the Civilian and Military Council also serves as the chairperson of the Chamber's Military Affairs Committee to foster community wide collaboration.

The Practice in Operation

In 1993, the Columbus chamber, through its "MPower" campaign, raised $400,000 for promotional and marketing activities. The funds were allocated to the Land Exchange Program and other activities by the Military Affairs & Commercial Development and Economic Development departments. The chamber employs 23 individuals. One person staffs the Military Affairs & Commercial Development Department. The Economic Development Department includes seven staff members.

Job Assistance

When a company requests a visit with the chamber, the chamber's Economic Development Department automatically assembles a project team comprising representatives from area utilities, real estate offices, educational institutions, financing entities, the Georgia Department of Labor, and the Job Assistance Center at Fort Benning.

The Job Assistance Center, created in 1992, is part of the Army Career and Alumni Program (ACAP). The center provides extensive outplacement services to departing soldiers and their families through workshops that help with identifying objectives, writing resumes and cover letters, identifying job opportunities in the open and hidden markets, networking, using electronic database tools, interviewing, evaluating job offers and negotiating salaries and benefits. After attending the workshops, each participant is assigned a counselor who expands on the material already provided, and works one-on-one in conducting an effective job search.

The chamber's Economic Development Department first invited the Job Assistance Center to the negotiation table with a prospect in 1992 because the center is best acquainted with the skills of those separating from the military. The Job Assistance Center has since been considered a permanent part of the economic development team. The Economic Development Department and Job Assistance Center recognize that many of the skills required by the military resemble those required by private-sector employers. However, the language used by the military is as complex to private-sector employers as any foreign language.

These two entities help translate the military language into private sector language. For example, in military language, a person may be described as an E5 and 13 Alpha in FDC of a DS Unit. In private sector language, this person is a Sergeant in the Fire Detection Center of a Direct Support Unit who programs and understands the functions of COBOL for state-of-the-art personal computers. With the limited number of available COBOL programmers, companies preparing Y2K remediation programs would find this person's skills quite valuable.

The Job Assistance Center estimates that approximately 3,000 soldiers left Fort Benning in 1998 and reports that another 3,000 are estimated to leave by year-end 1999. Family members of military personnel are also a potential work force. As of May 1999, approximately 3,600 military spouses were unemployed in Columbus. Each month, the Job Assistance Center provides the chamber's Economic Development Department with projection data on departing soldiers by skill type.

Land Exchange

The Land Exchange program was initiated by the chamber's Military Affairs Department in 1989. Its purpose is to address the area's shortage of land by acquiring real property for long-term industrial and landfill development. The Military Affairs Committee has

worked to implement the program over a 10-year period by holding meetings to resolve conflicts, contributing volunteer assistance, and lobbying public officials.

Through the Land Exchange Program, the City of Columbus aimed to acquire 3,000 acres of undeveloped land from Fort Benning. In exchange, Chattahoochee County offered Fort Benning 3,200 acres. In 1990, at the request of the Columbus chamber, then-Senator Sam Nunn led the charge to allow an exchange of land between Fort Benning and Columbus. These efforts resulted in approval by the Georgia Environmental Protection Division for landfill development and adoption of appropriate state and federal regulations to permit the land exchange.

Activities to Bolster Fort Benning's Value

A primary goal of the Military Affairs Committee is to help Fort Benning increase its military capacity through attracting new units or missions. The Military Affairs Committee markets Fort Benning and Columbus to U.S. Department of Defense individuals and teams who participate in base relocation and closure decisions. Because by law a military base cannot voice a public position, the chamber, through the efforts of the committee, serves as a public relations agent on behalf of Fort Benning. For example, it helps Fort Benning prepare proposals, presentation materials, videos and other communications materials that discuss Fort Benning's qualities and strengths.

Program Outcomes

Economic Development and Job Assistance Center

The job assistance center has furthered business relocation and expansion. According to the Columbus Chamber of Commerce, the Job Assistance Center at Fort Benning has since 1993 been directly involved with assisting 72 of the 92 companies expanding or locating in the greater Columbus area with their work force needs. Most of these companies (72 percent) expanded their existing operations, signaling the value that the partnership between the chamber and Job Assistance Center brings to existing industry. These companies accounted for more than 9,300 jobs and invested over $919.7 million. (See Appendix.)

Fort Benning veterans hold various positions throughout greater Columbus. In addition to industry leaders such as Total Systems, AFLAC, Pratt & Whitney, and BellSouth, Fort Benning has also supplied talent to a number of civic and public service organizations (e.g., Goodwill, United Way, Uptown Columbus, Columbus Chamber of Commerce, police department, hospital).

Columbus's overall economic profile has improved. Although civilian-military relationships are not the sole impetus to the economic development in greater Columbus, the area's economy has grown and diversified since 1970.

In the 1980s, Columbus was a two-industry town, dominated by government/military and manufacturing employment. Today, it has a diversified industry base and has shifted well into the post-industrial economy. According to the Georgia Department of Labor, the Columbus services sector grew 60.7 percent from 1990 to 1998, in terms of jobs available. The finance, insurance, and real estate sector grew 33.9 percent. The retail sector, growing 23.2 percent, benefited from the area's population growth, military retention, and increased transient population traffic. Approximately 118,500 persons are employed in Columbus, a 19.3 percent increase since 1990. According to the U.S. Bureau of Labor Statistics, per capita income increased 41.3 percent since 1990 to $20,929, as of 1997.

Land Exchange Program

Nearing the end of a ten-year land exchange program, the City of Columbus has gained 2,100 total acres from Fort Benning for future development. Approximately 600 acres have been designated for parks and recreational development and 1,400 acres are set aside for future industrial park development. In addition to the 2,100 acres, another 350 acres are designated for landfill development.

Activities to Bolster Fort Benning's Value

Although military installations across the country have lost units during this decade, Fort Benning has grown in military capacity. In 1996, Fort Benning was selected as the site for the Regional Civilian Personnel Center, one of four such centers in the nation. The center houses staff members who support twenty military installations in the Southeast. In addition, the Basic Combat Training (BCT) Brigade was set up at Fort Benning during the first half of 1999. This brigade has added 600 full-time military personnel to the area. Also, an estimated 12,000 trainees will attend the brigade annually.

As a testimonial to the value of Fort Benning as a military installation and as a military community, the base has received numerous awards in recent years. In 1997, Fort Benning received the Presidential Award for Quality, the highest award for quality achievement in the federal government. In 1994, 1995, 1997 and 1999, Fort Benning received the Best Installation in the Army, Commander in Chief (CINC) Award. Fort Benning also has received the Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence every year since 1993.

Conclusion

The Columbus Chamber of Commerce's relationship with Fort Benning has become a model for how to leverage military assets to promote economic development. These relationships have provided Columbus with a drug-free and highly skilled work force for companies with diverse labor needs, as well as land for future development. In turn, Fort Benning has been awarded new units and recognition as a result of its greater positioning within the community.

What's next for Columbus, Georgia? To ensure Fort Benning's future as a sustainable military operation, the chamber and Fort Benning will continue to work on the initiatives described herein to support economic development and strengthen Fort Benning's foothold in the community. Also, the Chamber and Fort Benning are working with the National Infantry Association to consolidate over 350 small infantry units across the country into one association that will meet annually in Fort Benning. The National Infantry Association president estimates that this effort will bring more than 1 million visitors to Fort Benning per year. The chamber is also working with Fort Benning and the Smithsonian Institute to build a national-level museum in Columbus that will tell the Fort Benning story. The tourism impact of this effort could be significant.

Acknowledgements

The author would like to thank and acknowledge the many individuals who assisted in providing information for this case study. Mayo A."Biff" Hadden, III, Senior Vice President, Military Affairs & Commercial Development, Columbus Chamber of Commerce, provided information about the scope of civilian-military relationships, Land Exchange Program, and resulting outcomes. Also with the Columbus Chamber, Gary Jones, Senior Vice President, Economic Development, provided information about the Chamber's partnership with the Job Assistance Center at Fort Benning. They can be reached at: Columbus Chamber of Commerce, 901 Front Avenue, Post Office Box 1200, Columbus, GA 31902-1200, (voice) 706-327-1566, (fax) 706-327-7512. Additionally, Harold Erickson and Chick Eagle provided details concerning the Army Career and Alumni Program (ACAP) and Job Assistance Center at Fort Benning. They can be reached at Fort Benning Army Career and Alumni Program, Fort Benning, Columbus, GA 31902, (voice) 706-545-2308.

Chronology

1989 Land Exchange Program initiated by the Columbus Chamber of Commerce
1990

1992 U.S. Department of Defense created Job Assistance Center at Fort Benning.
Columbus Chamber of Commerce creates Military Affairs Committee.
Columbus Chamber of Commerce Economic Development Department initiated partnership with Job Assistance Center at Fort Benning.

1993 Tri-Community Action Plan conceived by Chief of Staff of the Infantry Center and Garrison Commander at Fort Benning.
Fort Benning received Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence.

1994 Fort Benning received Best Installation in the Army, Commander in Chief (CINC) Award.
Fort Benning received Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence.

1995

Fort Benning received Best Installation in the Army, Commander in Chief (CINC) Award.

Fort Benning received Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence.

1996

Fort Benning selected as site for Regional Civilian Personnel Center (one of four such centers in the nation).

Construction of new bike/walk trail from Fort Benning to Columbus World Trade Center completed and designated as RiverWalk South.

Fort Benning received Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence.

1997

Fort Benning received Presidential Award for Quality, the highest award for quality achievement in Federal Government.

Fort Benning received Best Installation in the Army, Commander in Chief (CINC) Award.

Fort Benning received Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence.

1998

Fort Benning received Chief of Staff, Army Community of Excellence (ACOE) Award for Installation of Excellence.

1999

Basic Combat Training (BCT) Brigade established at Fort Benning.

Fort Benning received Best Installation in the Army, Commander in Chief (CINC) Award.

Fort Benning received Chief of Staff, Army Community of Excellence (ACOE)

Appendix A
Expanding or Locating Companies

Company	Year	Jobs	Investment
Precision Components International (E)	1999		$20,000,000
MBIA (E)	1999		$5,000,000
BellSouth	1999	200	$1,200,000
Carl Gregory (E)	1999	40	$13,000,000
Rivertown Ford (E)	1999	20	
Fieldbrook Farms	1999	90	$3,000,000
Internet	1999	300	$35,000,000
Total Systems, CRIP II (E)	1998	75	$22,000,000
Auten Poultry and Food Service (E)	1998	25	$1,500,000
Total Systems, Office Campus (E)	1998		$10,000,000
AFLAC (E)	1998	200	4,900,000
Tom's Foods (E)	1998	50	$6,000,000
CB&T (E)	1998	200	$2,500,000

Heritage Hills Alzheimer Assisted Care	1998	30	$3,500,00
Leon's Fabrics (E)	1997	5	1,500,000
Green Point Financial Corp.	1997	150	$4,000,000
Swift/Marubini (E)	1997	350	$80,000,000
AFLAC (E)	1997	200	$25,000,000
BlueCross BlueShield (E)	1997	40	$4,400,000
KNOLOGY	1997	150	$40,000,000
FEDEX (E)	1997	20	$2,000,000
Char-Broil (E)	1997	150	$26,000,000
Ruco-Polymer (E)	1997	6	$1,000,000
PCI (E)	1997	150	$14,000,000
Kysor Warren (E)	1997	100	
MBIA (E)	1997	25	
Polychrome (E)	1997	15	$15,000,000
InterState Electrical (E)	1997	10	$1,500,000
Morningside Assisted Care	1997	20	$2,500,000
Total Systems, Total Solutions (E)	1997	100	
Espire	1996	10	$6,000,000
Pratt & Whitney – JT*D	1996	200	$32,000,000
Southern Phenix Textiles (E)	1996	32	$1,230,000
Total Systems, Office Campus (E)	1996	2,500	$100,000,000
Total Systems North Center (E)	1996	100	$30,000,000
Lincoln Marketing (E)	1996	50	$6,000,000
Columbus Productions (E)	1996	50	$5,000,000
Goody Products (E)	1996	5	$3,000,000
Jay Automotive (E)	1996	15	$8,000,000
Kysor/Warren (E)	1996	200	$6,600,000
Char Broil (E)	1995	250	$20,000,000
MBIA (MD)	1995	30	$15,000,000
Pace Industries	1995	600	$25,000,000
Regional Civilian Personnel / Ft. Benning	1995	165	
Swift Plant #1 (E)	1995	90	$60,000,000
TeleServices Resources	1995	315	$3,000,000
Textron (E)	1995	100	$500,000
Total Systems, CRIP (E)	1995	350	$13,700,000
AFLAC (E)	1994	120	$26,000,000
AT&T Universal Bank	1994	10	
BC/BS of GA (E)	1994	180	$9,000,000
Charbroil, Inc. (E)	1994	10	$2,500,000
Citizen's Mortgage	1994	185	$3,500,000
Columbus Foundries/CPM (E)	1994	50	$1,000,000
Columbus Regional HCS (E)	1994		$24,600,000
J H Williams (E)	1994		$1,000,000
Johnson Controls, Inc.	1994	15	$500,000
MBIA Corp. HQ	1994	10	

MBIA Lithium Plant	1994	100	$30,000,000
Oneda (E)	1994	12	$2,000,000
Sherman Concrete (E)	1994		$2,600,000
Spartan Realtree (E)	1994	16	$5,000,000
Swift Spinning (E)	1994	70	$20,000,000
Total Systems Services (E)	1994	300	$1,000,000
Cail Tool & Machining (E)	1993	5	$500,000
Columbus Regional (E)	1993		$17,000,000
Lincoln Marketing	1993	180	$2,000,000
Polychrome (E)	1993	35	$8,000,000
Ruco Polymer Corp.	1993	100	$20,000,000
Swift Spinning (E)	1993	50	$25,000,000
Swift Textiles (E)	1993	90	$11,300,000
Unijax Sloan (E)	1993	35	$1,500,00
Wellington Sears Co. (E)	1993	35	$26,200,000

Total 1993 - 1999

Source: Columbus Chamber of Commerce, July 1999

Source: www.ceds.gatech.edu/bestpractices

Partnership/Coordination

Topic: Administrative Efficiency

Subject: Partnership/Coordination

Location: Southcentral Minnesota

Summary

South Central Plus, a program located in the southcentral part of Minnesota, has been effective in linking the staffs of 15 agencies, sharing services, fostering public/private relationships, implementing joint purchasing, and identifying training needs. The initiative, in light of decreasing federal and state funds, has streamlined service provisions through agency networking and cost reduction. In addition, South Central Plus coordinates joint grant writing, joint public policy advocacy, program evaluation, and coordinates shared facilities and support services. The program began in 1989.

Successful Practice

The cooperation of governmental and nonprofit public service agencies to improve services and service delivery and reduce costs, thereby improving the administrative efficiency of all the agencies involved.

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Case Study
The Problem

Many of the governmental and nonprofit organizations in this region were duplicating efforts by offering similar services to the community and competing for the same federal grants. This practice made the region weaker by rendering their services less effective for their clients.

The Approach Adopted

To combat this, the Region Nine Development Commission instituted a program called South Central Plus. This program coordinates the efforts of 16 agencies, including non-profits and governmental organizations, in the nine county region of southcentral

Minnesota. These agencies save time and money by applying for federal grants together, purchasing supplies jointly and sharing staff and resources. This practice enables them to provide better, more efficient services without compromising their individual identity or mission.

How They Implemented The Approach

Terance Stone, the Executive Director of the Region Nine Development Commission developed this program back in 1989. His idea was met with great enthusiasm from other governmental and nonprofit organizations in the region. They all realized that this program was in their collective best interests.

The group's structure allows for better decision-making. The board of directors is informal and decisions are made by consensus. If an agreement cannot be reached, then the issue is assigned to a subgroup who studies the problem in-depth. Once the subgroup has reached a decision, it presents its recommendation to the board. Group members know each other well and trust one another, so the subgroup's recommendation is implemented the majority of the time. This group dynamic is among the intangibles of the project and has led to several successful programs.

A truly remarkable aspect of South Central Plus is the low administrative costs it has incurred to establish helpful programs and save the community money. Most of South Central Plus' expenses such as meeting space, computers, and staff time are donated by participating individuals or organizations. The only real out-of-pocket expenses South Central Plus incurs are the cost of mailing meeting notices and providing donuts to meeting attendees. When special projects need to be funded, one of the member organizations often volunteer to pay the expenses. This arrangement simplifies the organization and prevents it from interfering with what South Central Plus is trying to accomplish.

The informal organizational structure and lack of budget at times limits South Central Plus' ability to achieve its goals and solve problems. Although this group effectively identifies problems and concerns in their communities, they often lack the funding necessary to change the situation. For instance, the group wanted to hire a Spanish speaking liaison for the Hispanic community, but were not able to do this because of a lack of funding.

South Central Plus, is made up of nonprofit, public, or educational institutions. To qualify, these organizations must have a board of directors and serve all nine counties of southcentral Minnesota. Currently 16 organizations belong to South Central Plus. The group is always looking for new members in order to make South Central Plus a stronger and more effective partnership.

Results

The most successful South Central Plus program is the Region Nine Drug Prevention Partnership. The 16 South Central Plus organizations formed a collaborative and obtained a five year federal Center for Substance Abuse Prevention grant. Working in over 40 communities, South Central Plus organizations are building local coalitions to fight drug and alcohol abuse, and promote healthy life-styles.

Another successful joint effort is the Child Care Resource and Referral (CCRR) program, a nonprofit program that matches parents with the childcare that best meets their needs. CCRR has benefited both families who needed childcare and the local economy by allowing individuals to enter or remain in the workforce. The program also offers workshops that teach employers how to assist employees with finding feasible and affordable childcare.

Besides joint programs that South Central Plus operates, there are some largely informal cost savings associated with being a part of this program. Some save administrative expenses by having the larger organizations place orders with their suppliers on behalf of the smaller organizations associated with South Central Plus. Because of their size, larger organizations can receive substantial discounts on administrative supplies. This saves a great deal of money as some are able to take advantage of economies of scale.

Demographics of area served

Population 215,864
Per capita income $11,451
Poverty rate 9.6%
Unemployment 4.8%
Pop./sq.mile 42

webmaster@rurdev.usda.gov

Source: United States Department of Agriculture Rural Development, Ideas That Work, from www.rurdev.usda.gov.

Building and Maintaining a Partnership

Do different organizations in your community provide duplicate services?

Would you like to improve your information exchange with other organizations?

Would you like to pool resources with other organizations for large-scale projects?

Do you need help keeping an existing partnership going?

If so, you many want to consider forming new partnerships and/or using the following

tips for maintaining a more effective partnership.

What is a Partnership?

Partnerships allow organizations to cooperate and coordinate with each other to reach common goals while still maintaining their autonomy. A partnership can exist between at least two government entities or within the private sector of both profit and non-profit organizations. The purpose of partnerships is to eliminate duplication of work among agencies and organizations and to coordinate the resources available to them. Partnerships come in all sizes and shapes: formal and informal; with two or twenty members; for special projects or broad cooperation; with regular weekly meetings or infrequent ad hoc meetings. You can adapt a partnership to meet the particular needs and constraints of your organization.

Why Build Partnerships?

- Certain projects are not possible without partnerships
- They can improve service delivery to your community
- Participating organizations can gain credibility and increased visibility
- They can open lines of communication among the organizations involved

How to Maintain an Effective Partnership

Identify common goals: The partners should reach an understanding as to what the goals of the partnership are. It might be a good idea to have them listed in writing so no confusion or conflict arises.

Frequent communication: Effective and frequent communication is a necessary component in maintaining a partnership. It is important that you open a good line of communication not only with your partners but also within your own agency.

Function as mentors towards each other: Use the opportunity to find a mentor in the other agency. Learn the values and skills they offer. This is also an opportunity for you to provide knowledge to someone else by serving as a mentor to them.

Honesty: As with any working environment, honesty is a must. No secrets should be kept nor information withheld in the partnership. This will undermine and potentially cripple a partnership.

Be willing to compromise: Do not expect to have everything your way. You should be willing to compromise on certain issues. This indicates to the other party that you are sincere and that you are not in the partnership to take advantage of other partners.

Be sensitive: Consider other people's feelings when giving suggestions and constructive criticism. Be careful how you word things and the tone of voice you use when speaking with others. The same applies to written communication. Another agency may not have the same working style as yours.

Confront problems immediately: When conflict arises, deal with it as soon as possible. If the problem cannot be resolved among the partners, seek mediation. The sooner an issue is addressed, the less likely it will turn into a much larger and intractable problem later.

Strong personal commitment: The executive and program staff of the organizations should have a strong commitment to making the partnership work and accomplishing its goals.

Productive group interaction: Use strategies that encourage productive interaction during group meetings. Encourage all members of the group to communicate their problems and comments. For example, you could use facilitators to make your meetings run more efficiently.

By Brian Zamora **December 1996** **OCD Technote 7**

Additional Resources

- State Rural Development Councils
- "Tips for Building a Better Partnership, Tips for Working With New Partners," *Economic Development Digest,* February 1995
- Susan Rocker, Senior Project Director for the Partnership Project, (202) 624-5947

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

Recruitment

Subject: Community Audit and Labor Study, Reverse Site Location

Location: Baxley, Appling County, Georgia

Summary: As a result of a community-wide planning retreat, Baxley-Appling leaders banded together to explore economic development efforts that would create employment opportunities, and enable Baxley-Appling County to better serve existing industry. A feasibility study was undertaken with the following objectives: to determine the specific materials and resources used by existing industries in Baxley/Appling County; to determine the feasibility of recruiting industries which would provide the needed resources for existing industries, and to determine the specific resources available in Baxley/Appling County that promote future industrial growth in this community. Specifically, the research sought the following information: materials and resources currently used by industries in Baxley/Appling County, vendors presently providing the materials and resources to the industry, and determine if local vendors are available that can provide the materials and resources at a competitive price.
The research included a labor market summary with some information gleaned from interviews with 8 of the largest employers. The summary included an analysis of labor costs compared to the national average, labor availability, labor management relations and labor quality.

The concept of being an employer of choice was introduced, with characteristics indicative of the "right environment:" best labor availability and the lowest turnover in the community in addition to good working conditions, good reputation in the community, excellent fringe benefits, reasonable work hours, steady employment, selective hiring practices, excellent orientation and training program, good employee practices, and reasonable management. To establish itself as an employer of choice, and employee must join the Manufacturers Roundtable, require a high school degree or GED of all new hires and a Certified Manufacturing Specialist certificate, screen and train employees, set policies and expectations to emphasize employee communication and participation, focus on long term workforce development by collaboration with the high school and technical school, hire human resource representative locally, and establish a good company image.

A community audit and site location in reverse was also conducted. This included an assessment of the community's strengths and weaknesses, review existing industrial sites, recommend a site for a spec building, discuss incentives and make recommendations, identify industries and specific companies that would match the labor summary results.

The community was reminded that due to a decrease in manufacturing jobs and increased competition among communities for prospects, responsive and prepared leadership is essential for success. This includes having quality industrial sites and buildings ready to show and incentive packages available that can be promoted to a prospect, prior to their community visit. Baxley-Appling County then began phase one: site location screening.

This examined manufacturing wages, unemployment rate, population growth, highway access, airhub access, union activity, union presence, community size, training facilities, location of university or college. Key success factors were evaluated for Baxley-Appling County using a four star system: leadership, site potential, labor environment, community attractiveness, and incentive climate. An overall rating was then given, and recommendations for improvement offered.

A site location in reverse was then conducted. This focuses an economic development group's industrial recruitment efforts by understanding the key natural resources and attributes of the area, the industries these resources and attributes attract, and then capitalizing on the resulting consumer and/ or supplier linkages. Typically, the supplier and customer linkages of existing industry in the area are the focal point of the site location in reverse. The top five industries by employment and the top five industries by number of establishments were examined, and employer interviews conducted. Recommendations were then made for specific suppliers and key industry targets to focus on for recruitment. A proactive approach for the recruitment process, including regular communication with statewide economic development allies was recommended.

Results: Baxley-Appling County received a comprehensive report detailing its labor force. This report can be shared with prospects, providing much needed, up-to-date information critical to the community evaluation process. In addition, a list of recommendations for improvement to community leaders provides a plan of work for the community to focus its efforts. Lastly, a list of potential industry targets and supplier targets was provided that also provides valuable information for Baxley-Appling County's recruitment efforts.

Successful Practice and Follow-Up: Baxley-Appling County is to be commended for their interest and cooperation in the Community Audit and Labor Study and Site Location in Reverse. Their efforts to become a more competitive business location for retailers and industries are underway. Since the study was completed in December 2001, A "Develop Baxley" committee was formed comprised of Better Hometown, Chamber of Commerce and Downtown Merchants Association. The goal of the committee is to focus on "smart growth" for downtown Baxley that focuses on transportation needs, maintaining community character, planning for affordable housing and meeting the retail needs of local customers. Under the direction of the Better Hometown director, Pam Wiggins, a retail business and consumer study is currently underway in Baxley and the results will be used to guide the direction of downtown Baxley.

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Recruitment

Subject: Industrial Site Central Data Collection Project

Location: Laurens County, Georgia

Summary: Most rural leaders are elated when a prospect indicates interest in locating in their community. However, the preparation for that visit is often haphazard, due to short notice, staffing constraints and a lack of organized, readily accessible community data. Unfortunately, rural communities do not get the same attention from statewide economic engineering support as the larger metropolitan areas. In order for rural communities to effectively promote economic development, they must take advantage of the technology available to assist them. In 2001, Georgia Tech's Economic Development Institute (EDI) evaluated the different software and methods for best accumulating the community information necessary for prospect recruitment. EDI then received funding from the Georgia Rural Economic Development Center at East Georgia College to test the selected software and methodology. Laurens County was the first "test community" for implementation of the software and methods.

The following steps were completed in testing the process:

(1) acquired the published digital data necessary to evaluate the industrial sites and impress the prospect with data that is presented, including wetlands, topographicals, aerials, highways and property tax parcels;
(2) acquired and digitized data such as hydrolic soils, sewer and water lines, and fiber lines;
(3) complied a list of potential industrial sites;
(4) determined costs necessary to develop these sites and then performed comparative cost analyses;
(5) performed an industrial site analysis; and
(6) preserved the digitized data in Arcview in order to quickly respond to a prospect.

Additional steps were taken with regard to wetlands issues:

(1) hired a consultant to evaluate the wetlands status of all property currently owned or marketed by the development authority, and delineate the property (able to be developed vs. not able to be developed) as buffer or banked for mitigation accordingly;
(2) evaluated and determined the need for a wetlands bank according to above results;
(3) decided to develop a wetlands mitigation plan, submit for US Corps of Engineers and implement the plan OR acquire credits from others.

Results: The test of the software and methods for compiling community data resulted in a fast, accurate, up to date and readily accessible file that can be maintained for the community to share with prospects. This central data collection provides a means for an organized and professional presentation to prospects,

resulting in a better first impression of the community, and hopefully a positive company location outcome.

Successful Practice and Follow Up: Since the project was completed, EDI has moved forward and is currently testing the software and methodology in four rural communities. The digital data will allow for the fast retrieval of vital community information, and presently requires the assistance of EDI to access the software. However, software training for several RAC members in the region is planned.

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Source: Georgia Rural Economic Development Center at East Georgia College, 131 College Drive, Swainsboro, Georgia, 30401; (478) 289-2121.

Recruitment

Merewether County Industrial Recruitment

Meriwether, County, Georgia

March 1999
Prepared by: Jan Youtie
Center for Economic Development Services,
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Atlanta, GA

Conditions Leading to Practice

Meriwether County, located about 60 miles from Atlanta's Hartsfield International Airport, lies between the Columbus and Atlanta metropolitan statistical areas (MSAs). More than 23,000 residents live in Meriwether County. Manchester is the largest city, followed by Woodbury and Greenville. (See Table 1.)

By the mid-1990s, the county had lost several major manufacturers and at least 530 jobs. In one case, a large manufacturer employing 450 workers left a 100,000-square-foot building empty in downtown Woodbury. Prior to the mid-1990s, a new firm had not located to Meriwether County in over eight years. In response to these job losses, the Meriwether County Development Authority (the Authority) and Chamber of Commerce hired a new president, Larry McKinney. The Authority was located with the Meriwether County Chamber of Commerce in a post office off the beaten path and had a small budget of $40,000. Larry McKinney's first priority was to attract new industry. The new industry program involved strengthening the Authority, including addressing organizational issues, enhancing marketing and incentives, and establishing an industrial recruitment delivery approach.

Table 1.
Cities in Meriwether County by Population

Total Meriwether County Population		23,300
Manchester	4,035	
Woodbury	1,366	
Greenville	1,079	
Luthersville	788	
Warm Springs	392	
Lone Oak	166	
Gay	129	

Source: U.S. Bureau of the Census, 1996 and Harden Political InfoSystems, 1995.

Organization

Whereas most development authorities in Georgia are statutory authorities, the Meriwether County Development Authority was created as a constitutional authority with additional specific powers, such as the ability to exempt property taxes. The Authority also has the power to operate within city limits as well as throughout the county. At the same time, Manchester and Woodbury have their own development authorities staffed by volunteers, and there is competition for new industry among the cities. To operate effectively in this environment, the Authority developed working relationships with these cities. The Authority provides assistance to the cities in how to set up organizations to deal with city-specific problems or issues; for example, in 1999, the Authority helped Greenville set up a statutory authority. Likewise, the Authority does not necessarily direct prospect visits toward a particular city. The Authority views each city in terms of its facilities inventory– whether the city has an industrial park, a speculative building, other vacant facilities, or greenfields. Locations for prospect visits thus depend on which of these types of facilities meet prospect needs, rather than intra-county rivalries.

The Authority was initially housed jointly with the Chamber of Commerce. However, in 1997, the Authority split from the Chamber, reflecting the amount of economic development activity occupying Authority staff time.

A five-member board of directors representing financial institutions, educational institutions, and a community activist governs the Authority. The Authority Board had stable, long-term leadership over an eight-year period, rather than rotating Board appointments as some communities do. This stability has given board members having a better understanding of the economic development process.

As of early 1999, the Authority had two paid professional staff members. Authority President Larry McKinney is a certified economic developer (CED) with previous experience in several other Georgia local economic development organizations such as the Metro Augusta Chamber of Commerce. That experience proved valuable in his position in Meriwether County. For example, the Metro Augusta Chamber of Commerce had augmented its economic development budget by obtaining a percentage of county revenues. Larry McKinney suggested to the Meriwether County Commission a similar approach based on allocating one mill of property tax for 11 years to promote economic development. With the additional funding, the Authority's budget rose to $225,000 in 1996. The benefit of this funding was that it rewarded the Authority for expanding the County's economic base. As of 1998, one mill has resulted in $275,000 partly based on the ad valorem taxes provided by newly recruited industries.

In addition to professional staff, the Authority draws on volunteers to participate in prospect meetings. To train these volunteers, the Authority conducted sales team training in early 1997. The training described what volunteers could expect from prospect visits and what is acceptable deportment from volunteers during these visits.

Marketing

The Authority began its marketing effort by searching for a higher-profile facility. Eventually, it convinced a private mens club in Warm Springs to release its meeting place—a large downtown community facility that was the idea of President Franklin D. Roosevelt. After negotiations, the club donated the 6,000-square-foot facility. The Authority obtained a $100,000 mortgage from the local bank to pay for renovations, including information technology such as a $7,000 recessed projection system, and video conferencing capabilities by satellite, videotape, or computer. Renovations were completed before the 1996 Olympic Games so that the facility would be admired by tourists in town for the torch relay. The Authority held a dedication ceremony hosted by Anne Eleanor Roosevelt, great granddaughter of the president.

Another marketing focus involved establishing relationships with statewide economic developers. To this day, Larry McKinney meets monthly with the Georgia Department of Industry, Trade, and Tourism (GDITT) project managers, division directors, and commissioner.

With the expanded budget from the one-mill allocation, the Authority conducted a $40,000 advertising campaign. The campaign focused on attributes relating to the area's quality of life. Magazine advertisements about Meriwether County were placed as part of the statewide "Georgia on My Mind" program.

The Authority does not for the most part target marketing messages to particular segments of companies. One reason is the area's low- and semi-skilled labor force. For example, according to the 1990 census, 52 percent of Meriwether County adult residents had high school degrees compared to 71 percent of all Georgians. The Authority instead focuses on the particular selling points of the county—proximity to Atlanta and Columbus, one hour from Hartsfield International Airport, and being the first county attainment area south of the Atlanta, signifying that industrial emissions are not as strictly controlled as they are in Metro Atlanta. This does not mean that the Authority is recruiting less than desirable industries, rather that regulations in Meriwether County are not as complex.

Delivery of Industrial Recruitment Services

As the organizational and marketing issues began to be put into place, the Authority set up procedures for prospect visits. Typically Larry McKinney receives a call from a statewide developer about a prospect. He sets up an itinerary, which includes a meal (lunch or breakfast) to break the ice; meetings with existing industry; a session with the local Georgia Department of Labor staff member to answer work force questions; and meetings with local representatives from government, utilities, and financial institutions. Typically, deals are finalized at these meetings because with small communities, everyone wears a lot of hats. In one case, the mayor also was the fire chief and head of the local utility.

The Authority deals with incentives in several ways. It promotes state incentives such as the job tax credit. Based on 1998 designations, Meriwether is a Tier 1 county in which companies creating new jobs are eligible for $3,000 per job credit. The Authority also focuses on incentives with a three-year or less payback period, such as roads, culverts, and other infrastructure. The Authority also has purchased and leased back buildings to relocating companies to limit property tax liability.

Results

Since 1996, the Authority has been involved in seven new industry relocation projects, which resulted in $35 million in capital investment in facilities and equipment and 460 new jobs. These projects included:

1) Spurlin Industries, a manufacturer of spas and bathtubs, which moved into the empty 100,000-square-foot building in downtown Woodbury in 1996. The company invested $4 million to renovate the building and employ 100 workers.
2) Horizon Medical was a Cobb County medical devices distributor that decided to manufacture heart catheters. The Authority offered the company an 11-year cash incentive via an upfront lump sum payment of $100,000 based on the discounted net present value. In addition, it applied to the Georgia Department of Community Affairs for a $250,000 Employment Incentive Program (EIP) grant on behalf of Horizon Medical. These incentives enabled Horizon Medical to afford to renovate a speculative building located in the Manchester Industrial Park. The company initially invested $10 million to build clean rooms and add high- tech capabilities to the facility. It has since gone public with a $57 million initial public offering (IPO), the eighth largest IPO in Georgia in 1998,enabling it to begin construction on an additional 40,000 square foot facility to house new products. Horizon Medical employed 100 workers at its Manchester location as of the end of 1998.
3) Crown Technology manufactures plastic striping material used in highway construction. The company, which had certain nonstandard height requirements, outgrew its location in LaGrange, Georgia. Having worked with the local Georgia Tech Regional Office for several years, the president of Crown Technology called the Georgia Tech field engineer to request assistance in finding a new facility. The field engineer was aware that Woodbury had a speculative building with sufficient ceiling height to meet Crown Technology's requirements, through meetings periodically held with Development Authority officials. The field engineer contacted Larry McKinney, who set up a visit of the Woodbury building and linked the company to the Woodbury Development Authority. The company moved to the Woodbury facility in 1997, invested $3 million to renovate the building, and employed 80 workers. The company is currently expanding and hiring additional employees.
4) In 1999, Nippon Metalworking invested $3 million in its Woodbury facility and created 15 jobs. The is the first international foreign direct investment in Meriwether County.
5) Habersham Cabinets moved to Alvaton in early 1998, investing $2 million and creating 30 jobs.

6) Foster Lumber Company located a facility in Warm Springs in 1998. The facility is under construction and is expected to invest at least $7 million and create more than 60 jobs.
7) Goodpac Industries, a plastic bottle manufacturer, is planning to invest $2 million in a 60,000 square foot facility in Warm Springs in 1999 and employ 30 to 40 people.

With the new industry program in place, the Authority diversified into existing industry, incubator, and joint industrial park programs. Missy Kendrick, project manager, established an existing industry program with a "Drugs Don't Work" component for which she received a $10,000 grant from the Georgia Chamber of Commerce. The existing industry program also negotiated purchase of a 50,000 square foot facility from a textile company and leased it to two local industries at a favorable rate. In early 1999, the Authority submitted an application to the U.S. Department of Agriculture requesting $100,000 to support a 3,500-square-foot incubator in the lower level of the Authority building in Warm Springs. As a result of a newspaper advertisement, three individuals committed to start businesses in the incubator. In addition, the Authority is involved in a 2,000-acre joint industrial park with Coweta and Fayette counties.

Conclusions

Several factors have contributed to the Authority's success. The president was experienced, having been exposed to relatively innovative financing practices in other parts of the state. The Authority Board had stable, long-term leadership. The allocation of property tax revenue to fund economic development activities was important to fund marketing programs and support industrial recruitment. Linkages between the county and the city development authorities helped deal with intra-county competition. And especially important were the ongoing relationships with the statewide development representatives. Without these Authority practices, and in spite of its proximity to metro Atlanta, Meriwether County may have continued to fail to attract new industry.

Acknowledgements

This case study was based on a telephone interview conducted on February 25, 1999. For his assistance with the case, the author gratefully acknowledges Larry McKinney, CED, President, Meriwether County Chamber/Development Authority, Box 9, Warm Springs, GA 31830, mckinney@mindspring.com.

<u>Chronology of Development Authority and Industrial Recruitment</u>

1995 Meriwether County Development Authority was located with chamber of commerce in post office, and had a small budget of $40,000.
1996 The Authority acquired and relocated to a community building in downtown Warm Springs.

The Authority convinced the Meriwether County Commission to allocate 1 mill of property tax for 11 years to promote economic development.

Spurlin Industries (spas and tubs manufacturer) moved to downtown Woodbury, investing $4 million and creating 100 jobs.

Horizon Medical (heart catheters) located a facility in the Manchester Industrial Park, investing $4 million and creating 100 jobs

1997 The Authority conducted sales team training with some 50 people from the community.

The Meriwether County Development Authority and Chamber split in 1997.

Crown Technology (thermal plastic manufacturer) located to the Woodbury Industrial Park, investing $3 million and creating 80 jobs.

Early 1998 Habersham Cabinets located to Alvaton, investing $2 million and creating 30 jobs.

Late 1998 Foster Lumber Company located a facility in Warm Springs, expected to invest $7 million to $8 million and create more than 60 jobs.

1999 Nippon Metalworking located to Woodbury, investing $3 million and creating 15 jobs.

Goodpac Industries plans to invest $2 million in a 60,000 square foot water-bottling facility in Warm Springs.

The Authority applied to U.S. Department of Agriculture for a $100,000 incubator grant.

The Authority participates in a 2,000-acre tri-county industrial park with Fayette and Coweta counties located on the Meriwether-Coweta county line.

Source: www.ceds.gatech.edu/bestpractices

Recruitment

Savannah Economic Development Authority: Special Events Marketing

Savannah, Georgia

July 1999
Prepared by: Cathy Bouffier
Center for Economic Development Services
Georgia Institute of Technology
Atlanta, GA

Conditions Leading to Practice

Savannah traditionally had recruited business mainly by advertising in journals and by responding to inquiries from site selection consultants, companies, and statewide developers. Over the last five years, there have been hundreds of leads generated, but few resulted in prospect visits. Between 1989 and 1994, Chatham County experienced a 4.8 percent growth in number of establishments, far below the 11.3 percent growth at the state level. To improve the rate of new business openings and reduce the amount of time pursuing unqualified leads, the Savannah Economic Development Authority (SEDA) decided to make some changes in how it markets Savannah.

After hiring a senior vice president for economic development in September 1996 and a director of marketing in January 1997, SEDA restructured its marketing efforts to generate a smaller number of more qualified leads. A plan was developed based on relationship marketing centered on special-event weekends for targeted industries as seen in the Georgia Department of Industry, Trade and Tourism's (GDITT) Red Carpet Tours and Georgia Power Company's Operation Legacy. The concept is that prospects will be more likely to select Savannah for their future locations if they have spent a weekend at an event that educated them on how the city can meet their needs and helped them become comfortable with the business climate and its leaders. The plan also called for building stronger relationships with the authority's allies - the Savannah Chamber of Commerce, utility companies, economic development and business assistance staff at colleges and universities, and statewide developers (such as those at GDITT and the Georgia Department of Community Affairs) who could be called upon for support during these event weekends.

Organization

The Savannah Economic Development Authority operates the special-events weekend program. The staff and budget for each special-event weekend is determined on a case-by-case basis. Sailabration, the first event, was assigned a full-time intern for the four months prior to the July 1998 event and was supported by other authority staff involved

with industrial recruitment. The budget for this event was $100,000, which included developing and printing promotional materials and all of the expenses related to the programs offered over the event weekend, such as food, lodging, and transportation to and from the programs. The prospects had to pay for their transportation to Savannah. Staff time was covered by the authority's operating budget. SEDA obtained partners for the event as well. Savannah Electric contributed $10,000 and Georgia Power Company provided both a cash contribution and the assistance of its meeting planners.

Partnerships were formed with other organizations as well. GDITT participated in the event, sending its regional personnel as well as its commissioner and one deputy commissioner. Several board members and chamber personnel were hosts who were responsible for two to three couples during the event.

Marketing

One of the authority's objectives has been to distinguish Savannah from other communities in the eyes of prospects. Savannah started this process by creating an unusual invitation for Sailabration that included a poster of Tall Ships and was sent in a tube instead of a flat envelope. It took the concept further by not sending Christmas gifts that might get lost in the rest of the season's cards and gifts. Instead, the authority chose to send Saint Patrick's Day packages that tied into the city's well-known annual festivities surrounding this holiday.

Delivery of Practice

Instead of conducting industrial recruitment only by advertising and responding to requests, SEDA staff decided to build relationships with prospects in a few industries that were more likely to come to the city. Staff first looked at Savannah's strengths and weaknesses and at those of competing cities and decided on five target industry groups: (1) headquarters, because numerous inquiries had been received in recent months regarding these types of prospects; (2) traditional light manufacturing; (3) port-related distribution facilities; (4) research and development companies that would want to be at the Skidaway Island Research Park, which was recently privatized; and (5) companies that would hire students and graduates from the Savannah College of Art and Design (SCAD). The analysis uncovered another strength -- regional allies such as Georgia Power, GDITT, and SCAD, could often provide lists of potential prospects and be utilized during other parts of the recruitment process.

The authority decided to use economic development weekends centered on a special event in the city to build relationships with prospects. To choose the first event, staff looked for something unusual related to the city. The chamber was bringing the international Tall Ships sailing event America's Sail (a race to Long Island, New York), to Savannah for the 1998 July 4th celebration. This event was chosen as SEDA's first event-based weekend in fall 1997. SEDA created a budget and gained the approval of its board of directors.

SEDA staff used several sources for developing the list of potential prospects to invite to the event. First, the list started with companies that had recently expressed interest in Savannah (about 200 to 300 companies). Second, the authority bought a list of companies in light manufacturing. Third, staff created a list of distributors that, because of their product lines, typical markets, and suppliers, required port facilities. And fourth, staff talked to SCAD and representatives from Skidaway to add companies that might be interested in those types of facilities.

The authority estimated it would have 15 to 20 couples attending the event. It sent out 650 invitations and began a waiting list when the positive responses reached 35. Eventually, it accepted two more prospects that they considered important to have on hand.

The Sailabration weekend combined presentations on Savannah and its business climate and entertainment. The authority was pleased with the outcome of the program and has maintained contact with the attendees via telephone and mail.

SEDA staff realized that having all five targeted industry groups involved in Sailabration was too diverse. Because of the high response rate from the technology sectors interested in SCAD's resources and from the research and development companies interested in Skidaway, the authority is focusing its second and third events on these sectors. One event, planned for March1999, will be a "research expedition" having a safari theme and will focus on Skidaway-related companies. The other event, scheduled for fall 1999, focusing on SCAD companies and be centered around a Delphi program(1).

Results

The first event was held less than a year ago. According to SEDA's director of marketing, two prospects contacted through this program are seriously considering the city. To date, however, no facilities have located. SEDA staff is not discouraged because it often takes several years between an initial contact and a successful location. The authority plans to continue to use event-based recruiting. However, these weekends are labor-intensive and expensive, so SEDA will be able to hold only a few events per year. It also will focus on other activities, such as specialized mailings and telephone calls, to continue to build these relationships.

The authority continues to respond to inquiries and to advertise, but not on the same large scale as before. SEDA staff feels that the leads generated from the events are more likely to locate in Savannah than those that come in from advertisements. The authority will continue to build relationships with all of the prospects and consultants involved in this event-based program by following up regularly.

The authority is refining the process as it learns from its experiences. First, staff determined in a post-event evaluation that they need to focus on one or two of the targeted groups for an event, not all five. They also must be able to present information on Savannah's business climate in general as well as specific information regarding how

the city can meet the prospect's location needs. Second, they determined that potential prospects should be pre-qualified to try to prevent people from attending "just to get the free weekend." Third, a professionally prepared distinctive invitation (as was designed for Sailabration) is memorable and creates a good first impression. Several people called to decline the invitation, complement the authority on the invitation package, and ask to be included on future invitation lists. And fourth, the invitation alone occasionally sufficed to interest a company in Savannah. A few companies that could not attend asked for informational packets.

1. Delphi is a Red Carpet-type event, held as a part of Operation Legacy, with the purpose of bringing together the players in electronic commerce and information technology business, including those related to SCAD curricula. This would be the second Delphi event held in the state.

Source: www.ceds.gatech.edu/bestpractices

Regional Cooperation

Seminole County and the Southwest Georgia Cultural Tourism Initiative

Donaldsonville, Georgia

July 1999
Prepared by: Ann O'Neill
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Conditions Leading to Practice

In the mid-1990s, Brenda Broome, president of the Donalsonville/Seminole County Chamber of Commerce, saw the writing on the wall. It said that employment in her county's dominant industry -- agriculture -- was in a slow, long-term decline. To ensure alternative employment opportunities and maintain the county's standard of living, diversification was critical.

In 1997, leaders from Seminole, Miller, Decatur, and Early counties, believing they were all facing this same problem, held a brainstorming session. Choosing tourism as a promising industry to foster, they joined the Southwest Georgia Cultural Tourism Initiative (SWGCTI), recently formed as a project of the Colquitt/Miller Arts Council. After the initiative was established, a fifth county -- Calhoun -- asked to join and was accepted.

Developing tourism events is the chief purpose of the initiative, which so far has mainly meant organizing and promoting group tours. The catalyst for the arts council to form the SWGCTI was Swamp Gravy, a folk-life play based on true stories of the region. The play has been very successful, selling 35,000 tickets over the last five years, 75 percent of which were to visitors from outside Miller County. Designated as Georgia's official folk life play, it was chosen as an event for the 1996 Cultural Olympiad during the Atlanta Olympic Games.

Despite the success of Swamp Gravy, local leaders were initially skeptical about the potential for additional tourism development. They felt that the logistics of touring five counties would pose problems for tourists. They also weren't confident that their "product" would attract visitors. Despite this skepticism, the initiative moved forward. Its early successes have largely laid these fears to rest.

Organization

The Seminole County chamber has a president and one part-time secretary. When the SWGCTI began planning events, Brenda Broome realized that she lacked the time to

adequately represent the county. At this point, she formed the chamber's first tourism committee to participate in the initiative. It was composed of:

- the county agricultural extension service agent, to represent agri-tourism
- a retiree from Lake Seminole, to represent retirees and lake-based tourism
- an African-American, to represent minority-focused tourism
- a realtor, to represent the interests of property owners and realty companies
- an agri-businessman, to represent the interests of agri-tourism.

The tourism committee now meets monthly, as well as attending meetings of the SWGCTI. The committee has become fairly active since its formation. Its members petitioned the Donalsonville City Council for a hotel/motel tax, part of which would promote tourism. The council agreed and levied a 5 percent tax, of which 2 percent goes to the chamber of commerce to support tourism marketing efforts. (The remaining 3 percent is designated for downtown redevelopment.)

An ongoing initiative by the Seminole County Tourism Committee is an attempt to organize Lake Seminole the merchants to sponsor events on the lake that would draw visitors. Under consideration are a water skiing show, a music festival, and a bass tournament.

SWGCTI is an all-volunteer organization. The Colquitt/Miller Arts Council serves as the coordinating body for the group, handling various administrative functions, grant writing, and administration of funds. To help accomplish its goals, the SWGCTI partners with the Tourism Division of the Georgia Department of Industry, Trade, and Tourism (GDITT), local farmers, the county agricultural extension service agent, volunteers from the five chambers of commerce, state park personnel, lodging owners, and other local tourism-oriented businesses.

Marketing

Each county had something different to offer visitors, but the overall goal was to increase tourist visitation to the entire area, thereby increasing jobs, local income, and local tax revenues. Seminole County's goals are to attract visitors to Lake Seminole, and in the long run to attract retirees to live in the county.

The SWGCTI markets the region by identifying high-potential tour operators and inviting them to visit at no cost to experience what the region has to offer. A volunteer in Bainbridge coordinates these trips, known as "fam tours" (for familiarization) in industry parlance. An employee of one of the local lodging establishments, she is the only member of the initiative with prior group tour experience. Many of the partners work together to make these trips a success. GDITT assists with identifying tour operators to target and in training representatives from each county in successful farm tour operation. Together, GDITT and the counties decide the itinerary for the tour. Local restaurants and lodging establishments contribute meals and rooms. Local farmers host the groups on farm tours.

The first of these trips was a three-day/two-night farm tour held in March 1998 for 20 tour operators. Another fam tour for travel writers was planned for October 1999.

The initiative also needed collateral material for the farm tours, as well as a marketing piece to distribute by mail and place in welcome centers and other sites where visitors congregate. The SWGCTI applied for and received a Local Development Fund grant from the Georgia Department of Community Affairs (DCA) to produce two brochures to meet this need. The first was a general-purpose brochure identifying the major tourism events and attractions in the five-county area and containing a map of the region. The second was a bird-watching brochure produced in conjunction with the Joseph W. Jones Ecological Research Center in nearby Baker County.

In the planning stage are two additional marketing efforts - (1) a directory of events and attractions and (2) a Web site. The directory is expected to be a 20-page document with a more extensive description of each event and attraction than the existing brochure gives. A total of 20,000 would be printed with 4,000 distributed to each county. The Web site is in a very early stage of planning and no additional details are presently available.

Delivery of the Practice

Although the SWGCTI engages in various activities to support tourism, the goal of most activities is to convince a tour operator to bring a group tour to the area, and then to provide an experience that meets or exceeds the group's expectations. The first step in the delivery of the practice is the marketing described above. If it is successful, and a tour operator agrees to bring a group on a tour, this triggers the actual delivery of the practice.

The tour operator notifies the SWGCTI that he or she is planning to market a tour to the region. The operator provides an initial estimate of the number of visitors, the dates of the tour, and the desired itinerary. The operator then markets the trip to potential visitors. Assuming enough travelers book reservations, the tour proceeds as scheduled. The five counties cooperate much as they did for the farm tours, with the volunteer in Bainbridge coordinating the details.

The first formal tour arranged by a tour operator occurred in October 1998 - seven months after the first farm tour. It consisted of 40 travelers visiting for three days and two nights (Friday to Sunday). A second tour occurred in March 1999, run by a different operator. That tour contained 30 visitors who stayed only one night in the region.

By and large, these tours have been run successfully and clients have been satisfied. One problem that occurred involved a tour operator who requested an itinerary that didn't include one of the five partner counties. Tourism leaders in that county were extremely upset at being left out of the tour and at the potential lost revenues. To resolve the issue, the SWGCTI instituted a policy whereby all complaints must be submitted in writing to the chairperson, who will then appoint a committee composed of one representative from each county. This committee will meet to consider the issue and vote on a resolution. In this particular case, the county in question declined to submit its complaint to the chair.

Inequities such as this are an issue that often must be addressed in projects depending on regional cooperation.

Client Benefits

The initiative is fairly new, and benefits are difficult to measure at this point. However, each visitor attracted by the effort will spend a certain amount in the region, mainly on lodging, food, transportation, entertainment, and souvenirs and other retail expenditures. The local businesses in these sectors -- hotels and motels, restaurants, tour guides, bus companies, and gift shops - will be the primary beneficiaries. As the number of visitors increases, revenues for these businesses should increase proportionally. Other, non-tourism related businesses eventually will benefit, too, as the injection of cash by visitors into the local economy turns over, or multiplies. For example, when a visitor purchases a night of lodging, the motel owner will use part of the revenue from that expenditure to pay his staff, purchase supplies for the motel, and pay for linen service. His staff will use their wages to purchase groceries, pay the rent, or buy a car.

Public Benefits

Growth in the number of visitors will inevitably lead to growth in employment in tourism-related businesses, and secondarily, to growth in non-tourism related businesses as the tourism dollars turn over in the local economy. Thus, the main public benefit is job creation, along with the associated increase in local tax revenues.

An intangible benefit often associated with growth in tourism is an increase in the quality of life for local residents. An influx of visitors allows a community to support businesses, such as movie theaters, restaurants, and a more diverse retail base, that could never have survived on local traffic alone. Of course, if an area has too many visitors, the local quality of life can decline as traffic worsens and the cost of living rises.

Rival Explanations

The area is rural and primarily agricultural, with few well-developed tourism assets. Other than the SWGCTI, little effort has been made to attract visitors to the region. Given this, it is unlikely that there is any other explanation for the success in attracting tour groups.

Preface and Acknowledgements

This case is based on a telephone interview conducted on April 20, 1999 with Brenda Broome, President, Donalsonville/Seminole County Chamber of Commerce, Box 713, Donalsonville, GA 31745, (912) 524-2588. Additional information was supplied by Mary Jo Dudley, Tourism Regional Representative, Georgia Department of Industry, Trade and Tourism, P.O. Box 767, Dawson, Georgia 31742, (912) 995-3035; and Karen Kimbrel, Executive Director of the Colquitt-Miller Arts Council, and Chairperson of the Southwest

Georgia CulturalTourism Initiative, P.O. Box 154, Colquitt, GA 31737, (912) 758-5450. Their generous cooperation is gratefully acknowledged.

Chronology

May 1997	Formed SWGCTI
Mar. 1998	First farm tour for 20 tour operators
Oct. 1998	First paying tour group -- 40 visitors for 3 days/2 nights
Jan. 1999	Donalsonville hotel/motel tax instituted
Mar. 1999	Second paying tour group -- 30 visitors for 2 days/1 night.
Oct. 1999	Farm tour for travel writers (planned)

References

Interview with Brenda Broome, President, Donalsonville/Seminole County Chamber of Commerce, April 20, 1999.

Interview with Mary Jo Dudley, Tourism Regional Representative, Georgia Department of Industry, Trade, and Tourism, June 29, 1999.

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"Birding Between the Rivers," and "Southwest Georgia, We've Got a Story to Tell," brochures published by SWGCTI, 1998.
Minutes of various meetings and relevant correspondence, SWGCTI, 1997-1999.

Source: www.ceds.gatech.edu/bestpractices

Revolving Loan Fund

Brunswick/Glynn County Revolving Loan Fund

Brunswick, Georgia

June 1999
Prepared by: Ann O'Neill
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Revolving Loan Fund

Conditions Leading to Practice

Glynn County is one of five coastal counties in Georgia. Its largest city is Brunswick, one of three commercial ports in the state. In 1996 (the most recent year for which figures were available), Glynn County had a population of 65,608, of which Brunswick accounted for almost 16,000 residents.

In 1987, Glynn County applied for a $200,000 Employment Incentive Program (EIP) grant from the Georgia Department of Community Affairs (DCA). The federal Community Development Block Grant program is the source of funds for these grants. The basic purpose of EIP grants is to fund economic development projects resulting in the employment of low- and moderate-income workers. This usually takes the form of (1) public infrastructure investment necessary to attract or retain a business or (2) a direct loan to a new or existing business for fixed assets. To qualify for funding, each project must meet certain criteria:

Funds may not be used for projects in certain cities and counties, largely urban, including Atlanta; Fulton, DeKalb, Cobb, and Gwinnett counties; Marietta; Savannah; Macon; Augusta; Columbus; Athens-Clarke County; and Warner Robins; although MSA counties outside these core cities may qualify. Funds may not be used for speculative projects, refinancing, or working capital; 51 percent of the company's employment must be low-to-moderate income workers.(1)

Glynn County's first use of the grant funds was to provide start-up financing for International Auto Processing. The company – which receives, inspects, washes, and accessorizes imported cars entering the port of Brunswick -- was struggling to compete with similar operations in Jacksonville and Charleston. The company's initial employment was 118, and it currently employs 350. The initial loan, which had a five-year term, has been repaid in full.

After sufficient funds were accumulated from the repayment of the initial loan, Glynn County assisted another firm - Interior Products. In 1989, the company received $50,000

to finance building and equipment, to be repaid in eight years. Initial employment was 65 workers.

Although the financial assistance provided to International Auto Processing and Interior Products was successful, the real best practice came about as a result of the repayment of the loans. After these two projects, the funds sat idle until 1998, shortly after the current director of the development authority - Phil Overton - took office. Because of the lack of activity, DCA requested the return of the monies, feeling that they could be put to better use elsewhere. Mr. Overton asked to retain them until he could formulate a program to use them more aggressively for economic development, to which DCA agreed.

At this point, the development authority created a revolving loan fund using the grant monies. Loans from the fund are activated by the Brunswick/Glynn County Development Authority and administered by the Coastal Area District Development Authority (CADDA). As monies are repaid into the fund, they become available for new projects that meet DCA's criteria. Initially, the development authority's board of directors resisted to the creation of the revolving loan fund. After Overton met with them and provided additional information, they became more receptive and are now completely supportive.

Often, financing for a new company is provided by a partnership of several organizations. A bank usually provides the largest loan, with the county being only a minor -- and subordinate -- lender. Thus, the EIP loans are not usually a make-or-break incentive, but rather just sweeten the deal.

A revolving loan fund of this sort is not unique in Georgia - many communities have them. However, according to both Phil Overton and DCA's Brian Williamson, Brunswick/Glynn County's fund is more active than most and better integrated with the operations of the development authority.

Organization

The Brunswick/Glynn County Development Authority, established in 1963, is governed by a five-member board of directors. The executive director, Phillip Overton, was hired in February 1996. He is assisted by two full- and one part-time staff members.

The establishment and operation of the revolving loan fund has made few demands on the development authority. Loans are only initiated periodically, and CADDA handles their administration. The development authority's main role is to market the incentive to prospects and existing companies, and to initiate the process when a company requests a loan. The director handles most of this, so neither additional staff nor training of existing staff was required.

Marketing

The revolving loan fund is promoted as one of the incentives offered by the development authority. A letter is sent to companies that have indicated an interest in the area. After a

telephone follow-up, those with a need for financing are sent additional details on the EIP loan. The loan program is also mentioned on the development authority's Web site and in other promotional literature.

Delivery of the Practice

To trigger delivery of the practice -- a company, either currently located or planning to locate in Glynn County -- must submit a request for the loan to the development authority. The director of the authority writes a letter to CADDA requesting the loan. CADDA outlines the terms and conditions of the loan in a letter to the company. The company must respond to CADDA with its hiring plans, a financial disclosure, and the intended use of the funds. CADDA either approves or denies the loan. If approved, the application is presented to the board of directors of the development authority for their approval. If approval is granted, the application then goes to DCA where it is submitted to Brian Williamson for approval. If he approves it, the application is presented to the county commission which is authorized to release the funds. The commission votes, and if it approves the loan, attorneys for the development authority and the county create the appropriate legal documents to conclude the transaction. The entire process requires approximately two to three months from the initial company request to the release of funds.

So far, four firms have received EIP loans from Glynn County. A fifth loan from the fund was taken out by the development authority itself, which used it to purchase equipment that is leased back to Interior Products, Inc. This firm was also the second recipient of an EIP loan, which has since been paid off with a balance of $43,043.45. The lease payments on the equipment are used to pay off the loan to the development authority.

Almost any type of firm can qualify, although the size of the loans tends to limit applicants to small businesses. The loans are particularly appealing to existing industry needing to finance an expansion. The Small Business Administration (SBA) LowDoc loan program is a similar source of financing for these companies; however, EIP loans have the advantage of a lower interest rate (5 percent versus 2.25 to 2.75 percent over prime(2)) and a simpler application process(3). However, SBALowDoc loans have a guaranteed 36-hour turnaround, although release of funds may take somewhat longer - an advantage over an EIP loan.

Firm Benefits

The four firms that received EIP loans from Glynn County created or preserved 204 jobs. Today, their employment has grown to 452 jobs. The loans were used to finance building and equipment. This has helped these companies modernize and improve operations, and reduced reject rates. In turn, this has enhanced their ability to compete in the marketplace, and improved the odds of their long term survival.

Public Benefits

Job creation and preservation are the two main benefits of the Brunswick/Glynn County revolving loan fund. The loan fund is an additional incentive that the county can use to attract and retain companies that will provide high quality employment for its citizens.

Working together to implement and operate the loan fund has also fostered increased cooperation between the development authority, the county commission, local banks, CADDA, and DCA. This increased cooperation should be valuable in future economic development efforts beyond those associated with the loan fund.

Rival Explanations

Glynn County is a fairly well-to-do coastal county with a high quality of life. This may have been a significant factor in attracting or retaining the firms that received EIP loans. The continued success of these firms, as evidenced by their increasing employment, could be due as much to market forces and savvy management as to the availability of low-cost financing. The director of the Brunswick/Glynn County Development Authority is the first to admit that the EIP loans are not the sole reason companies locate and thrive. However, he maintains they are one of many valuable tools to encourage job growth in Glynn County.

Pass-through Financing

Conditions Leading to Practice

This practice was established by Randal Morris, a previous director of the development authority, whose motivation for developing it was the need to recruit tenants for a new industrial park. The development authority moved aggressively to create a desirable incentive to induce companies to locate or expand in the park. In this case, the incentive was a lower annual cost for land and building, as a result of either (1) below-market lease payments on the property or (2) relief from ad valorem tax and a below-market interest rate on the loan financing the property.

Organization

Because this practice is employed infrequently, it has had little impact on the operation of the development authority. The executive director works with the company and the lender to structure the deal. No additional staff have been required and no special training of existing staff has occurred.

Marketing

The practice is not actively marketed by the development authority, but may be offered as an incentive during negotiations with a prospect. Initially, the practice was featured in promotional literature distributed to prospects by the development authority.

Delivery of the Practice

There are two different scenarios for pass-through financing. In the first, a company purchases land in Glynn County, preferably in an industrial park owned by the Brunswick/Glynn County Development Authority. To provide financing for the land purchase and construction of a building, the development authority itself borrows the funds from CADDA and a local bank. Because the loan is to the development authority, the lender is exempt from state income tax on the interest received. Consequently, the interest rate is lower than current market rates for this type of loan. The development authority then loans the funds to the company at the same terms given by the original lender. The company constructs the building to its own specifications, with any overruns at its own expense. As security, the development authority retains title to both the land and the new building until the loan is paid off.

To repay the loan, the company may even arrange to make the payments directly to the original lender, rather than to the development authority. There are two advantages to the company. First, the interest rate on the loan is very favorable, as the lender is exempt from state income tax on the interest because the loan is made to the development authority. The rate is also lower because typically the development authority is able to negotiate a better rate than the company could on its own. The second advantage is relief from ad valorem tax for the life of the loan, because the development authority -- which holds the title -- is exempt from this tax.

The second scenario accomplishes the same thing, but in a slightly different fashion. In this case, a company wishing to locate in Glynn County agrees to locate in the industrial park owned by the development authority. The development authority obtains financing for construction through CADDA and a local bank. The company draws down the construction funds and constructs the building to its own specifications, with any overruns at its own expense. There is no loan to the company and the development authority continues to hold title to the land and buildings. Upon completion of the construction, the development authority leases the land and buildings to the company at the minimum amount necessary to service the loan and to amortize the cost of the land over the life of the loan. At the end of the loan, the development authority sells the land and buildings to the company for $1.

The advantages to the firm are essentially the same as under the first scenario. Because the company doesn't hold title to the land or building, it is absolved from ad valorem taxes for the life of the loan. In addition, the lease payments are lower than corresponding loan payments would have been. As with the first scenario, this is because the lender is exempt from Georgia income tax on this loan, and therefore offers the development authority a more favorable rate.

Firm Benefits

Three firms have participated in the pass-through financing program, creating a total of approximately 80 jobs and investing $1.2 million in the county. The firms have benefited

from lower location costs due the lower interest rate charged the development authority, and the exemption from ad valorem tax.

Public Benefits

As with the revolving loan fund, the public has benefited from the creation of 80 new jobs and the taxes paid by these companies. However, the incentive has the effect of lowering both state and local tax revenues, which is a cost to the public. The value of the jobs versus the cost of the taxes forgone was not calculated at the time the loans were made as the technology to do so had not been developed.

Rival Explanations

It is unlikely that an incentive of this type would have been the sole reason that a company chose to locate in the area. Glynn County's location on the coast, proximity to major ports and population centers (Savannah and Jacksonville, Florida), and good quality of life are just a few of the potential factors contributing to a location decision. The development authority admits that it is possible Orkin and IHS would have located without this creative financing incentive. However, Specialty Glass told the development authority that the incentive was the deciding factor in its location decision.

Acknowledgments

This case was based on telephone interviews with Phillip Overton, Executive Director of the Brunswick and Glynn County Development Authority (BGCDA), P.O. Box 1079, Brunswick, Georgia, 31521, (912) 265-6629; Randal Morris, Deputy Commissioner of Marketing (former executive director of BGCDA), P.O. Box 1776, Atlanta, Georgia 30301, 404-656-0367; and Brian Williamson with the Office of Financial Assistance at the Georgia Department of Community Affairs (404) 679-1587. Each also provided background materials that were very useful in establishing the details of the case. Their assistance is gratefully acknowledged.

Chronology of Revolving Loan Fund

July 1987	Glynn County receives $200,000 EIP grant from DCA for International Auto Processing - employs 112
April 1989	$50,000 EIP loan to Interior Products - employs 65
Feb. 1996	Phillip Overton hired as executive director of Brunswick/Glynn County Development Authority

Feb. 1998	$160,000 loan to development authority for purchase and leaseback of equipment to Interior Products - employs an additional 10 workers
Oct. 1998	$150,000 EIP loan to Coastal Sleeve Labels, Inc. - employs 24
Apr. 1999	$25,000 EIP loan to Victory Tools - employs an additional 3 workers
1999	International Auto Processing employment rises to 350

Chronology of Pass-through Financing

Date	Event	Jobs (Initial/Current)	Investment	Acres Purchased
1991	Development authority creates program			
Jan. 1992, Oct 1992	IHS print shop expands	12/20	$235,000	2.06
Dec. 1992	Horne/Orkin locates	5/16	$175,000	0.03
Dec. 1993	Specialty Glass locates	70/40	$820,000	4.95

References

SBA Loans: http://www.sbaonline.sba.gov/financing/
DCA Employment Incentive Program: http://www.dca.state.ga.us/economic/eip.html
Glynn County EIP/RLF, Brunswick/Glynn County Development Authority, 1999.
Pass-through Financing, Brunswick/Glynn County Development Authority, 1999.

1. Low-to-moderate income is defined as income less than or equal to 80 percent of the median household income, adjusted for family size, in that county.

2. 7.75 percent as of 6/9/99

3. The SBA requires: (1) a one-page application for loans of $50,000 and less, PLUS for loans over $50,000, (2) bank credit analysis, (3) tax returns for three years, and (4) personal balance sheets.

Source: www.ceds.gatech.edu/bestpractices

Strategic Planning

Subject: Jefferson County Strategic Plan for Economic Development

Location: Louisville, Wadley & Wrens, Georgia

Summary: The Development Authority of Jefferson County applied for and was awarded a research grant for a Strategic Plan for Economic Development from the Georgia Rural Economic Development Center at East Georgia College in November 2001. The research was conducted by a team led by Joy Wilkins and Larry Edens of Georgia Tech's Economic Development Institute. The objective was to develop recommendations for a strategic plan for economic development including a set of targeted industry sectors that have the highest probability of locating in Jefferson County based on the community's strengths and weaknesses and an analysis of prospects for further expansion or relocation of the targeted industries. The second phase consisted of a comprehensive evaluation of potential industrial properties in Jefferson County to determine the most suitable and feasible sites for the development of a new industrial park.

The project was comprised of several tasks. Task 1 was a review and analysis of local economic data to include: population, employment, income and tax structure. Demographic and economic trends in the region were examined, a comparative analysis conducted of growth in Jefferson County and other rural Georgia counties of similar size and to the region and current business/industrial recruiting practices. Task 2 included a local infrastructure and resource analysis, and Task 3 included an analysis of existing industries. Task 4 involved community leader interviews to collect input on community capabilities, visions and goals. The interview results were used to determine the community's Strengths, Weaknesses, Opportunities and Weaknesses (SWOT). Tasks 5 and 6 included an evaluation of existing industrial sites and infrastructure and an overview of community economic development issues. Next, an analysis of the community's strengths, weaknesses, opportunities and threats was completed. A target industry list was developed. Finally, recommendations for strategic planning were given. Phase II of the study included an industrial site analysis. This involved a review and ranking of existing industrial sites for the development of a new industrial park.

Results: The recommendations and guidelines for a ten year strategic plan were directed toward the following objectives and goals: identification of a target industry list, improvement and marketing of industrial sites and buildings, a long term strategy for improved education and increased skill levels of the labor force, establishing priorities for continued investments in infrastructure critical to economic development (transportation and communication systems), strengthening the community's business retention and expansion programs, establishing programs for encouraging entrepreneurship, maintain broad community support for local economic development organizations, and recommendations on how the community can take advantage of available regional resources.

Successful Practice and Follow Up: A draft report was presented to local community leaders and feedback was received in an open forum. A final report, adding input from the community forum was then presented with recommendations. The community received a comprehensive review of its strengths and weaknesses, and was educated on the next steps essential to improving the condition of Jefferson County. The benefit to the community of a thorough review coupled with an outsider's look into the future, cannot be understated. Within a few weeks of the final report presentation, the Development Authority of Jefferson County acted on the above recommendations, submitted and was awarded a USDA Rural Development Business Opportunity Grant for the development of the Louisville Airport Industrial Park Plan. The grant award covered a portion of the cost of the project, and grant funds were obtained from the Georgia Rural Economic Development Center at East Georgia College to cover the remaining costs. This project is scheduled to begin July 1, 2002 and to run until June 30, 2003. Simultaneous with the above strategic plan, the first adult Leadership Jefferson class graduated and provided a new pool of community-minded leaders interested in improving Jefferson County. With the above momentum in place and moving forward, Jefferson County future is promising.

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Source: Georgia Rural Economic Development Center at East Georgia College, Swainsboro, Georgia.

Strategic Planning

Statesboro/Bulloch County Strategic Planning

Statesboro/Bulloch County, Georgia

May 1999
Prepared by: Ann O'Neill
Center for Economic Development Services,
Georgia Institute of Technology
Atlanta, GA

Conditions Leading to Practice

Prior to 1990, the Development Authority of Bulloch County was a troubled organization. It had one speculative industrial building in a poor location, which wasn't visible from the road and lacked signage marking it. The authority's board of directors only met once per quarter and had been unable to approve the organization's financial statements for the prior two years due to the lack of a quorum at these meetings. One 400-acre tract of industrial land the authority listed as available was in fact part of an estate that had eight heirs, none of whom could agree on a sale price. The authority also owned a 150-acre industrial park established in the mid-1980s. It had attracted only one firm in five years. Fifty acres of the property had been given to the state technical school as an incentive to them to establish their facilities on site. An additional five acres had been sold to an Atlanta-based company that never located. The covenants of the park were allowed to lapse, preventing the authority from repurchasing the parcel.

These problems were symptomatic of the lack of a formal planning process for the authority. Without clearly defined goals, objectives, and an action plan with clear assignment of responsibilities, the authority made decisions haphazardly. The resulting lack of success in economic development caused the board of directors to remain apathetic and uninvolved.

Bulloch County, in southeast Georgia, has a population of approximately 48,642 which grew almost 13 percent from 1990 to 1995. Prior to 1990, growth in jobs occurred mainly in the retail and service sectors, driven by the growth of Georgia Southern University, located in Statesboro.

Organization

The authority has existed for 16 years and the chamber of commerce for 77. The two are run in tandem, sharing office space and a single chief executive. Together, they have four full-time and one part-time staff. The chamber has 900 members. The development authority is governed by a seven-member board of directors. The current chief executive, Peggy Chapman, took office in 1990.

Delivery of the Practice

At the end of her first year, Peggy Chapman began talking about the need for a retreat to formulate short-term action plans for the development authority. She had successfully implemented a process of strategic planning in Cairo, Georgia, and felt that Bulloch County's economic and community development efforts would be strengthened through a similar exercise.

In 1992, the first retreat was held. Representatives of the city and county, the development authority board, the chamber of commerce board, Georgia Southern University, the county school board, and Ogeechee Technical Institute were invited. In general, organizations were cooperative, except for two that chose not to attend.

In this initial meeting, the partners discussed economic development for Bulloch County and what could be done each year to improve the community. In particular, they felt the need to provide better-paying jobs for their college graduates to encourage them to remain in Bulloch County. They decided that the development authority should take the lead in economic development for the county. A process of periodic strategic planning retreats was established – every year for the community and every two years for the development authority.

The first retreat for the development authority was held in November 1992. The development authority board and ex officio members of the authority, including representatives from city and county governments, Georgia Southern University and Ogeechee Technical Institute, as well as local bank presidents and the chairman of the board of the chamber of commerce were invited, and all attended. Peggy Chapman, the chairman of the development authority, the mayor of Statesboro, and the chairman of the county commission all strongly championed the idea of strategic planning.

The regular agenda, established that first year, is to identify the county's strengths and weaknesses, establish goals and objectives for the foreseeable future, and make specific recommendations for the next two years. Responsibility for implementing these recommendations and how they are to be funded are also determined at this time.

That first session lasted much longer (six hours) than sessions in later years, which now take some three to four hours. Participants in 1992 drafted six pages of weaknesses and two pages of strengths. Recommendations included lighting for local parks, acquisition of land for industrial development, and a new, more aggressive marketing program.

The slogan for this cooperative planning effort is "Working Together Works." Although it has taken eight years, community leaders appear to have bought into this wholeheartedly. In meetings, Chapman says this manifests itself in the way that the group shares responsibility and power by allowing the most qualified individual to take the lead in implementing each recommendation. They've managed to suppress their egos to work toward what it best for the community.

When recommendations are made, a committee is frequently formed to carry them out. As a result of this increased committee activity, the chamber hired a director of economic development programs. In addition to overseeing committee activities, this individual also assists with industrial prospects.

All chamber and development authority staff have participated in training to assist them in better implementing strategic planning. This includes various courses offered by Georgia Tech, the University of Georgia, and the Georgia Association of Chamber of Commerce Executives .

Keeping the process going has posed challenges. There has been so much success with industrial recruitment that some participants have become complacent. The development authority works hard to keep the board involved in economic development-related activities such as Georgia Economic Developers Association (GEDA), local meetings and meetings with the Georgia Department of Industry, Trade, and Tourism (GDITT). The board members have term limits, and this periodic turnover also helps keep enthusiasm up.

Marketing

The new strategic plan targeted statewide developers, such as GDITT and the electric and gas utilities. It included trips to Atlanta, lunches, and invitations to visit Bulloch County. A regular program was implemented inviting developers to stop over for golf in Bulloch County on their way to the annual GEDA meeting in Savannah. The goal was to build trust and establish relationships with these developers.

Firm Benefits

Between 1992 and 1996, employment in Bulloch County grew by an average of 1,000 jobs per year. Over the same period, 2,000 manufacturing jobs were created. The industrial parks have grown from one employer with 40 employees to 16 employers and 1,700 employees. Chapman gives the strategic plan full credit for this. It fostered a spirit of cooperation between the various community leaders without which it would have been difficult to attract new industry or encourage the growth of existing industry.

In 1993, the county landed its first new industry since implementation of the strategic planning process. An apparel firm called H.H. Cutler bought an existing 29,000-square-foot building and hired 125 workers. It eventually expanded by an additional 80,000 square feet and had some 400 employees. (Although H.H. Cutler has since closed, the facility was purchased by another local industry which was expanding.)

Another prospect needed 715 acres. The development authority scrambled to find such a large parcel on short notice, but ultimately the firm didn't locate in Bulloch County. However, the parcel became part of the land bank with the Georgia Resource Center. Shortly thereafter, the development authority purchased 615 acres of the parcel and created Gateway Regional Industrial Park. Walmart purchased 165 of the 615 acres and

established the largest distribution center in the world. Currently, it employs 300, with 36 acres under roof. An expansion is now in progress which will add another 500,000 square feet to the facility, for a total of 2 million square feet and 400 employees. Other tenants include Briggs and Stratton (1994), and Viracon (1998). These three together will employ more than 1,800 when fully staffed.

Public Benefits

The plan has strengthened both the community and the development authority. All the partners necessary to attract and retain business now cooperate more easily, resulting in more successful business locations and expansions.

One example of this cooperation is the establishment by Bulloch, Evans, and Screven counties of the Tri-County Workforce Development Consortium. Recently, Bulloch County has had a fairly low unemployment rate and wanted to encourage area high school students to engage in career planning earlier, so that they would make choices more in line with the needs of local industry. The chamber's Existing Industry Committee met with representatives of the Bulloch County Board of Education, Ogeechee Technical Institute, Georgia Southern University, the state Department of Labor, and local industry to solve this problem. After a year, they established the consortium and hired a full-time coordinator with funding from Georgia Southern University and grants from local industry.

Another public benefit is the cooperation between the city and county; officials from which now meet monthly to discuss various issues that affect both. As an example of this cooperation, they have jointly funded improvements in infrastructure, which prior to this would have been a turf battle. In addition, the president of Georgia Southern, the head of the Ogeechee Technical Institute, the county's superintendent of schools, and Peggy Chapman meet bimonthly for an update on events in the community and the activities of the chamber and the development authority.

Other benefits of the strategic plan cited by Chapman include a low millage rate, population growth, a better quality of life -- including new restaurants and retail establishments, and increased home construction.

Rival Explanations

There are several possible rival explanations for Bulloch County's success. The growth of Georgia Southern has enhanced the county's quality of life, making the area more attractive to business. A new chamber director, with new ideas and enthusiasm, probably contributed to revitalizing the community. Changes in the administration of the city and county governments also may have played a role. Regardless, the strategic planning process appears to be serving a valuable function and almost surely contributing to the community's overall success.

Acknowledgments

This case was based on a telephone interview conducted on April 16, 1999. The cooperation of Peggy Chapman, president of the Statesboro-Bulloch County Chamber of Commerce and the Bulloch County Development Authority was invaluable in documenting this practice. For additional information, she can be reached at: P.O. Box 303, 102 South Main St., Statesboro, GA 30459.

Chronology of Strategic Planning

Nov., 1990	Peggy Chapman takes office as president of Bulloch County Chamber and Development Authority
April, 1992	First retreat held to discuss economic development in Bulloch County
Nov., 1992	First strategic planning session held for development authority
June, 1992	H.H. Cutler locates plant -- employs 150
1993	
	City and county officials begin meeting monthly
June, 1993	Walmart distribution center announced – employs 300
Aug., 1994	Briggs and Stratton announced – employs 850
March 1998	Viracon announced – will employ 600
July, 1998	Establishment of Tri-County Workforce Development Consortium
Jan., 1999	Walmart announced expansion – 150 additional employees
1992 – 1996	Bulloch County gains 2,000 manufacturing jobs

References

1. Statesboro-Bulloch County Vision and Mission Statement, April 1993.

2. Development Authority of Bulloch County Economic Development Plan, November 17, 1998.

3. Government Information Sharing Project, Oregon State University.

Source: www.ceds.gatech.edu/bestpractices

Strategic Planning

The Dalton-Whitfield Chamber of Commerce and Strategic Planning

Dalton, Georgia

July 1999
Prepared by: Cathy Bouffier
Center for Economic Development Services,
Georgia Institute of Technology
Atlanta, GA

Conditions Leading to Practice

Dalton and Whitfield County are known as the carpet capital of the world. This industry's presence will continue to strongly influence the area's economy, business culture, and demographics. Almost half of the county's labor force work in the manufacturing sector compared to less than 20 percent for the state as a whole. Nearly 28,000 employees were employed directly in the carpet industry in 1997 (and about 4,000 more were employed in related industries). Employment in the county's carpet industry grew by 11 percent from 1993 to 1996.(1)

As a result of this growth, the county's unemployment rate dropped from its high of 6.4 percent in 1992 to its low of 2.1 percent in 1999. The county continues to have more jobs than resident workers which means employees are imported from adjacent counties.

The chamber doesn't focus on recruitment of manufacturing firms for two main reasons. First, because of the low unemployment rate, there most likely wouldn't be enough qualified employees in the area to adequately staff a large new company. And second, and more important, it has been commonly accepted by economic developers that existing industry didn't want additional firms competing in the already tight labor pool. Therefore, the chamber's major programs center on retention and expansion and recruiting small-to-mid-sized non-manufacturing companies, such as tourism-related, retail, and service companies.

The county experienced some growing pains in the mid-1990s. With the rapid population growth (1.6 percent in 1993 and 2.6 percent in 1994 as compared to 1.1 percent in both 1991 and 1992), the county also experienced a rise in teenage pregnancies and high school drop out rates. Also, many citizens and industry leaders believed that economic development equaled industrial recruitment and were hesitant to support efforts to diversify the manufacturing base.

In 1995, the previous chamber president decided the county needed a strategic vision to help curb the problems it was facing and create a direction for future growth. The strategic plan developed from this vision is designed to include all key county groups --

county and city governments, key industry leaders, and citizens -- working together toward a common goal of making the community a better place to live and work.

Organization

The community vision process is facilitated by a committee, called Target Tomorrow, composed of 30 volunteers. The chairperson is elected by the group and serves for one year. The original members (35 in total) were individuals who had participated in the strategic planning steering committee and were willing to continue to commit their time to the process. The steering committee made sure Target Tomorrow represented as many facets of the community as possible by encouraging people in unrepresented sectors to get involved. Groups represented include industry (both manufacturing and non-manufacturing), religious, civic, education, and government. The strategic plan's development had a budget of $60,000 from industry and private-sector contributions and city and county government funds. All administrative functions are performed by chamber staff as part of its support of the plan.

About 75 organizations have volunteered to work on one or more strategies in the plan. Each Target Tomorrow committee member monitors the progress of one to three of these organizations and assists with problem-solving, when necessary.

Marketing

Both phases of this program required marketing. The strategic planning process was marketed and sold to the approximately 120 people who participated in the plan's creation. They were recruited by the chamber and by a contracted facilitator. The plan and its goals were marketed to the general public through a series of town hall meetings where 200 to 300 citizens gave their opinions, which were used to refine the plan. The strategic plan was printed in a document that also includes the concept and philosophy behind the process. The implementation process was, and continues to be, marketed to organizations and citizens to gain interest and volunteers. Target Tomorrow continuously markets the strategic plan by showcasing its successes in the local media and holding annual town hall meetings.

Creation and Implementation of the Strategic Plan

The chamber president in 1995 hired a strategic planning consultant to facilitate the process and created 23-person steering committee with representatives from key sectors of the community. In March 1996, more than 120 interviews were conducted from which a list of important issues was developed. More than 200 people attended a facilitated meeting to select the 10 most important issues from the list. In June 1996, a 144-person task force met to agree upon the vision and strategies in each targeted area and to set benchmarks. Drafts were sent out to hundreds of organizations for review and a town hall meeting was set to obtain comments. After incorporating the comments, the steering committee published the strategic plan.

The strategic plan has six visions (targeted areas): infrastructure, education, economic development, quality of life, private-sector leadership, and government. To date, more than 75 organizations have adopted the visions and agreed to help achieve the strategies in at least one of the targeted areas. Some strategies can be accomplished immediately, while others have a long time frame -- all are to be completed or in-progress by 2015.

Results

Target Tomorrow is realistic about the fact that each objective has a different opportunity for success. To maintain motivation toward each objective, the committee uses public service announcements to disseminate information about successes and milestones. Several of these successes and the targeted vision area are presented below.

1) Dalton College became a four-year college and was renamed Dalton State College. (Education)
2) Water service was extended to some additional parts of the unincorporated county, with plans to continue expansions until the entire county is served. Funding is structured so that only interest is paid while construction is occurring. (Infrastructure)
3) Several objectives focus on the needs and interests of the county's blossoming Latino community. The city, county, and local businesses are working together to achieve them. The Georgia Project, begun three years ago, brings in staff from the University of Monterrey in Mexico to teach English to students while emphasizing the need to not lose the community's use of the Spanish language and its culture. (Education)
4) The community has built public soccer fields. (Quality of Life) Efforts by local leaders have resulted in the construction of a new, larger Catholic church. (Quality of Life)
5) Local government and utilities have provided incentives to developers to construct affordable housing (under $85,000 per single family home). It is expected that between 200 and 225 new homes in this price range will be built in the next two to three years.(Infrastructure)
6) A community foundation(2) was created and funded. (Quality of Life)
7) There has been an effort to consolidate city and county governments. (Government) It is hoped that functions, such as economic development initiatives and the school systems, will become more cost effective and efficient. (Education and Economic Development)
8) Dalton and Whitfield County are working together to create a joint development authority with full-time staff provided by the chamber on a contract basis. (Economic Development)
9) County and city leaders are beginning the process of educating their residents, especially the Latino community, about the advantages of a complete count in the next federal census of population. The leaders hope to become a metropolitan statistical area (MSA) in the next census. Community leaders believe that language barriers and fear of deportation (by both legal and illegal residents) have led to undercounts in the Latino

community. The advantage of MSA status comes from a population-based federal tax revenue return program. (Economic Development)

10) A public-private partnership was created where participants from both groups work together to achieve Target Tomorrow's goals to improve all aspects of life in Whitfield County. (Private-sector Leadership)
11) A gift certificate program to encourage citizens to buy locally was created in 1997. Over $500,000 in certificates, honored at almost all county businesses, have been sold to date, mainly to companies that use them as bonuses, incentives, and gifts. Before the program, these companies would typically purchase items from catalogs. (Private-sector Leadership and Economic Development)

Many of the strategies are interrelated. When a strategy is achieved in one of the six targeted areas, it usually helps improve the others. For example, the construction of new, affordable homes improves the quality of residents' lives and strengthens the roots of employees, making it more likely that they will stay in the area. Additional property taxes are paid, helping to fund and improve the education system. Clearly, focusing the efforts of city, county, industry, civic, and religious leaders on achieving these interrelated strategies and visions has been an effective way for Dalton and Whitfield County to work as a team to improve the quality of life for all area residents

Acknowledgment

This case study was based on an interview with George Woodward on June 25, 1999. Background information was obtained from materials received from the Whitfield County. The author gratefully acknowledges Mr. Woodward for participating in the interview and for reviewing the case. Questions or requests for information should be directed to George Woodward, President/CEO, Dalton-Whitfield Chamber of Commerce, 524 Holiday Ave., Dalton, GA 30720, (voice) 706/278-7373, or (fax) 706/226-8739.

Chronology of Major Events

1995	Decision to create a strategic plan and vision was made. A strategic planning consultant was hired to facilitate the process and a committee was created.
March 1996	More than 120 interviews were conducted from which a list of important issues was developed and more than 200 people attended a facilitated meeting to select the 10 most important issues from the list.
June 1996	A 144-person task force met to agree upon the vision and strategies in each targeted area and set benchmarks. Drafts were sent out to hundreds of organizations for review and a town hall meeting was set to obtain comments.
1997	More than $500,000 in gift certificates were sold since 1995 to encourage citizens to buy locally.

References

1. Interview with George Woodward, president/CEO, Dalton-Whitfield County Chamber of Commerce, June 25, 1999.

2. Dalton County, Target Tomorrow: Creating OUR Communities' Future, 1997

3. Chamber web site: http://www.nwgeorgia.com/dalton-whitfieldchamber/

Notes

1. Source: U.S. Census Bureau, County Business Patterns.

2. A community foundation is a collection of charitable gifts. The interest from the investment of these monies is distributed as grants to local charitable organizations to meet a wide range of community interests and needs.

Source: www.ceds.gatech.edu/bestpractices

Topic: Technology Development

Subject: Technology Literacy Center

Location: East Georgia College, Swainsboro, Georgia

Summary: East Georgia College is a two year unit of the University System of Georgia and is located in Swainsboro, Georgia, a rural community of approximately 10,000. Like most small rural towns in the South, Swainsboro's labor force is trained primarily in agriculture and garment manufacturing, both low skill and low wage jobs. Due to the decline in both of the above industries, Swainsboro sought to follow the national trend of re-training its workforce and training new workers, as "knowledge workers" for tomorrow's information technology jobs. The goal was to bridge the "digital divide" common in rural areas where there is little to no technology-trained workforce.

As a first step, the Georgia Rural Economic Development Center (GREDC), a public-private partnership funded with Intellectual Capital Partnership Program (ICAPP) funds from the University System of Georgia, and a significant donation from the private sector, conducted a computer literacy survey of high school seniors in our region. The purpose of the test was to assess current computer skill level of graduating seniors, our future workforce. The results indicated an average score of 60. In order to test for a rural vs. urban difference in skill level, surveys were also sent to high school seniors in Macon, Augusta and Savannah. The results did not indicate a significant difference in skill levels.

Simultaneously with the above project, an agreement was signed with BellSouth to provide ADSL and DSL service to Swainsboro residents and businesses, the first rural Technology Park was under construction in Swainsboro, adjacent to East Georgia College, and the Swainsboro-Emanuel County Joint Development Authority recruited the first tenant for the Technology Park: a technical support call center. Now that the above pieces of the puzzle were in place a trained workforce was an essential next step. In response, GREDC equipped two state of the art computer labs: a small lab for 6 students and a larger lab for 14 students. Located at East Georgia College, the Technology Literacy Center (TLC) provides free basic computer classes: introduction to the computer, introduction to Windows, some word processing, introduction to the internet and introduction to e-mail. Borrowing from East Georgia College resources, the labs are staffed by students during the free open access hours, and classes are taught college staff.

Results: Since the TLC opened in March 2002, over 175 students have participated in the free classes. All participants are surveyed after taking the free classes to evaluate the program, and to determine their education, skills, and reason for seeking assistance (learn basic skills, improve skills, help with employment search). In response to the survey results, the TLC plans to expand its class offerings to include resume preparation and job interviewing skills. The success of the literacy center is largely due to its timely implementation. As one of many essential steps in the overall goal of training information technology workers, the project continues to succeed by filling the need for training workers, and thus bridging the "digital divide."

Successful Practice and Follow Up: Since the center opened, East Georgia College has implemented an Associate of Applied Science degree in Information Technology, to begin in Fall 2002. The curriculum will provide graduates with essential job skills appropriate for employment as network administrators and programmers. The availability of free computer instruction via the TLC alongside a tuition based degree granting program broadens the field of potential students, attracting recent high school graduates, non-traditional students desiring to update skills or change work fields.

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Technology Development

The Technology Learning Center

Location: Buffalo County, Nebraska

Partners: Kearney Public Library & Information Center; Community Networking Institute; Kearney Free-Net

Summary: The Technology Learning Center (TLC) is a technology lab equipped with computers, peripheral and multi-media equipment, and a library of software programs. TLC began operation in September 1994. It is located in the Kearney (Nebraska) Public Library and linked by modem to the Kearney Free-Net server and to the World Wide Web. Business and community leaders initiated the idea for TLC, and the city secured a CDBG grant from the state to cover start-up costs. TLC was established to provide Buffalo County residents with hands-on experience in using the latest information technologies and to raise technology awareness and promote job re-training for individuals. Initially TLC was intended to be a showcase for new computer and related products, which vendors would lend to TLC. However, vendors proved to be less willing to participate than had been expected. Public interest in the latest equipment also was lower than expected. In contrast, the concept of public access to computers proved extremely successful, so TLC has evolved into a user laboratory. It has one Pentium and five 486 computers as well as two older Apples. Most users want access to a computer with word processing capability so that they can produce professional looking reports, resumes, and other documents. There is a smaller demand for spreadsheet and data base applications. For individuals who want to learn how to use a computer in general or how to use a specific software program, tutorials allow self-paced and directed learning. TLC has become part of the Kearney Library and is supported with city funds. Its budget of about $30,000 a year covers the cost of a full-time coordinator, who is assisted by student interns from the University of Nebraska at Kearney and by volunteers from the community. As part of their internship, each student teaches a community class or mini workshop on a technology topic chosen by the intern and approved by the coordinator. TLC is moving more and more in the direction of training to enhance employability. It plans to add a computer literacy program with certification for graduates, which can be added to their resumes.

Accomplishment: TLC introduces Buffalo County residents to information technologies and gives them the opportunity to develop computing skills that improve their earning capacity. Several individuals have reported getting better jobs thanks to skills learned and resumes developed at TLC.

Contact: Tobin Houlden, Coordinator Kearney Public Library & Information Center 202 First Avenue, Kearney, NE 68847, Telephone: 308/233-3622 FAX 308/233-3291

Source: *Rural Strategies That Work,* The North Carolina Rural Economic Development Center, Inc., 1997.

Technology Development

Asynchronous Learning Demonstration Project

Location: Six sites - Chattanooga, Tennessee; Stratham, New Hampshire; Augusta, Georgia; Wytheville, Virginia; Charleston, South Carolina; and Gadsden, Alabama

Partners: Regional Technology Strategies, Inc.; Alfred P. Sloan Foundation; Chattanooga State Technical College, New Hampshire Technical College-Stratham, Augusta Technical Institute, Wytheville Community College, Trident Technical College, and Bevill Center for Advanced Manufacturing Technology at Gadsden State Community College

Summary: Distance learning is an application of computer technology designed to overcome the distance barrier and to enable far-flung areas to participate as one "virtual classroom," linked electronically. Asynchronous learning takes the application a step further. It uses computer-based learning, e-mail, and video conferencing, plus software programs and the Internet, to allow students in different locations to receive instruction at different times. Thus, asynchronous learning overcomes the timing problem caused by staggered shifts and too few workers in any one site needing a particular type of training. It also encourages more interactions among students and instructors than allowed by traditional distance learning methods such as live broadcast. Regional Technology Strategies, Inc. is managing a demonstration project, funded by an 18-month, $263,000 grant from the Alfred P. Sloan Foundation, that involves six community and technical colleges, each offering a specific employment training course using asynchronous learning. Five of the six sites are in the Southeast, three in rural areas and three in small cities. Each site is unique, but all address employee training needs of small manufacturing firms. Several times during the demonstration period, which ends in the spring 1997, Regional Technology Strategies will bring together participating institutions in forums to discuss their programs. At the conclusion of the project, Regional Technology Strategies will produce a program evaluation and present findings to interested agencies.

Accomplishment: This project expands the application of asynchronous learning techniques and includes a strong assessment component to provide feedback about varied approaches to implementing asynchronous learning programs.

Contact: Stuart A. Rosenfeld, Regional Technology Strategies, Inc., PO Box 9005 Chapel Hill, NC 27514 919/933-6699 FAX 919/933-6688

Source: *Rural Strategies That Work*, The North Carolina Rural Economic Development Center, Inc., 1997.

Technology Development

JobLink One Stop Career Center

Location: North Carolina statewide

Partners: Employment Security Commission; Community Colleges; Vocational Rehabilitation, N.C. Department of Human Resources; Job Training Partnership Act agencies; N.C. Department of Social Services (Work First); N.C. Department of Public Instruction; local public schools

Summary: The Joblink One Stop Career Center brings multiple agencies to a single location to offer clients a wide range of job-related services focused on their individual needs. The Governor's Commission on Workforce Preparedness is responsible for implementing the JobLink One-Stop Career Center program. A one-stop pilot site in Beaufort County, called Q-NET, combined co-location of service providers with electronic data linkages to increase efficiency and extend program benefits throughout five rural counties. The Q-NET Job Training Consortium began in 1995 with e-mail capability using the statewide system set up by the N.C. Employment Security Commission (ESC). The ESC and the Job Training Partnership Act OTPA) program operated by the Mid-East Commission in Beaufort, Bertie, Hertford, Martin and Pitt counties agreed to take the system to the next step and share data about their clients, who were often the same people. In 1996 joblink became statewide. Eight work force development boards received implementation grants and 17 received planning grants for their JobLink One-Stop Career Centers. Initial uses of technology will include self-service options that allow a client to access electronically help in writing resumes and information about job openings, day care and transportation services, and community college course and expenses, and even go on-line to search for jobs using servers such as America's job Bank. Like Q-Net, JobLink Centers will have low-cost e-mail available to community colleges, school-to-work programs, the Employment Security Commission, JTPA Service Delivery Agency, vocational rehabilitation, and county departments of social services. It will allow service providers to share information such as job orders, assessment, and case management information and to coordinate employer contacts. The work force development boards are developing plans for spending their automation funds. Once the plans are approved at the state level, local boards can begin implementation, which will involve wiring buildings, installing computers and software, and training staff to use the equipment. The U.S. Department of Labor awarded North Carolina $3.8 million for year one implementation. The state is seeking $3 million for year two and probably will seek another comparable amount for year three. Eventually, JobLink plans to move toward a statewide network of linked and/or consolidated databases of clients for employment and training services.

Accomplishment: The JobLink One-Stop Career Center uses technology to improve service delivery and especially in rural areas, to overcome the barrier of distance.

Contact: Roger Shackleford, Senior Policy Analyst Governor's Commission on Workforce Preparedness 116 W. Jones Street, Raleigh, NC 27603, 919/715-3300 FAX 919/715-3974

Source: *Rural Strategies That Work,* The North Carolina Rural Economic Development Center, Inc., 1997.

Technology Development

NC REAL Enterprises (Rural Entrepreneurship through Action Learning)

Location: 18 high schools and 29 community colleges

Partners: N.C. REAL Enterprises; local high schools and community colleges

Summary: REAL Enterprises uses experiential education to teach team building, financial analysis, marketing, and other business skills in the context of developing and managing a small business. High schools and community colleges implement the program with the support of REAL Enterprises, which provides teacher training, a curriculum guide, software and instructional materials, evaluation and feedback, plus on-going assistance through a local community support team. Teachers participate in a 53-hour summer institute and in follow-up, in-service seminars during the year. Students assess their individual entrepreneurial abilities, analyze their community, and identify an enterprise filling a niche in the local economy. They then research and prepare a business plan for their enterprise. If a student(s) wants to move ahead with implementation of a business plan that appears feasible, REAL provides technical assistance and access to microenterprise loans up to $25,000 through the N.C. Rural Economic Development Center's Microenterprise Loan Program. REAL began in the early 1980s as an experimental program in Quitman, Georgia, and five North Carolina sites that developed school-based businesses. It has evolved into an entrepreneurship training program that helps potential entrepreneurs develop their skills while improving their communities. Currently, students in more than 150 high schools and community colleges spread over 22 states are involved in REAL programs. REAL continues to expand its activities, and soon, pilot programs will bring entrepreneurial education to elementary school students and to university students.

Accomplishment: Since 1991, REAL has trained over 2,000 potential entrepreneurs in North Carolina, more than half in the last two years; and through 1994, REAL graduates have started 40 businesses and used their training to expand 16 existing businesses.

Contact: Richard S. Larson, Executive Director N.C. REAL Enterprises 115 Market Street, Suite 320 Durham, NC 27701, 919/688-7325 FAX 919/682-7621

Source: *Rural Strategies That Work,* The North Carolina Rural Economic Development Center, Inc, 1997.

Telecommunications/Internet

Newnan's Fiber Optic Network

Newnan, Georgia

February 1999
Prepared by: Jan Youtie
Center for Economic Development Services
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Atlanta, GA

Conditions Leading to Practice

Newnan is the county seat of Coweta County. Only 35 minutes south of Atlanta, Newnan also is a bedroom community, with the 1990 census showing that 42 percent of its residents work outside the city. Newnan's residential population of 13,355 grew by nearly 7 percent from 1990 to 1996. Major employers in the late 1990s included William L. Bonnell Co., Inc. (aluminum extrusion manufacturer), the Coweta County School System, and Newnan Hospital.

Table 1: Characteristics of Newnan

		Newnan	Coweta	Georgia	U.S
Pop	1990	12,497	53,853	6.5 million	248.8 million
	1996	13,355	76,070	7.3 million	265.2 million
Growth		6.9%	41.3%	13.2%	6.6%
Per capita Income		$13,841	$20,691	$23,028	$24,436

Newnan city government provided residents with water and electricity since the early 1900s through its municipally owned Newnan Water, Sewerage and Light Commission, known since the late 1990s as Newnan Utilities. In the early 1990s, Newnan Utilities looked at diversification into information services to better manage its energy and water operations. In addition, the company anticipated potential revenue losses from electric deregulation.

The community also demanded upgraded telecommunications and cable television services. **Business Retention and Expansion Process (BREP) surveys**(1) revealed local business needs for high-speed communication between sister facilities. Residents complained to the city about frequent service outages and poor service from their cable company. The city approached the local cable provider to upgrade its technology and partner in the delivery of a fiber-optic network, but the cable company did not indicate

interest in the project.(2) **Organization and Cooperative Linkages:** Newnan Utilities currently employs 110 workers, and its board of commissioners is appointed by the city. Although it is a municipally-owned utility, it has operated at "arms-length" from city government, with a separate facility several miles of city hall and distinct business practices.

Utility company managers hold major voluntary leadership positions in economic development organizations. In 1999, Newnan Utilities General Manager Dennis McEntire was named chairman of 21st Century Coweta, a public-private partnership promoting economic development in Coweta County. Dennis McEntire also served on the Newnan-Coweta Chamber of Commerce Board of Directors in 1998, setting policy for the organization and determining its overall mission and goals. Jeff Strane, Business Development Manger, is on the Board of Directors of Newnan-Coweta Chamber of Commerce Foundation, Inc., the mission of which is to "broaden the scope of the Chamber's efforts to improve the business and economic well being of the area."(3) In addition, the utility participates in prospect visits, providing cost and capacity information about power, water, and other services. So even though Newnan Utilities is not a professional local economic development organization per se, its managers perform significant economic development functions for the community.

Newnan Utilities set up its first telecommunications network, which was designed for internal use and drew on existing employees. By 1997, the company established separate departments--the Telecommunications and Control Department and the Cable Television Department--and hired eight technicians, specialists, and supervisors.

Newnan Utilities engaged in several partnerships to deliver information services. Newnan Utilities and several other municipal electric companies approached the Municipal Electric Authority of Georgia (MEAG Power) in 1993 to develop local community fiber optic networks interconnected by a statewide fiber backbone.(4) MEAG's statewide backbone eventually provided connectivity to serve Newnan businesses with multiple Georgia locations. Globe Telecommunications, Inc. of West Point leased part of Newnan Utilities' infrastructure to operate telephone services for the utility. ITC^DeltaCom provided long distance POP services.

Newnan Utilities also provided infrastructure to neighboring communities such as Fairburn. Newnan Utilities participated in Community Link, a project to connect all the local public and private schools. The Community Link partnership included The Shenandoah Center, West Georgia Tech, Coweta County School System, West Georgia Regional Educational Service Agency (RESA), Peachnet, Internet Atlanta, Newlink Global engineering, Micro Services Group, Carroll Tech and Carrollton City Schools, and Peachtree Communications, Inc. Newnan Utilities provided the fiber infrastructure, server, and technical support for Community Link. Newnan Utilities' interactive cable system involved several partners to operate local programming channels, including the Newnan Times Herald newspaper, a school-system-operated channel, and West Georgia Entertainment, which has supplied cooking shows and aired community organization

meetings and other shows of local interest. Another partner, SummerGrove at Newnan, a Pathway Communities residential development, signed an agreement with Newnan Utilities to provide interactive cable service, supply high-speed Internet service, and support a private community intranet.

Marketing

The city did not formally market its telecommunications and cable service until 1997. Prior to that, information officers of local businesses learned of Newnan Utilities' high-speed telecommunications services through word-of-mouth as a result of living in a small, close-knit community. The Coweta Association for the Advancement of Technology also provided an outlet to communicate with local information technology professionals. The earliest customers were the two local hospitals, businesses with multiple facilities, and professionals such as accounts, lawyers, and realtors. Newnan Utilities had no formal plan to market the service through advertisements in the local newspaper, because it was just getting started and did not feel comfortable rolling out the service to a large number of customers.

Once the company completed its interactive cable system in late 1996, Newnan Utilities' representatives went door-to-door starting in March 1997 to sign up residential customers. The company began selling to residential customers near its facility and by 1999 was selling to residential areas in unincorporated Coweta County.

Service Delivery

As of 1999, Newnan Utilities offered information services through four interconnected high-capacity networks. The first network, established in 1993, connected all power substations and water pumps through an OC-3 SONET fiber ring.(5) Newnan Utilities has used this 120-mile network to manage electricity usage and water levels for the city water works.(6) The company created a display device on a wall in its operations center to monitor the amount of local electricity and water used and the street location of possible outages, energy usage by other municipal systems in Newnan's monitoring region, and weather conditions.

The second network was deployed in 1995 as a 100-megabyte (MB) fiber ring to serve local business customers wanting high-speed data connections, particularly businesses needing to link multiple locations. Transmissions to facilities outside the Newnan service area utilized the MEAG statewide municipal fiber backbone, which interconnected 32 of the 48 MEAG municipalities. By the late 1990s, the statewide network consisted of 212 miles of fiber running through the existing static power line of the Georgia Integrated Transmission System.

The third network is another OC-3 fiber ring providing local dial tone telephone services for Newnan Utilities customers. The network connected the ITC Delta^Com long distance point of presence (POP) in downtown Newnan and a remote switch at the Newnan Utilities main office. Globe Telecommunications, Inc. offered dial tone services

and special calling services such as call waiting, caller ID, and voice mail to local customers serviced from its downtown Newnan location.

The fourth piece of the infrastructure was the broadband cable system. Operational by late 1996, this network was a 750Mhz hybrid fiber-coaxial cable television system with the head end at the Newnan Utilities main office. The network passed 12,000 homes by the end of 1998. It supported regular cable service, and broadband Internet access. The cable system offered a basic package of 19 channels, an expanded basic package of 73 channels, and premium channels. Residential customers most commonly ordered the expanded basic package at $24.95 a month (compared to $19 charged by the local private-sector cable company), and cable Internet customers paid an additional $25 a month including leasing a 10MB cable modem. The utility also offered high-speed Internet access to business customers over its 100MB fiber data network. Rates for this service started at $250 for installation and an access fee of $80 a month. Newnan Utilities' technicians typically serviced residential and business customers on-site without additional charges to install equipment (e.g., Ethernet card) and configure computers for the Internet service as necessary. The infrastructure generally supported Internet access speeds of 800 to 900 Kbps--up to 30 times faster than the typical dial-up access speed. The Internet service included e-mail, web page design and storage, and virtual private networking. In addition, Newnan Utilities set up a citywide site called AccessCoweta,(7) that provided community news and a listing of local public and private organizations. Newnan Utilities became a Class C Internet Service Provider (ISP) in May 1997 to support these services.

The first fiber ring called for a $1.2 million investment. In contrast, the cable system cost $12 million, and was financed through revenue bonds and initial borrowing from company general funds. To maintain a "level playing field" with the local private- sector cable company, Newnan Utilities paid the city government $36,000 in 1998 in lieu of a franchise fee.

At the end of 1998, the cable system was close to breaking even. The cable business accounted for about 10 percent of Newnan Utilities' revenue and the other telecommunications business accounted for about 3 percent. In addition, the company realized labor savings about $100,000 annually as a result its utility management system.

Customers

Newnan Utilities has developed several new customer segments through its telecommunications infrastructure. There are 500 to 600 residential telephone customers. Of the 12,000 homes the utility's cable network passed by the end of 1998, it sold service to 6,400 cable television customers, and 1,300 cable modem Internet customers. In addition to these residential customers, the Internet service has attracted 120 business customers, and the high-capacity data network also served the Federal Aviation Administration's backup air traffic control system.

These customer segments have received new benefits from Newnan Utilities' infrastructure and services. Businesses on the fiber network have high-speed connectivity between multiple facilities, and the multiple SONET rings make the system very reliable. The telephone and cable service give customers a choice of service providers, something that Atlanta residents do not have as of the late 1990s. Business and residential Internet customers can access the Internet without long waits for Internet application to download and without tying up telephone lines. Lawyers, doctors, realtors, and other professional services firms are relatively heavy users of Internet services. One popular business application has been accessing on-line databases such as Lexis/Nexus, medical information databases, and the Multiple Listing Service (MLS). Another important application to the medical community has been joint scheduling and access to large databases. Some business professionals telecommute from home using their high speed Internet service and come into the city only a few times a week.

Newnan Utilities also has offered various Internet classes to help customers better use their high speed service. In February 1999, the company offered the course "Searching the Internet" which, for a nominal fee ($15 for Newnan Utilities' customers) covered several of the most popular search engines as well as some specific tools.

Company Impacts

Newnan Utilities has attracted one large telecommunications-intensive firm to the community, several smaller service-sector firms, and two information managers. It has also spawned several small computer equipment and Internet development firms.

As a result of its partnership with ITC^DeltaCom, Newnan Utilities learned of the expansion needs of a then sister firm under the ITC Holding Company umbrella. InterCall is a provider of audio conference calling services. InterCall exhausted its space and the local labor force at its West Point, Georgia headquarters. After an out-of-state acquisition fell through, the utility pitched a Newnan location. In March 1998, InterCall located an operations center on the top floor of a 10,000-square-foot building in Newnan, which it completely took over in 1999. By that time, InterCall employed about 200 Newnan area workers. Another smaller relocation, Myrtletech, employed eight professionals as of early 1999 to install, support, and design networks and web sites for business customers. Within existing industries, Newnan has attracted corporate information officers who have relocated to Newnan. There is the potential for these information officers to bring the rest of the management information system (MIS) area with them.

Newnan Utilities' use of small contractors to provide equipment and Internet-related services, along with the growth in Internet use in Newnan, spawned a cottage industry of at least seven small Internet service firms (identifiable through AccessCoweta as of early 1999). For example, Door 2 Door Technologies, Inc.-which offers custom computer systems, networking, web development, and training-arose from a government employee's off-hours work as a part-time contractor to Newnan Utilities. Others include Bowers Web Publishing, Morton International Consulting Services, Apex Software, West

Georgia Web Services, Innovative Computer Applications, and DenverStevens Productions.

Community Impacts

Two major community projects that employ Newnan Utilities' services are Community Link and SummerGrove. Community Link is a multi-organizational partnership that provides high-speed Internet access and inter-school connections for the local county and city school system. As of early 1999, the Community Link project connected all but one county school to the Internet and to each other by fiber optics.

SummerGrove is a 1,400-acre residential neighborhood under development on Newnan's east side for the construction of approximately2,500 homes in the $100,000 to more than $400,000 range. The development is modeled after Disney's Celebration development in south Florida. A key attribute of SummerGrove is its technological capabilities. Residents can have their homes specially wired in a local area network to access cable and Internet services offered by Newnan Utilities. Newnan Utilities also played a role in the design of the unit that connects the internal home wiring to the cable modem. Planned services include high-speed Internet access, networked computers and peripherals, high-quality stereo sound in any room, a home theater, and control over lights and energy usage to save money. Residents can also connect to the Newnan Utilities-maintained SummerGrove community intranet, which offers access to information about SummerGrove activities, including capabilities such as signing up your first grader for swimming lessons, finding out when the Trail Walkers Club will have its morning hike, posting a yard sale, organizing a neighborhood party, and contacting local school teachers.(8)

One major target market for SummerGrove is telecommuters from the northern and southern suburbs of metro Atlanta, including (given its status as an bedroom community for metro Atlanta) Newnan. With the critical urban sprawl problem in metro Atlanta, many large employers and the state government have implemented plans for employees to work from home. The master developer, Pathway Communities, included the technological component in its design specifically to facilitate telecommuting.(9)

Newnan Utilities also played a major role in developing a long-range economic development plan for Newnan/Coweta County called Vision 2020. The plan sought to establish Newnan as a place to work in addition to being a bedroom community for Atlanta by leveraging the advanced fiber optic network. Vision 2020 set out 24 goals, based on interviews and focus group discussions with residents and business leaders, which involved developing office space and marketing the community's broadband capabilities to statewide economic developers. 21st Century Coweta, under the chairmanship of Newnan Utilities General Manager Dennis McEntire, spearheaded the plan. The Newnan-Coweta Chamber of Commerce named Dennis McEntire 1999 Coweta Citizen of the Year for his vision which led Newnan Utilities to build its advanced telecommunications network that "put Newnan and Coweta ahead of our adjoining communities by 10 to 15 years."(10)

Rival Explanation

Newnan Utilities used its business expertise, partnerships, and community affiliations to construct advanced telecommunications networks, which eventually stimulated a telecommunications-intensive industry relocation and an Internet service cottage industry. It could be argued that other private-sector sources of telephone and cable infrastructure eventually might have offered comparable infrastructure to Newnan Utilities' networks. When one of the sources was approached, however, it exhibited "benign neglect" of local desires for infrastructure modernization. It could also be argued that this is not an economic development case, in that Newnan Utilities had an internal business justification to deploy advanced infrastructure rather than economic development being the original goal. However, the company plays a major role in economic development in Newnan through participation in prospect visits and leadership positions in economic development organizations. Through their community organization participation, Newnan Utilities managers were concerned about their community's place in the information age, its telecommunications infrastructure as well as the ability to reap economic development benefits from the infrastructure.

Acknowledgments

This case study was based on an on-site visit conducted February 19, 1998. The author gratefully acknowledges the following individuals for their assistance with this case: Jeff Strane, Business Development Manager, Newnan Utilities, jstrane@newnanutilities.org; Ellis Cadenhead, Assistant General Manager, ellis@newnanutilities.org; and Dennis McEntire, General Manager, Newnan Utilities, dennis@newnanutilities.org. Their address is 70 Sewell Road, P. O. Box 578, Newnan, GA 30264. The comments of Greg Laudeman were also most helpful in improving this case study.

Chronology of Telecommunications Infrastructure Development

Early 1990s	ITC^DeltaCom installed POP.
1993	Newnan Utilities deployed fiber network for internal use to monitor substations and water pumps.
1994	Newnan Utilities joined MEAG's statewide telecommunications network. Newnan Utilities connected to ITC^DeltaCom POP.
1995	Deployed 100 MB fiber ring to offer businesses advanced telecommunications services.
Late 1996	Created separate departments for telecommunications and cable television. December 31, 1996 First cable television customer.
1997	Hired staff for cable television department. Community link established.
March 1997	Started selling cable television door-to-door.
May 1997	Established partnership with Globe Telecommunications, Inc. to offer advanced telecommunications service.

	Newnan Utilities became an ISP.
Mid 1997	Vision 2020 identified 24 economic development goals for Newnan's future.
March 1998	Intercall located in Newnan.
Mid 1998	Pathway Communities signed an exclusive agreement with Newnan Utilities to provide interactive cable service for the SummerGrove residential development.
Fall 1998	Newnan Utilities established Access Coweta.
Dec. 1998	Passed 12,000 homes, with 6,400 cable television customers and 1,300 cable modem customers.
Early 1999	Newnan has a cottage industry of some seven Internet service firms.
	Newnan City Council endorsed the 24 goals of the Vision 2020 plan.

Notes

1. Since 1985, the Georgia Department of Community Affairs has managed the Business Retention and Expansion Process (BREP), which is a community survey of business and industry characteristics, needs, and plans.

2. Dean Jackson, "Newnan '2nd to none' in fiber optics: Mayor touts Newnan Utilities system before state audience," Newnan Times-Herald [Online] Available http://times-herald.com/ [January 28, 1999].

3. http://www.west.ga.net/~foundation/

4. Douglas K. Lego, "Georgia Statewide Municipal Fiber Optic Network," paper prepared for T&D World Expo 97, Atlanta, Georgia, November 11-13, 1997.

5. Synchronous Optical Network (SONET), is a standard for fiber-optic transmission systems. OC-3 rings commonly operate at 155.52 megabytes per second (MBps).

6. The system uses the Supervisory Control And Data Acquisition (SCADA) standard for transmission of telemetry, status, and control data for power operations.

7. The site is available at www.accesscoweta.com.

8. Information available at http://www.summergrove.com .

9. Ernest Holsendolph, "Wired Life" Atlanta Journal Constitution, March 3, 1999, D5.

10. Gary Leftwich, McEntire Citizen of the Year, Newnan Times-Herald, January 20, 1999, p. 1A.

Source: www.ceds.gatech.edu/bestpractices

Telecommunications/Internet

West Georgia Telecommunications Alliance

Carrollton, Georgia

January 1999
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Center for Economic Development Services,
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Conditions Leading to Practice

The West Georgia Telecommunications Alliance (WGTA) is a 501(c)6 private nonprofit organization founded in 1994. WGTA's mission is "to promote economic and educational development in West Georgia by fostering the deployment and use of advanced digital broadband telecommunications technology." WGTA seeks to accelerate the deployment of advanced digital communications networks, lower the cost of access, and bring competition in telecommunications services to the West Georgia area. Advanced digital infrastructure included primarily included ISDN (and ASDL in the near future), fiber optic cable, cable and wireless in support of voice, video, Internet/Intranet, distance learning, and telemedicine. WGTA also aims to foster creative applications of telecommunications within the community through sharing ideas, and information, which would improve the area's educational institutions and make West Georgia more attractive to industry and information-age businesses.

WGTA covers a three-county area along the Georgia-Alabama border. In the WGTA region, Heard and Haralson counties are rather small and did not grow much from 1970 to 1990. Carroll County, however, grew substantially, in line with metro Atlanta's growth. Carroll County is considered part of the Atlanta metropolitan statistical area (MSA). (See Table 1.)

Table 1. Population by West Georgia County (in thousands)

Year	Carroll	Heard	Haralson
1970	46	5	16
1980	57	7	19
1990	72	9	21

The inception of WGTA can be traced to the telecommunications needs of a major local private-sector corporation. Southwire, a 2,800-employee global wire and cable manufacturer headquartered in Carroll County, wanted to obtain ISDN lines to connect various buildings in its campus as well as some of its employees who wanted or needed to work from home. Southwire's chief information officer, Martin Smith was unable to obtain services from local and long distance telecommunications service providers. The

local telecommunications service provider first said that it was not possible to provide ISDN service, then said it was possible but at a monthly fee of more than $250 per line very expensive. Although Carroll County is currently included in the Atlanta MSA, major phone companies do not regard it as a Tier 1 or Tier 2 market, so its level of telecommunications infrastructure investment is similar to that of rural Georgia.

Martin Smith arranged a meeting in March 1994, mailing invitations to local data communications users—area schools, businesses, and government agencies. He learned that the other 26 organizations had similar difficulties with the lack of availability of advanced telecommunications services. These business and educational institutions could not interest another provider or their local government in spearheading advanced infrastructure deployment, because telecommunications vendors had different account managers for each type of organization—large industry, institutional, educational, government, etc.—which ignored the combined demand for infrastructure in the community.

Formation of an Alliance

Southwire and other the other public and private organizations formed an alliance to combine clout and buying power. At meetings, WGTA brings in representatives from different competitive telecommunications service providers to learn about provider offerings and combine member negotiation efforts.

The alliance also allowed WGTA to attract vendor-partners—e.g., AT&T, BellSouth, and Intel—to "donate" equipment and infrastructure; in exchange, the community provides vendors with a test bed to measure acceptance of new products and services. Through the alliance, members shared expertise and resources. For example, the major manufacturer had a lot of experience with ISDN, whereas the schools had experience with running and managing web pages. This sharing had a snowball effect of diffusing technology adoption and use more rapidly to member organizations.

For the first year, WGTA remained an informal organization. In 1995 it incorporated as a 501(c)6 non-profit organization, with elected officers—Martin Smith serves as president—and a board of directors that meets annually. The primary focus of WGTA is its monthly meetings. Southwire usually hosts WGTA's monthly meetings. A typical agenda includes one or more vendor presentations, WGTA project discussions, and a period for technical representatives from each member organization to share problems and solutions. Most decisions are made at these monthly meetings.

There are 23 member institutions, represented by information technology manager's at large corporations, K-12 school systems, colleges and technical institutes. Also participating are representatives from state and local government agencies such as the head of information technology for the state Board of Regents. Other members include various vendors such as the local electric utility and a fiber optic cable manufacturer. The Alliance aimed to be inclusive, however because city and county governments were not interested in membership in WGTA, these critical stakeholders were missing.

Member contributions provide much of WGTA's funding. WGTA accepts members in one of three classes: business/end users paying $100 in annual dues; individuals paying $10 a month; and carriers and vendors paying $100 a year. Businesses, other end users, and individuals have voting rights, whereas carriers and vendors do not. Because WGTA has no paid staff, members—particularly the larger organizations—provide administrative and operational support. WGTA also partners with non-member organizations, which typically provide in-kind support.

Operation

WGTA operates primarily through projects. WGTA has implemented or is participating in nine local projects. (See Table 2.) WGTA did not institute these projects as a way to own and operate an advanced telecommunications. Instead, it sought to raise awareness of telecommunications applications, learn about how various telecommunications technologies worked together, find ways approach vendors, and ultimately develop an advanced telecommunications network in West Georgia.

COMM-Net, WGTA's first project, was designed to try out videoconferencing, file sharing and Internet access. WGTA obtained $54,000 in equipment donations from AT&T and Intel for COMM-Net. The lines were located in a private school, a post-secondary technical school, a financial institution, the large manufacturer, and selected private citizen's homes. The private citizens were added to test telecommuting and distance learning. Because the statewide library system had existing high-speed Internet connections, WGTA members used the local library to provide training over a nine-month period to West Georgia citizens. The project helped accelerate the adoption of ISDN and Internet applications to small businesses, home offices, law firms, secondary educational institutions, the university, software and services company, and a major manufacturer. COMM-Net also identified what did not work well. Desktop telemedicine applications delivered via ISDN did not work well because of lack of clarity of pictures. Perhaps a major benefit from COMM-Net was in WGTA's learning how to partner with vendors to obtain infrastructure contributions and provide them with a test bed to see how well the various pieces of equipment worked together.

Interlink 2000 was another major project focused toward West Georgia's educational institutions. Started by the Carrollton City Schools with support from WGTA, Interlink 2000 was a small 100 MB ring designed to provide Internet access, videoconferencing, and campus sharing to nine local educational institutions, supported through a government grant. WGTA learned that it was easy to obtain grant money to fund telecommunications infrastructure for educational organizations. However, it became difficult to maintain this infrastructure. Due to changes in the city school administration, resources were diverted away from the maintenance and support of these networks. Private companies could not take over management of the network because of the way the grants were structured. As a result, the network is less useful than it could be, although WGTA members continue to investigate the possibility that private sector members of WGTA can assume network management. Internet access was provided via a connection to the state's PeachNet educational telecommunications network.

The most ambitious project is the 80-mile, three-county network, initiated by the Carroll Electric Membership Cooperative (CEMC), the local electric utility company, with the support and assistance of WGTA. CEMC obtained in-kind donation of fiber from Fitel-Lucent, but getting the community-owned fiber installed is problematic. The major telecommunications provider for the area will not install it because of company policy against installing and maintaining a foreign fiber network. CEMC has included installation in its long-range plans, but telecommunications service is not its main mission, and without funding, some portions of the network cannot be built. To interest other competitive providers, WGTA sought to demonstrate that there is a market for local service competition by conducting an information technology needs and usage survey of major businesses in the community. The survey showed that 70 percent of business users would be interested to switch local service providers. CEMC plans to lease the fiber back to service providers to fund additional routes.

Table 2. West Georgia Telecommunications Alliance

WGTA Project	Year Project Began	Applications
COMM-Net	1994	10 ISDN lines Web site Applications: Distance Learning, Videoconferencing, Telecommuting, Internet Access, Telemedicine, Citizen training in Internet use; Vendor Partners: AT&T, BellSouth, Intel
Cruising the Information Highway Exhibition	1994	Demonstration of multi-point videoconferencing capabilities with sites in Atlanta, Carrollton, and Boston and Internet access Georgia Technology Month
TechKnowledgy ’95	1995	Exhibit at BellSouth’s TechKnowledgy ’95 conference
Habitat for Humanity Fiber Donation	1996	WGTA helped Habitat for Humanity obtain fiber optic and copper telecommunications cable
Interlink 2000	1996	100 Mbps, 9 site grant-funded educational network initiated by the city school system

County-wide Fiber Network	1997	80-mile fiber optic network to link schools and businesses. User survey (1998) Vendor Partners:Fitel-Lucent, Carroll EMC
CINDE	1997	Four-mile ring, 155 Mbps ATM, connecting 24+ sites
West Georgia Learning Network	1998	Internet-based provision of PLATO courseware library

Outcomes

One outcome of WGTA's initiatives is increased usage of advanced telecommunications applications. Training from WGTA members in how to use the Internet, which occurred at the library weekly for nine months, exposed several hundred citizens to this application. WGTA's efforts also contributed to the local telephone company dropping the price of ISDN service below $100.

WGTA's president became active in the leadership of the local chamber of commerce and coordinated the design of its web page—Carroll County Online (www.carroll-ga.org). The web page became a jumping off point for two information technology firms to learn about Carroll County and ultimately establish facilities there.

WGTA became a catalyst for deeper interaction among the major community institutions beyond the executive level to the technical functionaries. Improved relationships also resulted among institutions that formerly did not cooperate—the city and county school systems, and the public and private school systems.

Conclusion

WGTA's private sector-initiated alliance of information services users represents a community-based approach to obtaining advanced telecommunications infrastructure by demonstrating that the level of demand for telecommunications services is high in the aggregate. This approach is particularly appropriate in the absence of private-sector company (either an existing local or long distance telephone company or an alternative service provider such as an electric utility) or city government provision of such services. At the same time, the pace of building and operating such infrastructure is somewhat slower under this approach. For example, difficulties in getting the community-owned fiber installed have stalled progress towards completion of the three-county network supported by WGTA. Despite this slow pace, WGTA has achieved greater public

awareness, more inter-organizational learning, and improved community interaction than a single telecommunications provider acting unilaterally might have attained.

Supplementary Materials

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Source: www.ceds.gatech.edu/bestpractices

Telecommunications and Internet

Worth County-Sylvester GA Free-Net

Sylvester, Georgia

February 1999
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Conditions Leading to Practice

Mr. Kent Guske, a resident of Sylvester (population 5,000), became interested a form of community information infrastructure called a free-net. The free-net model was developed at Case Western University in Cleveland, Ohio as a means of sharing local information and supporting civic involvement via computer-based communication. Even before the Internet became popular, free-nets had been established in several cities throughout the country. An important characteristic of free-nets is that they are, as the name implies, free. Rather than charging a membership or measured use fee, free-nets solicit voluntary "sponsorships" in much the same way as public broadcasters. The free-net host—a central computer—is set up with various information categories, electronic bulletin boards, and electronic mails for members. The free-net system can also function as an Internet gateway. Individuals can connect to the system to find information regarding healthcare, education, recreation, politics, etc., and can post information that they have that others might be interested. This is the other important characteristic of free-nets—they depend on members to be information producers as well as consumers.

In the Spring of 1994 Mr. Guske above received a message from the non-profit organization that had begun marketing the free-net software about a program to subsidize the establishment of rural free-nets. This person discussed the idea of establishing a free-net with several community groups, most notably the Chamber of Commerce and the branch office of state's economic development agency. After receiving some preliminary interest, a demonstration was arranged. During this demonstration the concept of the Internet was explained, as well as that of the free-net. The Internet was positioned as important innovation that could link Sylvester to the world, and it was pointed out that Atlanta did not yet have a free-net. The group saw this as an opportunity to establish an important new technology in Sylvester ahead of Atlanta. With this impetus an organizing committee was formed.

Organization

The Worth County-Sylvester GA Free-Net (WC-SGA Free-Net) was established as a non-profit corporation in December 1994. A 10-member Board of Directors was established to guide the project, including determining the type of data to be entered, its

screen format, accessibility levels, procedures for entering and retrieving data, and maintenance.

Start-up costs for the WC-SGA Free-Net were $10,000. Several local individuals and businesses, including a car dealer, a bank, and the local exchange carrier provided this initial financial support and became sponsors. Ongoing maintenance costs have approximated $4,000 annually. The WC-SGA Free-Net obtains ongoing funding through a membership drive and solicitation of sponsor donations. Implementation of a three-tiered sponsorship approach allows the free-net to solicit donations from a diverse base.

The Practice in Operation

The system was up and running by September of 1994. The Worth County administration building houses the host computer, which is connected to the telephone system in the City and County. The WC-SGA Free-Net offers dial-up access to the Internet and e-mail accounts in the City of Sylvester and Worth County, as well as in the toll-free telephone dialing areas in surrounding counties.

The WC-SGA Free-Net also operates a bulletin board that contains information about agricultural concerns, local businesses, community news and entertainment, U.S. government, reference materials, museums around the U.S., financial and investment news, and local education and school life. Public access to the free-net can be obtained from library and school locations around the city.

The WC-SGA Free-Net offers help desk services to answer user questions. Local volunteers staff the help desk.

Results to Date

Originally the Free-Net employed a 20-minute time limit, which dampened interest among registered users. WC-SGA Free-Net eventually removed this time limit, and today, the system has well over 400 paying members and eight phone lines that are in pretty much constant use. Many users have employed the Free-Net in a learning mode. Once they become comfortable with the Free-Net, they eventually sign on with a commercial Internet Service Provider.

The system has been put to use by only a few of the local businesses and, more disappointingly, few community members have become active contributors. On the other hand, it has received the support of local schools and has brought the community a good bit attention from state policy makers and the media, including an article in Newsweek.

Sources: www.ceds.gatech.edu/bestpractices

Telecommunications/ Internet

Topic: Communications

Subject: Electronic Bulletin Board

Location: Montana

Summary

With layoffs in the timber industry, this region's primary employer, there needed to be a better way of disseminating job information to area residents. To address this, the Bitter Root RC&D; developed the Bitter Root Bulletin Board Project in the late 1908's. The BBP is an on-line system that offers a toll free number to users who can upload, download, and exchange information on the bulletin board 24 hours a day, seven days a week. This enables users to access area job announcements in one centralized, easy to use location. Currently there are 237 registered users of this system, many of whom use the system for information other than job opportunities.

Successful Practice
Expands the job market as well as community information electronically to cover several sparsely populated rural communities.

Contact:
Anne Yenney
Bitter Root RC & D
1700 North First St.
Hamilton, MO 59840
Phone (406) 363-5450
Fax (406) 363-5011

Case Study

The Problem
This area suffers from high unemployment due to a rapidly declining timber industry and an extremely low population density. Local newspapers are the best source for job information in this rural area, however, they are inadequate when conducting a state-wide job search, as the local job market does not always provide sufficient employment opportunities. A person out of work in Montana needs to know not only what is available in his/her hometown, but in other towns as well. Prior to the Bitter Root Bulletin Board, there was no source to turn to that presented this scope of job information.

The Approach Adopted

To assist residents of Montana, the Bitter Root Resource Conservation and Development (RC&D;) created an electronic bulletin board which has the capacity to display job

opportunities from across the state. The Bulletin Board can be accessed from any computer with a modem. Presently, those who do not own a computer can access the system from local libraries, public schools and businesses. The system is user friendly. Clearly defined menus allow the user to search the system for needed information easily. An individual without computer knowledge can operate this system with just minutes of instruction. Although the Bitter Root Bulletin Board is five years old, it is continually being modified, updated and improved.

How They Implemented The Approach

The Bitter Root Bulletin Board is part of larger project that is sponsored by the Big Sky Telegraph in Dillon, Montana which is located at the Western Montana College. Big Sky Telegraph received funding from US West, M. J. Murdock and local businesses and individuals totaling over $60,000 to set up 104 community bulletin boards throughout the State of Montana. Through these bulletin boards, users can access all types of information including job and community announcements and activities.

Frank and Regina Odasz administer the bulletin board project at the Big Sky Telegraph and they designed the system that is currently in place at Bitter Root with the help of a software. The Bitter Root Bulletin Board Project was funded with the help of the Forest Service's Economic Diversification Grant. Although the majority of the grant went to an unrelated project, the small sum of $2,000 helped get the Bitter Root project on its feet. The funds were used to purchase of a computer, a modem and training on the new system for the administrators of the Bulletin Board.

Results

The Bitter Root Bulletin Board is in operation 24 hours a day, seven days a week. Presently there are 237 registered users, 39 message areas, and 24 file areas, with 12 community managers appointed to these areas. In addition to being a source of job information, the bulletin board has provided residents of Montana with an easy and effective way of communicating with each other through meeting and community announcements. This is very useful given the great distances that exist between people in this state.

Demographics for the State of Montana
Population 822, 347
Per capita income $11,213
Poverty rate 12%
Pop./sq.mile 6
Source: 1994 City and County Data Book
Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Telecommunications

Topic: Communications and Technology

Subject: Electronically Training Public Managers

Location: New York (NY)*

Summary

To assist with the training of public managers in rural and small metropolitan areas of the State of New York, the Cornell Cooperative Extension, the County Legislators and Supervisors Association, the New York State Association of Counties, the Association of Towns, the New York State Office of Rural Affairs, and the New York Department of State formed a partnership in the fall of 1993 to develop a teleconference.

The teleconference addressed the training needs of newly-elected town and county officials from 46 counties throughout New York. Up to 30 downlink sites were set up reaching a broad and varied audience from across the state. A wide range of timely and relevant topics were discussed including the role of elected officials, how the legislative body operates and the implications of the Freedom of Information Act. The success of this teleconference led to the development of a similar project that focused on health care issues. This program benefited greatly by having much of the teleconferencing technology in place at Cornell and the downlink sites which reduced program costs.

Successful Practice

Using modern telecommunication technology to address a state's management and training needs of public administrators in rural and small metropolitan areas.

Contact
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Cornell Cooperative Extension
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Cornell University
Ithaca, NY 14853
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FAX (607) 255-0788
* excluding New York City metropolitan area

Case Study
The Problem

A difficult and challenging job in the State of New York is that of a town supervisor. This person works long hours, receives low pay, and is expected to make wise and informed decisions on many issues and problems with minimal training and information. Town

supervisors must also deal with anxious voters, high visibility, and function in an atmosphere of great antagonism. This unfriendly and perverse job environment has resulted in high rates of turnover and burnout in local government.

The Approach Adopted

To provide town supervisors with better training and greater access to information, the Community and Rural Development Institute of Cornell University joined with the County Legislators and Supervisors Association, New York State Association of Counties (NYSAC), the Association of Towns, the New York State Office of Rural Affairs and the New York Department of State to offer a teleconference training program in the fall of 1993. This program addressed the training needs of town supervisors. The teleconference was open to newly-elected officials and covered everything from roles of elected officials and how legislative bodies operate to more technical topics, including a discussion on the implications of the freedom of information act. The teleconference method allows a great number of people to participate in high quality training with minimal travel.

In the fall of 1994, fewer elections occurred decreasing but not eliminating the need for this kind of training. Since many of the topics discussed at the original teleconference were still relevant one year later, videotapes were produced of the training and replayed in 20 counties across the state. The success of this local government training program led health officials to develop their own teleconference on health related issues.

How They Implemented the Approach

Producing a teleconference takes a great deal of technological capability, experience and expense. A critical factor in the success of the New York teleconference training was the existence of uplink and downlink sites. Cornell University provided uplink facilities and the technical assistance necessary to produce the teleconference, and the 30 downlink sites throughout the state provided participants with a location nearby which kept travel to a minimum. The cost associated with the satellite transmission was $500. Additionally, many individuals and organizations donated their time, money, and facilities to the teleconference which further reduced costs. Without this financial and individual commitment, the program would not have been successful.

The design and organization of the training seminars was administered by the Cornell Cooperative Extension. Extension staff gathered experienced officials and local lawyers to provide advice and commentary of direct interest to new officials. These local programs enhanced the teleconferences with local networking and expertise. Downlink site participants phoned or faxed their questions directly to be answered on the air, providing an effective, convenient and cost conscious way to reach many officials without sacrificing the opportunity for direct one-on-one questions and answers, which is important for effective learning.

By combining the resources of several organizations, the training needs of local government officials can be effectively met even in times of limited resources. The partnership of the local government associations, Cornell, and state agencies supported the efforts of new leaders to reinvent government and build a partnership that better serves the citizens.

Results

Over 400 officials from 46 counties participated at downlink sites across the state. One year later, segments of the teleconference were reproduced on videotape for post-'94 election training in 20 counties from across the state. The success of this elected local official teleconference led Cornell to join with NYSAC to produce a second teleconference debate on state takeover of Medicaid. Thirty counties participated as downlink sites with over 200 local officials attending.

Demographics of the State of New York (excluding New York City metropolitan area)
Area of Focus

Population 5,880,754 (United States N/A)
Population per square mile 350 (United States 72)
Per capita income $11,040 (United States $14,420)
Percentage of population with incomes below the poverty line 10.9 (United States 13.1)
Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov
www.rurdev.usda.org

Telecommunications/ Internet

Communications and Technology

Subject: Electronic Village

Location: Town of Blacksburg (VA)

Summary

The Town of Blacksburg, Virginia recently implemented an on-line computer system called the Blacksburg Electronic Village. The Village was developed through a cooperative partnership between the Town of Blacksburg, the local university, and the regional telephone company. Users of the system can perform a variety of searches and functions. They can conduct everything from educational and informational research such as referencing the library catalog and updating Council activities at town meetings to leisure and personal needs such as "window" shopping at local stores and restaurants and applying for a municipal permit.

The system was developed in Blacksburg because of the ideal setting that the town offered. With a very small, computer literate population (approximately 36,000, two-thirds of which are students at Virginia Tech), Blacksburg provided an exceptional laboratory for computer scientists to develop and test an on-line electronic village that could be replicated in other rural communities in the future. Today, more than one-third of the town is connected to the Blacksburg Electronic Village making it one of the most computer-connected communities in the world.

Successful Practice

Developing an on-line electronic village to proactively anticipate the informational, educational, and personal needs of the community for the 21st Century.

Contact

Bonnie Svreck
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Town of Blacksburg
PO Box 90003
Blacksburg, VA 24062
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FAX (703) 951-2180

Case Study

The Problem

Although the Town of Blacksburg, Virginia suffers from a very high poverty rate (37.4 percent), this is not the most challenging problem for its residents. A possible reason for the high poverty rate stems from the fact that of Blacksburg's nearly 35,000 residents, over 22,000 of those are college students at Virginia Polytechnic Institute and State University (Virginia Tech). Most undergraduate and many graduate students attend school full-time and generally maintain part-time jobs that do not generate a great amount of income.

A more difficult problem that this town suffers from is its geographic isolation. The Town of Blacksburg is located at the foothills of the Blue Ridge Mountains in Western Virginia, many miles from the nearest major urban center. Because of this isolation, gaining fast and accurate information on important topics and issues is oftentimes difficult, although essential to maintaining an adequate standard of living.

The Approach Adopted

To help alleviate the information gap resulting from geographic isolation, the Town of Blacksburg, Virginia Tech, and the regional telephone company, Bell Atlantic, formed a public/private partnership and developed the Blacksburg Electronic Village (BEV). This on- line computer system allows users to perform such day-to-day activities as ordering flowers, obtaining medical advice, reading the community calendar, receiving updates on Town Council meetings, applying for a municipal permits, or simply sending a neighbor a message. In addition to local news, information, and services, users have access to the World Wide Web where they can research and browse everything from national and international events to gossip concerning their favorite soap operas.

BEV also has important uses for both educational and professional uses. Through a Local Research and Education Network, teachers and students can communicate with their peers in other towns, states, and countries. Students can also access library services making their research easier and more efficient. For use in health care, Electronic Mail (E-Mail) messages can be a cost effective way for physicians to answer questions about illnesses or treatments. Patients can spend less time in waiting room or reaching a doctor on the telephone. Using E-Mail, doctors can respond to patient questions either individually, or in groups. These are just a few of the practical uses of BEV. At a cost of only $8.60 per month, this system offers subscribers with a cheap, reliable, and useful source of information.

How They Implemented the Approach

The Town of Blacksburg offered BEV designers the perfect laboratory for developing their on- line computer system. Although the town is small, the majority of its citizens are well-educated and computer literate. The presence of a large university such as Virginia

Tech provided town administrators with experts in the field of computer science such as professors, graduate students, and technicians who serve as advisors to the highly complex project. Additionally, about two-thirds of the citizens of Blacksburg are students at Virginia Tech, most of whom own personal computers. With such a large base of users, there was a real market for such a system. These individuals provided a market for BEV and this helped it integrate into the rest of the community.

To help set this system up, over the last two years, Bell Atlantic provided nearly $7 million to the project. Currently, they are installing local apartment complexes with "high-speed" connections since most of Virginia Tech's students live off campus. This high density cable will allow Internet users to operate their systems 100 times faster than if they used conventional modems. Project coordinators say that new subscriptions to BEV are averaging between 30 to 50 a week.

Results

In less than two years, BEV designers have developed and implemented an on-line computer system that gives residents access to a great amount of information and resources. It is expected that in the very near future, residents will be able to use the system to pay utility bills and taxes on-line. Currently, one-third of the town's residents subscribe to BEV. Additionally, nearly 100 businesses advertise their establishments on the system as it is fast becoming an effective and inexpensive way to publicize their products and/or services.

Demographics of Blacksburg, VA

Area of Focus

Population 34,939 N/A)
Population per square mile 1,858 (United States 72)
Per capita income $9,750 (United States $14,420)
Percentage of population with incomes below the poverty line 37.4 (United States 13.1)
Source: 1994 City and County Data Book

webmaster@rurdev.usda.gov
Source: United States Department of Agriculture Rural Development, Ideas that Work, www.rurdev.usda.gov

Tourism

Subject: Revitalization of the Woodpecker Trail

Location: Metter, Candler County, Georgia

Summary: The Woodpecker Trail is a north-south rural highway route connecting Charlotte, North Carolina with St. Petersburg, Florida. The trail originated in 1947 with a marketing campaign using Walter Lanz's Woody Woodpecker cartoon character as its official mascot on highway signage. The trail was highly traveled and brought much economic benefit to the cities along the route. With the advent of the interstate highway system, and specifically Interstate 95, a north south route to Florida, the trail fell into disuse. However, as the interstates have become more crowded and America's aging population increases there is a desire to slow down, take a more relaxed route, and revisit rural towns. Capitalizing on this trend, the City of Metter, Georgia has spearheaded efforts to revitalize the Woodpecker Trail, or Georgia Highway 121. In 1999, permission was granted to trail organizers to use the image in the trail's promotion from Universal Studios, current licensor of the Woody Woodpecker cartoon character. Many local governments along the trail have endorsed designation of Georgia Highway 121 as the Woodpecker Trail and agreed to cooperatively promote the trail.

In October 2001 the City of Metter was awarded a research grant from the Georgia Rural Economic Development Center at East Georgia College, to conduct a feasibility study of the Woodpecker Trail revitalization. Georgia Tech's Tourism and Regional Assistance Center (TRACS) conducted the study. The purpose of the study was to determine the level of interest in automobile travel via secondary roads, determine the motivations for automobile travelers choosing a secondary road over an interstate highway, to determine the level of appeal the Woodpecker Trail would have to potential travelers, to estimate expenditures of automobile travelers on scenic secondary roads, to determine the potential increase in traffic from trail development, and to estimate potential the economic impact from developing a scenic route.

Results: The study results revealed the region had sufficient assets to develop the Woodpecker Trail as a tourist attraction with significant positive economic impact, and the assets match with market segments most likely to visit scenic byways: history buffs and outdoor enthusiasts. The study recommended that marketing of the trail portray it as an enjoyable leisurely route, and focus on the nostalgia associated with the trail. Due to the trail's rural location, the study also recommended improvement of the tourism infrastructure such as lodging, restaurants, retail establishments, and gas stations, and suggested a funding mechanism for improvements: motel and hotel taxes. Recommendation was also made to improve public access to nature-based activities by constructing more boat ramps for river access, and maintaining regular hours at state parks and wildlife management areas along the trail to capture as much visitation as possible. TRACS pursued designation of the trail as a National Scenic Byway, and in the process, discovered that the Woodpecker Trail, formed September 18, 1947, might be the first (oldest) scenic byways organization. This could prove to add market value to the

trail and access to federal dollars to support further development and marketing of the trail.

Successful Practice and Follow Ups: The City of Metter spearheaded this project, had researched the interest in trail revitalization among the ten Georgia counties along the trail, and obtained use of the Woody the Woodpecker character as a mascot prior to requesting the formal research. In so doing, a large community support base was created or "revived" resulting in a spirit of cooperation and enthusiasm among the trail communities to move forward with this common economic development goal. This momentum will facilitate the procession to the next step: actual revitalization of the trail. The TRACS study recommends completion of Phase II of the project: determine organizational structures used by other successful trail developers, determine the process for trail development, discover successful marketing strategies employed by other scenic trails, how funded, marketed and maintained, and the pitfalls associated with the development of a new scenic route.

Contact Information:

Mayor Billy Trapnell
City of Metter
Post Office Box 74
Metter, Georgia 30439
Telephone: 912-685-2527
Fax: 912-685-3364

Source: Georgia Rural Economic Development Center at East Georgia College, 131 College Circle, Swainsboro, Georgia, 30401; (478) 289-2121.

Planning for Tourism

Does your community want or need to diversify its local economic base?
Does your community have natural resource based industries that have declined?
Does your community want to maintain the natural environment and quality of life that it has traditionally enjoyed?

Why Do It?

As one of the largest sectors of the economy, tourism can greatly increase a community's opportunities. It can take advantage of your community's existing resources, such as its natural environment, historic attractions, traditions, or hospitality. Tourism provides diverse opportunities for visitors to enjoy new or educational experiences and hospitality services which are centered around a real or perceived rural way of life. These can occur through trips to a specific rural area or attraction or by travel through a rural area as part of a larger itinerary.

Benefits

- Tourism creates new jobs and businesses
- It brings in new dollars from outside the community for existing businesses
- It can add to the tax base that supports community services
- It can raise land values by increasing demand for rural land
- It can often be accomplished with few additional demands on local services

Drawbacks

Tourism is not for every community. Some communities do not have the resources, attractions, or amenities that would draw visitors. Tourism can be complicated and risky in certain situations and can sometimes involve major investments in improving infrastructure. Some communities may not want to deal with such problems as increased congestion, crime or growth that tourism can bring. As a result, communities must carefully consider whether tourism is an economic development option that would work for them and what types of tourism they wish to develop.

Types of Tourists

As you consider tourism possibilities, think about reasons why people might visit your community:

- On vacation
- On business trips or attending conventions

- Visiting amusement parks and attractions
- Participating in a sports event (skiing, canoeing, sailing, etc.)
- Sight-seeing and visiting historic attractions
- Visiting friends and relatives
- Passing through en route to another location
- Attending a special event (rodeo, play, musical event, festival, etc.)

How to Begin

A carefully planned tourism strategy will help you maximize the advantages and minimize the disadvantages of developing rural tourism. You may be able to contract with a state government or other agency with responsibility for tourism if your community does not have the time or resources to do this.

1. **Define Goals/Objectives:** Before your community can begin to attract tourism, it must clarify its goals and objectives. This assessment will help target the appropriate type of tourism. What kind of community do you want to have? How can tourism help achieve this goal?

2. **Identify Existing Resources/Attractions:** Managing natural, human and financial resources is an important component of tourism development. Most communities have existing resources and attractions that can draw visitors. Conduct an inventory of the things that your community has to offer to tourists. Describe each type of attraction in terms of quality and quantity. Separate them by "core elements" or primary reasons tourists are attracted and "secondary elements" or supporting resources or those that contribute positively to the tourists' travel experience. When possible, get help from knowledgeable outsiders, such as tour and bus operators, travel clubs and recreation developers. They may see opportunities you are unaware of.

3. **Build Local Support:** Tourism requires support and one way to gain it is by informing and educating the community. Introduce the idea of tourism to the Chamber of Commerce, civic clubs, city council, or other community organizations. The community and its leaders can broaden support for tourism by securing financial commitments from public and private sources.

4. **Analyze Feasibility/Impacts:** The pros and cons of tourism development in rural America are numerous. Tourism provides new income and diversification to rural communities. Most of the dollars generated from outside visitors stay within the local economy. Many indirect benefits can also be realized from tourism. Visitors contribute to the tax revenues collected and can influence the quality of life by financing community facilities such as swimming pools, golf courses, restaurants, and shopping facilities. Community events intended for tourists can also serve local residents. Most potential industries prefer locations that provide high quality services and recreational resources

for their employees. If the community is a pleasant place, the visitor may become a permanent resident.

On the other hand, developing and maintaining a tourist industry requires added costs and may put additional pressure on public services or natural resources. The cost of surveys, impact analyses, promotions, insurance, fund raising, and operations are some points to consider. Tourism may also impact the character of rural communities by creating increased congestion, new tourist developments, and other changes. You need to assess these carefully before you get started.

5. **Develop a Marketing Plan:** Identify your target customers. Begin by defining the market areas (types of people, geographic areas) where you can attract the most visitors. Then divide the market up by the length of trips that you think people will take. Finally, define the clientele that will be attracted to the community. For example, your community may offer a nature preserve that would appeal to birdwatchers, hiking clubs, etc. When you have determined the market segments, you are ready to create a written marketing plan. This plan helps identify the best combination of marketing strategies, prices, places and promotions to use.

6. **Implement the Plan:** Once you have established what resources are available and what type of tourism your community wants and needs, you can begin to implement your tourism plan. All interested parties should be actively involved in carrying out the tourism development plan.

7. **Monitor/Evaluate Results:** Throughout implementation, your community should monitor and evaluate the effects of tourism. This will be a good way to assess whether or not your plan is effective and if tourism is creating the response your community wanted to achieve.

By Cayce Donohue **November 1996** **OCD Technote 5**

Additional Resources

- State offices of travel and tourism
- State economic development department
- *Tourism Development: A Guideline for Rural Communities,* by Glenn D. Weaver
- *Promoting Tourism in Rural America,* by Dorothy A. Heike, USDA Rural Information Center

Source: Office of Community Development, USDA, Rural Development, Room 701, 300 7th Street, S.W., Washington, DC 20024 (800) 645-4712 or www.rurdev.usda.gov/ocd

Tourism

Craft Heritage Trails

Location: Asheville, North Carolina
Partners: Handmade in America; Blue Ridge Host; High Country Host; Smokey Mountain Host
Summary: Handmade in America has identified the craft industry as the economic keystone to sustainable development in Appalachian North Carolina. When a survey of craft retail business found that over 60 percent of craft purchasers were not local, Handmade in America adopted heritage tourism promotion as a strategy and in partnership with regional tourism associations, developed the Craft Heritage Trails. The trails are seven self-guided tours, with a total of almost 400 stops, through the mountains, towns, and cities of Appalachian North Carolina. They take the traveler to the studios of artisans and crafters throughout the region. Each tour also includes galleries that feature local crafts, restaurants offering indigenous food, and inns and bed and breakfasts with historic and cultural character. Information needed to guide the visitor along these trails is presented in a 120-page paperback, "The Craft Heritage Trails of Western North Carolina," which is itself an example of craftsmanship. The book includes stories and anecdotes to introduce the visitor to each tour. "The Craft Heritage Trails" is one of a dozen projects currently being implemented by Handmade in America and is part of a broader effort, which is described as a model for building community capacity. Like all Handmade in America projects, it is implemented by a partnership. The Blue Ridge Host, the High Country Host, and the Smokey Mountain Host are multi-county, private sector associations of tourism professionals, who work together to promote the industry. Together they cover Appalachian North Carolina. The host organizations worked with Handmade in America to design and designate the craft heritage trails. Project funding came from the N.C. Division of Travel and Tourism, which provided a $25,000 grant to conduct a market study of heritage visitors and plan the trails; from the Tennessee Valley Authority, which provided a $35,000 grant for writing, mapping, and photography; and from the Federal Highway Administration, which provided $50,000 for printing the guidebook, a brochure, and a flyer. Advantage West contributed $25,000 as matching funds for the federal grant. The spring 1996 printing produced 22,000 copies of the book, and by the end of July, 8,000 copies were sold. Sales are expected to get even stronger due to an August 16, 1996, article in *USA Today* and a CBS Sunday Morning segment to be aired about the project. The only negative comments have come from neighbors noting increased traffic going to artists' studios on the trails. 'The Craft Heritage Trails of Western North Carolina" is available for $11.95 from Handmade in America.
Accomplishment: "The Craft Heritage Trails of Western North Carolina' has brought in customers to support craft businesses and gained widespread publicity for Appalachian North Carolina as a tourist destination.
Contact: Becky Anderson, Director, Handmade in America, PO Box 2089, Asheville, NC,28802, 704/252-0121 FAX 704/252-0388 e-mail HN4487@handsnet.org

Source: *Rural Strategies That Work*, The North Carolina Rural Economic Development Center, 1997.