Economic Development Tools for Rural Communities

Association of State and Territorial Solid Waste Management Officials (ASTSWMO)

Heidi Sheppard
Economic Development Associate

RCAP
Rural Community Assistance Partnership

“Improving the quality of life in rural communities”
RCAP is a national network of six regionally based non-profit organizations working to ensure small, rural and tribal communities throughout the country have access to resources, tools, and technical assistance that creates capacity and opportunity for economic prosperity.

**Western RCAP, RCAC**

**Midwestern RCAP, MAP**
Serving Iowa, Kansas, Minnesota, Missouri, Nebraska, Montana, Wyoming, North Dakota and South Dakota.

**Southern RCAP, Communities Unlimited**
Serving Arkansas, Mississippi, Tennessee, Texas, Oklahoma, Louisiana, and Alabama.

**Great Lakes RCAP, WSOS Community Action**
Serving Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia, and Wisconsin.

**Southeastern RCAP, SERCAP**
Serving Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida.

**Northeast RCAP, RCAP Solutions**

“Improving the quality of life in rural communities”
RCAP’s Economic Development Strategic Vision

to build a portfolio of economic development services for the RCAP network to assist rural communities

Rural communities need economic development for capital, businesses, and jobs to generate a tax base and to support basic infrastructure projects.

RCAP technical assistance providers use existing relationships to help create economic sustainability and resiliency in the rural communities that they serve.

“Improving the quality of life in rural communities”
The RCAP Network’s Economic Development Models

1. Building Rural Economies
   - Partnership with local community coordinators to build capacity and implement the efforts through workshops with community stakeholders.
     - Training to identify and prioritize opportunities that can garner investments
     - Entrepreneurial thinking and skills development

2. WealthWorks
   - Systematic approach that identifies market driven local opportunities in a community and engages partners
   - Focuses on creating value chains that becomes rooted in local people, places and firms.
   - Based on the eight pillars of wealth

“Improving the quality of life in rural communities”
3. Entrepreneurial Learning Initiative (ELI) - Ice House

- Training curriculum that teaches the participants how to think in an entrepreneurial fashion
  - to see opportunities, develop creative and critical thinking, foster self-reliance, resilience, resourcefulness

4. Entrepreneurial Communities Initiative

- Project that helps develop the local/regional ecosystem to support entrepreneurs at all stages through technical assistance
- Shows the value of entrepreneurship as an economic development strategy
- Creates a community of practice so that communities can learn from one another and confront issues together

“Improving the quality of life in rural communities”
Building Rural Economies (BRE)

- Launched in 2013 by RCAP’s Western Region, Rural Community Assistance Corporation (RCAC)
  - Funding from USDA’s Rural Community Development Initiative
  - Provides training in comprehensive community economic development
  - Develops catalytic projects that seed additional investments
  - Develops supportive, entrepreneurial environment leading to job creation
  - Builds economic development capacity for local sponsoring organizations

- Since its launch, BRE has worked with 23 communities, created nearly 100 new jobs and retained nearly 30 existing jobs.
Building Rural Economies

“Improving the quality of life in rural communities”
BRE - three phases

- **Phase One**
  - *Recharge Our Community’s Economy* (RCAC’s curriculum) - a community wide approach focusing on asset evaluation and laying the groundwork to build a community wide ecosystem that can support an entrepreneurial environment.

- **Phase Two**
  - *Start, Grow, Revive Your Business* (RCAC’s curriculum) - focuses on entrepreneurs, training and coaching them in how to take their idea from conception to fruition.

- **Phase Three**
  - Entrepreneurs who completed the curriculum receive direct assistance from RCAC to incorporate skills into their businesses.
BRE - Lewistown, Montana

“Improving the quality of life in rural communities”
BRE- Enterprise, Oregon

- OK Theater
  - Built in 1919, premier theater
  - Art Deco style
  - Fell into disrepair

- National Register of Historic Places in 2012
  - Renovations began but more funding was needed for full restoration
  - Obtained funding from HUD and USDA RCDI

“Improving the quality of life in rural communities”
Revitalizing the OK Theater

“Improving the quality of life in rural communities”
WealthWorks

- Creates a planning and implementation framework to grow rural economies through market driven opportunities
  - Leverages the community’s current assets
- Implements the concept of the value chain within the community/region
  - Connects assets and resources to demand for those products and services
- Creates a network of partners who share common interests and can work together to leverage resources
  - Coordinates the team and leadership around a true market opportunity
- Emphasizes local ownership and control of resources
  - Produces wealth that remains in the region
  - Develops new economic sectors which tend to stay local
  - Increases the impact

“Improving the quality of life in rural communities”
The Eight Capitals

The eight capitals

WealthWorks simplifies things by organizing these local features into eight discrete capitals, which are defined in the table below and share the following characteristics:

Each capital is a collection of one category of related resources, every region has a stock of each type of capital—meaning the combined quantity and quality of the many components of that capital in the region; and taken together, the existing stocks of these capitals constitute a region’s current wealth.

<table>
<thead>
<tr>
<th>The capital</th>
<th>The definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual</strong></td>
<td>The existing stock of skills, understanding, physical health and mental wellness in a region’s people.</td>
</tr>
<tr>
<td><strong>Intellectual</strong></td>
<td>The existing stock of knowledge, resourcefulness, creativity and innovation in a region’s people, institutions, organizations and sectors.</td>
</tr>
<tr>
<td><strong>Social</strong></td>
<td>The existing stock of trust, relationships and networks in a region’s population.</td>
</tr>
<tr>
<td><strong>Cultural</strong></td>
<td>The existing stock of traditions, customs, ways of doing, and world views in a region’s population.</td>
</tr>
<tr>
<td><strong>Natural</strong></td>
<td>The existing stock of natural resources—for example, water, land, air, plants and animals—in a region’s places.</td>
</tr>
<tr>
<td><strong>Built</strong></td>
<td>The existing stock of constructed infrastructure—for example, buildings, sewer systems, broadband, roads—in a region’s places.</td>
</tr>
<tr>
<td><strong>Political</strong></td>
<td>The existing stock of goodwill, influence and power that people, organizations and institutions in the region can exercise in decision-making.</td>
</tr>
<tr>
<td><strong>Financial</strong></td>
<td>The existing stock of monetary resources available in the region for investment in the region.</td>
</tr>
</tbody>
</table>

“Improving the quality of life in rural communities”
Three steps leading to a Value Chain

1. Explore Regional Wealth Building

2. Identify a Market Opportunity

3. Construct a WealthWorks Value Chain

“Improving the quality of life in rural communities”
Arkansas BioFuels Value Chain

1. COLLECTION
Used vegetable oil is collected from local businesses, institutions and homes. Oil should be free of food scraps and other materials.

2. PROCESS
The used vegetable oil and Camelina oil are sold to the biofuel processor for biodiesel production.

3. REMOVAL
The oil feedstock goes through a pretreatment process to remove water, gums and free fatty acids.

4. PRODUCE
Biodiesel is produced and can now be used to power local city vehicles and equipment. This fuel is sustainable, emission-free and used locally.

“Improving the quality of life in rural communities”
WealthWorks Hub Network

"Improving the quality of life in rural communities"
Rural Economic Development Innovation Initiative (REDI)

- RCAP received funding from USDA
  - Wealthworks HUBs
    - Support regionalized economic development planning and implementation within multi-jurisdictional rural communities
    - Provide technical assistance that will result in strong regional economic development strategies
    - Leverage federal, state, local and/or private funding
    - Provide economic development resources to rural communities

Aspen Institute and National Association of Development Organizations (NADO)
- website, meetings, networking, information sharing

“Improving the quality of life in rural communities”
Map of REDI communities

Purpose is to help the 29 communities create an economic development framework using the WealthWorks model

“Improving the quality of life in rural communities”
Entrepreneurial Learning Initiative (ELI)

- ELI delivers the **Ice House** program
  - designed to empower learners by exposing them to entrepreneurial thinking
  - immerses the participants in entrepreneurial experiences
  - enables them to develop creativity and critical thinking, effective problem solving, communication, teamwork, and other entrepreneurial skills
  - provides them with skills that will enable them to succeed regardless of their chosen path - starting a business or not

- Goal is to provide participants with an entrepreneurial mindset
- RCAP regions RCAC, GLCAP, and SERCAP offer this training

“Improving the quality of life in rural communities”
When Johanna Miller started Ice House Entrepreneurial Training, she knew how to knit a sock and wanted to open her own yarn store but didn’t have the business savvy to pull all the threads together.

“I never thought of myself as a business person," she says. "I didn’t think I could learn the things needed to run my own business. And I was very scared.”

After extensive research supported by the training sessions, Johanna learned that opening a brick and mortar yarn store wasn’t going to be feasible based on her finances or level of commitment.

She discovered that she could turn her other hobby- hand dyeing yarn- into an online business and it is already profitable.

Ice House taught Johanna to problem solve, conduct market research, and to feel empowered to start a business.
Entrepreneurial Communities Initiative

- Three-year project, (ends in 2021).
  - Great Lakes RCAP is working with rural communities primarily in northeast and east-central Ohio.
  - Funding from USDA Rural Development Initiative

- Goal is to build the communities’ capacity to
  - develop and strengthen entrepreneurial ecosystems
  - foster a culture where entrepreneurs can thrive

- Activities include
  - Training on economic development models
  - Engaging a community branding expert
  - Coaching community members to coach entrepreneurs
  - Delivering the ICE House training

“Improving the quality of life in rural communities”
ECI- Columbiana, Ohio

“Improving the quality of life in rural communities”
Resource Links

- Wealthworks  https://www.wealthworks.org/
- Entrepreneurial Learning Initiative  https://elimindset.com/
- Entrepreneurial Communities Initiative  https://www.glcap.org/
- Rural Community Assistance Partnership  https://www.rcap.org/

“Improving the quality of life in rural communities”
“Improving the quality of life in rural communities”

Heidi Sheppard
hsheppard@rcap.org

THANK YOU