Introduction

• Premise:
  o Rural communities confront many challenges.
  o Every community has underappreciated assets and the potential to work collaboratively.

• Purpose:
  o To discuss how communities can promote local rural development through planning / strategic visioning.
  o Assert that rural development requires policy change and action at multiple scales:
    ▪ Local, state, and federal actions needed.
  o Offer some specific strategies going forward.
Outline

I. Negative Narrative of Rural Community Economic Development (CED).
   - Defining Rural.
   - Demographics of the rural Midwest.

II. Pushing Back against the Negative Narrative.
   - ABCD: Local response to globalization.
   - IIRA community engagement success.

III. Strategies for Moving Forward.
   - Local Approaches.
   - State Policy Changes.
   - Federal Support for Rural Development.

IV. Summary / Conclusions / Questions.
I. Defining Rural

• Not as easy to define as you might think...
• Multiple ways to define “rural” depending on the federal agency.
• US Census Bureau and USDA-ERS typically rely on the federal Office of Management and Budget (OMB) definition.
  o County is metro (or urban) if it has a core urban area > 50,000 residents.
  o Adjacent counties are also metro if 25% of its population commutes to the urban core or if 25% of workers commute in from urban core.
  o Counties outside metro areas are nonmetro but we can divide this into nonmetro (micropolitan—10,000 to 49,999) and nonmetro (non-core).

Source: https://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural.aspx
I. Rural Midwest

- Western KS
- Western NE
- Downstate IL
- Northern MI
- Northern WI
- Northern MN
- Most of the Dakotas
- Majority of Midwestern counties
I. Rural Economic Diversity

Farming-dependent counties, 2015 edition

Manufacturing-dependent counties, 2015 edition

Farming-dependent counties are those where 25 percent or more of the county’s average annual labor and proprietors’ earnings were derived from farming, or 16 percent or more of jobs were in farming, as measured by 2010-12 Bureau of Economic Analysis, Local Area Personal Income and Employment data. Note that county boundaries are drawn for the farming-dependent counties only. Source: USDA, Economic Research Service using data from Bureau of Economic Analysis.

Manufacturing-dependent counties are those where 23 percent or more of the county’s average annual labor and proprietors’ earnings were derived from manufacturing, or 16 percent or more of jobs were in manufacturing, as measured by 2010-12 Bureau of Economic Analysis, Local Area Personal Income and Employment data. Note that county boundaries are drawn for the manufacturing-dependent counties only. Map revised May 2017; see errata for details. Source: USDA, Economic Research Service using data from Bureau of Economic Analysis.
I. Rural Economic Diversity

Federal/State government-dependent counties, 2015 edition

Government-dependent counties are those where 14 percent or more of the county’s average annual labor and proprietors’ earnings were derived from Federal/State government, or 9 percent or more jobs were in Federal/State government as measured by 2010-12 Bureau of Economic Analysis, Local Area Personal Income and Employment data. Note that county boundaries are drawn for the government-dependent counties only. Map revised May 2017; see errata for details.


Recreation counties, 2015 edition

Recreation counties determined by a weighted index of three measures: 1) jobs; 2) earnings in the following: entertainment, recreation, accommodations, eating/drinking places, and real estate; and 3) the share of vacant housing units intended for seasonal/occasional use. Recreation counties are those with a score more than one deviation above the mean. Note that county boundaries are drawn for the recreation counties only. Map revised May 2017; see errata for details.

I. Defining Rural

- US has 3,143 counties: 1,167 metro and 1,976 nonmetro counties.
- Most Americans (80%) live in metro counties.
- Most of the land is in nonmetro counties.
- The 2020 US Census revealed that of the 3,143 counties in the United States, 53% of them lost population – almost all were rural.
- In fact, many nonmetro county populations have declined for decades.
- **Long term population decline in rural counties** is an ongoing challenge with significant socioeconomic impacts.
I. Rural Demographics

- **Drivers of population decline (Macroscale Processes):**
  - Mechanization of agriculture / mining / timber.
  - Declining birthrates.
  - Slowed immigration.
  - Rural outmigration – youth outmigration.
  - Rural versus urban opportunities gap.

- **Impacts of rural depopulation:**
  - Loss of anchor institutions (e.g. grocery stores).
  - Declining tax base - fixed infrastructure costs.
  - Educational attainment gap.
  - Loss of talent.
  - Digital divide is real.
  - Rural poverty.
  - Aging population.
  - Mobility issues.
  - Healthcare access.
  - Rising “deaths of despair.”
  - Quality of life issues.
I. Index of Population Change by County Type

Index (Level in 2000 = 100)

- Non-specialized
- Farming
- Manufacturing
- Recreation
- Mining
- Government

Note: Values for all years reflect classification of counties in 2015 ERS County Typology codes. Shaded area indicates Great Recession.
I. Day Care Gap (2021)

Source: https://dailyyonder.com/childcare-gap-greater-in-rural-areas-study-finds/2021/01/29/

Low-income census tracts where a significant number or share of residents is more than 1 mile (urban) or 10 miles (rural) from the nearest supermarket.

I. Digital Divide
Rural versus Urban Homework Gap (2021)

Pew Research

 Mothers, parents with lower incomes more likely than fathers and those with higher incomes to have trouble helping their children with tech for online learning

Among parents whose K-12 children have had some online instruction since the beginning of the coronavirus outbreak, % who say it has been very or somewhat difficult to help their children use technology and the internet for online instruction

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<thead>
<tr>
<th>Category</th>
<th>Men</th>
<th>Women</th>
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<td>Urban</td>
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<td>Lower income</td>
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<td>Men</td>
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<td>Women</td>
<td>36</td>
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Among home broadband users

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<th>Internet Problems</th>
<th>Men</th>
<th>Women</th>
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</thead>
<tbody>
<tr>
<td>Rarely/never</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Often/sometimes</td>
<td>34</td>
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</tbody>
</table>

Getting Real About Rural America

Nobody knows how to reverse the heartland's decline.

By Paul Krugman
Opinion Columnist

March 18, 2019

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If Your Town Is Failing, Just Go

By KEVIN D. WILLIAMSON
October 6, 2015 8:00 AM

A prescription for impoverished communities
II. The IIRA – Promoting Rural CED

• Pushing back against the **negative narrative** of rural development.
• Focus on **assets**, not needs, of a community.
  - **ABCD** = Asset Based Community Development.
• IIRA Founded in 1989 at Western Illinois University.
• IL Governor’s Executive Order describes the IIRA as the, “State’s academic clearinghouse for rural development data and initiatives.”
  - Research.
  - Teaching.
  - Policy Development.
  - Outreach.
• Works with the Governor’s Rural Affairs Council (GRAC).
• Solution-oriented “think and do” tank.
• Confront pessimism and the underlying **psychology of decline**."
We take communities through a planning process.

**Director Merrett**

**Management Team**

- **MAPPING / VISTA Strategic Visioning**
- **VASDC / ICDC Sustainable Development**
- **RTAC Rural Transit**
- **Business Development SBDC(2) + ITC + RETAC + PTAC(2)**
- **Peace Corps Fellows & PC Prep**
- **MA in CED Midwest CDI Faculty**

### (1) Strategic Visioning
- Where are we now?
- Where do we want to be?
- How do we get there?

**Goal**: Prioritize CED objectives through a grassroots consensus-based process.

### (2) Technical Assistance
- Business Plans
- Business Retention & Expansion (BR&E)
- Co-ops and Community Foundations
- Data Collection / Analysis
- Economic Impact Analysis
- Feasibility Studies
- Fiscal Impact Analysis
- GIS Mapping
- Labor Market Analysis
- Marketing Surveys
- Renewable Energy
- Retail Trade Analysis
- Sustainable Development

### (3) Implementation
- Peace Corps Fellows
- IIIRA Follow-up
- Midwest CDI
- AmeriCorps VISTA
- Volunteer Training
- Statewide Conference
- Regional Workshops
- Online materials

**Goal**: Improve the quality of life for the residents of rural Illinois and beyond.
Many rural communities have experienced decades of population and quality of life decline.
II. What does strategic visioning do?

How do you go from a community filled with conflicting visions and agendas.....

...To a community with a shared vision that has been generated through consensus?
# Strasburg Action Plan 2007

## Vision
Strasburg is RIGHT! in the Middle of Everything. Centrally located with recreation all around—we remain a cozy, quaint, and quiet community of warmhearted, caring people firmly grounded in faith and history. Our vision thrives on being on the edge of innovation—a progressive town whose dedication is moving us into the future. Known for its small town values, Strasburg is the RIGHT! place for businesses and families to locate as infrastructure improves and educational opportunities abound.

## High Priority Goals

| Goal 1: Strasburg is the place where businesses come and entrepreneurship is encouraged. With an increase in the number of businesses, the tax base is revitalized. |
| Goal 2: Strasburg has the best schools in the nation, as well as the most educated workforce. |
| Goal 3: Strasburg has a wealth of spacious lots available to develop family oriented homes in a quiet, picturesque community. |
| Goal 4: Strasburg boasts state of the art infrastructure. |
| Goal 5: Strasburg is known throughout the state as a great place to be from as a result of an inspiring trademark and top notch marketing. |

## Strategies

| Focus on attracting/creating a “food” or “drinking and eating” business |
| Focus on increasing parental involvement |
| Set up a new subdivision and secure funding for development |
| Focus on water and sewer infrastructure |
| Focus on creating an active beautification effort with a visual trademark |

## Projects

| Projects 1. Recruit a convenience store |
| Research Limited Liability Corporation or Cooperative |
| Contact a person in the convenience store business as a mentor or advisor |
| Create a survey |
| Secure funding from local bank and investors |
| Obtain property |
| Make plans and begin work |

| Projects 1. Creation / Formation of PTO/PTA/PTA |
| Talk with Brenda Diehl—PTA field Representative |
| Obtain Starter Kit PTO/PTA |
| Combine and join efforts |
| Obtain input from students |

| Projects 1. Create TIF District |
| Contact other communities who have created TIF Districts |
| Hire economic developer / consultant |
| Set up a new subdivision |
| Identify and market available lots |
| Conduct a housing survey |
| Use to secure state/federal funding and grants |
| Use information to plan for future housing projects |

| Projects 1. Lift Station and Sewer Lagoon |
| Educate community about problem |
| Discuss cost of fixing the problem |
| Conduct an income survey |
| Correspond with State Legislators |

| Projects 1. Develop visual trademark |
| Develop choices of specific trademark |
| Share with public |
| Determine estimated costs |
| Examine possible funding—fundraisers, sponsorships |
| New decorated water tower |
| Meet with town board and infrastructure committee about our desire |
| Determine costs |
| Contact painter |

## Action Teams

| Action Teams (Convener noted in italics) |
| Linda Held, Nate Wexler, Gary Brehmer, Brad Friese, Linda Oakley, Wayne Wirth, Amie Corley, Mark Luce, Eddie Doolahide, Chad Smith, Tami Mathis, Molly Manhart, Greg Spannagel, Doug Quast, Jason Durbin, Monte Mars, Steve Becker, Ron Mulvaney, Dave Ballinger, Dean Kessler, Lisa Shelton, Carmen Mars, Sandy Ernst, Armenian, Bob Koley |
| Annie Corley, Mark Luce, Eddie Doolahide, Chad Smith, Tami Mathis, Molly Manhart, Greg Spannagel, Doug Quast, Jason Durbin, Monte Mars, Steve Becker, Ron Mulvaney, Dave Ballinger, Dean Kessler, Lisa Shelton, Carmen Mars, Sandy Ernst, Armenian, Bob Koley |
Mattoon in Motion project makes great strides

The Mattoon in Motion project, developed through a collaboration with the MAPPING program at Western Illinois University and the Illinois Institute of Rural Affairs, has been ongoing for over a year and continues to make great strides toward its mission as follows: "Mattoon is in motion with a well-trained and skilled workforce fueling a thriving local economy. Youth are provided opportunities of self-discovery and are encouraged to get involved in the community. Residents and visitors enjoy an affordable, high-quality of life with world-class healthcare and educational systems; a variety of cultural attractions, parks and recreation opportunities; and an array of housing options to meet the needs of a diverse population."

One big win of the program is securing a Peace Corps Fellow for community development through AmeriCorps Illinois and the Illinois Institute of Rural Affairs. Carlos Ortega is living and working in Mattoon as an intern for community development for the next 11 months. He officially started September 1st of this year. The Peace Corps Fellow Program places individuals in the community based on a successful application and recruitment process. Mattoon was in competition with several other communities to utilize the services of the Peace Corps Fellow. Based on the quality of the application submitted, letters of community support and a very pleasant personal tour of Mattoon, we were chosen as the location by Carlos and The Illinois Institute of Rural Affairs.
III. Strategies for Moving Forward

• Local
  o Strategic visioning (*MAPPING Program already mentioned*).
    ▪ This is a form of place-making.
  o Community Supported Enterprises (CSEs).
  o Community Foundations.

• State
  o Make tuition more affordable for community college and university.
    ▪ Help rural students attend rural and regional schools.
    ▪ Help address rural youth outmigration.
  o Community Foundations are also a state issue.

• Federal Strategies
  o USDA-Rural Development.
  o Immigration policy
III. Local Strategies—CSEs

• Many rural communities have lost their “anchor” institutions.
  o Grocery stores
  o Restaurants
  o Schools
  o Health Care Facilities
  o So-called “third spaces” outside of the home and work where people can congregate – bowling alley, libraries.

• Community Supported Enterprises could be a solution.
  o Place-making emphasis on anchor institutions.
  o IIRA Rural Grocery Store Initiative / Sean Park & Rural Fresh Markets:
    ▪ Toulon, IL
    ▪ Winchester, IL
    ▪ Mt. Pulaski, IL
    ▪ Lynch, NE

An exodus of grocery stores is turning rural towns into food deserts. But some are fighting back by opening their own local markets.

III. Great Scott Market, Winchester, IL

Source: https://www.facebook.com/great.scott.market
III. Local Strategies – Community Foundations

• Mechanism to capture wealth as estate is transferred.
  o Legacy – Seniors bequeath estate to survivors but leave a portion of their estate (0.5%, 1.0%, 5.0%, or more) to local community foundation.
  o Need Local and State action to promote community foundations.
  o Rural youth outmigration = rural wealth outmigration.

• How are community foundation funds used?
  o Health care (e.g. new MRI machine for hospital).
  o Education (e.g. K-12, broadband, promise programs).
  o Business (e.g. RLF, façade upgrades, entrepreneurship).
  o Quality of life (e.g. playground, recreation center).
  o Place-making efforts.
III. Federal Strategies

• **How could we address rural depopulation?**

• **Increase support for USDA Rural Development programs.**
  
  o Paradox of federal support for rural communities.
    
    ▪ USDA investments in exports and efficiencies spur farm consolidation and rural depopulation.
    
    ▪ Majority of farm households need off-farm employment – *need diverse rural economy*.
    
    ▪ USDA-RD investments support rural non-farm economy.
  
  o Recent Farm Bills increase money for programs that promote export and efficiencies and cut support for USDA-RD and non-farm rural development.
    
    ▪ This only **accelerates** rural depopulation.

• **Immigration Reform.**

  o Research based on 2010 US Census showed that many rural counties had stabilized or even slightly increased population due to influx of immigrants from Mexico and Central America.

  o Mayor from Ulysses, Kansas, acknowledged that rural depopulation is a huge problem. Hispanic influx has overall been a good thing for rural places.
    
    ▪ He said that, “this immigration is happening and the communities that extend a hand are going to survive” (Sulzberger 2011).
Hispanics are arriving in numbers large enough to offset or even exceed the decline in the white population in many places. In the process, these new residents are reopening shuttered storefronts with Mexican groceries, filling the schools with children whose first language is Spanish and, for now at least, extending the lives of communities that seemed to be staggering toward the grave.
IV. Summary and Conclusions

• Rural Midwest is a diverse region.
• Negative narratives can limit our ability to think creatively about rural CED.
• Strategic visioning and community collaboration can make a positive change within rural communities and across regions.
• Rural places confronting challenges at multiple scales.
• Local efforts at place-making / ABCD are a necessary but insufficient remedy.
• Need support and action at multiple levels.
  o Local
  o State
  o Federal
• Rural Development is a complex challenge AND opportunity.

Questions and comments welcome!