A Guidebook for Citizen Involvement to Create and Expand Businesses in Rural Communities

Research and Training Center
on Disability in Rural Communities
The Rural Institute on Disabilities
The University of Montana-Missoula

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Many rural towns face challenging economic prospects regardless of the state of the national economy. Economic development is the process of creating a climate that encourages the creation, retention, and expansion of businesses. Unfortunately, it can be difficult to organize the resources and leadership to conduct economic development activities. This **Guidebook** provides a framework and tools for interested citizens to lead community economic development efforts.

Communities engage in economic development efforts for a variety of reasons, including maintenance and enhancement of local property values and the property tax base, development of community pride and self-confidence, and diversification of local employment opportunities. There are several different strategies for promoting economic development including: (1) **business and industrial recruitment**, (2) **value-added business development**, and (3) **community economic development through import substitution**.

In ***business and industrial recruitment***, local government, businesses, and civic organizations recruit businesses and industries to locate their operations in the area. This typically involves offering various tax incentives and local investments in return for the promise to create local jobs. While this approach can be successful in bringing new business or industry to an area, it often overlooks the existing local potential for business expansion and creation.

Value-added *business development* involves transforming locally-available raw materials into an end-use or intermediary product. One example is Wheat Montana, a wheat farm that expanded to include a flour processing plant and bread making business. Rather than simply selling (exporting) its wheat to a processor or wholesaler, Wheat Montana added value first through processing the wheat into flour and then baking and selling bread.

Community economic development through ***import substitution*** identifies opportunities to expand and create local businesses by identifying products imported into the community and substituting locally made products or services. In one small town, a seamstress learned that a local manufacturer was importing cushions and curtains for his refurbished motor homes. She contacted the owner and established a contract to sew curtain and seat cushions, which kept local dollars in the economy.

Researchers at The University of Montana's Research and Training Center on Disability in Rural Communities (RTC: Rural) are exploring the use of community economic development through import substitution and value-added business in small rural towns. Using these methods, community members from a diverse range of occupations and backgrounds assess the local economy and identify potential business expansion and creation opportunities.

Interested citizens who collaborate with RTC: Rural first develop a portrait of the Study Area’s geography, demographics, and resources. Next, they interview area business owners and managers about goods and services purchased from outside the local area, and about ideas for value-added products or expansion of existing businesses. Finally, they analyze business owner responses to identify potential business development and expansion opportunities. The opportunities identified during this process will range from small to significant and few to many. The goal is to create a final report and action plan for use within the Study Area.

To succeed, the recommendations of this study must not be allowed to stagnate. They must be promoted within the community through (1) developing a repository for the recommendations that are available to all community economic developers, (2) promoting development of the recommended new and expansion opportunities, and (3) creating opportunities for access to sources of capital for business start-up or expansion. We recommend developing a follow-up team to assure these activities take place. This team should follow a multi-organizational approach that includes relevant agencies. An example of such a team is the Southeastern Utah Small Business Investment Fund (see Appendix G for a brief history), which was created subsequent to participating in this import substitution process. Since its inception, the Southeastern Utah Small Business Investment Fund has funded over 52 businesses and created over 143 direct jobs in rural Utah.

The business and personal property taxes that result from economic development can be used to finance community services and amenities. A community once considered marginal may come to be regarded as an attractive place to live, work, and raise a family, which in turn, attracts business. A ripple effect may occur. Ultimately, community economic development helps local business and industrial recruitment efforts by creating a more vibrant and attractive community.

While there are many reasons to be optimistic about the opportunities that exist in a community, it is important to note that not all the business ideas identified will become full-time work, provide enough income to pay for benefits such as health insurance, or provide all the income a family needs. Rather, many of the businesses may start out as viable enough to provide a supplemental income. Nevertheless, these businesses may later develop into full-time occupations.

How the Assessment Project Works

Depending on the schedules of local participants, the entire assessment project takes about four months. Participants decide exactly how the project will work, but the general pattern is as follows.

RTC: Rural works with one or more local **Sponsoring Agencies** (such as a vocational rehabilitation office, an independent living center, or local economic development organization) to determine if the project is appropriate for their particular area. Once the sponsoring agency commits itself to the project, it first recruits a **Collaborating Agency** from a complementary program. For example, the regional Vocational Rehabilitation director might recruit an economic development program as a co-sponsor or vice versa.

Second, the Sponsoring Agency identifies and recruits two project **Team Leaders**. These individuals recruit, organize, and manage the other local participants in the process. They also serve as a liaison between the Sponsoring Agency and the RTC: Rural. The Team Leaders, the Sponsoring Agency, Collaborating Agency, and RTC: Rural, together, form the **Core Group**.

Third, the Sponsoring and Collaborating Agencies and Team Leaders identify recognized, respected leaders to support the project as members of the **Community Advisory Committee**. This Community Advisory Committee provides guidance to the project and helps lend it credibility.

Throughout the life of the project, the Sponsoring Agency supports the Team Leaders. This begins by introducing the project to the local community. The sponsoring agency helps advertise the project and usually provides other supports, such as office space, photocopying, and mailing.

The Sponsoring Agency and the project Team Leaders identify and recruit six or more people with diverse characteristics and backgrounds. These individuals should represent a cross-section of the community. These recruits, along with the Team Leaders, form the **Study Team**. This Study Team gathers information about the local area by reviewing public documents and by interviewing business owners and community leaders. This information is used to develop a community profile and to identify opportunities for business expansion and creation opportunities**.** The Study Team reports these findings to the Community Advisory Committee and interested members of the public, who assist with prioritizing the potential economic development opportunities.

As the study unfolds, the Core Group and the Community Advisory Committee considers how to organize in response to the study's findings. The goal of this effort is to insure there is a mechanism to support business expansion and creation efforts. There are several ways to address this goal depending on the community. One strategy, for example, is to promote active involvement and representation from local economic development agencies throughout the project. These representatives can then incorporate study findings into their on-going programs. Another is to develop a **Local Business Investment Council** (see Appendix G) that cultivates entrepreneurs and helps secure business financing.

RTC: Rural provides a modest stipend for the Team Leaders and funds for project-related expenses (e.g., travel, telephone, and photocopying). RTC: Rural staff provide support, guidance during the process, and training in the basic skills of project leadership. As part of RTC:Rural's research, Team Leaders are asked to (1) keep an on-going log of project-related activities, (2) provide contextual data during 7 weeks of the project using a handheld computer, and (3) provide satisfaction measures during and after the community development process.

This **Guidebook** provides the project's operational details and is the basis for any technical assistance, support, and training provided by RTC: Rural. Its most important parts are the data collection and analysis forms, which help the Study Team collect and clearly record necessary information. **On request, we can provide the Guidebook and other materials in alternative formats such as large print, electronic, and braille for people with visual or reading disabilities.**

The Action Plan

The project has nine phases, each with a specific objective. Some phases are quite simple, while others require the concerted efforts of many people.

Phase	Title	Primary Objective
I	Organizing the Community Study	Core Group plans the project and defines the Study Area.
II	Assessing the Study Area	Team Leaders and Study Team members collect and analyze information about the area's community and economic development influences.
III	Community Leader and Business Support Service Interviews	Team Leaders and Study Team members interview area leaders and a representative from a business support service to gather information about issues and opportunities in the Study Area.
IV	Public Awareness and Community Advisory Committee Update	Using findings from Phases I to III, Team Leaders prepare either a preliminary report presented at a public meeting or an informational letter for dissemination to constituents.
V	Business Interviews and Surveys	Team Leaders and Study Team members interview businesses about goods and services currently purchased from outside the area that could be purchased locally. Business interviews also explore barriers to business creation and expansion.
VI	Developing Feasible Business Ideas	Team Leaders and Study Team members synthesize information from Phase III to Phase V to create a list of "most viable," "potential," or "challenging" business ideas and community actions.
VII	A Working Meeting to Develop a Comprehensive Action Plan	Team Leaders and Study Team members meet with community economic development constituents and Community Advisory Committee members to evaluate Phase VI recommendations and to develop a rough outline of an action plan.
VIII	Final Public Meeting	Conduct a public meeting to present findings and obtain participants' comments and recommendations on the plan.
IX	Preparing and Disseminating a Final Report	Develop the final report and action plan and send to key agencies, local libraries, and media outlets.

Evaluation

An important part of this project is an evaluation of its effectiveness for the Study Area. To do this, Team Leaders and Study Team members will regularly complete a series of worksheets and keep track of the group's activities. In addition, key participants and observers may be surveyed by telephone both during and after the project is completed. At an appropriate point, RTC: Rural staff will evaluate how individuals and communities have used this process to create and expand businesses.

Informed Consent

This work is part of a research project conducted by RTC: Rural at The University of Montana. As such, each potential participant must be informed about the details of the project and his or her rights as a participant in a University-sponsored project. Team Leaders and Study Team members can choose not to participate in the research component of the project or not to participate in the project at all. Any questions about the project, or about participants' rights, may be directed to Nancy Arnold, Ph.D. at 1-888-268-2743.

PHASE I

ORGANIZING THE COMMUNITY STUDY

Organizing the **Community Study** involves a variety of tasks including recruiting Team Leaders, recruiting Study Team members, defining the study area, conducting training, and developing a tentative schedule of project activities. It also involves preparing to act on the plan and developing measures for long-term follow-up. Two key principles of a successful Community Study are shared leadership and active citizen participation. Therefore, the first task is to identify Team Leaders.

Team Leaders

Two people serve as Team Leaders. They help recruit, organize, and manage other community members who participate in the process. They also act as liaison to the Sponsoring and Collaborative Agencies and to the RTC: Rural.

The Study Team

The local Study Team consists of four or more people who represent the diversity of the area's population (e.g., various races, ages, and ethnic groups; differing educational and economic backgrounds; people with and without disabilities). This Team implements the economic development process by collecting and analyzing data about the area and its businesses. It reports its findings to the Community Advisory Committee and the public, and collaborates with them to prioritize potential community economic development actions. Volunteer Study Team members may include members of a Retired Senior Volunteers Program (who may or may not receive a stipend for their work), members of a local chapter of the League of Women Voters, consumers of a center for independent living, clients of a Vocational Rehabilitation agency, high school students in a cooperative education class, or any other individuals who are interested and able to contribute their time. Potential Study Team members should understand the geographic scope of the project and their potential time commitment from the outset.

A Community Advisory Committee

The Sponsoring and Collaborating Agencies assist with recruiting a group of recognized and respected local leaders to support the project and serve on the Community Advisory Committee. The Advisory Committee lends credibility to the project and offers guidance when needed.

First Training Session

During the first training session, Team Leaders and other participants review and discuss all of the materials, clearly define the Study Area, and develop a tentative schedule and time line for project activities.

During the first training session, Team Leaders identify primary leadership roles for different aspects of the project. For example, one leader may choose to be in charge of organizing the public meeting and the other may take the lead on managing the Study Team members. As specific activities are identified during the training session, opportunities for leadership become evident.

Another important activity for the first training session is to establish available meeting times for Team Leaders and Study Team members. Each Study Team member should complete the blank weekly schedule included in the Project Logbook (Appendix H). Conflicting times for work, regular appointments, etc. should be blocked out so that Team Leaders can schedule meeting times that accommodate the group.

Tentative Project Schedule

This is a list of the major activities of each phase. It provides a place to enter tentative dates for conducting activities and completing the phases. This is a flexible schedule, so Team Leaders might choose to pencil in the dates and change them as the Study Team progresses through the various activities, tasks, and objectives.

Phase	Title	Primary Objective	Tasks	Tentative Dates
I	Organizing the Community Study	Core Group plans the project and defines the Study Area.	Set tentative schedule with Sponsoring and Cooperating Agencies. Recruit Team Leaders. Recruit Study Team members. Conduct first Study Team meeting. Train Team Leaders and Study Team members. Define Study Area.	
II	Assess the Study Area	Team Leaders and Study Team members collect and analyze information about the area's community and economic development influences.	Organize Study Teams, assign Worksheets and time lines. Set weekly meeting dates to review progress. Collect information.	
III	Community Leader and Business Support Service	Team Leaders and Study Team members interview area leaders	Identify and select community leaders and business support	

Phase	Title	Primary Objective	Tasks	Tentative Dates
	Interviews	and a representative from a business support service to gather information about issues and opportunities in the Study Area.	service. Send informational letter to selected informants. Assign Study Team members to schedule and conduct interviews with selected leaders. Set weekly meeting dates to review progress. Interview selected leaders. Hold team meeting to synthesize information about the community.	
IV	Public Awareness and Community Advisory Committee Update	Using findings from Phases I to III, Team Leaders prepare either a preliminary report presented at a public meeting or an informational letter for dissemination to constituents.	Set tentative meeting date to collect and finalize all worksheet and interview forms. Set tentative teleconference date with RTC: Rural to finalize informational letter or preliminary report. Write, edit, proofread and duplicate informational letter or preliminary report.	

Phase	Title	Primary Objective	Tasks	Tentative Dates
			Team Leaders disseminate informational letter or preliminary report to local constituency, interviewees, and other interested individuals. Determine if a public meeting will be conducted. Schedule a time and secure a meeting place. Compose invitation and send it to participants. Compose and schedule public announcements. Arrange for press coverage. Hold the meeting and record the results for final reports and action planning.	
V	Business Interviews and Surveys	Team Leaders and Study Team members interview businesses about goods and services currently purchased from outside the area that could be produced locally. Business interviews also explore barriers to business creation and	Meet with RTC:Rural, Sponsoring Agency, and Community Advisory Committee to to make final decision on business sectors to study and identify specific businesses.	

Phase	Title	Primary Objective	Tasks	Tentative Dates
		expansion and identify community desires for new businesses.	Send information letter to business informants and assign interview teams. Schedule interviews Schedule periodic progress meetings. Conduct business interviews. Conduct team meeting to review interviews and progress on interviewing identified businesses owners.	
VI	Developing Feasible Business Ideas	Team Leaders and Study Team members synthesize information from Phase III to Phase V to create a list of “most viable,” “potential,” or “challenging” business ideas and community actions.	Study Team members meet to analyze data, looking for patterns and similarities. Study Team members reviews all business and community action ideas and rank them as “most viable”, “potential”, or “challenging” based on a variety of economic criteria including identified community strengths, barriers, and gaps.	
VII	A Working Meeting to Develop a Comprehensive	Team Leaders and Study Team members meet with community	Invite Community Advisory Committee members,	

Phase	Title	Primary Objective	Tasks	Tentative Dates
	Action Plan	economic development constituents and Community Advisory Committee members to evaluate Phase VI recommendations and to develop a rough outline of the benefits, disadvantages, barriers, and actions for the most viable businesses.	Sponsoring and Collaborating agencies, and others (e.g., community economic development representatives) to a working meeting. At the meeting, review findings from Phase VI to identify the benefits, disadvantages, barriers, and actions for the "most viable" businesses. Prepare a preliminary report of all the study findings, which includes percent of businesses that endorse particular business ideas.	
VIII	Final Public Meeting	Conduct a public meeting to present findings and obtain participants' comments and recommendations about the plan.	Schedule a time and secure a meeting place. Compose invitation and send it to participants. Compose and schedule public announcements. Arrange for press coverage. Hold the meeting and record participants' input to incorporate in the final report.	

Phase	Title	Primary Objective	Tasks	Tentative Dates
IX	Preparing and Disseminating a Final Report	Develop the final report and action plan and send to key agencies, local libraries, and media outlets.	Write, edit, proofread, and duplicate final report. Identify media, local organizations, key agencies and individuals (such as County Commissioners) to receive copies of the report. Prepare formal cover letters and mail report.	

Investing in Local Entrepreneurs

To reiterate, the purpose of this citizen-led economic development effort is to expand existing businesses and to create new enterprises, which in turn create new employment opportunities. To succeed, the recommendations of this study must not be allowed to stagnate, but must be promoted within the community through (1) developing a repository of recommendations, available to all community economic developers, (2) promoting development of the recommended new businesses and expansion opportunities, and (3) creating opportunities for access to sources of capital for business start-up or expansion. We recommend developing a follow-up team to insure these activities take place. This team should follow a multi-organizational approach that includes relevant agencies.

Job Descriptions

The key players in the project include the Sponsoring Agency, the Collaborating Agency, two Team Leaders, Study Team members, the Community Advisory Committee, and RTC: Rural researchers. Appendix A describes the roles and responsibilities of each of these key players. These job descriptions can be useful for understanding the project, recruiting participants, and managing the project's activities.

Training for Team Leaders

RTC: Rural researchers train the Team Leaders, typically in a one-day workshop conducted in the Study Area. Training for the Study Team members may occur at the same time if they have been selected. Otherwise, researchers train them at a later date either on-site or via teleconference. As needed, the research staff may also be available to Team Leaders for other on-site visits. Finally, the researchers provide ongoing follow-up and support to the Team Leaders and Study Team members via regular teleconferences.

Recruiting Study Team Members

The Sponsoring Agency is responsible for recruiting and orienting the two Team Leaders. The Sponsoring Agency also may recruit additional citizens to participate as members of the Study Team. Otherwise, after Team Leaders are familiar with the process, their first step is to recruit Study Team members.

Training for Study Team Members

Study Team members need orientation in the process. If Study Team members are recruited before the Project Leader training is conducted, they can attend that training. Otherwise, training can happen on-site or via teleconference by RTC:Rural research staff.

For those Study Team members who join **after** Phase I begins, the Team Leaders describe the project. Each potential member receives a copy of the project abstract (see Appendix B) and a copy of the Study Team member job description (see Appendix A). If an individual remains interested in participating, he or she completes an informed consent statement and receives a copy of this manual for individual review. Prior to being assigned to the Study Team, new members must learn the process for providing ecological momentary assessment (EMA) data using a handheld computer provided by RTC:Rural. Study team members are expected to provide EMA data for 7 weeks across the project.

Managing the Process

Team Leaders are responsible for managing the study process. Specifically, they manage the following areas.

■ **Schedules**

Clear objectives, tasks, and time lines are primary components developed for managing the process. Team Leaders establish time lines and monitor the Study Team's progress during four periods of project activities. Planning tables are provided for this purpose. Each Project Leader maintains a Project Log Book in which the time lines are recorded.

The **Tentative Project Schedule** is developed first. This is an overall schedule for the entire project that is recorded in pencil and may be changed as needed.

The Phase II schedule specifies the topics and issues the entire group will study. Team Leaders assign individuals or teams to Study Area topics. A tentative date is set for completion of this work.

The Phase III schedule lists community leaders the Study Team will interview, a schedule for those interviews, and time lines for completed reports.

The Phase V schedule defines the business sectors chosen for analysis, the specific business owners or managers to be interviewed, the Study Teams for each, and tentative due dates for completing the interviews.

■ **Project Log Book**

Maintenance of a **Project Log Book** is key to organizing and managing the project (see Appendix H). Each Project Leader should keep a separate Log Book. Although much of the material will be duplicated, as the project progresses each Project Leader may undertake different tasks and keeping separate Log Books allows these activities to be carefully managed.

Each book lists all participants' names and contact information. It should include the forms used to plan and schedule all major activities, as well as those used to summarize group meetings. It provides a central place to track issues that emerge as part of the study process and to record unanswered questions.

■ Meetings

Team Leaders are responsible for conducting project meetings. The **Tentative Project Schedule** identifies several occasions when the Project Team should meet or conduct meetings to which the general public is invited. The Study Team should also feel free to hold other meetings as needed.

■ Teleconferences and Site Visits

RTC: Rural research staff maintain close contact with Team Leaders and sponsors through teleconferences. These teleconferences should be included in the overall schedule and also may be arranged as needed. Upon request, RTC:Rural staff may also participate in Study Team meetings.

■ Evaluations

The information collected through the community study serves as an important evaluation component of the project. In addition, RTC: Rural staff will ask Team Leaders and Study Team members to participate in three other methods for collecting evaluation information. Participants provide ecological momentary assessment (EMA) data using a handheld computer before, during and after completion of the project. Project and Team Leaders record information about meetings in the Log Books. Finally, RTC: Rural staff may conduct telephone interviews or surveys of selected individuals during and after the completion of the project. Copies of evaluation reports are provided to all participants and to any others who request them. No personal identifying information will appear on any evaluation report.

■ Feedback and Modifications to the Process

While the methods of this project have been used successfully by professionals in many communities, their development for use by citizen groups is still underway. Participants are encouraged to comment on the clarity and utility of this guidebook or process at any time. Modifications can be negotiated with the research team. Researchers are grateful for the contributions of participants.

Worksheet #1: Defining the Study Area
(Phase I)

The first step in the process of community economic development is to decide on the area that will be the focus of study and recommendations. This involves describing the geographical and political boundaries of the area chosen, as well as the area excluded from the study. It is important to be clear about both so everyone understands what is included, what is excluded, and why.

The selection of the Study Area should be negotiated between the Sponsoring and Collaborating Agencies, the Team Leaders, the Community Advisory Committee, and any other advisors. This definition can help in recruiting Study Team members. It will also be used in preparing the final report. The definition of the Study Area may be changed as the project progresses. For example, more area may be added if there is interest, or may be dropped if participants run out of time. Any changes in the definition of the Study Area should be noted in the Project Log.

1. What is the Study Area for this project (e.g., Custer County, the Golden Triangle region, etc.)?

2. What is the northern boundary of the Study Area?

3. What is the southern boundary of the Study Area?

4. What is the eastern boundary of the Study Area?

5. What is the western boundary of the Study Area?

6. What communities does this Study Area include?

7. If any communities are excluded from the Study Area, what are the reasons for exclusion?

Areas Excluded	**Reason for the Exclusion**
____________________	____
____________________	____
____________________	____

8. Note anything important to the definition of the Study Area. For example, note that several communities will be studied first and then others in the general area will be added as deemed appropriate.

PHASE II

ASSESSING THE STUDY AREA

The economic development of an area is influenced by many factors, including geography, population, educational system(s), existing business sector(s), and government agencies. The first step in pursuing community economic development is to develop a common understanding of these factors. This begins with data collection to identify and describe them. This common understanding may be taken into a series of interviews to be conducted with select community leaders, and serve as the basis for the project's first reports to the public. Another benefit is the discovery of gaps that may lead to business expansion or development ideas.

Primary Objective

The primary objective of Phase II is to collect and analyze information about the influences on local community and economic development in the Study Area.

Expected Products

The primary product of Phase II is developing a foundation for understanding the area. This foundation will contribute to all phases of the project. Specifically, findings will be included in the introductory sections of the Preliminary and Final reports, when conducting presentations at the public meetings, and when identifying and evaluating possible business expansion or development ideas.

The Process

In most cases, Study Team members will organize to complete a series of **Worksheets**. The Team Leaders delegate one or more Worksheets to each Study Team member (or group of members) and set a schedule for collecting the information. This schedule is reported in the **Tentative Calendar for Community Assessments** table. Once Study Team members have completed worksheet assignments, the entire team meets to share information and develop a preliminary understanding of the study area.

- **Gathering the Community Profile Data**

Worksheets focus on specific topics that help frame community and economic development potential. They provide guidance in the collection of information about the Study Area. We recommend that Phase II worksheets be completed as thoroughly as possible. Study Team members will already know some of the information, such as the Study Area's geography and history. Most other information can be found in the yellow pages or over the internet from U.S. Census data.

In Phase III, Study Team members will interview selected community leaders about the general economic development climate in the Study Area. These interviews will provide Study Team members with an opportunity to review the accuracy and completeness of the information contained in their Phase II Worksheets.

■ The Worksheets

Worksheets 1 though 5 focus on the Study Area's history, demographics, business climate, telecommunications and education. These are followed by Worksheets 6 through 8, which explore different aspects of the area including: health and human services; arts, culture, and community events; and recreation to further explore how these fit with community resources and needs. Worksheet 9 should be completed during a team meeting to synthesize the information gathered and to highlight important findings.

Information sources for each question may vary. Most demographic information can be found on the internet by accessing the U.S. Census or American Fact Finder (http://www.factfinder.census.gov). If data are not available for the Study Area, look for county or regional data to help answer questions. A nearby library is a good place to find specific information. The librarian or reference desk staff can help you locate documents. Other information may come from reports of local organizations, such as a school district report to the state.

Fill in the worksheets as clearly and completely as possible. The information will inform Study Team members about potential economic opportunities in the Study Area and will help frame the Community Leader and Business Owner interviews. This information will also be used to develop preliminary and final reports for the public.

As the worksheets are completed, be sure to note the source of information used to complete the answers. This reference information is necessary for the final report.

■ **Tentative Calendar for Community Assessments - Phase II**

Begin this process by completing the Tentative Calendar for Community Assessment that follows. Indicate which Study Team members will complete each worksheet and provide a tentative completion date. This will help establish a timeframe for the Study Team to reconvene and synthesize their results in the Summary Worksheet #9.

Tentative Calendar for Community Assessments (Phase II)

Worksheet Area	Study Team Members	Tentative Due Date	Date Completed
1. Brief History and Geography of Study Area			
2. Demographics			
3. Labor and Industry			
4. Telecommunication			
5. Education			

Worksheet Area	Study Team Members	Tentative Due Date	Date Completed
6. Health and Human Services			
7. Arts and Culture			
8. Recreation			
9. Worksheet Summary	All Study Team members		

Worksheet #1: Brief History and Geography of Study Area (Phase II)

The future is a continuation of the past; and understanding an area's history is key to anticipating its future. Geography also has a great impact on an area's development. Typically, Study Team members will have the knowledge and experience to answer the following questions. But their knowledge can be supplemented by materials found in local libraries, historical societies, newspapers, and schools. It can also be enriched through interviews with longtime residents, community leaders, and community historians. Study Team members assigned this Worksheet may add to this list to expand their understanding of the Study Area.

1. What are the most prominent geographical features of the Study Area (seashore, lake, mountains, desert, forest, etc.)?

2. What are the most important historical events that shaped the Study Area?

3. What three major social and economic events have recently affected the area?

4. Which large communities outside of the Study Area are most important to the Study Area's residents? Why is each important? How do residents of the Study Area interact with these other communities?

5. What are the major roadways in the Study Area? How do these roadways contribute to the economics of the local communities? What means of transportation are available within the Study Area?

6. What are the major means of transportation linking the communities in the Study Area to communities outside of it?

Worksheet #2: Demographics
(Phase II)

Understanding of the Study Area's demographics will be important throughout the process. As stated previously, most demographic questions can be answered via the U.S. Census' American Fact Finder (http://www.factfinder.census.gov). At the American Fact Finder homepage look for the *fact sheet* for community profiles and enter the name of the community of interest. Usually, this will require entering the county name and state. Alternately, you can examine each town of interest by entering the name of the town. This will provide gross data for specified communities. More specific information can be accessed from this page by clicking *show more* for each demographic category (i.e. general characteristics, social characteristics, economic characteristics, and housing characteristics.)

Note the source of each answer. Where the source is a document, note the date of publication. For example, population data may be from the *U.S. 2000 Census, Summary File 1 (SF-1) and Summary File 3 (SF-3)*.

1. Approximately how many people live in the Study Area? How many live in each major community within the Study Area?

2. What is the breakdown of the Study Area population? What percentage of residents are less than 18 years old? What percentage are between 18 and 64 years old? What percentage are 65 years or older? How many people have a disability for each group? (*Hint: Under Social Characteristics, move the cursor over "show more" and click to get disability statistics.)*

3. In the study area, how many adults (aged 16 to 64) are employed full-time? How many are employed part time? How many are out of the labor force or unemployed? (*Hint: Under Economic Characteristics, move the cursor over "show more" and click to get employment statistics*.)

4. What is the median household income in the Study Area? What is the median household income for the entire state? How do these compare? (*Hint: Under Economic Characteristics, move the cursor over "show more" and click to get household income statistics.)*

5. What percentage of the Study Area population live at the poverty level? How does this compare with the entire state? (*Hint: Under Economic Characteristics, move the cursor over "show more" and click to get poverty statistics.)*

6. Does the Study Area have cultural, racial or religious characteristics that might help the Study Team understand its needs and potential? What are the major minority groups in the Study Area? What percentage of the population do they represent?

7. What percent of the population in the Study Area (aged 18 and over) have a high school diploma or GED? What percentage have some college education? What percentage completed college? How does this compare with the

entire state? (*Hint: Under Social Characteristics, move the cursor over “show more” and click to get education statistics.)*

Worksheet #3: Labor and Industry
(Phase II)

The characteristics and composition of the area's businesses, industries, and labor force are important to understanding the path of economic development. Study Team members may be able to answer some of the following questions on their own. They might get answers from representatives of the Sponsoring or Collaborating agencies. Other information can be accessed over the internet using Census data sets or other state and local labor and economic web sites. It is important to understand the community's current economic status in order to determine how to build on its foundation for the future. To access Economic Census data go to the U.S. Census' American Fact Finder homepage (http://www.factfinder.census.gov). Click on *data sets* from the menu. At the data sets page there is file-tab (going across the top) for *Economic Censuses and Surveys.* Once you reach the Economic Censuses and Surveys page, click on *Quick Reports*, and then click on *Geography Quick Reports*. At this point you will need to input the geography of interest and click *show result*.

1. Describe the major businesses or business sectors in the Study Area?

2. What major businesses have left the Study Area in the past three years? Why did these businesses leave?

3. What major businesses were started in the Study Area during the past three years?

4. Who are the Study Area's largest employers? What is their main product or service? Remember that hospitals, government agencies, schools, and not-for-profit service programs are employers.

Name of Business or Agency	**Chief Product or Service**

Worksheet #4: Telecommunication (Phase II)

Telecommunication is an important business tool that can expand markets and make a community attractive to telecommuters. Unfortunately, small towns and rural areas often lack good telecommunication access and without local providers, telecommunication costs can be prohibitive.

1. Are fast modem, DSL, or satellite internet service available to the Study Area? How much of the Study Area has this type of coverage? And at what cost?

2. Are cell phones available throughout the Study Area? Are there any areas of marginal or no coverage?

3. Are there any plans for new local telecommunication services?

Worksheet #5: Education
(Phase II)

Education is an important component of a community's economic health and development. An educated community attracts and creates business and employment opportunities. Schools and related educational programs for children and young adults may also purchase a unique set of goods and services, which may create niche businesses.

1. How many high schools serve the Study Area?

2. What adult education programs, vocational technical colleges, community colleges, or colleges serve the area?

   Adult Education:

   Vocational Technical College(s):

   Community College(s):

   College:

University:

Worksheet #6: Health and Human Services (Phase II)

Health and human services contribute substantially to any community's economy. In small communities, health-related agencies may be the largest employers. Local health and human service providers "keep money in the community," and gaps in health and human services may provide opportunities for business expansion and creation.

The telephone directory yellow pages or community pages are good places to identify existing social and medical service programs in the Study Area. Complete the following table to better understand the availability of health and human services in the Study Area. Use extra pages as necessary. In the following table, under the heading **Business Name**, if there are several businesses of the same type, provide the number of businesses rather than specific business names.

Health and Human Service Agency Type	Business Name (or # of businesses by type)	Do these agencies meet the community needs? If not, what gaps exist?
Long term care programs (e.g. nursing homes, retirement homes, board and care facilities)		
Home health services (e.g. personal care attendants, in-home nursing care)		
Complementary health programs or services (e.g. exercise and fitness clubs, nutrition programs, health food stores, chiropractor, massage therapy, durable medical equipment)		

Health and Human Service Agency Type	Business Name (or # of businesses by type)	Do these agencies meet the community needs? If not, what gaps exist?
Rehabilitation programs (e.g. physical therapy, occupational therapy, case management)		
Pharmacies or medical equipment providers (for wheelchairs, canes, walkers, beds, etc.)		
Disability service providers (e.g. mental health centers, vocational rehabilitation programs, independent living centers, group homes.)		

Worksheet #7: Arts, Culture, and Community Events (Phase II)

Arts and cultural programs can play a significant role in a community's economic life. For example, some communities attract tourists through their arts and cultural programming. This sector includes both for-profit businesses and non-profit organizations. Look for programs that highlight the Study Area's unique, unusual, or attractive features. This sector may reveal untapped opportunities. "Arts" include dance, music, theater, and visual representation (sculpture, painting, photography, fibers/fabric, ceramics, etc.).

Complete the following table to explore the availability of arts opportunities in the Study Area. Use extra pages as necessary.

Arts, Culture, Community Events	Program, Business Name, or Event	Existing Gaps or Business Opportunity
Arts programs (e.g. art centers, photography, painting, dance, or drama programs)		
Cultural programs (e.g. museums, tours, cultural centers)		
Community arts (e.g. community theater, symphony, choir)		
Libraries		
Major community events (e.g., farmer's market, harvest celebration, pow wow, bucking horse sale)		

Worksheet #8: Recreation
(Phase II)

Recreational opportunity is a major community asset. Recreation not only attracts people and businesses to certain locations, but it also can bring tourist dollars into the local economy. Many small businesses can be created to tap this tourism trade such as bike and boat rentals, guided fishing, hiking, or hunting trips, campsites, lodging, or regional cuisine.

1. What types of outdoor recreation are available in this community (e.g. skiing, boating, hiking, fishing, hunting, snow-mobiling, mountain biking, beachcombing).

2. What types of organized sports are in the Study Area (e.g. soccer, tennis, basketball, hockey, baseball).

3. What types of indoor recreation are available in the Study Area (e.g. bowling, rock climbing wall, gyms or fitness centers).

4. What types of recreation are available for kids in the Study Area (e.g. laser tag, swimming, video arcades, roller/ice skating)?

5. What gaps or business opportunities exist related to tourism in the area?

6. What community events could be developed to highlight a certain sport or recreational activity (e.g. sports tournaments, exhibitions, white-water competition)?

Worksheet #9: Summary of the Study Area
(Phase II)

This worksheet is to be completed by the Study Team as a whole. Conduct a brainstorming session. For each topic, think about what Study Team members learned from the previous worksheets to compile a list of the major strengths and barriers that Study Team members observed. Use these strengths and barriers to identify existing gaps and business opportunities. These will be used later in the project when identifying possible businesses to open or expansion opportunities.

Topic Studied	Strengths	Barriers	Existing Gaps or Business Opportunities
1. Brief History and Geography			
2. Demographics			
3. Labor and Industry			
4. Telecommunication			
5. Education			

Topic Studied	Strengths	Barriers	Existing Gaps or Business Opportunities
6. Health and Human Services			
7. Arts and Culture			
8. Recreation			

PHASE III

COMMUNITY LEADER AND BUSINESS SUPPORT SERVICE INTERVIEWS

Once Study Team members have collected and synthesized information about the Study Area, they are ready to begin interviews with economic development and community leaders. As Study Team members interview key local leaders who are in positions to observe trends and conditions, they will come to understand the area from another perspective.

Primary Objective

The primary objective of Phase III is to (1) interview five or more additional local leaders and (2) interview a representative from a business support service to learn about the Study Area's current status and issues that may affect economic development.

Expected Product

The primary product of Phase III is additional, enriched information about the issues and opportunities facing Study Area residents. This information will contribute to project reports and public meeting(s). It also builds interest in the final report and increases commitment to act on the Study Team's recommendations.

Process

Decide how many local leaders it is practical to interview. At least one individual from five different community sectors (e.g., business, education, health, government, human services, economic development) should be interviewed. More may be added if Study Team members have interest and time. The following list suggests sectors and people who should be considered for interviews.

This process requires the team to interview at least one representative from the community's business development support sector (using Interview Form #1) and several other community sector leaders (using Interview Form #2) to get a thorough overview of the local economic climate. Study Team members may wish to consider interviewing people who are well-informed about area and community issues. Study Team members should begin by reviewing the questions for each type of leader and match them with what has been learned from Phase II. For example, if the school superintendent is chosen for an interview, Study Team members will want to verify with him or her the information collected about education (Worksheet #5) and inquire about other issues to consider.

Each interview team should be comprised of at least two people who can help each other ask the necessary questions and take notes of the interviewee's answers. Three people are ideal — if one person misses a particular interview, the remaining two can still conduct the interview.

Suggestions for Business Support Service Interview(s):

1. Director or designated staff member of a micro-loan program.

2. Director or designated staff member of a Small Business Development Center.

3. Local representative of the state USDA rural development program.

Suggestions for Area Sector and Community Leader Interviews:

1. Elected official(s), such as a county commissioner or a mayor.
2. Director of an employment service program such as Job Service or Vocational Rehabilitation.
3. President or designee of a local bank or credit union.
4. A newspaper editor, editorial board member, or key reporter.
5. Manager of a human services program, such as a center for independent living, a mental health center, an aging services program, a developmental disability service provider, or a welfare office.
6. Representative of a health or medical service provider, such as the director of public health, a hospital administrator, a local physician, or director of a home health agency.
7. School district superintendent or high school principal.
8. Director of a local downtown association or redevelopment agency.

After deciding which community leaders will be interviewed, the Team Leaders send a letter describing the project to each identified community leader (See Appendix D - Sample Letters). Once letters have been received, the Interview Leader calls to schedule interviews. The Interview Leader should identify him- or her-self and mention the Sponsoring Agency (e.g., the Vocational Rehabilitation office or the Regional Economic Development Agency). He or she should then describe the project's goal of exploring community economic development in the Study Area. The Interview Leader should ask for a one-hour interview to discuss local issues, and if accepted, should schedule a time and location for the interview. Interview teams can use the interview format that follows to organize and record the interview results.

Economic Development and Community Leader Interview Schedule

Interview #	Interviewee	Sector	Interview Leader and Members	Tentative Date	Date Done
1		Business Support Services			
2					
3					
4					
5					
6					
7					
8					

There are two different interview forms. The first interview form (#1) contains questions pertaining to the business support service interview. The second interview form (#2) contains a broader scope of questions for use with various community leaders.

Confidentiality

When scheduling an interview or at its beginning, it is courteous to offer to keep the interviewee's responses confidential. This means that none of the information collected as part of the interview will be attributed to the individual, or his or her organization, in public reports. Simply ask if the interviewee prefers that responses be kept confidential.

Business Support Service Interview Form
(Interview Form #1, Phase III)

Background: Federal, state, and local governments often team up to provide business support services. Frequently, local businesses also form business development and expansion programs through chambers of commerce or similar organizations. Depending on the community and its changing needs, these programs provide some or all of the following services: business recruitment; development and support services; general management training and support; community economic development training and regional planning; and assistance with accessing loan programs.

Name: ____

Title/Position: ____

Organization: ____

Date: _________________________ Phone: ____________________________

Opening the Interview

1. Interview Team members introduce themselves, making sure to name the town or locale where they currently reside. The Interview Leader re-introduces the project's purpose and sponsors, and describes the process to date.

2. Thank the interviewee for his or her time.

3. Confirm confidentiality or obtain permission to quote:

   Keep all answers confidential? YES NO
   Permission to quote? YES NO

4. Interview Leader describes progress to date and summarizes findings from Phase II.

Business Support Service Questions:

1. What are the major business support programs that serve the area, what types of services do they provide, who do they serve, and do they also provide small business development funding?

Business Support Program	Services Provided	Target Population	Describe Business Support Funding Offered

2. What local or state taxes and regulations are viewed as obstacles to business startup, retention, expansion, or to attracting businesses to the area?

3. What local or state taxes or regulations assist or facilitate business startup, retention, expansion, or attracting businesses to the area?

4. Please identify any topics and issues, that we have not yet addressed, that are relevant to your position and organization.

5. Please describe the major sources of funding for small business development in the Study Area (e.g. banks or other agencies and organizations)?

Name of Bank, Agency, or Organization	Target Population	Describe Business Support Funding Offered

At this point in the interview, Interview Team members may ask their own questions.

The Team Leader closes the interview by thanking the interviewee and asking if he or she wants a copy of future reports and if he or she would like to participate in upcoming public meetings. As soon after the interview as possible, the Team Leader sends a thank you note to the interviewee.

Community Leader Interview Form
(Interview Form #2, Phase III)

Name: ____

Title/Position: ____

Organization: ____

Date: ______________________ Phone:______________________________

Opening the Interview

5. Interview Team members introduce themselves, making sure to name the town or locale where they currently reside. The Interview Leader re-introduces the project's purpose and sponsors, and describes the process to date.

2. Thank the interviewee for his or her time.

3. Confirm confidentiality or obtain permission to quote:

Keep all answers confidential?	YES	NO
Permission to quote?	YES	NO

4. Interview Leader describes progress to date and summarizes findings from Phase II.

Generic Questions for Each Interviewee:

1. In what aspect of the Study Area's history do residents take the most pride? How might this fit with present and future economic development?

2. What makes this area special?

3. Which of the area's strengths contribute most to its economic development? List 3 to 5. How do they contribute? What strengths do not yet contribute but could?

Strength	Current (C) or Potential (P) Strength	How It Contributes

4. What are the area's weaknesses or obstacles in terms of economic development? What has been done to address, circumvent, or overcome these weaknesses or obstacles?

Weakness or Obstacle	Action to Address, Circumvent, or Overcome Weakness or Obstacle

5. What are some recent examples of successful business creation or expansion? What do you think contributes to their success? What community services/programs did the owners use to develop and support the business?

Business	Contributors	Community Services/Programs

6. In this area, what opportunities for business expansion or creation are being neglected? Why? What suggestions do you have for addressing the situation?

Neglected Opportunities	Why	Suggestions for Addressing the Situation

7. What businesses would you suggest contacting for our business interviews (e.g. businesses that are innovative or progressive, businesses that have the potential to expand, community minded businesses, locally grown business).

8. Please identify any topics and issues, that we have not yet addressed, that are relevant your position and organization.

At this point in the interview, Interview Team members may ask their own questions.

The Interview Leader closes the interview by thanking the interviewee and asking if he or she wants a copy of future reports and if he or she would like to participate in upcoming public meetings. As soon after the interview as possible, the Interview Leader sends a thank you note to the interviewee.

Summary of the Economic Development and Community Leader Interviews (Phase III)

Once all the interviews are conducted, the entire Study Team meets to discuss them and synthesize and report the most pertinent conclusions

1, Include the **Business Support Program** and **Funding** tables from the business support service interview by either copying the tables or including the originals.

2. Use this table to synthesize findings about taxes and additional topics that interviewees discussed.

Topic Studied	Facilitators/ Contributors	Barriers/ Detractors/ Obstacles	Notes
Local and state taxes and regulations *(From: Business Support Interview Form*)			
Additional topics and issues that are relevant to your position and organization. *(Asked of all Interviewees)*			

3. Synthesize the Community Leader interviews to identify the most important aspects of the Study Area's history that residents take pride in and how they fit with present and future economic development activities.

Aspects of history	How each aspect fits with economic development activities

4. Synthesize the Community Leader interviews to identify those things that make the area special.

Things that make the area special

5. Synthesize the Community Leader Interviews to identify the area's economic development strengths.

Strength	Current (C)or Potential (P) Strength	How It Contributes

6. Synthesize the interviews to identify the area's economic development weaknesses or obstacles.

Weakness or Obstacle	Action to Address, Circumvent, or Overcome Weakness or Obstacle

7. Synthesize the findings of recent examples of successful business creation or expansion.

Business	Contributors	Community Services/Programs

8. Synthesize the interviews to identify neglected opportunities.

Opportunities that Are Neglected	Why	Suggestions for Addressing the Situation

PHASE IV

PUBLIC AWARENESS AND COMMUNITY ADVISORY COMMITTEE UPDATE

In Phases I to III, the Study Team conducted project planning activities and collected information to describe the Study Area. As the project moves forward, community outreach is conducted by developing a preliminary report or informational letter, which is distributed to the Community Advisory Committee and other community members. The purpose of this is to create awareness and support for the project's subsequent phases.

Primary Objective

The primary objective of Phase IV is to consolidate the information collected in Phases II and III into a preliminary report of findings for distribution to the Community Advisory Committee, community leader interviewees, and other community stakeholders. This phase will (1) inform the community about initial project findings, (2) generate awareness about future phases of the project, and (3) provide an opportunity for community input concerning project findings and process to date. The preliminary report or informational letter may also be used as a basis for conducting a public meeting or for media updates to promote the project.

Expected Product

Phase IV's primary product is a preliminary report of findings presented either in an informational letter or at a public meeting describing the Study Area's status and future community economic development prospects.

Process

Phase IV starts with a brainstorming session involving all Study Team members. Using information about the Study Area collected in Phases II and III, Team Leaders and Study Team members organize the information into an outline that can be used to develop the brief report or informational letter. The letter or report should highlight the findings to date. Team Leaders should ask the group to address one discussion topic at a time, with one member taking careful notes. A chalkboard or flip chart may be useful to record comments.

At the meeting's end, Team Leaders keep all worksheets and interview summary forms used to develop the report outline. These should be copied and sent to the RTC: Rural research staff. RTC: Rural will work with Team Leaders to prepare and print a preliminary report or informational letter. Once the preliminary letter or report is finalized it should be sent to Community Advisory Committee members, Business Support Service and Community Leader interviewees, and other community leaders. In addition to the preliminary report, this mailing should solicit feedback regarding the information presented.

Public Meetings

Team Leaders and Study Team members *may* wish to distribute the preliminary report of findings in a public meeting to generate additional discussion and incorporate the opinions of a broader constituency. Public meetings will vary significantly depending on the community, the number of volunteers participating in the study, the resources and time available, and the participants' vision of the project. The meeting may be completely open or it may be restricted to only invited guests. For example, a completely **open public meeting** might be advertised in the local paper and on the radio to alert anyone who might want to attend. Alternatively, an **invited meeting** might limit attendance to community members specifically involved in community or economic development, such as those who work with the regional economic development agency, the Chamber of Commerce, county commissioners, or employment support programs such as Vocational Rehabilitation or Job Service. Although an open public meeting can be more complicated to organize and conduct, it has the advantage of building broad awareness and support. A more restricted meeting develops awareness and support among key constituents, but the interests of some other constituencies may be overlooked and emerge as problems later.

■ Planning and Organizing the Meeting

If a public meeting is desired, the Study Team, Sponsoring Agency, and Community Advisory Committee, or other advisors, should decide what type of initial public meeting to have and whom to invite. They should set a date that doesn't conflict with local events such as the county fair, the first day of school, or other major community activities. If possible, a couple of alternative dates should be discussed in case a meeting space isn't available for the first choice. A time block of about two hours, convenient for as many people as possible, should be selected for the meeting.

A meeting space should be selected that will accommodate the number of people expected to attend. Often, the Sponsoring Agency or members of the Community Advisory Committee will have access to meeting space. Other possibilities are meeting rooms at local banks, the local library, or county and town council meeting rooms. If organizers emphasize the important contribution this project will make to the community, they should be able to arrange adequate meeting space at no cost.

■ Publicizing the Meeting

Regardless of whether an open or invitation-only meeting is planned, key community leaders should be invited by both written invitation and phone. Key leaders include the Study Area's county commissioners, town council members, the Chamber of Commerce director, and economic development program director. A sample letter for this purpose is in Appendix D.

If an open public meeting is planned, it will need to be advertised to the community. There are many ways to do this, including:

1. Ask the local newspaper(s) to write an article about this project and the first

public meeting. The paper may even want to cover the meeting and report on it.

2. Ask local radio and TV stations to announce the meeting during the time allotted for public service announcements.

3. Post flyers around the communities in the Study Area. See Appendix B for a sample flyer.

■ Preparing for the Meeting

1. Prepare handouts for the meeting including a description of the project and either the preliminary report or informational letter.

2. Set an agenda for the meeting. An example agenda is provided in Appendix C.

3. Prepare a ten-minute introduction for the meeting. Cover at least the following points:

a. Welcome the participants.
b. Describe the roles played by the Team Leaders, the Sponsoring and Collaborating Agencies, the Community Advisory Committee, and the Study Team.
c. Review the project's history and purpose.
d. Go over the agenda for the meeting.

■ At the Meeting

1. Set the meeting room up to facilitate conversation by having tables or chairs around the room in a "U" or square shape. A classroom setting is less likely to encourage conversation.

2. Do the introduction and allow time for questions and comments at the close of this introduction. A meeting checklist is included in Appendix C.

3. During the meeting, pass around a sign-up sheet so attendees can receive information about subsequent meetings.

4. Present the findings. Have at least one project member take notes of the discussions, either on a flip chart or simply with paper and pen.

5. At the end of the meeting, the person taking notes should summarize the discussion and emphasize any recommendations.

6. The meeting should close with a brief explanation of what the next phase in the process will include: interviews with business owners, developing recommendations, and a final public meeting where findings from those interviews will be presented.

7. One of the Team Leaders should thank the attendees for coming, and if desired, ask for volunteers who might be interested in conducting the interviews, is a business owner willing to be interviewed, or would like to take part in the project in some other way.

■Presenting Findings

This presentation of initial findings should follow the sequence of topics researched so far. Stress that this is just the first public meeting and that the next major topic phase, “import substitution” and “value-added” will identify business development and expansion opportunities. Each of the Study Team members may present a topic or the Team Leaders may alternate presenting topics. These presentations should take only about 45 minutes, leaving an hour for discussion.

This general discussion may be done in a large open group with all attendees participating, or it may be done in small groups around specific topics. When only a small number of people are attending the meeting, a large open discussion is best. Small discussion groups work best when there are many members of the public in attendance. If small discussion groups are used, allow at least 15 minutes during the meeting for the individual groups to report back to the general meeting.

Ask participants if the project’s findings so far seem accurate and complete. As time is limited, discussion will have to be kept moving. If any problems arise or it becomes difficult to move participants off a particular topic, create an ad hoc discussion group to continue discussing the topic separately—either at this meeting or later. This adjustment will allow completion of the agenda within the allotted time.

PHASE V

BUSINESS INTERVIEWS AND SURVEYS

The project's first several phases have produced a broad snapshot, which highlights the Study Area's strengths, barriers, gaps, and trends. Through analyzing community demographics, and community leader/business development service interviews, potential business opportunities may emerge.

In Phase V, the focus of the study is on conducting interviews with the Study Area's area business owners and managers. This interview process will uncover opportunities for import substitution and value-added businesses. ***Import substitution*** means producing or providing, within the Study Area, those products or services that citizens and businesses currently purchase from outside it. ***Value-added*** means extending the production process beyond raw or intermediary products currently produced within the Study Area. (See Appendix F for more in-depth descriptions of import substitution and value added business development).

Business owners are aware of their business' needs and how well the Study Area meets them. They also are aware of markets for new or expanded businesses. This is an opportunity for them to share their knowledge.

This phase is a critical step toward identifying local business development opportunities. It will take a lot of leg work and at least one group meeting to synthesize Study Team members' findings.

Primary Objective

The primary objective of Phase V is to (1) identify goods and services that local businesses currently purchase outside the Study Area that could be produced and provided locally and (2) identify opportunities to add value to local resources. It also assists with identifying any perceived barriers to business expansion or creation.

Expected Product

The primary product of Phase V are a list of goods and services that local businesses currently "import" from outside the Study Area and a list of possible value added business opportunities. If quality were equivalent, these items and services could be purchased or produced from businesses within the area. A secondary product of Phase V is a list of perceived barriers to business creation and expansion.

Process

Members of the Study Team interview local business people. The business survey information will be added to the Study Area's profile information already gathered. This allows compilation of a complete assessment of area economic development needs and opportunities in Phase VI.

Mock interviews should be conducted to clarify interview questions and to familiarize Study Team members with the overall content of the Business Interview Form. If possible, ask a community business person to help with this process. This practice goes a long way towards building confidence for conducting the interviews.

Complete the business survey using the following steps:

■ Step 1

Try to identify ***all*** businesses in the Study Area. Usually there are too many to interview. The Study Team must then narrow available choices to a representative sample of all businesses. One way to identify a sample of the businesses is to group them into the following categories.

- Agriculture, Forestry, Fishing & Hunting, Mining
- Construction
- Manufacturing
- Wholesale Trade
- Retail Trade
- Transportation, Warehousing, Utilities
- Information
- Finance, Insurance, Real Estate, Rental & Leasing
- Professional, Scientific, Management, Administrative, & Waste Management Services
- Educational, Health, Social Services
- Arts, Entertainment, Recreation, Accommodation, Food Services
- Other Services (Except Public Administration)
- Public Administration

Most areas will not have businesses in each category. Lists of existing businesses may come from the "Yellow" or "Business Listings" pages in the telephone directory, Chambers of Commerce, public libraries (*Directory of Businesses* or *Directory of Manufacturers*), or the Internet. Another method for finding businesses is to either drive or walk around the Study Area. Using either method, the Study Team assigns areas to a member who records the businesses within a specified area. If using the driving method, two members are assigned an area: one drives, while the other records observed businesses. Some particularly relevant businesses may have been suggested during the Community Leader interviews (in Phase III). Using the **Business Interview and Survey Planner** that follows, list each business chosen for an interview, a contact person, phone number and address, a designated interviewer, and an estimated completion date for each interview. Remember, that the more businesses contacted in each sector, the more reliable your information becomes.

■ Step 2

Identify the owner or manager of the businesses selected to participate. Send a letter describing the project to each selected business owner or manager (See Appendix D - Sample Letters). After the letters are received, call to schedule a face-to-face or telephone interview with each business owner or manager. It is up to the Team Leaders to decide who will call business owners. If Team Leaders call, they are assured the business is contacted. If Team Members call, Team Leaders are relieved of this responsibility. The face-to-face interview is preferred because of its greater potential for building valuable business relationships. If a business owner absolutely does not have time for an interview, he or she may be willing to fill out the questionnaire on his or her own. This is preferable to not getting any information at all.

■ Step 3

Make a copy of the **Business Interview Form** for each business to be surveyed. Allow enough time during the course of the interview for each business person to thoroughly answer the questions. Record responses on the Business Interview Form. A Study Team Member may decide to add questions. For example, one team member added specific questions about the potential value of developing a rail spur.

■ Step 4

Each Study Team Member will conduct interviews with several local businesses. Once these interviews have been completed, Study Team members meet and summarize their findings using the **Business Interview Summary Sheets**. The *Business Interview Summary Sheet #1* is used to identify potential business ideas for the community. These might include products, goods, and services that could be produced locally, potential value added businesses, or business ideas proposed by business owners. The *Business Interview Summary Sheet #2* is used to summarize perceived barriers to business expansion, opinions about local business services, and concerns about local infrastructure from the business owners perspective. Extra pages will need to be copied to list all the different ideas and issues discussed.

Business Interview and Survey Planner
(Phase V, Step 1)

Business Name	Contact Name	Phone	Address	Person Responsible	Target Date	Interview Complete

Business Name	Contact Name	Phone	Address	Person Responsible	Target Date	Interview Complete

Business Interview Form
(Phase V, Step 3)

Business:

Phone: Contact:

Address:

Interview Questions

- Tell me about this business. What does it do? What are this businesses products or services? How many full-time and part-time employees work here?

2. Name the products or services this business usually purchases outside this area. Why? What businesses could be created or what local businesses could be expanded to fill this need?

Products or Services Purchased Outside the Area	Why?	What local business could be created or expanded to fill this need?

3. What value-added businesses could be created using this business's product or service? Are there raw materials or natural resources in the area that could be manufactured into a useful product (e.g. wheat into flour)? A service (e.g. eco-tourism)? Are there any intermediary products that could be manufactured into an end-use product (e.g. flour into baked goods)?

4. What businesses would you like to see started in this community?

5. Have you thought of expanding this business? ____ Yes ____ No

   Are there barriers to expansion? If so, what are they? What suggestions do you have for addressing them?

6. As a business person, what is your opinion of local business assistance services? If you think they can do a better job,

what suggestions do you have for their improvement?

7. What are your concerns about the area's physical infrastructure (e.g., roads, utilities, telecommunication, water, or sewer system)? What suggestions do you have for their improvement?

8. What other issues that we haven't discussed do you think are important to local economic development (e.g. employee readiness, education, local attitudes)? What suggestions do you have for their improvement?

Business Interview Summary Sheet #1
Products, Services, and Value-Added Business
(Phase V, Step 4)

Business Interview Summary Sheet #1 is used to catalog all the potential business ideas that were suggested during the business interviews. Study Team members should work together to develop a complete list of (1) products, goods or services that could be produced locally, (2) value-added businesses, and (3) other business ideas. Use questions 2 through 4 on the Business Interview Form to complete this summary sheet. When completing Summary Sheet #1, reference the specific interview, either by number or name of business, for easier retrieval and cross-reference. Use extra sheets as necessary to record business suggestions.

Interview Reference #	Product, Good or Service (that could be purchased locally)	Value-Added businesses	Other business ideas

Interview Reference #	Product, Good or Service (that could be purchased locally)	Value-Added businesses	Other business ideas

Business Interview Summary Sheet #2
Barriers to Expansion, Business Support Services, and Infrastructure
(Phase V, Step 4)

Business Interview Summary Sheet #2 is used to compile business owner concerns and opinions regarding business expansion, business support services, Study Area infrastructure, and other economic issues. Study Team members work together to synthesize information from questions 5 through 8 on the Business Interview Form. When completing Summary Sheet #2 it is helpful to reference the specific interview, either by number of name of business, for easier retrieval and to cross-reference with Business Interview Summary Sheet #1. Use extra sheets as necessary to record business suggestions.

Interview Reference #	Barriers to business expansion & suggestions for addressing them	Opinions about local business assistance services & suggestions for improvement	Concerns about local physical infrastructure & suggestions for improvement	Other concerns about local economic development & suggestions for improvement

Interview Reference #	Barriers to business expansion & suggestions for addressing them	Opinions about local business assistance services & suggestions for improvement	Concerns about local physical infrastructure & suggestions for improvement	Other concerns about local economic development & suggestions for improvement

PHASE VI

DEVELOPING FEASIBLE BUSINESS IDEAS

The Study Area has now been examined from community and business perspectives. The preliminary report developed in Phase IV highlighted community strengths, barriers, and gaps concerning economic development. Phase V explored business expansion, import substitution, and value-added opportunities, along with common concerns expressed by business people. Phase VI requires thorough consideration of this information to develop rationale for which business ideas and actions make the most sense for the Study Area.

Primary Objective

The primary objective of Phase VI is to evaluate which of the suggested businesses seem most feasible given the study area's strengths, barriers and gaps.

Expected Product

Phase VI will produce a list of business enterprises or community actions categorized as "**most viable,**" "**potential,**" or "**challenging.**"

Process

The major economic findings and business ideas that were synthesized in Phases III and V become the basis for identifying the "most viable," "potential," and "challenging" business enterprises and community actions. During this phase, Study Team members discuss each business idea and community action and evaluate its probability for success. It is helpful for Study Team members to review the

- Summary forms for Phase III
- Information collected from business interviews focusing on questions 2, 3, and 4
- Business Interview Summary Sheets #1 and #2.

The Business and Community Action Worksheet is used to classify the business ideas and community actions identified during Phases III and V. "Most viable" business ideas or community actions typically are endorsed multiple times, have low to moderate start-up costs, have sufficient community demand, and are compatible with the communities' strengths and barriers. "*Potential*" business ideas and community actions have similar characteristics to the "most viable" but may have additional financial risk, a less defined market, or may have additional community barriers that must be addressed. "*Challenging"* business ideas or community actions typically are beyond the scope of this project due to significant financial cost and risk, limited income potential, or issues beyond the control of the local constituency, such as creating a new highway.

As Study Team members consider the variety of business ideas, Study Team members need to consider how the communities' strengths, barriers, and gaps will impact business success. The following questions may stimulate discussion related to business or community action viability within the Study Area.

- How will the community's strengths, barriers, and gaps impact this proposed business or community action?
- Are existing businesses willing to purchase certain products and services inside the study area? Are businesses reluctant to leave their current suppliers? If so, why?
- What conditions pose a barrier to business expansion?
- Why might businesses find local services or infrastructure inadequate to meet their needs?
- Why hasn't someone already started a business to fill this niche? Did such a business exist in the past?
- Are identified import substitution and value-added businesses too small to warrant community resources?
- Are start-up costs in line with risk of business failure.

The questions listed here may shed light on the viability of new enterprises and reveal individual actions or community changes essential for some new enterprises. For example, Phase IV team discussions may have sparked the idea of starting a small manufacturing business to create jobs and provide supplemental income for the area's large senior population. In Phase V, lack of upgraded roads and buildings with loading docks may have surfaced as barriers to business expansion. This realization should provoke questions about the probable success of a manufacturing enterprise where semi-trucks would have to bring raw materials in and ship finished products out.

Asking such questions may elicit stories about past businesses that are no longer in existence in the Study Area. These collective memories may stifle ideas and creativity, but they may also inject a healthy dose of reality into the discussion. When past businesses are mentioned, it is beneficial to ask pointed questions. Why did this type of business close? Has anything changed since then? What can be learned from that experience so the next attempt has a greater chance for success? Asking the right questions helps determine the feasibility of proposed actions or enterprises.

Study Team members should meet to discuss and complete the following Business Classification Worksheet. This process helps provide focus to business development ideas by classifying the original list of suggested business into "most viable," "potential," and "challenging."

■ **Step 1**

Using the following Business Classification Worksheet, discuss the feasibility of each suggested business. Provide a rationale for the Study Team's choice of "most viable," "potential," or "challenging". Use extra copies of this worksheet as necessary to examine the full list of business ideas and community actions presented.

To complete the worksheet, refer to all the information gathered to date but pay special attention to and review the Summary forms for Phase III, information collected from business interviews focusing on questions 2, 3, and 4, and the Business Interview Summary Sheets #1 and #2. Look for connections across demographic data, interviews, and barriers while conducting this review. Brainstorm additional ideas that should be included on the list. Remember some businesses may be more viable if they are started as a cooperative rather than as a sole proprietorship.

Business Classification Worksheet
(Phase VI, Step 1)

Using information gathered in Phases II through V, complete the Business Classification worksheet to evaluate which of the proposed business enterprises or community actions look **most viable**, which are less attractive, but still have **potential**, and which face significant **challenges** to implement. As the group categorizes each item, list supporting rationale that substantiates the business' classification. As a result of this discussion you may wish to add actions or enterprises not previously identified.

Business Idea or Community Action	**V = most viable P = potential C = challenging**	**Supporting Rationale**
Example: Crafters Cooperative	*V*	*- many small-scale crafters in the area would benefit from shared business expenses - tourism in this community will supplement local demand for craft items - start up costs are minimal*

Business Idea or Community Action	V = most viable P = potential C = challenging	Supporting Rationale

PHASE VII

A WORKING MEETING TO DEVELOP
A COMPREHENSIVE ACTION PLAN

Study Team members have now collected community and business information, identified opportunities, and categorized actions and enterprises as “most viable,” “potential,” and “challenging.” During Phase VII the Study Team will conduct a working meeting with the Sponsoring and Collaborating agencies, community economic development constituents, and the Community Advisory Committee to thoroughly examine the business development ideas and community actions. Participants at the working meeting will develop an **Action Plan** that identifies the tasks, resources, and personnel needed to implement each proposed business or community action. Input from economic development leaders may alter the business and community action classifications (“most viable,” “potential”, and “challenging”) as additional information and community actions are considered.

Primary Objective

During Phase VII an evaluation will be conducted of the potential benefits of, barriers to, and costs of the businesses and community action plans developed during Phase VI. This evaluation will result in an Action Plan that identifies community and business actions needed to implement each proposed business or community action.

Expected Product

As a result of conducting the working meeting, Study Team members will develop an Action Plan for use by the Community Advisory Committee, area entrepreneurs, civic organizations, and public bodies to promote economic development and take advantage of specific opportunities.

The Process

Invite Community Advisory Committee members and community economic development constituents to a working meeting where participants will create an action plan for implementing business opportunities and community actions identified in Phase VI. Stress that this is a working meeting and that constituency expertise is vital to creating realistic and relevant next steps in the economic development process.

■ **Completing the Enterprise and Community Action Worksheets:**

Use the **Enterprise and Community Action Planning Worksheet** that follows to further develop the **most viable** and **potential** enterprises and community actions identified in Phase VI. For each recommendation, discuss how large an investment in money and effort will be needed for implementation. List the potential benefits, disadvantages, and barriers for each. Finish by listing the major actions needed to take advantage of each opportunity. Make extra copies as needed. The working group may need to split into smaller subgroups in order to complete an Enterprise and Community Action Planning Worksheet for each “most viable” or “potential” enterprise or community action.

■ Step 1: Estimating Investment

Participants in the working meeting should reach a consensus on whether implementing each idea would require a **high**, **medium**, or **low** investment. A **low** investment might require minimal effort from only one or two people and a financial commitment of less than $5,000. A **medium** investment might require a significant effort by several people, with a financial commitment of $5,000 to $25,000. A **high** investment might require the coordinated efforts of many individuals, organizations and agencies, with a financial investment of more than $25,000.

■ Step 2: Assessing Potential Benefits

Participants should begin by brainstorming about the potential benefits of each proposal. These might include increased income for a business owner; creation of full or part-time jobs; availability of lower-priced, locally-provided services or products; increased convenience for area residents, such as less driving time when shopping; additional complementary business activities; or even improved quality of life for residents of the Study Area.

■ Step 3: Assessing Potential Disadvantages

Disadvantages of an action are the negative consequences that might result from its implementation. These consequences might include an increased strain on the infrastructure of the Study Area; damage to natural resources; dangers to the public health, such as air or water pollution; increased population and traffic; a drain on public resources, such as school budgets; or even conflict with established community values and interests.

■ Step 4: Assessing Potential Barriers

Any successful economic development action must overcome some barriers. Among these might be existing regulations, business or individual licensing requirements, opposition of some area residents, inadequate infrastructure (e.g., paved roads, high-speed transmission lines), lack of skilled labor, cost of resources, and the need to import goods, products, or services from outside the area.

■ **Step 5: Recommending Activities**

The final step is to identify major activities a potential business owner will need to accomplish to overcome identified barriers.

■ **Completing Enterprise and Community Action Planning Worksheets**

Participants in the working meeting will use the **Enterprise and Community Action Planning Worksheet** to specify the major tasks that must be carried out to bring a proposed action or enterprise to completion. This worksheet categorizes the key community resources, supports, and individuals (e.g., business owners, entrepreneurs, County Commissioners) necessary for implementation. For example, to open a coin-operated laundry one might need to get a business license, secure a small business loan to buy equipment and supplies, obtain a special sewer permit, rent or buy a suitable building, and so forth. Follow the same 5-step process used for completing the Enterprise and Community Action Planning Worksheet. Make extra copies as needed.

■ **Ranking the Enterprise and Community Actions**

Once participants in the working meeting have completed action planning worksheets for all the businesses identified as **most viable** and **potential**, the group should examine all the information to assign a numerical rank to each proposal. Proposals should be ranked from most viable to lease viable, where a rank of “1" should correspond to the most desirable or viable action or enterprise, a rank of “2" corresponds to the next most viable action, and so on. At the close of this activity, the Study Team is prepared for the project’s final public meeting!

Here is an example of how to complete each worksheet.

SAMPLE ENTERPRISE PLANNING WORKSHEET

Enterprise	Estimated Investment	Benefits	Disadvantages	Barriers	Activities
Open coin-operated laundry	Medium	✓Less driving to do laundry ✓Owner income ✓2 part-time jobs ✓May double as retail outlet	✓More local traffic ✓Strain on sewer system	✓Limited location options because of sewer inadequacies ✓Neighborhood opposition to more traffic	✓Get business license. ✓SBA loan ✓Special sewer permit ✓Survey neighbors

SAMPLE COMMUNITY ACTION PLANNING WORKSHEET

Community Action	Estimated Investment	Benefits	Disadvantages	Barriers	Activities
Establish Downtown Association	Small to medium	✓Establish protocol for promoting downtown businesses ✓Increased visibility and earnings for downtown businesses ✓Create cohesive downtown theme	✓Expense of administration ✓May limit the types of businesses that move to the downtown area.	✓Funds to support administration and promotion activities. ✓May be opposition from non-downtown businesses (unfair competition).	✓Study downtown operations in other small communities to identify expenses and success. ✓Gather community support - talk to Mayor, Chamber of Commerce ✓Identify sources of funds (e.g. dues from downtown businesses, city taxes).

Enterprise Planning Worksheet
(Phase VII)

Enterprise	Estimated Investment	Benefits	Disadvantages	Barriers	Activities

Community Action Planning Worksheet
(Phase VIII)

Community Action	Estimated Investment	Benefits	Disadvantages	Barriers	Activities

PHASE VIII

FINAL PUBLIC MEETING

The Team Leaders, Study Team Members, and the Community Advisory Committee have successfully completed the first phase of a community economic development process. The resulting Enterprise and Community Action Plan has the potential for improving the economic circumstances of the Study Area's and its residents. It is now time to offer that plan to the public.

Primary Objective

During Phase VIII the Study Team presents information from the Enterprise and Community Action Planing Worksheets to the public and asks for feedback and suggestions on the plan. The Study Team also seeks help to prioritize actions that will appropriately facilitate the Study Area's economic development.

Expected Product

The activities of Phase VIII result in a local economic development Action Plan for dissemination to official bodies and the public.

Process

The process involves organizing and advertising a public meeting at which the Study Team presents a draft of the final report and the Phase VII Enterprise and Community Action Planning Worksheets (which have been typed). Meeting attendees will receive copies of each document.

■ Planning and Organizing the Meeting

The first step for planning the meeting is to set a date that doesn't conflict with local events such as the county fair, the first day of school, or other major events. If possible, a couple of alternative dates should be discussed in case a meeting space isn't available for the first choice. A time block of about 2 1/2 hours, convenient for as many people as possible, should be selected for the meeting.

Select a meeting space that will accommodate the number of people expected to attend. Often, the Sponsoring Agency or members of the Community Advisory Committee will have access to meeting space. Other possibilities are meeting rooms at local banks, the local library, or county and town council meeting rooms. If organizers emphasize the important contribution this project will make to the community, they should be able to arrange adequate meeting space at no cost.

■ Publicizing the Meeting

Invite key community leaders by both written invitation and phone. Key leaders include the Study Area's county commissioners, town council members, Chamber of Commerce director, and economic development program director. A sample letter for this purpose is in Appendix D. To encourage citizen attendance, the meeting will need to be advertised to the community. There are many ways to do this, including:

1. Ask the local newspaper(s) to write an article about this project and this final public meeting. The paper may even want to cover the meeting and report on it.

2. Ask local radio and TV stations to announce the meeting during the time allotted for public service announcements.

3. Post flyers around the communities in the Study Area. See Appendix B for a sample flyer.

■ Preparing for the Meeting

1. Team Leaders, the Sponsoring and Collaborating Agencies, and RTC:Rural will work together to prepare a draft of the final report. The Study Team Members should prepare legible, preferably typewritten, Enterprise and Community Action Planning Worksheets. Have 25-40 copies ready for attendees.

2. Set an agenda for the meeting. An example agenda is provided in Appendix C.

3. Prepare a ten-minute introduction for the meeting. Cover at least the following points:

   a. Welcome the participants.
   b. Describe the roles played by the Team Leaders, the Sponsoring and Collaborating Agencies, the Community Advisory Committee, and the Study Team.

c. Review the project's history and purpose.

d. Briefly summarize each of the nine phases of the process. (Include an explanation of how many businesses were interviewed in Phase V and summarize the general tenor of the interviews.) Review the project's history and purpose.

e. Go over the agenda for the meeting.

■ At the Meeting

1. Set the meeting room up to facilitate conversation by having tables or chairs around the room in a U or square shape. A classroom setting is less likely to encourage conversation.

2. Do the introduction and allow time for questions and comments at the close of this introduction. A meeting checklist is included in Appendix C.

3. During the meeting, pass around a sign-up sheet so attendees can receive a copy of the final report and information about follow-up activities and meetings.

4. Present the findings. Have at least one project member take notes of the discussions, either on a flip chart or simply with paper and pen.

5. At the end of the meeting, the person taking notes should summarize the discussion and emphasize any recommendations.

6. Ideally, the meeting should close with a discussion of the next steps and a commitment for actions or roles attendees would like to take in implementing the recommendations.

■Presenting Findings

Review the report and the recommendations contained in the Enterprise and Community Action Plan. Explain that during this meeting attendees will be asked for comments and ideas on as many of the businesses and recommendations as possible, and assure them that their comments will be incorporated into the final report

A Team Leader should act as moderator and allow enough time to discuss as many items as possible. If a recommendation is particularly controversial, the Project Leader might ask those most concerned to discuss the issue separately in a smaller group and report back to the large group at the close of the meeting.

■ Closing the Meeting:

Near the time the meeting is scheduled to end, or when discussion starts to wane, a Team Leader should begin drawing the meeting to a close. Any smaller groups discussing individual recommendations should report back to the main group. Ask the person taking notes to summarize the major points he or she has recorded. Ask the audience if there are corrections or points of clarification, and be sure these are noted. Finally, close with a discussion of the next steps and a commitment for actions or roles attendees would like to take in implementing the recommendations.

Tell the participants that a final report and Action Plan will be mailed to them if they provide an address and that a copy will be available at each public library in the Study Area. Be sure to collect the sign-up sheet. Thank everyone for coming.

PHASE IX

PREPARING AND DISSEMINATING A FINAL REPORT

The work is nearly done! The Study Team has led the community through this economic development planning process. The Study Team must now ensure that the Action Plan is available to those who will follow-up on suggested enterprise and community actions. These constituents include citizens, the electorate, business owners, various agencies, and economic developers.

Primary Objective

The primary objective of Phase IX is to prepare and broadly disseminate the final report and action plan developed by the Study Team.

Expected Product

During Phase IX the Study team produces a final report and action plan that will be sent to key agencies, interested citizens, local libraries, and area media outlets.

Process

Team Leaders, the Sponsoring and Collaborating Agencies, and RTC:Rural work together to prepare the final report and action plan for the Study Area. The final report and action plan will be disseminated throughout the Study Area.

The Study Team reviews and incorporates recommendations made during the public meeting into the report, which includes suggestions from the Enterprise and Community Action Planning Worksheets. These are sent to the RTC:Rural for preparing final copies of each.

The Study Team must identify individuals, agencies, and addresses of the key agencies, organizations, businesses, and individuals who should receive a copy of the final report. Include the Sponsoring and Collaborating Agencies, the Community Advisory Committee, county commissions and city councils in the Study Area, the regional economic development program, local Vocational Rehabilitation and independent living programs, and local Chambers of Commerce. Each public library and media outlet (i.e., newspaper, radio station, and television station) serving the Study

Area also should get a copy.

Compose a letter to the highest ranking public official in the area (usually, the chair of the county commission) that indicates a final report of the recently-completed community economic development project is enclosed. The letter might highlight any specific recommendations for which the county government would be responsible. State that the report is being distributed broadly and that copies will be placed in Study Area libraries and sent to the media. A sample letter is in Appendix D.

After mailing the letter and a copy of the final report to the highest ranking public official, compose another cover letter for all other recipients (see Appendix D). Attach a copy of the letter to the highest ranking official and include a copy of the final report. Send this package to key agencies, organizations, businesses, and individuals in the Study Area. Study Team members and other volunteers may want to schedule hand-delivery of final reports to some key agencies (such as the board of the regional economic development program) to encourage more detailed discussion.

Once dissemination is completed, the Study Team's participation in the project is complete.

CONGRATULATIONS!

APPENDICES

APPENDIX A

ROLES AND RESPONSIBILITIES OF KEY PLAYERS

- Sponsoring Agency
- Collaborating Agency
- Team Leaders
- Study Team Members
- Community Advisory Committee
- RTC:Rural

Sponsoring Agency

One or more local agencies, such as a vocational rehabilitation office, an independent living center, or local economic development organization, sponsors the project. The sponsor identifies two Team Leaders, helps the Team Leaders introduce and promote the project to the community, helps identify and recruit Study Team and Advisory Committee members, serves as a “supportive friend” for the Team Leaders, and acts as administrative liaison with the RTC:Rural. It also provides local support facilities such as office space, photocopying, and mailing to the degree that other community resources are not available. It keeps a log of its participation activities and costs incurred, and provides survey and interview feedback to RTC:Rural researchers.

Collaborating Agency

The Collaborating Agency (or Agencies) compliments the expertise of the Sponsoring Agency by providing another perspective of economic development in the Study Area. For instance, the Sponsoring Agency may be the local Vocational Rehabilitation Agency and the Collaborating Agency may be a local Job Development Agency, Center for Independent Living, Small Business Development Center, or Chamber of Commerce. The Collaborating Agency helps to interpret study findings and serves as an intermediary between the Study Team and the larger community. The Collaborating Agency works with the Core Team to (1) identify members for the Community Advisory Committee, (2) describe the Study Area, and (3) participate in a working meeting to develop action plans for each “most viable” or “potential” business idea (see Phase VII). The Collaborating Agency also helps further the objectives of the process by advertising and participating in public meetings.

Team Leaders

Typically, the project is led by two Team Leaders working together. These individuals live in the participating communities. Team Leaders help recruit, organize, and manage the other community members participating in the process. They serve as chairpersons or facilitators for public meetings held during the project. They also serve as liaison to the project's local sponsoring and collaborating agencies and the RTC:Rural. Team Leaders are trained by RTC:Rural staff, and receive on-going support from each other, the local Sponsoring and Collaborating Agencies, the Community Advisory Committee, and RTC:Rural.

Description of the Role of Team Leaders:

1. Attend a two-day training session—held at an accessible location in the local area—to learn about the economic development assessment process and how to lead it.

2. Collaborate to prepare a schedule for completing project tasks as outlined in this Guidebook.

3. Help identify and recruit a minimum of four potential members of the Study Team. This usually involves making initial contacts by phone, e-mail, or personal visit to explain the project and invite participation. Times and locations may need to be arranged for subsequent informational meetings to discuss the project further.

4. Assist with securing informed consent from those who choose to participate in the research component of the project.

5. With the staff of RTC:Rural, participate with Study Team members in training about the Rural Community Economic Development process and its local implementation. (This training may occur during the two-day training mentioned above, or it may take place at a different time.)

6. Lead the planning process for steps to implement the economic development process locally. Coordinate the assignment of activities to meet this local plan and schedule. This includes the assignment of data collection and interpretation tasks among Study Team members.

7. Complete surveys and questionnaires about the experience of leading the economic development process. Assist with collecting similar evaluation data from the other participants and provide copies of this evaluation data to RTC:Rural research staff.

8. Assist with preparing preliminary and final reports on the economic development process by providing copies of completed surveys and questionnaires, as well as transcripts of interviews, to RTC:Rural research staff.
9. Schedule, prepare for, and participate in the public meetings held during the

economic development process; receive assistance in scheduling and preparation from the Study Team, Community Advisory Committee, and the sponsoring and collaborating agencies.

10. Lead the public meetings, or join with the Community Advisory Committee in co-leading them, as recommended and described in this Guidebook.

11. Schedule and lead project team meetings, as recommended and described in this guidebook. Meeting times and locations are determined by the participants to suit local circumstances.

12. Monitor the economic development project's progress and adherence to its agreed-upon schedule. Coordinate changes in Study Team and other work assignments. Revise the schedule as appropriate to keep the project moving ahead.

13. As time permits, participate in data collection and interpretation as a Study Team member. This involves using the telephone, the Internet, and face-to-face visits to gather information about the community. It also involves scheduling and conducting interviews with community business owners and managers.

14. Participate in interpreting the community and business information collected to discover possible economic development opportunities.

15. Communicate with RTC:Rural staff on a regular basis and assist in completing and collecting participant questionnaires and participant activity logs.

Related Working Conditions:

1. Most of the work takes place at an office space provided in the community; various business locations; government offices; other community sites, such as libraries or court houses; or a Team Leader's home.

2. The work of the economic development process is planned and coordinated by the Team Leaders, with support from the local sponsoring agency, RTC:Rural staff, and the Community Advisory Committee. Sponsoring agencies and RTC:Rural staff are available throughout the project for on-going consultation as needed.

3. Leaders and participants keep an on-going log of their project-related time and activities. They assist RTC:Rural with its research by responding to several written or oral surveys before, during, and after completion of the project.

4. There is a modest honorarium available to Team Leaders' for their participation in the project. Individual payments are determined by the sponsoring agency, RTC:Rural and Team Leaders, and may vary according to level of responsibility and number of hours worked.

5. Project-related costs such as photocopying, telephone calls, and local travel are reimbursed. Telephones, computer access, and a work base are usually provided by the Sponsoring or Collaborating Agency.

6. Assistance with transportation and other personal needs is provided to the degree that local circumstances allow. Study Team members often work in teams of two or more, especially when gathering data and conducting interviews.

Study Team Members

Study Team Members consist of four or more people, some of whom may have disabilities. Under the guidance of the Team Leaders, Study Team members implement the economic development process by collecting and analyzing data about the community and its businesses. Study Team members report their findings, and collaborate with the Team Leaders, Community Advisory Committee and members of the public to prioritize potential community economic development actions.

Description of the Role of Study Team members:

1. Attend a training session—held in an accessible local location—to learn about the community economic development assessment process.

2. Work with Team Leaders, sponsoring and collaborating agencies, the Community Advisory Committee, and RTC:Rural staff to develop a local implementation plan and schedule.

3. Gather information about the community using library resources, the Internet, and face-to-face interviews with community leaders and business support service agency.

4. Conduct interviews with business owners and managers.

5. Use the procedures described in the training and documented in this Guidebook to interpret the community and business information gathered for developing business development and expansion opportunities.

6. Those Study Team members who feel comfortable speaking before a community group help present and explain the team's findings. They utilize procedures described in the training and the Guidebook to lead a discussion of the proposals and help prioritize them for possible further action.

7. Those Study Team members who feel less comfortable speaking before a group, making phone calls, or conducting interviews may assist in other ways. For example, they may help schedule and prepare for public meetings, prepare meeting handouts, write meeting summaries, list businesses and data sources to contact, and take part in other behind-the-scenes activities. During public meetings they may, at their discretion, be available to answer questions regarding information they have been involved in collecting and interpreting.

Related Working Conditions:

1. Work takes place at an office space provided in the community, at various business locations, government offices, other community sites, or at the participant's home.

2. Study Team members participate in as many as eight to ten team meetings, and perhaps two or three public meetings, over a period of three to four months. Meeting times and locations are determined by the participants to suit local circumstances. Meetings are planned and coordinated by the Team Leaders.

3. Study Team members keep an on-going log of their project-related time and activities. They assist RTC:Rural with its research by responding to several written or oral surveys before, during, and after completion of the project.

4. Funds for project-related costs such as photocopying, telephone calls, etc., are provided.

5. Assistance with transportation and other personal needs is provided to the degree that local circumstances allow. Study Team members often work in teams of two or more, especially when gathering data and conducting interviews.

Community Advisory Committee

The Community Advisory Committee consists of four (or more) local citizens who have sufficient experience and credibility in community affairs to be perceived as "community elders." They may be elected officials; agency representatives from economic development offices, planning offices, etc.; members of organized groups like service clubs, the Chamber of Commerce, or senior citizen centers; or individual citizens whose views are respected by a variety of substantial constituencies within the community.

There are two primary roles for Community Advisory Committee members. One is to publicly affirm that the economic development project is important and valuable to the entire community. They may accomplish this through personal conversations, statements to the media, short presentations to various community groups, or recommendations to city officials and county commissioners. Other roles include sharing personal knowledge and providing input at the Phase IV public meeting and again at the Phase XIII public meeting.

Description of the Role of Community Advisory Committee Members:

1. Participate in selected portions of a training session to learn about the community economic development process. (It is desirable that at least one Community Committee member attend the entire training, and that other members gain enough background to have a good basic understanding of how this community development process works.)

2. Take the lead in scheduling, arranging facilities for, and promoting attendance at approximately two public meetings. This is done in collaboration with Team Leaders, but Community Advisory Committee members take the lead.

3. Publicly endorse the project and introduce Team Leaders when appropriate.

4. Attend selected Study Team working meetings, as recommended and described in this Guidebook.

5. Provide a "reality check" in cases where the accumulated knowledge and experience of "community elders" may provide information to the Study Team that is not revealed by recently acquired data alone.

6. Make advance contacts with local leaders and business people to encourage their participation when members of the Study Team call to request an interview.

7. Assist with developing and implementing a strategy for furthering the recommendations of the economic development study. See Appendix D for an example of a business development and investment group one committee developed.

Related Working Conditions:

1. Community Advisory Committee members may take advantage of office space provided for use by the Study Team, or they may operate from their own workplace or home. This is a matter of personal preference.

2. Over a period of three to four months, Advisory Committee members should expect to participate in an economic development training session and approximately two public meetings.

3. The overall project schedule will be developed and coordinated by the Team Leaders, with requests for Community Advisory Committee support as guided by current circumstances and recommendations found in this Guidebook.

4. Community Advisory Committee members are asked to keep an on-going log of their project-related time and activities. They assist RTC:Rural in its research by responding to several written or oral surveys before, during, and after completion of the project.

5. While voluntary contributions of time, money, and material resources are welcomed and encouraged, any out-of-pocket costs related to the project will be reimbursed upon request.

RTC:Rural

RTC:Rural staff provide training in the basic skills of leadership and the community economic development process in particular. (This Guidebook for conducting the community economic development project was developed by RTC:Rural.) RTC:Rural provides support and guidance throughout the project, in the form of regular phone and e-mail conversations, plus visits to the community at several key points in the process. RTC:Rural arranges a modest stipend for the Team Leaders, as well as funds for reimbursement of project-related costs, such as travel, telephone, and photocopying expenses. As part of our research, we provide participants with research instruments and training on their use (e.g., hand-held computers) and periodically ask participants to answer some survey questions before, during, and after the project, and to keep an on-going log of relevant activities. RTC:Rural also provides assistance with developing the final project report.

APPENDIX B

MEDIA AIDS

- **Project Abstract**
- **Media Talking Point**
- **Sample Flyer**

Rural Economic Leadership Project Abstract

Economic development is an important goal for the many small, rural towns that face difficult economic prospects. Unfortunately, resources and leadership to pursue economic development can be difficult to organize. Although people with disabilities are among the residents directly affected by the community's economic condition, their potential to lead or participate in community economic development activities usually is overlooked.

The Research and Training Center on Disability in Rural Communities (RTC:Rural) at The University of Montana has developed a program for conducting small town and rural economic development activities. The program is designed to involve a wide range of community members, including people with disabilities. Community members assess the local economy and conduct an "import substitution and value-added business analysis" to identify potential business expansion and creation opportunities.

This program seeks to involve people with disabilities as leaders in this basic community and economic development process. Not everyone who participates in the process will have a disability and that is, in fact, desirable. At the close of the process, RTC:Rural examines how the entire process has benefitted those people with disabilities who participate, as well as their community as a whole.

The program begins by identifying a local sponsoring agency and making a determination if the project is appropriate to the community. If it is deemed appropriate, and the agency commits to sponsoring the project, it identifies and recruits two Team Leaders. These Team Leaders, the sponsoring agency, and RTC:Rural form a Core Group.

The Team Leaders, with help from the Sponsoring and Collaborating Agencies, identify and recruit a wide range of community members to participate in the Study Team. Staff of RTC:Rural provide training, technical assistance, and support throughout the process. Participants use this guidebook, *A Guidebook for Citizen Involvement to Create and Expand Businesses in Rural Communities*, to guide their work.

Once trained, Study Team members review publicly available documents, and interview community leaders, a business support service, and business owners to gather information about their community. Gathered information is used to develop a community profile and identify opportunities for business expansion and creation. The profile and opportunities are presented to community members, who are then invited to discuss how to pursue the identified opportunities. Afterwards, RTC:Rural will evaluate how residents and the community utilize the results of this process.

Media Talking Points

This citizen-led community economic development process will be conducted in *name communities/county* to identify products imported into and sold to the community that could be produced locally. This is called import substitution. It also will identify value-added opportunities where locally available and manufactured products or resources are used in the manufacture or production of other products. This is adding value to an existing product. The goal of this project is to substitute locally manufactured or available products for the imported ones and to identify opportunities for adding value to existing products so money stays within the community instead of leaving it to purchase similar items. To identify these opportunities, Study Team members interview business owners and managers to identify ideas for goods and services that could be supplied or produced locally.

This project is sponsored by *name agency(ies)* and has recruited several community members who will interview community leaders and business owners and develop recommendations for business expansion and creation. The project works with a Community Advisory Committee comprised of local business owners, managers, and agencies such as *identify key members here* that will help guide the project to assure it is relevant and beneficial to *name the community/county*. The Advisory Committee also helps to prioritize potential economic development opportunities.

The ultimate goal of this project is to strengthen the *study area* by promoting local business development, which will keep money within the local economy. A similar project conducted in rural southeastern Utah resulted it a small business investment fund that has funded over 52 businesses and created over 143 direct jobs.

How Are We Doing?

Join (name study area) residents and business people for an in-depth look at the possibilities for our community's economic development.

We'll hear about our (name study area's) strengths,
look at its history, and decide
what makes it special.

Then we'll ask…

***Can we use these things to put ourselves to work in the future*?**

(Name location)
(large meeting room)
Wednesday, March 23
6 to 8 p.m.

Sponsored by (Name agency sponsors)

APPENDIX C

CONDUCTING THE INITIAL MEETING

- **Sample Agenda**
- **Checklist for Initial Meeting**

Sample Agenda

March 23
Ponderosa Public Library
6 to 8 p.m.

1. Open the meeting. Team Leaders introduce themselves and welcome all the participants.

2. Sponsoring Agency and the members of the Community Advisory Committee are introduced and acknowledged.

3. Explanation of the purpose of this meeting.

4. Brief description of the history and purpose of the project, including the roles played by leaders, sponsors, advisors, and members of the Study Team.

5. Other leaders, advisors, sponsors present offer additional comments, if any.

6. Questions or comments from those attending the meeting.

7. Presentation of project's initial findings.

8. General or small group discussion (one hour).

9. Discussion summarized.

10. Explanation of the project's next phase.

11. Meeting adjourned.

Meting Checklist

□ Arrange for meeting room.

□ Mail invitations or call to invite participants.

□ Notify radio, TV stations and press about the meeting.

At the Meeting:

□ Pass out handouts, have them available near the door for easy pick up by attendees, or have them sitting on a table in front of each chair.

□ Announce the start of the meeting and welcome participants.

□ Introduce yourself and your fellow Team Leader. Acknowledge sponsors, advisors, and Study Team members who are present.

□ Briefly state the purpose of the meeting.

□ Briefly describe the history and purpose of the project.

□ If time allows have all meeting attendees introduce themselves, their agency/program/business, and provide a brief one-sentence explanation of why they are at the meeting.

□ Pass around a sign-up sheet asking for name, address, phone #, and e-mail address so the individual can be contacted about future meetings, project progress, and project reports.

□ Ask if other key players have questions or comments.

□ Ask others attending if they have any questions or comments.

□ Present the project's initial findings. (Each Study Team member may present one topic, or Team Leaders may alternate presentations.)

□ General or small group discussion of findings. (Allow one hour.)

□ Individual who has been designated to take notes presents a summary of the discussion.

□ Explain next step in the process.

□ Announce the close of the meeting.

APPENDIX D

SAMPLE LETTERS

- **Introduction Letter for Community Leaders**
- **Introduction Letter for Business Leaders**
- **Invitation to Public Meetings**
- **Letter to Highest Ranking Official**
- **Letter to Broad Constituency**
- **Thank you Letter to Interviewees with Invitation to Attend a Public Meeting**
- **Project Update Letter**

Introduction Letter For Community Leaders

Date

Community Leader Name and Title
Business or Organization Name
Street Address
City, State, Zip

<ins>Ms. / Mr. Jones</ins>:

I am writing to introduce an exciting economic development project currently in progress here in <ins>insert city or county name here</ins>. This process will identify businesses to create or expand through conducting an import substitution and value-added analysis. The analysis is led by citizens who are members of the community. It is sponsored by <ins>insert sponsoring agency here</ins> with guidance from The University of Montana, Missoula. A local Community Advisory Committee consisting of <ins>insert members of the advisory committee here</ins> and business owners, assure that the project is relevant to and will benefit our community.

You received this letter because we believe you have information about the community that will inform future discussions about business feasibility. Your experience and knowledge are crucial to a thorough understanding of the Study Area. I will contact you during the week of <ins>insert date here</ins> to ask for an interview with you to better understand issues that may affect business development in this community. The interview consists of several broad questions about <ins>insert city or county name here</ins> and should last approximately 30 to 45 minutes.

I look forward to our interview and learning from you. I certainly hope you will participate because I think this project will benefit our community. If you have any questions, you can talk to me or to one of the project's team leaders. I can be reached at <ins>phone #</ins>. You may contact <ins>Team Leader #1 at phone number, or Team Leader #2 at phone number</ins>.

Sincerely,

<ins>Name</ins>
<ins>Economic Development Project Team Member</ins>

Introduction Letter For Business Interviews

Date

Business Owner
Business Name
Street Address
City, State, Zip

Ms., Mr., Jones:

I am writing to introduce an exciting economic development project occurring in <u>insert city or county name here</u>. The project involves the identification of potential new or expanded businesses through an import substitution and value-added analysis. The analysis is led by citizens who are members of the community. It is sponsored by <u>insert sponsoring agency here</u> with guidance from The University of Montana, Missoula. A local Community Advisory Committee consisting of <u>insert members of the advisory committee here</u> and business owners, like yourself, assures that the project is relevant to and will benefit our community.

You received this letter because you have been selected to provide valuable information about your business. Your experience and knowledge are crucial to this analysis, as we will survey just <u>insert number</u> of the <u>city/community/county's</u> businesses. I will contact you during the week of <u>insert date here</u> to set up a time to conduct an interview with you. During the in-person interview, I will ask approximately 8 questions about your business and your experience as a business owner in the community. The interview should last between 30 to 45 minutes.

I look forward to our interview and learning from you. I certainly hope you participate because I think this analysis will benefit our community. If you have any questions, you can talk to me or to one of the project's team leaders. I can be reached at <u>phone #</u>. You may contact <u>Team Leader #1 at phone number, or Team Leader #2 at phone number</u>.

Sincerely,

<u>Name</u>
<u>Economic Development Project Team Member</u>

Meeting Invitation

Date

Jean Palmer, President
Ponderosa Chamber of Commerce
1915 Riverside Drive
City, State, Zip

Dear Ms. Palmer,

The insert sponsoring agency here is sponsoring a citizen-led community economic development project to identify opportunities for business creation or expansion in insert study area name here. A Project Team of local citizens has completed insert what has been completed so far: for example the first part of this project–an examination of the study area's an overview of the area's demographic characteristics, and has completed interviews with community leaders and a business support agency. Their efforts have been guided by a Community Advisory Committee of local civic and business leaders, and led by two trained Team Leaders. We invite you to come and hear their findings, and join other business people and interested citizens in a discussion of what our future might hold.

We will meet Wednesday, March 23 from 6 to 8 p.m. in the large meeting room of the Ponderosa Public Library. Please attend and bring interested colleagues with you!

Sincerely,

Mary Alexander, Co-Leader
211 W. Main
City, State, Zip
(111) 403-9788

Barbara Hardesty, Co-Leader
6236 Oakridge Circle, Apt. 5
City, State, Zip
(111) 272-3610

Letter to Highest Ranking Official

[Date]

John Winfield, Chairperson
Ponderosa County Commission
County Court House
401 Whitaker
City, State, Zip

Honorable Mr. Winfield,

Enclosed are the final recommendations developed as part of a citizen-led community economic development project, sponsored by the <u>insert sponsoring agency here</u>. This project began [date] and has involved volunteers and extensive interviews with over <u>insert #</u> area businesses.

The recommendations focus on potential business expansion and creation opportunities, as well as community actions that would facilitate such economic development. Participants in the public meeting held on [date] provided valuable input on the recommendations. In particular, we found that the county government might consider the following as part of its responsibility: <u>insert items</u>

This report is being widely-distributed to collaborators, businesses owners, citizens, the press, and to the local area libraries. If you have any questions, please do not hesitate to contact either or both of us.

Sincerely,

Mary Alexander, Co-Leader
211 W. Main
City, State, Zip
(111) 403-9788

Barbara Hardesty, Co-Leader
6236 Oakridge Circle, Apt 5
City, State, Zip
(111) 272-3610

Letter to Broad Constituency

[Date]

Dear Fellow Citizen,

Enclosed are the final recommendations developed as part of a citizen-led community economic development project, sponsored by <u>insert sponsoring agency here</u>. This project began [date] and has involved <u>insert #</u> volunteers and extensive interviews with over <u>insert #</u> area businesses.

The recommendations focus on potential business expansion and creation opportunities, as well as community actions to facilitate such economic development. Participants in the public meeting, held on [date], provided valuable input on the recommendations.

This report has been submitted to the County Commission and is being widely-distributed. Each local area library will also have a copy.

If you have any questions, please do not hesitate to contact either or both of us.

Sincerely,

Mary Alexander, Co-Leader	Barbara Hardesty, Co-Leader
211 W. Main	6236 Oakridge Circle, Apt 5
City, State, Zip	City, State, Zip
(111) 403-9788	(111) 272-3610

Thank You Letter to Interviewees with Invitation to Participate in Public Meeting

[Date]

Business Owner/Community Leader Name
Business Name or Title
Street Address
City, State, Zip

Dear [Name of Business Owner or Community Leader]:

Thank you for taking time out of your busy schedule to assist us with the Economic Development Project being conducted in the local community. The answers you provided in the interview were used to develop a final report about potential business expansion ideas and community actions for business development. Overall we interviewed insert # leaders from the community and insert # business owners.

We would like to invite you to join us for a public forum to discuss the final report. The meeting will be held on Tuesday, March 16th and 7:00 pm at the State Conference Room, Suite 102 in the Spruce Office Building, 1112 Main Street, Lakeview. Please feel free to invite any other interested community members. Refreshments will be served.

If you have any questions or would like further information, do not hesitate to contact us.

Again, thank you for taking time to speak with our research team members. We hope to see you on the 16th.

Sincerely,

Mary Alexander, Co-Leader	Barbara Hardesty, Co-Leader
211 W. Main	6236 Oakridge Circle, Apt. 5
City, State, Zip	City, State, Zip
(111) 403-9788	(111) 272-3610

Project Update Letter

[Date]

Business Owner/Community Leader Name
Business Name or Title
Street Address
City, State, Zip

Dear [Name of Business Owner or Community Leader]:

Thank you for taking time out of your busy schedule to assist us with the Economic Development Project. To date, we have interviewed insert # community leaders and insert # business owners. We are now in the process of synthesizing this information into a brief report for dissemination to Study Area constituents including citizens, the electorate, business owners, various agencies, and economic developers.

From our interviews, we have identified over insert # potential businesses and insert # community actions that could be used to promote business in the area. With the Sponsoring Agency name, Collaborating Agency name, and a Community Advisory Committee, we will be rating these business and community ideas as “most viable”, “potential” and “challenging” and we’ll develop brief action plans for each. These will be compiled into a final report that should outline next steps in the Economic Development Process.

We will be soliciting public input prior to disseminating this final report. Expect a notice about this public meeting. We hope that you will be interested in participating. In the mean time, if you have any questions concerning the project, or would like to take a more active role in development of the final report, please call us.

Again, thank you for taking time to speak with our research team members.

Sincerely,

Mary Alexander, Co-Leader
211 W. Main
City, State, Zip
(111) 403-9788

Barbara Hardesty, Co-Leader
6236 Oakridge Circle, Apt. 5
City, State, Zip
(111) 272-3610

APPENDIX E

EMERY COUNTY REPORT

EMERY COUNTY BUSINESS AND ECONOMIC DEVELOPMENT ASSESSMENT: 2000–2001

Leaders:	Judy Lang	
	Jody Manzanares	
Volunteers:	Dorothy Childs	Marilyn Fauver
	Phil Fauver	Jack Lang

Sponsored by: Vocational Rehabilitation
Emery County Economic Development
Retired Senior Volunteers Program
The University of Montana

Acknowledgments

We would like to thank the many business owners who took their time to complete interviews and surveys. Without their help, we could not have completed this project. We are also grateful to Karl Kraync, Regional Supervisor for Utah Vocational Rehabilitation, who provided extensive support for the project, and to Rosann Fillmore of the Emery County Economic Development Office who provided tremendous support and critical guidance.

The research for this project was supported by grant H133B70017 from the National Institute on Disability and Rehabilitation Research, U.S. Department of Education. The opinions expressed reflect those of the authors and not those of the Department of Education.

This project is one of several exploring rural community development and its linkage to independent living. Sponsors from The University of Montana may be reached by calling Tom Seekins at (888) 268-2743, email at Ruraldoc@selway.umt.edu, or by writing to 52 Corbin Hall, RTC:Rural, The University of Montana, Missoula, MT 59812.

INTRODUCTION

During the fall of 2000, several residents of Emery County, led by Judy Lang and Jody Manzanares, conducted interviews with business owners in Emery county. This effort was intended to complement other information about the economic status and opportunities in Emery county.

With the assistance of Rosann Fillmore of the Emery County Economic Development Office, the Team Leaders identified over 300 locally owned and operated businesses by reviewing county business licenses. Initially, a total of 92 businesses were selected to be interviewed. An additional 26 were selected later in an effort to secure 92 completed interviews. Volunteers and leaders interviewed a total of 59 (50%) of these 118 businesses during the summer and early autumn of 2000. Fifty-nine owners declined to participate or did not return a survey.

On December 18th and 19th, a committee of seven individuals reviewed the results of the interviews and tallied the responses. This report summarizes:

1. The strengths of the community as reported by business owners.
2. Opportunities for business expansion or creation identified through the process.
3. Concerns and obstacles to economic development as seen by current business owners.

Much of this report may be seen to reinforce what is already known, but many new insights, ideas, and opportunities are also presented. This reports presents another important opportunity to respond to issues confronted by business owners, to bring people together for mutual benefit, to inform the public about the status of the county, and to provide some entrepreneurs with new opportunities.

The Strengths of Emery County as Reported by Business Owners

Business owners were asked several questions about their view of the strengths of Emery County. These questions included what residents are most proud of, what area strengths could contribute to the county's economic development, and what are the strengths of the county's physical infrastructure?

What Makes Residents Proud of Emery County?

Residents and business owners in Emery County are proud of their Indian and pioneer heritage and history. They also see the ancient history of the dinosaur past and the newer museums dedicated to these histories as unique. They are also proud of the county's environmental features, including its beautiful mountains and deserts, peaceful and tranquil open spaces, and clean air. Emery County has a high quality of life, due in part to a low-stress, rural, small town lifestyle that is conducive to family life. Most respondents believed that Emery County is a good place to raise kids. Families are an important part of Emery county. The community is close-knit and forward looking. Its people are hardworking, honest, tough, and willing to work together. The landscape of Emery County is beautiful, but the land is also productive. Residents are particularly proud of their agriculture, ranching, coal, and power businesses, as well as their many recreational opportunities. Finally, the business owners surveyed believe that Emery county has good schools and is a safe place to live.

While some respondents saw an uncertain economic future, others felt that future trends could include people moving to Emery to enjoy retirement in a place that offered these many positive attributes along with a relatively low cost of living, land, and housing.

Strengths of Emery County that Could Contribute to its Economic Development

Business owners identified several important aspects of Emery County that could contribute to its economic development. Its natural resources were perhaps the most frequently cited strength. As important, however, was an untapped human resource: its hardworking people. Emery County's open space, beauty, recreational opportunities, and history were seen as strengths that attract tourism. In addition, its rural atmosphere, small-town lifestyle, room for expansion, clean air, low cost-of-living, low crime rate are seen as attractions to those who want to retire from city life to a better place. Local agriculture and other existing small businesses were seen as strengths on which community economic development could be based. The local mines, power generating plants, trucking industry, and other support services were also seen as important community strengths.

Strengths of Emery County's Physical Infrastructure

The abundant coal, natural gas, and power plants were seen as obvious strengths of the area's infrastructure. The relative availability of electricity was also recognized. Similarly, abundant grazing areas were seen as a strength. The I-70 interstate and selected other roads were identified as strengths that might be tapped more for economic development. The railroad and potential rail spur were also seen as strengths. The water and sewage systems in the various communities were also identified as an important base for further economic development. Similarly, the existing transportation system for elderly residents was seen as a strength on which more rural transportation might be built. Finally, the growing telecommunication system and services were seen as an important area strength.

Identified Opportunities for Business Expansion or Creation

Business owners were asked a series of questions to help identify potential business creation and expansion opportunities. These questions included items such as:

Are there opportunities for business expansion or creation in the study area that no one is taking advantage of? • Have you thought about expanding your business? • Do you see obstacles to local economic development posed by federal, state, or local regulations? • What are the five products, goods, or services you purchase and spend *the most for outside the community? • What are your top three imports when you consider total cost? • Of the products, goods, and services you import, are there any that could be produced or supplied locally? • Given the natural resources of the area, are there any products that could be created from local resources and then exported?*

A review committee examined responses and identified 32 potential business creation ideas. These were then grouped into those most viable, those with potential, and those that would face significant challenges.

Most Viable Business Creation and Expansion Opportunities

1. Integrate, coordinate, and expand leather tanning businesses.

2. Enhance local meat processing and sales. As a by-product, sell hides to leather tanning businesses described in item 1 above. See also item 22 below.

3. A photocopying service that included color copying could serve the general public and some government agencies.

4. A beauty supply business to serve the many shops in the area.

5. A salsa plant might be developed in conjunction with one of the power plants.

6. A gypsum mill to process and export gypsum on a larger scale.

7. Chemical sales route that would take orders from local businesses.

8. Diversify the local mine-support services industry by organizing, expanding, exporting mine support services to other areas.

9. Expand produce farming and sales to local groceries and restaurants (e.g., truck farming).

10. Develop a local steel and salvage metal yard to serve construction businesses.

11. One or more family-oriented recreational opportunities (e.g., bowling, skating, mini-golf, arcade, or theater) might be pursued.

12. Expansion of rural transportation service.

New Business and Expansion Opportunities with Potential

13. New or expanded assisted living facilities and services.

14. Skull cleaning service for trophy mounting and direct sales.

15. Business and office supply store and services could be expanded if local governments and other businesses would support it.

16. Rental equipment service for small tools, household items, gardening equipment, small construction equipment, and other items.

17. Computer services, including repair, could serve the whole area.

18. Beverage ordering and distribution service.

19. Wallboard manufacturing.

20. Producing taxidermy mannequins for local use and export. Could be done in conjunction with items 1 and 14.

21. Producing and selling scrapbook supplies. Could be part of item15.

22. Producing and exporting leather shades and other similar goods. This could link several existing businesses together, including items 1 and 2.

23. Casket making, manufacturing, and exporting.

24. Enhanced motel, dining, and bed and breakfast services for tourist trade.

25. Expanded promotion of tourism, including rafting, and related products and services.

26. Expanded rug production and export.

27. Manufacture of saddle hardware through brass casting.

Potential Business Opportunities That Would Face Significant Challenges

28. One-hour film development and processing.

29. Greeting card design and manufacturing.

30. Local theater.

31. Modular home manufacturer.

32. Restaurant supply store

Potential Business Expansion Opportunities for Existing Businesses

During the interviews, business owners were asked if they had considered expanding their existing businesses. Of the 59 participating business owners, 45 (76%) said yes, 9 (15%) said no, and 5 (9%) did not respond. Owners also reported several barriers to pursuing business expansion, including: labor force problems, such as competition for employees from outside the community; limited capital availability; land ownership issues; small volumes of people; a shrinking economic base; recent economic downturn;

the time and expense necessary to advertise outside the community; a lack of interest in the development of the "South End;" poor roads; lack of information about area long-term care needs; economic uncertainty; and transportation costs. Many also reported that local residents don't shop locally as much as they might because they mistakenly believe that local prices aren't competitive.

Concerns and Obstacles to Economic Development as Defined by Business Owners

In addition to questions about area strengths, business owners were asked to identify any obstacles to community economic development, problems involving infrastructure, obstacles posed by government regulations or practices, and other additional concerns they might have.

Obstacles to Community Economic Development Reported by Business Owners

Business owners had several concerns related to physical location and isolation. In particular, the lack of adequate transportation for travel or shipping, and the high cost of gasoline were reported as significant obstacles. The lack of economic diversity, including manufacturing activity, and the closing of the mines were additional issues.

Several other concerns were related to a perceived negative or defeatist attitude among area citizens. Several business owners reported similar concerns about negative attitudes toward economic development and community change among community leaders. Too much "red tape" represents one aspect of this. A perceived lack of communication and responsiveness to citizens was seen as most problematic, however. From this perspective, some community leaders are perceived as opposed to change and against considering options for economic growth in the area.

Two major concerns involved competition from outside the area. The first concern involved the major employers hiring out-of-area employees to do work and jobs that local businesses or individuals could perform as well. A second concern was that many local residents did more shopping outside of the area than was justified by differences in price.

Several business owners identified overly aggressive environmentalists and land use restrictions as significant obstacles to the area's economic development. Others expressed concern that there were few activities for children and teenagers in the area. More broadly, the lack of local entertainment and other leisure activities was believed to lead people out of the area for shopping and recreation. This departure represented lost opportunities for local businesses.

Several business owners stated their belief that several serious attitude problems were obstacles to economic development. These attitudes included general apathy, over-reliance on the coal and power industries, and competition among the various communities in the area. Finally, several business owners voiced concern over the lack of systematic promotion of the area's tourism and other opportunities.

Problems with Physical Infrastructure

By far the greatest physical infrastructure problem reported concerned the area's secondary roadways, especially SR 6 and 10. There was also dissatisfaction with the lack of an area airport. Similarly, the lack of water, sewer, and natural gas services in some areas were perceived as possibly limiting growth. Finally, the lack of public transportation and the high cost of freight, despite many repeated deliveries to the area, was also perceived as a problem.

Other Concerns

The greatest additional concern expressed by the vast majority of respondents involved the negative impacts of "overly-aggressive" environmentalism that led to unnecessary land use restrictions. There was also concern expressed about poor political representation; with some city council and county actions perceived as obstacles to development efforts. At the level of state government, there was a sense of inequity in the distribution of state tax funds, with a disproportionate amount seen as going "up north."

Some respondents expressed concern about maintaining the quality of life while developing the area. Finally, some respondents expressed their feeling that the power plants "run" the community, and that citizens should demand more of these operations as far as their responsiveness to community needs.

Some Potential Actions

1. Conduct a pricing study of local goods and services. Compare local prices to those charged in larger communities outside the area; include the cost of travel to these outside areas. Publish the results locally to draw residents' attention to competitive local prices, thereby encouraging them to shop and purchase locally.

2. Work to link existing local businesses around potentially mutually beneficial activities, such as those possible around the produce, meat, and leather trades.

3. Work to expand tourism

4. Increase the promotion of the area and its businesses; both as market for local residents, tourists, and those living outside the area.

5. Support local business expansion and creation.

APPENDIX F

BUSINESS & EXPANSION OPPORTUNITIES

- **Import Substitution**
- **Value-Added Businesses**

Import Substitution

Import substitution is one of many methods of community economic development. Import substitution means producing or providing within the local community those products or services that citizens and businesses currently purchase from outside it. Import substitution builds a community's economy in three ways. First, import substitution creates local jobs through business ownership or employment. Building local income can have a secondary effect of additional business creation and expansion, as people spend income within the local economy. Third, import substitution keeps money circulating in the local economy rather than "exporting" it in exchange for goods and services.

When local communities import from external markets, money flows out of the local community, resulting in a resource loss. This balance between exports and imports impacts the degree to which money can help the local economy to grow. If a greater percentage of money stays in the local economy, and this money is re-spent in the local economy, the economic impact grows or multiplies. The following figure (Hustedde, Shaffer, & Pulver) helps to explain this multiplier effect. In this example, if local entrepreneurs substitute locally produced goods and services for goods and services produced outside the community, resource leakages are reduced and the multiplier will grow.

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<tr><th colspan="7">Income Multiplier</th></tr>
<tr><td rowspan="7">$1.00
infusion of
new money</td><td>$.50
leakage</td><td colspan="2"></td><td colspan="3" rowspan="3">Initial Impact: $1.00
First Turnover .50
Second Turnover .25
Third Turnover: .12
Forth Turnover: .06
Fifth Turnover: .03
Sixth Turnover: .01

Full Impact: $1.95</td></tr>
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locally</td><td>.25
leakage</td><td></td></tr>
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The following examples illustrate ways that import substitution can expand local economic activity.

Example 1: Motor Homes

A manufacturer contracted with external businesses to provide cushions and curtains for the finishing touches on motor homes. A local seamstress saw an opportunity to fill this niche and provide the products locally. She contacted the manufacturer and established a contract to sew curtains for the motor homes. This business was eventually expanded to produce seat cushions as well.

Example 2: Coin Operated Laundry

Although this small town supported several local businesses, residents had to travel approximately 60 miles to access laundromat services. By providing this service in the local economy, the laundromat revenue stayed in the community. Reducing the number of trips from the local community to the neighboring city may have also encouraged more local spending for other goods and services.

Example 3: Buy Local

Campaigns to buy locally have been effective in reducing imports from external markets. By giving products a place identity, community members can identify which purchases support the local economy.

Example 4: Medical Services

This small town had a struggling medical clinic that supported a Physician's Assistant and an itinerant doctor. One of the drawbacks of using this local resource was that residents could not purchase pharmaceuticals in the community. The medical clinic expanded to include a small pharmacy. By providing ready access to prescribed medications, the medical practice clientele grew.

Example 5: Micro Brews

Perhaps a local brewery wouldn't work in every town, but in several communities local beer production can significantly reduce community imports. This is great way to build a local identify...have you heard of Missoula's Moose Drool Ale or Trout Slayer Amber? How about Utah's Moab Scorpion Pale Ale?

References:

Hustedde, R., Shaffer, R., & Pulver, G. Community economic analysis: A how to manual. (Available from the North Central Regional Center for Rural Development, Iowa State University, 108 Curtiss Hall, Ames, IA 50011)

Value-Added Businesses

Value added business development occurs when raw or intermediary products are taken further along in the production process or when business by-products are used for secondary business ventures. In both cases, value added is important to economic development because it expands production profits available to a community rather than exporting production potential away in the form of raw or intermediary products.

Local assets such as clean water, cattle, or wild game can become the basis for business ventures such as bottled water, beef jerky, or wild game meat processing. All these businesses were created in Montana as part of the New Careers through Partnerships Project. Value added development can occur in the form of (1) business expansion where existing businesses modify or extend production and (2) new business development where raw products are retained locally for production of intermediary or end-use products.

The following examples illustrate ways that value added can expand local economic development.

Example 1: Expanding Raw Resources in The Wood Products Industry

Timber companies typically own or lease rights to cut mature logs on private or public lands. Once mature logs are harvested, however, the land has many other uses that may bring dollars into the local community. Some of these alternate use ideas may include development of sporting tourism for hunting, fishing or camping, or harvestable products like fire wood cut from slash, wild seedlings, berries, or mushrooms.

Example 2: Expanding the Family Farm: Wheat Montana Farms and Bakery

The Folkvord family dryland farmed several thousand acres for three generations. In 1986, however, they dramatically changed their operation, which enabled them to control the production process from initial planting to delivery of end-use products to the consumer. Production of whole grains for export expanded to include grain cleaning, processing, flour milling, and a full scale bakery servicing a five state area. They also sell grains, cereal and flour nationwide. Wheat Montana currently hires over 100 employees who live in rural Montana.

Example 3: Building New Markets: Fish for Convenience

The seafood industry has struggled to compete with growing chicken, beef, and pork protein markets. Market research has indicated that people perceive fish to be messy, smelly, and difficult to cook. To mitigate this public perception, many fish companies are extending the fish market to include many end-use items such as prepackaged and prepared fish dinners. Value added can take many forms. As Mutter (2003) explains "Convenience in added value, extra ingredients is added value, longer shelf-life is added value, environmentally friendly packaging is added value, reduced cooking/preparation time is added value, and even new packaging formats can have a perceived added value for the consumer"

Check out these value added products from rural Montana businesses!

1.

Huckleberry Chocolate
2. County Clean Goats Milk Soap
3. Wool Wax Cream
4. Specialty Plywood Post-card
5. Arts & Crafts Items

References

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APPENDIX G

THE SOUTHWESTERN UTAH SMALL BUSINESS INVESTMENT FUND

In 1999, a vocational rehabilitation agency serving several rural, economically depressed communities participated in RTC:Rural's citizen-led Economic Development through Import Substitution project. One of the main project components was the development of a Community Advisory Committee to guide the project. In this community the Community Advisory Committee expanded and evolved two times: first to a bi-county economic development coalition and next to a regional business investment fund using TANF funds.

The regional business investment fund evolved in the following way. The Community Advisory Committee, comprised of staff from the Vocational Rehabilitation (VR) office, the economic development office, and the Department of Workforce Services office was formed to guide the University of Montana import substitution economic development project. Because the project operated in more than one county, the Community Advisory Committee expanded and evolved into a bi-county economic development coalition. The VR member of the bi-county economic development coalition was invited to a meeting announcing an opportunity to apply for TANF rainy day funds. The VR representative invited the economic developer to the meeting so he could observe the rehabilitation world in action. The VR representative proposed the idea of developing a self-employment model for low-income people to the economic developer. They developed an initial proposal and met with the Department of Workforce Services, which was on the bi-county economic development coalition. Discussions ensued to determine the best service delivery entity. They decided on the local Small Business Development Center (SBDC). The SBDC then became involved and, working together, they all developed an agreeable operational plan with the bi-county economic development coalition moving into the role of the project's governing board. The project was funded and subsequent to the award additional members from the power and light company, two local colleges, and the Department of Natural Resources and Conservation, and private businesses were elected to the board. The board guides the project and also acts as the loan review committee. The project has increased its size and taken on a more regional focus by recruiting two additional counties. It has funded over 52 businesses and created over 143 direct jobs.

This expansion is described by one member as a "happy convergence" of four opportunities: (1) money for welfare to work, (2) community agencies willing to work together, (3) working with a dedicated and knowledgeable economic development team, and (4) discovering a vast pool of entrepreneurial interest by people in the region.

Developing broad-based linkages with businesses, business developers, and other agencies provides opportunities for identifying unmet needs, strengths, overlaps, and gaps in how agencies serve the community. By cooperating, everyone can get a piece of the "pie" rather than compete for scarce resources. In such a cooperative setting, human service agencies have a greater opportunity to identify what they can do for the business community rather than as an organization seeking their assistance. Very often human service agencies become an integral part of community development and become an active member at the community and economic development table.

APPENDIX H

PROJECT LOGBOOK

For more information, please contact us at:
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