Stronger Economies Together (SET): Regional Planning and Business Development Success Stories

September 22, 2016
Stronger Economies Together (SET)

Strategies for Building New Economic Opportunities

SET VI State Teams
Purpose of SET

Help rural communities/counties work together as a regional team in developing and implementing

A High Quality Regional Economic Development Plan

that builds on the current and emerging economic strengths of their region.
Process

Launching SET through Civic Engagement

Examining Economic Data

Exploring In-Depth Regional Advantages & Opportunities

Defining Assets and Barriers

Establishing the Plan

Implementing Success
Overall Impact

• 94 SET regions in 32 states
• 33 regions have submitted regional plan for peer review
• More coming fall 2016
• 8 regions with high quality plans
• More than $597 million leveraged to implement plan
• New opportunities Eg Farm Bill 6025
• Catalyst for exploring other opportunities
• Innovative practices being used (Eg- Agora)
• Federal government -community partnership improved
Who to Contact?

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http://srdc.msstate.edu/set/
Overview of SET in Virginia with emphasis on the Northern Neck Region, Virginia

Stronger Economies Together
Virginia has participated in two of the five SET Phases

- 2012—SET Phase III
  - Implementation stage
    - Northern Neck—High Quality Plan completed in Fall 2013
    - Virginia Growth Alliance —High Quality Plan completed in Fall of 2013
- 2015—Set Phase V
  - Plan origination in process
    - Eastern Shore
    - Northern Shenandoah Region
    - Mount Rogers Region
Stronger Economies Together (SET)

**Noun**

- A collection, designed for use together: a set of china
- A number, group, or combination of things of similar nature, design, or function: a set of ideas.
- A group of persons associated by common interests, occupations, conventions, or status: a set of community leaders; the *smart* set.

**Interjection**

- Calling the start of a race:
- So GET SET! We are going to show you something!
Now we’re SET...
Relevance & Results in Virginia’s Northern Neck
Regional Assets

- 1999- Designated an Economic Development District by US DoC, EDA
- Rich in history and natural resources
  - Birthplace of George Washington
  - Surrounded by Chesapeake Bay and aquaculture
  - Wonderful climate, great soils, close to major urban centers
  - Close proximity to DC, Richmond, and Norfolk, but still a world away
Navigating by the Plan

- Identify strategic partnerships, and leveraging strengths, resources
- Build public & private sector partnerships
- Include everyone.
  - Non-traditional partnerships—church community development corporations can revitalize longstanding institutions
- Encourage plan use & accessibility (RELEVANCE)!

Where community development meets economic development
What holds communities together: Super glue or oyster shell mortar?

Regionalism has no negatives

A region needs a plan that is specific and widely endorsed by the community

Make sure the plan has a permanent home, not a bookshelf

Unity around a plan leads to partnerships, traditional and nontraditional

Work the plan and make it work hard for your community!
What really worked...

Plan-Product of SET
• Northern Neck Economic Development Plan
  • HQP identified priorities & action items which gave focus to future efforts,
  • Approved & publicly available on [website](#)

Enduring Partnerships
• Improved regional capacity to deal with long-standing issues

Forward-Thinking Change
• Address inadequate ecosystem
• Need for deeper collaboration to create new institutions and partnerships
Northern Neck Four Broad Goals

1. Infrastructure- Provide infrastructure that facilitates the expansion of existing businesses & attracts new higher-wage industry sectors.
2. Job Skills- Equip regional workers with the skills they need.
4. Sustainable Tourism- Promote and protect the region’s natural beauty, cultural amenities and Tourism opportunities.
Northern Neck Four Broad Goals- Results

- Leveraged $11.6 M with two new sewage systems
- $50,000 RBDG to establish Center for Innovation and Development (CID)
- STEM curriculum for 4th grade through community college students
- $47,000 RBDG to support VA Watermen Heritage Tour Program- First class of
- Established an the Northern Neck Artisan Trail, part of the state’s artisan trail.
- RBDG funds to assist with downtown revitalization projects in the Town of Montross & the Town of Colonial Beach
Montross, Colonial Beach & White Stone

Features:
1) Community involvement and engagement
2) Business activity downtown leads to increased employment
3) Creation of cultural hubs in downtown areas
4) Façade improvements, murals, branding & marketing = increased tourism
## Resources in the Northern Neck

<table>
<thead>
<tr>
<th></th>
<th>Community Facilities</th>
<th>Rural Utilities Services</th>
<th>Rural Business Services</th>
<th>Other USDA Funding</th>
<th>State Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2013</strong></td>
<td>$2,401,500</td>
<td>$2,460,000</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td><strong>2014</strong></td>
<td>$154,300</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>$92,500</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td>$336,000</td>
<td>--</td>
<td>$277,424</td>
<td>$90,000</td>
<td>--</td>
</tr>
<tr>
<td><strong>2016</strong></td>
<td>--</td>
<td>$30,000</td>
<td>--</td>
<td>$50,000</td>
<td>$105,000</td>
</tr>
<tr>
<td><strong>Unknown</strong></td>
<td>$1,651,500</td>
<td>$2,812,000</td>
<td>--</td>
<td>$654,980</td>
<td>$3,523,175</td>
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<tr>
<td><strong>Total</strong></td>
<td>$4,543,300</td>
<td>$5,302,000</td>
<td>$277,424</td>
<td>$794,980</td>
<td>$3,720,675</td>
</tr>
</tbody>
</table>

$17,048,378 total funding since 2013
Business Growth in the Northern Neck

Number of reporting businesses

<table>
<thead>
<tr>
<th>County</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>10% increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richmond County</td>
<td>279</td>
<td>320</td>
<td>378</td>
<td></td>
</tr>
<tr>
<td>Westmoreland County</td>
<td>378</td>
<td>422</td>
<td>418</td>
<td></td>
</tr>
<tr>
<td>Lancaster County</td>
<td>418</td>
<td>463</td>
<td>319</td>
<td></td>
</tr>
<tr>
<td>Northumberland County</td>
<td>319</td>
<td>333</td>
<td>319</td>
<td></td>
</tr>
<tr>
<td>All 4 Counties</td>
<td>1394</td>
<td>1538</td>
<td></td>
<td>10% increase</td>
</tr>
</tbody>
</table>
## Tourism Growth in the Northern Neck

<table>
<thead>
<tr>
<th></th>
<th>Expenditures</th>
<th>Payroll</th>
<th>Tourism-Related Employment</th>
<th>State Tax Receipts</th>
<th>Local Tax Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2014</strong></td>
<td>$232,194,299</td>
<td>$49,920,299</td>
<td>2,417</td>
<td>$9,679,127</td>
<td>$6,206,812</td>
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<tr>
<td><strong>2015</strong></td>
<td>$236,957,027</td>
<td>$52,250,747</td>
<td>2,479</td>
<td>$10,230,094</td>
<td>$6,542,771</td>
</tr>
<tr>
<td><strong>% Change</strong></td>
<td>2.2%</td>
<td>4.7%</td>
<td>2.7%</td>
<td>5.9%</td>
<td>5.6%</td>
</tr>
</tbody>
</table>
What Are the Next Steps?

In the Northern Neck we continue to support our goals:

• Infrastructure, Job Skills, Entrepreneurship and Sustainable Tourism

The combination of loans, grants, public improvements, and participation of the community created the right conditions for success!

Communities make success not funding..
Plans are made for involvement and we are excited about three more successful plans that will be implemented.
Entrepreneurial EcoSystem Through Partnerships
Presented by:

Cheyenne McGriff, BBR President
Dawn Hilgenkamp, BBR Secretary
Peggy Schlechter, SET Coach
Haakon County

• Population – 1,937 – average of 1 person per square mile
• Median Income for Households $38,900
• Individual poverty rate – 13%
• Population is getting older
Jackson County

• Population – 3,031 – average of 2 persons per square mile
• Median income for households $30,499
• Individual poverty rate – 33%
• The majority of the population is under 30
Eastern Pennington County

• Population – 1,497 – average of 1 person per square mile (Wall School District)
• Median income for households $37,485
• Population is getting older.
Badlands Bad River Region

• 3,367 people are employed within the region
  • 1,395 people work in the region
  • 948 people work in the region but live outside the region
  • 1,972 people live in the region but work outside the region

• Region exports 60% of its workers to jobs outside of the region
Badlands Bad River Region Introduction

• Started in 2012
• Two primary goals
  • Create a recognizable BBR Brand
  • Establish a business development support network and comprehensive resource base for entrepreneurs in order to create 10 new businesses and retain or expand 95% of existing businesses
• High quality plan designation in February 2015
  • 4th region in the US to receive a high quality plan
• Received $5,000 SET seed money
High Quality Plan Seed Money - $5,000

Website & Domain Name:
http://badlandsbadriver.com
High Quality Plan Seed Money - $5,000
High Quality Plan Seed Money - $5,000

Photo Contest
High Quality Plan Seed Money - $5,000

MARKETING

Vinyl Banner

Cell Phone Wallet

Video
Business Development

• $10,000 South Dakota Community Foundation Grant
• Small Business is Everybody’s Business
  • Ideas to support entrepreneurs
• Job Fair
• Small Business Beginnings
• Social Media for Small Business
Small Business is Everybody’s Business

• Speakers
  • Dell Gines
    • Senior Community Development Advisor, Federal Reserve Bank of Kansas City
  • Craig Schroeder
    • Senior Fellow for Youth Engagement, Center for Rural Entrepreneurship

• Ideas to support entrepreneurs

• Approximately 20 attendees
Badlands Bad River Regional Job Fair

- 16 exhibitors, including businesses and higher education
Small Business Beginnings

• Six sessions that taught everything from entrepreneurship to taxes and licensing
  • 23 attendees

• Special Social Media Marketing Session
  • 37 attendees
Small Business Beginnings Continued

- Business Plan Contest
  - Best plan for a business idea
  - Best plan for a start-up business
  - Best plan for improving a current business
  - Sponsored by a local credit union
Small Business Beginnings Responses

• “Great resource….Without new and developing business, small towns dry up and disappear. Thank you!!”
• “Great connections to resources.”
• “The information I learned helped greatly in understanding what a proper business plan needs to look like…”
• “….a rare and precious offering.”
Small Business Beginnings Success Stories

• Wall Car Care Center, LLC
• M&M Sales
• JLJ Contracting, LLC
• Cups & Cakes
  • High school student
Badlands Bad River Celebration Dinner

• Community “movers and shakers”
• Increase awareness and involvement
• Speakers
  • South Dakota Lieutenant Governor Matt Michels
  • Christine Sorensen, Midwest Regional Community Economic Development Coordinator, USDA-Rural Development

Lt. Governor Matt Michels
Plans for the future

- Business Incubator Research and Planning
  - Tour of area incubators, co-working spaces and maker spaces
- Apply for USDA funding
Plans for the future

• Continually working on 501 (c) 3 status
  • Officers
• “Let’s Put Our Cities on the Map”
• Small Business Beginnings
  • Facebook Page
  • Quarterly Meetings
• Future Small Business Beginnings classes
• Resource Fair
Goal 1: Re-establish and expand aerospace industry.

Unmanned Aerial Systems

The Oklahoma Spaceport
Goal 1: Re-establish and expand aerospace industry.

Association of Unmanned Vehicle Systems International recently released a report that found precision agriculture and conservation could account for 90 percent of civilian drone use by 2020.

Rural Electric Cooperative
- $50,000 savings/year
- Storm damage assessment

Railroads
- Just beginning
- Track lines and bridges
Goal 2: Create diversified agriculture and value-added products

$7M increase in canola production
Goal 2: Create diversified agriculture and value-added products
Goal 3: Expand energy sector through diversification and recruit administration.

Filling jobs – CDL Class A licensing facility built in area
Goal 4: Improve healthcare facilities, staffing, and technology.

Recruit doctors to rural areas

Home health care assistants and RNs

SWOSU graduates 100% BSN
Goal 4: Improve healthcare facilities, staffing, and technology.

New convenient care facilities
Express Wellness centers
Cordell Hospital – telemedicine
Sayre – hospital closed

New Dentist Office
Goal 5: Develop amenities that will support strong community lifestyles.

Childcare Facilities
- Weatherford 2
- Anadarko 1
- Hinton 1
- Thomas 1
Goal 5: Develop amenities that will support strong community lifestyles.

Committee of regional tourism partners

Recreational amenities

Website
http://greatplainsrcd.org/set.html
http://srdc.msstate.edu/set/
SET FOREVER – Northeast Louisiana

Strategies for Building New Economic Opportunities
SET FOREVER consists of five parishes in the Northeast corner of the State of Louisiana. The region is bounded to the north by the State of Arkansas, to the east by the Mississippi River, and to the West by the Ouachita River. The region boasts some of the most fertile farmland in the world. With abundant wooded area and numerous lakes, rivers, and streams, this region is a true “Sportsman’s Paradise” with many opportunities for hunting and fishing throughout.
This region has a long history of working together dating back to the development of the North Delta Regional Planning District and encompassing partners such as NELEA, DRA, and the college and university system. While emphasis areas have changed over the years from traditional big agriculture, to certifying sites for large scale employers in the technology realm, one constant has held true, that silos must be destroyed to ensure consistent economic development.
While there are many positives to attribute to the region, the data also presents us with many points for course correction. For instance, if you look at the four biggest pieces of the pie: Educational Attainment, Jobs/Low Wages, Crime, and Poverty; it is easy to determine that there is a direct correlation between those four things. On the converse, areas that directly impact those four areas are largely under-represented in this model.
While SET FOREVER was still in its development phase, the steering committee took the unprecedented step to seek funding prior to establishing a plan. To that end, LED received funding through the USDA RD RBDG to offer its LDRC program in the SET region upon the completion and adoption of the regional plan. This created a wonderful launching point because participants were able to understand that while funding could be coming, some funding was already there to make the region more competitive in the global marketplace.
Having navigated the planning process and developed a plan for the area, the region is now awaiting a recommendation from the SRDC to determine if the plan meets the high quality criteria. By following the process, the regional team conveyed in the plan the need for further exploration in the following areas: Tourism and Regional Branding; Broadband Deployment; Transportation for the movement of goods; and Workforce Development. Upon final review by the SRDC, the region will seek to have the plan formally adopted by local governments, economic development entities, non-profits, etc.
Strategic Economic and Community Development (SECD)

Farm Bill Section 6025
What is SECD?

• New requirement under 2014 Farm Bill
• Sets aside up to 10% of USDA program funds under:
  • Community Facilities
  • Water and Environmental Programs
  • Rural Business Development Grants
  • Business & Industry Guaranteed Loans...

...to prioritize projects that support the implementation of a multi-jurisdictional plan.

For FY16, SECD set-aside funds totaled over $300 million in grants and loans.
SECD supports communities engaged in:

- Regional collaboration with federal, state and local partners
- Long-term growth strategies
- Aligning and leveraging resources
- Capitalizing on a region’s strengths
- Developing projects based on a regional/community vision
SECD Scoring: Evaluating Regional Plans

- Regional Plan Objectives Supported by the Project – 10 pts
- Collaboration – 2 pts
- Resources – 2 pts
- Federal Agencies Investment (beyond USDA) – 2 pts
- Philanthropic Investment - 2 pts
- Performance Measures – 2 pts

NOTE: Applicant must still fill out application and be eligible for underlying program.
SECD Example #1

**Project:** 31 Corridor Planning Study

**Region:** Phase V SET Region Lakes to Land + Boardman River Watershed Region in Michigan

**Description:** U.S Highway corridor improvement plan which includes two downtown development authorities, five township, one city and two villages. The planning process will engage constituents in each community to identify opportunities to improve the safety and culture while providing a unified transportation corridor.

**Implementation of Multi-jurisdictional Plan:** The project helps implement the multijurisdictional SET plan around the strategic goal:

- Economic development and rural scenic preservation of the land

**Award:** SECD RBDG Funds $29,000
Example #2

Project: Blue Ridge Aquaculture (BRA)

Region: Four-county region in Virginia

Description: This project will involve direct commercialization and industrial growth of BRA, the world’s largest indoor producer of tilapia using Recirculation Aquaculture Systems. Loan will allow the facility to sell to other aquaculturalist in the Mid-Atlantic Region, be used to refinance debt and to construct a new feed mill, and save 35 existing jobs and create 8 jobs.

Implementation of Multi-jurisdictional Plan: Project helps implement West Piedmont Economic Development District’s CEDS four-county plan around three strategic goals:
• Regional identity and vision
• Retain and expand existing industries and small businesses
• Preserve agricultural base and promote modern agriculture enterprises.

Award: SECD B&I Guaranteed Loan on project $6,400,000
SECD Outreach: Communities with Multi-jurisdictional Plans

- Councils of Governments
- Coalitions of Counties, Towns, etc.
- Regional Authorities
- State Agencies
- Special Initiative Coalitions with Plans:
  - Stronger Economics Together (SET)
  - Promise Zones
  - Investing in Manufacturing Communities Partnership (IMCP)
  - Sustainable Communities
  - Comprehensive Economic Development Strategy (CEDS)
  - Local Foods, Local Places
- Any organization engaged in community planning
USDA Placed Based Initiatives utilizing strategic planning

Select USDA Place-Based Initiatives and Programs
Looking Forward: SECD in FY17

- Reach out to communities with multi-jurisdictional plans
- Identify projects in plans that are eligible under:
  - Community Facilities
  - Water and Environmental Programs
  - Rural Business Development Grants
  - Business & Industry Guaranteed Loans
- Meet with USDA Rural Development state offices
- FY2017 SECD set-aside amounts forthcoming
- **Deadline Each Year: June 30**
Stronger Economies Together (SET):
Regional Planning and Business Development Success Stories

Q&A