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MID AMERICA ECONOMIC DEVELOPMENT COUNCIL

RURAL INITIATIVES PROGRAMMING ANALYSIS & RECOMMENDATIONS

FROM THE MONTROSE GROUP, LLC

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MIDAMERICA ECONOMIC DEVELOPMENT COUNCIL RURAL INITIATIVES PROGRAMMING ANALYSIS EXECUTIVE SUMMARY

Rural communities play a vital role in our nation's economy. Rural communities are home to most of the U.S. manufacturing, farming and agribusiness operations, and energy production resources and provide Almost three-quarters of the United States is considered rural, but only 14 percent of the population lives in rural America.[i] Despite rural America only representing a fraction of the nation's population, rural America is strong and mighty. Approximately 20 percent of the manufacturing sector is located in rural America, with agriculture representing approximately six percent of the overall economy and 10 percent of U.S. employment.[ii] Rural America is not, however, defined as one geographical unit but as a mosaic of different landscapes, people, and economic realities.[iii] It includes agricultural powerhouses, postindustrial towns, and popular tourism enclaves. Some rural communities are relatively close to major cities, while others are hundreds of miles from the nearest urban hub. Some have thriving workforces and a handful of economic anchors, while others face declining populations and some of the lowest living standards in the country. Some benefit from endowments such as energy resources and beautiful landscapes, while others have few natural amenities.

As rural communities face economic challenges such as struggles to add jobs and retain population in today's knowledge-driven economy, a comprehensive understanding of the geographic location, local assets, and development voids must be understood. For example, rural communities with proximity to larger metro areas should understand how connectivity into larger metro areas play an important role in future growth, especially as the U.S. continues to become a more urban nation.[iv] Since 2010, metropolitan areas in the U.S. grew in population by more than 6 percent while non-metro areas retracted by 0.5 percent.[v] As metro areas see population and job gains and smaller non-metro areas grow at slower rates, cities matter greatly to rural success. Access to metro areas and their markets, specialized industries, and capital increases rural prosperity. Metro areas also provide access to educational and healthcare assets. Rural community successes will likely surround three foundational elements – industry sector strengths, workforce, and community and connectivity. Data-driven approaches coupled with shovel-ready sites, vibrant downtowns, success in leveraging funding, and compelling Quality of Life assets can lead to positive outcomes in rural communities throughout the MidAmerica EDC region and the country.

The creation of this rural economic initiatives analysis and report has been prepared for the thirteen state MidAmerica EDC region. The overarching rural economic development analysis focused on identifying and defining rural; discussing challenges and solutions to offer around economic and workforce development in rural communities; making recommendations on programs that create and support competitive rural communities; conducting a survey of the Council membership; and generating ideas on future conference and webinar professional development topics.

Rural communities across America face unique challenges and opportunities and the MidAmerica Economic Development Council is well-positioned to deliver programming and resources to economic and workforce development professionals that enhance delivery of competitive services within the Council's rural communities. Rural communities have grown economically slower than most urban counterparts driven by a lack of population growth, a lack of workforce density needed by advanced services and tech companies, and limited site development and incentives programs. Despite these challenges, rural communities offer a low cost of living, strong Placemaking environments, and competitive wage rates attractive to manufacturing companies that cannot be ignored. The Council's rural communities must continue to develop manufacturing jobs but diversify beyond this industry to attract a new generation of companies and workers. Delivering compelling programming and resources to the Council's rural economic and workforce development professionals will elevate business and talent growth capabilities and create competitive rural communities.

The Montrose Group recommends a rural initiatives action plan based upon six strategies:

1. Leveraging industry sector strengths to attract investment, advance the skills of the existing workforce, and build the next generation of workforce, including technology and remote talent attraction.
2. Enhancing connectivity through deployment of broadband infrastructure, investments in public infrastructure and site development strategies, and the creation of space that encourages entrepreneurship.

3. Defining Placemaking assets such as green space, trail systems and walkability, and access to job centers and promote rural communities as a desirable place to live, work, and play.
4. Building rural capital funding capacity to support entrepreneurship, new business, and small business development.
5. Ensuring access to quality healthcare and childcare services to build a healthy and inclusive workforce; and
6. Incentivizing development of residential housing that attracts new residents and meets the evolving needs of existing residents.

Rural Communities' Challenges and Opportunities. All regions have challenges and opportunities. High growth markets like Austin, Columbus, and Nashville bring new capital and income into markets but the regions face substantial growing pains as infrastructure struggles to keep up with the demand of new companies, residents and workers moving in. Additionally, these high growth urban markets also benefit from growth in high-income workers, however this may simultaneously create greater income inequality among the existing population. On the rural front, smaller and slower growth markets don't face traffic challenges, have a high Quality of Life Index (QLI) that includes vibrant downtown redevelopment efforts, community stakeholder and resident engagement, affordability, and lower crime rates, as well as affordable sites primed for development but struggle to attract and retain the younger generation that travels for work and play to growing markets. The bottom line is while no place is perfect, the resources available for economic development and talent attraction vary dramatically across different markets, especially in rural versus urban economies.

The purpose of discussing the challenges and opportunities of the MidAmerica Economic Development Council's rural communities is to provide a data driven analysis of resources within rural regions which will help shape the establishment of a strategy to address rural community challenges and capitalize on their opportunities. Rural counties analyzed throughout the Council's 13-state region were selected by members of the Council's board of directors. Using publicly available data sources such as the Federal Reserve, Federal Deposit Insurance Corporation, U.S. Bureau of Labor Statistics, U.S. Census Bureau, U.S. Department of Agriculture, and state and local economic and workforce development agencies, economic, demographic, and financial data was collected to review, compare and benchmark the resources available within the MidAmerica Economic Development Council's rural communities to identify gaps in services and opportunities to enhance resources available to the Council's rural membership. Data was analyzed across the following areas:

- Rural and Urban Income Comparison over time.
- Rural and Urban Education Comparison over time.
- Rural and Urban Employment Comparison over time.
- Population in total and growth, 2010-2021.
- Unemployment Rates, 2010-2021.
- Labor Force Participation, 2010-2021.
- Median Household Income, 2010-2021.
- Leading Industry Sectors.
- Sites & Buildings Inventory; and
- Availability of Capital.

Defining Rural. Defining rural seems to be as much art as science. The federal government's Office of Management and Budget (OMB) defined metropolitan (metro) areas as broad labor-market areas that include: central counties with one or more urbanized areas; urbanized areas (described in the next section) are densely-settled urban entities with 50,000 or more people; and outlying counties that are economically tied to the core counties as measured by labor-force commuting.[vi] Under the OMB definition, outlying counties are included if 25 percent of workers living in the county commute to the central counties, or if 25 percent of the employment in the county consists of workers coming out from the central counties—the so-called "reverse" commuting pattern.[vii] Non-metro counties are outside the boundaries of metro areas and are further subdivided into two types: Micropolitan (micro) areas, which are non-metro labor-market areas centered on urban clusters of 10,000-49,999 persons and defined with the same criteria used to define metro areas; and all remaining counties, often labeled "noncore" counties because they are not part of "core-based" metro or micro areas.[viii] The Census Bureau provides the official, statistical definition of rural, based strictly on measures of population size and density, and rural areas comprise open country and settlements with fewer than 2,500 residents.[ix] Urban areas comprise larger places and densely settled areas around them, but according to the Census Bureau, urban areas do not necessarily follow municipal boundaries.[x] They are essentially densely settled territory as it might appear from the air, and nearly all counties are both metro and non-metro. Again, the Census Bureau sees the magic number at 50,000 people for metro vs. non-metro but they will also consider with the city have a core with a population density of 1,000 persons per square mile and may contain adjoining territory with at least 500 persons per square mile.[xi] For purposes of this analysis, rural communities will be measured by county as identified by the Council's board of directors. Data at the census tract level is available and of high quality. However, when trying to determine the economic success of rural communities including a rural census tract from an urban area does not make economic sense. A farm field in Franklin County, Ohio that is part of the Columbus Metro Region is more likely to be tomorrow's home or industrial site not a farm. Regional economies are in tracts of land created by the Census Bureau- no one moves a company or residence to a location based upon its census tracts. Counties seem to be the simplest measure of how to define an area as urban or rural.

The federal government's definition of rural as a 50,000 population or less benefits many communities within the MidAmerica Economic Development Council footprint from an eligibility of funding standpoint, however rural communities within the Council's region vary greatly from this federal definition. Many large population centers in the region fall under the federal government's rural definition of population, such as Butte, Montana (34,768 population), Mattoon, Illinois (18,551 population), and Grand Rapids, Minnesota (11,220 population). Additionally, many counties in the Council's footprint have populations significantly below the federal government's rural definition.

MidAmerica Economic Development Council Rural Communities

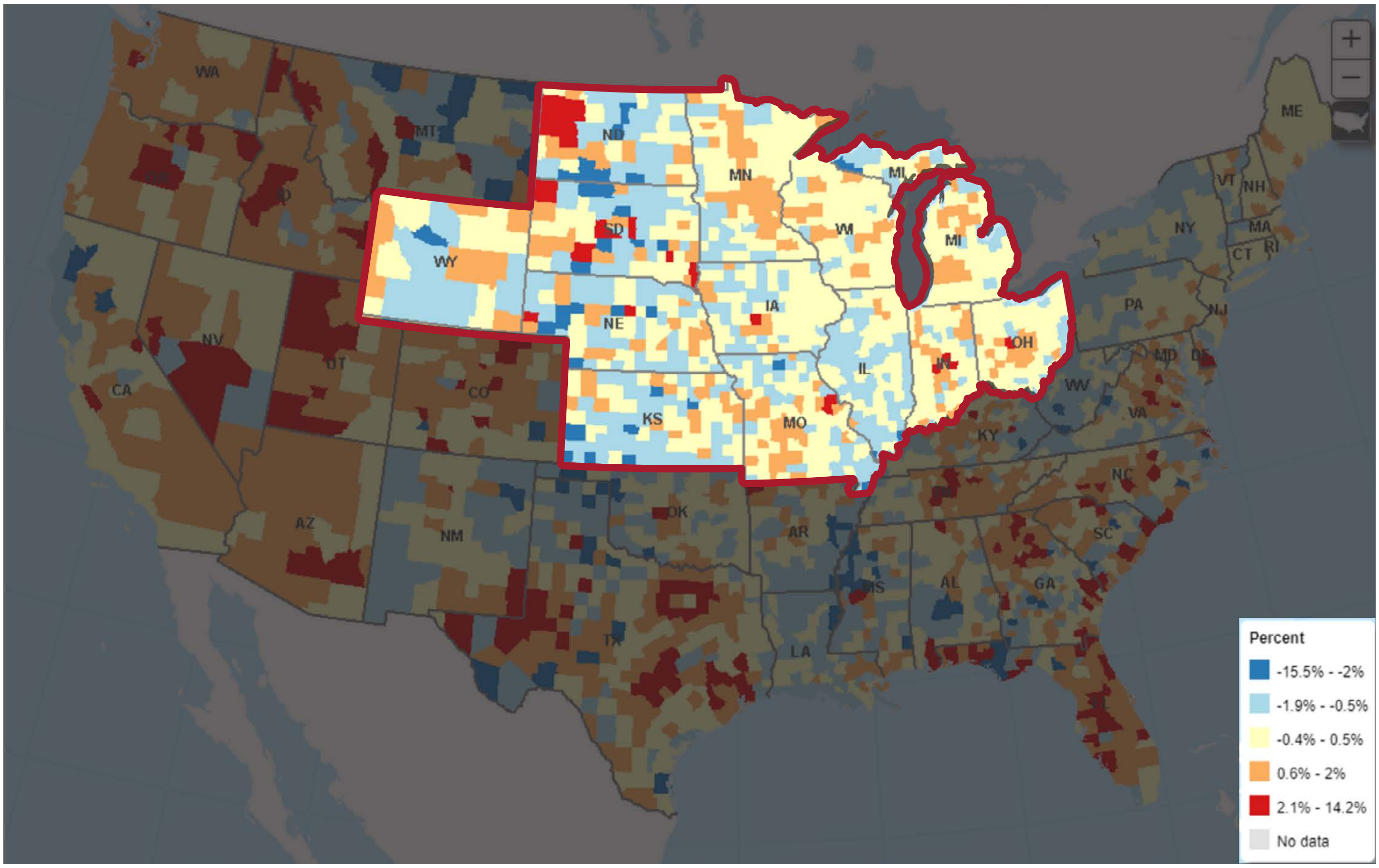
Jurisdiction	State	Population
Dekalb, City	Illinois	44,101
Effingham, City	Illinois	12,337
Hillsboro, City	Illinois	6,214
Cerro Gordo, County	Iowa	44,097
Clinton, County	Iowa	49,091
Clinton, County	Ohio	42,416
Hillsdale, County	Michigan	46,646
Mecosta, County	Michigan	42,851
Cass, County	Nebraska	24,246
Nemaha, County	Nebraska	7,238
Bowman, City	North Dakota	1,647
Cavalier, City	North Dakota	1,353
New Salem, City	North Dakota	958
Minot, City	North Dakota	41,442
Gillette, Micropolitan Region	Wyoming	29,087

Source: St. Louis Federal Reserve

While most economic development strategies involve some effort to recruit major employers, such as manufacturers or large retailers, many successful small towns, and cities compliment recruitment by emphasizing their existing assets and distinctive resources. While no magic bullet or set process will work everywhere, successful tactics exist that can drive investment, entrepreneurship, and workforce attraction by identifying and building on existing assets; engaging all members of the community to plan for the future; taking advantage of outside funding and growing community-based funding to support development and redevelopment strategies; creating incentives for redevelopment, and encourage investment in the community; and encouraging cooperation within the community and across the region.[xii]

Rural Population Trends. Over the last decade, the population of U.S. metropolitan areas grew by 9 percent, resulting in 86 percent of the population living in metro areas in 2020 versus 16 percent living in rural America, compared to 85 percent of the population living in metro areas in 2010.[xiii] Less than half of the nation's 3,143 counties or equivalents gained population from 2010 to 2020.[xiv] According to the U.S. Department of Agriculture's Economic Research Service, nearly every rural community in the United States saw population levels plateau or decline in the 2018-2019 timeframe alone, prior to the height of the COVID 19 pandemic.

U.S. Population Change Rate 2018-2019



Source: U.S. Department of Agriculture Economic Research Service

MidAmerica EDC Region Population Changes, 2010-2020

State	Population Change
Illinois	-0.1%
Indiana	4.7%
Iowa	4.7%
Kansas	3.0%
Michigan	2.0%
Minnesota	7.6%
Missouri	2.8%
Nebraska	7.4%
North Dakota	15.8%
Ohio	2.3%
South Dakota	8.9%
Wisconsin	3.6%
Wyoming	2.3%

Source: U.S. Census Bureau

Population Change for the United States, Regions, States, and Puerto Rico: 2010 to 2020

Area	Population		Change 2010 to 2020	
	2010	2020	Number	Percent
United States	**308,745,538**	**331,449,281**	**22,703,743**	**7.4**
Region				
Northeast	55,317,240	57,609,148	2,291,908	4.1
Midwest	66,927,001	68,985,454	2,058,453	3.1
South	114,555,744	126,266,107	11,710,363	10.2
West	71,945,553	78,588,572	6,643,019	9.2
State				
Alabama	4,779,736	5,024,279	244,543	5.1
Alaska	710,231	733,391	23,160	3.3
Arizona	6,392,017	7,151,502	759,485	11.9
Arkansas	2,915,918	3,011,524	95,606	3.3
California	37,253,956	39,538,223	2,284,267	6.1
Colorado	5,029,196	5,773,714	744,518	14.8
Connecticut	3,574,097	3,605,944	31,847	0.9
Delaware	897,934	989,948	92,014	10.2
District of Columbia	601,723	689,545	87,822	14.6
Florida	18,801,310	21,538,187	2,736,877	14.6
Georgia	9,687,653	10,711,908	1,024,255	10.6
Hawaii	1,360,301	1,455,271	94,970	7.0
Idaho	1,567,582	1,839,106	271,524	17.3
Illinois	12,830,632	12,812,508	-18,124	-0.1
Indiana	6,483,802	6,785,528	301,726	4.7
Iowa	3,046,355	3,190,369	144,014	4.7
Kansas	2,853,118	2,937,880	84,762	3.0
Kentucky	4,339,367	4,505,836	166,469	3.8
Louisiana	4,533,372	4,657,757	124,385	2.7
Maine	1,328,361	1,362,359	33,998	2.6
Maryland	5,773,552	6,177,224	403,672	7.0
Massachusetts	6,547,629	7,029,917	482,288	7.4
Michigan	9,883,640	10,077,331	193,691	2.0
Minnesota	5,303,925	5,706,494	402,569	7.6
Mississippi	2,967,297	2,961,279	-6,018	-0.2
Missouri	5,988,927	6,154,913	165,986	2.8
Montana	989,415	1,084,225	94,810	9.6
Nebraska	1,826,341	1,961,504	135,163	7.4
Nevada	2,700,551	3,104,614	404,063	15.0
New Hampshire	1,316,470	1,377,529	61,059	4.6
New Jersey	8,791,894	9,288,994	497,100	5.7
New Mexico	2,059,179	2,117,522	58,343	2.8
New York	19,378,102	20,201,249	823,147	4.2
North Carolina	9,535,483	10,439,388	903,905	9.5
North Dakota	672,591	779,094	106,503	15.8
Ohio	11,536,504	11,799,448	262,944	2.3
Oklahoma	3,751,351	3,959,353	208,002	5.5
Oregon	3,831,074	4,237,256	406,182	10.6
Pennsylvania	12,702,379	13,002,700	300,321	2.4
Rhode Island	1,052,567	1,097,379	44,812	4.3
South Carolina	4,625,364	5,118,425	493,061	10.7
South Dakota	814,180	886,667	72,487	8.9
Tennessee	6,346,105	6,910,840	564,735	8.9
Texas	25,145,561	29,145,505	3,999,944	15.9
Utah	2,763,885	3,271,616	507,731	18.4
Vermont	625,741	643,077	17,336	2.8
Virginia	8,001,024	8,631,393	630,369	7.9
Washington	6,724,540	7,705,281	980,741	14.6
West Virginia	1,852,994	1,793,716	-59,278	-3.2
Wisconsin	5,686,986	5,893,718	206,732	3.6
Wyoming	563,626	576,851	13,225	2.3
Puerto Rico	3,725,789	3,285,874	-439,915	-11.8

Note: Information on confidentiality protection, nonsampling error, and definitions is available at <https://www2.census.gov/programs-surveys/decennial/2020/technical-documentation/complete-tech-docs/summary-file/>.

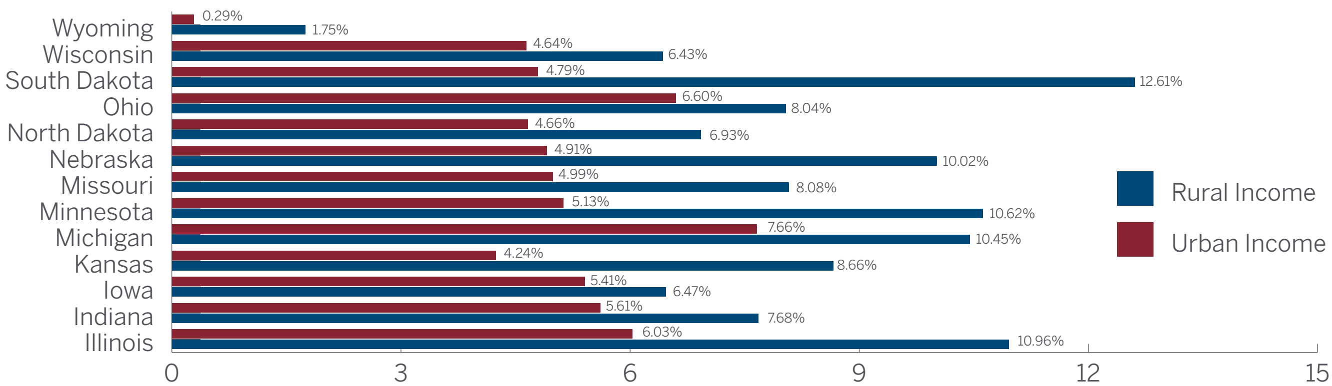
Source: U.S. Census Bureau, 2010 Census Redistricting Data (Public Law 94-171) Summary File; 2020 Census Redistricting Data (Public Law 94-171) Summary File.

MidAmerica EDC Rural vs. Urban Income & Poverty Comparison

State	Rural Income, % Change % Change 2019-2020	Population Change % Change 2019-2020	Population Change % Change 1999-2020	Population Change % Change 1999-2020
Illinois	10.96%	6.03%	12.15%	1.87%
Indiana	7.68%	5.61%	25.00%	20.62%
Iowa	6.47%	5.41%	11.96%	12.09%
Kansas	8.66%	4.24%	2.59%	13.48%
Michigan	10.45%	7.66%	14.15%	20.95%
Minnesota	10.62%	5.13%	-6.19%	12.68%
Missouri	8.08%	4.99%	0.00%	5.83%
Nebraska	10.02%	4.91%	-9.17%	-1.12%
North Dakota	6.93%	4.66%	-20.00%	-2.88%
Ohio	8.04%	6.60%	15.89%	18.87%
South Dakota	12.61%	4.79%	-13.17%	1.18%
Wisconsin	6.43%	4.64%	10.47%	17.24%
Wyoming	1.75%	0.29%	-18.49%	-19.42%

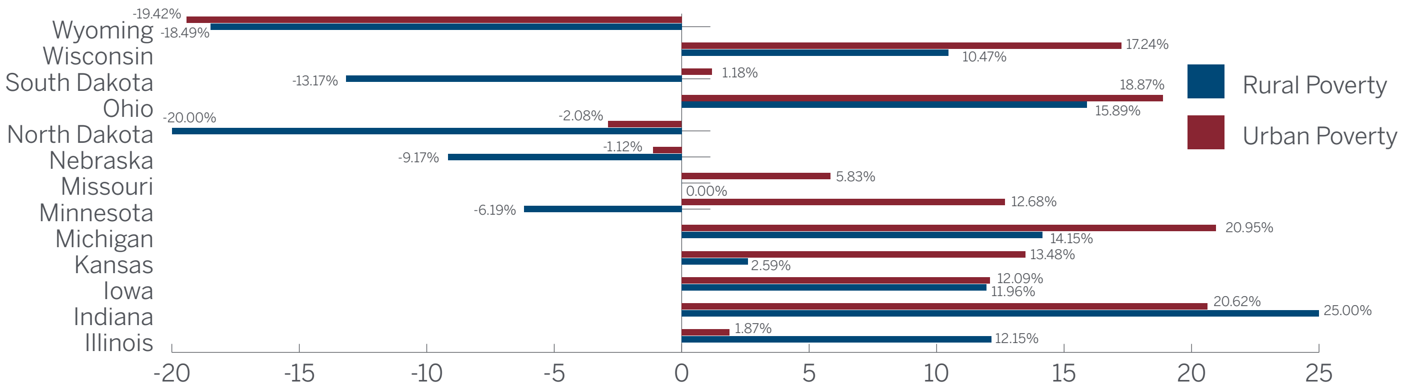
Source: USDA

Rural vs. Urban Income Comparison
% Change, 2019 - 2020



Source: USDA

Rural vs. Urban Poverty Comparison
% Change, 1999-2020

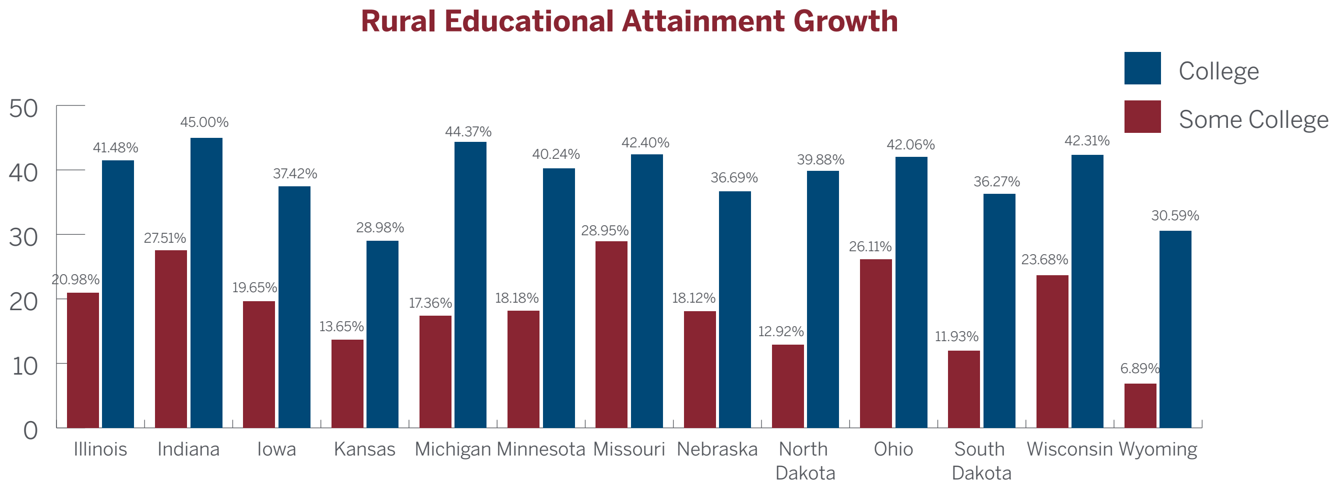


Source: USDA

MidAmerica EDC Rural Education Comparison

State	No High School Graduation	High School Graduate Only	Some College	College
Illinois	-48.26%	-5.03%	20.98%	41.48%
Indiana	-38.65%	-8.13%	27.51%	45.00%
Iowa	-45.86%	-10.42%	19.65%	37.42%
Kansas	-38.51%	-8.36%	13.65%	28.98%
Michigan	-49.43%	-7.51%	17.36%	44.37%
Minnesota	-53.76%	-8.17%	18.18%	40.24%
Missouri	-46.22%	-0.76%	28.95%	42.40%
Nebraska	-42.41%	-13.77%	18.12%	36.69%
North Dakota	-57.36%	0.66%	12.92%	39.88%
Ohio	-42.05%	-6.62%	26.11%	42.06%
South Dakota	-48.89%	-4.39%	11.93%	36.27%
Wisconsin	-51.46%	-10.07%	23.68%	42.31%
Wyoming	-47.20%	-9.35%	6.89%	30.59%

Source: USDA



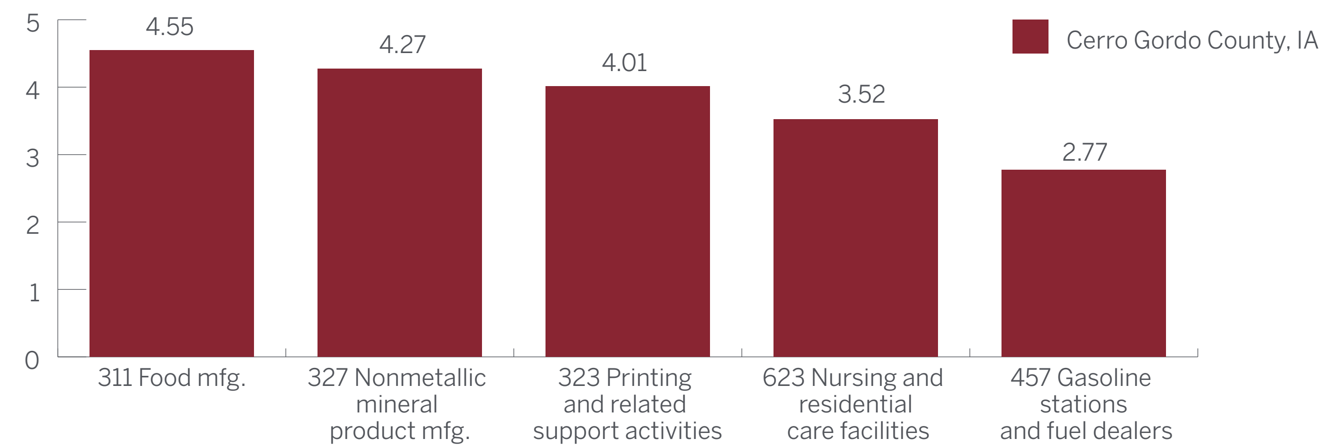
Source: USDA

MidAmerica Economic Development Council Rural Initiatives Strategy #1 – Leveraging industry sector strengths to attract investment, advance the skills of the existing workforce, and build the next generation of workforce, including technology and remote talent attraction.

Industry targeting rests on a theory of the ways in which communities and economic development organizations attract and sustain competitive advantage within their respective economic base. High concentration industry clusters in a community or region share certain characteristics, including an ability to innovate, access existing customer bases and new markets, and develop and maintain strong linkages with other firms that support the production or distribution of a clusters goods or services.[xv] With strong interfirm linkages, an industry cluster is likely to remain rooted in a local area and the ability for economic development organizations to attract new, complimentary firms to a community increases. Leveraging industry sector strengths also helps drive investments in site development and public infrastructure assets, as well as presenting compelling arguments for economic development financing and incentives to secure private sector investments. Additionally, targeting industry sector strengths as part of a BR&E and business attraction strategy leads to larger economic impacts, or multiplier effects, within a local economy versus firms or industry sectors with few local relationships.[xvi] Targeting also helps economic development organizations focus their services more narrowly and effectively, rather than dissipating resources by trying to offer incentives for every type of business. For example, a region that targets a chemical industry because of existing chemical industry supply chain strengths, likely has the resources and talent pool to attract and train more chemists and lab technicians and is actively engaged in research in local universities.[xvii]

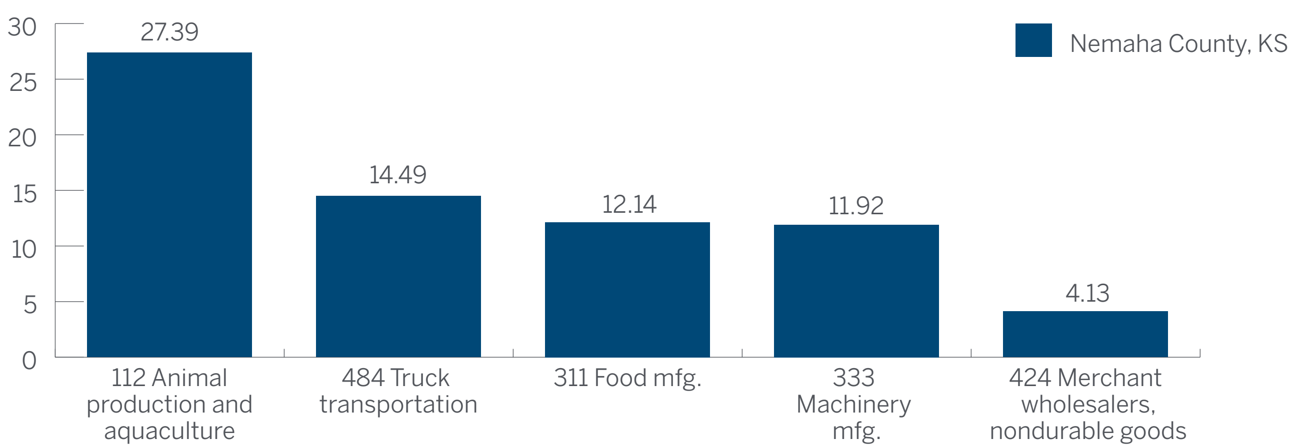
Within the MidAmerica EDC region, five industry sectors have exceptional Location Quotient (LQ) strengths – Transportation equipment manufacturing, Food manufacturing, Machinery manufacturing, Animal production and aquaculture, and Mining (with the exception of oil and gas). These industry sector strengths represent a landscape of OEM companies and corresponding supply chains that traverse the region.
A cross section of MidAmerica EDC rural counties shows just how important industry sector strengths are to a local community, the integration of a supply chain and supporting business, and the competitive nature of these industry sectors from a business attraction effort.

Top 5 Sectors by Location Quotient Cerro Gordo County, IA



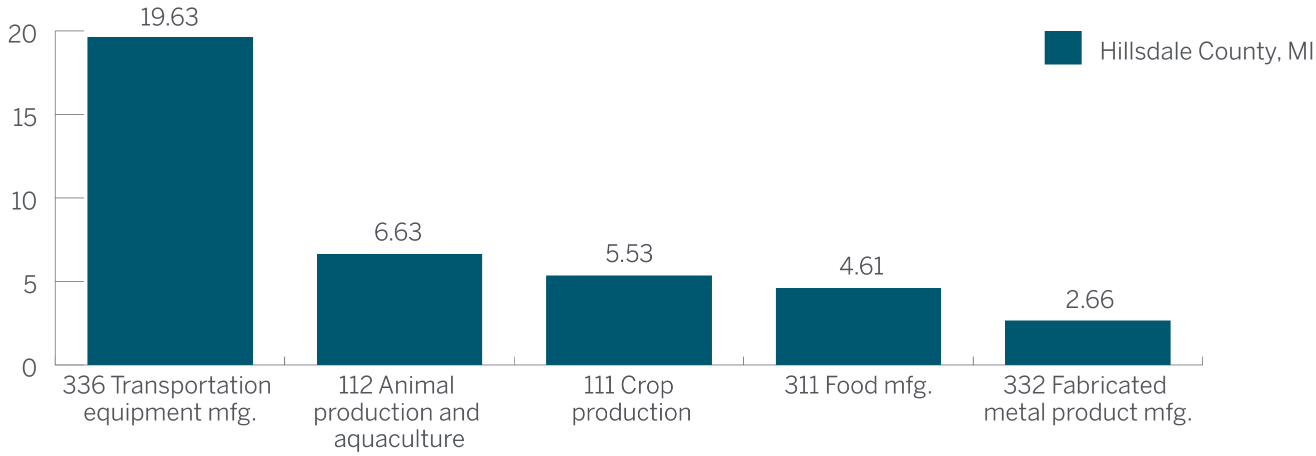
Source: U.S. Bureau of Labor Statistics, 2022

Top 5 Sectors by Location Quotient Nemaha County, KS



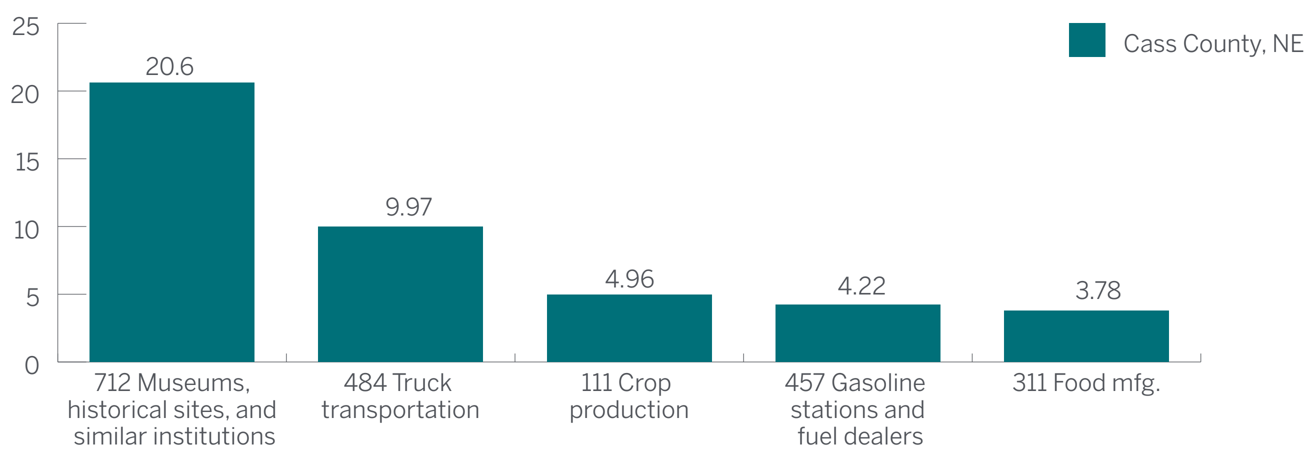
Source: U.S. Bureau of Labor Statistics, 2022

Top 5 Sectors by Location Quotient Hillsdale County, MI



Source: U.S. Bureau of Labor Statistics, 2022

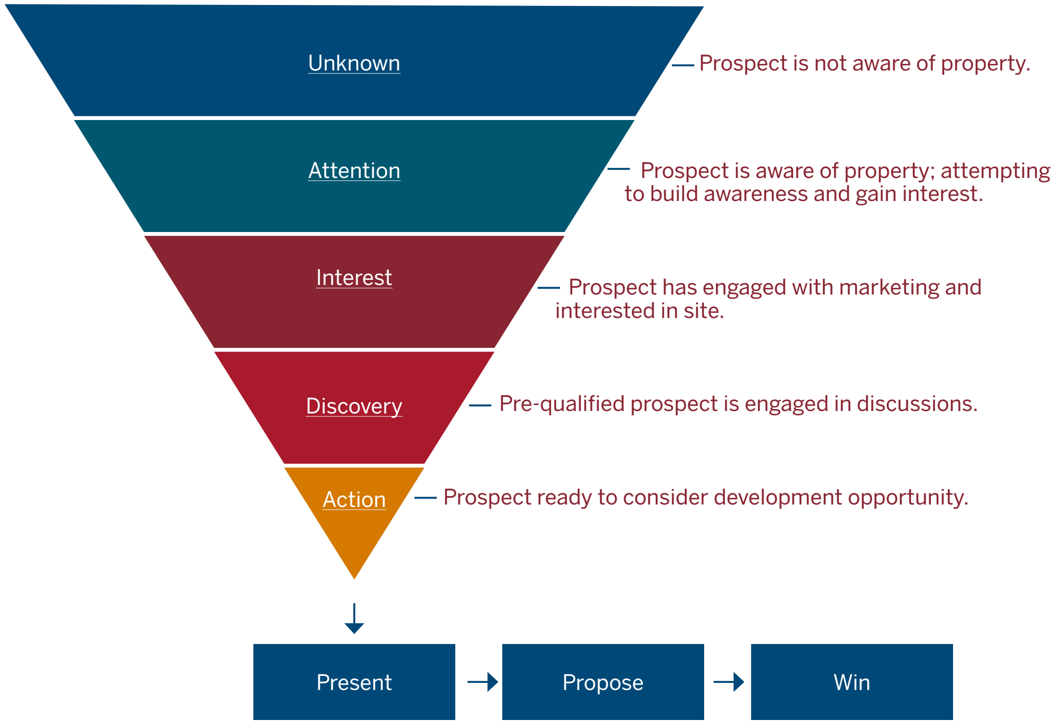
Top 5 Sectors by Location Quotient Cass County, NE



Source: U.S. Bureau of Labor Statistics, 2022

Following a traditional sales funnel model, the goal of rural MidAmerica EDC community Business Attraction & Marketing Strategies should be the ability to attract the attention of targeted "prospects," develop interest in community sites, engage the "prospect" in discovering how their project aligns with the community's assets and opportunities, and securing commitments for capital investment.

Traditional Sales Funnel Model



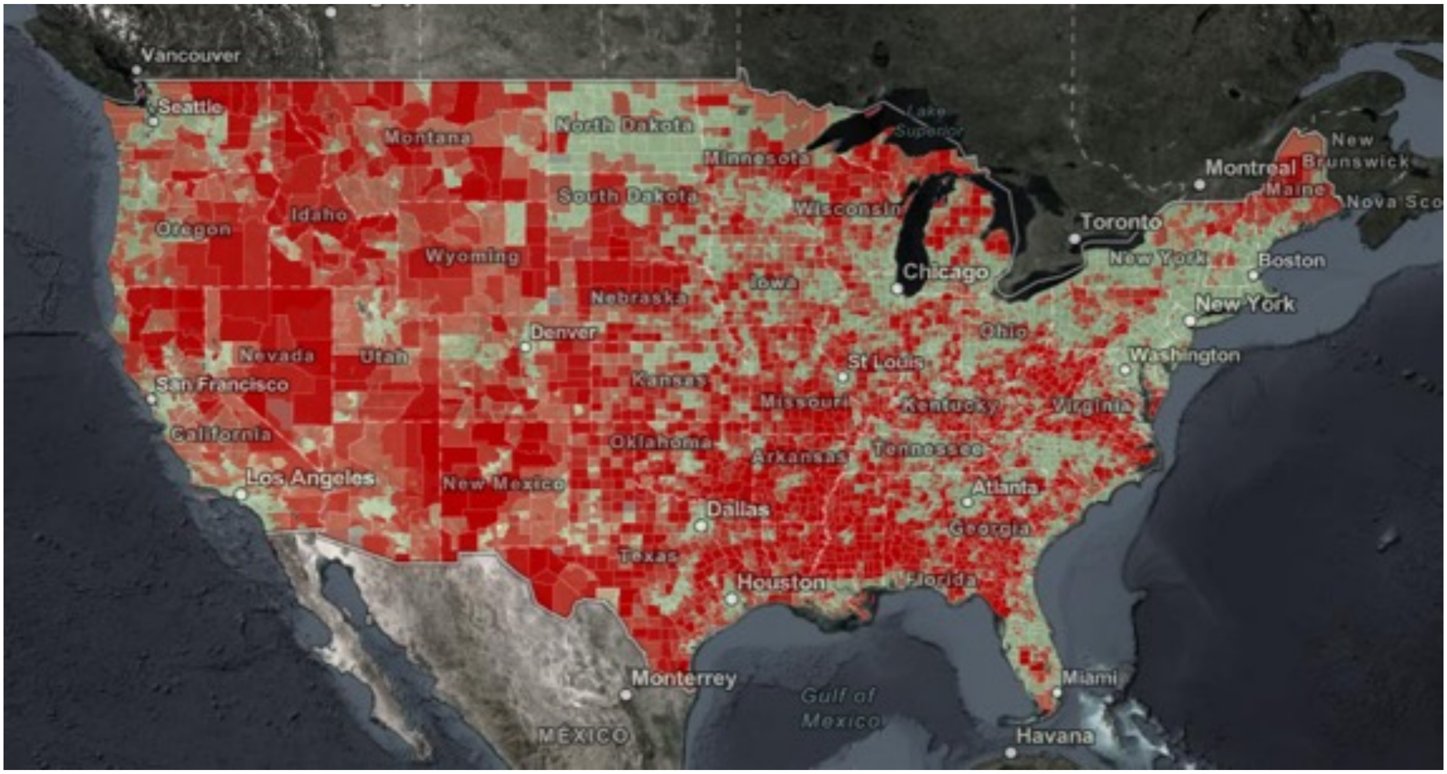
Successful rural business attraction efforts must recognize the key industry sectors strengths of a community that an intentional outreach campaign will focus on, identify and/or prepare sites for development, negotiate incentives policies upfront with communities, schools and other impacted partners, define the workforce strengths of a community and labor shed, build partnerships with educational and training providers to deliver customized training in targeted in-demand occupations, and deliver a coordinated and proactive message to industrial realtors, brokers, site selectors, and businesses on the benefits of locating in a rural community.

MidAmerica Economic Development Council Rural Initiatives Strategy #2 – Enhancing connectivity through deployment of broadband infrastructure, investments in public infrastructure and site development strategies, and the creation of space that encourages entrepreneurship.

The shift of work, education, and healthcare to online during the height of the COVID 19 pandemic highlighted the lack of access to high-speed broadband service in many parts of the country and, consequently, demonstrated the absolute need for small and rural communities to prioritize broadband infrastructure investments that enhance connectivity. Political pressures on the federal government to take the lead in funding extension of broadband into underserved areas led to the bipartisan infrastructure bill that Congress passed in late 2021 and included $65 billion over ten years to finance expansion of this critical infrastructure.

The Federal Communications Commission (FCC) defines broadband internet as a minimum of 25 megabits per second (Mbps) download speed and 3 Mbps upload speed as the baseline for adequate broadband infrastructure service in a community. In its 2020 Broadband Deployment Report, the FCC found that 18.3 million Americans still lack access to broadband internet.[xviii] Independent research firms such as Broadband Now suggest a more accurate number is closer to 42 million Americans and further proves that communities need to make broadband infrastructure investments an even greater priority if these communities want to provide basic services to residents, retain and grow its population, retain and grow existing businesses, and further grow their economies.[xix]

According to the U.S. Department of Agriculture, a larger share of rural households lack broadband, about 22.3 percent of rural households and 27.7 percent of Americans in Tribal lands lack basic 25 Mbps upload and 3 Mbps download broadband coverage versus 1.5 percent of urban Americans, as demonstrated in the map below.[xx]



Source: U.S. Department of Agriculture, Broadband

Research suggests that the social returns on investment in broadband are significant, increasing access and usage in rural communities, including rural communities throughout the MidAmerica EDC region, lead to higher property values, increased job and population growth, higher rates of new business formation, and lower unemployment rates.[xxi] Broadband can also improve health outcomes, offering access to remote healthcare providers, online social networks, and educational opportunities. A cost-benefit analysis of rural broadband installation in Indiana recorded three-to-four-fold returns on investment, not including state and local governments' cost savings on medical expenditures and additional tax revenues from increased incomes.[xxii]

Most regions of the country receive broadband from private sector internet service providers (ISPs). In thinly populated areas, the returns to private sector providers are not enough to incentivize them to invest in broadband expansion – an issue that has been coined as the "last mile" problem. Many remaining unserved areas are often geographically difficult to reach as well, due to rough terrain or remote locations, raising the cost to providers even further. The case for public funding relies on the argument that the social and economic benefits of broadband access exceed the private returns when balanced with affordable services and investment in the latest infrastructure and technology.[xxiii]

Federal Communications Commission Universal Service Fund. The Federal Communications Commission's (FCC) Universal Service Fund (USF) distributes more than $7 billion per year, primarily to address telecommunications access in rural America. Originally focused on providing cost-effective telephone services in remote locations, the USF has shifted to a focus on broadband and mobile service availability. Universal service is the principle that all Americans should have access to communications services. Universal service is also the name of a fund and the category of FCC programs and policies to implement this principle. Universal service is a cornerstone of the law that established the FCC, the Communications Act of 1934. Since that time, universal service policies have helped make telephone service ubiquitous, even in remote rural areas. Today, the FCC recognizes high-speed Internet as the 21st Century's essential communications technology and is working to make broadband as ubiquitous as voice, while continuing to support voice service.[xxiv]

The Telecommunications Act of 1996 expanded the traditional goal of universal service to include increased access to both telecommunications and advanced services – such as high-speed Internet – for all consumers at just, reasonable, and affordable rates. The Act established principles for universal service that specifically focused on increasing access to evolving services for consumers living in rural and insular areas, and for consumers with low incomes. Additional principles called for increased access to high-speed Internet in the nation's schools, libraries, and rural health care facilities. The FCC established four programs within the Universal Service Fund to implement the statute. The four programs are:

- Connect America Fund (formally known as High-Cost Support) for rural areas
- Lifeline (for low-income consumers), including initiatives to expand phone service for residents of Tribal lands
- Schools and Libraries (E-rate)
- Rural Health Care

FCC Rural 5G Fund. An additional $9 billion has been allocated by the FCC in the Rural 5G Fund to facilitate the deployment of next generation 5G services nationwide with a particular focus on closing the mobility coverage gaps across the U.S. by providing infrastructure that gives rural America access to critical telehealth services, telework, remote learning opportunities, and precision agriculture while also driving job creation and economic growth opportunities. The Rural 5G Fund will make support available through two phases, with Phase I making $8 B nationwide available to all eligible rural areas that lack unsubsidized 4G LTE and 5G broadband service. Phase II will make available at least $1 B (plus any funds left over from Phase I) to specifically target the deployment of technologically innovative 5G networks that facilitate precision agriculture. Analyzing the Rural 5G Fund rules and phases is important to communities looking to pursue Rural 5G funding as communities will need to develop advocacy efforts, educate potential bidders, and position a local/regional Broadband Strategy to support a Rural 5G Fund application.

Rural Digital Opportunity Fund. The Federal Communications Commission's (FCC) Rural Digital Opportunity Fund (RDOF) will distribute $20 billion for rural broadband in the coming years. With the Connect America Fund Phase I and II Auctions completed, RDOF uses a two-phase, competitive reverse auction (Auction 904) that prioritizes higher network speeds and lower latency to ensure the deployment of robust, sustainable high-speed networks that meet the needs of consumers now and in the future. The RDOF Phase I Auction ended on Nov. 25, 2020, and awarded $9.2 billion in support to 180 winning bidders, including incumbent telephone companies, cable operators, electric cooperatives, satellite operators and fixed wireless providers. Winning bidders have committed to deploy broadband to more than 5.2 million homes and small businesses in census blocks that previously lacked broadband service with minimum speeds of 25 megabits per second downstream and 3 megabits per second upstream (25/3 Mbps) as determined by FCC Form 477 data.[xxv]

Nearly all of these locations are expected to receive access to broadband speeds of at least 100 megabits per second downstream and 20 megabits per second upstream (100/20 Mbps), and more than 85 percent are in areas where the winning bidder has committed to provide gigabit-speed service. The RDOF Phase II Auction will award up to another $11.2 billion in support to bring broadband and voice to census blocks determined as partially served by the FCC's new granular broadband mapping approach, Digital Opportunity Data Collection (DODC), and the remaining unserved areas not reached through RDOF Phase I.[xxvi]

Every RDOF winning bidder (or its assignee) must file a long-form application (FCC Form 683) with the FCC. As part of this process, the long-form applicant must obtain an eligible telecommunications carrier (ETC) designation from the relevant states or FCC, submit detailed technology and system design descriptions, including a network diagram certified by a professional engineer, and provide a Project Funding Description detailing how it plans to fund its proposed buildout.[xxvii]

If the long-form applicant satisfies the application requirements, the FCC issues a "Ready to Authorize" public notice and the long-form applicant will have 10 business days to submit an irrevocable, stand-by Letter of Credit (LOC) from a qualified bank covering at least the first year of support for each state where it will receive support, as well as a Bankruptcy Opinion of Counsel (OOC) letter from outside legal counsel. Once all required information has been submitted and the application is complete, the FCC will issue a public notice announcing authorization of support for the winning bid and directing USAC to begin disbursing payments. USAC will then assign a study area code to the applicant for each state where it is authorized to receive support and begin issuing monthly payments shortly after the public notice has been released.[xxviii]

E-rate and Rural Health Care Programs. These two USF programs target K-12, libraries, and health care, with E-Rate allocations at $3.9 billion per year and Rural Health Care at $800 million per year. These hefty funding allocations highlight why aggregation of demand among community anchor facilities can be so powerful in improving the availability of broadband. The SOHCN experience explained earlier in this section offers a strong example of this power.

Availability of broadband infrastructure funding is abundant, however accessing and successfully implementing broadband infrastructure projects proves much more challenging. To support rural communities throughout the MidAmerica EDC region, the MidAmerica EDC should support educational programming on various federal and state funding programs, highlight case studies of successful rural broadband deployment strategies, and work with member states to identify firms with demonstrated success in identifying broadband needs, designing appropriate infrastructure that can effectively provide services into rural areas by working with ISPs, and supporting funding applications for broadband infrastructure investment projects.

MidAmerica Economic Development Council Rural Initiatives Strategy #3 – Rural communities throughout the region should asses and adopt Placemaking strategies that leverage assets such as green space, trail systems and walkability, provide access to job centers, and promote rural communities as a desirable place to live, work, and play.

Among MidAmerica Economic Development Council member states, every state except the state of Illinois experienced population growth over the last decade. While much of the population growth is occurring in metropolitan areas, the state's overall population growth rates suggest an opportunity for rural communities to leverage Placemaking and Quality of Life (QLI) benchmarking as talent attraction strategies to grow the rural population base. Montrose Group's quality of life index (QLI) relies less on traditional cost of doing business measures such as occupational wage rates, construction and real estate costs and other traditional costs of doing business measures that drive larger manufacturing, logistics and industrial or technology based corporate site location projects. Instead, Montrose's QLI focuses on aspects regarding social wellbeing, mental health, and more to display the status of a community. These aspects play an important role in creating a healthy community which in turn produces an impact on the economic status of an area. Many companies are more focused on the long-term prospects for a region to succeed and to be attractive to their workers to live.

Quality of Life Index Analysis

Crime Assesses relative risk of crime in seven major crime areas including personal crime, murder, rape, robbery, assult, burglary, larceny, and motor vehicle theft	**Housing** Ratio of rental cost compared to income, breakdown of home prices by income, eviction rates, and cost of homeownership	**Commute Times** Average commute times as defined by U.S. Census Bureau compared to state averages
Walkability U.S. Environmental Protection Agency Walkability Index	**Healthcare** Analyzes premature deaths, adult obesity, uninsured residents, and Primary Care Physicians per resident	**Education** Assesses statewide performance index rating, high school graduation rate, high school degree or higher attainment, and Bachelors degree or higher attainment
	Wealth Meaures per capita income, poverty rate, personal savings, and per capita retail sales	

The Montrose Group Quality of Life Index is a multidimensional analysis that scores key aspects of a community and can be thought of as an analysis of a range of objectively measurable community and social wellbeing conditions in seven key areas that are measured nationally and at the statewide level. Federal, state, and proprietary data sources are used to collect and analyze Quality of Life data which are weighted to generate a community Quality of Life score that is then compared to a baseline score of 100. Communities with a baseline score of 100 or higher have a ranking that meets or exceeds federal and state statistics, a score between 60-80 indicates a good ranking, and so on. Much like the federal location quotient statistic, communities with a higher QLI score have an exceptional competitive advantage over other areas. The QLI analysis should be used to understand strengths and weaknesses and identify opportunities to drive change via community development strategies, private sector engagement, and multi-jurisdictional cooperation. This wide scope makes QLI research a powerful, practical, and effective measure of socioeconomic development policies and actions.

A Crime Index provides a view of the relative risk of crime in a community as compared to the rest of the nation using data from resources such as the Federal Bureau of Investigation's Uniform Crime Reporting system. According to economic theory, crime should decrease as economic growth and opportunity improve. Communities with lower crime indexes suggest higher labor force participation rates, stable wage rates, and lower risk for business operations.

Housing is an essential sector of the economy and makes up the largest component of an individual's wealth at almost a third of the total assets.[xxix] Quality housing must not only be reflected in the structural aspects of a home, but also in average prices. For individuals, the lower the price, the better. For communities, the higher the price the better as property values translate into tax base. However, adequate housing can also facilitate labor mobility within an economy and as communities grow, corresponding growth of residential housing options must also keep pace. When looking at Placemaking, housing affordability and availability is key to ensuring mobile talent considers your community as a viable community to live in and there is adequate housing stock to choose from.

Commute Times vary depending on the geographic locations and access to multiple modes of transportation. A diverse transportation network shortens commute times, increases company productivity and competitiveness, and increases access to a broader pool of talent. Arduous commutes may deter talent from considering jobs in a given location.[xxx] As businesses look to communities with strong quality-of-life features, convenient locations and ease of travel to work by car, bike, or foot should be considered.

A *Walkability* Index is a nationwide geographic ranking system led by the U.S. Environmental Protection Agency. The Walkability Index uses selected variables on density, diversity of land uses, and proximity to transit to calculate the ease of walking around. Walkable communities vary depending on population and land mass (urban, suburban, rural) and take into account access to public transit.[xxxi] The EPA's Walkability Index covers every census block group in the nation, providing a basis for comparing walkability from community to community. Selected variables incorporated into this index include:

- Intersection density - higher intersection density is correlated with more walk trips
- Proximity to transit stops – distance from population center to nearest transit stop in meters where shorter distances correlate with more walk trips
- Diversity of land uses:
    - Employment mix – the mix of employment types in a block group (such as retail, office, or industrial) where higher values correlate with more walk trips
    - Employment and household mix – the mix of employment types and occupied housing such that a block group with a diverse set of employment types (such as office, retail, and service) plus many occupied housing units will have a relatively high value and higher values correlate with more walk trips.[xxxii]

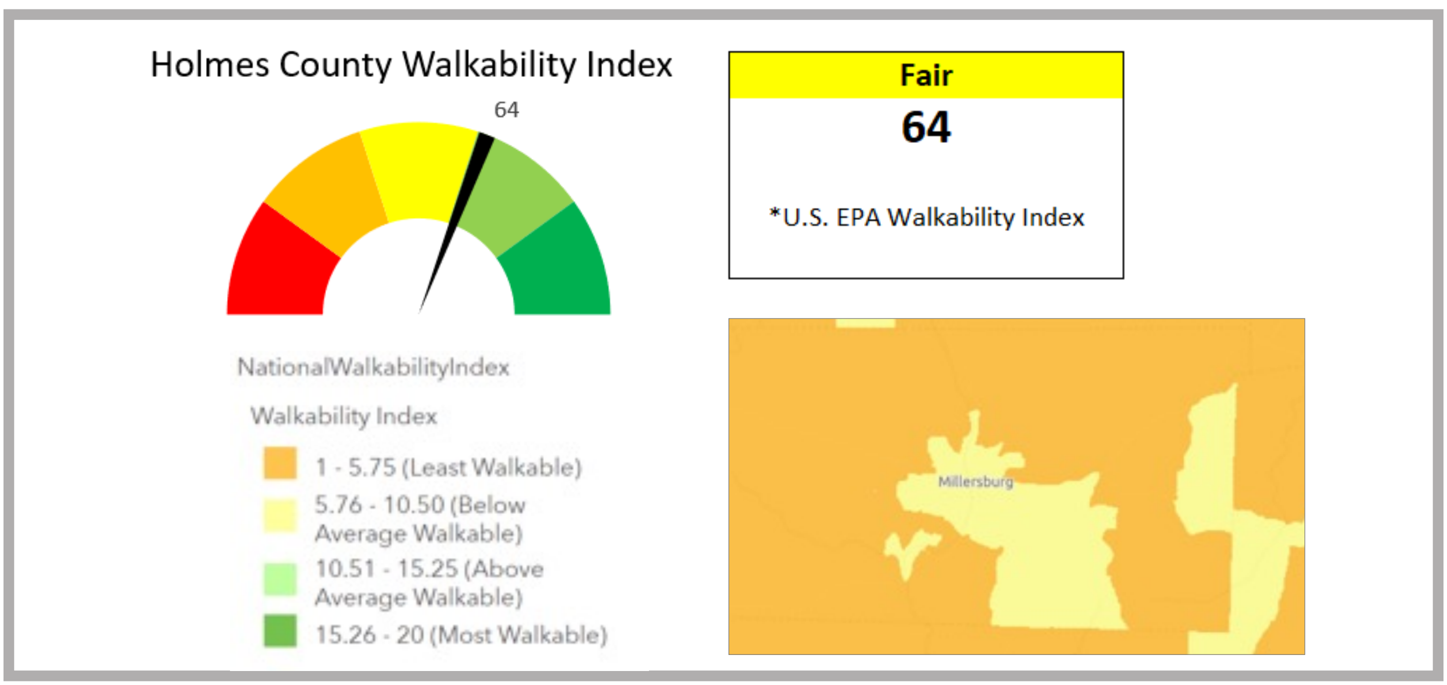
Access to health care and services, and improving health outcomes, can demonstrate the health and wellbeing of a community. A *Healthcare Index* takes into account access to health care services and helps identify underperforming markets where barriers to health care, such as social, racial, economic and physical factors may exist, and where there are markets that have the services needed to support healthy living.[xxxiii]

The strategy for communities looking to attract talent and grow population should include an analysis of *Education*. Educational attainment has long been a cornerstone for business retention, expansion, new business attraction, and entrepreneurship. The level of education and occupational skills found in communities traditionally correlates to demonstrated economic growth and stability. Approximately half (51.4%) of all entrepreneurs hold at least a bachelor's degree.[xxxiv] From an individual's perspective, higher educational attainment is generally linked to better employment prospects, higher income, and a better quality of life. And from a Placemaking and QLI standpoint, communities should maximize opportunities to attract a skilled workforce that will not only fill existing jobs but will attract new employers and generate entrepreneurial activity that will draw in new entrepreneurs and business start-ups.

Wealth in a QLI analysis takes into account education and income, however it also looks at the wealth of a community. Is a community's tax base growing? Are property values increasing? Are homeownership rates strong? Are residents actively engaged in the workforce? While these factors are analyzed individually, collectively they paint a strong picture for Placemaking strategies that diversify and grow your community.

Similar to wealth, the economic landscape of a community is oftentimes an integrated index of multiple factors such as industry sector strengths, existing occupational skill sets, educational attainment, and growth in sales and income taxes. An analysis of a community's economy helps to pave the way for Placemaking strategies where communities capitalize on their competitive advantage and identify market gaps where new opportunities for business growth exist.

Holmes County, Ohio Trail System Accesses Jobs Centers for Employees. Holmes County, located in northeastern Ohio, is the heart of the state's Amish country and is a 23-mile trail that connects Fredericksburg, Killbuck, Glenmont, and Millersburg.[xxxv] While residents and visitors enjoy the recreational aspects of the scenic Holmes County Trail, the trail system also serves as a vital transportation route for the community's Amish workforce, as more than 36,000 Amish residents live in the Holmes County labor shed alone.[xxxvi] The path was the first recreational trail in the country designed to accommodate Amish buggies, and throughout much of the route it is just as common to pass a horse-drawn buggy as it is to pass a cyclist or walker. Most recently, Holmes County's Park District Trail received $1 million through the Ohio Department of Natural Resources for completion of the trail between Glenmont and Killbuck, estimated to cost $3.6 million. The Park District has also leveraged funding through the Ohio Department of Transportation Alternatives Program for trail maintenance and resurfacing and through the Rails to Trails program for construction.

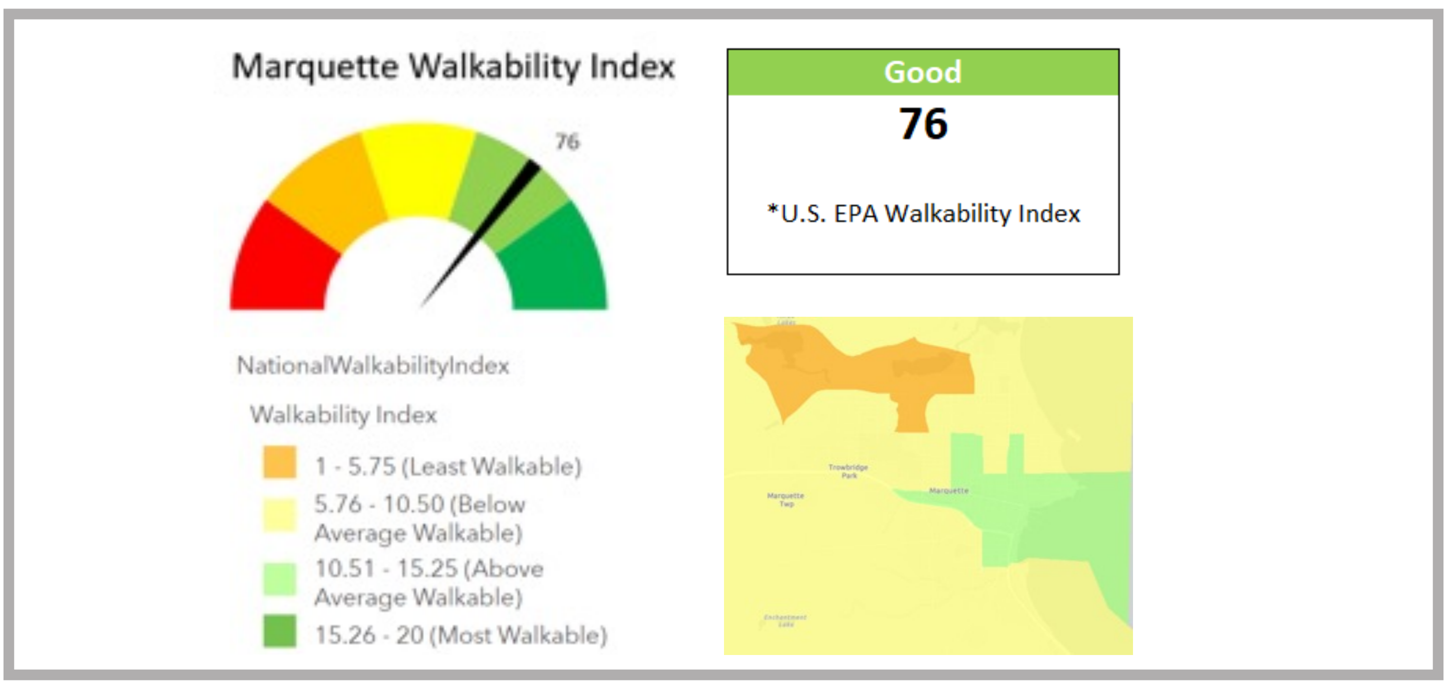


Despite a below average walkability index throughout Holmes County due to the rural character and topographical nature of the community's rolling hills and location in Ohio's Appalachian region, leaders recognize the importance of creating multi-modal infrastructure to support the Amish workforce and Holmes County employers. Creation of the 23-mile trail provides connectivity to employment centers for all residents to utilize.

Marquette Charter Township's Trailhead #9 Creates Connectivity and Economic Impact. Marquette Charter Township in Marquette County, Michigan formed the formally designated Trailhead #9 trail system that serves as an access point to adjacent commercial, residential, and recreational areas in northern Michigan. Other informal access points are served by additional trail networks, with Trailhead #9 being the hub and the informal access points as the spokes of a robust trail system. Marquette Charter Township has used the recognized trail networks as a Placemaking tool to promote the community as an ideal place to live, work, play and visit.[xxxvii] Over the period of 2002-2012, the trail system led to 22 major development projects in the region, generating 1,945 new jobs and increasing the township's contribution to the regional tax base by over $123 million.[xxxviii]

Funding for parks and trails projects can be an important resource for community's seeking to develop Placemaking initiatives that tie communities together and encourage public health. In partnership with the Pure Michigan® tourism initiative, Michigan's Department of Natural Resources created a Trail Town Designation Program which is an initiative of The Progress Fund and is one of the oldest and most successful programs in the country. The Trail Town Program has worked in small rural towns across America, focusing on community and economic development around trail tourism and outdoor recreation to ensure that trail communities and businesses maximize economic potential of those regional trail systems.[xxxix]

Marquette's Trailhead #9 is an example of how communities should evaluate and enhance walkability assets, as demonstrated in the community's Walkability Index score below.



Marquette and Marquette Township have a diverse national walkability index, with little to no walking or alternative transportation infrastructure within areas of the township that reside outside the city of Marquette, however an above average walkability index in and around the Marquette downtown. Trailhead #9 is an example of how connector routes to a dense population center like a village or city is important infrastructure and, from a quality-of-life standpoint, shows that having an integrated alternative transportation infrastructure such as bike and walking trails can provide less dense areas with a solution for pedestrian traffic when walking is unattainable and serve as a connector to surrounding communities. Developing alternative transportation infrastructure can provide benefits in a multitude of different forms. Development of bike paths promotes healthy lifestyles, provides access to local parks, work, and provides youth alternate modes of transportation to school. Most states have parks and trails districts that support local alternative transportation infrastructure investments and preservation and enhancement of greenspaces in communities, and most states have funding mechanisms in place to help support community investments in these types of Quality of Life assets. MidAmerica EDC rural communities should look at how alternative transportation route infrastructure can support community and economic connectivity that enhances QLI and makes rural communities attractive from a resident retention and talent attraction standpoint.

MidAmerica Economic Development Council Rural Initiatives Strategy #4 – Examine creative efforts for rural capital funding capacity to support entrepreneurship, new business, and small business development.

Access to capital plays an important role in entrepreneurship, both in direct and indirect ways. External private institutional capital – in other words, bank lending and venture capital – dominates the research and public discourse yet, at least 83 percent of entrepreneurs do not access bank loans or venture capital at the time of startup. Almost 65 percent rely on personal and family savings for startup capital, and close to 10 percent carry balances on their personal credit cards. Most efforts to expand access to capital and increase new business creation and success have focused on supporting small business lending and venture capital, direct efforts to provide capital to entrepreneurs.[xli] Several resources already exist for promoting rural entrepreneurship. Some are well-known. The federal Small Business Administration (SBA) has Small Business Development Center offices across the country, which offer mentorship and other training opportunities for small business. USDA's Cooperative Extension Service (CES) played a central role in increasing U.S. agricultural productivity in the 20th Century, making agricultural research findings accessible to farmers.[xlii]

While rural communities don't always have the pre-existing angel networks of a tech hub like major metropolitan areas, with the right approach, community leaders can identify potential investors and capital access strategies to support small business development, entrepreneurship, and new business development.

Iowa – Accenture Industry X.0's Rural Forge. In 2019, information technology services and consulting firm, Accenture announced the launch of its first rural tech training center designed to help grow and retain tech talent in rural Iowa. The Forge is a $3.5 million investment that included acquisition and renovation to a 6,000 square foot historic Odd Fellows building in downtown Jefferson (population 4,200) that was designed as a studio environment where Accenture delivers digital technology training to improve how companies engineer and manufacture products and services and operate industrial facilities.[xliii] and has been recognized with a "Preservation at its Best" award from the state historic preservation office as a Best Large Commercial Project. As a tech training center, The Forge has developed career-academy partnerships with the Des Moines Area Community College and Iowa Central Community College, and corporate partners such as Corteva Agriscience and Facebook, to strengthen Iowa's work-based learning and STEM education. The Forge serves 39 rural Iowa communities and 11 school districts to provide this digital-era technology and communications training to students in rural Iowa and connect those students to hometown career opportunities. A major global supplier of agricultural chemicals, Corteva Agriscience was born in 2018 from the merger of DuPont-Pioneer and Dow Chemical. In June the company partnered with DMACC and pledged $187,500 toward creation of the Corteva Rural Scholarship Fund for DMACC students at the Forge.[xliv] The company has created two-way learning and mentoring opportunities for Forge students and Corteva's IT and software employees and formalized an IT internship program that will pull from the academy. These efforts will help create a talent pipeline and support for rural software design solutions.[xlv] The goal is to transition graduating high school students into full-time, good-paying, high-tech jobs at The Forge, which will generate to more opportunities for the community in the future. According to Accenture, the Forge in Jefferson is poised to create as many as 30 jobs over the next five years based on the demand for services that can be delivered out of the facility.[xlvi]

Contact: Csilla Korosi, Global Lead, Industry X Innovation Network
Accenture

Nebraska – Phelps County Economic Development. Phelps County, Nebraska can be defined as a truly rural community, located two hours east of Lincoln along the heavily traversed Interstate 80 corridor with a population of just over 9,100. The county has a robust animal production and aquaculture industry sector and, according to the U.S. Bureau of Labor Statistics, this industry sector registers a whopping 48.07 location quotient which is a federal measurement of an industry sector's presence in a community compared to the rest of the nation.[xlvii] The county's strength in this sector can best be demonstrated by the fact that its 200,000 cattle far outnumber its 9,100 residents.[xlviii] While rural in nature, Phelps County has experienced robust economic investment in recent years which has landed the community on Site Selection Magazine's Top Rural Counties 2020 list with more than $119 million in capital investment and 147 jobs announced among six projects in the community by companies such as Becton, Dickinson & Co., Briggs & Stratton, Industry Equipment LLC, Planter Worx LLC, and Ruralmed Management Resources. Located within the Nebraska Public Power District, Phelps County has grown its economic development capacity when, in 2015, 83 percent of county voters approved a tax levy to generate funds to promote economic development.[xlix] Using levy funds, Phelps County acquired and improved industrial property as a business attraction strategy, has funded housing development and renovation, and invested in downtown storefronts in communities like Holdrege. These investments have led to demonstrated economic success, the attraction of commuters who have become permanent residents, the attraction of medical professionals, and residential development that will house new residents and the corresponding workforce of local businesses.

Contact: Ron Tillery, Executive Director
Phelps County Development Corporation

Waypoint Oyster Bar, Town of Columbia, NC

North Carolina Rural Infrastructure Authority. North Carolina Infrastructure Authority Supports Investment in Rural Communities. North Carolina offers an interesting rural economic development leadership model worthy of replication. The North Carolina Infrastructure Authority is a private body with a board appointed by the Governor and General Assembly of North Carolina that awards grants to North Carolina's rural and at-risk counties for building reuse, Community Development Block Grants, utility grants, Appalachian Regional Commission, Economic Development Planning, Rural Grants and Programs, Main Street Program, and Industrial Development Bond Fund.[l]

Examples of North Carolina's Rural Infrastructure Grant Program awards cover grants for the state's Building Reuse Program to local governments to renovate vacant buildings, renovate and/or expand buildings occupied by existing North Carolina companies, and renovate, expand or construct health care facilities that will lead to the creation of new jobs in Tier 1 and Tier 2 counties and in rural census tracts of Tier 3 counties. Recent 2021 grants are outlined below.

Vacant Building Category
Town of Granite Falls (Caldwell County): A $200,000 grant will support the reuse of a 22,000-square-foot building, where SERVPRO plans to locate its operations. The company specializes in mass and individual disaster cleanup and restoration and offers a variety of services that include fire, smoke, and soot restoration, mold mitigation and remediation, and general cleaning and deodorizing services. This project is expected to create 25 jobs, with an investment of $500,000 by the company.

Granville County: A $150,000 grant will support the reuse of a 25,000-square-foot building, where Meel Corp, a frozen food company, plans to locate its operations. The company processes and packs organic conventional fruits, vegetables, and frozen convenience products. Meel Corp plans to invest $5,584,000 in the project and create 24 jobs.

Greene County: A $325,000 grant will support the reuse of a 55,000-square-foot building in Snow Hill. At this location, Precision Graphics, Inc. will establish its operations. The company provides electronic manufacturing solutions to customers in the audio, telecom, automotive, military, and medical industries. The company is expected to create 70 jobs while investing $5.1 million in the overall project, with 40 jobs and an investment of $2,295,000 tied to this grant.

Town of Columbia (Tyrrell County): A $25,000 grant will support the reuse of a 9,048-square-foot building, where Waypoint Oyster Bar, LLC, will establish a full-service restaurant and bar specializing in local domestic seafood. Through this project, the company expects to create 5 jobs, with an investment of $618,673.

City of Wilson (Wilson County): A $200,000 grant will support the reuse of a 60,000-square-foot building. The Cherry Hotel, LLC, a historically designated property that is part of the Wilson Business Improvement District redevelopment plan, will establish a commercial chain hotel at this site, complete with 101 guest rooms, a ballroom, and 24-hour food service. This project is expected to create 25 jobs, with an investment of $19,992,000 by the company.

Existing Building Category

Burke County: A $240,000 grant will support the renovation of a 40,000-square-foot building in Morganton. The building is occupied by Toner Machining Technologies, Inc., which specializes in milling and machining operations for the energy, automotive, transportation, and nuclear fields. This project is expected to create 30 jobs, with an investment of $672,000 by the company.

City of Morganton (Burke County): A $240,000 grant will support the renovation of a 195,000-square-foot building in Morganton. The building is occupied by E J Victor, Inc., a locally-owned, high-end furniture manufacturer that has become a top licensing partner to premier global lifestyle brands. The project is expected to create 30 jobs with an investment of $1,617,880 by the company.

City of Conover (Catawba County): A $440,000 grant will support the renovation of a 145,000-square-foot building occupied by Sherrill Furniture, a 75-year-old upholstery and case goods manufacturer offering mid-to-high-end home furnishing products. The overall project is expected to create 90 jobs and attract an investment of $2.9 million, while 80 jobs and an investment of $2,543,000 by the company are tied to this grant.

City of Kings Mountain (Cleveland County): A $50,000 grant will support the expansion of a building occupied by Carolina Piping Services, a division of Saftcart, Inc. The company is a provider of bulk and micro-bulk gas equipment and oxygen cleaning services and plans to add 5,000 square feet to the existing facility. With this project, the company expects to create 6 jobs while investing $205,000.

City of Fayetteville (Cumberland County): A $70,000 grant will support the renovation of a 29,754-square-foot building that is occupied by eClerx, LLC. The company provides critical business process management to a number of global Fortune 2000 clients across financial services, retail, media & entertainment, manufacturing, and software. The project is expected to create 150 jobs, with an investment of $74,558 by the company.

Rural Health Fund

Pitt County: A $500,000 grant will support the new construction of a 109,208-square-foot residential chemical dependency treatment facility in Grimesland. At this location, Haven at Blue Creek, a wellness center for those experiencing substance use disorders, plans on creating 70 adult chemical dependency treatment beds along with 12 beds for detoxification. The organization expects to create 80 jobs, with a private investment of $37,940,000 in the project.

City of Mount Airy (Surry County): A $500,000 grant will support the 25,000-square-foot expansion of Northern Regional Hospital's existing facility. The hospital serves over 100,000 residents in a six-county region of North Carolina and Virginia. The organization expects to create 50 jobs, with a private investment of $8,900,000 in the project.

In essence, North Carolina uses a statewide port authority model to create a bond fund to provide additional infrastructure support and create a public-private-partnership to encourage community and economic development in rural counties.

Contact: Christopher Chung, Chief Executive Officer
Economic Development Partnership of North Carolina

Ohio – Salem Area Sustainable Opportunity Development Center (SOD Center). The SOD Center facilitates growth within the business and workforce community of northeast Ohio's city of Salem to advance the vitality and improve the quality of life for Salem residents. The SOD Center includes a fully outfitted training facility for businesses and individuals with programming focused on safety training, new-hire onboarding, leadership development, workplace improvement, skills advancement and soft skills/personal development.[li]

Sample SOD Center Training Courses
Welding Symbols Print Reading. This course dives into welding prints that represent welding requirements. A weld is represented in a print using a welding symbol. A welding symbol includes a reference line, arrow element, weld symbol or symbols, and weld dimensions. A welding symbol may also have supplementary symbols and/or a tail when needed to indicate additional information. The American Welding Society developed the welding symbol to indicate different weld requirements. Many of the requirements for a weld depend on which welding code is being used. The various components of a welding symbol indicate the characteristics of the weld and provide specific instructions to the welder.

Basic Pneumatics Training. An introductory course designed by SMC Corporation, which specializes in pneumatic control engineering to support industrial automation, this training introduces pneumatics, typical compressed air systems, compressed air theory, air treatment components, pneumatic actuators, directional valves, symbols, circuits, and circuit building exercises.

Leadership Essentials. Targeting supervisory employees and individuals looking to grow leadership skills, the Leadership Essentials training reviews areas of management and how, as leaders, people can stretch their abilities to not just manage, but lead teams effectively while achieving organization goals.

Contact: Julie Needs, Executive Director
Salem Opportunity Development Center

One Business at a Time!

Wyoming – Rainbow Te-Ton Entrepreneur Center. In 2006, the city of Rawlins, its local leaders, and the Rawlins Downtown Development Authority/Main Street partnered to create an entrepreneurship center to assist in the creation of new or expanding businesses in the City of Rawlins.[lii] Located in a long-vacant hotel and an adjacent historical commercial building in the heart of Rawlins' Main Street, the DDA saw opportunity to rehabilitate the vacant buildings in the hopes of creating downtown revitalization momentum that would lead to future investments in the downtown. By repurposing the former hotel property, once a jewel of the area, the DDA felt it could connect Rawlins' nascent entrepreneurial ecosystem directly to the community's history and distinct sense of place.[liii] In 2009, with support from advisors at the University of Wyoming, Rawlins DDA/Main Street applied for and received a $1.6 million Business Ready Community Grant. The funding allowed for a complete restoration of the two buildings (while retaining their historic character) and turned them into a multidimensional entrepreneurship center in the heart of downtown.[liv] Today, the Center is meant to provide a starting point for a venture to grow, mature and ultimately move on to become a successful member of the greater business community. Entrepreneur centers are designed to accelerate the successful development of companies through an array of business support resources and services. The Rainbow Te-ton Entrepreneur Center (RTEC) was created to provide the opportunity for new, early stage or expanding businesses to collaborate while sharing expenses and ideas.[lv] RTEC houses private and public educational and professional agencies to stimulate economic development, information sharing and strengthen community partnerships. Together with its extensive list of partners, the RTEC helps connect the dots for businesses, including information on loans, grants, free resources, and networking.

The RTEC also offers professional spaces for retail and offices as well as virtual office space rentals. Because it is a location created for start-up and expanding businesses, there are certain requirements for tenants in the Center including having a comprehensive business plan, an exit strategy from the Center, and a willingness to utilize resources such as the Small Business Development Center (SBDC) and Center partners.

Contact: Pam Thayer, Executive Director
Rawlins DDA/Main Street

Rural Economic Development Funding Examples.

U.S. Department of Agriculture.

Intermediary Relending Program. This program provides 1 percent low-interest loans to local lenders or "intermediaries" that re-lend to businesses to improve economic conditions and create jobs in rural communities. Nonprofits and cooperatives, federally recognized tribes, public agencies, and cooperatives are eligible to apply for USDA Intermediary Relending Program funding.

The following are eligible to apply for a loan from the intermediary lender as an ultimate recipient:

- Ultimate recipients may be individuals, public or private organizations or other legal entities, given that:
  - o Majority ownership is held by U.S. citizens or permanent residents.
  - o The applicant owes no delinquent debt to the Federal Government.
  - o The applicant is unable to obtain affordable commercial financing for the project elsewhere.
  - o The project is in an eligible rural area
  - o The applicant has no legal or financial interest or influence in the work of the intermediary lender.

To be approved as an intermediary lender, institutions must have:

- The legal authority to operate a Revolving Loan Fund (RLF).
- A record of successfully assisting rural businesses and communities, normally including experience making and servicing commercial loans.
- The ability to provide adequate assurance of repayment of the loan.
- Capitalization or equity sufficient to sustain its lending and business operations.
- Majority outstanding interest or membership must be composed of U.S. citizens.
- Intermediary and principals must have no Federal delinquent debt.
- Unable to finance the fund through its own sources or other conventional financing.
- The ability to close the IRP loan within six months of loan approval.
- A board consisting of business and civic leaders.

How much funding is available to intermediaries?

- Up to $1 million
- Total outstanding debt from the IRP, to a single intermediary, may not exceed $15 million.

Intermediary Lender Terms

- The interest rate is fixed at 1 percent.
- The maximum term is 30 years.
- interest-only payments may be permitted for the first three years.
- In first 6 months after closing, $250,000 or greater of loan funds must be used.

Maximum Loan Amount Available to Recipients

- The maximum loan amount to an ultimate recipient is the lesser of $400,000 or 50% of the loan to an intermediary lender.

Eligible Uses of Funds

- Promote community development

- Establish a new business
- Establish and support microlending programs.
- Create or retain employment opportunities.
- To acquire, construct, convert, enlarge, or repair a business or business facility, particularly when jobs will be created or retained.
- To purchase or develop land (easements, rights of way, buildings, facilities, leases, materials).
- To purchase equipment, machinery or supplies, or make leasehold improvements.
- For start-up costs and working capital.
- For pollution control and abatement.
- For transportation services.
- To cover feasibility studies
- Professional fees, i.e., architects, lawyers, engineers, accountants.
- Towards the building of hotels, motels, convention centers.
- For educational institutions.
- For aquaculture-based rural small business.
- To establish revolving lines of credit as described in 7 CFR Part 4274.314.

What is an eligible area?

- Any area, including a city or town, which has a population of fewer than 50,000 residents.
- Any urbanized areas contiguous and adjacent to a city or town of 50,000 or more residents may not be eligible.
- The intermediary borrower's headquarters may be based within a larger city so long as the project service area is located in an eligible rural area.
- The intermediary lender may be located anywhere.

Rural Microentrepreneur Assistance Program. The Rural Microentrepreneur Assistance Program provides loans and grants to Microenterprise Development Organizations (MDOs) to help microenterprises startup and grow through a Rural Microloan Revolving Fund and provide training and technical assistance to microloan borrowers and micro entrepreneurs. Funding is awarded to eligible Microenterprise Development Organization which include nonprofits, federally recognized tribes, and institutions of higher education who are charged with awarding MDO loans to businesses located in an eligible area with 10 or fewer full-time employees.

Definition of Eligible Area

- Rural areas outside a city or town with a population of fewer than 50,000 residents. Urbanized areas near a city of 50,000 or more may not be eligible.
- The borrower's headquarters may be based within a larger city so long as the project service area is in an eligible rural area.
- The lender may be located anywhere.

Microenterprise Development Organizations must demonstrate experience in managing a Revolving Loan Fund, or:

- Certify that it or its employees have received education and training from a qualified microenterprise development training entity so that the applicant has the capacity to manage such a revolving loan fund.
- Demonstrate that it is actively and successfully participating as an intermediary lender in good standing under the U.S. Small Business Administration (SBA) Microloan Program or other similar loan programs as determined by the Administrator.

Funding Availability. Grants are available to provide technical assistance to rural micro-entrepreneurs or microenterprises, up to $205,000 annually. Funding at the requested level is not guaranteed, and at least 15 percent matching funds are required. Loans of $50,000 to $500,000 may be used for establishing a Rural Microloan Revolving Fund managed by the Microenterprise Development Organization. Total aggregate debt is capped at $2.5 million.

Loan Terms. Maximum term is 20 years with a two-year payment deferral option; recipients must establish a loan loss reserve fund; and loan funds are awarded up to $50,000 or 75 percent of the project cost.

Microlenders may make microloans for qualified business activities and expenses including, but not limited to:
- Working capital.
- Debt refinancing.
- Purchasing equipment and supplies.
- Improving real estate.

Economic Impact Initiatives Grants. This program provides funding to assist in the development of essential community facilities in rural communities with extreme unemployment and severe economic depression. An essential community facility is one that provides an essential service to the local community, is needed for the orderly development of the community, serves a primarily rural area, and does not include private, commercial, or business undertakings. Public bodies, non-profits, and federally recognized Tribes may apply for grant funding.

Eligible Areas:
- Rural areas including cities, villages, townships, towns and federally recognized Tribal Lands, with no more than 20,000 residents that have a "Not Employed Rate" greater than 19.5%
- The median household income of a community being served must be below 90% of the state non-metropolitan median household income for grant eligibility
- Grant assistance is based on a graduated scale determined by population, median household income, total project costs and financial need

Use of Funds

To construct, enlarge or improve community facilities for health care, public safety and public service. Grants may be made in combination with other financial assistance such as a Community Facilities direct or guaranteed loan, applicant contribution or funding from other sources.

Examples of essential community facilities include:

- Health Care: hospitals, medical clinics, dental clinics, nursing homes, assisted-living facilities
- Public Facilities: city/town/village halls, courthouses, airport hangers, street improvements
- Community Support Services: childcare centers, community centers, fairgrounds, transitional housing
- Public Safety: fire halls, police stations, prisons, jails, police vehicles, fire trucks, public works vehicles and equipment
- Educational: museums, libraries, private schools
- Utility: telemedicine, distance learning
- Local Food Systems: community gardens, food pantries, community kitchens, food banks, food hubs, greenhouses, kitchen appliances
- For a complete list, see Code of Federal Regulations (CFR) 3570.7

Type of Funding Available
- Grants up to 75% of eligible project cost based on need and funding availability
- Applicant must be eligible for grant assistance, which is determined by the population and median household income of the service area
- Grant funds must be available

Additional Program Requirements
- Applicants must be unable to finance the project from their own resources and/or through commercial credit at reasonable rates and terms
- Facilities must serve the rural area where they are/will be located
- Projects must demonstrate substantial community support
- Environmental review must be completed and determined to be acceptable
- Priorities are given to projects related to public health and safety, energy efficiency and education

Indiana.

Historic Renovation Grant Program. The purpose of the Historic Renovation Grant Program is to support the preservation and rehabilitation of historic properties to further incentivize downtown economic development as well as enhance the design and overall appearance of downtown commercial corridors.

Eligibility

- Any individual, partnership, firm, association, joint venture, limited liability company, or corporation.
- A nonprofit organization if the historic property will be used by the nonprofit for the organization's purposes and functions,
- The lead applicant must be able to show title/ownership upon grant award and will certify this is available upon application; and
- Properties owned by Local Units of Government are not eligible for this grant program.

Funding

- Grant requests between $5,000 and $100,000 will be accepted.
- Eligible requests must be no more than 50% of eligible project costs.
- Local match must be greater than or equal to 50% of total eligible project costs.
- Local match must be provided by the applicant or a third party with documentation provided at time of application; and
- Ineligible expenses may be included in the project summary but will not count towards the eligible local match.

Eligible Properties

The historic property must be:

- Located in Indiana;
- At least fifty (50) years old;
- Listed or eligible for listing at the time of application in the Indiana Register of Historic Sites and Structures (State Register); Note that all properties listed in the National Register of Historic Places are also listed in the State Register;
- Actively used in a trade or business;
- Held for the production of income;
- Held for the rental or other use in the ordinary course of the person's trade or business; or
- Owned and used by a nonprofit organization or nonprofit corporation for the organization's or corporation's purposes and functions.

Eligible Activities

- Eligible preservation and rehabilitation activities are limited to the exterior.
- Include measures to sustain the form, integrity and material of a building or structure. This includes the stabilization work and maintenance of historic building materials.
- Windows, doors, and historic entryways.
- Brick rehabilitation and tuckpointing.
- Roof replacement and rehabilitation.
- Rehabilitation of exterior architectural characteristics, etc.

Michigan.

Rural Development Fund Grant Program. The Michigan Department of Agriculture & Rural Development (MDARD) is offering a grant opportunity for projects that address expansion and sustainability of land-based industries; worker training related to land-based industries; and energy, livestock processing, transportation, housing, communications, broadband, water and wastewater infrastructure to benefit rural communities and Micropolitan statistical areas.

Award Guidelines

$100,000 maximum grant amount • Minimum 30% match required

Eligible Land-Based Industries

Food and Agriculture • Forestry • Mining • Oil and Gas Production • Tourism

Priority Rural Area Projects
Infrastructure Development • Rural Capacity Building • Business Development • Talent Development and Training

Eligible Applicants
Individuals • Organizations • Businesses • Local Units of Government (county, city, township, village, school district; any authority composed of counties, cities, townships, villages and school districts or combination of these entities) • Federally Recognized Tribes • Educational Institutions

Eligible Counties
Rural counties (population of 70,000 or less) and micropolitan statistical areas are eligible.

Note: Per the Rural Development Fund Act criteria, preference must be given to projects in Marquette County.

Applicants must be located in an eligible county in order to be eligible to apply. Applicants not located in an eligible county will not be considered for funding.

Missouri.
Small Business Incubator Tax Credit Program. Missouri's Department of Economic Development administers the Small Business Incubator Tax Credit Program to generate private funds to be used to establish a "protective business environment" (incubator) in which a number of small businesses can collectively operate, fostering growth and development during a business' startup period.

This 50% tax credit can be applied to:
- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 – Bank Tax, Insurance Premium Tax, Other Financial Institution Tax

Funding Limits
The overall maximum amount of tax credits that can be authorized under this program in any one calendar year is $500,000.

Special Attributes
- Carry forward 5 years
- Sellable or transferable (75¢ minimum)

Program Requirements
- An incubator sponsor must apply to the Department of Economic Development for designation as an approved incubator, based on the following DED criteria:
  - o Ability of the sponsor to carry out the provisions of §620.495, RSMo.
  - o Economic impact of the incubator on the community.
  - o Conformance with area-wide and local economic development plans if they exist; and
  - o Location of the incubator (encouraging geographic distribution of incubators throughout the state).
- Any taxpayer, including non-for-profit corporations, except those that benefit directly from General Revenue such as public universities, may be a contributor. Applications can be submitted to DED year-round, but decisions will be made on a first-come basis, based on the annual amount of tax credits allocated to an approved incubator.

Ohio.
Rural Ohio Fund. Since 1999, Stonehenge Capital has operated at the nexus of finance and community development. As a nationally recognized specialty finance company, Stonehenge knows how flexible investment capital can transform underserved communities and help operating businesses grow, in turn creating stable and quality jobs in the community. Stonehenge has deployed over $1.1 billion into low-income communities, including several loan funds with place-based strategies designed to address the needs of small businesses in areas that have traditionally lacked access to capital. The Congressional Research Service notes in An Overview of Rural Credit Markets notes that access to financial services, specifically credit products, varies in rural areas as compared to urban areas. The Federal Reserve concluded that 40% of rural counties

lost community bank branches between 2012 and 2017. Nonbank financial firms are often found in metropolitan areas, leaving rural businesses more dependent on traditional bank loans to finance operations, but with the number of bank branches decreasing in rural areas, rural companies may find limited access to the credit needed to fund growth and retain & create jobs in these rural areas.

Ohio is the 7th most populated state in the nation, and 2.4 million Ohio residents live in rural areas. With the goal of supporting businesses providing stable and quality jobs in these rural areas, Stonehenge Capital, in partnership with the State of Ohio, recently launched its second Rural Ohio fund focused on investing in Ohio small businesses located in counties with less than 200,000 residents. This $25 million fund will provide flexible capital to fund business expansion, equipment purchases, or working capital for businesses located in or relocating to rural Ohio locations, with priority given to investments that have meaningful job creation. Seeking to diversify the capital solutions available in rural Ohio, the fund will make non-bank senior debt, mezzanine debt, and equity investments ranging from $1 million to $5 million with flexible terms.

Stonehenge's first Rural Ohio Fund, launched in 2018, had similar characteristics and was invested across a diverse set of industries, ranging from technology companies to manufacturers to service companies. Investments included subordinated debt for a manufacturing company looking for working capital, senior debt for a packaging company in need of upgraded equipment, and convertible debt for a technology startup with experienced sponsors. The patient capital provided by Stonehenge has enabled job creation throughout rural Ohio.

Stonehenge is also currently managing a larger, national debt fund, the Stonehenge Community Impact Fund, which makes loans to businesses operating in underserved communities across the country. These underserved communities include low-to-moderate income census tracts, rural communities, or other areas targeted by other economic development programs (Opportunity Zones, TIF districts, Disaster Areas, etc.). The Impact Fund seeks to support companies having a positive impact on their communities, which may include backing minority or women-owned businesses, creating jobs, or generating other positive social impacts. The Impact fund is actively looking to make senior loans between $5 million to $15 million with flexible structures and terms.

Ohio Rural Industrial Park Loan Program. The Rural Industrial Park Loan Program (RIPL) promotes economic development across rural areas in the state. The program provides low-interest loans to assist with financing the development and improvement of industrial parks and related off-site public infrastructure improvements and has been an extremely attractive tool in encouraging industrial development in rural communities.

Eligible applicants include counties, municipalities, townships, non-profit organizations, port authorities, community improvement corporations, private developers, and other eligible applicants willing to develop eligible RIPL projects to improve the economic welfare of the people of the State of Ohio. Eligible applicants shall demonstrate to the Ohio Development Services Agency ("Development") that it has the capacity to undertake and successfully oversee the project, providing evidence of past performance in economic development projects and a financial ability to complete the project.

Eligible RIPL projects include the development and improvement of industrial parks in rural areas designed to attract and retain businesses related to manufacturing, distribution and warehousing, research and development, high technology, industry, and commerce. Development defines an industrial park as a site of 25 acres or more, zoned for or containing commercial or industrial users that is or will be adequately served by utilities and infrastructure. As a condition of receiving assistance under this program, an applicant shall agree, for a period of five years, not to permit the use of a site that is developed or improved with such assistance to cause the relocation of jobs to that site from elsewhere in the state without prior approval of Development.

Eligible Project Costs

- Land and/or building purchase
- Machinery & equipment purchase
- Building construction and/or renovation costs
- Long-term leasehold improvements
- Infrastructure and site preparation

- Retention ponds and/or flood and drainage improvements
- Street, road and bridge construction and traffic control device installation
- Water, sewer line, and wastewater treatment plant installation
- Gas, electric, and telecommunication hook-up installation
- Waterway and railway access improvements
- Limited soft costs directly related to fixed asset expenditures

The **following projects/costs are ineligible:** Refinancing, retail projects, financing management buyouts or leveraged buyouts of an existing business, the purchase of company stock or goodwill, and working capital financing. RIPL financing is not available for projects that begin prior to the submission of a Financial Assistance Application.

Available Funding
The RIPL may finance up to 75% of allowable project costs with loans ranging in size from $500,000 to $2,500,000. Development requires a minimum of 10% equity contribution from the borrower in the eligible project, however a greater equity contribution may be required based on due diligence. The remaining eligible project costs shall be funded by the borrower either directly or indirectly through third-party investors and/or private lenders.

Term
The loan term shall be determined for each project considering factors such as the useful life of the property being financed with the RIPL proceeds and the term of the third-party financial institution loan in the project, if applicable. Regardless of a longer useful property life, the maximum term for real estate (only) loans is up to 20 years and the maximum term for loans used to acquire machinery and equipment is up to 10 years. There is no pre-payment penalty.

Interest Rate
The RIPL interest rate is determined by staff and may be as low as 0% for the first five (5) years. Interest rates shall be fixed at/or below local market rates at the discretion of Development.
Payment of loan principal and interest may be deferred up to five (5) years to allow the applicant to market the property. If the principal and interest are deferred for any period of time, the balance of the loan shall be amortized within the remaining term of the loan. The sale or leasing of the project site or facility may trigger repayment, as determined by Development.

Disbursement of Funds
The RIPL is "take-out" financing. Eligible project costs/uses must be purchased with interim financing with the RIPL disbursing upon project completion.

Job Creation/Retention
Promoting economic development is one of Development's key agency objectives, and as such, job creation and/or retention may be taken into consideration while reviewing proposed loans. While Development has no fixed job creation and/or retention requirements for this loan program, evidence should be provided to demonstrate how this project will attract new development, economic activity, and job creation potential.

Partial Loan Forgiveness
At least 50% of the outstanding loan balance will be forgiven by Development upon successful completion of the project as described in the application and loan agreement. If the RIPL funds represent less than 50% of the total project costs, the percentage of loan forgiveness will be increased to an amount equal to 100% less the percentage of the project being funded by the RIPL.

Example: If the RIPL funds represent 30% of total project costs, the Borrower would be eligible for 70% forgiveness of the outstanding loan balance (100%-30%) upon successful completion of the project as described in the application and loan agreement.

RIPL Borrower Equity Contribution
Development requires a 10% minimum Borrower equity contribution towards the project costs/uses.

Security & Collateral

Development requires a first and/or shared first priority mortgage and/or lien position on project costs/uses financed with the RIPL proceeds. Development may require the following additional collateral or credit enhancements:

- Corporate/personal guarantees
- Full or partial letters of credit
- Pledged security interest in other revenue streams
- Life insurance on key business owners and/or managers
- Other types of credit enhancements, if necessary

MidAmerica Economic Development Council Rural Initiatives Strategy #5 – Rural communities throughout the region should examine partnership opportunities to enhance access to quality healthcare and childcare services to build a healthy and inclusive workforce.

Access to Rural Healthcare Critical to Economic Success. The availability of quality healthcare is another important aspect of a rural community that needs to remain. The local hospital is the economic anchor and, in many cases, the largest employer in urban and rural communities. In the state of Ohio, six of the twelve largest employers in the state are hospitals. Health care, driven by hospitals, is a major player in the American economy. The COVID 19 pandemic has strained the healthcare system throughout the country, however rural hospitals have felt the brunt of the staffing crunch. In a recent workforce survey conducted by The Chartis Center for Rural Health, more than half of respondents (56%) reported up to 5 open bedside nursing positions, and another 17% indicated that the number of open bedside positions is anywhere from 6 to 10. This finding echoes the results of a previous survey conducted by the center, which found that 96.2% of respondents acknowledged their facility was having difficulty filling open nursing positions. While recruitment and retention are not new challenges for rural hospitals, the pandemic has certainly exacerbated the situation.[lvi] In 2021, nearly 40% of survey respondents reported that between 1 and 5 nurses departed their facility, while 24% put the number between 6 and 10.[lvii] Another 23% of survey takers noted that nurse departures at their hospital last year were between 11 and 20 while the median number of FTE nurses on staff was just 26.[lviii] Staffing shortages have a direct impact on the quality of care and the services a rural facility can offer its local community. More than one third (36%) of survey respondents reported that nurse staffing shortages had prevented their facility from admitting patients in the last 60 days.[lix] While this percentage is down from 48% when the Center posed this question as part of its fall 2021 survey, it still serves as a troubling indicator of the ripple effects associated with staffing shortages in the healthcare industry.[lx] Since 2010, more than 80 rural hospitals have closed nationally. If rural regions lose their hospitals, economic calamity is likely to follow as these institutions are not only large employers but serve as a magnet for other employers who wish their workers to have quick access to quality healthcare. What we do know, is that if no efforts are made to protect these vital community and regional assets the trend of rural hospital plight through closure and consolidation will continue.

Childcare in Rural America Creates Barriers to Economic Growth. More than 1.1 million families across the country live with young children and, unfortunately, many of these families face barriers to affordable and accessible childcare.[lxi] Rural families have fewer options for childcare than urban and suburban families with nearly two-thirds of rural families live in a child care desert where there are more than three young children for every licensed child care slot available.[lxii] Rural families are also faced with spending more of their income on childcare and travel farther for their care arrangements. Families in rural areas spend an average of 12.2 percent of their income on childcare, while families in metropolitan areas spend 10.8 percent of their income on child care.[lxiii] According to a Bipartisan Policy Center analysis of child care subsidy recipients found that those in urban areas live about 3 1/2 miles from their child care provider, compared with 7 1/2 miles for rural families.[lxiv] Nearly one-third of rural families live more than 10 miles away from their care—a significant strain on their time and resources as they travel between home, childcare, and work. The gap between available childcare and what is needed is larger for rural areas than for urban areas, bringing significant economic burdens to rural families where the cost of this gap over one year is estimated to create an economic burden between $41,000 and $63,000 per child on households, businesses, and tax revenue.[lxvi] Building access to and capacity for childcare in rural America will require targeted investments and significant funding. Rural communities need the resources to help ensure that existing providers can keep their doors open and to fund the development of new providers which will require funding for capital investments, early childhood educator workforce development, and equitable compensation for childcare teachers and staff.[lxvii] Rural communities that invest in childcare will create renewed opportunities for families to thrive, engage in the workforce, and build equitable economic opportunity for rural America.

Wisconsin Department of Children and Families Child Care Counts Program. Wisconsin's Department of Children and Families (DCF) has allocated $351 million in funds for the *Child Care Counts: Stabilization Payment Program* to support Wisconsin's early care and education community. The Stabilization Payment Program is a nine-month payment program available to eligible childcare operations, providing the financial stability they need to stay open, to recruit and retain qualified staff, and to continue providing high-quality care for children.[lxviii] Funds are distributed through two programs targeting the challenges early care and education providers face:

Increasing Access to High-Quality Care funds are available to support reasonable and necessary costs of maintaining or enhancing high-quality childcare facilities, including:

- Operating expenses, necessary to remain open, including, but not limited to mortgage, rent/space costs, utilities, insurance, business-related taxes, and payroll/benefits
- Expenses related to mitigating the risk of COVID-19, including but not limited to personal protective equipment (PPE) and supplies for cleaning and sanitation
- Materials/supplies for enhancing the program environment and curriculum, and social and emotional development supports
- Professional development and/or continuing education
- Additional costs to ensure high-quality programming
- Mental health services for children and employees
- Provide relief from copayments and tuition payments for families

Funding Workforce Recruitment and Retention are available to support necessary and reasonable costs associated with recruiting and retaining high-quality staff, including funding for:

- **Base Per-Staff Amount** must be used, at minimum, to maintain existing compensation (wages, bonuses, or benefits) for each staff person included in that month's Count Week
- **Quality Incentive Per-staff Amount** must be used toward one or more of the following: wages, bonuses, benefits, recruiting, professional development, staff trainings, scholarships, or other continuing education expenses

Grow Wabash County Manufacturing Labor Shortage Strategy, Indiana. Grow Wabash County has employed a workforce attraction strategy targeting major employers, especially those in the manufacturing and logistics industries, and encouraging employers to rethink traditional ways of attracting and retaining talent. In light of growing concerns and feedback surrounding the observed "labor shortage" especially in skilled trades, Grow Wabash County has worked closely with INVets and local company, Veryable to develop strategies to help further develop Wabash County's pool of skilled workers. As many Wabash County employers have a growing need to hire skilled workers, developing alternative strategies to attract the best candidates to fill open positions has become a necessity. As one of its five pillars of service, Grow Wabash County has played an active role in developing the local workforce and considering new ways to connect with this next generation of talent.

INVets is a non-profit organization that partners with the state of Indiana and focuses on promoting all of the opportunities available in Indiana for veterans transitioning to civilian life. Part of this work includes working with major employers to market their job openings and communities to attract, retain and develop our state's veteran workforce. One of INVets strategies is to offer employers a talent resource outside of our state's border and help them build a talent pipeline among the transitioning military population. Employers can work with INVets to target this population, creating access to a large network of skilled, disciplined, and qualified candidates for businesses.

Veryable is a tech company responsible for developing an application that allows manufacturing employers and prospective employees to connect via an online marketplace, which allows for people to "bid" to pick up shifts at these businesses. This focus on recruitment through "on-demand" labor as opposed to traditional full-time or part-time work allows for flexibility for users/employees as well as for employers facing difficulties in operating with a full staff. Veryable's focus is on helping companies grow by becoming more operationally competitive and giving them access to an infinite amount of skilled, experienced labor. The company believes adding a flexible component to an employer's current workforce can assist in scale up as a business grows and concurrently ramp down if volume pulls back, enabling growth and protecting a company's margins, with zero cost to scale.[lxix]

Contact: Keith Gillenwater, President & CEO
Grow Wabash County

Michigan City High School Compressed Air Academy, Indiana. The Economic Development Corporation of Michigan City (EDCMC) has partnered with Ivy Tech, local employers and local high school to launch the Michigan City High School Compressed Air Academy in 2019 with the goal of providing lucrative careers in the community's rich compressed air industry base, capitalizing on a major employment base and industry sector strength of LaPorte County, Indiana. The 2-year program earns students industry certifications and eligibility for apprenticeships and readiness to enter the workforce.[lxx] In partnership with Sullair, BOSS Industries, and Dekker Technologies, the Compressed Air Academy (located at Michigan City High School) prepares students for high-demand jobs in the air compressor and vacuum industries and students work with industry-grade air compressors and vacuum systems in the classroom and have hands-on learning opportunities at local compressor industrial complexes. As local industries struggle to find qualified workers, the Compressed Air Academy is an attractive alternative to a four-year degree for mechanically inclined students.[lxxi]

Contact: Clarence Hulse, Executive Director
Economic Development Corporation – Michigan City, IN

Florida's Rural STEM Education Initiative. Recognizing the need for small and rural districts to enhance science, technology, engineering, and mathematics (STEM) curricula for gifted and talented secondary students, the Panhandle Area Educational Consortium (PAEC), in partnership with the Heartland Educational Consortium (HEC), and the North East Florida Educational Consortium (NEFEC) will implement the FloridaLearns STEM Scholars (FLSS) program. This program includes innovation to make more rigorous STEM courses available, STEM Summer Challenges led by university staff and STEM professionals, increased opportunities for real-world STEM problem-solving and research, and academic and career guidance from qualified counselors. The program will also enhance educators' ability to provide instruction addressing specific learning needs and building on the strengths of each student. This initiative will enable participating students to make informed career choices and create a framework to increase the likelihood of their success in post-secondary STEM curricula or in the workplace. Two significant by-products are the collaboration of students from across the state and the networks fostered among business, post-secondary, agency, military, and education professionals.[lxxii]

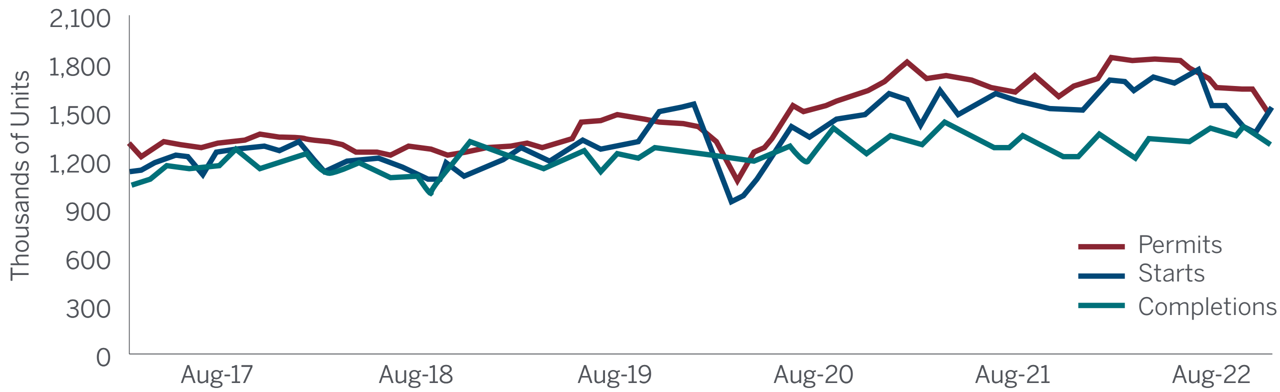
Contact: Susan Cooper, Assistant Professor & Rural STEM Advisory Member
Florida Gulf Coast University

MidAmerica Economic Development Council Rural Initiatives Strategy #6 – Incentivizing development of residential housing that attracts new residents and meets the evolving needs of existing residents.

Economic development organizations and communities have become accustomed to the traditional corporate site location process that positions sites for investment opportunities. EDOs have spent decades working to build and market an inventory of shovel-ready sites, equipped with water, sewer, electric, gas, broadband, and roads at the "front door" to those sites; communities have established incentives districts to demonstrate their commitment to having skin in the game to win projects; and site selection firms have developed advanced location analytics tools to find ideal geographic locations for clients. While these approaches to finding the ideal location play an important role in attracting companies, there is a shifting tide in the corporate site location process. Communities must look beyond traditional incentive programs and think about the new incentive – successfully attracting residents and the workforce.

Record-high job openings, turnover and low unemployment have sent companies scrambling to find creative attraction and retention strategies, and housing has become one of them. Despite an uptick in new residential permits issued since August 2017, new housing completions is significantly lagging and creating a growing gap in the number of single-family homes coming online. Supply chain disruptions and price hikes incurred during the COVID 19 pandemic have not helped the national demand for housing stock, pushing companies to look for creative ways to bring new inventory online and close the labor demand gap.

New Residential Construction (Seasonally Adjusted Annual Rate)

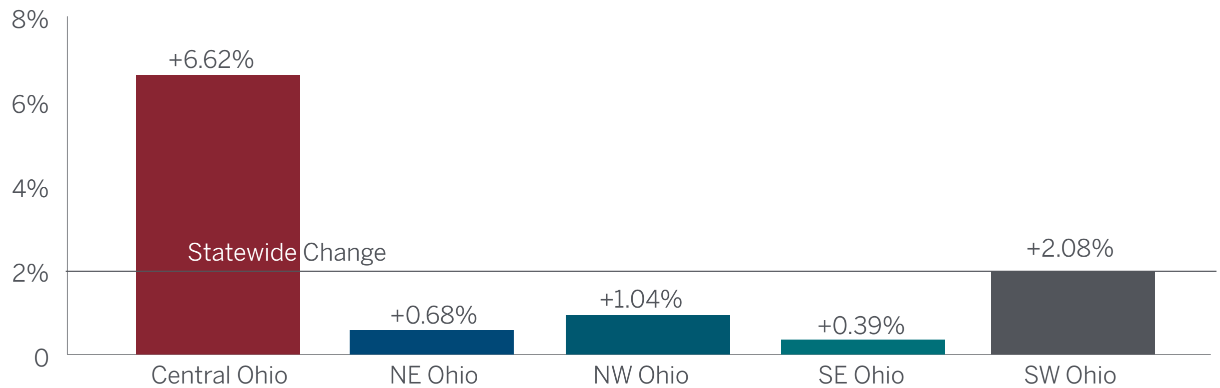


In rural Dumas, Texas which has a population of 14,463, a local beef processing plant run by JBS USA Holdings Inc. recognized the need to attract workforce to its plant. JBS has undertaken an employee housing construction program to develop properties employees can buy, creating affordable workforce housing and incentivizing talent to move to the rural Texas community.[lxxiii] Through its JBS Hometown Strong program, an investment of $3.89 million will fund the construction of 64 single-family homes ranging between 1,200 and 1,800 square feet in the $180,000 and below price range.[lxxiv]

In April 2022, Cook Medical announced its intentions to provide middle-income workers with workforce housing, which is in short supply in the rural, western Indiana counties of Owen, Orange, and Lawrence counties.[lxxv] After hearing from employees and surrounding communities, Cook Medical committed to helping remove some housing barriers for the workforce in the region with an initiative to build 300 homes across south-central Indiana to address the critical need for workforce housing.[lxxvi] To begin the project, Cook purchased 62 acres of land on Texas Pike in Owen County, across the street from the Cook Spencer facility and intends to sell many of the homes to employees at cost, or for less than $200,000, ensuring the talent they attract to their company will having housing available.[lxxvii]

According to the Ohio Housing Finance Agency, Ohio's housing stock has grown by 2.1% since 2010 which has outpaced population growth over the same period (+1.3%).[lxxviii] Much of this growth happened in suburban areas, while Ohio's urban cores have seen housing stock decline (–1.4%).[lxxix] At the end of 2019, homeowner and rental vacancy rates—1.1% and 6.8%, respectively—were near their lowest levels on record, indicating a very tight housing market.[lxxx] Add in the fact that Ohio's housing stock is relatively old, with one-in-four housing units built before 1950 (27%), Ohio communities of all sizes must get to work to attract residential builders and increase housing stock if the state wants to remain an economic development powerhouse.

Change in Housing Stock by Region



In northwest Ohio, the city of Bowling Green has been part of significant economic development activity within the region which is expected to bring thousands of new jobs over the next five years. Under the leadership of the city of Bowling Green and its economic development agency (BGED), the city went directly to regional residential developers with an opportunity to construct residential housing on BGED-controlled property. BGED was interested in developing 9 parcels within the city limits, representing approximately 247 total acres of vacant agricultural land. Through this process, BGED aims to engage a development partner to work with collaboratively to address the diverse residential housing needs in the City of Bowling Green, considering a mix of proposed residential uses, including single-family and townhome options. City leadership is also implementing a citywide Community Reinvestment Area tax abatement program that provides real property tax abatement on new investments that include certain new, residential housing projects. This tax abatement incentive creates a cost-competitive foundation for outside developers to invest in the community and enhance residential housing options for existing and new residents.

Rural communities throughout the U.S. must take note of innovative residential housing projects being undertaken by major corporations in communities such as Dumas, Texas and west-central Indiana and community-led effort such as Bowling Green, Ohio to put themselves in the driver's seat to lead the attraction of residential development and present compelling corporate site location advantages.

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