

# Connecting Communities



## *Investing in Rural Prosperity: A Framework for Advancing Shared Economic Prosperity in Rural Communities across the United States*

*November 16, 2021*

*Organized by the Federal Reserve Bank of St. Louis*

# Welcome

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Andrew Dumont,  
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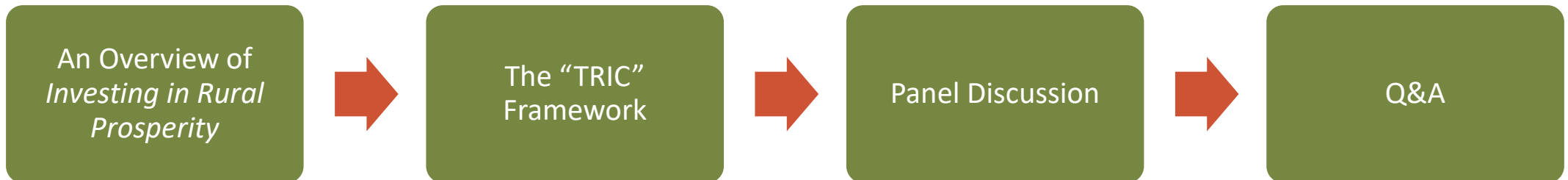
Donna Gambrell,  
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## Agenda for this webinar



Join

Questions

Website

Federal Reserve  
Resources

- Call-in number 888-625-5230
- Conference code: 456 122 63#
- Webinar link: <https://www.webcaster4.com/Webcast/Page/584/42757>
  
- Email us at: [communities@stls.frb.org](mailto:communities@stls.frb.org).
- Type your question into the chat box of the webinar.
  
- Please visit <https://bsr.stlouisfed.org/ConnectingCommunities>.
  
- Additional resources on this topic are available at: [www.stlouisfed.org/investinrural](http://www.stlouisfed.org/investinrural).

The **Connecting Communities**<sup>®</sup> audio conference series is a Federal Reserve System initiative intended to provide timely information on emerging and important community and economic development topics with a national audience. The audio conference series complements existing Federal Reserve Community Development outreach initiatives that are conducted through our regional Reserve Bank offices and at the Federal Reserve Board of Governors in Washington, D.C.

# Legal Notices and Disclaimer

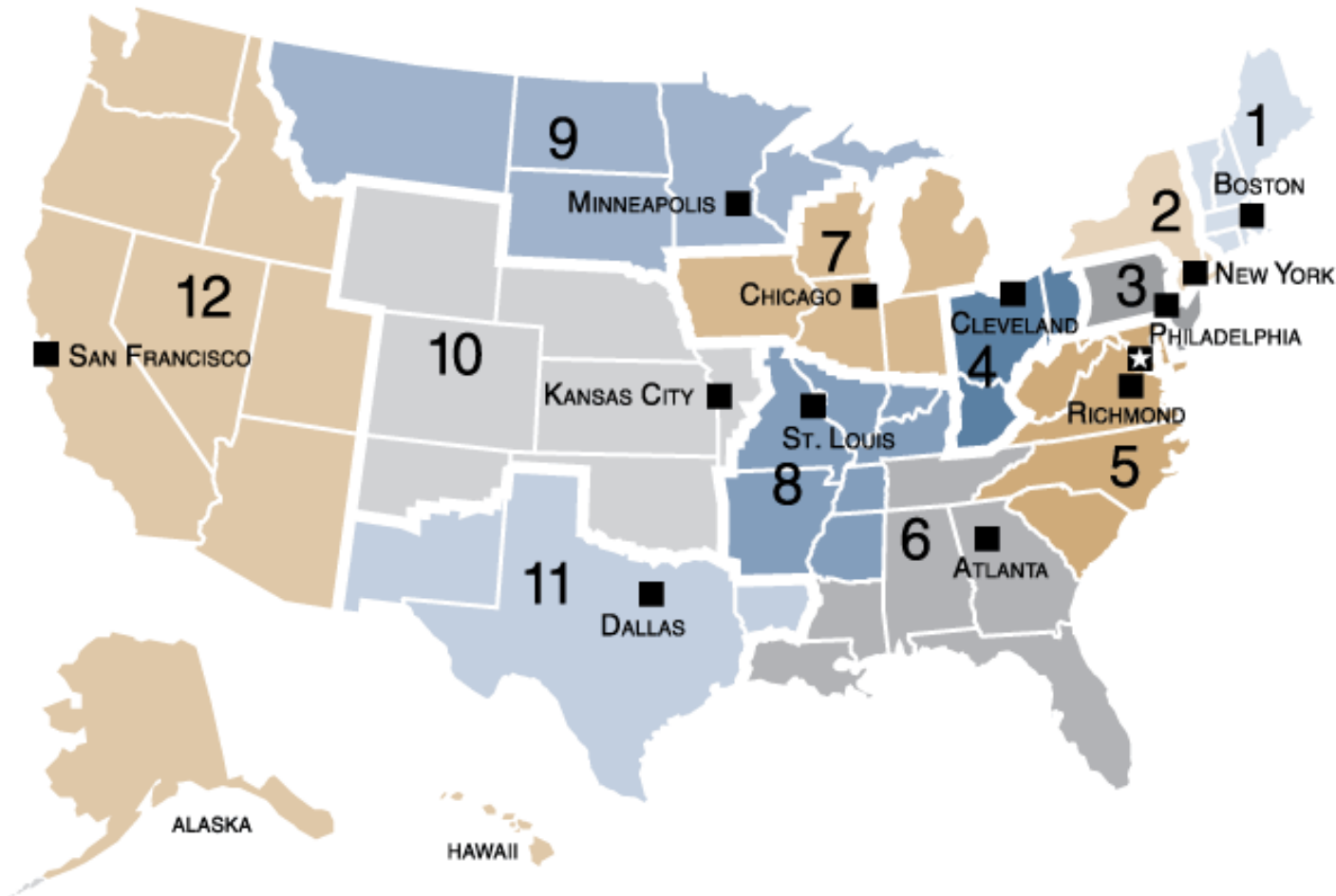
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The information, analyses, and conclusion set forth are those of the presenters and do not necessarily indicate concurrence by the Board of Governors of the Federal Reserve System, the Federal Reserve Banks, or members of their staffs.

# Community Development

The mission of the Federal Reserve's community development function is to promote the economic resilience and mobility of low- to moderate-income and underserved individuals and communities.



# An Overview of *Investing in Rural Prosperity*



**Andrew Dumont**  
Senior Community  
Development Analyst



# *Investing in Rural Prosperity: An overview*

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- What is *Investing in Rural Prosperity*?
  - An edited book, available free of charge to the public electronically and in hard copy
- Who published the book?
  - The Federal Reserve Board and the Federal Reserve Bank of St. Louis
- Why did we publish this book?
  - To help inform rural development stakeholders how policies, practices, and funding streams at the local, state, and federal level can support the achievement of shared economic prosperity in rural communities, especially historically marginalized areas.
- What does the book contain?
  - A high-level overview of the past, present, and potential future of economic opportunity in historically marginalized rural places, including key factors driving those outcomes
  - A framework for fostering shared economic prosperity in rural communities
  - Case studies showing how rural communities across the country have made strides in creating opportunities for their residents
  - Key policy, practice, and funding considerations

# *Investing in Rural Prosperity* (continued)

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- How did we decide what to include in the book?
  - We were advised by colleagues at the other Reserve Banks, along with rural development leaders from the financial, nonprofit, philanthropic, academic, and government sectors
- How long is the book?
  - The book contains 42 chapters that average 14 pages long for a total of nearly 600 pages
- Who wrote the chapters included in the book?
  - 79 authors from 28 states representing nearly every region of the United States
    - They are from financial institutions, nonprofits, philanthropies, academia, and government agencies
    - More than half are women, and a quarter are people of color
    - They address an array of issues including workforce development, housing, small business support, financial and/or digital inclusion, capacity building, and health
- Who are the target audiences of the book?
  - Local, state, and federal policymakers
  - Practitioners and funders operating at the local, state, regional, or national levels
- Where can I access the book?
  - [www.stlouisfed.org/investinrural](http://www.stlouisfed.org/investinrural)



# The “TRIC” Framework



**Andrew Dumont**  
Senior Community  
Development Analyst



**Daniel Paul Davis**  
Vice President and  
Community Affairs Officer



FEDERAL RESERVE BANK *of* ST. LOUIS  
CENTRAL TO AMERICA'S ECONOMY\*

# The “TRIC” to shared rural prosperity

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- Rural communities are more likely to achieve broad-based economic prosperity if they take an asset-based, equitable approach to development
- To that end, in this book we propose an approach to rural development that is:
  - **Tailored** to the specific goals, assets and organizational infrastructure of the community;
  - Designed to be **resilient** to changing circumstances;
  - Intentionally **inclusive** about who is at the decision-making table and who benefits from local development; and
  - Created and carried out through a **collaborative** process.
- We think this approach is the “TRIC” to fostering shared economic prosperity in rural communities

# The four TRIC principles are intimately interrelated and mutually reinforcing

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# Tailored: Ensuring the Strategy Fits the Place

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- Attempts to support shared economic prosperity in rural places will be most effective when they are tailored to the specific community in which they are being carried out.
- This means the strategy is fashioned around:
  - The goals of the community
  - The specific assets present in the community
  - The community's organizational capacity
- Every community has a different history and so has evolved with a unique set of institutions.
  - As a result, the organizations that develop and implement a rural development strategy will likely be different in each community.
- Rural development plans that are simply replicated from somewhere else have little chance of being successful, as they are unlikely to closely match the skills, abilities, and interests of community members.

# Tailored: What does it look like?

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- The **City of Palatka, Florida** used a Competitive Florida partnership grant to analyze the community's strengths and weaknesses, map its assets, and develop an economic development plan informed by these.
- The Ag Action Council, a cross-sector collaboration in **Eastern West Virginia**, identified significant potential for the region in developing a fledgling industry called biochar, a product made from chicken waste.
  - Since the region has a high concentration of chicken farms, this asset-based approach has helped the community reimagine waste products as value-added business opportunities.
- The Rural Community Leadership program of **Oregon-based** Rural Development Initiatives is community-driven. RDI trains local champions to adapt the curriculum to their community's unique needs.
- The Entrepreneurial Communities Initiative of Great Lakes Community Assistance Partnership in **Ohio** is designed with core elements crucial to the success of the program, while being flexible enough to meet the needs of communities with differing capacities, assets, and goals.

# Resilient: Designing for Durable Adaptability

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- To have long-term, positive effects on the community, rural development efforts must be structured in a way that is resilient to both the sudden shocks and gradual changes that will undoubtedly occur over time.
- The changes that may affect a community include but are not limited to:
  - Climate-induced natural disasters
  - Financial market disruptions
  - Widespread or localized economic restructuring
  - Pandemics
- Communities should build resiliency into how they plan and structure their development activities.
  - For example, rural development efforts should not be overly reliant on one person, organization or industry.
- Rural development strategies should be future-oriented, updated on an ongoing basis, and consistently evaluated to assess their performance.

# Resilient: What does it look like?

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- Wallowa Resources is investing in the next generation of **Oregon's** rural leaders and land stewards, including through Friday field school, a program engaging young people from elementary to graduate school.
  - FFS helps young people learn about the challenges facing rural places and the potential for community renewal through collaboration and land stewardship.
- **Kentucky-based** Frontier Housing partnered with Clayton Homes and the Ford Foundation to showcase the wealth building potential of quality manufactured homes.
  - The Community of Edgewood features a collection of ENERGY STAR®-rated homes, which lower monthly payments for homeowners, helping them manage their budgets and save for critical needs.
- In 2005, **North Carolina-based** MDC, Inc. and FEMA\* partnered on the Emergency Preparedness Demonstration to show how to undertake an inclusive community resilience planning process.
  - The EPD included guaranteed grants for every community to implement at least one promising strategy, which created a strong incentive for teams to stay committed to the planning process.

\* Federal Emergency Management Agency

# Inclusive: Engaging and Benefiting the Full Community

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- To advance shared economic prosperity in a rural place, development activities must be inclusive of the full range of people living in the community, especially those who traditionally may be on the sidelines.
  - Being inclusive means more than just inviting a few more diverse people into the existing process; it means rethinking your entire approach.
  - It often means by ensuring that traditionally marginalized groups have a seat at the table, not only to have their voices heard but to actually exercise decision-making power.
  - It also requires prioritizing at all stages the distributional effects of choices on different groups, and how those choices relate to their desires, needs and skills.
- Those on the sidelines of the community are often there because obstacles exist that limit their participation.
  - Intentionality is required, therefore, to address the barriers they face and to open the door for new opportunities.
- Ensuring everyone benefits from the community's growth and prosperity will strengthen the community's fabric and lead to a stronger economy.



# Inclusive: What does it look like?

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- CEI – a CDFI based **in Maine** – runs StartSmart, which provides no-cost, confidential, and linguistically and culturally sensitive business advice to community members who are refugees and immigrants.
  - Between its launch date and early-2021, CEI had advised 1,551 immigrant entrepreneurs and helped them start 470 businesses through StartSmart.
- Higher Purpose Co. launched the Higher Purpose Business Fellowship, the first business fellowship program **in Mississippi** specifically targeted to the needs of Black businesses.
  - HPBF is a six-month program anchored by a culturally relevant curriculum, business growth support, and access to the Higher Purpose Funding Network.
- The **California-based** San Joaquin Valley Health Fund (SVHF) is community-driven, meaning the community partner organizations, not the contributing funder partners, set the fund's priorities and direction.
  - Each year the community partners develop and adopt a policy platform which guides the year's activities, including SJVHF grantmaking, capacity building and networking activities, and advocacy.

# Collaborative: Advancing Further Together

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- Rural communities are more equipped to advance shared prosperity when people from throughout the community and across the region collaborate to formulate and implement development strategies.
  - Communities that achieve success over time pursue cross-sector approaches, whereby leaders from the nonprofit, for-profit, financial, government and philanthropic sectors work together.
  - Even if a rural community works well across sectors within its own borders, it may still struggle to marshal the resources needed to make the most of the opportunities available to it. This is when regional collaboration is necessary.
- The best collaborations seek to build consensus and employ a distributed leadership approach.
  - Collaborations are more durable when all involved feel their voices are heard, respected and given appropriate weight.
- Identifying what everyone brings to the table, agreeing on common goals and pursuing a common vision will help make collaboration a reality.

# Collaborative: What does it look like?

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- In **Sacramento, California** economic development leaders, industry and university partners, and policy officials are working together to create a cohesive regional ecosystem to support the life sciences and agricultural biotechnology industry clusters.
- In April 2020 during the COVID-19 pandemic, the small business clients of Communities Unlimited (CU) – a CDFI headquartered in **Arkansas** – were having challenges accessing Paycheck Protection Program funds.
  - Through a collaboration with Rural Community Assistance Corporation and Hope Credit Union, CU was able to secure \$477,267 in PPP loans for their clients, helping to save 146 jobs.
- In the New River Valley region of **Virginia**, numerous partners come together regularly as part of a monthly Livability Leadership meeting to collaborate deeply on issues that are challenging the region.
  - This group's work has led to numerous outcomes, including the redevelopment of a decommissioned school, which is being converted into affordable / senior-living apartments, a commercial kitchen, a microbrewery and a restaurant.

## Panel Discussion



Donna Gambrell,  
Appalachian  
Community Capital



Justin Maxson,  
U.S. Department  
of Agriculture



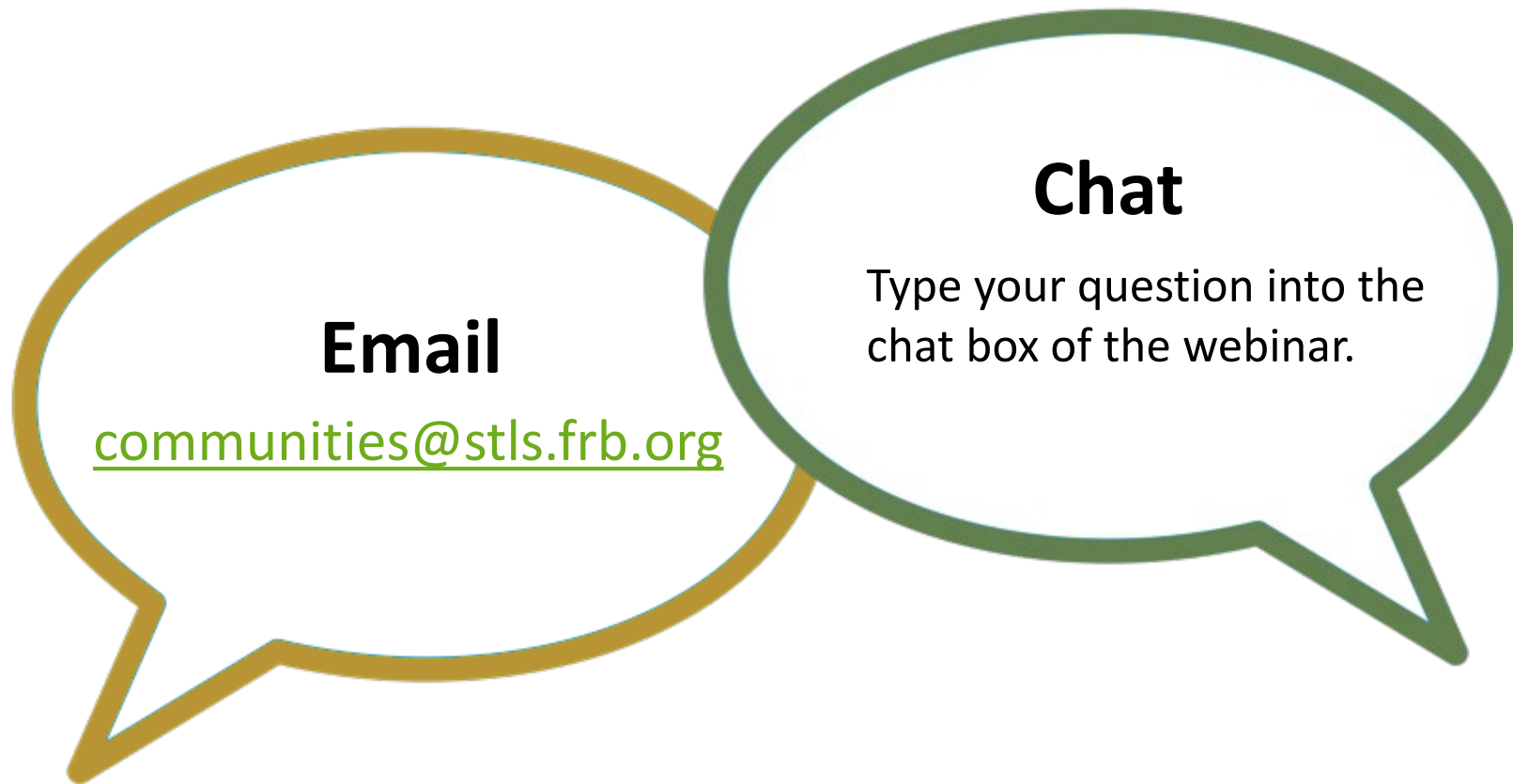
Lisa Mensah,  
Opportunity  
Finance Network



Marietta Rodriguez,  
NeighborWorks  
America

# Questions

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# Next Steps

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- All session materials are available on our website, and in the next few days, we will post an audio file of today's session.
- If you have topical suggestions for future sessions, or any questions about this program, please feel free to contact us at [communities@stls.frb.org](mailto:communities@stls.frb.org).
- Information about future sessions will be posted on our website along with archived materials from past sessions: <https://bsr.stlouisfed.org/connectingcommunities>.



## Related Resources

- In connection with this session, you can find a variety of additional resources on this topic, available at [www.fedcommunities.org](http://www.fedcommunities.org).
- It provides an array of practical resources to help you in your role as a community development professional, whether your work involves supporting people, places, the policy and practice of community development, or small business development.