Presentation Outline – Understanding Community & Community Development

1. Community & Its Key Elements
2. Defining Community Development
3. The USDA RD Strategic Plan, 2014-18
4. The Community Capitals Framework
5. The Spiraling Up of Community Capitals
6. Doing a Test Run
Defining Community

1. It’s the interaction of people or groups of individuals who live within some geographic area that provides for most of their daily needs.

2. These individuals/groups share certain values and ties with one another (be they socially or psychologically).

3. Further, they work together to address local problems, concerns, and opportunities.
Key Elements of Community

- Geographic area that provides for most of their daily needs
- Social interaction
- Locality oriented collective actions
- Common ties or bonds among members

Sources: Christenson and Robinson, 1980; Wilkinson, 1991
Defining Community Development

Community Development involves both “process” and “outcome.”

Process
Developing and strengthening the ability to work and act collectively (capacity-building)

Outcome
Taking actions that are intended to make the community a better place to live and work.
Prosperous rural communities are those with adequate assets to fully support the well-being of community members. USDA helps to strengthen rural assets by building physical, human, social, financial, and natural capital.

... USDA targets funds through strong analytics, grass roots support, and asset-based strategies (Page 6).
Prosperous rural communities are those with adequate assets to fully support the well-being of community members. USDA helps to strengthen rural assets by building physical, human, social, financial, and natural capital.

... USDA targets funds through strong analytics, grass roots support, and asset-based strategies (Page 6).
Discovering Local Assets:
The Community Capitals Framework
The lifeblood of any community can be linked to the presence and strength of seven community capitals.

Strong and resilient communities strive for balanced investments in the seven capitals.

Communities that place too much emphasis on one or two types of capital can end up suppressing the growth of other community capitals.
The quality and quantity of natural and environmental resources existing in a community.
Cultural Capital

- The values, norms, beliefs and traditions that people inherit from the family, school and community.
- Also includes material goods produced at a specific time and place having historical or cultural significance.
• Attributes of individuals that provide them with the ability to earn a living (due to their education, work-related skills and health status).

• Efforts to build and expand the leadership skills of community members.
Social Capital

- The “glue” that holds a community together and whose presence can bring benefits to the entire community.

- Consist of “bonding” and “bridging” activities. Also includes “linkages” to external entities.

- Different combinations of bonding, bridging, and linking social capital can produce positive results for the community.
Political Capital

- Ability to shape the distribution of public and private resources within the community.
- Capacity to gain access to the local movers and shakers.
- Efforts to launch a “new leader” pipeline and expand civic participation.
Financial Capital

- The variety of financial resources available to invest in local projects or economic development initiatives.
- Entities that serve as potential sources of funds for housing, community facilities, small business loans, and other community services.
Built Capital

- Represents the infrastructure of the community – the basic set of facilities, services and physical structures needed by a community.

- Includes design and land use factors, such as how neighborhoods, communities, and cities are laid out.
More educated/creative works stay or are attractive to the community

Banks & community foundation create small loan program

Launch businesseship program

Work to retain & expand existing local business

Leaders reach out and gather input from local residents

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Sources: Emery & Flora (2006)
A Test Run

GOAL:
Downtown Revitalization

COMMUNITY
- financial
- built
- political
- natural
- social
- cultural
- human
The purpose of **community development** is to *produce* assets that may be used to improve the community.

The purpose of **economic development** is to *mobilize* these assets to benefit the community.
Economic Development - The Three-legged Stool

- Community
- Retention & Expansion
- Attraction
- Creation
- Linkages
- Environment
The Leaky Bucket...

Need to consider the following:

1. Inflows
2. Outflows
3. Volume
4. Distribution

The new economic development paradigm makes entrepreneurship the foundation for economic development...

As the focus narrows, fewer firms are involved

As the economic development portfolio diversifies, the community becomes more stable
The New Paradigm Needs To Embody Four Policy Principles

Interconnectedness between rural and urban

1. Regionalism = rural and urban linkages
2. Systems = rural and urban resources
3. Assets = unique rural and urban strengths and markets
4. Ensure that urban and rural neighbors serve their region as equal partners
Policy Goals

1. More businesses ➔ Increase the numbers

2. Stronger businesses ➔ Increase the survival rate

3. More high growth businesses ➔ Increase the number that create jobs and wealth
Program Goals

These policy goals translate into program goals...

- More businesses in the pipeline
- More businesses staying in their community
- Better informed businesses
- Better skilled businesses
- More job creating businesses
- Greater business productivity
### Criteria Used for Classifying Indiana

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Rural</th>
<th>Rural/Mixed</th>
<th>Urban</th>
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<tr>
<td>Population</td>
<td>Less than 40,000</td>
<td>40,000 – 100,000</td>
<td>Over 100,000</td>
</tr>
<tr>
<td>Density (people per sq. mi.)</td>
<td>Less than 100</td>
<td>100 to 200</td>
<td>Over 200</td>
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<tr>
<td>Population of largest city</td>
<td>Less than 10,000</td>
<td>10,000 to 30,000</td>
<td>Over 30,000</td>
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<td>Identity</td>
<td>Rural</td>
<td>Rural with larger town(s)</td>
<td>Urban/suburban</td>
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<tr>
<td>Number of counties</td>
<td>42</td>
<td>33</td>
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<tr>
<td>Total population &amp; percent of state's population</td>
<td>891,906 (14%)</td>
<td>1,827,247 (24%)</td>
<td>4,012,542 (62%)</td>
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<tr>
<td>Area (sq. mi.) &amp; percent of total state's land mass</td>
<td>15,963 (44%)</td>
<td>12,783 (35%)</td>
<td>7,674 (21%)</td>
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Source: Ayres, et. al.  
## National Establishment Time-Series Descriptive Statistics For 2011

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<tr>
<th>Location/Stage</th>
<th>Establishments (#)</th>
<th>Employees (#)</th>
<th>Sales</th>
<th>Proportion of Total Rural-Urban Classification</th>
<th>Rural-Urban Stages as a Proportion of Indiana's Total</th>
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Net Establishment Gains/Losses In Indiana By Size And Urban/Rural Classification Between 2000-2010

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<td>-32</td>
<td>-7</td>
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<td>-4</td>
<td>-17</td>
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USDA Area 5
Area 5 Industry Cluster

Industry Cluster Analysis, IN USDA Area 5, 2007-2012

Data Source: 2013.2 ESMI
Complete Employment
AREA 5 Manufacturing Sub-cluster Analysis

Manufacturing Sub Cluster Analysis, IN USDA Area 5, 2007-2012

Data Source: 2013.2 EMSI
Complete Employment
Regional Requirements, Expenditures & Leakage, 2012

Data Source: EMSI 2014.2 Class of Worker (QCEW employees + Non-QCEW employees), industry cluster definitions by PCRD
Area 5: Demographics

PROFILE

Total Population
Source: U.S. Census Bureau

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<th></th>
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<th>2010</th>
<th>2020</th>
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<td>476,492</td>
<td>552,332</td>
<td>616,554</td>
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2000 POPULATION PYRAMID

Age Groups
- 00-09
- 10-19
- 20-29
- 30-39
- 40-49
- 50-59
- 60-69
- 70-79
- 80+

Percentage

Male
Female

2012 POPULATION PYRAMID

Age Groups
- 00-09
- 10-19
- 20-29
- 30-39
- 40-49
- 50-59
- 60-69
- 70-79
- 80+

Percentage

Male
Female
Area 5: Demographics

Components of Population Change 2000-2013

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<td>Natural Increase</td>
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<td>Domestic</td>
<td>35,594</td>
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Source: U.S. Census Bureau, Population Estimates; Pop. Change includes residual

Race/Ethnicity

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<th>2012</th>
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<tr>
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<td>87.0</td>
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<td>Black, Non-Hispanic</td>
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<td>3.4</td>
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<td>Hispanic</td>
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Source: U.S. Census Bureau
## Area 5: Income And Poverty

<table>
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<tr>
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<th>2000</th>
<th>2012</th>
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<tbody>
<tr>
<td>Median Household Income</td>
<td>$45,870</td>
<td>$54,842</td>
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<tr>
<td>Poverty Rate (Individuals)</td>
<td>7.6</td>
<td>12.9</td>
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*Source: Small Area Income and Poverty Estimates*
A Systems Approach (Dabson)

An effective economic development system:
- Integrates a wide range of programs
- Tailors products and services to meet the diverse needs of its clients

The system should be:
- comprehensive, flexible, culturally sensitive, and integrated,

The system should:
- require providers to collaborate rather than operate independently or in isolation
Appreciative Inquiry Process

DEFINE
Decide on focus

DISCOVER
Recognize & appreciate community assets
POSITIVE CORE

DEBRIEF
Celebrate success and reflect on the way forward
ENHANCED VALUE OF PUBLIC SPACES

DREAM
Envision what could be

DELIVERY
Implement & sustain the change

DESIGN
Find innovative ways to achieve breakthrough propositions
Appreciative Inquiry

1 **Discovery Phase**: Identify the peak moments of excellence in your USDA-RD Program Area - times when targeted investments by USDA-RD helped people and their communities achieve their goals and USDA-RD was working in its most effective state.

2 What were the conditions that made these accomplishments possible?

3 **Dream/Aspirations Phase**: Envision what might be possible in your Program Area and the people and communities USDA-RD serves with regard to community and economic development.
Appreciative Inquiry (CNTD)

4 Design Phase: Create a strategy (or strategies) to carry out the hopes that your group has identified.

5 What resources/assets do you now have in your Program Area and in the communities that your serve that can be tapped to help pursue your aspirations?

6 What elements of rural Indiana communities need to be improved in order for USDA-RD’s vision and hopes for the future to be realized?

7 Delivery Phase: Identify the 2-3 specific steps your group would take to put your shared hopes or aspirations for rural Indiana into action.
Prosperous rural communities are those with adequate assets to fully support the well-being of community members. USDA helps to strengthen rural assets by building physical, human, social, financial, and natural capital.

. . . USDA targets funds through strong analytics, grass roots support, and asset-based strategies (Page 6).

What can you as a region do to foster prosperous communities in rural Indiana?
THANK YOU!

Bo Beaulieu and Michael Wilcox