



# Community Action Agencies: STRENGTHENING OHIO'S COMMUNITIES

*Technical Report*  
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## **ACKNOWLEDGEMENTS**

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## SECTION I: EXECUTIVE SUMMARY

Community Action Agencies (CAAs) in Ohio have long been known for addressing poverty related problems for individuals and families. Lesser known is their role in strengthening local economies. Communities are finding that effective solutions for economic growth are developed and implemented at the local level. Therefore, communities must look to local entities as key economic development catalysts. CAAs are uniquely positioned for this work because they are embedded in the community with strong local relationships, practical knowledge of their communities, and experience implementing community economic development initiatives. This report provides an examination of how CAAs foster local solutions for local needs.

CAAs invest in Ohio's communities. In 2010, CAAs made a significant investment in Ohio by dedicating nearly 40% of all funding to 386 Community Economic Development (CED) programs and initiatives. CAAs build Ohio's workforce by connecting jobseekers with viable employment opportunities through partnerships with businesses and training. CAAs do all this while being less reliant on government funding than all other community action programs. By capitalizing on public-private partnerships, CAAs leverage twice the amount of private local resources for CED initiatives than for all other programs. Through their successful track record, forging 737 public-private partnerships, and being in tune with the needs and abilities of their local communities, CAAs stimulate local wealth for all citizens to assure prosperous communities in Ohio.

Following the background and methodological information, this study is divided into four subsequent sections. The first of which, Community Action Agencies Invest in Ohio's Communities, illustrates the investment CAAs make in Ohio. To define and catalog what CED initiatives CAAs are doing, the next section—Defining Community Economic Development—identifies five types of economic development initiatives that directly impact local communities. The next section, Community Economic Development Program Analysis, examines how CAAs are developing, implementing, and maintaining CED programs. Finally, the report concludes with 25 case studies of exemplary CED programs.

This report, commissioned by the Ohio Association of Community Action Agencies (OACAA), was prepared by the Voinovich School of Leadership and Public Affairs at Ohio University to identify, document, and assess exemplary practices in CED initiatives administered by or in partnership with Ohio's CAAs. In addition to this report, the Voinovich School has developed two companion documents: a separate Executive Summary—highlighting key information contained in this report—and a Toolkit for OACAA member agencies to replicate successful practices that were identified by the research team.

## SECTION II: BACKGROUND

In September 2010, OACAA was awarded funding through the federal Office of Community Services for a State Exemplary Practices Project, thus providing the impetus for this research. Through a competitive bid process to select a third-party research team, OACAA awarded the contract to the Voinovich School, which has a 30-year history of working with communities in Appalachian Ohio and throughout the state. The Voinovich School has a well established reputation for conducting a wide range of projects including data-informed strategic planning, facilitating economic growth plans, developing industry profiles of emerging economic sectors, program evaluation, managing public and nonprofit resources, and conducting economic impact studies for the public and private sector.

### **Community Action Agencies**

CAAs are private and public nonprofit organizations, established under the Economic Opportunity Act of 1964 with the shared goal of making all U.S. citizens self-sufficient. There are approximately 1,000 CAAs throughout the country striving to link public and private resources to address specific issues at the community level. Ohio's CAAs have been serving local communities for nearly 50 years. Currently, there are 50 CAAs in Ohio that serve all of the state's 88 counties by addressing both emergency needs and long-term community planning. Ohio ranks fifth in the nation for the amount of resources secured by its CAAs. Because CAAs are governed locally, each provides a diverse portfolio of programs and services, but they all share one common goal: to empower individuals and families to become independent of any public or charitable assistance.

### **Ohio Association of Community Action Agencies**

OACAA represents the interests of Ohio's 50 CAAs to multiple levels of government. The mission of OACAA is to support its members and create a unified community action presence in Ohio. OACAA provides training for member agencies, informs the public about the causes and effects of poverty and publicizes the impact of CAA programs on increasing family self-sufficiency and fostering economic growth.

## SECTION III: METHODOLOGY

The objective of this study was to identify, assess, and document exemplary economic development practices in which Ohio’s CAAs played a role. This study used qualitative and quantitative mixed mode methodologies to collect and analyze information to examine CED programs and identify how their approach reflect the needs of local communities. Data collection and analysis began in June 2011 and continued through March 2012. A research protocol detailing procedures is in Appendix I.

### Defining the Standards for Program Analysis

The research team first identified five primary goal areas of CED. To do this, the research team examined CAA industry standards for CED as well as information from other entities engaged in economic development. Using these five focus areas, CED was defined as programs, projects or initiatives which accomplish one or more of the goals listed in Figure 1, along with some of the unique programs and initiatives that CAAs have developed to accomplish these goals in their communities.

**Figure 1. Types of Community Economic Development**

Goal Areas	Criteria	Programs and Initiatives
<b>Increases Employment or Enhances Employment Opportunities</b>	A project or initiative increases employment opportunities for individuals through training and education, and enhances employment through retention services and upgrading skills.	<i>Job Counseling, Employer Partnerships, Industry Training</i>
<b>Results in Infrastructure Development or Redevelopment</b>	A program or initiative that creates, redesigns, repurposes, or improves infrastructure elements in a community to increase their benefit to a greater number of community members.	<i>Broadband, Public Transportation, Housing Development</i>
<b>Increases Business Development Opportunities</b>	A program or initiative assists in the development, retention, or expansion of local businesses that create or maintain jobs, attract capital, and create economic security for business owners.	<i>Microenterprise, Technical Assistance, Microfinancing</i>
<b>Improves the Financial Security of Individuals through Asset-Building</b>	A program or initiative that is designed to help individuals obtain income-generating assets.	<i>Individual Development Account, Homebuyer’s Assistance, Credit Counseling</i>
<b>Attracts Capital Investment</b>	A program or initiative obtains investments from individuals, businesses, or government agencies. Capital investment must provide long-term benefits that will continue beyond the duration of the program.	<i>Recycling Services, Downtown Revitalization, Commercial Development</i>

A literature review and key informant interviews were conducted for these five goal areas to gather background information, identify trends and evidence-based practices, and determine characteristics for success. Detailed information and research regarding CED is included in Section V.

The research team then determined exemplary criteria to define the framework within which programs would be analyzed. Drawing from benchmarks development by government agencies and best practices studies, six exemplary criteria were identified:

- Sustainable: The program or initiative has achieved its goal or, if the program is ongoing, the program has diversified its funding to ensure continued service to the community.
- Efficient: The program or initiative efficiently uses or leverages resources.
- Strategic: The program or initiative is the result of a cohesive strategy that is responsive to community needs.
- Collaborative: The program or initiative leverages collaborative relationships in the community.
- Replicable: The program or initiative has the potential to be replicated in other communities.
- Innovative: The program or initiative is unique in its scope, approach, outcomes, partnerships developed or resources leveraged.

These six exemplary criteria are discussed in full detail in Section VI.

For inclusion in this report as an identified exemplary CED initiative, a program must have met the following requirements:

1. Be administered by a CAA in Ohio, either directly or in partnership;
2. Address at least one of the identified goals of CED;
3. Meet at least one or more exemplary criteria.

To determine if these requirements were met, the research team assessed program processes, community need, impacts (when available), sustainability plans, and standards of the initiatives according to the research. More detail on this process is included under "Agency Interviews."

## **Data Analysis**

Analysis was conducted using data obtained from 2010-2011 Community Action Agency Community Services Block Grant (CSBG) Results Oriented Management and Accountability (ROMA) Workplans provided by the Ohio Department of Development (ODOD) Office of Community Services. Data regarding expenditures and funding sources, and partners of all CAA-administered programs were compiled for comparison with CED programs. The research team then identified CED programs for further analysis. Programs reporting to CSBG use a self-identified program code signifying a particular activity or goal. The research team reviewed reporting measurements and activities of programs within each code and identified 29 program codes that met the determined CED definitions. Within the 29 different program codes, there were 386 programs. All programs identified with this code were then analyzed to collect total CED expenditures and identify funding sources. The purpose of this report was to identify exemplary



CED initiatives not to compare individual programs. Therefore, all data was aggregated at the program code level. Programs not administered with CSBG funds were not included in the ROMA Workplan reports, and thus was not available for analysis. Unless otherwise noted, all figures reflect 2010 data.

### **Agency Interviews**

To further examine CAA-administered economic development initiatives, the research team conducted qualitative interviews with programs in Ohio. The interview instrument is in Appendix II. Programs were selected for inclusion in these interviews in one of two ways. Several agencies were nominated by representatives of ODOD and Ohio Association of Community Action Agencies (OACAA) during initial data collection, eleven of these agencies ultimately participated. Additionally, a self-nomination request was sent to all agencies. The self-nomination form is in Appendix III. The self-nomination request asked agencies to identify which CED goal the project addressed, how the program impacted economic development in their community, and which exemplary qualities the program demonstrated. Seven agencies completed this self-nomination form. A total of eighteen CAAs in Ohio participated in the interviews, with the research team reviewing a total of 35 different CED programs within these agencies.

Programs interviewed were at various stages of development—several were established resources in their communities, others were new initiatives, and some were undergoing transformations as a result of American Recovery and Reinvestment Act of 2009 funding. Although this project attempted to examine an equal number of urban and rural agencies, the majority of interviews were conducted with rural agencies. This is simply a result of the self-nomination process, as more rural agencies self-selected to be included.

Telephone interviews were conducted in teams of two or more using a standardized open-ended interview script. Patton (2002) advocates the use of an interview guide for the following three reasons: (a) the limited time in an interview session is optimally utilized; (b) a systematic approach is more effective and comprehensive; and (c) an interview guide allows individual perspectives to emerge while keeping the interactions focused. Following the project's research protocol, interviews were audiotaped to assist in a comprehensive recording of the participants' reports. Participants were reminded that their participation was entirely voluntary and that they may withdraw from the study at any time without penalty.

Interviews focused on determining if programs met the definition of CED, and what made those programs exemplary. The research team asked agency administrators to discuss:

- The current funding of the program and plans to address sustainability;
- the impetus for development of the initiative, and the community need it fulfills;
- the impact of the program on individuals and the community it serves;
- and exemplary qualities of the program and strategies for replication.

After completion of all interviews, the research team determined which programs met criteria for one or more CED program categories and identified which demonstrated exemplary qualities. To ensure credibility of both the procedures and the conclusions, analyst triangulation was utilized. Analyst triangulation is defined as "having two or more persons independently analyze the same

qualitative data and compare their findings” (Patton, 2002). Using analyst triangulation, programs were individually analyzed for demonstration of exemplary standards.

### **Identification of Key Themes Faced by CAAs**

Qualitative data analysis techniques were used to analyze the data collected during program interviews. Content analysis was used to analyze responses to the interview questions. Content analysis is described as “searching for recurring words or themes” (Patton, 2002). Data was analyzed to see what phrases, concepts, and words were prevalent throughout the participants’ responses. These central ideas were then assembled by pattern analysis for the identification of major themes (Patton, 2002). From these major themes, conclusions were drawn regarding CAAs’ capacity for economic development.

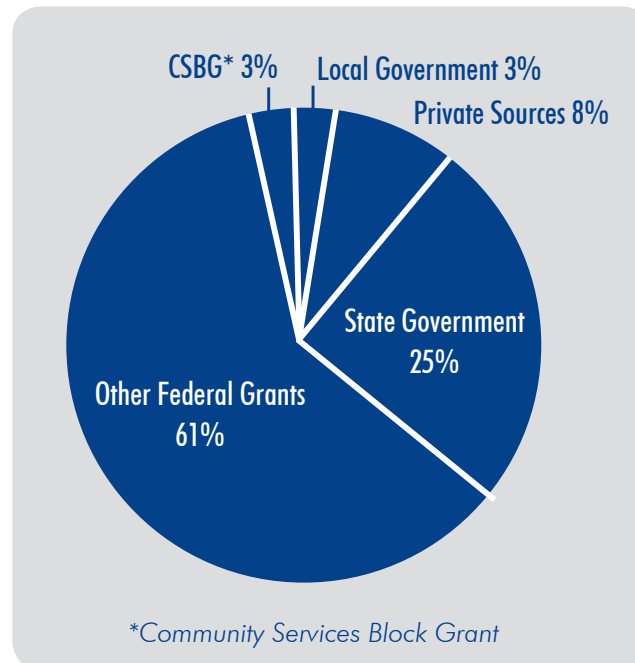
### **Community Action Agency Roundtable**

In February 2012, after initial data collection, the research team facilitated a roundtable discussion with 33 CAA managers and program staff, a majority of whom had not participated in the interviews. The purpose of this roundtable was to review initial findings and identify the most relevant and beneficial topics for inclusion in the Toolkit. The discussion reinforced challenges identified by interview participants and provided further clarification of themes and information collected during research. Additionally, a written survey was distributed, which asked participants to identify challenges in implementing CED programming, suggested resources for CAAs to develop CED strategies, and desired topics for the Toolkit. Content analysis was conducted with the results from the roundtable and survey responses. The core themes are included throughout the technical report and were used to inform content included in the Toolkit. Full results from the Roundtable Session are in Appendix IV.

## SECTION IV: COMMUNITY ACTION AGENCIES INVEST IN OHIO'S COMMUNITIES

CAAs make a significant investment in Ohio by dedicating nearly 40% of all funding to 386 different CED programs and initiatives. In 2010, CAAs expended \$208,166,627 on CED programs including \$51.7 million of state funding and \$17.6 million in private funding and resources. Figure 2 shows the diversity of funding sources used to create and advance economic development projects by Ohio's CAAs.

**Figure 2. Funding Sources for Community Economic Development Programs (2010)**



It should be noted that in 2010 Ohio's CAAs received multiple federal grants under the American Recovery and Reinvestment Act of 2009, and therefore the funding source labeled "Other Federal Grants" was expanded from previous years.

### **Community Services Block Grant**

The Community Services Block Grant (CSBG) has outlasted many of the other efforts of the War on Poverty. CSBG aims to help individuals and families living in poverty become self-sufficient, strengthen local communities, and increase the capacity for citizens to create their own opportunities.

Although CSBG accounted for only 3% of total CED funding in 2010, agency administrators repeatedly recognized this funding source as a critical resource for developing economic development initiatives. During interviews conducted as part of this research, 77% of agency administrators specifically cited CSBG funding as the critical resource that allowed them to take the risk to develop their exemplary CED initiative. By providing the start-up capital for CED initiatives, CSBG funding allows CAAs to experiment with innovative programming while still ensuring the stability of core programs. This relatively small federal investment creates the

necessary infrastructure for CAAs to leverage local dollars and resources that expand their network, spur economic development, and become self-sustaining enterprises.

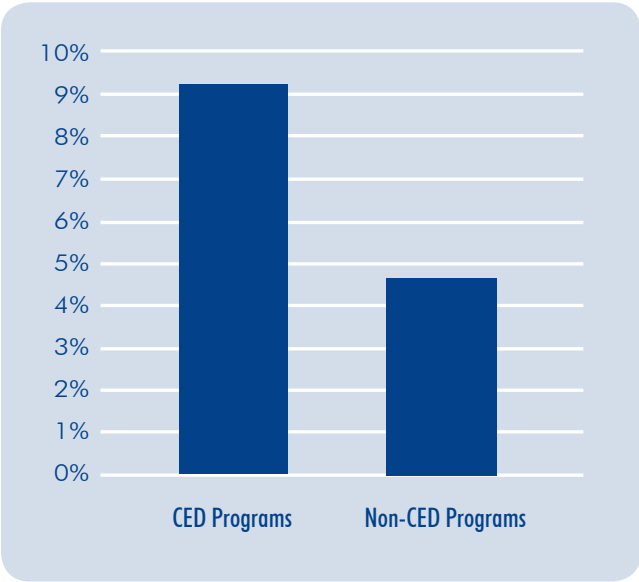
*In 2010, Ohio's CAAs leveraged \$10.76 of state and local dollars for every dollar of CSBG allocated to CED programming.*

CSBG is a federally-mandated investment in our communities, and CED initiatives generate returns on that investment. Programs interviewed stated that CSBG funding was used as the start-up capital for their CED initiative, and two of these programs are now self-sustaining enterprises.

### Private Investment

CAA-administered CED programs are less reliant on government funding than all other community action programs. They are able to successfully leverage more resources from local investors. CED programs leverage twice the amount of private local resources per dollar of government funding than non-CED programs. In 2010, CED programs leveraged 9.2% of private resources from their government funding, whereas all other CAA programs only leveraged 4.6% (see Figure 3).

**Figure 3. Private Investment in Community Action Agency Programs**

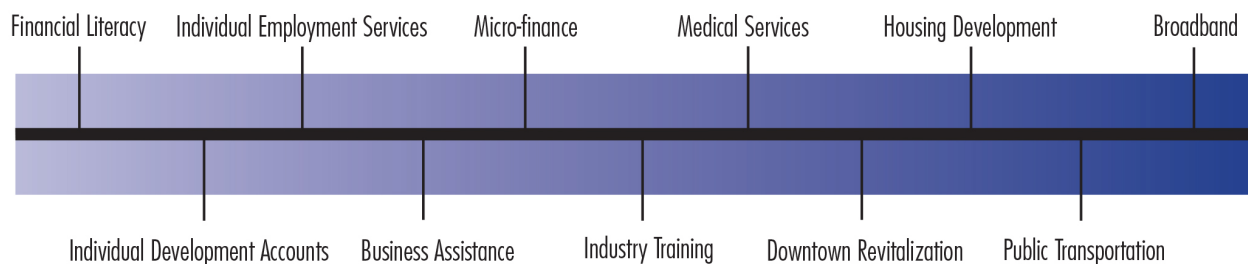


It is this ability to expand on public investments, and the willingness of CAAs to accept the risk and responsibility of CED initiatives, that makes these agencies essential for economic growth. CAAs invest their limited resources in CED because they recognize strong, healthy communities are the basis for eradicating poverty. These CED initiatives demonstrate that CAAs reach beyond those in need; they are vital to increasing community capacity to create social and economic prosperity for all Ohio residents.

## SECTION V: DEFINING COMMUNITY ECONOMIC DEVELOPMENT

To catalog what CAAs are doing in CED, the research team identified five goals of economic development initiatives that directly impact local communities. The figure below depicts the various kinds of CED initiatives enacted by CAAs as ranging from initiatives that build individual capacity (left) to initiatives that build community capacity (right).

**Figure 4. Community Action Agencies' Community Economic Development Portfolio**



Prosperous communities are cultivated by promoting individual wealth and community-wide initiatives that create jobs, promote industry, and develop community infrastructure. The diversity of the CAA CED continuum, with projects spanning from individual security through broad-sweeping infrastructure projects, demonstrates that CAAs understand the interconnectedness of the multiple strategies to address development in their communities.

Extensive background research revealed that community agencies, particularly CAAs, are frequently key players in these types of initiatives due to their presence in and knowledge of their communities. Included in this section are detailed descriptions of each CED goal and the effectiveness of CAAs in these initiatives.

### **Goal Area 1: Increases Employment or Enhances Employment Opportunities**

High unemployment rates hurt communities in multiple ways. The immediate effects on a community are greater reliance on public benefits, reduced tax revenues, and an inability to maintain private and public assets. The secondary effects are found in reduced competitiveness for business attraction, as an idle workforce possesses increasingly outdated skills. Without strategic investments in the human capital of a community, these issues compound at an alarming rate. Therefore, the increase of employment and enhancement of employment opportunities was identified by the research team as a critical component of CED.

For an initiative to be considered as increasing or enhancing employment in a community, the project must facilitate the placement of disadvantaged persons into viable employment structures. To truly constitute economic development, these employment positions must continue beyond the project or initiative funding. Employment opportunities that are not available beyond the project's involvement do not ultimately enhance the economic growth of a community. Retention of individuals in employment is also a necessary focus of this strategy, as this strengthens communities through stability and increased productivity.



CAAs are effective tools for increasing or enhancing employment opportunities in their communities because they are uniquely positioned to integrate the individual, employer, and community interests that they represent.

To accomplish this goal, CAAs provide a wide

range of programs and services for Ohio businesses, industries, and labor force. In 2010, CAAs spent more than \$196 million on services designed to improve Ohio's employment outlook. The research team found that CAAs address employment through a two-pronged approach: workforce development and employment support services.

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### **Workforce Development**

Workforce development initiatives are broad, community-wide initiatives that strive to address specific, targeted labor needs in an effort to attract or retain businesses with a more competent and skilled workforce. According to the Community Action Partnership (2012), organizations that wish to create effective workforce development initiatives must proactively address needs by using a dual customer approach—one which considers the needs of both employees and employers. Sector-based programs which provide “on-the-job training” are an effective strategy for increasing and enhancing employment opportunities. These programs create opportunities by responding to the needs of workers and employers in ways that meet the interests of both. This focus on the development of sector-focused skills is an important component of training programs because it equips workers with skills that are needed and applicable to their employer and the local labor market (Martinson, 2010). Partnering with employers is a highly effective strategy because connecting individuals with employers is far more likely to result in job placement than merely equipping individuals with skills outside of a workplace (Relave, 2001). By focusing on skills that will be immediately applicable to the worker's job, sector-based trainings are more beneficial to both individuals and employers (Frazis & Spletzer, 2005; Kenefick & Ridley, 2011; Martinson, 2010). Through such partnerships, businesses can improve productivity and competitiveness. Partnering with agencies to train workers ultimately benefits employers by lowering employee turnover, increasing customer retention and innovation, improving reputation in the community, and avoiding “skills deficits” in the local labor market (Martinson, 2010).

Agency interviews conducted as part of this study and research regarding the effectiveness of employment programs demonstrates that employer-agency partnerships are fundamental to the establishment of effective employment services and workforce development programs, even if they are not sector-based (Crandall, 2004; Kenefick & Ridley, 2011; Martinson, 2010; Pitcoff, 1998; Relave, 2001). Programs that involve employers are effective because of their benefits for both businesses and the workers. Through interviews with CAA administrators, the research team found that many times CAAs were heavily involved in building the vital infrastructure that puts people to work, through strategic partnerships with local businesses. Particularly in rural areas, CAAs were instrumental

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### **Employment Development & Support**

Employment development and support services are activities that develop or increase the employability of participants and ensure job retention. As participants move towards self-sufficiency, they often face a number of barriers to retention and advancement. These barriers may include a lack of access to childcare, health issues, lack of adequate transportation, illiteracy, and unstable housing. Especially in low-income counties, where these barriers may be more prevalent, employee retention issues have widespread impacts on the business climate. Most researchers agree that a region's ability to attract and retain firms and industries is directly linked to the presence of a skilled labor supply (Crandall, 2004). Businesses know that employee turnover is costly and results in lower productivity, thus, an unstable workforce is one of the largest deterrents for business development and growth.

Therefore, supportive services, initiated by community-level CAAs, are critical resources for maintaining a productive workforce. The research team identified 131 programs, 34% of all CED initiatives, as support services for low-income workers that represent Ohio's efforts in creating a more productive, self-sustaining workforce. These programs include one-on-one job counseling, on-the-job mentoring, transportation assistance, childcare, healthcare, and other services that are designed to break down barriers to getting and keeping employment. This ultimately reduces costs for Ohio businesses and constituencies by reducing employee turnover, retaining income and tax revenues, and increasing community wealth by attracting businesses and investments with a stable, qualified workforce.

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Agencies that engage in employment development and support services are most successful when they base services on the needs of the community and when community actors are engaged in the development and implementation of these programs (Crandall, 2004). Most workforce development studies stress the importance of community level agencies as actors in these initiatives and programs because they have long-standing, established community ties and have earned credibility with the targeted population. Therefore, community-based organizations are able to be more flexible and responsive to the needs of the job seekers and the employers, which make these programs more effective (Pitcoff, 1998). Because of this, most federal and state workforce development legislation supports community-based services as the most effective intermediary between individuals and businesses (DOL-ETA, 1998).

Community agencies benefit from these partnerships by gaining business perspectives, a wider private-sector network, financial and in-kind resources, and other assets. Businesses benefit by leveraging the expertise of the community agency, through delegating basic skill development, placement and retention to the community agency so that employers can focus their resources on expansion, rather than human resources. This was a primary benefit, and motivation, for the unique employer-agency partnership that made the WSOS Marine Mechanics Course, an industry training program, so successful. Ultimately, employer-agency collaborations are more effective

because they capitalize on the unique skills and resources of each of the partners and reduce gaps in services and knowledge.

## **Goal Area 2: Results in Infrastructure Development or Redevelopment**

Infrastructure on a broad scale refers to the “capital stock that provides public goods and services” (Yoshino & Nakahigashi, 2000). The infrastructure of a community affects factors such as production activities and quality of life for residents, thus permeating the entire community. Therefore, infrastructure projects were identified as key CED initiatives for stimulating economic growth.

The research team identified two types of infrastructure initiatives: infrastructure development and redevelopment. Infrastructure development initiatives create new infrastructure systems and increases access of these infrastructure elements to a greater number of community members. Infrastructure redevelopment redesigns, repurposes, or improves infrastructure elements to increase their benefit for a greater number of community members. The research team found that, especially in rural communities, CAA-administered infrastructure initiatives provided new and innovative services for communities to enhance comprehensive economic development. Half of all total CED expenditures were allocated to infrastructure-related projects in 2010. These infrastructure projects attract capital investment by revitalizing neighborhoods and attracting new residents, businesses, and community investors to acquire capital assets for the benefit of all community members.

*Half of all total CED expenditures were allocated to infrastructure-related projects in 2010.*

There are several strategies used by CAAs to increase or improve the infrastructure of their communities. These strategies are supported by research initiatives which have found them to have a positive economic impact at the community level.

### **Broadband Access**

Investment in telecommunications has become a necessary condition for economic development in the 21<sup>st</sup> century, especially for rural communities. Internet access has evolved from a luxury to an essential component of infrastructure necessary for individuals, businesses, health care, education, and government (Fortunato et al, 2010). Yet, large sections of the U.S. continue to struggle from a lack of access to this essential service. In Ohio, 34% of the population is without broadband Internet access, and Ohio’s Appalachian counties have the lowest access (Connect Ohio, 2011). This is mostly due to topography issues and personal financial constraints.

Research demonstrates that there is a positive relationship between broadband expansion and economic growth (Kolko, 2010). The impact of broadband on rural communities is especially great (Kolko, 2010; Stenberg et al, 2009). One example is the improvement of business practices and resources. Primarily, the Internet has reduced geographic isolation, by making information from other businesses and customers instantly available. In recent years, rural businesses have been adopting more Internet based practices in order to improve efficiency and expand market reach. A study conducted by Stenberg et al. (2009) concluded that, “rural economies benefit generally from broadband availability. In comparing counties that had broadband access relatively early (by 2000) with similarly situated counties that had little or no broadband access as of 2000,

employment growth was higher and nonfarm private earnings greater in counties with a longer history of broadband availability.”

### ***Transportation***

Transportation, as an essential part of infrastructure, is a key component of CED. On a macro level, transportation affects consumer expenditures, employment opportunities, resource consumption, productivity, property values, affordability, and wealth accumulation. The benefits of increased transportation options result from more connected land use patterns and include agglomeration efficiencies and more efficient provision of services (Litman, 2010).

Community agencies are often key players in facilitating transportation development projects. Community based transportation initiatives provide access and minimize barriers to ridership for dependent populations because they are focused on the specific needs of that community. For example, Hocking, Athens, Perry Community Action Partnership’s GoBus maintains a \$10 ticket price for all riders, in an effort to ensure access for all populations and promote this public transportation as a viable option. Increased ridership on a well-designed and well-placed transit link leads to better and more frequent service, benefit the transportation provider, and enhance mobility within the community (Adams & VanDrasek, 2007).

### ***Downtown Revitalization***

Downtown revitalization adds physical, economic, and social value to a community. Physical revitalization improves the community’s image as a whole. Specifically, by utilizing existing downtown buildings, revitalization helps to manage growth and prevents health and safety concerns stemming from vacant or abandoned buildings. These efforts improve the quality of life in a community by expanding and attracting employment, business, and social activities (Shields & Farrigan, 2001). Vibrant downtowns provide an image of a healthy community and local economy. Strengthening the downtown district also keeps dollars in the community by providing local resources so that residents do not have to leave their community to find goods and services.

### ***New Housing and Utility Development***

The Citizens’ Housing and Planning Association (2010) reports that housing construction and rehabilitation has a high ratio (62.3%) of value-added to total gross outlays. This means a high percentage of the gross outlays for a residential construction project are available for wages and salaries, thus stimulating job creation. Additionally, jobs are created in related product and service industries, such as household retail, home repair, and real-estate. The development of new housing can be employed as an economic development strategy which creates jobs and stimulates the local economy through increased income and tax revenues (NAHB, 2012).

Utilities development, especially in conjunction with new housing development, is beneficial to human and economic development. At the community level, increased utility development generates increased local tax revenues, improves sanitation, and attracts new residents and businesses. Additionally, the actual development activities create jobs in the community. There is also a ripple effect in utilities development as this leads to jobs in related sectors such as the maintenance of utility systems and product manufacturing.

## **Goal Area 3: Increases Business Development Opportunities**

Strategies to increase business development opportunities can be divided into the categories

of business development and business retention and expansion. Surveys of U.S. development programs indicate that providing assistance with business retention and expansion are the top development strategies for local economies, as it is one of the quickest ways to create or maintain jobs, attract capital to the broader community, and create economic security (IEDC, 2010). As a fundamental component of economic development, business retention is an important part of the work of community agencies.

*Because of their ties to the community and individuals, CAAs are able to connect entrepreneurs, business people, workers, and other community members with resources as well as the many programs they administer to facilitate development, retention, and expansion.*

Community agencies are uniquely situated for the tasks of new business development and existing business retention and expansion. There are two key ways in which CAAs facilitate business development:

- *Local business* retention and expansion has been an increasingly important strategy of CED for creating job growth over time. Business Retention and Expansion (BR&E) at the community level is effective because “local businesses have strong community ties and BR&E programs are often less expensive than business attraction, yielding more jobs on average” (IEDC, 2010).
- *Business development* at the community level is successful for similar reasons. Community agencies are able to provide training, technical assistance, among other services necessary for businesses in such a way that will accurately meet the needs of their market.

### ***Business Retention and Expansion***

Existing businesses not only constitute a large percentage of a community’s jobs, but they are excellent sources of information on the strengths and weaknesses of the local economy (Ohio BR&E, 2010b). CAAs are situated within their environment in such a way as to make gathering this feedback and engaging with businesses possible. For example, a community agency’s BR&E program enables community leaders to define the strengths and weaknesses of the local economy as identified by existing businesses and workers (Ohio BR&E, 2010a). This dialogue is necessary for effective business development. Additionally, these communication efforts show the community’s appreciation for the businesses’ contributions to the community and establish a foundation for collaboration between local leadership and local business. In this way, collaboration at the local level around business retention results in more cooperative community policy and decision-making processes.

The importance of business retention programs extends beyond the new jobs that existing businesses create. Existing businesses’ investment in the community makes an impact too. Working to retain existing businesses is important for CED because existing businesses already have a stake in the community and demonstrably contribute to the economic vitality and social fabric of the community. Additionally, retaining business in a community is less costly than attracting new industry. Industry attraction efforts often include significant tax incentives and substantial infrastructure development costs (Cothran, 2006). While existing businesses may seek some of these incentives, the cost per job created is much less for an existing business than for a new business (Morse, 2004).



A major component of the role community agencies play in business expansion is the enhancement of technological capabilities and provision of technical assistance. Community agencies are able to assist firms and enhance their capacities because of their connections within the community and resources to provide technical assistance. Economic development occurs through this assistance to businesses because it stimulates those sectors with growth potential, capitalizes on linkages to existing area businesses, and emphasizes those particular strengths of the region which help make firms competitive (American Planning Association, 2008). It is important to have a community-based approach to technical assistance for these small firms in order to create relationships between the training provider and client that will be sustainable and reflective of the demands of clients (Klein, 2002).

*Technical assistance can be best provided at the local level because the success of programs depends on the extent to which the provider understands and can meet particular business needs.*

### **Business Development**

One of the most important aspects of CED is the facilitation of microenterprise and entrepreneurship. Microenterprises are responsible for 17.3% of employment in rural areas of Ohio, as compared with 15.4% in urban areas of the state, according to data from the Association for Enterprise Opportunity (2010). In total, microenterprises are responsible for 18.1% of total private non-farm employment in Ohio. Of all business in the state, 86% are categorized as microenterprises. Estimates by the Aspen Institute indicate that there are 20 million Americans who operate microenterprises, and at least 10 million of these micro-entrepreneurs face significant disadvantages in establishing and operating their businesses (CFED, 2010).

Microenterprise plays a powerful role in communities as a source of business and economic development. The impact of microenterprise on communities, as well as on low-income individuals, has been demonstrated to increase access to capital, create jobs, increase household income, and decrease reliance on public assistance (Schmidt et al., 2006). At the community level, microenterprise development enhances local economies. These small businesses allow community members to shop locally, which increases the marketability of other local businesses (Else & Gallagher, 2000). Additionally, locally owned businesses return a larger share of revenue to the local economy, support other local businesses through the purchase of goods and services, and maintain a larger local payroll (Schmidt et al., 2006).

An important component of a nurturing business environment is the availability of micro-finance or small-business loans. These loans have a significant impact on increasing microenterprise and entrepreneurial opportunity. According to the U.S. Small Business Administration, most businesses rely on loans to provide the initial capital to open a business or make capital improvements. However, there is still an unmet demand for financial support for microenterprise. It is estimated that only 2% of potential U.S. microfinance customers are being served compared to the 17% being served in the developing world (The Opportunity Fund, 2010). Many CAAs have the resources and technological capabilities to support these loan programs and continue to meet this demand.

*Revolving loan funds have been, for some CAAs, a sustainable strategy to meet a continuous demand for financing in their communities.*

In recent years, many borrowers and lenders have been holding off on new transactions in reaction to an uncertain economy (Williams & Ou, 2009). It is important that these lending and borrowing transactions be stimulated by such entities as CAAs to stimulate economic development. The economic impact of microfinance is significant for entities making commercial and industrial loans available to small businesses.

#### **Goal Area 4: Improves the Long-term Financial Security of Individuals through Education and Asset-Building**

Asset-building is any service designed to help individuals obtain assets, or anything of worth that is owned and can lead to income generation. Income generation can be the result of assets that contribute to business functions or development, credit or equity obtained by having assets, or educational credentials that lead to higher-wage employment (CSD, 2012). Many individuals and families live from paycheck to paycheck with no prospect of breaking this cycle of poverty. Asset-building programs offer new opportunities to save and invest in order to accumulate assets and thus move towards self-sufficiency (McCulloch, 2005). The impact of asset-building is beneficial not only to the individual but also to communities because it increases self-sufficiency, reducing reliance on public assistance, and increases tax revenues through property taxes and local sales tax.

Asset-building programs typically focus on several areas of financial development that have emerged as the most effective ways of affecting positive change to an individual's financial situation. They include:

- Homeownership
- Financial Literacy
- Individual Development Accounts (IDAs)

##### ***Homeownership***

The promotion of homeownership has been demonstrated to be an effective strategy for both the individual and the community. Homeownership is an asset for individuals because it makes certain lines of credit available and creates a financial cushion to fall back on in case of hardship. One study among blue-collar workers found that homeownership is the most important way of accumulating assets (Page-Adams & Volser, 1997). Research shows that homeowners are less likely to need public assistance after being laid off from a job and are better able to adjust to sudden financial crises (National Association of Realtors, 2011; Page-Adams & Volser, 1997). By increasing homeownership amongst low-income individuals there are also demonstrable benefits for the community. Homeownership benefits the community by promoting economic development through wealth accumulation, property maintenance and upkeep, neighborhood stability through decreased residential turnover, and participation and involvement in the community (Scanlon, 1998).

##### ***Financial Literacy***

Financial literacy is a necessary component of any effective asset-building program. It gives clients the knowledge and guidance they need to make frugal and efficient saving and spending decisions. Without financial literacy, individuals and families can be harmed by unwise or ignorant decisions such as imprudent investments, borrowing too heavily, high transaction costs, or neglecting the need to save.

Some financial literacy programs operate in a stand-alone fashion; they are not tied to any other component of asset-building. This is the equivalent of equipping low-income individuals with the knowledge they need to build assets, but not providing resources to turn this into financial action. Thus, it is difficult to determine the effectiveness of these programs on the actual accumulation of assets. Research suggests that a more effective approach to financial literacy as an asset-building strategy is to establish financial literacy programs in conjunction with other asset building initiatives, such as Individual IDAs.

### **Individual Development Accounts**

IDAs are matched savings accounts that grow the deposits of low- and moderate-income savers. For every deposit made, the funds are doubled by the financial entity. Typically, IDA savings may only be used for continuing education or job training, homeownership, or to start a small business. More recently, IDA programs have been extended to car ownership as well. In addition to accumulating assets, accountholders are often required to attend financial education classes (CFED, 2012). IDA programs are beneficial on the broader scale of the community because of the positive impact brought by an increased number of homeowners, educated people, and businesses. In recent years, more than 85,000 IDAs have been opened in programs administered by more than 1,100 sites across the country. The impact of this initiative has resulted in more than 9,400 new homeowners, 7,200 educational purchases (such as tuition, books, etc.) and 6,400 small business start-ups and expansions (CFED, 2010a).

*According to the Center for Economic Development, "it is estimated that for each federal dollar invested in IDAs there is a return of approximately five dollars to the national economy from new businesses, additional earnings, new and rehabilitated homes, reduced welfare expenditures, and human capital due to greater educational attainment" (2010).*

Various studies regarding the effectiveness of IDA programs have found significant differences in the stability and earnings potential of IDA account holders. Cumulative foreclosure rates for IDA homebuyers were one-half to one-third the rate for other low-income homebuyers in the same communities. Overall, IDA program participants fared better in the foreclosure crisis than other low-income homebuyers, suggesting that program participants were able to avoid foreclosure because of the assets or savings skills and practices they had accumulated through the IDA program. Low-income IDA participants were able to save despite continuous financial challenges, such as job layoffs. The majority of participants succeeded in saving in IDAs and a substantial proportion of them did so regularly, even beyond their enrollment in the program. Furthermore, these qualitative studies show that program components beyond just the matched funds were valuable to participants. Many participants valued the financial education classes and social support from IDA staff members and fellow participants (McKernan et al., 2007).

A secondary benefit of IDA programs is the value to participating community banks. The benefits to these financial entities are three-fold. First, participating in an IDA program is a simple way for banks to establish initial relationships with new customers. Second, traits inherent to IDA accounts make them beneficial to banks. Funds can be used for general purposes while the customer is restricted from withdrawing the matched money in the first year or more. Furthermore, participating in a direct deposit IDA program might be particularly beneficial, as both the saver

and the financial institution are ensured that regular contributions will be made (Miller, 2010). The third dynamic of the benefit to banks participating in IDA programs is the good will and reputation this participation generates in the community.

While there are many non-profits that run IDA programs successfully, CAAs are especially well suited to operate IDA programs. Certain characteristics of CAAs and their relationship to the communities in which they operate make these agencies especially well-suited for this approach to asset-building:

*CAAs are able to be creative and flexible, mainly due to the availability of CSBG funding. This allows them to better tailor IDA programs to the unique needs of their community and participants.*

- CAAs operate a multitude of services that can be linked with IDA Programs, such as emergency assistance, food pantries, employment and training services, and community referrals.
- CAAs have already earned the trust of their customers, and this is especially important for IDA programs. People are normally wary when dealing with anything that pertains to their finances. With CAAs, a level of trust is already there because most IDA program participants are already familiar and comfortable with their local CAA (Hawe, 2004).

### **Goal Area 5: Attracts Capital Investment**

Capital Investment is a key component of economic development because the attraction of capital assets is essential for the success of individual, business, or economic initiatives. Capital investment refers to financial support gleaned from public or private entities or individuals for the execution of development initiatives. The investment must create new capital assets for the community. A capital asset is defined as a tangible asset whose benefit is realized over a long period of time rather than in the period of acquisition. Therefore, capital investment must provide long-term benefits to the community that will continue beyond the duration of the program. For rural communities in particular, having limited assets makes local business and entrepreneurial endeavors especially well suited as investments for economic development (Rubin, 2006; Scruggs, Embree, & Wiltbank, 2010). The limited assets and structural impediments posed by rural economies make it difficult to attract traditional sources of venture capital (Rubin, 2006). This is because traditional venture capital is driven primarily by profit maximization, and thus to geographic areas that maximize potential investment opportunities and minimize operating costs (Rubin, 2006). Therefore, innovative capital investment strategies which capitalize on the characteristics of rural economies are needed for growth in these localities.

#### **Capital Investment to Promote Economic Development Initiatives**

Finance is a key component of community development initiatives. Although community development initiatives reflect a spectrum of objectives, priorities, and needs, all require financial resources to pay for activities or products. Often, agency leaders focus on public or private grants as key funding sources, but it is important that leaders diversify their funding strategies through private capital markets. In general, capital needed for community development initiatives can be divided into the categories of real estate capital, working capital, and risk capital (Bocain & Gray, 2003).

The acquisition of capital investment can occur in many ways through the combination of sources and strategies. However, the most effective investment strategies are the establishment of debt or equity investments (Bocain & Gray, 2003). In order to meet the demand for capital, community developers can raise debt capital through loans. Agency interviews identified this as the most common strategy for CAAs. Such debt investments could include mortgages, small business loans, and facility loans or nonconventional mortgages, construction and preconstruction loans, and low-cost lines of credit. Debt financing is often used when the agency or initiative in need of financing has a stable or predictable future revenue stream and has the assets to secure the loan.

### ***Attracting Capital Investments***

Community leaders and agencies engaged in development can encourage the flow of capital to communities and initiatives in need of finance by supporting the strategies that improve market conditions, leverage capital, reduce risk, improve tax incentives, and build cooperative systems. Utilizing these strategies will increase access to capital

by engaging public and private investors, thus providing low- and moderate-income communities with access to the financial resources needed for economic growth and development.

*Cooperative systems can be built to expand the number of stakeholders involved in investments in order to distribute risk and increase the capital available for community development projects. By increasing the number of stakeholders beyond a single investor and investee, market efficiency is improved and risk shared amongst a larger number of stakeholders (Bocain & Gray, 2003).*

Strategies for improving market conditions include improving the accessibility and accuracy of information about communities, such as dispelling fallacies about the economic strength of low- and moderate-income neighborhoods in order to encourage private investment in those areas. A study by Bocain and Gray (2003) found that “by demonstrating an unmet need for goods and services and encouraging new businesses to locate and develop in financially distressed neighborhoods, community leaders can increase access to two types of capital—real estate capital and risk capital.”

A second approach for enhancing access to capital is to leverage existing resources in ways that create other capital. One of the most effective ways to leverage capital is to create a revolving loan fund. A revolving loan fund is a fund from which loans are made to replenish a business or organization’s capital. As loan repayments are made, funds become available for new loans to other businesses. These funds often fill a financing gap in a community development project or activity (Bocain & Gray, 2003). Tax based strategies can also be effective ways to mobilize improved access to capital. These can be incentives such as tax deductions, credits, exemptions, and increment financing.



## SECTION VI: COMMUNITY ECONOMIC DEVELOPMENT PROGRAM ANALYSIS

The research team not only studied what CAAs are doing in CED, they also examined how CAAs are developing, implementing, and maintaining these programs. Assessment of exemplary qualities is widely used in various public and private settings to identify best practices and contribute to industry knowledge. By focusing on the exemplary qualities that drive best practices, instead of the actual activities themselves, agencies are better able to adapt these strategies to their own unique environments. Based on a broad review of exemplary standards in a variety of industries, the research team defined six criteria that specified the exemplary qualities of CAA-administered CED programs. Figure 5 describes these six criteria and some examples of how CAAs may demonstrate this quality.

**Figure 5. Exemplary Qualities**

Exemplary Quality	Criteria	Indicators
<b>Sustainable</b>	The program or initiative has diversified its funding to ensure continued service to the community or, if the program has achieved its goal, it has effectively closed out services.	Development of diversified funding and/or revenue streams. Articulated goals for the initiative to become self-sustaining.
<b>Collaborative</b>	The program or initiative leverages collaborative relationships in the community.	Key partners provide necessary resources, such as facilities or financial resources, to achieve success. Partners are used to increase knowledge and/or expertise, thus enhancing and improving services.
<b>Strategic</b>	The program or initiative is the result of a well thought out strategy that is responsive to community needs.	Program developed from “best practice” models. Services are tailored and adapted for the unique local needs and emerging trends.
<b>Efficient</b>	The program or initiative efficiently uses or leverages resources.	Leverages existing community infrastructure. Reduces duplication of services by focusing on gaps in services.
<b>Replicable</b>	The program or initiative has the potential to be replicated in other communities.	Data models and research studies were used to drive development. The program maintains effective documentation of processes and results.
<b>Innovative</b>	This program or initiative is unique in its scope, approach, outcomes, partnerships developed or resources leveraged.	Utilizes non-traditional resources to develop a creative solution to a community-wide problem. Provides multiple service mixes to address participant barriers and create targeted strategies for participant success.

Through interviews with agency administrators, the research team found that a majority of programs demonstrated at least one exemplary quality, with many demonstrating as many as four. It was determined that the program development process of CAAs, driven by a strong desire to provide continuous value to their communities, naturally leads CAAs to embolden these exemplary qualities. Included in this section are detailed discussions of each of the exemplary qualities and the research findings of how Ohio's CAAs are exemplary administrators of CED initiatives.

### **Sustainable**

Sustainability is frequently a concern for social service programs and agencies, which often rely on dwindling grant funding and private donations. Therefore, the research team determined that the extent to which a program addressed sustainability plans was a crucial exemplary component. Agencies must be creative in identifying and implementing strategies to ensure continued support of their programs. CAAs use diversified funding sources to be more efficient, sustainable, and weather grant funding shortages to achieve community-wide goals. In addition to a wide range of funding sources (see Figure 2, page 7), many CAAs build a strong base of assets including a program portfolio that includes fee-based services, long-term financial planning, and ownership in land, buildings, and businesses. Clinton County Community Action Program, for example, has effectively developed diversified funding streams through their program portfolio including 300 affordable housing units, the income-generating Clinton County Maid Service, and a self-sustaining loan fund. Not only does this provide agencies a sound financial cushion during times of crisis, it also allows them to leverage resources for large-scale economic development projects such as infrastructure development.

CED initiatives are unique in that sustainability does not necessarily mean continued external funding. In defining sustainability as an exemplary quality, sustainable programs were identified by meeting one of two criteria. First, was the issue of scope management. Exemplary programs had clearly defined, realistic goals, and chose to close programs discontinue those goals were accomplished. The research team heard from several agency administrators who believed that knowing when to terminate a program was a critical component of their success. Second, exemplary CAA programs were identified as sustainable if they articulated goals around making the initiative self-sustaining, when possible. Social enterprises, such as home cleaning or broadband services, and revolving loan funds are just two of the strategies that CAAs use to weather funding shortages and generate additional funds for other in-house programs.

*In 2010, CAAs forged 737 public-private partnerships for CED initiatives.*

### **Collaborative**

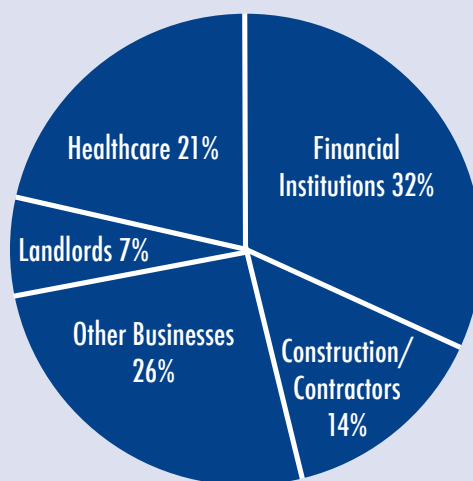
Collaborating with local entities makes comprehensive community-enhancement projects possible and is essential for sustainable economic development. Therefore, it is included as one of the exemplary criteria of economic development. Because economic development projects are typically complex in nature, affected by multiple external influences, solutions for economic growth require the involvement and support of multiple community stakeholders from both the private and public sector. In 2010, CAAs forged 737 public-private partnerships for CED initiatives. As shown in Figure 6, CAAs partner with a diverse array of key stakeholders in their local communities. Types of partners include: local government, private-sector businesses, economic development organizations, educational institutions, community foundations, health organizations, and local

faith-based and social service organizations. Partnering with local entities enhances CAAs' ability to identify community needs, assets, and practical strategies for impacting communities. This allows CAAs to effectively target resources to where they can have the most effect.

**Figure 6: Types of Local Partners**

Local Government
Private-sector Businesses
Economic Development Organizations
Educational Institutions
Community Foundations
Health Organizations
Social Service Organizations
Faith-based Organizations

**Figure 7: Private-sector Businesses**



CAAs' long history of public-private partnerships uniquely positions them to form collaborative efforts that leverage funding and result in cost-effective utilization of limited resources. Through these partnerships with private-sector businesses, CAAs raised \$26.2 million in local funding and resources for CED initiatives, meaning 8% of all CED funding is obtained locally from businesses, municipal and county governments, foundations, and area economic development organizations.

Figure 7 shows the types of private-sector partners that enable CAAs to capitalize on specialized knowledge, leverage funding, and reduce costs. When CAAs partner with private entities, they increase community wealth by supporting local businesses, creating jobs, and increasing productivity. Local private partners include businesses such as financial institutions, community healthcare organizations, construction companies, and landlords.

Public-private partnerships also make CAA-administered CED programs less reliant on government funding when compared to all other community action programs. In 2010, \$17.6 million from private sources was allocated for CED programs, accounting for 55% of the total private resources and community investments received by all CAA programs. Not only does this demonstrate the strong support of CAA-administered CED initiatives by the private sector, it is

*In 2010, \$17.6 million from private sources was allocated for CED programs, accounting for 55% of the total private resources and community investments received by all CAA programs.*

also confirmation that CAAs are seen as effective intermediaries to bring public and private entities together to solve community problems.

### Strategic

Strategic program development is a response to identifying gaps in services or unmet needs of the community, and leveraging that community's existing resources to meet those needs with an eye to long-term impacts. Because CAAs are capstone agencies in Ohio's communities, they are uniquely positioned to create comprehensive economic development initiatives that capitalize on the existing infrastructure and capabilities of their local communities. The GMN Tri-County Broadband Program is an excellent example of a self-sustaining program leveraging existing infrastructure, by relaying broadband signals off local farmers' silos, barns, and other buildings. This saved GMN Tri-County from having to invest in new towers to fill this critical gap in service, demonstrating a comprehensive understanding of their local resources and capabilities.

Programs demonstrated strategic program development in a number of ways. Through collaboration with local companies and industry representatives, CAAs create targeted employment programs that specifically addressed local labor deficiencies (for an example see WSOS: Marine Mechanics Course case study). Some programs developed flexible program models, allowing them to adapt to emerging trends and issues in their communities. Several agencies described using best practice models as key to their program's success. However, these programs did not simply insert what worked in other communities into their own.

The Supports to Encourage Low-income Families (SELF) IDA Program is a model of strategic program development. When creating the IDA Program, SELF staff conducted extensive research and site reviews to determine best practices in IDA Programs. During this review, SELF staff determined that a critical component was missing from many programs, which seemed to limit client success in achieving their savings goals: many IDA programs were not offering case management. Case management for their clients was crucial to individual success, as it helped clients weather any crises without depleting their savings. This emphasis on case management has proven to be invaluable to the success of the SELF IDA Program, which now boasts a higher success rate than the national average.

*Using ground-level knowledge of their communities, these programs were able to customize their approaches to CED initiatives that fit their community's unique needs.*

### Efficient

As resources for public and private nonprofits continue to grow scarce, efficiency is paramount for programs to continue to provide valuable services to communities. Therefore, a program's efficiency was deemed a critical exemplary standard. Efficient CAA-administered CED initiatives overwhelmingly shared one common characteristic: they developed programs with a focus on a particular need and limited their scope to filling critical gaps in services without adding redundant programs. Therefore, efficiency is not only critical for the financial viability of individual programs; it also ensures long-term success of participants and community initiatives.

Transportation, childcare, and literacy are just a few barriers to success that many CAAs address through in-house programs, therefore allowing them to leverage these crucial supports without utilizing funds designated for other purposes. If a CAA does not provide a service needed by a

participant, their partnerships with a variety of entities allow them to leverage external programs and services in their community, and thereby ensure that participants can access resources to help them to overcome barriers. This aspect of CAAs makes them effective in counteracting negative externalities by looking beyond the immediate scope of their individual programs, anticipating and addressing outlying issues that prevent long-term success.

Critical partnerships allow CAAs to capitalize on specialized knowledge and skills already present in their communities. One particularly effective example of this is the Community Action Committee (CAC) of Pike County Masco Transition Center. It was created in response to a massive layoff of 1,400 people in Waverly, Ohio. The CAC created a comprehensive, yet targeted, service model to transition displaced Masco employees to new job placements or educational opportunities to acquire new skills. CAC of Pike County hired several former Masco employees to ensure the Transition Center effectively addressed the unique needs and concerns of those being impacted. Through these individuals, the program was able to build trust among the Masco employees to ensure the Center was seen as a valuable resource by displaced workers.

*CAAs are successful CED administrators or partners because they are able to structure and provide comprehensive services that address indirect influences on success.*

### **Replicable**

A necessary criterion of exemplary economic development initiatives is the ability to communicate lessons learned so that the broader community can learn from and build off of this success. Although each economic development initiative is unique to its area, an articulated learning and development process allows agencies to build upon a strong knowledge base that enhances program success over time. Therefore, the extent to which a program was replicable was identified as an exemplary component of CAA programs.

Programs were deemed replicable in one of two ways. The first was through an evidence based approach to program development. The second approach to creating a replicable model was through documentation of program activities and successes or challenges. Documentation of a program's milestones and shortcomings is critical to allow other programs to identify and address possible pitfalls while replicating the core, successful components of a program. Although many challenges exist in data collection and reporting, it is a critical step for CAAs as they experiment with new initiatives. One example of this is the Microenterprise Program of the CAA of Columbiana County. This program uses a Loan Review Board, comprised of representatives from financial, private, and local governmental institutions. They developed a procedures manual that scrutinizes microenterprise loan applications and ensures accountability to funders. This manual ensures streamlined loan approvals by articulating criteria, objectives, and processes for the Loan Review Board. It also allows other CAAs to borrow from their experiences.

### **Innovative**

Since competition for limited resources has been increasing between agencies and private-sector entities, CAAs must regularly develop new and innovative approaches to economic development. Innovative CAA-administered CED programs stood out as programs that were especially unique in their scope, approach, outcomes, partnerships developed, or resources leveraged. These programs found new ways to effectively apply existing community resources, maximizing the



benefit for the broader community. Using creative approaches or non-traditional resources, innovative CAAs developed targeted strategies to address local issues. It is this drive for innovation that makes CAAs versatile and better able to adapt to changing environments.

As autonomous, locally-governed entities, CAAs constantly expand into different program realms and develop new initiatives, simply as a response to community need. During agency interviews the research team heard repeatedly, “we got the call so we showed up.” Another factor is the diversity of funding sources, including private investments, which allow CAAs to develop new and strategic initiatives without jeopardizing funds from their core, poverty-alleviation programming. Finally, the continued focus on collaboration between public and private entities allows CAAs to share risk with partners, enabling them to try out new projects and initiatives without the agency bearing the sole burden. It is these factors, among others, that enable CAAs to better develop and implement targeted CED initiatives in local communities.

### Key Observations

Through the analysis of exemplary programs, the research team made observations regarding the general effectiveness of CAAs in administering CED programs. The research team would like to highlight the following observations as important to CAA success:

*They are uniquely positioned for this work because they are embedded in the community with strong local relationships and existing partnerships.*

#### **Community Action Agencies are a vital resource to local economic development.**

The research team found that all CAAs in Ohio are implementing CED programs. CAAs not only address CED directly but they also provide many of the programs and services that support Ohio’s workforce and strengthen self-sufficiency of families. This ultimately contributes to economic growth by creating strong and prosperous communities.

**CAAs’ biggest strength is their ability to tailor unique services to meet local needs.** Each agency creates a strategy based on their core competencies and available resources. Therefore, there is a challenge in presuming that all agencies should be doing conventional economic development projects, such as infrastructure development. CAAs should conduct an assessment of their communities and internal capacity before determining new CED programming.

**Community Service Block Grant (CSBG) funding is an essential resource for CAAs, enabling them to create innovative and targeted strategies for economic development.** As noted in Section IV, CSBG funding is a small resource that generates significant impacts on CAAs’ abilities to address community needs. Reductions in this funding not only stifle innovative program development, but also hurt core safety-net services provided by CAAs. These services—such as food pantries, rental assistance, and transportation—also benefit area businesses by creating a healthy, productive workforce. This is just one example of the many direct and indirect effects that CSBG has on local communities.

**Developing measures to capture CAAs’ impact on local economies is critical to communicate the value of CED programming.** During agency interviews, the research team found that many administrators struggled to articulate the effect of their programs beyond number of jobs created or assets gained. This means that a crucial part of the story is missing

when CAAs talk about their approach to CED. In order to increase support of CAA-administered CED initiatives, it would be advantageous for agency leaders to consider alternate ways to communicate the impacts of their programs to legislators and other stakeholders. CAAs would benefit from the development of a series of economic measures that are tracked and recorded by all agencies in an effort to articulate the economic effect of their programs. This will not only help CAAs better report impacts, but will also create a unified message to important constituents.

**Exploring regional collaborations could expand the capacity of CAAs.** Regional models for resource sharing (i.e. equipment, human capital, expertise) and collaborations save financial resources and enable more efficient delivery of CED programs. In addition, successful programs identified learning from other CAAs as a valuable part of developing their strategy. Cross agency learning would potentially strengthen existing programs and lead to the creation of new ones. State, federal and philanthropic dollars are often available for regional economic development. Perhaps some CAAs can partner on regional economic development strategies to increase program efficiency.

**CAAs would benefit from the formation of a statewide economic development advisory group.** The formation of an advisory group would allow CAAs to strengthen partnerships with key economic development stakeholders, identify core niches for CAA programming, and better communicate CAAs' role in economic development in Ohio.

## SECTION VII: CASE STUDIES

Included in this section are case studies of the 25 programs that were identified by the research team as addressing at least one CED goal and meeting one or more exemplary criteria. The case studies are listed below in alphabetical order by agency, with the CED goal(s) that the program addresses. Included in each case study is a description of the program, a list of the program’s exemplary qualities, and a discussion of how the program demonstrated those exemplary qualities. Through these case studies, combined with the program analysis in previous sections, this report hopes to convey a richer understanding of the various ways CAAs contribute to CED.

Community Action Agency and Program Name	Employment	Infrastructure	Business Development	Financial Security	Capital Investment	Page #
Adams Brown Counties Economic Opportunities, Inc.: ADAMS BROWN RECYCLING		√			√	29
Clinton County Community Action Program Inc.: COMMUNITY ECONOMIC DEVELOPMENT STRATEGY	√	√			√	30
Community Action Agency of Columbiana County: CARS FOR JOBS AND DIPLOMAS				√		30
Community Action Agency of Columbiana County: COMMUNITY ACTION RURAL TRANSIT SYSTEM (CARTS)		√				31
Community Action Agency of Columbiana County: MICROENTERPRISE PROGRAM			√			32
Community Action Commission of Fayette County: SELF-HELP HOUSING		√		√		33
Community Action Commission of Pike County: GLATFELTER PLANT CLOSURE DIVERSION PROJECT	√		√			34
Community Action Committee of Pike County: MASCO TRANSITION CENTER	√					35
Community Action Partnership of the Greater Dayton Area: MICROENTERPRISE BUSINESS DEVELOPMENT PROGRAM			√			36
Economic Opportunity Planning Association of Greater Toledo, Inc.: EMPLOYMENT READINESS TRAINING	√					36
GMN (Guernsey, Noble and Monroe) Tri-County Community Action Commission: BROADBAND PROGRAM		√				37
Hancock, Hardin, Wyandot, and Putnam Counties (HHWP) Community Action Commission: INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM				√		38

Community Action Agency and Program Name	Employment	Infrastructure	Business Development	Financial Security	Capital Investment	Page #
Hancock, Hardin, Wyandot, and Putnam Counties (HHWP) Community Action Commission: MICROENTERPRISE PROGRAM			✓			38
Hocking, Athens, Perry Community Action Partnership (HAPCAP): GOBUS		✓				39
Ironton-Lawrence County Community Action Organization: HEALTHCARE CAMPUS	✓	✓	✓		✓	40
Ironton-Lawrence County Community Action Organization: INDUSTRIAL PARK INFRASTRUCTURE DEVELOPMENT		✓				41
Lancaster-Fairfield Community Action Agency: RECYCLING CENTER		✓			✓	42
Pickaway County Community Action Organization: PICCA EDUCATION & TRAINING PROGRAM	✓					43
Supports to Encourage Low-income Families (SELF): INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) PROGRAM				✓		44
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## Adams Brown Counties Economic Opportunities, Inc.: ADAMS BROWN RECYCLING

Before Ohio mandated accessible recycling options, Adams Brown Counties Economic Opportunities, Inc. recognized the important environmental and economic benefits that recycling could bring to a community. In 1979, this CAA began a youth recycling program that retrieved aluminum cans on the side of the road. What started as a way to fund summer picnics has morphed into a large and robust recycling program that includes a materials recovery facility which grosses over \$2 million annually. Services include curbside pick-up, multiple convenient drop-off sites, and a drive-thru drop-off at the facility. In 2011, Adams Brown Recycling successfully diverted 2,413 tons of material from the landfill. The recycling program also provides stable employment for 22 individuals.

A particularly successful component of Adams Brown Recycling is its buyback program that allows residents to sell non-ferrous metals at recycling center sites in Georgetown and West Union. In 2011, this program purchased recyclable materials from 34,735 customers, putting \$1,426,151 in the hands of local residents. "That money circulates close, going for necessities, it's staying mostly in our counties," states Dan Wickerham, of Adams Brown Recycling. This direct impact enabled families to spend money in the local economy and kept 997 tons of waste out of the landfill. In addition, the recycling center bundles the hard-to-recycle purchased material and sells the commodity on the market. Last year, the buyback program made a profit of over \$350,000, which was reinvested into other recycling operations such as public education and outreach.

### Type of Community Economic Development

Results in Infrastructure Development

Attracts Capital Investment

### Exemplary Qualities

- ✓ *Innovative:* Because Adams Brown Recycling established these recycling operations before state mandates, they have become an example for recycling operations throughout the state. Their efficiency and successful track record have made them a model for many other recycling programs.
- ✓ *Sustainable:* The Adams Brown Recycling Center has become completely self-sustaining, grossing over \$2 million annually. Profits are reinvested into other recycling programming.
- ✓ *Strategic:* This program demonstrated a strategic approach to meeting several community needs for residents in a multi-county area. They provide safe and efficient recycling options, divert over 2,000 tons of waste from our landfills, and maintain more than 20 local employment opportunities. Additionally, the Buyback program has put over 1 million dollars into the local community annually. This money goes directly into residents' pockets, meaning more money to local businesses, more sales tax revenue, and more security for the community.



## Clinton County Community Action Program, Inc. (CCCAP): COMMUNITY ECONOMIC DEVELOPMENT STRATEGY

As a rural agency, CCCAP has developed a strong, methodical approach to enhancing their organizational assets. The agency has developed and managed nearly 300 affordable housing units, in several developments throughout the county. In addition to providing a sustained revenue stream for CCCAP, it is estimated that these housing developments bring in \$156,000 annually in city revenue through water, trash, and sewer fees and taxes. Furthermore, the Clinton County Maid Service, which provides home cleaning for seniors, has developed into a self-sustaining enterprise that provides stable employment for local citizens. CCCAP also has operated a self-sustaining revolving loan program. Though CCCAP receives one of the smallest CSBG grants (\$120,000 annually), they have built a strong and sustainable program portfolio through property ownership, diverse revenue streams, strong lending partnerships, and private donations and resources.

### Type of Community Economic Development

Results in Infrastructure Development

Attracts Capital Investment

Increases Employment or Enhances Employment Opportunities

### Exemplary Qualities

✓ *Sustainable:* To ensure their sustainability, CCCAP has focused program development on diversifying their funding sources and generating revenue streams. As a critical provider of senior services and affordable housing for the area, among other services, Clinton County has developed a unique portfolio of programs that allows them to further their mission with reduced grant dependency.



## Community Action Agency of Columbiana County: CARS FOR JOBS AND DIPLOMAS

In 2009, the Columbiana Cars for Jobs and Diplomas Program began providing residents with Individual Development Accounts (IDAs) to purchase cars for employment purposes. Participants can contribute up to \$1,330 of their own savings, and the program provides a 2-to-1 match using funding from the Ohio Finance Fund. To ensure long-term success, participants are required to attend financial education classes about borrowing. Local insurance representatives and car dealers participate in classroom education, offering unique perspectives and expertise for this educational component. The program is jointly funded by the Ohio Finance Fund and the Ohio Department of Development Office of Community Services. At the time of this report, 15 individuals have purchased cars that now help them access employment opportunities and 12 individuals are currently enrolled.



## Type of Community Economic Development

Improves the Long-term Financial Security of Individuals through Education and Asset-building

### Exemplary Qualities

- ✓ *Collaborative:* The program maintains key partnerships with insurance companies and dealerships, which enhances the effectiveness of the program. Auto dealers have direct knowledge of the program's participants and processes, which encourages them to work with participants by making cars available at the best cost possible. All but one dealership is located in Columbiana County, expanding the economic impact for this area through car sales, taxes, and job promotion.



### Community Action Agency of Columbiana County: COMMUNITY ACTION RURAL TRANSIT SYSTEM (CARTS)

After a needs assessment revealed a critical transportation gap in Columbiana County and the surrounding areas, the CAA of Columbiana County developed the largest rural public transit system in Ohio. Funded by ODOT and revenue from ride contracts with other service organizations, CARTS provides 300-350 trips per day, and expects this number to continue to increase. The program provides rural residents with transportation to employment, medical services, and other general needs in addition to contracted rides with local social service providers.

CARTS contributes to the county's economy by improving access to area businesses. This increases businesses' client base, generates sales tax in the area, and contributes to sustained economic growth as residents are now able to spend money in the community. Local businesses also purchase advertising space on the buses and vans, creating additional revenue for the program. Additionally, CARTS supports 45 employees and a multitude of maintenance and service providers for the buses and vans.

## Type of Community Economic Development

Results in Infrastructure Development

### Exemplary Qualities

- ✓ *Strategic:* CARTS was developed to fill a specific gap in services, and this strategic approach has helped Columbiana County residents access critical community services. By providing this service, the CAA of Columbiana County has impacted not only the clients they aimed to serve, but also area businesses and healthcare centers through increased patronage.



## Community Action Agency of Columbiana County: MICROENTERPRISE PROGRAM

In 1970, manufacturing employment accounted for 70% of Columbiana County's employment; but as of 2008, manufacturing employment had significantly declined, leaving a dire unemployment situation for local residents. In response, as an effort to create and maintain jobs in the area, the CAA of Columbiana County developed a microenterprise program that assisted in developing and supporting local small businesses. In addition to providing business education classes for aspiring entrepreneurs, Columbiana County's CAA also operates a Revolving Loan Fund (RLF) for working capital or business assets. This RLF utilizes various private and public resources to provide loans for small business, with loans typically ranging from \$2,000-\$15,000. The RLF generates additional funding through principal payments and interest to reinvest with other businesses. The availability of this financing for small businesses is a key strategy of this CAA to build community capital.

These loans are administered by a Loan Review Board, comprised of community members who are representatives of financial institutions, other local businesses, and local government. The Loan Review Board developed a procedures manual that scrutinizes loan applications and ensures accountability to funders. This CAA also has a certified credit counselor on staff who meets with prospective and existing lenders to provide budgeting assistance, information on additional resources, and serve as a resource if a business is struggling to make loan payments. The CAA also refers individuals to external counseling resources, when needed. As of October 2011, the program has provided loans totaling over \$650,000, which has created and/or retained 70 jobs with local small businesses, 40% of which are women-owned.

### Type of Community Economic Development

Increases Business Development Opportunities

### Exemplary Qualities

- ✓ *Strategic*: The Columbiana County Microenterprise Program demonstrated a strategic approach to developing businesses through continuous support and assistance to small business ventures and by administering a flexible business education curriculum that can adapt to participants' unique needs.
- ✓ *Sustainable*: The RLF blends public and private resources to create a sustainable resource for this program. Through principle payments, the RLF generates income that is applied to new loans and small business education expenses. To ensure this resource remains sustainable, intensive in-house credit counseling is used to improve the rate of successful loan repayments. This success rate, in turn, encourages future investments by the local community.
- ✓ *Replicable*: The development of the procedures manual demonstrates an understanding of the need to document program activities for continuous improvement and to foster replication. The articulation of specific components and processes will allow other agencies to build on the success of this CAA.



## Community Action Commission (CAC) of Fayette County: SELF-HELP HOUSING

Home ownership provides multiple benefits to a community and Fayette County's CAC has aggressively pursued this as a key strategy for fostering development in Fayette and Ross counties. Funded by a U.S. Department of Agriculture (USDA) Rural Development Grant, CAC of Fayette County has been helping families build their own homes for the past 18 years. Families are required to complete at least 65% of the labor required to construct their home, their "sweat equity," and receive a USDA 502 mortgage. The program also offers another program track for individuals who are not able to meet this time commitment, and receive the USDA 502 mortgage but do not receive the benefits of accruing the "sweat equity." Additionally, participants are required to attend weekly homeowner education courses during the home's construction, ensuring proper, long-term maintenance of the home. Not only has this program directly impacted over 240 families in the two counties by helping them acquire a major asset, but the program has also built extensive infrastructure to support five new subdivisions in the area, directly benefiting the local economy.

It is estimated that, over a two-year grant period, 43 local jobs are created or maintained as a result of CAC's Self-Help Housing Program. Using support from the Housing Assistance Corporation, this CAA purchases land to develop subdivisions, and establish water, sewer, and electrical infrastructure. Four to six families are grouped together and collaborate on building each other's homes in the new neighborhood, with each group hiring ten subcontractors to perform and oversee the complex construction requirements. The USDA estimates that the local wages and salaries generated over a two-year period from the development, construction, and financing of 28 homes is approximately \$1,558,521. Local businesses are also direct benefactors of the home ownership program. According to Patty Griffiths, Housing Director, initial construction for 4-6 homes generates approximately \$80,000 in revenue for area businesses through the purchase of materials, and other expenses. After homes are constructed, families purchase home and garden merchandise and require maintenance services from local businesses.

### Type of Community Economic Development

Results in Infrastructure Development

Improves the Long-term Financial Security of Individuals through Education and Asset-building

### Exemplary Qualities

- ✓ *Strategic:* In order to increase opportunities for home ownership, CAC of Fayette County worked with metropolitan housing that agencies allowed individuals to apply their Section 8 rental vouchers to their mortgages. This demonstrates a strategic approach to enhancing program services by identifying an unmet need and developing a sustainable solution using key stakeholders.
- ✓ *Innovative:* The establishment of the an alternative program track service for individuals who are unable to work on their homes demonstrates an innovative approach to addressing participant barriers and adapting services to create targeted strategies that increase participant success.



## Community Action Committee of Pike County: GLATFELTER PLANT CLOSURE DIVERSION PROJECT

In 2007, the State of Ohio issued a Layoff Aversion grant to prevent the Glatfelter manufacturing plant, one of the largest employers in Southern Ohio, from laying off over 250 of their 1,500 employees, impacting Adams, Brown, Pike, Ross, and Scioto counties. With this grant funding, Pike County Community Action Committee assembled a Regional Rapid Response Team which included representatives from the Workforce Investment Board, the Governor's Regional Economic Development Office, Ohio University, county governments, and area training specialists. The purpose of the Regional Rapid Response Team was to swiftly begin retraining and upgrading the skills of Glatfelter's workforce.

The efforts of the Rapid Response Team not only prevented a major layoff, but also expanded Glatfelter's services into a new forestry initiative, creating 25 additional employment positions. These jobs provided wages and benefits ranging from \$28.76-\$34.34 per hour. The increase in employment and preservation of wages in the surrounding communities has resulted in a return on investment of 125.5% to the local economy.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

Increases Business Development Opportunities

### Exemplary Qualities

- ✓ *Strategic:* This program was designed to retain a major employer in the area. Not only was the program successful, it also expanded the business, which provides multiple additional benefits for the community through increased employment opportunities and business stability.



## Community Action Committee (CAC) of Pike County: MASCO TRANSITION CENTER

In April 2010, the Masco Retail Cabinetry Group, a local manufacturer, announced it would close its plant in Waverly, Ohio and lay off 1,400 workers across a five-county area. Using State of Ohio Rapid Response funding, the CAC of Pike County acted swiftly to create a Transition Center for displaced workers and their spouses. By coordinating efforts with county governments, the Governor's Office, trade representatives, area employers, and social service agencies, the CAC of Pike County spearheaded a concerted strategy to provide a comprehensive set of services for the affected residents of Pike, Ross, Scioto, Jackson and Adams counties.

CAC of Pike County utilized a variety of strategies to ensure the Transition Center addressed the specific needs of the Masco workers. The Transition Center was positioned in a highly accessible location—at the YMCA across the street from the Masco plant. Displaced workers were surveyed to determine eligibility for the National Emergency Grant, which provided funding for skill building and On-the-Job Training. Masco employees, the majority of whom owned single-family homes, were advised on strategies and services to prevent foreclosures and evictions. Throughout the project's development and service delivery, CAC of Pike County hired several Masco employees to ensure the Transition Center effectively addressed the unique needs and concerns of this region and built trust among the Masco employees to ensure the Center was seen as a valuable resource by this targeted population.

Benefits of these coordinated efforts positively impacted both Masco employees and area employers. The Transition Center facilitated 34 On-the-Job Training Agreements through the Department of Labor, saving five area employers more than \$400,000 in recruitment and training costs. A total of 238 Masco employees received training, funded by the Department of Labor and the Workforce Investment Act (WIA), ensuring the experience, skills, and dedication of these workers will benefit other industry sectors in Ohio.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

### Exemplary Qualities

- ✓ *Efficient:* Efficiency is a strong exemplary component of this program because the program was designed to provide wraparound support to MASCO employees and their spouses. The time spent coordinating seamless services among service providers also aided to the program's success.
- ✓ *Strategic:* The Transition Center recognized the unique needs and concerns of this group of displaced workers, and strategically addressed them. By hiring former MASCO employees to deliver and execute the transition services, the CAA increased its trust and support from residents and thereby amplified use of the program and its success.



## Community Action Partnership (CAP) of the Greater Dayton Area: MICROENTERPRISE BUSINESS DEVELOPMENT PROGRAM

In 2000, CAP of the Greater Dayton Area started a microenterprise program to assist Montgomery County residents seeking to operate a small business. This ten-week course, during which participants develop a business plan, provides a one-stop business connection for the area. Each class averages 25-30 participants. The program includes extensive feedback from both the instructor and guest presenters in the community, such as certified public accountants, representatives from financial institutions, and local small business owners. Local speakers guest lecture on topics such as managing cash flow and legal aspects of starting a business. Working with local experts, participants are able to begin building a professional network crucial for launching a successful business.

### Type of Community Economic Development

Increases Business Development Opportunities

### Exemplary Qualities

- ✓ *Collaborative*: This program is greatly enhanced through its partnerships, using community members with key expertise to provide education, mentoring, and support.



## Economic Opportunity Planning Association of Greater Toledo, Inc.: EMPLOYMENT READINESS TRAINING

The Toledo Employment Readiness Program prepares ex-offenders to become competitive employment candidates by assisting them to “take what they have to offer to the next level.” The program teaches interviewing, resume writing, and job application skills, with an emphasis on helping ex-offenders apply their experiences to Ohio’s workforce in a positive way. To facilitate placement the program partners with the Re-entry Coalition, comprised of several local agencies, and hosts a “reverse job fair,” which invites employers to come meet participants who develop their own “booth” to showcase their skills. At the time of this report, the program boasts a 40% placement rate, with individuals obtaining employment, enrolling in school, or entering an apprenticeship program.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

### Exemplary Qualities

- ✓ *Innovative*: The reverse job fair is an innovative strategy to attract employer participation through a nontraditional approach. This design of connecting participants and employers better prepares participants to promote their positive attributes.





## GMN (Guernsey, Noble and Monroe) Tri-County Community Action Commission: BROADBAND PROGRAM

In 2002, GMN Tri-County Community Action Commission became the first and only CAA in the country to receive a U.S. Department of Agriculture Federal Broadband Connectivity Grant, spurring a mission to address a critical gap in Southeastern Ohio by bringing broadband service to rural Monroe County. With the initial government investment, GMN's broadband program has grown from serving only the town of Woodsfield into a self-sustaining enterprise with seven broadband towers and over 700 customers. Although the majority of GMN's broadband customers are residential (92%), the positive effects of GMN's broadband service in this previously deprived region have widespread impacts on a variety of sectors and industries: twenty essential services—such as police, firefighters, and municipal offices—are now able to complete required reporting, communicate between departments, and streamline general operations. GMN provides broadband service free of charge to these essential services, reducing costs for municipalities experiencing budget cuts. The Black Walnut Center, an industrial business center, was revitalized by the new broadband access and is now home to several small businesses and provides a distance learning center for Belmont Technical College. The College's ability to provide virtual and distance learning at the Black Walnut Center has allowed them to access a larger market and made higher education a more realistic possibility for many in this rural area who struggle with transportation. GMN also maintains an open connectivity center that provides free internet and computer access to over 60 individuals per week.

### Type of Community Economic Development

Results in Infrastructure Development

### Exemplary Qualities

- ✓ *Sustainable:* To date, with 700 customers and counting, the program generates nearly \$200,000 annually. The program has become self-sustaining, allowing for a staff of four, the purchase and upgrade of equipment, and the development of new access points to increase the broadband service area. Approximately ten customers are added each month, resulting in an annual revenue increase of \$3,400.
- ✓ *Efficient:* This program capitalizes on existing community infrastructure to enhance operations. To keep costs low, GMN positions access points on water towers, silos, and barns.
- ✓ *Strategic:* This program fills a critical gap in services for rural southeastern Ohio, a void which would have continued to stifle the area's economic growth.
- ✓ *Innovative:* To combat line of sight issues, the program uses "repeater" technology, bouncing signals off of houses and barns to extend their coverage. In exchange for this access, GMN provides these property owners with reduced fees for internet access.



## Hancock, Hardin, Wyandot, and Putnam Counties (HHWP) Community Action Commission (CAC): INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) PROGRAM

HHWP's IDA Program provides a comprehensive solution to the issue of asset-building. Through partnerships with Ohio State University (OSU) and local community colleges, clients are provided with financial education, home buyer education, and microenterprise classes. Because of the partnerships, this critical education component is offered at no cost to the CAA. Once participants have completed these requirements, local banks who have partnered with HHWP provide the services necessary for participants to achieve their personal saving goals. Partnering financial institution match funds for IDA savings accounts and approve loans for businesses and homes. HHWP CAC stated that the banks went out of their way to make sure these services were practical for their participants. Additionally, a unique partnership with Hancock and Putnam County Habitat For Humanity connects participants with viable homeownership opportunities as IDA accounts enable them to accumulate the funds needed for the down payment on their Habitat houses.

### Type of Community Economic Development

Improves the Long-term Financial Security of Individuals through Education and Asset-building

### Exemplary Qualities

- ✓ *Collaborative:* Critical partnerships with various private and public entities have made this program exemplary. Financial institutions provide valuable guidance to the program and partnerships with OSU, local community colleges, and Habitat For Humanity have allowed HHWP CAC to increase the effectiveness of its program without additional costs, contributing to the efficiency of the program and success of participants.
- ✓ *Sustainable:* The financial resources donated by these institutions has created a self-sustaining loan fund and improved sustainability of general operations.



## Hancock, Hardin, Wyandot, and Putnam Counties (HHWP) Community Action Commission (CAC): MICROENTERPRISE PROGRAM

As a response to high unemployment in the area, HHWP CAC began offering the Microenterprise Program to provide alternatives to traditional employment for clients experiencing significant barriers. Participants complete their business plans during this 39-hour course, with the goal that they become better prepared to make informed business and financial decisions. The program draws on the expertise of local Certified Public Accountants, financial and insurance professionals, and local small business owners who donate their time to guest lecture.

Thanks to initial funding from the Small Business Administration, the local Chamber of Commerce, financial institutions, and Community Services Block Grant, a self-sustaining Revolving Loan Fund (RLF) was created to provide assistance with start-up capital for participants who successfully

complete the Microenterprise Program. Participants are eligible for up to \$10,000, with the average loan size between \$5,000-6,000. At the time of this report, the RLF had eight outstanding loans totaling \$59,000. The Loan Review Committee provides assistance to participants in addressing credit issues, navigating the business start-up process, and offering advice. Additionally, HHWP offers participants three years of technical assistance after they start their businesses.

## Type of Community Economic Development

Increases Business Development Opportunities

## Exemplary Qualities

- ✓ *Collaborative:* The public-private partnerships ensure that the program capitalizes on local existing knowledge of area experts.
- ✓ *Efficient:* Two critical program components create efficiency for participants. First, partnerships with local entities allows participants to benefit from the knowledge and expertise of local business and finance professionals. Second, the technical assistance component of the program provides three years assistance while participants establish their businesses. Program staff can assist participants with emerging issues by referring them to existing community resources and other necessary supports. This contributes to the success of participants by linking them with resources to address barriers.
- ✓ *Sustainable:* Initially created through funds from corporate foundations, financial institutions, and Community Services Block Grants, the RLF is now completely self-sustaining. As principle and interest repayments are made, the RLF is able to increase the number and amount of loans it distributes to the community.



**Hocking, Athens, Perry Community Action Organization (HAPCAP):  
GOBUS**

In November 2010, HAPCAP implemented a public transportation service to challenge the perception of Ohio's Appalachian region as inaccessible and isolated. GoBus, one of Ohio's only public transportation options connecting rural and metropolitan areas, provides daily, round-trip service between Athens, Columbus, Marietta, and Cincinnati. Initiated with funding from the Federal Transit Administration and the Ohio Department of Transportation, GoBus is part of a nationwide strategy to promote economic development in all communities by connecting rural areas and urban centers.

Additionally, GoBus connects individuals with nation wide travel options, such as Port Columbus International Airport and several Greyhound stations. In the first year of operation, GoBus averaged 2,000 riders per month. HAPCAP attributes this to their firm commitment to keep tickets priced at an affordable rate of \$10, a strategy that will likely continue to draw in new customers.

## Type of Community Economic Development

Results in Infrastructure Development

### Exemplary Qualities

- ✓ *Collaborative:* GoBus draws resources from a variety of partners to provide targeted services that meet customer demands. “It’s about local partners and local needs,” stated Carolyn Conley, HAPCAP’s Mobility Director. Federal stimulus funds distributed to the City of Athens were used to purchase three deluxe motor coaches and HAPCAP contracted with Lakefront, an Ohio-based company with fifty years of experience in motor transportation, to perform general operations. HAPCAP also formed a critical partnership with Greyhound, allowing GoBus to utilize their existing facilities and online ticketing system. Through this collaborative network, GoBus hopes to continue to expand its service to additional areas in Ohio.
- ✓ *Innovative:* HAPCAP showed a strategic awareness of their primary customer base (students) by installing WiFi and creating a fun, comfortable driving experience.
- ✓ *Strategic:* This program fills a critical gap in services for rural southern Ohio, a gap which would have continued to stifle economic growth in this area. Many Ohio University students and Athens area seniors recognize GoBus as an affordable transportation option to Ohio’s larger cities, but the impact of GoBus extends far beyond recreational travel. The availability of GoBus as a reliable transportation resource has increased the number of employment prospects for Ohio’s rural residents by connecting them with employers located in urban areas. GoBus also increases patronage for a wide variety of businesses, healthcare centers, tourist destinations, and educational institutions in rural and metro areas, as Ohio residents are now able to easily access goods and services throughout the state.



### Ironton-Lawrence County Community Action Organization (CAO): HEALTHCARE CAMPUS

In 2001, Lawrence County lost the only hospital in the county, forcing 62,000 residents to seek services in West Virginia and Kentucky. Medical professionals vacated the community, \$250,000 in hospital revenue disappeared from the area, and southern Ohio had a significant gap in their health care services. To address these issues, the Ironton-Lawrence CAO purchased an 18-acre site and is constructing an \$18.5 million medical campus that will revitalize the health care industry in Lawrence County and increase access to medical services for thousands of people.

The 46,000 square foot medical facility, will provide the county’s only 24-hour emergency care, a diagnostic center, lab, 12-bed trauma center, and primary care services. To effectively meet the needs of the surrounding community, the Ironton-Lawrence CAO formed a critical partnership with St. Mary’s Medical Center. St. Mary’s has collaborated on designing the facility and services, marketing, and will staff the emergency room and trauma center. It is expected that the facility will create 100 healthcare and facility maintenance jobs.

## Type of Community Economic Development

- Results in Infrastructure Development
- Increases Business Development Opportunities
- Increases Employment or Enhances Employment Opportunities
- Attracts Capital Investment

## Exemplary Qualities

- ✓ *Collaborative:* The partnership with St. Mary's Medical Center made this community-enhancement project possible, with both St. Mary's and Ironton-Lawrence CAO providing valuable resources to this endeavor. This partnership also ensures a sustainable Healthcare Campus, as both parties share the risk of this considerable investment for Southeastern Ohio.



### Ironton-Lawrence County Community Action Organization: INDUSTRIAL PARK INFRASTRUCTURE DEVELOPMENT

The Point Industrial Park is 500 acres of developable land that attracts and promotes business development in Southern Ohio. The Ironton–Lawrence CAO partnered with the Lawrence County Economic Development Corporation (LEDC) to administer the Point Industrial Park. The Park offers a full range of services—distribution, logistics, commercial space, and freight, waterway, and highway access—to new and existing businesses in the Southern Ohio area.

As long-time allies and collaborators, the public-private partnership between LEDC and the CAO capitalizes on the strengths and resources of both entities: the LEDC performs the administrative duties and the CAO is the fiscal agent. Their combined effort facilitates public-private negotiations that would be outside the normal scope of either entity. This strategy promotes a synergistic approach to industrial attraction. The Point received Community Development Block Grant funds to construct access roads and a rail spur. Now, the multi-modal port has the potential to be a major hub for the area, thereby stimulating trade by allowing goods to be off-loaded from the river onto rail or highway with direct access to several states. The growing industrial park currently employs upwards of 420 individuals and has many indirect impacts: housing investments, family-supporting wages and continued growth in the community.

## Type of Community Economic Development

- Results in Infrastructure Development

## Exemplary Qualities

- ✓ *Collaborative:* To develop the Point Industrial Park, the CAO forged a critical public-private partnership that enhanced the success of this project and expanded its impact on the community. Without this alliance, neither partner would have been able to enact this vital resource for the community.
- ✓ *Strategic:* The Point fills a critical need by providing the only multi-modal industrial park in the region. It has attracted several businesses to the area; this has spurred employment growth and helped local residents become self-sufficient.



### Lancaster-Fairfield Community Action Agency: RECYCLING CENTER

Born out of a mission to provide public education about recycling, the Lancaster-Fairfield Recycling Center began 25 years ago. Initially, operations concentrated on the buyback of metals, paper and other recyclable materials. By 2006, Lancaster-Fairfield had opened a Materials Recovery Facility (MRF), 21 recycling drop-off sites, and established a commercial route providing curbside pick-up for area residents. Through funding from approximately ten public and private partners, Lancaster-Fairfield developed a modern MRF that emphasizes green technologies. Whenever possible, building materials incorporated recycled products, and the building is heated by used motor oil.

The volume of recycled materials has increased three-fold since the recycling center opened, and the center currently supports 18 full-time employees. The MRF's net surplus revenue was \$49,850 in 2010, and this revenue is reinvested into other Lancaster-Fairfield programs.

## Type of Community Economic Development

Results in Infrastructure Development

Attracts Capital Investment

## Exemplary Qualities

- ✓ *Strategic:* This program meets an unmet need in the community, filling a critical gap in recycling services.
- ✓ *Sustainable:* This program has leveraged public and private resources to generate self-sustaining revenue streams that not only allow the program to be independent of grant funding, but also support other agency missions and projects.
- ✓ *Innovative:* This program is innovative because of the emphasis on green building, which is not only environmentally conscientious, but also improves sustainability by reducing operating costs.





## Pickaway County Community Action Organization (PICCA): EDUCATION & TRAINING PROGRAM

When PICCA's YouthBuild Program ended in June 2010 due to U.S. Department of Labor funding cuts, it left a critical gap in services for Pickaway County youth. YouthBuild had been a highly successful model of education and technical training for disengaged youth. PICCA's program has had a 70% success rate and a waiting list of over 100 individuals. To fill this gap in services, PICCA developed a new program that modeled the success of the YouthBuild program.

The PICCA Education and Training assists program assists 18 to 24 year olds in attaining a GED education and on-the-job training. Through a partnership with Elsea, Inc., a local residential contractor and landlord, PICAA Education & Training offers hands-on training in residential construction and renovations while providing intensive case management to assist youth achieve employment and education goals. Participants attend GED classes 1-3 days per week at the local Adult Basic Literacy and Education (ABLE) site, where the PICAA Education & Training case manager maintains a satellite office. Youth also perform hands-on training at an Elsea, Inc. construction sites 2 days per week, and receive a weekly stipend for their efforts in school and on the jobsite. The program maintains relationships with a variety of area employers to facilitate placement.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

### Exemplary Qualities

- ✓ *Strategic*: The PICCA YouthBuild Program boasted a 70% placement/GED attainment rate and had a waiting list of over 100 individuals when the funding was cut by the Department of Labor. PICCA responded strategically by retaining core components of the program in order to meet the demand in the market.
- ✓ *Sustainable*: PICCA has been able to leverage YouthBuild relationships and resources to recreate the success of the program with reduced funding. The PICCA Education & Training Program demonstrates the innovation and flexibility that CAAs can harness in the face of drastically reduced resources.
- ✓ *Collaborative*: Collaboration with key partners such as Elsea, Inc. and local employers is critical for this program to provide the real-world, practical skills-training that transitions participants into self-sufficiency.



## Supports to Encourage Low-Income Families (SELF): INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) PROGRAM

In 2006, SELF, Butler County's CAA, launched an IDA program to bring the benefits of asset ownership to local families. SELF spent nearly three years observing best practices in the IDA field, developing a sound business plan, and utilizing input from consultants, community professionals, and staff planning committees. SELF determined that a rigorous screening process and an intensive case management system were the best approaches for helping families stay committed to their savings goals, even during times of unexpected hardship. While the national success rate for IDA programs is generally 40%, the holistic approach undertaken by the SELF program boasted a 50% success rate in 2011.

Financial institutions, the Ohio Community Development Corporation, and local foundations provide match funds for the IDA accounts. These partners are critical to the program's strategy for sustainability through diversified funding. Area banks—such as Fifth Third, First Financial, and US Bank—recognize the importance of collaborating on a program that teaches individuals how to be better consumers of financial services. Approximately 75% of participants, many who have never had a savings account, continue to maintain a lending relationship with these collaborating financial institutions long after exiting the program.

The SELF IDA Program has enhanced the local wealth in Butler County by helping individuals obtain income-generating assets. Thirty-four participants in the program were able to save \$34,000 of their own earnings, which were matched with \$68,000 in donated funds, and have since acquired combined assets totaling \$1,161,123. These assets have improved the local economy through the purchase of 16 single-family homes and the undertaking of 12 small business ventures, which currently employ 16 Butler County residents.

### Type of Community Economic Development

Improves the Long-term Financial Security of Individuals through Education and Asset-building

### Exemplary Qualities

- ✓ *Strategic:* To develop the IDA Program, SELF staff visited other IDA programs and examined services to determine best practices. The staff modified these best practices to include a case management component.
- ✓ *Efficient:* The case management component creates an efficient program because it ensures clients are aware of and can access supportive services to help them avoid withdrawing their savings. The program provides a wide variety of supportive services, such as transportation to classes, and it is because of this emphasis on helping clients save during times of instability that the program has been able to achieve such an impressive success rate.

- ✓ *Collaborative*: Key partners provide matching funds for IDA savings and classroom education, offering valuable expertise for participants. Additionally, financial institutions gain new customers through this program, with about 75% of participants maintaining relationships with the financial institutions after completion of the program.
- ✓ *Innovative*: This program is innovative because it created targeted strategies for participant success. From the initial development of the program, design of the partnerships, and service delivery, the SELF IDA program has demonstrated a keen awareness of the barriers and needs of their community and have structured this program to meet those demands.



### Tri-County Community Action Agency of Champaign, Logan and Shelby Counties (CLS): SENIOR NUTRITION PARTNERSHIP

After a flood damaged their nutrition center building beyond repair, Tri-County thought they may have to close their Senior Nutrition Program for good. However, Liberty Gathering Place, a restaurant struggling with a predominantly seasonal customer base, provided a prime opportunity for a public-private collaboration that would benefit both partners and the community.

Tri-County purchased the restaurant's building, made \$125,000 worth of renovations to update equipment and purchase delivery vehicles for Meals On Wheels, and rented the restaurant to its former owner. Tri-County's purchase of the facility not only allowed the business owner to retain her restaurant, maintaining the jobs of twelve restaurant staff and keeping this valuable community asset, but also saved the Senior Nutrition Program and its twelve nutrition program employees. Additionally, the facility's location and renovations have allowed Tri-County to make significant program-efficiency improvements and the restaurant now purchases local food from area farmers, further generating local revenue.

#### Type of Community Economic Development

- Increases Business Development Opportunities
- Attracts Capital Investment
- Increases Employment or Enhances Employment Opportunities

#### Exemplary Qualities

- ✓ *Innovative*: This unique and innovative partnership between Liberty Gathering Place and Tri-County were able to not only continue their mission but also maintain a valuable business for the community. Additionally, ownership of this property has increased Tri-County's leveraging capabilities for future funding opportunities.
- ✓ *Strategic*: The Senior Nutrition Partnership identified and addressed multiple gaps for both the community and the agency. Not only did this partnership save a vital resource for area seniors, it also maintained a community hub that remains a bustling, lively gathering place for local residents.



## Tri-County Community Action Agency of Champaign, Logan and Shelby Counties (CLS): TRANSPORTATION FOR LOGAN COUNTY REHAB/RENOVATION PROJECT

In 1998, Tri-County CLS began a rural public transportation program to connect local residents with employment opportunities, medical facilities and social services. CLS rented an operations facility in the town of Bellefontaine, but was able to purchase the property in 2009 with American Recover and Reinvestment Act funds appropriated to the Ohio Department of Transportation for infrastructure improvements. The \$2.5 million renovation project, with an emphasis on green technologies and building practices, has multiple benefits for increasing CLS' capacity and improving the Bellefontaine downtown area. CLS serves approximately 20,000 riders per year and drives 300,000 miles annually. A quarter of ridership is employment-related.

### Type of Community Economic Development

Results in Infrastructure Development

### Exemplary Qualities

- ✓ *Strategic:* The rehabilitation of the facility has increased capacity and efficiency for CLS. They benefit from reduced expenses as they now own the building and costs continue to decrease because they are using energy saving technologies. Ownership of the building and the public transit system has increased their net worth, which allows them an asset to leverage additional dollars.



## Warren County Community Services, Inc. (WCCS): SUCCESS TOWARDS EMPLOYMENT PROGRAM (STEP)

In response to rising unemployment rates, WCCS launched the STEP in 2009 with funds from the American Recovery and Reinvestment Act. The program provides individual job counseling to address the unique needs of a population with a significant number of ex-offenders. When designing services, WCCS met with Workforce One of Warren County, the local one-stop workforce development center. This ensured minimal duplication of services, allowing WCCS to focus on filling gaps in current program offerings in Warren County. They also visited Cincinnati Works, an employment program in Southwestern Ohio which has a very successful service delivery model, to observe and adapt best practices in the field of job readiness training. As of October 2011, the program has serviced over 581 low-income clients. Approximately 200 of these individuals have gained employment with over 107 different employers.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

### Exemplary Qualities

- ✓ *Strategic:* The STEP Program represents strategic exemplary qualities through their program development. This program sought to fill gaps in area services and reduced their learning curve by modeling their program after best practices.



## Wood, Sandusky, Ottawa and Seneca County (WSOS) Community Action Commission, Inc.: MARINE MECHANICS COURSE

Until 2002, Ohio lacked a training program to create a pool of qualified marine mechanics necessary to service the 400,000 boats registered in Ohio. Partnering with the Ottawa County Community Improvement Corporation, Penta Adult Career Center, and area marine businesses, WSOS sought to fill this local labor deficiency by creating a sector-based, certified Marine Mechanics Institute that attracts students from across the country.

An industry roundtable comprised of 30 marine businesses provides guidance for program and curriculum development. To date, the program has trained over 130 individuals, and 71% of graduates have become employed. The average placement wage of recent graduates is \$16.74 per hour, well above the state minimum. The program has to added an advanced level certification, enhancing program graduate's skills. The program curriculum also provides skills applicable to industries outside the marine sector, such as auto repair and manufacturing.

Not only does this program serve existing businesses, it has also attracted new ones to the area. Volvo Penta of the Americas moved its training facility to Oak Harbor, Ohio in order to capitalize

on this program's emerging labor pool. Over \$1,000,000 in donations for scholarships and equipment illustrates the value employers place on this training. "The Yamaha Motor Company recognizes the importance of the Marine Training Program and intends to make additional donations in the future," states Tim Baker of Yamaha Motor Company. Additionally, the program offers the added benefit of handling employee retention issues and placement so that the businesses can focus on growing and expanding.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

Increases Business Development Opportunities

### Exemplary Qualities

- ✓ *Strategic:* WSOS identified a local need and developed a program to address this need using a comprehensive strategy. The use of marine businesses in curriculum planning and development ensured that graduates would be valuable assets to local businesses.
- ✓ *Collaborative:* This public-private partnership was paramount in achieving the goals of both WSOS and local employers. Serving as an effective intermediary to industry businesses by addressing training, retention and support has allowed businesses to focus on long-term planning and job creation, instead of daily personnel issues. Additionally, the industry roundtable continues to improve program operations through the collaborative efforts and with the expertise of local marine businesses.



**WSOS (Wood, Sandusky, Ottawa, Seneca) Community Action Agency:  
RURAL COMMUNITY ASSISTANCE PROGRAM (RCAP)**

### Program Description

In an effort to increase the collective capacity of rural communities, WSOS began administering the RCAP program which provides technical assistance to communities who are applying for infrastructure funding. RCAP serves approximately 250 communities annually by assisting with project development, increasing capacity of existing water and wastewater systems, and building economic development strategies. The program covers a seven state area, working exclusively with small communities.

### Type of Community Economic Development

Results in Infrastructure Development

Attracts Capital Investment

### Exemplary Qualities

- ✓ *Strategic:* This program addresses the unique needs of rural counties by leveraging communities' existing resources, expanding knowledge bases, and improving opportunities to attract funding and improve infrastructure.





## WSOS (Wood, Sandusky, Ottawa and Seneca County) Community Action Commission, Inc: WATER OPERATOR TRAINING

With the industry forecasting a shortage of water system operators in the next five years, WSOS developed a Water Operator Training that marries their existing Workforce Investment Act training model with a community need for water and wastewater systems maintenance. With three classes already completed, the workforce development program boasts a pass rate that is higher than any other in the state. The program provides classroom and field training by local industry businesses and professionals that prepares them for the state mandated certification examination. Upon completion, participants can attain stable employment.

### Type of Community Economic Development

Increases Employment or Enhances Employment Opportunities

### Exemplary Qualities

- ✓ *Strategic:* Because WSOS already had fundamental industry training components developed from other workforce programming, they were able to swiftly and effectively develop this training to fill a critical labor deficiency for communities.

## APPENDIX I: QUALITATIVE RESEARCH PROTOCOL

### Informants

1. Data collection and analysis will begin in June, 2011 and will continue through March, 2012.

### Data Collection

1. Participants will be nominated by representatives of the Ohio Department of Development, the Ohio Association of Community Action Agencies, or will be self-nominated.
2. All participants who were self-nominated will be interviewed, but the Voinovich School will conduct an initial review process to exclude programs that do not meet the criteria of Community Economic Development.
3. Telephone interviews will be conducted in teams of two or more using a standardized open-ended interview protocol that will use an interview guide to facilitate the discussion.
4. Participation is voluntary. Participants have the option not to answer any question.
5. The interviews will be digitally recorded in order to supplement facilitator notes. The interviews will NOT be transcribed and once the study is completed all digital files will be deleted. All participants will be alerted to this fact at the outset of the interview.
6. All interview responses will remain confidential. Should researchers desire to utilize a direct quote, the participant will be contacted for permission.
7. The Voinovich School will attempt to contact nominated programs a total of three times before discontinuing attempts to contact. At that point, the School will contact OACAA for guidance regarding further attempts to engage nominated programs.
8. After completing the interviews, the Voinovich School will facilitate a roundtable discussion with CAA directors and staff in order to review initial findings and identify the most relevant and beneficial topics for the toolkit.
9. To further identify challenges in implementing CED programming, suggest resources for CAAs to develop CED strategies, and determine topics for the toolkit, a written survey will be distributed to attendees at the OACAA 2012 Winter Conference.
10. Following the interviews and roundtable, a summary of the findings will be prepared by the Voinovich School research team.

### Analysis

1. This study will use qualitative and quantitative mixed mode methodologies to collect and analyze information.
2. After completing the interviews, the Voinovich School will determine which programs met criteria for one or more CED program categories and will identify which demonstrated exemplary qualities.
3. To ensure credibility of both the procedures and conclusions, analyst triangulation will be used.

## APPENDIX II: EXEMPLARY COMMUNITY ECONOMIC DEVELOPMENT PROGRAM: INTERVIEW

The Voinovich School is working with the Ohio Association of Community Action Agencies to identify, assess, and document exemplary community economic development programs or initiatives in which Ohio's community action agencies have played an active role.

We are defining community economic development as programs, projects or initiatives which accomplish one or more of the following:

- 1) Attract capital investment
- 2) Increase business development opportunities
- 3) Increase employment or enhance employment opportunities
- 4) Result in infrastructure development or redevelopment
- 5) Improve the long-term financial security of individuals through education and asset building.

OACAA received funding from the federal Office of Community Services to conduct this project.

We will be speaking with directors and key staff from several Community Action organizations to determine which programs have exemplary elements.

We are looking for programs that have been started, administered, or completed in the last five years.

Programs administered by your agency have been nominated by OACAA, ODOD, and COAD as potential exemplary community economic development programs.

Our goal today is to learn more about the programs you feel are exemplary that should be included in the report.

Your participation in this interview is voluntary and you may choose not to answer any question.

Each interview that we are conducting will be digitally recorded in order to supplement our notes. Once the study is completed all our digital files will be deleted.

A document of exemplary practices and toolkit will be completed and submitted to OACAA in 2012.

Before we get started, do you have any questions about this information?

## Interview Questions

### Program/Initiative Overview

1. Please briefly describe the program/initiative.
  - What is the goal of the program?
  - What services are provided?
  - Who does it serve?
  - What was your agencies' role in developing and implementing the program/initiative? (Lead in concept design, financial contributor)
  - Who are key partners? What role do they play?
  - When was it started? Is it ongoing?

### Sustainability

2. How is the program/initiative currently funded? Has the funding source changed over time?
  - Names of organizations that provide funding or critical resources
  - Estimated percentage of funding breakdown
3. Do you anticipate the program continuing in the future?
4. *If applicable*, how have you made this program/initiative sustainable?

### Community Need

5. What was the impetus for the program/initiative?
6. Please talk about how this program addresses a need in your community.

### Impact

7. What economic impact has this program had on individuals and your community?  
Please use the following categories to guide your response:
  - Estimated individuals served\trained\placed
  - Estimated jobs created
  - Square feet of space developed
  - Estimated businesses created\served
  - Estimated dollars invested\leveraged

### Replication and Innovation

8. Did you model your program from another community action agency? Has this program been replicated elsewhere?
9. Do you consider this program/initiative innovative? If so, why?
10. In your opinion, what makes this community economic development program/initiative exemplary?
11. Is this anything else you would like to add?

## APPENDIX III: EXEMPLARY PROGRAM AND INITIATIVE NOMINATION FORM

Name of Community Action Agency:

Name of economic development program, project or initiative:

Please confirm that this program was operational within the past five years and that the CAA played or continues to play an active role in its development, implementation or administration.

- Yes / No

This program, project or initiative impacts economic development because it (Select all that apply):

- Attracts capital investment
- Increases business development opportunities
- Increases employment or enhances employment opportunities
- Results in infrastructure development or redevelopment
- Improves the long-term financial security of individuals through education and asset building

Please provide a brief description of the program, project or initiative:

“My program or initiative is exemplary because it is...”

- Efficient. The program, project or initiative efficiently uses or leverages resources.
- Strategic. The program, project or initiative is the result of a well thought out strategy that is responsive to community needs.
- Successful and/or Sustainable. The program, project or initiative has achieved its goal or, if the program is ongoing, the program has diversified its funding to ensure continued service to the community.
- Leverages Partnerships/Collaborates. The program or initiative leverages collaborative relationships in the community.
- Replicable. The program or initiative has the potential to be replicated in other communities.
- Innovative. The program or initiative is unique in its scope, approach, outcomes, partnerships developed or resources leveraged.

What is unique about your community economic development program that makes it exemplary?

Who is the person at your CAA to contact about this program, project or initiative?

Name \_\_\_\_\_

Title \_\_\_\_\_

E-mail Address \_\_\_\_\_

Phone Number \_\_\_\_\_

**OACAA 2012 Winter Conference  
Breakout Session: Identifying CAA's Needs for Economic Development  
Results Summary**

February 12, 2012

*33 participants in attendance. Collected 22 surveys from participants.*

**SURVEY RESULTS**

**Demographics:** 8 Urban, 11 Rural, 3 declined to answer

**"Please tell us how you view your agency's work in CED" (scale of 0-5, 5 being highly effective)**

**Total surveys:** Mode: 5, Range: 4

**Urban CAA's:** Mode: 3, Range: 3

**Rural CAA's:** Mode: 5, Range: 4

<b>"What has previously been most challenging for you in implementing CED programs?"</b>	
<b>Frequency</b>	<b>Category</b>
8	Identifying/building necessary partnerships
5	Developing a message
1	Gaining Board/Agency Support
2	Other: Funding
2	Other: Program duplication in communities
2	Other: Resistance to change (internal/external)
2	Other: Internal capacity issues

Respondents reported local duplication of services, funding challenges, human capital limitations, and resistance to change as key challenges.

<b>"What would be helpful resources for you when initiating CED Programming?"</b>	
<b>Frequency</b>	<b>Category</b>
13	Connecting with successful agencies
8	Learning "CED speak"
7	Community Assessments
3	Other: Stories/best practice examples from other agencies
1	Other: Funding

Respondents identified a need to learn about successful CED programs.

**“Are there any topics you feel would be most helpful to include in the toolkit?”**

• **Inter-agency Learning**

- “Examples of Success Stories; Outline of steps to develop concepts, implement, monitor”
- “How other agencies have learned to build relationships/partnerships to find funding opportunities for economic development”
- “More info on what has been successful in other areas”
- “Specifics!”

• **Understanding the Authorizing Environment**

- “Where does funding come from? It can’t be just CSBG, so what else is funding these initiatives?”
- “Links to funding sources. Links to prospective employer’s training needs.”
- “Education towards your community”

• **CED Education for CAA’s**

- “Agency education on CED’s”
- “More education on basic community development categories (such as the large posted flip chart page) - to saturate concepts and re-frame some current programs”

• **Building Internal Capacity**

- “Hiring skilled developers for program initiatives”

• **Other**

- “Capital Investment & Infrastructure; Everything comes down to infrastructure, internal or external, logical or physical”

**BREAKOUT SESSION DISCUSSION SUMMARY**

**Challenges with Partnerships**

CAA’s articulated challenges with two major entities in their communities: Businesses and area agencies.

- CAA’s noted that they struggle to offer a “carrot” for business partners. They voiced concerns over CAA’s having the right amount of “business savvy” to forge relationships and knowing how to appropriately break down stigmas regarding specific CED efforts.
- CAA’s feel that it is difficult to implement new CED programming because there may be other agencies in the area doing this work, and noted that “turf” issues and power plays make forming partnerships difficult. Convincing community members about the value of a project, even when they might not individually benefit from it prohibits program development.



## Challenges with the Authorizing Environment

Aside from the tangible concerns of direct funding, CAA's felt that implementing CED programs put them at risk with funders and requirements:

- CAA's noted a general lack of flexibility by funders, and also voiced frustrations over how priorities and program regulations frequently change.
- CAA's feel it is hard to "sell" economic development programs to funders because the impacts are difficult to articulate—they feel this puts the funding at risk and detracts from other programs.

## Internal Challenges

CAA's noted repeatedly that a major challenge in developing CED programs stems from their internal capacity limits:

- CAA's acknowledge the skill set required of staff to perform CED projects is very different from the typical skill sets of CAA staff. Recruiting individuals with these skills, retraining current staff, and providing the time to effectively develop new programs are difficult given limited resources.
- Some CAA's felt that there was some internal resistance to change, and it is difficult for the whole agency to redefine their roles in the community.

## Inter-Agency Learning

Repeatedly, we heard from CAA's that the best resource would be to learn from and model other successful CAA programs.

## Responding to the Authorizing Environment

CAA's felt they needed more information on how to better tell their stories and respond to trends in their authorizing environments to take advantage of new and emerging opportunities.

- CAA's want to be more politically savvy. They requested resources on how to better leverage local, regional, and national political capital and how to better integrate their agency into the economic development community.
- CAA's acknowledge that economic development is a new language and "new math", and they want help learning how to tell these stories.

CAA's want to build their own capacity to look towards the future, anticipate trends, and then create the internal change needed when the operating environment changes. They want help learning how to develop unique initiatives that respond to external changes and needs, while still maintaining their missions and community objectives.

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