Strengthening Rural-Urban Connections
to Support Competitive Regions

July 24, 2014
2:00 - 3:15 ET
NADO Research Foundation serves as one of the capacity building teams in the Sustainable Communities Learning Network providing support and technical assistance to HUD Sustainable Communities grantees and EPA technical assistance recipients.

Initiative of the Partnership for Sustainable Communities (HUD/DOT/EPA)

Capacity building support to strengthen grantee communities to create more housing choices, make transportation more efficient and reliable, make more effective infrastructure investments, and build vibrant, economically prosperous neighborhoods, towns, and regions.

Sharing lessons learned and resources to a wider audience.
Workshop brought together participants from HUD Sustainable Communities grants and EPA technical assistance projects in a collaborative and interactive setting.

Participants discussed their projects, learned from one another, and toured the Omaha-Council Bluffs region to explore strategies and initiatives to better improve connections between urban and rural communities through economic development, food systems, workforce development, infrastructure, and other areas.

Brett Schwartz

Program Manager
NADO Research Foundation

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Today’s Presenters:

- Brian Dabson, Associate Dean and Research Professor, Harry S. Truman School of Public Affairs and Director of the Institute of Public Policy at the University of Missouri

- Paula Downs, Project Director, South Central Kansas Prosperity Plan (Wichita, KS)

- Chad Coburn, Manager, Prosperous Places Program, Capital Area Council of Governments (Austin, TX)
Webinar Logistics

Please type any questions you have for the speakers in the question box on the side panel throughout the presentation.

The webinar is being recorded and will be posted within a day along with the PowerPoint slides on the NADO website at www.nado.org.

1.25 AICP CM credits are available.

Please contact Brett Schwartz at bschwartz@nado.org if you have any questions after the presentation.
Strengthening Rural-Urban Connections to Support Competitive Regions
### Increasing Complexity...

<table>
<thead>
<tr>
<th></th>
<th>SIMPLE</th>
<th>COMPLICATED</th>
<th>COMPLEX</th>
</tr>
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<tbody>
<tr>
<td>Agreed problem statement</td>
<td>YES</td>
<td>NOT AT START</td>
<td>NO</td>
</tr>
<tr>
<td>Agreed solution</td>
<td>YES</td>
<td>NOT AT START</td>
<td>NO</td>
</tr>
<tr>
<td>Knowledge &amp; experience to act</td>
<td>YES</td>
<td>SOME</td>
<td>NO</td>
</tr>
<tr>
<td>Known variables</td>
<td>YES</td>
<td>MOSTLY</td>
<td>NO</td>
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<tr>
<td>Predictable outcomes</td>
<td>YES</td>
<td>MOSTLY</td>
<td>NO</td>
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![Images of increasing complexity scenarios](image-url)
Demands collaboration+

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<th></th>
<th>SIMPLE</th>
<th>COMPLICATED</th>
<th>COMPLEX</th>
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<tbody>
<tr>
<td>Structure</td>
<td>Predetermined and fixed</td>
<td>Adapted</td>
<td>Organic and variable</td>
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<tr>
<td>Stakeholder engagement</td>
<td>Limited</td>
<td>Extensive but managed</td>
<td>Volatile</td>
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<tr>
<td>Boundary crossing</td>
<td>Predetermined</td>
<td>Extended</td>
<td>Multiple and continuous</td>
</tr>
<tr>
<td>Timeline</td>
<td>Predetermined and fixed</td>
<td>Extended</td>
<td>As long as it takes</td>
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If a region’s ability to create wealth is dependent upon generating a trade surplus with the outside economy and attracting investors, then *the economic competitiveness of the urban core* is the key.
However, if the rural periphery is experiencing substantial trade deficits, this will have a substantial negative impact on the whole region including the urban core.
Shared Purpose...

• If metropolitan America is to drive national prosperity, metropolitan areas will need a healthy and sustainable rural economy and culture

• If rural America is to flourish, it will depend upon vibrant, well-functioning cities and suburbs
<table>
<thead>
<tr>
<th>Rural to Urban</th>
<th>Urban to Rural</th>
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<tbody>
<tr>
<td>Food</td>
<td>Markets</td>
</tr>
<tr>
<td>Energy</td>
<td>Jobs</td>
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<td>Workforce</td>
<td>Specialized Services</td>
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<td>Stewardship</td>
<td>Resources</td>
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<td>Waste management</td>
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<td>Experiences</td>
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The Regional Economy

Size of Regional Economies in Central Appalachia

Total Value of Production ($million)

- Income created by rural peripheries does not stick and flows to urban core or outside region
- Benefits from investments in urban core not likely to spill over to periphery
A simple rural-urban distinction is meaningless...
It’s All About Linkages

Policy and development decisions are best taken within a regional framework to embrace rural-urban interdependence.
Two economic analytical approaches with traction:

– **Clusters** – geographic concentrations of interconnected companies and support institutions

– **Supply/value chains** – flow through a development process regardless of location of participating companies
Connecting to clusters

- Rural businesses located within or close to metropolitan centers plug directly into clusters as suppliers and sub-contactors.

- Those located further away build upon their regional and community assets, creating entrepreneurial opportunities through broadband, and developing networks to perform cluster-type functions.

- Those that need space rather than proximity link into regional, national and global supply chains as “non-proximate” clusters.
Connecting to Supply Chains

- **Face-to-face interactions** – consumers buy directly from producer or processor (farm shops, farmers markets, roadside sales, etc.

- **Proximate relations** – strong regional or place-based associations and identities (regional hallmarks, consumer cooperatives, tourism themes, specialty retailers, local restaurant and institutional purchasing)

- **Extended relations** – products sold outside region to customers with no personal experience of the area, connections made to culture, practices through branding, certification, reputation – values, provenance, quality
Influencing Supply/Value Chains

Transactions
Improving the efficiency of supply chain transaction – price stabilization, matching suppliers and buyers, holding inventory, reserving capacity, aggregating supply and/or demand

Information
Reducing costs associated with incomplete information, brokering between participants, mediating disputes, collecting and disseminating data and analysis

Policy
Ensuring social and environmental impacts are considered alongside profitability, monitoring government policies and regulations
• **Regional markets** – creating demand in urban areas (outlets, partnerships, distribution systems)
• **Regional branding** – bringing together multiple product lines into an umbrella brand
• **Product positioning** – selling lifestyle not individual products
• **Forging connections** – step-up services for businesses
• **Scaling-up** – helping businesses enhance productivity
• **Creating buzz** – generate enthusiasm among media, leaders, consumers

• **Intermediary role** – aggregating and distributing products, training, brokering, connecting, technical assistance
• **Consumer awareness** – helping urban customers appreciate value of regional products
• **Enterprise hub** – retail marketing incubator in urban center – connecting, aggregating, branding
1. Expand intermediation

• Expand upon existing intermediation experience recognizing social, cultural, culinary, and resource differences

• Reduce business transaction costs and improve efficiency within supply chains – matching, aggregation

• Improve information flows between businesses in supply chains – use data and analysis as a value-adding tool

• Safeguard triple-bottom-line values within the chain

RDO could focus on intermediation roles and how best to support supply chains in the region.
2. Capture regional markets

RDOs should engage regional business schools to conduct market development research.

- Explore main urban centers as potential markets for regional products.
- Build infrastructure – build retail and supply chain connections, distribution systems, and umbrella branding for multiple products.
3. Connect to urban procurers

- Connect with procurement offices in urban-based businesses and institutions

- Work with rural-based businesses to engage with existing supply chains

RDO could work with urban-based economic development advisory, TA, and financing agencies to broker connections and support
4. Broaden regional branding efforts

- Convene regional business-to-business gatherings to explore:
  - How regional brands might play in regional markets
  - Where branding efforts need to be upgraded
  - How brand development might be broadened among multiple stakeholders

RDO could support fledgling supply chain efforts with TA and small grants
5. Focus on exports and import substitution

- Convene business-to-business gatherings by sector (e.g. health, energy, food, etc.) to identify market and supply chain opportunities for replacing imports or for accessing export markets

RDO could work with businesses to inventory supply chain opportunities to which rural firms can respond
6. Capitalize on provenance and quality

- Explore short supply chain opportunities based on provenance and quality

RDO could partner with public and private economic developers, financing intermediaries to identify candidates for short supply chain development.
7. Track impact and tell the story

- Identify and apply metrics to track development and impacts of sustainable supply chains

- Use metrics and stories to forge connections across the rural-urban continuum

RDO could work with supply chain participants to create and apply meaningful measures
• Regional businesses
• Sector businesses
• Business schools
• Urban-based economic developers
• ED/financing intermediaries
• Procurers
• Consumers
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South Central Kansas

PROSPERITY

think tomorrow today

Butler  Harvey  Reno  Sedgwick  Sumner
Think Tomorrow Today

• Six Key Areas
  – Built Environment
  – Health Community Design
  – Natural Resources
  – Transportation
  – Water
  – Workforce and Business Development
Community Concerns

- Aging Population
- Youth Exodus
- Lack of Housing Choices
- Quality of Life Elements
- Lack of Transportation Options
- Entrepreneurial Spirit / High Paying Jobs
- Access to Fresh Food Options
Questions?

Paula Downs, Project Director
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316-978-6678

www.thinktomorrowtoday.com
Major initiatives:

- Developed a suite of analytic planning tools
- Demonstrated a new way of planning and economic development in 5 cities
- Conducted demographic research, regional forums and training events
Plans for downtowns in Dripping Springs, Elgin, Hutto, and Lockhart:

- Convene stakeholders
- Understand public vision, market realities, and fiscal impacts of scenarios
- Create short and med range plans to catalyze the vision
“What is Elgin’s soul? Is it a pass-through community with a bunch of big-boxes along 290, or a destination where people come downtown?”
- STAKEHOLDER COMMITTEE MEMBER

What Success Looks Like

- A self-sufficient community – employment, housing, walkability
- Leaving it better than we found it
- Not needing to leave town for 99.9% of our needs
- Young people having opportunities to stay
- An economically-vibrant Main Street with traffic jams and parking problems!
- Streets with people walking day and night
- Maintaining our agricultural roots
Indicators – trend development vs. public vision

**Population**
- Preferred: 4,139
- Trend: 5,134

**Average Home Price**
- Preferred: $145,448
- Trend: $165,766

**Fiscal Impact**
- Revenue/Cost Ratio:
  - Preferred: 1.54
  - Trend: 1.39

**Housing by Type**
- Preferred: 398
  - Multifamily: 398
  - Townhome: 806
  - Small Lot Single Family: 534
  - Conventional Lot Single Family: 370
- Trend: 429
  - Multifamily: 36
  - Townhome: 86
  - Small Lot Single Family: 97
  - Conventional Lot Single Family: 891

**Jobs-Housing Balance**
- Preferred: 3.1
- Trend: 0.5

**Number of Jobs**
- Preferred:
  - Retail: 1,583
  - Office: 4,720
  - Industrial: 147
  - Public / Civic: 947
  - Educational: 97
- Trend:
  - Retail: 97
  - Office: 113
  - Industrial: 97
  - Public / Civic: 97
  - Educational: 97
**Recommended Land Use Policy and Code Amendments**

**Downtown Shopfront District:** Promote an active and concentrated district of shops and restaurants in the heart of downtown (50 foot depth along Main, Depot and Central).

- Allow the full range of commercial uses, including small-scale assembly, manufacturing and/or processing of electronics, jewelry, food, leather items, etc.
- Storefront glazing and entries required
- Residential dwellings not permitted
- All buildings must be built to within 5 feet of the front property line.

**Mixed Use District:** Encourage a mix of retail, office and residential uses that reinforce Downtown as a vibrant district with an active day and nighttime environment.

- Ground level residential units permitted with primary entries oriented to street front with stoops.
- Drive-through facilities permitted only if they are located behind building and do not interrupt continuity of pedestrian environment.
Implementation Strategy
Public Improvement Plan
and Catalyst Projects
Implementation Strategy
Public Improvement Plan
and Catalyst Projects
Phasing, cost estimates, sources of funding
Visualize the proposals
Dripping Springs Illustrative Plan

DEVELOPMENT PROGRAM
1,248 Dwelling Units
• 387 large lot detached
• 451 small lot/rowhouse
• 410 apartments
550,000 sf Commercial
30,000 sf Civic

Figure 4
Draft Illustrative Land Use Concept
### Projections for Land Development Programs

<table>
<thead>
<tr>
<th></th>
<th>Land Area (acres)</th>
<th>Residential (dwelling units)</th>
<th>Commercial (square feet)</th>
<th>Civic/Gov’t (square feet)</th>
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<tbody>
<tr>
<td>DSISD</td>
<td>6.6 ac</td>
<td>16 du</td>
<td>48,000 sf</td>
<td>20,000 sf</td>
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<tr>
<td>City of Dripping Springs</td>
<td>1.4 ac</td>
<td>11 du</td>
<td>0 sf</td>
<td>2,800 sf</td>
</tr>
<tr>
<td>Private Properties</td>
<td>16.3 ac</td>
<td>27 du</td>
<td>68,000 sf</td>
<td>5,900 sf</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>24.3 ac</strong></td>
<td><strong>54 du</strong></td>
<td><strong>116,000 sf</strong></td>
<td><strong>28,700 sf</strong></td>
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</table>
Hutto’s Co-op Site

Development Program
168 Residential Units
- 38 Rowhouses/Shophouses
- 130 Apartments
46,000 sq ft Commercial
30,000 sq ft Civic Center
Town Square
Hutto Co-op Site

Package 1:
Civic Center
± $2,082,000:
- Streets + Utilities
- Open Space
- Does not include buildings

Package 2:
Residential Mixed Use
- 130 apartments (50% 1BR/50% 2BR)
- 38 Rowhouses and Shophouses
± $1,885,000:
- Streets + Utilities
- Does not include on-site parking

Package 3:
Commercial
- 46,000 GSF
± $821,000:
- Streets + Utilities
- Does not include buildings or parking lot

Package 4:
Park and Drainage
- 46,000 GSF
± $880,000

Package 5:
Live Oak Extension
- 46,000 GSF
± $1,018,000 (City's share)

Estimated Total Costs:
± $6.7 million
City of Austin
Economics of Urban Rail

45,000
Additional Population by 2030

58,000
New Jobs by 2030

$31,000,000,000,000
Total Development Value with Urban Rail by 2030

$29,000,000,000,000
Total Development Value without Urban Rail by 2030

Summary Benefit Analysis:

Austin Factors Taxes / Jobs
The amount rail has induced growth in 7 cities studied in 2007: 2% - 50%

$498,000,000
Annual combined median productivity impact on wages and GDP from proposed Urban Rail investment.

8%
Urban Rail influence on Downtown Austin real estate values according to 2010 Capital Market Research study.

5%
Increase in value of real estate in Austin within 1000’ of bus stops.

Summary Benefit Analysis:
Economic Impact of Rail
Summary Benefit Analysis:

$296,000,000
Saved annually by population in case study area by 2030 through reduction in Vehicle Miles Travelled

25,000 New Transit Trips could save 12,500 daily commuters
$100,000,000 by owning one fewer vehicle per household

15,000 New daily bike commuters by 2030 within 1 mile of case study area could save
$121,000,000 by owning one fewer vehicle per household

Summary Benefit Analysis:
Austin Factors - Travel Savings
Visit: www.CAPCOG.org/ProsperousPlaces

Contact:
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Thanks for joining us! Any questions?

Please type any questions you have for the presenters in the question box on the side panel.

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