

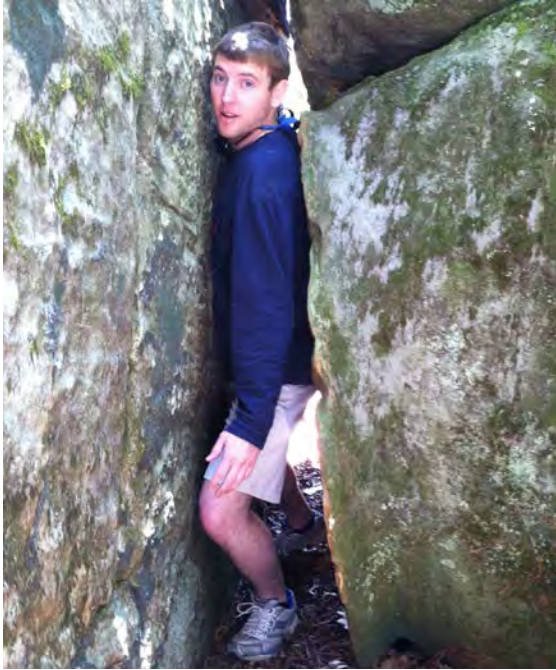
# Putting the Challenge in Perspective: Lessons Learned from Coal Communities Across the Country

Jack Morgan, National Association of Counties  
Brett Schwartz, NADO Research Foundation

November 21, 2019  
University of Illinois Extension Webinar



# About Us



**Jack Morgan**  
National Association of Counties



**Brett Schwartz**  
NADO Research Foundation

"We need to be prepared for the future, because we don't know what the future holds for the coal industry."

Rich Fink, former coal miner and retired Armstrong County, PA Commissioner



# Coal-reliant counties and regions are setting their own visions for the future





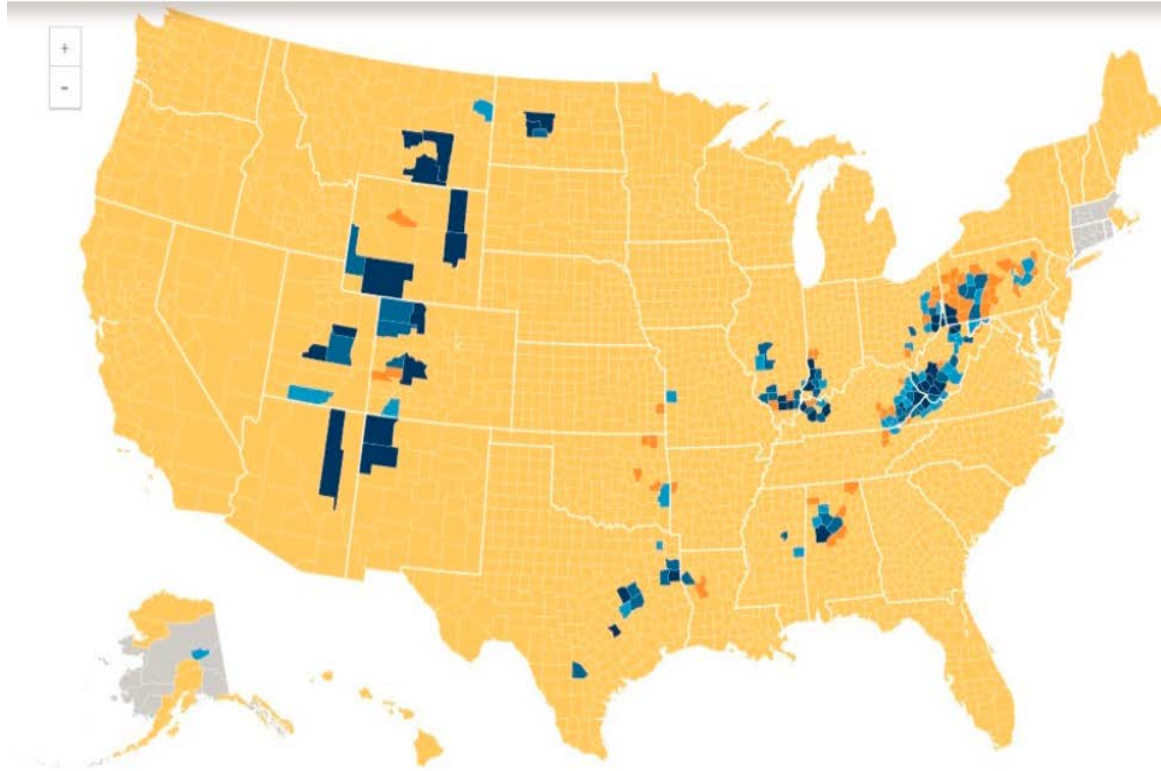
Change Inspires Creativity

No one is coming to save your community – but you have the tools to do it!



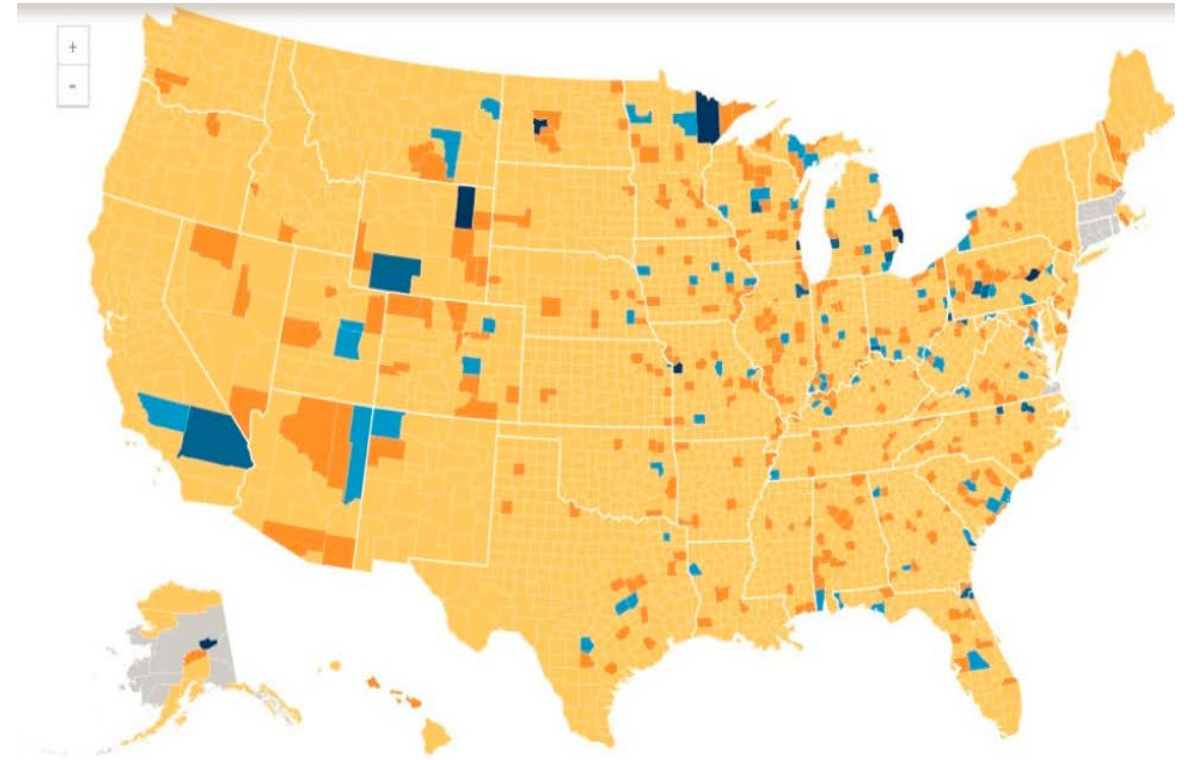
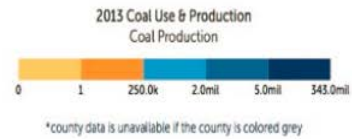


# A National Issue



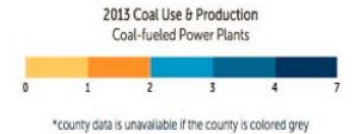
Source: NACo Analysis of U.S. Energy Information Administration Data, 2013

## Coal Producing Counties



Source: NACo Analysis of U.S. Energy Information Administration Data, 2013

## Coal Power Plant Counties



Credit: National Association of Counties

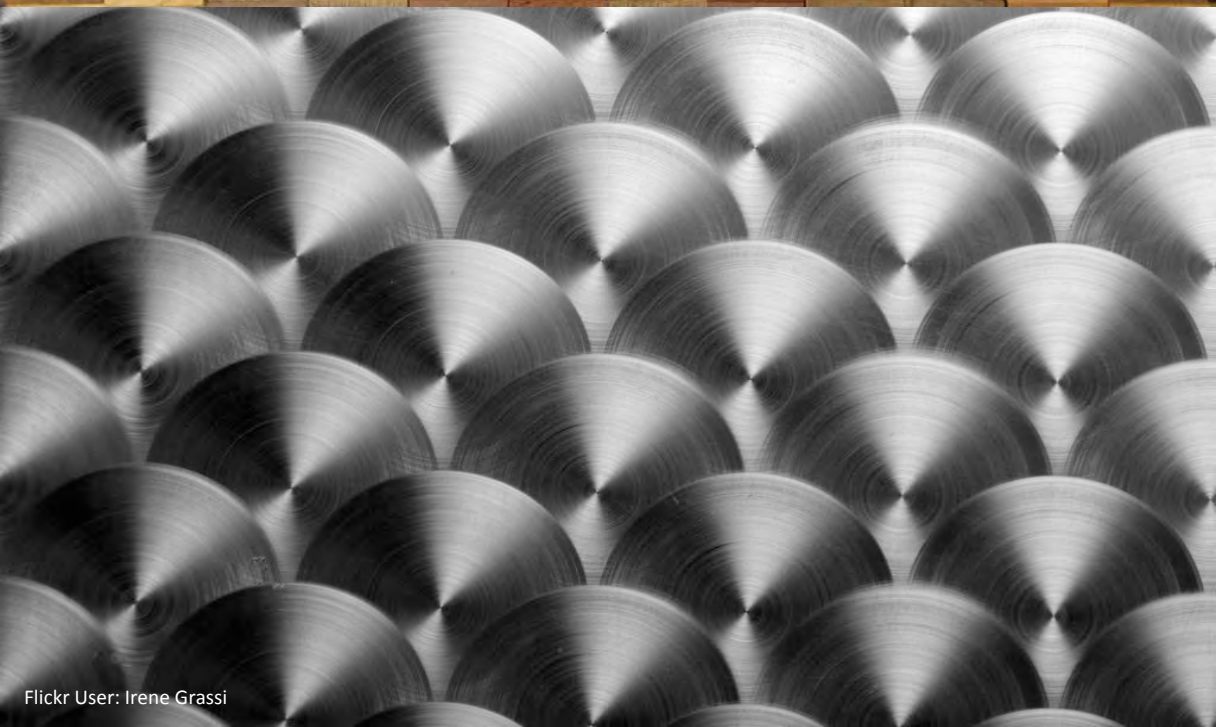




Flickr User: Syahmir




Flickr User: Dave Gingrich



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A sunset over a body of water with a city skyline in the distance. The sky is filled with dramatic, dark clouds illuminated from below by the setting sun, creating a range of colors from deep purple and blue to bright orange and yellow. The water in the foreground is dark with gentle ripples, reflecting the light from the sky. In the background, a dark silhouette of a city skyline is visible against the horizon.

**Resilience:** The ability of a region or community to anticipate, withstand, and bounce back from shocks, disruptions, and stresses including:

- Weather-related disasters or hazards / Impacts of climate change
- The closure of a large employer or military base
- The decline of an important industry
- Changes in workforce / effects of automation
- Demographic shifts
- Much more...



# Resilience: The New Normal

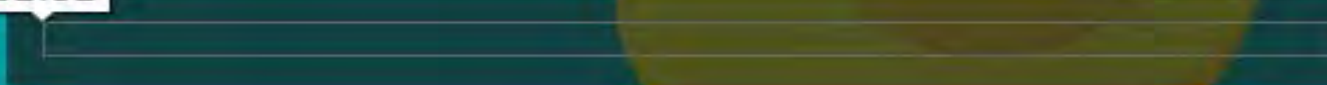
from NADO



Resilient Regions & Communities are well prepared to  
**RESPOND & RECOVER.**



02:52



vimeo



# Why *Regional* Resilience?

- Nearby communities often share similar risks/hazards
- Disaster impacts cross jurisdictional boundaries
- Communities are interdependent
  - Vulnerabilities in one community could impact another.
  - Mitigation investments in one community could impact another (positively or negatively).
- Economies are regional in nature
- Communities can accomplish more when they work together

# What is Economic Diversification?

Refers to regions with “ a varied mix of industries and the absence of dominance of any one industry in terms of employment or income.”

Economic Diversity can vary by:

**WHAT?** A region's goods and services

**HOW?** A region's talent base

**WHY?** A region's suppliers and customers

# Places that successfully diversify their economy tend to...

- **Leverage state, federal, private resources**
  - Not Just \$\$
  - Continuously seek resources to close gaps
- **Maintain and Build Local Capacity**
  - Among staff and community leaders
- **Incorporate a broad array of perspectives**
  - Think regionally
  - Look and work beyond their own silos (Traditional ED v. Other ED approaches)

# Places that successfully diversify their economy tend to...

- **Do their *research***
  - Honestly assess their strengths and weaknesses
  - Understand external opportunities and threats
  - Learn from other places
- **Make planning an *ongoing process***
  - Planning allows for intentionality
  - Builds regional consensus
  - Integrates new leaders
  - Provides accountability

# And it's about Home-Grown Innovators: Small & Local is Good!

## 1) Local is Good

More Jobs

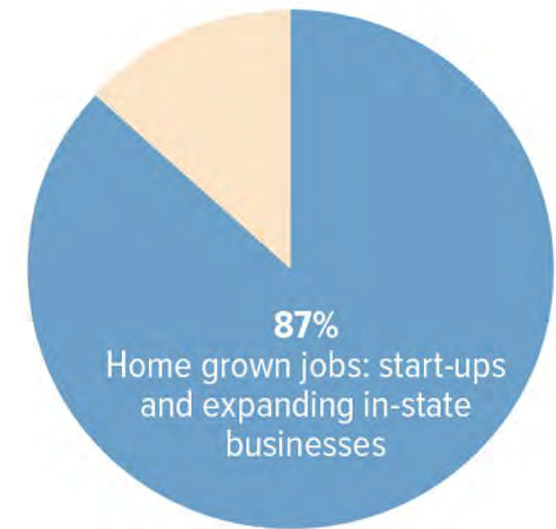
Less Poverty

## 2) Smaller is Better

Small Firms > Large Firms

### Vast Majority of New Jobs Come From Businesses Already in a State

Shares of gross private sector job gains for the median state, 1995-2013



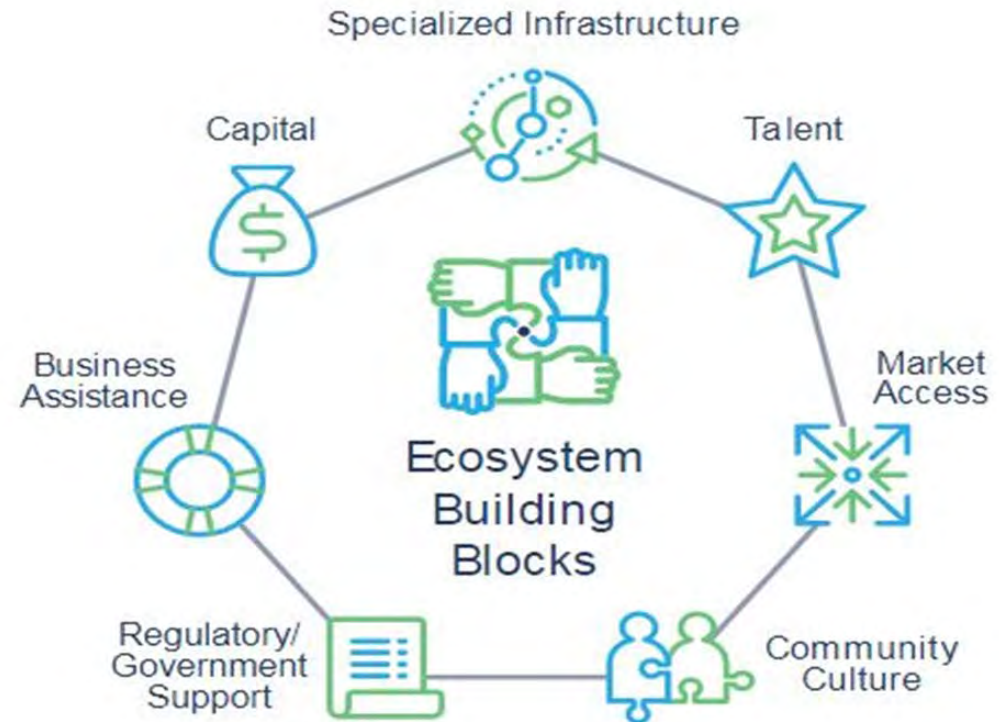
CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG











# How Do We Get Entrepreneurial and Inclusive?

## The Ingredients

- ✓ Self-Belief
- ✓ Access to Ideas
- ✓ Relevant Skills
- ✓ A Playing Field for Innovators



## The eight capitals

The capital	The definition
 <b>Individual</b>	The existing stock of skills, understanding, physical health and mental wellness in a region's people.
 <b>Intellectual</b>	The existing stock of knowledge, resourcefulness, creativity and innovation in a region's people, institutions, organizations and sectors.
 <b>Social</b>	The existing stock of trust, relationships and networks in a region's population.
 <b>Cultural</b>	The existing stock of traditions, customs, ways of doing, and world views in a region's population.
 <b>Natural</b>	The existing stock of natural resources—for example, water, land, air, plants and animals—in a region's places.
 <b>Built</b>	The existing stock of constructed infrastructure—for example, buildings, sewer systems, broadband, roads—in a region's places.
 <b>Political</b>	The existing stock of goodwill, influence and power that people, organizations and institutions in the region can exercise in decision-making.
 <b>Financial</b>	The existing stock of monetary resources available in the region for investment in the region.

Explore Multiple Forms of Wealth in Your Region

*It's More than Just Jobs!*

# What's Happening in Coal Communities Across the Country?

Short Answer: A lot!

# Southwest Virginia



# West Virginia



**COALFIELD  
DEVELOPMENT**  
Appalachian **COURAGE, CREATIVITY, COMMUNITY**



# Eastern Kentucky



NPR



# Wyoming



# Utah





# Western Colorado

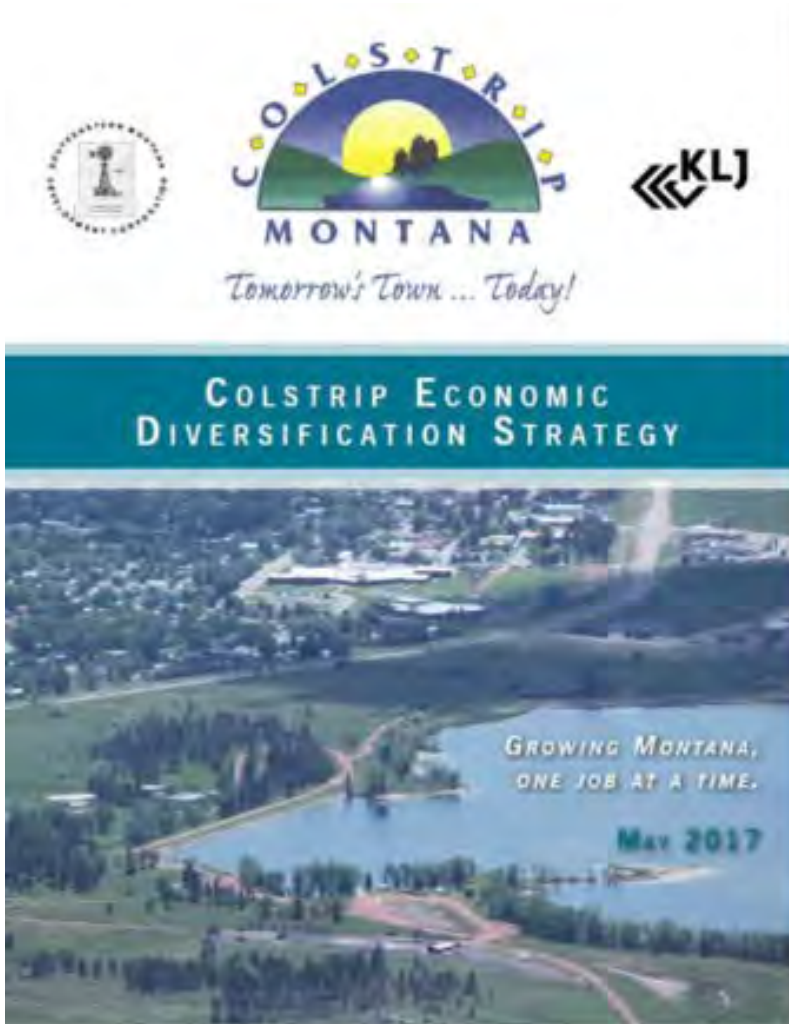


SOLAR ENERGY  
INTERNATIONAL

Educate. Engage. Empower.



# Southeastern Montana



## ■ DIVERSIFICATION GOALS AND STRATEGIES

The diversification goals and strategies are a result of synthesized data and input collected from Colstrip's three public input strategy sessions (two in December 2016 and one in March 2017), along with guidance from SEMDC, industry experts and proven case studies from across the United States. These are designed to give firm direction and intent to the community-driven working groups, while still being flexible enough to react to changing local, regional, national, and international demands and opportunities. Multiple assumptions have been accounted for in development of these goals and strategies, including the permitted use industrial space made available by the removal of Units 1 and 2, use of the railroad, etc. These assumptions have not been confirmed and will be a key step in pursuing many of the initiatives outlined in this document.

As mentioned in the executive summary, there is no silver bullet or one-size-fits-all solution when it comes to economic diversification. The solution to the economic shifts in Colstrip will need to be ongoing and multi-faceted with active community, regional, state, and industry involvement. It is suggested to identify a champion for each goal and to establish a stakeholder working group (three to five people) for each strategy.

Following are the identified goals and strategies recommended to capitalize on existing and potential resources in the Colstrip area in an effort to diversify the economy and address economic sustainability and growth.

- Goal 1 Coal, Energy, and Renewable Technology
- Goal 2 High Tech Industry and Entrepreneurship
- Goal 3 Manufacturing
- Goal 4 High Skilled Labor
- Goal 5 Agriculture and Outdoor Recreation/Tourism
- Goal 6 Quality of Life

### TERMINOLOGY



**GOALS** are specific, measurable, attainable, realistic, and time-based

elements that will meet or enhance the outlined diversification need in the community. Goals outline the mission at-hand and provide guidance over the life of the project.



**STRATEGIES** are a menu of options that support success of the larger goal. This component of

the plan will provide a more refined and detailed vision of what the community is hoping to accomplish and provides guidance to members of working groups.



**TASKS** are actionable items or stepping stones that need to be accomplished to attain each strategy and goal.

This section is laid out in a checklist format to easily track who is assigned to which tasks and which tasks are completed.



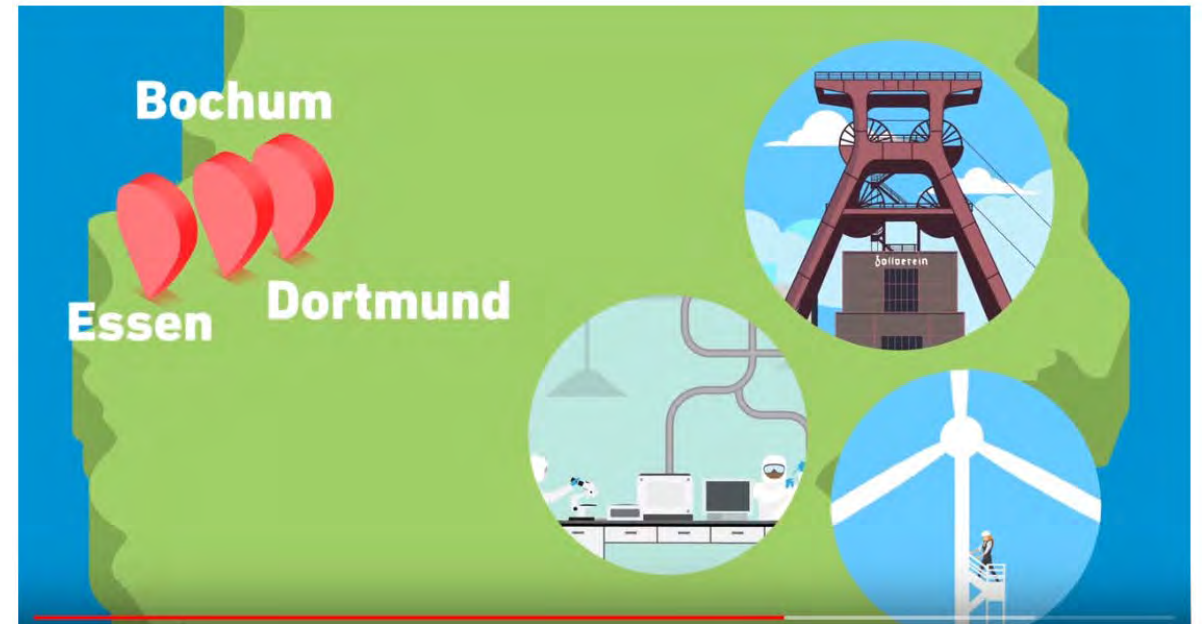
# Northern Arizona



# Honoring the past while still looking to the future...



Kentucky Coal Museum, Benham, KY



Lessons from coal communities in Germany

# Key Actions to Support Economic Diversification

Cooperate

Observe

Adapt

Leverage

# The Cheat Sheet: Final Thoughts

## **Do It Yourself!**

While federal and state governments may provide resources, the future of the region belongs to its residents.

## **Regionalism works.**

Economic activity does not respect political boundaries – neither should economic adjustment activity.

## **Thinks Assets, Not Gaps.**

Assess full range of local assets and build strategies to catalyze them.

## **No Secrets!**

Communications and transparency are vital to create community trust and attract investment.

## **Execute in the Short-term/Plan for the Long-term.**

Effective short-term plans to “stop the bleeding” build local trust and buy-in for longer term efforts. Early wins help!

## **Hit for Singles, Not Home Runs.**

Immediately serving affected workers is necessary. But, the goal must be to diversify local/regional economies.

# Resources from NACo and NADO RF




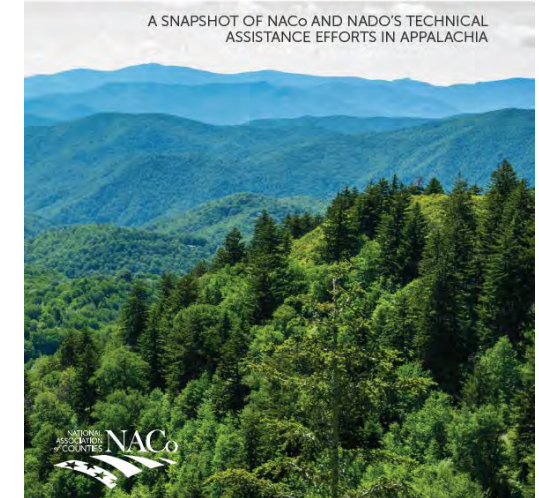
## GROWING **STRONGER ECONOMIES** IN OUR NATION'S COAL COMMUNITIES

A Bi-weekly Update from the National Association of Counties and the National Association of Development Organizations



## **STRONGER ECONOMIES IN COAL-RELIANT PLACES**

A SNAPSHOT OF NACo AND NADO'S TECHNICAL ASSISTANCE EFFORTS IN APPALACHIA



## **STRENGTHENING ECONOMIES IN THE WEST**

Coal-Reliant Communities Challenge

DENVER, COLORADO  
MAY 1<sup>ST</sup>-3<sup>RD</sup>, 2019



## COAL-RELIANT COMMUNITIES INNOVATION CHALLENGE



## RESOURCES FOR TRANSITIONING **ECONOMIES**

[www.diversifyeconomies.org](http://www.diversifyeconomies.org)

- About
- Publications
- Tools and Training
- Funding
- Organizations
- Innovation Challenge Workshops ▾



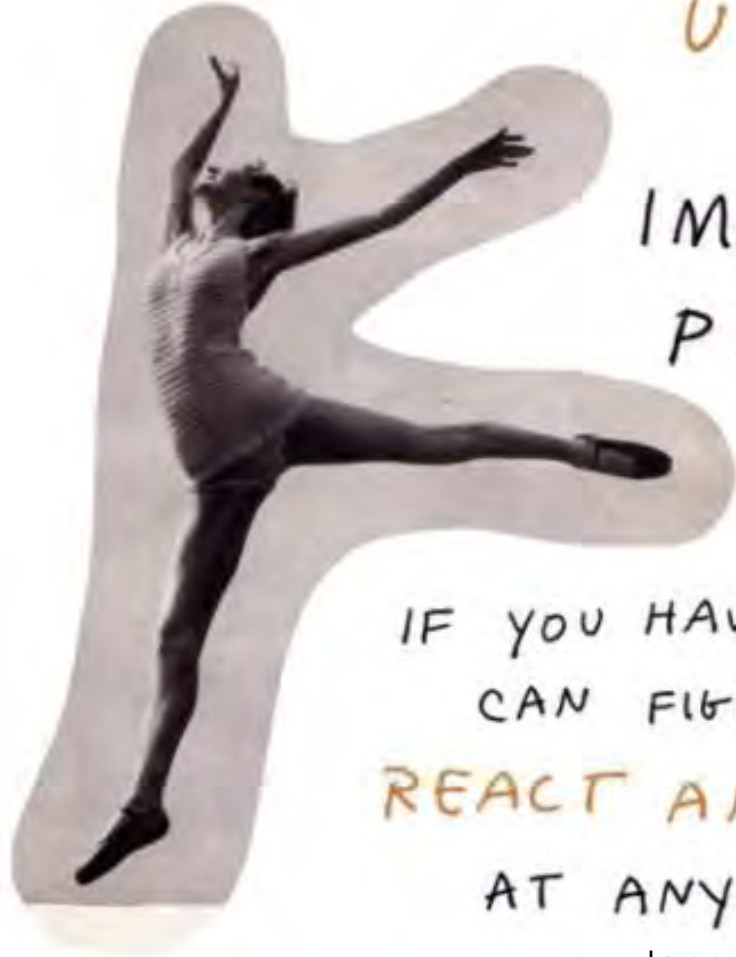
THE MOST IMPORTANT THING  
TO INVEST IN  
WHEN RESOURCES ARE

UNCERTAIN

ARE PEOPLE'S  
IMAGINATIONS,  
PASSION, AND  
COMMITMENT.

IF YOU HAVE THAT, YOU  
CAN FIGURE OUT HOW TO  
REACT AND RESPOND  
AT ANY MOMENT. ”

Janera Solomon





# Stay in Touch!

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