



Smart Growth America
Making Neighborhoods Great Together

Alton, MO

Planning for Economic and Fiscal Health Report and Suggested Next Steps

Building Blocks for Sustainable Communities Program

To: Rachel Luster, Coalition for Ozark Living Traditions Culture Hub

From: John Robert Smith, Smart Growth America
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Date: September 27, 2016

Executive Summary

Pursuant to our technical assistance award with the Town of Alton, this Memorandum constitutes Smart Growth America's final report summarizing the recent *Planning for Fiscal and Economic Health* workshop, and suggesting possible *Next Steps* the Town and region could take to craft a vision for the Ozark region's future development.

Alex Hutchinson and John Robert Smith, representing Smart Growth America (SGA), met with regional leaders and residents on July 13 and 14, 2016 to provide assistance via the *Planning for Fiscal and Economic Health* tool, supported by a cooperative agreement with the U.S. Department of Agriculture, Rural Development.

Following a productive discussion with various stakeholders — including residents, advocates, business owners and elected officials — the following *Next Steps* are recommended:

1. Create an Ozark Regional Culture Initiative
2. Map the diverse resources and efforts of the Ozark region
3. Define and tell a shared story of the Ozark region
4. Create the organizational structure to plan as a cohesive region
5. Develop a capital improvement planning process for the region
6. Start with what you can control
7. Employ walkability and connectivity as an economic development strategy

Need for assistance

In November of 2014, Alton hosted a Citizen's Institute of Rural Design workshop, funded in part by USDA and the National Endowment for the Arts. This workshop identified a significant opportunity for Alton to utilize an available co-op site in the town square to promote local food production and fruit farming. The co-op's regional reach and programming will expand following the completion of an adjacent structure, providing more room for the existing kitchen incubator, artisan's workspace, and local goods retailer. A fixture of Alton's town center, a bustling and successful co-op facility could be an engine for Alton's cultural and economic prosperity, and provide a launching point for similar initiatives and projects in the greater Missouri Ozark region.

The site design and programming that emerged from the workshop established Alton as a "can do" small community with big dreams. Alton representatives realized that there were other similar efforts in nearby municipalities best tackled through regional collaboration. When USDA/RD reached out to their regional teams seeking the right places to receive the SGA [Economic and Fiscal Health Technical Assistance](#), Alton and the Ozark region were recommended. Following phone calls with USDA/RD, the SGA team and representatives from the local community, Alton was selected to host a workshop, held in July 2016, serving Missouri Ozark municipalities including West Plains, Gainesville, and Doniphan.

Workshop Review

The first day of the workshop began with a tour of downtown Alton and regional points of interest pertinent to the topics of the workshop. A public presentation was held that evening at the Community Worship Center of Alton. This presentation provided an overview of the fiscal and economic impacts of different development patterns of small towns and rural places, focusing on the fact that some development patterns do a better job of creating a sense of place, supporting community economic development goals, and can be served more efficiently by local governments.

The second day of the workshop, held at Alton High School, brought together an invited group of 13 stakeholders. The diverse group included representatives from neighboring towns and engaged citizens, as well as professionals from the non-profit and private sectors. Attending leaders from regional agencies included :

- Linda Greer
- Pam Adams
- Tami Hale

- Cindy Jenks
- Robert Case
- Amelia LaMair
- Eric Tamminia
- Thomas Sallings
- Marilyn Townsend
- Mark Wiser
- John Gundel
- Madeleine Keller

Representatives from the USDA included:

- Gregory Batson, Program Support Director, Rural Development
- Megan McConville, Senior Advisor, Rural Housing Service

The invited group viewed additional presentations and also participated in facilitated brainstorming sessions to identify challenges and opportunities associated with rural cultural projects and how to bring into clear focus a regional structure to lead the combined planning, funding and implementation of the Ozark region’s shared vision. During the workshop, town leaders engaged with community stakeholders of the four towns represented about the ways in which development patterns, design, planning, and strategic infrastructure investments can make the Ozark Region a more competitive place within a culturally rich rural America. Workshop participants further discussed how a shared regional vision could provide a framework to build economic opportunities for residents and their children.

The intent of these workshops is neither for Smart Growth America to create a plan nor bind the communities to any particular course of action, but to assist ongoing regional efforts to create a more vibrant, successful region, consistent with the goals of their envisioned plans.

The built environment and fiscal and economic health

Communities around the nation are always concerned about their fiscal and economic health. This is especially true of small towns and rural regions.

By *fiscal* health, we mean a local government’s bottom line: Does the life cycle cost of a project’s investment—upfront infrastructure, ongoing service provision and eventual repair and maintenance—cost more than what it produces in tax revenue?

By *economic* health, we mean the general economic well-being of the community and

its region: How does new investment and development add to or detract from the creation of economic competitiveness, fiscal efficiency and sustainability, jobs, jobs access, retention of local youth, cultural identity and wealth?

In approaching these questions in the Ozark Region, as in any part of the country today, it is important to bear three trends in mind:

Our nation’s demographics are changing in a way that profoundly affects the housing market in large cities and rural areas alike.

Demographic trends are moving the housing market strongly away from conventional suburban housing.¹ That presents a significant opportunity for rural communities to compete for new growth. The two biggest demographic groups in the nation—retiring baby boomers and millennials (18-39 year-olds) — both express strong preferences for a more walkable, urban/village lifestyle.

Data tells us that ten percent of all city-dwelling Americans would prefer to live in rural locales if those places are walkable, connected to the larger region and possess a strong sense of character and place. That represents a pool of 26 million potential transplants that the Ozark region could compete to attract. Indeed, forty percent of millennials prefer to live in rural places, provided those places have a vibrant rural fabric. The vast majority of net new households formed have no children at home, and most of them are one- and two-person households, which are much more likely to prefer a walking lifestyle.² These trends depart from those experienced in the latter half

¹ See; “The Changing Shape of American Cities,” Luke J. Juday, Weldon Cooper Center for Public “Demographic Reversal: Cities Thrive, Suburbs Sputter,” William H. Frey, Brookings Institution, State of Metropolitan America Series, June 29, 2012.

²ⁱ “Suburbs Try to Prevent an Exodus as Young Adults Move to Cities and Stay,” Joseph Berger, New York Times, April 16, 2014 (on-line at, http://www.nytimes.com/2014/04/17/nyregion/suburbs-try-to-hold-onto-young-adults-as-exodus-to-cities-appears-to-grow.html?_r=0.)
“See ya, suburbs: More want to live in the big city,” Greg Toppo and Paul Overberg, USA TODAY, March 27, 2014.
“Why urban demographers are right about the trend toward downtowns and walkable suburbs,” Kaid Benfield, bettercities.net, February 28, 2014.
“NAR 2013 Community Preference Survey: Americans Prefer to Live in Mixed-Use, Walkable Communities,” National Association of Realtors, November 1, 2013.

ⁱⁱⁱ For more information, see: <http://www.smartgrowthamerica.org/research/the-fiscal-implications-of-development-patterns/>

^{iv} A description of the methodology and summary of the results of each case studied can be found in Government Finance Review

of the 20th century.

The formula for economic growth is changing.

Business growth used to be driven by large corporations that operated in a fashion that was both private in ownership structure and linear in manufacturing and production. In the past, new research breakthroughs occurred in sealed research laboratories controlled by the companies that owned them. Manufacturing and other business processes occurred in assembly-line situations, with little interaction across or inside industries. These conditions led to communities that featured large, sealed-off campuses and tended to be linear in their arrangements.

Today, business growth is driven by collaboration among many types of entities — private companies, research institutions, universities, and others — that must interact frequently and work together creatively. This trend requires cities and communities that encourage interaction and collaboration — the opposite of the older model described above. How communities are designed directly impacts their ability to create interactive and collaborative environments.

Most significantly, the innovation economy, as it is sometimes called, depends heavily on skilled workers. The companies that are driving innovation are pursuing highly educated talent, especially among millennials. Increasingly, companies find it necessary to locate in places that their target workforce wants to live in. Increasingly, that means walkable communities. **People on the move are looking to relocate to places with a high quality of life. In fact, they are willing to sacrifice salary for location. High quality of life is defined more and more by the character of the town center than by the size of a front yard or square footage of a home.**

Similarly, the market for retail is changing. Suburban shopping malls and retail centers that thrived for decades are struggling as a result of oversupply and a shift in shopping preferences. With online buying playing a bigger role for consumers (especially for bargain hunters), many are looking for a more authentic experience when they shop in person. Consumers are demonstrating strong preferences for shopping locally at unique establishments that offer handcrafted, regional products. They prefer this experience to be a short distance from their homes and offices and within a comfortably walkable town center. This is bringing new value to traditional walkable main streets. Alton and its neighboring communities, oriented with traditional main street districts, are well-suited to taking advantage of this shift in consumer choice.

Sprawling development patterns are making it more difficult for local governments to balance their budgets.

Development patterns that sprawl outward from town center require extensive investments in capital infrastructure and ongoing service delivery. Low-density development requires more infrastructure to serve relatively few people and requires service providers such as firefighters and school buses to travel farther. More compact development patterns reduce both life-cycle infrastructure costs and operating costs.

A 2013 study by Smart Growth America, *Building Better Budgets: A National Examination of the Fiscal Benefits of Smart Growth Development*³, concluded that, compared to conventional suburban development, smart growth patterns can achieve savings of one-third or more in upfront infrastructure cost, and 10% annually in ongoing operating expenses. Smart growth development patterns can generate up to ten times more revenue on a per-acre basis.

More recently, SGA's *Core Values: Why American Companies are Moving Downtown* examines the characteristics, motives, and preferences of companies that have either relocated, opened new offices, or expanded into walkable downtowns between 2010 and 2015. Smart Growth America partnered with global real estate advisors Cushman & Wakefield to identify nearly 500 companies that have made such a move in the past five years. Of those, we interviewed representatives from more than 40 companies to gain a better understanding of this emerging trend. These companies' new locations are in areas that are dramatically more walkable than previous sites. The average Walk Score of companies' previous locations was 52; the average Walk Score of the new locations is 88. Similarly, Transit Scores grew from an average of 52 to 79 and Bike Scores bumped from an average of 66 to 78.

This trend is visible across the country, in big cities and small ones alike and should be a factor in the economic development strategy of all communities, including Alton and the Ozark region.

Note: *Not all of these trends will be completely relevant in every situation. Rural communities are more reliant on private automobile ownership, and transit is often less feasible in these situations. But it is important to bear all three in mind in considering the fiscal and economic health of any community.*

^{3vi} The full report can be downloaded at, <http://www.smartgrowthamerica.org/building-better-budgets>.

Participant viewpoints

The concepts described above were elaborated upon in the first presentation portion of the workshop held the second day. The morning's presentations were followed by lunch at the Coalition for Ozark Living Traditions Culture Hub. The post lunch workshop began with a presentation on the challenges and successes experienced in Meridian, MS as a model for development in a rural area. The group then heard presentations from Alton, Doniphan, Gainesville, and West Plains outlining specific efforts and challenges faced by each community. The afternoon proceeded with the attendees dividing into two smaller groups to engage in a focused exercise to identify opportunities and **Next Steps** envisioned for each of the four towns, and where greater regional collaboration would increase overall success. Each group reported back to the whole and took part in a comprehensive discussion of how group recommendations could be given structure and move toward implementation. Closing the workshop was a detailed presentation by USDA/RD Program Support Director Greg Batson, describing the programs, loans and grants that are available through divisions of USDA/RD and how each might assist the vision of each community individually and the region as a whole.

The workshop participants strongly agreed that the Ozark region boasts many of the components necessary to taking advantage of changes in demographic and economic development trends, but that regional planning had yet to leverage these assets. There was a shared commitment to create a more formal structure for planning, funding and implementation, supported by a focused regional coordination. Participants identified the following actions needed to make each of their plans more successful, the obstacles in place, and the additional opportunities implementation would create:

Actions for Success

- An Ozark Region Cultural Initiative is created
- Regional assets are clearly understood and broadly supported
- Planning is more broadly coordinated within the defined region
- Local elected leaders are informed and committed to the shared vision
- Existing advocates are recognized and empowered
- Ozark culture, assets and communities are widely known and appreciated as a national asset
- Jobs to create greater wealth and reduce poverty can be found in “cool” towns within the Ozarks
- Ozark children choose to be a part of the Ozark future
- Full broadband access across the region

Obstacles

- Local leaders have not demonstrated personal and political commitment
- Ozark youth leaving the region
- Natural assets abound but poorly leveraged
- Lack of coordinated planning
- Projects developed in “silos” and not cross leveraged with others
- Lack of funding to complete envisioned projects
- Poor transportation connectivity within communities and across the region
- Poorly maintained public assets

Opportunities

- Rich story of the Ozarks unknown to the larger nation
- Opening to leverage the draw of the Eleven Point River
- Bring life back to village centers
- Work across the region to fund and support each town’s vision
- Lure talented youth to places they can thrive

Participants discussed the following topics during small group sessions:

Ozark disconnects

- Planning is fragmented
- Little leveraging of individual initiatives
- No full assessment of assets across the region
- Lack of elected leader buy-in
- Projects stalled due to lack of funding
- Fear that Ozark youth will abandon their homeland due to lack of opportunity

Assets

- Courageous Advocates
- Imaginative entrepreneurs
- West Plains’ economic development and manufacturing efforts
- Natural beauty centered on the Eleven Point River and Mark Twain National Forest
- Intact village centers
- Distinct culture —music, crafts, cuisine

Targets for near term success

- Define a larger region than the four towns represented
- Formal structure to guide the region
- Map assets
- Share funding strategies
- Create letters of support for efforts
- Engage local elected and business leaders
- Assign tasks and responsibilities

Recommendations

Prior to the SGA workshop, Alton had completed a CIRI Workshop, which stimulated the development of site plans, curricula and operational structure to support the vision of the Coalition for Ozark Living Tradition Culture Hub. The workshop also identified the significant gap between the desired outcome and the public and private investment needed to obtain the desired vision. Alton leaders displayed a keen awareness that others in the region might have parallel visions that, if harnessed, could provide the leverage to support and fund the type of economic and cultural development that could lift and sustain the region in the coming years.

Indeed, the towns of West Plains, Gainesville and Doniphan saw a similar need and committed to joining with Alton to receive the USDA/RD funded *Planning for Economic and Fiscal Health* workshop presented by the SGA team. Each town has a number of assets and projects already underway that would benefit from this process. The challenge now is to create a framework for mapping, prioritizing and funding the projects that will further the region's fiscal and economic goals. The following are SGA's recommendations to achieve this vision and are divided into recommendations for the region and specific recommendations for the host town of Alton.

Regional Recommendations:

1. Create an Ozark Regional Culture Initiative

Projects created and implemented in a vacuum, regardless of how innovative, lack the power to be transformative. With that in mind, the towns of Alton, West Plains, Gainesville and Doniphan need to be the genesis of an *Ozark Culture Initiative*. This framework should expand to include the counties of Howell, Oregon, Ripley, Ozark, Carter, Randolph, Texas and Sharp.

At least two individuals should be selected to represent each of the partner counties. The selection of representatives should be by appointment or ratification by the appropriate local elected body, in order to ensure commitment of the governmental entity. An executive committee of six should be selected by the full body and empowered to make interim decisions between regular meetings of the *Initiative*. Quarterly meetings should be held with each occurring in a different host town within the defined bounds of the *Initiative*.

The main purpose of the *Initiative* should be to listen to, be informed by, coordinate with, and support each member's individual cultural and economic efforts, making sure that the projects and initiatives are leveraged by others within the region to ensure maximum success. There should be uniform branding and signage created to identify

the **Initiative**, used by all members. You are creating a drumbeat of awareness and interest. You already have plenty of talent to create the brand yourselves.

2. Map the diverse resources and efforts of the Ozark region

The Initiative must first know what is available and planned before any coordination and support can be achieved. A complete mapping of resources, plans and projects, ongoing or envisioned exist throughout the member counties. This effort should occur at the Initiative member level and can be supported by other state and regional entities such as the Ozark Heritage Region, MO State Tourism, MO Humanities, MODOT, colleges and universities within the region, and RPOs and regional utilities.

3. Define and tell a shared story of the Ozark region

The basis of any place's story is its identity. To understand that identity, SGA recommends that each town member of the Ozark Regional Culture Initiative ask and answer these three questions: ***Who were you? Who are you now? Who do you aspire to be?*** Armed with the answers to these questions, you can effectively craft the storyline for the larger region. You are creating a narrative that focuses on your distinct assets of place, artisans, artists, cuisine, and more.

Tell your story. Every Rotary Club and Kiwanis Club searches for interesting presentations for their meetings. So do many church groups. Ask for and accept every opportunity to share the assets discovered during the mapping process, the opportunities that exist for collaboration and any progress towards implementation. Appear as a group before meetings of the City Council, the Board of Aldermen, and the Board of County Commissioners. Seek a resolution of support from them. Request meetings with local chambers of commerce and their business leadership. Besides sharing your work, these visits open the opportunity to seek membership or sponsorship for the support of your work. Use the available free media and not just talk radio. Develop an Ozark culture narrative to be played on radio station 88.1 that leads the listener from town to town and is based on the mapping work as completed.

4. Create the organizational structure to plan as a cohesive region

Planning efforts are often balkanized and therefore, incomplete. As a subset of the work of the Initiative, the RPOs within the Initiative should each provide a member to serve on a joint planning committee of the Initiative to effectively combine planning efforts in a targeted way. This committee should report at each of the Initiative's quarterly meetings.

5. Develop a capital improvement and programming process for the region

Lack of funding to realize a shared vision is always a major obstacle to overcome and all too rarely is there a single source for the needed funding. Financial support may be

needed for assessment, planning, construction, or programming and each has a different challenge and possible source. For a more orderly and focused approach, SGA recommends the creation of a [Capital Improvement and Programming Task Force \(CIPTF\)](#) as a subset of the [Ozark Regional Culture Initiative](#). The [CIPTF](#) should be charged with sorting the projects and efforts identified in the mapping process into two categories; programming and construction. Construction projects should be further divided into feasibility, planning, design, construction, and maintenance. Costs should be determined if unknown and possible funding sources identified. The leveraging of any existing funding should be a top priority and opportunities to utilize partnerships between public assets and private capital must be aggressively explored. The creation of contribution levels for private sector support may offer an easy entry point for the business community. The healthcare industry should be an easy target here. The [CIPTF](#) should report at each of the quarterly meetings. Possible funding sources can be found in the appendix of this memo.

6. Start with what you can control

While many years will be required to fully achieve the bold plans envisioned by the four communities, there are tasks that can begin immediately and over which you already have control. Harness the extraordinary passion and imagination exhibited during the workshop once the Ozark Regional Culture Initiative is created. Clean up. Project sites identified must be cleaned up even if there is no construction funding yet available. Youth groups from churches and the Boy Scouts are a good source of free labor. Signage describing the proposed new use shares the vision with the public. Use sites as is. Plan events for proposed sites in their raw state. Food, music, and art always draw citizens and it gives you a chance to enlist their support and ideas. Help your neighbor. Once the mapping is done, exchange letters among the Initiative member cities for mutual support of the identified projects and efforts. These letters of support should come from the elected body that represents each Initiative member. This step should ease the process when you need to return for a letter of financial commitment.

7. Employ walkability and connectivity as an economic development strategy

Supporting the creation of local restaurants and retail, emphasizing locally grown produce and locally created products and delivered in a more walkable town center, can serve as a major economic development asset for a community. This is especially important in the Ozark region, where a new generation of development will either create or prevent walkable, complete streets for decades to come. In choosing these developments, the region must look for ways to connect points of interest for the walker or biker, historic properties, natural beauty, and places of recreation and relaxation. Special attention should be given to the comfort of the walk by introducing shade in the form of tree canopies along sidewalks and bike paths. Where possible,

the introduction of moving water such as a fountain or splash-pad, or easier access to existing rivers and streams will have a cooling effect and increase use of the walk or trail. The region must be diligent in its commitment to ensuring that new or rebuilt streets and roadways include all users, cars, buses, cyclists and pedestrians with a special concern for the elderly and physically challenged. Local governments should be urged to adopt design guidelines for project approval both public and private.

Alton Specific Recommendations:

Alton's downtown it is well defined, built on a traditional grid pattern radiating from a town square dominated by the Oregon County courthouse. This design represents the iconic, small, rural county seat and one time hub of community life. It can be that hub once again. To that end, SGA offers these recommendations:

We strongly believe that the Court House Square, as a civic centerpiece, deserves a richer environment to set it apart. This central block belongs to the people of Oregon County and should be a place of pride. County government should invest in improved landscaping and a more extensive tree canopy so that an inviting shade is created under which additional bench seating should be installed. The addition of a water feature of some variety would add much for little cost. Make this space a place that citizens and guests want to sit a spell, swap stories, and transact business.

The four blocks surrounding the square should also receive the benefits of an extended tree canopy whose species are specifically chosen for their proven success in a streetscape setting. People will not walk, sit and linger if they are uncomfortable. Individuals and businesses can buy specific trees and feel ownership in this effort and the environment created. The square once again becomes THEIR downtown.

Attention to the facades of the buildings facing the square is critical to success. Cleaning them, removing tattered signage, perhaps adding a fresh coat of paint. Buildings envisioned for a new use need signage that shares that story with the public. The roller rink, for instance, needs to have the exterior and roof secured, interior cleaned out and narrative signage placed outside setting the vision of future use. Events should be regularly held at the square to increase awareness and support of the broader vision. The primary focus being the realization of the new facility to house the Culture Hub's mission and activities.

The revitalization of historic sites outside of the downtown also helps establish a sense of place. Historic Turner Mill should continue to be supported in a number of ways. Structural improvements to the remaining waterwheel and spring, as well as the trails,

should be a priority. Historic preservation funds from the state and US Department of the Interior should be explored. Additionally, more robust signage should be employed to lead visitors to the attraction. Partnering with MoDOT, Alton should explore implementing signage with greater visibility along Rt. 19, as well as establishing signage to the attraction from the downtown square. This will assist visitors in utilizing all of the natural beauty and historic sites the area has to offer.

The square should be connected to the other major anchors of Alton; the Eleven Point River and adjoining Mark Twain National Forest, and the Alton City Park Recreation Complex. Specifically a well shaded walking and biking trail can be completed, taking advantage of existing street network and adding missing links in a thoughtful way. Seating to rest upon as one uses the trail and perhaps the addition of a splash pad for the youth create an engaging experience.

These recommendations are offered with an eye to creating a sense of the shared environment for all users, for promoting pride among the citizens and creating opportunities for the merchants, restaurants and NFPs to thrive.

Appendix A: Presentation from Gregory Batson



USDA United States Department of Agriculture

Rural Development

Alton Smart Growth Workshop
July 13 - 14, 2016

USDA – Rural Development Mission

“To increase economic opportunity and improve the quality of life for all rural Americans.”



Population Guidelines

Business Programs: 50,000 and below (exception is local foods projects)

Community Programs: 20,000 and below

Housing Programs: 35,000 and below

Water and Waste Water Programs: 10,000 and below

Community Connect Grant

Program Purpose:

Program helps fund broadband deployment into rural communities where it is not yet economically viable for private sector providers to deliver service.

Who May Apply:

Most State and Local Governments/Federally-Recognized Tribes/Non-Profits/For-Profit Corporations

Special Considerations:

SUTA/Strikeforce and Promise Zone Areas (Extra 15 points for scoring)

Application Grant Request Limits:

MINIMUM = \$100,000 MAXIMUM = \$3,000,000

Application Match Requirements:

Minimum = 15% of Grant Request

FY2015 Funded Projects:

\$11 Million (5 out of 68 applications)

FY2016 Budget Allocation:

\$11,740,000 Available

Grant Application Period:

Opened April 18, 2016 and Closed June 17, 2016 (www.grants.gov or Paper applications)

Distance Learning & Telemedicine Grant

Program Purpose:

Assists rural communities to use telecommunications by purchasing equipment to connect remote locations to urban areas or other rural areas for purposes of increased education or healthcare opportunities.

Who May Apply:

Most State and Local Governments/Federally-Recognized Tribes/Non-Profits/For-Profit Corporations

Special Considerations:

SUTA/Strikeforce and Promise Zone Areas (Extra 15 points for scoring)

Application Grant Request Limits:

MINIMUM = \$50,000 MAXIMUM = \$500,000

Application Match Requirements:

Minimum = 15% of Grant Request

FY2015 Funded Projects:

\$23 Million (75 out of 191 applications)

FY2016 Budget Allocation:

\$19,000,000 Available (182 Applications Received)

Grant Application Period:

Opened January 12, 2016 and Closed March 14, 2016 (www.grants.gov or Paper applications)

Business and Industry (B&I) Guaranteed Loans

Program Purpose:

Bolsters the existing private credit structure through the guaranteeing of loans for rural businesses, allowing private lenders to extend more credit than they would typically be able.

Who May Apply:

Lenders with legal authority, sufficient experience, and financial strength to operate a successful lending program

Eligible borrowers:

For-profit business, Nonprofits and cooperatives, Federally recognized Tribes, Public bodies

Loan guarantee limits:

80% for loans of \$5 million or less

70% for loans between \$5 and \$10 million

60% for loans exceeding \$10 million, up to \$25 million maximum

Terms:

Interest rate negotiated between lender and borrower, subject to Rural Development review.

Real estate – 30 years, machinery and equipment -15 years and working capital – 7 years.

Initial guarantee fee of 3% with annual renewal fee of 0.5% on outstanding principal.

Rural Business Development Grant (RBDG)

Program Purpose:

Assist small and emerging businesses in rural areas

Who May Apply:

Public bodies, units of government and community-based non-profit organizations

Special Considerations:

Eligible costs include real estate improvements, equipment, utility/infrastructure, feasibility studies, engineering services, and/or technical assistance to small businesses

Competitive application process

Application Grant Request Limits:

Grants less than \$100,000 have highest competitive priority

FY2015 Funded Projects:

\$674,519 (18 Grants)

FY2016 Budget Allocation:

\$610,000

Rural Economic Development Loans and Grants (REDLG)

Program Purpose:

Assist economic and community development projects in rural areas

Who May Apply:

Rural electric or telecommunications utilities

Special Considerations:

Real estate improvements, equipment, working capital

Pass-through funding

20% Match Required from utility

Application Grant Request Limits:

Up to \$300,000 to establish Revolving Loan Fund for electric or telecommunications utility

FY2016 Budget Allocation:

\$40,000,000 (National Competition)

Rural Energy for America Program (REAP)

Program Purpose:

Assist rural small businesses and agricultural producers by conducting and promoting energy audits, and providing renewable energy development assistance.

Who May Apply:

Farmers and rural small businesses

Special Considerations:

Grant is 25% of eligible project costs

Application Grant Request Limits:

\$500,000 maximum for renewable energy projects

\$250,000 maximum for energy efficiency

\$100,000 maximum for energy audit and rural energy development assistance

FY2015 Funded Projects:

\$1,978,341 (85 Grants)

FY2016 Budget Allocation:

\$819,000

Community Facilities Grant Program

Program Purpose:

Provides affordable funding to develop essential community facilities

Who May Apply:

Public body or community-based non-profit organization

Special Considerations:

Essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community.

Does not include private, commercial or business undertakings.

Application Grant Request Limits:

Grant for up to 15%, 35%, 55% or 75% of proposed project depending upon population and MHI of proposed service area

FY2015 Funded Projects:

\$314,000 (21 Grants)

FY2016 Budget Allocation:

\$543,780

Economic Impact Initiative (EII) Grant Program

Program Purpose:

Provides funding to assist in the development of essential community facilities in rural communities with extreme unemployment and severe economic depression

Who May Apply:

Public body or community-based non-profit organization

Special Considerations:

Essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community.

Grants may be made in combination with other Rural Development financial assistance.

Community facilities may include

FY2015 Funded Projects:

\$118,700 (14 Grants)

FY2016 Budget Allocation:

\$118,700

Rural Community Development Initiative Grant (RCDI)

Program Purpose:

Provide funding to help non-profit housing and community development organizations support housing, community facilities, and community and economic development projects

Who May Apply:

Public bodies and non-profit organizations

Eligible Uses:

Training sub-grantees; for example, home-ownership or minority business entrepreneur education

Technical assistance such as strategic plan development, board training, effective fundraising techniques

Application Grant Request Limits:

\$50,000 minimum award

\$250,000 maximum award

Matching funds equal to the amount of the grant award

FY2015 Funded Projects:

\$155,000 (1 Grant)

Housing Preservation Grant (HPG) Program

Program Purpose:

Provides grants to sponsoring organizations for the repair or rehabilitation of housing occupied by low- and very-low-income families and individuals.

Who May Apply:

State and local government entities and non-profit organizations

Eligible Uses:

Home must be in a rural area or community under 20,000 population

Repairing or replacing electrical wiring, foundations, roofs, insulation, heating systems, water/waste disposal systems

Handicap accessibility features

Labor and materials

FY2015 Funded Projects:

\$86,273 (3 Grants)

Single Family Housing 504 Grants Program

Program Purpose:

Provides loan and grant funds to be used to pay for needed repairs to dwellings of very low income families. To remove health and safety hazards – leaky roofs, bad heating systems, structural problems, handicap accessibility.

Who May Apply:

Very-low income families or individuals

Special Considerations:

Home must be in a rural area or community under 35,000 population

Lifetime grant assistance up to \$7,500. Grants only available to applicants 62 years or older who do not have repayment ability.

FY2015 Funded Projects:

\$379,383(154 Grants)

FY 2016 Budget Allocation

\$367,834

Community and Economic Development (CED)

Partners With Potential to Assist Downtowns/Communities

- Missouri Department of Economic Development (DED) Community Development Block Grant (CDBG)
- Small Business Administration (SBA)
- University of Missouri and Lincoln University Extensions
- Missouri Department of Transportation (MoDOT)
- Missouri Department of Natural Resources (DNR) State Historic Preservation Office (SHPO)
- Community Development Finance Institutions (CDFIs)
- Community Foundations
- Environmental Protection Agency (EPA) Local Foods/Local Places Initiative
- Brownfields Program (EPA and DNR)

Let's Talk!

What projects do you have underway or under consideration in your community?

What barriers/obstacles exist to successful implementation or completion of the project?

Are projects being hindered or threatened by government processes?

What projects would you undertake if money were not an issue?

What assistance or expertise do you need in your community to bring your project to fruition?

What assets are present in your community which are not currently being utilized fully?



Rural Development



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USDA Rural Development is committed to the future of rural communities.



Rural Development



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