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Testimony to the Committee on Agriculture, Nutrition & Forestry of the United States Senate

October 23, 2008, Chillicothe, Ohio

Thank you, Senator Brown, for the opportunity to address the U.S. Senate Committee on Agriculture, Nutrition & Forestry on important issues in support of rural communities. My name is Marsha Lewis and I have worked at Ohio University's Voinovich School of Leadership and Public Affairs for fifteen years. The work of Ohio University is in line with the mission of USDA Rural Development—to build partnerships and provide a broad set of services to improve the quality of life for rural Americans. USDA Rural Development accomplishes this through a set of programs that meets the needs of communities from the development of water and wastewater infrastructure, to the building of community facilities, and the expansion of broadband access—all crucial components of the infrastructure it takes to keep rural communities viable, foster economic growth, and compete globally. The Voinovich School also focuses on a continuum of services—meeting the technical assistance and development priorities of rural communities in Appalachian Ohio and understanding the complexities of the diverse needs of this region.

For over 26 years, the programs of the Voinovich School have worked with rural communities in our region to build on the scholarship of Ohio University, engaging students, faculty, and professional staff to help make a difference in Appalachian Ohio and the State of Ohio. This engagement largely focuses on a continuum of technical assistance to communities in Appalachian Ohio in order to support economic growth and improve the quality of life for rural citizens. The School's work is in conjunction with and in support of the work of the broader university, with its network of regional campuses and programs providing access to people across Appalachian Ohio. For example, we are currently working closely with Ohio University-Chillicothe Dean Richard Bebee and a group of public and private sector entities focusing on innovative economic growth strategies for the region.

The School's comprehensive continuum of services is designed to address the immediate challenges communities face, while building their capacity to access resources, develop new and leverage existing partnerships and execute strategies needed to maximize opportunities. Initiatives such as the Appalachian New Economy Partnership (ANEP), a University System of Ohio program, play an important role in strengthening the region's competitiveness in the knowledge-based economy and supporting economic growth. ANEP funds have been used to support entrepreneurship and innovation in Appalachian Ohio by building and sustaining a business development network in a region that lacks access to sophisticated business assistance expertise, especially in the area of technology and financing.

The Voinovich School's continuum of services bolsters regional economic growth by:

- **Helping Communities Identify Economic Development Priorities and Mobilize Leadership.** The Voinovich School has a proven model for helping cross-sector community planning groups determine priorities and develop data-driven solutions to meet community needs. The School uses a range of data and Geographic Information Systems (GIS) tools to help communities understand current and emerging trends and issues related to economic development. Through our work in over 18 Ohio Appalachian communities over the last five years, we have found that Appalachian communities often face common economic development challenges related to infrastructure, workforce development and quality of life needs. In communities like Jefferson County, the Voinovich School's assistance has helped Citizen Advisory Groups comprised of public and private agencies and local businesses to engage local and state-level stakeholders in efforts to develop the workforce and stimulate economic viability within the community.
- **Applying Economic Development Data to Help Communities Develop Targeted Economic Growth Strategies.** Once broad community priorities are identified, the Voinovich School works with local economic development professionals and other community leaders to develop industrially-targeted strategies for economic growth. Using a number of economic development, workforce and demographic analyses, the Voinovich School helps communities determine potential opportunities for business creation, retention and

expansion. In communities like Jackson and Jefferson Counties that have recently experienced the loss of a major employer, this assistance is critical in helping communities to develop effective economic recovery strategies that capitalize on the communities' assets and optimize opportunities for future growth. This work is supported in part through the Voinovich School's designation as a U.S. Department of Commerce, Economic Development Administration (EDA) University Center and member of the Ohio Rural University's Program through the Ohio Board of Regents.

- **Linking Communities to Resources and Critical Partnerships.** After helping communities develop economic growth strategies, the Voinovich School helps link communities to critical resources and partnerships needed to execute those strategies. The Voinovich School does this through projects like the EDA-funded Community Economic Adjustment Program. In partnership with the Ohio Valley Regional Development Commission, the Governor's Office of Appalachia, and the University of Michigan, the Voinovich School assisted in linking over 58 leaders from 24 communities in Southern Ohio to more than 36 Federal and State agencies, including USDA Rural Development and the Appalachian Regional Commission. By connecting community leaders with State and Federal agencies, the program enabled local communities to learn about federal, state, and regional programs and funding opportunities that could support the social and economic priorities of communities within the region. This project, like many of the Voinovich School's efforts, ultimately helped forge valuable connections between Ohio Appalachian, state and national leaders.

Given the Voinovich School's strong network of partners within the region and the state, the School is often at a unique vantage point to link communities facing similar economic development challenges, and identify opportunities for inter-organizational and multi-community strategies and programs. For example, through a project called the Mayor's Partnership for Progress, the Voinovich School brings together mayors and city managers from cities and villages throughout Appalachian Ohio to share information and resources, meet collectively with federal and state partners on a regular basis, and tackle economic

development and community challenges faced by municipalities throughout the region. The Mayor's Partnership provides a critical platform for local officials to: (1) share information, concerns, advice and resources; (2) access information and technical assistance related to issues of potential local impact; and (3) share a collective, regional voice.

For example, the Voinovich School worked with the Mayor's Partnership for Progress to identify a key common challenge faced by small communities—the lack of early technical assistance for developing water and wastewater infrastructure projects. With the Voinovich School's assistance, the Mayor's Partnership joined with the Ohio Water Development Authority, the Appalachian Environmental Infrastructure Group, the Small Communities Environmental Infrastructure Group, the Rural Community Assistance Program, and the Ohio Environmental Protection Agency to address the lack of early stage technical assistance and corresponding bureaucratic policies that pose barriers to small communities attempting to access assistance. Through this process, the mayors' group and the Voinovich School developed a series of educational products and tools to support local leaders as they face infrastructure development and maintenance issues. These products included a publication titled *Water and Wastewater Projects in 5 Stages: A Resource Directory for Small Communities*. As a result of this collaborative effort, the Ohio EPA now distributes the resource guide statewide to communities facing findings and orders for noncompliance. Local Development Districts and Congressional field representatives also disseminate the product to local leaders in the region.

- **Providing Direct Operational Assistance to Help Businesses Grow at the Local Level.**

As described above, several components of the Voinovich School's technical assistance services focus on providing community-level assistance to help leaders develop data-driven economic development strategies. Additionally, the Voinovich School's continuum of services includes translating community-level economic development strategies into jobs and economic growth through the provision of direct business and operational assistance to businesses and entrepreneurs in the Appalachian Ohio region. The School's professional business consultants in the Appalachian Regional Entrepreneurship Group (AREG) work

side-by-side with students in the Ohio University Integrated Master of Business Administration (MBA) program to provide in-depth, customized consulting services to help start and grow businesses. Services include assistance with business planning, finance and accounting, marketing, business strategy, organizational development, and technology development and improvement. The Voinovich School identifies start-ups and existing businesses that have high-growth potential and develops long-term consulting engagements to assist in making process improvements, exploiting new domestic and international markets, and accessing new debt and equity financing ultimately leading to long-term sustainable growth.

Since 2005, the Voinovich School has provided assistance to over 1,700 businesses and entrepreneurs and assisted businesses in securing \$62 million in new loans, \$80 million in government contracts, \$3.5 million in funds from individual investors, and \$8 million in venture capital funding. The Voinovich School has assisted businesses in leveraging their competitive marketplace advantage, resulting in hundreds of new high quality, high paying jobs in the region.

USDA Rural Development has historically been a critical partner in the Voinovich School's efforts to provide a comprehensive continuum of regional, community-level and direct business assistance to support economic growth. Through support of the Voinovich School's collaborative efforts like the Appalachian Ohio Regional Investment Coalition (AORIC), USDA has invested critical resources, time and expertise to help develop and strengthen transformational strategies for Ohio Appalachia. In partnership with the National Rural Funders Collaborative and AORIC, USDA has worked with national and regional funders, grass roots leaders and practitioners and state, regional and federal policy advocates and agencies to strengthen support systems for entrepreneurs in Ohio Appalachia.

This past June, the Voinovich School, USDA Rural Development, the U.S. Small Business Administration (SBA) and the U.S. Treasury co-sponsored a lender seminar focused on USDA/SBA guaranteed lender programs and how these loans can support local business growth. Over thirty lending institutions in Appalachian Ohio attended this seminar and remain

a part of the network of public and private entities focused on targeted business development in the region.

As an important component of the direct assistance to businesses in the Appalachian Ohio Region, the Voinovich School is in its second year of TechGROWTH Ohio, a unique partnership focused on early growth stage businesses and entrepreneurs in the technology sectors. Project partners include the Voinovich School, the Ohio Department of Development, OSU South Centers, the OSU Endeavor Center, East Central Ohio Tech Angel Fund, the Muskingum County Business Incubator, Woodland Venture Management, the Ohio University Innovation Center, and Ohio University's Edison Biotechnology Institute. The TechGROWTH Ohio grant, sponsored by the Ohio Department of Development's Entrepreneurial Signature Program, covers 19-counties in the southern and eastern regions of the state. TechGROWTH Ohio focuses on four 'signature' technology areas that have the potential to be economic drivers for the region, including interactive digital technology, biotechnology, agriculture technologies, and advanced energy alternatives. For entrepreneurial innovators, TechGROWTH Ohio bridges the gap between the initial idea/invention and institutional venture capital. TechGROWTH Ohio business consulting services include sales and marketing planning, outlining and drafting business plans, intellectual property protection, proposal development for state and federal small business assistance grants and other similar business assistance services. Mid October 2008, the Voinovich School gave the first pre-seed funding check to a Southeastern Ohio-based interactive digital media company with a vision for reworking social networking capabilities via the Internet. With each milestone, this firm will receive further joint funding from the Voinovich School and its many regional collaborators in technology-based economic development.

This concept of regional collaboration is crucial to the future viability of rural areas such as Appalachian Ohio, and USDA Rural Development is a key component of that collaborative. USDA Rural Development's focus on locally-driven solutions and partnerships among private, public and nonprofit entities is crucial to the long-term viability of our rural communities. As part of a current project, I have had the opportunity to interview a broad cross-section of local

officials and private sector leaders in Ross and Jackson counties. Without exception, these local leaders are looking to the future and working to think beyond their county boundaries with regard to economic growth. For instance, Dean Bebee and the Ohio University Chillicothe campus are convening diverse stakeholders, conducting applied research, and supporting innovation to move the region forward. The goal is to benefit the region both now and into the future, so that young people will have the option to stay or return to their hometowns to work, raise families, and contribute to their communities. In order for this to be a viable option, the jobs must be there and communities must be able to maintain and build infrastructure, including the technology infrastructure and the workforce that allows communities to compete globally. In many Appalachian Ohio communities, the technology infrastructure is still lacking. Yet technology infrastructure has become a basic utility without which communities cannot remain viable. This is why USDA Rural Development's work to expand broadband access is so important to the region. In addition, the agency's support of Hocking College's Advanced Energy campus in Logan is an important project that will help rural Appalachian Ohio be competitive in this emerging market.

This facility, the PACCAR Medical Education Center, which was developed with the support of USDA Rural Development and a host of other local, state, and federal partners based on the vision of local leadership, is a prime example of that collaborative work. The Voinovich School is currently conducting research on college access for Appalachian Ohio students. One key finding is that many students want to remain in the region to go to college, live and work. In a survey of over 1,200 of last year's high school seniors in the region, close to 30 percent of the respondents planned to enter a nursing or allied health-related field. Through the Ohio Board of Regents Skills Bank Program, the Voinovich School is working with regional partners to help develop career pathways for these students who want to enter high-demand professions such as healthcare. With healthcare targeted by both the Ohio Department of Development and the Ohio Board of Regents as one of the State's high-growth industries, facilities such as this provide critical training opportunities to build the type of workforce vital to Ohio's current and future economic viability.

Efforts to develop the healthcare sector is a prime example of why the work of USDA Rural Development and its partners is crucial, and why development projects are not discrete, but interconnected. Keeping our rural communities viable to continue to attract professionals such as those in the healthcare field, is hard work and costly. The building blocks for any kind of development involve a solid physical infrastructure. Many communities in our region are in need of the first line of water or wastewater pipe. Others, such as our small cities, have aging infrastructure that no longer meets state and federal requirements. Economic hardships that hit families throughout the region make it painful if not impossible to raise utility rates to the level necessary to upgrade or, in some cases, even maintain the critical infrastructure needed for economic development and to maintain healthy, vibrant communities. This vital infrastructure includes not only water and sewer pipelines, but also recreational facilities such as parks and biking trails. Technology infrastructure such as broadband access is no longer a luxury, but a necessity if communities are going to grow and sustain businesses. USDA Rural Development has programs that support the development and maintenance of all these critical infrastructure components.

Successful economic development, including the critical infrastructure components that are the building blocks for economic growth, cannot be the responsibility of one organization or even be confined by county boundaries if we are ever to be able to capitalize on the human talent and community assets that are abundant but often overlooked in rural America. USDA Rural Development is a necessary partner in the many regional efforts to support the economic viability of communities in Appalachian Ohio. Our region remains grateful for the assistance provided by these programs and we respectfully ask that the USDA continue and even expand assistance to rural communities so that every American has a chance to earn a decent wage, raise their families with a minimum of struggle, and live in communities that provide a decent quality of life for everyone.