

SW Iowa Multi-County Cluster Enterprise Facilitation Project

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I. What is the concept and approach that you propose to implement?

We propose an enterprise facilitation program to spur the creation of new businesses, create a network of motivated people to assist entrepreneurs, and build our local economy with homegrown enterprises – including alternative agriculture ventures.

A. How will your project improve the vitality of your community

Many of the successful firms will create new jobs that will enable more people to work near home. With a greater entrepreneurial presence, our cities will be attractive to more young people as a place to live and work. The wealth from these new businesses will tend to remain in the community where it was created if businesses are locally owned.

B. Do you have specific objectives for your project?

We want to create more businesses and jobs, increase area income, rebuild a declining population base, and help younger people be able to realize their dreams in rural Iowa.

C. Do you have specific outcomes that you are hoping to achieve or measurable indicators that you will be using to evaluate the success of your project?

Creating new businesses and jobs is the primary focus and can readily be measured along with new investment in plant and equipment. Increasing per capita income, especially in comparison with surrounding counties and the state in general is another measure of the success of the project.

II. What important factors were considered in determining the approach to use?

We need a stronger economic base to provide the opportunity to earn better livings to stop heavy outward migration, we need to reinvigorate our communities, and we need to create the wealth that will sustain our region. Enterprise facilitation represents a bottom up approach that appears to be successful in accomplishing these tasks in similar rural areas for other states. The potential for increased capacity resulting from the large board of directors is one of the most important components to the program.

A. Are there unique community characteristics, unique features, or key factors regarding the approach planned that led you to conclude the approach selected is most appropriate for your community? With small rural communities, a limited workforce (2.4% unemployment October 2002), and extended distances to large cities, building local economies with small businesses best fits the current scenario. A recent Sirolli workshop on enterprise facilitation provided an opportunity to visit with the Quad

County area in Kansas. Within a few months of operation, several new firms, new jobs and new investment (2 to 3 times greater than the initial program cost) have been generated. As new businesses grow, their need for labor will raise the earnings levels and help attract people to the area.

B. What led you to believe this concept is needed or doable in your community?

Most of the region suffers from chronic population loss, low wage levels, and general decline. The enterprise facilitation concept has generated hope, enthusiasm, and confidence in rural areas in many parts of the country and provides international expertise and networking with other communities that would be invaluable for troubleshooting the variety of concerns, issues and problems that can arise for this scale of a multi-county endeavor. A tested model is provided that can be reproduced here. Additional activity will enable formation of entrepreneur mentor groups, incubators, and enhance efforts to recruit risk capital as older residents die.

C. Where did you get the idea for your project and have you visited or found information about other communities in Iowa or other states that have used similar concepts? If so, please list them. I participated in training with Ernesto Sirolli, read his book *Ripples From the Zambezi*, and have participated in numerous economic development and visioning meetings. This approach appears to have better chances of success than traditional smokestack chasing & may fill our industrial parks faster than waiting for the “big one” to arrive.

D. Are there specific steps & procedures that are planned for implementation?

1. Finish building a coalition of counties to have the population to support a program.
2. Secure funding from any and all sources.
3. Form a board to guide and develop the project.
4. Hire a facilitator.
5. Contract for board and facilitator training.
6. Implement the program.

E. Who will be involved in making the decisions and implementing the steps?

Existing county economic development groups will be the initial decision makers assisted by county supervisors and city councils. Once a board has been formed, the board will be responsible for decision making and implementation.

IV. How many existing and potential entrepreneurial enterprises or service providers do you anticipate being involved? Three to five county groups, SBDCs, ISU Extension, COGs, and community colleges will have roles in the project. The board will help connect these resources to the clients.

V. Source, Type (\$ or In-Kind), and Amount of Local Matching Resources. Dollar for dollar matching funds will be raised from local public & private sources. Economic development groups will provide staff time as In-Kind until the project is operating. The total project goal is to raise \$300,000. A target of \$200,000 will be requested from private foundations and other sources. The CVC funds will be counted as part of the remaining \$100,000 which is to be raised by local participants.

VI. Please provide a brief budget description regarding how you plan to spend CVC funds. CVC funds will be used for enterprise facilitation training and meeting expenses related to the organizational phase of the project.