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Small Town and Rural Economic Development: A Case Study Analysis of Strategies for Success

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Abstract

This research paper examines the issue of economic development in small, rural communities. Literature review of the difficulties facing small town communities and how the ever-evolving economy is affecting these communities demonstrates the need of small towns to create and implement economic development strategies in order to thrive in an urbanizing and globalizing world. Through a case study analysis of four small town communities in the United States (i.e. Ord, NE; Mitchell, SD; Davidson, NC; and Clinton, NJ), this paper aims to determine common, successful economic development strategies that have helped these communities grow and compete with larger communities. Common strategies were extracted from this case study analysis: regional and cross-sector collaboration, promotion of local-first economies and encouragement of the local entrepreneurial spirit, and strategic planning and long-term visioning for development. This research also pinpoints lessons for small Michigan communities: (1) utilize organizations, businesses, and institutions within and surrounding the community, (2) engage in long-term planning and visioning for better development outcomes, (3) support sustainability initiatives and smart growth principles, (4) invest in networking infrastructure to connect to the digital economy, and (5) take advantage of rural-specific loans, grants, and programs through the federal or state government. This case study analysis overall illustrates how officials and community leaders in small towns can strategize their economic development to promote livable, connected, and 21st Century-viable communities.

Introduction

Rural and small-town America comes in many different shapes and sizes; resource dependent to exurban bedroom communities, growth-pressured towns to population hemorrhaging communities, and from well-connected towns to communities in the middle of nowhere. Approximately 17% of the population in the United States is defined as living in rural areas and about three quarters of the total land in this country is considered rural by the U.S. Department of Agriculture (Mishkovsky et al., 2010). Given the myriad of rural community types and the sheer amount of land they take up, these communities face unique problems in the rapidly evolving economy. The rise and proliferation of the globalized, digital economy has left many small, rural towns in the U.S. behind. These communities struggle as more of the population shifts to urban and suburban centers, taking job opportunities and economic potential with them. Younger, more educated residents leave their rural towns for large urban cities that offer the advanced job opportunities and lifestyle they desire, leaving these communities with an aging population and declining tax base to offer services. These communities can already feel physically isolated from the rest of society, but the lack of communication and broadband infrastructure can especially exacerbate the isolation and create a significant barrier for rural communities to overcome.

Economic development offers a variety of tools and strategies that rural, small towns can use to grow their economies, enhance their communities, and create viable opportunities for advanced workers and their residents to take advantage of. Given that many small towns have

limited resources and smaller governmental staff to use for economic development strategies, analyzing how rural communities develop themselves and what strategies they utilize to create more livable, diverse places can be useful for administrators and developers hoping to work in small towns. Small towns must be more creative and flexible in their economic development strategies in order to compete with the wide array of tools and resources that large cities have to offer. Strategies for economic development are place-oriented and what is successful in one city may not be successful in another, so understanding the generally accepted strategies for development in small towns could offer useful information for officials and stakeholders looking to bring their communities into the 21st century.

This research paper will analyze four small town case studies across the U.S. to understand what economic development strategies these communities are using to create viable places to live. By researching these four towns, successful economic development strategies for small towns can be established and can provide guidance to other small-town officials. The four rural communities to be analyzed in this paper are Ord, Nebraska; Mitchell, South Dakota; Davidson, North Carolina; and Clinton, New Jersey. The population of these towns range from 2,310 to 15,727 and are characterized by their preservation-based relationship with the surrounding land. These communities vary in location from isolated farmland to booming exurb but have been noted in their successes as rural communities by other case study reports, innovative small towns articles, and best livable small town web listings. Through analysis of these four rural communities, the aim is to answer three questions regarding rural, small town development: How are small, rural towns approaching economic development and strategizing to compete in an urbanizing and globalizing world? What makes small town economic development successful? What lessons can Michigan rural leaders draw from this case study analysis? Analysis of these four communities reveals some common themes in economic development. These communities engage in long-term planning, regional and cross-sector collaborations, and promote local-first economies and entrepreneurs through programs and educational institution partnerships. Individual and broad community lessons from these case studies provide useful guidance to rural Michigan communities on how to approach economic development including embracing smart, sustainable growth strategies, investing in broadband infrastructure, engaging in regional partnerships, and developing strategic plans and community visions.

Background

Definition

What does it mean to be a rural, small town? The concept of *rural* is multi-dimensional and is defined differently by different organizations and researchers, meaning many people have unique perceptions about what it means to be rural (Rosenthal, 2017). The Economic Research Service of the U.S. Department of Agriculture (2008) notes the wide array of rural definitions that can be utilized for different research and programmatic purposes; these definitions can be based on administrative boundaries, commuter and economic connections to metropolitan areas, land use practices, population density, and more. ICMA contributors, Mishkovsky et al. (2010), describe five general categories for rural communities: (1) gateway communities, which serve as bases for access to natural recreation areas, (2) resource-dependent communities, (3) edge communities, (4) traditional main street communities, and (5) second home and retirement communities. Each community category faces its own unique challenges. Gateway communities aim to protect their natural amenities and diversify their economies. Resource-dependent towns lack economic

diversity and struggle with tumultuous commodity markets. Edge communities face tremendous growth pressure and haphazard development. Traditional main street towns must compete with strip development and big box retailers. Second home communities can struggle with growth and maintaining public amenities (Mishkovsky et al., 2010). These five categories will be used to define the community case studies. For the purpose of this research paper, a rural community is defined as a town of less than 50,000 that actively tries to maintain its small-town character and has an interactive relationship with its surrounding natural land. The terms *rural* and *small town* will be used interchangeably throughout this paper.

Brief History of Rural America

Rural communities have long fulfilled different needs and purposes in the U.S.. They have evolved over time as massive land-use and economic changes have swept through the country. Rural towns originally developed to serve as market and public spaces for the needs of farmers and resource dependent workers. As industrialization took hold in the late 1800s and revolutionized work and urban conditions, more workers shifted from rural life to the urban scene, as advancements in planning, sewer, urban infrastructure, transportation, and public services made urban life more desirable. The development of the car, highway system, and technology have severely impacted the way people develop land and where they locate. Once largely agricultural and resource-dependent, rural communities have now taken a myriad of forms as rapid growth in metropolitan areas and sprawled development have changed the form of many small towns.

As the rise of globalization and the knowledge-based economy has had significant impacts on development across the world, small towns have pivoted to adjust to these changes. Rural communities have diversified their economies more from single industry or resource-dependent operations to a wider range of sectors. Between 68-76% of employment in rural communities are now represented in government, retail and wholesale trade, service, and manufacturing sectors while resource dependent employment has dipped from approximately 23% in 1970 to somewhere between 6-12% in 2007 (Council of Economic Advisors, 2017a). Given this diversification of rural economies, small towns still face barriers in fully participating in the new digital economy. Small communities generally lack the resources, connections, entrepreneurial environment, expertise, staff, and infrastructure to direct economic development initiatives that support these knowledge-based firms and workers.

Towards the end of the 20th century, federal programs supporting rural communities expanded, particularly under the Small Business Administration, the Economic Development Administration under the Department of Commerce, and the Office of Rural Development under the Department of Agriculture (Council of Economic Advisors, 2017b). These organizations have largely offered different loans, grants, and support services to agricultural and small businesses. During the Obama Administration, there was more emphasis to direct funds to strengthen rural towns and their businesses, particularly related to the 2007-2008 economic recession. Between 2007-2008, the Small Business Administration loaned rural small businesses approximately \$2 billion through their 7(a) and 504 loan programs, which increased access to financing for rural businesses. The Economic Development Administration directed 69% of their revolving loan funds and infrastructure-related loans to rural businesses during the recession. The Office of Rural Development directed a significant portion of loan and grant dollars, \$1.5 billion, to small town businesses during the recession in 2008. The Recovery Act legislation increased the amount of loans given to rural small businesses by almost three times throughout 2009. These three

organizations have also taken steps to support innovation hubs through directed funds and advocate for regional economic development planning through assistance provision (Council of Economic Advisors, 2017b).

With the second year of the COVID-19 pandemic, rural communities could be facing new trends and pressures that reveal important needs for economic development. As people have been secluded to their homes for safety and health reasons, telework and remote learning have risen in prominence and many businesses could be shifting towards more permanent telework styles for cost-savings and productivity reasons. The pandemic has given businesses the opportunity to adapt to telework with new policies and technologies that make the work/life balance easier for their workers (Clogston & McGalliard, 2021, pp. 1). With the rise of telework, people are less geographically tied to where their work is located, giving people the opportunity to move elsewhere. Roughly 14-23 million teleworkers were interested in relocating in an October 2020 study estimate and a Gallup Poll from 2020 found that over half of the teleworkers preferred working from home (Clogston & McGalliard, 2021, pp. 1-2). This potential shift of digitally mobile workers could have significant implications for rural communities in terms of gaining new advanced, talented workers and shifting away from business being geographically constrained. It opens opportunities for growth while also presenting new challenges, like developing broadband infrastructure and access to support teleworkers or providing more flexible housing and rental spaces (Clogston & McGalliard, 2021). Many communities began offering telework incentives before the pandemic but advocating for telework opportunities and programs may become more abundant for local governments and states; these incentives may look like grants for relocation (i.e., Tulsa Remote program), down payment assistance on a house (i.e., Topeka Relocation Incentive), or simple information campaigns that show the amenities of the area (i.e., Chattanooga Calling and Maine's Boomerang Program) (Clogston & McGalliard, 2021).

The rise of telework, telemedicine, remote learning, and the overall digitalization of interactions could have severe impacts for communities lacking digital connection, worsening the digital divide and increasing inequality between the haves and have nots. A Pew Research survey of 915 experts and researchers noted other implications of the pandemic on society (Anderson et al., 2021). The proliferation of health data collection, evolution of government smart systems, remote-working and learning technology advancements, and the need to improve data tracking could increase the use of technological enhancements, data collection and analysis in governments for better preparation against events like COVID-19 (Anderson et al., 2021). This could place strains on rural governments that do not have access to these materials, training, or expertise, and it could ultimately make these communities less modernized and less livable. The need for digital data and technological advancements will only further the need for more knowledge-based workers; the increased attention in epidemiology, synthetic biology, virology, and predictive data modeling will also increase the need for more knowledge-based workers (Anderson et al., 2021). These attention areas will further entrench the knowledge-based economy, putting even more pressure on small towns to expand their human capital.

Issues Facing Rural Communities

Rural communities are facing new challenges in this modern digital economy and globally connected world. One of the biggest challenges for rural communities is broadband connectivity and telecommunication infrastructure; this issue impedes the ability of a rural town to participate in the global economy and can isolate residents digitally. Approximately one third of counties have

access to high-speed internet and, of the rural counties that have a population under 50,000, 77% do not have access to high-speed internet (Greenblatt, 2020). For rural communities to attract new remote workers, digital connectivity is an important asset for gaining new skilled telecommuters. However, broadband infrastructure can be expensive for internet companies to install in rural areas because the low population density does not make it profitable for these companies to justify installation costs (Belson, 2020). Bosworth et al. (2020) note the importance digital connections for rural economies: “Uneven tele-communications infrastructure leads to inequalities in digital skills and uptake among local populations, which is further compounded by the inability of poorer connected areas to attract digitally skilled people or firms” (pp. 599). Connectivity and accessibility to the new array of telework, remote schooling, e-conference, and telemedicine can increase the social mobility of rural residents and provide them access to jobs, schools, and health services they would normally have to drive a significant distance to access (Bosworth et al., 2020). Broadband investments in Rock County, Minnesota, which has a population under 10,000 people, has spurred new investments in wind and solar projects and has attracted new employers to the area, like Midwest Dry Cast (Belson, 2020).

Another challenge facing rural communities is the loss of young, educated populations. Greenblatt (2020) estimates that about 30% of high school graduates leave their rural counties after the first few years of graduation. The inability of some small towns to keep young, skilled, and educated people feeds into and worsens already existing issues in the community, like a declining tax base, a population of lower skilled and lower wage workers, a loss of viable jobs, vacant buildings, increased poverty rates, increased social service pressures, and increased unemployment (Council of Economic Advisors, 2017a). These issues contribute to undesirable communities that cannot support innovative, entrepreneurial businesses or attract new firms and people. This disinvestment and decay can decimate small downtowns and feed into a vicious cycle of abandonment, declining services, and population and talent loss.

Small towns also suffer from an accessibility and availability problem, not just in broadband, but also in capital access and cultural or social amenities. To promote an entrepreneurial environment, start-ups and evolving enterprises are going to need capital, like financing or investment, in order to grow. However, many small towns already have limited local options in terms of financing and the ones that do have local banks have witnessed bank closures over the past several years. From 2012-2017, local bank closures ran high with about 40% of rural areas having bank closures and, in 2018, about one third less of entrepreneurs were running businesses in rural areas than were in the 1980s (Greenblatt, 2020, pp. 33). Rural communities are also affected by the lack of philanthropic and grant support. Only 100.5 million of the total \$30 billion given by philanthropic foundations is directed towards rural development and less than one percent of the roughly 65,000 grant-making foundations create rural designated grants (Fluharty & Scaggs, 2007). Small towns may have some social and cultural amenities, like museums, festivals, theaters, and art galleries, but not to the scope and scale of big cities. Cultural amenities and access to social scenes are important factors in attracting the creative class to ensure workers can enjoy activities in the small town in their free time (Bosworth et al., 2020). However, McGranahan, Wojan and Lambert (2011) note that rural towns may have amenities attractive enough to bring in what they call the *rural creative class* who are knowledge-based, creative, and intellectual workers that desire rural living. In particular, the authors emphasize the importance of natural resource amenities in attracting creatives and stimulating the entrepreneurial environment; their analysis of the interaction between the presence of the creative class, the strength of the

entrepreneurial environment, and the quality of outdoor amenities revealed a synergistic relationship that promoted rural growth in counties (McGranahan et al., 2011).

Rural communities may also be limited in their government staff, which can create issues with quality service provision, planning, performance measurement, data collection, the pursuit of sustainability initiatives, and economic development planning. Many small towns may have limited staff with one-person departments, more part-time employees, or lower levels of expertise and training (Mullenix, 2017). Economic development requires visions for the future development of the town, planning, policymaking, stakeholder involvement, data collection for development projects, potential grant writing, and coordination among different organizations. A lack of training in these areas may make these rural government officials ill-equipped to manage economic development planning and strategy creation (Mishkovsky et al., 2010). It can also impact a government's initiative to pursue sustainability planning and policies, which can be instrumental in attracting advanced, innovative workers and businesses. Sustainability initiatives are over 30% less likely to be pursued by smaller communities with populations less than 5,000 than urban communities that have over 100,000 people (Benfield, n.d.). The limited services and expertise offered by the small-town government cannot support and attract entrepreneurial businesses that require time, expertise, planning, training and so on to develop and grow (Mullenix, 2017).

Another big trend affecting rural communities is the reduction in agricultural employment. Advancements in agricultural technology and data collection, tracking, and monitoring have reduced the need for farm operators. About 65% of farm operators have to work elsewhere to maintain income and over half of the farmers have a different primary occupation, according to a 2007 Census of Agriculture (Mishkovsky et al., 2010, pp. 3). Farmland has also been lost to development for other land uses and the growth of corporate farms have consolidated farmland, resulting in less farms and farmers (Mishkovsky et al., 2010). Corporate consolidation and the haphazard loss of farmland to residential and commercial development can impact the local economy, with less of a local-first focus and a loss of natural amenities. The severe loss of forest land in rural areas to development can also have the same impacts as the loss of farmland. In another 30 years, rural areas are expected to lose an additional 23 million acres of forest land, severely impacting the areas' ability to attract natural amenity seekers and tourism dollars, along with the loss of ecosystem services and wildlife (Mishkovsky et al., 2010). A key challenge with the potential loss of natural lands for small, rural communities is to balance the preservation of their unique relationship to their surrounding lands with the need to support development projects that benefit the local economy.

Case Studies

By analyzing four different small town case studies, this research plans to determine generalizable economic development strategies for other rural community leaders to draw from and utilize for their communities. The four communities to be analyzed are Ord, Nebraska; Mitchell, South Dakota; Davidson, North Carolina; and Clinton, New Jersey. The populations of these communities fall well below the 50,000-population maximum limit for small towns and are in different areas across the U.S. to provide a wider range of small-town types in the case study analysis.

Ord, Nebraska

Ord is an agricultural community located on the Loup River with a population of approximately 2,310 residents (U.S. Census Bureau, n.d.(a)). Ord could be classified as a gateway, resource-dependent and traditional main street rural community. This small town is relatively isolated from major highways and urban areas, with the closest interstate being 70 miles away and the closest urban area being 165 miles away (Lambe, 2008). Ord offers access to the Sandhills natural area, water recreation activities on the Loup River, and a cost living that is 21% lower than the national average (City of Ord, Nebraska, n.d.). The median household income for the city of Ord is \$46,890 with a poverty rate of 12% and Bachelor's degree or higher rate of 24.8% (U.S. Census Bureau, n.d.(a)). The community had been facing the traditional small-town issue of population decline (10% within a decade) and an exodus of young workers between the ages of 15 and 25 (Lambe, 2008).

With the financial loss from population decline, the community decided to strategize for recovery and revitalization. The City of Ord partnered with Valley County and the Ord Chamber of Commerce to create a dedicated revenue stream through a local option sales tax for a new economic development office; the office would then aid development efforts in the community by offering expertise, loans, incentives, grant information and data measurement for entrepreneurial development efforts (Lambe, 2008). Local public schools also invested in developing their human capital by promoting entrepreneurship through the creation of business, finance, and marketing classes and by partnering with the SynoVation Valley Leadership Academy to teach young residents leadership, community involvement, and entrepreneurial skills (Lambe, 2008). The SynoVation Valley Leadership Academy, developed in part by the Valley County Community Foundation Fund, has had positive impacts on entrepreneurial and business development with about 56.6% of level 2 and 3 leaders starting new businesses, 27.7% expanding their businesses, and 39% shifting into new community leadership roles (SynoVation Valley Leadership Academy, n.d.). The city also established a community endowment fund that is managed by the Nebraska Community Foundation and grants are given out by the Valley County Economic Development Board based on the mission of the programs (Lambe, 2008).

The City of Ord relies on and refers to many Valley County and State of Nebraska economic development assistance programs and incentives to promote business development in their town. The city itself offers three major economic development programs: Revitalize Downtown Ord Program, which offers 0% interest loans to businesses for aesthetic improvements, TIFs, and shop-local campaigns (City of Ord, Nebraska, n.d.). The Ord Chamber of Commerce created Ord Area ChamberBucks to promote local purchasing and established a ShopOrd website that provides a portal for member businesses to sell their local products and connect to customers on a global scale. ChamberBucks have been purchased by residents in the amount of roughly \$240,000 since 2010 and the ShopOrd website has connected local businesses to customers in 46 other states and Canada (City of Ord, Nebraska, n.d.). Valley County offers the Business Corridor Improvement Program with 0% interest loans for up to \$10,000, Rural Public Power Revolving Loan Fund which provides money to support rural start-ups, and technical expertise for business transitions and new start-ups with in-house legal, accounting, and banking services (City of Ord, Nebraska, n.d.). There is also a county-level investment club, called Loup Valley Investment Club, LLC, that acts as a local pollinator through local entrepreneurial investment and expert business planning assistance. The City of Ord (n.d.) also refers to the State of Nebraska's economic development programs for local business support, like the Microenterprise Tax Credit, Rural Enterprise Assistance Programs, and the Nebraska Advantage incentive package.

The economic development strategy for Ord includes emphasis on entrepreneurial investment and training, regional collaboration and partnerships, leadership training, and community philanthropy (Lambe, 2008). These strategies have resulted in more than \$125 million in investment within the city from both public, private and non-profit organizations since 2000 (City of Ord, Nebraska, n.d.). Roughly 100 new businesses and 350 new jobs have been created with these community-wide strategies (City of Ord, Nebraska, n.d.). The SynoVation Valley Leadership Academy has also seen tremendous growth in leadership opportunities and entrepreneurial expansion through their county-wide program. The establishment of the local-option sales tax has assisted about 57 county-wide and Ord-based businesses with about \$4.4 million in low-interest loans, spurring \$13 million in new developments (City of Ord, n.d.).

Mitchell, South Dakota

Mitchell is a growing technological center in rural South Dakota. The U.S Census Bureau (n.d.(b)) estimates Mitchell's population at 15,727 and a median household income of \$46,661. Mitchell provides many amenities to surrounding communities, with seven annual festivals, numerous dining options, community theater, downtown shopping, and natural resource areas. This small town could be categorized as a resource-dependent and traditional main street community but has diversified its technology-based economy and competes regional and nationally for knowledge-based workers. Changes in the agricultural economy, young population loss, and the growing pressure to compete in a global economy pushed the City of Mitchell to strategize its growth in telecommunications and information technology and to promote young, local entrepreneurs.

Mitchell was the first community in South Dakota to heavily invest in broadband infrastructure and it was pushed primarily by educational institutions and local businesses (Greenblatt, 2020). Mitchell Technical Institute invested in a center for students to access and learn about advanced technologies, receiving federal funds to enhance the infrastructure, which spurred private network carriers to install networking infrastructure across the community (Belson, 2020). The investment from Mitchell Technical Institute in technological infrastructure attracted the development of two health systems and contributed to growth in other industries that rely on telecommunications infrastructure, like engineering and cybersecurity (Belson, 2020). Tech-based companies grew within Mitchell, with companies like Innovation Systems, LLC and Vantage Point growing and connecting with local institutions to match business needs with the education and training of young residents. For example, another local educational institution, Dakota Wesleyan University, collaborates with Innovative Systems, LLC to provide internships and project opportunities to students learning about software, mobile-platforms, and information technology (Greenblatt, 2020). This creates a potential education-to-local-work pipeline where educational institutions match programs and training to the needs of the local businesses, helping young skilled residents find work to stay within the community. Dakota Wesleyan University, in partnership with Mitchell Technical Institute, has also invested in a center for entrepreneurship; this center helps assists students with business plans and start-up information along with promoting the entrepreneurial spirit of the community (Greenblatt, 2020).

The City of Mitchell is not rich with tax revenue to support traditional economic development incentives; the State of South Dakota has no state income tax to share with local governments (Greenblatt, 2020). Mitchell relies heavily on partnerships and collaborations between different community institutions, businesses, and agencies to support economic

development programs and investments in community development. Different organizations across Mitchell that support business growth and specialize in improving human capital include the Mitchell Area Development Corporation, a non-profit focused on economic development that offers loans to small businesses; Mitchell Department of Labor & Regulation; Complete Career Center, Inc., which matches job candidates to the right employers; and Cornerstones Career Learning Center, which trains and educates adult, foreign, and special-needs workers (City of Mitchell, South Dakota, n.d.). The city itself has a couple of economic development funding tools to support business growth and revitalize parts of their downtown: the Areawide Business Council Revolving Loan Fund provides low-interest loans to businesses and organizations for expansion purposes, Mitchell Downtown Business Improvement District helps downtown businesses physically improve the streetscape, and Mitchell Main Street Revolving Loan Fund targets loans to improve historic buildings (City of Mitchell, South Dakota, n.d.). The city government of Mitchell has also participated in a strategic planning and visioning process called “Forward 2040” to help direct the long-term development of the community, in collaboration with the desires of local stakeholders, educational institutions, and private businesses (City of Mitchell, South Dakota, n.d.).

The economic development strategy for Mitchell started from the bottom-up with investments in networking infrastructure from private and educational organizations and has evolved into a strong collaborative environment across sectors to fill-in the gaps of the local government. These interdependent partnerships have resulted in these institutions providing much of the economic development output and human capital training that supports the growth of existing tech-based companies, along with their ancillary businesses, and provides services and financing to new, young entrepreneurs. Mitchell has witnessed a diversification of its economy from heavy agriculture and manufacturing to growing employment in tech-based industries, engineering, and medicine.

Davidson, North Carolina

The community of Davidson has a population of 12,735 with a median household income of \$124,853, a Bachelor’s degree rate of 41.4% and a Graduate or professional degree rate of 32% (U.S. Census Bureau, n.d.(c)). This small town has many amenities to offer residents, like community theater, a performance hall through Davidson College, numerous art galleries, downtown shopping, dining, and festivals. Davidson would be classified as a traditional main street and edge community with development pressures from the outgrowth of the City of Charlotte. The massive population growth in Charlotte has pushed the Town of Davidson to fight back in order to preserve its small-town charm and community-based lifestyle. The community heavily invested in smart growth and new urbanist principles as a strategy to strengthen their sense of community and to consciously and cautiously direct future development in sustainable ways (Lambe, 2008).

The government and community members of Davidson adhere and agree to the principles of smart growth that enhance the downtown vibrancy, create connected and walkable neighborhoods, preserve open green space for community use, aim to increase citizen diversity, grow sustainably, and involve community stakeholders more actively in the development process (Lambe, 2008). Davidson adjusted its planning and zoning regulations to conform better with new urbanism with the enactment of an Adequate Public Facilities Ordinance that ties the development of buildings to the necessary requirements for adequate public infrastructure (Lambe, 2008).

Zoning regulations also include green space requirements for developments and affordable housing requirements that state 12.5% of new housing projects must be affordable housing (Lambe, 2008). 600 acres of open space has been created since the enactment of these new urbanist principles in 2000 (Town of Davidson, North Carolina, n.d.). Citizens are also heavily involved in the planning and development process, which makes the approval process of development projects long but ensures economic development for the small town is democratic and stakeholder-driven, creating projects that mesh well with the community and match their desires. Through Davidson's smart growth and main street preservation methods, the town was awarded the 2004 Smart Growth Award for Overall Excellence and 2013 "Great Main Street" Award from the North Carolina Chapter of the American Planning Association (Town of Davidson, North Carolina, n.d.).

The Economic Development Department in the Town of Davidson integrates the triple bottom line perspective and asset-based development into their programs and strategies, including their 2012 Economic Development Strategic Plan. Asset-based economic development lists the valuable local and regional assets a community has access to and creates strategies, partnerships, and programs to strengthen those assets in innovative ways, which will enhance the community's sense of place and quality of life (Read et al., 2013). The Economic Development Department also promotes buy-local campaigns with its "Turn Around Shop In Town" campaign and the 12 Days of Christmas in Davidson that supports buying local Christmas gifts (Town of Davidson, North Carolina, n.d.). Not only does Davidson have its own Economic Development Department, but the town is also partnered with the surrounding cities of Cornelius and Huntersville through the Lake Norman Regional Economic Development Corporation, which acts in a facilitative capacity to assist businesses with training programs, connect businesses to different financing authorities and match companies to the right properties (Town of Davidson, North Carolina, n.d.). Davidson also collaborates with the North Carolina Main Street Program, Lake Norman Chamber of Commerce, Charlotte Chamber of Commerce, and Davidson College to support sustainable economic development initiatives region wide. Davidson College fulfills an important role in the town by servicing local entrepreneurs and providing resources to students to develop their businesses. The Hurt Hub for Innovation and Entrepreneurship at Davidson College is a revitalized old textile mill that has been turned into a collaborative space for students, creatives, inventors, and business leaders (Davidson College n.d.). This new entrepreneurial center offers the Social Commons that provides space for connection, discussion, and socialization. The Hurt Hub also has several co-working spaces, the Van Deman Innovation Lab, high-speed internet access, private offices, and conference room space for students, faculty, and entrepreneurs (Davidson College, n.d.). The Hurt Hub also offers mentorship and coaching for free from LaunchLKN, a networking group of about 40 experienced investors and business leaders (Davidson College, n.d.).

The economic development strategy for Davidson includes an emphasis on smart growth principles, sustainable development, regional partnerships, entrepreneurial encouragement through Davidson College's Hurt Hub, and long-term planning with both a city-wide and Economic Development Department strategic plan. These strategies have resulted in walkable neighborhoods, a vibrant downtown, open green space for community gatherings, increased democratic involvement from community members in the development process, and a community where people want to live, work, and play. Davidson and its stakeholders ensure that the development projects brought to them are right for their community now and in the future and the development pressure from the outgrowth of Charlotte allows this community to pick and choose the right development.

Clinton, New Jersey

Clinton, New Jersey is small town with a population of 2,686 and is located between New York City and Philadelphia (U.S. Census Bureau, n.d.(d)). The median household income for Clinton is \$103,958 and has a highly educated population with 34.1% having a Bachelor's degree and 21.2% having a Graduate or professional degree (U.S. Census Bureau, n.d.(d)). This rural town would be classified as a traditional main street and edge community. Clinton works to protect its rural heritage while trying to balance itself as an entrepreneurial, connected community for an advanced workforce, competing with the likes of New York City and Philadelphia. As Clinton states, "We are ready to serve as an incubator and home base for a skilled, remote workforce. Clinton is the perfect locale to provide the work/life balance so coveted by employees in today's market" (Town of Clinton, New Jersey, n.d.).

The Town of Clinton has access to many amenities that may make it unique as a rural community. The town is within an hour drive from seven universities including Princeton University, Rutgers University, and Rarita Valley Community College (Town of Clinton, New Jersey, n.d.). Transportation is also accessible from Clinton, being within walking and driving distance of the Trans Bridge Bus Station and the Annandale Train Station, connecting the small town to major urban centers. Downtown Clinton has shopping, dining options, and museums, while the town is centrally located between different natural resource areas, like the Columbus Trail, Spruce Run Recreation Area, and Round Valley Reservoir.

Through the 78/22 Coalition, the Town of Clinton collaborates with surrounding communities to create economic development opportunities that benefit all partners, particularly focusing on the promotion of tech- and innovation-based company development along the I-78 and U.S.-22 corridors. The Hunterdon County Economic Development organization also offers a lot of economic development assistance to the Town of Clinton with Targeted Recruitment Services, which provides career services to residents, and Workforce Mobility Program, which connects sustainable transportation to workers (Hunterdon County Economic Development, n.d.). Hunterdon County also connects many local businesses to programs and incentives offered through the State of New Jersey, like the Angel Tax Credit, New Jersey State Trade Expansion Program, Edison Innovation Fund, or New Jersey Talent Networks (Hunterdon County Economic Development, n.d.). Within Clinton, there is an Economic Development Committee composed of voluntary community members that directs sustainable, long-term growth and preserves the historic beauty of downtown; the committee serves as an advisory role in the decision-making process, assisting the Planning Board and City Council with development decisions and also serves as a connector between the city government and prospective project developers (Town of Clinton, New Jersey, n.d.). Clinton is also surrounded by business and community organizations that promote local business interests, provide networking opportunities, and serve humanitarian community needs; these organizations include the Guild of Clinton (a non-profit organization promoting downtown life), BNI-Clinton (a business networking group), the Rotary Clubs of North Hunterdon and Clinton Sunrise, Friendly Sons of St. Patrick, Greater Raritan Workforce Investment Board, and the Hunterdon Chamber of Commerce (Town of Clinton, New Jersey, n.d.).

The economic development strategy for Clinton involves heavy reliance on partnerships and collaborations to boost the business climate of the town along with a marketing strategy that leans into the new remote workforce shift that evolved more rapidly due to the pandemic. The proximity of Clinton to desirable urban areas, like New York City and Philadelphia, and the access

of the town to educational institutions, transportation options, and numerous healthcare facilities, Clinton can promote itself as a town rich with natural resources, quaint rural life, and a close-knit community feeling that may be desirable to digitally mobile workers looking to relocate farther away from urban centers.

Discussion

From the four small town case studies, some generalizable economic development strategies emerge. One of the most prevalent themes across each community was the significance of regional, cross-sector collaboration in stimulating economic development. All communities partnered with county-level economic development organizations (i.e., Ord and Valley County Economic Development) and most partnered with neighboring towns to pool their resources, creating attractive incentives and programs through collaboration (i.e., Davidson and Lake Norman Regional Economic Development Corporation). Given that many rural towns lack the critical population density and resources to draw in potential development projects, pooling their collective resources and expertise can create stronger economic development programs to stimulate entrepreneurialism and can create leverage for financial resources from other institutions. Partnering with surrounding organizations for economic development planning can also help rural communities plan for development without the financial strain of creating a specific department or office for economic development.

Another prevalent theme across these communities is their promotion of local-first economies and the entrepreneurial spirit. Two out of the four communities, Ord and Davidson, have buy-local campaigns to support local businesses. Ord has even gone so far as to create local dollars through the ChamberBucks program and established a website for local businesses to use to sell their goods across the country. Davidson and Mitchell have strong assets in their local educational institutions that promote the development of young leaders, entrepreneurs, and innovators with the goal of growing their local human capital and economy. The Hurt Hub at Davidson College has created an innovative, collaborative space for students, faculty, and business leaders to develop their projects and plans with resource and expertise support. Mitchell has a strong partnership with its two local colleges, Mitchell Technical Institute and Dakota Wesleyan University, which has created plans for educating their young people in technology and established connections that help place young, local talent into local companies. The involvement of the non-profit organization, SynoVation Valley Leadership Academy, in the training and coaching of enterprising individuals in Ord has been a pivotal investment in their human capital.

Strategic planning and long-term visioning were also guiding tools that helped two out of the four rural communities support their economic development goals. Davidson and Mitchell both engage in strategic planning to establish visions for the future and to direct community development based on goals and desires. Long-term planning is important in order to create deliberate decision-making around development projects and community programs. Through clear goals, measurable objectives, and visioning, strategic planning produces a document mutually agreed-upon by community stakeholders that helps leaders match development to needs and desires of the community. Economic and community development becomes focused and directed, guided by the strategic plan. Davidson not only engages in strategic planning, but also lets smart growth principles guide their development decisions and create stringent rules surrounding those principles in order to create a sustainable, vibrant community with actively involved stakeholders.

While the case study analysis revealed some common rural community development strategies, these communities also can provide important lessons to small towns in Michigan and other states for successful economic development strategies. The first lesson is the importance of understanding and using the organizations, businesses and institutions within and surrounding the rural community. Each community partnered with external communities, governments, educational institutions, non-profits, and local businesses to strategize for development in ways that incorporated pooled resources and addressed stakeholder needs. These collaborations can help address the needs of the local organizations and businesses, creating stronger, supportive communities together. Small town governments may be lacking the financial resources to support community development initiatives; creative partnerships can fill in those financial and expertise gaps missing in local governments. Small towns must be as innovative as their local entrepreneurs in order to bring their communities into the 21st century. Local institutions can also create a local-first mentality and stimulate connections within the community that help keep young talent home. Local educational institutions can be significant investors in community development and human capital growth, as has been shown with Mitchell and Davidson; small towns that have nearby universities, technical schools or community colleges should collaborate with those institutions to boost local talent and support entrepreneurs. The second lesson is the importance of long-term planning. As mentioned earlier, strategic planning, comprehensive planning, and community vision-building create a guide for communities that tells leaders what their stakeholders want for their community and provides a pathway forward for a thriving community. Decision-making surrounding development can then rely on these documents and plans to make deliberate, thoughtful, and sound choices. These long-term plans also get the community engaged in the design and future planning of their community, ultimately building a common mission and vision together and increasing community buy-in for the growth of their town. UNC Chapel Hill in their qualitative study of small towns across the United States noted that communities that are future-oriented and have a shared vision have better outcomes in their development than passive or short-term based communities (Lambe, 2008).

A third lesson for rural Michigan communities is the potential strength in embracing sustainability initiatives and smart growth. Taking on a green role, small towns can direct development for economic success while still promoting their rural lifestyle and preserving their natural resources. Smart growth and related policies can create paths that match development to community needs in a way that supports sustainable, long-term growth. Davidson provides a prime example of a small community investing in smart, sustainable development. Through more defined zoning regulations and aesthetic-based development, the Town of Davidson can grow at a level pace with its infrastructure and public services, while also directing development to already developed or infrastructure-supported properties. The affordable housing requirements, open space conservation, and heavy community involvement have created a high-demand community that can pick and choose from its offered development projects. The ICMA report on rural smart growth also provides a wide array of available tools, approaches, and policies that small towns interested in pursuing sustainable development can use, including use value taxation, right to farm policies, infill development incentives, conservation easements, and more (Mishkovsky et al., 2010). The fourth lesson for Michigan small towns comes from Mitchell, South Dakota: invest and support networking infrastructure. With bottom-up initiative from local businesses and educational institutions, Mitchell now has wide access to high-speed internet, which has brought the community into the digital economy. The installation of network infrastructure has spurred the growth of more tech-based companies in cybersecurity, software, telecommunications, and

business solutions. By investing in broadband, small towns can market themselves as communities for the new teleworker workforce. Rural communities can be as digitally connected to the global economy as urban areas, while also offering this new digitally mobile workforce the advantages of rural living, like a lower cost of living, stronger sense of community, more family time, access to natural amenities, and less traffic. Currently, the Rural Development Office is offering the broadband infrastructure program, called the Broadband ReConnect Program, for rural communities that provides loans and grants to communities interested in expanding broadband access for their residents (U.S. Department of Agriculture, n.d.). The fifth lesson for Michigan communities is to research, apply for, and utilize rural-specific grants, loans, and programs offered through the federal or state government. These rural-specific programs are targeted for the development of rural towns and can provide financing options to governments and businesses already strapped for resources. Through the Rural Development Office, numerous assistance programs are available for rural development in different areas, like housing, community facilities, business, agriculture, environmental, infrastructure and energy loans and grants (n.d.).

Conclusion

Rural towns are typically perceived as backwards or stuck in time, failing to join urban cities in the new global, digital economy. These communities face a whole new slate of challenges and opportunities in the ever-evolving world. Small towns and their community institutions must now work to tap into their local talent, grow their businesses, compete for advance workers, engage in long-term planning, create thriving downtowns, and support sustainable development all while preserving their natural lands and maintaining their small-town aesthetic with more limited government resources. The four case studies of small-town communities illustrate how officials and community leaders can strategize their economic development to promote livable, connected, and 21st Century-viable communities. Most of these communities engaged in the common strategies of regional and cross-sector collaboration, stimulation of entrepreneurship and business through local programs and institutions, and long-term planning. The towns of Ord, Mitchell, Davidson, and Clinton provide their own individual lessons that Michigan small-town community leaders can learn from in order to create more successful small-town economic development strategies. Michigan rural communities need to assess their environments and build partnerships with surrounding organizations; rural communities can be stronger together. It is also important that Michigan communities grow smart; rural is not rural with haphazard, land-consuming growth and communities need to develop consciously to balance the rural lifestyle with a thriving, connected economy. A less place-bound economy can be pivotal to rural growth, so investing in infrastructures that support digital connectivity are vital to supporting job development.

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