

Office of Rural Community Affairs 🛠 Rural News and Information for Rural Texans 🛪 Summer 2005

ORCA Launches Business Development Programs

New Initiatives Total \$2 Million for Rural Businesses

By Julie V. Kelly, ORCA

On June 23, 2005, ORCA launched two new business development loan funds totaling \$2 million for rural communities and counties across Texas. The Small Business Loan Fund and the Microenterprise Loan Fund are competitive, annual funds designed to encourage local job creation and retention benefiting low- and moderate-income persons in eligible rural communities.

The new programs were initiated by ORCA's Executive Committee and are the direct result of their desire to provide more assistance to rural communities that need to stimulate job

creation. The new loan programs will assist entrepreneurs and small business owners who are unable to access traditional small business loans or other funding sources. Both programs fulfill an unmet need in rural communities by providing loan recipients with additional funding resources accompanied by support services such as technical assistance and training through nonprofit partners.

The Small Business Loan Fund is a \$1 million initiative that offers grants to eligible cities and counties supporting for-profit businesses that (*Continued on page 6*)

ORCA Begins Sunset Review

On August 19, 2005, ORCA will submit its Self-Evaluation Report to the Sunset Advisory Commission and begin the Sunset Review process. The report provides general information about ORCA to assist the commission members and staff in assessing the agency. ORCA's Executive Committee will review and approve the report before the agency submits it for Sunset Review.

The Sunset Advisory Commission is a 12-member body of legislators and public members appointed by the Lieutenant Governor and the Speaker of the House of Representatives. All state agencies complete a Sunset Review to ensure compliance with legislative policies and to determine if the agency's functions are still needed. The Sunset process begins when the legislature sets a timeframe for review of the agency, including a date on which the agency will be abolished unless legislation is passed to continue the agency. As a result of the review, the Sunset Advisory Commission may make fundamental changes to an agency's mission or operations if needed.

The commission will hold public hearings regarding the agencies currently under review beginning in September 2005 and will report their findings to the 79th Legislature in February 2007. The legislature will consider the commission's recommendations from January to May 2007. The Sunset Review process allows the public to participate in the review of an agency by reviewing Sunset documents, contacting the Sunset Advisory Commission staff to provide input about the agency, testifying at public hearings and taking part in the legislative session. To find out more about the Sunset Advisory Commission, visit them online at www.sunset.state.tx.us.

Source: Sunset Advisory Commission website.

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OFFICE OF RURAL COMMUNITY AFFAIRS

"The state agency dedicated solely to serving rural Texas."

Texas State Office of Rural Health

Ellis County's Roads of the Future

County Finds Fix for Roads with Local Manufacturer's New Product

By Larry Jones, Ellis County Commissioner, Pct. 2

Ellis County Commissioner Larry Jones was looking for a more costeffective method to construct roads with greater strength and longer service life. A life-long resident of Ellis County, Commissioner Jones had seen the roads deteriorate as more people moved in, and his roads were required to carry traffic loads well beyond what they were designed to carry. He also knew his constituents could not bear the tax burden required to fix them.

Keeping it local

Researchers at Texas Industries Inc. (TXI), a cement manufacturer in Ellis County, had recently created a new type of cement capable of significantly increasing the strength of the roadbed. When Ellis County contacted TXI to ask about using the cement as a stabilization material, the timing was perfect. TXI was ready to take its new product public and make a field test.

"We have a vested interest in improving Ellis County roads too", said Barrett Reese, a Vice President with TXI. "Ellis County is not only our manufacturing home, but it's also where hundreds of our employees live. We have a large presence in this community. We are proud to help provide a solution. Recycling-in-place is good for everybody. Instead of buying and bringing in new materials, it uses the materials already in the road bed."

Innovative product

Rural county roads across Texas and other states have been constructed by compacting gravel, spraying a coat of liquid emulsified asphalt and covering the asphalt with a thin layer of pea gravel commonly called "chip seal." These are economical roads but with limited weight carrying capacity, limited traffic load and limited life due in part to water infiltration.

Reconstruction is accomplished by adding new gravel or flex base to the failed areas, tilling the entire roadbed to incorporate the new material, recompacting and then re-surfacing. The addition of the new material is by far the most expensive portion of the road building process.

Better roads for less

Commissioner Jones stated that there is already clear evidence that the stabilization is working in the short term. Jones said, "If the experiment continues to work as well as our initial tests indicate, a lot of good things will happen for county road building. The new stabilizer can be used for well below the cost of adding gravel. We will have a stronger road that is water resistant and will allow more and heavier traffic, while lasting longer. In other words, "we will do a better job of road building for less money."

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Smoke rises as TXI applies hot oil over a road in Ellis County, Texas. The resurfacing of the road was part of a field test for a new TXI product developed to use recycled materials and increase the strength of the roadbed.



OFFICE OF RURAL COMMUNITY AFFAIRS

The Rural Texan is a free publication of the Office of Rural Community Affairs (ORCA).

It is produced quarterly to inform the public about agency programs and services, and is written and designed in-house by agency staff.

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Volume 4, Issue 1, Summer 2005

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From the Desk of ...

Executive Committee Chair

As the dust settles following the 79th Regular Legislative and special sessions, many of you may be wondering just what took place under the dome and how ORCA and rural communities should respond. According to the Legislative Reference Library of Texas, legislators filed more than 5,484 house and senate bills during the regular session, and passed approximately 1,389 bills of which 19 were vetoed (as of June 20th). Some of the bills pertain specifically to rural communities and many bills will affect rural Texans, directly or indirectly.

However, numbers alone do not tell the story of the 79th Legislature, especially concerning rural Texas. Closer examination of rural-related legislation reveals that economic and community development, state healthcare and colonia improvement were all top-of-mind issues for legislators this session.

Legislators called on ORCA to serve on several workgroups concerned with colonias and border issues, economic development, and other rural-focused areas. New workgroups, such as the Texas Entrepreneurship Network (TEN) established in HB 1747 and the interagency workgroup on border issues created by HB 925, are an aggressive and effective approach to keeping rural issues on the table and solving challenges in our communities.

In addition, the legislature showed their concern for rural health issues with key bills such as HB 2619, which establishes an Emergency Services District Program to be administered by ORCA; and HB 916, which requires ORCA to participate in the Texas Health Workforce Planning Partnership, a standing subcommittee of the newly created Texas Health Care Policy Council. As the agency participates in these and other workgroups, we will continue to serve as a definitive source of information on rural issues and policy.

There's no doubt that the regular and special sessions have expanded opportunities for rural communities to take a few steps forward. Now it's up to rural Texans to make the most of the results of the 79th Legislature.

William M. Jeter III

Chair, ORCA Executive Committee

Executive Director

During the 79th Legislative Session, as always, ORCA was available to provide information on rural issues to legislators so that they could make informed decisions. ORCA extends the same service to our constituents and, as ORCA's Executive Director, I am happy to furnish a post-session brief regarding the agency and rural Texans.

In summary, the 79th Legislature was kind to rural Texans and to ORCA. Legislators made clear that they recognize value and talent in rural Texas by acting to reinstate the five percent reduction in funds mandated by the 78th Legislature for all state agencies. ORCA requested the reinstatement of the lost five percent in the agency's Legislative Appropriations Request (LAR), submitted at the beginning of the session.

ORCA's LAR also emphasized several initiatives that are vital to the future of rural Texans and that need legislative support. These initiatives focus on building leadership capacity in rural communities, establishing new programs that promote economic development, supporting colonia initiatives in the border region and helping local communities build financial capacity. Legislators saw fit to support many of these initiatives through the development of work groups and with new legislation.

The legislature's decision to fund the Rural Physician Assistant Loan Reimbursement Program (PALRP) is particularly beneficial for rural Texans. The PALRP helps physician assistants repay school loans in exchange for their commitment to practice in an eligible underserved community. This is an excellent program that is effective in addressing the shortage of providers in rural Texas.

I would like to offer my thanks to legislators for their hard work, their dedication to fairness, and their determination to pursue the best possible policy for the people of Texas. ORCA will continue working with them during the interim to keep them abreast of important issues that affect rural Texas.

Charles S. (Charlie) Stone Executive Director, ORCA

ORCA Executive Committee

William M. Jeter III, Chair Bryan (Brazos County)

David Alders Nacogdoches (Nacogdoches County)

Nicki Harle Baird (Callahan County)

Carol Harrell, Vice Chair Jefferson (Marion County)

Wallace Klussmann Fredericksburg (Gillespie/Llano Counties)

Lydia Rangel Saenz Carrizo Springs (Dimmit County)

Ike Sugg San Angelo (Tom Green County)

Patrick Wallace Athens (Henderson County)

Michael Waters, Secretary Abilene (Taylor County)

ORCA's Mission:

"To assist rural Texans who seek to enhance their quality of life by facilitating, with integrity, the use of the resources of our state so that sustained economic growth will enrich the rural Texas experience for the benefit of all."

Reviving a Rural Hospital

How Bayside Community Hospital and Clinic Recovered from Bankruptcy

By Julie V. Kelly, ORCA

****** No margin, no mission." This is the favorite mantra of Robert Pascasio, MHA, CHE, CEO and administrator of Bayside Community Hospital and Clinic in Anahuac, Texas.

In 2001 Bayside was a failing rural hospital, mired in bankruptcy and, in Mr. Pascasio's words, "not totally deserving of community support." Today the hospital is a viable rural health system serving Chambers County. But Bayside's revival didn't come without a plan.

Function like a business

Mr. Pascasio, who has 12 years of experience as a hospital administrator, advises other rural hospitals to operate like a business. "Rural hospitals have a mission but must focus on the bottom line," he said.

This means planning ahead, anticipating and preparing for challenges, mining experienced

hospital administrators for their knowledge and building a loyal customer base.

Community support

Mr. Pascasio cites the hospital's improved quality

"ORCA helped Bayside improve the quality of care so that we could strengthen our relationship with our community ... I'm a big believer in ORCA."

of care as the key to community support. He emphasized that strong community support pulled the hospital out of bankruptcy. Grants awarded by the Office of Rural Community Affairs (ORCA) made the quality improvement possible.

"ORCA helped Bayside improve the quality of care so that we could strengthen our relationship with our community," said Mr. Pascasio. "ORCA has not only made us a more capable organization through provision of grant funding, but has at least indirectly saved some lives in our corner of the world. I'm a big believer in ORCA."

Guard the bottom line

For small hospitals, like any other business, discipline is required for success. "We've come a long way. But any number of things could zap us if we were to loose our critical access designation for example," said Mr. Pascasio. "Like all rural hospitals, we operate on thin margins and small volumes so we have to be vigilant at all times to make sure the organization is positioned well for long term viability."

Myth-Buster: Renewable Energy in Rural Texas

By James Scott, ORCA

Myth: The cost of developing renewable energy will raise electric bills too much.

Fact : Rising fossil fuel costs have helped drive residential bills up an average of \$500 per year. Wind power is the lowest cost new generation on the market and will not be subject to future expenses from pollution, including air quality, health effects and water consumption.

Myth: The cost of building more transmission lines to move renewable energy to market is too high, not cost-effective and yields few benefits.

Fact: Transmission allows for better use of all resources; firming up low cost wind with load-following natural gas is a winning formula. Compare the costs:

Wind Power + Renewable Energy Credits (RECs) + ancillary services + new transmission lines = about \$35 per MWh

Natural Gas *fuel only* = about \$55 per MWh

Myth: *Renewables are looking for a subsidy instead of competing in the market with gas, coal and other energy sources.*

Fact: The Renewable Portfolio Standard is a tracking system with incentives to use clean energy. It is a tool that enables the state to plan for transmission capacity needs and attract investment, especially in rural areas. The RPS has created hundreds of jobs in Texas, is generating hundreds of millions in new tax revenues for our schools and counties, and helps alleviate polluted air in our cities.

RASE Forum and Expo

"How Renewable Energy Can Benefit You, Your Business and Your East Texas Community"

Special emphasis will be placed on biomass electric generation using forestry resources.

Fredonia Hotel and Conference Center Nacogdoches, Texas September 19, 2005 8:00 AM to 5:00 PM Reception at 5:00 - 6:30 PM

The event fee is \$25. Lunch will be provided.

To register, individuals should contact:

Russel Smith at the Texas Renewable Energy Industries Association (TREIA). P.O. Box 16469 Austin, TX 78761-6469 (512) 345-5446 (phone) (512) 345-6831 (fax) r1346@aol.com

For exhibiting or sponsorship opportunities contact:

James Scott Office of Rural Community Affairs P.O. Box 12877 Austin, TX 78711 (512) 936-8163 (phone) (512) 936-6776 (fax) jcscott@orca.state.tx.us

Marketing Your Community at HealthFind

ORCA's Easy Marketing Tips for Rural Communities

By Julie V. Kelly, ORCA

Marketing your community at HealthFind is a necessity - not only to educate prospective health professionals about your community, but also to break through what marketing pros call "clutter" (a glut of competing messages) and catch the attention of available health professionals.

Communities should consider the following tips when preparing marketing materials for HealthFind 2005.

Tip #1 Be Creative

Combine professional presentation with creative tactics to promote your community. Make sure that your presentation has a strong visual element to draw health professionals to your booth.

Tip #2 Be Unique

Emphasize features that are truly unique about your community. What is your community known for? This may be one significant thing or

"As a resident, it was very helpful to see what each community could offer a new physician."

many things that combine to form a unique rural experience. If possible, tie this unique feature to your visual presentation.

Tip #3 Focus on Benefits

Focus on the benefits your community can offer. Health professionals will compare communities as they shop for the best offer, so make sure your recruitment incentives are competitive.

Consider the comments of Cobra Shanley, DO, who attended HealthFind as a third year resident and as a practicing doctor. "As a resident, it was very helpful to see what each community could offer a new physician," said Dr. Shanley. "It helped to educate me on what to look for as benefits, or what might be part of the recruitment package."

For more information on preparing for HealthFind, visit ORCA online at www.orca.state.tx.us.



Don't miss ORCA's annual recruiting event!

HealthFind is the recruiting event where rural communities from across the state meet with health professionals to explore the many practice opportunities in rural Texas.

September 17, 2005

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Fees
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Registration

Residency & In-Training Health Professionals \$50 Practicing Health Professionals \$100 Rural Community Exhibit Fee \$300

Register online at www.orca.state.tx.us. For more information contact: Office of Rural Community Affairs Gina Lawson 800-544-2042 glawson@orca.state.tx.us. Location

DoubleTree Hotel Austin 6505 IH-35 North Austin, Texas Just 10 minutes from downtown Austin and 20 minutes from Austin-Bergstrom International Airport!

Register at www.orca.state.tx.us

Homeland Security Workshops Available for Small Water Systems

Homeland security workshops for water professionals who operate small water systems are available this summer and fall, with the Texas Water Resources Institute (TWRI) and the Texas Cooperative Extension.

Participants will receive timely information about homeland security solutions for small water systems and information on how small water systems can increase their managerial and technical capacities. Interested parties should register to attend one of the following homeland security workshops:

July 28, 2005 LCRA McKinney Roughs Center 1884 Hwy 71 West Cedar Creek (Bastrop County)

October 28, 2005 Texas Cooperative Extension 3033 Bear Creek Drive Houston (Harris County)

Registration for the workshop starts at 8 a.m. The workshop costs \$20, which includes the cost of lunch.

Speakers include a field agent from the FBI in Houston, who will speak on how water professionals can be alerted to pending homeland security threats, and the director of the Texas A&M University Integrative Center for Homeland Security.

Other speakers will discuss how short- and longterm planning can help water systems prepare for challenges associated with rate-setting, ensuring that small water utilities stay financially sound, and water system growth.

The workships will be conducted by Texas Water Resources Institute (TWRI) and the Texas Cooperative Extension, in cooperation with the Texas Rural Water Association, Southeastern Regional Small Public Water Systems Technical Assistance Center, the Texas Commission on Environmental Quality, and the US Environmental Protection Agency.

To learn more or to register, visit: http://waterworkshop.tamu.edu or call TWRI at 979-845-1851.

Source: Texas A&M University, Department of Recreation, Park & Tourism Sciences.

ORCA's annual assessment of rural communities



has been listed as a "Notable Document of 2004"

by the

American Library Association Government Documents Round Table

ORCA's *Status of Rural Texas 2004* was published in January 2005. ORCA's annual assessments provide a snapshot of where rural Texas stands today and speaks to the broad spectrum of issues that affect rural communities across our state. It is compiled in accordance with the legislative requirements of House Bill 7 (77th Legislature).

ORCA publications are available online at www.orca.state.tx.us in PDF format. For a printed copy of either publication, call ORCA at 800-544-2042.

ORCA Launches Business Development Programs

(Continued from page 1)

commit to creating or retaining jobs at a \$25,000 maximum cost per job. The program defines a small business as a business with 100 or fewer employees.

The Microenterprise Loan Fund is also a \$1 million initiative that provides grants to eligible cities and counties through nonprofit organizations to establish local loan programs that directly assist qualifying for-profit businesses. The program defines a microenterprise as a business with five or fewer employees, one of whom is the owner.

"Both programs provide between \$50,000-\$100,000 per contract award," explained Oralia Cardenas, ORCA's Community Development Director. "Award recipients can use these dollars for working capital, such as the purchase of raw materials, inventory, rent, utilities, equipment, and real estate improvements, including soft costs." Cardenas noted that neither program may be used for debt service, refinancing, or payment of salaries of the business principals.

"These new programs stretch the financial assistance the TCDP already provides rural Texans by recycling program income dollars," said Charles (Charlie) S. Stone, ORCA Executive Director. "Funding for these new business development programs is generated from program income, such as the re-payment of loans and lease payments from other TCDP economic development projects. These grants offer a great opportunity for rural business owners to expand their operations and improve their business management skills through the expert guidance of non-profit advisors."

The US Department of Housing and Urban Development's (HUD) Community Development Block Grant program is the funding source for ORCA's TCDP.

ORCA will host a series of application workshops for the Microenterprise Loan fund and the Small Business Loan Fund. Dates and locations are tentative and subject to change.

July 27, 2005	Ft. Stockton
July 28, 2005	Kerrville
August 1, 2005	Kingsville
August 2, 2005	Plainview
August 9, 2005	Baird
August 11, 2005	Crockett

The deadline to submit an application for either program is October 27, 2005. Applications are now available at www.orca.state.tx.us.

To register for any of the application workshops, please contact Heather Lagrone at 800-544-2042 or email hlagrone@orca.state.tx.us.

Funding Opportunities

Faith In Action Grant Program www.fiavolunteers.org/funding/index.cfm Due date: Ongoing

National Endowment for the Humanities

Landmarks of American History: Workshops for Teachers http://fedgrants.gov/Applicants/NEH/OPUB/OPO/NEH-GRANTS-111504-017/Grant.html Due date: 8/5/2005

Texas Historical Commission

Texas Heritage Trails Program – Texas Heritage Tourism Partnership Grants http://ww.thc.state.tx.us/grantsincent/grapdf/HTPartnershipGrants05.pdf Due date: 11/1/05

US Department of Agriculture

Small Business Innovation Research ww.fedgrants.gov/Applicants/USDA/CSREES/OEP/USDA-GRANTS-060105-001/Modification1.html Due date: 9/1/2005 (Phase I) 2/2/2006 (Phase II)

US Department of Health and Human Services

State Health Fraud Task Force Grants http://fedgrants.gov/Applicants/HHS/FDA/OFACS/FDA-ORA-04-2/ Grant.html Due date: 8/12/2005 Rural Health Care Services Outreach Grant http://ww.hrsa.gov/grants/preview/guidancerural/hrsa06005.htm Due date: 9/23/2005

Rural Health Network Grant Program http://ww.hrsa.gov/grants/preview/guidancerural/hrsa06010.htm Due date: 9/26/2005

Healthy Start Initiative – Eliminating Racial/Ethnic Disparities http://ww.hrsa.gov/grants/preview/guidancerural/hrsa06010.htm Due date: 9/26/2005

Underage Drinking: Building Health Care System Responses ww.fedgrants.gov/Applicants/HHS/NIH/NIH/RFA-AA-06-003/ Grant.html Due date: 12/19/2005

US Department of Justice

Helping Outreach Programs to Expand Grant Program www.ojp.usdoj.gov/ovc/fund/expandingoutreach/welcome.html Due date: Ongoing

US Department of Labor

Workforce Investment Act – Limited English Proficiency and Hispanic Worker Initiative htt://fedgrants.gov/Applicants/DOL/OGCM/OGCM/SGA-DFA-PY-05-02/Grant.html Due date: 8/15/2005

ORCA's Calendar of Events

Visit ORCA's Calendar of Events at www.orca.state.tx.us for more events and details!

ORCA Program Application Due Dates

Rural Health Applications

- 08/19/05 CAH Board of Trustees Continuing Education Reimbursement
- 09/16/05 Outstanding Rural Scholar Recognition Program
- 02/17/06 Outstanding Rural Scholar Recognition Program
- 05/19/06 Outstanding Rural Scholar Recognition Program

Community Development Applications

- 09/02/05 Main Street program*
- 09/02/05 Texas Capital Fund (TCF) 3rd Round*
- 10/27/05 Microenterprise Loan Fund
- 10/27/05 Small Business Loan Fund
- 12/02/05 Small Towns Environment Program (STEP) (3rd cycle)
- 12/02/05 Texas Capital Fund (TCF) 4th Round*

* Administered by the Texas Department of Agriculture. For more information, contact Karl Young at 512-936-0281.

ORCA Executive Committee Meetings

August 4-5, 2005 Columbus (Colorado County)

September 29-30, 2005 Austin (Travis County)

December 1-2, 2005 Brady (McCulloch County)

Upcoming Events

Texas Rural Summit 2005 Aug. 30 – Sept. 1, 2005 Austin (Travis County)

HealthFind 2005 September 17, 2005 Austin (Travis County)

Critical Access Hospital Workshop October 9, 2005 Austin (Travis County)

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The following best describes my role(s) in	the rural Texas arena (check all that apply)*:	
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Agriculture related	For Profit organization representative	Social Service related
Community / Economic Development	Government employee	Transportation related
Consultant	Health care related	Utilities and Telecommunications
Education related	Housing related	Other:
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