

Growing jobs in small towns

By DARIN LEACH

MORE than half of Iowa's approximately 1,000 communities are home to fewer than 500 residents. It isn't surprising that close to 60% of the state's 3 million residents live in communities and areas that meet a federal government definition of "rural."

This month the 113th U.S. Congress was sworn in, and Iowa now has four members in the House of Representatives, a number that has been on a steady decline the past 100 years. Iowa had 11 members of Congress in the 1920s. With the 1930 census, Iowa went to nine congressional districts, then down to eight with the 1940 census. The state slipped one more to seven members as a result of the 1960 census, then to six with the 1970 census and finally to five with the 1990 census.

With a majority of Iowans living in rural communities and areas, job creation is not limited to just the urban areas. "There is dramatic hands-on involvement by local leaders and community members when it comes to rural economic development," says Bill Menner, USDA Rural Development state director in Iowa. "Leaders in rural Iowa have the potential to sell their community and identify business oppor-

Key Points

- Census figures show 60% of Iowans live in rural communities or areas.
- Iowa's seats in U.S. House have declined from 11 to four in past 100 years.
- USDA Rural Development loans help firms expand and create jobs in rural areas.

tunities. They know best how to target resources."

Local leaders who are involved and active can help small businesses achieve growth and momentum that takes them to the next stage of their business.

Focus on small businesses

"One strategy is to focus on small businesses and help them get bigger and better," says Rand Fisher, president of the Iowa Area Development Group. "There are many examples of small manufacturers that started on the farm or in the garage, and grew over time by needing a bigger building and more people."

One example of a growing business with a strong dedication to rural Iowa is Precision Pulley and Idler, or PPI. The company has its headquarters and a manufacturing site in Pella, with additional manufacturing and warehousing facilities



LOYAL WORKERS: PPI employees have a great sense of loyalty to the communities in which they live and work, thanks, in part, to the company's employee stock ownership plan, or ESOP, structure.

in the small Iowa communities of Corning and Lenox, along with Sacramento, Calif.; Cleveland, Tenn.; Fort Worth, Texas; Lewisberry, Pa., and Denver.

"When we were looking to expand our manufacturing facilities from Pella 26 years ago, we saw great opportunities in southwest Iowa, specifically in the communities of Corning and Lenox," says Jeff Bokhoven, manager of manufacturing services for PPI. "Even though these communities have just 1,600 and 1,400 residents respectively, the dedication and commitment from the local leaders was apparent and truly set the area apart from others we were considering."

PPI was established in 1977 and today has grown to 400 employees nationwide. PPI is organized as an employee stock ownership plan, or ESOP, allowing all employees to be owners in the company and giving them a sense of loyalty to the communities in which they work. "We are always proud to be able to bring competitive wages and benefits to rural communities," Bokhoven adds.

Attracting good companies

PPI came to Corning in 1987 and since then has had three expansions into additional buildings in the Blue Grass Industrial Park, located just southwest of the community. PPI is the area's third-largest employer, according to Beth Waddle, executive director, Adams Community Economic Development Corp. "While the increase in property tax alone is a great benefit, the company brings the community so much more," she says. "Our local businesses such as grocery stores, gas stations, retail outlets and restaurants all benefit. PPI employees also help populate our schools and keep our housing stock stable and growing."

PPI is community-centered and gives back to the towns and areas where its facilities are located. "We often mention PPI's community-mindedness and encourage other businesses and industries to share in this core value that is so important to a long-lasting positive relationship for everyone involved," adds Waddle.

Last fall PPI received a \$1 million USDA Rural Development rural economic development loan as a pass-through from Central Iowa Power Cooperative to help with facility expansion plans at the Lenox

facility. "We are excited to be assisting Precision Pulley and Idler with its upcoming expansion plans," says Menner. "The work that leaders in Adams and Taylor counties continue to do to create jobs is a great example of how any community, regardless of size, can look around their region and assist companies as they grow and adapt to meet their customers' needs," he says.

Whether a rural community is looking to create jobs by landing a new business or by helping an existing company grow, it's important that community leaders be flexible enough to adjust to new opportunities and also react to changing dynamics with their existing businesses.

Leach is public information coordinator with USDA Rural Development in Iowa.

Industrial parks spur development

WHILE not every town needs or can support an industrial park, having a place to put or direct a business for possible location can be very important for a community and region. "If a town doesn't have an industrial park, local leaders should start the conversation to consider that option," says Rand Fisher, president, Iowa Area Development Group.

Fisher also suggests communities take an inventory of available land and vacant buildings by looking at such things as who owns them and what, if any, plans are there for the future, what resources can come into play to encourage growth and development, and what piece of ground offers the best access to infrastructure (water, sewer, gas, electric and telecommunications).

Finally, community leaders should also consider funding resources for projects. "Revolving loan funds from the electric cooperatives or independent telephone companies are a good place to start," Fisher adds. Other possible funding sources and resources to help move a project along include county and state development groups, USDA Rural Development, community colleges and university Extension offices.

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