

# Rural Conversations

VOLUME 2, ISSUE 2

FEBRUARY 1, 2013

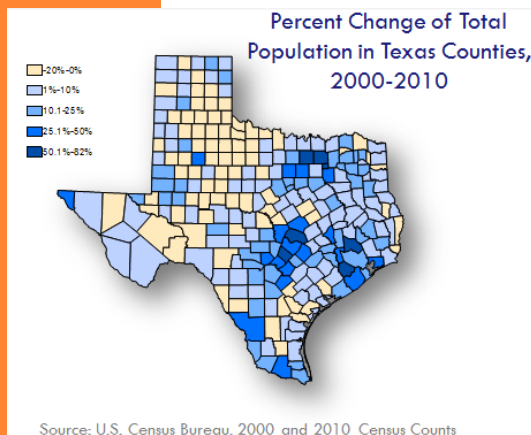
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## Does Rural Still Matter?

### *A Proactive Message For Rural—*

A recent article from USA Today asks the question: “does rural America still matter?” As more and more people move from rural to urban, sustaining rural living is becoming more and more difficult. Of Texas’ 254 counties, 177 are classified as non-metropolitan according to the Office of Management and Budget (OMB). Non-metropolitan is often used interchangeably with the term “rural”. Between 2000 and 2010, 39 percent of non-metropolitan counties lost population whereas only 13 percent of metropolitan counties lost population (U.S. Census 2010). See figure below.



As this transition is occurring, state and federal

representation for rural is dwindling. According to the USA Today article, “more than 80% of lawmakers are **not** representing rural areas, making it an uphill battle for those outside of urban areas to be heard... by senators and representatives who may not fully understand or appreciate” the importance of rural places in today’s society.

In the article, Agriculture Secretary Tom Vilsack discusses the issue and the importance of agriculture and farming. However, although agriculture is a significant component of many rural places, it is not the only one, and it is not the only one we should be using to illustrate the relevancy of rural. “When you’ve seen one rural community, you’ve seen **one** rural community,” says Dr. Gene Theodori, Director of the Center for Rural Studies at Sam Houston State University. Every rural place is unique. While some depend largely on agriculture for economic development, others depend on natural resources, natural amenities, tourism, manufacturing, and other industries. These industries are just as important to rural *and* urban living as is agriculture. Additionally, rural places are made up of people (albeit

few), who establish associations (organizations, government, businesses), and provide services (health, education, recreation, transportation, retail). Perhaps less tangible but equally noteworthy, rural places provide a *distinct quality of life* that many people value greatly.

Regardless of the industry, whether agriculture, natural resources, or manufacturing, I agree with Vilsack’s call for a “proactive message... to encourage young people to want to be involved in rural America.” Helping children and young adults realize and understand the real opportunities and benefits that rural life provides is essential to developing this proactive message.

Additionally, “those representing rural America need to form coalitions to underscore the impact these forgotten areas have on the nation’s well-being.” Within the Texas State Legislature, various senators and representatives as well as the Rural Caucus, and committees including: the Senate Committee on Agriculture, Rural Affairs, and Homeland Security; the House Committee on County Affairs; the House Committee

# 2013 Texas Rural Challenge



## *Texas' Premier-Rural Focused Conference—*

The 4<sup>th</sup> Annual Texas Rural Challenge is scheduled for June 18-19, 2013 at the Embassy Suites Conference Center in San Marcos,



Erica Alexander, 2012 Intern, hosted by Nocona, Texas

For more information about the program, visit [www.shsu.edu/~org\\_crs/TRIP](http://www.shsu.edu/~org_crs/TRIP).

[Click here to view a video about the Texas Rural Internship Program.](#)

Texas. The Texas Rural Challenge is the state's premier rural focused conference and provides information, best practices, resources, and networking to Texas' rural leaders. This year's conference will feature tracks in business and economic development, community development, and statewide issues facing rural Texas with potential topics ranging from finance, youth leadership, community foundations and much more. In addition, a large number of state and federal agencies, along with private sector partners will host and participate in this event.

This statewide conference is hosted by the Governor's Office, Texas Economic Development Council, Texas Department of Agriculture, USDA – Rural Development, and UTSA's Institute for Economic Development – SBDC Rural Business Program.

Registration opens February 1 with early registration at \$125, non-profit organization registration at \$150, and student registration at \$99.

For more information please visit: [www.texasruralchallenge.com](http://www.texasruralchallenge.com) or [www.texasedc.org](http://www.texasedc.org).

# 2013 Rural Internship Program



The Texas Department of Agriculture is now seeking proposals from communities interested in participating in the Texas Rural Internship Program. The program introduces urban college students to rural Texas by inviting them to live and work in a small community for four to eight weeks during the summer.

The Texas Rural Internship Program provides much-needed interaction between urban and rural Texas, promotes rural Texas to attract and retain a talented workforce, helps develop some of today's

talented college students into tomorrow's leaders, and cultivates ambassadors for rural Texas.

Through the internship program, TDA works with the Center for Rural Studies at Sam Houston State University and Texas Tech University to facilitate the pairing of students with prospective communities. Communities are responsible for assigning a local coordinator to work with a host family to provide room and board for students.

Any rural Texas community

willing to host a college student intern for one or two summer sessions is eligible.

**As a rural community, please begin to consider the internship program and the benefits both the intern and your community could potentially gain from participation.**

Contacts Diana Alvarado at [Diana.Alvarado@texasagriculture.gov](mailto:Diana.Alvarado@texasagriculture.gov)

# East Texas Transfer of Wealth



## *Harnessing Philanthropy for your Community—*

Blue and Janice Miller built their business and live in Athens, Texas. Their business was successful and their lives were filled with acts of generosity to support their church, children, the less fortunate and organizations like the East Texas Arboretum & Botanical Society. Upon their deaths, they established a permanent fund at East Texas Communities Foundation (ETCF), which continues to make annual grants to support charities in Henderson County. Because of this generosity, their legacy will impact the lives of people in their community forever.



**ETCF 32 County Region**

A recent study produced for ETCF by the Rural Policy Research Institute revealed that within the 32 county study region of northeast Texas **over \$188 billion will transfer from one generation to the next over the course of the next 50 years.** If citizens make a modest investment of 5% of assets to establish and grow endowments to support their communities, our region would gain \$9.4 billion in new endowments as this transfer of wealth (TOW) takes place. Endowments are usually identified with very large established institutions. There are some great universities and hospitals in our

region that are actively engaging donors to make permanent gifts to support their operations. Similar to individuals saving for retirement, these institutions have recognized the value of building endowments, investing wisely, and using their annual distributions of income to support ongoing costs. If managed wisely, the \$9.4 billion endowment described above would generate over \$471 million annually for East Texas communities.

**Question:** So what keeps municipalities, economic development councils, churches, schools and other charities from establishing and growing endowments to support the important work they do in their communities?

**Answer:** The simple lack of a long-term perspective of charitable giving and the pervasive myth that you need a full-time professional who is educated in the field of complex planned giving.

### Long-Term Perspective

Establishing and growing endowments requires a disciplined, long-term approach and must be done in conjunction with your normal annual efforts to support operations. Setting up an endowment fund at a community foundation or similar entity may help an organization establish appropriate boundaries to prevent invading the endowment prematurely. This changing perspective also requires an organization to move beyond annual fundraising or taxation and begin talking with donors about deferred or planned gifts.

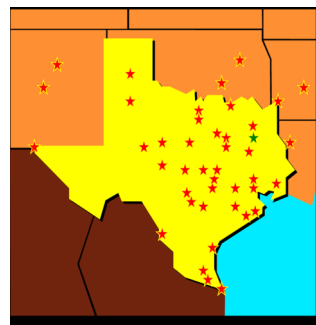
### Complex Planned Gifts

In reality, over 70% of planned gifts do not require the establishment of complex legal trusts, but they are simply bequests (gifts from a will).

Equally simple are beneficiary designations for life insurance or retirement accounts. If a donor is interested in more complex gifts, a relationship with a community foundation can help organizations work with a donor's legal and financial advisors to accept gifts such as real estate, mineral interests, closely-held stock, publicly traded securities and those interesting charitable trusts with funny names like CRUT and CRAT.

One important discovery of the East Texas Transfer of Wealth Study is that this transfer is occurring sooner rather than later, with most East Texas counties experiencing a rate of wealth transfer that is 10% or more above the national average over the next 20 years. What needs to be accomplished in your community? What do you need to change or preserve about your hometown? Maybe it's time you consider building endowments to provide the resources you will need in the future to keep your community strong.

*Kyle Penney is President of East Texas Communities Foundation ([www.etcf.org](http://www.etcf.org)) and welcomes the opportunity to discuss possible options to use philanthropy for economic and community development at 866-533-3823 or [kpenney@etcf.org](mailto:kpenney@etcf.org).*



**There are currently 36 Community Foundations serving Texas.**

# Release of Texas Rural Survey

## *Austin—February 13*

The population of rural Texas is greater than the total resident populations of roughly 24 other states, and every day these rural Texans deal with social, economic and environmental issues that are both similar to and different from their counterparts living in urban areas.

Identifying and understanding those issues are key components of the Sam Houston State University Center for Rural Studies' first Texas Rural Survey.

The center will release the results of the survey on Feb. 13 during an event hosted by Texas Sen. Charles Schwertner in Austin, at 2 p.m. in the Capitol Senate Conference Room E1.020. State Reps. John Otto and Lois Kolkhorst, various senate and house committee chairs, representatives from the Texas Department of Agriculture, SHSU President Dana Gibson, Texas State University System Chancellor Brian McCall and SHSU Provost Jaimie Hebert are also expected to be in attendance.

The inaugural Texas Rural Survey was administered to 4,111 households in 22 rural communities across the state. Respondents were asked to answer questions about a variety of social and economic topics ranging from community and economic development, local services

and amenities, access to medical and healthcare services to education, workforce development, agriculture and disaster preparedness.

"There are approximately 4.2 million people living in rural Texas. To really understand the attitudes and behaviors of people in rural Texas is extremely important, not only in an academic sense but in a practical sense," said Gene Theodori, chair of Sam Houston State University's sociology department and director of the university's Center for Rural Studies.

"Folks living in rural Texas contribute to the economy of the state of Texas and they're making rural Texas their home; they're the stewards of the land in rural Texas, so we need to understand the attitudes and behaviors and concerns of the folks living there," he said. "This is going to give us a detailed picture of what's going on in rural Texas."

The survey, funded by SHSU's College of Humanities and Social Sciences and developed in coordination with the Texas Department of Agriculture, was created to provide community leaders, regional stakeholders, and state-level officials with timely and salient data on local social and economic conditions which, in turn, can be used to make informed decisions on rural programs and policies,

according to Cheryl Hudec, associate director of the Center for Rural Studies.

A study of this nature has not been conducted in the state, at least recently, and agencies generally tend to rely on secondary data sets such as census data to try to understand the different areas of the state, according to the researchers.

"Those secondary data sets don't capture the social, cultural, political and environmental issues that are occurring in those rural communities," Theodori said. "This will allow us to compare the attitudes and behaviors of the citizens in numerous rural communities across the state.

"Of concern here is that, when you look at our state legislature, most of our representatives are from urban areas and they might not be directly familiar with many of the challenges and opportunities facing rural Texas residents, he said. "This survey will provide them with empirical data on rural Texas."

The survey is expected to become an annual event, which will allow the team to assess change and effectiveness of implemented strategies over time. Each cycle will be informed by current and relevant rural issues identified at the local and state levels and will highlight what local residents want to see from their leaders in the future.

***The results of the study will have multiple impacts and will be used for progressive program and/or policy development.***

“The release of the results from the Texas Rural Survey will be a significant event for all participants who have a vested interest in rural Texas,” Hudec said.

An executive summary will be presented during the Feb. 13 event, at which time the entire report will be made available both at the release and online at [shsu.edu/~org\\_crs](http://shsu.edu/~org_crs).

The Office of the Comptroller of the Currency (OCC), the Federal Reserve Bank of Dallas - Houston Branch, the Federal Deposit Insurance Corporation (FDIC), and the University of Houston-Victoria, Small Business Development Center present:

### ***"Building Communities through Small Business Development and Affordable Housing."***

**Wednesday, February 20, 2013  
9 AM to 2 PM (Includes Lunch)**

During this one-day forum, experts will share information on alternative funding sources in rural and small business lending, community and economic development, along with updates on affordable housing lending opportunities and resources. The forum is for both financial institutions and community-based organizations engaged in small business, affordable housing, community and economic development and/or financial access/capability. The workshop will also identify opportunities for CRA loans, investments, and services through collaborations between area lenders and community-based organizations. There is no charge for the forum.

Features luncheon address by David Summers, Ph.D.,  
UHV School of Business Administration

### **"The Truths and Myths About Entrepreneurship and Small Business in Economic Development"**

**Reserve your seat today!**

University of Houston-Victoria

University Center Building, MultiPurpose Room

3007 N Ben Wilson, Victoria TX 77904



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# The Art of Economic Development in Texas

## Texas Cultural Trust—

The arts are a catalyst for economic development. In 2010, the Texas Cultural Trust developed a study, “The Art of Economic Development,” to look at how five cities across Texas used the arts to stimulate their local economies. The study included quantitative economic data along with short documentary films of each city including process and strategy. The purpose of the study was to document how the arts can be used as an economic development tool. Instead of the usual suspects like Dallas, Austin, and Marfa, where successes are already well known and documented, the focus was on “the unusual suspects”—small- to medium-sized cities whose best practices might be emulated. Twenty cities were analyzed before landing on a final list of five: Amarillo, Clifton, El Paso, Rockport, and Texarkana. Each city varied by geography, assets, size, economic base and approach.

Located approximately thirty-five miles northwest of Waco, Clifton is a prime example of the power of the arts when used for economic development. Clifton has emerged as a leading art community by leveraging the arts, the natural environment, taking advantage of the proximity to larger metro areas, and capitalizing on the generosity of local citizens. The town is home to several nationally renowned artists, including members of the Cowboy Artists of America. Clifton’s approach to the arts focuses on: 1) attracting artists to live and work in the region, 2) building an arts center by repurposing an empty and dilapidated building, 3) incorporating the arts as a key part of downtown revitalization,

and 4) growing a retirement community linking arts and quality of life.



**TEXAS CULTURAL TRUST**

To inspire, integrate, and illuminate the arts in Texas.

Clifton is the largest community in Bosque County with a current population of 3,500 residents. Despite its small size the town has attracted over twenty nationally renowned artists to live in Bosque County. The Bosque Art Center illustrates how a dedicated group of local citizens can turn an empty building into a vibrant community asset. Over the past twenty-five years, the Bosque Art Center has leveraged its original \$33,000 endowment into roughly \$3.7 million in private financial support and other contributions. This represents a return on investment of over 100 to 1. The combination of resident artists and the Bosque Art Center was integral to the resurgence of downtown Clifton. Since 2007, nearly fifty percent of new business startups, expansions, and relocations as well as remodeled buildings are located in the downtown. The majority of these new businesses are galleries, restaurants, retail shops, and other entertainment attractions catering to art tourists. In Bosque County, the arts are a significant economic development and tourism driver. Approximately twenty percent of total tourism and visitor spending in the County is art and culture related. Over the past 5 years, this cultural arts tourism has generated \$220,000 in local and \$688,000 in state tax revenues. The Bosque arts Center attracts more than 11,000 visitors annually to a city with a population of 3,500.

Since opening in 1981, the Bosque Arts Center has served as the driving force for Clifton’s cultural arts scene. Not only has the Bosque Arts Center become

the gathering place for local artists and aficionados, building on the success of the Center, the community has experienced a new commitment to reinvesting in downtown. Clifton citizens and public leaders have expanded the attractiveness of downtown by commissioning public art and improving public infrastructure. It is through these efforts and projects that Clifton has created a thriving arts community.

How do other communities emulate the success of Clifton? Every community has assets that might be leveraged: underutilized facilities, abandoned movie theaters, and unique terrain to excite artistic expression. Marfa is a perfect example, where one art installation has created an international destination.

The Texas Cultural Trust, established in 1995, is a 501(c)3 organization whose mission is to inspire, integrate, and illuminate the arts in Texas. The Texas Cultural Trust provides leadership to promote and highlight the importance of the arts in educating our children and sustaining our vibrant Texas economy. The Texas Cultural Trust produces original research and studies the impact of the Arts and Culture Industries on the Texas economy.

To learn more about the Texas Cultural Trust and its programs, please visit [www.txculturaltrust.org](http://www.txculturaltrust.org). The full report and eight videos highlighting each city and featuring video testimonials from business leaders across Texas can be viewed at <http://www.txculturaltrust.org/programs/economic->



The Clifftex Theatre in Downtown Clifton

**Continued from front page**

on Agriculture and Livestock; and the House Committee on Economic and Small Business Development have historically supported and promoted policies and programs for rural America. Various organizations and events continue to heed the “rural message” and share it. The Association of Rural Communities in Texas, Texas Midwest Community Network, Texas Rural Innovators, Texas Rural Challenge, Texas Economic Development Council, and the Texas Rural Health Association are just a few that come to mind.

Local councils of government are in place across the state and are operating to serve many rural needs. The trick is for local rural people and leaders to communicate the issues they are dealing with and the relevancy of rural to these coalitions already in place. Furthermore, “representatives and senators overseeing... rural areas need to press upon urban and suburban lawmakers that ‘their fates are tied to rural America’”.

In summary, rural is more relevant now than it ever has

been, and communicating that message to all constituents and leaders is essential for rural America to survive and thrive.

A link to the article in USA Today can be found [here](#).

*Cheryl L. Hudec, Associate Director, Center for Rural Studies, Sam Houston State University*

# Rural Events

| Who  | What   | When            | Where           |
|--|--|-----------------|-----------------|
| Texas Cultural Trust   | <a href="#">Strategies For Success</a>                       | Feb. 1          | Austin          |
| John Ben Sheppard Public Leadership Institute                            | <a href="#">Texas Leadership Forum</a>                       | Jan. 31-Feb. 2  | Austin          |
| Texas Association of Non-Profits in Texas                                | <a href="#">Grant Writing Certificate Program</a>            | Feb. 4          | Austin          |
| Texas Organization of Rural and Community Hospitals                      | <a href="#">Rural Health Policy Institute</a>                | Feb. 4-6        | Washington D.C. |
| AgriLIFE Extension   | <a href="#">School for County Commissioners Courts</a>       | Feb. 19-21      | Austin          |
| University of Houston-Victoria Small Business Development Center Network | <a href="#">Building Communities Federal Reserve Forum</a>   | Feb. 20         | Victoria        |
| Texas Association of Non-Profits in Texas                                | <a href="#">Funding Rural America</a>                        | Feb. 28         | Online          |
| Texas Economic Development Council                                       | <a href="#">Winter Legislative Conference</a>                | Feb. 27- Mar. 1 | Austin          |
| Texas Organization of Rural and Community Hospitals                      | <a href="#">TORCH &amp; TRHA Rural Health Advocacy Days</a>  | Mar. 4-5        | Austin          |
| Middle Rio Grande Development Foundation                                 | <a href="#">Eagle Ford Consortium Conference</a>             | Mar. 7-8        | San Antonio     |
| Texas Leadership Institute   | <a href="#">Entrepreneur Ready Communities</a>               | Mar 22          | Waco            |
| AgriLIFE Extension   | <a href="#">School for Local Government HR Professionals</a> | Apr. 2-4        | College Station |
| Texas Organization of Rural and Community Hospitals                      | <a href="#">TORCH Annual Conference &amp; Trade Show</a>     | Apr. 17-19      | Dallas          |

**For a calendar of events visit the Texas Rural Innovators**

**events page at [www.ruraltx.org](http://www.ruraltx.org)**





**CENTER FOR RURAL STUDIES:  
RESEARCH & OUTREACH**

**Sam Houston State University**

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Huntsville, Texas 77341-2446

Phone: 936-294-4380

Email: ruralcenter@shsu.edu

*The mission of the Center for Rural Studies is to assist in the building, strengthening, and maintaining of rural Texas communities.*

Thank you for taking the time to explore this issue of *Rural Conversations*. Our hope is that *Rural Conversations* will encourage all of us who hold a passion for rurality to work together toward the goal of allowing rural Texas to flourish.

[www.shsu.edu/ruralcenter](http://www.shsu.edu/ruralcenter)

If you would like to submit something to be published in *Rural Conversations*, please contact Cheryl L. Hudec, Associate Director of the Center for Rural Studies at ruralcenter@shsu.edu.

If you wish to be removed from the mailing list for *Rural Conversations*, please email Cheryl L. Hudec at ruralcenter@shsu.edu.

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