

# Rural Research Report



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## Putting Community Assets to Work: Decorah, Iowa

Decorah, Iowa (pop. 8,172 in 2000), is, in many ways, a typical small Midwestern community facing many of the same issues as most other areas such as a brain drain and a continuing struggle to find ways to stimulate the local economy. Perhaps the strengths and successes of the approaches used in Decorah can be attributed to its ability to identify community assets and marshal those competitive advantages into successful community and economic development activities.

This report describes ways in which Decorah approached creating a local economic development strategy that builds on the unique features of the region. A description of the planning, construction, and funding details of Decorah's projects that routinely draw positive reactions from visitors can help other communities generate ideas that can be nurtured into widely accepted and productive projects. Many local leaders know the procedural steps involved in undertaking and successfully completing such selected projects. The greater strategic challenge lies in the ability to identify what a community can offer current and prospective residents or potential visitors and then to use a broad-based community vision to draw in other resources and implement an overall strategy.

Successful communities must create and enhance local characteristics that allow them to stand out if they are to promote growth, avoid stagnation, and retain residents. Perhaps the greatest lesson from Decorah's experience is to understand the ways in which local assets were accurately identified, nurtured, and marketed.

Recognizing and promoting opportunities to improve the assets of a small to mid-size rural Midwestern city is made difficult by the trends routinely faced. Out-migration, especially among the most educated; an increasingly older population; and the growing exodus or downsizing of manufacturing firms searching for relocation or expansion in larger communities are significant and persistent concerns common in many, if not most, Midwestern communities.

Decorah is no different than similarly situated cities in its concerns about these trends. Most importantly, though, is to realize that these problems necessitate a creative and collaborative approach to agree on local assets for which community support can be constructively generated. Then, these local assets must be marketed effectively.

Even a brief overview of the physical, demographic, and economic characteristics in Decorah illustrates the similarities with other small, rural Midwestern communities. Much less apparent, however, are those distinguishing characteristics that have been identified, cultivated, and promoted with varying measures of success.

## Decorah – Background Information

Decorah, the county seat for Winneshiek County, is nestled in the northeast corner of Iowa—15 miles from the southern border of Minnesota and about 25 miles west of the Mississippi River. Its population has increased slightly during the past several decades and was 8,172 in 2000.

The City is within the Upper Iowa River Basin and, by Midwestern standards, the topography within the city exhibits a fairly significant variation. There is about a 400-foot difference in elevation from the bottomlands along the river valley to the tops of the limestone outcroppings, with their steep side slopes leading to a number of drainage courses. A sizeable portion of the side slopes have densely wooded areas with most notably red and white oak, maple, ash, and locust trees. Scattered throughout these slopes are a variety of natural features uncommon to most of Iowa's landscape, namely underground springs, caves, and trout streams. The manner in which Decorah has capitalized on these natural assets reflects a significant part of its approach to marketing and is discussed further below.

### The Economy

The demand for products of local manufacturing businesses has declined during the past several years partly in response to national and global trends. Nevertheless, the unemployment rate for Winneshiek County was 5.4 percent in October 2009, which although less favorable than the 3.8 percent a year earlier, was an improvement over the high of 8.5 percent in January 2009 (Iowa Workforce Development 2009). Major employers in Decorah include: Luther College (640), Acument-Textron Fastening Systems (620), Winneshiek-Mayo Medical Center (400), Wal-Mart (350), and Rockwell Collins (260). Employment trends in Winneshiek County continually and substantially outperformed a peer group of counties between 1990 and 2007.

Decorah's retail economy is closely linked with its geographical location. The closest cities with populations larger than 50,000 include La Crosse, Wisconsin, and Rochester, Minnesota, both about 75 miles away. Decorah

benefits from a vibrant downtown with a variety of retail stores; restaurants; and the Winneshiek Hotel, an elaborately renovated destination hotel and conference center in the middle of the downtown area.

According to detailed comparisons of retail trade in Iowa communities based on pull factors, Decorah outperforms many other similar size communities with a pull factor of 1.99, which means that retailers within the city sell to 199 percent of Decorah's population in consumer equivalents (Iowa State University 2009). This, of course, indicates that Decorah captures trade or consumers to the tune of almost twice its population. The most recently published figures show Decorah ranked as the 12th from the top among the 100 cities with the highest pull factors in Iowa during 2008, reflecting the ability of Decorah to attract tourist traffic.

Between 2000 and 2008, Decorah's retail activity as measured by per capita sales increased 16.1 percent while the state, county, and the peer cities witnessed more modest increases of 1.7 percent, 5.4 percent, and 4.2 percent, respectively. The most significant increases in sales between 2000 and 2008 are with eating and drinking establishments (17%), groceries (12.4%), household furnishings (23.2%), and wholesale goods (15.4%) (Iowa State University 2009).

### Schools and Education

According to Michael D. Haluska, Superintendent of the Decorah Community School District, the Decorah Community School District has 1,670 students in kindergarten through 12th-grade classes, and the student population has been stable throughout the current decade. Decorah is also home to Luther College, a four-year liberal arts college with approximately 2,500 students, most of whom reside on the largely residential campus (Highum 2009). Finally, Northeast Iowa Community College is located ten miles away. This community college has 2,435 students, 48 percent of whom attend on a full-time basis (Wills 2009).

## Growing Community Assets

Beyond the physical, economic, and other quantifiable characteristics that begin to paint a picture of Decorah, the deeper, more telling and instructive picture is found in the manner in which a search for opportunities has been

converted to productive projects, initiatives, and goals. The remainder of this report describes ways in which several recent successful activities were accomplished by building on seemingly unrelated assets.

The recent efforts are best illustrated by two programs for which this area has received both statewide and national recognition. These awards provide meaningful illustrations of the ways in which the successful pursuit of a variety of smaller scale objectives coalesced into larger programs with a broad impact.

### **Asset 1 – Advancing Healthy Lifestyles**

Many residents within the greater Decorah area have shown a long-standing regard for promoting locally and organically grown foods. One example of this support is shown by a local grocery cooperative, the Oneota Food Co-Op, which has grown both in membership and the size of store. There are currently 2,200 dues-paying members, and the store now occupies a building (since January of 2008) that previously supported a regional, mainstream grocery store. Concurrently and indicative of interest in dietary habits, the community has witnessed a steadily increasing number of vendors and patrons at the local farmers' market.

The food production side of the concern for healthy living has been advanced and widened by a commitment to sustainability throughout several segments of the community. Luther College is a leader in this effort as shown by an October 7, 2009, front page article in the *New York Times* citing Luther College as one of the top 26 colleges and universities in the nation for achieving successful sustainability measures as rated by the Sustainable Endowments Institute ("College Sustainability Report Card . . ." 2009). In total, 332 colleges and universities competed for this top rating, which included an evaluation based on nine elements of sustainability.

The City of Decorah also made a similar commitment more than two years ago with the City Council's full endorsement of the U.S. Mayor's Climate Protection Agreement. This participation has taken several forms, including tracking the monthly usage of electrical power and natural gas to ascertain the effectiveness of measures aimed at reducing the City's impact on the carbon footprint. The City has also taken steps such as reducing the use of its vehicle fleet, converting pumps and lights to more efficient models, and setting aside land on which individuals reserve space for gardens.

Noting this growing interest in leading healthier lives and promoting the sustainability of the local environment, Brenda Ranum, Iowa State University's local Extension Director, and Ann Mansfield, the Lead Facilitator for Roundtable Services at Luther College, began a process of identifying people in the community who were engaged in various ways of promoting these causes. They enticed representatives of these organizations as well as individuals known to have an interest in such matters to envision ways by which their overlapping interests might advance the cause.

When an opportunity to apply for a planning grant from the W. K. Kellogg Foundation arose, the collective desire suddenly became potentially more rewarding. The efforts focused on the Kellogg Foundation grant application intensified and became noticeably more collaborative. Ultimately, though, the identification, recruitment, and confluence of these community assets propelled the application and, more importantly, laid the foundation for a more structured, goal-driven Food and Fitness Initiative.

The application resulted in a \$500,000 planning grant two years ago. The Kellogg Foundation made nine such awards throughout the nation, and only two grants were to rural areas. The other nonmetropolitan area receiving a similar award was the Tohono O'odham Reservation in Arizona.

This initial grant has been responsible for funding an active two-year planning effort that now involves more than 500 volunteers throughout five counties in northeast Iowa. The volunteers represent organizations in public health, education, agriculture, business, government, faith communities, and recreation. More specifically, the objectives of those involved focus on ways to improve the policies, practices, and systems that determine how food arrives on consumers' tables and the steps communities can take to create opportunities for greater physical activity for residents of all ages.

A statement posted on the W. K. Kellogg website midway through the planning phase stated that

northeast Iowans are already working to initiate change in their communities. From increased funding of indoor recreation facilities to 'local food' identification tags and a Luther College initiative to get fresh, local foods into school cafeterias, the Initiative is committed to sustaining the health of the land and community members, while increasing the economic viability of its agricultural communities. (W. K. Kellogg Foundation 2009)

On November 16, 2009, the Kellogg Foundation announced that the Food and Fitness Initiative will receive an additional \$1.2 million to continue its efforts to bring about policy changes with none of the proceeds to be used for infrastructure improvements. According to the Food and Fitness Initiative's newsletter, this grant will fund some of the following objectives:

- *Investments in new and existing producers who produce food for local food systems.* These investments may include workshops and field days, micro-loan programs, entrepreneurial networking, mini-grants, and the development of Food Safety Certification program.
- *Development of food storage and processing capacity for locally grown foods in the region.* The process will

start with feasibility studies on aggregation hubs and on small-scale processing facilities.

- *Development of readiness for walking and biking.* Six school districts and communities will pilot the Safe Routes to School program with a planned expansion. Baseline assessments and educational speakers will increase readiness for such activities.
- *Adoption of procurement policies to allow for geographical preference of local foods in schools.* Activities will include the Farm to School program in schools, Home Grown Lunch Week, food service workshops, producer contracts, and school gardens. (“Northeast Iowa Food & Fitness . . .” 2009)

Credit for the successful planning efforts leading to this second award goes in a large part to the foresight and ability of the two leaders to effectively identify and recruit persons who represent various community assets. Some of those asked to collaborate with the Food and Fitness Initiative have interests that may not have been readily apparent. However, given the breadth of the mission, most were not only convinced of their potential stake in the well-being of this initiative, but also showed that an organized framework was in place to solicit ideas, develop consensus, and develop a program consistent with the Kellogg Foundation’s ideals.

## **Asset 2 – Iowa Great Places Designation**

The Iowa Great Places Program was created by the state in 2005 as a way for cities and counties to show how they have used a community visioning process to identify and settle on projects and initiatives that deserve the Great Places designation. Applications are judged on an extensive written application and an on-site presentation to a 12 member Citizens Advisory Board. Applicants must also provide evidence of the support within their communities for identified projects. Overriding all of this is the requirement to articulate a theme tying the projects together so that they fit the chosen theme and are consistent with the attainment of the seven Great Places criteria.

The Great Places’ application process is patterned closely after the Food and Fitness Initiative. Just as a regard for greater availability of local foods provided a springboard for the Food and Fitness Initiative, the trail project served a similar purpose to launch planning efforts for the Great Places designation.

The attractiveness of the trail project as an anchor for the broader application lies within several of its major dimensions:

1. *The scope of the project.* An existing two-mile trail was extended to a 12-mile loop around the City at a cost of about \$7.2 million.
2. *The proximity to natural features.* The trail runs alongside two rivers, near limestone bluffs and algific slopes, through wooded bottomlands and side slopes, and eventually along a bench constructed into a cliff.
3. *The proximity to developed areas.* The trail extends to a new commercial and the community’s two medical campuses as well as the downtown area, other minor commercial areas, and near schools, including Luther College.
4. *The art along the trail.* A separate grant for \$100,000 through the Vision Iowa Program allowed the commissioning of three initial art pieces to enhance the trail.
5. *The support for the trail.* The trail’s local support is shown by the success of a fundraising effort that has garnered about \$1.2 million to date.

Bolstered by the planning effort and the acclaim for the two completed segments of the Trout Run Trail, the application sought to include additional community improvements to fulfill the requirements of the Great Places Program and qualify Decorah for this designation.

Within a short period, three other pursuits were identified and incorporated into the application. These included (1) the planning of a community and aquatics center, (2) the establishment of adult classes focused on nutrition through the sponsorship of the Winneshiek Community Hospital, and (3) the development of shelters and a more attractive setting for the Farmers’ Market.

The application and, ultimately, Decorah’s selection as a Great Place rested on a verifiable demonstration of community-wide support, the implementation of an attainable planning process, and a persuasive presentation as to how the seven specific attributes of a Great Place apply to this community. Meeting the requirements of the Great Places Program required an effort to build on everything from the excitement generated by the recognition of the Kellogg Foundation to uncovering latent interest in projects that might gain a foothold through an affiliation with a larger planning process.

The call for projects resulted in an initial response that was broader than anticipated. As the requirements for the application were outlined, a level of attrition induced by an apprehension of time and effort to be invested took an immediate toll. The realization that preparation was

unlikely to go beyond the brainstorming phase created a second wave of dropouts. As the deliberations over a suitable and appropriate theme progressed, the parties and projects began to emerge and present themselves as a package to be woven into the application.

The most tangible reward to date for Decorah's selection as a Great Place has been the infusion of an additional

\$490,000 for the Trout Run Trail project. There remains the prospect of more Great Places funds being directed to the City in 2010. As with the trail funding, this will require the submission of a competitive application with other Great Places. Other benefits accruing by way of this designation include the availability of additional historic tax credits and greater access to state officials for assistance with the City's projects.

## Conclusion

The way in which local distinguishing characteristics have been found, aligned with initiatives, and then capitalized on provides perhaps the most practical lessons to learn from successful events in Decorah. Beyond the obvious connections made to enhance the two initiatives discussed earlier, a concerted effort was made, and continues to be made, to pull in some of the area's features whose connections to the initiatives and their primary projects may have been more subtle, but no less important, in capturing the synergy between these various projects and community assets.

The first such asset involves the retail segment of our economy and more specifically the offerings in Decorah's downtown area. However, how to link this asset directly with either one of these initiatives was not readily apparent. On closer consideration as to how these initiatives might find a mutually beneficial relationship with the retail sector, we discovered that new opportunities and challenges began to emerge.

Among a few examples of the opportunities that have materialized are several new business establishments whose presence is, at least in part, attributable to one or several elements of these initiatives. These establishments include a canoeing, kayaking, and biking business; a new downtown upscale coffee shop; and two new bed and breakfast inns. Also of note, the recent purchase of the historic Hotel Winneshiek by a successful hotel and restaurant operator partially reflects the prospects for increased tourist traffic generated by the projects and programs within these two initiatives. Finally, there is a growing interest by the Planning and Zoning Commission among others to create opportunities for small businesses and to capitalize on the trail's popularity by amending certain Code restrictions.

Recognition of the importance of the downtown area and its retail segment is also shown in the planning for improvements such as the trail and the proposed shelters for the Farmers' Market. The planning effort includes elements designed to further promote retail trade and enhance

the downtown appeal. Creating easily accessible access points and convenient parking between the trail and the downtown area are examples of ways to infuse the downtown into this planning process.

In addition, event planning related to these initiatives consistently recognizes ways to promote and showcase downtown stores and restaurants along with the Hotel Winneshiek. These efforts have not been insignificant, and the Kellogg Foundation's sponsorship has helped schedule the appearance of nationally recognized speakers along with organizing workshops and conferences.

The wider area's attraction to those who enjoy trout fishing is another example of an asset whose connection to the sustainability and healthy living initiatives is somewhat less than obvious. The Upper Iowa River along with a multitude of smaller cold-water trout streams attracts avid outdoors people and others to this uncommon scenery of the upper Midwest. The appeal of this natural asset to trout fishing enthusiasts is aptly described in a *New York Times* article by Axelson (2009).

The allure of trout fishing found a partner in a segment of the trail whose synchronized meandering with a stretch of the Trout Run River leads to several fishing spots along the trail's path. It is noteworthy that these fishing locations all provide for handicapped accessibility. The linkage of these assets was not lost on the Great Places Committee as it took note of the willingness to productively merge these two assets.

A concluding reflection about another measure of recognition recently awarded to the City lends further credence to these efforts. On October 16, 2009, the Iowa Department of Cultural Affairs, which oversees the Great Places Program, presented Decorah with an award for creating a "pleasing and sustainable environment." This was the only such award given among the 26 cities and counties named as Great Places.

Finally, perhaps the most instructive lesson learned from Decorah's recent successes includes several basic and proven points. First, leaders and activists must be steeped in a devotion to improve the community by searching thoroughly, deeply, creatively, cooperatively, and honestly for those assets upon which we can build consensus and commitment.

Second, successful ventures rely on seeking and exploiting opportunities. Even in small cities, opportunities exist beyond the local level. Regional and, at times, national opportunities for building initiatives and projects present themselves. Although not all such discoveries succeed, valuable lessons can be learned from an honest evaluation

of the process and the future prospects of a renewed commitment.

Rejection of the initial Great Places' application and our subsequent response confirms this point. Above all, the *sine qua non* is passion within and among the leaders, thinkers, builders, technicians, and others whose desire it is to improve our cities. Creating vehicles by which small, rural cities can compete and flourish requires a commitment; such a commitment requires a passion. Passion unencumbered by self-interests will overcome the inescapable hard work that comes with community building and the creation of a desired and attainable quality of life.

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