

# Industrial development course promotes a close look at each community's needs

By Guy Webster

Eloy, given notoriety by *Newsweek* a generation ago as "the toughest town in the United States," has been getting tough on its own problems in recent years.

Eloy, Winslow and other Arizona towns face a shortage of jobs. Many other rural towns in the Southwest and nationwide have the same problem, and many hope for the same solution: industrial development.

Most have learned that industrial development can be a long, complex process.

Four years ago, an Extension Service Community development specialist was meeting with a group in Eloy about community improvement projects. The specialist, Edward Parmee, described a newly available industrial development course tailored to Arizona towns.

"That sparked our interest," recalls Len Fuller, then manager of a clothing factory which was the town's largest employer, later Eloy city manager. So Parmee helped arrange for the three-part, six-session course to be started in Eloy.

By spring 1979, 222 people from 31 Arizona communities had taken this course. Several of the towns where the course has been offered, such as Kingman and Payson, have since attracted outside industries that mean lots of new jobs. For many other towns, success has been seen in terms of the participants' better understanding of their own communities' resources.

Like most training for industrial development seekers, this course introduces theory about economic interdependence and flux on a local level, about the factors in industrial site-selection, and about how local promoters can plan economic growth and attract industries. Through assignments and five three-hour group sessions, this course focuses the theories upon conditions of the participants' own town. It stresses the diversity of the total community's needs.

A day-long workshop based on a detailed case study of an Arizona town caps off the course. In it, participants apply principles learned from the textbook, guest speakers and group sessions to some practical decision-making.

## Eloy's Progress

The course stresses follow-through. "Three of us who took the course incorporated the Industrial Development Authority for Eloy," says Rev. Jim Mumme of nearby Toltec. "We have that in place to serve the city for any new industry interested in industrial revenue bonding."

The Chamber of Commerce started an Industrial Development Committee as an active recruiting group. City residents and the State Office of Economic Planning and Development published a promotional brochure with up-to-date information on the city's economy, facilities, and population.

Eloy is one of eight Southwestern rural communities receiving staff assistance in economic development from the National Council of La Raza through a U.S. Economic Development Act grant.

"The industrial development course is one of the reasons we were chosen for the La Raza project out of more than 40 possible towns," says City Manager Fuller. "We already had had our interest sparked, and were skilled enough to communicate our interest." Sixty-eight percent of Eloy's 7,000 people are Mexican-Americans.

"The town has a favorable attitude toward industry now. It's discussed at each year's town hall meeting," reports Mumme.

Actual industrial growth since the Extension course has been slight. A manufacturer of trophy bases moved into an available building and employs about 15. The city is still working with several companies that responded to a promotional insert in *Today's Business* last November. Other encouraging signs include new businesses and licensing of the town's first radio station, says Fuller.

Unemployment grew with the closing of a copper mine 30 miles from Eloy in 1977. The clothing manufacturer, still the biggest employer in town, employs mostly women. Jobs for men are needed. In early 1979, the mine announced plans to reopen gradually.

Fuller is optimistic: "We've got lots of good things going, and I can really point it all back to that industrial development course as the initial catalyst."



Winslow Vice Mayor Ralph Simmons and businessman Lucio Ceballos discuss prospects for the reoccupation of the former clothing factory behind them. The 118,000 square foot building is empty.

The course teaches that an industrial development effort, to be successful, should be part of a total community improvement program. Eloy residents have given themselves a more attractive and active town through such a program.

### Winslow's Projects

Winslow is another town in which community improvement spinoffs have accompanied industrial development efforts.

About a year after the closing of a 215-worker clothes factory near Winslow in 1975, a new industrial prospect considered settling there. "But we did a terrible job of making a favorable presentation of the town," recalls Winslow businessman Lucio Ceballos.

The city of 8,000 seriously needed jobs. But Winslow's Industrial Development Endeavor Association (IDEA) had lost momentum and structure since the mid-1960s, when it had helped attract the BVD clothing company to the Hopi-owned site near town.

Ceballos, a banker in 1975, asked University of Arizona Extension Community Development Specialist Rudy Schnabel to help organize and teach a group to respond better to industry's inquiries about Winslow.

Since then, IDEA has had a prepared "sales team" with individuals knowledgeable about the area's resources in each of several categories sought by industry. City government and businesses have begun projects that make the area more attractive to prospective employers at the same time they directly benefit local residents. One industry faces just one major hurdle before setting up shop at Winslow, and several others are talking business.

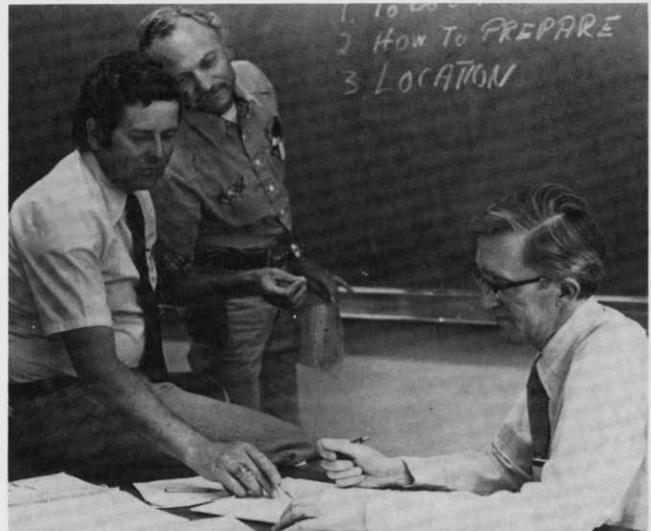
City Manager Arturo De la Cerda lists recent and current community improvements: a hospitality park near the Interstate 40 bypass, revitalization of the downtown area, an indoor swimming pool, a shopping center, new housing, a large recreation area at the Clear Creek Reservoir south of town, and planning for an industrial area at the city-owned airport. "Within the recent past, Winslow has changed to a very positive outlook," says De la Cerda.

Ceballos notes, "We've received an awful lot of help from many sources," including technical and financial assistance from the State Office of Economic Planning and Development, and a federal Economic Development Act grant.

### Pilot Course

Winslow's experiences furthered the refinement of the UA Extension program's Community Industrial Development Course.

The Arizona course grew out of a 1973 regional pilot project, the Rural Industrial Development Correspondence Course and Workshop. Both have used the 220-page text, *Bringing in the Sheaves*, by John R. Fernstrom,



UA Community Development specialists (from left) Robert Lovan, Rudolph Schnabel and Edward Parmee outline plans for a new series of "Community Guide" publications.

national Extension Service program leader for Economic Development. Following evaluation of the pilot project, Arizona community development specialists Parmee, Schnabel, Robert Lovan and Eldon Moore revised the initial correspondence approach. They prepared a structure of workbook materials and group sessions supplementing the text, plus the case study workshop, based on a real Arizona town, to culminate the course.

Doris Mead and two other Winslow residents took the course in its correspondence stage, with one final group session. Later she compiled information on potential industrial sites as a member of the IDEA sales team. Mead calls the Extension course and the Office of Economic Planning and Development program, "a tremendous benefit... They gave our group familiarity with a lot of things we didn't know before, like how to pull together the data that would be requested and required by prospects."

Schnabel has incorporated the Extension course into a three-phase industrial development process. Education is the first phase. "But the process is incomplete if you just stop there: what good is it?" he says. Phase two is establishing a legally and fiscally responsible industrial development corporation, representative of the total community. Phase three is organizing and training a sales team to be the action group for impressing industrial prospects and broadening community support.

The phase-one course includes information about the later phases. But some communities, like Winslow, have industrial development organizations before members go through the educational phase. The UA Extension specialists assist communities with all three phases.

Schnabel and Parmee have just finished a series of 10 "Community Guide" information packets about indus-

trial development. The guides outline criteria for judging what kind of industry, if any, would fit a community, and steps of organizing for industrial growth. They are available from any of the Extension Community Development offices in the state.

The Community Industrial Development Course materials are adaptable. Judge M. L. "Cub" Culbertson, current president of Winslow's IDEA, says the group often uses information from the text and workbook during its monthly meetings. The IDEA team has contacted about 40 industrial firms in the past six months. Culbertson's assessment: "Things are looking up for us."

### 31 Communities

Some of the towns where the Extension course has been completed have seen more concrete results than Eloy and Winslow.

People who took the course in Kingman became a strong force in the Chamber of Commerce industrial development effort. "We learned that industrial development is a pretty involved task. You don't just put up a sign and two or three weeks later break ground for a factory," says former Kingman Chamber of Commerce leader Alan Rings.

Within five years, however, the industrial development effort added more than 100 jobs to the economy of the 7,500-person city. New industries included a uniform maker, a carpet factory, a shop that builds and repairs automobile turbochargers, and a woodworking plant that manufactures furniture for hotels in Las Vegas, Nev.

In Payson, Magnaphase Industries has purchased property for a 50- to 100-job electronics plant. Construction is slated to begin this autumn. City Manager Jack Monschein attributes some of the momentum for industrial development to the Extension course offered in Payson three years ago.

Ed Powell, president of the Holbrook Chamber of Commerce, completed the industrial development course in 1977 along with several other people from that city. He praises the course's emphasis on planning ahead. "It helped us realize you cannot plan without getting a wealth of facts available."

In 1978, highway and power plant construction projects near Holbrook temporarily strengthened the local economy, which usually fluctuates with the summer tourist season.

"Holbrook is so full that if we had a business locate here right now which needed 10 employees, the employees would not find a place to live," says Powell, adding "We're floating on a temporary economy now, but we will need something soon to keep us going." Meanwhile, new housing and a shopping center have gone up in town.

The Arizona industrial development course does not

start with an assumption that industrial development is right for every town. Participants examine that assumption for the conditions of their own town, and consider alternatives for economic growth. Schnabel particularly emphasizes the potentials of home-grown industries that fit local resources or needs, and of service industries, which are creating more jobs nationally than manufacturing industries are. His tenth "Community Guide" focuses on home-grown industry.

"Some courses about industrial development are presented as a kind of game plan—you learn the rules of the game and how to win," says Parmee. "This course helps you see whether you should pursue industrial development at all, and what kind of industry fits the needs of your community. It focuses on the community and its people rather than on the game of industrial development: the tricks, the strategies, the scores. This is a broader and healthier orientation."

### Accreditation

Others agree to the value of Arizona Extension's course. Undergraduate or graduate college credit is available from UA or Arizona community colleges for completion of the course. Both the Arizona Real Estate Department and the American Industrial Development Council have accredited the course.

Frank Mangin, from the State Office of Economic Planning and Development, says "One of the greatest values of the Extension course is that it is done *in* the community. It is complementary to the work we do. Of course, a lot depends on the person who puts on the course. Those (Extension) guys are really good at this."

Measuring the success of industrial development work is difficult, Mangin continues. He compares a well-prepared community sales team to a volunteer fire department. "A good prospect for a town may only come down the pike every two or three years or so. The rest of the time it may not make much difference, but if you don't have this type of group, you may blow the opportunity when it comes."

The spinoff benefits may be just as important. "The lessons learned in organizing the promotion of industrial development have many other applications in community improvement," says Mangin.

The pilot project which grew into the Arizona course was one of the first Extension industrial development courses in the country. Now, about half of the states have some kind of course, most based on the Fernstrom text.

The Arizona course still has more case study work and self-study than most, according to Fernstrom.

In *Bringing in the Sheaves*, he wrote, "We did not produce a formula for the 'quick road' to success for community industrial development programs. In fact the only approach that can be offered is one that requires intensive study and slow, thorough preparation."

# Community Development

Industrial development—or economic and jobs development—is one part of Extension’s Community Development Program. But what does industrial development have to do with agriculture?

In many cases, agricultural products are the raw materials of industry. A home-grown industry that uses local agricultural products benefits itself as well as the farmers or ranchers who supply them. In addition, the jobs that industries create in small cities and towns improve the economic health of these agricultural areas. As technology and agricultural research make each farmer and rancher more efficient, other jobs are needed for the workers displaced by that efficiency.

However, industrial development may not be right for many towns, as the Extension course described in the accompanying article points out. But economic stability is important to the quality of life for rural Arizonans. And the vitality of rural communities as an alternative to metropolitan life is important to the whole country.

Congress recognized when it created the Cooperative Extension Service in 1914 that the well-being of agricultural areas is not just a matter of how well the crops and livestock grow. The Smith-Lever Act said that the extension agents from the land grant college in each state “must give leadership and direction along all lines of rural activity—social, economic and financial.” Title XIV of the 1977 Farm Bill broadens that mandate to include a rural community development program within the Extension Service.

The University of Arizona Extension’s Community Development Program began in 1966 when the first office was opened in Holbrook. Currently, six offices are staffed: Show Low, Cottonwood, Willcox, Yuma, Phoenix and Tucson.

The Extension Community Development specialists work as educators rather than advocates. They respond to the expressed needs of the concerned citizen groups and elected officials of Arizona’s rural communities, with the aim of increasing their effectiveness in the public decision-making and group problem-solving arenas. On technical matters, the Community Development Program turns to the total university for backup, as well as to the other universities and colleges in the state and to business, industry and government agencies.

Though the program has been part of many local success stories, it is concerned more with process than product. If a community has not learned how to handle its *next* community concern more effectively, then it has not grown. The Community Development Program helps participatory democracy succeed.

By W. Robert Lovan,  
Community Development  
Program Leader



Work is underway to create a 55-acre lake at the Clear Creek Recreation Area five miles southeast of Winslow.