

2020 RURAL RECOMMENDATIONS

Presented by the Georgia Chamber, Georgia Chamber Foundation, and Georgia Chamber Center for Rural Prosperity





RURAL RECOMMENDATIONS

INTRODUCTION

105 years ago, a group of rural Georgia chambers partnered with the 12 largest employers to officially form the Georgia Chamber. Led by the Lamar County Chamber, our first meeting was held in Macon and was soon followed by a gathering in Savannah. Their direction and our mission was simple - **To advocate for job creation in all of Georgia's counties and to represent the interests of all businesses before the General Assembly and in Washington.** Our earliest efforts focused on rural interests and we established Georgia Grown. We also hosted the first national traveling show highlighting products mined and made in the Peach State. Additionally, we shot the first movie made within our borders and published the first economic development guide. In the 1950s, we convened the state's six economic developers monthly and in 1960, we launched the Red Carpet Tour. In 1988, we used the same formula to spotlight South Georgia through the Georgia Quail Hunt.

Supporting rural communities and members is in our DNA and in 2017, we opened the Georgia Chamber Center for Rural Prosperity in Tifton. Since its inception, our Rural Prosperity Council has served as a champion for economic revitalization and development of Georgia's rural communities. Working as an engaged group of business leaders, elected officials, educators, non-profit social service providers, and other concerned citizens, the Rural Prosperity Council has presented nearly two-hundred recommendations to the Georgia Legislature to bring needed assistance and resources to bear on the neediest communities in the state.

87%

87% of Georgia CEOs stated that investing in rural Georgia projects and communities is important.

For the past three years, we have hosted the Rural Prosperity Summit in Tifton which provides a forum for best practices, networking, and support among Georgia's rural community leaders. In 2019, the North Georgia Rural Prosperity Forum was added in order to drive discussions centered around the unique challenges facing rural communities.

While there remains much work to be done, there are areas of rural revitalization that deserve to be celebrated. Progress is being made in our rural communities thanks to the leadership of Governor Kemp, Lieutenant Governor Duncan, Speaker Ralston, local elected officials, chambers of commerce, development authorities, and countless private-sector partners. The Georgia Chamber will continue to champion these efforts.



“Strengthening our state’s rural communities to better face the **challenges** and **opportunities** of the new decade is central to the Rural Prosperity Council’s work.”

- Matt Reed, Georgia CEO

“The 2019 Rural Prosperity Summit was one of the most compelling **community** and **economic development** conferences that I have attended. It addressed the most relevant mix of issues and topics, featured compelling subject matter experts, and equipped participants with the tools to take back to their respective communities to drive change and achieve results.”

- John Asbell, Georgia Power Company

“I am so thankful for a partner like the Georgia Chamber that not only sees the **value** of rural Georgia, but brings all of their **resources** to the table to help communities like mine be more prepared for the future.”

- Keri Crosby Orvin, Baxley Appling County Chamber, Development Authority of Appling County

“For more than **100 years**, the Georgia Chamber has advocated for job creation in all of Georgia’s counties and **fiercely represented** the interests of your businesses in Atlanta and in Washington.”

- Chris Clark, Georgia Chamber



LOOKING FORWARD: RURAL OPPORTUNITIES

As the new decade begins, Georgia's rural communities must both seize opportunity and prepare for unprecedented challenges on numerous fronts. The Georgia Chamber Foundation has identified 10 Global Trends that will affect businesses and governments across the state:

- **Rapid Urbanization** and the impact on **Rural Prosperity**, jobs, and talent
- **Growing Environmental Awareness** and the importance of protecting natural resources, conservation, and farmers and foresters
- **Infrastructure Connectivity** from energy, to freight and logistics, to healthcare, and to broadband, Georgia must invest in the next generation of infrastructure
- **International Competition**, trade wars, and changing markets provide challenges and potential for Georgia farmers, foresters, and manufacturers
- **The New Economy** will impact everything from energy to agriculture
- **The Rise of Entrepreneurship** is the foundation for long-term economic success, but we'll need to improve the ecosystem for start-ups in rural Georgia
- **The War for Talent** requires all communities to have proactive strategies to train, attract, and retain the next generation of workers
- **Intentional Inclusion and Empowerment** helps move rural Georgians out of poverty and ensure that our businesses and governments represent everyone in their communities
- **Geopolitical Polarization** and the coming Census means that we all need to be counted to ensure we don't lose representation in Washington or in Atlanta
- **The Fight for Free Enterprise** gives us the opportunity to show the best of what business does for Georgia and build and grow markets

40%

40% increase in demand for energy by 2030.

50% of people live in cities today in comparison to 3% in 1800.

50%

1.2M

1.2 million Georgia jobs come from global trade.

30% increase in demand for water by 2030.

30%

30M

30 million U.S. jobs will be automated by 2030.

70 million people are moving to cities every year.

70M

50%

50% increase in demand for food by 2030.

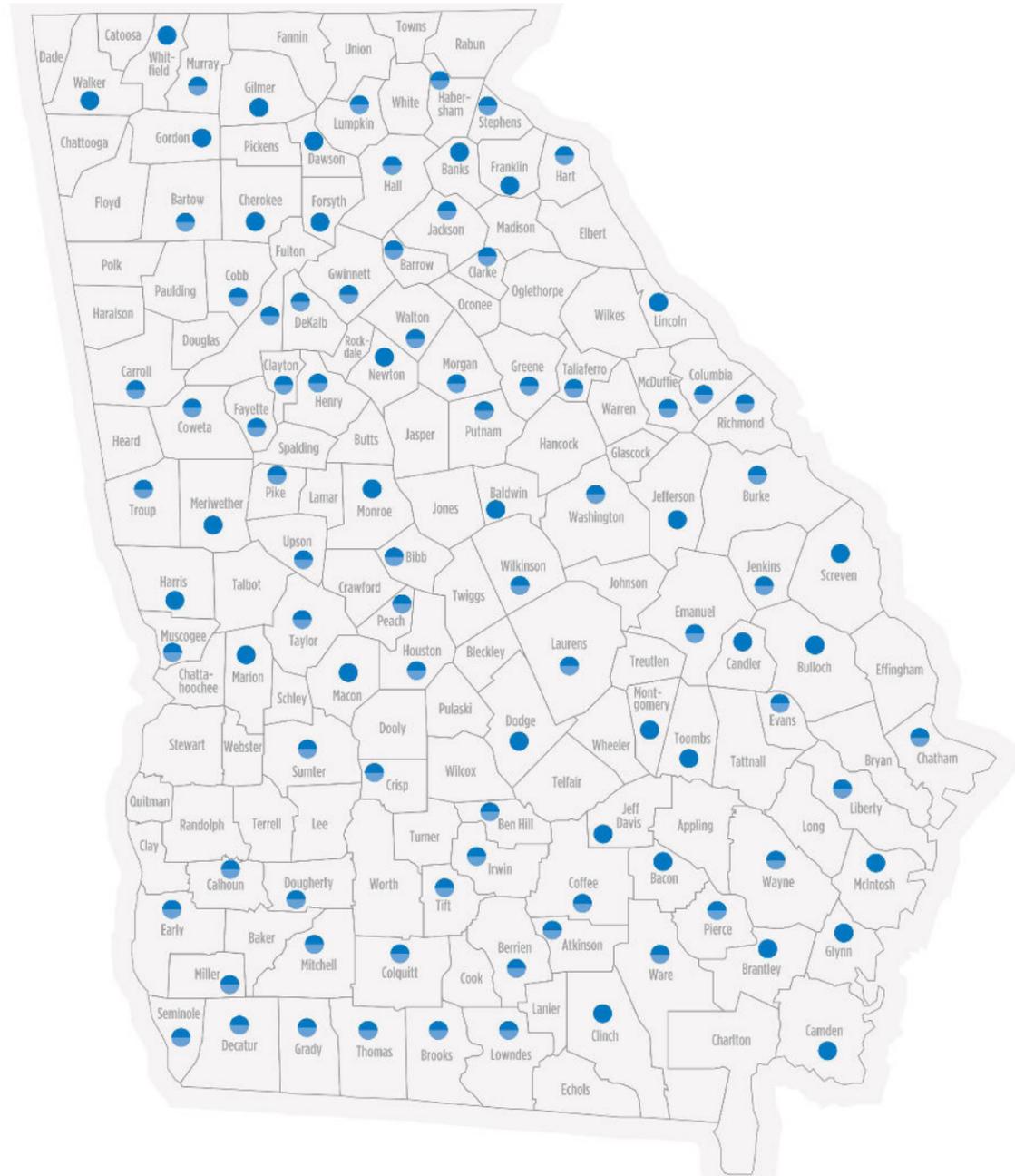
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WHY DO RURAL COMMUNITIES MATTER?



Land **Relationships**
Values Culture
Authentic **Community**
Family **Hospitality**
Quality of Life Agriculture

Each mark represents one or more project announcement in that county between July 1, 2018, to June 30, 2019. Two-toned marks represent those announcements that occurred from January to June 2019.



Taurus
Bainbridge, Georgia
\$22.5M investment
300 jobs

Guidoni
McRae, Georgia
\$96M investment
455 jobs

Coca-Cola
Tifton, Georgia
\$60M investment
200 jobs

RAI
Banks County, Georgia
\$20M investment
30 jobs

RURAL BEST PRACTICES

2019: RURAL ECONOMIC DEVELOPMENT

As Governor Brian Kemp took office in January 2019, he vowed to raise up rural Georgia and established a Rural Strike Team to work closely with communities to coordinate economic development success and growth.

Additionally, the Governor kicked-off the Georgia Made Tour to enhance pride in products that are produced or manufactured in Georgia, as well as to elevate the profile of rural communities.

Under the direction of Commissioner Pat Wilson, the Georgia Department of Economic Development made announcements which brought millions of dollars of investments and hundreds of jobs across rural Georgia and the state as a whole.

To learn more visit www.georgia.org.

7.4B **\$7.4 billion** in investment; **332** projects announced; **28,960** new jobs created.



2019: LEGISLATIVE

In 2019, Georgia House Speaker David Ralston and the House Rural Development Council (RDC) continued efforts to find solutions for rural communities related to all aspects of economic vitality. The RDC proposed recommendations to enhance agriculture, upgrade necessary infrastructure like broadband and water and sewer systems, direct capital funding to rural projects, and address education and health care needs across Georgia's neediest communities.

The RDC, along with the Georgia Senate, has been a tireless advocate working to bring innovative solutions to deploy broadband infrastructure to rural communities. A special acknowledgement for the efforts of the late Chairman Jay Powell who relentlessly fought for broadband expansion throughout the state as a means to drive local economic development.

Another promising recommendation from the RDC provides a mechanism to reopen failed rural hospitals as micro hospitals. HB 769 allows a closed rural hospital facility to be purchased by another hospital to then operate between two and seven beds with emergency care capabilities. Modeled after an emergency facility in Ellijay, the program may offer relief for rural communities where frontline emergency care options have disappeared.

RURAL LEGISLATIVE SUCCESSES IN 2019

- **SB 106:** Patients First Act
- **HB 224:** Investment Tax Credit and Quality Jobs Tax Credit
- **HR 37:** Georgia Commission on Freight and Logistics
- **SB 108:** Computer Science in Core Curriculum
- **SB 66:** Streaming Wireless Facilities and Antennas Act
- **SR 325:** Portable Benefits for Independent Workers
- **HB 59:** Assistance for Students of Military Personnel
- **HB 445:** Shoreline Protection Act
- **SB 118:** Telemedicine Act



2019: GEORGIA HEART PROGRAM

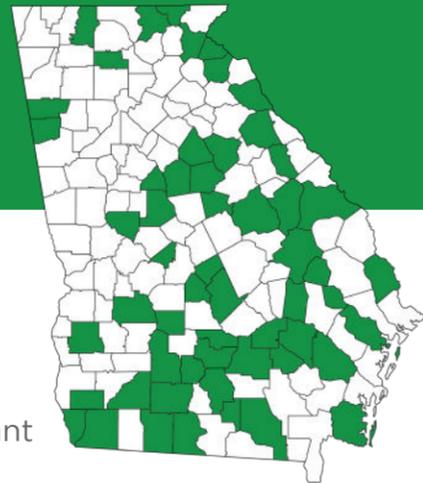


Thanks to the diligent efforts of Lieutenant Governor Geoff Duncan and the Georgia Senate, rural health care facilities are regaining their footing through the Georgia HEART Hospital Program. The program allows hospitals to supplement their operational funding through income tax credits provided by individuals and corporations. More than 50 rural hospitals have benefited from this program thus far.

As of September 2019, more than \$34 million in tax credits have been approved for Georgia’s rural hospitals. In 2018, the program facilitated an additional \$58 million to these critical health care facilities which provide quality medical services to many of the businesses and citizens living in Georgia’s under-served rural communities.

To learn more visit www.georgiaheart.org.

56 rural hospitals are involved in the program.



“For many years, due to demographic, economic, and health care industry challenges, Georgia’s rural hospitals have been facing a financial crisis. The Georgia HEART Rural Hospital Tax Credit Program is providing an important solution to this crisis, allowing all Georgia taxpayers to contribute much needed funds to rural hospitals in exchange for a 100% state income tax credit. Georgia HEART and the Georgia Chamber are partnering to ensure that individuals and businesses are aware of this exciting philanthropic opportunity, as any investment in rural Georgia is a worthwhile and meaningful one, and ultimately benefits every citizen and community in the state.”

- Rosalyn Merrick, Georgia Community Foundation, Inc.

2019: MAKERSPACES



Many communities have embarked on the journey of entrepreneur development as a means to generate their own economic prosperity. While there are many approaches to grow small businesses, some communities provide access to makerspace facilities which house specialized tools such as 3D printers, wood working equipment, and even welding tools, along with technical guidance on using all of these items as a means to spur innovation and business start-ups.

The FireStarter FABLab in Warner Robins is an example of a makerspace that was created in partnership with the local board of education, Flint Energies, and other partners. The core mission is the support and development of entrepreneurs in the community. Currently, there are nearly two dozen aspiring entrepreneurs working in the FABLab, which is located on the campus of the Houston County Career Center. One company has matured from the makerspace and now occupies a retail space in the community which is the end goal of FireStarter.

To learn more visit www.firestarterfablab.com.

Outcomes:

- 1,500 entrepreneurs and students have gained hands-on experience in the FABLab since it opened
- Classes and camps are designed to inspire micro-business and to provide exposure to next generation manufacturing skills
- Fosters entrepreneurial development

80% of Georgia CEOs view investing in rural entrepreneurial development as important.



WHISTLE STOP
CAFE
FINE FOOD AT FAIR PRICES

GOOD FOOD

CAFE

PIES PIES

OPEN

RECOMMENDATIONS: TALENT & LEADERSHIP

Observations & Recommendations - State

- Increase funding for College and Career Academies
- Expand nexus degrees that fit employer and employee needs suitable in rural communities
- Develop CTAE programs based off of TSCG/WorkSource sector partnerships and regional industry clusters
- Expand online degrees to offer nano degrees, continued education, and lifelong learning
- Add 'location' as a data point to GA AWARD, the state's longitudinal data system, to better understand the movement of student populations as they mature
- Prioritize REACH Georgia Scholarship Program expansion in rural K-12 school systems
- Continue to prioritize Duel Enrollment to best position rural students for career and college success

82%

82% of Georgia CEOs stated that focusing on rural talent recruitment and retention is important.

60% of jobs will require some form of post-secondary education by 2025.

60%

RECOMMENDATIONS: TALENT & LEADERSHIP

40%

40% of the rural adult population is not working.

Observations & Recommendations - Local

- Promote community-wide financial aid form completion events
- Promote data analysis, strategic thinking, and problem-solving in districts' K-12 curriculum
- Develop a local talent pipeline strategy
- Support the development of career exploratory courses in K-12 systems
- Develop programs focusing on cultural intelligence, automation, sense-making, and personal branding
- Update local youth and adult leadership programming to skills-based framework with more robust alumni engagement

Observations & Recommendations - Business

- Connect directly with post-secondary institutions to ensure program offerings align with job needs as industries evolve
- Provide grants to increase school visits to local technical colleges, universities, and military bases
- Work with local high schools to fill immediate employment needs
- Host experience days with local high schools to raise awareness of opportunities to students, families, teachers, and counselors
- Provide internships

RECOMMENDATIONS: ECONOMIC DRIVERS

Observations & Recommendations - Legislative

- Create a new incentive for remote workers that encourages Atlanta-based companies to hire in rural Georgia
- Allow stacking of incentives in Lesser Developed Census Tracts
- Monetizing tax credits for targeted industries
- Extend the life of Opportunity Zone designations to twenty years in joint development authority participating counties
- Develop a pool of money earmarked for marketing regional economic development sites
- Increase the joint development authority additional tax credit bonus from \$500 to \$1,000 per job for rural communities actively participating in joint development authorities
- Reduce the job creation threshold on Lesser Developed Census Tracts to two jobs
- OneGeorgia, EDGE funds, and related programs should allow grant funds to be used for the speculative purchase of industrial property and the installation of infrastructure in rural communities
- Offset cost of certifying Georgia Ready for Accelerated Development (GRAD) sites in rural communities
- Develop restoration grants for idle industrial parks
- Develop supply-chain, including synergy-cluster, credits for firms that locate close in proximity
- Rebrand and restructure Georgia’s existing tier-based incentive system:
 - Allow for a three to five-year stabilization instead of annual fluctuations
 - Add Average Manufacturing Wage to ranking metrics
 - Consider Population Loss (or gain) statistics in ranking metrics
 - Potentially structure into three categories: metro, hub, rural with scale for deal closing money based on economic impact in each

RECOMMENDATIONS: ECONOMIC DRIVERS

Observations & Recommendations - Local

- Develop a more streamlined process for cost and revenue-sharing on regional projects and development
- Continue to support agriculture programs like Georgia Farm Bureau’s Young Farmers and Ranchers
- Develop more regional marketing collaboratives like Locate South Georgia

87% of Georgia CEOs stated that investing in rural Georgia projects and communities is important.

85% of Georgia CEOs stated that investing in infrastructure for rural communities is important.



RECOMMENDATIONS: PLACEMAKING

21% of rural Georgians are living in poverty. **29%** of rural kids are living in poverty.

21%

Observations & Recommendations - State

- Incentivize younger workforce and families to return to rural communities
- Provide unemployment benefits in a lump sum or a mobility grant for those receiving formal state unemployment benefits
- Credentialing could facilitate labor market mobility; Cross-industry credentials would enable workers to move between industries by giving them an easy way to communicate their skills
- Exempt military retirement from the state income tax to attract those retiring from military service to Georgia, retaining experienced talent as most military retirees will continue their careers after service
- Develop a state version of the Neighborhood Homes Investment Act (NHIA), which could potentially close the appraisal gap, reduce blight and vacancies, and improve tax revenue for localities

RECOMMENDATIONS: PLACEMAKING

Observations & Recommendations - Local

- Target remote workers to live in rural communities and provide grants to cover the cost of relocation
- Local governments should conduct extensive 'lean code' rewrites to ensure that businesses and developers can thrive through emerging consumer demands like revising and updating zoning ordinances to allow for downtown housing
- Diversify housing mixes to allow the private sector to create affordable housing options for urban, suburban, and rural residents
- Develop a comprehensive talent recruitment and retention strategy component to tie into the Georgia Department of Community Affairs' Local Comprehensive Planning
- Utilize Land Bank Authorities in mitigating blighted areas
- Focus on protecting natural resources as a priority for quality of life and tourism appeal

48

48 counties in Georgia are labeled as a "Persistent Poverty County."



RECOMMENDATIONS: INNOVATION

Observations & Recommendations - State

- Increase R&D Tax Credits from 10% to 20% for rural Georgia communities
- Develop special considerations for teachers to be included in ERS creative class codes in communities with 50,000 and fewer population
- Promote mobile medical clinics as they can deliver services in geographically isolated areas or small towns that may lack access to health care providers
- Expand the Georgia HEART Hospital Program
- Allow state pension funds to be invested in rural businesses with regional impact
- Provide information regarding entrepreneurship assets for the region at the Economic Development Academy Program
- Invest in USG research, development, and commercialization, and support rural universities' applied research efforts
- Expand funding for UGA Archway Partnerships

Observations & Recommendations - Local

- Help entrepreneurs access U.S. Department of Defense Small Business programs and other federal programs
- Policy makers should continually promote the idea of free enterprise by examining rules, regulations, and tax policy changes that could help grow and modernize the creative, agriculture, and artisan sectors
- Partner with programs like InVenture, FIRST Robotics, Cyber Patriot, and military-base programs to serve as models in developing a culture of innovation in K-12 school systems





RURAL PROSPERITY EVENTS

FORUM & SUMMIT COLLECTIVE RESULTS

The Georgia Chamber had a successful year of rural-focused events. During both the North Georgia Rural Prosperity Forum and the annual Rural Prosperity Summit, business and local leaders, elected officials, and rural champions all convened to address challenges and opportunities facing rural communities across the state.

650+

650+ people attended both events and heard from **70+** subject matter experts.

Topics Discussed

- Shaping Rural Georgia in the New Economy
- Raising the Bar for Rural Health Care
- Addressing the Opioid Epidemic
- Uncorking, Distilling, and Brewing the South
- State of Socioeconomic Need and Community Change in Opportunity Zones
- Cultivating Your Workforce Pipeline
- Success Stories in Raising Capital for Rural Communities
- Innovations in Rural Technology
- Addressing the Housing Crunch

Learn more about upcoming events by visiting www.RuralProsperitySummit.com.

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