

PERFORMING INSTITUTION:

Community Policy Analysis Center (CPAC)
Agricultural Economics
UNIVERSITY OF MISSOURI - COLUMBIA
Columbia, MO 65211

COMMUNITY DEVELOPMENT AND REGIONAL ECONOMICS

OBJECTIVES: Objective 3: Identify changing public policy initiatives and relationships and their impacts on rural economies and governments and investigate the effectiveness of alternative policy instruments to affect rural economic and fiscal viability and structure.

APPROACH: 1. Use cross-sectional model with county-level data to generate 10-year projections (both baselines and scenarios) for a host of socio-demographic, economic and fiscal variables. The term “baseline” is used by CPAC to denote a forecast that depicts normal change over time when no unusual or policy oriented changes are introduced into a community’s economy. “Scenario”, on the other hand, reflects the impacts of a shock or extraordinary change (a real or a hypothetical one) in key community variables (employment, external labor force, external employment and total personal income). This process of examining the impact of various policy choices, or “what-if” analysis provides a valuable method for community residents to understand the consequences of current trends and alternative policies. 2. Develop and apply various tools specific to the projects at hand (see below).

PROGRESS for year 2001:

CPAC is currently engaged with nearly twenty different projects, the majority of which involve Missouri counties and communities. The following will highlight two specific programs CPAC is working on: PIE 303 (professional implementation experience), which involves constructing community baselines, and housing.

1. Governance is increasingly migrating to the local level, giving increased responsibility for making decisions to local leaders and concerned citizens. This migration includes responsibility for economic development, land use, natural resource management, education, health care, public safety and social amenities. There is a growing need for decision support tools that can facilitate a broader, more informed public participation in community governance. Local decision-makers need and expect indicators that show economic distribution, social change and dislocation, environmental change, fiscal balance, tax incidence, and quality of public services. They need to be able to monitor progress toward stated goals and to be able to evaluate the desirability of one choice over alternative choices.

Working collaboratively with UO/E (University Outreach and Extension) field and campus faculty, CPAC responds to requests from Missouri’s communities and counties for decision support on a wide range of public issues. Through educational programs and follow-up support, UO/E field staff are being trained in conducting baseline studies. Community decision support provided by CPAC fulfills the aim to “draw on people themselves to discover and create their own answers” while using “research-based knowledge and problem-solving resources” available through University of Missouri (*Strategic Direction for the 21st Century*, University Outreach

and Extension, MU). Local communities benefit from University-facilitated research that is conducted with them, rather than for them, and meets their needs rather than that of the researchers'. Given the complexities of many issues facing rural areas today and the limited access to research expertise at the local level, the need for building capacity to make sound policy choices is great.

2. Lack of affordable quality housing has reached a critical stage in many Missouri communities. In Missouri, an average of 18.1 percent of households are cost-burdened (i.e. spending more than 30% of their income on housing). Existing housing stock in many communities is in poor condition due to lack of maintenance, repair and age. In Missouri, 28 percent of the housing stock was built before 1950. The University of Missouri Outreach and Extension's deliberative group findings and county plans of work show that 66 out of 115 counties in Missouri have housing, neighborhood revitalization and environmental quality listed among the most important issues in their communities. Changing demographics in the state of Missouri, as well as in the nation as a whole, underlines the importance of looking at the options and need for housing for a diverse population.

CPAC is working in partnership with Northwest Missouri Housing Team on a project funded by the UO/E. As part of the project, entitled "Housing Profile Protocols: Partnering to Develop Tools that will Foster Community Revitalization and Citizen Empowerment", CPAC is developing a model to assess the need for housing - traditional as well as alternative - and will consider different housing types in meeting needs.

IMPACT (year 2001):

1. "The Effects of Different Land Uses in Missouri on Local Fiscal Conditions - Cost of Community Services." Presentation given to the Missouri Growth and Infrastructure Task Force. Examines the fiscal and social pressures created by the effects of urban sprawl and communities that grow beyond capacity.
2. Working with staff from the Missouri Department of Transportation, a tool was developed to assist port authorities in calculating the economic impact of proposed improvements. In conjunction with the report, presentations were given to all seven port authorities, from St. Joseph to St. Louis.
3. Participated at the Missouri Community Development Society's annual meeting in Columbia, Missouri.
4. PIE 303, "Community Baseline Process" -- trained 8 UO/E faculty in developing a baseline study. Follow-up visits from CPAC staff to assist in the development of baseline studies are anticipated to result in a minimum of one study per faculty. To date, two such baselines are near completion.

PUBLICATIONS (2001)

1. Scott, James, "The Economic Importance of Further and Higher Education in Howell County" CPAC report, University of Missouri - Columbia. January, 2001.
2. Fannin, Mathew, "Expected Earnings of Howell County Students" CPAC report, University of Missouri - Columbia. January, 2001.

3. Cox, Anna M., "Regional Impacts of Long Branch Lake Tourism" CPAC report, University of Missouri - Columbia. Revised March, 2001.
4. Cox, Anna M. and Stuart Haynes, "The Long Branch Watershed Baseline: Adair and Macon Counties" CPAC report, University of Missouri - Columbia. January, 2001.
5. Cox, Anna M. and Thomas G. Johnson, "The Economic Contribution of Tyson Foods to Pettis County" CPAC report, University of Missouri - Columbia. April, 2001.
6. Cox, Anna M., Thomas G. Johnson, and Morgan M. Mundell. "A Dynamic Simulation of TIF Impacts on Multiple Jurisdictions." *Municipal Finance Journal* 22:1 (Spring, 2001): 10-40
7. Johnson, Thomas G. "The Rural Economy in a New Century." *International Regional Science Review* 24:1 (January, 2001): 21-37
8. Johnson, Thomas G. and Scott, James K. 2001. *The Community Policy Analysis Network: The State of Spatial Policy Analysis in the US*. Paper presented the Getting best Value from Public Expenditure, Letterkenny, Ireland, October 8.
9. Li, Guohua and Thomas G. Johnson, "Missouri River Port Study" CPAC report, University of Missouri - Columbia. December, 2001.
10. "Missouri Retail Sales" CPAC report, University of Missouri - Columbia. December 2001.