

**Sustainability and the Highway 20 Environmental
Corridor**

Small Town Outlook

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Executive Summary

Our goal for this project is to determine what impacts the rerouted and widened Highway 20 would have on the towns in the area. In order to determine the effects a bypass would have on these towns, our group compared them to other towns that have been bypassed in the past. By evaluating these communities we were able to get a better understanding of what may happen when highway 20 is rerouted.

Once it was determined that it was not likely the towns were going to suffer due solely to the bypass, it was then necessary to consider what may have helped the previously bypassed towns survive. There were a few reasons that these towns stayed alive.

The first important aspect is to have an active economic development board. This will assist the community in attracting businesses that in turn keep the downtown alive. If the town does succeed in attracting new business ventures and the citizens support them, the community will likely thrive.

Second, the community's economic development department should consider the federal and state economic development program. These programs can assist communities in attracting new businesses. Utilizing these different resources had a strong part in the success of the towns we will be comparing.

Introduction

Throughout our work on this project, we sought to determine if there were positive or negative impacts on these towns' retail sales, and in general, quality of life. First, we chose three towns that are going to be bypassed and studied their profiles. The three towns we chose were Sac City, Lytton, and Rockwell City. We looked at the population of each town, how close these towns are to a metropolitan

area, and how many local stores there are in each town. We then chose six other towns that had similar profiles. These towns had a four-lane highway that bypassed them in the 1980's. From this comparison, we wanted to see if the towns began to become more prosperous or if they started to decline.

After examining the retail characteristics of each town, we discuss ways to make Iowa's small towns more sustainable. It is important for small towns to figure out their strengths and their weaknesses. Once they find out their strengths, they need to focus on these strengths to build their community. It is true that Iowa's small towns are declining, but it is possible to not fall into this trend. There are many organizations that want to help these towns with ideas to make these towns socially and economically stronger.

Background

The Environmental Highway concept has gained great momentum as people realize that this corridor can serve not only as a transportation network, but a tourism draw by highlighting our natural resources. As an environmental corridor, Highway 20 (1) creates a positive environment for economic development, (2) establishes a model of scenic beauty for Iowa roadways, (3) protects Iowa's rich soil, pure water and clean air, (4) design-in habitat amenities for the benefit of wildlife and (6) embraces the natural features of the Iowa landscape.

According to World Commission on Environment and Development, sustainable development is defined as meeting "the needs of the present without compromising the ability of future generations to meet their own needs."

Sustainability is related to the quality of life in a community—whether the

economic, social and environmental systems that make up the community are providing a healthy, productive, meaningful life for all community residents, present and future. Therefore, a sustainable community resembles a living system in which human, natural and economic elements are interdependent and draw strength from each other.

The investment in bringing US Highway 20 to full four-lane service across the entire state is an issue of great economic importance to all of Iowa and certainly to the thousands of businesses and hundreds of communities in northern Iowa. The corridor is almost finished with less than 92 miles of this vital transportation link to complete. The gap left to complete is from Sioux City to Fort Dodge which would greatly enhance the transportation network for thousands of businesses. But there are some concerns about the impacts of Highway 20 bypasses on small towns around the highway. Especially, the residents of small towns are worrying over the economic impacts from the highway bypasses.

Concerns and Issues

After speaking with community members as well as the Highway 20 Association, we outlined some of the concerns community members expressed about the proposed bypass. Most disagreed with the bypass, and it was easy to see why; they feared that losing the highway would wreak havoc on their economies. Many of these fears revolved around the retail activity within the downtown area.

Many residents believed the reason for their downtown retail success was highway 20. They felt that people were not likely to get off the highway to patronize their shops. They also feared a shift from downtown development to out by the

highway. After listening to all of their fears and concerns, we decided to concentrate on the retail aspects of their communities.

Retail sales are a good indicator of a town's health because they give an idea of economic activity. Retail sales can also show the condition of a town center and shows trends in the economy as well as which areas are thriving or declining. Retail sales can also illustrate which sectors of the economy are growing. A diverse town center will attract more customers and investors, which can help a community to grow.

Analysis and Methods

When we decided to concentrate our efforts on a project for the small towns that were being bypassed by Highway 20 construction, we asked ourselves, "How will these small towns react to the bypass? What will they think? Are they for it, or are they against it?" We set out to show them that there was nothing to fear; that though their towns might change a bit, they would not die.

We decided to look for indicators of sustainability that we could use to compare these towns to other similar small towns in Iowa that had been bypassed. In narrowing down our search for comparative cities, we looked for towns that were of similar size, makeup, and had the same relative location to a major metropolitan area. It was also important to us that we stick to comparative towns in Iowa. We could have found towns that were closer in population out of state, but we decided that we wanted to have the same rural, farm-based economy that one would find in a small town in Iowa. We located our towns, and then began to do the analysis.

We contacted Ken Stone and Georgianne Artz from the Iowa State Department of Economics to enlist their advice. We used their online Iowa PROfiles data to get

our own economic data for our analysis. We concentrated on the following indicators:

1. Number of firms
2. Actual retail sales
3. Decade-long total retail sales of these towns to see if the trend kept going

Once the comparison cities were decided upon we began to collect relevant data. We looked at retail sales data for four years prior to the highway bypass and four years after the bypass to track any significant changes in the overall retail sales trend. Several of the comparison towns were bypassed in the eighties. We were interested in how these towns were doing today so we also tracked retail sales data for the decade of the nineties.

For the town of Rockwell City we chose Elkader and Jesup to compare. Elkader was bypassed by Highway 13 in 1981 and Jesup was bypassed by Highway 20 in 1983. Figure 1 shows the number of businesses that were in operation in Elkader and Jesup four years prior to the bypass and four years after the bypass.

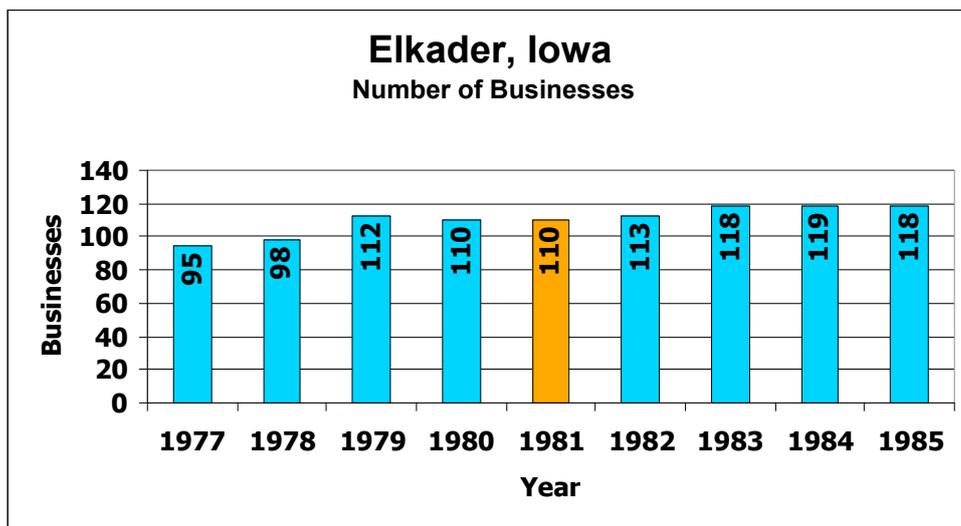


Figure 1. Businesses in Elkader (Midwest PROfiles)

As you can see the number of businesses held steady and showed no reduction as a result of the bypass. The orange bar represents the year the town was bypassed by the Highway.

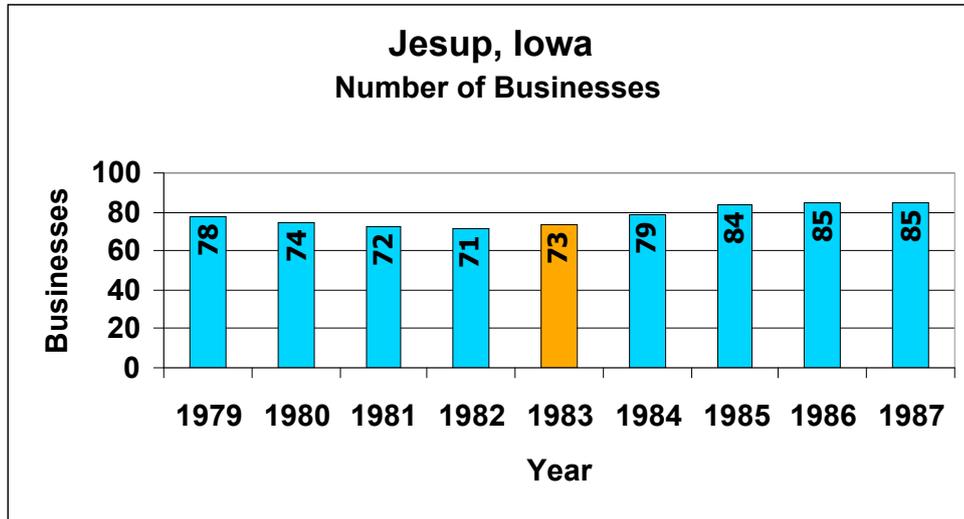


Figure 2. Businesses in Jesup (Midwest PROfiles)

Jesup was bypassed in 1983 and the chart reveals that the number of businesses actually increased slightly after the bypass. Looking at the data suggests that neither of the two comparison communities suffered a loss of businesses due to the highway bypass.

We compiled the retail sales data in much the same fashion as we did the business information. We gathered the information for the same four year time periods as before.

The retail sales figures from Jesup and Elkader showed no indications that the bypass had any detrimental effect in the four years after the bypass.

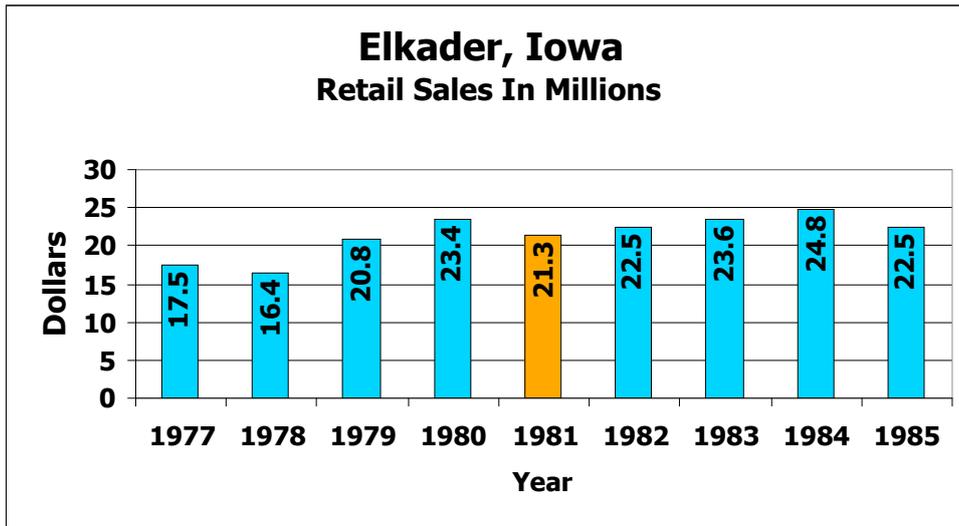


Figure 3. Retail Sales in Elkader (Midwest PROfiles)

Jesup shows a slight decline in the retail sales in the years after the bypass, but this is more of an indication of the overall general decline that small town Iowa has been experiencing in the last 10 years.

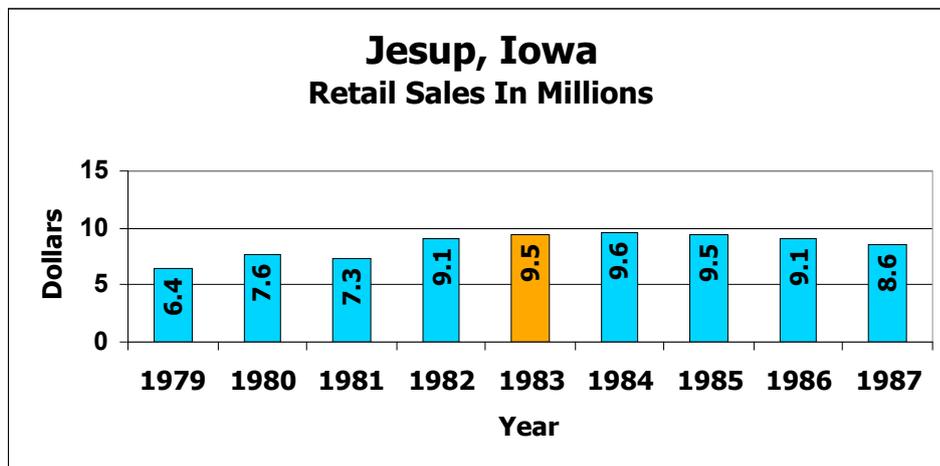
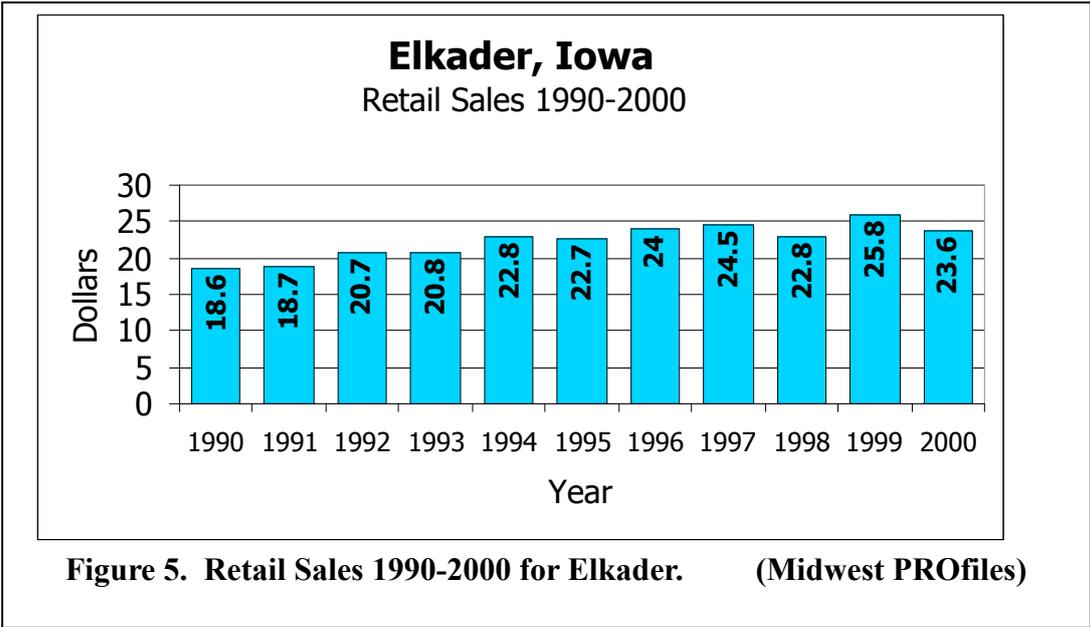
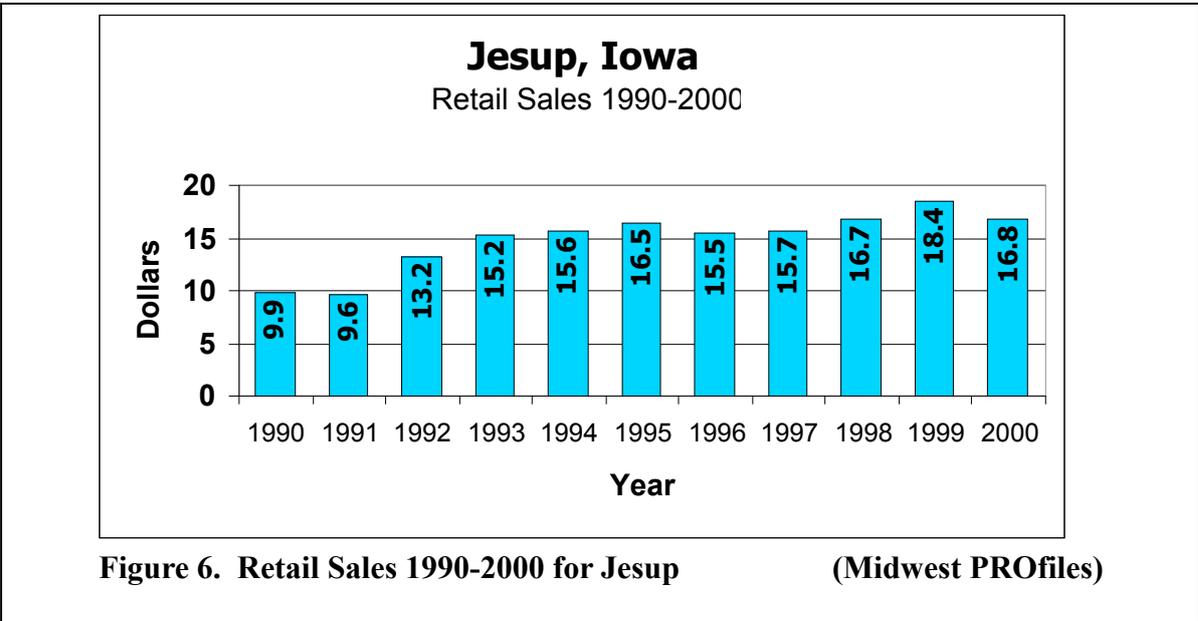


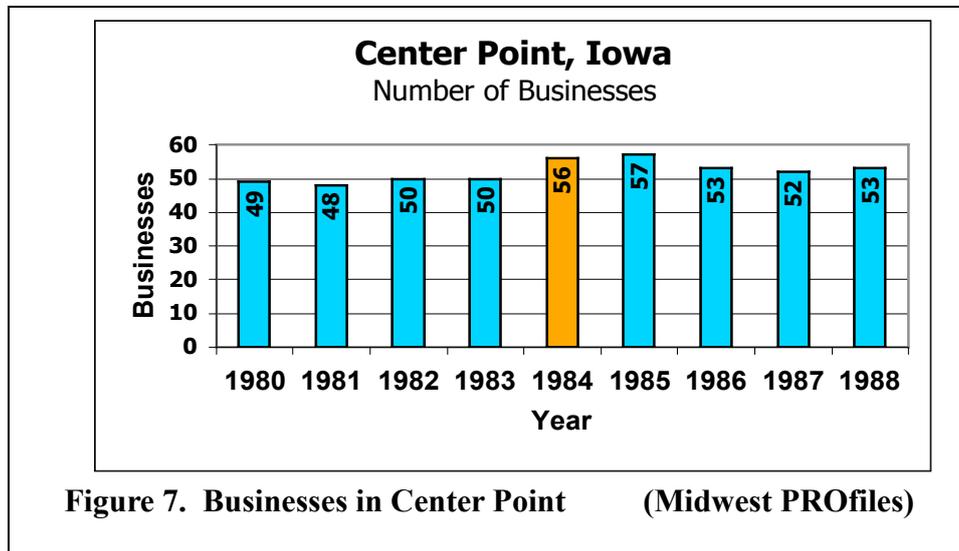
Figure 4. Retail Sales in Jesup (Midwest PROfiles)



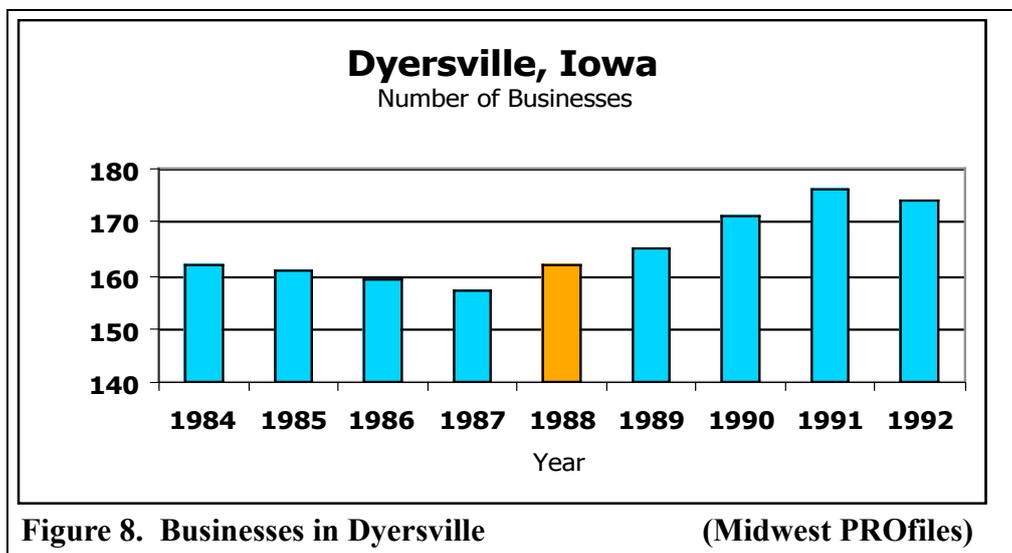
Since these two towns were bypassed in the early 1980's we were curious how retail sales had held up in more recent years. Figures 5 and 6 show that they have grown economically and that retail sales have remained strong showing no signs of decline as a result of the bypass.



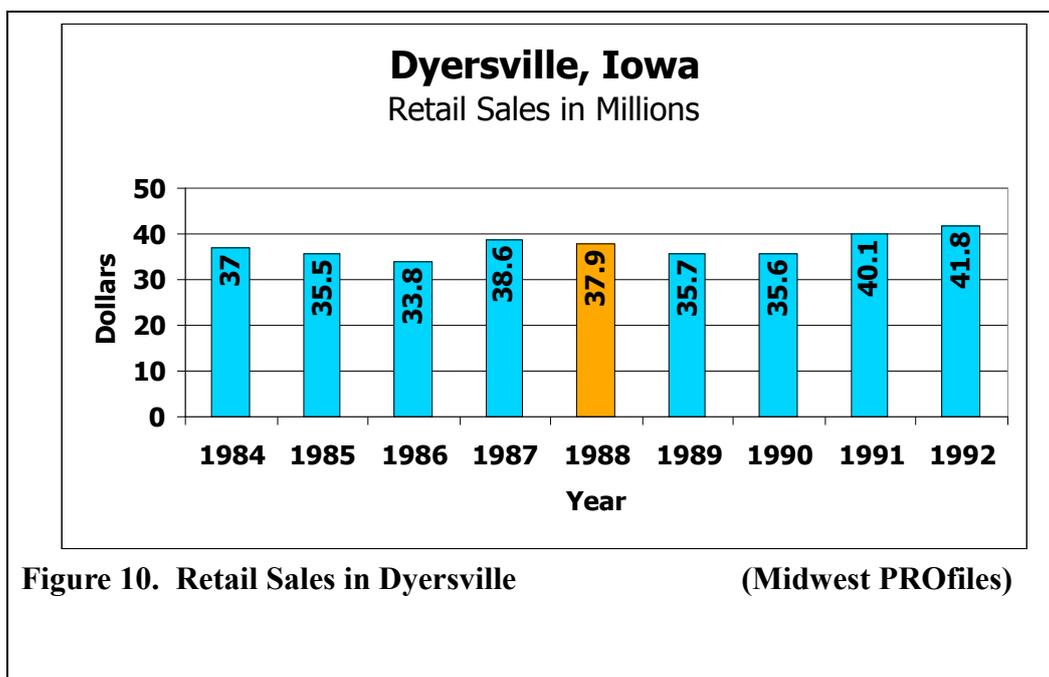
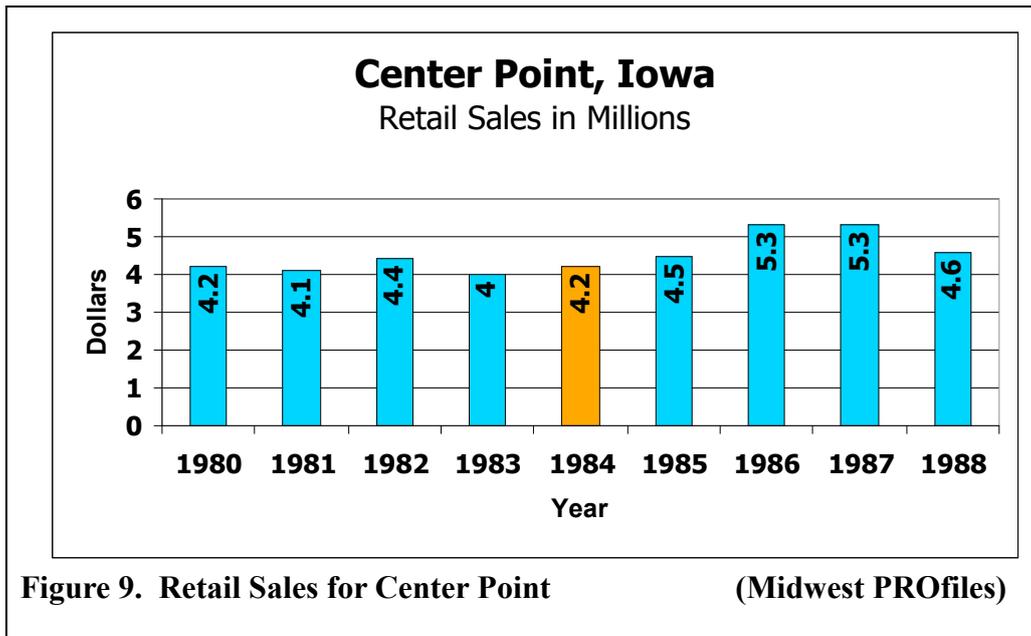
For the community of Sac City we chose Center Point and Dyersville as the comparison communities. Center Point was bypassed in 1984 by US Interstate 380 and Dyersville was bypassed in 1988 by US Highway 20.

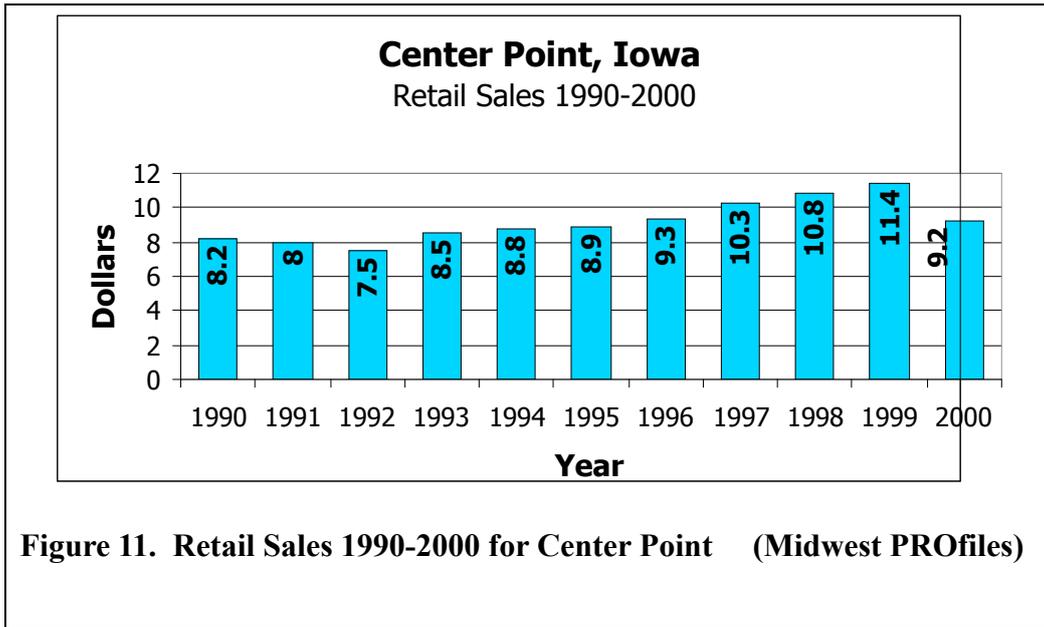


Figures 7 and 8 show the number of businesses that were in each of the comparison communities prior to and following the bypasses. Dyersville shows an increase in the number of businesses following the bypass. Center Point shows a slight decline in the number of businesses but once again this is related to an overall decline in small town Iowa.

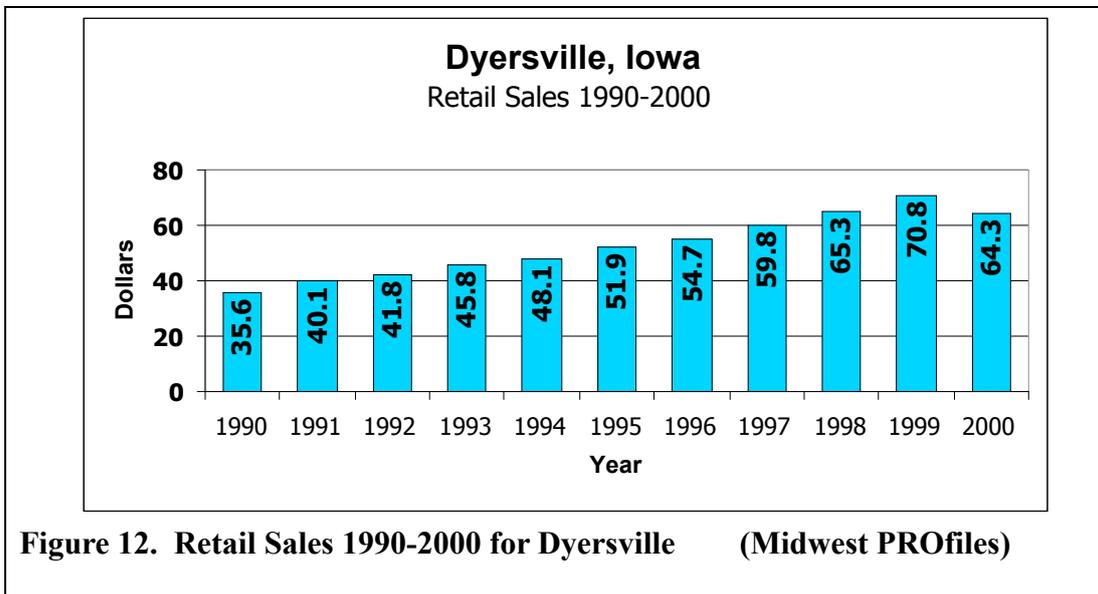


Figures 9 and 10 indicate that the comparison communities held their own in the retail sales end of the analysis. Both of these small communities showed a stable timeline following the bypasses.





Figures 11 and 12 show the retail sales for the years 1990 to 2000. These figures clearly indicate that neither of these two communities showed any detrimental or long lasting effects from the bypasses.



For Lytton we chose Walker and Janesville as the comparison communities. Walker was bypassed in 1984 by US Interstate I-380 and Janesville was bypassed in 1993 by US Highway 318.

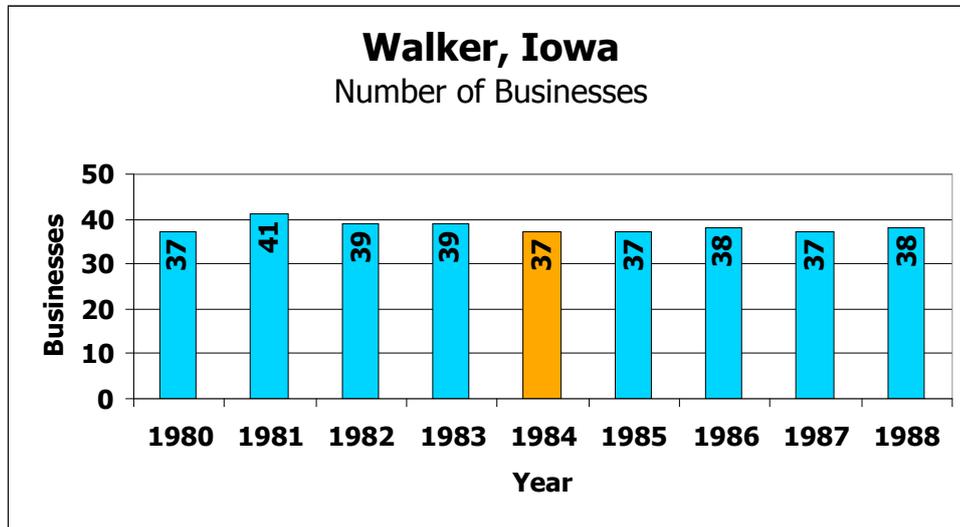


Figure 13. Businesses for Walker. (Midwest PROfiles)

Figures 13 and 14 represent the data collected for the number of businesses in both of our comparison communities. Both Janesville and Walker reflected previous results by keeping the number of businesses at a steady level and neither showed any negative results to the number of businesses as a sign of the bypasses.

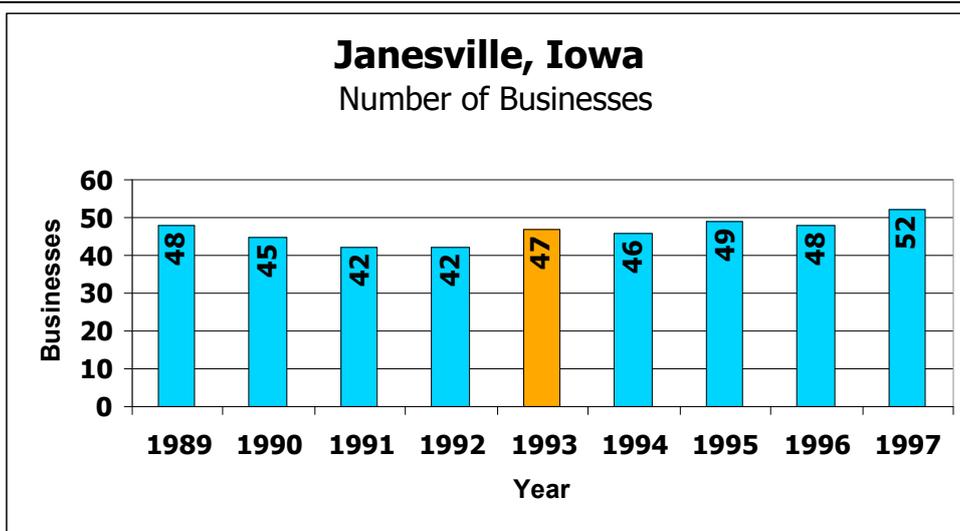
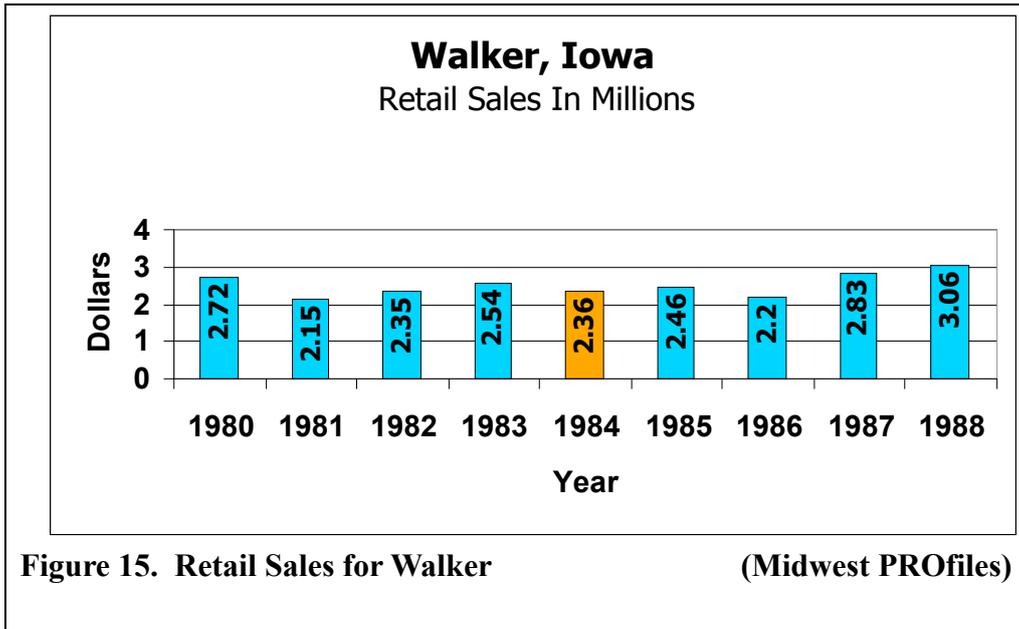
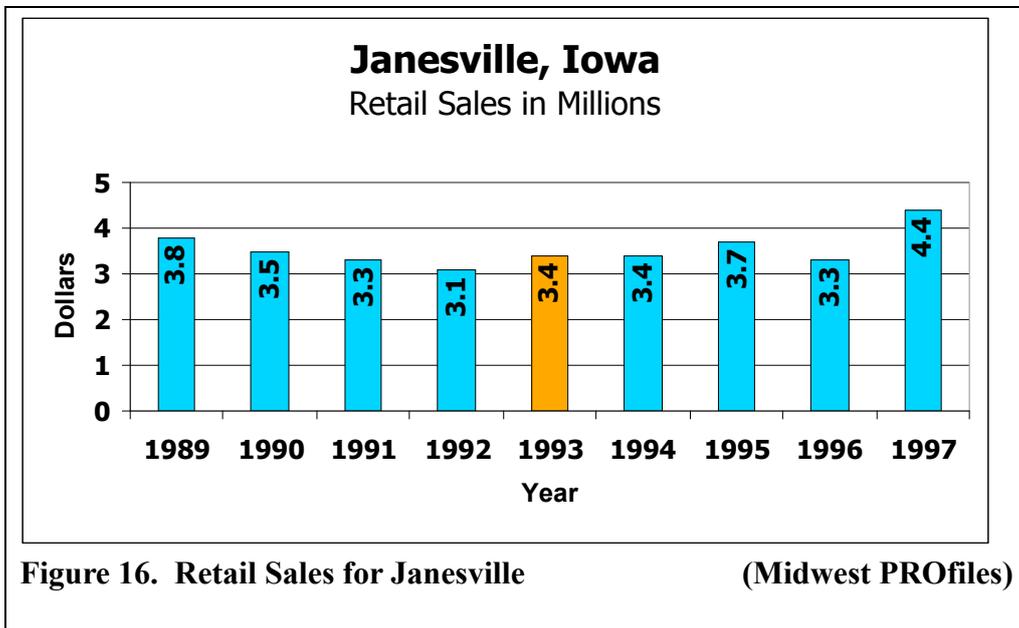


Figure 14. Businesses for Janesville (Midwest PROfiles)



Figures 15 and 16 show the data collected for Janesville and Walker for retail sales over the time of the bypass. These two communities showed no indication that the bypass had caused any loss of retail sales to their local businesses.



Looking at the 10-year period from 1990 to 2000 both of these communities have shown an increase in the amount of retail sales generated. This is an indication that once again the bypasses had little or no negative economic impact on either the number of businesses or the amount of retail sales generated by these communities.

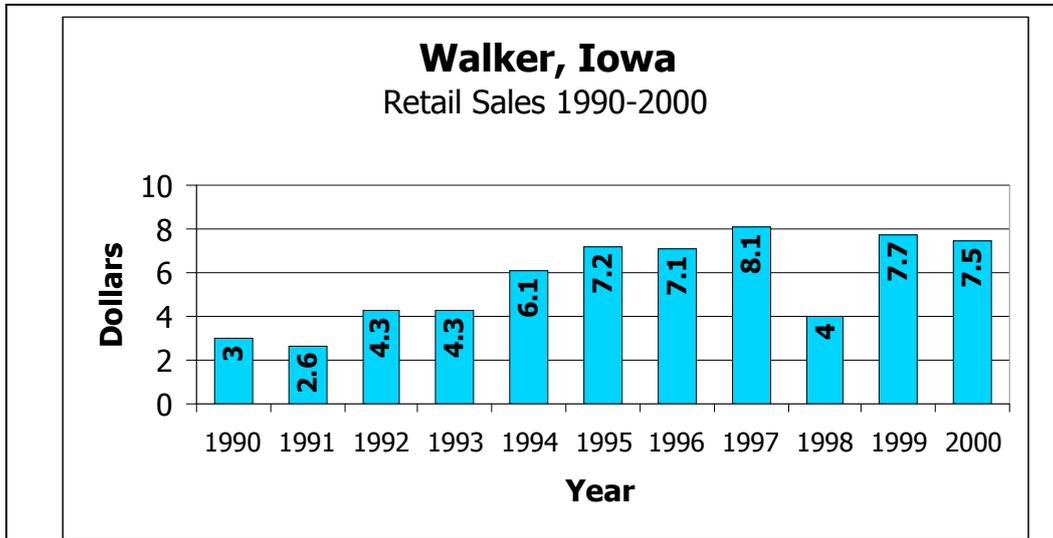


Figure 17. Retail Sales 1990-2000 for Walker (Midwest PROfiles)

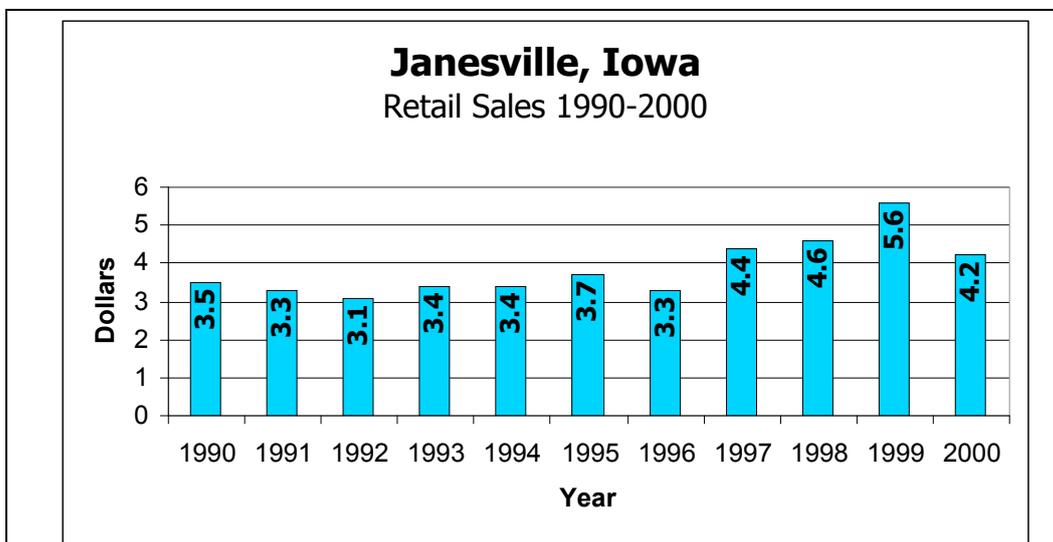


Figure 18. Retail Sales 1990-2000 for Janesville (Midwest PROfiles)

The use of similar comparison towns, and the results of the retail sales analysis left us with the impression that the communities of Sac City, Rockwell City, and

Lytton can put their fears to rest when it comes to losing either retail sales dollars or the number of businesses. None of the six comparison communities showed a negative effect from being bypassed by a four-lane highway.

Conclusions and Future Directions

Why do people choose Iowa? Our state is one of the healthiest and safest places to live and raise a family. This provides an ideal environment which is good for families, careers, and shaping the future of a new service-oriented economy. Iowa is coveted for safe neighborhoods, wide-open opportunities for professional growth, short commutes, lower costs of living and higher student standards. With one of the lowest crime rates in the nation, Iowans spend more time in their neighborhoods and parks with a feeling of safety and security. Iowa's clean, uncongested cities have less traffic, less noise, and a sense of neighborliness!

According to the Iowa Department of Economic Development, Iowa holds the following notorious ranks among the states: second nationally in business retention, fifth lowest nationally in business costs, among the top 10 states for “technology sophistication” in K-12 schools, among the top 10 in academic research and development and home to three state universities rated in the top 100.

There are several programs and funding available for small towns looking to revitalize their landscape more sustainably. We will describe programs offered through the Iowa Department of Economic Development, options available from the Sustainable Measures organization, and further resources offered through Iowa State University.

The Iowa Department of Economic Development provides the following financial assistance programs for entrepreneurs looking to invest in Iowa's local economy:

Venture Project Component of the Community Economic Betterment Account (CEBA)

The Venture Project Component of CEBA makes equity-like investments of up to \$250,000 to start-up and early-stage businesses.

Economic Development Set-Aside (EDSA)

The EDSA program provides financial assistance to companies that create new employment opportunities and/or retain existing jobs, and make new capital investment in Iowa.

Entrepreneurial Ventures Assistance (EVA)

Offers technical and financial assistance to eligible start-up and early-stage enterprises. To qualify, applicants must have completed or be participating in entrepreneurial training from the John Pappajohn Entrepreneurial Center, or have comparable training or experience.

Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP)

The Value-Added Agricultural Products and Processes Financial Assistance Program seeks to increase the innovative utilization of Iowa's agricultural commodities.

Export Trade Assistance Program (ETAP)

ETAP provides financial assistance to eligible Iowa businesses wishing to enter new markets by participating in foreign trade shows and trade missions.

Self-Employment Loan Program (SELP)

Offers low-interest loans of up to \$10,000 to low-income owners of new or expanding small businesses.

Targeted Small Business Financial Assistance Program (TSBFAP)

Designed to create and expand minority- or women-owned businesses through direct loans of up to \$25,000 and loan guarantees of up to \$40,000.

Additional financial assistance programs can be found at the Iowa Department of Economic web site at <http://www.iowasmart.com/>

Sustainable Measures is a private consulting firm dedicated to promoting sustainable communities, primarily through the development, understanding and use of effective indicators and systems for measuring progress. The organization assists governments, businesses, and non-profits find appropriate, practical ways to contribute to the overall sustainability of their communities.

Sustainable Measures offers a variety of consulting services on a fee basis. Typical clients include communities, non-profit organizations, federal, state, regional, and local governments, foundations and private sector businesses. Their services include: training, community, organizational and system development, process design and facilitation, evaluation, data analysis, reporting, and editing, presentations, practitioner networks, and practice sessions and learning forums.

A daylong, online workshop is offered free of charge to orient those interested in making their communities more sustainable. Access to the program and additional information can be retrieved at: (<http://www.sustainablemeasures.com/>).

Appointments can also be made for a spokesperson to conduct the seminar by contacting Maureen Hart at admin@sustainablemeasures.com.

In addition to these resources, Dr. Terry Besser of Iowa State University's sociology department specializes in sustaining rural communities. She has further information regarding how sample communities have overcome the hurdles of economic downturn. A videotape entitled, *Quality Jobs for Quality Communities*, showcases the efforts of other Iowa communities in order to make for a brighter tomorrow. She can be contacted via e-mail at tbesser@iastate.edu or 515-294-6508. Vernon Ryan, Steve Padgitt, Kenneth Stone, and Jan Flora are also university professors specializing in rural community development, which can be contacted through the university.

We can conclude that Iowa does have areas of improvement to be made in regards to sustainable development. Iowa must focus on retaining its youth, attracting a more diverse population, establishing economic vitality, and preserving its predominately agricultural way of life without sacrificing economic, social and environmental sustainability. This in turn will stimulate economic growth and liven the social fabric which make Iowa such a unique place to live and grow. In many ways bringing about economic vibrancy can go hand-in-hand with achieving sustainability if planned and executed in the proper manner.

Works Cited

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