



Donna Sue Groves watches craftsman Peter Snellman demonstrate broom making.

“We have to do things differently,” she says. “This understanding is slowly catching on. There is still a group of people who long for the prosperous economies of the past—they hope those days will return. Then, there is another group that knows we must compete in the world economy and understands that we need to take advantage of technology to do so most effectively. Then, another group is looking closely at the assets that we have, such as agriculture, artisans and crafts, and focusing on new ways to utilize those opportunities. Working collaboratively, thinking regionally and believing in ourselves will make all the difference.”

The results of this kind of new thinking can be seen in microcosm in the community of Nelsonville, Ohio. A small town of approximately 5000 people, Nelsonville was in decline at the time FAO was created. Inspired by the mission and vision of the foundation, area residents, merchants and craftsfolk began to work together to resurrect the town center. Their creativity and determination have led to the development of an energetic and charming town square, surrounded by arts and crafts shops, the establishment of several new restaurants, and an annual three-day Nelsonville Parade of the Hills.

One artisan on the square, Ann Judy, the owner of Starbrick Clay, was an early participant in the transformation. She joined the Foothills School of American Crafts as a teacher and artist when it moved into a new location on the public square in 2000. Ann, a potter, and Aaron Smith, her husband, who is an oil painter, soon were intrigued by the potential of another beautiful storefront on the square. They decided to renovate the building and open a co-op pottery and clay art gallery.

“When I began Starbrick, I knew I wanted to commemorate the clay industry and the Nelsonville bricks that were such an important part of the area economy many years ago,” says Ann. “The bricks made at the Nelsonville Brick Company, between 1887 and 1930, were world famous. They were known for durability and their beautiful Victorian designs.” Starbrick Clay now has 12 artists showing their work, with a new show every month. “It’s been an incredible four years. Growth is just phenomenal. There are so many artists here now, and it’s wonderful to have everything happening in a pedestrian-friendly venue that is so central, with historic buildings and charm.”

Other new shops and businesses have joined Starbrick Clay: a small bookstore, a coffeeshop/café, a bobbin lace business, a quilt shop and more. The old Opera House was renovated to host theatre, musical performances and public tours; and the former Majestic movie theatre became a contemporary art gallery. This sense of renewal has now culminated in “Final Friday,” a once-a-month community-wide event when artisans and shop owners offer store demonstrations, artist “chats,” refreshments and gallery openings.

Leslie Lilly sees the success of Nelsonville spurring more change and asset-based development. Tourism groups have come together to form a new regional association, several Chambers of Commerce are beginning to work together, and local community leaders are becoming excited about the region’s potential. “We’ve demonstrated that we can get money out into the community,” says Leslie. “The funds are not out of one pocket and into another. They are new resources. We are beginning to connect the work and to be strategic.”

The Foundation for Appalachian Ohio is providing the strong leadership and gentle persuasion needed to inspire, fuel and nurture this new vision for creating wealth—not as the exclusive privilege of the few, but as a creative, collaborative challenge for the many. In essence, it is redefining philanthropy and philanthropic investment as civic engagement and social responsibility. Creating community wealth and strengthening Appalachian Ohio’s regional economy will require the best efforts of a broad range of stakeholders, working together to utilize the region’s own assets, for the benefit of all.

For more information, visit www.nrfc.org. To learn more about the work of The Foundation for Appalachian Ohio, go to www.appalachianohio.org.



NEW COMMUNITY PHILANTHROPY BUILDS WEALTH FOR APPALACHIAN OHIO

The National Rural Funders Collaborative (NRFCC) believes that rural poverty is persistent due to decades and generations of environmental and economic disinvestment, cultural and social isolation, and barriers of race and class. This article is one in a series that highlights community transformation to address rural poverty. Strategies include: creating community wealth, transforming leadership through civic participation, and increasing self-sufficient families. NRFCC seeks to overcome disparities of poverty and race in rural communities through support for asset-based rural economies in which all persons can participate, benefit and lead.

If there is an overriding contrast between the notion of building wealth as it was conceived in the industrial age and the new understanding that is emerging from an attention to “regional entrepreneurship,” it is this: building wealth is no longer a matter in which a few “wealthy” individuals invest in and profit from large industrial engines that will sustain the economy, but rather is a community activity that draws the best ideas and most sustainable enterprises from the breadth of the region and its residents.

Addressing an Economy Decimated by Change

“Renaissance” is a word that is heard often today when talking with people in Appalachian Ohio. Persistent poverty over decades, and the loss of large-scale industries in recent years, have forced residents to take a closer look at local assets in searching for innovative approaches to breathe new life into their economy. They have taken on the challenging task of “building wealth” in their communities and their region.

The vast rural landscape of Appalachian Ohio—29 counties covering 14,276 square miles in eastern Ohio and part of the Appalachian Mountain range that runs from southern New York to northern Mississippi, with a population of 1.45 million—was once a land of promise during the great industrial revolution of the late 1800’s. The economy was fueled by the extraction of natural resources and by manufacturing. However, the potential of these industries to



The Foundation for Appalachian Ohio.

bring new wealth to the area was never realized, as profits created by the coal and timber industry were not reinvested locally, but moved out of the region. Local wages were lost to “company houses” and “company stores.” The introduction of new equipment for underground and strip mining resulted in a dramatic drop in the number of needed workers. The eventual development of long-distance pipelines for oil and natural gas made the region’s high-sulfur coal less valuable. And decades of poor agricultural practices, heavy timbering, and strip-mined slopes contributed to erosion, runoff, pollution and frequent floods.

LESSONS LEARNED ABOUT BUILDING COMMUNITY WEALTH

- *Appalachian Ohio’s natural resources and beauty are to be enjoyed and replenished by all, rather than exploited and exported for the benefit and advantage of a few.*
- *The region’s greatest resource and potential lies within its human capital. Its people—their talents and innovative inspirations—are the ends of regional investment and not the means only.*
- *Collaboration, not competition, is the key to economic growth and wealth creation throughout the region.*
- *“Wealth creation” or philanthropy must begin locally and regionally, providing new opportunities and challenges for individuals and institutions within the region to re-invest in their own future.*

Appalachian Ohio, like countless other rural regions in the Midwest and Northeast, saw its participation in the American dream of wealth creation vanish—and with it, the promise of the region’s vast natural and human resources.

The region's coal mines are nearly all shut down now, and the boom towns—once home to bustling churches, banks and brothels—have become tourist stops, their colorful past linking them together as the “Little Cities of Black Diamonds.” Textile and clothing manufacturers have largely disappeared, drawn overseas by cheap labor. Agriculture and forestry have dramatically declined. And despite the creation of the Appalachian Regional Commission as part of the War on Poverty in the mid-1960’s, and Ohio’s formation of the Governor’s Office of Appalachia (GOA) in 1988, 17.4 percent of Ohio’s Appalachian citizens today still live in poverty, with an average per capita income of about \$18,000.

Thanks in part, however, to a new “community” institution, the Foundation for Appalachian Ohio (FAO), there are recent promising signs that economic stagnation and distress may be giving way to the innovative approaches of the area’s philanthropic, arts and business communities.

The Foundation for Appalachian Ohio and New Access to Opportunity

A 1998 report published by the Ohio Grantmakers Forum pointed to a “philanthropy gap” in Appalachian Ohio—the region had 13 percent of the state’s population and 16 percent of the state’s poverty, but less than two percent of Ohio’s charitable assets. The state of Ohio was relatively prosperous at that time, and an idea took shape for creating a new institution that could build Appalachian partnerships and work with communities and prospective donors. The Ohio legislature appropriated \$1 million in state funds to spearhead the idea, requiring that the money be matched with private dollars. By October of 1999, \$1.75 million in matching funds had been raised and the Foundation for Appalachian Ohio (FAO) was born.



Leslie Lilly, FAO's president and CEO, promotes regional and community grant-making initiatives.

Leslie Lilly, then with the Foundation for the Mid-South, in Mississippi, was recruited to head the new foundation. “Our mission is to enrich the current and future quality of life in Appalachian Ohio through fostering access to opportunity,” says Leslie. “We do this through attracting private and public dollars and awarding grants, but also by supporting the region through collaborative partnerships.” FAO often plays the important role of an intermediary, facilitating conversations between donors and needs, and across organizational lines or political boundaries. “It’s difficult to get people to think regionally,” says Leslie. “There has not been a tradition here of working together. Different interests have competed for public resources—county versus county, community versus community. It has been a challenge to get people to begin to think regionally.”

A 2001 request for proposals from the National Rural Funders Collaborative (NRFC) presented the new foundation with a catalyst to draw potential partners together. Six or seven area organizations could have responded separately to the RFP, but instead, they came together to form the Appalachian Ohio Regional Investment Coalition (AORIC), and responded as a collaborative entity. Partners include the Appalachian Center for Economic Networks (ACEnet), the Corporation for Ohio Appalachian Development (COAD), the Foundation for Appalachian Ohio, The Nature Conservancy, the Ohio Arts Council, and Rural Action and Planning Adams County’s Tomorrow (PACT). The Institute for Local Government, Administration and Rural Development (ILGARD) at Ohio University joined the team a year later as the coalition’s facilitating partner.

The successful proposal submitted to NRFC was the beginning of the partnership’s work to strategically strengthen the economy by increasing the number of successful entrepreneurs, thus creating wealth and quality jobs. They focused on three sectors—forestry, agriculture and heritage tourism—utilizing a grassroots and outreach-oriented approach. NRFC’s grant, \$250,000 per year for three years, gave AORIC the financial resources it needed to develop an Entrepreneur Support Network to help small and fledgling businesses with marketing, financing and product development assistance.

A More Diverse Approach to Regional Growth and Wealth Creation

This new strategy of “regional entrepreneurship” is one that has attracted unlikely partners from various sectors. In the AORIC collaborative, the Ohio Arts Council (OAC), a 40-year old regional agency funded by the state of Ohio and the National Endowment for the Arts, has worked to provide opportunities for artists, artisans and art lovers to join their interests in ways that build upon the rich, indigenous artistic and cultural heritage. “We provide grants to artists and arts organizations, as well as connect them to tools and networks to help them accomplish what they are trying to do,” says Donna Sue Groves, southern field representative for OAC. “We also sponsor conferences and workshops to bring people together. Artists and communities have realized how important the arts can be to their economies—they bring people to the region to learn about arts and crafts, heritage, culture and the history of Appalachian Ohio.”

Since the work of AORIC began, Donna Sue has seen an evolution in people’s thinking about what community development and economic development encompass. “Initially people weren’t sure what the arts had to do with trying to alleviate poverty, but people seem to understand that now. The arts not only make an important economic contribution, but they also provide healing, joy and comfort.”



The Barn Quilt Trail is drawing tourists to Appalachian Ohio and adding to a new community sense of pride and optimism.

AORIC's partners have built on existing “clusters” of activities and opportunities, such as festivals, specialty food items, wood products, and regional arts and artists. Two new tourist trails are generating community economic benefits and local pride: an Appalachian Discovery Birding and Heritage Trail, a learning experience in local wildlife and history; and a Barn Quilt Trail, a picturesque tour of quilt squares painted on barns. Local festivals are expanding and coordinating their efforts to bring new tourist dollars to the region and possibly attract future businesses and residents. Two Festivals Conferences have been held, and a database developed to enable ongoing communications among festival sponsors, stakeholders and participants. AORIC’s strategy also includes developing and nurturing a new breed of individual entrepreneurs and leaders. ACEnet, a collaboration partner that utilizes a sectoral approach, supports new entrepreneurs by encouraging them to network with each other, share information and undertake joint ventures to leverage their efforts.

Athens Chamber of Commerce CEO Jennifer Simon credits the new dynamics for several important economic developments in the region. “An example of the new partnering is Athens and Meigs Counties working together around coal research. Together they are working to bring a clean coal plant to the area, which initially would mean construction jobs, and eventually permanent jobs at the facility itself. Athens County has Ohio University for research and Meigs County has flatlands and the river. The facility would require 300 to 400 acres of land. The Department of Energy will have an RFP and will partner with private energy companies. The Ohio counties can combine their assets to provide an attractive location and resources for the plant.”

“There are more examples of positive change,” says Jennifer. “Athens County has a biotechnology business now that is strong and growing. We also have two online book distribution companies. And we have a new industry focused on simulation and interactive digital technology, which has applicability to homeland security and other security needs.”

The Role of Community in Building Wealth

State Senator Joy Paggett represents a district encompassing nine of the 29 counties in Appalachian Ohio. She has served in the Ohio House of Representatives since 2004, and was on the steering committee that started the Foundation for Appalachian Ohio. She still serves on the Foundation’s Board of Directors. Senator Paggett speaks enthusiastically of the catalytic work of the foundation, and of a ‘renaissance of thinking’ in the region.