



# **Development Chronology – Ord**

Ord's Journey to Becoming an Entrepreneurial Community in Nebraska

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November 2021

### **Chapter 1 - Introduction**

American Indians lived in what would be known as Nebraska's Valley County Region for centuries before European-American westward settlement displaced these first residents. In the 1860s following the Civil War parts of the Nebraska Territory were opened up for settlement fueled by first the Homestead Act and then supplemented by the Kincaid Act. The Nebraska Territory was officially created by the U.S. Congress in 1854 with Nebraska becoming a state in 1867. Valley County was formed in 1871 and officially recognized by the State of Nebraska as a county in 1873. Ord, Nebraska, was first platted in 1874.

We have segmented our story content into various papers to provide greater access and ease of use by readers. There are also a series of other papers being curated by writing partners focusing on leadership, philanthropy, youth, and culture. Our friend, Ord leader and co-collaborator in this work, Robert Stowell, is also writing his story and journey as it pertains to Ord's development.

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#### **Bottom-Line Success Metric**

Stressed communities, regions and states manifest their distress in different ways in rural America. In the industrial Midwest and Northeast, distress typically is reflected in high rates of unemployment, underemployment, and eroding labor force participation rates. In Appalachia and the Deep South generational poverty is the most likely indicator of chronic and severe distress. For the Great Plains and much of the Rocky Mountain West population outmigration and depopulation is the likely indicator of sustained distress. In communities like Ord the bottom-line success metric is population change. For most rural Great Plains communities, it is not a question of whether their populations will decline with the annual Census estimates, but how much. Ord has long embraced stabilizing and growing its population as an indicator of progress and success. In this **Development Chronology** paper, we employ population change to illustrate building community distress setting the stage for a crisis driven commitment and response that has moved Ord from a declining community to a prosperous community.

Next let's begin our journey in Ord's development journey starting with Meeting Critical Challenges.



# **Chapter 2 - Meeting Critical Challenges**

In entrepreneurship we know that there will be challenges. It is just part of the creative process. To become an entrepreneurial community, Ord and its region have faced daunting challenges and demonstrated the community's resiliency in overcoming these challenges making it stronger with greater capacity to take on current and future challenges and opportunities. In this chapter we summarize these key challenges to provide developmental context for the more granular development chronology addressed in the next part of this paper.

#### Figure 1 – Ord's Challenges Met and Overcome

1970s Ord, Valley County, and its region were in decline due to automation of agriculture and decades of population loss.

Given the profound change occurring in the rural Great Plains, Ord experienced a rise in anti-change and anti-government groups like Posse Comitatus and the John Birch Society blocking necessary change. Progressive elements in the community took on these groups loosening their control and eventually marginalizing them enabling future change.

The 1980s Agricultural Crisis deepened Ord's decline and rising sense of hopelessness. There were significant population, farm, and business losses as described in our paper, <a href="Looking Back at America's Farm Crisis">Looking Back at America's Farm Crisis</a>. We cannot quantify **hopelessness** as is the case with employment. We can employ surveys, focus groups and interviews that chart a community's sense of hopelessness or optimism during times of distress or progress.

During this same decade there was the dual crisis of nearly losing the hospital and a wicked community conflict over some community doctors. The hospital was saved, and the doctors' crisis moderated.

The 1990s is best described as a "search for solutions" era where the community began to explore, with outside help how it could move forward.

Healing occurred in the social fabric of the community, there was economic recovery, and the community was beginning to vision its future and develop a strategy for moving forward.

For so many reasons the year 2000 was a turning point for Ord from crisis and decline to making the necessary commitments to move into a cycle of progress and prosperity.

The 2000s was a period of exploration, community visioning, commitments, organizational development and increasing public and private investment. During this decade the foundation was laid for the outcomes and impacts documented in the 2010 to 2020 period.

The U.S. Great Recession (2007-2009) impacted Ord, but this was also a time of very strong profitability in production agriculture mitigating the recessionary impacts in farm dependent communities and states.

1980s

1990s

2000

2000s

There was another crisis with first the win of a new ethanol plant, then its closing and finally its reopening under new ownership and the development of the value-adding ethanol cluster.

2010s

The decade of 2010-2020 documents remarkable progress and clear demonstration of transformative change. While there were no major challenges earlier in the decade, Ord and its region are now facing first an agricultural contraction and now recession.

2020

2020 closes out 20 years of progress for Ord. The major challenges outlined in Figure 1 highlight a community capable to marshal the courage and capacity to meet them. We believe these tests have made the community stronger with greater capacity to meet current and future crises and opportunities.

2020 ushered in the COVID-19 Pandemic, associated economic and social shutdowns, and now possibly the deepest U.S. recession since the Great Depression. Time will tell how Ord fairs with both a serious agricultural recession coupled with the Pandemic Recession.

Major challenges rise up and test every community, and the question is whether there is the leadership, rooted wealth, and community resiliency to not only weather these dire tests but recover becoming stronger following the crisis. Over the past 50 years (1970-2020) Ord has demonstrated its ability to respond to these tests outlined in Figure 2.

In our core <u>Ord Story</u>, we share the theme of Ord and its region moving from crisis to greater prosperity. Figures 1 and 2 captures this 50-year long progression:

Figure 2 – Ord's Progression from Crisis to Increased Prosperity

#### 2000 - The Pivot Year

In so many ways 2000 was the pivot year for Ord where it transitioned from crisis to increasing prosperity. Around 2000 Ord began to make smart decisions and investments laying the foundation for growing a more vibrant economy and community.

1970s	1980s	1990s	2000s	2010s
Slow decline and gradual population loss due to farm automation.	1980s Agricultural Crisis and accelerated decline and deepening crisis.	This decade can be described as a search for solutions leading to progress in the coming 20 years.	In the 2000s Ord made critical decisions and began to smartly invest into its future.	By the 2010s Ord began to demonstrate through independent indicators change.

The next section provides a long-term view of **Ord's Development Chronology**.



# **Chapter 3 - Ord's Development Chronology**

Figure 3 provides Ord's development chronology including both business development and community betterment investments into schools, infrastructure, the arts and humanities, and other civic improvements.

Figure 3 – Development Chronology for Ord and Valley County, Nebraska

#### **Pre-European American Settlement**

Before there was Ord or Valley County this region was home to Native American tribes. This community is a product of America's Manifest Destiny policy to settle from coast to coast in North America. Displacement, often through policies of war and genocide, opened lands to settlement and development. This community is also a product of America's Civil War and policies including the Homestead Act, railroad development and the formation of Territories and then new states in the west.

Nebraska Territory is opened up to settlement and the Homestead Act and other policies empowered the formation of towns, farms, and ranches.	1860s	Following the Civil War there was pent up energy to move on. The opening of parts of America's west, including the Great Plains, created an opportunity for mobility and ownership.
1871 – Valley County Formed 1873 – Officially Organized as Valley County 1874 – Ord Platted	1870s	The settlement and development process in Valley County and Ord begins in the 1870s.
1880 Valley County Population – 2,324 Rural population booms. 1880 Ord Population – 181	1880s	Entirely new towns, farms, ranches, businesses, governments, churches, and the like were created in a matter of years.
Ord begins decades of town building becoming the leading community in Valley County and its rural region.		This was the town building phase in Ord's development history.

**Settlement Boom.** Nebraska Historian Robert Manley was a remarkable storyteller. Dr. Manley served as a development advisor during the Governor Nelson Administration in the 1990s. Dr. Manley's work tells the story of Nebraska's rapid European-American settlement following the Civil War. It is a remarkable transformation as the Great Plains was settled with European Americans in a relatively short generational time frame with rapid town building, the establishment of farms, ranches and industries, and the establishment of new institutions ranging from churches to local governments to education.

# Between the 1880 and 1890 Census The Boom Decade

Valley County – 2,324 Residents to 7,092 Residents – Over 200% Growth Rate
Ord – 181 Residents to 1,208 Residents - Nearly 6-Fold Growth Rate



### **Demographics**

In the Great Plains the story of demography is central to the development story. In the Great Plains socioeconomic distress is largely reflected in chronic and severe depopulation due to net outmigration and an aging population. See the next section for a quick review of the **Development History of the Great Plains**.

Valley County population peaks in 1920 –		Ord's Population peaks in 1980 – 2,658 Residents
9,840 residents - Between 1920 and 2016	1900s	Ord – Between 1980 and 2016 (2,078) – loss of 580
(4,184) – Loss of 5,639 or -57%		or 22%

### **Emergence of Chronic and Severe Depopulation**

Across the Great Plains rural counties like Valley County often experienced peak populations with the 1920 and particularly 1930 Census. For lead communities in these predominantly agriculturally based and rural counties, peak populations often lagged occurring in the 1970s and 1980s. During this 1930s to present or 90-year period, continuing agricultural automation, lack of economic diversification and the resulting rural to urban migration undermined the very vitality of communities like Ord across this vast continental region. Over this period rural populations hollowed out.

Valley County's population growth slowed significantly between 1890 and 1900 due to the drought of the 1880s. Growth picked up between 1900 and 1910 with a 29% increase in residents. World War I created a boom in agriculture with increased demand. Population growth slowed again in the 1910 to 1920 period posting a 3.6% gain.	1910s	In 1880 Ord posted a population of just 181 residents. Between 1880 and 1890 Ord's population grew to 1,208 residents or by 567% the boom years. Between 1890 and 1900 population growth slowed and grew by 13.6% reflecting the hard times in agriculture. Between 1900 and 1910 strong growth resumed increasing by nearly 43%.
Following World War 1 there was a post-war crash in agriculture. The agricultural recession, coupled with drought and dust bowl challenges drove a 3.0% decline in county population between 1920 and 1930.	1920s	Ord continued to grow at nearly 1% per year during the 1920s posting a decade long growth rate of 9.3%. By this decade Ord's population leveled off ranging for the rest of time into the present at around 2,000 residents.

# Valley County Peaks in Population in 1920 ...with 9,823 Residents

During the Great Depression years with continued declines in production agriculture the county's population declined by 14.4% between 1930 and 1940. This began the longer trend of agricultural automation and chronic and severe depopulation in Valley County.	1930s	Agricultural recession and hard times associated with the Great Depression in the 1930s stalled growth with just a 0.65% growth rate. Continuing automation in agriculture and lack of economic diversity undermined the engines necessary for sustained population growth. Rural to urban migration was gaining steam.
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Despite a boom in agriculture with World War II, agricultural automation, and loss of residents to the military, resulted in substantial county depopulation with a net loss of 11.2% of residents between 1940 and 1950.	1940s	World War II further stagnated growth, despite a boom in production agriculture with no population change between 1940 and 1950. Like other rural communities in the Great Plains, Ord now faced continuing cycles of depopulation.
The rate of county level depopulation slowed but continued between 1950 and 1960 in the post-War boom years in America. During this period the county lost 9.1% of its residents. While America was booming Valley County was declining.	1950s	The 1950s represented a consumer driven boom in America and Ord experienced net population growth with returning GIs of 7.8% contrasting with a county loss of 9.1%
County depopulation accelerated in the 1960s posting a 12.2% loss between 1960 and 1970. Population decline rates of 1% or more per year dramatically undermine community vitality over time.	1960s	Population growth continued in the 1960s but moderated to 1.1% for the decade. Shrinking rural populations undermined markets for hub communities like Ord contributing to population stagnation and eventually decline. There is typically a lag between county and city depopulation trends.

#### **Anti-Government Movements**

Communities experiencing severe socio-economic distress often birth and support extremist movements. For Ord and its region during the 1970s there was a significant rise in antigovernment groups including the John Birch Society and Posse Comitatus. These movements held power in Ord and were opposed to employing local government to address the need for community economic development. Central to the development of "champion" leadership development included those residents in the community that "took on" these groups supporting a recall of school board members. By 2000, the turning point year, Ord had overcome another major development challenge in creating community support for employing its full range of development tools, including government, to increase investment into community economic development.

County level depopulation moderated in the		Ord experienced a counter trend from decades of
1970s with the construction of the Virginia	1970s	chronic and severe depopulation with a mini boom
Smith Dam and the Calamus project with a		in the 1970s associated with the rather larger
drop between 1970 and 1980 of just 2.6%.		Calamus Project and an influx of construction
		workers posting a 9% growth rate.

#### The Calamus Project – 1970s Economic Boost

In the 1970s the U.S. Bureau of Reclamation as part of the Pick-Sloan Missouri Basin Program financed and built the Virginia Smith Dam (e.g., named after Virginia Smith a long servicing Congresswoman representing the 3<sup>rd</sup> Congressional District spanning much of Western Nebraska) creating the Calamus Reservoir and associated agricultural irrigation. This massive, relative to the region, construction project, created a mini boom contributing to population growth in the 1970s. Following completion of construction, the region was left with enhanced agricultural productivity due to low-cost irrigation and a major recreational tourism asset that continues to enhance both the regional economy and quality of life today. But historic depopulation patterns re-emerged by the 1980s.



#### The City of Ord Peaks in Population with 2,658 Residents with the 1980 Census

In the Great Plains it is common for counties to peak in population between 1900 and 1930 with lead cities within these counties peaking in population decades later in the 1960s, 1970s and 1980s. For larger regional hub cities (e.g., Columbus or Norfolk), the emptying out of the rural areas is now threatening development opportunities and population growth.

Following completion of the construction
phase of the Calamus Project county
depopulation accelerated posting an 8.2%
decline between 1980 and 1990.

1980s

During the 1980s chronic and severe depopulation rooted once again and during this decade Ord's population dropped by 6.7%.

#### 1980s Agricultural Crisis

The 1980s agricultural crisis drove further depopulation with county population losses increasing from 8.2% in the 1980s to 10.1% by the 1990s. Ord's rate of loss grew from the 6.7% decline in the 1980s to 8.5% in the 1990s. The Ag Crisis created the socio-economic conditions that proved foundational to Ord's search for solutions in the 1990s and 2000s. It was increasingly clear to some Ord leaders and residents that with the postagriculture recession Ord was not rebounding and that fundamental action was required. Check out our paper on the 1980s Ag Crisis – *Looking Back at America's Farm Crisis*, for more information.

Between 1990 and 2000 the county lost
another 10.1% of its residents.

1990s

Depopulation continued in the 1990s with a net loss of Ord residents of 8.5%.

#### **Ord Hospital Crisis**

In the early 1990s the Ord Hospital, a major institution in this rural community of several thousand residents was experiencing challenges. By the mid-1990s it was in crisis and at serious risk of closing. This hospital crisis was a major test for this community. Leaders and residents in Ord, despite advocates for closing the hospital, managed to save it and by 2000 it was recognized by the Federal Government and State as a Critical Access Hospital and is now the highly successful Valley County Health Care System anchoring a health care cluster making it the number one creator of jobs and careers in Ord Region. Refer to our stories on Ord's healthcare system and its current CEO Nancy Glaubke for more information.

In 1930 Valley County posted a population o	f
9,533 and by the 2000 Census this population	n
had dropped to 4,647 or by 4,886 or by over	
51%.	

2000s

Ord begins to address its decline and working with Nebraska Public Power District and Nebraska Extension to vision a New Future (March 2000 Report)

The following chronology becomes more granular in 2000 through 2020 as Ord and its region begin to invest smartly in their future and move from chronic and severe depopulation to increased economic and social vitality and renewal. The content that follows is comprehensive but does not include all developments.



#### **2000 Turning Point**

The perception of crisis in the 1980s and 1990s precipitated a call to action and a turning point. We view 2000 as the primary turning point for Ord and its Region from deepening decline to a transformation to renewal and growth. The following chronicles key development actions taken by Ord and its region over the next 20 years creating this story of renewal.

John and Alice Wozab leave a \$1.2 million gift
to Valley County. Jeff Yost with the Nebraska
Community Foundation (NCF) begins to work
with the community on this gift.

1999

The Wozab Trust results in the April 1999 creation of the Valley County Foundation fund within NCF. NCF begins helping with a county-wide economic development strategy.

# 2000 - Former Ord Resident Bethanne Kunz becomes Ord's first paid economic developer staffing the newly created Valley County Economic Development Board.

Under Nebraska law an Inter-local Agreement
is created in July 2000 creating the Valley
County Economic Development Board.

2000

1995 Ord graduate Bethanne Kunz is recruited home to become the first paid Economic Development Director.

### **Traditional Society**

For most of their history rural communities have been relatively homogenous embracing traditional social norms including distinct roles between men and women. As women entered the workforce and gender equality gained steam across America, many rural communities continued to embrace gender distinctions. For example, if a woman wanted to borrow money from a bank to start a business, she would likely need her husband, father, or brother to co-sign the loan agreement. A key breakthrough for Ord was a broader recognition of entrepreneurial talent including the potentially powerful role of women in the economy.

A September 2001 vote 74% of Ord voters
supported an LB840 1% sales tax proposal for
economic development. This was the
beginning of a series of public votes to create
new taxes, raise taxes and pass bond issues
moving the community from disinvestment
to investment.

2001

Other commitments were made in 2001 including the formation of the Loup Valley Investment Club and adoption of Tax Increment Financing providing additional development tools. Increasing private investment is also part of this story, rising substantially over time and maintained at a relatively high standard impacting businesses, housing, and industrial development activities.

#### **Ord's Ethanol Journey**

Three contemporary crises challenged Ord during its contemporary development journey – overcoming the anti-government movement, the hospital and health care crises and then its efforts to create an ethanol plant. In the post-World War II period farm advocacy groups (e.g., Corn Growers, Farm Bureau, Farmers Union, and others) began advocating state and federal policy changes to increase the use of ethanol as a supplement to America's motor vehicle fuel supply. The goal was simple, expand markets for commodities like corn to increase prices for producers. By the 1990s ethanol development was in full swing in America's heartland. In the early 2000s developers reached out to Ord for the possible development of an ethanol plant. This multi-million-dollar



project was one of the first development efforts taken on by the newly minted Valley County Economic Development Board and newly hired Bethanne Kunz. By 2003 the first development was underway and opened in 2005, but by the fall of 2008 the initial owner failed, and Farm Credit took the plant into receivership. The potential loss of the ethanol plant created a major community crisis. But with continued development efforts a new owner was secured in 2008 and today there is an entire value chain of activities associated with this operating ethanol facility. Check out these more detailed stories for more information about Ord's <a href="Ethanol story">Ethanol story</a> and one of its champions, <a href="Gaylord Boilesen">Gaylord Boilesen</a>.

### **HomeTown Competitiveness Partnership**

In the early 2000s Ord became the first community in Nebraska to become part of the HomeTown Competitiveness or HTC initiative. This innovative rural community development framework focused on the four development pillars of leadership, philanthropy, youth, and entrepreneurship. Through this partnership Ord accessed significant external development assistance and in turn informed rural community development across America. In 2005 the W.K. Kellogg Foundation recognized HTC as one of six national initiatives as part of its 75<sup>th</sup> Anniversary celebration. See video.

The community becomes the first community to be part of HomeTown Competitiveness or HTC, an initiative of NCF, Heartland Center for Leadership Development and the Center for Rural Entrepreneurship with innovation funding from the W.K. Kellogg Foundation.	2002	Other Developments  - HTC's Leadership Quest launched  -Auble's Pond Renovation Committee formed  - Timberline Total Solutions (telemarketing) recruited. Since sold to Hamilton Telephone.  - A commitment to entrepreneurship led economic development
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#### First LB840 Enabled Loan Made

While work on the Ord Entrepreneurial Ecosystem began in 2000 with the creation of the Valley County Economic Development Board, hiring of the first paid economic developer and the passage of LB840 in 2001, the first LB840 supported business loan is the start of intentional business development with a loan to Valley Thunder Rods. This venture continues to thrive to this day.

In 2003 Ord's LB840 Gap Loan Fund became operational making four loans supporting nearly \$750,000 of venture deal flow. Over time Ord becomes very competent in venture deal packaging foundational to its entrepreneurial ecosystem.	2003	Entrepreneurship Embraced  LB840 Gap Financing Loan Fund launched.  Development of an entrepreneurship strategy.  Downtown revitalization launched.
General Development Outcomes:  -Mortensen Industrial and Business Park createdCourt House renovation 2 Additional LB840 Deals worth \$80,000	2004	-USDA Rural Development RBEG grant securedNancy Glaubke hired as the first business coachSt. Mary's 5-8 <sup>th</sup> Graders Entrepreneurship Program and Fair -Involvement of 4-H



#### **Shift to a Regional Employment Hub**

After two decades of where Valley County residents needed to travel outside of the county for work, between 2004 and 2005 Valley County became an employment hub. This is a key turnaround indicator of a growing economy reaching into its region for workers. In growing a stronger and more diverse economy Ord stabilized its region creating economic opportunities further strengthening its role as a hub in this region of Nebraska. For greater detail check out our paper – *Ord Comparative Performance Analysis*, located in our resource library.

In 2005 the LB840 program supported an additional five projects creating around \$500,000 in new deal flow.	2005	By this point the Valley County Economic Developer, working with the City's LB840 Board was evolving into a venture deal package.
-Auble's Pond RenovationFirst Job Fair within the Development OfficeAdditional ½ cent sales tax passed enhancing funding for development.	2006	-Second Tallest Flagpole in Nebraska built11 businesses participate in the University's EDGE Entrepreneurship ClassesDowntown revitalization launched.
Six more LB840 deals worth nearly \$750,000.	2000	-Launch of community recognitionsOpening of a Local Job Service Office.

# From Disinvestment to Investment Growing Pattern of Investment

Chronic and severe decline often leads to patterns of disinvestment and disengagement. This chronology illustrates an emerging pattern of investment, the willingness of citizens to tax themselves to support community betterment and a changing attitude about the future of the community. It is important to note that as this development cycle was forming there was rooted opposition from a strong chapter of the John Birch Society with very deep anti-tax values. The community over-came anti-investment powers to progress.

-Started the Ord Housing Rehab and Demolition programLodging Tax is increased to 2% to support tourism and visitor promotionFour LB804 deals worth over \$570,000.	2007	Foundation endowed assets with gift expectancies reach \$6.9 million or 116% of Valley County's estimated 10-year Transfer of Wealth opportunity making the community a leader in rural philanthropy.
Bethanne Kunz, the first paid and full-time economic developer, resigns and moves to a new position. The community successfully transitions to Caleb Pollard. During this transition the LB840 Program supported five ventures and generated \$800,000 in deal flow.	2008	The national Center for Rural Entrepreneurship recognizes the community as "1st in Class" for its innovative and sustained rural entrepreneurship work. By 2008 it was increasingly clear that Ord had staying power with this economic development transition and a rooting entrepreneurial ecosystem and culture.

**Caleb Pollard Story...** Caleb Pollard and his family moved to Ord to take on the job as this community's second economic developer. He served in this role for years and put down roots. In leaving this job he and his partners created a brewing company. To learn more about Caleb's views about Ord and his development journey check out our story, *Caleb Pollard and Scratchtown Brewing*.



#### Sales Taxes – LB840 – Gap Financing Capacity Connections

Funds available to support the LB840 gap financing program are generated by a local option sales tax. Investments into "main street" ventures and a growing local business community grew sales tax receipts and in turn increased the capacity of the LB 840 Fund to support more deal flow. This is a great example of a "success driven" funding mechanism for entrepreneurial ecosystems.

-Central Community College creates the Ord Learning Center to offer post-secondary education to the community and areaA new marketing strategy is completed with the creation of the <a href="https://www.ordnebraska.com">www.ordnebraska.com</a>	2009	<ul> <li>-A new bond issue is passed to support a \$22 million new hospital building for the community.</li> <li>-A new neighborhood housing development is started with 40 lots supported by a \$750,000 grant to address housing needs.</li> </ul>
website.		-Three additional LB840 deals worth \$315,000.

#### **Community College Learning Centers**

As is the case with other states Nebraska is serviced with a network of community colleges. Ord is part of the Central Nebraska Community College. Each community college has major campuses, remote learning and learning centers. Learning centers tend to be located in communities like Ord demonstrating growth and the capacity to serve as a **learning hub** in a rural region. Access to continuing life-long education is increasingly important. Having a community college learning center and staff in a community creates both awareness of offerings and increased access to both credit and non-credit educational classes.

-New website to promote the county at		Other Community Investments
www.visitvalleycounty.com.		-Renovate High School and Add Gymnasium
-Recreation trail extensions	2010	Complex (\$9,800,000.00 Bond)-New 8-Bay Fire Ha
-Fundraising for a new pool (2019 target).		(\$1.5 million bond)
-2 Additional LB840 Deals worth \$120,000+.		

#### **Leadership – Development Capacity – Project Activity Connections**

It is increasingly clear by the late 2010s that Ord was growing its leadership base and capacity to initiate and support multiple venture and community betterment projects on an annual basis. This level of sustained development activity is unusual for a community of this size in the Great Plains. Clearly, Ord and its region were now moving into "opportunity entrepreneurship" space with high levels of activity in business, civic and nonprofit sectors.

#### A Decade of Progress – 2000 to 2010

Employing Ben Winchester's data Ord posted a nearly 54% increase in 30-34-year-olds between 2000 and 2010 and a 9.5% gain in 35-39-year-olds. This is a key indicator that Valley County was moving in the right direction. Few rural counties like Valley County posted such gains in this all-important age cohort group.



In 2011 the ecosystem packaged seven LB840 deals with total capitalization of \$1.347 million.	2011	It is increasingly clear that the Ord community was able to support both business and quality of life development mobilizing millions of dollars annually on a sustained year on year basis.
In 2012 the LB840 Program supported three additional venture deals worth around \$1 million.	2012	Community survey completed. Survey calls for a formal community leadership study.
Synovation Valley Leadership Academy launched evolving the Leadership Quest program. Synovation Valley Leadership Academy is its own 501(c)(3) organization with a sustainability plan to ensure annual delivery. Eight years and running.	2013	I Love Valley County Campaign  New Youth Initiatives Entrepreneurship Camp for Kids-New marketing initiative and the adoption of "I Love Valley County" campaign.  -One LB840 Venture Deal.
Three new LB840 Venture Deals generating nearly \$630,000 in new deal flow.	2014	-Farm Safety Camp for Kids impacting over 200 youth each yearEnhanced Food Pantry
Commitment to community arts and humanities as a quality-of-life placemaking strategy. Bob Stowell and other leaders articulated these commitments as the fifth HTC pillar rounding out community commitments to leadership, entrepreneurship, youth, and philanthropy.	2015	Valley Performing Arts Theater, Inc. created with its own 501(c)(3) status. The local movie theater on the square was acquired to provide regular performing arts events. Arts and humanities, a form of quality-of-life placemaking is the core formula to rural community development success in today's competitive location environment.

## **New Model and Convention Center**

2015 was a big year for the LB840 Program with three more deals and over \$5.2 million in new deal flow including the new Cobblestone Motel and adjoining convention center.

In 2016 seven LB840 business deals were packaged representing \$1.066 million of new venture investment.	2016	The regional Ecosystem was routinizing entrepreneurial development and maturing in its ability to support entrepreneurial development.
In 2017 another five LB840 business deals were packaged representing \$1.284 million of new venture investment.	2017	These venture deals only include those assisted with the City's LB840 gap financing fund. Overall deal flow was larger.
The number of LB840 deals packaged in 2018 fell to three but the value of the deal flow increased to \$1.383 million.	2018	Year after year the ecosystem demonstrated an ability to generate and support increasing levels of deal flow strengthening and diversifying the regional economy.

Population Change... Ord Population Change - (0.91%)

Valley County Population Change - (1.20%)

Rural Nebraska - (11.95%)



According to the U.S. Census Bureau the City of Ord's population is relatively stable declining from 2,112 residents captured in the 2010 Census to 2,093 residents from the Census 2018 population estimates. This represents a loss of 19 residents over this eight-year period or 0.91%. Valley County saw a relatively small population loss declining from 4,260 residents in 2010 to 4,209 residents in 2017 representing a loss of 51 residents or 1.20% for the seven-year period. By comparison non-metropolitan Nebraska (proxy for rural Nebraska including larger micropolitan cities like Norfolk, Kearney, and Scottsbluff) experienced a 11.9% population loss between 2010 and 2018 (i.e., 2010 non-metro population of 564,421 and 2018 estimated population of 497,440 resulting in an estimated population loss of 66,981 or a 11.95% population decline for the eight-year period. **Ord and Valley County posted significantly stronger numbers in the 2010s.** 

Trevor Lee, Valley County Economic
Developer resigns to take a position with
Gage County Economic Development in
Southeast Nebraska.

2019

The search begins for finding a new Economic Developer. This represents the third Economic Developer transition since 2000 representing above average tenure. 6.7-year average tenure.

#### **Agricultural Recession**

During the Great Recession and early in the Great Recession Recovery commodity agriculture, including ethanol production, was in a boom cycle with record net farm income. By the mid-2010s agriculture weakened, in large part to trade wars, and moved into contraction and now full-blown recession. Processing (e.g., meat packing, etc.) disruptions and weakening demand (e.g., reduced fuel needs and erosion of ethanol demand) have deepened the agriculture crisis with the COVID-19 Pandemic. In time we will see how the Agricultural Recession will impact Ord and the Valley County Region economy and society. At this time the Agricultural Recession is stressing this economy and community, but it appears to be weathering this storm relatively well with a more diversified economy compared to other agriculture dependent communities in the Great Plains Region.

Ord's entrepreneurial ecosystem geared up
to work with area ventures providing
information and assistance related to the
COVID-19 economic and social shutdowns.

2020

Kristina Foth is serving as the interim economic developer following the loss of Trevor Lee to Gage County, Nebraska.

#### **COVID-19 Health Pandemic – Shutdown – Recession** (June 2020 Edition)

Like other rural communities in Nebraska the incidence of COVID-19 is relatively low. Ord and its regions have not experienced hot spot activity. Consequently, shutdown activity has been less in this community compared to larger communities like metropolitan Omaha or Lincoln, or meat packing communities like Grand Island or Hastings. The COVID-19 Pandemic is still in full force in America, and it is too soon to estimate how it may impact Ord and its economic and social wellbeing and development. But coming out of the Pandemic Recession in the early to mid-2020s we will be able to better gauge potential impacts associated with this major event.

#### **COVID Update** (November 2020 Edition)

Since our first draft of this paper about four months ago and now the COVID-19 infection has reached rural America including the Ord region. Early in the Pandemic most of rural Nebraska was not impacted by this virus. A false sense of security that this was a "larger city" problem led to lax behavior. Now rural America is experiencing serious COVID infections, hospitalizations, and deaths. It is now likely that this huge upsurge in COVID infections in communities like Ord will create adverse impacts.



Next, we turn to further contextual information related to Ord and its development story by exploring an expanded view of the development of North America's Great Plains Region where Ord and the Valley County Region are rooted.

#### A Son of the Middle Border

In 1917 Hamlin Garland authored his book, <u>A Son of the Middle Border</u>. The name precedes the fly over identity of contemporary times but has comparable meaning. In describing the Middle Border country (e.g., roughly comparable to the Great Plains ecosystem region), Garland speaks about a land and people between the industrializing Midwest of the east and the Rocky Mountain West. The Middle Border includes aspects of both these two better known regions of America. Even today, this book has relevance as rural communities like Ord and entire states like Nebraska are challenged to make the case to not only outsiders, but to our own children and grandchildren, that the Great Plains and communities like Ord are good choices to plant roots.

# **Chapter 4 - The Larger Great Plains Context**

Ord and the Valley County Region is a product of the Great Plains Region stretching from the Canadian prairie provinces into Mexico. The Great Plains is massive and known historically for its vast seas of grass and bison herds. Today, the Great Plains Region is often viewed as **fly-over country** and in many ways that was true early in the westward expansion before the Civil War. Four major westward migrations occurred where Nebraska and the Great Plains was country to get through but not settle:

- 1843 The Oregon Migration (i.e., Oregon Trail)
- 1848 The California Gold Rush Migration
- 1848 The Mormon Migration to Utah
- 1858 The Pikes Peak Colorado Gold Rush

Historically referred to as the Great American Desert this part of America has become a world class agricultural producer enabling Ord's foundational economic purpose – commodity agriculture. The following provides a quick overview of the development of the Great Plains from an American viewpoint.

# We Must Remember... Native American Displacement and Genocide

In American mythology we celebrate the pioneers for their courage to have left what they knew and create entirely new towns, cities, farms, ranches, and other industries in America's frontiers. But as we consider this history of development we must come to terms with the systematic displacement and genocide of North America's first residents or Native Americans. For European-American settlement to occur, entire peoples were displaced or destroyed. While history cannot be undone, we must embrace our past and find ways to heal the injustices of westward expansion.

#### **Boom Years**

- Pre-Civil War Limited European American settlement west of the Missouri river
- 1854 Congress created the Nebraska Territory
- 1861-1865 -Civil War limits western expansion by European Americans



- 1862 Homestead Act created by President Lincoln and the U.S. Congress
- 1863 to 1869 President Lincoln and the U.S. Congress authorize the Transcontinental Railroad
- 1863 The Union Pacific Railroad begins work at Council Bluffs, Iowa, on the eastern leg of the Transcontinental Railroad
- 1867- Congress makes Nebraska a state
- 1904 President Theodore Roosevelt and the U.S. Congress enact the Kincaid Act
- Rapid European American population growth:
  - 1860 28,841 European American residents
  - o 1890 1,062,656 or 1,037,459 or +3,597% growth
  - Over 800 identified Nebraska communities

#### **The Boom Years**

Given the current challenges of chronic and severe depopulation throughout the rural Great Plains it is hard to imagine a time when there was booming growth. But there was such a time. Employing my home state of Nebraska to illustrate this point, consider that with the 1860 Census (on the eve of the Civil War) and before there was a recognized Nebraska Territory there were under 30,000 European American residents in Nebraska. Just three decades later, Nebraska, now a recognized state within the post-Civil War Union, recorded a population of over one million residents representing a nearly 3,600% increase. In just these 30 years Nebraska transformed from the prairie homelands of migratory Native American Tribes to creating thousands of farms, ranches, and over 800 named communities.

#### 1890s Contraction

- Over settlement based on Eastern dryland farming technology
- Great Plains drought and plagues
- Economic panic of 1893
- Population contraction in rural areas Statewide Population Change 1890 to 1990 = +0.3%
- Agricultural automation and consolidation surplus rural workforce
- Rural to urban migration pattern

#### A Lot Drier than the East - Over Settlement

The railroads and other promotional groups recruited new residents by the thousands from the U.S. and particularly Europe. The prospect of free land (e.g., Homestead and Kincaid Acts) and new opportunities drove migration into the Great Plains as illustrated by the Nebraska numbers shared earlier in this paper. But the idea of creating a viable farm with 160 acres based on Eastern U.S. climate and farming practices proved wrong given the highly variable weather and significantly drier Great Plains. In the 1860 to 1890 period the Great Plains was simply over settled with respect to the farm carrying capacity of the land. The droughts of the late 1800s created failure on a massive scale, drove net outmigration from the region, and launched the first cycle of farm and ranch consolidation that continues today.

# **Maximum Growth Until the Great Depression**

- 1920s drought and Dust Bowl accelerate rural to urban migration lower birth rates
- 1929 Start of the Great Depression
- 1930 to 1940 net statewide population decline of -4.5%
- Great Depression footprint 1940 to 1950 statewide population growth of only +0.7%



#### **Maximum Rural Population Levels**

After the late 1800s drought and contraction the rural areas of the Great Plains resumed growth. For most rural counties in this region, peak population levels were achieved either in the 1920, and particularly the 1930 Census years. The post-World War I farm recession, the dust bowl, the drought years of the 1920s, the Great Recession of the 1930s, and continued agricultural automation driving rural to urban migration created chronic and severe depopulation for most rural Great Plains counties and communities.

# **World War II and Post-War Manufacturing**

- World War II mobilization and industrialization
- Movement of industry to America's heartland growth of transportation and manufacturing
- Continued rural to urban workforce migration
- Mitigating trends: center pivot irrigation and manufacturing relocation

#### **Relocation of Industry**

Columbus, Nebraska has the reputation of being the first rural community in America to create an industrial park to attract manufacturing and other industries. During World War II, as part of defense strategy (i.e., industrial dispersion), heavy industry began to be relocated and expanded in America's heartland from America's coasts and major cities. This urban to rural migration of industry and particularly rapidly expanding manufacturing with the post-World War II consumer boom continued well into the 1970s and began to weaken in the 1980s. By these later years the advantages of cheap labor, land, and other assets offered by rural communities were replaced by even greater advantages offshore in developing countries. Ord did not really see any growth related to this migration of industry.

#### The Current Period

- 350 identifiable communities in Nebraska down from a high of 800 (a loss of 129%)
- Rural Brain Drain Concept<sup>1</sup>
- Rapid urban and metropolitan growth
- Net population decline based on Domestic Growth
- With international migration overall population growth
- Accelerated agricultural automation and rise of commodity agriculture
- Rural areas emptying out curtailment of the rural to urban migration rates
- Rural depopulation impacting growth of rural based micropolitan cities
- Undermining of social and economic viability and relevance of many rural communities
- State Population 2017 estimate = 1,920,076 65% urban and 35% rural

#### **Ben Winchester and Rural Brain Gain Theory**

In our chronology of Ord's development, we employ population change as a key metric of community and regional success. Dr. Ben Winchester with the University of Minnesota Extension would

<sup>&</sup>lt;sup>1</sup>We would suggest the chronic and severe depopulation, particularly of younger adults, is not really a brain drain where brain drain is the loss of the "best and brightest" young adults. Many exceptionally bright young adults have made the decision to stay. Rather, as is the case with all major migrations, rural communities in the Great Plains tended to lose "risk takers" or those willing to give up what they know to seek a better future somewhere they do not know. The implications of losing "risk takers" creates an adverse selection within the population undermining the ability for change and entrepreneurial behavior.



appropriately challenge our approach. Winchester, as a rural sociologist and demographer, is one of America's leading scholars and practitioners in this field. His remarkable work focused on rural brain gain and migration trends highlights the importance of population change versus household change. Within this theory and work he documents that rural depopulation trends in large part are due to major demographic structural trends including an aging population, lower birth rates, and declining household size. We agree and encourage you to check into Ben's work at <a href="https://extension.umn.edu/economic-development/rural-brain-gain-migration.">https://extension.umn.edu/economic-development/rural-brain-gain-migration.</a> With that said, we feel our use of population change and Ord's stabilizing population relative to rural Nebraska's continued serious depopulation illustrates this region's importance as a development model for other rural communities in the Great Plains and across North America.

It is our hope that this more granular chronology helps you as a reader of the Ord story to better understand its journey teasing out the elements of empowering this community to move from crisis and severe decline to progress and greater prosperity.

# Chapter 5 – Conclusion - Implications for the Ord Story

#### **The Buffalo Commons Proposition**

In 1987 Frank and Deborah Popper, geographers at Rutgers University released their explosive essay proposing a **Buffalo Commons National Park and Reserve** in the western portions (e.g., further west than Ord and its region) of the Great Plains. This proposal made the case that this region was over settled and the carrying capacity of the western high plains was not suited for human settlement and should be converted into a national park and/or environmental reserve. In fact, during the Great Depression a network of landscapes in the west were declared National Grasslands where residents were relocated. The Popper's proposal sparked angry pushback from Great Plains residents. As a younger developer (i.e., Don Macke) I actually debated the Poppers in Oberlin, Kansas. In retrospect I now realize that their case has far more merit than it did to me decades ago. Creating a National Park and expansive wildlife reserve repopulated with bison, elk and other grassland apex species would likely create greater economic activity than current economic activities rooted in unsustainable irrigated agriculture.

The Great Plains development story provides the macro context for the Ord and Valley County Region development story. The preponderance of rural communities in the Great Plains are experiencing chronic and severe depopulation undermining their viability socially and economically. Central to the Ord story has been its ability to run counter to these trends. Other resources associated with our story capture of Ord in this paper include:

- Ord, Nebraska, An Entrepreneurial Community (main paper)
- Defining Ord and Its Economy
- Ord Comparative Performance Analysis
- Ord Story Collection

These resources and more can be found in our website's resource library.



# How e2 Can Help



**e2 Entrepreneurial Ecosystems** helps communities increase prosperity through entrepreneur-focused economic development and ecosystem building. Led by **Don Macke**, e2 has a national team of practitioners who bring research, coaching, incubation, market intelligence and other expertise to this work.

# What We Do

- ✓ Mentoring. We mentor and coach new practitioners seeking to pursue entrepreneur-led development. We provide advice and support for building eEcosystem strategies that work and invite practitioners to join our National e2 Practitioners Network.
- ✓ **Analytics Support.** e2 helps communities and regions understand their entrepreneurial potential through research and data.
- ✓ e2 University (e2U) is our online platform for sharing guides, papers, stories, tools, and resources with communities wanting a deep dive into eEcosystem building. Don Macke leads the e2 University team with analytics support from Cathy Kottwitz and report preparation from Ann Chaffin. Special recognition for their e2U legacy contributions goes to Dana Williams and Deb Markley, LOCUS Impacting Investing.
- ✓ Fostering the eMovement. We support the national entrepreneurship movement along with our partners including the Federal Reserve Bank of Kansas City, SourceLink, Edward Lowe Foundation, Kauffman Foundation, and NetWork Kansas. We are a founding member of Start Us Up: America's New Business Plan, a coalition dedicated to strengthening entrepreneurship across America. Together, we continue to advance the foundational ideas of building entrepreneurial ecosystems and entrepreneurship-led economic development.

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NetWork Kansas, a 501c3 nonprofit organization dedicated to developing an entrepreneurial ecosystem in Kansas, is the home for e2 Entrepreneurial Ecosystems. NetWork Kansas connects aspiring entrepreneurs, emerging and established businesses, to a deep network of business building resource organizations across the state.

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