



ENERGIZING ENTREPRENEURIAL COMMUNITIES

A Pathway to Prosperity

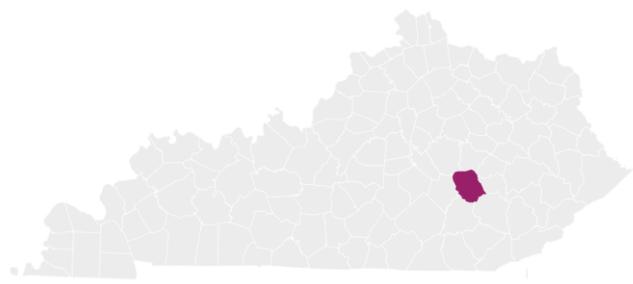


Becoming an Entrepreneurial Community: Jackson County Kentucky's Journey

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Grounding in the Place

The work of building a more entrepreneurial community happens in place. It builds on the existing entrepreneurial ecosystem, whether robust or nascent. It is influenced by the local economy, history, and even culture of the place. To provide a snapshot of Jackson County Kentucky – and some context for their journey – explore *Jackson County Kentucky Community Profile*.



Jackson County, Kentucky

Entrepreneurial Communities Project Background

In 2016, the national Center for Rural Entrepreneurship (now LOCUS Impact Investing) began conversations with organizations in central Appalachia about launching a rural community entrepreneurship initiative with funding from the then-new ARC Power initiative. POWER (Partnerships for Opportunity and Workforce and Economic Revitalization) is a federally funded initiative **“to create a more vibrant economic future for coal-impacted communities by cultivating economic diversity, enhancing job training and re-employment opportunities, creating jobs in existing or new industries, and attracting new sources of investment.”** Since 2016, POWER has invested over \$195 million in 242 projects touching 350 coal-impacted communities. The Center, the Foundation for Appalachian Kentucky, the West Virginia HUB, and Rural Action (Ohio) joined forces to develop, propose and receive a three-year grant to launch the Entrepreneurial Communities initiative in November 2016, one of the early rounds of the POWER initiative.

The successful transition of Appalachian communities requires a strong entrepreneurial ecosystem. At its most effective, that ecosystem is grounded in a community with the commitment and capacity to identify and support entrepreneurs, contributing an essential element of an entrepreneurial ecosystem. Especially in more isolated rural communities, both start-up and even more experienced entrepreneurs often do not know where to turn to access the resources they need, when they need them. When community stakeholders are engaged in entrepreneurial development, however, they can provide the connective tissue between the entrepreneurs and the network of resource providers that work locally, at the state level, regionally, and even nationally. This project was designed to build the capacity of three place-based community development organizations – Rural Action, the West Virginia Hub and the Foundation for Appalachian Kentucky – to help targeted communities in coal-impacted parts of their regions build the capacity to engage in entrepreneurial development, using the Center for Rural Entrepreneurship’s Entrepreneurial Communities’ framework. The goal was to create



communities that are engaged partners with entrepreneurs and service providers, working at the local level to lift up entrepreneurs and connect them to the help they need to create jobs, build their businesses and contribute to an economic transition in Appalachia. The E Communities (e2) Framework, built and field-tested over two decades, along with coaching support for the regional partners, was a key to the overall success of the initiative. The history of the framework is documented [HERE](#).

The initiative began with a three-part training for community coaches designed and facilitated by Don Macke and Deb Markley in early 2017. Community work was fully launched in the three states in spring 2017 and continued, with a no-cost extension, through June 2020. The two national partners to the initiative – **LOCUS Impact Investing** and **e2 Entrepreneurial Ecosystems** – provided content, coaching support, peer learning facilitation and learning capture over the course of the initiative. Each state partner identified ready and willing communities to implement the program and provided on-the-ground coaching support and resource connections needed for success. Across the three states, 16 communities were engaged in the effort, achieving varying degrees of success and sustainability.

In each state, we identified one “deep dive” story to document the timeline and evolution of their Entrepreneurial Communities journey. These stories are designed to illustrate the learning themes identified through this work and to demonstrate the core elements of success. They are written as timelines so that the journey – and the major turning points and roadblocks along the way – becomes clear and can serve as an example for other communities.

Entrepreneurial Communities in Kentucky

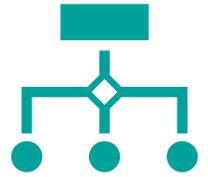
The Foundation for Appalachian Kentucky contracted with Robert Donnan in late 2016 to serve as the coordinator of the Entrepreneurial Communities initiative in eastern Kentucky. After interviewing other regional development institutions, the Foundation agreed to partner with the Brushy Fork Institute at Berea College to provide two community coaches – Mark Nigro and Rodney Wolfenbarger. Onboarding for these new coaches took additional time and the official launch in Kentucky took place in June 2017 with a two-day gathering of teams from seven communities initially identified as likely candidates for successful implementation of the Entrepreneurial Communities framework, including Jackson County. The gathering provided an opportunity to introduce the Entrepreneurial Communities framework and approach, to develop a short-term action plan for each community team and to begin to build relationships among the teams. By the end of the initiative in 2020, Jackson County’s E2C (Energizing Entrepreneurial Communities) Working Group was the most thoroughly engaged among the five remaining counties in Kentucky that embraced the framework. Two counties, **Owsley** and Letcher, withdrew from the Kentucky E2C initiative after assessing their overall readiness and capacity to host and carry forward the E2C work.



2017

January – June: Organizing

The regular coaching effort in Jackson County began several months after the E2C kick-off gathering for all community teams in **June 2017** in Berea, KY. It took time following that gathering to identify an E2C coordinator in Jackson County from among a list of feasible candidates developed in April. Moreover, initial training for the community coaches at the Brushy Fork Institute also took time. Mark Nigro agreed to work most closely with Owsley and Jackson counties. The coaching team had a supportive contact in Jackson County, Rodney Chrisman, a board member of the Jackson County Community Foundation. However, the initial prospect for the coordinating role, Donna Bowling, moved away from the county shortly after the Berea kick-off event. This loss of leadership was a setback. The coaching team was not able to identify someone to manage the ongoing week-to-week activities of the E2C Working Group in Jackson County until September 2017.



July – December: Startup

Although Mark Nigro had considerable experience as a human resources trainer and facilitator at Berea College, coaching around community and economic development was relatively new to him. To build his capacity, he worked closely with Robert Donnan to prepare for his E2C assignments in Owsley and Jackson Counties. During the period immediately following the June E2C gathering in Berea, the two coaches worked to identify a list of likely candidates to be engage in the E2C work in Jackson County. The most promising lead came from Donna Bowling, who encouraged the coaches to reach out to Judy Schmitt, chairperson for the Jackson County Trail Town committee, as well as founder of a small contract manufacturing business located at the Jackson County Industrial Park in Annville. The coaches also built a list of possible invitees for the first E2C organizing meeting, scheduled for September in McKee, the county seat.



As the coaches soon discovered, Judy Schmitt was just the first of several long-term resourceful community leaders who would bring their experience and expertise to the fledgling E2C work. Most of the early work to launch E2C was tied to public meetings, giving the coaches an opportunity to meet the community as well as position E2C as an action-oriented, results-driven initiative. Much of this effort took place in ongoing phone conversations with Judy Schmitt that led to the public meetings. In fact, the first organizing meeting was held in **September 2017** in collaboration with the regular meeting of the Jackson County Trail Town Team, led by Judy Schmitt. This organizing work led to the early spirited co-leadership of the E2C working group by Kathy Spurlock, who managed the countywide school bus system and also was a small business owner (selling Arbonne health and beauty products) and Jenny Wilson, an art teacher at Jackson County High School.



Emerging Energy Area: Outdoor Recreation and Tourism

Early meetings in Jackson County demonstrated that there was significant energy and excitement among community members about the economic opportunity posed by developing the outdoor recreation and tourism assets found in Jackson County and the surrounding region of Eastern Kentucky. People appeared enthusiastic, too, supporting entrepreneurial development in the hospitality, value-added food products, and cultural arts sectors. In each case, people already understood that these sectors could build upon natural, traditional, and emerging assets in the county and that developing these assets would encourage the preservation of important qualities about their rural community. At the same time, they recognized that these sectors would also benefit from newer county assets such as the last-mile, high-speed broadband services already in place throughout Jackson County, thanks to the leadership and innovative vision



of a locally-owned and managed public telephone cooperative, People's Rural Telephone Cooperative. This infrastructure, combined with the county's natural assets, would offer local entrepreneurs a multifaceted advantage, especially when it comes to marketing the county as a tourism destination.

Fortunately, the stage was set earlier in 2017 for the Kentucky E2C initiative to embrace a sector-focused emphasis on outdoor recreation and tourism, not only in Jackson County but also in Perry and Leslie counties. In February, Robert Donnan attended a one-day Idea Festival-Outdoors conference, held near the Red River Gorge in Kentucky. The event was entitled "Leveraging Entrepreneurial Opportunities from Kentucky's Great Outdoors." While the conference did not specifically address any of the E2C communities, it did provide a good introduction to the entrepreneurial possibilities of these two interrelated sectors. The conference made clear both the depth of passion for these opportunities and the relatively low barriers to entry for small businesses. In Jackson County, the leadership of Judy Schmitt and her connection to the local Trail Town group further cemented the focus on and energy from outdoor recreation and tourism.

In **October 2017**, the E2C Working Group organized a focus group of owners/operators of local bed-and-breakfasts (BnB) or privately-operated lodging facilities at the Old Court House in McKee. They sought to discover just what sorts of visitors already are coming to stay overnight in Jackson County, where they're from, how long they stay, and what kinds of business and recreational activities they pursue while they are visiting. They asked what BnB operators need to grow their business. Discussion at this meeting pointed toward emerging opportunities for startup entrepreneurs and small business owners, especially for startups in the BnB cluster that had steadily grown since the only motel in McKee had recently closed.

In **November 2017**, the E2C Working Group organized a public meeting in McKee to discuss viable opportunities for small business development in the outdoor recreation and tourism sectors. The Working Group presented a summary of the Development Opportunity Profile for Jackson County, based on data prepared by Don Macke and Dana Williams. This meeting attracted Shane Gabbard, the Fiscal Court Judge for Jackson County, as well as other residents enthusiastic about small business opportunities. In the spirit of an open meeting, the discussion included a community naysayer who expressed doubts about the motivations of several key business assistance providers. Fortunately, other participants offered encouragement for the E2C and Trail Town efforts.



A Note on Investment

During Fall 2017, Robert Donnan held initial conversations with Lora Smith, the Appalachian Impact Fund at the Foundation for Appalachian Kentucky, about possibly funding renovations to the Old Jail in downtown McKee to make it a tourism center and small business incubator for cultural arts-related small businesses. Ultimately, she said it was "too soon" for her relatively new fund to take an active role in providing financial support. Even so, conversations about how best to raise investment capital helped set in motion an ongoing effort to find ways to fund the renovation of the Old Jail as well as to create a new position in Jackson County that would market its tourism assets and work directly with local entrepreneurs in ways that would sustain the impact of our E2C efforts over the long-term.

To close out the startup period, the E2C Working Group organized an Entrepreneurial Speed Dating event at the Old Court House in McKee in **December 2017**. This event connected a small group of Jackson County entrepreneurs with regionally based small business advisors who had expertise in small business financing, marketing, and planning. While tourism had been the focus of several past meetings, this event was open to all small business owners. The coaching team based this innovative approach to bringing together small business owners with business coaches on an earlier successful speed dating pilot in Leslie County.



January 2018 began with Kathy Spurlock and Jenny Wilson meeting with the coaching team at Opal's Restaurant in McKee to discuss the goals and game plan for E2C work during 2018. However, shortly thereafter, Jenny Wilson needed to step away from the E2C Working Group, in part due to the demanding sports schedule of her teenaged son. Judy Schmitt stepped in to serve as co-coordinator with Kathy Spurlock.

Jackson County was the only E2C community in Kentucky which adopted shared leadership of the E2C Working Group. Judy Schmitt and Kathy Spurlock were able to support one another in keeping the E2C work focused and moving forward. Even though the coaching team attempted to duplicate this co-leadership model in other counties, only rarely were they able to sustain the depth of commitment offered by these two capable leaders. Their consistent commitment to the E2C Working Group has made a real difference in what Jackson County has been able to accomplish. [See Learning Theme 1.](#)

The **February 2018** E2C Working Group meeting in McKee focused on how better to define the economic opportunities posed by the outdoor recreation and tourism sector in Jackson County and the surrounding region. Questions that framed the discussion included:

1. What are Jackson County's top three assets for outdoor recreation and tourism?
2. What are the three most promising opportunities for entrepreneurs to help support outdoor recreation and tourism in Jackson County?
3. What other economic sectors such as hospitality, local agriculture, restaurants, arts and culture, and small engine repair also may be essential to the success of outdoor recreation and tourism in Jackson County?
4. Who are the local entrepreneurs most likely to take up these opportunities? Does Jackson County already have these sorts of individuals? How can we identify and encourage them?
5. What are the three biggest obstacles to making outdoor recreation and tourism, and their associated small business enterprises, a success in Jackson County?

These conversations continued at a **February 2018** Trail Town meeting in McKee. Debby Spencer, a Kentuckian based in Bowling Green, has played a key role in helping both West Virginia and Southwest Virginia establish ATV trails as a tourism destination. She also helped develop legislation in Kentucky to establish a regional trails authority that will both unite Eastern Kentucky counties in a regional effort to develop and promote hiking, biking and ATV trails as well as work with WV and SW VA to market the larger Central Appalachian trails network as a tourism destination. At this meeting, Debby made a presentation that helped the E2C working group better understand the economic impact, especially for small business owners, of these efforts. Following the meeting, members of the E2C Working Group caucused to prepare for the Regional Co-Learning Event and deliberate next steps for attracting new members to the E2C work.

On **February 28, 2018**, an E2C Regional Co-Learning Event was held in Hindman, Kentucky. The gathering focused on the entrepreneurial opportunities afforded by outdoor recreation and tourism, and the economic impact of the sector. Coach Mark Nigro presented a summary of the Red Cloud, Nebraska story and other data shared with the team by Don Macke. This event also helped elevate public perception of the E2C project, attracting attendees from across seven counties who were very passionate about this specific sector. This narrower sectoral focus helped win a commitment from the group to start reaching out more intentionally to entrepreneurs in this sector. At the same time, it remained challenging for the Working Group to identify and engage with local residents interested in working with entrepreneurs across a broader spectrum of sectors including manufacturing, retail, and others.





A Note on Community Development Philanthropy

Through an effort to seek support for a social enterprise launched by a Perry County entrepreneur, the E2C team discovered there are many hurdles to local philanthropic investment, including the need for educational outreach to the boards of local community foundations to help them better understand whether or how to make such investments. While much of this E2C pilot exercise focused on the Perry County Community Foundation's efforts to figure out how best to support its local entrepreneur, it served as a "test case" for the Jackson County E2C Working Group in Jackson County. Their efforts to explore alternative sources for E2C-related investments were informed by the lessons learned in Perry County. To further explore these opportunities, the E2C project launched ongoing conversations with the Foundation for Appalachian Kentucky, facilitated by Deb Markley, to explore how community foundations, in particular FAKy affiliates in the five E2C communities, might raise and allocate funds in support of startup and existing small businesses.

In **March 2018**, the E2C Working Group sought to sustain the positive momentum arising from ongoing Trail Town efforts in McKee and Jackson County as well as the previous month's Regional Co-Learning Event on Outdoor Recreation and Tourism. The Working Group met in McKee with Dr. Peter Hackbert, Director of the Entrepreneurship for the Public Good program at Berea College, about his experiences working with Trail Towns in Eastern Kentucky. They sought his advice on what it takes effectively to market, promote, and serve this emerging sector. The Working Group also began to plan pragmatic next steps for identifying and serving local entrepreneurs who want to take advantage of the economic opportunity presented by the sector. With that thought in mind, they also began to look for opportunities to provide working capital to new startup businesses and existing small businesses, whether in the form of loans or even small grants.



Connecting the Dots between Regional Foods and Tourism

*On hundred years ago, Jackson County was nationally recognized for its superior vineyards and as a leading wine producer. Prohibition in the 1920s wiped out this agricultural sector, but today a new awakening interest in local food production has renewed hope that Jackson County might once again offer economic opportunity in agriculture and value-added food production. The E2C Working Group focused foremost on the Regional Food Center located near the county's industrial park, which had been developed to spur growth in this sector. For many reasons, it had not yet attained its full potential, at least according to the Regional Food Center's director, who was a member of the E2C Working Group. The group explored a lot of possibilities, including connecting the value-added producers at the Regional Food Center with the growing cluster of Bed-and-Breakfast Inns, hoping that visitors to Jackson County might purchase some of those homegrown and locally produced food products during their stay. Regrettably, the director of the Regional Food Center moved away not long after the group began to focus on how to orchestrate those connections, and the Center has languished since her departure. The group awaits new developments by the Fiscal Court to see whether it may become once again a viable production center. Intriguingly, two E2C working group members raise cattle that provide high-quality beef for their own bed-and-breakfast lodging. The group investigated ways to connect other cattle farmers in Jackson County with an abattoir located in Williamsburg, Kentucky, about an hour's drive from McKee. However, the E2C Working Group member who was investigating this opportunity stepped away from the E2C work, and the group has not yet been able to pursue this value-added opportunity. This example demonstrates the importance of having a deep leadership pool so that the loss of a single leader does not derail the work. Read the story of **Entrepreneurship Champion Glen Baker**.*

In **April and May 2018**, at the monthly E2C Working Group meetings, the team continued to build on the "energy area" of Outdoor Recreation by mapping map emerging and potential small businesses related to the sector, especially Trails. They looked closely at a model Airbnb, Homegrown Hideaways, located in Madison County (adjacent to Jackson). Airbnb.com recently had added a way to market "Experiences" on its website, although the group soon learned that this feature was not yet available in Kentucky. The Working Group



explored in-depth ways to collaborate with the Jackson County Regional Food Center to encourage value-added food production as an entrepreneurial opportunity for local residents.

In addition, the group began to explore the feasibility of holding an AIR Shift workshop in Jackson County (to teach and model entrepreneurial skills by designing and implementing a community-based project) and talked with artists/creatives about the Shift opportunity. They also investigated grant funds, including brownfield grant dollars, to support the renovation of the Old Jail, and whether the County needed liability insurance for outdoor recreation and tourism projects. Plans began for an Entrepreneur Meet-Up in July.

In **June 2018**, in preparation for the Entrepreneur BBQ Meet-Up slated for mid-July, the E2C Working Group identified a short list of 10 local entrepreneurs to survey and/or interview about their startup or existing small businesses. The goal was to receive at least 5 completed surveys before the end of July, and to invite those surveyed to attend the mid-July Entrepreneur Meet-Up. Even though the E2C Working Group early on had worked directly with local entrepreneurs through our focus group with BnB operators and our Entrepreneur Speed Dating events, it was a big step forward to develop, circulate, and then evaluate the completed surveys submitted by the entrepreneurs themselves. It was a step that required a lot of personal outreach to friends and neighbors, but it was rewarding when the E2C working group discovered there are many resources in Jackson County with which they could connect entrepreneurs and small business owners.

In **July 2018**, the E2C Working Group held a BBQ Meet-Up for Local Entrepreneurs at Big Hill Welcome Center located at the northern border of Jackson County. The Center, a cultural arts destination, is managed by Jason Bowman, a musician and artist who was a member of the E2C Working Group. About a dozen entrepreneurs (with whom the group had not previously engaged) attended the gathering, sharing news of their ventures and learning about E2C. Two of our guest entrepreneurs then became regular members of the E2C working group.

The **August and September 2018** meetings of the Working Group were devoted to entrepreneur surveys and data collection. By the end of **August**, they had received completed online surveys from 5 startup entrepreneurs and 3 small businesses. These were bundled and emailed back to the Working Group members for discussion at their **September** meeting. The Working Group reviewed the 8 completed entrepreneur surveys and assigned specific steps among its members to follow-up in-person with those entrepreneurs regarding requests for additional information or offering support in the form of referrals to local or regional resources that might help the entrepreneurs to move forward. The Working Group also continued its ongoing efforts to map a network of local people and institutions that could support these entrepreneurs.

The Working Group also decided to host a two-session “How to Airbnb” workshop in **November 2018**, led by a trained facilitator provided through **MACED**. They also explored the need to develop and share a short, step-by-step “Entrepreneur’s Guide” to help local startup entrepreneurs navigate all the things one needs to consider and do to establish a new business in Jackson County.

Finally, the Working Group asked Robert Donnan to update information regarding an “Entrepreneur Boot Camp” developed and successfully deployed in Marion, Virginia so the group might launch a similar workshop in Jackson County. The Working Group set a date for its next Entrepreneur Meet-Up, scheduled for the morning of October 30, 2018 at the McKee Public Library. Finally, the Working Group asked Robert to reach out to Jenny Wilson, who previous had expressed interest in organizing an AIR Shift workshop for Jackson County. She had not attended recent Working Group meetings, so his task was to see if she might still be willing to take responsibility for coordinating that event.



In **October 2018**, the Working Group promoted and staged its second Entrepreneur Meet-Up at the McKee Public Library. Over early morning coffee and pastries, a small group of entrepreneurs (about 7) and Working Group members engaged in lively conversation for nearly two hours. They provided the entrepreneurs with both printed versions and links to the online E2C survey forms. As the gathering wound down, Robert Donnan and Rodney Chrisman, a member of the Board of the Jackson County Community Foundation (JCCF), had a lengthy one-on-one conversation about ways that community-based philanthropy and the JCCF might serve and support local entrepreneurs in Jackson County.

Later in October, Judy Schmitt and Robert Donnan met with the Jackson County Chamber of Commerce at Opal's Restaurant #2 in Annville, Kentucky. They described the ongoing E2C work in Jackson County as well as made an informal pitch for support to the group regarding the need to hire a full-time new position that could both market the County's tourism destinations as well as work with the E2C Working Group and local entrepreneurs to increase the sector's local economic impact. While the Chamber did not take definitive action on that idea, individual members voiced their approval, including Shane Gabbard, Jackson County Judge Executive.

November 2018 brought the much anticipated *How to Airbnb* workshop to Jackson County. Led by Jessa Turner, a successful Airbnb host in neighboring Madison County, this workshop offered a two-part training in how to start, market and manage an Airbnb, even for a total beginner. Held in McKee on two consecutive Sunday afternoons, the workshop attracted 12 participants for the first session and 5 for the second. Judy Schmitt estimated that at least 5 new Airbnb's emerged from trainees. Intriguingly, the number of new Airbnb's established since the E2C work began in 2017 has increased from two to 30. Schmitt is reluctant for E2C to claim credit for the full increase, but she will say that the Trail Town Committee plus the E2C Working Group have had a positive impact on the business climate linked to Outdoor Recreation and Tourism.



Unlocking Tourism Potential through Airbnb

The E2C Working Group's focus on bringing Airbnb technical assistance to the county was based on recognition that the key to increasing visitor stays and the local economic impacts of tourism is access to lodging alternatives. Without a place to spend one or several nights, visitors leave a relatively small economic footprint – they may come in for a hike or river rafting and simply leave the same day. A scan of several tourism research studies found evidence that overnight visitors spend three to four times what day visitors spend in a place. For Jackson County, the Airbnb workshop, hosted by the E2C, contributed to growth in lodging opportunities in the county and to the potential for increased tourism dollars that benefit the county, individual entrepreneurs, and the sector as a whole. Focusing on this energy area – and addressing one of the weak links in the sector – was one of the most important and impactful decisions made by the E2C Working Group.

Scheduling conflicts preempted the regular E2C Working Group meeting in **December 2018**. However, Robert Donnan attended a meeting in McKee on December 14th with **CEDIK** (Community and Economic Development Initiative of Kentucky, University of Kentucky), **EKCEP** (Eastern Kentucky Consolidated Employment Program), and **FOCUS** (a regional economic development organization that includes Jackson County) that unveiled a new initiative called Creative Bridge, funded by Walmart, that seeks to identify small business training needs for retail employees in Eastern Kentucky. The E2C Working Group agreed to research organizations and individuals in Jackson County that have a stake in overcoming the perceived training gap. Robert agreed to provide similar data for Perry County



With the start of the third and final year of the E2C work, the Working Group identified several important goals for the coming year including:

- Applying for an ARC POWER grant to tackle several E2C-related goals. High priorities would include the Old Jail Renovation, developing the Warriors Path as a tourism destination, and supporting effective marketing of Jackson County and the larger region as a destination for outdoor recreation and tourism, including heritage tourism.
- Following up with entrepreneur survey respondents to see what further might be done to support their small business ventures and startup ideas.
- Exploring how the Jackson County Community Foundation might play a role in helping establish a full-time position to work with tourism marketing and with local entrepreneurs.

As for the Small Business Guide, proposed in November, one of the working group's newer members, who planned to establish a consulting business as a grant writer, expressed strong interest in taking on the project of writing the first draft. NOTE: As of October 2019, this project was still pending. The challenge was simply one of time and capacity to manage this work as a volunteer project.



Seeking Resources to Sustain/Expand the Work

Several E2C Working Group members attended an ARC one-day POWER grant workshop in Morehead, KY in early 2019, and Robert Donnan attended a similar event in Johnson City, TN.

Following these two workshops, Judy Schmitt and other members of the Working Group worked closely with Robert to develop a POWER Grant proposal that addressed the key priorities identified by the E2C Working Group, as well as additional ideas developed specifically for the POWER proposal, including linking heritage trails, the Warriors Path, and the TransAmerica Bicycling Trail to assets in Jackson County. Jackson County Fiscal Court Judge, Shane Gabbard, agreed to submit the ARC POWER proposal, including other partners in the work from Leslie, Perry, and Bell Counties in Kentucky, two counties in Tennessee, and a multi-county tourism authority in Southwest Virginia. Throughout April and early May, Judy Schmitt worked closely with Robert Donnan to complete and submit the ARC POWER grant proposal. Because of technical difficulties on April 10 with its online portal, the submission due date, much of the proposal previously uploaded was lost and had not been backed up in another format. As such, ARC generously granted an extension to Jackson County to resubmit its proposal. However, in mid-July 2019, Jackson County Fiscal Court heard back from the ARC; the POWER proposal was not approved for implementation. Even so, the E2C Working Group remains committed to many of its goals and continues to seek other sources of support. It may redesign elements of the 2019 proposal and resubmit that updated version in 2020.

In **March 2019**, the Working Group designed and scheduled its pilot Business Model Boot Camp for **May 10-11** at Judy's manufacturing campus, JC Tech Industries, in Annville. The pilot Business Model Boot Camp was held on May 10-11, 2019 with a follow-up session a month later to fill in gaps that required additional research. Three local entrepreneurs took part in the pilot training, facilitated by Robert Donnan. The E2C Working Group sponsored the second installment of the pilot Business Model Boot Camp, this time held at the Old Court House in McKee, in **June 2019**. The participants worked together to complete the visual maps of the business model they had been developing for their businesses.

Also, in **June 2019**, the working group considered additional activities, again focused on the Outdoor Recreation and Tourism sector. Judy Schmitt discussed an opportunity for the Trail Town and E2C working group to partner with the US Forest Service on a planning grant that would help develop the Warriors Path. The Working Group also discussed whether Jenny Wilson might still be willing to lead an effort to renovate the Old Jail in McKee as a tourism center and, if feasible, an incubator space for tourism-related small businesses. The



Working Group further discussed the Opportunity Zone program, checking in with Judy Schmitt about her intention to seek investment for tourism-related infrastructure at Flat Lick Falls and with Kathy Spurlock about her plans to develop properties formerly belonging to her father as a combination of guest rooms and shower, laundromat, primitive camping, and, if feasible, a mechanic's garage to service ATVs that come to Jackson County. The Working Group also deliberated whether to pursue action toward an anti-litter campaign along Hwy. 421 through McKee, as part of an effort to encourage tourism.

With the departure of Mark Nigro as a community coach for the Jackson County E2C Working Group on **June 1, 2019**, Robert Donnan began to facilitate the Working Group toward planning for the long-term sustainability of their ongoing efforts to build vibrant networks of support for entrepreneurs in Jackson County. While the Working Group still was actively engaged in supporting entrepreneurs and planned to continue that work, the group began to review what it had already achieved and consider what it hoped to accomplish during the remaining months of the grant, as well as laying the groundwork to sustain that work. On their way home from a Kentucky Mountain Regional Recreation Authority (KMRRRA) meeting held in Hindman, Kentucky in **July 2019**, E2C Working Group members from Jackson County, Kathy Spurlock and Judy Schmitt, met in Hazard with Robert Donnan to define specific goals for the final eight months of the E2C initiative in Eastern Kentucky. They acknowledged that the key leadership in Jackson County was nearly tapped out with ongoing work in service to those goals. They agreed there was a strong need to identify and recruit new leadership to join the circle. They also agreed that Jackson County needed to pass a restaurant tax to support this work, especially in hiring a full-time tourism marketing specialist who also would work with local entrepreneurs to maximize the economic impact of increased tourism.

In **August 2019**, as follow up to the July conversation on future goals, the E2C Working Group met in a planning session to discuss and affirm a set of aspirational goals. Specific goals included:

- Pursuing the Opportunity Zone listings to seek investment for specific enterprises in Jackson County
- Seeking grant funds to support renovations at the Old Jail that would create a downtown tourism center and potentially an incubator space for tourism-related small businesses
- Helping pass a no-tolerance anti-litter ordinance for Jackson County
- Recruiting individual local entrepreneurs to participate in an innovative online program, called Digital Presence, offered by GoDaddy and AEO through Kentucky Highlands Investment Corporation, which supports them in designing, building, and hosting business websites, as well as learning about strategic marketing and branding
- Creating an online interactive map for tourism destinations in Jackson County
- Securing the planning grant with the US Forest Service to develop the Warriors Path as a tourism destination, both within Jackson County and regionally
- Staging another E2C Business Model Boot Camp for Jackson County businesses
- Distributing and evaluating more E2C surveys to startup entrepreneurs and small business owners
- Staging another coffee meet-up for small business owners
- Revisiting the idea of creating a short Guide to Starting a Small Business in Jackson County
- Revisiting the idea of staging a Shift Workshop for Creatives and Business Leaders in Jackson County
- Revisioning, revising and resubmitting their ARC POWER proposal in 2020

Also, in **August 2019**, Robert Donnan met with the Board of Directors of the Jackson Community Foundation to bring them up to date on the goals and accomplishments of the E2C working group. Specifically, he asked the Board to work with the E2C Working Group to consider ways to establish a fund that would help support and sustain the E2C communities work in Jackson County, specifically by providing financial support for a full-time tourism coordinator who also would work with small business owners and start-up entrepreneurs in the tourism sector. The Board's response was favorable.





Leveraging Other Regional Action – What’s Next EKY?!

What’s Next EKY?! (WNEKY) is a regional, community-driven network that seeks to support community and economic development in East Kentucky by connecting people, ideas, and resources. It is an informal, coordinating network that was just emerging as a vibrant platform for peer-to-peer collaboration and celebration in mid-2019. Since its inception, the network primarily existed among four founding community members in Clay, Floyd, Letcher, and Perry Counties. Robert Donnan served on the Steering Committee, representing a parallel network of Resource Providers in the region, including the E2C Initiative, rather than any one community.

At Robert’s suggestion, the E2C Working Group in Jackson County was invited to join this fledgling network. WNEKY provided scholarships for several members of the E2C Working Group in Jackson County to attend the 2019 Brushy Fork Leadership Institute which was held in mid-September 2019 at Berea College. The E2C Working Group was also invited to host a regional gathering in March 2020 that would be open to communities from across the region who want to learn more about what the E2C Working Group and its allies in Jackson County and across the region have been accomplishing over the past several years. The themes and topics to be investigated at the March meeting would be determined through discussion among WNEKY member communities at a December 2019 community gathering in Prestonsburg as well as through ideas and suggestions documented in an online survey that would follow the December meeting.

It was hoped that Jackson County’s active participation in WNEKY, including its designation as the host of the March 2020 community gathering, would both strengthen and help sustain its ongoing E2C Working Group as well as help showcase the E2C approach through informal exchanges and possible formal collaboration with the other WNEKY communities. The COVID pandemic derailed the community gathering.

The focus in **September 2019** was on skill-building – for Working Group members and entrepreneurs. Melissa Conn, from Kentucky Highlands Investment Corporation in London, led a mini workshop focusing on time management skills for community working group members and entrepreneurs. The invitation to lead the workshop arose through a growing awareness that both E2C Working Group members and individual entrepreneurs need to find ways to enhance their capacity for managing multiple demands and deadlines, whether in their community-based work or on their individual small businesses.

The Working Group also made plans for several of its members to attend the **September 2019** Brushy Fork Leadership Summit in Berea, thanks to scholarships provided by WNEKY. They attended, first, an initial one-day leadership session that sought community input to inform The Brushy Fork Leadership Institute about the types of leadership development skills that are needed in the region. They also attended an intensive two-day community development track taught by Dr. Vaughn Grisham. While at the Brushy Fork Leadership Institute, the E2C Working Group members attended a dinner meet-up at a local Mexican restaurant hosted by WNEKY. They had an opportunity to meet and talk in a relatively unstructured way with representatives from three other communities who are founding members of this network. In particular, the Jackson County group found common cause in talking with community leaders from Clay County, many of whom they did not previously know, about how to design and implement a restaurant tax, as Clay County had already done, to raise funds to be invested in outdoor recreation and tourism.



Seizing an Opportunity – The GoDaddy Initiative

The E2C Initiative and Kentucky Highlands Investment Corporation (KHIC) teamed up with GoDaddy and the Association for Enterprise Opportunity (AEO) to provide a premium digital marketing curriculum and expert support services to a select cohort of small business owners in eastern Kentucky. E2C recruited 18 entrepreneurs from across its five counties, including six startup



entrepreneurs and small business owners in Jackson County. One of the entrepreneurs in Jackson County was a social enterprise seeking to develop a tourism website to market the county as a destination for outdoor recreation, cultural heritage, and arts-based tourism, a long-term goal of the Jackson County E2C Working Group.

The 24-month technical assistance program was designed to equip entrepreneurs with training, tools, and a network of similar businesses to help them establish and improve an effective digital presence and marketing outreach for their products and services. GoDaddy and the Association for Enterprise Opportunity provided a range of free services including domain registration, online hosting, website development support, targeted coaching, and other kinds of technical support to the small businesses that participated in the program. At the conclusion of the program, the E2C entrepreneurs were eligible for dramatic discounts from GoDaddy to help them sustain their online business websites.

Six entrepreneurs from Jackson County enrolled in the “Digital Presence” program. They were encouraged to take part in weekly ZOOM webinar sessions to review tutorials they completed each week and address questions they had about building their business websites and digital marketing customized for their businesses. In total, there were eight tutorial sessions scheduled, co-facilitated by Shelton Ansley at Kentucky Highlands Investment Corporation (KHIC) and Robert Donnan, Kentucky E2C Coordinator and community coach for Jackson County.

In **October 2019**, the Working Group made plans for another round of entrepreneur surveys, scheduled a Business Model Boot Camp for November, discussed progress with the GoDaddy program, discussed the Opportunity Zone investment program, heard an update about the Warriors Path planning grant proposal being considered by the US Forest Service, and strongly affirmed their interest in hosting a WNEKY Community Gathering in McKee in March 2020. The Working Group also mapped out and prioritized its goals for the remaining months of the grant.



Reflections on the Journey

With five months remaining in the formal E2C work under the 2016 ARC POWER grant, the E2C Working Group in Jackson County was aware that not every goal that had been considered over the past two-and-half years could be completed by March 31, 2020. Even so, they were encouraged by what they had been able to achieve and made a concerted effort to prioritize what could be accomplished before April 1 as well as how to sustain their work beyond that date. In many respects, the Working Group’s most pressing priority was to find a way to fund a full-time position to tackle marketing Jackson County as a designation and to work closely with the E2C Working Group and local entrepreneurs. The E2C Working Group’s Co-Coordinators were juggling a substantial workload among their professional, community volunteer, and personal responsibilities. The respective workloads of the other members of the Working Group also presented a formidable challenge. Even so, everyone associated with the E2C Working Group’s ongoing efforts, including other community members not as directly involved with the E2C effort including, for example, Shane Gabbard, Fiscal Court Judge, Ralonda Nicholson, the County Tourism Director, and Keith Gabbard, the CEO of the Peoples Rural Telephone Cooperative, agreed that NOW was a crucial time for Jackson County to sustain and expand its shared efforts to reinvigorate its local economy while at the same time preserving its natural assets and rural quality of life. As such, addressing their shared capacity to do and sustain this work was vitally important as they looked to the close of this journey.

As for startup and small business entrepreneurs, it also was important to sustain and expand ways to providing connections to the resources they need to succeed, whether investment capital, general coaching and



mentoring, or technical assistance with specific skills, tools, and procedures. The E2C Working Group enlisted the help and support of several regional technical assistance and low-interest loan providers, especially Kentucky Highlands Investment Corporation (KHIC) and the Mountain Association for Community Economic Development (MACED). They are enthusiastic about the prospects for peer-to-peer connection and collaboration through their newly established participation in WNEKY. Even so, the E2C Working Group was more aware than ever before that these allies and resources require substantial preparation and capacity-building at the local level before entrepreneurs are ready to fully take advantage of regional assistance.

Accordingly, the E2C Working Group understands all too well that the next phase of its ongoing work is to establish a robust entrepreneurial ecosystem and stronger capacity in Jackson County to take full advantage of a host of regional resources and national investment opportunities that exist. This challenge has been exacerbated by the pandemic, and the need even greater than before.



Connections to the Learning Themes

The E2C work in Jackson County has indeed been a journey. It has exemplified several of the learning themes from the E Communities work overall.

- **Community Readiness** – Starting with 7 communities, the work focused most intently on the 5 most ready communities. And the Jackson County story demonstrates that in a place with committed champions, there is a much greater ability to progress through the detours associated with most journeys.
- **Importance of a Framework** – While the framework was an important guide for the work in Eastern Kentucky, it was also clear that action was even more critical. Early efforts to connect entrepreneurs with resource providers through Business Speed Dating and Meet Up events proved important in showing entrepreneurs that this work was about helping them succeed and in demonstrating to resource providers that the E2C groups could be trusted and valuable partners.
- **Marathon not a Sprint** – The E2C coaches spent a great deal of time building relationships – with entrepreneurs, community leaders and volunteers, resource partners, other POWER grantees in Eastern Kentucky. And this relationship building was not just a startup stage activity; it continued throughout the work in Jackson County as connections were made to new partners over time.
- **Progress Linked to “Energy Areas”** – The decision to align the E2C Working Group with partners in Outdoor Recreation and Tourism was critical to success in Jackson County. It provided the group with new partners and brought energy to the work. While there is certainly more entrepreneurial ecosystem building to be done in the county, the progress in this sector demonstrates the benefit of supporting entrepreneurs and creates momentum for the broader work ahead.
- **Community Capacity Building as a Prerequisite for POWER** – Eastern Kentucky was the beneficiary of multiple POWER grants including a number focused on entrepreneurship. In a region with limited human and organizational capacity, this influx of resources – and the demands placed on the same pool of volunteers and local organizations – proved challenging. Coordination of efforts fell primarily to grantees, not ARC, and this additional work was burdensome for organizations trying to launch new work and continue their other programs in an environment of resource scarcity.

