In recent years, public-public and public-private partnerships have become a topic of increasing interest in efforts to establish and implement holistic community revitalization initiatives. One example of this effort is Indiana’s Stellar Communities program. The program is a multi-agency partnership designed to fund comprehensive community development projects in Indiana’s smaller communities. This innovative program entails three participating state agencies, the Indiana Housing and Community Development Authority, Indiana Office of Community and Rural Affairs, and Indiana Department of Transportation. This research paper explores the progress, issues, and impacts of the Indiana Stellar Communities Program. It focuses specifically on describing program goals, planning, and implementation in the first four communities designated as “Stellar” between 2011 and 2012. In doing so, it highlights community context, best practices, and lessons learned (to date), while providing an assessment of current economic and social impacts to local communities, as well as regional implications.

Keywords: rural community development, public policy, social capital, quality of life, public-public partnerships

Introduction

During the past decade, the rural Midwest, vibrant for many years, suffered from characteristics of rural decline (i.e., loss of its employment base and household incomes, an increase in families living below the poverty line, and depopulation) brought on by technological and other changes in the economy. For instance, the increasingly mechanized agriculture jobs and other employment options were not there to attract or retain residents (Hamilton, et. al, 2008; Duncan, 2013). Specifically related to Indiana, rural areas overall have not experienced significant depopulation over the past three decades; however, these areas have shown signs of negative shifts in median household incomes (-9.8%) and poverty rates (+47.5) (see Figure 1).

Despite the adverse effect of population and economic trends in rural America, innovative opportunities exist to address complex economic and social problems, which are, at times, beyond any one organization or group to resolve. Over the past decade, governments have experimented with developing partnerships among public, non-profit, and private sectors and communities (Bardach, 1998; Mandell, 2003; Pollitt, 2003; O’Leary et.al., 2009; Zimmerman, 2013).
2012). In recent years, models of public-public and public-private partnerships have become a topic of increasing interest in efforts to establish and implement holistic community revitalization initiatives. One collaborative model is Indiana’s Stellar Communities Program (ISCP). The pilot program is a multi-agency partnership designed to fund comprehensive community development projects in Indiana’s rural communities.

In late September 2010, under the direction of the Indiana Lieutenant Governor’s Office, the pilot program was launched with help from three participating state agencies: the Indiana Housing and Community Development Authority (IHCDA), Indiana Office of Community and Rural Affairs (OCRA), and Indiana Department of Transportation (INDOT). These agencies have invested in downtown commercial revitalization, owner-occupied and mixed-income housing, transportation, and other infrastructure have helped to alleviate rural decline and spark a renewed interest and mobilization of resources towards community-building. This paper provides a synthesis of what we’ve learned from the Indiana Stellar Communities Program over the past two years.
Stellar Program Creation and Process

The idea behind the Indiana Stellar Communities Program began in the early to mid-2000s as the Indiana Lieutenant Governor’s office decided to focus more resources on Indiana’s rural areas, making them a priority. Internally, Indiana state officials and administrators were looking to address two main questions:

1) How might it be able to build relationships within the state government structure?

2) How might it be able to build relationships that not only help state government but, by extension, help Indiana rural communities?

Through establishing and cultivating long-term relationships between state agencies, the state of Indiana tried to answer these overarching questions and move Indiana into action. Stemming from community improvement ideals rooted in emphasizing collaboration among public agencies and community partners, as opposed to separate, piecemeal, incremental improvements, the ISCP sought to pull state resources together to make wide-ranging quality-of-life impacts (Indiana Lieutenant Governor’s Office, 2012).

Historically, rural communities have a difficult time acquiring the necessary resources to implement community development and lack access to sufficient resources to make large-scale, broad, and immediate impacts. The ISCP, drawing on this experience, calls on rural community stakeholders to pursue mutually reinforcing strategies to comprehensively make broader local and regional impacts based on four programmatic goals: 1) Foster regional investments; 2) Improve quality of life through comprehensive and transformative investments; 3) Encourage sustainability and capacity building; and 4) Highlight effective and strong civic leadership and community support (Indiana Office of Community and Rural Affairs, 2012a). As part of its long-term engagement strategy to better support distressed rural communities, state agency ISCP teams have been deployed to work closely with local policy-makers, community representatives, nonprofits, community foundations, lending institutions, social service agencies, and private developers to establish and implement comprehensive community development strategies in rural Indiana.

The ISCP process occurs in two phases. In Phase One, the application and designation process, interested communities submit letters of interest, complete community improvement plans, and

Figure 2. Conceptual Model of ISCP Phase Two

Source: Compiled by Author based on participant interviews (2012).
State and Local Partnerships in Creating “Stellar Communities”

host site visits. By the end of this phase, state agency partners select two communities to award the ISCP designation. Once a community is awarded the designation, it enters into the next phase of the process, Phase Two. This phase consists of three stages beginning with planning (i.e., project planning, property acquisition, procurement, grant and contract approvals, environmental assessments, and project design) and ending in full implementation - all within a three-year timeframe (see Figure 2).

Research Methodology

Study Agenda and Scope

A multi-method case study approach was used to examine each of the partnership and projects in-depth and to conduct a cross-site analysis that would identify key themes, challenges, success factors, and lessons learned across the sites. The agenda and scope of this research is to document:

- **The implementation of ISCP over time.** The research is examining: a) Ways in which the ISCP model is implemented in varying community contexts and funding rounds; b) What challenges emerged and how they were addressed; c) The extent to which social capital affected each community and state organization’s capacities to build and sustain partnerships and leverage other forms of community capital and investments.

- **The local and regional reach of ISCP accomplishments.** The research is investigating areas of impacts, particularly at the local and regional levels. It attempts to describe the location of projects and investments within ISCP-designated cities, and how ISCP investments impact and co-relate with other major public and private investments that impact community revitalization and quality-of-life standards. The goal of this inquiry is to understand and explore how these spatially targeted local investments correlate with community conditions and quality-of-life improvements, foster regional investments, and encourage sustainability and capacity building.

- **The implications of local and regional alliances and partnerships.** The research is analyzing the critical importance of strong relationships and alliances with individuals, agencies, and organizations that have influence over community outcomes.

- **Patterns of community change.** The research is tracking how different ISCP-designated communities fared in the implementation phases, including identifying evidence of tangible and intangible improvements. It examines and compares comprehensive community development strategies and outcomes of rural investments and conditions among the ISCP-designated cities sequenced over time.

Participants and Procedure

Data was obtained from three primary sources: 1) confidential key informant and social network interviews with civic and community leaders, residents, private stakeholders, consultants, and local government officials, 2) field observations of community-based events, steering committee meetings, and project sites, and 3) archival data, among others. The ISCP approach to reinvesting in rural communities entails an intergovernmental collaborative between three state agencies and the four local communities designated to participate in the program between 2011 and 2012 (Delphi, Greencastle, North Vernon, and Princeton). These cities were selected for the pilot by considering a number of criteria related to the city’s ability to: demonstrate visible impact to citizens and surrounding regions, attract future economic investment, leverage existing community assets, provide significant local and regional impact, and offer local support and participation in the ISCP Initiative (Indiana Lieutenant Governor’s Office, 2012b). During a
16-month period, 86 face-to-face and telephone interviews were conducted with ISCP participants in Delphi, Greencastle, North Vernon, Princeton, as well as staff from IHCD, OCRA, and INDOT.

Data Analysis
Preliminary data analysis occurred by using the constant comparative method as presented by Glaser and Strauss (1967) and advocated by Stake (1996), Schensul and LeCompte(1999), and Merriam, (2009). This resulted in a Community Profile for each case study community partner, which includes a historical background, a current socio-demographic profile, evidence of rural decline, and a summary of the overall community context. A similar format was followed for analyzing comprehensive community development strategies, types of projects and programs administered, and rural improvement strategies implemented as well as community capital (e.g., donations, grants, or in-kind support).

In order to minimize the limitations of the research and lend credibility to the findings of the study, the researcher incorporated validity and reliability procedures. First, the study entailed a prolonged engagement (i.e., two years) in the field (Creswell and Miller, 2000; Creswell, 2007). Second, the researcher used multiple sources of data in the forms of interviews, field observations, and archival documents to identify points of convergence in the data and to confirm or disconfirm emerging categories and themes. As a solid research methodology triangulation enriches the findings and definitely makes them more useful to the local, regional, and state governments, community organizations, and non-profits (Riege, 2003; Yin, 2005). In addition, the researcher continuously conducted member checks and engaged in member consultation. In qualitative research, a member check, also known as informant feedback or respondent validation, is a technique used by researchers to help improve the accuracy, credibility, and for establishing the validity of an account. To do this, the researcher initiated and maintained active corroboration on the interpretation of data with study participants. Moreover, the researcher established a chain of evidence, keeping verbatim interview transcripts and notes from additional observations as well as photo documentation of events and projects.

Findings and Discussion: A Top Down and Bottom Up Collaborative

The cities designated to participate in the ISCP share similarities and differences along a number of dimensions, including community and market conditions, demographics, social and economic circumstances of residents, social capital stock, and organizational capacity (see Table 1). Overall, their issues ranged from diminishing populations and median household incomes, increase in poverty, aging and obsolete housing stock, and declining downtowns. The analysis here focuses primarily on ISCP-related efforts of IHCD, OCRA, INDOT, and convening community partner organizations in the first four pilot cities. We describe the public-to-public partnerships between the state agencies, local collaborations among community stakeholders, as well as challenges and implications of the process.

Public-to-Public Partnerships: The State Agencies and Community Partners

As part of its engagement strategy to better support distressed communities, interagency ISCP teams worked closely with city leadership for up to 36 months. By focusing on each community’s priorities, state agency ISCP teams helped with planning efforts for downtown revitalization, assistance on transportation planning, and delivery of expertise on housing-related issues. For example, as part of the ISCP, IHCD focused on implementing housing-related initiatives to meet its organizational strategic priorities of: (1) developing activities that promote aging in place; (2) encouraging individual self-sufficiency; (3) supporting high-performance building;
Table 1. Strategic Community Investment Plan Initiatives and Program Phase Status: ISCP Designated Communities (2011 – 2013)

<table>
<thead>
<tr>
<th>State Agency Partners</th>
<th>ISCP Community Partner</th>
<th>Context Prior to ISCP</th>
<th>Strategic Community Investment Plan Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indiana Housing Community Development Authority (IHCDA)</td>
<td>Delphi</td>
<td>Declining population (-5%) and Median HH Income (48%) increase in Poverty rate (+11%)</td>
<td>Owner-occupied Housing Rehab Program Downtown Facade Restoration Streetscapes/Gateways Trails</td>
</tr>
<tr>
<td>- Technical Support</td>
<td>- Grants</td>
<td>- Tax Credits</td>
<td>- Loans</td>
</tr>
<tr>
<td>Office of Community Rural Affairs (OCRA)</td>
<td>Greencastle</td>
<td>Population (+23%) and Median HH Income growth (+6%) Increase in Poverty rate (+48%)</td>
<td>Owner-occupied Housing Rehab Program Streetscapes/Gateways Trails</td>
</tr>
<tr>
<td>- Technical Support</td>
<td>- Grants</td>
<td>- Average Investment $1.5M per designee</td>
<td></td>
</tr>
<tr>
<td>Indiana Department of Transportation (INDOT)</td>
<td>North Vernon</td>
<td>Population growth (+15%) Increase in Poverty rate (+11%) Median HH Income decline (-28%) Declining downtown corridor Build and support economic opportunities related to MUTC</td>
<td>Owner-occupied Housing Rehab Program Streetscapes/Gateways Trails Downtown Housing Development</td>
</tr>
<tr>
<td>- Technical Support</td>
<td>- Grants</td>
<td>- Average Investment $6M per designee</td>
<td></td>
</tr>
<tr>
<td>Princeton</td>
<td>Declining Population (-4%) Increase in Poverty rate (+28%) Median HH Income decline (-24%)</td>
<td>Owner-occupied Housing Rehab Program Streetscapes/Gateways Trails Downtown Housing Development</td>
<td></td>
</tr>
</tbody>
</table>


*NOTE: Data is based on percent change calculations between 1980 – 2012 for population, poverty rate, and median household income.

a. Poverty figures for 2012 were the most recent data estimations from the US Census Bureau’s American Community Survey. 2008-2012 Table S1702 estimations provided for the specific geographic area.

b. The Median Household dollar amounts reported for 1980 are values that have been converted to constant 2012 dollars according to the U.S. Bureau of Labor Statistics Consumer Price Index Inflation Calculator, available at www.bls.gov/data/inflation_calculator.htm.

and (4) striving to end homelessness. To this end, IHCDA staff worked with the community partners to identify projects in the investment plans that would address those needs (Indiana Housing and Community Development Authority, 2012; Mitchell-Brown, 2014c). In addition, OCRA’s primary objectives within the ISCP is to encourage implementation of those development strategies that adhere to its organizational mission of: (1) promoting community prosperity; (2) strengthening the local and state economy; and (3) providing capacity-building solutions to ensure rural communities are ready, marketable, and competitive for economic growth (Indiana Office of Community and Rural Affairs, 2012b, Mitchell-Brown, 2014e). While, INDOT’s Local Public Agency - Metropolitan Planning Organization (LPA-MPO) Section oversees the ISCP for the Department of Transportation as part of its mission to assist local governments with transportation-related projects. Each agency provided support to the community partners by way of technical assistance and/or financial assistance in the form of grants, tax credits, and loans (Indiana Department of Transportation, 2012; Mitchell-Brown, 2014a).
As of December 2013, over $70 million has been budgeted for ISCP project improvements. Of the estimated budgets, approximately $56 million in total state funding sources and $15 million in total local investments (including city local matches, private/corporate sponsorships, and foundation grants/fundraising efforts) have been invested. On average, IHCDMA committed approximately $4.3 million to each ISCP-designated community over a three-year period through a combination of its funding programs (i.e., Community Development Block Grant [CDBG], Investment Partnerships [HOME], Rental Housing Tax Credits [RHTC], Disaster Relief, and Development Fund Loan programs) (Office of Community and Rural Affairs, 2011; Indiana Housing and Community Development Authority, 2012). Meanwhile, OCRA committed to invest up to $1.5 million in each ISCP-designated community ($500,000 per year). As of September 2013, OCRA committed over $6 million to this effort (Office of Community and Rural Affairs, 2011, 2012a, 2012b). As a partner in ISCP, INDOT committed to invest approximately $6 million per designee over three years. INDOT distributes essentially $2 million per year for each community partner designee. Most of its funding is allocated from federal and state Transportation Enhancement Grants as well as Standard Federal Transportation funding over the program timespan (Office of Community and Rural Affairs, 2011, 2012c; Mitchell-Brown, 2013c, 2013d). Figure 3 shows a breakdown of overall state and local contributions from 2011 to 2013.

These investments by the state agencies have helped to launch other community capital, both measurable and intangible. Data shows Stellar activity is a catalyst for economic growth for communities by providing the designated communities the initial capital for investment and development. Figures 4 and 5 illustrate the private investments both citywide as well as ISCP target areas since designation. Princeton witnessed over $400 million in private investments citywide, while Greencastle experienced over $5 million in its ISCP target area. In all four communities, respondents indicated that Stellar created a window of opportunity for increased business and population attraction and retention. Overall, respondents stated that the program added value by providing a mechanism for consolidation of resources in a single community in an accelerated period of time.  

**Figure 3. Total Stellar Communities Budgeted Investments in Selected Designated Communities**

![Graph showing contributions in millions of dollars for Princeton, North Vernon, Greencastle, and Delphi communities.]

Source: Graph created from Project Status Report data provided by HWC Engineering, December and January 2013; Greencastle City Administration (correspondence); and Greencastle/Putnam County Development Center, Inc. - Greencastle Stellar Communities Research Estimated Investments date December 2013.
Figure 4. Private Investment During Stellar – Citywide

Source: Graph created from Project Status Report data provided by HWC Engineering, December 2013 and January 2014; City of Delphi Mayor’s Office, January 2014; Greencastle City Administration (correspondence); Greencastle/Putnam County Development Center, Inc. - Greencastle Stellar Communities Research Estimated Investments date December 2013; North Vernon’s Mayor’s Office January 2014 Communities Research Estimated Investments date December 2013.

Figure 5. Private Investment During Stellar -Stellar Designated Area

Source: Graph created from Project Status Report data provided by HWC Engineering, December 2013 and January 2014; City of Delphi Mayor’s Office, January 2014; Greencastle City Administration (correspondence); Greencastle/Putnam County Development Center, Inc. - Greencastle Stellar Communities Research Estimated Investments date December 2013; North Vernon’s Mayor’s Office January 2014 Communities Research Estimated Investments date December 2013.
Local Public-Private-Non-profit Collaboration: Building Trust While Making an Impact

The local community partners used the ISCP partnerships to build additional community capital. By establishing and strengthening social capital ties with local and regional outside institutions, local government officials and administrators expanded their organizational capacity and built upon their existing community capital (e.g., physical, financial, human) to further accomplish their goals of: a) slowing or halting decline and b) encouraging the implementation of improvement projects in their communities. For instance, in Greencastle, DePauw University paid for a portion of the engineering out of their own pocket for the Anderson Street project leveraging the funding from the state agencies within the ISCP designated areas, while local businesses provided a portion of the match for façade improvements. In comparison, the Kankakee-Iroquois Regional Planning Commission (KIRPC) in Delphi acts as the grant administrators for the OCRA funded projects and the IHCDA funded projects, while the Delphi Preservation Society owns the opera house and is involved in the planning and implementation of the facility. In addition, the social capital ties between Princeton’s city, county, local volunteer groups, private institutions, and state agencies appear to be resilient. For example, by developing strong relationships with local and regional stakeholders (such as Toyota, OnSite OHS, Gibson County, local business development entities, and financial institutions), Princeton’s mayor was able to leverage the city’s local and state investments into larger forms of community investments.

In each case, the group of stakeholders met regularly to bring their ideas, skills, and expertise to the implementation of the strategic investment initiatives. Respondents noted that trust and good communication between partners and stakeholders were vital to the process and building social capital. By opening up the lines of communication, trust was established and strengthened. This allowed for the cities, state agencies, and other stakeholders to discuss boundaries, perimeters, and expectations of all parties. Slowly, all groups were able to build and establish trust, which resulted in partnerships. These partnerships have helped each city to leverage local and state investments, increased community capacity, and build additional community capital. In interviews, respondents said the following:

“I think it has been very important to building those relationships.... I think that Stellar had definitely helped us improve our relationship.... I think it’s improved our relationship with the state. It’s very important to the process to get those relationships established....It does help that we have had a good relationship to move these projects forward.”

“Our agency is structured where we have liaisons who can be contacted through the regions. That personal connection is here because we help communities through the process. We help them in terms of technical assistance and we’ve taken a lead in leadership in the process.”

In addition, due to the decline in communities, businesses and residents began to become disenchanted with their cities. Respondents in all four cities noted the ISCP process and partnerships created a renewed sense of pride, hope, and commitment in communities by its “see-touch-feel” factor. Respondents explain this phenomenon:

"It’s a feeling of self-worth. There’s a lot of action going on. We don’t even have a government center in the city. We don’t have a Fortune 500 company here. So it brought a lot of self-worth. Even if they were for or against it, you could tell
they had a lot of pride in the community. Things were happening and they knew we had to be a big hitter if we were part of the program."

“Now Stellar concentrates the ‘see, feel, and touch’ factor. People get excited about the town, and then they have hope, and then they open up their hearts to feel love for the town again.”

“...Winning Stellar really was a boost in pride for the community. You see small improvements where property owners are taking a little more pride in their home or in their business.”

Challenges Faced by State Agency and Community Partners

Although there are definitely benefits from implementing such an approach in rural communities, there are also obstacles. Both the state agency and community partners faced a variety of barriers as participants in this program. Each state agency partner faced challenges predicated in the organization’s mission, policies, funding priorities, the historical relationships, and functional realities surrounding the implementation of a new program. These challenges ranged from miscommunication of program expectations (e.g., the program being a grant award) to problems posed by high staff turnover and funding limitations (e.g., federal guidelines slowing down the process). In comparison, each community faced challenges grounded in the historical, socio-demographic, economic, and political context surrounding the application and implementation processes the ISCP program. These challenges ranged from the perceptions of lack of clear understanding of programmatic needs and requirements to problems posed by funding constraints or prohibitions altering or scrapping proposed projects. Based on the case studies discussed in this paper, the state agency and community partners encountered challenges in both the application process and program implementation.

Respondents in state agencies identified several barriers to the success of the program. First, respondents expressed limited access to resources as a potential issue. Each agency is bound by its human and financial capital. For instance, respondents from OCRA noted a higher volume of human capital than of financial resources compared with the other two agencies. In addition, changes in state and federal policy may alter or reduce the level of funding for programs. Second, the state agency respondents noted the variations in missions and strategies as another barrier. All three agencies have a different set of missions and resources, which can pose difficulties or conflicts in regards to coordination. Respondents identified inconsistencies in the variation and process in which agencies aligned their objectives with community needs. A respondent elaborates on the challenge of aligning missions between as well as expectations of the three state agencies:

“Another criticism is figuring out what these three agencies want and stressing what the community needs, not what the agency needs. That’s something we’re making a few changes going forward.”

A third barrier is the assortment of funding sources. Each agency has different funding resources with a variety of regulatory obligations. The regulatory structures that generate funding from the federal and state governments can present a challenge due to the complexities and criteria as to how the funding sources may be utilized. For instance, IHCDA has certain funding resources from the state which can be utilized as part of the ISCP, while INDOT has a different set of funding and stipulations. The complexity and diversity of participant communities was also a challenge for state partners, as ISCP is not a “one size fits all” approach.
Communities are of different shapes and sizes. Therefore, respondents noted that it can be very difficult for a small city or town with a limited budget (i.e., a few hundred thousand a year) to compete with a large city which may have a large economic base and functioning budget that can match state dollars. This can lead to an exclusivity factor in the program. Finally, state agency partners identified a lack of leadership within partner communities as a challenge. Respondents commented that the program needs to select cities and towns with strong mayors and civic leaders to lead the charge and ensure implementation of projects. Without strong leadership, the program will falter.

In comparison, respondents in the ISCP-designated partner communities identified community capacity and coordination, shortfalls in anticipated funding amount, organizational capacity, short program timeframe, and consensus building as common barriers to the success of the program. For instance, the respondents stated that the ISCP process involves intense coordination. There are many parts, rules and regulations, and people whose involvement must take place over a short period of time. Due to its intensity and shortened timeframe, lack of coordination may hinder the process. In addition, the lack of human capital to accomplish needed tasks may also pose challenges to the process; as these tasks performed under Stellar are usually above and beyond the daily responsibilities of most city administrators or mayors, therefore management of the projects can be challenging. In addition, a few community partners noted that the funding amounts were altered from their initially anticipated allocation amounts. The funding alterations posed challenges for them regarding project planning and implementation. Over time, the amount of funding available diminished in size. Additionally, types of funding sources available for program implementation changed. The funding resources also had parameters on how the funding could be used. Respondents identified funding constraints and/or termination of funding or changes in sources of project support, which in turn delayed or changed the scope of projects or project timelines.

Another challenge was the size of the cities. Respondents explain the organizational capacity of city could make the process daunting. For example, having been the smallest in population size, Delphi was limited in its human capital resources in terms of staffing and had to rely heavily on the mayor’s office, the county staff, and non-profit volunteers to pull the application together within the allotted timeframe. Moreover, putting the application together in such a short time period proved to be an overwhelming task for the city’s planning committees, mainly in human capital and expertise, due to the lack of full-time staff. Respondents report cases of how community capacity posed challenges:

“I hate to keep coming back to this but we are a very small city. We are barely a city in terms of our population. So we don’t have a planning department. We don’t have the kinds of staff resources that most communities would have heading into a project of this sort. So it is an additional challenge.”

“.It’s the timing. It’s a big challenge to pull that application together in a short time. That is hard. I look at our application now and our project story boards and we still use them all of the time. They look like they took much longer than a month to put them together and our normal project it is easily 6 months. Our number one challenge is Stellar makes you drop everything else you are doing and focus full-time on Stellar, which is a good thing.”
A final challenge was building consensus amongst the team. With each ISCP committee representative in the cities having their own missions and goals, the committees had to find a way to build consensus between the team to decide on project goals and priorities. One respondent offers a typical description of the challenge of building consensus among stakeholders:

“Another a challenge was getting a team on the same page. We each brought our own perspective to the team.”

**Implications of ISCP Partnerships**

Although this research is ongoing, there are findings and lessons learned that can be gleaned from the experiences in Indiana. Many factors contributing to the success of state agency partners were context-specific to a state agency’s role and functions. In addition, factors contributing to the success of community partners were context-specific and unique to particular communities, projects, and partnerships. Several themes emerged in our cross-site analysis of the application, planning, and implementation of the program, including:

**Partnerships create mutual value that is greater than what its partners could achieve individually.** Stellar nurtured partnerships and increased social capital as well as other forms of community capital for both the community partners and state agencies. State agencies and community partners were able to increase their organizational capacities, particularly in building strategic relationships, organizational program delivery and impact, and financial impacts. The partnerships have also proven favorable on several fronts. First, the partnerships incited “buy-in” of comprehensive planning projects. Second, the partnerships stimulated sharing of public and private resources to complete improvement project. For instance, respondents noted that the ISCP process promotes increased community capacity by providing cities the means to complete a large amount of projects in a short time span. Respondents also stated that the program motivated each agency to expand outside of its traditional role of community development and to become more creative in its use of resources. Third, the partnerships established with outside stakeholders through implementation of a targeted area improvement model brought together complementary strengths of the various community institutions and community groups. Respondents noted that the process challenged the state agencies to expand their roles. Respondents stated that the program motivated each agency to expand outside of its traditional role of community development and to become more creative in its use of resources.

In the absence of Stellar, the communities had many pieces and stakeholders to accomplish improvements, but lacked the financial resources to accomplish them. As an outcome of Stellar, respondents identified the program as a mechanism to leverage opportunities and obtain other investments. For instance, data analyzed from the pilot communities demonstrate the role and function of social capital in the ISCP-designated communities is that of change agent and a catalyst for action and sharing of resources among community members, local officials, public agencies, private institutions, and non-profit organizations. In each case study, social capital is mobilized to address rural community problems associated with housing, downtown revitalization, and overall quality of life by strategically building relationships through nurturing partnerships, improving communication, and expanding traditional roles or frameworks of both the state agencies and community partners.

**Partnerships leverage resources.** The strategic layering of community capital has a comprehensive impact in rural improvement efforts. By strategically layering foundation,
private, and public resources in targeted areas, the designated communities allowed for the creation of broader community impacts as well as private market forces to re-activate and take over. The layering of resources also strengthens and builds relationships within the community, which creates vitality by building trust and encouraging nontraditional collaborations.

**Partnerships address common issues and can achieve ‘Bold Goals.’** Overall, respondents stated that the program added value by providing a mechanism for consolidation of resources in a single community and turning piecemeal ideas into transformative investments in an accelerated period of time. For some communities, this was viewed as the difference between the continued “life or death” of their community. According to respondents, providing a large sum of funding to one community in a short timeframe allowed an economic boost in the local communities, thereby creating a turning point of decline to incline. For example, in Greencastle, the Stellar Executive team completed investments in its downtown and surrounding residential neighborhoods through implementing façade improvements, streetscapes and gateways, and housing renovations. The new campus bookstore (Eli’s Bookstore) and a new Starbucks franchise both serve as economic anchors in the downtown. In comparison, North Vernon completed its restoration of the city’s historic Carnegie Library in the downtown and finalized investment projects in its Irish Hill Neighborhood which included the renovation of 14 owner-occupied homes.

**Partnerships provide communication channels.** Respondents stated that improved levels of communication significantly increased cooperation amongst state agencies and between state agencies and the designated communities. In addition, respondents noted that the ISCP process promotes for increased community capacity by providing cities the means to complete a large amount of projects in a short time span. Respondents also stated that the program motivated each agency to expand outside of its traditional role of community development and to become more creative in its use of resources.

**Conclusions and Future Research**

Being an experiential type of program, the ISCP seeks to create a new replicable, sustainable, and scalable model for comprehensive development. Program replication is an important aspect in demonstrating program effectiveness and understanding what works best, under what conditions, and for what target population. Replication establishes the effectiveness of a program model by demonstrating that it can be successfully implemented, as well as achieve consistent outcomes, in new locations. This is evident in the implementation of program components in the initial pilot and finalist communities as well as those newly designated.

Recent data indicates the ISCP model has positive outcomes in Bedford and Richmond, designated Stellar in 2013. For instance, in the city of Bedford revitalization activities proposed in prior ISCP applications have been completed or are in progress. These include, but are not limited to courthouse renovations, decorative sidewalk railings, storm water improvements, the adaptive reuse of a school into housing units, as well as the residential housing rehabilitation of approximately 30 homes. In comparison, Marion, Indiana, (a community finalist in 2011 and 2014) Vectren Corporation assembled a strategic partnership with the City, including representatives from City Hall, businesses, nonprofit organizations, educational institutions and faith-based communities, to develop a unified, collaborative approach for revitalizing economically-challenged neighborhoods. The city’s community revitalization partnership known as the Magnificent Seven, led to the demolition of approximately 15 blighted and vacant units and the renovation of 100 owner-occupied housing units. In addition, civic leaders have acquired all of the riverfront property necessary for downtown park renovation. All of these projects were identified in the Marion’s 2012 ISCP Community Investment Plan.
Program sustainability and scalability actually means different things depending on the developmental stage of a program. It may include concentrating on supporting program activities or infrastructure, enlarging target populations, transferring best practices to other programs, building new relationships with other agencies, or promoting broader policy initiatives. The ISCP model is a basis from which current and future community development-related programs can adopt. For example, IHCDA’s new Communities for a Lifetime program or OCRA’s Place-based Investment Fund and Community Enterprise program with the Office of Small Business Enterprise. Both of these programs emphasize leveraging local funding and partnerships and implementing community investment plans. In addition, other states seeking to emulate the ISCP approach, such as Massachusetts have inquired about the program to the state agency partners (MuniShare Community Solutions, 2012).

The shared approach for comprehensive neighborhood revitalization in rural Indiana communities is fostering broad-based, cross-sector partnerships and is coordinating public and private funding and resources. The ISCP approach has been fueled by a significant investment and alignment of resources by OCRA, IHCDA, INDOT, and community partners. Over the coming years, public-private partnerships are expected to play an increasingly important role in addressing the needs of rural communities in Indiana. A key ingredient of rural renewal in the Indiana model is the strong leadership provided by the local government leaders as well as community and institutional stakeholders. Through leadership, the communities were able to leverage the social capital needed to access additional community capital. By deepening and widening the cooperation between the public and private sectors, rural improvement efforts can benefit from private, public, and quasi-public finance, new skills and expertise, greater cost effectiveness in operation, efficiency in processes, expansion of organization capacity and impact – all of which, when combined, can accelerate and amplify rural community investment. The momentum gained by these initial investments is priming the field for sustained investment and collaborative programming, which will produce stronger, healthier, and more vibrant people and rural communities.

On a local scale, public-private partnerships have emerged in different combinations - ranging from financially free-standing projects to joint ventures. However the partnerships created as an outcome of the ISCP were not just about public financing, but also about the use of public and private sector skills and management expertise merging with those of assets in the local communities to deliver and implement improvement efforts in a cohesive, collaborative, and efficient manner. In doing so, the social capital connections strengthened relationships between stakeholders, especially between local and state actors, community-based groups, along with the non-profit and private organizations. Through building trust, increasing communication, and working collaboratively instead of within individual silos (i.e. isolated), community stakeholders were able to develop, maintain, and nurture many partnerships that formed the core of the comprehensive community development strategies.

This research is in the beginning phases and still ongoing. This article represents the culmination of the second year of Sagamore Institute’s contracted research and evaluation of the Indiana Stellar Communities Program. The goal has been to gather information about the Indiana Stellar Communities Program from state agencies, community partners, and stakeholders, so that the evaluation process and implementation within ISCP can be strengthened. In the second phase of this evaluation, to be in winter of 2014, Sagamore Institute will continue the analysis of the six Stellar communities (Greencastle and North Vernon [2011]; Delphi and Princeton [2012]; and Bedford and Richmond [2013]). Future research will continue to follow and assess the holistic development approach implemented by the community partners and state agencies to address community development issues and examine outcomes of these efforts.
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