

## Rio Dell, California



*This is a story about small steps making a big difference. Once a run-down community with an inferiority complex, Rio Dell takes simple steps to clean up the town and reinvigorate civic pride.*

	Rio Dell
Population (2000)	3,174
Municipal budget (2005)	\$5 million <sup>94</sup>
Per capita income (2000)	\$12,500
Median household income (2000)	\$29,250
Poverty rate (2000)	23%
Minority Population (2000)	14%
Proximity to Urban Center	265 miles to Sacramento, Calif.
Proximity to Interstate Highway	150 miles
Strategic Approach	Downtown revitalization
Time frame	2002-2007

Rio Dell's economic development strategy is to clean up the town and revitalize its critical infrastructure to make the community attractive to outside investors. In this case, small steps and simple projects have improved the visual appeal of the community and the quality of its infrastructure. In 2002, town officials received grant money for the Gateway Project, a series of beautification projects at the town's main entrance. The town also partnered with the St. Joseph Community Resource Center to improve downtown facades and offer recreation opportunities in town. In 2006, Rio Dell completed a new \$8.2 million water treatment system. Rio Dell is now seeing the fruit of its labor – private investment in the downtown, new job creation and increasing civic pride.

### The community and its history

The Town of Rio Dell, "The Warm Hearted Town," is located 20 miles south of Eureka on the Eel River. Blessed with a warm climate and open prairie land, Rio Dell became a thriving farm community in the late 1800s. The timber industry also played a significant role in the development of Rio Dell. A few miles south of Rio Dell is one of the last remaining company towns, Scotia, which has been home to Pacific Lumber for more than 90 years. During the early 1900s, Rio Dell was an extracurricular destination for loggers and mill workers from Scotia, who came to indulge in the gambling, bootlegging, prostitution and other seedy activities that characterized this small rural community through the Great Depression.

<sup>94</sup> Interview with Nancy Flemming, Rio Dell town manager, June 18, 2007.

In 1926, the local economy in Rio Del was invigorated by the construction of U.S. 101. For 50 years, the main north-south highway between Southern California and Oregon brought travelers straight through downtown Rio Del, and the business district flourished. In 1976, however, the California Department of Transportation rerouted the highway around Rio Dell. Appearance as well as business has suffered ever since. "This is a great town, but visually, in the last 20 years, it has declined," said a former mayor. "Economically, we've seen a decline in our business activity."<sup>95</sup>

To further complicate matters, Rio Dell was issued a cease and desist order in 2002 for both its wastewater treatment and its water supply infrastructure. For years, the town had been releasing treated sewage into the nearby Eel River. In 2002, the North Coast Regional Water Quality Control Board declared this process in violation of state regulations. In addition, the water supply infrastructure – both the storage facility and the network of pipes through town – had deteriorated. Beginning in 2002, Rio Dell was prohibited from permitting any new development until it dealt with its water and wastewater systems.

## The strategy

Rio Dell's strategy is simple and necessity-driven: clean up, repair and upgrade infrastructure, and work toward creating a town that is ready for investment. In early 2000, an ad hoc group of civic leaders, from the public and private sectors, decided to do something about the community decaying around them. "Relationships between community groups were fragmented," one leader said. "Bringing the town manager, police chief, churches and the Community Resource Center together was the first step toward doing projects jointly."<sup>96</sup>

Nancy Flemming, Rio Dell's town manager, said the group wanted to create a place that the community could be proud of. "This is a small rural river village," she said. "We want it to look like a small rural river village." So, in 2001, Rio Dell launched the Gateway Project, a simple beautification program to redesign the town's north entrance off U.S. 101. Next, local officials installed landscaped medians on Main Street to slow traffic and improve the town's visual appeal. In 2003, the town partnered with the St. Joe Community Resource Center, a community outreach arm of the St. Joseph Health System, to improve the facades of vacant downtown buildings. In a related effort, the local police chief led an initiative to crack down on crime in the downtown district. Economic impacts from these initial efforts were felt almost immediately. For example, a contractor purchased a number of homes in the once crime-ridden downtown and rehabbed them for new owners.

In 2004, local leaders began working on the community's water and wastewater infrastructure. The town applied for funding from the California Department of Water Resources and the

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<sup>95</sup> Sims, Hank. "Rio Dell Struggles with its Future." *North Coast Journal Weekly*, March 11, 2004.

<sup>96</sup> Interview with Judy Pieratt, coordinator, St. Joe Health System Community Resource Center, June 18, 2007.

Department of Health Services to construct a new drinking water treatment system. In total, the town received \$8.2 million in grants and broke ground on a new facility that vastly improved Rio Dell's water quality and quantity. The new facility, according to Rio Dell Councilman Mike Dunker, is central to the future of Rio Dell. "Infrastructure is really the cornerstone of any strategy," he said. "No one wants to move to your town if you have problems. We are now in a position to build off our infrastructure and move forward as a town." The new water supply system began operation in 2006, and the town shifted its attention to wastewater treatment. Dunker said the community is working on several options to use treated sewage as irrigation for local farmers.

Judy Pieratt, coordinator of Community Resource Center, took advantage of an opportunity to build community pride and unity. Until 2003, Rio Dell had never been served by a local newspaper. With funding from the St. Joseph Foundation, Pieratt launched the *Rio Dell News*, a community newsletter that provides information on community events, job opportunities and other local concerns. On Valentine's Day in 2004, Pieratt initiated a Valentine's Day Rally to encourage people to "Love Rio Dell." According to Pieratt, "People started to change the way they felt about their community."

Rio Dell's strategy has been straightforward and simple – to create a place that's worthy of new residents and investment. Since the town began its efforts in 2002, Rio Dell has seen signs of progress. Between 2002 and 2006, for instance, the town issued 39 new business licenses, and businesses opened in eight previously vacant storefronts in town. These new businesses created 18 new jobs, and Rio Dell's Chamber of Commerce membership has doubled.

### What are the lessons from this story?

***Small projects can build momentum for addressing larger challenges.*** In the case of Rio Dell, the community was facing a dilapidated water and wastewater infrastructure, a run-down appearance and an apathetic public. A committed group of community leaders initiated small, self-contained projects to clean up the town. These projects demonstrated that the community was capable of helping itself. They boosted morale and brought the community to a point where it could begin dealing with major infrastructural challenges.

***Maintaining and improving basic infrastructure is a necessary part of an economic development strategy.*** While current trends may emphasize new infrastructure such as broadband and wireless telecommunications, small communities must pay attention to their basic infrastructure if they want to attract investment. For Rio Dell, improvements to the water supply system have played a role in triggering new private investment into the community – economic development investments that would not have come otherwise.

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