

## **2009 Innovations Awards Program APPLICATION**

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ID # (assigned by CSG): 09-S-24TX

**Please provide the following information, adding space as necessary:**

State: Texas

Assign Program Category (applicant): Economic Development (Use list at end of application)

1. **Program Name:** GO TEXAN Certified Retirement Community Program
2. **Administering Agency:** Texas Department of Agriculture
3. **Contact Person (Name and Title):** Bryan Black, Assistant Commissioner for Communications
4. **Address:** P.O. Box 12847, Austin, TX 78711-2847
5. **Telephone Number:** 512-463-7664
6. **FAX Number:** 1-800-223-7159
7. **E-mail Address:** bryan.black@TexasAgriculture.gov
8. **Web site Address:** www.retireintexas.org
9. **Please provide a two-sentence description of the program:** The GO TEXAN Certified Retirement Community Program is an economic development tool to promote Texas and Texas communities as desirable retirement destinations to retirees and potential retirees both within and outside the state. Through the program, the Texas Department of Agriculture assists communities in their efforts to market themselves and encourage tourism to Texas.
10. **How long has this program been operational (month and year)?** Note: the program must be between 9 months and 5 years old on March 2, 2009 to be considered. This program became effective on Sept. 1, 2005 and was launched in June 2006.
11. **Why was the program created?** What problem[s] or issue[s] was it designed to address? The GO TEXAN Certified Retirement Community Program was created as an economic development tool for rural Texas communities to promote themselves as desirable retirement destinations. Of the 254 counties in Texas, 196 are defined as rural according to the 1993 U.S. Office of Management and Budget classification scheme. According to the United States Department of Agriculture Economic Research Service, rural communities across the country face many of the same struggles; i.e., infrastructure, business assistance, education and training, amenity-based development and community development. Research shows that retirees and potential retirees explore retirement destinations three to five times and stay for an average of five nights per visit before choosing a retirement destination. This tourism infuses local rural economies with hotel/motel and sales tax income as well as the increased business with local merchants. The research then goes on to state that once a retired couple relocates, they have the same economic impact on the community as 3.7 factory jobs, bring 1.5 to 2.5 actual jobs to the community, spend an average of \$42,500 locally and pay an average of \$3,000 in local and state taxes annually. This type of impact on rural communities is multifaceted by creating jobs for younger citizens based on the needs of the retirement population and enriches the available workforce and volunteer pool with experienced,

educated applicants, retiree entrepreneurial opportunities and demonstrates to retirement industry business/developers that the certified community is a welcoming location with great potential. While encouraging retirees to relocate to rural Texas does not “solve” all the hardships facing rural communities, their positive impact does open opportunities for rural communities to entice business/developers, increases the local/state tax base, improves the available workforce/volunteer pool and job growth, supports existing community businesses and provides for new business opportunities.

12. **Describe the specific activities and operations of the program in chronological order.** The program was passed through legislation and signed into law by the Governor effective Sept. 1, 2005. Once effective, the Texas Department of Agriculture proceeded with the following activities: 1.) determined program parameters internally and solicited input from partner agencies; 2.) developed program guidelines and solicited community and public comment; 3.) determined and developed appropriate program forms and documents; 4.) enlisted volunteers for advisory review committee; 5.) filed trademark application and other pertinent items legally required; 6.) designed initial marketing items (i.e., brochures, Web site, rack cards, etc.); 7.) conducted program information and application workshops for interested communities; 8.) received, reviewed and certified first communities.
13. **Why is the program a new and creative approach or method?** This program does not receive state funding for program costs outside of the Program Coordinator’s salary and benefits. All other program costs are provided through application fees paid by communities certified through the program. This approach ensures community ownership of the program, program success and reduces community expectations of complete state program control. Even though communities compete with each other, their vested interest in program success has been a great catalyst for the communities to work together and partner with the state to increase visibility of the program to retirees/potential retirees, businesses/developers, and other quality communities throughout Texas.
14. **What were the program’s start-up costs?** (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.) Start-up costs include: a.) design of initial marketing items (i.e., Web site, brochure, rack card, certification mark, etc.) = \$12,400.00; b.) professional legal services (i.e., filing of appropriate forms and liaison with US Trademark Office, etc.) = \$1,355.35; c.) travel to promote program to interested communities = \$200.00; d.) personnel costs = \$40,200.00; e.) equipment/office space/furniture = \$3,800.
15. **What are the program’s annual operational costs?** Annual program costs vary based on the program income from community application fees. Fees paid by the communities provide for five years of certification, thus each fee is budgeted over a five-year period. As the program grows and more communities become certified or recertified, the annual budget increases. Program costs are kept within the annual budget.
16. **How is the program funded?** Funding for this program is through application fees provided by applicant communities. Each community must submit a minimum fee of \$5,000 or \$0.25 per resident for communities with over 20,000 residents.
17. **Did this program require the passage of legislation, executive order or regulations?** If YES, please indicate the citation number. The Texas Legislature enacted the program during the 79<sup>th</sup> Regular Session through House Bill 1982. It was signed into law by the Texas Governor and made effective on September 1, 2005. It is part of the Texas Agriculture Code, Title 2, Chapter 12, Section 12.040.
18. **What equipment, technology and software are used to operate and administer this program?** The program is operated and administered with the standard office equipment, technology and software.

19. **To the best of your knowledge, did this program originate in your state?** If YES, please indicate the innovator's name, present address, telephone number and e-mail address. No.
20. **Are you aware of similar programs in other states?** If YES, which ones and how does this program differ? Yes. There are similar programs implemented by Mississippi, Louisiana, Kentucky, Tennessee, West Virginia and North Carolina. The GO TEXAN Certified Retirement Community Program differs as it is the only program that is self-funded and not subsidized by state revenue.
21. **Has the program been fully implemented?** If NO, what actions remain to be taken? A program such as our GO TEXAN Certified Retirement Community Program is by nature never "fully" implemented. This type of program continually changes, offers growth opportunities for Texas and rural communities and presents collaborative economic advantages communities would have difficulty realizing individually.
22. **Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.** The program has been a valuable asset to certified communities. When asked, "What is the one best benefit your community has experienced as a direct result of certification and participation in the program?" the communities that have participated in the program the longest replied: "We have seen a significant increase in requests for visitor and relocation packets."; "Our community has greater cohesion and direction when planning community improvements and marketing efforts."; "We have signed development contracts totaling \$8 million and are in negotiations for another development contract for \$12 million as a direct result of our certification."; "A retirement community developer has approached our community regarding a possible development because we are certified."; and a community that is in the application process had this response to the program, "Our community has been approached by a developer to build a retirement community within our city. He won't build unless we become a certified retirement community and the developer is willing to pay the application fee." As for any cons to the program, the expense of marketing the program is a large challenge. There are three audiences to reach; retirees and potential retirees, interested communities and businesses and developers. There is a huge opportunity for creativity and the use of non-traditional avenues to address the overwhelming costs of traditional marketing.
23. **How has the program grown and/or changed since its inception?** As the program progresses, momentum for the program increases exponentially. During the first year the program accepted applications, the program certified three communities. The second year the program grew to eight total communities, a growth of 62.5 percent. The third year the program grew to 22 total communities, a growth of 64 percent. The program has been compared to other statewide certified retirement community programs by TopRetirements.com who state, "In our opinion Texas has done the best job with this program. Like several other states, their Web site is easy to use. But what sets them apart is the job the certified communities have done with their certification - they have sent out press releases, promoted their sites in online communities like Topretirements.com, and advertised their certifications on their in-house media outlets."
24. **What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?** While the GO TEXAN Certified Retirement Community Program is an excellent economic development tool for rural communities, there are a host of challenges other states should consider:
  - a. Stability of state and local economies – relocating retirees want to be certain their new community will have the economic stability to ensure their local investments, i.e. housing, banking, etc., are successful and provide an opportunity of growth. A stable economy is essential to luring relocating retirees.

- b. Cost of living within the state and certified communities - relocating retirees want to be certain their new community will afford them all the opportunities possible to live a rewarding and fulfilling lifestyle on the retirement income they have created. Reasonable cost of living is a large attraction for relocating retirees.
- c. Possible tax incentives for retirees – taxes are a very large concern for retirees. According to the analytics running on the RetireInTexas.org site, the tax Web page is consistently one of the top viewed pages on the site.
- d. Number of quality communities within the state – not every community within a state is an ideal candidate for certification nor does every community want to be identified as an ideal community for retirees. Ensuring the program certifies communities within the state that meet the needs of retirees, are interested in being identified as desirable retirement destinations and the number of communities is sufficient to warrant development of and can sustain the program within a state.
- e. Overcoming myths and misconceptions regarding retirees – there are many misconceptions and myths surrounding retirees. The first image conjured when someone mentions retiree is the elderly couple or individual sitting on their porch in rocking chairs. Today’s retiree couldn’t be further from that stereotype. They are active, engaged, highly educated, fiscally savvy and more mobile than any previous generation.
- f. Generating community interest in becoming certified retirement communities – can be a challenge if community leaders have any of the common misperceptions regarding retirees. Other communities may not want to be identified as having an “old” population.
- g. Technical assistance and training for communities in managing their certification and marketing themselves as desirable retirement destinations – assisting communities with implementation and execution of their program through providing expert technical assistance and training, resources and guidance.
- h. Overwhelming expense of quality marketing and promotion of the program, communities and state – marketing and promotion of the program, communities and state as a retirement destination through various media is a very expensive undertaking. Any state wishing to implement this type of program should be committed to directing tourism funding to this program specifically for the purpose of print, air and online marketing and promotion campaigns.
- i. Developing partnerships with appropriate state agencies and key industry professionals – the greater the support for the program throughout the state agencies, the greater chance for success. Key industry partners are also valuable assets regarding media opportunities, program guidance, research and industry insight.

## 2009 Innovations Awards Program Program Categories and Subcategories

Use these as guidelines to determine the appropriate Program Category for your state's submission and list that program category on page one of this application. Choose only one.

### *Infrastructure and Economic Development*

- Business/Commerce
- Economic Development
- Transportation

### *Government Operations*

- Administration
- Elections
- Public Information
- Revenue

### *Health & Human Services*

- Aging
- Children & Families
- Health Services
- Housing
- Human Services

### *Human Resources/Education*

- Education
- Labor
- Management
- Personnel
- Training and Development
- Workforce Development

### *Natural Resources*

- Agriculture
- Energy
- Environment
- Environmental Protection
- Natural Resources
- Parks & Recreation
- Water Resources

### *Public Safety/Corrections*

- Corrections
- Courts
- Criminal Justice
- Drugs
- Emergency Management
- Public Safety

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CSG Innovations Awards 2009  
The Council of State Governments  
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This application is also available at [www.csg.org](http://www.csg.org), in the Programs section.

**Deadline: March 23, 2009**