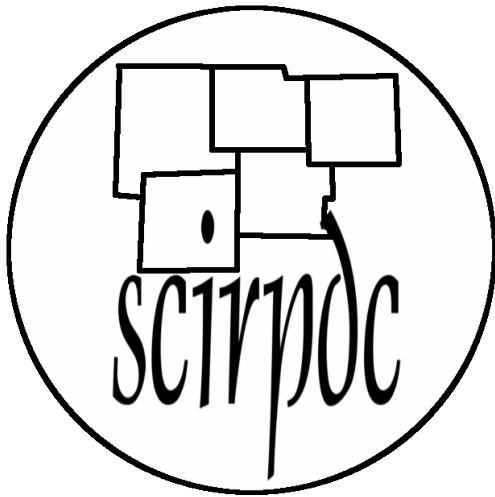


**SCIRPDC**

120 Delmar Ave.  
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Salem, IL 62881



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**FY-2017-2019**  
**Comprehensive Economic**  
**Development Strategy**

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South Central Illinois Regional Planning & Development Commission  
Economic Development District

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Special Thanks to the SCIRPDC District Governing Board and CEDS  
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## Forward

The South Central Illinois Regional Planning & Development Commission (SCIRPDC) submits a new Comprehensive Economic Development Strategy (CEDS) to the Economic Development Administration every three years to show the performance of the prior three years, and to provide a new set regional goals and objectives for the next three year funding cycle. This document also aids the membership with development and implementation of a regional plan of action, and identifying investment priorities and funding sources for the Economic Development District (EDD).

The CEDS provides up-to-date demographic information for the region in order to paint a realistic picture of the current economic condition. Analyzed data was derived from the U.S. Census Bureau, the District's Cluster Analysis, and other government agencies.

It is SCIRPDC's goal to work together with public officials, community and private sector leaders, higher education institutions, and non-profit organization in order to implement the CEDS. Ultimately, SCIRPDC envisions a living document that will not only record past efforts in economic development, but point the region in the direction that will foster the creation of a successful economy in South Central Illinois.

South Central Illinois Regional Planning & Development Commission provides solutions to the challenges of local government. A multitude of programs and projects are initiated each year at the federal, state, regional, and local levels. Your regional planning commission creates the needed venue and framework to coordinate these programs and goals into a whole. It is the Commission's function to take the goals and objectives within this document and turn them into success for the five-county EDD of Clay, Effingham, Fayette, Jasper, and Marion along with the governments and special taxing districts within.

## Executive Summary

The South Central Illinois Region is made up of five counties (Clay, Effingham, Fayette, Jasper and Marion) with a 2016 resident population of 119,338 a net increase of six since year 2010, showing a rather stable population growth rate. The region's leading employment by industry includes Manufacturing; Agriculture; Mining, Quarrying, and Oil and Gas Extraction; and Health Care and Social Assistance. The public infrastructure includes above average ground transportation with two interstates (I-57 & I-70) and four US Highways (US 40, 45, 50, 51) stretching through the five-county EDD, along with 10 combined Main Line and Short Line rail road companies, five general aviation airports and 11 formally established industrial or business parks.

The process of re-writing, the previously published 2014-2016 CEDS document was accomplished through the generous volunteer participation and support of many civic leaders, local governments, development groups and affiliate state and federal agencies, etc. However, at the center of the local and regional public participation process for writing the 2017-2019 document is the District's CEDS Advisory Committee.

The central purpose of the CEDS is to provide up-to-date demographic information, review the economic development performance of the region since the last regional CEDS publication, encourage the continued implementation of a regional plan of action, as well as identify and prioritize the investment opportunities and funding sources for the SCIRPDC region.

Specifically, the SCIRPDC EDD, along with District's Voluntary CEDS Committee, developed a SWOT analysis, describing the region's strengths; weaknesses; opportunities; and threats. The SWOT analysis is summarized below.

The next step in producing an effective economic development strategy is utilizing the developed SWOT analysis to further create a regional strategic direction and action plan. To this end, the CEDS provides a list of eight essential economic development priorities for the South Central Illinois region created with the region's SWOT analysis in mind. Furthermore, within the CEDS each priority is accompanied by several defined objectives to encourage achievement. Below is a sequential list of those top economic development priorities.

- (1) Quality of Life/Workforce Attraction
- (2) Infrastructure
- (3) Economic Development Competitiveness
- (4) Workforce Development
- (5) Technology
- (6) Freight and Transportation
- (7) Disaster Preparedness
- (8) Conservation & Development

The SWOT analysis, located below, and economic development priorities, discussed above, are the two most essential pieces of this CEDS document and put in place specific investment priorities for the region going forward. In sum, the South Central Illinois CEDS is a roadmap to encourage the diversification and growth of the regional economy and attempts to serve as a guide for future local, regional, state and federal investment priorities in the SCIRPDC EDD.

### SWOT Analysis Summary

Regional Strengths	Regional Weaknesses
1. EDD Location 2. Adequate Public Utilities 3. Local Economic Development Efforts 4. Workforce Development 5. Private and Public Development Organizations	1. Need for Manufacturing Technical Training 2. Need for Industry Cluster Growth 3. Lack of Consistent Broadband Access 4. Lack of Entrepreneurship 5. Lack of Local Government Participation
Regional Opportunities	Regional Threats
1. Focus on Regional Assets 2. Region-based Thought Process 3. Invest on Economic Strengths 4. Encourage Entrepreneurs and Innovation 5. Career-Based Workforce Development	1. Lack of Technology-based Workforce 2. Regional Employers' Financial Burden 3. Cost of Essential Public & Private Services 4. Reduced State and Federal Funding 5. International Corporations' Land Purchasing

# I. Public & Private Partnerships

## a. History of the District Organization

The economic development planning and technical assistance function provided by the Economic Development District (EDD) to the public and private leadership within Clay, Effingham, Fayette, Jasper and Marion counties are administered by the South Central Illinois Regional Planning and Development Commission (SCIRPDC). The regional planning commission was established in October of 1972 under the Illinois Regional Planning Act. The Economic Development District has its offices at 120 S. Delmar Avenue, Suite A in the City of Salem, Illinois.

A three-county South Central Illinois jurisdiction comprised of Effingham, Fayette and Marion Counties was formally recognized as an Economic Development District (EDD) by the Economic Development Administration (EDA) in 1976. The District received Section 301(b) planning grant funds from the EDA beginning in 1977 through 1982, at which time financial support for the regional organization was terminated.

The three-county area District Overall Economic Development Program (OEDP) document was not updated for nearly ten years after the termination of EDA planning funds. However, Fayette and Marion counties authored and maintained single-county OEDP documents which were accepted by the EDA in 1991. In May of 1992, the designated but unfunded Economic Development District received encouragement from the EDA to consider updating its earlier District OEDP document which in turn would have a number of potential benefits for both the region and the District organization including: (1) qualifying all areas of the proposed three-county District for EDA financial assistance; (2) securing a 10% increase in any future EDA grants awarded to the District's participating local governments; (3) requalifying the regional organization for the possible future receipt of ongoing EDA Section 301(b) economic development planning grant funds; and (4) qualifying the regional organization for the possible future receipt of EDA Title IX Revolving Loan Funds to reinvest in business ventures proposed by qualifying local industrial firms.

A fully updated District OEDP document was submitted to the Chicago Regional Office of EDA in September of 1993 and subsequently approved in November 1993. The regional organization's decision to update the District OEDP document also relieved municipal and county officials in Fayette and Marion counties from annually updating their single-county OEDP documents while providing them with an opportunity for participation and input into the District OEDP development process.

Upon EDA's approval of the updated District OEDP document 1993, the regional organization officially requested EDA's consideration of a District Planning Grant which among other things would be utilized by the regional organization to help finance requisite annual updates to the 1993 District OEDP document. Finally, Section 301(b) grant funds became available and were awarded to the District organization by the Chicago Regional Office of EDA in 1997. Prior to reinitiating EDA Section 301(b) planning grant funds, the District was the recipient of two separate \$300,000 EDA Title IX Revolving Loan Fund capitalization

grants in 1994 and again in 1996, as well as an infrastructure improvement grant for the City of Vandalia in 1993.

In early 1997, a combination of factors caused the three-county regional organization to give serious consideration to expanding its traditional multi-county service jurisdiction. As a result, effective July 1, 1997, the South Central Illinois Regional Planning and Development Commission began serving a five-county constituency rather than a three-county area. The expanded District today includes the counties of Clay, Effingham, Fayette, Jasper and Marion.

### b. Governing Body

**Figure 1-1:**  
**Board of Commissioners Membership**

Representing	Number of Appointees
County Board	3 Members
Two Largest Cities	2 Members
Smaller Villages	1 Member
Total Per County	6 Members

**Source:** SCIRPDC Bylaws

Membership on the SCIRPDC Board of Commissioners is equally allocated among each of the five member counties and their respective local governments depicted in **Figure 1-1**.

The Commission's governing body known as the Board of Commissioners consists of thirty (30) voting members from the five-county area along with the Executive Director who serves as a non-voting, ex-officio member to complete the thirty-one (31) member board. Presently, the Board of Commissioners contains 9 local elected officials (29.0%); 5 appointed local officials (16.0%); 15 private sector representatives (48.4%); and the Executive Director (3.2%).

The Board of Commissioners broadly represents the varied interests of local units of government, the business community, educational institutions, the financial community, transportation and public utilities, the industrial sector and agriculture. Presently, four (or 12.9%) of the Commission's thirty-one member governing body are female.

### c. District Management

The Board of Commissioners oversees and approves all official and/or advisory planning activities performed by various standing and ad-hock advisory committees and the regional organization's permanent staff of six individuals under the Commission's By-Laws. The thirty-one member board also retains all policy-making authority for the Commission and can function in between regularly scheduled monthly business meetings via an eleven-member Executive Committee composed of five officers, five at-large

members and the Executive Director. Routine or day to day management of the Economic Development District's business affairs is accomplished through the Executive Director and Office Manager/Bookkeeper. **Figure 1-2** depicts the current staffing of the Economic Development District.

**Figure 1-2:**  
**SCIRPDC Staffing**  
(January 2017)

Staffing Position	Individual	Tenure	Funding Sources
Executive Director	James Patrick	8 Years	EDA, SBA, RBI, CDI, Title IX & Local Funds
Office Manager/Bookkeeper	Sharon Briscoe	34 Years	Commission Funds
Administrative Assistant	Jeanne Dunahee	24 Years	RBI, EDA, CDI, SBA, Title IX and Local Funds
Grants Manager	Mike Shaw	23 Years	Local Grant Management Contracts
Economic Development Planner	Luke Eastin	2 Years	EDA 301(b)
Regional Human Services Transportation Planner	Terri Finn	6 Years	IDOT HSTP Funds

The Commission organization has four standing committees which assist the governing body in managing administrative processes and programmatic functions. The committees are comprised of the following, (1) the Executive Committee, which meets in the interim between Commission meetings to act upon such matters as necessary; (2) the Budget and Operating Committee, that formulates an annual agency-wide operating budget; (3) the Personnel Policy Committee, which develops and updates the Commission's Personnel Policies and reviews any grievances arising from its interpretation; and (4) the Area-wide Loan Review Committee which makes recommendations to the Board of Commissioners regarding all loan requests.

The Commission coordinates the formulation of its economic development vision for the region, with a five-county, 30-member CEDS Advisory Committee which works directly with the District's Economic Development Planner, and other professional staff members in preparing and maintaining an up-to-date District CEDS document which reflects a wide spectrum of viewpoints regarding the analysis of local conditions, problems confronting the region, economic development opportunities and a series of long-term economic development goals and shorter-term measurable objectives to foster the economic advancement of the five-county region.

This newly created District CEDS document represents an update to the earlier 2014-2016 District CEDS document and was principally authored by the District's professional staff reflecting local input derived from the five-county CEDS Advisory Committee. The approval of this District CEDS document is jointly vested in each of the five individual county boards, the thirty-one member Board of Commissioners, in addition to the staff of the Chicago Regional Offices of the Economic Development Administration.

The Economic Development District's professional staff will be responsible for periodically reporting any progress on the attainment of the District CEDS development goals, objectives and implementation strategy to the Commission's governing body and the Economic Development Administration. As adjustments to the District's economic development strategy are required, they will be reflected in subsequent annual updates to the District CEDS document.

#### **d. Partnerships with Other Organizations**

In recognition of the organization's position to facilitate and enhance the economic development of the region, the Commission maintains working relationships with other local, regional, state and federal organizations involved with planning, promotion and economic development efforts for the five-county South Central Illinois region. These relationships range from the Commission serving strictly in an advisory capacity as a technical consultant providing data and other information to our constituent local governments, to more formal contractual agreements for specified service such as loan processing, grant writing, environmental review, regional studies etc. Examples of such existing relationships include:

- The Commission has enjoyed a good relationship with EDA. The EDA Planning Grant plays a critical role in the betterment of regional economic development efforts within the member five-counties. The Commission has utilized both EDA Public Infrastructure and Economic Adjustment Assistance Grants. Lastly, the Commission is a fiscal agent for EDA's Title IX loan program, which allows the Commission to provide credit-worthy, small businesses, within the rural five-county area, access to more affordable, fixed rate financing and a source of small scale.
- The Commission continues to function as the Intermediary Lender and administrator of an Area-Wide Revolving Loan Program under a designation from the United States Department of Agriculture, Office for Rural Development in order to provide credit-worthy small businesses within the rural five county area with access to more affordable, fixed rate financing and a source of small scale, urgent infrastructure financing for local governments within the District.
- The Commission continues to function as a Section 504 Certified Development Commission (CDC) under a designation from the U.S. Small Business Administration and in order to provide credit-worthy small businesses within the five-county region with access to more affordable, long term, fixed rate, subordinated, fixed asset financing; and
- Because of loans, the Commission partners with regional banks to aid the private sector in helping to create and retain jobs in the five-county region.

- The Commission works closely with the Illinois Department of Commerce and Economic Opportunity, which administers many funding programs from HUD. The Department administers and oversees a substantial number of grants each fiscal year, promotes various economic, community and workforce development programs, services, and initiatives. DCEO partners with businesses, local governments, and nonprofit organizations. A few of the program used by the Commission are under the Community Block Grant Programs, such as: Economic Development, Housing Rehabilitation, and Public Infrastructure grants.
- The Commission has a contract with the Illinois Department of Transportation to provide Human Services Transportation Planning. The Human Services Transportation Plan (HSTP) is a unified, locally-derived, comprehensive strategy for delivery of public and specialized transportation services that identifies transportation needs, specifically for those persons with disabilities, older adults, and persons with limited incomes.
- In addition to the Human Services Transportation Plan, the Commission has an excellent relationship with IDOT using a variety of programs to enhance transportation needs of industry while providing for recreation and quality of life through the construction/rehabilitation of greenways and byways throughout the five-county region.
- The Commission maintains an active association with regional economic development organizations such as the Southeastern Alliance of Illinois - SAIL (which includes Clay and Jasper counties), East Central Illinois Development Corporation - ECIDC (which includes Effingham County), the South Western Illinois Development Council (which includes Fayette County) a multi-county Bank CDC organization (which includes selected Marion County banks) Jasper Jobs, Inc. (which serves Jasper County), the various Chambers of Commerce serving businesses in the District's cities and villages, in an effort to communicate among the many development organizations functioning within the District.
- The Commission remains in close contact with the University Centers and other institutions of higher learning that operate economic development programming, such as the University of Illinois Extension Program, Purdue Center for Regional Development, Southern Illinois University at Edwardsville's Entrepreneurship Center, and Southern Illinois University at Carbondale's Global Institute for Business.

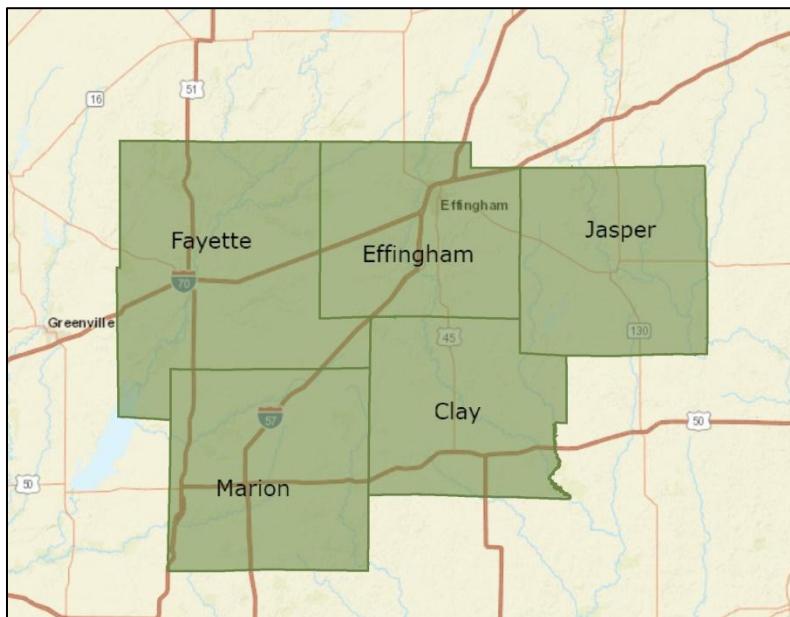
# II. Economic Analysis

## a. Geography

The State of Illinois is divided into 23 distinct Economic Development Districts (EDDs). These public entities were created to serve the counties, cities, towns and villages in each region by promoting economic and community development through planning, coordination, and participation of citizens, local governments, public organizations, and private industries.

The SCIRPDC EDD represents the five counties of Clay, Effingham, Fayette, Jasper and Marion (**Figure: 2-1**), along with the 44 incorporated communities, and 75 townships within those counties. The South Central Illinois EDD consists of 2,749 square miles extending approximately 42.11 miles north to south and 69.96 miles east to west. The smallest county, Clay, contains 469.59 square miles of land area and the largest county, Fayette, contains 716.48 square miles. As means of a comparison, in total, the SCIRPDC EDD is an area larger than the entire state of Delaware, and more than twice the size of Rhode Island.

**Figure 2-1:**  
**South Central Illinois Regional Planning & Development Commission**  
**Economic Development District**



Source: ESRI, Business Analyst Online

**Figure 2-2** on the following page depicts two growth corridors, the first of which encompasses some 82.4 square miles and intersects Fayette, Effingham and Jasper counties, from west to east, in the northern portion of the five-county Economic Development District. This growth corridor contains nine incorporated municipalities and extends along Interstate 70 and Illinois Route 33 from the City of Vandalia on the west to the City of Effingham and the Village of Teutopolis and along Illinois Route 33 to the City of Newton in Jasper County.

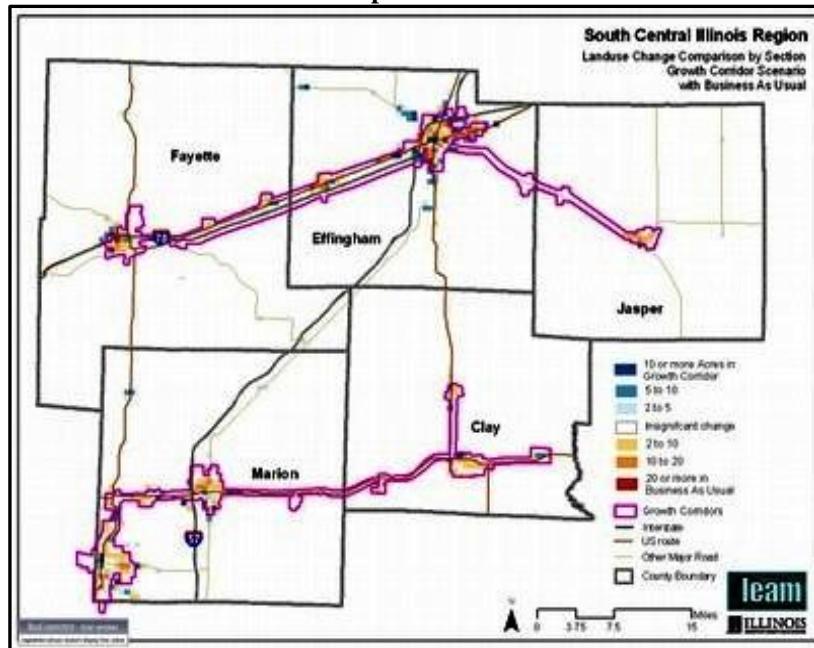
The second growth corridor encompasses some 67.5 square miles and intersects Marion and Clay counties in the southern portion of the five-county Economic Development District. This growth corridor contains twelve incorporated municipalities and commences in the extreme southwest corner of Marion County within the Central City/Centralia/Wamac area. The southernmost growth corridor continues by extending northward through the Village of Junction City to the Village of Sandoval along U.S. Route 51 and then eastward via U.S. Route 50 through the Village of Odin and the City of Salem. The growth corridor then extends from the City of Salem eastward along U.S. Route 50 towards the City of Flora, including the

Villages of Iuka and Xenia and follows US Route 50 East of the City of Flora, Illinois in Clay County.

## b. Population

From 1990 to 2016 the EDD has had an overall percentage population increase of 0.83% with the Counties of Effingham and Fayette showing population gains. Although this population trend has been much lower than the State of Illinois and the United States, the SCIRPDC region appears to be maintaining a level of stability. After a small spike in population from 1990 to 2000, most notably due to large growth in Effingham County, the EDD has had a general population leveling effect, most notably due to population losses in Marion County and increases in Effingham County balancing one another out.

**Figure 2-2:**  
Redevelopment Corridors



Source: University of Illinois LEAM Study

Although three of the five counties in the EDD are projected to continue to experience population decline, the projected population change from 1990-2030 will be a net positive of 984. Figures 2-3 and 2-4 provide further illustration of the population trends over the last several decades.

**Figure 2-3: Population Estimates**

	Population Estimates				Annual Growth Rate	Projections	
	1990	2000	2010	2016		2020	2030
Clay	14,460	14,560	13,815	13,648	-0.35%	13,457	12,986
Effingham	31,704	34,264	34,242	35,413	0.73%	36,447	39,108
Fayette	20,893	21,802	22,140	21,600	0.21%	21,781	22,238
Jasper	10,609	10,117	9,698	9,657	-0.56%	9,441	8,912
Marion	41,561	41,691	39,437	39,020	-0.38%	38,427	36,967
SCIRPDC	119,227	122,434	119,332	119,338	0.006%	119,553	120,211
Illinois	11,430,602	12,419,293	12,830,632	13,022,485	0.87%	13,475,667	14,648,050
U.S.	248,710,000	281,422,000	309,330,000	322,921,516	1.86%	*343,500,00	*359,400,000

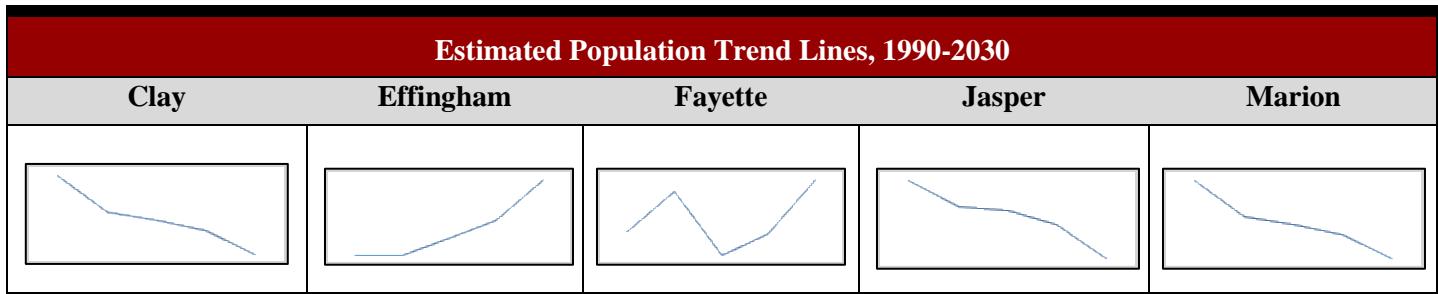
Source: U.S. Census Bureau, ESRI Business Analyst Online

Note: Population projections estimated using Annual Growth Rate percent

\* U.S. projections based on Census projection modeling data due to variability with national growth analysis

### c. Population Trend

Figure 2-4: Population Trend Lines



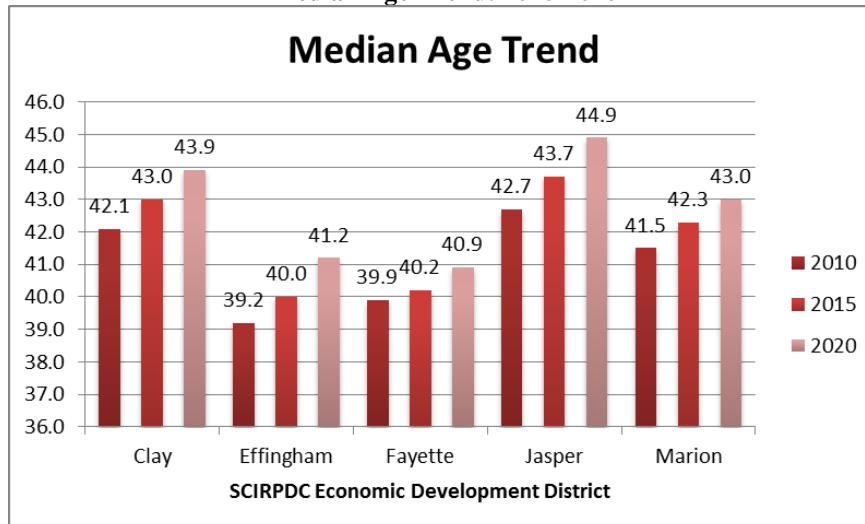
Note: Population projections based upon current and projected trends

### d. Median Age

According to the U.S. Census and shown **Figure 2-5**, in 2015 Jasper County had the highest age population in the EDD coming in at 43.7 years, followed by Clay County with 43.0, Marion County at 42.3, Fayette County at 40.2 and Effingham County with the lowest median age in the Economic Development District at 40.0 years.

The State of Illinois has forecasted that by 2030, every county within the SCIRPDC EDD will have an increased median age. This projection follows suit with the projected increase through the year 2020 shown to the right. The forecasted increase is most notably contributed to a general increasing age population

Figure 2-5:  
Median Age Trend: 2010-2020



SOURCE: U.S. Census Bureau, ESRI Business Analyst Online  
and a decreasing birth rate within the United States, as well as those of reproductive ages out-migrating toward cities for better, higher paying job opportunities.

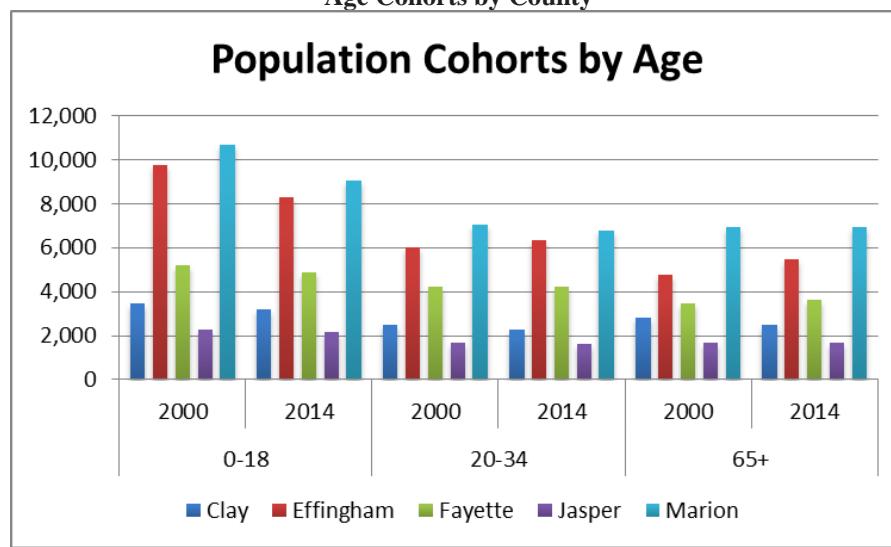
### e. Age Cohorts

As was shown on **Figure 2-3**, the Economic Development District as a whole lost 1.22% of its population from 1990-2015. The population cohorts by age, on **Figure 2-6**, provide a view of three age groups that have a major impact on the social and economic livelihood of all regions of the United States.

The largest overall decline from 2000-2014 comes from the 0-18 age cohort. This likely displays a high level of outmigration for education, along with the decline of fertility levels among the 20-34 age cohorts. There was also loss in the 20-34 age cohorts. This age group tends to be more educated with many not returning home after graduating from college.

Additionally, the 20-34 cohorts are becoming more nationally mobile, looking for more cultural amenities in their places of residence, along with higher skilled and paying jobs. The 65 and over cohort is the only cohort of the three with an increase,

approximately 580 persons to be more specific. The demographic profile indicates a decline in the economically active population and a corresponding increase in the proportion of elderly dependents. This changing population structure has implications for service provision in terms of educational, social, health and recreational facilities.



Source: U.S. Census Bureau

#### f. Median Household Income & Per Capita Income

Median household income is commonly used to divide households into two equal segments with the first half of the households earning less than the median household income, and the second half earning more. When analyzing the five counties within the EDD from 2000 to 2014 the county's median household increased, however, when compared to the State of Illinois and the nation, the region still lags behind quite substantially. More specifically, when comparing the EDD's median household income to that of the State of Illinois and the United States, in nearly every case the EDD trails behind. Jasper County is the only county within the EDD that showed a slightly higher median household income than the United States in 2014.

Per capita income is often used as average income, a measure of the wealth of the population of a region, particularly in comparison to other areas and is often also used to measure a region's standard of living. It is usually expressed in terms of a commonly used international currency such as the United States dollar, easily calculated from readily-available GDP and population estimates, and produces a useful statistic for comparison of wealth between given territories. This helps each county or the Economic Development District to know their development status by their per capita income.

As illustrated on **Figure 2-7**, from 2000 to 2014 per capita incomes increased in all member counties within the EDD. The two largest increases in this timeframe came from Effingham County and Jasper County with increases of \$8,473 and \$8,414 respectively. The lowest increase came from Marion County with an increase of \$5,163. Similar to the median household income measurement, in terms of per capita income, the SCIRPDC EDD continues to trail both State and National levels with zero counties meeting or exceeding the per capital income levels of Illinois and the United States from 2000-2014.

**Figure 2-7:**  
Economic Development Characteristics

SCIRPDC Region: Selected Economic Characteristics						
	Median Household Income			Per Capita Income		
	2000	2010	2014	2000	2010	2014
<b>Clay</b>	\$ 36,679	\$ 39,996	\$ 43,189	\$ 15,771	\$ 20,802	\$ 22,160
<b>Effingham</b>	\$ 39,379	\$ 51,009	\$ 52,374	\$ 18,301	\$ 24,843	\$ 26,774
<b>Fayette</b>	\$ 31,873	\$ 43,724	\$ 44,603	\$ 15,357	\$ 21,663	\$ 21,845
<b>Jasper</b>	\$ 34,721	\$ 48,703	\$ 54,133	\$ 16,649	\$ 21,467	\$ 25,063
<b>Marion</b>	\$ 35,227	\$ 41,723	\$ 41,783	\$ 17,235	\$ 20,493	\$ 22,398
<b>SCIRPDC</b>	\$ 35,575	\$ 45,025	\$ 47,216	\$ 16,663	\$ 21,854	\$ 23,648
<b>Illinois</b>	\$ 46,590	\$ 54,644	\$ 57,166	\$ 23,104	\$ 28,782	\$ 30,019
<b>U.S.</b>	\$ 41,994	\$ 51,144	\$ 53,482	\$ 21,587	\$ 27,334	\$ 28,555

Source: US Census Bureau, 2010-2014 American Community Survey (Not Inflation Adjusted)

This downward tendency of both the regional median household income and per capital income statistics illustrate that the region is not as wealthy, or furthermore developed, when compared against the State of Illinois and the United States. Therefore, it must be said that when compared to the State and Nation, the region appears to be continually falling behind. Not only is the EDD not keeping up with the development and income levels of other regions, but the EDD is being forced to recruit business and industry on the basis of less qualified and cheaper labor. This as a result causes the region to lag behind in wages, and makes it increasingly difficult for those with higher levels of education to return to the region to work and raise families.

Overall, when examining these two particular statistics it becomes apparent that families and individuals are not likely to spend money on luxury or other high-end retail products due to a lack of disposable income. Instead, they tend to spend it on the immediate needs of the household, therefore shrinking local markets and making it much more difficult to recruit and retain numerous high-end retail and wholesale establishments to locate within the SCIRPDC regional market. Putting a focus on workforce development needs through area educational institutions and recruiting the proper business and industry can help create a more developed region and slowly increase these downward trending statistics.

### **g. Poverty, Unemployment & Labor Force Participation**

Unemployment and underemployment lie at the core of poverty. For the poor, labor is often the only asset they can use to improve their well-being. Hence the reason the creation of productive employment opportunities is essential for achieving poverty reduction and sustainable economic and social development. It is crucial to provide decent jobs that both secure a higher income and empower the underserved and less affluent.

Rapid economic growth can potentially bring a high rate of expansion of productive employment, which can lead to a reduction in poverty. Nevertheless, the contribution of the growth process to poverty reduction does not depend only on the rate of economic growth, but also on the ability of the poor to respond to the increasing demand for labor in the more productive categories of employment.

**Figure 2-8:**  
**Unemployment**

Unemployment Rate				
	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2015</b>
<b>Clay</b>	9.4%	5.6%	11.9%	7.1%
<b>Effingham</b>	6.5%	4.1%	8.1%	4.9%
<b>Fayette</b>	8.6%	5.8%	11.4%	6.5%
<b>Jasper</b>	5.6%	4.7%	9.3%	6.3%
<b>Marion</b>	11.0%	5.3%	11.7%	6.9%
<b>SCIRPDC</b>	8.6%	5.0%	10.4%	6.2%
<b>Illinois</b>	6.1%	4.3%	10.4%	5.9%
<b>U.S.</b>	5.6%	4.0%	9.6%	5.3%

Source: Illinois Department of Employment Security; U.S. Bureau of Labor Statistics

**Figure 2-9:**  
**Poverty**

Poverty Rate (Individuals)				
	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2014</b>
<b>Clay</b>	16.6%	11.8%	15.3%	13.9%
<b>Effingham</b>	9.0%	8.1%	9.9%	10.5%
<b>Fayette</b>	13.6%	12.2%	15.8%	16.4%
<b>Jasper</b>	13.1%	9.9%	10.8%	6.6%
<b>Marion</b>	16.4%	11.3%	16.5%	18.3%
<b>SCIRPDC</b>	13.5%	10.5%	13.8%	14.1%
<b>Illinois</b>	11.9%	10.7%	15.3%	14.4%
<b>U.S.</b>	13.1%	11.8%	13.8%	15.6%

Source: U.S. Census Bureau, 2006-2010; 2010-2014 American Community Survey

**Figure 2-10:**  
**Labor Force Participation**

<b>Labor Force Participation Rate</b>				
	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2014</b>
<b>Clay</b>	57.8%	60.2%	59.9%	61.6%
<b>Effingham</b>	67.4%	70.8%	68.8%	68.3%
<b>Fayette</b>	54.7%	57.5%	60.1%	58.2%
<b>Jasper</b>	61.2%	64.7%	66.4%	65.6%
<b>Marion</b>	61.0%	63.0%	61.5%	61.2%
<b>SCIRPDC</b>	61.4%	64.4%	63.6%	63.2%
<b>Illinois</b>	66.4%	65.4%	66.7%	66.1%
<b>U.S.</b>	66.5%	67.1%	64.9%	63.9%

Source: U.S. Census Bureau

This is where the third related metric or measurement comes into play, labor force participation. For decent jobs to be attracted to a region there must first be an active and accessible labor force to fill those new jobs. **Figure's 8 through 10** provide a summary of these vital employment statistics.

The SCIRPDC EDD has from 1990-2015 had higher levels of unemployment and lower levels of labor force participation when compared against the State of Illinois. This illustrates that while a portion of the unemployment problem in the five-county EDD is undoubtedly due to a lack of decent job opportunities, until the workforce population can see substantial growth, those businesses and companies may look to other areas of the State for higher levels of active workforce participation depending on the particular industry.

On a more positive note, in the last several decades the EDD has seen a rather steady poverty rate among individuals. While a decreasing poverty rate would of course be a worthy goal, the five-county region has consistently had lower poverty rates than both the State of Illinois and the Nation as a whole. Thus far it does appear that the lower levels of labor participation and higher levels of unemployment have not equated to large poverty rates and it is important to continue to work to improve these important employment statistics.

Given the importance of employment for poverty reduction, job-creation should occupy a central place in poverty reduction strategies. SCIRPDC EDD employment strategies are often related to agricultural and rural development and include using labor-intensive agricultural technologies, developing small and medium-size enterprises, and promoting micro projects in rural areas. Other possible strategies include promoting self-employment, non-farm employment in rural areas, targeted employment interventions, as well as microfinance and credit as means of employment generation, skill formation and training.

## **h. Educational Attainment**

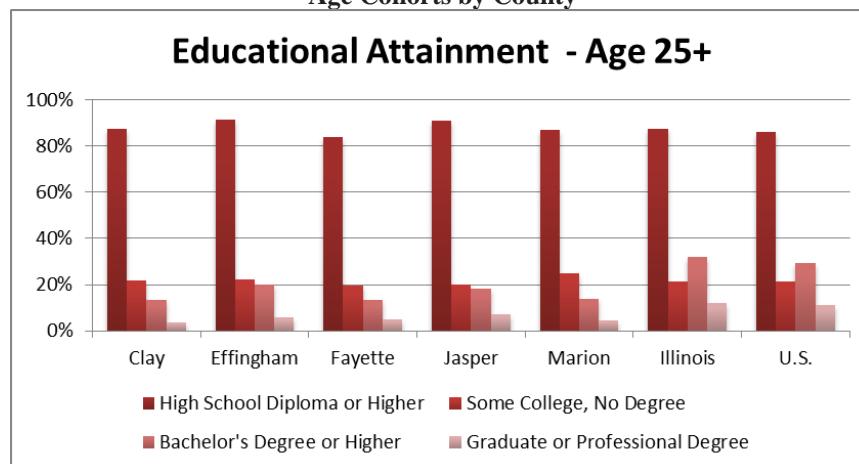
Each of the region's five counties has at least one satellite office of a community college, but only one full-sized college is located in the region: Kaskaskia College in Marion County. However, several larger universities are located in fairly close proximity to the region, for example the University of Illinois at Urbana-Champaign, Southern Illinois University in Carbondale and Edwardsville, Eastern Illinois University in Charleston as well as Indiana State University in Terre Haute, Indiana.

The relatively low educational attainment figures for the population in the SCIRPDC region offers an opportunity to begin a conversation about strengthening the structure and accessibility of the post-secondary education system and finding ways to encourage both adults and young people in the region to pursue further education, or at least a path of life-long learning.

Among other topics in that conversation could be the development of arrangements between the community colleges and nearby universities to perhaps more easily accept transfer students from the community colleges into four-year university degree programs if such arrangements are not already in place.

The EDD has been working with East Central Illinois Development Corporation along with 20 other counties to coordinate the process of workforce development with six community colleges coined the ECI Super Region. The Super Region is dedicated to developing a trained industrial workforce and better preparing both young

**Figure 2-6:  
Age Cohorts by County**



Source: 2010-2014 American Community Survey

people and those currently in the workforce with the skill sets needed for today's jobs. This starts by identifying the skill sets needed in today's business and industry sectors, bridging the gap between education and employment, listening to the needs of employers, and identifying ways to collaborate to close those skills gaps. Having a common goal among institutions that can assemble quickly and assist in meeting employment needs is vital to advancing employment opportunities throughout the region.

## i. Crime

Crime, although indirect, unquestionably has an influential impact on the economy. Although crime is by no means a serious problem in the District, as shown in **Figure 2-12**, and has decreased substantially overall in all member counties, it has risen in the lone category of drug related crime. In summary, from 2000-2014 total reported crime has decreased substantially in the SCIRPDC EDD and the State of Illinois overall. This is a positive sign for the continued quality of life and development of the region. The Crime Rate Index in the below figure provides a good illustration of these declining crime rates.

These decreases in overall crime are important because not only can crime lead to financial or physical damage and increased prevention costs, but also indirectly influence the local/regional economy through a secondary economic impact. According to Detotto and Otranto (2010), “crime acts like a tax on the entire economy: it discourages direct investments”. On a more local and regional level, economists define the following types of impact:

- business impact (crime reduces competitiveness of companies and investments);
- tourism impact;
- impact on quality of life/social capital; and
- impact on property value.

**Figure 2-12:**  
**Crime by Category**

	Property Crimes*		Drug Related Crimes		Personal Crimes**		Domestic Crimes***		Crime Totals		Crime Rate Index****	
	2000	2014	2000	2014	2000	2014	2000	2014	2000	2014	2000	2014
<b>Clay</b>	320	162	19	71	14	6	26	40	379	279	2,335.2	1,242.6
<b>Effingham</b>	1,138	565	221	359	106	69	265	294	1,730	1,287	3,630.6	1,847.3
<b>Fayette</b>	403	342	63	95	43	27	171	102	680	566	2,045.7	1,367.2
<b>Jasper</b>	138	84	63	37	39	4	41	19	281	144	1,749.5	914.5
<b>Marion</b>	1,601	923	276	173	93	114	141	72	2,111	1,282	4,063.2	2,688.5
<b>SCIRPDC</b>	3,600	2,076	642	735	295	220	644	527	5,181	3,558	2,764.8	1,612.0
<b>Illinois</b>	462.7	261.6	115.9	104.2	83.51	46.6	149.9	104.9	812.0	517.3	4,397.7	2,393.2

Source: 2000 & 2014 Illinois State Crime Reports

Note: Illinois Crimes are in thousands (e.g. 462.7 X 1000 = 462,700 total crimes)

\*Property crimes are inclusive of burglary, theft, motor vehicle theft and arson.

\*\*Personal crimes are inclusive of murder, criminal sexual assault, robbery and aggravated assault/battery.

\*\*\*Domestic crimes are inclusive of spousal abuse, hate crimes, crimes against children and crimes against school personnel.

\*\*\*\*Crime Rate Index equates to Crime Rate per 100,000 persons in the population.

On a macro-economic level crime influences:

- economic growth;
- income;
- labor force and educational participation;
- income spent on security measures; and
- reallocation of resources creating uncertainty and inefficiency.

## j. Employment by Industry

Every region has its own specialized configuration of economic activity, and each region usually has a few areas of activity where it is more specialized than other regions, or even the nation. It is most often in these areas of specialization that the region's comparative advantages are found. This is as true of economic sectors as it is of industry clusters.

**Figure 2-13**, on the following page, clearly illustrates those six major economic sectors:

- Health Care and Social Assistance – 8,678 (13.2%) total jobs;
- Manufacturing – 7,682 (11.7%) total jobs;
- Retail Trade – 6,841 (10.4%) total jobs;
- Government – 6,243 (9.5%) total jobs;
- Agriculture – 5,261 (8.0) total jobs; and
- Mining – 4,578 (7.0%) total jobs.

Conversely, the region is less specialized than the state or nation in a large number of higher-level service industries including Information, Finance and Insurance; Real Estate, Rental and Leasing; Professional, Scientific and Technical Services; Management of Companies and Enterprises; Administrative, Support, Waste Management and Remediation Services; and Arts, Entertainment, and Recreation, among others.

In the regional economy, all of these sectors hold roughly half (or less) of the percentage share that they occupy in the state and national economies.

**Figure 2-13**, on the following page, provides a further illustration of EDD employment relative to the State of Illinois and the United States. Those industry sectors that are bolded in red display sectors that are performing at greater levels than both the state and the nation in terms of percent of total employment.

**Figure 2-13:**  
**Industry Sector Specialization**

NAICS	Description	SCIRPDC EDD		Illinois	U.S.
		2016 Jobs	% of Total	% of Total	% of Total
11	<b>Crop and Animal Production</b>	<b>5,261</b>	<b>8.0</b>	1.2	1.9
21	<b>Mining, Quarrying, and Oil and Gas Extract.</b>	<b>4,578</b>	<b>7.0</b>	0.4	0.8
22	Utilities	346	0.5	0.3	0.3
23	Construction	2,947	4.5	4.4	5.3
31	<b>Manufacturing</b>	<b>7,682</b>	<b>11.7</b>	7.7	6.8
42	Wholesale Trade	2,386	3.6	4.1	3.4
44	Retail Trade	6,841	10.4	9.5	10.0
48	Transportation and Warehousing	2,970	4.5	4.6	3.5
51	Information	887	1.3	1.5	1.8
52	Finance and Insurance	2,993	4.5	6.5	5.3
53	Real Estate and Rental and Leasing	1,333	2.0	3.7	4.4
54	Professional, Scientific, and Technical Services	1,372	2.1	7.6	7.0
55	Management of Companies and Enterprises	143	0.2	1.3	1.3
56	Administrative and Support and Waste Management and Remediation Services	1,907	2.9	7.0	6.3
61	Educational Services	365	0.6	2.7	2.5
62	<b>Health Care and Social Assistance</b>	<b>8,678</b>	<b>13.2</b>	11.5	11.4
71	Arts, Entertainment, and Recreation	729	1.1	2.2	2.3
72	Accommodation and Food Services	4,364	6.6	6.8	7.4
81	Other Services (except Public Administration)	3,794	5.8	5.8	5.5
90	Government	6,243	9.5	11.1	12.7
99	Unclassified Industries	32	0.04	0.1	0.1
	<b>Total</b>	<b>65,850</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: EMSI Developer, 2016

Note: Industry sectors **bolded red** are performing at substantially greater levels than both the State and the Nation

## k. Innovation

A final, but critically important, aspect of the SCIRPDC EDD regional economy is its innovation capacity (inputs) and innovation results (outputs). Although attempting to define such a multifaceted concept such as innovation into one specific measurement is difficult, to say the least, **Figure 2-14**, on the next page, offers an attempt at doing exactly that.

This innovation index takes into account four separate variables or measurements of the regional economy and combines them together through a specified weight scale. Those other variables include Human Capital (30%), Economic Dynamics (30%), Productivity and Employment (30%) and Economic Well-Being (10%). Merging these four separate measurements of a regional economy into one singular index provides a basic, and yet vitally important look at regional innovation capacity and results.

Although accurately interpreting this innovation index is not simple due to the multiple factors considered, what is obvious is that the EDD as a whole trails the State of Illinois average in each category except for the output measurement of Economic Well-Being. However, this specific measurement only accounts for 10% of the total Innovation Index measurement therefore not affecting the overall Innovation Index as strong as the others.

**Figure 2-14:**  
**Regional Innovation Index**

<b>Regional Innovation Index Measurement</b>					
	<b>Inputs and Capacity</b>		<b>Outputs and Results</b>		
	<b>Human Capital</b>	<b>Economic Dynamics</b>	<b>Productivity &amp; Employment</b>	<b>Economic Well-Being</b>	<b>Innovation Index</b>
<b>Clay</b>	100.3	86.6	78.5	99.8	<b>89.6</b>
<b>Effingham</b>	83.4	90.9	103.9	103.9	<b>93.8</b>
<b>Fayette</b>	70.4	77.5	71.9	96.1	<b>75.5</b>
<b>Jasper</b>	74.9	73.2	73.2	103.8	<b>76.8</b>
<b>Marion</b>	77.1	90.5	77.8	96.5	<b>83.3</b>
<b>SCIRPDC</b>	80.6	85.7	87.2	99.7	<b>86.0</b>
<b>Illinois</b>	99.5	89.7	97.0	96.1	<b>95.5</b>
<b>U.S.</b>	100.0	100.00	100.00	100.00	<b>100.00</b>

**Source:** Stats America Innovation Index, 2015

**Note:** The United States is set at 100.00 in order to provide a region of comparison

**Figure 2-15:**  
**Regional Comparative Innovation Performance**

<b>Regional Comparative Innovation Performance</b>					
	<b>Inputs and Capacity</b>		<b>Outputs and Results</b>		
	<b>Human Capital</b>	<b>Economic Dynamics</b>	<b>Productivity &amp; Employment</b>	<b>Economic Well-Being</b>	<b>Innovation Index</b>
<b>SCIRPDC</b>	80.6	85.7	87.2	99.7	<b>86.0</b>
<b>WCDC</b>	77.3	84.0	84.3	100.2	<b>83.7</b>
<b>SIMAPC</b>	87.0	86.5	94.4	99.9	<b>90.4</b>
<b>GERPDC</b>	86.0	83.2	77.5	101.0	<b>84.1</b>
<b>GWRPC</b>	82.3	85.9	77.9	101.6	<b>84.0</b>
<b>SFRPC</b>	70.0	77.1	72.3	101.1	<b>75.9</b>
<b>SIRPDC</b>	80.2	81.5	77.8	103.1	<b>82.2</b>

**Source:** Stats America Innovation Index, 2015

To take this one step further and to provide an even more relevant comparison, **Figure 2-15** compares the SCIRPDC EDD against six other close proximity regional planning areas in Central and Southern Illinois.

What is first noticeable is that among the seven Southern Illinois planning regions, SCIRPDC ranks second in the overall Innovation Index, only trailing WCDC, which includes seven counties to the west of the SCIRPDC EDD. This specifically illustrates that the SCIRPDC Region is, relative to Southern Illinois as a whole, at the high end of the innovation spectrum with well-above average scores in each of the separate innovation categories, possibly barring only the Human Capital category. The category that really sets the EDD apart, along with the WCDC Region, is the Output and Result measurement of Productivity and

Employment. This category includes statistics such as Gross Domestic Product per Worker, Job Growth, Patents per Worker and High-Tech Employment

The question that still remains is how these innovation measurements equate to actual economic growth and stability within the regional economy. An attempt at answering this question was made by the research team that developed the Innovation Index measurement, and through quantitative analysis the research team found four specific indicators that have a positive significant relationship to overall economic growth. Two of these indicators came from the category Human Capital and they include both the percent of the population ages 25-64 with some college or an associate's degree and the population growth rate for ages 25-44. One indicator, the average number of small establishments per 10,000 workers, came from the Economic Dynamics category, and the final indicator, from the productivity and employment category, was the change in high-tech employment share.

Another more specific innovation metric that can be useful to examine further is the issuance of utility patents. **Figure 2-16**, provides some detail regarding the number of utility patents the region has received from 1998-2010. A utility patent can be simply defined as a patent that is issued by the U.S. Patent and Trademark Office (USPTO) for the invention of a new and useful process, machine, manufactured product, composition of matter, or a new and useful improvement thereof.

**Figure 2-16:**  
**Utility Patents**

Issuance of Utility Patents			
	1998	2004	2010
Clay	1.70	1.37	*
Effingham	6.97	6.91	5.89
Fayette	*	1.55	1.79
Jasper	2.62	3.40	3.74
Marion	1.62	*	.76
SCIRPDC	3.56	3.35	3.19
Illinois	7.17	6.04	7.23
U.S.	5.55	7.33	9.63

**Source:** U.S. Cluster Mapping; Innovation Performance is measured as the of  
number of utility patents per 10 thousand employees;

\* No patents shown that year

When a business is truly innovative and puts great emphasis on research and development what undoubtedly occurs is idea generation. From there it is up to the development team to hone in on the idea that was created and turn it into a reality. Following testing and further development the final product or process can then be sent in for a utility patent. Although this is a rather unsophisticated summary of how an idea can become reality, it is important to have a general understanding. Furthermore, utility patents are a direct link to innovation, and therefore provide a good illustration of innovation. In sum, businesses that are able to patent their ideas are worth much more than just the goods and services they provide.

As is shown to the right, the SCIRPDC EDD displays mixed results regarding the issuing of utility patents to regional businesses and industries. On average, the region has seen small decreases from 1998-2010, while the State of Illinois and the United States have steadily increased the number of utility patents per 10 thousand employees, excluding the slight drop in 2004 for the State of Illinois. What is quite obvious is that the EDD is far behind the two larger reference regions in terms of the number of utility patents. Continuing to stress the importance of research, development and idea generation will undoubtedly help to increase this slow moving issuance of utility patents that is currently trending in the SCIRPDC EDD.

# III. Industry Cluster Analysis

## a. Methodology

Identifying and analyzing industry clusters in a region is a multi-step process that employs both quantitative and qualitative methods. This study began with the identification of regional clusters by examining NAICS industry employment data in the EDD. The information gathered from this examination, along with SCIRPDC EDD familiarity with the industry sectors, was used to identify clusters in the region. Then each identified cluster was analyzed using two principle methods of measuring and evaluating clusters:

- Location Quotient Analysis
- Shift Share Analysis

Location Quotient (LQ) is essentially a way of quantifying how concentrated a particular industry, cluster, occupation, demographic group, etc. is in a region as compared to the nation. The central objective of LQ analysis is to reveal what makes a particular region “unique” in comparison to the national average. In more specific terms, LQ is a ratio that compares one region to a larger reference region according to a particular characteristic or asset. **Figure 3-1** below summarizes both how the LQ is determined and some basic implications depending on the subsequent value of the LQ.

**Figure 3-1:**  
Location Quotient Analysis Explained

Equation	Value	Implication
$LQ = \frac{\left( \frac{\text{Regional Industry Employment}}{\text{Regional Total Employment}} \right)}{\left( \frac{\text{National Industry Employment}}{\text{National Total Employment}} \right)}$	$LQ > 1$	Region has proportionally more workers employed in the specific industry cluster than the larger comparison area
	$LQ \geq 1.2$	Regional industry cluster has the potential to be classified as an exporter
	$LQ < 1$	May indicate an opportunity to develop businesses in the local area

The central limitation of LQ analysis is that it describes the regional economy as if it were only a singular moment in time. For this reason shift share analysis provides the LQ with an excellent counterpart. Shift share gives life, so to speak, to the regional economy by providing a more malleable picture of the regional economy. Specifically, shift share analysis seeks to explain changes in an economy by decomposing actual changes that have occurred into three main sources:

1. The influence of national growth (or decline) on industry or cluster X. This is called the "national growth effect". For example, if total employment in the United States grew by 4% percent from 2007-2016, the national share factor would apply this 4% to cluster employment in the base year and estimates how local employment would be expected to change if the national influence had equally affected every industry in the cluster.

2. The influence of Industry Share (also known as “industry mix effect”) on the growth (or decline) of industry or cluster X. Industry mix reflects the rate of change in each individual industry at the national level, for example, how much employment changed in all manufacturing industries throughout the nation from 2007 to 2016. It indicates how much of a local change in employment can be attributed to national growth or decline of the industry in question. As with the national component, the percent change in employment by the industry nationally is applied to the total change in local employment in the industry.
  
3. The “regional competitive effect” on growth or decline of industry or cluster X. The national growth and the industry mix reveal the changes that would have occurred in the local economy if it corresponded exactly to national and industrial structure and trends. When these two computed shares are subtracted from the actual shift in employment locally, a residual change remains. This is the change in employment that cannot be explained by either general economic conditions (the national share) or industrial trends (the industry share). This change, the “regional share,” reveals the effects of region-specific factors on local employment. The regional competitive effect shows which clusters or industries might have a competitive advantage in the regional economy, resulting from factors such as labor force skills, access to transportation, excellent supply chains, effective and efficient service delivery, and so on.

In addition to the size of LQs and their direction of growth, as well as a positive regional share effect, other factors that should be considered when evaluating the relative strength and potential of industry clusters include: the size of the cluster (number of employees); the average rate of pay in the cluster, its performance over time, and any available forecasts as to future demand for the goods and services that the cluster supplies. More recently, the levels of skill and knowledge embedded in industry clusters by reason of the occupational mix they utilize and the levels of training and education required from employees is becoming important for estimating capacity for innovation in the clusters.

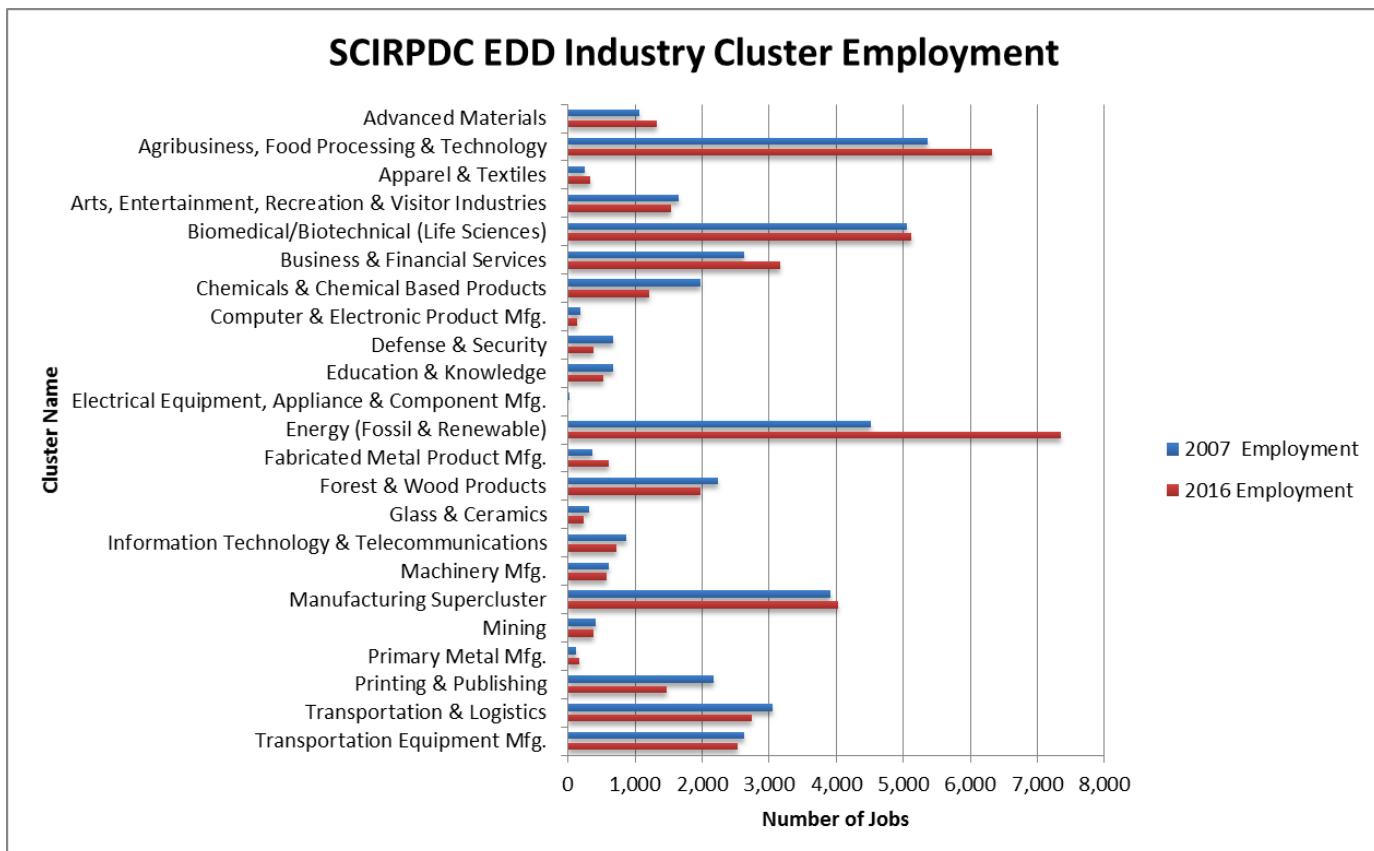
### **b. Cluster Employment**

**Figure 3-2** shows the relative size of each cluster in the SCIRPDC region and graphically displays the number of jobs in each regional cluster in 2007 and again in 2016, together with changes that have occurred over the period. **Figure 3-3** provides a more detailed look at the changes in employment over the same time period.

The largest clusters as of 2016 include the energy (fossil & renewable); agribusiness, food processing & technology; biomedical/biotechnical (life sciences); followed by the manufacturing supercluster and business and financial services.

The top increasing industry clusters in terms of employment include energy (fossil & renewable); agribusiness, food processing & technology; and business and financial services. Each of these three industry clusters had an employment increase of over 500 total jobs with the energy (fossil & renewable) leading the way with an overwhelming 10 year increase of 2,833 total new jobs.

**Figure 3-2:**  
Cluster Employment in the SCIRPDC EDD



Source: EMSI Developer, 2016

In terms of industry cluster employment decreases, the chemicals and chemical based products took the biggest loss of jobs over the time frame with nearly 800 jobs lost from 2007-2016. The printing and publishing cluster also took a large job loss over this time frame with just over 700 jobs lost. However, one important note to make is that after recent trends from approximately 2000-2010 have shown continual decreases for the region's all important manufacturing supercluster, over the past 10 years manufacturing cluster jobs have increased with 105 new jobs.

Altogether, the SCIRPDC EDD experienced a total cluster employment increase of 2,073 jobs from 2007 to 2016. This is a tremendous trend change from the last industry cluster analysis conducted for years 2001-2010 which illustrated extreme job losses throughout nearly every cluster numbering in the thousands. This alteration in cluster employment may indicate that the SCIRPDC EDD hit a cluster employment low point period during the first decade of the 2000s, but is now on a positive track toward increased employment throughout the regional cluster groups. Comparative analysis will help create a clearer picture of the current industry cluster trends in the region relative to the nation. However, prior to examining this comparison, the next step is to examine the industry cluster average earnings for the SCIRPDC region.

**Figure 3-3:**  
**SCIRPDC Regional Clusters-Employment Size and Change in Employment 2007-2016**

<b>Cluster Name</b>	<b>2007 Jobs</b>	<b>2016 Jobs</b>	<b>2007-2016 Change</b>	<b>2007-2016 % Change</b>
Advanced Materials	1,066	1,320	254	23.83
Agribusiness, Food Processing, & Tech.	5,371	6,324	953	17.74
Apparel & Textiles	257	329	72	28.02
Arts, Entertain., Recreat. & Visitor Ind.	1,643	1,531	-112	-6.82
Biomedical/Biotechnical	5,050	5,123	73	1.45
Business & Financial Services	2,619	3,165	546	20.85
Chemicals & Chemical Based Products	1,981	1,210	-771	-38.92
<b>Computer &amp; Electronic Product Mfg.</b>	180	136	-44	-24.44
Defense & Security	676	378	-298	-44.08
Education & Knowledge	665	519	-146	-21.95
<b>Electrical Equip., Appli. &amp; Comp.Mfg.</b>	24	0	-24	-100.00
Energy (Fossil & Renewable)	4,524	7,357	2,833	62.62
<b>Fabricated Metal Product Mfg.</b>	360	603	243	67.50
Forest & Wood Products	2,239	1,973	-266	-11.88
Glass & Ceramics	314	235	-79	-25.16
Information Tech. & Telecomm.	876	729	-147	-16.78
<b>Machinery Mfg.</b>	614	574	-40	-6.51
Manufacturing Supercluster	3,921	4,026	105	2.68
Mining	416	375	-41	-9.86
<b>Primary Metal Mfg.</b>	123	175	52	42.28
Printing & Publishing	2,178	1,475	-703	-32.28
Transportation & Logistics	3,044	2,740	-304	-9.99
<b>Transportation Equipment Mfg.</b>	2,620	2,537	-83	-3.17
<b>SCIRPDC EDD Cluster Totals</b>	<b>40,761</b>	<b>42,834</b>	<b>2,073</b>	<b>5.09</b>

Source: EMSI Developer, 2016

Note: Clusters with names **bolded** are the six sub-clusters of the manufacturing supercluster

### c. Cluster Estimated Earnings

Since individual industries can belong to more than one cluster (that is, some of the clusters overlap) it is not possible to estimate the average pay per worker for all clusters in the region. Average pay must be assessed on a cluster by cluster basis. Within clusters too, average pay will vary according to the cluster's component sectors and the skill levels required for their work. In terms of the data provided in **Figure 3-4**, the mining cluster has the highest average earnings per worker at \$79,049. This is followed by machinery manufacturing; apparel and textiles; transportation and logistics; advanced materials; and fabricated metal products manufacturing.

The energy (fossil & renewable) cluster currently has by far the largest economic output in terms of total annual regional earnings (\$345,580,335), followed by the manufacturing super cluster; agribusiness; biomedical/biotechnical; and the transportation and logistics cluster.

**Figure 3-4:**  
**Cluster Jobs, Average Earnings Per Worker & Total Earnings, 2016**

Cluster Name	Jobs	Earnings Per Worker	Total Earnings
Advanced Materials	1,320	\$55,646.50	\$73,508,175.23
Agribusiness, Food Processing, & Tech.	6,324	\$33,010.87	\$208,746,776.82
Apparel & Textiles	329	\$59,984.42	\$19,756,221.47
Arts, Entertain., Recreat. & Visitor Ind.	1,531	\$22,581.49	\$34,579,293.99
Biomedical/Biotechnical	5,123	\$39,634.03	\$203,062,830.70
Business & Financial Services	3,165	\$39,528.70	\$125,104,829.48
Chemicals & Chemical Based Products	1,210	\$53,273.56	\$64,468,195.90
<b>Computer &amp; Electronic Product Mfg.</b>	136	\$44,142.00	\$6,008,330.44
Defense & Security	378	\$34,398.55	\$13,012,869.06
Education & Knowledge	519	\$20,925.64	\$10,859,049.33
<b>Electrical Equip., Appli. &amp; Comp.Mfg.</b>	0	\$0.00	\$0.00
Energy (Fossil & Renewable)	7,357	\$46,972.07	\$345,580,335.28
<b>Fabricated Metal Product Mfg.</b>	603	\$55,053.00	\$33,210,437.04
Forest & Wood Products	1,973	\$50,326.75	\$99,276,057.81
Glass & Ceramics	235	\$50,267.83	\$11,793,428.34
Information Tech. & Telecomm.	729	\$50,841.96	\$37,038,481.04
<b>Machinery Mfg.</b>	574	\$62,403.00	\$35,840,512.38
Manufacturing Supercluster	4,026	\$54,270.57	\$218,497,711.66
Mining	375	\$79,048.59	\$29,660,228.43
<b>Primary Metal Mfg.</b>	175	\$54,400.00	\$9,544,994.64
Printing & Publishing	1,475	\$42,444.33	\$62,604,689.25
Transportation & Logistics	2,740	\$58,369.56	\$159,933,457.91
<b>Transportation Equipment Mfg.</b>	2,537	\$52,778.00	\$133,887,922.35

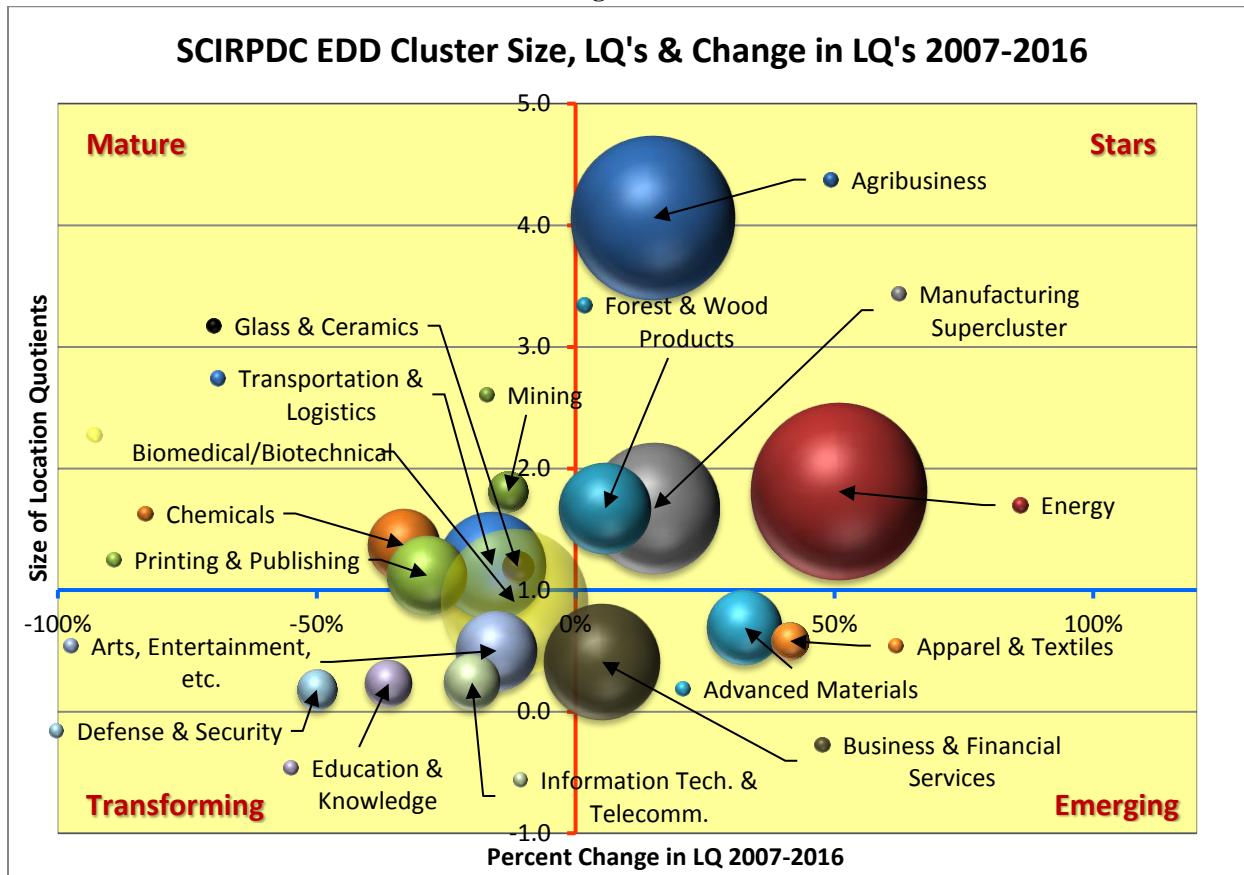
Source: EMSI Developer, 2016

Note: Clusters with names **bolded** are the six sub-clusters of the manufacturing supercluster

#### d. Location Quotients, Change in LQs, and Competitive Advantage

**Figures 3-5 and 3-6**, located on the following pages, are bubble charts based on the Boston Consulting Group matrix which enables a view of the region's industry cluster location quotients and cluster size, as well as the kind of change that has occurred in the size of cluster location quotients over the study period. The bubble charts are useful for a quick visual scan of the relative strength of a region's clusters. The vertical axis shows the size of the location quotients, and the horizontal axis shows the percent change in LQ size over time. Additionally, the actual size of the bubbles indicates the employment size of each cluster.

**Figure 3-5:**

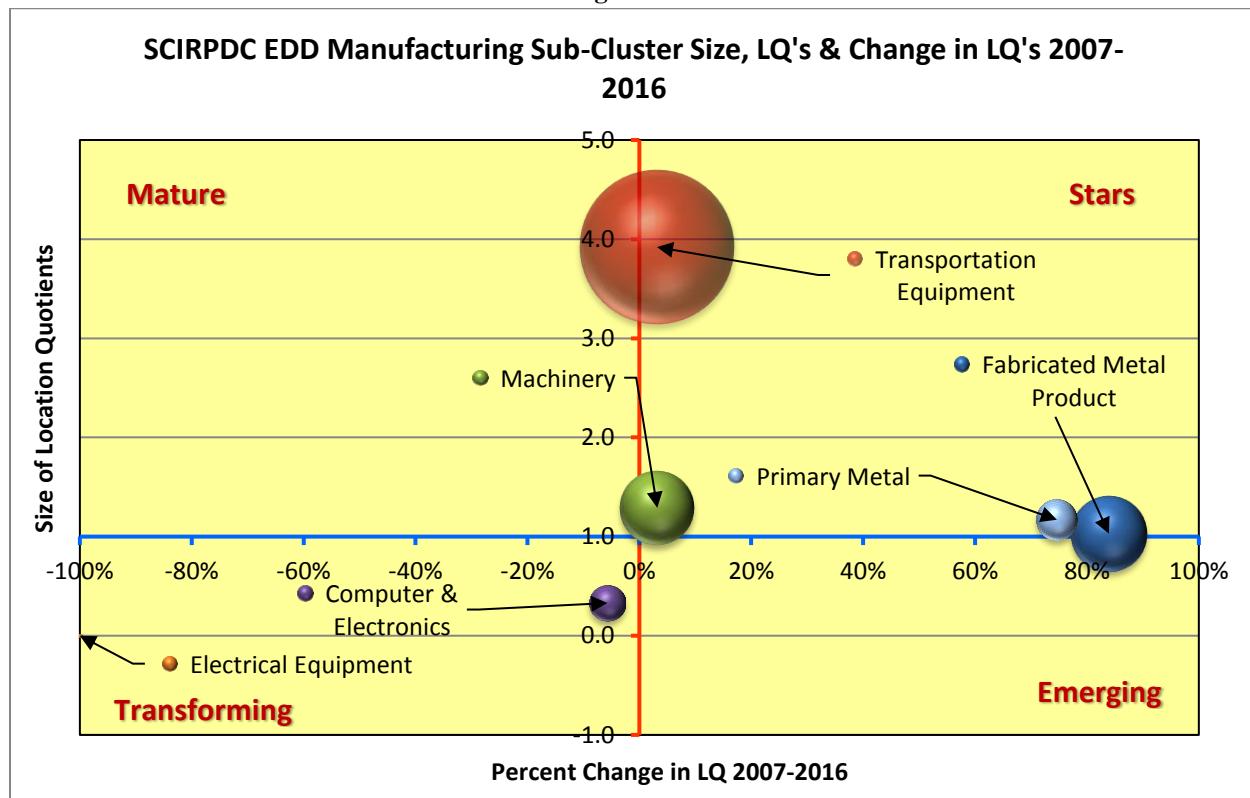


**Figure 3-5** shows the 17 main clusters, while **Figure 3-6** shows a breakout of the Manufacturing Super cluster into its 6 component sub-clusters. **Figure 3-7** is provided to show in detail the number of jobs in each cluster in 2016, the size of the location quotients in 2016 as well as the percent change in the location quotients of each cluster from 2007 to 2016.

Nine clusters and four of the manufacturing sub-clusters in the SCIRPDC region have location quotients greater than 1.2. These thirteen industry clusters are further divided by the direction of change in their LQs, which are either increasing or decreasing over time: these two subsets of highly specialized clusters form the right and left quadrants of the matrix which is the basis of Bubble Charts in **Figures 3-5** and **3-6**, as well as **Figure 3-7**. On the right are specialized clusters who's LQs are increasing compared to the U.S. ("stars"); to the left are specialized clusters whose LQs are decreasing ("mature") relative to the nation.

While decreasing LQs are always a negative indicator, increasing LQs are not necessarily always a positive indicator as they may be increasing only because the national share of the cluster industries has decreased faster than the regional share of the cluster.

**Figure 3-6:**



The SCIRPDC region’s “star” clusters as of 2016 are agribusiness; energy; forest & wood products; the manufacturing supercluster; as well as the manufacturing sub-clusters of transportation equipment and machinery. However, as **Figure 3-6** illustrates, transportation equipment and machinery are nearly falling in the mature quadrant. Additionally, because fabricated metal products and primary metal products had LQs below 1.2 in 2007, they are considered to be “emerging” rather than “stars”

Five clusters fall into the mature category. These clusters include printing and publishing; chemicals; mining; glass & ceramics; and transportation & logistics. At times, clusters will fall into this status due to “life-cycle” effects. For example, a company offering a new product or service will likely go through a period where its product is in very high demand due to its novelty and relative scarcity. This is the super-profit period. Gradually, this high-demand period diminishes and smooths out and other companies join in the competition to sell the product prices even out and the industry becomes mature. The cluster may go into decline and die after a while, as demand for its products and services dwindle because of changes in taste or technology. Life-cycle effects also apply to individual industries.

Eight clusters and two manufacturing sub-clusters have location quotients less than 1.2, and fall into the lower right and left-hand quadrants of the bubble chart matrix. The lower right-hand quadrant includes clusters with lower LQs (not big enough to be termed specialized or concentrated) which nevertheless are increasing in size compared to the nation. These can be seen as “emerging” or at least potentially emerging cluster which may eventually become specialized in the region. In the SCIRPDC region, these clusters include business & financial services; advanced materials; and apparel and textiles. Also included in the

“emerging” category are two other manufacturing sub-clusters that had low 2007 LQs, but much higher 2016 LQs. These sub-clusters are fabricated metal products and primary metal products. Again, caution must be used in targeting emerging clusters based on changes in location quotients relative to the nation because the clusters in this category may be overreacting due to cluster decreases in the nation overall.

Finally, five clusters and two manufacturing sub-clusters fall into the “transforming” category in the left-hand quadrant of the bubble chart. “Transforming,” in this case, generally means that the cluster is in decline. These include the manufacturing sub-clusters of computer & electronics; electrical equipment, which had a net zero jobs in 2016 hence the lack of a visible bubble, and five clusters including biomedical/biotechnical; arts, entertainment, etc.; defense and security; education and knowledge; and information technology & telecommunications.

Policies and strategies developed for clusters that fall into any of these four categories will obviously vary, depending not only upon the location quotient position but also upon several other indicators as well as such not-so-easily measured factors as business, government and public support, sentiment and ideas.

Cluster Name	2016 Jobs	2007 LQ	2016 LQ	Percent Change in LQ
<b>Stars (LQ&gt;1.2 and increasing)</b>				
Agribusiness, etc.	6,324	3.53	4.06	15%
Energy	7,357	1.20	1.81	51%
Forest & Wood Products	1,973	1.58	1.67	6%
Manufacturing Supercluster	4,026	1.45	1.67	15%
<b>Transportation Equip.</b>	2,537	3.80	3.92	3%
Machinery	574	1.25	1.29	3%
<b>Emerging (LQ&lt;1.2 and increasing)</b>				
<b>Primary Metal</b>	175	0.67	1.17	75%
<b>Fabricated Metal</b>	603	0.56	1.03	84%
Business & Financial Serv.	3,165	0.39	0.41	5%
Advanced Materials	1,320	0.52	0.69	33%
Apparel & Textiles	329	0.41	0.58	41%
<b>Mature (LQ &gt;1.2 and decreasing)</b>				
Printing & Publishing	1,475	1.57	1.12	-29%
Chemicals	1,210	2.05	1.37	-33%
Mining	375	2.08	1.81	-13%
Glass & Ceramics	235	1.34	1.18	-11%
Transportation & Logistics	2,740	1.43	1.20	-16%
<b>Transforming (LQ&lt;1.2 and decreasing)</b>				
Biomedical/Biotechnical	5,123	1.02	0.90	-12%
Arts, Entertainment, etc.	1,531	0.59	0.50	-15%
Defense & Security	378	0.36	0.18	-50%
Education & Knowledge	519	0.36	0.23	-36%
Information, Tech., & Telecomm.	729	0.30	0.24	-20%
<b>Computer &amp; Electronics</b>	136	0.35	0.33	-6%
<b>Electrical Equipment</b>	0	0.14	0.00	-100%

**Note:** Clusters with names **bolded** are the six sub-clusters of the manufacturing supercluster

## e. Cluster Shift Share Analysis

As noted previously, shift share analysis is a useful addition to location quotient analysis as it can help determine how much of regional job change can be attributed to national trends and how much is due to unique regional factors. The “regional competitive effect” column in **Figure 3-8**, which is equal to the difference between the “expected change” in employment based on industry and national trends and the total actual “job change” in the regional economy, is the focal point of the shift share analysis. A positive “competitive effect” may indicate a unique competitive advantage for regional clusters. It is important to note that a cluster can lose jobs and still have a positive “competitive effect” if the loss is less than the “expected change.”

**Figure 3-8:**  
**Industry Clusters’ Competitive Effect, 2007-2016**

Cluster Name	Job Change	National Growth Effect	Industry Mix Effect	Expected Change	Regional Competitive Effect
Energy (Fossil & Renewable)	2,833	296	143	439	2,394
Agribusiness, Food Processing & Tech.	953	351	-156	195	758
Business & Financial Services	546	171	286	458	88
Advanced Materials	254	70	-127	-57	311
<b>Fabricated Metal Product Mfg.</b>	243	24	-52	-28	271
Manufacturing Supercluster	105	256	-633	-376	481
Biomedical/Biotechnical	73	330	497	827	-754
Apparel & Textiles	72	17	-40	-23	95
<b>Primary Metal Mfg.</b>	52	8	-30	-22	74
<b>Electrical Equipment, etc.</b>	-24	2	-3	-2	-22
<b>Machinery Mfg.</b>	-40	40	-87	-47	7
Mining	-41	27	-8	19	-60
<b>Computer &amp; Electronic Product Mfg.</b>	-44	12	-43	-32	-12
Glass & Ceramics	-79	21	-65	-45	-34
<b>Transportation Equipment Mfg.</b>	-83	171	-299	-127	44
Arts, Entertainment, etc.	-112	107	79	187	-299
Education & Knowledge	-146	43	93	137	-283
Information Technology & Telecom.	-147	57	-20	37	-184
Forest & Wood Products	-266	146	-499	-353	87
Defense & Security	-268	44	62	106	-404
Transportation & Logistics	-304	199	85	284	-588
Printing & Publishing	-703	142	-225	-82	-621
Chemicals & Chemical Based Products	-771	130	-268	-138	-633

**Note:** Cluster names **bolded** are the six sub-clusters of the manufacturing supercluster

**Source:** EMSI Developer, 2016

Six clusters and four sub-clusters had a positive competitive effect at the end of the study period. The energy cluster was by far the largest of these with a competitive effect of 2,394, followed by agribusiness; the manufacturing supercluster; advanced materials; arts, fabricated metal products; and business & financial services. The competitive advantage in these clusters and sub-clusters occur due to area resources, transportation advantages, and the workforce population, among many others. Although some advantages for certain clusters can be somewhat obvious, such as energy or agribusiness likely occurring due to the

large amount of petroleum and agricultural resources in the SCIRPDC EDD, others such as business and financial services may not be immediately apparent.

Manufacturing sub-clusters having a positive competitive effect include fabricated metal products; primary metals; machinery manufacturing; and transportation equipment manufacturing. Further investigation into the nature of these sub-sectors might reveal possibilities for synergies with other clusters in the region, for example linkages between the transportation & logistics cluster and the transportation equipment manufacturing sub-cluster.

**Figure 3-9** on the following page provides a table illustrating key indicators for a deeper examination of the SCIRPDC EDD industry clusters. Those clusters that are bolded in blue display the region's priority clusters, or those clusters that are currently performing consistently well within the region as well as compared to the nation. Those clusters that are bolded in red are currently underperforming within the region as well as compared to the nation as a whole.

The top performing and priority clusters for the SCIRPDC EDD, indicated on **Figure 3-9**, include advanced materials, agribusiness; energy; the fabricated metal products manufacturing sub-cluster; the manufacturing supercluster; and the primary metal products manufacturing sub-cluster. These clusters all illustrate positive regional competitive effects, meaning relative to the clusters nationally they are performing well-above expectations. Additionally, each of these specific clusters have experienced excellent regional growth when compared to the nation as a whole.

On the other side of the spectrum, the underperforming clusters include arts, entertainment, etc.; biomedical/biotechnical; chemicals; the computer & electronic product manufacturing sub-cluster; defense and security; education and knowledge; information technology; printing and publishing; and transportation & logistics. These clusters are determined to be underperforming due most notably to their very low regional competitive effect scores and lack of regional growth over the past ten years.

Those clusters and sub-clusters identified as priority and performing through the 2016 Industry Cluster Analysis should be considered as current employment sectors that are likely to continue to grow and blossom with continued regional investment and prioritization. While trends do change from decade to decade, and investments should be made throughout every single industry cluster and sub-cluster, the noted top performing clusters are, as of 2016, the most likely to yield the greatest benefit in terms of cluster employment growth.

**Figure 3-9:**  
Indicators for Selecting and Prioritizing Clusters

Cluster Name	2016 Cluster Jobs	% Change in Regional Employment	% Change in National Employment	2016 LQ	Percent Change in LQ	Regional Competitive Effect	2016 EPW
Advanced Materials	1,320	23.8%	-5.4%	0.69	33%	311	\$55,646.50
Agribusiness	6,324	17.7%	3.6%	4.06	15%	758	\$33,010.87
Apparel & Textiles	329	28.0%	-8.9%	0.58	41%	95	\$59,984.42
Arts, Entertainment, etc.	1,531	-6.8%	11.4%	0.50	-15%	-299	\$22,581.49
Biomedical/Biotechnical	5,123	1.4%	16.4%	0.90	-12%	-754	\$39,634.03
Business & Financial	3,165	20.8%	17.5%	0.41	5%	88	\$39,528.70
Chemicals	1,210	-38.9%	-7.0%	1.37	-33%	-633	\$53,273.56
Comp. & Electronic Mfg.	136	-24.4%	-17.6%	0.33	-6%	-12	\$44,142.00
Defense & Security	378	-44.1%	15.7%	0.18	-50%	-404	\$34,398.55
Education & Knowledge	519	-22.0%	20.6%	0.23	-36%	-283	\$20,925.64
Electrical Equip., Mfg.	0	-100.0%	-7.7%	0.00	-100%	-22	\$0.00
Energy	7,357	62.6%	9.7%	1.81	51%	2394	\$46,972.07
Fabricated Metal Mfg.	603	67.5%	-7.8%	1.03	84%	271	\$55,053.00
Forest & Wood Products	1,973	-11.9%	-15.8%	1.67	6%	87	\$50,326.75
Glass & Ceramics	235	-25.2%	-14.2%	1.19	-11%	-34	\$50,267.83
Inform. Tech. & Telecom.	729	-16.8%	4.2%	0.24	-20%	-184	\$50,841.96
Machinery Mfg.	574	-6.5%	-7.6%	1.29	3%	7	\$62,403.00
Mfg. Supercluster	4,026	2.7%	-9.6%	1.67	15%	481	\$54,270.57
Mining	375	-9.9%	4.5%	1.81	-13%	-60	\$79,048.59
Primary Metal Mfg.	175	42.3%	-18.2%	1.17	75%	74	\$54,400.00
Printing & Publishing	1,475	-32.3%	-3.8%	1.12	-29%	-621	\$42,444.33
Transport. & Logistics	2,740	-10.0%	9.3%	1.20	-16%	-588	\$58,369.56
Transport. Equip. Mfg.	2,537	-3.2%	-4.9%	3.92	3%	44	\$52,778.00

Note: Clusters names *italicized* are the six sub-clusters of the manufacturing supercluster; **Blue** displays performing/priority clusters;

**Red** displays clusters currently underperforming.

Source: EMSI Developer, 2016

## f. Conclusion

The central “driver” (i.e. exporting) industries at the heart of every cluster need other industries to support and supply them. These other industries, which may be numerous, can be very diverse. Not all of them can be expected to be found located in a particular geographic region, which means that some services, materials or products will have to be imported into the region. Even if – for example – a supply industry is present, it may not be capable of filling regional demand completely and the supply industry itself may need to import goods and services to fill the gaps in the supply chain.

Regional development requires increasing both export capacity and the volume of exports in regional cluster industries as well as strengthening and promoting growth in the support and supply industries so as to decrease their dependency on imports. At a very basic level, the overall aim is to reduce, as far as possible, the leakage of wealth out of the region that occurs when goods and services are purchased from outside, while at the same time increasing sales of the region’s own goods and services to external customers.

While there is no way to compel any of a region's industries to purchase their inputs solely within the local region, the idea of activating the region's clusters by facilitating and encouraging the creation of intra- and inter-cluster networks can be a useful and productive strategy. Many cluster industries in many regions are in fact "unaware" that they are in fact part of a geographically located industry cluster. It may take special efforts to gather the major stakeholders – business and industry leaders, local and regional government, chambers of commerce and other interested parties – together to demonstrate the potential synergies of collaboration to increase cluster strength.

In many cases cluster self-awareness will not occur without facilitation by someone or some group that can be seen as disinterested and neutral. Many industries and businesses, for example, believe that sharing information weakens their own competitive advantages rather than providing opportunities for synergy and innovation, and they may be suspicious of any effort to get them talking with other competitor industries.

# IV. Infrastructure

## a. Roadway Infrastructure

When considering the variety of factors upon which to reach an investment decision for a new business or operation, the presence of efficient transportation facilities and services is often of high importance. Lower transportation costs can play a major role in luring new firms as an outgrowth of the efficiencies gained by convenience and timely access to commercial, industrial and consumer markets as well as raw materials and/or component parts.

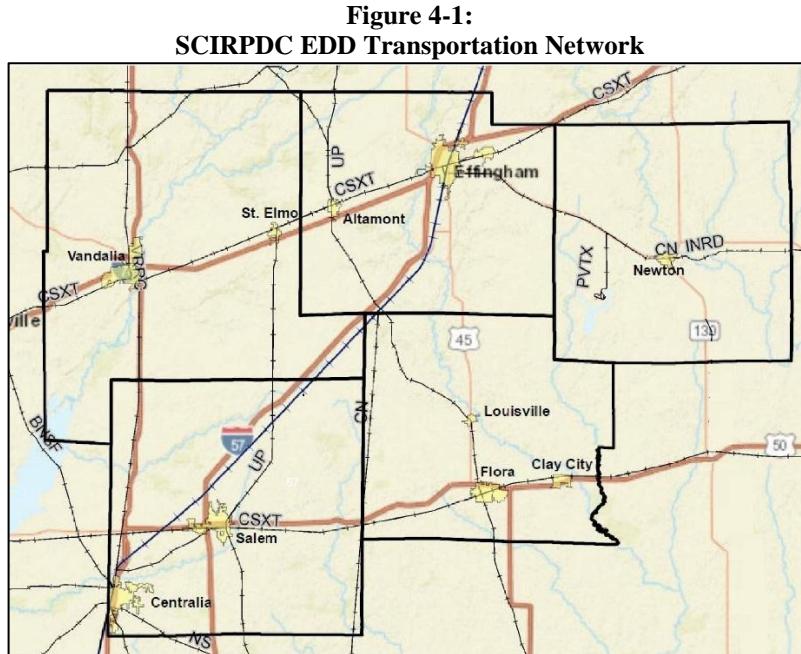
The SCIRPDC EDD is fortunate to have above-average ground transportation access such as Interstate 57 connecting Chicago, Illinois and Memphis, Tennessee, and Interstate 70 which directly connect Pittsburgh, Pennsylvania with Denver, Colorado. Interstate 64 immediately south of the five-county region, Interstate 24 and Interstate 55 are also within reasonable proximity to the District and in conjunction with I-57 and I-70, which gives ground transportation linkage to the majority of the Midwestern U.S. metropolitan markets and beyond.

U.S. Routes 40, 45, 50 & 51 provide yet another accessible means of transportation within EDD and linkages to other intermediate destinations within Illinois and adjoining states. Furthermore, a network of state routes and Illinois Routes 32, 33, 37, 49, 128, 130, 140, 161 and 185 provide an additional transportation network which further connects the District's incorporated areas throughout the region.

## b. Roadway Infrastructure Improvements

Community leaders from throughout the District have undertaken regional efforts to expand and improve existing roadways, and major federal routes such as widening and resurfacing of Interstate 57 near Centralia and Effingham and Interstate 64, again, near Centralia, and 57/70 near Effingham and Altamont. Additionally, emphasis has been placed on widening U.S. Route 51 as it passes between Centralia and Pana, Illinois. Once completed it is projected to help economic development along this new four-lane highway with better access from Mt. Vernon/Centralia, Illinois to Pana/Springfield markets.

The continuing improvements to the District's roadways include numerous townships, municipal, counties, state, and federal projects that would make this document too voluminous were they to be included.



Source: ESRI, Business Analyst Online 2016

However, the projects as implemented by the state are often augmented by further local roadway improvements, state projects are sometimes a catalyst for future transportation improvement projects at the local level.

Directly related to the highway and interstate system in the SCIRPDC EDD is trying to ascertain how these major roadways impact the regional economy. In 2015, SCIRPDC staff members developed a Regional Freight Truck Analysis to analyze and discuss the movement of commodities via freight truck throughout the EDD. This analysis, publicly available via the SCIRPDC webpage, provides detailed analysis of freight truck and commodity movement in and out of the EDD.

### c. Railway Infrastructure

Within the District, no less than eight major railroad companies provide mainline service. The number of daily movements and service reliability is generally considered to be adequate for the inbound shipment of raw materials and component parts and the outbound shipment of finished goods to their ultimate market destination.

**Figure 4-2** provides a listing of the rail freight services available to businesses choosing appropriate locations within the Economic Development District.

Three of the major rail lines serving the District continue to operate intermodal facilities within proximity of the five-county region. Because of the importance of the East St. Louis, Illinois area, located approximately one hour west of the District, as a major Midwestern U.S. rail freight center, a majority of the District's intermodal service needs would likely be accommodated by these facilities. Other intermodal services are located in Decatur and

**Figure 4-2:**  
**Rail Road Companies within the EDD**

Railroad Company	Classification	Direction
Burlington Northern/Santa Fe	Main Line	North/South
Conrail	Main Line	NE/SW
CSX System	Main Line	East/West
Chessie System (B & O)	Main Line	East/West
Canadian National	Main Line	North/South
Indiana Railroad Co. INRR	Main Line	North/South
Norfolk Southern Corp.	Main Line	East/West
Union Pacific System	Main Line	NE/SW
Effingham Short Line	Short Line	Industrial Park
Vandalia Railroad Corp.	Short Line	Local CSX Service

**Source:** Survey of local officials

Peoria, Illinois located approximately one and a half and three hours north of the five-county District respectively.

The availability of passenger rail service is another vital component to the transportation infrastructure of the District. Amtrak passenger trains offer boarding service at the Centralia and Effingham stations with routes running as far north as Chicago, Illinois and as far south as New Orleans, Louisiana. The historic City of New Orleans train, originating in Chicago, passes through the District twice daily. Additional train routes and services are provided via the Carbondale, Illinois routing facility.

#### d. Air Transportation Infrastructure

As depicted in **Figure 4-3** which follows, each of the District's five largest communities contains a general aviation airport. General aviation facilities offer a cross-runway in addition to the primary runway, a passenger terminal, refueling facilities and general repair facilities. Furthermore, most of the District's fixed base operators provide charter flights, air taxi services, flight instruction, hangar storage, and tie-down facilities.

**Figure 4-3:**  
**Airport Transportation Information**

Municipality (County)	Airport	Primary Runway	Aircraft Operations*
<b>City of Centralia (Marion)</b>	Centralia Municipal	5,000 Foot Surface	77/Day
<b>City of Effingham (Effingham)</b>	Effingham County Memorial	5,000 Foot Surface	68/Day
<b>City of Flora (Clay)</b>	Flora Municipal	5,000 Foot Surface	27/Day
<b>City of Salem (Marion)</b>	Salem-Leckrone	4,100 Foot Surface	52/Day
<b>City of Vandalia (Fayette)</b>	Vandalia Municipal	4,000 Foot Surface	27/Day

**Source:** [www.airnav.com](http://www.airnav.com)

**Note:** \*Data comes from recent annual averages computed by airnav

The majority of employers within the District note their dependency upon Lambert International Field in St. Louis, Missouri for regularly scheduled commercial air services. This major commercial airport places the District within a ninety-minute drive of 1,140 daily commercial flights offered by fifty-eight commercial carriers. Mid-America Airport, located at the intersection of U.S. Route 50 and Interstate 64, approximately one hour west of the District, continues to provide the region with additional reliable commercial air services both for commercial freight and some individual transportation needs.

Additionally, and for more information regarding the SCIRPDC EDD airports, SCIRPDC staff conducted Regional Aeronautic Economic Impact Studies for each of the EDD's airports in 2013. These studies provide detailed analysis of how these regional airports impact the EDD's economy both directly and indirectly, and are publicly available via the SCIRPDC website.

#### e. Housing Resources

Given the ever-increasing importance associated with satisfying the lifestyle expectations of a highly skilled work force, an area's ability to offer a suitable array of affordable housing types is an assumed importance. The overall character of an area's housing stock can also provide insights relative to the long term stability of the region and the economic fortunes of its local residents.

In 2014, the five county Economic Development District contains 52,885 housing units of which 87.8% were occupied. The District's vacancy rate of 12.2% is 2.4% higher than the statewide average of 9.8%. Some 76.6% of the District's occupied housing units were owner occupied by comparison with only 67.3% on a statewide basis. While the District's higher owner occupied housing percentage suggests stronger ties to the area by its residents, and therefore an implied hedge against spontaneous out migration, it should also be noted that the state's substantially lower percentage is reflective of trends in more metropolitan areas

favoring the development of large scale rental complexes such as condominiums, townhouses, etc. **Figure 4-4** provides a general comparison of the housing statistics over the last 10 years.

**Figure 4-4:**  
Housing Unit Totals

	Total Units		Occupied Units		Vacant Units		Owner Occupied		Renter Occupied	
	2000	2014	2000	2014	2000	2014	2000	2014	2000	2014
<b>Clay</b>	6,394	6,384	6,404	5,410	555	974	79.9%	80.0%	20.1%	20.0%
<b>Effingham</b>	13,959	14,675	13,001	13,386	958	1,289	76.0%	79.2%	24.0%	20.8%
<b>Fayette</b>	9,053	9,279	8,146	7,981	907	1,298	79.8%	80.4%	20.2%	19.6%
<b>Jasper</b>	4,294	4,335	3,930	3,796	364	539	83.2%	86.3%	16.8%	13.7%
<b>Marion</b>	18,022	18,212	16,619	15,835	2,148	2,377	76.6%	75.2%	23.4%	24.8%
<b>SCIRPDC</b>	51,722	52,885	47,535	46,408	4,932	6,477	76.6%	80.2%	23.4%	19.8%
<b>Illinois*</b>	4,886	5,299	4,592	4,779	294	521	67.3%	66.8%	32.7%	33.2%

Source: U.S. Census Bureau

Note: \*Illinois housing units in 1000s: 4,886 X 1000 = 4,886,000

In sum, this data does provide some insight as to potential housing problems, which could be confronting some residents within the five-county Economic Development District. Specifically, such problems could be associated with: (1) the advancing age of the housing unit; (2) the lack of some central, modern housing amenities; and/or (3) home values that are less than the state median.

**Figure 4-5** indicates that over 50% of housing units within the District was constructed prior to 1970. As a result, the unit is now more than forty years old and could be exhibiting basic structural problems due to its advancing age. Obviously, the history of repairs and improvements to the unit could conceivably negate these concerns. It is also worth stating that only 1.0% of the District's housing units lacked complete indoor plumbing and kitchen facilities, while the state average for 2014 was nearly 2.0%. The District averaged a median household value of only \$87,300 or about half of the state average of \$175,500.

**Figure 4-5:**  
Housing Unit Characteristics

	Median Value		40 Years & Over in Age		Mobile Homes		Lacking Full Plumbing		Lacking Full Kitchen	
	2000	2014	2000	2014	2000	2014	2000	2014	2000	2014
<b>Clay</b>	\$51,500	\$76,000	3,001	3,085	1,158	1,144	24	35	24	60
<b>Effingham</b>	\$85,400	\$118,400	4,601	5,953	1,234	1,071	89	59	92	101
<b>Fayette</b>	\$59,500	\$81,700	5,265	6,381	1,827	1,602	43	31	45	32
<b>Jasper</b>	\$65,000	\$91,800	1,934	2,086	593	496	13	13	35	20
<b>Marion</b>	\$53,700	\$68,500	8,429	9,145	2,849	3,434	82	104	62	266
<b>SCIRPDC</b>	\$59,500	\$87,300	23,230	26,650	7,661	7,748	251	242	258	479
<b>Illinois*</b>	\$130.8	\$175.5	2,294	2,867	156.58	136.99	23,959	16,044	26,711	35,520

Source: U.S. Census Bureau

Note: \*Illinois data in 1000s: \$130.8 X 1000 = \$130,800

## f. Water Resources

Although, it is not always considered a dominant part of the location decision-making process, private sector investors must remain sensitive to the availability and cost of public utilities. Recognizing that private sector investors must restrict facility locations to areas that demonstrate the capacity to meet both present and future utility requirements, this section attempts to address these issues.

**Figure 4-6** provides an overview of the water resources available to meet the demands of the Economic Development District's population centers. In general, the District's larger communities have found it possible to tie their water system into a municipally owned reservoir, a major river or a state or federally maintained lake, thereby providing a highly dependable source of raw water. These same communities have a combined treated water storage capacity via elevated and ground level storage tanks and clear wells, which gives the equivalent of at least a one-day supply or more of treated water to accommodate drought conditions or emergency requirements.

**Figure 4-6:**  
Water Supply/Storage Characteristics

Municipality	Raw Water Supply	Gallons Per Day
<b>Altamont</b>	City Reservoir	240,000
<b>Centralia</b>	Lake Centralia/Raccoon Lake	3.9 million
<b>Effingham</b>	CIPS Lake/Lake Sara/Little Wabash River	2.3 million
<b>Flora</b>	Little Wabash River/Carlyle Lake	623,000
<b>Newton</b>	Five City Wells near Embarrass River	258,237
<b>Salem</b>	City Reservoir/Carlyle Lake	1.1 million
<b>St. Elmo</b>	Fayette Water Company/City Well	Est. 250,000
<b>Vandalia</b>	Vandalia Lake/Kaskaskia River	750,000

Source: IEPA, Source Water Assessment and Protection (SWAP), 2015

Given the rural nature of the five-county District and its somewhat limited user base, water rates on the whole are consistently higher than those found in metropolitan areas. To combat this fact, most of the District's larger municipalities, which are actively encouraging economic growth, have structured water rates in such a fashion so as to offer quantity discounts for high volume industrial users.

The continuing expansion of existing regional water companies/cooperatives has increased the availability of potable water to many of the District's rural communities. The five-county region is served by a number of regional water companies/cooperatives including: Raccoon Water Company (southern Marion County); Northeast Marion County Water Company; E.J. Water Company (central and southern Effingham and Jasper Counties); Clay County Water Company (southern Clay County); and Fayette County Water Company (northern and central Fayette County).

In conclusion, while the rural water companies/ cooperatives continue to expand and provide water to the most rural areas, it is true most of the District's incorporated communities have municipally owned water systems which are capable of accommodating present demands of residents and industry. The downfall of situation is the overall fiscal condition of local government, and that state or federal financial assistance

will be required to support major upgrades or expansion to such utility systems. However, the completion of such major capital improvements will be phased over a period of years, even decades.

### g. Wastewater Treatment Resources

The preceding page has discussed the importance of the District's ability to provide residential, commercial and particularly industrial users with a dependable supply of high quality, potable water. Equally significant, however, is the area's ability to effectively dispose of wastewater not consumed in the production process, along with both domestic and industrial effluents and storm water. Collectively, public utilities such as water and sewer services can be characterized as the lifeline of the industrial sector, remaining a vitally important consideration in the location process.

**Figure 4-7:**  
Sewage Treatment Capacities

Municipality	Treatment Process	Design Capacity	Average Demand	Reserve Capacity
Altamont*	Two Cell Lagoon/Filter	0.29 MGD	0.41 MGD	0.00 MGD
Centralia	Activated Sludge	3.00 MGD	2.00 MGD	1.00 MGD
Effingham	Oxidation Ditch	9.00 MGD	3.75 MGD	5.25 MGD
Flora	Activated Sludge	1.80 MGD	0.60 MGD	1.20 MGD
Newton	Activated Sludge	1.20 MGD	0.30 MGD	0.90 MGD
Salem	Oxidation Ditch	6.00 MGD	2.50 MGD	3.50 MGD
St. Elmo	Four Cell Lagoon	0.34 MGD	0.30 MGD	0.04 MGD
Vandalia	Lagoons/Sediment	1.50 MGD	1.00 MGD	0.50 MGD

**Source:** DCEO Community Profiles

**Note:** Altamont recently constructed a new sewer treatment lagoon, design and reserve capacity numbers are likely larger than what is shown here.

### h. Energy Infrastructure

#### Electrical Distribution

The five-county Economic Development District is provided with electrical power via two public utility companies and several electrical cooperatives. Both Flora and Salem own their own natural-gas distribution systems. Specifically, the majority of the incorporated areas of Centralia, Salem and Vandalia are served by the Illinois Power Company while Ameren/CIPS via IEMA is the primary source of power for both the cities of Effingham and Altamont. Segments of the District's largest eight communities are also served by the Southwestern Electric Cooperative, Tri-County Electric Cooperative, Clay Electric Cooperative, Norris Electric Cooperative and the Illinois Municipal Electric Agency.

Base load power generation plants located in Newton, Baldwin, Coffeen and Clinton, Illinois which are owned by Illinois Power Company, Ameren/CIPS and the Soyland Power Cooperative provide the basis for electrical service distribution. Collectively, the three public utility companies have a combined generating capacity of approximately 9,890 megawatts by comparison with the peak demand of

approximately 7,516 megawatts. Therefore, the generating capacity to accommodate new loads for the immediate future appears to be present for the District.

The region has also witnessed the development of several natural gas peaker plants in or adjacent to the District. Aquila constructed a 334-megawatt, natural gas, electrical generation plant in rural Clay County and brought the facility on line in 2002. Reliant Energy constructed a similar facility in Shelby County, Illinois, immediately north of the District, and similar plants have also been constructed in St. Elmo in Fayette County, and Patoka in Marion County.

### Natural Gas Distribution

As depicted in **Figure 4-8**, private companies serve as the principal suppliers and distributors of natural gas services within the District's largest communities. However, the City of Salem, which purchases natural gas on a wholesale basis from the Natural Gas Pipeline of America, the City of Flora, which likewise purchases natural gas on a wholesale basis from Utility Gas Management, which also provides local service to its customer base through a municipally owned distribution system.

**Figure 4-8:**  
Natural Gas Service

Municipality	Supplier	Distribution
<b>Altamont</b>	Atmos Energy	Atmos Energy
<b>Centralia</b>	Illinois Power Company	Illinois Power Company
<b>Effingham</b>	Ameren Illinois	Ameren Illinois
<b>Flora</b>	Utility/Gas Management	Municipal Distribution
<b>Newton</b>	Ameren Illinois	Ameren Illinois
<b>Salem</b>	NGP of America	Municipal Distribution
<b>St. Elmo</b>	Atmos Energy	Atmos Energy
<b>Vandalia</b>	Liberty Utilities	Atmos Energy

Source: DCEO Community Profiles Survey of District Development Professionals.

#### i. Technology Infrastructure

Broadband and high speed fiber optics infrastructure allows regions and communities to compete globally, attracting new firms, investments and jobs with next-generation communications infrastructure. Looking ahead, American communities without broadband will find themselves left out of the digital movement. Local economic development plans and federal programs must take this into account when assessing the economic prospects of a community.

With increasing occurrences, the general public is realizing that the nation's economy and that of the five-county District as well, is slowly transitioning from a manufacturing-based system toward a digital/technology based economy. Accordingly, the digital capabilities present within the region can be expected to play an increasingly important role in future location considerations of more highly technology based companies.

Internet services for an individual consumer within the District are largely provided through one of the larger companies. However, several smaller, locally based Internet service providers exist within the District. These smaller companies are becoming increasingly responsible for adding the last mile fiber optics or other high-speed infrastructure so it may be utilized at a local level.

**Figure 4-9:**  
**Telecommunication Infrastructure**

County	Fiber Optics	Digital Switching	25+ MBPS	50+MBPS
<b>Clay</b>	Yes	Yes	58.0%	18.0%
<b>Effingham</b>	Yes	Yes	66.9%	65.1%
<b>Fayette</b>	Yes	Yes	60.1%	8.6%
<b>Jasper</b>	Yes	Yes	41.0%	0.4%
<b>Marion</b>	Yes	Yes	71.7%	69.0%
<b>SCIRPDC</b>	Yes	Yes	59.54%	32.22%

Source: Broadbandnow. Illinois, 2016; MBPS = Megabytes per Second

# V. Public Services & Resources

## a. Educational/Training Resources

Measurements of the quality of education among school Districts often rely upon such statistics as pupil/teacher ratios and the level of expenditures per student, etc. However, it is recognized that there is considerable debate among professionals within the educational community as to how to accurately measure student performance and school district performance. Given the nature of this debate, this document makes no attempt to measure the success or failure of schools and/or students within the District, but rather focuses only on some very basic measurements. **Figure 5-1**, which follows, depicts the number of elementary and high school students present within each of the public school district's serving the five-county Economic Development District.

**Figure 5-1:**  
**Elementary/Secondary Education**

Public Schools in EDD					
County	School District	# of Schools	Student Enrollment	Average Pupil/Teacher Ratio	Average Pupil Spending
Clay	Clay City CUSD # 10	3	331	14:1	\$5,212
	Flora CUSD # 35	6	1,373	16:1	\$4,616
	North Clay CUSD # 25	2	651	14:1	\$4,087
Effingham	Altamont CUSD # 10	2	748	13:1	\$4,816
	Beecher City CUSD # 20	2	345	13:1	\$5,376
	Dieterich CUSD # 30	2	458	13:1	\$5,116
	Effingham CUSD # 40	5	2,691	17:1	\$4,852
	Teutopolis CUSD # 50	3	1,094	17:1	\$4,595
Fayette	Brownstown CUSD # 201	3	386	14:1	\$5,438
	Ramsey CUSD # 204	2	482	13:1	\$5,719
	St. Elmo CUSD # 202	3	478	14:1	\$5,281
	Vandalia CUSD # 203	4	1,501	16:1	\$5,803
Jasper	Jasper County CUSD # 1	4	1,422	19:1	\$4,661
Marion	Centralia H.S. Dist. # 200	1	935	14:1	\$7,313
	Centralia School Dist. # 135	5	1,350	14:1	\$6,101
	Central City Dist. # 133	1	297	19:1	\$4,437
	Iuka CCSD # 7	1	217	14:1	\$5,869

**Figure 5-1 cont.**

<b>Public Schools in EDD</b>					
<b>County</b>	<b>School District</b>	<b># of Schools</b>	<b>Student Enrollment</b>	<b>Average Pupil/Teacher Ratio</b>	<b>Average Pupil Spending</b>
<b>Marion cont.</b>	Kell CONS SD # 2	1	117	11:1	\$6,117
	Odin PSD # 722	2	304	11:1	\$6,419
	Patoka CUSD # 100	3	256	12:1	\$5,473
	Raccoon CONS SD # 1	1	252	15:1	\$5,692
	Salem CHSD # 600	1	739	17:1	\$6,061
	Salem SD # 111	2	1,052	16:1	\$4,627
	Sandoval CUSD # 501	3	509	14:1	\$5,577
	Selmaville CCSD # 10	1	223	14:1	\$4,585
	South Central CUD # 401	3	681	13:1	\$5,722
<b>SCIRPDC EDD</b>	<b>27 School Districts</b>	<b>66</b>	<b>18,892</b>	<b>14:1</b>	<b>\$5,169</b>

**Source:** Illinois Department of Education, Illinois Report Card 2014-2015

The average reported student/teacher ratio for the District's 27 public school districts was 14:1, which was significantly below the state average of 19 students per teacher. Similarly, although not shown in the preceding chart, the expenditure per pupil level for these same 27 school districts was lower than the statewide average of \$7,419 by over \$2,000.

### b. Health Care Services

Given the sparsely populated rural nature of the Economic Development District, the area is gifted with acute medical care facilities. Specifically, each of the five largest municipalities within the District contain a modern, acute care facility capable of providing basic diagnostic, general surgery, laboratory testing, x-ray, nuclear medicine and pulmonary care services for local residents.

**Figure 5-2:**  
**Hospitals and Nursing Staff Availability**

<b>Municipality</b>	<b>Hospital</b>	<b># of Beds</b>	<b>RN Nursing Hours per Patient Day (Medical-Surgical)</b>	<b>RN Nursing Hours per Patient Day (Critical Care)</b>
<b>Centralia</b>	St. Mary's Hospital	113	7.07 hours	15.52 hours
<b>Effingham</b>	St. Anthony's Hospital	133	5.39 hours	15.08 hours
<b>Flora</b>	Clay County Hospital	20	10.12 hours	N/A
<b>Salem</b>	Salem Township Hospital	25	9.82 hours	26.59 hours
<b>Vandalia</b>	Fayette County Hospital	110	4.59 hours	72.83 hours
<b>SCIRPDC</b>	<b>5 Hospitals</b>	<b>401</b>		

**Source:** Illinois Healthcare Report Card

Collectively, the District's five acute care hospitals are capable of providing a reasonable range of health care services in concert with privately owned medical clinics, publicly and privately owned long-term care and rehabilitation facilities. The City of Newton and Jasper County in general, is the only area of the District not directly served by a community hospital, however, Jasper County is served by Newton Community Medical Center in Newton, Illinois and the St. Anthony's Hospital in nearby Effingham.

In general, the medical personnel serving the rural Economic Development District represent a relatively broad range of specialties and can accommodate the large majority of local health care needs. Highly targeted specialties such as brain surgeons and open-heart surgeons visit the District's hospitals on a regular basis and can also be found in the St. Louis medical community and facilities located in Evansville, Indiana. District residents also consult pulmonary care specialists at St. John's Hospital in Springfield, Illinois and utilize the hospital for such invasive procedures as heart by-pass and heart valve replacement surgery.

Many of the EDD's hospitals maintain relationships with other health care facilities in and adjacent to the region. Such collaborative efforts have included St. Mary's Hospital in Centralia and Good Samaritan Hospital in Mt. Vernon which have implemented joint purchasing agreements in order to maximize savings and improve efficiency in the provision of health care. Additionally, the Clay County Hospital, Salem Township Hospital and Fayette County Hospital have established ties with the world renowned Barnes Children's Hospital in St. Louis, Missouri for the treatment of medical care needs unique to children.

Two important trends have continued with number three on the list being the only new emerging issues within the District's five rural hospitals, including; (1) the inclusion of innovative new, money-making health care service programs ranging from psychiatric care to day-care services; (2) aggressively marketing their health care services to major employers; (3) implementation of the Affordable Care Act for those individuals and families who have no medical insurance.

### c. Police Protection

A private sector investor electing to locate within the EDD will make a sizable capital investment in property, facilities, equipment and inventory. Therefore, a community's ability to protect such business investments from vandalism, theft and loss by fire represents still another factor in the facility location process.

**Figure 5-3:**  
Law Enforcement Personnel

County	Sworn Full-Time	Civilian Full-Time	Sworn Part-Time	Auxiliary Officers	Total	Law Enforcement Ratio/1,000
Clay	21	10	0	11	42	3.1
Effingham	41	43	25	0	109	3.6
Fayette	26	27	20	0	73	3.3
Jasper	12	6	4	0	22	2.3
Marion	62	39	17	6	124	3.2
<b>SCIRPDC</b>	<b>162</b>	<b>125</b>	<b>66</b>	<b>17</b>	<b>370</b>	<b>3.1</b>

Source: Illinois State Police, Crime Report Index

Two factors are traditionally utilized to characterize a locality's effort to deter crime and its effectiveness in accomplishing such objectives. Specifically, (1) the number of law enforcement personnel; and (2) the community's overall instances of criminal activity. **Figure 5-3**, on the previous page, expresses the number of local law enforcement personnel serving and protecting each of the five counties comprising the Economic Development District. Also shown is the number of law enforcement personnel for each 1,000 residents within each of the respective counties.

While most of the District's larger communities maintain municipal police departments, quality policing is not restricted to these communities alone. Many of the smaller municipalities within the District also employ the services of full-time, part-time or auxiliary police officers. The District's police departments employ the latest forensic and crime scene investigative technology available, often augmenting local resources through the services of the Illinois State Police Crime Scene Investigation Service and Laboratory.

#### d. Fire Protection

As corporate representatives must consider a locality's ability to offer a relatively crime-free living environment for both business operations and the lifestyles of its employees, an area's ability to provide protection of life, personal property and real estate from fire is also an important location consideration.

**Figure 5-4** provides an illustration of each of the eight largest fire departments in the SCIRPDC EDD and displays personnel details for each.

**Figure 5-4:**  
**Fire Protection Service**

Municipality	Fire Department	Department Type	Career Firefighters	Volunteer Firefighters	Firefighters Paid per Call	Total
Altamont	Altamont Fire Protection Dist.	Volunteer	0	0	30	30
Centralia	Centralia Fire Dept.	Career	22	0	0	22
Effingham	Effingham Fire Dept.	Mostly Volunt.	16	0	20	36
Flora	Flora Volunt. Fire Dept.	Volunteer	0	34	0	34
Newton	Wade Comm. Fire Protection Dist.	Volunteer	0	0	28	28
Salem	Salem Fire Prot. Dist.	Mostly Volunt.	4	0	44	48
St. Elmo	St. Elmo Fire Prot. Dist.	Volunteer	0	31	0	31
Vandalia	Vandalia Fire Dept.	Volunteer	0	32	0	32
SCIRPDC	8 Largest Depts.	-	42	97	122	261

Source: U.S. Fire Administration

Clearly the District relies heavily upon volunteer firefighters for the provision of essential fire protection, fire control and suppression services as evidenced by a ratio of five volunteers to each full time paid fire fighter. This ratio is higher than that found in more metropolitan areas and reflects the regions ongoing commitment to provide essential public services in the most cost-effective manner possible.

The fact that 37% of the District's firefighting personnel are unpaid volunteers should not however, be interpreted to mean that the level of protection afforded is somehow second class. To the contrary, the level

of required education of volunteers is exceptional and their ability to perform essential and dangerous functions effectively is further enhanced by ongoing fire suppression and emergency rescue training and access to today's modern equipment.

### e. Recreational/Cultural Opportunities

While as individuals we do not usually tend to think of recreational and cultural opportunities as being of equal importance as food, warmth and shelter, our service-oriented society continues to realize that a quality lifestyle consists of more than just satisfying basic necessities. Given business's need to successfully recruit mid and upper-management personnel, corporate officials sometimes give consideration to an area's leisure time opportunities as a part of the facility location process. **Figure 5-5** provides detailed recreational activities available to the public at the six state parks or nature areas maintained by the State of Illinois within the District.

**Figure 5-5:**  
State Parks and Natural Areas

Recreational Area	Locale	Boating	Hiking	Fishing	Camping	Hunting	Horseback Riding
Ballards Nature Center	Altamont		X	X			
Newton Lake	Newton	X	X	X		X	X
Prairie Ridge State Natural Area	Jasper/Marion			X			
Ramsey Lake St. Park	Fayette	X	X	X	X	X	
Sam Parr St. Park	Newton	X	X	X	X	X	X
Stephen Forbes St. Park	Omega	X	X	X	X	X	
Wildcat Hollow	Kinmundy			X			X

Source: Illinois State Department of Natural Resources, 2015

Considering the natural beauty and abundance of man-made lakes within or near the five-county District, the area clearly has a satisfactory amount of outdoor recreational opportunities. Three of the state's largest water-based recreational complexes are situated in South Central Illinois and include: (1) Rend Lake, located in the southern extremities of Jefferson County just south of the District; (2) Carlyle Lake, intersecting the south-western portion of Fayette County; and (3) Lake Shelbyville, located approximately twenty minutes north of the five-county District.

All of the District's medium and larger sized communities have at least one publicly-owned park and in some instances, a network of parks, which has been developed in order to provide outdoor recreational

opportunities to varying degrees. Only the region's smallest municipalities lack such facilities. Many of the District's communities have undertaken improvements to their existing recreational infrastructure.

In general, the area's parks and recreational facilities offer the following types of recreational activities: swimming, baseball, softball and soccer fields, picnic areas, hiking, bicycling, fishing, boating, water skiing, camping and limited horseback riding facilities. The number of bicycling paths and/or pedestrian walkways/trails has grown within the region over the past years, but considerable room for enhancement of inter community paths and trails still exists and should be explored further. These trails provide both recreational opportunities, and simultaneously relieve some forms of localized traffic congestion within the District's larger municipalities.

### Cultural Activities

The five-county Economic Development District offers a reasonable array of cultural opportunities to local residents through cultural societies and/or artistic groups. For example, the Effingham Performing Arts Center showcases big name live arts and entertainment, Pittenger Bandshell facilities in Centralia, Illinois serves as the site for multiple concerts throughout the year and the City of Salem hosts several shows in a recently renovated community theater in a building formerly used as a movie house. The Mitchell Museum located 20 minutes south of the District within the Cedarhurst Complex in Mt. Vernon, Illinois is an example of one of down state's premier arts and crafts centers.

The second state capital of Illinois is located within the City of Vandalia's central business district and annually becomes the focal point for a historically-oriented festival known as the Grand Levee ceremonies. This important piece of early Illinois history was reopened for visitors in 2002 after undergoing an extensive, multi-year restoration project that returned the capitol building to its former grandeur. Both the Vandalia State House and the birthplace of William Jennings Bryan, located near the central business District in Salem, Illinois are additional examples of a dozen or more historic sites within the District to be placed on the National Register of Historic Places.

Local historic preservation groups remain active having placed several historical brick streets in Vandalia, Illinois on the National Register of Historic Places. Similar community based groups have also formed for the promotion of tourist activity along State Route 40 in Fayette County. The route was paved using the former settlement trails of early pioneers, marking an important aspect of the early development of South Central Illinois. Placement on the National Register of Historic Places is important to the restoration and preservation of the area's identity, as it often enhances a community's ability to secure state and federal grant funds. The availability of funds has proven vital to the continuation of preservation efforts, most notably the brick street restoration project in Vandalia that was the recipient of a state grant.

Other recreational opportunities occur on a regularly scheduled annual basis within the District and include: (1) a Hot-Air Balloon Fest held in Centralia, Illinois; (2) the Schutzenfest in Altamont, Illinois; (3) Corvette Fun Festival in Effingham, Illinois; (4) the previously mentioned Grand Levee Festival in Vandalia, Illinois. Each of the counties comprising the District also annually sponsors a county fair during which nationally recognized entertainment is typically featured.

The area continues to honor its heritage, both natural and historical, with residents actively participating in the preservation of regional historical landmarks and nature sites. Residents in the community of Iuka (Marion County), have raised private funds for the preservation and restoration of the historically significant Halfway House Tavern. The tavern represents an important piece of the area's early settlement history as it was built in an area halfway between the former trading posts of St. Louis, Missouri and Vincennes, Indiana, hence the name Halfway House Tavern. Restoration has also been completed on two of the District's most impressive and functional land marks tied to the area's earlier influence by railroads, mainly the wooden water towers in Kinmundy and Centralia (both Marion County).

The preservation of the District's natural areas has also been improved upon with the creation and continued expansion of nature paths encircling the Salem Reservoir. Additionally, the creation of nearly 50 acres of wetlands on what was formerly agricultural land is progressing in the community of Centralia. The wetland site hosts a pond, wetlands fauna, walking paths and wildlife viewing areas.

Beyond the recreational and cultural opportunities provided via facilities situated within the five-county District, local residents are within a 90-minute drive of the cultural opportunities available within the St. Louis Metropolitan Area and Evansville, Indiana. These opportunities include, major sporting events, street festivals, art museums, a zoo, theater and opera house.

Additionally, SCIRPDC staff has recently completed the Clay County Greenways and Trails Plan providing a document outlining present and future plans for recreational growth. It is our hope to eventually provide plans for each of our five-counties and one day connect these plans with regional hiking/biking pathways.

## f. Community Planning Activities

This section will briefly look at the level of planning activities currently underway at the municipal, county, regional and state levels. While private sector investors recognize that accommodating local development regulations can increase their front-end construction costs, the presence of reasonable land use regulations and other functional planning efforts also notes a level of sophistication within the locality capable of helping protect the future long-term integrity and market value of the chosen development site.

As reflected in **Figure 5-6**, on the following page, which follows each of the District's largest municipalities currently employ land use regulations consisting of a land-use plan, zoning ordinance, subdivision regulations and in most instances, minimal housing codes. These communities also develop at least an informal budget for capital improvements on an annual basis and have recently undertaken other functional planning efforts, targeting more narrowly upon transportation, water and sewer, recreational facilities, or other areas of consideration.

Economic development activities in the District's municipalities are primarily facilitated through the city manager/administrator; however, the cities of Centralia, Salem, Effingham and Flora employ the services of a full-time community/economic development professional to implement these activities as well. Newton, Illinois, while not directly employing a full-time municipal economic developer, does utilize the services of the Jasper County Chamber of Commerce and Jasper Jobs, Inc. for the coordination of its marketing and development programs.

**Figure 5-6:**  
Community Planning Activities

Municipality	Land Use Regulation	Capital Improvements	Economic Development Staffing	Functional Planning*
Altamont	Yes	No	No	Yes
Centralia	Yes	Yes	Yes	Yes
Effingham	Yes	Yes	Yes	Yes
Flora	Yes	Yes	Yes	Yes
Newton	Yes	Yes	Yes	Yes
Salem	Yes	Yes	Yes	Yes
St. Elmo	Yes	No	No	Yes
Vandalia	Yes	Yes	No	Yes

**Source:** DCEO Community Profiles

**Note:** \*Includes transportation, housing, water and sewer, recreation and emergency preparedness

As noted earlier in this District CEDS document, the rural nature of Clay, Effingham, Fayette, Jasper and Marion Counties has restricted their involvement in the direct delivery of some categories of public services, and therefore it is not surprising to find an equally narrow range of county-level planning activities. For the most part, county-level planning activities within the five-county District have focused upon: (1) transportation planning through the respective county highway departments including field reference systems programs, etc.; (2) the provision of law enforcement and detention facilities (3) animal control services; (4) property assessment and valuation systems for taxation purposes; and (5) emergency telephone systems.

# VI. Action Plan

This section provides a updated action plan for the CEDS use in the five-county South Central Illinois Economic Development District, beginning with a brief analysis of the process used by the District's CEDS Advisory Committee in the preparation of the 2017-2019 District CEDS document. The chapter begins with an objective assessment of the development strengths and weaknesses of the five-county District as perceived by the District staff, advisory committee members, governing body and associated agencies with which the regional organization frequently engages.

## a. CEDS Development Process

The process of re-writing, the previously published 2014-2016 Comprehensive Economic Development Strategy (CEDS) document was accomplished through the generous volunteer participation and support of many civic leaders, local governments, development groups and affiliate state and federal agencies, etc. However, at the center of the local / regional public participation process for writing the 2017 document is the District's CEDS Advisory Committee.

The District staff established and maintained periodic contact with the members of the District's CEDS Advisory Committee beginning in summer of 2016 and the committee's direct input into the updated 2017-2019 District CEDS document culminated in the later part of December 2016. Comprised of 30 voting members, the committee included six members from each of the five counties in the District which were invited to participate by the District organization in an effort to ensure that all important economic sectors of the region's economy were represented.

## b. SWOT Analysis

Beginning in the summer of 2016, the South Central Illinois Regional Planning and Development Commission (EDD) began conversations with regional officials along with the CEDS Committee. These discussions produced the subsequent SWOT Analysis (the central points are summarized on **Figure 6-1**). Following the SWOT analysis section are the regional goals and objectives which were developed and ranked by the CEDS Committee.

### Regional Strengths:

1. The South Central Illinois Economic Development District's location at the crossroads of the Midwest helps attract potential industrial and commercial investment due in part to the above average highway and rail ground transportation infrastructure.
2. Public utilities and related facilities such as; water, sewer, roads and bridges, airports, and rail transit systems are generally adequate to support new development.

3. Local economic development officials have enhanced the region's overall attractiveness to prospective industrial and commercial investors. The efforts shown by the local elected official and economic development professional has been instrumental in the use of state and federal grant and loan programs along with the continued use of TIF districts and enterprise zones.
4. Workforce development has come to the forefront of many of the District's priorities. ECI Super Region is working with six community colleges and 25 counties to survey the needs of the manufacturers and train the workforce accordingly.
5. Availability of private and public development organizations using their financing programs in conjunction to provide competitively priced, fixed-rate financing for fixed assets, inventory, and working capital needs.

**Figure6-1:**  
**SWOT Analysis Summary**

Regional Strengths	Regional Weaknesses
1. EDD Location 2. Adequate Public Utilities 3. Local Economic Development Efforts 4. Workforce Development 5. Private and Public Development Organizations	1. Need for Manufacturing Technical Training 2. Need for Industry Cluster Growth 3. Lack of Consistent Broadband Access 4. Lack of Entrepreneurship 5. Lack of Local Government Participation
Regional Opportunities	Regional Threats
1. Focus on Regional Assets 2. Region-based Thought Process 3. Invest on Economic Strengths 4. Encourage Entrepreneurs and Innovation 5. Career-Based Workforce Development	1. Lack of Technology-based Workforce 2. Regional Employers' Financial Burden 3. Cost of Essential Public & Private Services 4. Reduced State and Federal Funding 5. International Corporations' Land Purchasing

#### Regional Weaknesses:

1. From throughout the document, it can be said that most of the Economic Development District's rural towns and counties are experiencing declining or slow gains in population. Rural towns continue to search for economic growth, mostly in the form of smokestack chasing, which is difficult given the declining population base of younger and more educated age cohorts, which are the age cohorts that businesses and manufactures look for when selecting a location.

The problem in the EDD and throughout the Midwest is the shift from agriculture to factory work. As we know, manufacturing bottomed out in the recession, and still has not fully recovered. Now that an evolution in manufacturing is taking place, the sector is looking for more technically trained employees.

2. Compared to the nation the region has fewer industrial clusters. The importance of industrial clusters is that the clusters form more interdependent relationships between industry clusters, which has the potential to affect competition in three ways: by increasing the productivity of the companies in the cluster, by driving innovation in the field, and by stimulating new businesses in the field, and anchor businesses to the region.
3. Even though the redevelopment centers in the region all show having access to fiber optics, broadband access is still spotty, allowing the more sophisticated businesses to locate in the larger cities along with the talent and staffing required for this type of business.
4. There continues to be a lack of entrepreneurs not only in rural areas such as South Central Illinois, but within the United States as a whole also. Entrepreneurs are the people in communities who take financial risk and are more likely to create jobs than manufacturing firms. Recent trends indicate that the number of new jobs in entrepreneurial based jobs are declining and therefore more investment is necessary in the area of entrepreneurship.
5. A lack of public involvement in the processes of local government has made it somewhat difficult to ensure local government decisions are being made with proper public input. While all attempts are made to involve the public in most local decision-making processes, public apathy towards the inner workings of their respective local governments has made effective governing much more challenging.

#### **Regional Opportunities:**

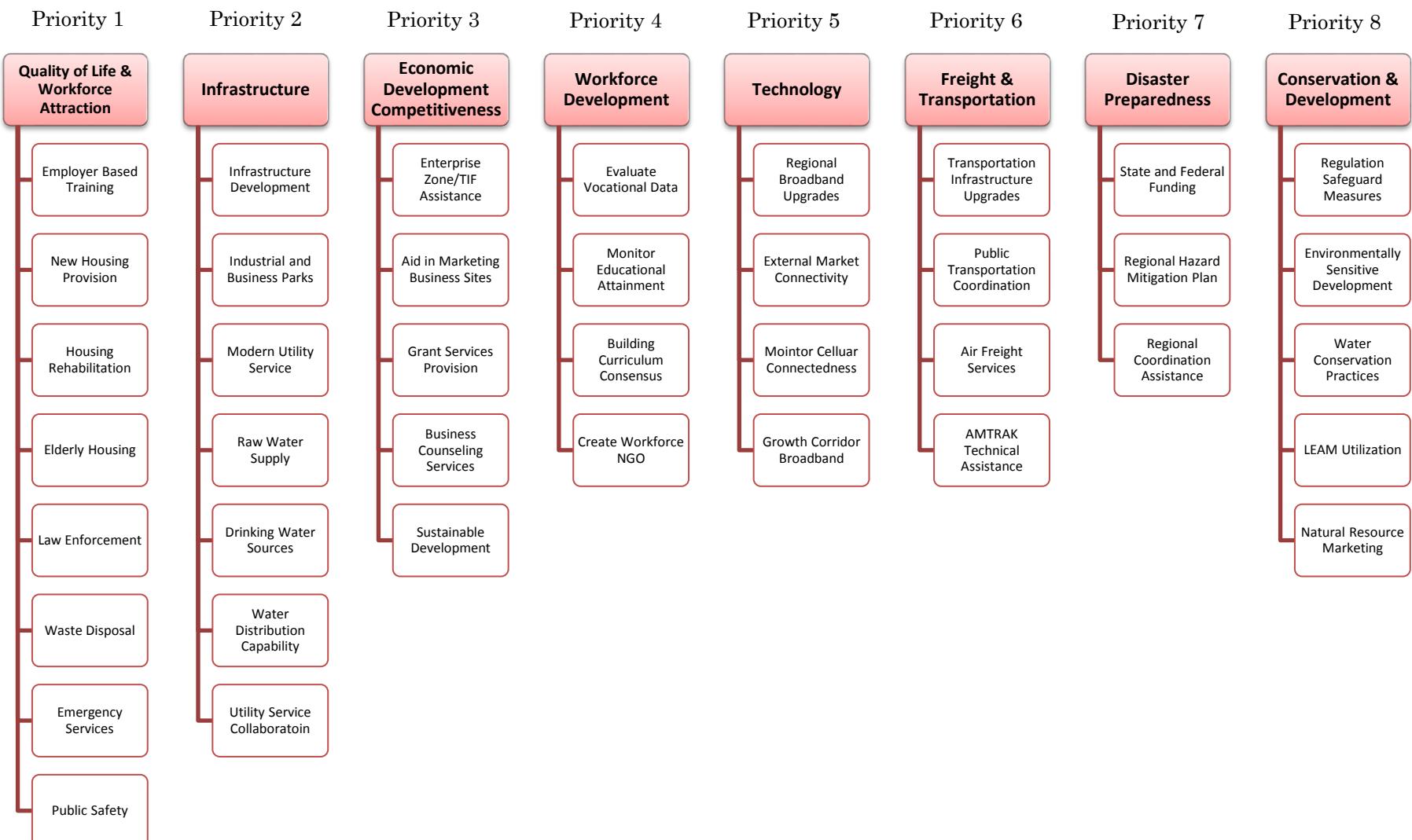
1. Look at regional assets instead of local assets when marketing the area for business and other development projects.
2. Change local thought process from local to a regional thought process.
3. Base investment on actual regional economic strengths, not solely on cheap labor or site amenities.
4. Encourage and cultivate innovators and entrepreneurs and nurture innovation that leads to new business.
5. Continue to work with the evolving manufactures and educational institutions to ensure that the workforce is being trained according to the manufacture's need.

#### **Threats to the Region:**

1. The region continues to lack technically skilled and qualified working to fill technology-based employment opportunities capable of creating jobs that could help retain the areas younger age cohorts 22-34, which includes younger college graduates starting families.
2. Employers within the District are burdened by the increasing cost of employer benefits along, state worker's compensation, unemployment insurance and the unknown cost of the Affordable Care Act. Worsening the business environment; the State of Illinois pension crisis in addition to recent tax hikes makes Illinois a business unfriendly state.

3. Cost of providing essential public and private services such as utilities have become more expensive for local governments.
4. Since the recession of 2008, both the State of Illinois, as well as the Federal government, have eliminated or greatly reduced funding sources that historically would have been used to attract private-sector investment.
5. International Corporations, with little regard for the local companies or the local workforce, continue to purchase prime development areas sometimes resulting in relocation of or layoffs of the regional workforce.

### c. Goals and Objectives



<b>Priority # 1: Quality of Life / Workforce Attraction</b>	<b>New Rank</b>	<b>Prior Rank</b>
<b>Offer an overall quality of life that is acceptable to relocating people and families, as well as the higher skilled and often better educated work force participant. This includes the provision of amenities that aid in attracting employees and employers the area needs to continue to compete in the global market place.</b>	1	3
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Aid in the provision of a quality education system through regional school districts to provide the basic educational foundation. This foundation will lead to continuing education in, vocational skills, community colleges, and universities that offer more advance programs to meet the specific needs of present and future employers. Encourage the educational institutions to quickly employ training curricula and required skill sets sought by regional employers.	1	1
Encourage the provision of a variety of single and multi-family affordable housing units for purchase or rent within the five-county District to help accommodate existing and projected demands and help to attract educated young families to stay or relocate in the District.	2	2
Foster the rehabilitation of older, substandard, single family, owner-occupied housing stock within the declining older neighborhood settings. This will allow families with limited incomes to bring such structures into housing code compliance and remain in their residences while stabilizing and revitalizing neighborhoods.	3	3
Promote the development of specialized housing complexes that are designed to accommodate the residential living of the District's less mobile, yet independent elderly residents, and individuals with physical or developmental disabilities.	4	5
Provide appropriate levels of criminal justice and law enforcement services through the District in the most cost effective manner possible. Maintain staffing levels that are conducive to the safety and welfare of the general public and provide assurance to investors regarding the protection of their capital investments in the region.	5	4

<b>Priority #1 Objectives cont:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Encourage the provision of an adequate and appropriate level of waste collection, recycling/reuse efforts and disposal services throughout the District. Foster the most cost effective manner possible to create a local environment that can assure business investors that their operations within the region will be afforded a reasonable cost for the proper disposal of their commercial/industrial waste by-products.	6	8
Provide an adequate and appropriate level of fire protection and related emergency care services throughout the District in the most cost effective manner possible. Create a local environment that is conducive to both the safety and welfare of the general public.	7	7
Foster increased collaboration between the District's five county sheriff departments, municipal police, fire departments, first responder and medical facilities as a means of improving regional coordination during emergency situations or other events.	8	6

<b>Priority #2: Infrastructure</b>	<b>New Rank</b>	<b>Prior Rank</b>
Strive to maintain, modernize and expand its current public utilities, facilities and services to accommodate current and projected future demands that are triggered by private sector industrial and commercial investment.	2	2
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Encourage the continued improvements to the infrastructure serving the District's Designated Redevelopment Centers and related communities to accommodate the majority of the future industrial and commercial development.	1	4
Aid in the effective promotion and development of existing industrial, business parks, and technology centers. Market zoned industrial sites within the District as a means of attracting major private sector investments and reinvestment capable of diversifying the area's economy. Help to rebuild the area's tax base through generation and/or retention of higher skilled, better paying employment opportunities for area residents.	2	1
Promote efforts to increase the region's ability to offer more affordable regional solutions to the long-term provision of modern, compliant utility services and appurtenance.	3	3
Promote efforts to increase the regions access to affordable, sustainable, and quality raw water supplies.	4	2
Foster continued improvement to the rural water systems serving the District's unincorporated residents and farmsteads as a means providing access to a source of safe and reasonably affordable drinking water.	5	6
Continue to examine the water transmission, storage, and distribution capabilities of existing public water systems within the District to determine their ability to provide reasonable firefighting and suppression services to protect property investments and lives within the five-county area.	6	7
Examine the opportunity for collaboration between utility service providers as a means of maximizing the benefits of public utility investments and jointly improving service reliability within the unincorporated and more sparsely populated areas of the District.	7	5

<b>Priority # 3: Economic Development Competitiveness</b>	<b>New Rank</b>	<b>Prior Rank</b>
<b>Remain vigilant in improving the District's ability to compete economically with locally offered tax incentives and other inducements in concert with available local, state and federal financial assistance programs to attract private sector investments that create and retain higher skilled employment opportunities.</b>	<b>3</b>	<b>4</b>
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Improve the capabilities of local governments and economic development corporations relative to their effective use of Enterprise Zone and TIF District incentives to provide local tax abatement and other inducements to attract desirable firms interested in initiating new or expanding existing business in the five-county District.	1	2
Strengthen the capabilities of local governments and economic development corporations relative to their efforts to identify and successfully market their location to desirable firms interested in initiating new or expanding existing operations.	2	1
The provision of locally accessible grant writing and management services to member local governments and economic development organizations in order to enhance the District's effort to solicit desirable firms, especially those recently identified in the cluster analysis process, interested in operating within the five-county District.	3	3
The provision of accessible, affordable business counseling services in cooperation with regional Small Business Development Centers (SBDC's) and the regional financial community to both existing and start-up businesses interested in starting or expanding business operations. This includes guidance regarding the successful use of locally-available revolving loan funds and/or regional business development financing programs designed to stimulate private sector investment, build the local tax base, diversify the local economy and create or retain jobs.	4	4
Encouragement of environmentally friendly projects within the District, which make effective use of the area's native natural and man-made attributes in a manner that simultaneously promotes both sustainable growth and development. Aid in the maintenance or improvement of the region's natural resources and ecosystems while also fostering a higher level of business innovation and an entrepreneurial spirit.	5	5

<b>Priority #4: Workforce Development</b>	<b>New Rank</b>	<b>Prior Rank</b>
<b>Provide a District that offers a motivated, work ready and productive labor force along with flexible vocational training programs that are capable of delivering vital skill sets and proper work ethic essential to long-term business success.</b>	4	1
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Continue to collaborate with the Illinois Department of Employment Security to compare the area workforce's present vocation skills with existing and projected vocational skill sets. Evaluate the local employment opportunities within the District as a basis for tweaking the range of vocational and class-room training curricula offered at area educational institutions and vocational centers.	1	1
Continue collaboration to bring about a gradual improvement in the overall educational attainment level of the area's workforce participants and regularly evaluate the regional workforces' job readiness to elevate their attractiveness to existing and prospective regional employers.	2	3
Continue to collaborate with the staff of regional development corporations, community colleges and workforce development to share proprietary information and strategies regarding the areas labor force and vocational needs in order to promote consistency and agreement in the respective strategies.	3	2
Maintain collaboration with regional development corporations, community colleges and workforce development to create a non-governmental organization for establishing broad-based regional development goals and serving as a possible applicant for a Regional Innovation Grant from the US Department of Labor or EDA or other related funding sources to fund workforce planning activities.	4	4

<b>Priority # 5: Technology</b>	<b>New Rank</b>	<b>Prior Rank</b>
<b>Strive to improve competition with external markets through a variety of communication methods that are essential to today's technological global economy.</b>	<b>5</b>	<b>5</b>
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Encourage Internet service providers to upgrade the technological broadband infrastructure and complementary telecommunications and data services to improve the region's connectivity with external markets.	1	4
In cooperation with other Internet infrastructure investors, the District will continue to examine an appropriate role for it to assume with local officials and Internet service providers to upgrade the technological broadband infrastructure and complementary telecommunications and data services to improve connectivity with external markets.	2	1
Continue to provide staff planning and coordination assistance to cooperatively assess, with local officials and service providers, the level of progress made to improve the level of cell phone reception within more remote areas of the five-county District.	3	3
Continue to utilize staff to investigate the feasible expansion of broadband technology into the redevelopment centers and growth corridors within the District	4	2

<b>Priority # 6: Freight &amp; Transportation</b>	<b>New Rank</b>	<b>Prior Rank</b>
Continue to improve the District's accessibility to external markets through various ground, air, and rail transportation, along with other related alternatives, that can safely and efficiently move people as well as products within the five-county region and beyond.	6	7
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Promote advanced planning to increase the opportunity for state and federal funding to complement local resources for essential road, bridge, and rail projects intended to improve inter and intra-community movement of people and goods. Specific attention should be given to critical access roads for farm to market, industrial to business parks and other desirable commercial development areas.	1	1
Offer technical, planning, and coordination assistance, and collaborate with existing public transportation service providers to address geographic and functional service gaps within Human Services Transportation Regions 9, 10 and 11. Continue to evaluate public transportation services designed to meet the mobility needs of the District's economically disadvantaged, elderly and physically disabled residents.	2	3
Continue to encourage physical improvements and contractual agreements designed to ensure that air freight services are provided from the District's five public airports.	3	4
The provision of assistance to local governments in the preservation and stabilization of the area's rail transportation system, including continued support from AMTRAK passenger services, and terminals in Centralia and Effingham. Promote the adaptive re-use of existing terminals and the construction of rail spurs at the District's Industrial and Business Parks to encourage and aid in the shipment of goods.	4	2

<b>Priority # 7: Disaster Preparedness</b>	<b>New Rank</b>	<b>Prior Rank</b>
Be aware of potential threats of significant losses from both natural disasters and acts of terrorism. Continue to assess and plan for such possibilities and therefore, improve our ability to respond to and mitigate their consequences	7	8
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Continue to monitor availability of funding for state or federal programs designed to assist city and county Emergency Service Disaster Agency coordinators, law enforcement and firefighting organizations in upgrading their abilities to prepare and respond to natural or man-made disasters that realistically could occur within the District.	1	1
Utilize the staff's technical expertise to monitor the availability of any state or federal financial assistance programs that would offset the costs of developing a county by county or regional hazard mitigation plan that would include resilience planning relative to natural disasters and/or the closing of a large regional employer.	2	3
Utilize the staff's technical expertise to monitor the availability of any state or federal financial assistance programs designed to ensure the overall coordination and consistency of locally developed emergency preparedness. Ensure that response plans are up to date at the regional level along with their compatibility with state mitigation plans and strategies.	3	2

<b>Priority # 8: Conservation &amp; Development</b>	<b>New Rank</b>	<b>Prior Rank</b>
Recognize the importance of the District's soil, water, biological and natural resources, and attempt to balance the desire to attract private economic investment with the need to preserve finite resources.	8	6
<b>Objectives:</b>	<b>New Rank</b>	<b>Prior Rank</b>
Provide the counties and the related municipalities with the tools to create ordinances and regulations needed to safeguard the current infrastructure, while allowing for oil and gas extraction related economic development to occur.	1	New
Encourage the location of future physical developments within the District in a manner that considers its compatibility with identified soils associations, as well as known flood plains, wetlands and the habitats of endangered and/or threatened species.	2	4
Encourage the sensible management and conservation of the area's water resources, including the identified significant stream segments with the District and maintain/improve the water quality, as well as promote a reduction in soil erosion and sedimentation to mitigate future uncontrolled localized flooding.	3	2
Utilize the capabilities of the Regional LEAM Program efforts to evaluate, assess and generate when necessary a geographic model of the probable land use implications associated with various future major physical development projects within the District.	4	3
Attempt to capitalize upon the area's native economic development potential as a result of its existing flora, fauna, and other natural resources as a secondary basis for attracting tourists to the five-county District.	5	5

#### d. Alignment with State of Illinois Development Priorities

In July of 2014 the Illinois Department of Commerce and Economic Opportunity released the “Illinois Economic Development Plan” under former Governor Pat Quinn. This 2014 economic development plan is still the latest and most recent economic development plan released by the State of Illinois. The South Central Illinois Regional Planning & Development Commission has chosen economic goals and objectives for the 2017-2019 CEDS that are closely related to the “seven initiatives” put forth by the Illinois Economic Development Plan. The entire Illinois Economic Development Plan can be found here: [https://www.illinois.gov/dceo/Documents/DCEOEconPlan\\_FULLPDF\\_vJuly1\\_2014.pdf](https://www.illinois.gov/dceo/Documents/DCEOEconPlan_FULLPDF_vJuly1_2014.pdf) as of October 2016. The executive summary of the Illinois Economic Development Plan can be found here [https://www.illinois.gov/dceo/Documents/DCEOEconPlan\\_ExecutiveSummary.pdf](https://www.illinois.gov/dceo/Documents/DCEOEconPlan_ExecutiveSummary.pdf).

**Figure 6-2**  
**Summary of “Seven Initiatives to Spur Economic Development in Illinois”**

Initiative	Description
1	Strengthen the state’s ongoing business attraction, retention, and support initiatives
2	Promote economic development on a regional level
3	Develop an increasingly competitive workforce
4	Increase fairness and opportunity
5	Make Illinois a destination for entrepreneurs
6	Implement a comprehensive, statewide strategy to drive innovation
7	Modernize and revitalize our infrastructure

**Source:** Exhibit B of the Illinois Economic Development Plan Executive Summary, July 2014

While the Illinois Economic Development Plan does provide much for detail regarding specific target objectives and measures within each of these seven initiatives, these broad goals align quite well with those goals and objectives put forth in this CEDS document for the South Central Illinois Region. Specifically, those areas of similarity include the following:

- Strengthening ongoing business attraction, retention, and support initiatives;
- Promoting economic development on a regional level;
- Increasing workforce capacity;
- Increasing fairness and opportunity;
- Driving innovation and entrepreneurial ventures; and
- Modernizing the current public infrastructure

## **EDA Regulations: Part 304 - Governing Body Membership Documentation**

The District Organization (SCIRPDC) must demonstrate that its governing body is broadly representative of the principal economic interests of the (five-county) Region, including the private sector, public officials, community leaders, representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals. In addition, the governing body must demonstrate the capacity to implement the EDA-approved CEDS.

In accordance with Article 3 of the SCIRPDC "By-Laws", the SCIRPDC governing body, known as Board of Commissioners, is comprised of six (6) representatives from each of the five (5) participating counties plus the appointed Executive Director as an "ex-officio member" for a total of thirty-one (31) members.

### **SCIRPDC Governing Body Membership Information as of 2017**

Name	Date Appointed	Organization	Economic Interests
<b>Clay County, Illinois</b>			
David Johnson	07/13	County Board Member	Public Officials
Trevor Bissey	06/10	Village of Clay City, President	Public Officials
Dan Sulsberger	11/97	City of Flora Economic Development	Community Leaders
Dale Murbarger	11/10	Village of Louisville, President	Public Officials
Herb Henson	02/05	Clay City Banking Co., President	Private Sector
Phil Wiley	04/14	City of Flora City Council Member	Public Officials
<b>Effingham County, Illinois</b>			
David Campbell	01/17	Ad Works Publishing, Inc., Owner	Private Sector
Mike Brown	10/00	Real Estate/Property Rental	Private Sector
Earnest Garbe	06/74	Workforce Board (WIC)	Workforce Development
Norbert Soltwedel	06/11	Retired USDA, Supervisor	Community Leaders
Sasha Althoff	03/15	City of Effingham Economic Development	Community Leaders
Larry Taylor	01/03	Retired Illinois Dept. of Transportation	Community Leaders
<b>Fayette County, Illinois</b>			
Glen Gurtner	11/15	County Board Member	Public Officials
Lloyd Stanley	07/78	County Businessman	Private Individual
Jeff Beckman	01/03	County Board Chairman	Public Officials
John Lotz	08/12	Fertilizer Company, Co-Owner	Private Sector
John Roberts	06/85	Oil Production/Agriculture	Private Individual
Ricky Gottman	04/10	City of Vandalia Mayor	Public Officials
<b>Jasper County, Illinois</b>			
Angela Fehrenbacher	01/15	Secretary of State's Office	Public Officials
Patricia Burch	08/97	Abstract Firm Owner	Private Sector
Tom Brown	06/01	Retired Illinois Dept. of Transportation	Community Leaders
Ken Larimore	01/05	City/County Economic Development	Community Leaders
Jason Warfel	11/15	Kuhl's Trailer Sales	Private Sector
Jeff Smithenry	03/15	Grain Elevator Manager	Private Sector/Individual
<b>Marion County, Illinois</b>			
Janie Grimes	09/16	Village of Iuka, Mayor	Public Officials
Tom Ashby	01/17	City of Centralia, Mayor	Public Officials
Erwin Hahn	12/14	County Board Chairman	Public Officials
Chester Burks	06/07	Village of Vernon, President	Public Officials
David Armbrust	08/14	Health Care Management	Private Sector/Individual
Mark Gibson	02/06	Iuka State Bank, President	Private Sector
<b>Regional/Ex-Officio Member</b>			
James Patrick	10/14	EDD Executive Director	SCIRPDC Staff

## **EDA Regulations: Part 303 - Strategy Committee Membership Documentation**

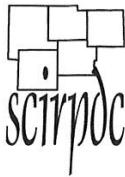
The Planning Organization (SCIRPDC) must appoint a Strategy Committee. The Strategy Committee must demonstrate that it represents the main economic interests of the Region, including the private sector, public officials, community leaders, private individuals, representatives of workforce development boards, institutions of higher education, minority and labor groups, and others who can contribute to and benefit from improved economic development in the Region. In addition, the Strategy Committee must demonstrate the capacity to undertake a collaborative and effective planning process.

The SCIRPDC Board of Commissioners, upon the advice of their professional staff, hereby appoints the following individuals to serve as the Strategy Committee for the purposes of implementing, annually revising and updating the organization's document entitled, District Comprehensive Economic Development Strategy.

### **SCIRPDC Strategy Committee Membership Information as of January 2017**

Name	Date Appointed	Organization	Economic Interests
<b>Clay County, Illinois</b>			
David Johnson	07/13	County Board Member	Public Officials
Trevor Bissey	06/10	Village of Clay City, President	Public Officials
Dan Sulsberger	11/97	City of Flora Economic Development	Community Leaders
Dale Murbarger	11/10	Village of Louisville, President	Public Officials
Herb Henson	02/05	Clay City Banking Co., President	Private Sector
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Angela Fehrenbacher	01/15	Secretary of State's Office	Public Officials
Patricia Burch	08/97	Abstract Firm Owner	Private Sector
Tom Brown	06/01	Retired Illinois Dept. of Transportation	Community Leaders
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Erwin Hahn	12/14	County Board Chairman	Public Officials
Chester Burks	06/07	Village of Vernon, President	Public Officials
David Armbrust	08/14	Health Care Management	Private Sector/Individual
Mark Gibson	02/06	Iuka State Bank, President	Private Sector

**Note:** The SCIRPDC Governing Body and Strategy Committee have been chosen to be one in the same. Since it has been determined that the SCIRPDC Governing Body has no less economic development knowledge or interest than any other group of professionals in the five-county EDD, it was determined that in order to ensure the most effective and consistent communication regarding the CEDS document, as well as its implementation and periodic update, the most useful Regional CEDS should be created and applied by those individuals with first-hand knowledge of how to successfully implement the CEDS.



## South Central Illinois Regional Planning & Development Commission

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Serving the Illinois Counties of Clay, Effingham, Fayette, Jasper and Marion since 1972

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### RESOLUTION APPROVING AND ADOPTING THE ECONOMIC DEVELOPMENT DISTRICT'S 2017-2019 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY FOR THE FIVE-COUNTY SOUTH CENTRAL ILLINOIS REGION

---

**WHEREAS**, the South Central Illinois Regional Planning & Development Commission was jointly created in October of 1972, under enabling state statute, and by joint action of the Effingham, Fayette and Marion County Boards to serve the local governments contained therein; and

**WHEREAS**, the Commission was charged at that time with the responsibility for conducting area-wide economic development planning activities intended to strengthen the local economy and create or retain local employment opportunities; and

**WHEREAS**, the Commission amended its service region in 1997 to include the counties of Clay and Jasper, thus ensuring a more regional approach for addressing the economic development needs of South Central Illinois; and

**WHEREAS**, the Commission was formally recognized by the U.S. Department of Commerce, Economic Development Administration (EDA) as an *Economic Development District* (EDD) in August of 1975 and subsequently prepared an initial District OEDP report in October of 1977 which was rewritten in subsequent grant cycles and accepted by its member county boards, the EDD organization and the Economic Development Administration (EDA); and

**WHEREAS**, the Board of Commissioners has directed the planning staff to author a complete 2017-2019 revision of the 2014-2016 District *Comprehensive Economic Development Strategy* (CEDS) document in accordance with the most current EDA guidelines giving direction to the area's future economic development efforts in a coordinated manner and maintain eligibility for the EDD and its local governments for potential future EDA financial assistance to support local and regional economic development endeavors; and

**WHEREAS**, review drafts of the rewritten 2017-2019 District CEDS document have been shared with the membership of the five-county, thirty (30) member CEDS Advisory Committee for local input and guidance to ensure its responsiveness to the area's most current development issues, etc.

**NOW THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the South Central Illinois Regional Planning and Development Commission as follows:

**Section 1:** that the publication entitled FY-2017-2019 Comprehensive Economic Development Strategy for the South Central Illinois Region, prepared by the staff with input and guidance from the District CEDS Advisory Committee, is hereby formally adopted by the EDD for the subsequent

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submission to each of the member county boards and upon their acceptance, submitted for review and certification by the Chicago Midwest Regional Office of the EDA;

**Section 2:** that the aforesaid District CEDS document and the District Development Strategy contained therein shall be used by the EDD as a reference guide in fostering the future coordination and collaboration of local and regional economic development endeavors within the five-county service jurisdiction and shall be annually updated by the EDD planning staff so as to reflect emerging economic development problems and opportunities and maintain the area's continuing eligibility for federal grant-in-aid funds;

**Section 3:** that the recently completed 2017-2019 District CEDS document shall continue to recognize a *northern growth corridor* and a *southern growth corridor* that are identical to those designated in the 2009 District CEDS and reiterated in the 2014-2016 District CEDS by the EDD which encompasses a majority of the area's realistic potential for future economic growth and prosperity; and

**Section 4:** that, consistent with EDA's current designation of Clay, Effingham, Fayette, Jasper and Marion County as redevelopment areas, the EDD hereby continues its designation of the cities of Centralia, Effingham, Flora, Newton, Salem and Vandalia as redevelopment centers based upon their respective histories and perceived future capabilities to successfully attract private sector investments in today's global economy, which, in turn, can be expected to result in the creation or retention of higher organization.

PASSED AND ADOPTED THIS THE 31<sup>st</sup> DAY OF JANUARY, 2017 A.D.

ATTEST:



Herb Henson, Corporate Secretary  
SCIRPDC Board of Commissioners

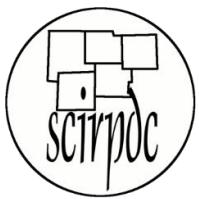
APPROVED:



Norbert Soltwedel, Chairman  
SCIRPDC Board of Commissioners

Yes Votes:	20
No Votes:	0
Absent:	5
Abstentions:	5





This **2017-2019 Comprehensive Economic Development Strategy Document** was prepared by SCIRPDC Economic Development Staff with input by the District CEDS Committee, confirmed by the member county boards, adopted by the SCIRPDC Governing Board and has been submitted for approval by the Economic Development Administration, a Department of the U.S. Department of Commerce.