

1999 Annual Report Executive Summary

Southernmost Illinois Delta Empowerment Zone

The most significant accomplishment of the Southernmost Illinois Delta Empowerment Zone (SIDEZ) in 1999 was establishing and building the capacity of a new administrative entity to facilitate and oversee the implementation of the Empowerment Zone's Strategic Plan. A new Illinois not-for-profit corporation, the Southernmost Illinois Delta Empowerment Zone, Inc. was formed on February 16, 1999. A Board of Directors was established in accordance with the governance structure submitted in the Strategic Plan. The SIDEZ applied for and is awaiting determination of 501c3 status from the Internal Revenue Service. The Board of Directors adopted by-laws and developed policies and procedures for managing the zone.

Over \$60,000 in private, local, non-profit and state contributions were raised to enable SIDEZ to hire two staff persons and establish an office to provide administrative and program support to the zone. The State of Illinois provided a grant of \$19,000 to help SIDEZ become established. On April 15th, Donna Raynalds was hired as Executive Director. Ursula Pike, a Peace Corps Fellow in Rural Community Development from Western Illinois University, joined the staff in June for an 11-month internship. Hope Collins, a temporary student office assistant intern from Shawnee Community College and a part-time volunteer through the Retired Senior Volunteer Program, Pat Kalicki, augmented the staff.

SIDEZ established an office in space donated by Shawnee Community College and furnished it with donated, loaned or leased equipment and furniture from its partners. SIDEZ was awarded a \$50,000 grant secured by Illinois Representative Jim Fowler through a Member's Initiative from the State of Illinois. The SIDEZ anticipates using the money to purchase updated office equipment and hire a chief financial officer in 2000.

On July 8, 1999 SIDEZ and USDA Rural Development sponsored a narrated bus tour through the zone for elected officials and other dignitaries. Local residents acted as step-on guides to point out assets and challenges within the zone. A "Celebration SIDEZ" event was held in each of the three counties in the empowerment zone. The bus tour culminated in the signing of the Memorandum of Agreement for the empowerment zone grant in Cairo. Undersecretary of Agriculture Jill Long Thompson, U.S. Senator Dick Durbin, U.S. Representative David Phelps, former U.S. Representative Glenn Poshard, State Director of Rural Development Wally Furrow, Illinois Representative Jim Fowler, Illinois Senator Jim Rea and Robert Winchester, Deputy Chief of Staff to Illinois Governor George Ryan attended the signing ceremony along with hundreds of zone residents and invited guests.

SIDEZ Directors and community members participated in a variety of training sessions during the year to build their capacity to effectively act as community change agents and manage the non-profit corporation effectively. Nine representatives from the SIDEZ attended a workshop for Round II empowerment zones in Oklahoma City in March. Thirteen representatives from the empowerment zone attended the White House Community Empowerment Conference in the Rio Grande Valley Empowerment Zone. SIDEZ Secretary Mable Hollis had the honor of addressing Vice President Al Gore in a question and answer session at the conference. Additionally, thirteen SIDEZ Directors and 21 board members from other non profit organizations participated jointly in 12 hours of board training sponsored by SIDEZ in cooperation with USDA Rural Development and University of Illinois Extension. The empowerment zone was also well represented at a Micro-Enterprise workshop sponsored by the Southern Illinois University School of Social Work and at the yearly Southern Illinois Economic

Development Conference.

A volunteer advisory committee was formed for each of the seven goals included in the strategic plan: health, life-long learning and education, housing, economic development, tourism development, infrastructure and economic development. Committee members met monthly to complete the benchmarking process and to begin implementing the Strategic Plan. Over 100 different people participated in committee meetings.

SIDEZ contracted with Southern Five Regional Planning District and Development Commission to prepare an application for an Intermediary Relending Program loan of \$750,000 from USDA Rural Development to match \$295,000 in EZ grant funds. It is anticipated that this application will be submitted in March 2000. Shawnee Development Council, a local community action agency pledged \$10,000 to the revolving loan fund.

Four hundred sixty-nine businesses in the zone were sent a survey to determine their credit needs. Nearly 00 businesses responded. Results of the credit needs assessment will be used to guide the development of SIDEZ business assistance programs and to evaluate the impact of those programs at the end of the 10-year zone designation.

SIDEZ partnered with the Illinois Department of Commerce and Community Affairs to bring an industrial site locator to the zone pro-bono to assist Johnson County in evaluating two proposed industrial sites. Johnson County was awarded a \$350,000 Illinois First grant to develop an industrial site.

In September 1999, SIDEZ submitted an implementation plan to the Small Business Administration to open a One Stop Capital Shop in Cairo. Numerous partners agreed to provide business services to the One Stop Capital Shop, including donated office space by First National Bank, half-time clerical staff and transportation by the City of Cairo and business start-up classes by the Small Business Development Center at Shawnee Community College. The Office of Economic and Regional Development at Southern Illinois University pledged assistance in conducting a business retention and expansion program. University of Illinois Extension will provide youth entrepreneurship training. Local banks pledged \$2.25 million in loan funds to be marketed at the One Stop Capital Shop. The One Stop Capital Shop will open in 2000 when SBA staff have been hired.

The economic development committee sponsored a presentation on Empowerment Zone Bonds by an underwriting firm knowledgeable about EZ bonds. Subsequently an intergovernmental agreement was prepared for signature by Johnson, Pulaski and Alexander Counties (the nominating entities for the zone) and SIDEZ. The agreement will give SIDEZ the authority to monitor, market and approve the issuance of EZ bonds by counties and municipalities in the zone. The intergovernmental agreement will enable companies wishing to use EZ bond financing to have one point of contact, rather than three. At the close of 1999, there was a potential \$6 million EZ bond project underway in Cairo that would create over 100 jobs. A second smaller EZ Bond project was in the development stage in Mounds. Both projects are expansions by existing businesses.

Other goal advisory committees made progress in benchmarking and implementing the strategic plan during the year. The health care committee focused on assessing access to health care in the zone. They completed an inventory of services provided by health care providers and had nearly completed the design of a survey to be used with residents. Several sources of outside funding and technical assistance were identified. The completed survey will provide baseline data to guide the health care activities of the zone over the next 9 years.

The housing advisory committee conducted a trial survey of housing needs at a town meeting in Mounds during a presentation on USDA Rural Development housing programs. The committee is using the trial survey to design a more comprehensive survey instrument for assessing unmet housing needs in the zone. SIDEZ will partner with the University of Illinois Laboratory for Community and Economic Development to conduct the survey. A major boost to SIDEZ' housing goal came when Illinois USDA Rural Development created a new full-time Community Development Specialist position to work on housing in the empowerment zone. Sally Dumas, an experienced USDA employee, was hired to work one-on-one with zone residents to assist them in overcoming obstacles to home ownership. Two communities in the empowerment zone were awarded Community Development Assistance Program rehabilitation grants from Illinois Department of Commerce and Community Affairs and the Illinois Housing Development Authority that were supported by SIDEZ. The City of Mounds received \$253,125 and Pulaski County received \$205,000 to rehabilitate houses in the unincorporated area of Perks. These grants will assist approximately 30 low-income homeowners.

The tourism advisory committee advised the SIDEZ Board of Directors on a job description for a new half-time tourism coordinator to work with communities on tourism development in the empowerment zone. The SIDEZ Board approved a grant of \$10,000 to the Southernmost Illinois Tourism Bureau to hire, train and supervise the activities of the SIDEZ tourism coordinator.

Many of the successes in the tourism goal area came when SIDEZ-supported projects received funding from other entities. The Mounds City National Cemetery Preservation Commission raised sufficient funds to expand and dedicate 3.64 additional acres at the historic Civil War cemetery. Player's Island Casino donated \$12,500 to help purchase the additional burial grounds. Pulaski County received a \$30,000 U.S. Forest Service Economic Recovery Program Design Engineering grant to study the feasibility of developing a marina on the Ohio River. Alexander County began putting together a tourism action team to apply for funding through the same program.

The City of Cairo was included on an Underground Railroad motor coach tour awarded to Unlimited Tours and Travel, Inc. under an American Pathways 2000 program designation. Cairo also received a \$60,000 grant from the State of Illinois to develop camping sites at Ft. Defiance Park at the confluence of the Ohio and Mississippi Rivers. The City of Vienna received a \$30,000 grant from the State of Illinois to move the historic Forman Depot to Vienna Community Park to develop as a welcome center.

The education advisory committee completed detailed two-year work plans and developed guidelines for adding youth board directors to the SIDEZ board. They facilitated the placement of 40 computers donated by USDA Rural Development in two schools within the zone. Shawnee Community College was awarded a \$1.7 million Gear-Up grant to work with 7th-11th graders at several empowerment zone schools over a five year period.

The Stronger Unity/Sense of Community advisory committee focused on developing ways to develop pride and sense of community through community clean-up activities. The committee developed a demonstration model for community clean up that will be tested in 2000. The model includes the passage of a uniform nuisance ordinance by counties and municipalities in the zone who do not already have nuisance laws on their books.

Communities will identify abandoned and blighted structures, concentrating on areas of high visibility. Since most communities do not have a building inspector, SIDEZ will help pay the costs of contracting with a code inspector from Southern Seven Health Department to research ownership of blighted properties and give owners notice of violations. Counties will be encouraged to take advantage of an existing Illinois law that allows the establishment of a non-judicial adjudication system for handling code violations. Use of a non-judicial hearing officer will keep nuisance cases out of an overburdened

court system and focus attention solely on nuisance violations. Finally, SIDEZ will help pay for the costs of demolition and clean-up activities.

Additionally, the zone is partnering with Community Health and Emergency Services, Inc. (CHESI) to sponsor a spring clean up. CHESI will use part of a Department of Human Services grant to help pay for rental of dumpsters and a stipend to youth groups who will supervise trash drop-off by citizens on designated clean-up days.

An advisory committee worked with the Shawnee Older Adults Program to develop a two-year work plan to increase outreach activities and services to seniors at the three Senior nutrition centers in the zone in 2000. SIDEZ will provide some funding.

The infrastructure advisory committee examined ways to upgrade ambulance services in the zone, improve gravel roads and water service to zone residents. Counties began upgrading gravel roads with SIDEZ assistance.

In November, each of the three "sub-zones" held a public meeting, facilitated by the county commissioner representative to the SIDEZ Board of Directors. The purpose of the meeting was to update the public on the activities of the SIDEZ and provide residents with an opportunity to make suggestions and comments. A representative to the Board of Directors was elected at each of three sub-zone meetings. Approximately seventy-five people attended the meetings.

An appreciation dinner was held prior to the annual meeting of the Board of Directors on December 16, 1999. At the dinner, Karen Murray of the Office of Community Development presented the SIDEZ Board with a symbolic check for \$1,000,000. The ceremony took place nearly one year after SIDEZ' designation as a Round II Empowerment Zone and signaled that SIDEZ had accomplished organizational and programmatic requirements by USDA Rural Development and could begin to receive empowerment zone grant funds to carry out the strategic plan.

At the annual meeting, four of five youth Board Directors, who had been appointed by high schools in the zone, were added to the Board. President Bob Reichert, Vice-President Patrick Harner, Secretary Mable Hollis and Treasurer Don Denny were re-elected to their offices.

Prospects for the future are bright. During 2000 the zone will begin to see tangible results from the hard work of the past year. A solid organizational structure is in place to begin implementing the Strategic Plan.