

2003 Annual Report Executive Summary

Southernmost Illinois Delta Empowerment Zone

Introduction:

The Southernmost Illinois Delta Empowerment Zone (SIDEZ) Strategic Plan, developed at the time of application for empowerment zone designation, has proven to be a durable guide during the first five years of zone designation. The goals, objectives and strategies outlined in the Strategic Plan have provided a focused approach to addressing multiple issues. During 2003 SIDEZ made progress in each of seven priority goal areas: infrastructure, economic development, tourism, stronger unity/sense of community, life-long learning and education, housing and health care.

Goal #1 Infrastructure:

Only 1.5 additional miles of gravel roads were upgraded to oil and chip during the year. SIDEZ had anticipated utilizing a \$300,000 Delta Regional Authority grant to upgrade gravel roads but did not receive approval to proceed until weather was too cold to perform the work. County road crews will begin work as soon as weather warms up sufficiently in 2004.

Alexander County moved one step closer to re-entering the National Flood Insurance Program by hiring a full time flood plain technical specialist to coordinate mitigation of structures built in the flood plain. USDA provided Rural Business Opportunity Grant funds.

Goal #2 Economic Development:

The zone pursued a comprehensive approach to economic development that included technical assistance to entrepreneurs, low-cost business financing and site improvements.

Technical assistance activities included the employment of a full time project manager by each of the three subzones (counties) to serve as lead economic development contact. Forty-six youth and adults completed entrepreneurship classes. Fifty people attended an EZ tax incentive workshop sponsored by SIDEZ and the Small Business Development Center at Shawnee Community College. Nearly 90 business owners and individuals received free counseling by the SIDEZ credit counselor.

Several economic development feasibility studies were underway that will guide development efforts in future years. SIDEZ contracted with Lockwood Greene, an international engineering and consulting firm to perform a competitive analysis of the zone's economy and to identify appropriate target industries. The results of the study were scheduled for release in January 2004.

Alexander County hired an engineering firm to determine if retrofitting the Bunge soy-bean processing plant in Cairo to cleanly burn high-sulfur Illinois coal would lower operating costs enough to make continued operation of the plant economically viable. The plant shut down temporarily for part of the year. Sixty jobs are at stake. Alexander County also initiated a study to determine the feasibility of providing wireless broadband Internet service throughout the county.

Seven businesses received SIDEZ low-interest loans totaling \$248,200. As a result, nine new jobs were created and eleven existing jobs were retained. The empowerment zone added additional capital to its micro-enterprise loan pool utilizing Rural Business Enterprise Grant and Illinois Workforce Advantage funds. Pulaski County borrowed an additional \$400,000 from USDA Rural Development to expand their Intermediary Relending Program.

Industrial site improvements included infrastructure to the Johnson County industrial park and construction of a 25,000 square foot speculative building. The spec building has been accepted in the Ameren InSite marketing program. A new commercial building was built in Mounds that is occupied by two businesses. A road was constructed to a site that will be home to a new small manufacturer in 2004 near I-57 at the Mounds exit. Inter-rail Systems located in Mounds near a rail spur that was extended with SIDEZ and Delta Regional Authority funds. Late in the year, Pulaski County broke ground on a 12,000 square foot business incubator. Johnson County 2000 began construction of a new building that will be leased to a winery cooperative. Crowder Corporation constructed a building in Vienna that houses a Kraft pizza distribution facility, creating four new jobs in the zone.

SIDEZ facilitated the incorporation of a new regional economic development corporation. The Southern Illinois Stimulus Corporation received its Illinois not-for-profit status in December 2003 and will seek IRS tax-exempt status in 2004. The new Shawnee Mass Transit District became fully operational, positioning the five county district to receive substantial downstate transportation funding from the State of Illinois. Alexander County continued seeking political support for establishment of a port of entry and duty free trade zone designation.

Goal #3 Tourism:

Alexander County Tourism Committee, Southernmost Illinois Tourism Bureau (SITB) and other regional partners hosted numerous cultural and educational events connected with the national bicentennial celebration of the Lewis and Clark Corps of Discovery. Permanent displays related to Lewis and Clark's stay in Alexander County were installed in several locations and will attract and educate history buffs and tourists for years to come. SITB provided information on the empowerment zone to 2000 persons who responded to a SIDEZ advertisement in a regional tourism publication. The City of Vienna hired a part-time staff person to provide information to visitors to the Forman Depot.

Pulaski County Development Association broke ground on a new campground and lodge facility at the Ohio River Recreation Area near Grand Chain. They also held the first annual Ohio River Bayou Festival at the site that attracted close to 700 hundred people.

Goal #4 Stronger Unity/Sense of Community:

Operation Facelift, a SIDEZ program that assists communities in removing vacant blighted structures, did not progress as much in 2003 as during the previous year. However, seven derelict properties were removed during the year, bringing the total number of blighted structures removed under Operation Facelift to fifty-three. Communities submitted an additional 70 eyesores for removal. Alexander County completed an extensive separate clean-up effort in the unincorporated community of Future City. Forty-five lots were cleared of derelict structures and overgrown vegetation. SIDEZ and nine other agencies co-sponsored a workshop by Illinois Historic Preservation Agency called Preservation 101. Forty-five attendees learned about requirements for using federal funds for demolition and heard examples of successful alternatives to demolition.

Four communities offered 6-week summer recreation programs that served an average of 111 children per day. Seventy-one adults and a summer recreation coordinator assisted in program delivery. The University of Illinois Extension and partners received a Rural Community Assistance Award from the Eastern Region of the Forest Service for their 2002 "I Am Too America," summer recreation program involving an archeological dig.

Several communities improved public buildings and made park improvements. Pulaski County and a new not-for-profit corporation called V.O.I.C.E. received a Governor's Hometown Award for Volunteerism for establishment of a new park in the unincorporated community of Villa Ridge.

Goal #5 Life-long Learning and Education:

The seven school districts in the zone continued Community Learning Center programming with SIDEZ assistance. Schools reported that 1,893 students, parents and community members had participated in after school tutoring, computer training, parent-student activities and other programs. One elementary school reported that their Illinois standard assessment student test scores in reading and math improved enough that they no longer met criteria for remedial education funding.

For the third year, SIDEZ made education mini-grants of up to \$2,000 for organizations to conduct innovative educational programs. Programs completed during the year included a history symposium on Lewis and Clark, a series of capacity building trainings for community members, including one by the Federal Reserve Bank of St. Louis and a summer fishing camp. Shawnee Community College sponsored its third summer Youth Leadership Academy with SIDEZ support.

Goal #6 Housing:

A new not-for-profit housing entity, the Vienna Development Group, incorporated and began making plans to develop new affordable housing units in Johnson County. Several housing projects funded by SIDEZ in previous years began to show results. Family Counseling Center opened the doors on a new 8-unit assisted living facility. The Alexander County Housing Authority made progress on building three of four proposed new single-family houses. Shawnee Development Council acquired land and bid out construction on a new single-family house in Mounds. Southern Five Planning Commission began using SIDEZ funds for rehabilitation of homes to supplement state funding.

Goal #7 Health Care:

Alexander and Pulaski counties each bought a new ambulance and Pulaski County built a new centrally located ambulance base. Johnson County Chamber of Commerce contracted for the services of a grant writer to seek additional funding for the ambulance service and other health care services. Five health care competitive grants for equipment and training were awarded. Each county in the empowerment zone completed a health care assessment with funding from the Illinois Delta Network.

Summary:

Accomplishments in each goal area reveal that the zone has experienced much success during the past year. Some projects have been undertaken on a zone wide basis while others are unique to a particular subzone. Zone residents have learned through experience that the success of one community is a success for all just as the failure of one community is a failure that reflects on all. Halfway through zone designation, SIDEZ has established a solid reputation of success on which to build.