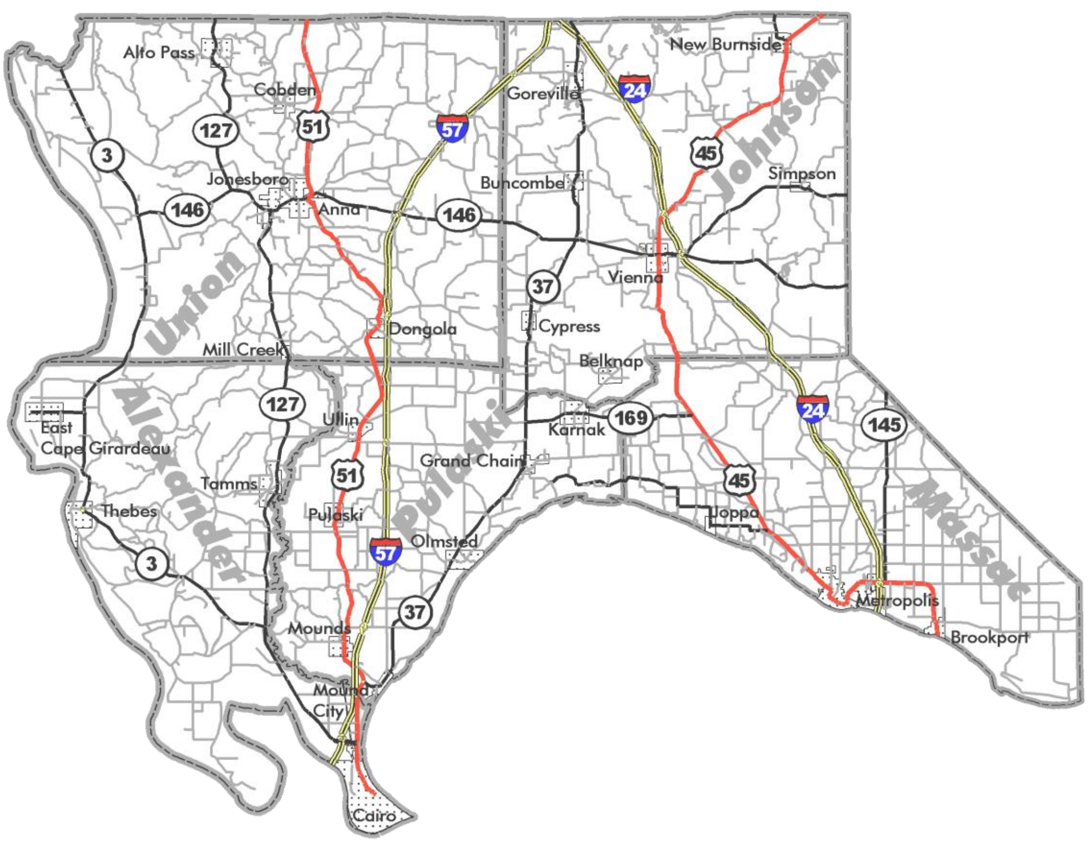
2021
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

For:
Alexander, Johnson, Massac, Pulaski, and Union Counties, Illinois



Prepared For:
U.S. Department of Commerce
Economic Development Administration

Southern Five Regional Planning District and Development Commission

5 Justice Drive · Ullin, IL 62992 · (618) 845-9000 · Fax (618) 845-9500

www.southernfive.org

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Local Government Officials of Alexander, Johnson,
Massac, Pulaski & Union Counties;

Local Economic Development Organizations;

State and Federal Agencies and Interested Citizens:

The U.S. Department of Commerce, Economic Development Administration (EDA) designated the Southern Five Regional Planning District and Development Commission as the operating agency (i.e. Economic Development District) for the Illinois counties of Alexander, Johnson, Massac, Pulaski and Union in February of 1976.

The Economic Development District's (EDD) Comprehensive Economic Development Strategy (CEDS) is intended to 1) provide the area with a logical framework within which to pursue its economic development objectives; 2) qualify all areas of the jurisdiction for selected EDA financial assistance; and 3) qualify the EDD organization for the receipt of ongoing EDA Section 301 (b) planning funds.

This EDD organization is pleased to present the resultant report entitled *Comprehensive Economic Development Strategy for Alexander, Johnson, Massac, Pulaski and Union Counties, Illinois*. The CEDS document comprises four main elements: analysis, vision, action plan, and evaluation. It also establishes criteria for evaluation of the process and for the periodic update of the document. This document discusses the five-county area and its current economy, a statement of change, strategies and activities, performance measures, and the evaluation process. Finally, the CEDS is to be used as a development strategy for the District designed to aid local officials in wisely targeting the future use of limited Federal and State assistance with the District so as to maximize their benefits for the Region as a whole.

Southern Five Regional Planning District and Development Commission wishes to express its appreciation to the organizations and local governments for their contributions toward the preparation, review, and approval of the 2021 District CEDS document. In addition, the Economic Development District would also like to recognize the contribution made through the cooperation of various local economic development organizations along with state and federal agencies in providing data and reviewing the accuracy of this document.

Respectfully submitted,

Tiffany R. George
Executive Director

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Chapter One

Background

The Southern Five Regional Planning District and Development Commission serves the Illinois counties of Alexander, Johnson, Massac, Pulaski, and Union. Accentuated by a population that has been characterized as “persistently poor”, the Southern Five Region is arguably the most economically depressed area of Illinois. The Southern Five Region has historically had levels of unemployment and poverty two to four times state and national averages. The Region is part of a larger geocultural region referred to as the Lower Mississippi Delta. Covering parts of seven states, the Delta is generally defined as the area along the Mississippi River from southernmost Illinois to the Gulf of Mexico. Statistics contend that the Delta is the poorest region of the country. The primary objective of Southern Five’s Comprehensive Economic Development Strategies is to continually evaluate this situation of socio-economic distress and provide general direction and assistance in addressing the region’s economic development needs and challenges. Historically, the Southern Five Region has benefited last from upswings in the national economy, while it is the first to feel the effects of economic downturn. It is the goal and mission of Southern Five Regional Planning District and Development Commission to prepare the region economically to take better advantage of economic opportunities, respond more resiliently to economic downturns, and bring the economy as a whole more in line with national and state trends.

Regional Economy & Economic Clusters

Government, transportation, and services are the three major sectors of the Southern Five Region’s economy. These three sectors made up 73% of employment in the Region in 2021. Government made up 18.6% of the regional employment, while services and trade provide 45.3% and 8.9% respectively. The next largest areas of employment in the region are healthcare at 17.1% and farming at 6.9%.

With the current political climate and state financial situation, it is imperative that the Region put in place avenues for less reliance on government employment and more reliance on private investment and employment. Government employment is one of the largest employment sectors within the region at over 18 percent. This reliance on presently unstable revenue streams is a danger to the overall economy of the Region.

It appears that there may be room for growth within the agricultural sector, transportation sector, and leisure and hospitality sectors of the Region’s employment base. Additionally, the increase in employment within the three foregoing sectors will accomplish an ancillary increase in the employment within additional sectors in the Region that presently have small, negligible employment numbers such as financial activities, information, and professional sectors.

	2019	% of Total
	Employment	Employment
Farm	1,817	6.9%
Non-Farm	24,408	93.1%
Government	4,869	18.6%
Service Providing	11,882	45.3%
Construction	300	1.1%
Manufacturing	509	1.9%
Trade, Transportation & Utilities	2,339	8.9%
Financial Activities	396	1.5%
Health Care	1,858	7.1%
Professional	307	1.2%
Leisure and Hospitality	1,503	5.7%
Other	445	1.7%
TOTAL	26.225	

Based on 2019 Department of Commerce BEA statistics, on-farm agricultural employment represented 6.9% of total regional employment. The Region has a diversified agricultural economy that includes not only traditional row cropping and livestock activities, but also has significant fruit and vegetable production. Although demand exists for marketing of fresh vegetables, production of fresh vegetables has declined in the Region. Most commercial vegetable producers within the Region grow vegetables on a part-time basis for supplemental income or raise vegetables as a sideline to other income producing agricultural pursuits. Instability of production yields, labor intensity of production and marketing difficulties hamper full-time vegetable production. A recent increase in grape production and the development of the Southern Illinois Wine Trail has increased production of grapes within the region and offers the opportunity for growth within this niche market.

Based upon current information and outlooks for the future, there exists the potential for a significant renewable energies cluster to develop within the Southern Five Region. The three large grain handling facilities (CGB, ADM, and Bunge) in the Region will also contribute to the strengthening of this economic cluster. The close ties renewable energies have to agricultural products and the transportation of the goods manufactured, raw materials, and bi-products also increases the likelihood that the merging of agriculture-related cluster and transportation services cluster are beginning to develop as well.

Off-farm employment and income plays a supportive role in agricultural operations. Generally, most on-farm work is done by farm operators and their families, with some part-time paid-for assistance. Future expansion of on-farm and off-farm agricultural employment will depend on several factors. Increase in river-rail shipment of agricultural products, development of agricultural processing and/or storage facilities, local capacity to accommodate greater numbers of migrant farm workers, a more stable market price for agricultural products, and other influences would increase agricultural-related employment opportunities. Major problems identified by agricultural advisors surveyed throughout the Region include high production costs, low prices, inequitable farmland tax assessments, and overall low net income. Like farming enterprises elsewhere, the local agricultural industry has faced increases in production costs that are greater than increases in prices for products. Low prices in relation to production costs and fluctuations in prices at the marketplace further affect the viability of farming in the Region. All factors taken together result in net incomes that are too low to allow for additional investment. This threatens the continuation of many farming operations in the Region. Regional farm employment only showed a slight increase from 2010 to 2020 indicating an overall stalemate in one of the major employment sectors in the Region.

Manufacturing is not nearly as significant in the Southern Five Region's economy, providing nearly 1.9% of the Region's employment. In the Southern Five Region, the major components of durable manufacturing are stone, clay, glass, and concrete products; and transportation, equipment, fabricated metals, and lumber products. Dominant components of non-durable goods manufacturing include chemicals, leather products, rubber and plastics, and food products. The largest non-durable manufacturer in the area is Honeywell, located in Massac County. The major manufacturing employer of durable goods is LaFarge Corporation located in Massac County.

The government and service sectors account for the majority of employment, both farm and non-farm, throughout the Region. Much of the economic activity for the Region takes place in two of the Region's five counties: Union and Massac. These two counties host over 63% of the Region's non-farm business. The counties see 63% of the Region's retail dollars. Regional retail sales are approximately $6000 per capita, with an estimated 33% of the retail dollars leaving the Region to outside retail centers in Paducah, Kentucky, Cape Girardeau, Missouri, and Carbondale/Marion, Illinois.

<u>Population</u>

Population of the Southern Five Region according to the most recent figures, 2020, was 55,154. This number represents a decline of 5,064 residents, or 8.5%, since the 2010 Census. This indicates that there continues to be an overall decline in the population. A trend that was once thought to have stabilized based on estimated figures has now been shown to be worsening in its continued population decline. Population numbers in certain areas of the Region, the City of Cairo in Alexander County, continues to decline in population drastically, while other areas of the Region, Anna and Cobden in Union County, Goreville and Vienna in Johnson County, Metropolis in Massac County, and Ullin in Pulaski County are showing an increase in their population numbers.

The Region has a significant elderly population. Approximately 18% of the Region's residents are 65 or older. The Region also has 21.7 percent of its population under the age of 18. The Region's population is fairly evenly distributed by gender, with 51% of the Region's residents being male and 49% being female. The Region has a significant minority population. African-Americans make up 17% of the Region's minority population. Caucasians make up 81.9% of the Region's population, with other nationalities making up the other 1.1 percent. Four percent of the Region's population is from Hispanic origin. The Hispanic population within the Region has increased over the past five years. This is due to a resurgence of agricultural related activities, which are most suitable for Hispanic laborers such as orchards, vegetable production, and vineyards.

Alexander County's 2020 population of 5,240 represents 9.5% of the Region's residents. This is a decline of 2,998 residents, or 36% of the total population in ten years since 2010. This County has 23.1% of its population aged 65 or older and 22.2% of its population under the age of 18. This leaves approximately 55% of the County's population in the prime workforce. Alexander County's population is divided between 48.6% male and 51.4% female. Over one-third, 35.1%, of the County's population belongs to minority groups. The primary minority group is African American, representing 31.8% of the County's residents. Other minority groups make up less than 4 percent of the County's population.

Johnson County's 2020 population of 13,308 represents 24.1% of the Region's residents. This is the only County within the Region in which actually gain population during the last decade. The County has 21.9% of its population aged 65 or older and 18.3% of its population under the age of 18. Projections anticipate that the elderly population will continue to increase while the younger population will continue to drastically decrease between now and 2030. The County's population is divided between 54.5% male and 45.5% female. Statistics and forecasts for Johnson County are somewhat skewed considering that two state prisons are located within Johnson County. Population and minority figures of these incarcerated inmates are included.

Massac County's 2020 population of 14,169 represents 25.7% of the Southern Five Region's residents. The population in Massac County had been increasing over the past 20 years, mainly due to increased economic opportunities through the tourism and gaming industry available in Massac County's largest municipality and county seat, Metropolis. However, in the past 10 years there was an 8% reduction in population. The County has only 21.4% of its population age 65 or older and 21.6% under the age of eighteen. This puts over 50% of Massac County's residents within the prime workforce. The County's population is divided between 48.1% male and 51.9% female with the ratio remaining essentially unchanged over the past few decades. Only 9.6% of Massac County's population belongs to minority groups.

Pulaski County's 2020 population of 5,196 represents approximately 9.4% of the Southern Five Region. The population, though presently declining, has remained relatively stable over the past several years. The County has 23.1% of its population over the age of 65 and 21.3% under the age of 18. This shows over 55% of the population in Pulaski County in the prime workforce with the possibility of a growing workforce with a larger percentage expected to be entering this category in the future. The County's population is divided between 48.4% male and 51.6% female. A little more than one-third, 35%, of Pulaski County's residents belongs to minority groups. The primary minority group is African American, representing 30.6% of the County's population.

Union County's estimated population in 2020 was 17,244, representing 31.3% of the Region's residents. The County has 21.9% of its population over age 65 and 21.1% under age 18. Union County's population is divided between 50.1% male and 49.9% female. Nearly four percent of the County's population belongs to minority groups. The largest percentage minority group is Hispanic by far.

Geography

The area encompassed by the Southern Five Regional Planning District and Development Commission borders both Kentucky and Missouri, and is located midway between the northern and southern boundaries of the United States, midway between the Rocky Mountains and the Atlantic Ocean, and at the Confluence of the Ohio and Mississippi Rivers. The Region's southern and western borders are the Ohio River and the Mississippi Rivers, respectively. The Region's western boundary is located along the middle of the Mississippi River's main channel dividing Illinois and the State of Missouri. The Cache River separates Pulaski and Alexander Counties and forms a small portion of Johnson County's southern border. The remaining county boundaries date back to 1843 and were established to provide effective political organization. Although the Southern Five Region comprises less than 0.5% of the total population of Illinois it covers approximately 2.6% of the State's total area.

The Southern Five Region has a unique mix of diverse physiographic areas within close proximity, resulting in part from the melt and runoff associated with receding glaciers north of the area and from alluvial deposits. Physiographic regions represented include Ozark Plateau Province (Lower Mississippi Bottomlands-Uplands), Costal Plain Province and Interior Low Plateau Province (Greater Shawnee Hills and Lesser Shawnee Hills). The Lower Mississippi River Bottomlands-Ozark is bordered by the Mississippi River in Union and Alexander Counties. The area is characterized by highly productive soils, meander scars of the river and high bluffs. The bluff areas are fostered and support a broad range of plant and animal life. The Coastal Plain Province includes most of Massac and Pulaski Counties and an adjoining portion of Alexander County. Silt and gravel deposited by glacial melt waters in the old Ohio River basin helped to create swampy lowlands in the old channel and low lying hills between the old and new river channels. Almost all of the Lesser Shawnee Hills contain caves, sink holes, and small streams. The Region is underlain by limestone and sandstone and is characterized by gently rolling to hilly terrain. The Greater Shawnee Hills are noted particularly for heavy forestation, prominent sandstone bluffs, and a wide variety of plant and animal life. Upland hills are located principally in northern Johnson County and in small portions of Union County and are more rugged than the lower hills.

The Southern Five Region exhibits a high degree of physiographic variability including swamps, streams, bottomlands, hills, bluffs, and forests. Elevation ranges from less than 300 to more than 1,000 feet above sea level. Areas along the Mississippi and Ohio Rivers have elevations approximately 500 feet or less. Northern areas generally have elevations of 400 feet or more. The highest point in the Region and the second highest elevation in the State is Bald Knob in Union County, which has an elevation of 1,020 feet. The topography ranges from rugged hills to wide floodplains, offering a great variety of landscapes compared to most regions of the State. Highly erodible uplands cause serious siltation and water quality problems in the associated floodplains, many of which have been identified as important wetlands. The presence of the Mississippi, Ohio, and Cache River, the wetlands, and the unique natural areas associated with them represents unique challenges to development interests.

The Cache River Basin, which drains more than half the entire Region, is the oldest surviving natural community in the eastern half of the continent. The Lower Cache River State Natural Area contains trees which are over 1,000 years old and which include at least twelve state and two national champions. The Cache Basin contains 58 designated natural areas, 3 National Natural Landmarks, two large conservation areas, and two large nature preserves. The Cache Basin is home to at least 50 state and federally threatened or endangered species, and offers unique opportunities for both preservation and development. At present, the U.S. Fish and Wildlife Service, the Nature Conservancy, Ducks Unlimited, and the Illinois Department of Conservation are cooperating in an attempt to preserve over 60,000 acres of wetlands and hardwood bottoms in the basin. The North American Waterfowl Management Plan has recognized the significance of the Cache Basin. Plans call for the establishment of five contiguous management areas, which will include the Heron Pond, Little Black Slough and Lower Cache River State Natural Areas. The Cypress Creek National Wildlife Refuge will total approximately 30,000 acres and provide a buffer for the Natural Areas upon completion of this project. The Nature Conservancy and Ducks Unlimited have begun purchasing additional land for both preservation and restoration projects. This venture is designed to provide recreational opportunities for outdoorsmen and conservationists.

About one-third of the land area of the Southern Five Region is made up of soils that are good to excellent for row crop production and much of the same land is good to excellent for fruit and vegetable production. About 80% of the soils are good to excellent for pasture and 70% for commercial woodlands. Generally, the lowland soils are very fertile and the hilly are less fertile. Steep slopes cause problems. Western Union and Alexander Counties have the largest percentage of area in steep slopes. Other upland soils are located throughout Johnson County, the eastern half of Union County, the east-central part of Pulaski County, and in a band across Massac County. Bottomland and lakebed soils located in the southern and northern sections of Massac County, in the southern half and northwestern corner of Alexander County, along with the Mississippi River in Union County, and along the narrow streambeds in Union and Johnson Counties are well-suited for agriculture.

Other factors affect soil characteristics and farming. Although the moisture-holding capacity of the Region's soils is less than that for central and northern Illinois soils, the growing season is longer in the Region. The lower moisture-holding capacity reduces corn yields in the Region, as shown by lower yields in the five counties when compared with central Illinois. The long growing season, however, gives the area a competitive advantage in the production of soybeans, fruits, and vegetables. Soil erosion is a great concern for the Region. Past soil erosion studies conducted by the Illinois Environmental Protection Agency identified the Region as among the highest erosion areas in the State of Illinois. Major sources of soil erosion identified by IEPA are agriculture, gullies, and streambeds. The overall topography of the Region contributes significantly to its erosion problems.

Workforce Development & Use

The Southern Five Region has 22% of its residents over the age of 65 and 21% of its population under the age of 18, leaving 57% of the Region in the "prime" labor force age groups. The current labor force represents 48% of the Region's population. This signifies that the potential for labor force growth within the stable population is possible. As the Region's poverty rates would indicate, there is a population of able-bodied individuals that are receiving financial assistance through government sources. The quality of the Region's labor force also has potential for improvement. Currently, only 86% of the Region's residents older than 25 have high school diplomas and 16.6% have college degrees. This is an improvement since 2010, however there is still room for improvement given that in the State of Illinois, 89.2% of its residents have high school diplomas and 34.7% have college degrees. The Region also has a history of high unemployment. The Region has had one or more counties in the top ten in unemployment for more than a year. Alexander and Pulaski Counties are consistently in the first five counties within the State with the highest unemployment rates.

With 43% of Alexander County's residents either older than 65 or younger than 18, half of the County's residents fall into the "prime" age group for the labor force. Currently the unemployment rate has decreased to an average of 8.7% from an 13.1% average in 2016. Nearly 14% of the county's adult residents are without high school diplomas and college graduates make up only 13% of the adult population.

Over 59% of Johnson County's residents fall into the "prime" age group for the labor force. However, labor force statistics, as they relate to population, are affected by the substantial prison population within the community. This may explain the sizable gap between the number of residents in the prime age group and the actual size of the labor force, 41% of the County's population. Only 82.2% of the adult population has high diplomas and 16% are college graduates.

Massac County's population figures indicate that there are 57% of Massac County residents within the age group making up the labor force. This number closely correlates to the labor force figures that put its size at 43% of the population. Thirteen percent of the adult population is without a high school diploma, and college graduates make up 14% of the adult population.

Forty five percent of Pulaski County's "prime" labor force population is employed. The labor force has seen some change in the past five years. The labor force has increased by 5%. Nearly 88.8% of the adult population has received their high school diploma, and college graduates make up 12.5% of the adult population.

Union County's labor force makes up 54% of the population. The labor force in this county has decreased 3% over the past five years. Nearly 89% of the county's adult residents have high school diplomas and college graduates make up 21.7% of the adult population.

Transportation Access

The Southern Five Region is served by a highway system that, in general, provides excellent north-south linkages, but inadequate east-west linkages. Primary highways include: I-57, US 45, US 51, IL 145, IL 37, IL 127, and IL 3 running north-south at regular intervals across the Region. The only east-west highways serving the Region are I-24, IL 146, and IL 169. Approximately half of the roadways throughout the Region are unpaved.

With the exception of the interstates (I-57 and I-24), most highways and roads in the five-county area do not meet width and shoulder standards and specifications established for the various highway and road classifications. In addition, many highways and roads wind through hilly areas and are not conducive to safe and efficient movement of vehicles. Major highways and roads in the Southern Five Region are forced to serve multiple functions, including agricultural and industrial movement of goods and products, access to retail, recreation and tourist areas, and egress to residential locations. Interstates 57 and 24 intersect just north of Johnson County and generally form an inverted "Y" as they transverse the five-county area. According to the Illinois Department of Transportation, I-24 has the highest rural traffic volumes in the Region. Traffic volumes on I-24 were highest closest to the Ohio River due to commuting patterns in Massac County and McCracken County, Kentucky.

The federal interstate highway network provides direct and rapid access to many major cities and areas within Illinois and throughout the nation. I-24 and I-57 provide access to the southwestern and southeastern United States, sections of increasing economic significance and population growth. The interstate system provides a means by which the Region may be further integrated with the rest of Illinois and can also encourage greater economic involvement with major industrial, business, and marketing centers outside the state. Other than the interstates, traffic volumes are higher on IL 146, US 51, and US 45 than any other rural roadways in the Region. Route 146 is the main east-west highway for the lower portion of Illinois. It begins at the Missouri-Illinois state line at the Region's western border and continues east to Golconda on the Ohio River before turning north and east paralleling the Ohio River. Route 146 serves as a major city street in Jonesboro, Anna, and Vienna, provides access to retail, agricultural, and industrial establishments, and allows movement to residential areas and scattered residences. Cape Girardeau, Missouri, an important social and economic center for the Region's residents, is accessible via Route 146. US 51 enters the Region from the south at Cairo, exits the Region from Union County, and connects with Carbondale, another significant social and economic center for the area residents. A notable amount of traffic occurs on US 45 at the crossing of the Ohio River at Brookport, which links the eastern portion of the Region with Paducah, Kentucky. US 45 is similar to other major highways in the Region in that it serves a variety of uses. In addition to the intersection of I-24 and US 45, traffic volumes are particularly high in an area east of Joppa where the highway connects with a compact series of county roads leading to Joppa, New Grand Chain, and residential areas. US 45 and this series of county roads make up the Ohio River Scenic Route National Scenic By-Way through Massac County and on into Pulaski County to IL Route 37 at New Grand Chain. In the western portion of the five counties is IL Route 3, which is an important north-south highway and is part of the Great River Road, established to honor the role of the Mississippi River in the nation's development. Route 3 provides access to various conservation, ecological, and historical sites and other points of historical interest in the Region.

Previously, there had been an ongoing regional effort to encourage the Illinois Department of Transportation and Federal Transportation officials to consider the possibility of locating a portion of the new federal Interstate 66 corridor through the Southern Five Region. The Federal Highway Administration is constructing a new major east-west interstate corridor through the southern portion of the United States. It has been proposed that I-66 connect I-24 in Kentucky to I-55 in Missouri. One logical route for this construction was directly through the Southern Five Region from I-24 in Metropolis to I-55 in Cape Girardeau, Missouri, however the most recent plans for I-66 does not intersect into Illinois. As a result, the State of Illinois has now proposed a new State Highway, the Shawnee Parkway to connect I-24 in Paducah, Kentucky to I-55 in Cape Girardeau, Missouri. Several different routes have been discussed and all of these routes are slated to go through the Southern Five Region which would provide potential for economic development.

Although the major highways do allow for sufficient movement of people, goods, and products to many areas within the Region, that movement is hampered by narrow road widths, the absence of shoulders, numerous difficult curves, particularly in hilly areas, and periodic conflicting uses. In addition, many minor roadways are not paved. For the Region to ensure economic expansion, the highway system must provide for safe and timely transport of materials, services, goods, and people. Continued efforts to widen roads and bridges, to improve road and rail crossings, and to increase safety through signage and maintenance needs to be supplemented by efforts to make tourist and recreation areas more accessible, to enhance access to retail areas, and to anticipate and deal with potential conflicts that emerge from the multipurpose nature of the highway system.

Rail transportation within the Region includes four mainlines and two light density lines. The Region's accessibility to the inland waterway system, its complex of in-place rail lines, and its potential for a rail-truck-river transportation network illustrates the significance of rail transportation to the area.

The Missouri-Pacific mainline runs from Thebes in Alexander County to St. Louis, Missouri. Of the remaining three mainlines, two of these are operated by the Canadian National Railroad, which was formerly known as the Illinois Central Gulf Railroad. One line goes from Cairo in Alexander County north to Carbondale and then on to Chicago. Since its acquisition by Canadian National in 1999, this mainline has been designated as a NAFTA trade route. Economic development along this line is a distinct possibility for this area. The other CN line goes from Joppa in Massac County to an intersection with another CN line in Franklin County. Electric Energy, Inc. has constructed

3.24 miles of track that links the Union Pacific to the Burlington Northern railroad near Joppa in Massac County.

There is a locally owned short line service, the Cairo Terminal Railroad, which connects Cairo and Elco. A light density line of particular significance is the Mounds to Mound City line, owned by the CN and Conrail and operated by the CN. This line connects the main CN line with ADM and Consolidated Grain and Barge, two large regional grain facilities, located in Mound City. This line has the potential to contribute significantly to the movement of grain from Illinois processors to ports along the Gulf of Mexico.

The only passenger service available is part of Amtrak's Chicago to New Orleans service. Two passenger trains, one north and one south, pass through the Region daily. At present, the nearest passenger rail service is available in Carbondale, Illinois and Fulton, Kentucky. Both of these terminals are located along the Canadian National's Chicago-to-New Orleans line.

Two municipal airports are located within the Region at Cairo and Metropolis. Neither airport has commercial service nor is such service anticipated in the future. Both airports, however, do schedule charter flights. Regularly scheduled airline service is available via regional airports in Paducah, Kentucky, Cape Girardeau, Missouri, and Carbondale/Marion, Illinois. Each of these airports has flights on a daily basis to and from larger regional centers (St. Louis, Chicago, Memphis, Nashville, Louisville), enabling connections to US and international destinations. The southern portion of Illinois faces difficulties common to other areas with low population density in that there is not enough demand on a daily or weekly basis to support regular commercial airline service without financial subsidy.

Because of deregulation, ever-increasing costs, and the initial capital outlay needed for service establishment, it does not appear feasible to have regular commercial air service in the Southern Five Region. The lack of general aviation airports throughout the Region, combined with an increase in economic activity within the area eventually may require establishment of such service. However, at this time, there is not enough business transportation need to enable adequate provision for effective scheduling of air service and possible expansion of airport facilities.

The Southern Five Region is strategically located in the heart of the inland waterway system on the Ohio and Mississippi Rivers. Freight tonnage passing through ports on the lower Ohio River have increased drastically over the past two decades. Wheat, corn, and soybeans comprise approximately 98% of cash grain tonnage on the inland waterway system. Illinois is a major producer of these products and thus southernmost Illinois is projected to have the largest absolute increases in traffic due to anticipated expansion of both grain and coal shipments. Increased river transportation depends upon available facilities. A modernization program of the lock and dam system has increased lock structures to accommodate increased size of tows. The US Army Corps of Engineers has extensively studied the lower Ohio River. Construction of the Olmsted Locks & Dam was completed in 2018. This construction project was the largest public works project in the United States. This major installation will replace the antiquated Lock & Dam #52 at Brookport and Lock & Dam #53 at Grand Chain, and was estimated to increase barge capacity of the lower Ohio River by 90 percent.

A major component of river transportation is movement of products from land to waterways. This requires port and barge loading facilities. There are several barge loading and unloading operations along the Ohio River. Terminals in Massac County transfer products related to cement manufacturing and energy production. Pulaski County has two terminals, which are primarily grain storage and transfer facilities. Two terminals in Alexander County are involved in transference of grain and miscellaneous products. In 1976, Union County joined with Jackson County in the formation of a port district and became the first of the Southern Five counties in such a district. The Jackson-Union Regional Port District occupies 43 miles of Mississippi River waterfront and offers lock-free barging south to the Gulf of Mexico. In 2010, two new port districts were enacted by Congress: the Alexander-Cairo Port, located in Cairo, IL and the Massac-Metropolis Port, located in Joppa, IL. Currently, the Massac-Metropolis Port District is in the planning stages of development. The Alexander-Cairo Port is now in the permitting and engineering stages. It is anticipated that since 80% of the inland barge traffic passes through Cairo that this new development to be a major driver of economic development in the region. The State of Illinois has committed 40 million dollars in resources to aid in the development of the Alexander-Cairo Port.

The Southern Five Region has the attributes to serve as a major transshipment center. Cairo, Illinois is located at the confluence of the Ohio and Mississippi Rivers and represents the dividing line between the upper and lower reaches of the Mississippi. The Ohio River is ice-free, and forms the southern border of the Region. The Region also has significant agricultural production and excellent access to other agricultural, manufacturing, and coal producing regions. Access to the Gulf Intracoastal Waterway, St. Lawrence Seaway, Cumberland and Tennessee Rivers, and Tombigbee Waterway further expands the transshipment service capabilities of the Region. Benefits reaped from development of these capacities will assist economic development in the Region, aid cost effective marketing of Illinois products, and enhance the functioning of the inland waterway system.

Public Transportation in the aid of economic development is available through the Southernmost Area Rural Transit System (SMART). This is a regional public transportation system that assists area businesses in coordinating routes to employment centers. They also provide transportation services to educational venues and medical services. There is a limited opportunity to expand the public transportation routes offered throughout the Region, however financial constraints and lack of ridership are proving to be obstacles to establishing organized regular routes.

<u>Resources</u>

The south Mississippi River Basin, the Ohio River, and the Big Muddy River Basin cover portions of the Southern Five Region. The Ohio and Mississippi Rivers represent an excellent water supply for community and industrial purposes. At times, surface water is too readily available and portions of the Region are flood prone. Flood control efforts include channelization, levee systems, lake construction, and possible future construction of pumping stations and further channelization. Additional flood control is provided by the forested wetlands. Horseshoe Lake, Heron Pond, Mermet Lake, and numerous other wetlands scattered throughout the area furnish overflow areas during flooding and provide slow water recharge for the flow season. Forested wetlands are self-maintaining, are capable of adding sediment without filling up, and can eliminate potential pollutants through natural processes.

Surface water quality influences groundwater quality. Underground water reservoirs (aquifers) are supplied by surface water, precipitation and other underground water sources. Aquifers that are close to the surface and are composed of sand, gravel, and/or creviced limestone rapidly receive and discharge unfiltered water. Availability of groundwater resources varies within the five counties. Some aquifers can produce as little as 20 gallons per minute, while others can produce over 500 gallons per minute. Public and private water systems have worked to utilize the most reliable sources of water and to protect those sources from pollution. Supplies of surface and ground water are sufficient to support community and economic development, provided the infrastructure to tap these resources are well established, maintained and supplemented appropriately.

Numerous areas under the jurisdiction of agencies such as the US Forest Service and the Illinois Department of Conservation, and some in private ownership, are designated as ecological, historical, recreational, or conservation areas. As part of the Region's natural resources these areas represent potential for development of a strong tourism/recreational industry. The appeal of an ecological area, for example could draw in nature lovers; civil war history enthusiasts would find several sites of interest, and hunting and fishing in conservation areas not only brings in sportsmen but also aids in management issues.

Though virtually all of the timber in the Region could benefit from better management the resource is not under-utilized and could support more economic activities now and in the future. A sizeable portion of the Region was originally covered with forests. Forested areas were cut and cleared for agriculture and timber enterprises. Over-cutting, inappropriate use, and misuse of areas depleted the resource and decreased the capability of the land to combat erosion. Part of the Shawnee National Forest is located in the Southern Five Region.

Upland and lowland forests are located in the Region. Varieties found in both upland and lowland forests include red and white oak, hickory and ash. Yellow poplar, black oak, hard maple, beech and black walnut are found mainly in the uplands. Cottonwood, sycamore, sweet gum, soft maple, elm, tupelo, black gum, and cypress do well in lowlands. The timber industry has the capacity to provide many jobs for the impoverished citizens of the Region, plus provide the opportunity for developing a broad spectrum of spin-off businesses. A strong timber industry could also encourage the replanting of marginal cropland and flood prone areas to forest.

The variety of physical features, a humid temperate climate, the geographic location, the assorted vegetation, and the large tracts of public land in the Region all contribute to a wide variety of wildlife resources. The Region falls within the Mississippi Flyway, a major waterfowl route, and has large numbers of waterfowl that winter in the area. The Union County Conservation Area and the Horseshoe Lake Conservation Area are known particularly for the large and growing flock of Canada Geese that migrate through the area. The Cypress Creek National Wildlife Refuge also enhances the Region's attractiveness to migratory waterfowl. The wild turkey population, which had disappeared completely due to over hunting and disturbance of forest habitat has been restocked successfully. The ruffed grouse has been released in Alexander and Union Counties. Huntable populations now exist in all five of the Region's counties.

The wildlife present in the five counties offers many different opportunities. Persons interested in hunting and fishing find an incredible variety and supply of species in the area. Game animals include geese, wild turkey, deer, ducks, beaver, quail, doves, and others. Local fish species include bass, bluegill, channel catfish, and crappie. People interested in non-game wildlife may find eagles, hawks, owls, and vultures. Refuge and conservation areas protect habitats for rare or uncommon species, such as river otter, bobcat, western bird-voiced treefrog, bantam sunfish, and mole salamander. Areas within the Southern Five Region are home to species such as the scarlet snake, northern black tail shiner, spring cavefish, and northern flat headed snake and are found here in segments of their restricted or only known range. Establishment of wildlife, ecological, and forest preservation areas has encouraged the continuation and enlargement of resident and migratory wildlife populations. Various hunting clubs and related commercial support enterprises have developed in proximity to these areas.

In the Southern Five Region, the problem of conversion of prime farmland to other non-agricultural uses has not been of the magnitude experienced elsewhere. However, as a natural resource, prime farmland is threatened. Suitable land for agriculture is prevalent in the Region. As an exporting industry, agricultural production units utilize natural resources and contribute greatly to the Region's economic base. Further development of those resources and protection of the land's productivity relies on application of available management and technology methods appropriate for the Region. County and regional agricultural professionals indicate improvement of production practices is a major way to maximize the potential for the agricultural industry. A factor related to production practices and protection of resources is improvement of marketing. Improvement of marketing practices and a strategy that increase income may also encourage improved production practices. Diversification of agricultural activities to include the production of innovative and marketable new products is another promising direction for the agricultural sector. The potential for aquaculture, viticulture, vegetable production, wild game breeding, small scale

forestry, and other production alternatives have all been identified as feasible alternatives to the production of traditional crops such as corn, wheat, soybeans, and grain sorghum.
Physiographic development resulted in deposits of limestone, clay, sand, gravel, and other mineral resources. From 2,000 to 13,000 feet below the surface is a granite base on which different kinds of bedrock lie. Dolomite, sandstone, and shale are located in northwestern Alexander County. Limestone deposits are found in much of north-central and eastern Union County and extend southward through Pulaski County to central Alexander County. Sandstone is also found in eastern Union and much of Johnson Counties. The only coal deposits are located in northeastern Johnson County. Sand, gravel, clay and silt deposits are located along the Ohio River. Mining and mineral resource extraction plays a part in the regional economy. Locally, there are three major types of mining operations; the limestone quarries, the silica mines, and the clay mines. All use open pit methods of extraction and surface disruptions have occurred. Traditionally, there have been no efforts to reclaim mined-out areas because all have been grandfathered in relation to the National Environmental Policy Act (NEPA). Frequently, the pits are allowed to fill with water and then stocked with food fish. They make excellent recreation areas and are small enough not to present problems of a regional nature. These filled and stocked pits also offer the potential for a budding aquaculture industry within the Region.

Extraction of Tripoli, sand, gravel, limestone, coal, Fuller's Earth, and clay has occurred in the Region. Limestone is extracted primarily in Union, Alexander, Johnson, and a portion of Pulaski Counties. Sand deposits in Union and Alexander Counties have a high feldspar content, which is useful primarily in glass, enamel, and pottery manufacture. The deposits of clay and shale present in the Region are suited for absorbent products, stoneware, pottery and other ceramic production. Amorphous silica (Tripoli) is mined in Alexander County and is useful as a buffing compound, polishing agent, and filler for paint, wood, and cosmetic products. Coal deposits in Johnson County are found at irregular and localized sites. Deposits generally are shallow, thin, and lower in quality than are deposits elsewhere in southern Illinois. Extraction of the Region's mineral resources is on a limited basis.

Environment

Erosion and flooding are the major environmental problems affecting not only water quality, but also agricultural, residential, and commercial land uses. Soil loss and crop damage significantly increase the cost of agricultural production in area prone to flooding. There are currently few major commercial centers located in flood hazard areas. Portions of Metropolis and Cairo central business districts are located in floodplains, but there have been few problems in these areas related to commercial flood damage. Residential flooding can often occur during the spring floods of the Ohio, Mississippi, and Cache Rivers. Some communities, particularly Alexander County, have severe problems associated with flooding, including residential dislocation for extended periods of time. Some local levees, particularly in the Brookport, Cairo and East Cape Girardeau areas, are in disrepair and are inadequately maintained. All of the counties located in the Region are currently enrolled in the Federal Emergency Management (FEMA) Flood Insurance Program. Flooding can also interfere with the normal operation of septic systems, which are prevalent in large unincorporated portions of each of the five counties.

In the winter of 2015-2016, major flooding events occurred within the Southern Five Region. These events caused many parts of the area to be impacted not only in the short term but also in the long term. Many roads and transportation systems were impacted and are still in a state of disrepair. The region also has many deteriorating levee systems and had multiple breaches in the winter flood of 2015 which have not currently been repaired including the massive breach in the Len Small Levee on the Mississippi River.

Other Pertinent Information

An attractive quality to the Southern Five Region is its extreme southern location, which makes it distinctly different from portions of northern Illinois. Generally, the regional climate is typified by hot, humid summers with highs in the upper 90's and moderate-to-cold winters with nighttime lows averaging in the teens. Daily highs above 100 degrees can be expected each summer, and below zero temperatures can be expected at least once every five winters. Rainfall averages between 40" and 60" annually. During the summer months, precipitation occurs as brief showers or thunderstorms. Thunderstorms often produce more than an inch of rain and, on occasion, are accompanied by high, damaging winds. Hail storms average two to five per year with more frequent occurrences in the south. The Region averages approximately seven inches of snowfall per year. Snow accumulations are significantly greater in the Shawnee Hills at the Region's northern extreme than in the remainder of the five counties. The growing season varies from 180 days in the north to 230 days in the south, thus allowing the Region to grow both northern and southern grasses and crops. In short, the Region's relative mild climate poses no significant hindrance to economic development efforts. In fact, it can be used as an attractive marketing point in that it provides a Midwestern location with a southerly climate. Also, this factor could allow for a much more diverse agricultural sector of the local economy.

Chapter Two

Economic Development Analysis

Strengths & Opportunities

The Southern Five Region borders both Kentucky and Missouri, and is located midway between the northern and southern borders of the United States, midway between the Rocky Mountains and the Atlantic Ocean, and at the confluence of the Ohio and Mississippi Rivers. Nearby, regional activity centers include Paducah, Kentucky; Cape Girardeau, Missouri; Carbondale, Illinois, and Evansville, Indiana. Major activity centers within 300 miles of the Region include: Memphis, Nashville, and Chattanooga, Tennessee; Louisville and Lexington, Kentucky; Cincinnati, Ohio; Peoria, Illinois, and St. Louis, Missouri. Major centers 300 to 500 miles distant include: Atlanta, Georgia; Birmingham, Alabama; Little Rock, Arkansas; Kansas City, Missouri; Indianapolis, Indiana; Jackson, Mississippi, and Chicago, Illinois.

The Southern Five Region is located in a central position between the Rocky Mountains and the Atlantic Ocean. This puts the Region in a very strategic location for shipping materials anywhere in the central United States, which is also the manufacturing belt of the nation, within just a relatively short period of time. This becomes a key strength in attracting economic development to the area. The Southern Five Region also has an excellent opportunity to capitalize on the rail-road-river trans-shipping industry. The Region has two excellent north-south interstates cutting through the Region, the Ohio and Mississippi Rivers, and the Canadian National Railroad main line.

The Southern Five Region has the attributes to serve as a major transshipment center. Cairo, Illinois is located at the confluence of the Ohio and Mississippi Rivers and represents the dividing line between the upper and lower reaches of the Mississippi. The Ohio River is ice-free, and forms the southern border of the Region. The development of the Alexander-Cairo Port project will become a major economic driver in the Southern Region of Illinois in the next few years. Labors agreement have been signed with the local labor unions and it is anticipated to create over 500 construction jobs.

The federal highway interstate network provides direct and rapid access to many major cities and areas within Illinois and throughout the nation. This system provides an opportunity for the Southern Five Region to integrate with the rest of Illinois and can also encourage greater economic involvement with major industrial, business, and marketing centers outside the state. However, transportation to the east and west and within the Region needs to be upgraded first.

There has been an ongoing regional effort to locate a new east to west route from the two most populous cities near the Southern Five Region. The construction of this new east-west route from Cape Girardeau, MO to Paducah, KY coupled with the existing interstate and highway system that intersects in the Southern Five Region provides for an excellent distribution and transportation opportunity.

The Southern Five Region currently has many different avenues and opportunities to encourage and foster entrepreneurship within the region to improve economic conditions.

Multiple revolving loan funds have been established within the Region allowing greater access to capital to many new and emerging businesses (See Appendix A – Loan Funds Available in Region). In 2016, State of Illinois established a competitive initiative for Enterprise Zone designations. The Region hosts an Illinois Enterprise Zone that reaches into the two counties (parts of Alexander and Pulaski) with the highest level of unemployment. The benefits of the Enterprise Zone provide an opportunity for these communities to have an additional tool to attract new businesses construction or expansion and increasing the county's tax base (Appendix B- Enterprise Zone Incentives). Many areas have also continued to establish additional Tax Increment Financing Districts. Also, 5 different Census tract within the Region have been designated at Opportunity Zones that will allow for greater economic development investments. Southern Five, in partnership with the other regional planning districts in 16 lower counties in Illinois, determined the need for the development of a regional opportunity zone prospectus to highlight strategic advantages and attract investment opportunities in the Southernmost counties in Illinois (Appendix C- Opportunity Zone Prospectus)

In 2017, the Southern Five Region was in the center of the first total solar eclipse to pass coast-to coast across the mainland United States since 1918. The longest duration period in the United States for this eclipse was located within Southern Illinois. In 2024, another total solar eclipse will come across the Region, again having the longest duration point in the United States within Southern Illinois. The Region experienced a significant influx of people from around the world during the 2017 event. We anticipate the 2024 event to also be a major tourism and economic development driver.

Threats & Weaknesses

Community facilities (infrastructure) provide a foundation on which community and economic development efforts can be built. The Southern Five Region has abundant water supplies in some areas and very limited supplies in others. Planning and local resource investment has allowed several communities to utilize abundant resources or to maximize limited resources. Other communities have not had sufficient financial resources to make needed investments. Past economic and population declines have also made planning and local investment difficult. Unincorporated communities and areas generally have had to rely on individual infrastructure solutions to address their needs, further inhibiting and discouraging economic growth. There is a continuing need for additional sewage and water system upgrades. The public health problems and the potential for groundwater pollution in the Region and the dependence on wells as a water supply underlie the importance of such upgrades. Approximately half of the Region's population lives in incorporated areas with public sewer systems, however these sewer systems are not adequately designed or utilized to handle industrial waste. This discourages major economic growth.

The current accessibility to the "world" through telecommunications in the Southern Five Region is limited and essentially non-existent in some portions of the Region. Cellular phone service, the most basic of services, is not available in all areas of the Region and broadband services are severely lacking and extremely inadequate. This has been an area of concern for many of our businesses within the Region and often cited as a major weakness that prevents many facets of the business from growth opportunities. This inadequacy was further highlighted and further exploited with the Covid pandemic and lack of suitable internet for individuals and students working from home. The primary barrier to the upgrade of communication systems is the lack of population, i.e. system users or customers, in a large geographical area. The larger the area, the greater the cost is to run upgraded lines and provide new services. These additional costs are passed along to customers making it too expensive for businesses to cost effectively operate in the area.

The Southern Five Region is served by a highway system that, in general provides excellent north-south linkages, but inadequate east-west linkages. Primary highways running north-south include: I-57, US 45, US 51, IL 145, IL 37, IL 127, and IL 3, all placed strategically across the Region. The only east-west highways serving the Region are I-24, IL 146, and IL 169. Approximately half of the roadways throughout the Region are unpaved.

With the exception of the two main interstates, most highways and roads in the five-county area do not meet width and shoulder standards and specifications established for the various highway and road classifications. In addition, many highways and roads wind through hilly areas and are not conducive to safe and efficient movement of vehicles. Although the major highways do allow for sufficient movement of people, goods, and products to areas within the Region, that movement is hampered by narrow road widths, the absence of shoulders, numerous difficult curves, particularly in hilly areas, and periodic conflicting uses. In addition, many minor, heavily traveled, roadways are not paved. For the Region to ensure economic expansion, the roadway network must provide for safe and timely transport of materials, services, goods, and people. Continued efforts to widen roads and bridges, to improve road and rail crossings, and to increase safety through signage and maintenance needs to be supplemented by efforts to make tourist and recreation areas more accessible, to enhance access to retail areas, and to anticipate and address potential conflicts that emerge from the multipurpose nature of the highway system.

Local government and private financial resources throughout the Southern Five Region are scarce. Private employment in the Region is approximately 50% of the Region's total employment. This reduces the availability of private financial investment in the Region. Local government financial resources are greatly influenced by external actions at both the state and federal levels. State and federal employment accounts for a majority of the employment in services, public administration, and health care sectors within the Southern Five Region. Local government financial resources are influenced by mandated programs, requirements from state and federal levels, and significant state and federal removal of taxable property from the region's tax base. These factors have put serious strain on local governments. There is a scarcity of available local monies due to a small tax base, past and present economic distress, and a generally underdeveloped economy. State and Federal financial assistance has been available in the past to accomplish necessary community and economic development goals, however the availability of these funds is becoming scarce and more competitive, lessening the likelihood of a continuing level of high grant funding throughout the Region.

Another weakness within the Region is the lack of a qualified workforce pool. While the region, as a whole, has an average unemployment rate of over 7%, compared to the State average of 5.4%, many of the unemployed individuals are not skilled. Additional training and educational opportunities within the Region are needed to strengthen the skill set of potential employees focusing on workforce development and human capital needs within the Region.

Past, Present, & Projected Future Economic Development Investments

Over the past several years there have been some significant economic development investments in the Southern Five Region. SouthWater, Inc., a regional water supply company has continually installed water lines throughout the rural areas of Alexander, Pulaski, Union, and Johnson Counties. During this process, SouthWater has also interconnected with other regional water suppliers already established within the Region is continually updating and enhancing these water systems. These projects have enabled the Region to provide more reliable and abundant supply of water. The provision of potable water throughout the Region has significantly assisted with the encouragement of new business investments.

Industrial and Business Parks have been established in Massac County, Pulaski County, Johnson County, and Union County. These parks ranging from 40 to 240 acres in size have obtained several clients, with more acreage available for expansion. Investments in these parks include: RJF Enterprises, Inc., Britton Trucking & Wrecker Service, Huckleberry's Restaurant, First State Bank of Olmsted, Southern FS, Master's Choice, Inc., Shawnee Mass Transit District, Russell Electric, the Shawnee Community College Massac County Training Center.

Significant expansions and improvements have been made by Oil-Dri Corporation and AFCO Industries in Pulaski County and Dyna-Nobel in Union County. The expansions and improvements at these large facilities have resulted in large private investments in the area. Additionally, a number of jobs were created through these projects. All of these projects involved the updating of existing facilities, which enables these facilities to continue to effectively compete in the global market-place, thereby retaining all of the jobs that are currently there. Significant upgrades to two grain handling facilities, Consolidated Grain & Barge and Archer Daniels Midland in Mound City have improved and made them more competitive as well.

Bunge Corporation in Alexander County just recently announced a new partnership agreement with Chevron Corporation to increase the supply of renewable fuel and develop lower carbon intensity feedstocks by forming a new joint venture. This joint venture will invest $600 million dollars in cash in two Bunge North America facilities one being the facility located in Cairo. This expansion plans to establish a reliable supply chain from farmer to fueling station and anticipates doubling the capacity of the Cairo facility by 2024.

Future investments on the horizon within the Southern Five Region are starting to finally come together. While these projects have been in the works for many years, they are finally gaining momentum for further development. The Alexander Cairo Port District is on tract for construction of the port district to be started within the next year. This facility will be fully capable of transloading from barge to truck. The products to be handled include grain, coal, lumber, and silica. This project will occur in several phases starting with the ability to offload from river to rail or from truck to rail or vice versa and the construction of a warehousing facility and containerized shipments storage. This facility will integrate and facilitate the transfer of goods and services via river, rail, and road access. The location of these critical transportation infrastructures makes the Southern Five Region an ideal place for intermodal transportation solutions. The Massac County Port Authority is also considering a similar project. These two projects will greatly complement each other as well as provide a transportation and shipping cluster development that the Region can build and grow upon. The Alexander County project will utilize and access rail and road networks to the west and south via I-57 and the Canadian National main line. Whereas, the Massac County Project will utilize and access rail and road networks to the East and South via I-24 and the Burlington Northern rail line. Both of these future investments combined will result in private investment and job creation that will significantly change the economic outlook for the Southern Five Region. The approval and construction of the Shawnee Parkway project through the Southern Five Region will greatly complement these two projects and spur the development of other transportation-related businesses.

Chapter 3

CEDS Strategic Direction -Goals & Objectives

Vision Statement

Southern Five Regional Planning District and Development Commission supports a regional vision of the five southernmost Illinois counties of Alexander, Johnson, Massac, Pulaski, and Union. The regional vision is to create a climate that encourages economic expansion, has information and data available to all citizens interested in economic opportunities or general characteristics of the five-county region, and gleans maximum benefit from regional economic incentives available. Southern Five's member municipalities envision a region that provides adequate public safety services to its residents, and a region that fosters a desirable quality of life for its residents through parks, libraries, and tourism opportunities.

Goals

Southern Five has many goals to accomplish over the next several years in order to achieve even a portion of the region's vision for change. These goals include:

- Expand the Region's economic base through sustainable utilization of geographic advantages and natural resources in the Region.
- Expand employment opportunities for residents of the Region.
- Strengthen and diversify local economies.
- Increase capabilities of local communities to support and survive economic development shifts.
- Assists local businesses and communities with the response and recovery from the Covid-19 pandemic.
- Provide a state-of-the-art Regional Data Center for the Southern Five Region, providing access to a host of information and information sources concerning the five southernmost Illinois counties.

Objectives

The task of economic development would be overwhelming without a determination of a course of action. Decisions regarding a plan of action have resulted from three major sources of information. The analysis presented in the preceding chapters was one major source of information. A second source was the exchange of ideas, viewpoints, concerns, identified problems, potential solutions and other topics included in CEDS Committee sessions, business surveys, planning sessions involved in other Southern Five activities, joint meetings with private businesses, financial institutions, and educational providers, and informal discussions with people concerned with development within the Southern Five Region. A third important source was examination of existing resources that can assist with development efforts.

The objectives identified in order to obtain the goals set forth by Southern Five Regional Planning District and Development Commission are as follows:

- Take greater advantage of the geographic and locational attributes of the Region's rivers, interstates, and rail system by encouraging further development along these routes.

- Improve or expand production capabilities of industries relying on natural resources such as agriculture, mining, and forestry.
- Create new jobs through industrial expansion, new industrial development, small business development, agriculture diversification and establishment of industrial businesses that utilize available agricultural products.
- Increase training opportunities and skill development programs designed to qualify residents for available and projected jobs.
- Increase financial incentives, educational resources, and technical incentive programs to foster small business growth.
- Continue efforts to foster entrepreneurship development with ability to locate and secure shared use spaces such as business incubator or coworking spaces as well as other financial and technical assistance resources for small business development.
- Assist existing industries that demonstrate expansion potential.
- Provide needed support for industries that will maximize production and employment capabilities.
- Promote economic resiliency to communities and businesses through training, planning, and education.
- Support pre-disaster mitigation efforts on a regional level.
- Assist communities in identifying and forecasting effects related to the future of rural transportation systems.
- Encourage economic diversity in employment sectors throughout the five counties.
- Expand the tourism industry through enhancement of existing attractions, development of new attractions, and establishment of additional tourism support services.
- Provide essential local and regional water, sewer, gas, electric services, telecommunications, and public services through technical assistance to local municipalities, local water districts, and counties.
- Support broadband infrastructure initiatives to ensure quality, affordable broadband services to the Region.
- Encourage smaller municipalities to consider consolidation of utilities services such as water, sewer, gas, and electrical services with other service providers if financially and logistically feasible.
- Develop stronger highway networks, with emphasis on east-west routes.
- Encourage the development of renewable energy businesses within the Region.
- Support housing development programs to increase the capacity of the Region to have affordable and adequate housing stock.
- Provide support in healthcare initiatives to strengthen the Region’s rural health care services to ensure adequate healthcare services are available.
- Encourage initiatives designed to alleviate and eliminate food insecurities within the Region.

Chapter 4

Community & Private Sector Participation

Due to the area's limited resources and population, several major regional organizations have formed over the years in order to serve certain needs of the Southern Five Region. Many of these organizations are five-county providers while others are seven-county providers. This region seems to understand that many things can be accomplished by cooperating over geographic boundaries for programs and services. Economic Development in the Southern Five Region can be accomplished in a shorter amount of time and in a more cost-efficient manner if regional organizations and partners are utilized and cooperate well together. The Southern Five Region and its related organizations seem to share a common vision and foster an atmosphere of cooperation and partnership in obtaining overall progress for the five counties within the Region.

Shawnee Community College is a regional educational facility. SCC was formed in 1967 by the five counties included in the Southern Five Region. Since that time the college has continued to grow and prosper. The college partners very well with other regional organizations, business, and communities within the Region. The college is headquarters to the five counties' only Small Business Development Center, which is located on the main campus in Ullin, Illinois. Shawnee Community College offers an extensive range of job training services and classes in order to improve the workforce in the Region. They have also worked with locating firms in the past to offer specialized testing and training for development of that particular company's workforce. The College will continue to partner with economic development efforts within the area to provide enhanced workforce development. In addition, the college has been working to establish programs for the development of aquaculture and viticulture enterprises in order to provide diversification to the agricultural community in the Region.

In order to effectively carry out viable economic development activities, Southern Five Regional Planning District and Development Commission often partners with local financial institutions for the recruitment and financing of potential economic development ventures. Several of the area's financial institutions have formed an informal relationship with Southern Five for the provision of loan funds to potential businesses and participation in matching funds for the completion of economic development inducement projects.

The Southern Five Region partners with many federal and state agencies in order to attain its community and economic development goals. Over the years strong relationships have developed between Southern Five Regional Planning District and Development Commission and these agencies. Some of the agencies working diligently in the Southern Five Region to increase economic development opportunities and provide sustainable community development are: US Department of Commerce – EDA, USDA Rural Development, USDA Forest Service, Illinois Department of Transportation, Illinois Department of Natural Resources, Illinois Department of Commerce and Economic Opportunity, Illinois Environmental Protection Agency, Illinois Housing Development Agency, Federal Highway

Administration, Small Business Administration, Illinois Bureau of Tourism, Federal Emergency Management Agency, and US Army Corps of Engineers.

The Southern Five Region contains several local area chambers of commerce and development organizations. Southern Five Regional Planning District and Development Commission works with these groups on a regular basis to increase their knowledge of economic development practices and has also worked with these groups on business recruitment and funding applications for economic development improvements. These organizations include: City of Cairo Chamber of Commerce, Horseshoe Lake Chamber of Commerce, Alexander County Historical Society, Johnson County/City of Vienna Chamber of Commerce, Johnson County 2000, Johnson County Revitalization Corporation, Metropolis Chamber of Commerce, Massac County Economic Development Commission, Massac County Historical Society, Pulaski County Development Association, SIDEZ, Olmsted Historical Society, Union County/City of Anna Chamber of Commerce, Union County Economic Development Corporation, and the Union County Historical Society.

There are many other existing and potential partners to aid in the economic progress of the Southern Five Region. These organizations include: the Regional Superintendent of Schools, Southern Illinois University Office of Economic and Regional Development, Illinois Rural Partners, Illinois Association of Regional Councils, National Association of Development Associations, Illinois Institute of Rural Affairs, Delta Regional Authority, and Illinois Cooperative Extension. All of these entities have been accessed in the past for assistance with economic development efforts and will be accessed again in the future. There is also a host of other organizations that will serve as potential partners with the Southern Five Region in the economic development of the area as they are defined.

Southern Five Regional Planning District and Development Commission has restructured its CEDS Committee to reflect a balance of government and private sector involvement. The CEDS Committee participates in the establishment and implementation of goals and objectives for the Commission to further improve the economic development climate within the five counties. Presently, Southern Five's CEDS Committee consists of eight members that have multiple roles within the community representing the government sector, private enterprise or economic development group from across the Region. Steve Essex (County Commissioner and retired river industry), Patrick Brumleve (village board member and museum curator), Annie Hubbard (village board member and retired from education), Rita Flummer (retired business owner and economic development group representative), Sue Sandusky (retired business owner, former Mayor), Darryl Harvell (County Commissioner and business owner), Alan Racey (city council member), Patricia Kalicki (private citizen). In addition to the CEDS Committee, financial institutions, educational institutions, and other economic development service providers were interviewed as part of the CEDS process. Finally, all communities within the Southern Five Region were surveyed to determine their preserved economic development needs, opportunities, and obstacles.

Chapter 5

Strategic Projects, Programs, & Activities

Projects that need to be undertaken in the short term in order to accommodate long term growth are the most important to the residents and leaders within the Southern Five Region. Industrial parks and industrial properties that are currently vacant need to have the necessary infrastructure installed to make those properties readily available and marketable to potential investors. Water lines, sewer lines, and primary entranceways to these industrial parks and industrial properties need to be completed. Rail improvements throughout the Region need to be made. At the present time, rail access to available property is limited. Main line rail services through Canadian National and Burlington Northern are available in Alexander, Pulaski, Massac, and Union Counties. However, local access to these main lines through spur lines and switches are limited. In order for the region to develop as an intermodal transportation hub, the internal rail system within the Region needs to be upgraded.

Additionally, the shipping is dependent upon the roadway system. At present, north-south access throughout the Region is very well advanced and accessible. The east-west access is much more limited. National shipping patterns tend to indicate that growth in transportation is through east-west linkages more so than north-south. It is very important that east-west transportation routes be improved and created in order to build upon the transportation/locational aspect of the Region. The proposed Shawnee Parkway project through the Southern Five Region could address this east-west transportation issue well, however in recent years this project has been stalled.

Currently the focus of the region is providing infrastructure, capital assistance, and training for the major developments on the horizon. Infrastructure improvements including the provision of rail line construction at the site of the SISCO Regional Ind. Park is of paramount importance. Masters Choice Hybrid Seeds has located and has made several expansions. Southern FS has also recently located in this industrial park but both are is in need of railway to expand any further.

Current anticipation is abundant for tourism and economic development activities surrounding the path of the Eclipse in April of 2024. Emphasis will be placed on assisting communities with planning activities associated with the eclipse. Major coordination of activities including planning for safety, emergency, and rural transportation needs will also be necessary to ensure that our Region can support the influx of visitors. Evaluation of best practices will need to be analyzed and disseminated to guarantee the return of visitors from the 2017 Eclipse.

Emphasis on the demolition of abandoned and derelict properties is also of a major concern that needs to be combated. Many residential structures in the area are significantly derelict which have caused low property values and precipitated many low-income homes becoming abandoned within the Region. These abandoned homes are continually vandalized causing future deterioration which causes an additional drain on emergency personnel and increased liability within the community.

Continued emphasis on Housing Rehabilitation of residential structures efforts is currently needed in almost all of the communities. Over the past 30 years, much of the housing stock in the Region has continually declined. Many of our communities have very limited marketable housing stock available, to encourage new residents to move into the Region. Therefore, additional emphasis on assisting homeowners with rehabilitation of homes will be necessary to prevent these homes from becoming dilapidated and derelict.

Recovery from the 2011, 2015, and 2019 flooding is still a major issue of importance in the Southern Five Region. Every county within the Region was greatly affected by the massive, wide-spread flooding in at least one of these events. Many areas are still trying to recover and rebuild from the flood's devastation. The Village of East Cape Girardeau, located in Alexander County still has displaced residents and now additional derelict structures as a result of the 2019 flooding. The infrastructure needed for the relocation of the area's residents and businesses is of major importance and could potentially spur additional growth in this portion of Alexander County.

Emphasis in the near future will focus on mitigation efforts to ensure that our Region is prepared to be resilient to disasters. Extensive community planning for all types of disasters will be necessary to ensure that our Region will be prepared to coordinate emergency services, continue community services with the lowest possible interruption, and ensure that residents and businesses are able to return to normal as soon as possible. Disaster mitigation planning will be necessary to ensure that plans are constructed and ready to be implemented within the Region.

As a result of the pandemic, Southern Five RPC has undertaken many different roles to assist our small businesses with accessing resources. Over the past year, Southern Five has assisted many local governments with grant writing services to allow our businesses to receive resources from the DCEO Small Business Stabilization Program, personally contacted every business in our Region eligible for the DCEO Hospitality Lottery, secured funding from the Economic Development Administration to administer direct loan funds to businesses to recover from the pandemic, educated and assisted small businesses on the Back to Business Program and various other state initiatives and deployed two new Planner positions to work solely on recovery efforts from the Covid-19 pandemic with our small businesses.

During this time, as community navigators we have also educated our small businesses on recovery opportunities while targeting businesses owned by racial or ethnic minorities, veterans, immigrants, women, and/or individuals with disabilities in ensuring the education and deployment of resources for our small businesses as deployed by the Small Business Administration such as the Paycheck Protection Program, Economic Injury Disaster Loans, SBA debt relief and the Shuttered Venues Operator Program.

The CREATE BRIDGES initiative is focused on strengthening businesses within the retail, attraction, tourism, and entertainment sectors within the Region. This initiative was launched to determine challenges and barriers negatively impacting those businesses, and develop and implement strategies to strengthen those sectors within the Region. With the formation of a regional steering committee, we have conducted asset mapping of the businesses in the

Regional along with current training programs that may exist. Business retention, and expansion surveys for all of these types of businesses has been conducted and current efforts are underway to conduct employee engagement surveys to determine as a Region what strategies and actions should be undertaken to build the capacity the Region and strengthen these sectors of our economy.

Chapter 6

CEDS Plan of Action

The task of economic development would be overwhelming without a determination of a course of action. Decisions regarding a plan of action have resulted from three major sources of information. The analysis presented in the preceding chapters was one major source of information. A second source was the exchange of ideas, viewpoints, concerns, identified problems, potential solutions, and other topics included in CEDS Committee sessions, community assessment surveys, planning sessions, joint meetings with other related agencies and informal discussions with people concerned with development within the Southern Five Region. A third important source was examination of existing resources that can assist with development efforts. Implementation of projects will result from coordinated efforts of the Southern Five Regional Planning District and Development Commission and various local, state, and federal entities. The Policy Board has directed the staff of Southern Five Planning District and Development Commission to act on their behalf. Implementation will be conducted in accordance with locally adopted policies, plans and programs and with applicable state and federal guidelines and regulations.

<u>Promotes Economic Development & Opportunity</u>
Development of industrial sites and marketing them effectively is a main goal of the Southern Five Region. This entails identifying geographic areas most conducive to industrial development, identifying appropriate types of industries for these areas, and preparing development plans for these areas. This also involves preparing a marketing strategy for the promotion of all industrial sites within the region via advertising, brochures, site databases, and web page design.

For the local industries and commercial enterprises, the need for additional low-interest financing that would encourage business creation and expansion opportunities in the rural areas and small towns needs will continue to be identified. Industrial site information packets that can be distributed upon request will be prepared along with an industrial site database available via the Internet.

<u>Fosters Effective Transportation Access</u>
In order to improve transportation to industrial, commercial, residential, agricultural, and scenic areas, the Southern Five Regional Planning District and Development Commission supports the studies of road and highway improvements needed to enhance multiple economic functions. This would involve improving access to interstates, major highways, industrial areas, rail services, etc in order to enhance economic development. Improvements to the access to tourist areas would also need to be a priority, which would promote the work with other agencies and local governments to determine the need and priority of facilities, all in all enhancing tourism in the Region. Improving access through signage of structures, sites, and areas of interest would also be a major advantage to fostering effective transportation access. The determination of which structures, site and interest areas that lack signage or require additional signage to improve accessibility would have to be made. Also, the Region would have to be willing to work with other agencies and local governments to

provide financing, coordination, and installation of signs that provide adequate direction to structures, sites, and interest areas.

Enhances & Protects the Environment

Erosion and flooding are the major environmental problems that affect not only the water quality, but also agricultural, residential and commercial land uses. Loss of soil and crop damage increase the cost of agricultural production in flood-prone areas. Although the Southern Five Region is a rural economically impoverished area of the state and has historically lacked sewage treatment facilities and potable water sources, there has been a cohesive regional prioritization approach to identifying and obtaining necessary public facilities for the entire region. Recreation and tourism have been major sources of economic growth for the Region. This Region is rich in its biodiversity, natural habitats, wetlands, woodlands, forests, stream corridors and river corridors. The Region has established bike trails and walking trails. It is vitally important to continue to preserve and restore these resources within the Region. The Region relies heavily on tourism and the natural beauty of Southern Illinois that, with proper stewardship, will not only enhance the region's natural resources but will also encourage economic development because of these resources.

Maximizes Effective Development & Use of the Workforce

Figures indicate that within the Southern Five Region that there is a good potential for labor force growth. The current labor force represents 57% of the Region's population. Also, the quality of the Region's labor force should see improvement since 86% of residents older than age 25 have high school diplomas and 17% have college degrees. This demonstrates a 5% increase in high school diplomas and a 4% increase in college degrees in the past 5 years. The Region has a history of high unemployment and has had one or more counties in the top ten in unemployment for over the past several years. With this type of labor force, it would benefit the Region tremendously for economic growth to occur and be utilized.

It is the intent to strengthen and diversify the Industrial base by bringing in new industries, expanding existing industries, and encouraging locally initiated industries along with promoting minority industrial development and providing permanent employment of area residents. This will increase the effectiveness of the local labor market by analyzing labor market characteristics and by proposing training programs, as needed, to enhance employability of local workers. And in order to strengthen the industrial base, assistance to the local governments and development organizations in establishing business retention and expansion programs has to take place.

Promotes the Use of Technology

By providing a center for regional data and information requests, it will help promote the use of technology for the Southern Five Region. This can be accomplished by assembling a variety of sources from which regional economic indications, data, and information can be obtained. This would entail the development of summaries of available economic indicators and unemployment information for the Southern Five Region on a quarterly basis to be made available upon request. Also, this would involve providing funding assistance and pertinent Region-wide data to local governments and economic development partners through a quarterly newsletter. Another way to promote the use of technology would be to provide a specialized data collection and provision service. This could be used to increase the ability of Southern Five Regional Planning District and Development Commission capabilities.

Balances Resources Through Sound Management of Physical Development

In order to effectively plan and coordinate the orderly development of the Southern Five Region, the protection of sensitive natural resources while promoting development in other areas is necessary. This can be accomplished by taking inventory of natural areas, ecological areas, unique natural communities, proposed wilderness areas, and other areas of geographical or biological significance along with encouraging migration procedures for protection of highly sensitive areas. Another task would be to promote orderly and organized growth and development by assisting communities in zoning, county land use planning, comprehensive community planning, growth management, solid waste management, etc.

Obtains & Utilizes Adequate Funds & Other Resources

The Southern Five Region partners with many federal and state agencies and departments in order to obtain its community and economic development needs. Over the years strong working relationships have developed between Southern Five Regional Planning District and Development Commission and these agencies. Some of the agencies working diligently in the Southern Five Region to increase economic development opportunities and provide sustainable community development are: U.S. Department of Commerce – EDA, USDA Rural Development, USDA Forest Service, Illinois Department of Transportation, Illinois Department of Natural Resources, Illinois Department of Commerce and Economic Opportunity, Illinois Environmental Protection Agency, Illinois Housing Development Authority, Federal Highway Administration, Small Business Administration, Illinois Bureau of Tourism, Federal Emergency Management Agency, and U.S. Army Corps of Engineers.

Chapter 7
Cooperation & Integration with Partners

Due to the area's limited resources and population, several major regional organizations have formed over the years in order to serve certain needs of the Southern Five Region. Many of these organizations are five-county providers while others are seven-county providers. This region seems to understand that many things can be accomplished by cooperating over geographic boundaries for programs and services. Economic Development in the Southern Five Region can be accomplished in a shorter amount of time and in a more cost-efficient manner if regional organizations and partners are utilized.

Besides organizations in the Southern Five Region, there are many other existing and potential partners to aid in the economic progress of the area. These organizations include: Southern Illinois University Office of Regional Economic Development, Illinois Rural Partners, Illinois Association of Regional Councils, National Association of Development Organizations, Illinois Institute of Rural Affairs, Delta Regional Authority and Illinois Cooperative Extension. All of these entities have been accessed in the past for assistance with economic development efforts and will be accessed again in the future. There is also a host of other organizations that will serve as potential partners with the Southern Five Region in the economic development in the area as they are defined.

Chapter 8
Economic Integration

Southern Five Regional Planning District & Development Commission currently utilizes various strategies to foster economic opportunities within the Region and ensure that economic partners have access to economic resources.

Southern Five's Current Integration Activities

- Maintain business database of the Region's largest employers
- Disseminate funding opportunity announcements to municipalities and not for profit organizations
- Maintain a website and Facebook presence to share funding opportunities and community information
- Attend at least 5 meetings monthly to share knowledge with communities to connect communities with federal and state agencies and opportunities
- Attend webinars, seminars, and conferences of State and Federal partners to circulate information to regional and local partners.
- Assist economic partners with the preparations of applications for State and Federal funding.
- Semi-annual newsletter that discusses funding programs, community opportunities, regulation changes, and community success stories.

Data Collection

Southern Five RPC collects data to determine successful outreach of program activities to further support comprehensive planning of the region. Southern Five RPC collects data on economic development activities including technical assistance provided to communities and local businesses. Data collected includes total projects assisted, grant applications prepared, grant applications awarded, total funds applied for from federal, state, and local sources, small business loan applications processed and jobs created and retained as a result of project applications along with sources of financing. Southern Five RPC also tracks total individual funding announcements sent to communities and not for profit organizations, newsletter outreach, results and outcomes derived from newly incorporated integrative activities including results and takeaways from events.

Chapter 9

Performance Measures

Southern Five Regional Planning District and Development Commission understands and encourages the evaluation process within the organization. Evaluation should be a critical element of an ongoing planning process and answer the question "how are we doing?" in order to make the District as an agency and the Region as a whole effective. As a designated Economic Development District by the Economic Development Administration, Southern Five conducts an annual evaluation of performance based on the goals and objectives provided in its Comprehensive Economic Development Strategy. The results of this evaluation will be included in the annual report submitted to EDA as a part of the requirements of a planning grantee. Southern Five Regional Planning District and Development Commission will conduct its annual evaluation based on the performance measures listed in the following pages.

Performance measures will be used to determine areas that are in need of revision or more intensified efforts. It must be noted that not all objectives and activities have been allocated a specific performance measure. This is due to the overwhelming fact that all the strategies, objectives and activities are inter-related when referring to economic development and a specific measure of performance cannot be put to every activity or objective. Many of the activities of Southern Five Regional Planning District and Development Commission have intangible long-term results; however, they are necessary to bring about a positive change to the economic picture of the Southern Five Region.

In addition, regional economic indicators will be used as they become available to determine the Southern Five Region's overall economic progress or decline. This is an indirect reflection upon Southern Five Regional Planning District and Development Commission's progress. If the District is being effective, we would hope to realize some improvement in overall regional economic development indicators over a five-year period.

The following outlines specific performance measures to be used for evaluation purposes within the context of Southern Five Regional Planning District and Development Commission's programs and activities.

<u>Number of Jobs Created After CEDS Implementation</u>
Based upon the current projects underway within the Southern Five Region and the anticipated projects on the horizon, the number of jobs to be created after implementation of the CEDS is hard to estimate. However, conservatively, Southern Five anticipates that all efforts based upon the CEDS goals and objects will be attributable to the creation of at least 300 new jobs over the course of the next three years.

<u>Number & Types of Investments Undertaken</u>
Southern Five will aggressively pursue the development of additional TIF Districts, expanding Enterprise Zone boundaries and other business attraction and retention incentives. Along with proposed infrastructure upgrades and industrial park developments, it is anticipated that at least 30 new investments will be undertaken over the next three years.

These investments include a wide range of activities including: the development of planning for intermodal transportation facilities, expansion of available capital through Southern Five's various relending programs, the closing of at least fifteen new small business creation loans, two new industrial park tenants throughout the Region, occupation of one vacant industrial buildings, expansion of grain handling facilities complete, and two new port facilities' construction underway.

Number of Jobs Retained

The anticipated economic growth from projects that are currently pending will increase existing businesses survival chances. This will result in the retention of jobs that would be lost if the economic conditions within the Region continue to decline. It is anticipated that Southern Five will provide financing, technical assistance, or some other form of investment vehicle that will enable at least 10 businesses to expand or retain employees over the next three years. The job retention potential for these businesses is 300 jobs retained.

Amount of Private Investment after CEDS Implementation

The private investment potential after implementation of the CEDS is incalculable at this time. As a performance measure standard, Southern Five anticipates that at least $2,000,000 in private investment will be made within the Region annually for the next three years. This is a total private investment of $6,000,000.

Changes in the Economic Environment

The potential for major changes within the economic environment in the Southern Five Region is great. With the possibility of three new, large manufacturing ventures on the horizon, major improvements within the educational, cultural, service, commercial, and housing sectors are very real possibilities. Growth can be anticipated within all business sectors. As a performance measure of CEDS implementation, Southern Five anticipates that the service sector will grow as a portion of economic activity within the Region by 5% over the next three years. Likewise, the agricultural sector will increase by approximately 5 percent. The overall regional per capita income will increase 15% over the next three years. With the potential for a number of job creation opportunities, it is anticipated that the average annual unemployment rate for the Southern Five Region will decrease to a level at or no more than 4% of the State unemployment level.

Other Performance Measures

Other more specific measures of performance after implementation of the CEDS will include the following items. Southern Five will provide assistance and/or capital for at least 10 new businesses (commercial, service, or retail). One industrial park will receive infrastructure improvements through the assistance of Southern Five. Finally, at least one vacant industrial building will be occupied with a new or expanded business.

Conclusion

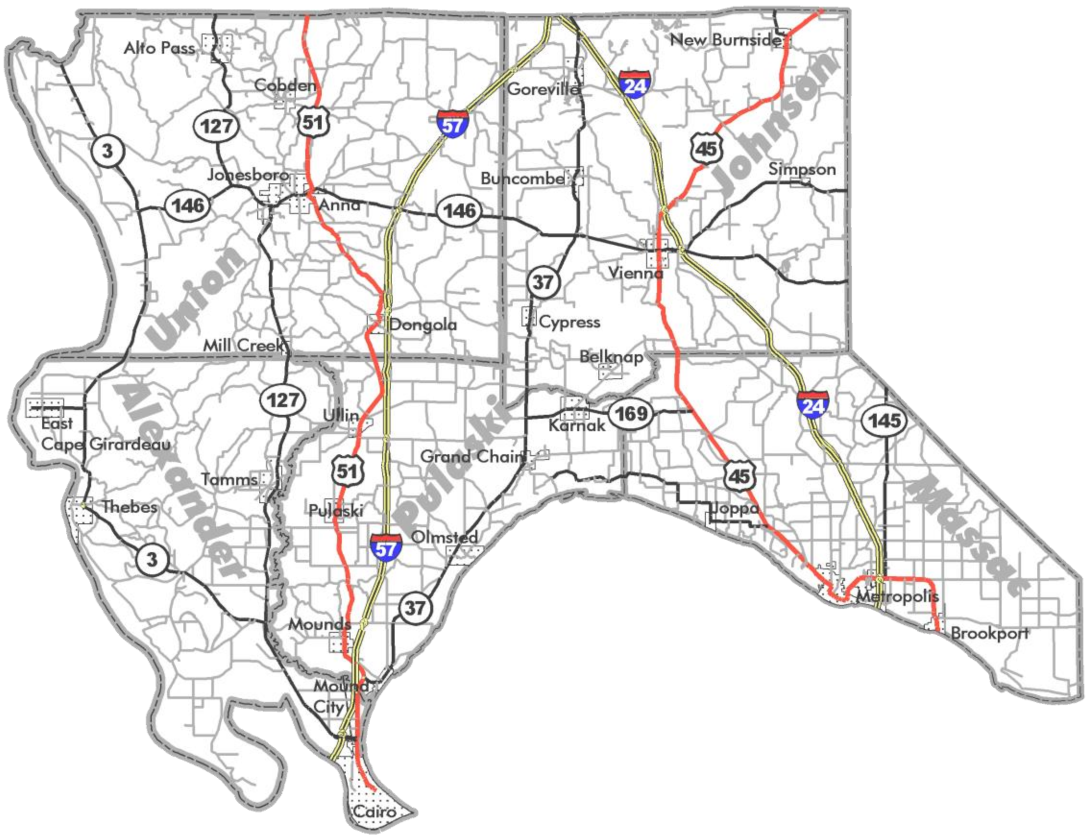
Annually, Southern Five Regional Planning District and Development Commission will evaluate its progress and performance through a self-evaluation process. Members of the Southern Five Policy Board, the CEDS Advisory Committee, and Local Community Assessments will be consulted to determine the extent to which Southern Five is aiding in sufficient economic development progress throughout the Region. Areas of poor performance will be re-evaluated and adjusted in order to improve the economic development service delivery from the agency.

Performance measures will also be evaluated to determine areas that are in need of revision or more intensified efforts. It must be noted that not all objectives and activities have been allocated a specific performance measure. This is due to the overwhelming fact, that all the objectives and activities are inter-related when referring to economic development and a specific measure of performance cannot be applied to every activity or objective. Many of the activities of Southern Five Regional Planning District and Development Commission have intangible long-term results; however, they are necessary to bring about a positive, holistic change to the economic picture of the Southern Five Region.

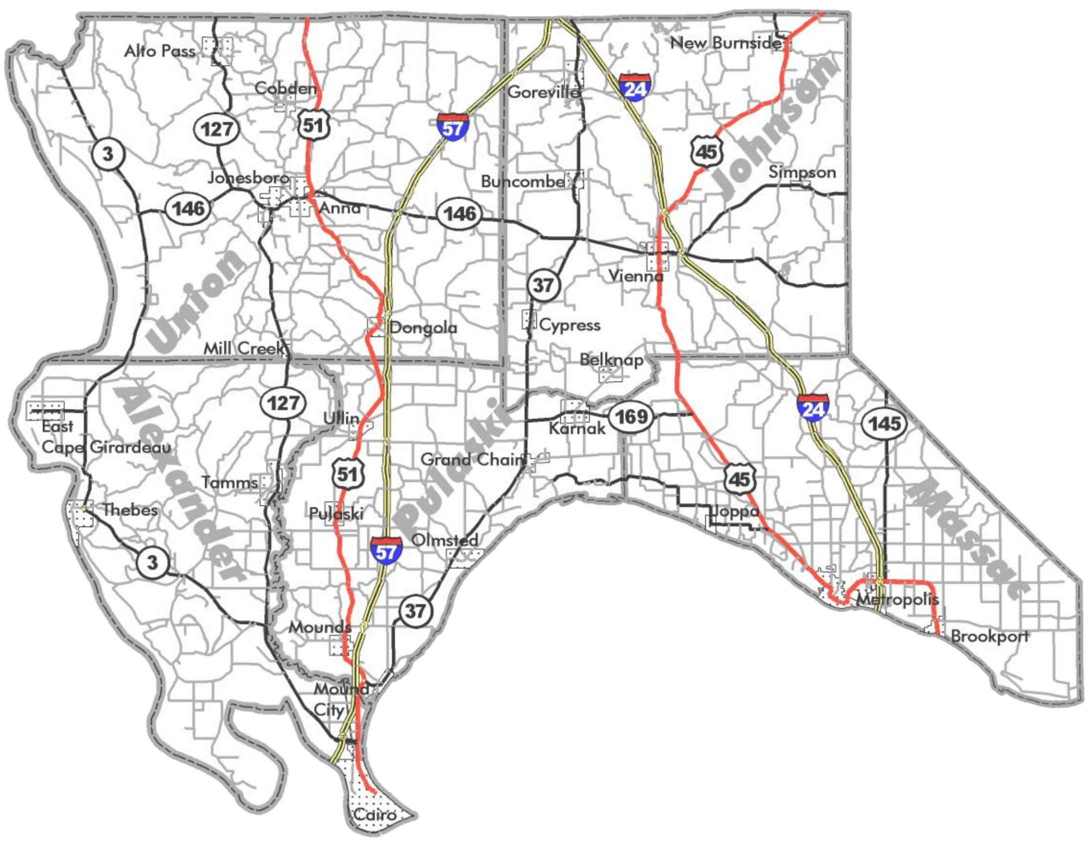
Finally, regional economic indicators will be consulted as they become available to determine the Southern Five Region's overall economic progress or decline. This is an indirect reflection upon Southern Five Regional Planning District and Development Commission's progress. If the District is being effective, we would hope to realize some improvement within the Region over a three-year period.

An annual report of Southern Five Regional Planning District and Development Commission's progress will be prepared and distributed to local governments, CEDS participants, and the Economic Development Administration. The annual report is intended to accomplish the following tasks: adjust Southern Five's Comprehensive Economic Development Strategy as needed; report the year's economic development activities and significant changes to the Region's economic conditions; evaluate Southern Five Regional Planning District and Development Commission's effectiveness in meeting established goals, and provide a schedule of achievable objectives for the coming year.

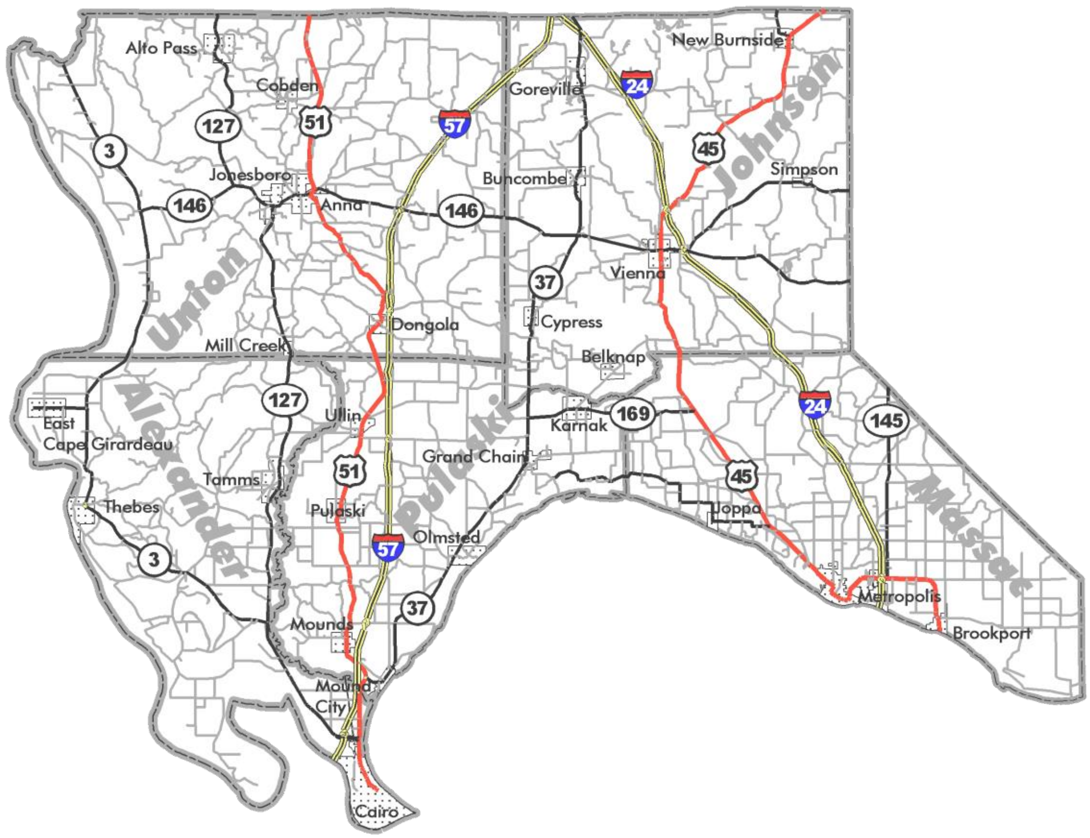
Appendix A – Loan Funds Available in Region



Appendix B – Enterprise Zone Incentives



Appendix C –Opportunity Zone Prospectus



Additional Attachments