

CHAPTER 6

Economic Development

Section 6.1 Introduction

This section of the Comprehensive Plan summarizes Bureau County’s existing economic activity and conditions, and looks to what future conditions might be desirable. Economic development, which can be defined as the type and level of business activity within an area, is often based on a combination of market forces, regulation, and the extent of local government encouragement. This element concludes with goals, objectives, and policies to promote the stabilization, retention, or expansion of the economic base. State economic development information is included to help the County identify potential opportunities that could be used to pursue appropriate economic development activities.

Section 6.2 Economic Base Characteristics

A. Labor Force Analysis

1. Educational Attainment

Paragraph C of Section 1.4 (Demographic Trends) of the Issues and Opportunities Chapter (Chapter 1) details educational attainment for Bureau County adults.

2. Earnings and Income

Wages are not the only form of income that residents receive. "Total income" is defined by the US Census as the sum of the amounts reported separately for wages, salary, commissions, bonuses, or tips; self-employment income from non-farm or farm businesses, including proprietorships and partnerships; interest, dividends, net rental income, royalty income, or income from estates and trusts; Social Security or Railroad Retirement income; Supplemental Security Income (SSI); any public assistance or welfare payments from the state or local welfare office; retirement, survivor, or disability pensions; and any other sources of income received regularly such as Veterans' (VA) payments, unemployment compensation, child support, or alimony.

According to the 2010 American Community Survey, 10,846 (75.3%) of the 14,404 Bureau County households sampled were classified as households with earnings in the past 12 months; 5,013 (34.8%) were households with social security income; 4,148 (28.8%) were households with interest, dividends, or net rental income; 3,082 (21.4%) were households with retirement income; 490 (2.7%) were households with Supplemental Security Income (SSI); and, 173 (1.2%) were households with public assistance income.

In order to better understand the existing wage-earning realities within Bureau County, “earnings” data was considered to be more informative. “Earnings” are defined by the US Census Bureau as the algebraic sum of wage or salary income and net income from self-employment, representing the amount of income received regularly before deductions for personal income taxes, Social Security, bond purchases, union dues, Medicare deductions, etc.

Table 6.1 compares income for households and individuals for Bureau County with the State of Illinois as a whole. Both Bureau County and Illinois as a whole have shown declines in median household income and per capita income between 2000 and 2011. In 2011, the median income per household in Bureau County (\$48,046) was 15.1% less than that of Illinois as a whole (\$56,576) and 6.6% less than the Ottawa-Streator Micropolitan Statistical Area as a whole (\$51,423). In 2011, per capita income in Bureau County (\$25,344) was 13.7% less than that of Illinois as a whole (\$29,376) and 0.1% less than the Ottawa-Streator Micropolitan Statistical Area as a whole (\$25,420).

United States Micropolitan Statistical Areas (MiSA), as defined by the United States Office of Management and Budget, are urban areas in the United States based around a core city or town with a population of 10,000 to 49,999. A micropolitan area is a geographic entity used for statistical purposes based on counties and county-equivalents.

The Ottawa-Streator Micropolitan Statistical Area corresponds to the Bureau County, LaSalle County and Putnam County geographic area, with the cities of Ottawa and Streator as its core cities. A Metropolitan Statistical Area is a geographical region with a relatively high population density at its core and close economic ties throughout the area. A typical metropolitan area is centered around a single large city the wields substantial influence over the region (e.g. Chicago or Rockford). Metropolitan Statistical Areas are defined by the U.S. Office of Management and Budget only, and used by the U.S. Census Bureau and other U.S. government agencies for statistical purposes only.

**Table 6.1
Comparison of Household and Per Capita Income
Bureau County and State of Illinois**

	Median Income Per Household*				Per Capita Income*			
	1990	2000	2011	% Change 2000- 2011	1990	2000	2011	% Change 2000- 2011
Bureau County	\$44,596	\$52,410	\$48,046	-8.3%	\$20,244	\$25,450	\$25,344	-0.4%
State of Illinois	\$54,799	\$60,675	\$56,576	-6.8%	\$25,827	\$30,089	\$29,376	-2.4%

Source: U.S. Bureau of the Census; American Community Survey

*Figures are presented in constant (year 2011) dollars.

Table 1.8 of the Issues and Opportunities Chapter details changes in household income between 1999 and 2011.

3. Percent in Labor Force and Unemployment

Table 6.2 shows the number of residents 16 years and above living in Bureau County, the Ottawa-Streator Micropolitan Statistical Area (MiSA) and the State of Illinois. Age sixteen is considered to be the lower threshold for being eligible for employment. Bureau County has a lower percentage of residents in the labor force (64.9%) compared to the Ottawa-Streator MiSA (65.4%) and the State of Illinois (66.5%). Bureau County has a slightly lower percentage of unemployed persons in the labor force (7.6%) compared to the Ottawa-Streator MiSA (9.3%) and State of Illinois (9.3%).

Table 6.2
Employment Status of Population 16 Years and Above (2011)
Bureau County, Ottawa-Streator Micropolitan Statistical Area (MiSA) and State of Illinois

	Bureau County	Ottawa-Streator MiSA	State of Illinois
Population 16 yrs. and over	27,974	123,146	10,029,404
In Civilian Labor Force <i>% in Civilian Labor Force</i>	18,155 64.9	80,595 65.4	6,666,498 66.5
Employed <i>% in Civilian Labor Force Employed</i>	16,783 92.4	73,098 90.7	6,043,771 90.7
Unemployed <i>% in Civilian Labor Force Unemployed</i>	1,372 7.6	7,497 9.3	622,727 9.3
Armed Forces <i>% in Armed Forces</i>	17 0.1	53 0.0	21,831 0.2
Not in Labor Force <i>% Not in Labor Force</i>	9,802 35.0	42,498 34.5	3,341,075 33.3

Source: 2007-2011 American Community Survey 5-Year Estimates

The Illinois Department of Employment Security provides unemployment rate data that differs from the census period data provided by the U.S. Bureau of the Census, and is also calculated monthly and annually. Illinois Department of Employment Security data for January 2012 through November 2012 indicates that Bureau County had a monthly average of 18,796 persons in the labor force, a monthly average of 17,005 persons employed, and a monthly average of 1,791 persons unemployed. The 2012 average monthly unemployment rate (January through November) for Bureau County was 9.5%, which is higher than the average monthly unemployment rate for the State of Illinois of 8.9% over the same time period, but lower than the average monthly unemployment rate for the Ottawa-Streator MiSA of 10.6% over the same period.

4. Labor Force Participation Characteristics

An analysis of the data represented in Table 6.3 reveals the following regarding the characteristics of the Bureau County labor force:

- The County labor force decreased between 2000 and 2011 by 45 persons, or 0.2%.
- A slightly lower percentage of the population was in the labor force in 2011 (64.9%) compared to 2000 (65.4%).
- The 16-24 years and 25-54 years age classes both registered a decrease in the percent of population in the labor force between 2000 and 2011, while the 55-64 years and 65 years and over age classes registered an increase in the percent of population in the labor force between 2000 and 2011.
- Both the 16-24 years age class and the 25-54 years age class registered decreases in the number of persons employed and percentage of persons employed, and increases in the number of person unemployed and percentage of persons unemployed. The 55-64 years and 65 years and over age classes registered increases in the number of persons employed and percentage of persons employed and percentage of person employed.
- A shift in the dynamics of the civilian labor force occurred between 2000 and 2011. In 2000, the 25-54 years age class accounted for 68.2% of the labor force, but in 2011 accounted for 63.7% of the labor force. The 55-64 years age class displayed the greatest change in terms of percentage of the civilian labor force (12.3% in 2000 to 17.3% in 2011) - likely due to people delaying retirement and working longer.
- The percentage of women in the civilian labor for increased from 46.3% in 2000 to 46.4% in 2011, a percentage that is slightly higher than the Ottawa-Streator MiSA (46.1%), and lower than Illinois as a whole (47.4%).

Table 6.3
Labor Force Participation Characteristics 2000 and 2011
Bureau County, IL

	2000	2011	Change 2000-2011	% Change 2000-2011
Population 16 years and over	27,818	27,974	156	0.6
In Civilian Labor Force (LF)	18,200	18,155	(45)	-0.2
% in Civilian Labor Force	65.4	64.9	---	---
Population 16 to 24 years	3,733	3,614	(119)	-3.2
Employed	2,438	2,125	(313)	-12.8
% Employed	65.3	58.8	---	---
Unemployed	265	367	102	38.5
% Unemployed	7.1	10.2	---	---
Not in labor force	1,030	1,122	92	8.9
% not in labor force	27.6	31.0	---	---
% in labor force	72.4	69.0	---	---
Population 25 to 54 years	14,281	13,389	(892)	-6.2
Employed	11,998	10,723	(1,275)	-10.6
% Employed	84.0	80.1	---	---
Unemployed	417	838	421	101.0
% Unemployed	2.9	6.3	---	---
Not in labor force	1,853	1,811	(42)	-2.3
% not in labor force	13.0	13.5	---	---
% in labor force	87.0	86.5	---	---
Population 55 to 64 years	3,506	4,662	1,156	33.0
Employed	2,157	3,002	845	39.2
% Employed	61.5	64.4	---	---
Unemployed	84	131	47	56.0
% Unemployed	2.4	2.8	---	---
Not in labor force	1,265	1,529	264	20.9
% not in labor force	36.1	32.8	---	---
% in labor force	63.9	67.2	---	---
Population 65 years and over	6,298	6,309	11	0.2
Employed	802	933	131	16.3
% Employed	12.7	14.8	---	---
Unemployed	39	36	(3)	-7.7
% Unemployed	0.6	0.6	---	---
Not in labor force	5,457	5,340	(117)	-2.1
% not in labor force	86.6	84.6	---	---
% in labor force	13.4	15.4	---	---
% of women in labor force	46.3	46.4	---	---
% of labor force 16-24 years	14.9	13.7	---	---
% of labor force 25-54 years	68.2	63.7	---	---
% of labor force 55-64 years	12.3	17.3	---	---
% of labor force 65 years and over	4.6	5.3	---	---

Source: U.S. Bureau of the Census; 2007-2011 American Community Survey 5-Year Estimates

5. Type of Employment for County Residents

Table 6.4 provides information regarding the type of occupation that Bureau County residents are employed in. Table 1.11 of the Issues and Opportunities Chapter summarizes resident employment by industry for the 2000 Census year and in 2011. Information for both these tables represents what type of occupation/industry the working residents of the County were employed in, and is not a listing of the employment opportunities currently located in the County.

**Table 6.4
Bureau County Resident Employment by Occupation**

	Number	Percentage
Occupation Employed civilian population >16 yrs.	16,783	100.0%
Management, professional, and related occupations	4,043	24.1%
Service occupations	2,894	17.2%
Sales and office occupations	4,184	24.9%
Natural resources, construction, and maintenance occupations	1,925	11.5%
Production, transportation, and material moving occupations	3,737	22.3%

Source: 2007-2011 American Community Survey 5-Year Estimates

6. Commuting

Table 6.5 provides information regarding the mean travel time to work for Bureau County residents. The mean travel time to work for Bureau County residents is lower than the mean travel time for the State of Illinois as a whole, and is the lowest of the three counties comprising the Ottawa-Streator Micropolitan Statistical Area. The average mean travel time to work for the Ottawa-Streator Micropolitan Statistical Area is 21.6 minutes.

**Table 6.5
Mean Travel Time to Work in 2000 and 2011**

	2000	2011	Change 2000-2011	% Change 2000-2011
Bureau County	20.3 minutes	20.1 minutes	-0.2	-1.0
LaSalle County	22.5 minutes	22.1 minutes	-0.4	-1.8
Putnam County	23.8 minutes	21.9 minutes	-1.9	-8.7
State of Illinois	28.0 minutes	28.1 minutes	0.1	0.4

Source: U.S. Bureau of the Census; American Community Survey

It is helpful to understand the nature of the place of work of the County work force. As illustrated in Table 6.6, 60.7% of Bureau County workers worked in Bureau County, and 86.8% worked within the Ottawa-Streator MiSA.

Table 6.6
Place of Work for Workers 16 Years and Over
Bureau County, IL

	Total	% of Total
Workers 16 years and over	16,385	100.0%
Worked in Ottawa-Streator MiSA	14,230	86.8%
Worked in a different MiSA	588	3.6%
Worked in a Metropolitan Statistical Area	1,550	9.5%
Worked outside any MiSA or Metropolitan Statistical Area	17	0.1%
Workers 16 years and over	16,385	100.0%
Worked in Bureau County	9,944	60.7%
Worked in county other than Bureau County	6,267	38.2%
Worked outside the State of Illinois	174	1.1%

Source: 2007-2011 American Community Survey 5-Year Estimates

B. Economic Base Analysis

Bureau County's major employers are indicated in Table 6.7:

Table 6.7
Major Employers in Bureau County, Illinois

Employer (City or Village)	Product/Service	No. of Employees
Wal-Mart Stores, Inc. (Spring Valley)	Discount retail distribution facility	940
St. Margaret's Hospital (Spring Valley)	Health care	675
Monterey Mushrooms (Princeton)	Mushroom grower/distributor	488
Ace Hardware Retail Support Center (Princeton)	Retail distribution facility	403
Perry Memorial Hospital (Princeton)	Health care	338
LCN (Princeton)	Hardware	275
L.W. Schneider, Inc. (Princeton)	Industrial machinery	265
Martin Engineering (Neponset)	Mining machinery/equipment	250
Princeton Elementary Schools (Princeton)	Public education	240
Walmart Stores, Inc. (Princeton)	Discount retail department stores	240
Bureau Valley Community Unit School District 340 (Manlius)	Public education	230
County of Bureau (Princeton)	County government	222
Liberty Village (Princeton)	Nursing home	172
MTM Recognition (Princeton)	Rings and jewelry	143
Princeton Township School District (Princeton)	Public education	142
City of Princeton (Princeton)	Municipal government	136
Gateway Services (Princeton)	Residential care	128
Gardner Denver, Inc. (Princeton)	Air compressors	120
AG View FS, Inc. (Princeton)	Farm supplies	110
Hall Township High School District (Spring Valley)	Public education	98
Spring Valley Nursing Center (Spring Valley)	Skilled nursing care	95
Heartland Bank & Trust (Princeton & Spring Valley)	Banking	93
DePue Community Unit School District 103 (DePue)	Public education	92
Spring Valley Elementary School District 99	Public education	90
Riverfront Machine, Inc. (Spring Valley)	Filters and components	80

Walnut Manor, Inc. (Walnut)	62-bed intermediate health care facility	70
J.B Sullivan, Inc. (Princeton)	Retail grocery stores	70
Spring Valley Supermarket (Spring Valley)	Retail grocery stores	68
Tee Group (Ladd)	Polyethylene film	60
Purdy Brothers Trucking (Princeton)	Transportation	50

Source: 2012 Comprehensive Economic Development Strategy, North Central Illinois Economic Development District; City of Spring Valley; City of Princeton

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The following Table 6.8 displays the average quarterly employment and average monthly earnings by NAICS subsector.

Table 6.8
2011 Average Quarterly Employment and Average Monthly Earnings per NAICS Sector*

NAICS Subsector	Average Quarterly Employment (2011Q1, 2011Q2, 2011Q3, 2011Q4)	Average Monthly Earnings (\$) (2011Q1, 2011Q2, 2011Q3, 2011Q4)
All NAICS Subsectors	9,587	\$3,188
493 Warehousing and Storage	1,058	\$3,455
332 Fabricated Metal Product Manufacturing	744	\$4,094
111 Crop Production	671	\$2,791
722 Food Services and Drinking Places	632	\$909
424 Merchant Wholesalers, Nondurable Goods	417	\$3,472
452 General Merchandise Stores	342	\$2,529
522 Credit Intermediation and Related Activities	339	\$3,075
621 Ambulatory Health Care Services	335	\$4,580
623 Nursing and Residential Care Facilities	332	\$1,830
333 Machinery Manufacturing	328	\$6,388
561 Administrative and Support Services	324	\$2,261
541 Professional, Scientific, and Technical Services	319	\$3,111
484 Truck Transportation	209	\$3,392
447 Gasoline Stations	208	\$1,908
624 Social Assistance	207	\$1,756

445 Food and Beverage Stores	191	\$1,553
238 Specialty Trade Contractors	187	\$3,885
811 Repair and Maintenance	179	\$3,145
441 Motor Vehicle and Parts Dealers	170	\$2,803
236 Construction of Buildings	101	\$3,341

Source: U.S. Census Bureau, Local Employment Dynamics
 *All 20 eligible industries ranked on the greatest employment.

Section 6.3 Community Assessment: Strengths and Weaknesses Analysis

Part of the process of economic development planning should be for the community to assess categories or particular types of new businesses and industries that are desired by the County, and to assess its strengths and weaknesses for attracting and /or retaining business and industry. The Bureau County Regional Planning Commission hosted public planning forums on March 24, 2014 (Manlius), March 25, 2014 (LaMoille), April 1, 2014 (Buda) and April 2, 2014 (Princeton). The input received during these meetings, along with input from the Regional Planning Commission, is reflected in the following:

A. Categories or types of new businesses and/or industries that are desired by the community:

- Manufacturing facilities
- Technology industry
- Warehousing/distribution centers
- Agri-business
- A variety of restaurants
- Better paying jobs
- Hotels within walking distance to the Amtrak station in Princeton
- Complementary businesses
- Farmers Markets
- More entertainment
- More local restaurants
- Cracker Barrel restaurant
- Aldi grocery store
- HyVee grocery store
- Logistics industries
- Lumber yard/hardware store(s) such as Lowe's
- Arts and crafts supply store(s)

B. Community strengths for attracting/retaining businesses and industry:

- Interstate highways
- Rail network
- Illinois River
- Fiber-optic technology infrastructure
- High quality of life
- Quality schools
- Economic incentives (Enterprise Zone)
- Reliable power supplies

- Near-by secondary and post-secondary education.
- Low cost of open land
- Recreational activities
- Proximity to population centers
- Local work force
- Local churches
- Affordable housing
- Qualified work force

C. Community weaknesses for attracting/retaining businesses and industry:

- High state and local taxes
- Declining population
- Proximity to population centers
- Economic incentives
- Lack of regional collaboration
- Lack of high-speed communications network
- Small labor force

Section 6.4 Economic Development Programs

This section contains a brief description of the Bureau County development actions and various programs that could potentially assist the County's businesses with loans and grants.

A. Bureau County

Bureau County Economic Development

Bureau County Economic Development (BCED) is a collaborative effort between the City of Spring Valley, the City of Princeton, the Bureau County Board, and the University of Illinois Extension in Bureau County.

BCED has an established website portal, www.bureaucountyillinois.com. This portal is a tool for economic development featuring properties and sites in Bureau County available for development. In addition, the site highlights Bureau County's many assets illustrating the reasons that businesses and families would benefit by locating here.

B. Regional

North Central Illinois Council of Governments (NCICG) / Economic Development District (EDD)

The mission of the North Central Illinois EDD is to develop and implement a regional Comprehensive Economic Development Strategy (CEDS) that will enhance job opportunities and improve the quality of life for local communities. The EDD currently serves Bureau, LaSalle, Marshall, and Putnam Counties. The EDD received its designation from the U.S. Department of Commerce, Economic Development Administration in 2005. The EDD has received Economic Development Administration funding for the implementation of the Comprehensive Economic Development Strategy since October 2006.

The CEDS for the North Central Illinois EDD represents a combined multi-county effort to bring economic improvement to the area. The plan replaces past single-county plans by combining the counties into one redevelopment district. The CEDS has been approved by the Economic Development Administration. The CEDS outlines past development efforts in the district, describes the area's economy, provides geographic and demographic information, identifies potentials and constraints with development, and outlines specific goals to improve economic development throughout the district. The actions and strategies in the document are designed to have NCICG work to supplement and support the existing economic development organizations and groups that exist in the region and to fill in gaps as needed.

The emphasis from Congress and the Economic Development Administration is on regional cooperation and development efforts to supplement the existing individuals, organizations and associations that exist. This strategy allows the Federal government to participate in Economic Development in an efficient manner at the local level.

C. State

The Illinois Department of Commerce and Economic Opportunity (DCEO)

DCEO has a broad range of financial assistance programs to help communities with economic development. DCEO offers a number of innovative programs to augment conventional sources of financing and help with business locations, relocations, and expansions:

Illinois Enterprise Zone Program

Certain specifically-designated portions of Bureau County are located within an Illinois Enterprise Zone (Bureau/Putnam County Enterprise Zone). The Illinois Enterprise Zone Act was signed into law December 7, 1982. The purpose of the Act is to stimulate economic growth and neighborhood revitalization in economically depressed areas of the state. Businesses located (or those that choose to locate) in a designated enterprise zone can become eligible to obtain special state and local tax incentives, regulatory relief, and improved governmental services, thus providing an economic stimulus to an area that would otherwise be neglected.

Businesses located or expanding in an Illinois enterprise zone may be eligible for the following incentives: an exemption on the retailers' occupation tax paid on building materials, an investment tax credit of .5 percent of qualified property, and an enterprise zone jobs tax credit for each job created in the zone for which a certified dislocated worker or economically disadvantaged individual is hired. Additional exemptions, such as an expanded state sales tax exemption on purchases of personal property used or consumed in the manufacturing process or in the operation of a pollution control facility and an exemption on the state utility tax for electricity, natural gas and the Illinois Commerce Commission's administrative charge and telecommunication excise tax are available for companies that make the minimum statutory investment that either creates or retains the necessary number of jobs. These exemptions require a business to make application to, and be certified by, the Department. In addition to the state incentives, each zone offers distinctive local incentives to enhance business development projects. Each enterprise zone has a designated zone administrator who is responsible for zone compliance and is available to answer questions regarding the zone. The Bureau/Putnam County Enterprise Zone Administrator is Benjamin Wilson, Economic Development Coordinator, North Central Illinois Council of Governments (Phone 815-433-5830; FAX: 815-433-5832; E-mail: bwilson@ncicg.org).

Participation Loan Program

The program works through banks and other conventional lenders to generally provide subordinated financial assistance to small businesses that will employ Illinois workers. The state will participate in loans up to 25 percent of the total amount of a project, but not less than \$10,000 nor more than \$750,000.

Minority, Women and Disabled Participation Loan Program

This program is similar to the Participation Loan Program, except that participation may not exceed 50 percent of the project, subject to a maximum of \$50,000.

Enterprise Zone Financing Program

Similar to the Participation Loan Program, except that DCEO will generally provide favorable interest rates to businesses either locating in or expanding in one of the 93 certified enterprise zones located throughout the state.

Development Corporation Participation Loan Program

This program provides financial assistance through a Development Corporation to small businesses that provide jobs to workers in the region served by the Development Corporation. The state will participate in loans up to 25 percent of the total amount of a project, but not less than \$10,000 nor more than \$750,000.

Capital Access Program (CAP)

The Capital Access Program is designed to encourage financial institutions to make loans to new and small businesses that do not qualify for conventional financing. A reserve fund is established at the lending bank and is available to draw upon should any of the bank's CAP loans default. There is a maximum loan amount of \$100,000.

The Technology Venture Investment Program (TVIP)

The Technology Venture Investment Program was created to provide seed and early stage capital, in the form of a qualified security investment, to Illinois entrepreneurs that are developing an advanced technological device or process commercially exploitable by Illinois businesses. DCEO may invest up to \$500,000, but no more than 50 percent of the equity financing of the project. A qualified co-investor(s) with expertise in the related field of technology must assume at least 50 percent of the additional equity contribution.

Surety Bond Guaranty Program

The program is designed to assist Illinois' small, minority and women contractors with technical assistance; help them receive experience in the industry; and assist in obtaining bid, performance and payment funds for government, public utility and private contracts.

Business Development Public Infrastructure Program

The Business Development Public Infrastructure Program provides low-interest financing to units of local government for public improvements on behalf of businesses undertaking expansion or relocation projects that meet the program criteria and demonstrate great potential for creating and retaining jobs. The infrastructure improvements must be made on public property and must directly result in the creation or retention of private-sector jobs. The local government must demonstrate clear need for the financial assistance to undertake the improvements.

Affordable Financing of Public Infrastructure Program

This program provides financial assistance to, or on behalf of local governments, public entities, medical facilities and public health clinics for the purpose of making affordable the financing of public infrastructure improvements needed to ensure health, safety and economic development in a community.

Community Development Assistance Program (CDAP)

CDAP is a federally funded program that assists smaller Illinois local governments in financing public facilities, housing rehabilitation projects or economic development needs. Grants are made to units of local government and may be loaned to businesses for projects that will create or retain jobs in the community. Grant funds may also be used by the local government for improvements to public infrastructure that directly support economic development. The program is limited to communities with populations under 50,000 that are not located within one of the eight large urban counties that receive funds directly from the federal government. Funds are targeted toward projects that primarily benefit low- and moderate-income people.

Community Services Block Grant Loan Program (CSBG)

This program provides long-term, fixed-rate financing to new or expanding businesses that create jobs and employment opportunities for low-income individuals. The program links federal, state and private financing by using CSBG funds at low interest rates in combination with bank funds and equity.

Large Business Development Program

The Illinois Large Business Development Program (LBDDP) provides incentive financing to encourage large out-of-state companies to locate in Illinois or existing large companies to undertake substantial job expansion or retention projects. Funds available through the program can be used by large businesses (500 or more employees) for typical business activities, including financing the purchase of land and buildings, construction or renovation of fixed assets, site preparation and purchase of machinery and equipment. LBDDP funds are targeted to extraordinary economic development opportunities; that is, projects that will result in substantial private investment and the creation and/or retention of 300 or more jobs.

Employer Training Investment Program (ETIP)

This state-funded program assists Illinois companies in training new workers or upgrading the skills of their existing workers. ETIP grants may be awarded to individual companies, multi-company efforts and intermediary organizations offering multi-company training.

Technology Challenge Grant Program

The Technology Challenge Grant Program provides grants to fund science and technology projects, partnerships between universities and industry, high-tech commercialization projects, transfer projects and infrastructure improvements.

Illinois Technology Enterprise Center (ITEC) Program

The ITEC program provides operational support for regional centers that serve technology entrepreneurs, innovators and small businesses and provide investments to or on behalf of young or growing companies in cooperation with private sector investments. Centers assist entrepreneurs to locate critical pre-seed and early stage financing, help entrepreneurs in high growth, high technology fields to further their technical and/or managerial skills, and assist with new product development and marketing in support of new venture formation within Illinois.

Illinois Technology Enterprise Development and Investment Program

Provides investment, loans or qualified security investments to or on behalf of young or growing businesses in cooperation with private investment companies, private investors or conventional lending institutions. Investors assume a portion of the investment loan or financing for a business project. New or emerging businesses also are eligible through financial intermediaries as they commercialize advanced technology projects.

Recycling Industry Modernization (RIM) Program

The Recycling Industry Modernization Program provides grants to manufacturers to encourage them to modernize their operations and divert materials from the solid waste stream. RIM projects require the use of recycled materials and/or solid waste reduction activities. Grants of \$30,000 are available for modernization assessments, with grants up to \$150,000 available for modernization implementation projects. Grants require an applicant investment.

Recycling Market Development Program

Provides grants to encourage private-sector investment in the manufacture, marketing and procurement/demonstration of products containing recycled commodities. These funds may be used for capital equipment, certain marketing expenses, and to offset costs to procure and demonstrate the use of recycled-content products. The Recycling Market Development Program provides grants up to \$250,000. Grants require an applicant investment.

D. Federal

HUBZone Program

Bureau County is currently not a federally-designated HUBZone. The HUBZone Program, managed by the U.S. Small Business Administration (SBA), stimulates economic development and creates jobs in urban and rural communities by providing Federal contracting preferences to small businesses. These preferences go to small businesses that obtain HUBZone (Historically Underutilized Business Zone) certification in part by employing staff who live in a HUBZone. The company must also maintain a "principal office" in one of these specially designated areas. The program resulted from provisions contained in the Small Business Reauthorization Act of 1997.

The U.S. Small Business Administration (SBA) was created in 1953 as an independent agency of the federal government to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation. The SBA helps Americans start, build and grow businesses. Through an extensive network of field offices and partnerships with public and private organizations, SBA delivers its services to people throughout the United States, Puerto Rico, the U. S. Virgin Islands and Guam.

Foreign Trade Zone

Foreign Trade Zones (FTZs) were created in the United States to provide special customs procedures to U.S. plants engaged in international trade-related activities. Duty-free treatment is accorded items that are processed in FTZs and then re-exported, and duty payment is deferred on items until they are brought out of the FTZ for sale in the U.S. market. This helps to offset customs advantages available to overseas producers who compete with domestic industry. The Foreign-Trade Zones (FTZ) Board (composed of representatives from the U.S. Departments of Commerce and Treasury) has its operational staff in the International Trade Administration's Import Administration.

FTZs are considered to be outside of U.S. Customs Territory for the purpose of customs duty payment. Therefore, goods entering FTZs are not subject to customs tariffs until the goods leave the zone and are formally entered into U.S. Customs Territory. Merchandise that is shipped to foreign countries from FTZs is exempt from duty payments. This provision is especially useful to firms that import components in order to manufacture finished products for export.

There is no time limit on goods stored inside a FTZ and certain foreign and domestic merchandise held in FTZs may be exempted from state and local inventory taxes. This allows firms to minimize their costs while their products are waiting to be shipped. In addition, quota restrictions are in some cases waived for items entering an FTZ; however, the restrictions would apply if the items were to enter the U.S. market.

A variety of activities can be conducted in a zone, including assembling, packaging, destroying, storing, cleaning, exhibiting, re-packing, distributing, sorting, grading, testing, labeling, repairing, combining with foreign or domestic content, or processing. Manufacturing and processing require specific FTZ Board approval, however.

Section 6.5 Economic Development Issues/Conclusions

- The County's economic development incentive program should be more competitive.
- There is no unified county-wide economic development effort.

Section 6.6 Economic Development Goals, Objectives, Policies

A. Goal:

Promote the expansion and stabilization of economic base in a way that takes advantage of Bureau County's unique assets, opportunities and strengths; and achieve a strong, secure and diverse economic base which is conducive to increasing economic opportunities.

B. Objectives:

1. Retain and help grow existing Bureau County businesses and job opportunities.
2. Direct a coordinated economic development program that capitalizes on Bureau County's natural resource base, recreational opportunities, transportation assets, and proximity to other population and recreation/tourism centers.
3. Direct large-scale economic development projects to the municipalities—where a full range of utilities, services, roads and other infrastructure is available.
4. Discourage unplanned, continuous strip commercial development, and an overabundance of commercial signs and billboards, along major roadways.
5. Where consistent with local plans, promote neighborhood-serving retail development near planned residential areas, allow small, low-impact non-farm businesses on farming properties and support and allow home-based businesses where there will be no impact on surrounding properties.
6. Encourage the redevelopment and reuse of the downtown districts and aging or contaminated business locations in the county's cities and villages.

C. Policies:

1. Plan for an adequate supply of developable land for commercial and industrial uses in logical areas consistent with local government wishes.
2. Accommodate high quality employment opportunities in areas planned for commercial and industrial uses.
3. Assist in the expansion of economic development through the encouragement of increased local retail, service, distribution and manufacturing uses.
4. Encourage the development of well-planned industrial parks and/or business parks.
5. Existing manufacturing areas should be given adequate protection; additional land should be designated and regulated for future manufacturing development so that present industry may expand, and that a wide range of sites for new industry be provided, having access to transportation facilities and other features, enabling industry in Bureau County to compete successfully with industry elsewhere in the national and world-wide markets.
6. Encourage new business development as part of existing centers in local communities.
7. Adequate space should be provided for off-street parking of vehicles of employees and customers using business, commercial and industrial areas.
8. Encourage or require creative development design techniques to reduce the aesthetic impact of commercial and industrial development without sacrificing the public health, morals and general welfare.
9. Focus on a sustainable economic development approach, anchored in business retention and expansion, rural entrepreneurship, tourism- and resource-based development, and home-based business development. Local communities should be encouraged to specialize in an economic approach that takes advantage of their respective attributes.
10. Work with the cities and villages in the county on efforts to advance downtown revitalization and redevelopment efforts.
11. Bureau County should develop a competitive economic development incentive program.
12. Work to diversify economic opportunities throughout Bureau County.
13. Work to diversify economic development strategies in the county.
14. Leverage Bureau County's location and proximity to urban areas to its economic advantage.