

Southeast Iowa Regional Planning Commission

Comprehensive Economic Development Strategy (CEDS)



September, 2007

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Forward

The foundation of this document comes from the local strategic planning committee comprised of individuals from the public and private sector of each of the four counties of the Economic Development District (EDD). The issues and strategies developed in this document represent a synthesis of the priorities established through these local strategic planning efforts.

The CEDS represents a culmination of the efforts of both private and public sector input constantly seeking regional consensus. The Regional CEDS Committee and the Executive Board of the SEIRPC have affirmed these local efforts by their acceptance and adoption of the CEDS.

There will never be a final draft of the CEDS. From the start, the objective has been to provide a dynamic useful document. The County CEDS Committees and the Regional CEDS Committee will continue to assess changing economic conditions on a local and regional level. The CEDS will be revised annually to reflect the changes in issues and strategies that impact the region's economic growth and prosperity.

The CEDS document is intended to be useful to development practitioners, public officials, and the general public. It is intended to be a tool that can be used by anyone who desires to improve their community and their region. It is inconsequential how many governing bodies or agencies approve this document if it is not helpful to people and communities. The mission for the future of the CEDS is to become more helpful to people and communities. How can we improve the CEDS? Let us hear from you.

A debt of gratitude is owed to each strategy member. These are the people that took the time to attend the meetings, read the document, and provide the feedback necessary to complete the CEDS. Again, thanks to each of you.

Without the expertise and effort of the SEIRPC staff, the CEDS would not have been possible. They have researched data, composed narratives, proofed, edited, formatted, and copied this document. This has been no small task. Their efforts are greatly appreciated.

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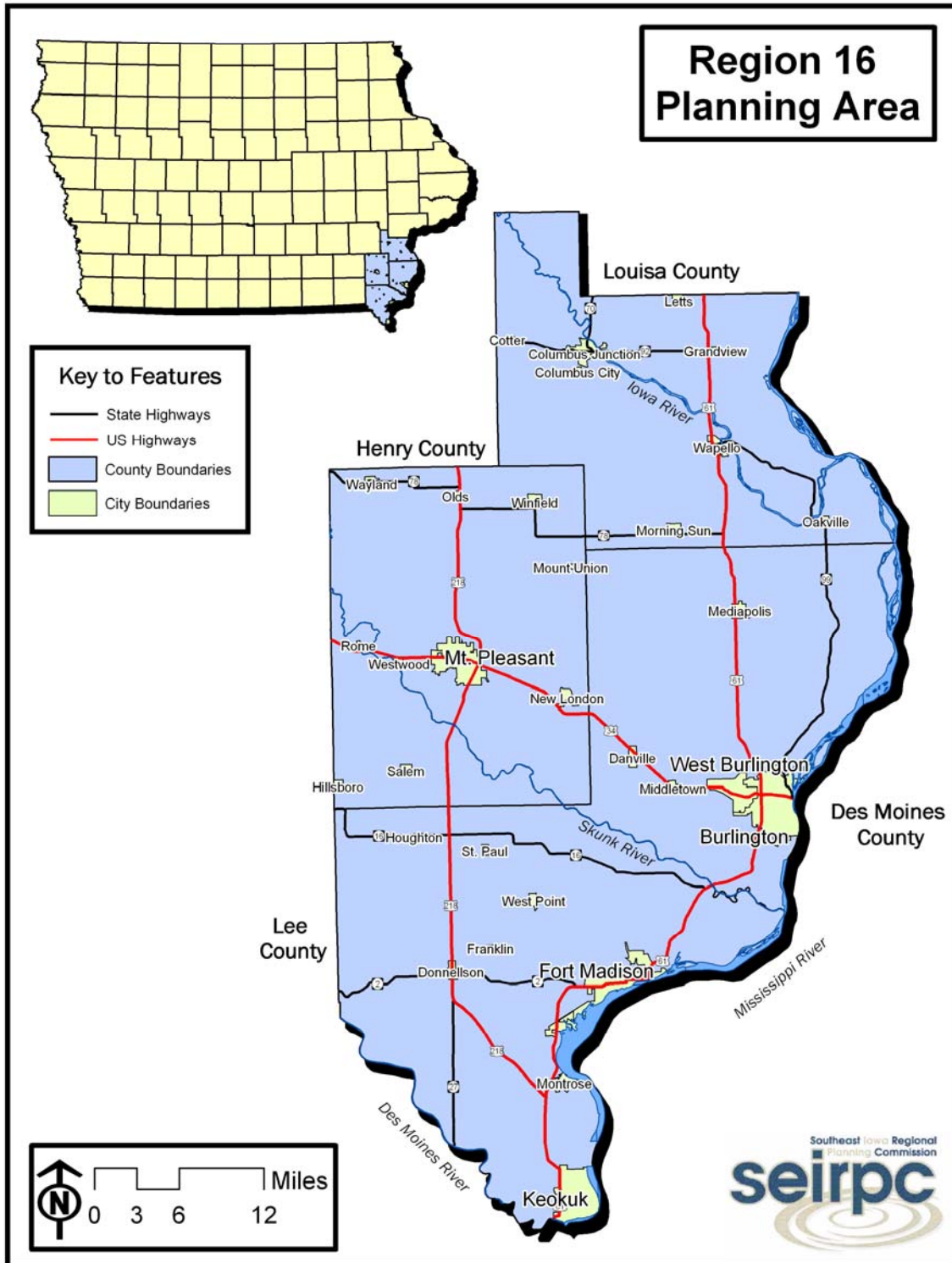
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(Amended 07/31/06)



This document was financed in part by a planning grant from the Economic Development Administration of the U.S. Department of Commerce.

SEIRPC Region 16 Map



Summary

The Southeast Iowa Regional Planning Commission submitted an initial Overall Economic Development Program (OEDP) in 1992. This 2007 Comprehensive Economic Development Strategy (CEDS) serves to update the Commission's 2002 Comprehensive Economic Development Strategy. It presents new and revised data illustrating both the progress and needs of the region. The 2007 CEDS prioritizes issues that impede economic prosperity and growth on both a regional-specific and county-specific level. Regional strategies for dealing with priority issues are outlined in the 2007 CEDS. The 2007 CEDS serves as a resource guide to government officials, community leaders, and development practitioners. The goals and strategies represents the efforts of the Economic Development District (EDD) to collaborate in the use of scarce, natural, human, and programmatic resources. This document reflects the efforts of the region's economic development infrastructure to reduce duplication of effort and realize greater economies of scale in development practice throughout the EDD. The 2007 CEDS will serve to outline activities and program strategies that are to be implemented through the year 2012.

The region operates as the Southeast Iowa Regional Planning Commission (SEIRPC). SEIRPC is an association of county governments established by interlocal agreements under Iowa Statute 28 H in 1973. The Commission included four counties, which were designated an Economic Development District by the Economic Development Administration (EDA) in 1977.

The SEIRPC's active membership consists of four counties as well as thirty-one (31) communities. The SEIRPC Executive Committee consists of four board members, one from each membership county. See page 84 for a listing of the Executive Committee and General Commission members. The SEIRPC Full Board consists of the Executive Committee in addition to three members appointed by each county and also a school representative.

The region's economic base continues to be a proportional mix of agriculture and industry. Economic factors presented in the 2007 CEDS will demonstrate that the region continues to lag substantially behind the State of Iowa, and the nation as a whole, in key economic indicators such as wages, household income, and unemployment. Based upon the presented factors affecting economic prosperity and growth in southeast Iowa, the SEIRPC and the CEDS Committees have adopted an active strategy designed to meet the short- and long-term economic development and growth goals and objectives. The program emphasizes coordination of local action with assistance from state and federal agencies in addressing major development issues in the region. The CEDS considers the needs and resources of all counties within the EDD.

Organization and Management of the Strategy (CEDS) Committee

The membership of the Regional CEDS Committee consists of nine members. This committee was appointed by the Regional Board of Directors according to the statutes of 13 CFR Part 303.6(a):

“The Planning Organization must appoint a Strategy Committee. The Strategy Committee must represent the main economic interests of the Region and must include Private Sector Representatives [as defined above] as a majority of its membership. In addition, the Planning Organization should ensure that the Strategy Committee includes public officials, community leaders, representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.”

The most recently adopted Strategic Plan (as of January 1, 2003) along with regional and state economic studies was reviewed and compared to arrive at a preliminary list of regional priority issues, strategies, and plan of work. These were reviewed by the CEDS Strategy Committee in order to insure that there was regional agreement regarding the issues and strategies.

To further insure that the 2007 CEDS continued to be constituent sensitive, the initial draft of the 2007 CEDS priority issues, strategies, plan of work, complete demographic, socioeconomic and labor force information was made available to the region. This was provided in order to facilitate a greater regional understanding of the strengths, weaknesses, opportunities and threats affecting the region. This process also served the purpose of developing a regional understanding of the current status of several different areas of economic performance within the region.

For purposes of the 2007 CEDS, other areas addressed by the CEDS that directly affect economic performance such as availability of natural resources, health services, schools, public safety, recreation, and cultural facilities were all thoroughly reviewed to facilitate centralized planning and promote efficiency and economies of scale in producing effective outcomes.

The SEIRPC Full Board is the jurisdiction giving the official approval of the CEDS by resolution. The Executive Director will be responsible for reporting on the progress of the program and its results.

The CEDS document will be reviewed by the Strategy Committee on a yearly basis and information will be provided to the Economic Development Administration to annually update the CEDS progress.

Chapter 1. Background Information

This section summarizes the area's general description, natural resource attributes, environmental issues, political geography, population and labor force, economy, infrastructure services and planning, and economic development activities. Where possible, information is segregated by county.

Physical Environment

Regional Overview

The Southeast Iowa Regional Planning Commission, about which this report is compiled, consists of the four counties in the extreme southeast corner of Iowa. This location places Southeast Iowa in close proximity to the two neighboring states of Illinois and Missouri, and it is this locational advantage, which has played an important role in the development of the region. Significant aspects of the climate and natural resources of the area will be examined with respect to their contributors to past and future development of Southeast Iowa.

Climate

One major climatic type found in Southeast Iowa is humid continental with warm summers (Dca). The definition of Dca is four to seven months above 50°F (10°C), the coldest month below 32°F (0°C) with the warmest month above 72°F (22°C).

Winters within this region can vary greatly with the mildest of temperatures (20°F) to severe blizzard like conditions with wind chills as low as -30°F. Winter arrives generally in December with its departure in March, although winter weather can occur as early as October and as late as April.

Summers are temperate, with 90 plus degree-days occurring a few times and the average temperature for the warmest month, July, staying in the upper 70's. Humidity is high during this time of year, with the evenings remaining hot and sticky. Most of the area's 34 inches to as much as 38+ inches of rainfall comes April through November. The region's heaviest rainfall occurs between the months of May and July.

Physical Environment – County Perspective

Note: Information contained in the County Perspective section was mainly derived from USDA Natural Resource Conservation Services Soil Surveys for Des Moines, Henry, Lee, and Louisa Counties. Additional resources include U.S. Census Bureau and 2001 Iowa's Counties.

Des Moines County has a total area of 416 square miles, or about 266,240 acres. Burlington, which is along the Mississippi River located in the east central part of the county, is the county seat. Des Moines County was part of the Michigan Territory at one time. In 1833, a settlement near the present site of Burlington was established. In 1836, when the first census was taken, the population of Des Moines County was 6,257. The first county seat was at Flint Hills. The name was later changed to Burlington.

During the 1840's, steamboats traveled the Mississippi River carrying goods and people into and out of Des Moines County. A network of stagecoach lines also carried passengers

throughout the county. In 1854, the county had its first railroad service. By 1868, a railroad bridge spanned the Mississippi River at Burlington, and by 1871, seven railroad lines provided transportation for farm products.

In winter, the average temperature is 25°F and the average daily minimum temperature is 17°F. The total annual precipitation is about 36 inches. Of this total, 23 inches (65%) usually falls in April through September, which includes the growing season for most crops. The average annual snowfall is about 25 inches. The sun shines 75% of the time possible in summer and 50% in winter. The prevailing wind is from the south.

About 60% of the county is cropland; 10% urban land; 8% pasture; and 22% woodland, wasteland, or idle land. Growing soybeans and corn for grain and seed, feeding cattle, and raising hogs are the principal farming enterprises.

Henry County has a total area of 434 square miles, or about 277,760 acres. The city of Mount Pleasant is the county seat. Henry County was originally part of Des Moines County, which, in turn, was part of Wisconsin Territory. In 1836 the Wisconsin territorial legislature created a new county out of a portion of Des Moines County and bestowed on the name of Henry Dodge, first territorial governor of Wisconsin. The first census of the county was taken in 1838, showing a population of 3,058.

The total annual precipitation is approximately 38 inches. Nearly 70% of the annual precipitation occurs during April through September. The average seasonal snowfall is about 37 inches.

The major crops are corn, soybeans, wheat, and timber. The principal livestock are beef and hogs.

Lee County has a total area of 517 square miles, or about 330,880 acres. Lee County has two county seats. Fort Madison is the northern county seat and Keokuk is the southern county seat. The original vegetation of Lee County included oak-hickory forests in the southern half of the county and in large tracts near the rivers. The area that is now Green Bay Township was a marshy overflow of the Skunk and Mississippi Rivers that was inhabited by waterfowl. The northwestern part of the county supported tall prairie grasses.

Lee County was first visited by Marquette and Joliet in 1673 on their exploratory journey down the Mississippi River. A military outpost was established at Fort Madison in 1808 but was later overrun by Indians and abandoned. Settlers began arriving about 1820. Galland is the site of the first schoolhouse in Iowa.

Elevation ranges from 780 feet in the northern part of the county to 490 feet in the southeastern part, where the Des Moines and Mississippi Rivers join.

The annual precipitation averages nearly 34 inches, making this one of the wettest counties in the state. About 75% of the annual precipitation occurs during the warm season from April through September.

Most of Lee County is farmed. The major crops are corn, soybeans, wheat, hay, pasture, and timber. There is currently 75,000 acres of timber in Lee County. Hogs and beef cattle are the principal livestock.

Louisa County has a total area of 402 square miles, or about 321,280 acres. Wapello is the county seat. The first permanent settlement in the area now known as Louisa County was established in 1832, near the mouth of the Iowa River. The early settlers came mostly by boat on the Mississippi and Iowa Rivers. Most of them settled on the edge of the forest, where the sod was more easily broken, where fuel and building material were available, and where there was protection from the fires that swept the prairie.

When it was established on December 7, 1836, the county was still part of the Wisconsin Territory. It was separated from the original Des Moines County, which was divided into seven counties.

The highest point in the county, about 800 feet above sea level, is in the southeastern part of Morning Sun Township. The lowest elevation, 528 above sea level, is in the flood pool of the Mississippi River, in an area of the southeast corner where the river leaves the county.

The total annual precipitation is 36.88 inches. Of this, about 25 inches, or nearly 70%, usually falls in April through September. The average seasonal snowfall is about 37 inches. On the average, 36 days of the year have at least one (1) inch of snow on the ground. The sun shines 65% of the time possible in summer and 40% in winter. The prevailing wind is from the west-northwest.

The county is almost entirely agricultural. Some areas on bottom land are wooded. In 1970, about 65% of the acreage was cropland; 16% woodland; 10% pasture and other agricultural land; 5% urban and built-up land; and 3% federal land. Corn and soybeans are the chief crops. Feeding beef cattle and raising hogs are the principal livestock enterprises.

Natural Resources/Agriculture

Regional Overview

Agriculture production has been increasingly concentrated into a smaller number of farms, a smaller number of farm operators, and a larger average acreage per farm. Modern technology has enabled farmers to more efficiently manage larger farm acreages. The unit price of agricultural commodities has also generally declined. The resulting movement towards fewer farms has impacted Southeast Iowa as well as the entire state. This is causing a general outmigration of people from Iowa. Iowa experienced massive outmigration during the farm recession of the 1980's.

Natural vegetation is one of the most significant features of any landscape. It is important because the natural vegetation, especially with regard to crop production, forestry, land use planning, and ecological research, often dictates our utilization of all land. There is an intimate relationship between plant communities and their physical and chemical environment. Vegetation is not simply the end result of given climatic and edaphic conditions; it directly affects and modifies the surrounding environment.

Three of the four counties in southeast Iowa have more than 200,000 acres of farmland. According to the most recent information from the Natural Resource Conservation Service (NRCS), Louisa County has over 1,000 acres registered in the Conservation Reserve Program with the remaining counties having less than 1,000 acres registered.

Natural Resources/Agriculture – County Perspective

Des Moines County has seven (7) different soil types. Wabash-Titus-Dolbee association: nearly level, very poorly drained and poorly drained, silty and clay soils on bottom land. Nodaway-Lawson-Klum association: nearly level, moderately well drained and somewhat poorly drained, loamy and silty soils on bottom land. Nira-Otley-Mahaska association: nearly level to moderately sloping, moderately well drained and somewhat poorly drained, silty soils on uplands. Mahaska-Lindley association: nearly level, somewhat poorly drained and poorly drained, silty soils on uplands. Clinton-Lindley association: gently sloping to very steep, moderately well drained and well drained, loamy and silty soils on uplands and high stream. Givin-Hedrick-Ladoga association: nearly level to moderately sloping, somewhat poorly drained, loamy and silty soils on uplands and high stream benches. Welter-Pershing-Grundy association: gently sloping and moderately sloping, moderately well drained and somewhat poorly drained, silty soils on uplands. The surface is dissected by a number of creeks.

The Mississippi River flows along Des Moines County's entire eastern border. Yellow Spring Creek, Spring Creek, and Flint River run into the Mississippi River.

Farming and related services are important enterprises in Des Moines County. According to Iowa's Counties 2001 Edition, in 1997 the average farm size was 296 acres and there were a total of 650 farms.

Henry County has eight (8) different soil types. Taintor-Mahaska-Kalona association: nearly level and level, poorly drained and somewhat poorly drained, silty soils formed in loess; on uplands, Otley-Mahaska-Nira association: nearly level to moderately sloping, moderately well drained and somewhat poorly drained, silty soils formed in loess on uplands. Ladoga-Givin-Hedrick association: nearly level to moderately sloping, moderately well drained and somewhat poorly drained, silty soils formed in loess on uplands. Haig-Grundy-Arispe association: nearly level to moderately sloping, poorly to moderately well drained, silty soils formed in loess; on uplands. Pershing-Belinda-Rinda association: nearly level to strongly sloping, moderately well drained to poorly drained, silty soils formed in loess and glacial till on uplands. Clinton-Lindley-Keswick association: gently sloping to very steep, moderately well drained and well drained, silty and loamy soils formed in loess and glacial till on uplands. Weller-Lindley-Keswick association: gently sloping to very steep, moderately well drained and well drained, silty and loamy soils formed in loess and glacial till on uplands. Nodaway-Colo association: nearly level and gently sloping, moderately well drained and poorly drained, silty soils formed in recent alluvium; on bottom lands. Many small creeks as well as the Skunk River flow in Henry County.

According to Iowa's Counties 2001 Edition, in 1997 the average farm size was 293 acres and there were a total of 835 farms.

Lee County has seven (7) different soil types. Grundy-Haig-Arispe association: moderately well drained to poorly drained, nearly level to moderately sloping soils formed in loess on

uplands. Pershing-Weller association: somewhat poorly drained and moderately well drained, gently sloping and moderately sloping soils formed in loess on uplands. Pershing-Belinda association: moderately well drained to poorly drained, moderately sloping to nearly level soils formed in loess on uplands. Lindley-Weller-association: well drained and moderately well drained, moderately sloping to steep soils formed in glacial till and loess on uplands. Douds-Clinton-Keomah association: somewhat poorly drained and moderately well drained, nearly level moderately steep soils formed in old alluvial sediment and loess on high benches. Sparta-Dickinson association: Excessively drained to well drained, nearly level moderately sloping soils formed in coarse sediment on benches. Chequest-Nodaway-Landes association: poorly drained, moderately well drained and well drained, nearly level soils formed in recent alluvium on bottom land.

The Skunk River flows through Henry County into Lee County. The Des Moines River creates the southwest border of the county. Both of these rivers join the Mississippi River. Many small creeks also flow in Lee County.

Most of Lee County is farmed. The average size of farms is 298 acres. According to Iowa's Counties 2001 Edition, there are 861 farms located in Lee County. The major crops are corn, soybeans, wheat, hay, pasture, and timber. There is currently 75,000 acres of timber in Lee County. Hogs and beef cattle are the principal livestock.

Louisa County has eleven (11) different soil types. Clinton-Lindley association: gently sloping to very steep, moderately well drained and well drained, silty and loamy soils that formed in loess and glacial till on uplands. Downs-Fayette association: gently sloping to steep, well drained, silty soils that formed in loess on uplands. Taintor-Mahaska association: nearly level to gently sloping, poorly drained and somewhat poorly drained, silty soils that formed in loess on uplands. Atterberry-Muscatine-Stronghurst association: nearly level, somewhat poorly drained, silty soils that formed in loess on uplands. Ladoga-Hedrick-Givin association: nearly level to strongly sloping, moderately well drained and somewhat poorly drained, silty soils that formed in loess on uplands. Mahaska-Nira-Otley association: nearly level moderately sloping, somewhat poorly drained and moderately well drained, silty soils that formed in loess on uplands. Ambraw-Shaffton-Nodaway association: nearly level, poorly drained to moderately well drained, silty and loamy soils that formed in alluvium on bottom land. Rowley-Tuskeego-Titus association: nearly level, somewhat poorly drained and poorly drained, silty soils that formed in alluvium on bottom land and low stream terraces. Sparta-Dickinson-Hoopeston association: nearly level to moderately sloping, excessively drained, well drained, and somewhat poorly drained, loamy and sandy soils that formed in alluvium and sandy eolian material on stream terraces and on uplands. Fruitfield-Elrick-Toolesboro association: nearly level and very gently sloping, excessively drained, well drained, and poorly drained, loamy and sandy soils that formed in alluvium on bottom land. Titus-Ambraw-Colo association: nearly level, poorly drained, silty and loamy soils that formed in alluvium on bottom land.

The Mississippi River runs along the entire east side of Louisa County. There are also a few smaller rivers and creeks that flow in Louisa County.

According to Iowa's Counties 2001 Edition, in 1997 the average farm size was 340 acres and there were a total of 593 farms.

The county is almost entirely agricultural. Some areas on bottom land are wooded. In 1970, about 65% of the acreage was cropland; 16% woodland; 10% pasture and other agricultural land; 5% urban and built-up land; and 3% federal land. Corn and soybeans are the chief crops. Feeding beef cattle and raising hogs are the principal livestock enterprises.

In 2000, the Wapello District of the Mark Twain National Wildlife Refuge (NWR) underwent a name change to the Port Louisa NWR – managed under the Mark Twain Complex. The Port Louisa staff manages four divisions – Louisa, Horseshoe Bend, Big Timber (including the islands) and Keithsburg – totaling 8,375 acres of floodplain.

Louisa Port is the northern most refuge in the Mark Twain Complex, which spans 350 miles along the Mississippi River in the states of Iowa, Illinois, and Missouri. The refuge provides several opportunities for public use including hunting, fishing, hiking, photography, environmental education, and wildlife observation (not all activities are allowed on all divisions).

Recreation

Regional Overview

Recreational facilities may not always be viewed as economic development resources. However, they are important to the personal well being of Southeast Iowa residents. Recreational facilities provide jobs to residents of the Southeast Iowa area, but recreational facilities also attract people and dollars from other areas of the state. A wide variety of recreational facilities are available in Southeast Iowa. Recreational opportunities can be divided into three categories: tourist-orientated, city recreational areas, and water resource areas. Tourism opportunities available in Southeast Iowa include museums, historical sites, and seasonal events. Examples of these attractions are listed below:

Museums

AnCam Antique Airfield, West Burlington
Apple Trees Museum, Burlington
Dover Museum, New London
Ft. Madison Farmington & Western RR, Donnellson
Hawkeye Log Cabin Museum, Burlington
Keokuk River Museum, Keokuk
Midwest Old Threshers, Mt. Pleasant
Miller House Museum, Keokuk
N. Lee Co. Historic Center & Depot Museum, Ft. Madison
Old Fort Madison, Ft. Madison

Museums (continued)

Phelps House Museum, Burlington
Rural Free Delivery Postal Museum, Morning Sun
Swedish American Museum, Swedesburg

Seasonal and Annual Event

Annual Kite Festival, Burlington
Apple Daze, Donnellson
Arts for Living Center, Burlington
Bald Eagle Appreciation Days, Keokuk
Battle of Pea Ridge, Keokuk
Big River Rally, Ft. Madison

Historical Sites

Brush College, Ft. Madison
Chief Keokuk Burial Ground, Keokuk
Harlan Lincoln Home, Mt. Pleasant
Heritage Hill Historic District, Burlington
Lewelling Quaker Shrine, Salem
Toolesboro Indian Mounds, Toolesboro

Heritage Days, Burlington
Lee County Fair, Donnellson
Louisa County Fair, Columbus Junction
Mexican Fiesta, Ft. Madison
Midwest Old Threshers Reunion, Mt Pleasant
Oktoberfest on the River, Burlington

Bluegrass Festival, Salem
Burlington Steamboat Days, Burlington
Crooked Creek Days, Winfield
Dan Beid Memorial Jazz Fest, Burlington
Des Moines County Fair, Burlington
Dragon Boat Festival, Burlington
Great River Bridge Run-Walk, Burlington
Harvest Festival, Houghton
Henry County Fair, Mt. Pleasant

Port of Burlington Friday Fest, Burlington
Railroad Days, Ft. Madison
Snake Alley Art Fair, Burlington
Snake Alley Criterium, Burlington
Snow Bull, Burlington
Sweet Corn Festival, West Point
Town and Country Days, Mediapolis
Tri-State Rodeo, Ft. Madison

Recreational areas within cities include neighborhood parks and city parks. There are 83 city-administered parks and recreational areas in the region that comprise 5,746.1 acres of outdoor recreational land.

Recreation – County Perspective

Des Moines County has many recreational sites and events. Golf courses, miniature golf courses, public swimming pools, movie theaters, bowling alleys and a roller-skating rink provide facilities for family fun. Many seasonal and annual events provide entertainment also.

Geode State Park is located 10 miles east of Burlington on Highway 34. The main feature of the park is the 186-acre, Lake Geode. This lake is well known for excellent fishing for largemouth bass, bluegill, crappie, channel catfish, bullhead and red-eared sunfish. There are also 186 campsites available.

Starr’s Cave Nature Center, Park and Preserve are a 200-acre area located outside of Burlington. There are 3 caves located on the preserve. Hiking and exploring the caves are the most popular activities. The nature center is also used for environmental education programs.

Henry County has several sites of historic interest. There are several museums; in fact, every incorporated town has a museum, which shows the community’s history.

Various festivals and events are held in Mt. Pleasant, Salem, and Winfield each year. There are also several parks and areas for boating, fishing and camping. Many of the parks and accesses are along the Skunk River.

Lee County has several areas of scenic and historic interest. At the Keokuk Power Plant, it is possible to view the water power flowing through Lock and Dam Number 19. Keokuk also has a link to history as it played an important role in the Civil War.

Rodeo Park in Ft. Madison has 250 acres of walking trails, picnic areas and playgrounds. It is also the home of the Fort Madison Tri-State Rodeo. There are also many other parks and areas for fishing, hiking, and boating.

Louisa County has many places of historic interest. The Toolesboro Indian Mounds are a group of Woodland culture burial mounds and Oneota culture artifacts located in Toolesboro.

Morning Sun and Wapello have museums that contain history from this area, and have displays of American Indian and other artifacts from Louisa County. There are also many public campgrounds where it is possible to camp and fish.

Industry and Mining

Agriculture in Southeast Iowa lays the foundation for the state's chief industry of food processing. There are also many manufacturers that produce nonelectrical machinery, and farm machinery.

Although mineral production in Southeast Iowa is minimal, gypsum is one of the main mineral products of the area. A United States Gypsum plant, a center of gypsum-mining industry, is located in Des Moines County. United States Gypsum is the leading manufacturer of building materials for construction and remodeling industries.

Mining in Southeast Iowa also consists of sand and gravel extraction. The activity varies from year to year based upon construction needs. There are also many areas where limestone is quarried in the region.

Environmental Issues

Regional Perspective

Solid Waste

In 1989 a law was passed by the Iowa Legislature, which was called Iowa's Waste Reduction and Recycling Act of 1989. This law made changes in the overall waste management systems of the state. Local communities are to develop their own solid waste management plans. The plan is to explain how local governments are addressing waste management issues and making strategies for the local solid waste management for the next six years.

There are 3 major waste agencies in the region. Members of the Des Moines County Regional Waste Commission are cities of Des Moines County and cities of Henry county and Morning Sun. Members of Louisa County Regional Solid Waste Agency are all incorporated cities other than Morning Sun. Members of Great River Regional Waste Authority are rural Lee County and incorporated cities of Lee County, rural Henry County, and the cities of Ft. Madison and Keokuk.

Sewage Treatment/Wastewater Disposal

Wastewater treatment facilities in Southeast Iowa are fewer in number than are municipal/county water supplies. Smaller communities are more likely to be without wastewater treatment facilities because they are without the financial resources, population number and density to accommodate treatment facilities. For persons living in these communities, septic tanks and pit privies are utilized. Wastewater facilities of this type may spread disease-carrying organisms and pose potential hazards for ground water pollution. SEIRPC assists small communities within the region that wish to apply for financial assistance to improve wastewater facilities. The Environmental Protection Agency no longer funds projects for upgrading community infrastructure to comply with state or federal regulations. The Iowa Department of Economic Development continues to be a source of

financial assistance for communities who are unable to introduce sufficient capital to fund an entire sewer/wastewater treatment project.

The introduction of county/rural sewer districts has enabled a large number of rural residents and persons living in unincorporated areas, to receive quality wastewater treatment.

Floodplains

Floodplains are low and relatively flat areas adjoining inland and coastal waters inundated by a 100-year flood. A 100-year flood is a flood with a one percent or greater chance of recurring in any given year or a flood of magnitude equaled or exceeded an average of once in 100 years.

Southeast Iowa has many areas that are subject to 100-year flooding because of the two major rivers to the east and south, and also the small rivers that run through the region. Major flooding has been recorded in the last decade along Des Moines and Louisa Counties, with less severe flooding also occurring in Lee County.

Wetlands

Due to topographical and climatological characteristics there are numerous wetland areas throughout the Southeast Iowa region.

Most of the wetlands in Southeast Iowa are found along the Mississippi River. The wetland areas around the river are considered marshes or swamps. Other wetlands in the area are found along smaller rivers.

Water Supply

There are two critical types of water supply systems that exist in Southeast Iowa – municipal water systems and rural water districts. There are fewer municipal water systems than rural water districts, but the municipal water systems produce and distribute a much greater volume of water. Not every community has a municipal water system nor is all rural areas supplied by rural water districts. These other areas must rely upon local surface water supply or private wells. An adequate water supply is not only necessary for domestic usage, but it is an essential resource for industrial development. There are two criteria that a municipal water system should meet. The first is the ability of the water system to produce at least the maximum daily consumption, which represents the largest domestic and industrial demand that can be placed upon the water system. Second, a water system should provide storage capacity for an equivalent volume of the maximum daily consumption. Rathbun Regional Water Association and Argyle Rural Water currently serve Lee County. Louisa County is not served by a rural water system currently. Rathbun also serves Des Moines and Henry County, serving over 18,000 people.

Groundwater

The quality of water from the bedrock aquifers is fair, with most severe problems occurring in the southeast due to high levels of dissolved minerals. The highest quality waters are from shallow alluvial systems and surface waters.

(From Iowa State Water Plan, 1996, Mark Imerman, Ames, IA)

Hazardous Waste

Currently there is a HazChem Center located at the Des Moines County Regional Landfill that serves Lee, Henry, and Des Moines Counties. Household hazardous waste materials can be taken to this location to be processed.

Industrial Parks and Sites

There are a number of factors that influence rural economic development. Developed industrial parks and sites is one such factor. Industrial parks, sites and available speculative buildings can be an important inducement to rural economic development. Over one-half of the expanding industrial firms in the U.S. are investigating prospects of locating in rural sites. Supposedly, only cities with populations of 10,000 to 15,000 persons are being considered because these are the communities that can offer reasonable living conditions, required specialized services, and adequate financial assistance. Recently, however, many of the smaller communities have demonstrated not only the willingness, but also the ability to offer similar advantages to prospective industries.

In general, rural areas can provide a number of advantages. First, the cost of land is likely to be a fraction of that charged for industrial land in the metropolitan areas. Also, there are normally fewer site development restrictions in rural areas. Other advantages include the availability of low-cost, productive labor, the availability of transportation links between small communities and the consumer-base, and the opportunity for growth and expansion of a new firm in a smaller community.

Expanding or relocating industries establish written or unwritten priorities for potential site characteristics. Examples of priorities are such things as local fire and police protection, processed industrial water supply, industrial sewage processing, solid waste disposal, availability of natural gas, pool of unskilled/skilled workers, availability of a "spec" building, and transportation costs.

Organizations in Southeast Iowa involved in recruitment of industry include, Lee County Economic Development Group, Keokuk Economic Development Corporation, Grow Greater Burlington, Ft. Madison Chamber of Commerce, Keokuk Chamber of Commerce, Mt. Pleasant Chamber of Commerce, and local county or community economic development groups. Recruitment activities may range from establishing promotional campaigns to developing industrial parks and sites, thus attracting new industries to Southeast Iowa.

Endangered Species of Plants and Animals

Des Moines County has the Indiana Bat and Higgins' Eye Pearly Mussel on the endangered species list. The Bald Eagle has been proposed for de-listing.

Henry County has the Indiana Bat listed on the endangered species list.

Lee County has the Indiana Bat on the endangered species list with the Bald Eagle proposed for de-listing.

Louisa County has the Indiana Bat and Higgins' Eye Pearly Mussel on the endangered species list with the Bald Eagle proposed for de-listing. Also the Eastern Massasauga Rattlesnake is a candidate for the endangered species list.

The following is a listing of threatened plant species: Eastern Prairie Fringed Orchid, Meads Milkweed, Northern Wild Monkshood, Prairie Bush-clover, and Western Prairie Fringed Orchid. Note: These plants are threatened in Iowa, not specifically in Des Moines, Henry, Lee, or Louisa County.

Environmental Issues

County Perspective

Solid Waste

An important issue affecting local governments in Southeast Iowa is solid waste management. The following is a brief outline of solid waste collection and disposal facilities in each of the counties in the region.

Des Moines County- The Des Moines County Regional Solid Waste Commission collects the solid waste of the county. The Commission operates the Des Moines County Regional Landfill.

Henry County- Henry County's solid waste is transported to different locations. Wayland's waste is transported to SEMCO landfill in Richland. Winfield and Mt. Pleasant have their waste transported to Des Moines County Solid Waste Commission.

Lee County- Solid waste in the area is collected and disposed of at the Great River Regional Waste Authority (GRRWA) in Ft. Madison.

Louisa County- There is one transfer station for Louisa County. The solid waste is transferred to Millennium Waste in Milan, Illinois.

Groundwater

(Taken from Iowa Geological Survey Water Atlas Series, 1971)

Des Moines, Henry, Lee and Louisa Counties- Many communities, farms, and industries are supplied by wells. The water from these wells comes from deposits of earth materials and layered rocks whose characteristics and locations are constant enough to allow fairly reliable predictions as to their location and water-yielding potential.

All parts of southeastern Iowa are underlain by three or four aquifers. The layers that yield water to wells are grouped into the three major bedrock aquifers - the Mississippian aquifer, the Devonian aquifer, and the Cambrian-Ordovician aquifer.

The surficial aquifers yield the least mineralized water of all ground water sources in Southeast Iowa. The water is hard, but not as hard as some of the water from bedrock aquifers.

The deep-lying Cambrian-Ordovician aquifer yields moderate to large supplies of good to fair quality water in large quantities throughout most of Southeast Iowa. The water is not as highly mineralized as that from parts of the Mississippian and Devonian aquifers. This absence of highly mineralized water along with the large yields available from the Cambrian-Ordovician aquifer makes it a valuable asset over extensive areas of southeastern Iowa where no other suitable water sources are available.

Political Geography

The Region is comprised of four counties and 37 incorporated municipalities, all having taxing authority. Each county is further divided into townships. These townships have taxing authority; however, it is usually limited to roadwork and fire protection. Most townships contract with private individuals and the county in which they are located to do road blading and construction. In fact, most townships also contract with the nearest community for fire protection.

Fourteen public school districts, one two-year college and one four-year university operate within the region. There are a total of four accredited non-public elementary/secondary schools within the region that are not tax supported. There are additional non-public schools that are not accredited for one or several reasons. The public districts have taxing authority, while the non-public schools do not.

The region has public water districts that may assess fees to cover operation and maintenance expense. There are three Solid Waste Authorities within the region. Generally, these have no taxing authority even though they have derived powers through agreements between counties. Those districts that operate regional landfills may generate revenue through user fees. With approval of the counties involved, these special districts may also possess limited ability to incur debt and issue revenue bonds for needed infrastructure improvements.

Population and Labor Force

Regional Overview

The region's economy is slowly emerging from a period of no economic growth that began in the early 1980's into one of slow growth in both employment and income. Unfortunately, the region is still one of the most distressed regions in the state. Seven economic indicators have been used to provide an indication of the vitality and distress of each county. Although the region continues to be the one of the most distressed regions in the state, the report indicates that there are signs of economic improvements within the region when compared to other areas in the state.

The seven economic indicators used in this report are:

- Net population change, 1990 – 2005
- Elderly population, 2005
- Labor force, 2000
- Long-term employment growth, 1981 – 1990 & 1991 – 2000
- Short-term employment growth, 1995 – 2000

- Per capita property valuation, 2001
- Per capita income, 2000

The report uses the combined effects of these factors to help determine a county’s overall economic strength. These seven indicators were grouped into three categories for this analysis. These categories are wealth, growth, and dependent population. The wealth category includes per capita income and per capita property valuation. The growth category includes long- and short-term employment change and population change indicators. The dependent population category includes both the elderly and labor force indicators.

Net Population Change, 2000-2004

Long-term populations in Iowa (1990-2004) can generally be characterized by strong growth in metropolitan areas, slight declines in mid-sized counties (populations greater than 10,000), and substantial declines in rural counties (populations under 10,000). As is shown in the following tables, there is a steady amount of people leaving the region. All four counties in the region lost population since 2000. There has been a slight increase in population for Iowa over the past decade, which was the first decade of growth for years. Iowa is becoming an elderly populated state because of the high numbers of young people leaving, primarily from rural areas.

Table 1: Net Population Change (2000-2004)

Area	Absolute	Percent
Des Moines	(1,494)	-5.6
Henry	(78)	-.8
Lee	(1,326)	-7.6
Louisa	(51)	-1.1
Iowa	149,569	5.4

Source: Iowa’s Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data.

Elderly Population

The elderly and labor force estimates used are from the Iowa’s Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data. This information is shown on the following tables. Table 2 uses an analysis of a county’s age composition to assist in understanding relationships between the working population (ages 18-64) and non-working population (ages 65 and over). Louisa County has the lowest percentage of population over age 65, with an estimated 14.1 percent of the population falling within that age group. Henry county is estimated to have a little higher percentage of people age 65 and over at 14.7 percent. Des Moines and Lee County are close with 16.7 and 16.5 percent respectively for the highest percentages of people age 65 and over. All counties within the region have age 65 and over populations that are almost equal to or above the state averages for this age group.

According to Table 2 below, Henry County has the highest estimated portion (61.2%) of their population age 20-64. This is important since this age group is generally considered to be the area’s available workforce. Lee County has the second largest proportion of their population age 20-64 at 59.1 percent. Des Moines and Louisa County, at 58 percent, have the lowest percentages of their population age 20-64. All counties within the region have percentages of their population age 20-64 that are equal to, or lower than, state averages.

Unfortunately, counties with low proportions of their population within this age group are susceptible to overall population and employment declines because of a disproportionately small available workforce. According to the Iowa Workforce Network, nationally Iowa had the 4th largest proportion of person 65 years of age and over in 2005.

Table 2: County Population (2005)

Area	Age 65 and Over		Age 20 - 64 years	
	2005	Share	2005	Share
Des Moines	6,786	15.8	23,808	58.3
Henry	2,981	14.7	12,391	61.2
Lee	6,065	16.5	22,482	59.3
Louisa	1,777	15.0	6,834	57.7
Iowa	436,213	14.9	1,756,473	60.0

Source: Iowa's Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data, October 2005.

Labor Force (2000)

Since both long- and short-term local economic development trends are important indicators of a region's economic health, the employment growth indicator is measured in both five- and ten-year periods. Total long-term employment in Iowa increased by 5.93 percent between the years 1991 and 2000 (refer to Table 3 on page 24). Southeast Iowa has experienced a decline of 5.0 percent in long-term employment during the same period. Over the short-term, the region has experienced a decline of 8.06 percent, compared to an increase of .23 percent at the state level. The regional figures are well below the state figures. The bulk of the state increase in employment occurred in metropolitan counties, with rural counties recording zero to low employment growth.

Table 3: Employment Growth - Percent Change

Region	1981 - 1990	1991 - 2000	1995 - 2005
Des Moines	11.03%	3.61%	-.56%
Henry	.80%	-4.42%	-4.32%
Lee	-13.35%	-5.35%	-6.22%
Louisa	-4.40%	-13.83%	-21.12%
SEI Average	-1.48	-5.00%	-8.06%
Iowa	1.45%	5.93%	.23%

Source: Iowa's Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data, October 2005.

Additional Labor Force Characteristics

The SEI Regional Labor Force Characteristics - 1980, 1990, 2000 table below shows the size of the region's labor force, along with the unemployment rate for the same years. During this time, the region's unemployment rate has remained higher than the statewide average. In 1980, the region's unemployment rate was 6.2 percent, compared to the state average of 5.7 percent. In 1990, the disparity between the region and state unemployment rates was even greater, with the region averaging a 4.9 percent unemployment rate as compared to the state average of 4.3 percent, for a difference of .6 percent. In 2000, the unemployment rate for the region was 3.6 percent, compared to the state average of 2.6 percent, for a

difference of 1 percent. Unfortunately, the region continues to experience unemployment rates that are higher than the state average.

Table 4: SEI Regional Labor Force Characteristics – 1990, 2000, and Current

County	Size of Labor Force			Unemployment Rate		
	1990	2000	Current	1990	2000	Current
Des Moines	22,440	23,280	20,480	5.2	3.3	4.0
Henry	10,020	10,640	10,260	3.5	2.8	4.5
Lee	18,870	18,490	16,990	6.4	4.7	5.0
Louisa	5,900	5,350	6,310	4.4	3.4	3.2
SEI Average	14,308	14,440	13,510	4.9	3.6	4.7
Iowa	1,448,000	1,563,100	1,600,600	4.3	2.6	3.6

Source: Iowa Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data, 2001 & Iowa Workforce Development

The following table provides the most current Civilian Labor Force Estimates, employment data and unemployment rates on a statewide and regional basis.

Table 5: Statewide and Regional Civilian Labor Force Estimates – May, 2007

	Civilian Labor Force	Employed	Unemployed	Unemployment Rate
Iowa	1,604,400	1,546,200	58,200	3.6%
Des Moines	20,480	19,660	820	4.0%
Henry	10,260	9,800	460	5.0%
Lee	17,090	16,080	1,010	5.9%
Louisa	6,370	6,120	240	3.8%
SEI Region	54,200	51,660	2,530	4.7%

Source: Iowa Workforce Development

Additional Labor Force Data is contained in Selected SEI Regional Economic Indicators table on page 31.

Property Valuation

According to the 2001 Iowa Counties report, per capita taxable residential property valuation in Iowa was \$13,398.80 in 2001, which is an increase of thirteen percent from \$11,704.65 in 1999. The Southeast Iowa region has per capita property valuations that are significantly lower than the state average. Property valuation in Southeast Iowa in 2001 was \$10,606.05, which is twenty-one percent lower than the state per capita value. Southeast Iowa experienced an increase in property valuation of ten percent between 1999 and 2001 (refer to Table 6 next page).

Table 6: Per Capita Taxable Residential Property Valuation (2001)

	Taxable Residential Property Valuation (Per Capita)
Iowa	\$13,398.80
Des Moines	\$12,303.86
Henry	\$10,881.88
Lee	\$10,336.88
Louisa	\$8,901.59
SEI Region	\$10,606.05

Source: Iowa's Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data, October 2001. (Property Valuation)

Additional Regional Demographic Information

As illustrated in Table 7 on page 25, the population of the region increased from a 1990 population of 112,119 to a 2000 population of 112,922, which is an increase of 803, or .71 percent. During these years, Des Moines and Lee County experienced a decrease in population. Henry and Louisa County experienced an increase in population. However, the region has lost population significantly in the past 3 years, due in large part to the economic downturn of the region.

The population of the region declined from a 2000 population of 112,119 to a population of 109,973 in 2004. This is a projected decrease of 2,146, or 2 percent of the population. According to the 2000 U.S. Census, Des Moines County is the region's most populous county with 42,351 residents. Lee County is close in population with 38,052. The remaining 2000 county populations range from 20,336 in Henry County to 12,183 in Louisa County. Burlington is the largest city in the area with a 2000 population of 26,839. Projections for population change from 2000 to 2025 shows Des Moines and Lee County are expected to experience decreases in population while Henry and Louisa County and the region as a whole are expected to experience increases in population.

Table 7: SEI Regional Population by County

County	Population 1990	Population 2000	Percent Change in Population 1990-2000	July 1, 2004 Population Estimate	Projected % Change 1995-2025
Des Moines	42,614	42,351	-.6	40,857	-3%
Henry	19,226	20,336	5.8	20,258	10%
Lee	38,687	38,052	-1.6	36,726	-3%
Louisa	11,592	12,183	5.1	12,132	7%
SEI Total	112,119	112,922	.7	109,973	3%
Iowa	2,776,831	2,926,324	5.4	2,923,179	8%

Source: United States Census Bureau, 1990 and 2000, Office of Socioeconomic Trends and Analysis

Social Characteristics

Education

Table 8 (SEI Regional Education and Income Characteristics), located on the next page, illustrates educational attainment of persons 25 years and older for the years 1990 and 2000. During these years, all counties within the region had educational attainment levels that were lower than the statewide average. According to the 1990 U.S. Census, 77.9 percent of the region's population over the age of 25 had graduated from high school, and 11.7 percent had a bachelors degree or higher. This compares to a statewide average of 80.1 percent with a high school education and 16.9 percent with a bachelors degree or higher. In 2000, the percentage of high school graduates over 25 years of age within the region was 83.8 percent and the percentage with a bachelor's degree or higher was 14.4 percent. The regional percentages are consistently lower than the statewide average of 86.1 percent and 21.2 percent, respectively.

Income

The SEI Regional Education and Income Characteristic table also shows an analysis of resident income over the past two decades within the region. As is apparent, the region has consistently experienced incomes that are lower than the state average. The 1990 U.S. Census indicates that the average 1989 median family income for the region was \$30,677, compared to the state average of \$31,659. This is a difference of \$982, which was 3 percent below the state average. The 2000 U.S. Census shows that the average 1999 median family income for the region was \$44,676, compared to the state average of \$48,005. This is a difference of \$3,329, or 7 percent, below the state average.

The region's per capita incomes for the years 1989 and 1999 are also shown in the following table. All counties within the region, with the exception of Des Moines County in 2000, have consistently had per capita incomes that fall below the state average during these years. In 1989, the region's per capita income was \$11,578, compared to the state average of \$12,422. This is a difference of \$844, which is nearly 7 percent below the state average. In 1999, the region's per capita income was \$18,491, compared to the state average of \$19,674. This is a difference of \$1,183, or 6 percent below the state average.

The most recent county level income data shows that metropolitan counties and counties along the Interstate 80 corridor east of Des Moines have the highest per capita income. Rural counties, especially those bordering Missouri, have the lowest per capita income and are more than 73 percent below the national per capita income level.

Table 8: SEI Regional Education and Income Characteristics

County	Percent High School Graduate or Higher		Percent Bachelor's Degree or Higher		Median Family Income (Dollars)		Per Capita Income (Dollars)	
	1990	2000	1990	2000	1990	2000	1990	2000
Des Moines	78.9	85.8	12.7	16.0	29,970	45,089	11,488	19,701
Henry	79.1	86.1	14.5	16.2	32,097	46,985	12,246	18,192
Lee	77.5	83.6	10.7	12.5	31,385	42,658	11,355	18,430

Louisa	76.3	79.7	9.2	12.7	29,258	43,972	11,226	17,644
SEI Average	77.9	83.8	11.7	14.4	30,677	44,676	11,578	18,491
Iowa Average	80.1	86.1	16.9	21.2	31,659	48,005	12,422	19,674

Note: Census data for income uses figures from the previous year.
Source: United States Census Bureau, 2000

Age

The average median age of the region's population in 1990 was 35.2 years of age compared to the statewide average of 34.0 (refer to Table 9 on page 27). The region's median age in 2000 was 37.9 compared to the statewide average of 36.6. Based on 2000 population estimates, Des Moines and Lee County exceed the statewide percentage of over age 65 individuals. Henry and Louisa County are less than one percent below the statewide average. The average percentage of individuals over age 65 within the region is 15.5 percent, compared to a statewide percentage of elderly population at 14.9 percent. The region's percentage of population within the 18 - 64 age groups is 59.2 percent, compared to the statewide average of 60.0 percent. The median age in the region ranges from 35.9 in Louisa County to 39.5 in Lee County. Louisa County is the only county that has a median age less than that of the state average.

Table 9: SEI Regional Percentage of Population by Age Group

County	Under 17		18 through 64		65 and over		Median Age	
	1990	2000	1990	2000	1990	2000	1990	2000
Des Moines	25.7	24.4	58.1	58.9	16.2	16.7	35.9	38.9
Henry	25.2	24.7	58.2	60.6	16.5	14.7	34.6	37.1
Lee	25.8	24.4	57.5	59.1	16.7	16.5	35.8	39.5
Louisa	27.3	27.7	57.7	58.2	15.0	14.1	34.3	35.9
SEI Average	26.0	25.3	57.9	59.2	16.1	15.5	35.2	37.9
Iowa	25.9	25.1	58.8	60.0	15.3	14.9	34.0	36.6

Source: Iowa Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data, October 2001.

Racial Composition

Table 10 (Persons by Race and Hispanic Origin SEI Counties, 1990 and 2000), located on the next page, illustrates the racial composition of the region's population for the years 1990 and 2000. Data for these years indicates that the region's population is predominately white, with approximately 94.6 percent of its population falling within the white, non-Hispanic origin racial category in 1990 and 92.3 percent in 2000. These percentages are lower than the statewide average of 96.6 percent in 1990 and 93.9 percent in 2000. US Census figures for 1990 and 2000 indicate that the region has approximately 2.5 percent of its population as being black for these years, compared to the statewide percentage of 1.7 percent and 2.1 percent, respectively.

The percentage of the region's population falling under the Hispanic Origin category in 1990 was 1.6 percent, compared to the Iowa average of 1.2 percent. In 2000, this figure increased to 2.9 percent of the region's population, compared to the 2.8 Iowa average. The percentage for the region's population within the American Indian, Eskimo or Aleut category in 1990 was .18 percent, compared to the state average of .26 percent. In 2000, this percentage increased slightly to .24 percent for the region and .30 for the state. The

percentage of the region's population falling under the Asian and Pacific Islander category was .52 percent in 1990 and .74 in 2000. This compares to the state average of .92 and 1.3 percent, respectively.

Table 10: Persons by Race and Hispanic Origin - SEI Counties, 1990 and 2000

County	White		Black or African American		American Indian, Eskimo, or Aleut		Asian and Pacific Islander		Other		Hispanic Origin	
	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000
Des Moines	40,809	39,679	1,327	1,511	69	104	225	267	184	289	492	740
Henry	18,710	19,274	211	302	44	49	215	388	46	106	127	256
Lee	36,990	35,862	1,112	1,066	61	99	135	172	389	392	732	902
Louisa	11,206	11,441	86	31	36	22	18	27	246	555	425	1,537
SEI Total	107,715	106,256	2,736	2,910	210	274	593	854	865	1,342	1,776	3,435
SEI Percent	94.6	92.3	2.4	2.5	.18	.24	.52	.74	.76	1.2	1.6	2.9
IA Percent	96.6	93.9	1.7	2.1	.26	.30	.92	1.3	.46	1.3	1.2	2.8

Source: 1990 & 2000 U. S. Census

The Region's Economy

The table of Selected SEI Regional Economic Indicators 1980, 1990 and 2000 on page 31 interpolates the county-specific data from a variety of sources to provide a regional summary for several key economic areas. A review of this data will provide insight into the narrative that follows.

The persistent lack of high-paying employment opportunities is the heart of any discussion of the region's economy. The regional average annual wage per job in 1980 was \$12,425.75. This is equal to \$5.97 per hour for a forty-hour work week. Wages had increased to \$18,439.25 per year/\$8.87 per hour by 1990 and to \$25,484.75 per year/\$12.25 per hour in 2000.

In 2000, there were 1,147 service establishments, 529 retail trade establishments, 280 construction establishments, and 169 manufacturing establishments in the region. The regional annual payroll for manufacturing establishments was \$635,749,000, for service establishments it was \$387,298,000, and for retail trade establishments it was \$227,860,000. Service establishments employed 18,832 persons, manufacturing establishments employed 15,486 persons, government jobs employed 8,247, and retail trade employed 13,701 persons regionally.

Lists of businesses that have five hundred employees or more are included at the end of this section.

Availability of Human Resources and Training

As a whole, the region does a good, if not excellent, job of educating its population. Iowa Wesleyan College, a four-year institution, and Southeastern Community College, a two-year institution, service the region. Southeastern Community College has campuses in West Burlington and Keokuk as well as extended learning centers in Mount Pleasant and Fort Madison. Iowa Wesleyan College's main campus is in Mt. Pleasant and also offers a wide range of courses to both traditional and non-traditional students through Southeastern Community College's West Burlington and Keokuk campuses.

Two of Iowa's other four-year institutions offer extension programs within the region. St. Ambrose University offers an MBA program through Southeastern Community College's West Burlington campus. Iowa State University has extension offices in each county. These extension offices offer lifetime learning courses and serve as a resource for educational and research information.

Within a short commuting distance of the Southeast Iowa region are a number of other colleges and universities. Mount Mercy College in Cedar Rapids offers a weekend program, where regular courses are offered in a revised format. University of Iowa offers special weekend classes to accommodate nontraditional students during non-working hours. Western Illinois University also offers weekend and evening courses. Other institutions within a short commuting distance are Culver Stockton, Knox College and Monmouth College.

However, the need for a trained workforce continues to emerge as a priority issue in Southeast Iowa. Many of the students trained in these institutions do not remain in Southeast Iowa upon graduation. The income and career expectations are often unmet by regional employers. The life style and social amenities desired by these educated young adults are not found in many communities within the region.

Employers are finding it difficult to fill unskilled and low-skilled positions within the region. The state government has considered recruiting foreign countries to fill low-skill, \$6.00 - \$7.00 per hour assembly line and meat processing/packaging positions.

Availability of Capital

The number of banks and the amount of bank deposits has increased substantially during the period from 1993 through 1996. Thirteen new banks and 26 new banking offices have been added during the period. Regional deposits have increased from \$2.16 billion in 1993 to \$2.62 billion in 1997, for an increase of 8.25% during the period.

SBA lenders provide technical and financial assistance to the region from their offices in Des Moines and Cedar Rapids. A certified development companies also serves the region.

The SEIRPC operates an EDA revolving loan fund. Local and county revolving loan fund are available to several communities across the region.

The impact of the Federal Reserve's policies regarding the continuation of low interest rates is a positive factor in both business and personal credit capacity of the region.

Several of the region's communities have taken an active roll in developing business expansion projects. Industrial revenue bonds are frequently used by these "more competitive communities" to attract and retain businesses.

However, with more than 18 percent of the region's population at age 65 or older, the "Fixed-Income" mind-set is a prevalent motivation in many of the region's smaller and more "non-competitive" communities. These elderly voters are fiscally conservative and often vocal in their opposition to subsidizing development activities.

The Iowa Cash Basis Law and the infamous "Tax Lid" imposed upon jurisdictions by the Iowa Legislature have served to limit the amount of capital that government entities can raise within the region. Jurisdictions can opt out from under the "Tax Lid" (a limit set on the rate of taxation per assessed valuation within the jurisdiction) with the approval of the electorate.

The Iowa Legislature has also enacted provisions that will allow tax increment financing of qualifying development projects. This allows the jurisdiction to allocate the difference in the taxes collected on an unimproved property versus taxes collected on the same property with improvements to the amortization of the costs of the improvements, such as streets, utilities, etc. One problem with this financing option is that startup or relocating businesses often ask for tax abatement for several years. If taxes are abated, they cannot be collected to amortize improvement costs.

Many of the region's counties and communities operate so near to their spending limits that development activities are impossible to finance without the assistance of the various federal grant programs offered by EDA, HUD, and USDA RD. Some find it difficult, if not impossible; to meet the matching fund requirements for these grant programs.

Several communities within the region own their utility systems, and thus have the ability to accumulate funds for development activities without the need for collecting additional taxes. In addition to creating jobs within the community, the municipally-owned utility can also expand its customer base various taxation proposals will impact the financial capacity of counties and communities, and ultimately, their ability to finance development efforts. However, the more aggressive and competitive communities will continue to find ways to facilitate the development of good projects.

Economic Ties to the Surrounding Regions

There are no metropolitan areas within Southeast Iowa; however, the center of the region is somewhat equidistant from Iowa City, Cedar Rapids, and the Quad Cities. The extremities of the region are generally within two hour's drive of one of these cities.

The border counties experience the give and take of the economies of these metropolitan areas. These cities and their surrounding metropolitan areas impact the regional labor pool by attracting employees from the region. In some instances, they also enhance the region's labor pool. The metropolitan areas have had an impact on regional retail opportunities. Retail sales in the region have declined due to the construction of new metropolitan retail establishments such as the Coralridge Mall in the Iowa City area.

Although local medical and hospital services are available in close proximity to most communities, advanced medical treatment generally requires a trip to one of the metropolitan areas mentioned earlier.

Table 11: Selected SEI Regional Economic Indicators - 1980, 1990, and 2000

Item	SEI 1980	SEI 1990	SEI 2000
Establishments: 100-499 employees	51	57	62
Establishments: 500 or more employees	10	11	14
Establishments: ag. Svc	28	29	8
Establishments: mining	14	18	12
Establishments: construction	252	228	280
Establishments: manufacturing	162	158	169
Establishments: transportation	140	173	145
Establishments: wholesale trade	242	233	179
Establishments: retail trade	798	811	529
Establishments: finance, insurance, real estate	240	233	325
Establishments: services	712	958	1,147
Establishments: unclassified	111	70	27
Total annual payroll (\$000): agricultural services	2,636	10,985	2,115
Total annual payroll (\$000): mining	3,726	677	109
Total annual payroll (\$000): construction	63,159	65,067	117,064
Total annual payroll (\$000): manufacturing	348,116	521,690	635,749
Total annual payroll (\$000): transportation	77,106	109,667	150,148
Total annual payroll (\$000): wholesale trade	50,044	72,768	75,818
Total annual payroll (\$000): retail trade	84,016	150,876	227,860
Total annual payroll (\$000): finance, insurance, real estate	25,465	35,913	62,261
Total annual payroll (\$000): services	117,351	212,458	387,298
Total annual payroll (\$000): unclassified			816
Civilian labor force	56,420	56,820	52,250
Employed	52,530	53,860	55,460
Unemployed	3,920	2,970	2,100
Unemployed rate	6.3	5.2	3.7
Bea employment: total (place of work)	64,274	66,595	74,759
Bea employment: farm	4,812	3,809	3,401
Bea employment: non-farm	59,462	62,786	71,358
Bea employment: ag. Services	252	685	
Bea employment: mining	103	29	
Bea employment: construction	3,380	2,702	3,381
Bea employment: manufacturing	17,054	16,710	15,486
Bea employment: transportation	3,485	3,424	3,821
Bea employment: wholesale trade	2,570	2,443	2,100
Bea employment: retail trade	10,053	12,159	13,701
Bea employment: finance, insurance, real estate	3,069	2,500	3,029
Bea employment: services	12,072	14,359	18,832
Bea employment: government and gov't services	7,421	7,765	8,247
Average wage per job (\$)	12,425.75	18,439.25	25,484.75

Table 12: Region 16 Company Closures and Permanent Lay-offs*

Region 16 Company Closures and Permanent Lay-offs*			
Local Office Data			
Closure/Lay-off	Company	County	Number affected
March-00	Stone Container	Lee	160
February-01	<i>Motorola</i>	Henry	150
February-01	Montgomery Wards	Des Moines	80
March-01	OSF Healthcare Facilities	Des Moines	86
April-01	ShopKo Keokuk	Lee	85
May-01	Exide	Des Moines	239
August-01	Ferro-Sil	Lee	118
August-01	<i>Case/New Holland</i>	Des Moines	200
September-01	Wabash	Lee	252
October-01	<i>General Electric</i>	Des Moines	81
	Experian	Henry	50
	Heilig Meyer	Des Moines	23
October-01	Radiologist Inc	Des Moines	10
	TOTAL 2001		1374
March-02	<i>Burrows</i>	Lee	23
April-02	<i>BNSF Railroad</i>	Des Moines	50
May-02	Mycogen Seed	Henry	18
July-02	APAC Keokuk	Lee	120
August-02	Old World Restaurant	Lee	7
August-02	<i>Iowa Army Ammunitions</i>	Des Moines	29
August-02	ResCare	Lee	40
September-02	Transair	Henry	6
September-02	<i>Celestica</i>	Henry	70
October-02	Chuck Wagon Restaurant	Lee	18
October-02	Fox Appliance	Des Moines	10
October-02	Blue Bird	Henry	342
December-02	Andrews	Des Moines	54
on-going	<i>Shaeffer Pen</i>	Lee	27
	TOTAL 2002		814
January-03	General Electric	Des Moines	90
	BNSF	Des Moines	258
	CNH	Des Moines	50
July-03	C & E	Des Moines	50
July-03	<i>Celestica</i>	Henry	80
July-03	General Electric	Des Moines	45
	Raider Precast	Des Moines	102
	Nauvoo Cheese	IL	65
September-03	CNH	Des Moines	23

October-03	APAC	Des Moines	108
	TOTAL 2003		871
January-04	AO	Des Moines	50
January-04	Miller	Des Moines	15
January-04	ESCP	Des Moines	27
January-04	GE	Des Moines	20
January-04	WalMart Distribution (temporary?)	Henry	75
January-04	BNSF	Des Moines	90
March-04	GE - indefinite	Des Moines	45
On-Going	Metezler	Lee	281
	TOTAL 2004		603
on-going: closing	Shaeffer	Lee	175
Summer 05	Metzo	Lee	110
Summer-Fall 05	Celestica	Henry	460
	TOTAL 2005		745
February-06	Aldi Warehouse	Des Moines	170
August-06	General Electric	Des Moines	300
August-06	Gleason Manufacturing	Lee	150

Source: Region 16 Area Workforce Development

Infrastructure and Services

Regional Overview

Additional information about a regional perspective regarding water, wastewater treatment, and solid waste is included in the Background Information section of this document.

Water and Sewer

Most, if not all, of the larger, more economically competitive communities in the region have addressed the need for safe and sanitary water and sewer infrastructures. These communities possess the sewer and water infrastructure necessary to support economic expansion. However, many of the smaller Southeast Iowa communities have failed to maintain and/or replace aging water and sewer utilities. Some incorporated communities have no sanitary sewer system and continue to require residents and businesses to use septic tanks or individually maintained lagoon systems. Iowa law provides for the establishment of sewer and water districts. Several unincorporated areas within the region are served by either a sewer or water district, or both.

SEIRPC has provided technical assistance to many communities in the region in their efforts to install and/or upgrade sanitary sewer and water systems. However, many more communities continue to struggle with the financial realities that are a function of a dwindling and aging population.

The larger more competitive communities will require additional technical and financial assistance to extend specific water and sewer infrastructure to large industrial expansion projects and to facilitate further development of business parks. The smaller struggling communities will require substantial technical and financial assistance if they are to provide safe and sanitary water and sewer services to their existing population base.

Gas and Electricity

The region is served by several major gas and electric utilities. There are many municipally-owned energy utilities. The larger more competitive communities within the region appear to have sufficient infrastructures to meet current and anticipated demand. In some instances, additional gas and electric infrastructure may be required to facilitate specific large industrial expansion projects and to facilitate further development of business parks.

The smaller communities will need to work with rural electric cooperatives and regional gas and electric utility companies in order to determine their capacity for expansion. Many rural areas continue to utilize propane as a primary heating fuel.

Telephone and Communication

The region's telecommunication infrastructure appears to be adequate for present uses. Installations of modern switching systems and other enhancements have produced an effective telephone system for most of the region. Major national providers, regional providers, and even local telephone service providers serve the region.

However, the demands for Internet capacity and electronic commerce have yet to be fully felt in the region. The region's counties and communities are not yet fully merged onto the "information super-highway." Although several regional businesses, communities and organizations have websites, much more development is required before the region can be considered "net friendly."

Stations in Davenport and Cedar Rapids provide the bulk of the local television news and information to the region. However, most areas receive Ottumwa stations either through direct antenna reception or cable services. Low power public access television is available in some communities.

There are several locally owned and operated radio stations and newspapers throughout the region. Burlington, Mt. Pleasant, Ft. Madison, and Davenport newspapers also serve sections of the region.

Transportation

Highway transportation is the predominate method of transporting both goods and people in Southeast Iowa. There are no commercial airlines operating within the region. Commercial interstate bus service is available in some communities. Major freight lines and package delivery services operate throughout the region.

Central Business Districts

Burlington, Keokuk and Mount Pleasant have been designated as Iowa National Main Street Communities. These communities have organized downtown revitalization efforts around the four-point Main Street approach: organization, design, economic restructuring and promotion. Other communities participate in other volunteer community revitalization efforts that impact the appearance and vitality of the region's central business districts. Many communities are exploring tourism-related activities as means for attracting people to their downtown area.

The central business district of most Southeast Iowa communities is a place where fiercely independent businesspersons struggle to maintain the small town quality of life. They must compete with the global might of national discount chains and the glitter of the shopping malls that are within the Saturday morning's drive of most of their customers.

Every community has one or more vacant buildings within the central business district. Many of the smaller communities have central business districts that are predominately made up of unoccupied and dilapidated structures.

The section that follows provides more detailed information on selected infrastructure and services, characterized in a county-specific format.

County Infrastructure and Services

Des Moines County

Electric: The entire area is served by one of the following: a city, Alliant Energy, or Rural Electric Coop (REC).

Natural Gas: The area is served by ANR Pipeline Company and is distributed by Alliant Energy.

Water: Most cities operate their own water treatment and distribution system. Others are served by a rural water district or have their own wells.

Wastewater: Most cities have their own wastewater collection and treatment plant. Others in less populated areas use septic tanks and/or lagoon systems.

Solid Waste: Some of the area is served by a private hauler, a city, and the others are on their own.

Police & Fire: Burlington has paid police and fire personnel. The balance of the county depends on the Sheriff's Dept. & rural and city volunteer fire departments.

Telephone: The area is served by QWEST, McLeod, Mediapolis Mutual Telephone Company, and Danville Telephone Company.

Hospitals: There is one hospital in West Burlington.

Physicians: There are approximately one hundred and twenty-five physicians in the area.

Airports: A regional airport is located in Burlington.

Railroad: Burlington Northern Santa Fe and Burlington Shortline

Industrial Parks (w/ infrastructure in place):
Flintridge

Major Employers (100 or more employees):

- Great River Medical Center
- Case New Holland Corporation
- General Electric
- American Ordinance
- Federal-Mogul Ignition
- Vista Bakery
- Wal-Mart Stores
- Hawkeye Group
- US Gypsum

Housing: New residential care facility upgrade, upper story renovation in downtown Burlington

Central Business Districts:

Burlington is the one primary area.

Cultural Facilities:

- Apple Trees Museum-Burlington
- Phelps House Museum-Burlington
- Heritage Hill Historic District-Burlington
- Heritage Days-Burlington

Recreation Facilities:

- Big Hollow Creek
- 4th Pumping Plant
- Lower Skunk River Access
- Welter Recreation Park

Educational Facilities:

There are four public school districts, with a 2000-2001, enrollment of 6,965. There is one accredited non-public school, with a 2000-2001, enrollment of 430.

Services for LMI persons:

- Southeast Iowa Community Action Program
- Southeast Iowa Regional Planning Commission

Henry County

Electric: The area is served by three major electric companies: Iowa Southern Utilities, Union Electric Company, and Rural Electric Cooperative Association.

Natural Gas: The cities of Mt. Pleasant and New London receive natural gas from Iowa Southern Utilities.

Water: Most cities operate their own water treatment and distribution system. Others are served by a rural water district or have their own wells.

Wastewater: Most cities have their own wastewater collection and treatment plant. Others in less populated areas use septic tanks and/or lagoon systems.

Solid Waste: Some of the area is served by a private hauler, a city, and the others are private.

Police & Fire: Eight fire departments serve their area of responsibility.

Telephone: The area is served by Iowa Telecom.

Hospitals: There is a hospital in Mt. Pleasant.

Physicians: There are approximately fifty physicians in the area.

Airports: A municipal airport is located in Mt. Pleasant.

Railroad: Burlington Northern Santa Fe and Burlington Shortline

Industrial Parks (w/ infrastructure in place):

Crossroads Industrial Park

Wayland Industrial Park

Major Employers (100 or more employees):

Wal-Mart Distribution

Alaniz

Hearth and Home Industries/HON Industries

Robertson-Ceco Corp.

Goodyear Tire & Rubber

Housing: Upper story renovation and in-fill development

Central Business Districts:

Mt. Pleasant is the primary area.

Cultural Facilities:

Dover Museum-New London

Midwest Old Threshers-Mt. Pleasant

Swedish American Museum-Swedeburg

Harlan Lincoln Home-Mt. Pleasant

Recreation Facilities:

Tick Ridge Woods

Gibson Recreation Area

Waterworks Access

Oakland Mills

Faulkner's Access

Educational Facilities:

There are six public school districts, with an enrollment of approximately 4,800 students.

Services for LMI persons:

Southeast Iowa Regional Planning Commission

Southeast Iowa Community Action Program

Lee County

Electric: Alliant Energy and Access Energy

Natural Gas: Access Energy, Williams Pipeline, and ANR

Water: Most cities operate their own water treatment and distribution system. Others are served by a rural water district or have their own wells.

Wastewater: Most cities have their own wastewater collection and treatment plant. Others in less populated areas use septic tanks and/or lagoon systems.

Solid Waste: The area is served by either a private hauler, or by individual cities.

Police & Fire: Ft. Madison and Keokuk have paid police and fire personnel. Other cities have volunteer fire departments.

Telephone: The area is served by Iowa Network Services, QWEST, and Iowa Telecom

Hospitals: There is one hospital in Ft. Madison and one in Keokuk.

Physicians: There are approximately ninety physicians in the area.

Airports: Municipal airports are located in Ft. Madison and Keokuk.

Railroad: Keokuk Junction Railway Company, Burlington Northern Santa Fe, Norfolk Southern Railway Company. Amtrak provides passenger rail service, with Southwest Chief stopping in Ft. Madison.

Industrial Parks (w/ infrastructure in place):
Kindustry Park-Keokuk
Jefferson Industrial Park-Ft. Madison

Major Employers (100 or more employees):
Schlegel-Metzeler
Pinnacle Foods
Roquette America Inc.
Keokuk Area Hospital
Catfish Bend Casino
Hy-Vee Food Stores Inc.
Kast Keokuk Steel Castings Co.
Ft. Madison Community Hospital
Siemens Corporation
E I DePont de Nemours Co.

Housing: Infill development, rehabilitation, and upper story renovation

Central Business Districts:
There are two primary areas in Keokuk and Ft. Madison.

Cultural Facilities:
Keokuk River Museum-Keokuk
Old Fort Madison-Ft. Madison
North Lee County Historic Center & Depot Museum-Ft. Madison
Brush College-Ft. Madison
Chief Keokuk Burial Ground-Keokuk

Recreation Facilities:
Amborn-Pagin Wildlife Area
Croton Civil War Park
Pollmiller

Wilson Lake
Depot Park
Lee County Fairgrounds

Educational Facilities:

There are four public school districts, with an enrollment of approximately 6,000 students. There are three accredited non-public schools, with an enrollment of approximately 1,200 students.

Services for LMI persons:

Southeast Iowa Regional Planning Commission
Southeast Iowa Community Action Program

Louisa County

Electric: The entire area is served by the city or Alliant Energy.

Natural Gas: Most of the area is served by Alliant Energy.

Water: Some cities operate their own water treatment and distribution system; most are served by their own wells.

Solid Waste: Most of the area is served by a private hauler or the city.

Police & Fire: Most communities have their own police department. All cities have a volunteer fire department.

Telephone: The area is served by Iowa Telecom and Mutual Telephone Company of Morning Sun.

Clinics: There are two clinics in Wapello, one clinic in Columbus Junction, and one in Morning Sun.

Physicians: There are four physicians in the area.

Airports: None

Railroad: None

Industrial Parks (w/ infrastructure in place):

Wapello
Columbus Junction

Major Employers (100 or more employees):

Tyson Food
Grimm Brothers Plastics Corp.
Tri Oak Foods Inc.

Housing: Rehabilitation project, Habitat for Humanity program, and new subdivision developments

Central Business Districts:

There are three primary areas in Wapello, Columbus Junction, and Letts.

Cultural Facilities:

Louisa County Heritage Museum
 Toolesboro Mounds and Museum-Toolesboro
 Rural Free Delivery Postal museum-Morning Sun

Recreation Facilities:

Chinkapin Bluffs Recreation Area-Columbus
 Chautauque-Columbus
 Sunshine Gardens-Morning Sun
 Fair Grounds-Wapello

Educational Facilities:

There are four public school districts, with an enrollment of approximately 3,000 students.

Services for LMI persons:

Southeast Iowa Regional Planning Commission
 Southeast Iowa Community Action Program

Table 13: Des Moines County – Size of Firms 2007

Size of Firm				Number of Employers and Employees by Year		
Size Class	Number of Employees	Number of Employers	March Employment	Year	Number of Employers	March Employment
1	0 to 4	752	1,155	2007	1,365	20,240
2	5 to 9	260	1,729	2006	1,465	21,130
3	10 to 19	142	1,862	2005	1,406	21,000
4	20 to 49	123	3,723	2004	1,346	20,750
5	50 to 99	50	3,588	2003	1,337	21,390
6	100 to 249	23	3,456	2002	1,346	21,910
7	250 to 499	8	2,456	2001	1,365	22,290
8	500 to 1,000	7	6,110	2000	1,465	22,420
Total		1,365	24,079			

Number of employers and employment summed in private industry, state, local and federal government.
 Source: Iowa Workforce Development, Employment Statistics Bureau

Table 14: Henry County – Size of Firms 2007

Size of Firm				Number of Employers and Employees by Year		
Size Class	Number of Employees	Number of Employers	March Employment	Year	Number of Employers	March Employment
1	0 to 4	342	551	2007	600	10,250
2	5 to 9	105	683	2006	606	10,800
3	10 to 19	73	960	2005	603	10,850
4	20 to 49	44	1,247	2004	572	10,570
5	50 to 99	19	1,224	2003	563	10,210
6	100 to 249	8	1,271	2002	555	10,380

7	250 to 499	5	1,646	2001	554	10,500
8	500 to 1,000	4	3,399	2000	534	10,620
Total		600	10,981			

Number of employers and employment summed in private industry, state, local and federal government.
Source: Iowa Workforce Development, Employment Statistics Bureau

Table 15: Lee County – Size of Firms 2007

Size of Firm				Number of Employers and Employees by Year		
Size Class	Number of Employees	Number of Employers	March Employment	Year	Number of Employers	March Employment
1	0 to 4	611	905	2007	1,104	16,980
2	5 to 9	221	1,466	2006	1,210	17,530
3	10 to 19	114	1,497	2005	1,179	17,510
4	20 to 49	90	2,848	2004	1,170	17,400
5	50 to 99	31	2,185	2003	1,136	17,550
6	100 to 249	23	3,434	2002	1,130	18,020
7	250 to 1,000	14	6,142	2001	1,163	18,470
Total		1,104	18,477	2000	1,149	18,760

Number of employers and employment summed in private industry, state, local, and federal government.
Source: Iowa Workforce Development, Employment Statistics Bureau

Table 16: Louisa County – Size of Firms 2007

Size of Firm				Number of Employers and Employees by Year		
Size Class	Number of Employees	Number of Employers	March Employment	Year	Number of Employers	March Employment
1	0 to 4	144	218	2007	252	6,350
2	5 to 9	42	262	2006	279	6,480
3	10 to 19	44	578	2005	264	6,300
4	20 to 49	11	293	2004	262	6,260
5	50 to 99	6	380	2003	264	6,300
6	100 to 999	5	1,730	2002	266	6,320
Total		252	3,461	2001	267	6,330
				2000	277	6,280

Number of employers and employment summed in private industry, state, local and federal government.
Source: Iowa Workforce Development, Employment Statistics Bureau

Planning and Economic Development Activities

Lee County funds a full-time economic development staff that implements county-specific economic development activities. Burlington, Mt Pleasant, Fort Madison, and Keokuk all fund positions that are dedicated to economic development. Burlington provides economic development assistance to Des Moines County and Mt Pleasant provides assistance to Henry County. These communities typically operate combined chamber of commerce/economic development agencies.

Burlington, Keokuk, and Mt. Pleasant have been designated as Iowa Main Street Communities. These communities have organized downtown revitalization efforts around the four-point Main Street approach: organization, design, economic restructuring and promotion. Other communities participate in the Iowa CEPP and other volunteer community revitalization efforts that impact the appearance and vitality of the region's central business districts. Many communities are exploring tourism related activities as a means of attracting prospective retail customers to their downtown area.

The mission of the Southeast Iowa Regional Planning Commission is to promote the growth and prosperity of Southeast Iowa by providing technical assistance, planning, and project development services to its members. In fulfilling its mission, SEIRPC assists counties and communities by:

1. Developing and maintaining a regional economic development plan.
2. Facilitating the development of local strategic plans.
3. Providing technical assistance for the formation and development of public works projects for infrastructure improvements, job creation, and housing rehabilitation/demolition.
4. Developing funding proposals for various types of public works projects for infrastructure improvements, job creation, and housing rehabilitation/demolition.
5. Administering grants and loans that are awarded to fund various types of public works projects for infrastructure improvements, job creation, and housing rehabilitation/demolition.
6. Providing plant closings and other important economic information to the U.S. Department of Commerce as a designated Economic Development District.
7. Facilitating regional cooperation in addressing economic and community development issues.
8. Serving as a point of contact for accessing the various local, regional, state, and federal economic and community development programs.
9. Facilitating educational programs that serve to inform and train community leaders and public officials regarding economic and community development issues.

SEIRPC operates an Economic Development Administration (EDA) revolving loan fund program, and Intermediary Re-lending Program (IRP), and Business Revolving Loan Funds in Henry County, Fort Madison, and Keokuk. These programs are available for regional business expansion or start-up. At present, the prominent focus is upon funding manufacturing job creation. The program is to be used in completing funding packages. It is not intended to be the primary or single-source loan source. Service sector or retail projects

that are not in direct competition with other businesses within the county may be considered.

The United States Department of Agriculture Rural Development Agency (USDA RD) serves the Southeast Iowa region by providing funding for a variety of business, housing, public works infrastructure, and job creation projects. USDA RD funds are frequently used to fund public works projects in conjunction with CDBG and other funding sources. This allows many of the region's communities to construct needed improvements while remaining sensitive to the financial limitations of their Low-to-Moderate Income (LMI) citizens.

There are many community and county-wide voluntary economic development organizations that work long, hard hours with local business expansion and retention as well as to recruit new businesses and industries to the area. These groups provide the "grass-roots" economic development that is very desperately needed in many small rural Southeast Iowa communities.

Evaluation

In Southeast Iowa, as with any region, there are both positive forces working for economic development and negative forces working against economic development. The region's inability to sustain a viable growing economy can be viewed as the prime negative force in the economic development efforts of Southeast Iowa. The economic decline has resulted in situations that further detract from the potential of the region, thus perpetuating negative aspects of the economy. Most of the regional economic problems can be viewed as both symptoms of, and contributors to, the economic decline. They are the result and the cause of the decline of the economy. The adverse effects of the past economic stagnation have been widespread throughout the region. The economic decline has resulted in a steadily decreasing population. Southeast Iowa is now also characterized as an older population with a large concentration of elderly and a low proportion of young adults in the so-called productive years, 18 through 64 years old. Apparently the young adults migrate to other regions with better economic opportunities and the elderly migrate into rural Southeast Iowa perceiving it as a healthful location to retire.

Workforce recruitment, retention, and training have been identified as dominant issues in the region. As a result of the national and state economic boom of the most recent ten-year period, Southeast Iowa employers have been struggling to fill position vacancies. Many employers have found it difficult to fill even the most basic entry-level positions. Filling skilled positions is even more challenging.

The economy of the region is further restricted by the manufacturing nature of the employment. Most of the new jobs created within the region during this period of economic expansion have been conventional manufacturing jobs. This has the effect of reducing the liquid capital in the region, which restricts the region's ability to invest in its future.

There are very few speculative housing developers in the region with the deterrent being instability of the housing market and the diminishing population. Few speculative housing units are available to any professional, managerial, or other white collar workers that might otherwise have a desire or opportunity to reside in the region.

The majority of homes in Southeast Iowa was built prior to 1940 and, as a result, requires greater effort to keep them in good repair. Efforts are underway by SEIRPC to expand the housing program to assist communities in obtaining capital for new housing construction, demolition, and rehabilitation of existing housing structures.

The age and condition of the housing stock has a further impact of limiting the tax revenues of the region's various units of government. The assessed valuation of property in Southeast Iowa is extremely low when compared to the state as a whole. As a result, there is a general inability of many communities in Southeast Iowa to raise the necessary revenues to conduct programs aimed at enhancing the economy of the community.

This lack of capital has also caused, or added to, many severe problems in the physical infrastructure of the region. The lack of a viable funding base seriously affects all aspects of the physical infrastructure.

The deficiencies in the public utilities, especially the water supply, wastewater treatment, and solid waste disposal facilities, have been strongly impacted by the attitudes and voting habits of "fixed income" citizens. Most communities have been capable of financing the costs of construction and maintenance of most public utilities with the aid of state and federal grant programs. With dwindling federal grant resources, Southeast Iowa is facing some menacing problems in funding public utilities that meet the required standards of the Iowa Department of Natural Resources.

Generally speaking, the region has an adequate distribution and supply of gas and electricity. There are some problems associated with the quality of potable water to the cities and particularly to the rural areas. The region is facing its most severe public utility problems in wastewater treatment facilities. There are still some communities that do not have wastewater facilities and therefore must rely on individual septic systems.

Another physical restriction placed upon the economy of Southeast Iowa becomes very evident when one reviews the surface water flows. The region has an abundant supply of surface water, in fact the most abundant in the state. The problem arises with the extreme fluctuations in the stream flow of the region. The region is characterized by seasonal rains that create flood and drought conditions throughout the region. Water control has been a critical problem in many areas of the region with the flood-prone areas being extensive.

The region has shown some evidence in stabilization and even sporadic growth. There has been a marked upsurge in the value-added agriculture sector. It appears that the region has transformed from a predominantly agricultural region and traditional manufacturing oriented region to an advanced manufacturing economy. The region has had good success in attracting a variety of new manufacturing firms that have served to diversify the economy of Southeast Iowa.

Cropland and pasture still remain predominate in terms of size. However, in terms of concentration within the region, pasture and forest are the most concentrated. Urban land is ranked next in concentration, which underscores the recent increase of urban land.

There are a number of additional positive features operating within the region that counteract, to a certain extent, the negative forces. The region is utilizing its non-mineral

resources in a more efficient manner. Limestone, clay shale, and gravel are now becoming the most important mined resources. Southeast Iowa has significant potential in forest resources. The region has large acreages of woodlands that are only partially utilized. Other than pallet manufacturing, the region has limited secondary wood processing facilities, resulting in the export of the region's raw timber.

Other advantages in the physical environment include the abundance of the water resources, the large potential of the recreational facilities, and the increasing productivity of farms.

Private investment capital is available within the region. There has been an increase in bank and savings and loan deposits, which should result in an increase in the amount and number of loans. It is fortunate for the region that this is occurring at a time, when federal money is becoming more and more scarce. There are federal monies available, but it is granted under highly competitive situations. In the past, Southeast Iowa has been very successful in attracting federal and state aid, which indicates that the federal and state government recognizes the grave needs of Southeast Iowa.

HUD/CDBG funds administered by the Iowa Department of Economic Development, USDA Rural Development funds, U.S. Department of Commerce EDA funds, and U.S. Small Business Administration loan guarantees form the major sources of federal assistance for community and economic development within the region.

Often the prime advantages of a region are the most intangible or the hardest to quantify. In Southeast Iowa, there are a number of area-wide and local agencies that are striving to achieve an improved economic environment. It is all but impossible to really ascertain the effectiveness of these groups, but in showing the willingness of the people to bond together and work for improvement, they must be considered a chief advantage to the region.

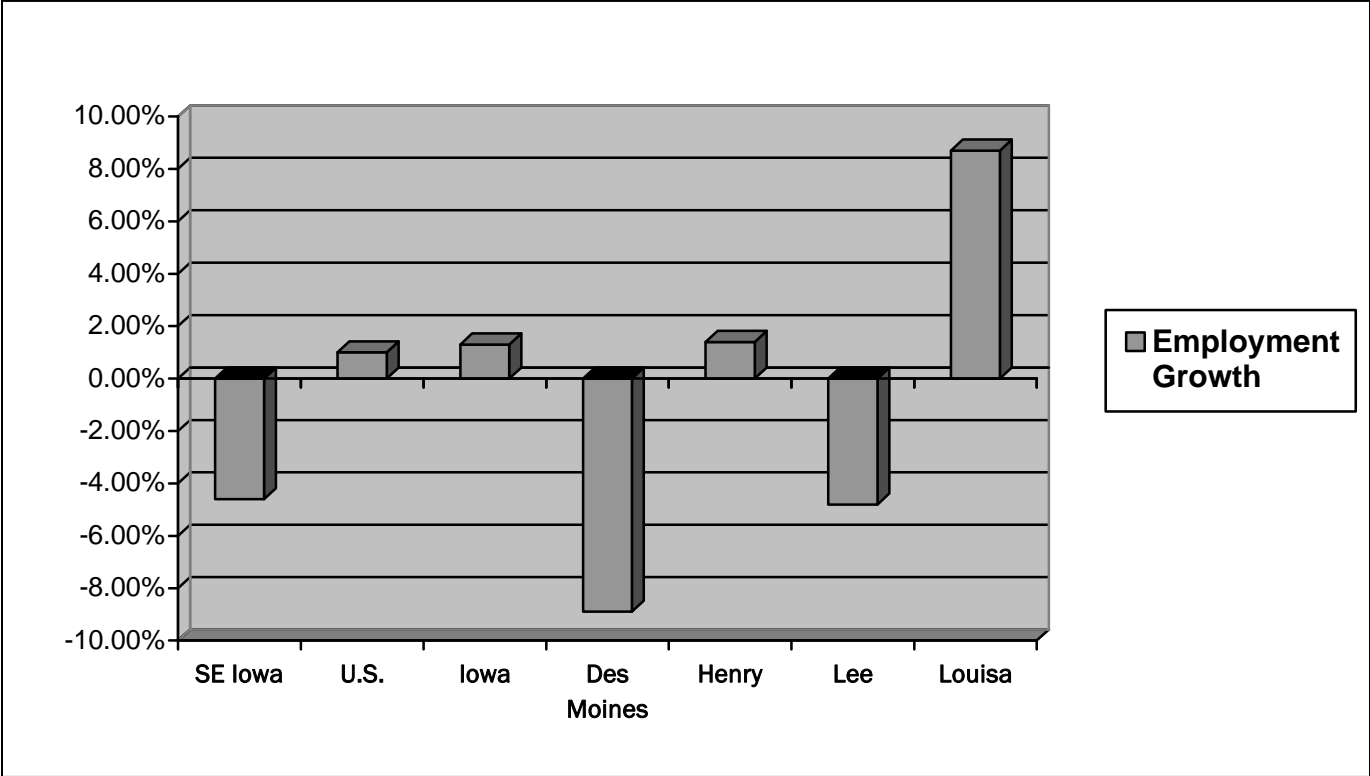
Chapter 2. Analysis of Economic Development Problems and Opportunities

The Southeast Iowa region is comprised of 4 counties located along the borders of Missouri and Illinois with a population of just under 110,000 persons. It is well positioned between larger metropolitan entities such as Chicago, St. Louis, Minneapolis, Kansas City, and Des Moines. Startling information in regards to economic development activities in the region as compared to the rest of the state and nation are soon noticeable upon closer evaluation and must be addressed.

In order to seriously assess the business climate, multiple examinations in key areas must be met. These key areas include economic growth, labor costs, tax burden, and entrepreneurial activity.

Economic growth has been stagnant and job losses have been high in the region over the past 5 years. Des Moines and Lee counties have been hit the hardest. The following table from the Bureau of Labor Statistics represents the lack of growth in the region from 2001 to 2005. The manufacturing sector is responsible for most of these job losses.

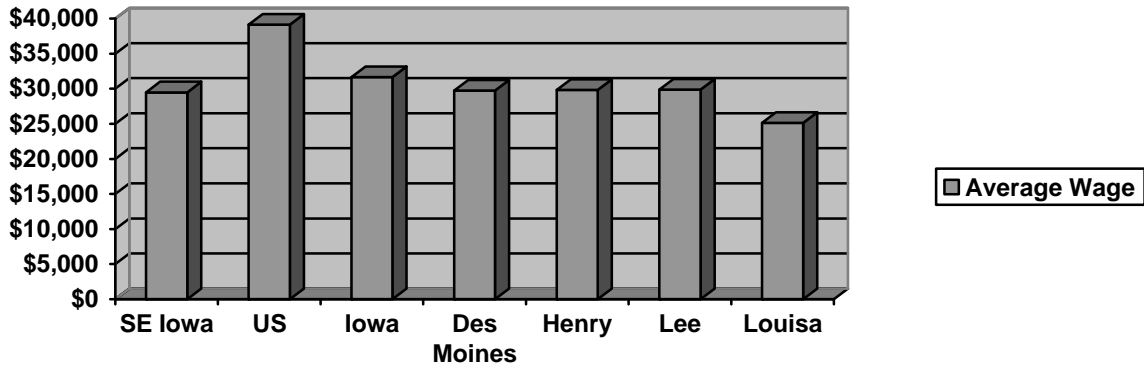
Chart 1: Employment Growth 2001-2005



Source: Angelou Economics

Labor costs also appear to be an inhibiting factor in the southeast Iowa economy. While it is an effective recruiting tool for businesses, it can also hinder the region’s ability to attract and maintain technical talent. It can possibly lead to lower productivity capacity as lower wages mean more turn-over in the workforce. Southeast Iowa offers companies a competitive labor force with somewhat competitive wages. These average wages in the region are far below the national average. Again, below average wages can be a very strong recruiting tool, especially for industrial and manufacturing related jobs. The chart below shows the differing wages for the region, state, and nation.

Chart 2: 2004 Wage Comparables



Source: Angelou Economics

Tax Burdens to businesses are a harsh reality for the region as these costs can be a determining factor in the ability of business to show a profit or loss. Manufacturing and industry are more prone to tax burdens as their investments are heavy due to their large buildings and inventories. Technical service and professional related businesses are less impacted by these costs. Iowa doesn’t fare well in tax burden as it is ranked in the middle to lower half in tax friendliness to business. The following table illustrates this point.

Table 17: State and Local Taxes

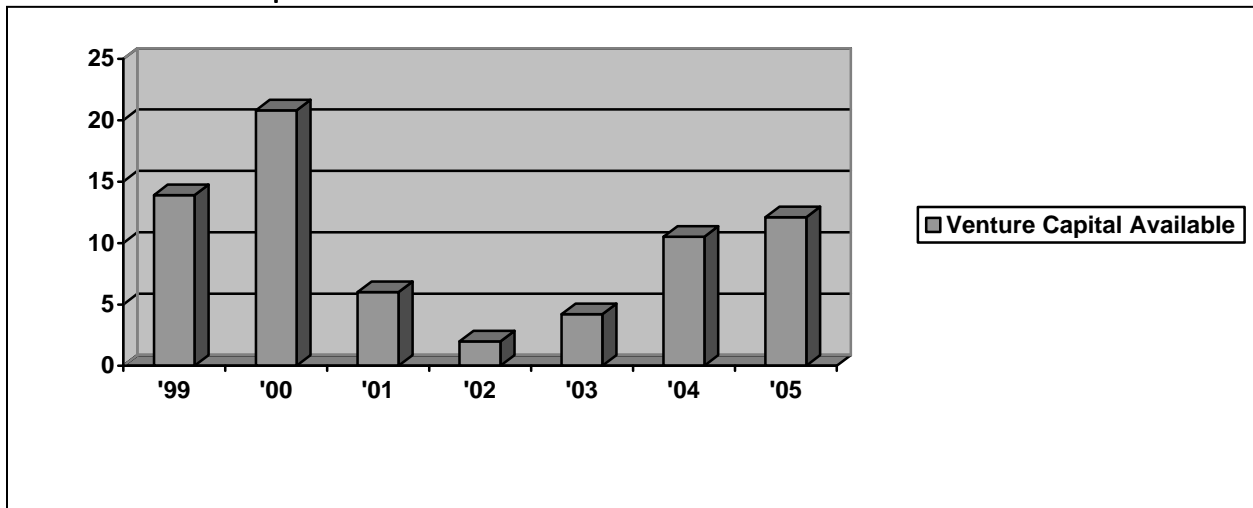
Iowa Taxes, 2005

2005	Average Rate	Rank
Top Personal Income Tax	5.84%	25 th
Top Capital Gains Tax	7.63%	42 nd
State and Local Property Tax	3.49%	38 th
Top Corporate Income Tax	9.90%	49 th
State and Local Sales Tax	3.08%	28 th

Source: Small Business Survival Index

Entrepreneurial Activity is another way to bring about economic growth. The majority of all future jobs are expected to come from entrepreneurial activity. A healthy entrepreneurial infrastructure must first be established. This should begin with networking and communication. As these business start ups are established, other businesses can be drawn into the region. Hopefully, a clustering of businesses can be formed and can draw on each other for productivity. Additional venture capital can assist in start up companies. Venture capital is difficult to attain especially in southeast Iowa. Compared with the national average of \$77 spent per job, Iowa with \$4 spent per job lagged very far behind in the amount of venture capital available to entrepreneurs. The following chart expresses the amount of venture capital available to Iowa's growing businesses in the past few years. Although it went through a period of decline, its availability recently has grown.

Chart 3: Venture Capital Available to Iowa in Millions of Dollars



Source: Venture Economics

Summary of Business Climate

There are several strengths and weaknesses associated with the business climate in Southeast Iowa. The following strengths can be identified:

- Central location within the United States, which gives it access to markets and customers throughout the country.
- A great deal of available and affordable land with utilities, an asset important to many types of businesses.
- Good distribution access for products by road, river, and rail.
- A stable labor pool with a good work ethic

There are several weaknesses associated within the business atmosphere that is hindering the job climate in Southeast Iowa. Among these are the following:

- The lack of a strong support network for entrepreneurs and small businesses necessary for business growth.
- Lack of access to venture capital that entrepreneurs and small businesses need to get started and grow
- A long, steady loss of jobs in the manufacturing sector and a high unemployment rate, which both show a local decline in the economy
- High property taxes, electric rates, and water rates, which increase the cost of doing business in the region. These are considered negative factors for business retention and recruitment.

Southeast Iowa's Strengths, Weaknesses, Opportunities, and Threats (SWOT)

Business Climate	
<i>Strengths</i>	<i>Weaknesses</i>
Central location in Midwest	Lack of strong entrepreneurial support
Available, affordable land with utilities	Lack of venture capital access
Stable labor pool	Loss of jobs
Good distribution access	High unemployment rate
	High property taxes
<i>Opportunities</i>	<i>Threats</i>
Expand incentives	Depressed economy- hard to recruit businesses
Create a more business friendly atmosphere	Destructive internal competition
Become a leader in advanced manufacturing	

Economic Development Investment in the Region

Past and Present Economic Development Investments

Southeast Iowa has experienced significant job loss during the past five years as the transition from the manufacturing sector to the service economy takes place. The region is known for its manufacturing expertise since its settlement over 150 years ago. Companies such as Case-New Holland Corporation, General Electric, Dial Corporation (now Armour Food), E.I. DuPont, Scotts Corporation, Roquette America, Archer Daniels Midland, Murray Turbo (now Dresser Rand), Grimm Brothers Plastics, and others are located in southeast Iowa and are typical of the manufacturing base.

More notable investments in the past have been to these manufacturing industries. There are a mix of old established industries and “newer” manufacturing facilities. Approximately 20% of the jobs available in southeast Iowa remain manufacturing and industrial related.

A look back over the past few years have shown some very promising business adventures in the region. The following list portrays the business start up and expansions in that time frame.

State and Federal Funded Economic Development Projects

City of Burlington – Case New Holland (CNH) received an EDSA forgivable loan in the amount of \$635,000 for purchase of machinery and equipment. They are to create 127 full time equivalent (FTE) positions in addition to their current employee total of 413 at the Burlington facility. The total project cost is \$8,343,600.

City of Mt. Pleasant – Direct Mail Holdings is to retain forty-four (44) full-time equivalent (FTE) jobs and create twelve (12) full time equivalent (FTE) positions at the Mt. Pleasant facility. They received an EDSA forgivable loan in the amount of \$560,000 for the purchase of machinery and equipment. The total project cost is \$3,345,000.

City of Mt. Pleasant – Midwest Precast received a EDSA forgivable loan in the amount of \$150,000 to purchase machinery and equipment. They are to create 22 new full-time equivalent (FTE) positions at the Mt. Pleasant facility. Total project costs is \$3,039,067.

City of Mt. Pleasant – Mt. Pleasant Foods received a EDSA forgivable loan in the amount of \$500,000 to purchase machinery and equipment. They created 250 new full time positions at the Mt. Pleasant facility. Total project cost was \$6,877,698.

City of Mt. Pleasant – Assist with the purchase of machinery and equipment. Other activities include land acquisition, site preparation, building construction, additional M & E and working capital. As a result of this project Mount Pleasant Foods will create at least one hundred fifty (150) full-time positions at the Mt. Pleasant facility above the base of 250 pledged in a 2002 award. Received an EDSA forgivable loan in the amount of \$510,000, the total project costs was \$17,768,000.

City of Ft. Madison – Received a \$1,000,000 EDSA forgivable loan to assist Siemens Power Generation with a new manufacturing facility in Ft. Madison to purchase machinery and

equipment. They are to create 261 new full-time positions at the Ft. Madison facility. The total project cost is \$23,344,650.

Lee County – Received a \$574,000 EDSA forgivable loan to assist Siemens Power Generation with a new manufacturing facility in Ft. Madison to purchase machinery and equipment. They are to create 261 new full-time positions at the Ft. Madison facility. The total project cost is \$23,344,650.

City of Burlington – Received a \$480,000 CEBA forgivable loan to assist Alfagomma to purchase machinery and equipment. They are to create 120 new full-time positions. The total project cost is \$6,127,000.

City of Ft. Madison – Received an \$82,500 PFSA forgivable loan to assist Cryotech Deicing Technology to construct an extension of their existing 12” water main to the property boundary owned by the Cryotech Deicing Technology. They were to create 25 full-time positions at the Ft. Madison facility.

Locally Funded RLF Projects (Past 5 Years)

EDA Revolving Loan Fund	Jobs Saved/Retained
AET Inc.	0
Affordable Patterns	6
Alfagomma America	35
Borghi USA	51
Chemcraft	7
Dana’s Total Image	5
The Drake LLC	29
Kirk’s Collision	1
Port Midwest International	2
Rheinschmidts	20
Superior Tooling	4
Water’s Edge	4
Big River Resources	32
BTR Sealing Systems	344
Burlington Truck Rail	19
FMEDC	95
Hall Towing	12
Industrial Coating	6
Industrial Tooling Inc.	97
Machine Systems, Inc.	0
Raiders Pre-Cast	76
Wolf Packaging	52
Mister Motos	12

USDA Intermediary Re-Lending Program (IRP)	Jobs Saved/Retained
Keokuk Hospitality	22
St. Mark Corporation	6

Wondra Chiropractic	4
Turn 2 Restaurant	25
Centre State Tire	62
Matt's Greenhouse	4
A Paw Above	3

Fort Madison USDA RLF

Hanna Wolfe Inc.	6
AA Boyd Inc.	6
River Valley Tech	6
Forget Me Not Antiques	2
Jenna Marie's	3
Griffin Muffler	3
St. Mark Corporation	6
Wondra Chiropractic	6

Henry County USDA RLF

Henry County Orthopedics	5
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Future Economic Development Investments

The future economic development projects in southeast Iowa will continue to be somewhat predictable. Light manufacturing, agriculture and food related manufacturing, and creative industries will drive the future economy in the region. Renewable energy such as ethanol, soybean oil, and wind generation are all poised to make in-roads in the future economy. With Iowa's position in the middle of the corn-belt and the amount of wind available in the upper Midwest, these new industries will adapt with the environment.

A planned expansion at a local ethanol plant in West Burlington is already underway and a new ethanol plant is being planned elsewhere in the region. Two new soybean oil plants are just being completed in Keokuk and another just north of the border of Louisa County. Within Henry County, a soybean manufacturer, Asoyia is marketing new uses of soy bean oil in different products and promises new products in the future. A new organic turkey processing plant could become a reality in Burlington in the very near future as well. A new pharmaceutical company just opened operations in Burlington and if successful, will expand operations. These are just a few of the future development investment projects that will continue to drive the future economy of the region.

Business Clusters

A key generator of present and future economic growth in the region is the event of business clustering. A cluster develops when businesses in enter-related industries choose to locate in close proximity to take advantage of region's inherent advantages. These businesses then become interdependent on each other, enhance their operating environments, and become more competitive on the global landscape. This phenomenon will lead to more profitability, faster growth, and higher wages for employees. Historically, clusters have developed in the region in two areas, agriculture and retail. These have traditionally been low paying and have given the region very few benefits.

The region is now poised to begin clustering events in 6 different areas. These are projected to be in the fields of Manufacturing, Agriculture and Foods, Back Office, Distribution and Warehousing, Arts and Culture, and Creative Industries.

Again, with the regions central location between Chicago, St. Louis, Kansas City, and Minneapolis, the quality of life for its residents, and many different companies existence in the region, this makes business clustering a real possibility. The region offers a variety of strengths, which gives the area a competitive advantage over other areas of the country for business recruitment. These include excellent infrastructure in roads, utilities, and the Mississippi River.

Southeast Iowa's Targeted Industries

Target 1. Light Manufacturing. Medical Devices, Auto Suppliers, and Defense

Target 2. Agriculture and Food Processing. Perishables, Organic, Packaged, Beverages, Agbioproducts

Target 3. Business Services. Integrated Services Center, Data Centers, CRM Call Centers

Target 4. Distribution and Warehousing. Manufactured Parts, Fulfillment Center, Food/Agricultural Distribution

Target 5. Arts, Culture, Tourism. Regional Shopping, Tourism, Arts

Target 6. Creative Industries. Digital Design and Film, IT and Software

Target 1. Light Manufacturing.

Light Manufacturing is a broad term and can be interpreted in many ways. It can be best described as the manufacture, assembly, processing, or packaging of any product with low levels of air, water, soil, and noise pollution. These are essentially non "smokestack" industries. The best examples of light manufacturing are computer equipment, electronics, auto assembly, aerospace, biotech, machinery, pollution control equipment, and medical equipment.

Because some national economic developers are no longer seeking manufacturing due to the recent decline in employment and off shore competition, the timing could be right for southeast Iowa to seek out this market. Even though low wage competition from 3rd world countries will remain in effect and will always be a business threat, technology will always make manufacturing a strong industry in the United States.

The current decline of manufacturing jobs does not signal the end of U.S. manufacturing. Many inventions and innovations spring up out of research and development. Manufacturing still represents a large share of wealth generation and provides exceptional

salaries to skilled workers. While still offering a good inflow of money into a community, it has declined in the recent past. Its multiplier effects have diminished, but it still offers a tremendous opportunity for communities. It will remain highly competitive industry due to the cost of labor. The cost of labor will not be lone reason for manufacturing. Rather a balance between labor and the ability of the manufacturer to stay highly productive with quality production.

Target 2. Food Processing and Ag-bio-products.

The food processing industry includes establishments that manufacture or process food and beverages. This process is the link between the raw agricultural product and the retail sector. Production and distribution of food and beverages account for over one-sixth of the nation's industrial output. The meat production sector of this industry alone is responsible for 30% of the total workforce.

While industrial revenue has slowed during the past 5 years in this area, payrolls were cut in order for firms to stay profitable. Job losses have fallen, but its pace has leveled off recently. Demand for food products is expected to grow especially in the niches such as specialty foods, ethnic foods, and pre-packaged foods. What once were labor intensive food production plants are more vastly automated. These plants lose lower skilled works in place of higher skilled and higher paying employees.

What also makes this sector of the manufacturing industry so promising is the fact that companies are expected to expand their workforce over the next few years. Technology is the key to the expansion of the food industry. A different cultural landscape will also play an integral role in offering of different foods. The health food conscience consumer will also drive what type of specialty foods must be needed to supply this consumer demand. Other niche markets that will emerge include organic foods, beverage production, and ag bio-products.

Target 3. Business Services

This industry can best be described as call centers, support operations, processing facilities, and data processing. These services will directly impact financial services, third party software development, and outsourced information technology operations.

Support staff in the financial services industry performs a variety of record keeping duties. They track revenue as well as provide customer support. Outsourcing services such as payroll, procurement, and auditing services have become a way for larger businesses to save on overhead. Integrated service centers are generally large scale corporate operations including back office operations. These corporate campuses have excellent wages and long term prospects. Although these service centers are located in larger cities and suburbs, southeast Iowa is in a decent position to compete for these higher paying jobs.

Target 4. Distribution and Warehousing

Distribution includes all freight carriers and warehouses. The concept of manufacturers storing and distributing their own product is quickly waning. The transportation network is

becoming quite specialized and more technical. Manufacturers want to stay focused on their specialty of production and outsourcing distribution of their product is less expensive. Speed and efficiency in transportation is a key component in the distribution method. Many products whether perishable or non-perishable, must be sent in a timely fashion from one destination point to another. Three niche areas poised for growth in the region are warehousing, fulfillment centers, and food/agricultural distribution.

Target 5. Arts, Culture, Tourism

This part of the industry employs many different types of individuals from across many spectrums including traditional artists, painters, sculptors, museum and civic organizations, jewelry designers, tourism and travel agencies, and a host of others. These jobs require very few college degrees, but are highly skilled positions. A lot of administrative staff support this industry. Performing Arts offer highly paid positions as these are highly skilled individuals offering their services. All of the arts, cultural, and tourism industry have stayed above national employment levels and bring stability to the community they serve.

Target 6. Creative Industries

Much like the arts and cultural industry, the creative industries sector utilizes creatively skilled talent. These industries tend to cluster not so much because of supplier or location strategies, but rather they tend to compliment one another. They provide a high quality of life in which individuals can flourish. Southeast Iowa has a rich arts tradition and offers a unique setting for creativity. Commercial and industrial designers develop and enhance product design as well. From vehicle design, biomedicines, to defense technology, designers in southeast Iowa can begin work with other target clusters in the light manufacturing and food processing areas.

Chapter 3. CEDS Goals and Objectives

Regional Goals and Objectives

Southeast Iowa is an area composed of Des Moines, Henry, Lee, and Louisa Counties and located along the Mississippi River. The region has economic heritage built on heavy manufacturing and agriculture. With its excellent location in the Midwest and great transportation network of roads, rivers, and rail; the region has a great potential for manufacturing greatness. However with an economy in transition, like so many other Midwest communities, and global competition, the domestic economy must adapt to various changes. This transition of change although difficult, can be attainable through hard work, dedication, and strong leadership. This first step in this process is clear, concise economic strategy.

Business Climate

The Need:

The business climate in southeast Iowa has been somewhat depressed and has been identified as the top priority in recent polling. Whether it is government or private sector driven, the business climate must become more friendly and closer scrutinized.

The Goals:

1. Encourage Economic Growth
2. Control Labor Costs to be Globally Competitive
3. Lower the Tax Burden
4. Encourage Entrepreneurial Activity

1. Encouraging Economic Growth Objectives (One to Five Years)

- Shelter the local economy from large economic swings
- Strive to keep unemployment rates low to encourage more local spending
- Attract and retain skilled workers
- Encourage and foster sustainable economic growth opportunities

Summary:

Economic growth in the region is the top priority and creating a friendly business climate is a huge step in fostering this growth. The above stated objectives can be attained in the next several years by diversifying the local economy. Diversification is a transition into the new economy, but the backbone of the local economy is still manufacturing, agriculture, and professional services. This will never change because of the natural landscape of the region. These objectives can be attained, but hard work and strong leadership must drive the economic change.

2. Control Labor Costs to be Globally Competitive (One to Five Years)

- Lower labor costs compared to the cost of production
- Provide an abundant technical talent labor pool
- Provide abundant workforce development programs
- Increase worker productivity to attain higher wages for employees

Summary:

Southeast Iowa can offer companies a competitive labor force with competitive wages. Compared with state and national averages, the region is quite competitive. Knowing that wages are a location sensitive cost for industrial location, the region offers this competitive edge over other regions throughout the country. This should be marketed when competing with other regions for new industry.

3. Lowering Tax Burdens: (One to Five Years)

- Lower tax rates for industrial and manufacturers to be more competitive
- Provide tax rate incentives to manufacturers
- Provide a diverse base of employers to prevent higher tax rates for manufacturers

Summary:

Iowa offers a very competitive state and local property tax assessment. It is far below the national level. Local property tax levels are very competitive compared to the rest of the State of Iowa. However, property tax rates are valued differently among industrial, commercial, and residential owners. Industrial and commercial properties pay a larger share of local property taxes. Different valuations on different buildings can hinder a businesses competitive edge. All assessments and valuations should be reviewed carefully to give the region a competitive business climate.

4. Encourage Entrepreneurial Activity (One to Five Years)

- Build active business network to foster economic growth
- Lessen risk to business ventures
- Establish a venture capital fund
- Attract entrepreneurs into a business friendly climate

Summary:

Entrepreneurial infrastructure can begin to be nurtured without many resources. It starts by developing an environment that allows local entrepreneurs to network with each other and link with other mentors. Businesses can be created in the region that hire new employees, develop prototypes, and launch products to market. As this occurs more employees and entrepreneurs are attracted into the region. Eventually similar firms are established, an industry cluster is formed, and outside companies and suppliers are drawn into the region.

Work Force Availability

The Need:

For every industry labor force growth provides a top line indication of a community's vitality and long term ability to deliver a workforce at a competitive price. Companies generally seek high growth potential environments to attract great employees. Southeast Iowa has seen a reduction in its workforce and the job market has become quite stagnant. People are not choosing to live and work in southeast Iowa as compared to the rest of the state.

The Goals:

1. **Provide for a Stable and Qualified Labor Force**
2. **Strive to Attain an Educated and Skilled Labor Force**
3. **Maintain a Quality Education System**
4. **Maintain a Young, Vibrant Workforce**
5. **Strive to Attain an Ethnically Diverse Workforce**

1. Provide for a Stable and Qualified Labor Force (1-2 years)

- Grow the region's labor force in numbers
- Reverse the population trend of out-migration
- Lower the unemployment numbers in Des Moines and Lee Counties

Summary:

Even though the high unemployment figures for Des Moines and Lee Counties have been reduced by a few percentage points from nearly 9%, it is still unacceptable when compared to the State of Iowa. The region's average of 6.2% percent unemployment is still very high compared to the state average of 4%. When jobs were lost in the region, skilled workers had to move and follow those jobs or find work elsewhere. This also caused a loss in overall population. Reversing the unemployment rate will stop the out-migration pattern that has hit the region so profoundly. Offering the region's workforce higher quality and better paying jobs will stem the tide of out-migration and stabilize the region's qualified workforce.

2. Strive to Attain an Educated and Skilled Labor Force (1-5 years)

- Educate and train local workforce to be leaders and thinkers
- Educate and train local workforce for change and flexibility
- Give workers the skills and training to adapt to a changing work environment
- Increase the percentage of local workforce with post-secondary degrees

Summary:

The educational attainment of Southeast Iowa's work-force is well below the national average. While only 15.6% of the workforce in southeast Iowa has attained a bachelor's degree, the national average is above 25%. It will take a number of years in order for the region to match these same numbers. With the high cost of attaining a bachelor's degree and the distance involved to major universities, it will be difficult for the area to keep pace. The region has one private college which offers degrees and it is limited in the amount of programs offered. The edge will be offered in the form of on-line degrees offered by major universities throughout Iowa, Western Illinois, and Northeast Missouri. SCC has reacted to completed workforce studies by offering dual nursing classes, welding classes, a new construction trades course, and a masters of education program for local educators. It can

be noted that although a bachelor's degree is very helpful to the local business climate, an associates degree is just as beneficial and cannot be discounted to those businesses which rely on these trained workers.

3. Maintain a Quality Education System

- Market the great educational K-12 school systems in southeast Iowa to industry
- Target industries who rely on high school graduates as part of its work force
- Recruit potential families in the work force who have school age children
- Train and re-tool the local workforce to meet the needs of industry
- Offer adult students greater assistance in degree completion

Summary:

There are industries in southeast Iowa which rely on a younger work force for different reasons. These could be for physical reasons and a younger work force will have the ability to keep up with a rigorous workload. Therefore these industries will look at quality schools in the area for its main effort of recruitment. But the school systems are very high quality in southeast Iowa and have many great attributes. It is very logical to assume that families would forgo higher salaries to keep their children in a quality school system. School systems in southeast Iowa are high in quality and offer families a great educational opportunity.

4. Maintain a Young, Vibrant Workforce

- Increase the amount of 25-44 year olds in the work force
- Lower the median age of population in the area
- Increase the number of young professionals in the region

Summary:

A young and vibrant workforce is needed to help bring southeast Iowa back from its economic woes. The average age of an individual in the region is now over 40 years of age. This median age has jumped considerably in the past 15 years. This trend must be reversed in order for the region to attract new and advanced industry. Again, this will not come overnight, but with quality of life issues for the region, younger adults will stay in region. Compared with surrounding larger communities who have a larger share of employees in the 25-44 age category, the region is striving for ideas to keep the younger talent within its borders.

5. Strive to Attain an Ethnically Diverse Workforce

- Seek and recruit an ethnically diverse workforce

Summary:

An ethnically diverse workforce brings many qualities that globally competing businesses desire. This is especially true in technology based companies. Companies seeking to locate or expand in the area are more likely to do so with a diversified workforce. Although southeast Iowa is not ethnically diverse because of its large rural population, minority populations are growing. As long as this trend continues, the region can grow toward this goal.

Economic Development and Marketing

The Need:

With the transition of the traditional economy of Southeast Iowa to the new economy, employment loss is a significant concern. Assisting with the transition to provide technical assistance to cities and counties to encourage business growth and development is a high priority.

The Goals:

- 1. Enhance the economic development opportunities in the region**
 - 2. Promote economic development incentives for start up/expanding businesses**
 - 3. Continue the promotion of the region in marketing plans**
 - 4. Develop an Image and Brand to sell the region**
-
- 1. Enhance the economic development opportunities in the region**
 - Continue strong continuity among all local economic development organizations
 - Continue collaboration on development efforts
 - Build upon the momentum of the Southeast Iowa Regional Economic Development Consortium (SIREDC)
 - 2. Promote economic development incentives for start up/expanding businesses**
 - Maintain and expand available loan fund pools in the region
 - Establish a venture capital fund for start up and expanding businesses
 - Establish an economic development fund through a local option sales tax
 - Provide excellent contact information with businesses in the region
 - 3. Continue the promotion of the region in marketing plans**
 - Create a regional website
 - Generate interest at the local level with businesses and residents
 - Continue to focus on business retention and expansion locally
 - Improve communications within the region
 - Target industry and companies that fit the region
 - 4. Develop an Image and Brand to sell the region**
 - Advertise brand awareness “Southeast Iowa”
 - Development of a regional logo and catch phrase
 - Create an awareness of southeast Iowa outside of the state and nation
 - Position one organization as the central point of communication
 - Dedicate an aggressive public relations campaign with external audiences

Summary:

As marketing strategies are developed, determining the audience will always be the top priority. The target audience must be developed and analyzed to clarify that the industry must fit the region. Southeast Iowa must convince its target audience (light industry, agriculture and food processing, back office, logistics and distribution, and creative industries) should be the central focus of marketing efforts.

Transportation and Infrastructure

The Need:

Transportation and infrastructure is a key factor for Southeast Iowa in all modes. These modes must be closely monitored to determine the short- and long-term impacts on the region, which will aid in the analysis of deficiencies within the system.

The Goals:

- 1. Improve the regional transportation systems**
 - 2. Improve Real Estate opportunities for business start up/expansion**
 - 3. Preserve low cost utility and services**
 - 4. Pursue additional funds to maximize transportation resources for the region**
 - 5. Provide financial assistance to air and waterway transportation for the region**
-
- 1. Improve the regional transportation systems**
 - Maintain vital air transportation to larger “hubs” in the Midwest
 - Continue to establish 4 lane routes through the region
 - Grow more passenger train service (Amtrak) in Burlington and Ft. Madison
 - Lobby for expanded lock and dam network on the Mississippi River
 - Assist cities and counties with all transportation related issues
 - Continue the strong public transit services in the region
 - 2. Improve Real Estate opportunities for business start up/expansion**
 - Expand the number of business parks in the region for industry
 - Assess the size, cost of land, and available resources to accommodate businesses
 - Provide infrastructure requirements such as broadband internet, water, electrical, and transportation to fit the needs of businesses
 - Provide businesses with many different options of buildings, land, and critical infrastructure requirements
 - 3. Preserve low cost utilities and services**
 - Keep pace with industrial needs of electricity, water, and natural gas
 - Keep utility costs affordable and competitive with other sites throughout the Midwest
 - Provide efficient power and energy resources to manufactures such as geothermal heating and air conditioning
 - 4. Pursue additional funds to maximize transportation resources for the region**
 - Access IDOT funding for road projects in the region
 - Prioritize funding efforts for more important transportation projects
 - Provide technical assistance to cities/counties and industry to target needs for long range transportation planning
 - Assist cities/counties with transportation funding to create and retain manufacturing and other jobs in the region
 - 5. Provide financial assistance to air and waterway transportation for the region**
 - Expand the amount of local funding for airport and local barge loading facilities
 - Provide more accessibility to the region through air service

- Continue to negotiate to bring a reliable air passenger provider to the region

Summary:

For Southeast Iowa to compete in the global economy, an excellent transportation and infrastructure system must be utilized in the region. Efficiency in transportation and communications is an absolute necessity in today's economy. Manufacturing and advanced logistics rely heavily on the ability to ship and receive supplies and final products in a very timely fashion. Any advantages the region can offer in efficiencies is a huge advantage in today's business world. Again, with the location of southeast Iowa between Chicago, Kansas City, the Twin Cities, and St. Louis, the distinct advantage of a great rail, road, and water system can give the region a very competitive edge.

Community Development and Planning

The Need:

Cities and counties within the region are continually seeking improvements to infrastructure such as water, sewer, telecommunications, streets, and a host of others. Emphasis upon the efficiencies of governments is constantly improving with innovative ideas on how to accomplish newly created industries. Planning goes hand in hand with development efforts and is often considered an integral part in the development process. Overall, the strategy committee feels this category is a top priority within the region.

The Goals:

- 1. Assess every community's infrastructure capabilities including water, sewer, and roads**
 - 2. Assess a rate structure analysis of the regions infrastructure**
 - 3. Continue educating cities and counties on infrastructure funding**
 - 4. Promote Capital Improvement Planning (CIP) for cities and counties**
-
- 1. Assess every community's infrastructure capabilities including water, sewer, and roads**
 - Compile the regions capacity to provide critical water needs
 - 2. Assess a rate structure analysis of the regions infrastructure**
 - Complete an exhaustive data collection on rate structures of communities within the region
 - Compare/Contrast rates for business/residential customers
 - 3. Continue educating cities and counties on infrastructure funding**
 - Utilize funding sources such as CDBG, RLF, and USDA programs to assist the region with infrastructure funding
 - 4. Promote planning activities for cities and counties**
 - Use Capital Improvement Planning to assist cities in the region
 - Update Comprehensive Plans for cities and counties in the region
 - Continue Hazard Mitigation Plans from FEMA
 - Conduct LMI surveys for grant purposes in the region

- Continue Community Development and Housing Needs Assessment updates

Summary:

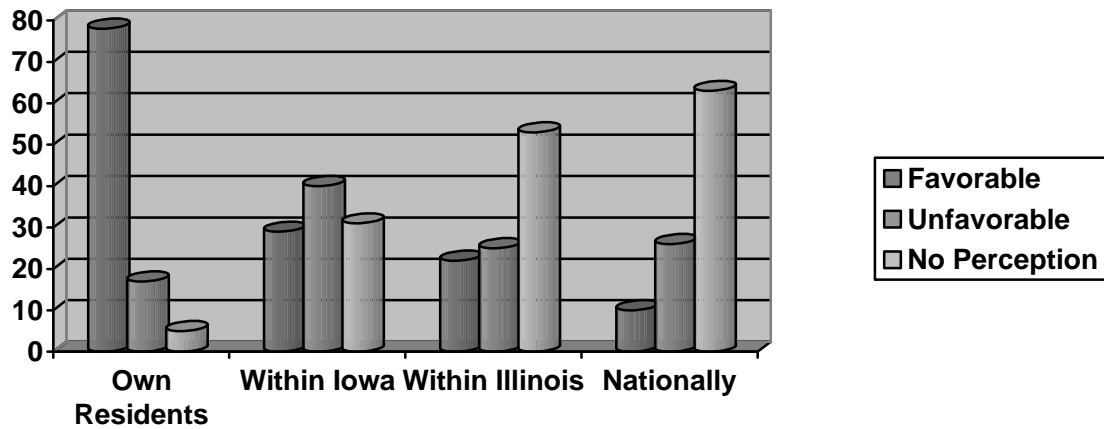
Community Development and Planning is a key ingredient in shaping the region's future goals and needs. They both contribute extensively to the economic development growth of the future. The region will have to continually plan for needs of its residents both short term and long term. With a reasonable cost of living in the region and a great quality of life, communities can thrive and grow, but planning and development must stay ahead of growth. Without the amenities and infrastructure to grow and prosper, Southeast Iowa will continue to lag in the overall standard of living.

Chapter 4. Community and Private Sector Participation

Private Sector Development of CEDS

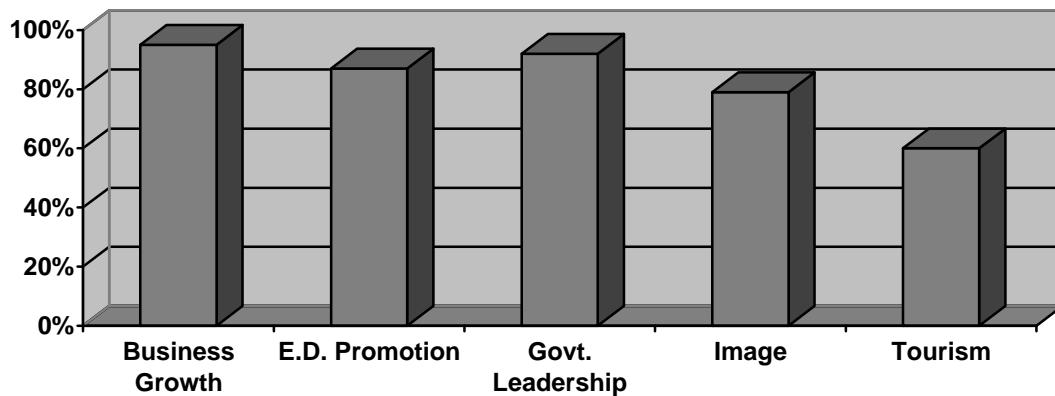
One year before the compilation of the CEDS, a mass marketing campaign was held to gather input on the perception and needs of the region. Through an online survey on the website synergyseiowa.com, almost 1,000 residents and 120 businesses completed a survey on the economic needs of the region. Although unscientific in nature, it does give a feel for the temperature of the landscape. Residential input was tantamount in determining the needs of the region. Many different results were arrived from this survey and carried some interesting viewpoints.

Image: *How is SE Iowa Perceived?*

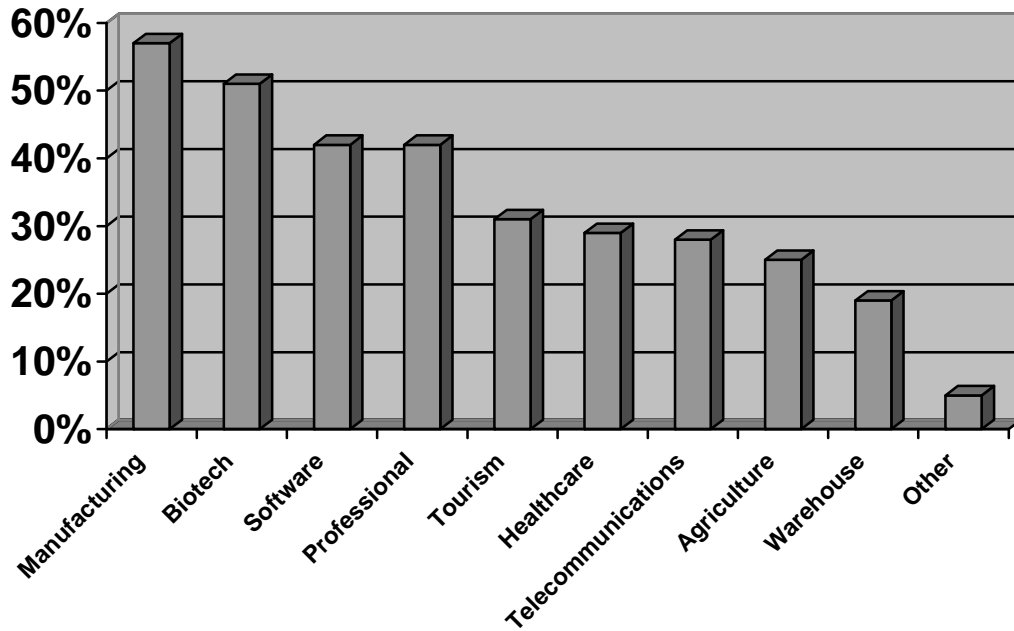


It is interesting to note that residents within the area feel comfortable in the notion assuming most area residents (78%) view the area favorable. It is interesting to note that residents felt that the rest of the nation (10%) felt the nation perceived the region as negative. The region as a whole probably is fairly critical of itself.

General Economy: *What is the most important aspect of the regional economy?*

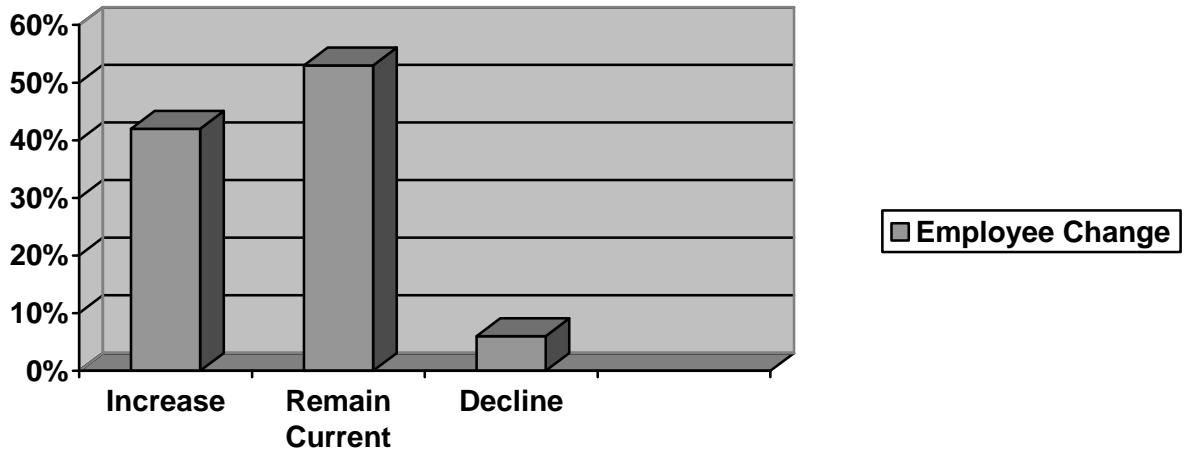


Importance of Industry Expansion: *What are the most important Industries in the Region?*

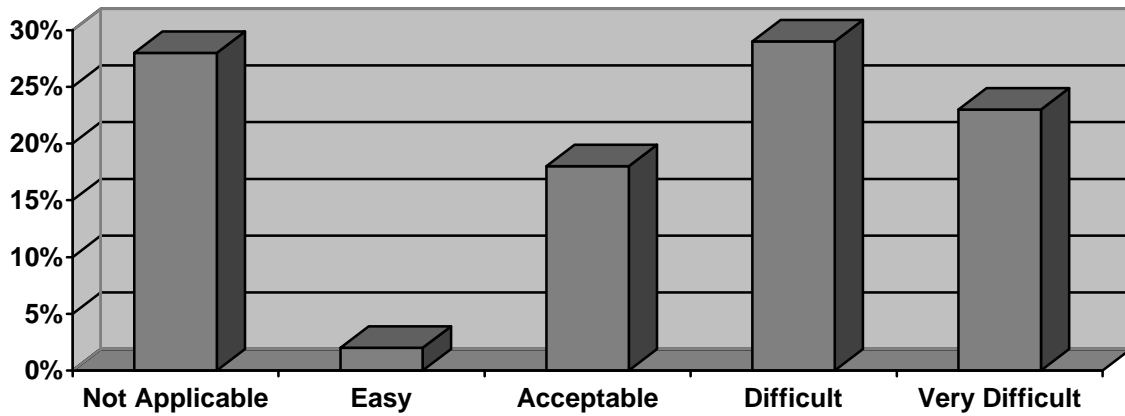


Business Survey Results:

Approximately 120 businesses in the region completed a survey to ask perceptions and anticipated trends for the next 12-24 months. The following answers were returned:



When asked if recruiting key managerial and technical workers were a problem, almost half of all local businesses said that it was difficult or very difficult to find these skilled workers.



Summary:

Even though the harsh economic times of business closure and larger unemployment rates have subsided in the region, its lasting imprint on both business and residents will be long lasting. Economic Development is a high priority with all segments of the workforce. With unemployment rates reaching nearly double digits in parts of the region only two years ago, job creation and job retention will remain a goal of the region's economy. Without feedback from the private sector, the future economic environment of the region would be difficult to assess. It does appear that businesses will remain at current employment levels and possibly expand. Residents have shared their concerns and have determined that long lasting and stable jobs be recruited to the region.

Chapter 5. Strategic Projects, Programs, and Activities

Priority Issues and Strategies

Table 18: Priority Issues for the Southeast Iowa Region

Issue #	Issue Description	Des Moines	Henry	Lee	Louisa
1	Shrinking Economy and Global Competition	X	X	X	X
1.a	Community Development	X	X	X	X
2	Overcoming Negative Attitudes about the Region as a Whole	X	X	X	X
3	No Brand Identity for Products	X	X	X	X
4	Difficulty in retaining young professionals	X	X	X	X
5	Lack of regional approach to Economic Development	X	X	X	X
6	No support for entrepreneurs and small businesses	X	X	X	X
7	Inadequate transportation services	X	X	X	X
8	No emerging industries to promise growth	X	X	X	X
9	Tourist Attractions and Quality of Life that is not being touted	X	X	X	X
10	Lack of tax revenue to fund Economic Development Activities	X	X	X	X

Each county's library of planning documents were reviewed for the purpose of identifying priority issues. The issues listed above are the most mentioned issues from those plans.

**SEIRPC CEDS 2007
Region-Specific Strategies for Treating Priority Issues**

Priority Issue # 1: Improve effectiveness of Economic Development and Marketing Efforts

Describe the Issue: A lack of a regional approach to economic development has caused a downturn in the economic environment. Conditions in the region have stagnated and a collaborative effort must be utilized for the region to succeed.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Establish a regional compact to implement a recovery effort.	SEIRPC	Regional Economic Development Groups	Develop stronger communication efforts	2007-2012
Staff support from SEIRPC to assist implementation of regional compact agreement	SEIRPC	IDED and regional economic development groups	Increase staff of SEIRPC and local economic development groups for collaborative efforts	2007-2012
Development of Memorandum of Agreement	SEIRPC	GRRP	Detailed expectations of each group and contributions to ensure continued long term success	2007-2012
Development of Key Performance Measures	SEIRPC	GRRP	Goal expectations analyzed and initiatives for economic development instituted	2007-2012
Quarterly Meetings instituted among SEDIRC	SEIRPC	GRRP	Assess and compare progress of economic development in the region	2007-2012
Conduct Yearly Accountability Sessions	SEIRPC	GRRP	Critique and assess failures and celebrate success	2007-2012

SEIRPC CEDS 2007

Region-Specific Strategies for Treating Priority Issues

Priority Issue # 2: Establish a stable and predictable funding mechanism for regional economic development efforts

Describe the Issue: Implementing a regional economic development effort is hindered by the limited amount of funding sources.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Explore the effort of levying a sales tax for economic development efforts	Economic Development Organizations, Cities/Counties	IDED and State Legislature	Obtain legislative authority to levy sales tax for funding of economic development activities	2007-2012
Develop a formula to calculate levy amount for each county	Cities/Counties	Counties and GRRP (Great River Regional Partnership)	Fine-tuning of funding for marketing and packaging of sales of the region	2007-2012
SEIRPC develops working plan for implementation of sales tax with counties	SEIRPC/Counties	Cities and GRRP	Continue routine dialogue between units of government while coordinating successful elective efforts	2007-2012
Implementation of a Regional Economic Development Fund	SEIRPC	GRRP	Successful management and oversight of a local fund for economic development	2007-2012
Pursue other funding sources for local economic development	SEIRPC	IDED, USDA RD, EDA	Secure additional sources to the local economic development fund	2007-2012

SEIRPC CEDS 2007

Region-Specific Strategies for Treating Priority Issues

Priority Issue # 3: Establish Revenue Sharing as an Economic Development Tool

Describe the Issue: Limited revenue continues to hinder economic development. Revenue sharing among the region could assist in developing more equalized funding for the entire region.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Research successful revenue sharing systems	Counties/Local Governments	State Legislature	Consider and research productive revenue to enhance local resources	2007-2012
Pursue discussions with local governments detailing revenue sharing with other governmental units within the region	SEIRPC	GRRP, Local Governments, State Legislature	Development of a detailed approach to revenue sharing plan with all entities within SE Iowa	2007-2012
Reach consensus with local governments on details of revenue sharing	SEIRPC	Cities/Counties	Increase potential for capturing additional dollars in the region	2007-2012
Work with State Legislature to develop cost sharing laws	SEIRPC	Counties and State Legislature	Implementation of laws needed to create revenue sharing streams	2007-2012
Continually develop and enhance existing cost sharing revenue streams	SEIRPC	Counties and State Legislature	Analyze and critique cost sharing formulas and continue consensus building with all taxing bodies	2007-2012

SEIRPC CEDS 2007

Region -Specific Strategies for Treating Priority Issues

Priority Issue # 4: Transportation and Infrastructure

Describe the Issue: Continual improvement of the regional transportation system including all modes.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Continue to expand four-lane corridors and connections throughout the region.	IDOT, Cities/Counties	SEIRPC, FHWA	Improve transportation connections	2007-2012
Promote multi-modal transportation opportunities	Cities/Counties, Development Organizations	SEIRPC, IDOT, Corps of Engineers, Federal Resources	Improve all modes of transportation including road, rail, trail, river, and air travel	2007-2012
Continue to monitor the progress of improved transportation opportunities on the Mississippi River	Corps of Engineers, Elected Officials, Cities/Counties	SEIRPC, Development Organizations, Fish and Wildlife	Ensure the cost-benefit of improvements to the Mississippi River are in the best interest of the region	2007-2012
Expand needed air service options at regional airport	Development Organizations	SEIRPC, Local Governments, FAA	Increase the opportunity for needed air service in the region	2007-2012
Promote commuter rail service opportunities for the region	Elected Officials, Development Organizations	SEIRPC, IDOT, FHWA	Increase the variety and utilization of commuter rail service to the region	2007-2012
Assist the continued development of general aviation and commercial airports in the region	IDOT, FAA, Cities/Counties	Local Governments, Development Organizations, SEIRPC	Multiple commercial carrier opportunities	2007-2012
Monitor the continued coordination of transit services in the region	Elected Officials, IDOT, Cities/Counties	SEIRPC, AAA, CAP	Improve the transit services to the region and meet unmet needs	2007-2012
Develop infrastructure capabilities of broadband and wireless telecommunication technology	Cities/Counties	USDA RD, EDA	Improve communication and hi-speed internet access to the region	2007-2012

SEIRPC CEDS 2007

Region-Specific Strategies for Treating Priority Issues

Priority Issue # 5: Local Economic Development

Describe the Issue: The lack of new economic development activities and the reduction of existing businesses has placed the region in a mode of increased development efforts.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Promote entrepreneurship for the region and assist entrepreneurs with the development of new businesses	Development Organizations, Cities/Counties	SBA, SBDC, SEIRPC, IDED, RD, Utilities, SCC, IWC	Create employment opportunities within the region	2007-2012
Promote value-added product research and development	Development Organizations, Cities/Counties	ISU Extension, RD, IDED, SBA, SEIRPC	Provide the climate through education and promotion of value-added benefits	2007-2012
Attract small employers who have the resources to pay corporate wage and offer strong benefit packages	Development Organizations, Cities/Counties	SBA, SBDC, SEIRPC, IDED, RD	Create employment opportunities within the region	2007-2012
Exploit niche markets for the region	Development Organizations, Cities/Counties	SBA, RD, IDED, SEIRPC	Create employment opportunities for skilled, well-paid jobs	2007-2012
Promote the development and expansion of high technology industries and evaluate the feasibility of smart parks in the region	Development Organizations, Cities/Counties	SBA, SBDC, SEIRPC, IDED, RD, Utilities	Focus on high-skill, knowledge based employment	2007-2012
Promote biotechnology related agricultural products	Development Organizations, Cities/Counties	ISU Extension, RD, IDED, SBA, SEIRPC	Focus on niche markets and clustering of the biotech market	2007-2012
Establish regional marketing efforts for advanced manufacturing, life sciences, and other factors of the new economy	Development Organizations, Cities/Counties	IDED, EDA, RD, Utilities	Promote a sense of unity and place for the region	2007-2012
Formulate a regional angel investor network to provide venture capital for the region	SEIRPC	Development Organizations, Cities/Counties	Provide additional capital to the region	2007-2012

SEIRPC CEDS 2007

Region-Specific Strategies for Treating Priority Issues

Priority Issue # 6: Community Development

Describe the Issue: The counties and communities of the region must continue to improve the quality of life for the residents in the region.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Improve quality of life opportunities within the region	Cities/Counties	SEIRPC, IDEED, IDNR, IDOT, EDA, HUD, RD	Enhance the region, retain and expand population. Create a positive attitude of place.	2007-2012
Infrastructure expansion and replacement	Cities/Counties	SEIRPC, IDEED, IDNR, IDOT, EDA, HUD, RD	Continue to meet state and federal guidelines for infrastructure improvements including water, sewer, road, rail, water, and air	2007-2012
Promote environmental protection	Cities/Counties	SEIRPC, IDEED, IDNR, IDOT, EDA, HUD, RD	Maintain a proactive approach for the environment and protect the region's natural resources	2007-2012
Explore additional public safety resources	Cities/Counties	SEIRPC, IDEED, IDNR, IDOT, EDA, HUD, RD	Continue to educate and evaluate the expansion of public safety including emergency management, police, fire, and other necessary safety instruments	2007-2012
Continual dialogue with schools in the region to assist with development, infrastructure needs, and promotion	Cities/Counties, School Districts, SCC	SEIRPC, IDEED, IDNR, IDOT, EDA, HUD, RD	Support regional school systems	2007-2012
Maximize efficiency in governmental entities	Cities/Counties	SEIRPC, IDEED, IDNR, IDOT, EDA, HUD, RD	Continue to evaluate efficiencies in government and possibilities to use technology to maximize resources	2007-2012

SEIRPC CEDS 2007

Region-Specific Strategies for Treating Priority Issues

Priority Issue #7: Recruit/Retain Young Educated Professionals

Describe the Issue: Promote quality and abundance in all aspects of life for the region.

Task to be implemented	Agency or organization implementing	Other resources to be used	Expected result	Timeline
Expand Young Professional Groups in the region	Young Professional Groups	IDED, SEIRPC, Businesses, SEDRIC	Continue to promote attractive lifestyles in the region	2007-2012
Promote Community Leadership of Young Professionals	Young Professional Groups	IDED, SEIRPC, Businesses, SEDRIC	Market the region for younger families and include strategies for reinvigorating new blood in the region	2007-2012
Work with Alumni Programs at IWC and SCC to recruit alumni back to the region	Young Professional Groups	IDED, SEIRPC, Iowa Wesleyan College, SCC, Businesses, SEDRIC	Communicate with alumni through extensive means to attract them back into the region	2007-2012
Create a “Boomerang” campaign to those who once lived in the region	Young Professional Groups	IDED, SEIRPC, Businesses, SEDRIC	Continue to focus efforts to attract individuals who once lived in SE Iowa back to the region	2007-2012
Recruit young professionals as community leaders	Young Professional Groups	IDED, SEIRPC, Businesses, SEDRIC	Strive to include younger individuals to serve in all aspects of regional councils and civic groups	2007-2012
Begin a mentoring program for young professionals	Young Professional Groups	IDED, SEIRPC, Businesses, SEDRIC	Continue to focus efforts to mentor young professional on the successes of people and businesses in the region	2007-2012
Promote Quality of Life events and places in the region	SEDRIC, Cities/Counties	Natural Resources, Historical Society, Civic Groups	Pursue and market events, places of interest, etc in the region	2007-2012

Chapter 6. Plan of Action

Program of Work FY 2007

Southeast Iowa Regional Planning Commission

1. Provide technical assistance to member units of local government to develop plans, projects, and funding sources for activities that will create prosperity and growth within the Region.

Staff will assist local units of government in implementing and developing viable strategies for resolving the issues identified in the priority issues in Southeast Iowa. Since these issues were taken directly from the approved strategic plans of the four member counties, SEIRPC proposes to focus its planning and technical assistance efforts on these priority issues. Local funds will be used to leverage EDA funds and fee-for-service funds in order to provide necessary technical assistance and other services required to impact these priority issues.

A predominate focus of agency staff and resources will be given to those items listed in **Chapter 5- Strategic Projects, Programs, and Activities**. However, additional planning, development, and other technical assistance will be provided to entities that seek to implement the Regional Strategic Projects, Programs, and Activities.

Agency staff will be available to member jurisdictions and local businesses for assistance in developing plans, projects, and grant/loan applications. This technical assistance includes all plans, projects, and activities related to Economic Development Administration programs, as well as Community Development Block Grant (CDBG), and other state and federal programs that directly or indirectly enhance economic prosperity and growth within the region.

Agency resources will be used to provide financial administration, labor standards administration, environmental compliance administration, civil rights compliance administration, and procurement administration for various state and federal grant/loan programs. These services will be provided on a contract fee-for-services basis. The fees for administrative consulting services are the primary source of agency funding, accounting for more than half of the agency's annual income. Since fees for administrative consulting services are the dominant source of agency funding, allocation of staff time to these activities takes precedence over other region activities.

The SEIRPC Revolving Loan Fund (RLF) is a successful regional economic development resource. SEIRPC staff will continue to administer this program. However, no EDA Planning Grant funds can be used to administer this program. This will allow the RLF to become a more effective regional economic development tool.

Staff assistance will also be made available for communities in need of emergency and disaster assistance.

2. Provide direct financial assistance with the five Revolving Loan Funds (RLF's) operated by SEIRPC that provide gap financing for business.

SEIRPC has successfully operated an EDA RLF since 1994 with over 1500 jobs saved or retained and capital investment of over \$100,000,000. SEIRPC has been very successful in using funds to leverage additional funding resources.

SEIRPC has implemented a USDA IRP Loan Pool for the region with a capital amount of \$725,000. This pool will provide low interest loans to the region similar to the EDA RLF, however the award by USDA is a loan and not a grant, and is to be repaid over 30 years.

SEIRPC is under contract to administer the City of Fort Madison's Commercial Development Revolving Loan Fund with funds set aside to reactivate the traditional commercial sector for the community. The loan pool consists of a base of \$200,000.

Finally, SEIRPC has secured USDA RD Rural Business Economic Grants (RBEG) for Henry County and the City of Keokuk to administer traditional small and medium size business start ups within those borders. The loan pool consists of a base very close to \$200,000.

3. Continue to administer various regional programs, focusing resources on development activities.

This includes efforts in:

- TEA-21 administration
- Brownfield Redevelopment
- RLF administration
- Housing development
- Regional Economic Recovery efforts
- Regional Business Accelerator Project
- Regional Trails Project
- Regional Transit Services

By providing a resource to promote regional collaboration and resource allocation, the potential for successful economic activity is heightened by providing the conduit for resources to implement and administer projects and programs with a professional level of accountability.

4. Collaborate with other agencies in order to provide and promote opportunities for economic development education throughout the region.

The SEIRPC staff will seek input from within the region regarding the need for economic development education. The Executive Director and staff will work with the Small Business Administration, Institute for Decision Making at the University of Northern Iowa, University of Iowa, Iowa State University, and other appropriate agencies, to produce and promote economic development education opportunities through workshops and other training formats. The primary mission of this emphasis will be to increase the region's development capacity.

SEIRPC will make a consistent effort to inform the public of its purpose toward economic development and the various programs available to the public and private sector. News releases will be sent to the media about scheduled meetings. Additionally, SEIRPC will

provide assistance through public announcements to alert community groups regarding relevant development workshops that may be available through resources outside the region.

5. Promote collaboration, coordination and cooperation, among all development organizations operating within, or serving, the region.

SEIRPC staff will work closely with various local development organizations such as economic development committees, development corporations, Chambers of Commerce, etc. The Executive Director and staff will make in-person contacts with these organizations in order to become more closely involved with these organizations.

The staff has worked with, and continues to support, the efforts of state and regional organizations such as the Iowa Department of Economic Development, Iowa Department of Transportation, and the Iowa Finance Authority, Small Business Development Center, Professional Developers of Iowa, and other state and federal resources.

The staff will continue to work with the above mentioned agencies and organizations to obtain business financing and infrastructure improvements for various counties and communities within the region. Referrals to, and information from, entities such as the Small Business Development Center continue to be an important part of the business assistance network being developed in the region.

6. Submit an Annual CEDS Report to the Denver Regional Office by June 30th of each program year.

The Annual CEDS Report will be submitted to the Denver Regional Office by June 30th of each program year. The Annual CEDS Report will contain a current proposed Priority Public Works Projects List, as well as current economic and demographic data. Contacts will be made with all cities to obtain listings of public works projects. Each new listing will be reviewed for consistency with CEDS activities. Current economic data will be gathered and assembled into a meaningful format for inclusion in the CEDS. The Executive Director will contact other agencies for their input. Information will be gathered to accurately reflect the economic condition of the region.

7. Provide the Economic Development Administration (EDA) with timely information on plant closures and the number of employees affected.

The agency maintains newspaper subscriptions for each of the major newspapers in the region. Staff monitors the papers daily for stories regarding news of plant closings and mass layoff information. This data is forwarded to Robert Cecil, EDA Representative for the State of Iowa. Additional data is provided by Iowa Department of Employment Services and is examined periodically by SEIRPC staff and reported to EDA.

Chapter 7. Performance Measures

Southeast Iowa is at an important crossroads in its economic transition. For over 20 years, the region has been buffeted by layoffs in its traditional manufacturing base and closures of manufacturing companies, as well as a decline in the farm economy. Throughout this trying time, the region has struggled to determine its next course of action. Now, regional leaders have a decision to make. Traditional piecemeal actions will no longer work and the economy will continue to stagnate if this course of action is continued. This CEDS has identified problems and offered real alternative solutions and actions for the region. If this CEDS is adopted and local governments implement a collaborative effort to develop sound economic practices, the region will rise to the prominence it once enjoyed in the middle of the last century.

SEIRPC and SIREDC will work together along with local communities and governments to assess the goals and actions that have been implemented in this CEDS. To determine whether or not the goals and actions are actually working, these entities will conduct a yearly survey to local businesses and industries to seek employment and expansion data. Iowa Workforce Development data will also be accessed and evaluated.

It must always be the cause of the SEIRPC, its member communities, and the SIREDC to provide excellent product improvement. Product improvement initiatives are most effective when the community works together to strengthen its assets. It will always be the role of economic development organizations to communicate these assets to the outside world and improve the perception or in southeast Iowa's case, misperceptions of the region. The communication of the region's assets is the product promotion of economic development.

SEIRPC Mission Statement

The Mission of the Southeast Iowa Regional Planning Commission

It shall be the mission of the Southeast Iowa Regional Planning Commission to promote the growth and prosperity of Southeast Iowa by providing technical assistance, planning, and project development services to its members.

In fulfilling its mission, SEIRPC will assist counties and communities by:

1. Developing and maintaining a regional economic development plan.
2. Facilitating the development of local strategic plans.
3. Providing technical assistance for the formation, funding, and implementation of public works projects for infrastructure improvements, job creation, and housing rehabilitation/demolition and new construction that are the result of local and regional planning efforts.
4. Administering grants and loans that are awarded to fund various types of public works projects for infrastructure improvements, job creation, and housing rehabilitation/new construction.
5. Providing plant closing and other important economic information to the United States Department of Commerce as a designated Economic Development District.
6. Facilitating regional cooperation in addressing economic and community development.
7. Serving as a point of contact for accessing the various local, regional, state, and federal economic and community development programs.
8. Facilitating educational programs that serve to inform and train community leaders and public officials regarding economic and community development issues.

In fulfilling its mission, the Southeast Iowa Regional Planning Commission will exercise sound stewardship of physical, human, and financial resources. All activities, plans, proposals, and projects that are considered by the agency must be evaluated with regard to relevancy to the agency's mission.

Utilization of Services

Historically, communities and counties that do not have sufficient staff or funding to otherwise facilitate the development process utilize SEIRPC technical assistance and planning services. Much of this service is provided to communities and target areas that meet the Low-to-Moderate Income (LMI) National Objective of the Department of Housing and Urban Development (HUD) CDBG program. The predominant focus is upon population groups that are at least 51 percent LMI.

Given the distressed economic status of the region as a whole, there are no development services provided by SEIRPC that would not substantially benefit the unemployed, low-income, elderly, and minority population of the region. A listing of projects SEIRPC has been involved with is included in the Supporting Documentation section.

SEIRPC provides up-front project start-up and development consulting services to communities that would not otherwise be able to afford costly private sector consulting services. SEIRPC funding sources include an EDA planning grant, dues income from counties and communities, and fee-for-service income from grant and project administration services.

In FY 2007 and FY 2008, SEIRPC's operating budget anticipates that more than half of its funding will come from grant administration fees or project fees. Most of the fees for grant administration are provided by the granting agency.

As has been stated elsewhere in this document, many of the region's communities have large elderly populations, many of who must live on limited fixed incomes. SEIRPC's services are invaluable to the continuation of safe, sanitary, and livable communities for the region's elderly and economically disadvantaged citizens.

Supporting Documentation

The following supporting documentation provides additional data and support for the plans, goals, and activities proposed in the CEDS. These documents are also provided to assist local units of government and community leaders in planning for the future of the region.

SEIRPC EDD BOARD MEMBERSHIP ROSTER

1. GOVERNMENT REPRESENTATIVES (51-65%)

Elected officials and/or employees of a general purpose unit of state, local or Indian tribal government who have been appointed to represent the government.

Name	Government	Position
Brent Schleisman	City of Mount Pleasant	City Administrator
Hans Trousil	City of West Burlington	Mayor
Bill Ell	City of Burlington	Council Member
Bob Beck	Des Moines County	County Supervisor
Tom Young	Henry County	County Supervisor
Ron Sadler	City of New London	Mayor
Bill Olmsted	City of Keokuk	Council Member
Steve Ireland	City of Fort Madison	Mayor
Bob Woodruff	Lee County	County Supervisor
Ken Purdy	Louisa County	County Supervisor
Randy Tillman	City of Wapello	Council Member
Mark Huston	City of Columbus Junction	Council Member
Lowell Junkins	Lee County Port Authority	Director

2. NON-GOVERNMENT REPRESENTATIVES (35-49%)

A. Private Sector Representatives: *Any senior management official or executive holding a key decision-making position, with respect to any for-profit enterprise. (At least one required)*

Name	Company / Enterprise	Position
Kent Gaudian	Burlington Bank and Trust	President
Jim Howell	Howell Farms	Retired Owner

B. Stakeholder Organization Representatives: *Executive directors of chambers of commerce, or representatives of institutions of post-secondary education, workforce development groups or labor groups. (At least one required)*

Name	Organization	Position
Jennifer Daly	Mt. Pleasant Chamber	Executive Director
Dennis Hinkle	Grow Greater Burlington	Director
Jason Hutchison	Louisa Economic Developer	Director
Sharon Leeper	SE IA Regional Airport	Director
Tim Gobble	Lee County Economic Dev.	Vice President
Dr. Beverly Simone	Southeastern Comm. College	Education
Dr. William Johnston	Iowa Wesleyan College	Education

Sue Frice Laverne Hueholt	Iowa Workforce Development Hueholt Consulting	Labor Specialist Educational Consultant
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3. AT-LARGE REPRESENTATIVES (0-14%)

Other individuals who represent the principal economic interests of the region. (No minimum required)

Name	Area of Interest	Background

CALCULATIONS

	<u>Number</u>	<u>Percent</u>
1. Government Representatives (51-65%)	<u>13</u>	<u>54%</u>
2. Non- Government Representatives (35-49%)	<u>11</u>	<u>46%</u>
A. Private Sector Representatives (at least 1)	<u>3</u>	
B. Stakeholder Organization Representatives (at least 1)	<u>8</u>	
3. At-Large Representatives (0-14%)	<u>0</u>	<u>0%</u>
Total Board Membership	24	100%

APPLICABLE REGULATIONS

13 CFR Part 304.2(c):

The District Organization must demonstrate that its governing body is broadly representative of the principal economic interest of the Region, and, unless otherwise prohibited by applicable State or local law, must include at least one (1) Private Sector Representative and one (1) or more of the following: Executive Directors of Chambers of Commerce, or representatives of institutions of post- secondary education, workforce development groups or labor groups, all of which must comprise in the aggregate a minimum of thirty-five (35) percent of the District Organization's governing body. The governing body shall also have at least a simple majority of its membership who are elected officials and/or employees of a general purpose unit of State, local or Indian tribal government who have been appointed to represent the government. Upon the District Organization's showing of its inability to locate a Private Sector Representative to serve on its governing body following extensive due diligence, the Assistant Secretary may waive the Private Sector Representative requirement. The Assistant Secretary shall not delegate the authority to grant a waiver under this paragraph.

STRATEGY COMMITTEE ROSTER

1. PRIVATE SECTOR REPRESENTATIVES *(At least 51%)*

Any senior management official or executive holding a key decision-making position, with respect to any for-profit enterprise.

Name	Company	Position
Dan Shahan	Henry County Health Center	Administrator
Kent Gaudian	Burlington Bank and Trust	President
Jim Howell	Howell Farms	Owner
Mark Huston	Columbus Junction Bank	Vice President
John Wright	Wright Law Firm	Owner

2. REPRESENTATIVES OF OTHER ECONOMIC INTERESTS *(No more than 49%)*

Persons who provide additional representation of the main economic interests of the region. These may include, but are not limited to: public officials, community leaders, representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.

Name	Area of Interest	Position
Dr. Beverly Simone	Southeastern Community College	President
Bill Johnston	Iowa Wesleyan College	President
Sue Frice	Iowa Workforce Development	Labor Specialist
Brent Schleisman	City of Mount Pleasant	City Administrator

CALCULATIONS

		<u>Number</u>	<u>Percent</u>
Private Sector Representatives (at least 51%)	<u>5</u>		<u>55%</u>
Representatives of Other Economic Interests (no more than 49%)	<u>4</u>		<u>45%</u>
Total Committee Membership	<u>9</u>		<u>100%</u>

APPLICABLE REGULATIONS:

13 CFR Part 303.6(a):

The Planning Organization must appoint a Strategy Committee. The Strategy Committee must represent the main economic interests of the Region and must include Private Sector Representatives [as defined above] as a majority of its membership. In addition, the Planning Organization should ensure that the Strategy Committee includes public officials, community leaders, representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.