

CHAPTER 6
Economic Development

Section 6.1 Introduction

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

Section 6.2 Economic Base Characteristics

A. Labor Force Analysis

1. Educational Attainment

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

2. Earnings and Income

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

According to the 2010 American Community Survey, 16,808 (81.3%) of the 20,669 Ogle County households sampled were classified as households with earnings in the past 12 months; 6,026 (29.2%) were households with social security income; 3,998 (19.3%) were households with retirement income; 1,509 (7.3%) were households with food stamps/SNAP benefits; 551 (2.7%) were households with supplemental security income; and, 206 (1.0%) were households with cash public assistance income. In order to better understand the existing wage-earning realities within Ogle County, "earnings" data was considered to be more informative. "Earnings" are defined by the US Census Bureau as the algebraic sum of wage or salary income and net income from self-employment, representing the amount of income received regularly before deductions for personal income taxes, Social Security, bond purchases, union dues, Medicare deductions, etc.

Table 6.1 compares income for households and individuals for Ogle County with the State of Illinois as a whole. Ogle County has increased both median household income and per capita income at a slower rate than the State of Illinois overall.

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

	Median Income Per Household				Per Capita Income			
	1990	2000	2010	% Change 2000-2010	1990	2000	2010	% Change 2000-2010
Ogle County	\$30,958	\$45,448	\$55,733	22.6%	\$12,880	\$20,515	\$24,959	21.7%
State of Illinois	\$32,252	\$46,590	\$55,735	19.6%	\$15,201	\$23,104	\$28,782	24.6%

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

Table 1.8 of the Issues and Opportunities Chapter details changes in household income between 1999 and 2010.

3. Percent in Labor Force and Unemployment

Table 6.2 below shows the number of residents 16 years and above living in Ogle County and the State of Illinois. Age sixteen is considered to be the lower threshold for being eligible for employment. Ogle County has a higher percentage of residents in the labor force (68.1%) compared to the State of Illinois (66.5%). Ogle County has a slightly higher percentage of unemployed persons in the labor force (9.0%) compared to the State of Illinois (8.6).

**Table 6.2
Employment Status of Population 16 Years and Above (2010)
Ogle County and State of Illinois**

	Ogle County	State of Illinois
Population 16 yrs. and over	41,920	9,967,535
In Civilian Labor Force <i>% in Civilian Labor Force</i>	28,536 68.1	6,632,592 66.5
Employed <i>% in Civilian Labor Force Employed</i>	25,966 91.0	6,062,848 91.4
Unemployed <i>% in Civilian Labor Force Unemployed</i>	2,570 9.0	569,744 8.6
Not in Labor Force <i>% Not in Labor Force</i>	13,384 31.9	3,313,487 33.2

Source: 2006-2010 American Community Survey 5-Year Estimates

The Illinois Department of Employment Security, Labor Market Information Unit provides unemployment rate data that differs from the census period data provided by the U.S. Bureau of the Census, and is also calculated annually. Illinois Department of Employment Security data for January 2011 through November 2011 indicates that Ogle County had a monthly average of 26,949 persons in the labor force and a monthly average of 3,261 persons unemployed. The 2011 average monthly unemployment rate (January through November) for Ogle County was 12.1%, which is higher than the average monthly unemployment rate for

the State of Illinois of 9.4% over the same time period. The November 2011 unemployment rate for Ogle County of 11.6% was the fourth highest County unemployment rate of the 102 counties in the State of Illinois.

4. Labor Force Participation Characteristics

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

- The County labor force increased between 2000 and 2010 by 2,523 persons, or 9.7%.
- A higher percentage of the population is in the labor force in 2010 (68.1%) compared to 2000 (67.2%).
- All population classes increased in the percent of population in the labor force between 2000 and 2010.
- All population classes increased in both the number of persons unemployed and the percentage of the population class unemployed between 2000 and 2010. The 16-24 years age class displayed the greatest change in the percentage of the age class unemployed, increasing from 6.8% of the age class in 2000 to 14.1% of the age class in 2010, followed by the 25-54 years age class (3.3% to 6.7%), the 55-64 years age class (1.9% to 3.3%) and the 65 years and over age class (0.3% to 0.5%).
- A shift in the dynamics of the civilian labor force occurred between 2000 and 2010. In 2000, the 25-54 years age class accounted for 71.0% of the labor force, but in 2010 accounted for 66.2% of the labor force. The 55-64 years age class displayed the greatest positive change in terms of percentage of the civilian labor force (11.5% in 2000 to 14.8% in 2010) - likely due to people delaying retirement and working longer.
- The percentage of women in the civilian labor for increased from 45.0% in 2000 to 45.6% in 2010.

Table 6.3
Labor Force Participation Characteristics 2000 and 2006
Ogle County, IL

	2000	2010	Change 2000-2010	% Change 2000-2010
Population 16 years and over	38,694	41,920	3,226	8.3
In Civilian Labor Force (LF)	26,013	28,536	2,523	9.7
% in Civilian Labor Force	67.2	68.1	---	---
Population 16 to 24 years	5,377	6,112	735	13.7
Employed	3,234	3,311	77	2.4
% Employed	60.1	54.2	---	---
Unemployed	367	863	496	135.1
% Unemployed	6.8	14.1	---	---
Not in labor force	1,776	1,938	162	9.1
% not in labor force	33.0	31.7	---	---
% in labor force	67.0	68.3	---	---

Population 25 to 54 years	21,612	21,612	0	0.0
Employed	17,749	17,447	(302)	-0.1%
% Employed	82.1	80.7	---	---
Unemployed	723	1,438	715	98.9
% Unemployed	3.3	6.7	---	---
Not in labor force	3,132	2,727	(405)	-12.9
% not in labor force	14.5	12.6	---	---
% in labor force	85.5	87.4	---	---
Population 55 to 64 years	4,861	6,353	1,492	30.7
Employed	2,906	4,013	1,107	38.1
% Employed	59.8	63.2	---	---
Unemployed	93	208	115	123.7
% Unemployed	1.9	3.3	---	---
Not in labor force	1,862	2,132	270	14.5
% not in labor force	38.3	33.6	---	---
% in labor force	61.7	66.4	---	---
Population 65 years and over	6,844	7,843	999	14.6
Employed	924	1,195	271	29.3
% Employed	13.5	15.2	---	---
Unemployed	19	61	42	221.1
% Unemployed	0.3	0.8	---	---
Not in labor force	5,901	6,587	686	11.6
% not in labor force	86.2	84.0	---	---
% in labor force	13.8	16.0	---	---
% of women in civilian labor force	45.0	45.6	---	---
% of civilian LF 16-24 years	13.8	14.6	---	---
% of civilian LF 25-54 years	71.0	66.2	---	---
% of civilian LF 55-64 years	11.5	14.8	---	---
% of civilian LF 65 years and over	3.6	4.4	---	---

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

5. Type of Employment for County Residents

Table 6.4 below provides information regarding the type of occupation that Ogle County residents are employed in. Table 1.11 of the Issues and Opportunities Chapter summarizes resident employment by industry for the 2000 Census year and 2010. Information for both these tables represents what type of occupation/industry the working residents of the County were employed in, and is not a listing of the employment opportunities currently located in the County.

Table 6.4
Ogle County Resident Employment by Occupation

	Number	Percentage
Occupation Employed civilian population >16 yrs.	25,966	100.0%*
Management, professional, and related occupations	7,056	27.2%
Service occupations	4,076	15.7%
Sales and office occupations	6,456	24.9%
Natural resources, construction, and maintenance occupations	2,823	10.9%
Production, transportation, and material moving occupations	5,555	21.4%

Source: American Community Survey
*May not total 100% due to rounding.

6. Commuting

The mean travel time to work for Ogle County residents is lower than the mean travel time for the State of Illinois as a whole; however, it is the second highest among the six northwest Illinois counties of Carroll, Jo Daviess, Lee, Ogle, Stephenson and Whiteside. The average mean travel time to work for the aforementioned six northwest Illinois counties is 21.8 minutes.

Table 6.5
Mean Travel Time to Work in 2000 and 2010

	2000	2010	Change 2000-2010	% Change 2000-2010
Carroll County	23.1 minutes	25.2 minutes	2.1	9.1
Jo Daviess County	21.0 minutes	20.3 minutes	(0.7)	-3.3
Lee County	21.8 minutes	21.4 minutes	(0.4)	-1.8
Ogle County	22.8 minutes	24.4 minutes	1.6	7.0
Stephenson County	19.9 minutes	19.7 minutes	(0.2)	1.0
Whiteside County	18.5 minutes	19.6 minutes	1.1	5.9
State of Illinois	28.0 minutes	28.1 minutes	0.1	0.4

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

It is helpful to understand the nature of the place of work of the County work force. Table 6.7 below illustrates the place of work for workers 16 years and over within the Rochelle Micropolitan Statistical Area. United States Micropolitan Statistical Areas, as defined by the United States Office of Management and Budget, are urban areas in the United States based around a core city or town with a population of 10,000 to 49,999. A micropolitan area is a geographic entity used for statistical purposes based on counties and county-equivalents. The Rochelle Micropolitan Statistical Area corresponds to the entire Ogle County geographic area, with Rochelle as its core city. A Metropolitan Statistical Area is a geographical region

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

As illustrated in Table 6.7 below, over one-half of Ogle County workers (54.0%) worked in Ogle County; 35.3% worked in a Metropolitan Statistical Area.

Table 6.6
Place of Work for Workers 16 Years and Over - Rochelle Micropolitan Statistical Area (MiSA)

	Total	% of Total
Workers 16 years and over	25,319	100.0%
Worked in MiSA of residence	13,680	54.0%
Worked in a different MiSA	2,633	10.4%
Worked in a Metropolitan Statistical Area	8,926	35.3%
Worked outside any MiSA or Metropolitan Statistical Area	80	0.3%

Source: 2006-2010 American Community Survey 5-Year Estimates

B. Economic Base Analysis

Ogle County’s major employers are indicated in Table 6.7 below:

Table 6.7
Major Employers* in Ogle County, Illinois

Employer (City or Village)	Product/Service	No. of Employees
Commonwealth Edison - An Exelon Company (Byron)	Electric utility, nuclear power generation	852
Rochelle Foods/Hormel (Rochelle)	Pork products	760
E.D. Etnyre & Co. (Oregon)	Road construction equipment manufacturing	350
Pine Crest Manor (Mt. Morris)	Nursing care facility	312
Rochelle Schools (Rochelle)	Education	305
Rochelle Hospital (Rochelle)	Health care	265
Veolia (Davis Junction)	Solid waste disposal/landfill operation	251
Byron Schools (Byron)	Education	250
Sara Lee (Rochelle)	Cold storage, sales & marketing	235
Americold (Rochelle)	Frozen foods storage & distribution	232

Quality Metal Finishing, Inc. (Byron)	Metal plating/finishing	210
Woods Equipment Co. (Oregon)	Manufacturing of attachments and replacement parts for the agricultural, landscape, and light construction markets	200
PNC, Inc. (Polo)	Manufacturer of custom electromagnet solenoid coils and wiring harnesses for the automotive and hydraulic industry.	200
Silgan Containers (Rochelle)	Provider of metal food packaging products.	200
Village of Progress (Oregon)	Social service organization	169
Austin-Westran (Byron)	Metal cabinets/metal fabrication	155
County of Ogle (Oregon)	County government	150
Bay Valley Foods (Rochelle)	Labeling, warehousing, distribution of shelf-stable foods.	150
Del Monte, Inc. (Rochelle)	Warehousing and distribution of canned food products.	150
Ryder Logistics (Rochelle)	Warehousing and distribution of refrigerated/frozen food products.	135
City of Rochelle (Rochelle)	Municipal government	125
The Neighbors (Byron)	Nursing care facility	115
Rochelle Nursing Home (Rochelle)	Nursing care facility	115

Source: Illinois Department of Commerce and Economic Opportunity; City of Rochelle
*Employers of 100 persons or more

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The following Table 6.7 displays the average quarterly employment and average monthly earnings by NAICS subsector.

Table 6.8
2010 Average Quarterly Employment and Average Monthly Earnings per NAICS Sector

NAICS Subsector	Average Quarterly Employment (2010Q1, 2010Q2, 2010Q3, 2010Q4)	Average Monthly Earnings (\$) (2010Q1, 2010Q2, 2010Q3, 2010Q4)
All NAICS Subsectors	12,885	\$3,608
493 Warehousing and Storage	964	\$3,668
333 Machinery Manufacturing	815	\$4,237
722 Food Services and Drinking Places	790	\$910
445 Food and Beverage Stores	741	\$1,440
311 Food Manufacturing	739	\$3,168
323 Printing and Related Support Activities	678	\$3,139
221 Utilities	666	\$9,481
424 Merchant Wholesalers, Nondurable Goods	553	\$7,393
561 Administrative and Support Services	506	\$2,842
623 Nursing and Residential Care Facilities	484	\$1,687
522 Credit Intermediation and Related Activities	359	\$3,022
332 Fabricated Metal Product Manufacturing	341	\$3,441
238 Specialty Trade Contractors	329	\$3,488
447 Gasoline Stations	286	\$1,417
621 Ambulatory Health Care Services	280	\$3,053
334 Computer and Electronic Product Manufacturing	272	\$3,034
423 Merchant Wholesalers, Durable Goods	241	\$3,560
237 Heavy and Civil Engineering Construction	212	\$4,459
541 Professional, Scientific, and Technical Services	200	\$3,149
425 Wholesale Electronic Markets and Agents and Brokers	195	\$9,039
484 Truck Transportation	193	\$3,050
524 Insurance Carriers and Related Activities	193	\$7,000
446 Health and Personal Care Stores	183	\$2,178
624 Social Assistance	181	\$1,521

811 Repair and Maintenance	179	\$2,206
441 Motor Vehicle and Parts Dealers	177	\$2,643
452 General Merchandise Stores	150	\$2,225
488 Support Activities for Transportation	142	\$5,290
325 Chemical Manufacturing	133	\$4,313
444 Building Material and Garden Equipment and Supplies Dealers	131	\$2,046

Source: U.S. Census Bureau, Local Employment Dynamics

Section 6.3 Community Assessment: Strengths and Weaknesses Analysis

Part of the process of economic development planning should be for the community to assess categories or particular types of new businesses and industries that are desired by the County, and to assess its strengths and weaknesses for attracting and /or retaining business and industry. The Ogle County Comprehensive Plan Committee hosted public planning meetings on April 10, 2008; April 16, 2008; April 22, 2008; and, April 28, 2008. The input received during these meetings, along with input from the Committee, is reflected in the following:

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

- Agricultural business/industry
- White-collar
- Technology
- Research and development
- Eco-tourism
- Bio-tech

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

- Rail transportation infrastructure
- Interstate highway system
- State and County highway system
- Ogle County is a leading agricultural county in the State of Illinois
- I-fiber
- Northern Illinois Technology Triangle
- Quality living environment

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

- State tax structure/high State taxes
- Shortage of qualified work force
- No County-wide economic development program

Section 6.4 Economic Development Programs

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

A. Ogle County

1. Ogle County Comprehensive Economic Development Strategy (CEDS)

The Comprehensive Economic Development Strategy (CEDS) is a comprehensive plan that is created through a process that brings together public and private sector stakeholders to provide a regional economic roadmap to diversify and strengthen a regional economy. The CEDS analyzes the regional economy, addresses regional economic problems, and serves as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, identifying investment priorities and funding sources, and assigning lead organizations responsibilities for execution of the strategy. Goals and Objectives are developed by the CEDS committee, organized and prioritized by the Blackhawk Hills RC&D staff, and then considered and approved by the CEDS Prioritization Committee.

2. Greater Rochelle Economic Development Corporation

The Greater Rochelle Economic Development Corporation (GREDCO) partners with the City of Rochelle and plays a unique and effective economic development role. Much of Rochelle's success in attracting industrial clients and other new business is directly tied to its relationship with GREDCO. The mission statement of the Greater Rochelle Economic Development Corporation is *"To take the lead role in attracting new businesses and industries to the Rochelle Area, consistent with the strengths, stability and quality-of-life of the area."*

GREDCO is hosted by the City, but has a board made up of community-wide business leaders that actively assist the Economic Development Department in strategic planning and advice. In addition, GREDCO is gifted with the entrepreneurial flexibility that allows the Rochelle Area to position itself quickly and quite favorably to potential business clients. Finally, GREDCO recommends to the City economic development incentives that are favorable to new businesses.

B. Regional

Blackhawk Hills Economic Development District (EDD)

The mission of the Blackhawk Hills EDD is to develop and implement a regional Comprehensive Economic Development Strategy that will enhance job opportunities and improve the quality of life for local communities. The focus that the Council has adopted for economic development issues is to:

- Promote the importance of the planning process to facilitate positive and desirable economic growth within the individual communities of the EDD;
- Assemble and implement a regional plan based on the needs of the communities within the region;
- Provide technical assistance to the communities in the EDD by connecting local people, with specific projects, to the appropriate local, state, and federal offices;
- Provide assistance in grant or loan applications; and
- Provide support for communities in the form of statistical, demographic, and economic data.

C. State

The Illinois Department of Commerce and Economic Opportunity (DCEO)

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

Illinois Enterprise Zone Program

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

Businesses located or expanding in an Illinois enterprise zone may be eligible for the following incentives: an exemption on the retailers' occupation tax paid on building materials, an investment tax credit of .5 percent of qualified property, and an enterprise zone jobs tax credit for each job created in the zone for which a certified dislocated worker or economically disadvantaged individual is hired. Additional exemptions, such as an expanded state sales tax exemption on purchases of personal property used or consumed in the manufacturing process or in the operation of a pollution control facility and an exemption on the state utility tax for electricity, natural gas and the Illinois Commerce Commission's administrative charge and telecommunication excise tax are available for companies that make the minimum statutory investment that either creates or retains the necessary number of jobs. These exemptions require a business to make application to, and be certified by, the Department. In addition to the state incentives, each zone offers distinctive local incentives to enhance business development projects. Each enterprise zone has a designated zone administrator who is responsible for zone compliance and is available to answer questions regarding the zone. The Lee County Enterprise Zone Administrator is John Thompson (Phone 815-284-3361; FAX: 815-284-3675; E-mail: dchamber@essex1.com).

Participation Loan Program

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

Minority, Women and Disabled Participation Loan Program

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

Enterprise Zone Financing Program

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

Development Corporation Participation Loan Program

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

Capital Access Program (CAP)

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

The Technology Venture Investment Program (TVIP)

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

Surety Bond Guaranty Program

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

Business Development Public Infrastructure Program

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

Affordable Financing of Public Infrastructure Program

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

Community Development Assistance Program (CDAP)

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

Community Services Block Grant Loan Program (CSBG)

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

Large Business Development Program

The Illinois Large Business Development Program (LBDP) provides incentive financing to encourage large out-of-state companies to locate in Illinois or existing large companies to undertake substantial job expansion or retention projects. Funds available through the program can be used by large businesses (500 or more employees) for typical business activities, including financing the purchase of land and buildings,

construction or renovation of fixed assets, site preparation and purchase of machinery and equipment. LBDP funds are targeted to extraordinary economic development opportunities; that is, projects that will result in substantial private investment and the creation and/or retention of 300 or more jobs.

Employer Training Investment Program (ETIP)

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

Technology Challenge Grant Program

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

Illinois Technology Enterprise Center (ITEC) Program

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

Illinois Technology Enterprise Development and Investment Program

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

Recycling Industry Modernization (RIM) Program

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

Recycling Market Development Program

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

D. Federal

HUBZone Program

Ogle County is a federally-designated HUBZone. The HUBZone Program, managed by the U.S. Small Business Administration (SBA), stimulates economic development and creates jobs in urban and rural communities by providing Federal contracting preferences to small businesses. These preferences go to small businesses that obtain HUBZone (Historically Underutilized Business Zone) certification in part by employing staff who live in a HUBZone. The company must also maintain a "principal office" in one of these specially designated areas. The program resulted from provisions contained in the Small Business Reauthorization Act of 1997.

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

Foreign Trade Zone

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

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

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

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

Section 6.5 Economic Development Issues/Conclusions

- The County's economic development incentive program should be more competitive.

Section 6.6 Economic Development Goals, Objectives, Policies

A. Goal:

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

B. Objectives:

1. Retain and help grow existing Ogle County businesses and job opportunities.
2. Direct a coordinated economic development program that capitalizes on the County's natural resource base, recreational opportunities, transportation assets, and proximity to other population and recreation/tourism centers.
3. Direct large-scale economic development projects to the municipalities—where a full range of utilities, services, roads and other infrastructure is available.
4. Discourage unplanned, continuous strip commercial development, and an overabundance of commercial signs and billboards, along major roadways.

5. Where consistent with local plans, promote neighborhood-serving retail development near planned residential areas, allow small, low-impact non-farm businesses on farming properties and support and allow home-based businesses where there will be no impact on surrounding properties.
6. Encourage the redevelopment and reuse of the downtown districts and aging or contaminated business locations in the County's city and villages.

C. Policies:

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

