

# The EDvocate

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The EDvocate is a quarterly publication of the Greater Livingston County Economic Development Council.



*Your Opportunity Awaits...*

## The Cycle of Economic Development

By Larry Vaupel, GLCEDC CEO

During our business retention visits, we ask our business leaders how they define economic development. The answers vary greatly and often refer to increasing the tax base, attracting new restaurants, increasing tourism, or recruiting new employers to the area.

The GLCEDC defines economic development simply as the creation of wealth. The creation of wealth is the first step in the economic development cycle that eventually leads to all the other benefits often associated with economic development, such as more restaurants and retail stores, abundant community amenities, high quality schools, and modern infrastructure.

By assisting firms in creating products with value, we are able to increase the economy of the area and build wealth. These firms hire workers, who spend a sizable portion of their paychecks on housing, cars, food, and household goods and services. This increases the demand of these items locally and offers the firms supplying these goods opportunities to expand or attracts additional firms to the area to compete for a share of the local market. Purchasing retail goods creates sales tax, which is used by government agencies to provide quality of life enhancements such as parks and recreational amenities. The real estate taxes paid by both the

firm and the worker are used to fund our local schools and other governmental activities. The following diagram illustrates this Economic Development Cycle.



In short, by focusing on wealth creation, economic development will bring about all the other benefits that our residents and communities desire. By assisting our businesses in growth and expansion opportunities, we create employment opportunities and broaden and increase our economy.

# Economic Development — Uncovered

By Judy Campbell, County Board Member

One could safely assume that many of us on the County Board have enjoyed economic prosperity due to the successful partnership of business leaders, government and vital citizens.

How can we, today, provide the same kind of leadership? What are the basic elements required to attain sustained economic prosperity? What steps need to be taken in Livingston County to retain jobs and encourage growth?

With these questions in mind, I attended Economic Development 101 at the Economic Development Council of the Bloomington-Normal Area. Marty Vagnas and his staff presented a fast-paced program packed with information.

Marty began the session by presenting various types of businesses and asking, “Is this economic development?” We learned very quickly that not every new business fits the definition of economic development. The attraction of a new retail store or restaurant is an economic indicator for an area, not economic development.

Marty introduced us to “The Cycle” of wealth

creation, as illustrated on page one of this newsletter. Economic development is a process that should result in a high “Quality of Place” which in turn attracts businesses offering good jobs. Increased household income attracts retailers and services and they generate tax revenue which pays for amenities and results in a high “Quality of Place”.

Strategies to attract growth should be developed with a realistic eye on public policy, community assets, and the culture and environment of the area. An area must inventory their strengths and weaknesses. Not surprisingly the State of Illinois shows up on the “weaknesses” list.

The Bloomington-Normal EDC staff also presented information on business retention, financing structures, workforce development, and entrepreneurial development.

I am very appreciative of the efforts of Marty and his staff. I came away from the morning with a lot more knowledge than I expected. But I still have many questions. A version of Economic Development 101 will be offered early next year by our local GLCEDC. I strongly encourage all County Board members to attend.

## GLCEDC Work Accomplished

Some of the activities GLCEDC has been busy with since August

- Completed 15 interviews of existing Livingston County businesses for the Retention program
- Held the quarterly meeting with the Board of Directors
- Hosted membership receptions in Fairbury, Dwight, and Forrest
- Received a \$500,000 grant from the County Board
- Developed a low interest loan program
- Established the GLCEDC Commercial Building Improvement Grant and Community Development Infrastructure Grant.
- Launched the GLCEDC blog
- Attended an economic development certification program
- Gave a presentation to the Pontiac Rotary Club.
- Gave presentations of several economic development opportunities to county board committees
- Updated the Pontiac Community Profile
- Researched and Updated Livingston County data on the website and LOIS system
- Attended monthly meetings of the Central Illinois Development Partnership
- Toured the Vactor Plant in Streator
- Met with the Livingston County Mayor’s Association
- Provided information and assistance to a companies looking to locate and expand in Livingston County
- Meet with Heartland Community College officials
- Conducted a visioning and planning session for 2010 with the Executive Committee
- Held three Executive Committee meetings
- Attended a national economic development conference

# Who is Served by Economic Development?

By Glen Ludwig, GLCEDC Executive Committee Member

*Have you ever wondered who captures the benefits created by economic development?*

An easy assumption might be the wealthy landowner who sold the site for the new plant, the contractors who built the factory, and the 70% of the employees hired locally. Another alternative might be the local owner of a well established company that added 30% more space and the 5 new employees that were hired.

While the above might be correct, the benefits and dollars are typically much more wide spread than either of the above explanations. From a broad perspective economic development serves and creates value for communities.

**Serving Communities** We leave it up to you how to define your community, but remind you that most of the readers of this publication are likely members of the three following communities: Livingston County, Central Illinois, and the State of Illinois. Yes indeed, when thinking of economic communities we can and should think in term of communities beyond the one in which our home is located.

The important idea here is that while an individual business owner or even an investing member in the GLCEDC could get some significant advantage from economic growth, the mission of our organization is to serve the entire community. Elsewhere in this issue Larry Vaupel, CEO of GLCEDC provides an interesting look at how the economic development cycle creates value for our many communities.

**Playing a Role in Value Creation** With all members of the community having the opportunity to share in the value created by economic growth, there is reason for broad participation in GLCEDC across our entire community structure. Your participation is needed in two ways. The opportunities include investment in both dollars and, if you desire, in providing support and leadership via Board or committee participation.

Currently our near 100 invested members range from single individuals to international firms. This group represents only a fraction of our total member potential. *If you are looking for better and more from the Greater Livingston community, you are urged to get involved in making it happen.*

## Greater Livingston County Economic Development Council

*Your Opportunity Awaits...*



[www.glcedc.blogspot.com](http://www.glcedc.blogspot.com)

GLCEDC has recently launched a blog. The blog is an avenue in which Livingston County residents can find more information about GLCEDC activities, community news, regional educational opportunities, and entrepreneurship. Because there is so much information on the internet, many people don't have the time to sift through it all. The GLCEDC blog will help Livingston County residents find pertinent information regarding their community and businesses. The blog is updated often, so check it regularly.

# The Importance of Small Businesses

By Amy Deal, GLCEDC Intern

Small businesses are the foundation of our economy. Many of us either own small businesses or have people close to us that own small businesses. In economic development circles, fostering small business growth is a top priority. When you look at the statistics below, this makes sense.

- 99.7% of all employer firms are considered small business
- In 2007, 89.8% of the businesses in the USA employed 1 - 9 people
- In 2007, 90.5% of the businesses in Livingston County employed 1 - 9 people.

Because so many of our residents are involved in small businesses, GLCEDC provides resources and devotes time to assisting small business owners and employees. Christian Gibbons with the City of Littleton, Colorado has developed a successful program called "economic gardening," for supporting the development of small businesses in his community.

The main concepts of economic gardening are providing information to local businesses, addressing infrastructure needs, and creating avenues for small business owners to connect with each other and service providers.

## Member Spotlight

Carey Wiesner, RKO Saw — Cullom

Carey Wiesner is co-owner of RKO Saw in Cullom and the most recent member to join the GLCEDC executive committee.

### **Tell us a bit more about you and your business.**

We manufacture and service cutting tools. We can handle carbide tipped and diamond tipped tooling. Our customer base consists of woodworkers, plastic fabricators, automotive metal casters, and aluminum extruders. My brother Ron and I have owned the business since 1994.

### **How do you view Economic development?**

I feel economic development has always been difficult and in light of our current economic condition, next to impossible. So, it is vital to have an organization like the GLCEDC in order to have an edge.

GLCEDC believes in these principals of economic gardening and is creating resources and programs that provide small business owners with information, address infrastructure needs, and facilitate connections.

The GLCEDC grant programs and the forthcoming loan program are designed to help local business owners and communities to meet their infrastructure needs and build their business. In addition, a variety of resources are available on the website to assist entrepreneurs and residents.

Recently I read a quote by Angelos Angelou that stated, "Companies do not take care of communities - communities take care of companies." It is our responsibility as residents of Livingston County to encourage the growth and stability of our small businesses.

Encouraging the growth and stability of our small businesses can be done in a variety of ways, but one of the easiest and most important way is for residents of Livingston County to make it a priority to shop locally.

Many small businesses are retail related and benefit from community members making a conscious effort to shop at their businesses. By supporting our local businesses, our community will grow stronger and more stable.



### **Why do you think Economic Development is important?**

Because business always fluctuates and we want to keep growing.

### **How do you envision GLCEDC working in the community?**

I feel strongly that we need to concentrate on business retention. We need to do what ever it takes to keep our local businesses informed and assist them in finding an edge over the competition.

## GLCEDC grants awarded

### CBIG and CDIG awarded to Livingston County business and municipality



Renovations at Cullom Community Market.

On November 19, the GLCEDC executive committee approved one Commercial Building Improvement Grant (CBIG) and one Community Development Infrastructure Grant (CDIG).

CBIG was awarded to The Comity Buzz, LLC, a specialty coffee shop that will open soon in downtown Pontiac. The grant will be used to fund interior renovations and upgrades.

CDIG was given to the Village of Cullom to be distributed to the Cullom Community Market. The grant will assist with the purchase of the building that houses the market.

The purpose of CBIG is to entice property owners to make improvements to existing structures that will remove obstacles for new businesses seeking to locate in the structure. The goal is to improve the commercial building stock in the county so that new businesses can

more easily be recruited to the area.

The GLCEDC Executive Committee believes building enhancement projects, like the interior renovations at The Comity Buzz, is one way to make Livingston County more attractive to current residents and those looking to relocate to Livingston County.

CDIG is a matching grant given directly to municipalities for economic development purposes. Municipalities apply directly for the grant and the funds can be used for infrastructure improvements, property acquisition, and other projects related to economic development.

A local grocery store is very important for the health and growth of a community. The GLCEDC executive committee believes that by investing in necessary elements of community life, economic development will occur. The Cullom Community Market will greatly improve the community and possibilities for economic development.

More details about the grants and a forthcoming loan program as well as grant applications can be found at the GLCEDC website: [www.glcdec.org](http://www.glcdec.org).

The Cullom Community Market is a wonderful example of community organizing. After being without a grocery store for more than a year, the residents of the village organized to open their own. Community members purchased shares in the grocery store and have \$110,000 pledged. Under the leadership of Mayor Margeurite Kross and Carl Krause III a building was purchased, renovations are underway, and the market is slated to open very soon. We at the GLCEDC applaud the effort and resilience of the residents of Cullom and are proud to partner with them in their community and economic development efforts.



## Executive Committee

Mike Stoecklin, Village of Saunemin, - Chairman  
Dave Ochs, OSF St. James - Vice Chair  
Kevin McNamara, Village of Dwight  
Secretary/Treasurer  
Patti Damm, Caterpillar  
Mike McCoy, McCoy Construction  
Glen Ludwig, Creative Ag Solutions  
Mike Cohlman, Champion Fitness  
Terry Sullivan, Sullivan Realty  
Scott Bauknecht, FREESTAR Bank  
Ron Minnaert, State Bank of Graymont  
Mayor Jim Gulliford, Village of Forrest  
Carey Wiesner, RKO Saw  
Bill Fairfield, County Board Chairman

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Oscar Weathersby, Livingston County Custodial  
Sandy Erschen, Manpower  
Courtney Farrell, Pontiac RV  
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Bill Fairfield, Livingston County Board  
Leo Johnson, Pontiac School District #90  
Beth Dunahee, Futures Unlimited  
David Hamilton, Printing Craftsmen  
Tom Tock  
Carl Borngasser

GLCEDC is a member driven organization. We are always looking for new members. If you would like to join our effort, please go to the "For Members" on our website, [www.glcedc.org](http://www.glcedc.org), for membership benefits and applications or contact our office at 815-842-2900.



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