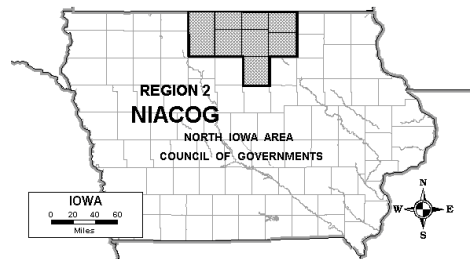


NORTH IOWA AREA COUNCIL OF GOVERNMENTS

REGION 2
OF THE IOWA ASSOCIATION OF REGIONAL COUNCILS

Comprehensive Economic Development Strategy



PREPARED BY NIACOG AND
THE CEDS STRATEGY COMMITTEE

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JUNE 2008

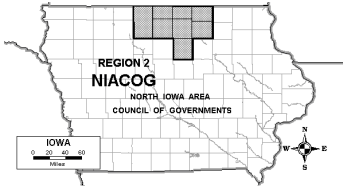
Table of Contents

Section	Page
A. Background: Current Conditions	3
1. Economy	3
a) Income	4
b) Wages	6
c) The Farm Economy	9
d) Retail Sales	11
e) Business Development	13
2. Population	15
a) Total Population	15
b) Population By Age	18
c) Migration	21
d) Minority Population	22
3. Geography	24
4. Workforce Use and Development	26
a) Unemployment	26
b) Employment	28
c) Workforce Development/Education	30
5. Transportation Access	37
6. Resources	41
a) Water & Sanitary Sewer Systems	41
b) Housing	42
c) Health Services	43
d) Educational Services	43
e) Public Safety Services	45
f) Recreation & Cultural Services	45
7. Environment	47
8. Other Pertinent Information: FY 2008 Accomplishments	53
B. Analysis of Economic Development Problems and Opportunities	59
1. Analysis Of Problems / Weaknesses - Human And Economic Assets / External And Internal Forces	59
2. Analysis Of Opportunities / Strengths: Human And Economic Assets / External And Internal Forces	62
3. Relevant Material From Other Government Plans (State/Local) And Consistency With State And Local Workforce Investment Strategies	64
4. Past, Present, And Projected Economic Development Investments	69
5. Identify And Analyze Economic Clusters Within The Region	71
C. CEDS Goals and Objectives: Defining Regional Expectations:	74
1. Vision	74
2. Goals	76
3. Goals/Objectives	76
D. Community and Private Sector Participation	78
E. Strategic Regional Projects, Programs, And Activities	79
1. Vital Projects	79
2. Other Suggested Projects	80

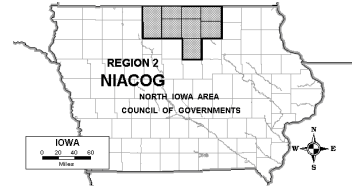
F. CEDS Plan of Action	82
1. Implementation Plan	82
2. Integration Of The State's Economic Development Priorities	82
G. Performance Measures	84

APPENDIX

A. Superfund Sites	
B. Leaking Underground Storage Tank Sites	
C. RCRA Sites	
D. National Register Sites	
E. Cluster Analysis	
F. Strategy Committee Membership	
G. Archaeological Sites	
H. Implementation Plan & Evaluation Report	



NIACOG CEDS



A. Background: Current Conditions

1) Economy

The NIACOG (Region 2) Area acts as a fairly independent, but smaller, regional economy or Micropolitan area with its own job centers and retail activity. This section of the CEDS report will focus on several aspects of the regional economy including both historic trends and comparisons with state and/or federal statistics. Specific elements of the economy that will be discussed include:

- a) Income
- b) Wages
- c) The Farm Economy
- d) Retail Sales
- e) Business Development

a) Income

Income Executive Summary: Between 2001 and 2005, personal income increased for the NIACOG region by 8% and per capita income increased by 10%. Every county in the NIACOG region experienced an increase in per capita income. The region's per capita income was exceeded by incomes for Iowa and the U.S. (region \$30,139, Iowa \$31,670, U.S. \$34,471). The region did, however, gain significant ground as its per capita income increase exceeded both the state and national increases in both percentages (region 10%, Iowa 7%, U.S. 2%) and whole dollar amounts (region \$5,100, Iowa \$4,600, U.S. \$3,900).

As documented in the following table, personal income for the NIACOG region increased from \$3.3 million in 2001 to \$3.9 million in 2006. With an inflation adjustment of 10.3%, the effective increase in overall personal income was about \$260,000 for an 8% increase. And, since the population of the region declined during that time period, per capita income increased by an even larger percentage, 10.4%.

Personal Income: Total & Per Capita

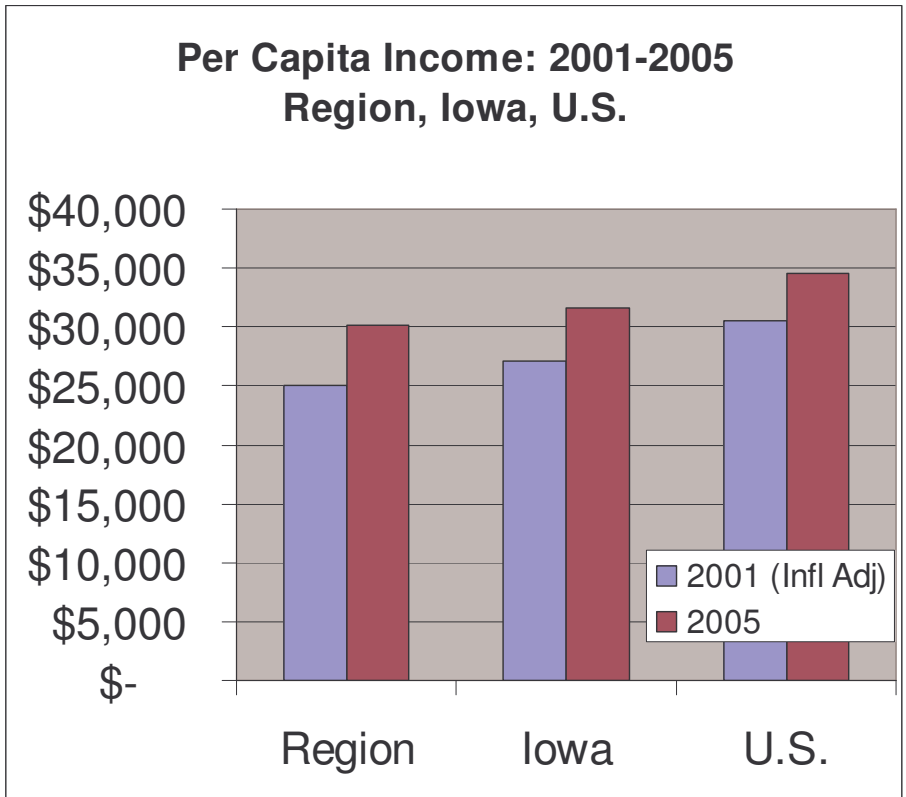
County	Personal Income (\$000)		Population		Personal Income Per Capita			
	2001	2005	2001	2005	2001	2001 w/ infl*	2005	Change
Cerro Gordo	\$ 1,226,329	\$ 1,454,999	45,733	44,594	\$ 26,815	\$ 29,228	\$ 32,628	11.6%
Floyd	\$ 392,004	\$ 471,188	16,642	16,453	\$ 23,555	\$ 25,675	\$ 28,638	11.5%
Franklin	\$ 272,949	\$ 302,579	10,654	10,759	\$ 25,619	\$ 27,925	\$ 28,123	0.7%
Hancock	\$ 305,528	\$ 367,662	11,950	11,758	\$ 25,567	\$ 27,868	\$ 31,269	12.2%
Kossuth	\$ 420,181	\$ 513,463	16,814	16,181	\$ 24,990	\$ 27,239	\$ 31,732	16.5%
Mitchell	\$ 257,418	\$ 300,855	10,747	10,872	\$ 23,953	\$ 26,109	\$ 27,672	6.0%
Winnebago	\$ 266,515	\$ 307,036	11,576	11,360	\$ 23,023	\$ 25,095	\$ 27,028	7.7%
Worth	\$ 164,679	\$ 192,192	7,832	7,755	\$ 21,026	\$ 22,918	\$ 24,783	8.1%
Region	\$ 3,305,603	\$ 3,909,974	131,948	129,732	\$ 25,052	\$ 27,307	\$ 30,139	10.4%
Iowa	\$ 79,456,044	\$ 93,918,906	2,932,151	2,965,524	\$ 27,098	\$ 29,537	\$ 31,670	7.2%
U.S.	\$ 8,716,992,000	\$ 10,220,942,000	285,226,284	296,507,061	\$ 30,562	\$ 33,710	\$ 34,471	2.3%

Sources:

1. The Bureau of Economic Analysis, U.S. Department of Commerce, Regional Economic Information System 1969-2005, RCN-0852, released May 2007.
2. Inflation rates reported by the U.S. Department of Labor for the U.S. were 177.1 in 2001 and 195.3 in 2005 for an increase of 10.3% and for the Midwest (used for Iowa and region) were 172.8 in 2001 and 188.4 for 2005 for an increase of 9.0%.

As illustrated by the 'Per Capita Income' chart, not only did the overall per capita increase for the region, but also for every county in the region. The increases ranged from 0.7% in Franklin County to 16.5% in Kossuth County. Other notable increases in per capita income included Hancock County (12%), Cerro Gordo (11.6%) County and Floyd County (11.5%). The highest per capita income by county is in Cerro Gordo at \$32,600 and the lowest in Worth County at \$24,783.

The region's per capita income was exceeded by incomes for Iowa and the U.S. (region \$30,139, Iowa \$31,670, U.S. \$34,471). The average for the state exceeds the region's by 5%; the average for the nation exceeds the region's by 14%. Although the per capita income is lower for the region, the region gained significant ground as its per capita income increase exceeded both the state and national increases in both percentages (region 10%, Iowa 7%, U.S. 2%) and whole dollar amounts (region \$5,100, Iowa \$4,600, U.S. \$3,900). The region gained \$500 (25%) on the state's per capita income and gained \$1,200 (20%) on the nation's per capita income.



Sources:

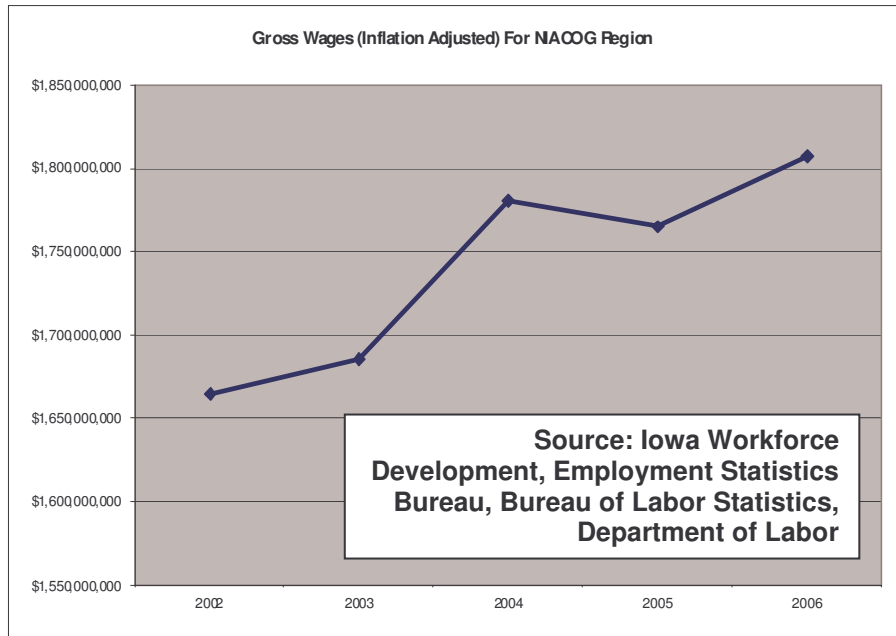
1. The Bureau of Economic Analysis, U.S. Department of Commerce, Regional Economic Information System 1969-2005, RCN-0852, released May 2007.

2. Inflation rates reported by the U.S. Department of Labor for the U.S. were 177.1 in 2001 and 195.3 in 2005 for an increase of 10.3% and for the Midwest (used for Iowa and region) were 172.8 in 2001 and 188.4 for 2005 for an increase of 9.0%.

b) Wages

Wages Executive Summary: Steady wage increases were experienced by the region for several years. With inflation adjustment, wages increased 9% for the region, between 2002 and 2006. That increase was slightly less than the State's at 10%. Notable increases occurred in construction and manufacturing sectors.

The steady increase in gross wages from 2002 to 2006 is illustrated by the 'Gross Wages For NIACOG Region' chart. After inflation adjustment, gross wages increased by 9% between 2002 and 2006. (Please note that the businesses included in these figures are solely those with employees, not sole proprietorships.)

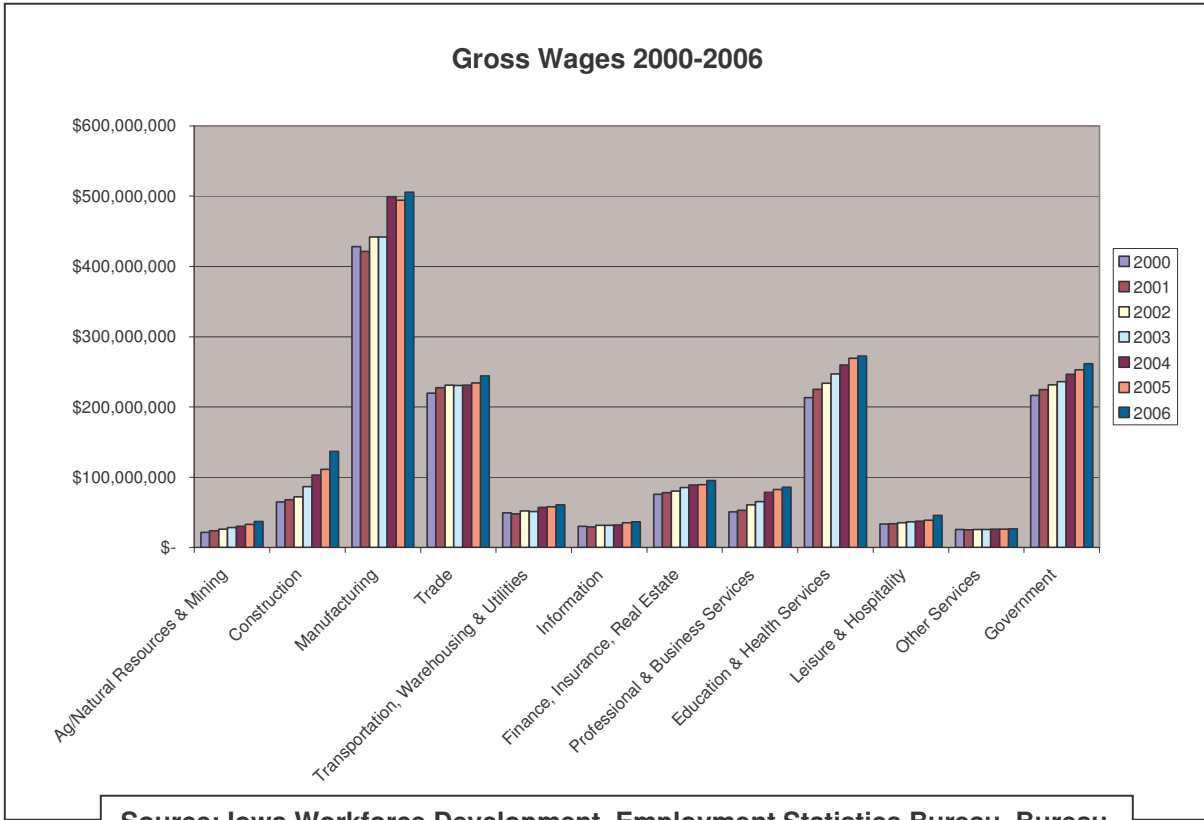
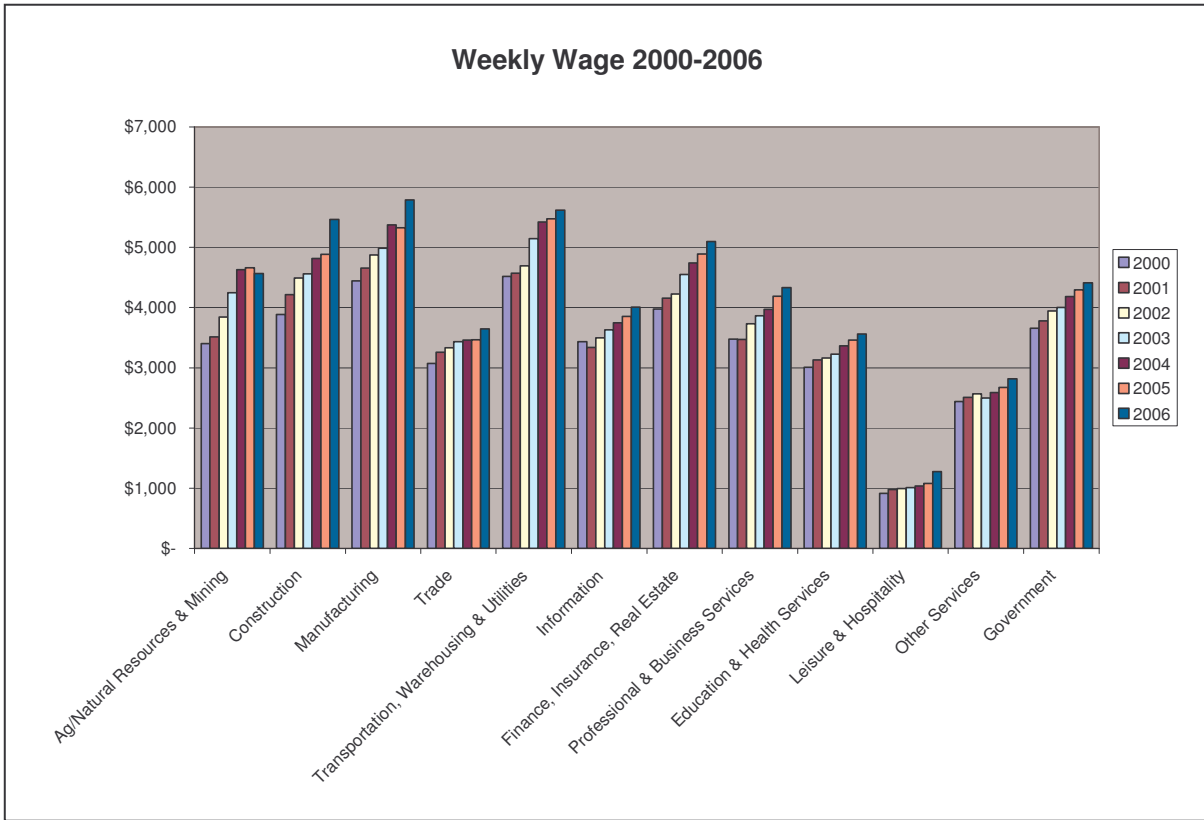


The increase in wages is consistent with the increase in per capita income described earlier in this section.

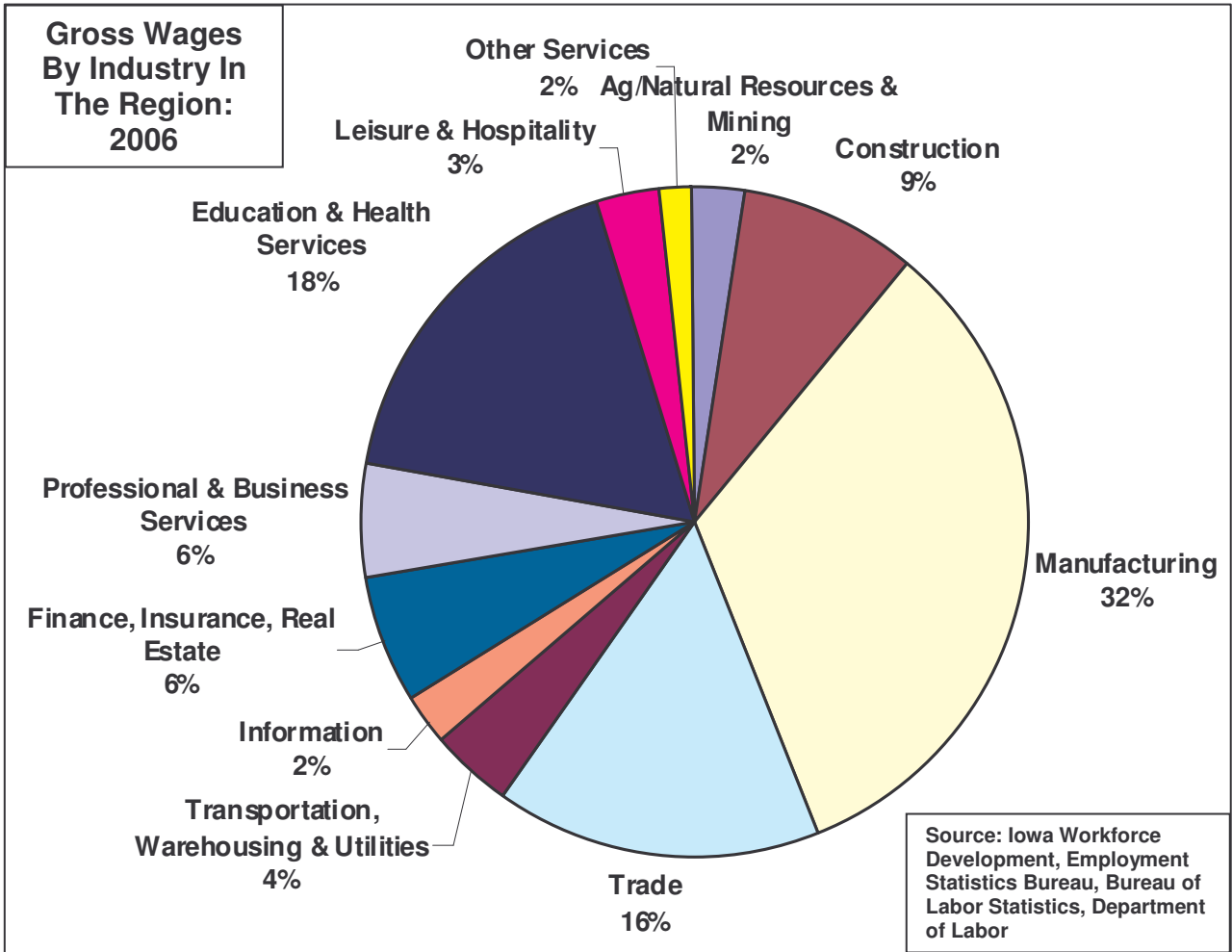
Gross wages for business establishments with employees increased for the State of Iowa as well. The State's 10% increase slightly exceeded the NIACOG region's increase of 9%.

One reason for gains in the region's gross wages was the growth in the number of employment positions according to employment figures provided by the Iowa Workforce Information Network. Employment gains were most significant in Construction (1,090 jobs - 45% increase) and Leisure and Hospitality (482 jobs). Agriculture/Natural Resources/Mining and Profession/Business followed with a gain of about 240 jobs each. (Please note that these numbers solely include businesses with employees and do not include sole proprietorships.) Weekly wage trends generally mirror employment trends.

Another reason is a spike in weekly and gross wages for Construction (2006) and Manufacturing (2004). The following charts illustrate the changes in industry gross and weekly wages. Please also note the steady increase in wages for almost every sector.



Source: Iowa Workforce Development, Employment Statistics Bureau, Bureau of Labor Statistics, Department of Labor

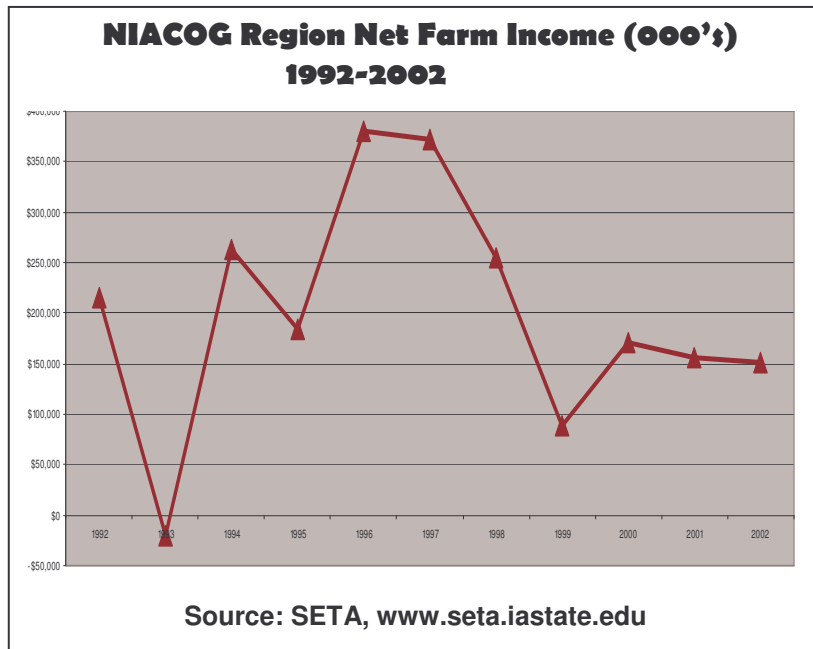


This chart illustrates 'Gross Wages By Industry In The Region' in 2006. On the chart you will find that Manufacturing, Education and Health Services, and Trade make up the largest portion of wages by industry.

c) The Farm Economy

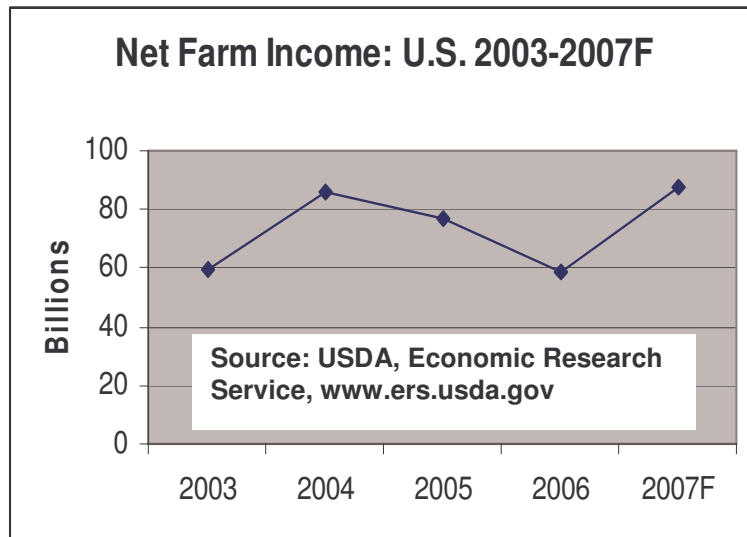
The Farm Economy Executive Summary: Farming makes up around 10% of the NIACOG region's wages. Net income varied immensely over the past several years for farmers, but has become somewhat more stable in recent years. Both gross income and expenses have increased substantially. The number of farms decreased substantially, but is now stabilizing and farm size proportionally increased, but is stabilizing. The amount of land used in farms is stable.

Farming makes up about 10% of the region's wages and is, therefore, a key component of the overall economy of the region.



The extreme fluctuation between a net loss of \$20 million to a net gain of \$380 million is illustrated by the 'NIACOG Region Net Farm Income' chart. Net farm income fluctuated widely between 1992 and 2002 finally stabilizing to some degree in the last three years of that period for the region.

While documentation is not available on the local level for years after 2002, net farm income has changed significantly during that time. An increase in farm income was followed closely by an increase in farm expenses (inputs). To get a feel for the net change, we will look at the farm incomes for the country. Net farm incomes for the U.S. have not seen the huge



fluctuations of the 1990's and have generally fluctuated between 60 and 90 billion dollars for the 5 year period. The 2007 forecast issued in November of 2007 estimates a net income that is the highest that it has been in recent history. In the ten year period between 1997 and 2006, net farm income in the United States increased 57%.

The amount of land acreage in farms is fairly stable with only a 5% reduction in 20 years (1987-2006). The number of farms, however, dropped a whopping 17% between 1987 and 1997; since that time it has stabilized considerably, dropping by only 3% in the following 10 years (January 1997 through December 2006). Since much of this drop was farm consolidation, it is not surprising that farm size increased 16% between 1987 and 1997 and an additional 5% in the following 10 years. The following table provides specific data as to the land in farms within the relatively recent past (2002-2006). It illustrates the relative stability of the land in farms, the size of farms, and the number of farms over the 5-year period.

Land In Farms/Acres Per Farm/Number of Farms: 2002-6 For Region & State

	Land In Farms (Acres)			Acres Per Farm			Number of Farms		
	2002	2006	Change	2002	2006	Change	2002	2006	Change
Cerro Gordo	323,800	321,200	-1%	410	417	2%	790	770	-3%
Floyd	291,400	288,500	-1%	327	328	0%	890	880	-1%
Franklin	337,200	334,000	-1%	411	418	2%	820	800	-2%
Hancock	322,800	319,300	-1%	389	394	1%	830	810	-2%
Kossuth	592,700	589,000	-1%	442	450	2%	1,340	1,310	-2%
Mitchell	289,700	287,000	-1%	349	354	1%	830	810	-2%
Winnebago	240,700	238,000	-1%	382	384	1%	630	620	-2%
Worth	224,500	222,500	-1%	381	384	1%	590	580	-2%
Region	2,622,800	2,599,500	-1%	390	395	1%	6720	6580	-2%
Iowa	31,800,000	31,500,000	-1%	351	356	1%	90,600	88,600	-2%

Source: USDA, National Agricultural Statistics Service

In addition to the traditional agricultural income of farmers, the construction of multi-million dollar fuel manufacturing plants have been erected throughout the region. These fuel plants make ethanol and biodiesel. At least seven plants have been (or are being) erected within the past 5 years and some have already been expanded. These plants typically employ about 20-30 people each, many of whom are white color workers hired to operate the plant, implement the sophisticated systems, negotiate sales, or provide quality control services. These plants have a positive effect on the tax base although most have received some sort of financial incentive.

Another substantial impact of these new plants is an increase in the price of corn (as a primary input) and beans (as a market supply effect from farmers using less of their field capacity for beans to make room for more corn).

d) Retail Sales

Retail Trade Executive Summary: Per capita retail sales effectively declined by 9% over the short term (2000-2005), but by only 1.5% over the long term (1990-2005). A 2 percentage point increase in Internet retail sales may explain part of the change. Pull factors are, however, consistent by county over both the short and long term. The area experienced significant leakage of \$200 million in retail sales in 2005.

Between 2000 and 2005, retail sales declined slightly (-0.5%) for the region staying around 1.03 billion. When 12% inflation is factored in for that period, however, a significant effective decline is discovered.

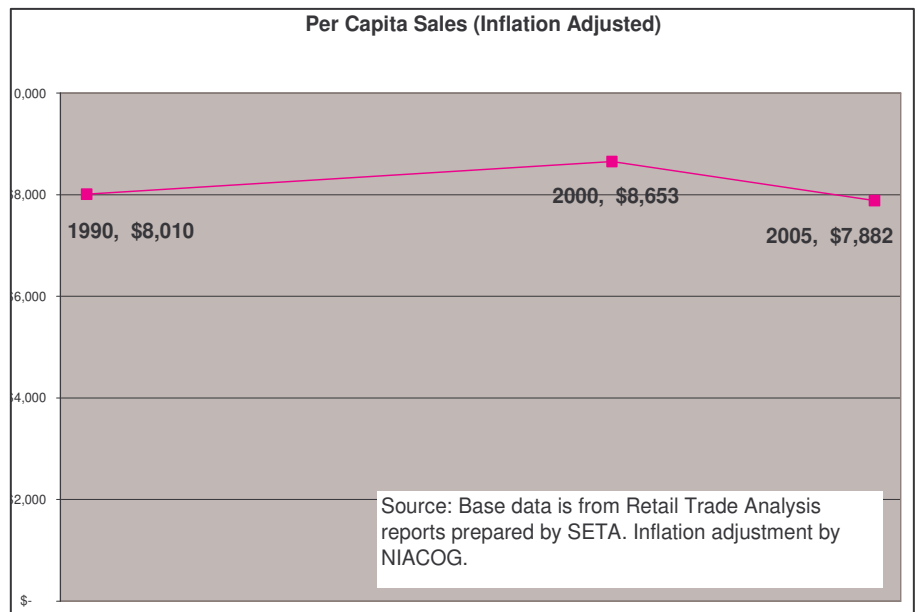
Retail Trade County	Sales (\$M)			Per Capita			Pull Factor		Surplus/Leakage	
	2000	2005	Change	2000	2005**	Change	2000	2005	2005	
Cerro Gordo	\$571	\$568	-0.5%	\$12,293	\$12,620	2.7%	1.3	1.2	\$	111,650,000
Floyd	\$103	\$94	-8.7%	\$6,074	\$5,681	-6.5%	0.5	0.6	\$	(53,950,000)
Franklin	\$53	\$49	-7.5%	\$4,932	\$4,562	-7.5%	0.5	0.5	\$	(48,860,000)
Hancock	\$56	\$62	10.7%	\$4,632	\$5,224	12.8%	0.5	0.5	\$	(58,120,000)
Kossuth	\$105	\$114	8.6%	\$6,124	\$6,954	13.6%	0.7	0.7	\$	(43,160,000)
Mitchell	\$53	\$54	1.9%	\$4,864	\$4,889	0.5%	0.5	0.6	\$	(38,110,000)
Winnebago	\$69	\$64	-7.2%	\$5,895	\$5,656	-4.1%	0.6	0.6	\$	(37,850,000)
Worth	\$24	\$24	0.0%	\$3,080	\$3,065	-0.5%	0.3	0.4	\$	(35,300,000)
Region	\$1,034	\$1,029	-0.5%		\$7,882	1.4%			\$	(203,700,000)
State		\$29,805			\$10,088					

Source: City 2005 Retail Trade Analysis Reports for Iowa, prepared by SETA.

**Inflation: Sales figures were not adjusted for inflation; however, the CPI rose from 168.3 in 2000 to 188.4 in 2005 for an increase of 12%.

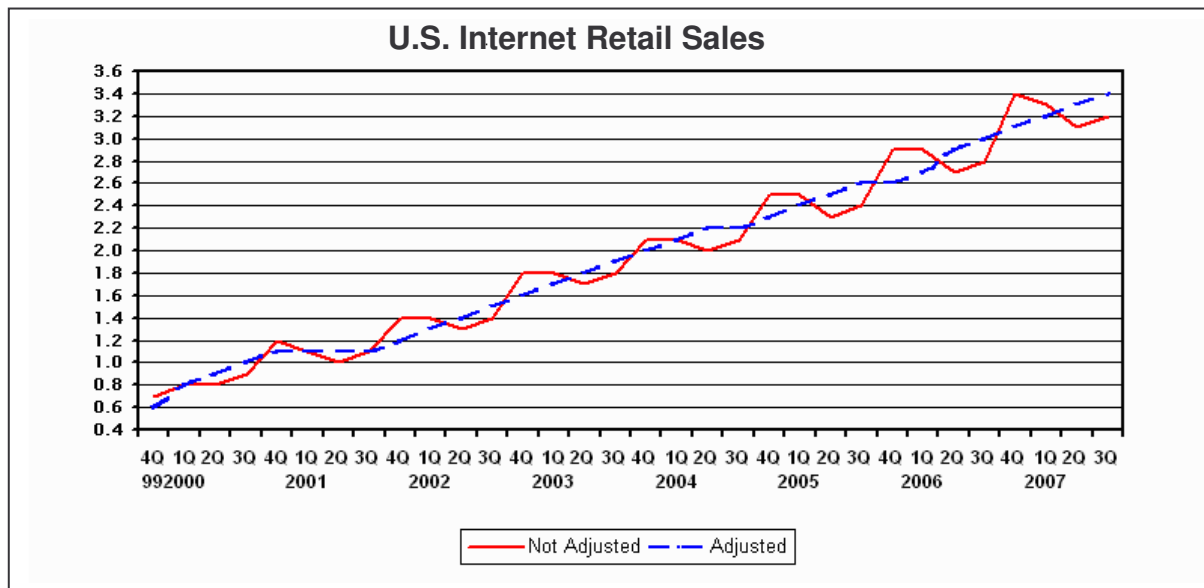
In 2000 regional retail sales had risen by 5% over the 1990 level even with a 32% inflation adjustment. So, the current decline in effective sales not only takes us back to the 1990 level, but an additional 7% decline. One partial explanation may be the change in population.

If we look at per capita sales instead of total sales and adjust the 1990 and 2000 sales figures to 2005 dollars, per capita sales are as shown by the Per Capita Sales chart (\$8010 in 1990, \$8653 in 2000, \$7882 in



2005). The chart illustrates the 8% increase from 1990 to 2000 followed by the 9% decline from 2000 to 2005. The decline in per capita sales over the longer term of 15 years is 1.5% (1990-2005).

While Internet sales may play some role in this change, the U.S. Census Bureau reports that Internet sales rose from about 0.5% in 2000 to about 2.5% in 2005. The increase in e-commerce has consistently increased each year consuming about 1% more of the market every 3 years since 2000. Please note, however, that several merchants in the region also have an on line presence and for some of them their Internet sales are more significant than their walk-in sales. This alternate sales method is being promoted by Main Street Iowa as a way to supplement walk-in sales. Some retail and smaller manufacturing businesses in the NIACOG region use the Internet a way to reach a larger customer base; businesses may use the Internet as their primary or more often a supplementary income.



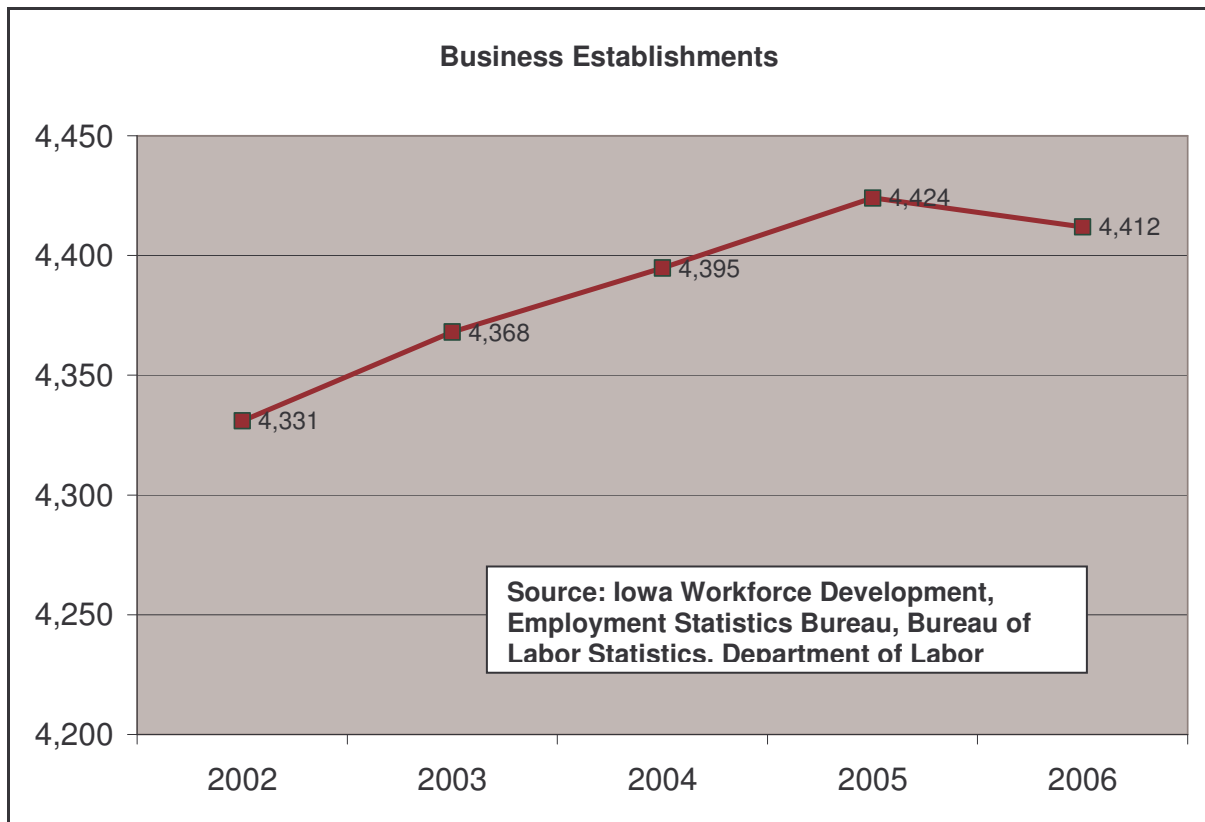
Source: U.S. Census Bureau, obtained on February 6, 2008

As recorded in the Retail Sales table at the beginning of this Retail Sales section, that the Pull Factors for each of the counties remain fairly consistent over the 5 year period. The Pull Factor is a concept developed by Iowa State University. It shows the relative strength of the county's retail sector compared to that of the state. The pull factor is a ratio of local sales per capita to state sales per capita. The pull factors are also consistent going back 15 years to 1990. This indicates that our local economy overall is maintaining its position relative to statewide averages. As the retail hub, Cerro Gordo County continues to have a very strong Pull Factor at 1.2. Cerro Gordo County sales were \$12,620 per capita and the State's sales were about 20% less at \$10,088 per capita. All of the other 7 counties in the NIACOG region have retail sales between .4 and .7, which indicates significant leakage into the retail hub as well as to other areas. Retail Trade Analysis reports, prepared by SETA, report that the NIACOG region overall has a retail leakage of \$204 million (20% of total regional sales).

e) Business Development

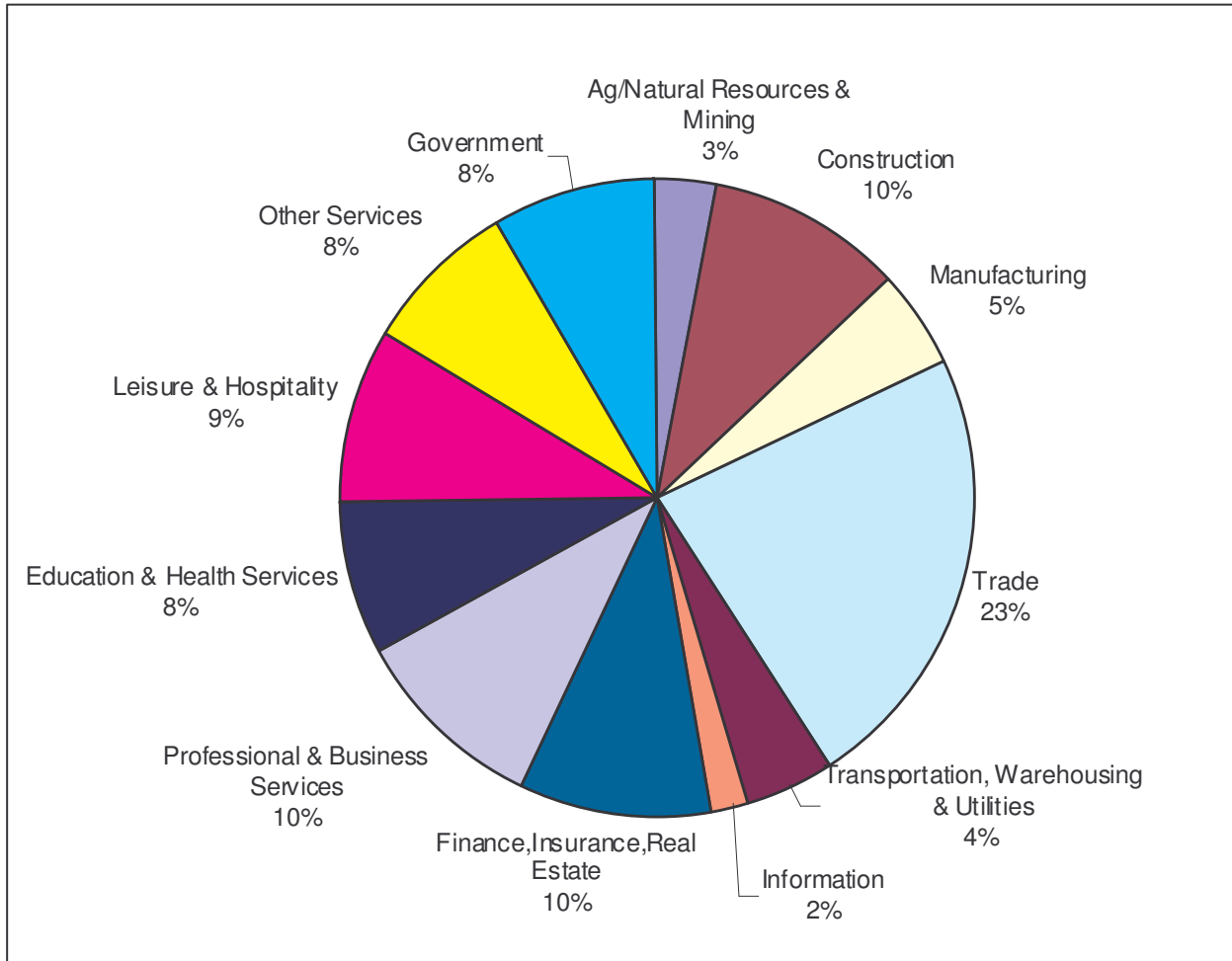
Business Development Executive Summary: The number of businesses (with employees) had a subtle net gain of 2% between 2000 and 2006 for the NIACOG region. Trade makes up the largest sector of businesses with nearly 1/4th of the total establishments.

The number of business establishments with employees increased by 81 from 4,331 in 2000 to 4,424 in 2005. Then the number tapered slightly to 4,412 in 2006. Overall, the region experienced a net increase of 2% between 2000 and 2006. During the same period, the State of Iowa saw a 4% increase in the number of businesses with employees.



The prominence of individual industry sectors is illustrated by the following pie chart, entitled '*Business Establishments By Industry – NIACOG Region - 2006*'. As pictured in the chart, the 'Retail/Wholesale Trade' sector accounts for the largest piece of the pie at nearly 1/4th of all establishments with employees. All other industry are significantly smaller make up no more than 10% of businesses with employees.

Business Establishments By Industry - NIACOG Region - 2006



Source: Iowa Workforce Development, Employment Statistics Bureau, Bureau of Labor Statistics, Department of Labor

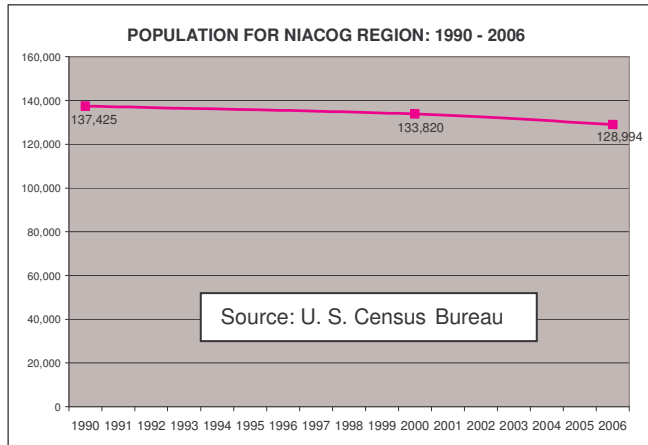
2) Population

Population Executive Summary: The population of the region declined by 1% annually in the 1990's and by 0.6% annually in the 2000's; however, Woods & Poole is predicting stability for the next 30 years. Workforce availability will decline sharply after 2010 as baby boomers begin to retire. Workforce availability also suffers from the outmigration of young adults at a rate of 23-33%. Fortunately, international immigration is helping to mitigate some of the loss.

a) Total Population

Total Population Executive Summary: The population of the region declined by 1% annually in the 1990's followed by declines of 0.6% annually in the 2000's. Woods & Poole predict a stable future population from 2010 through 2030.

The region's decline in population slowed from an annualized average of 1% during 1990-2000 to an annualized average of 0.6% during 2000-2006. The region's recent population decline is illustrated in the chart at the right, entitled 'Population For NIACOG Region'. However, as reported later in this section, Woods and Poole Economics projects a stable (flat) population through 2030 with neither substantial gain nor loss.



Historical decennial Census figures for each county from 1900 through 2000 are included at the end of this section. The following table reports the more recent population change from 1990 to 2006 for the region. These figures include the 100 percent decennial Census counts and the Census Bureau's estimate for 2006.

POPULATION CHANGE IN COUNTIES: 1990 - 2006

COUNTY	1990 CENSUS	2000 CENSUS	2006 ESTIMATE	1990-2000 CHANGE	1990-2000 % CHG.	2000-2006 CHANGE	2000-2006 % CHG.
CERRO GORDO	46,733	46,447	44,384	-286	-0.6%	-2,063	-4.4%
FLOYD	17,058	16,900	16,441	-158	-0.9%	-459	-2.7%
FRANKLIN	11,364	10,704	10,708	-660	-5.8%	4	0.0%
HANCOCK	12,638	12,100	11,680	-538	-4.3%	-420	-3.5%
KOSSUTH	18,591	17,163	16,011	-1,428	-7.7%	-1,152	-6.7%
MITCHELL	10,928	10,874	10,856	-54	-0.5%	-18	-0.2%
WINNEBAGO	12,122	11,723	11,216	-399	-3.3%	-507	-4.3%
WORTH	7,991	7,909	7,698	-82	-1.0%	-211	-2.7%
REGION TOTAL	137,425	133,820	128,994	-13,804	-10%	-4,826	-3.6%

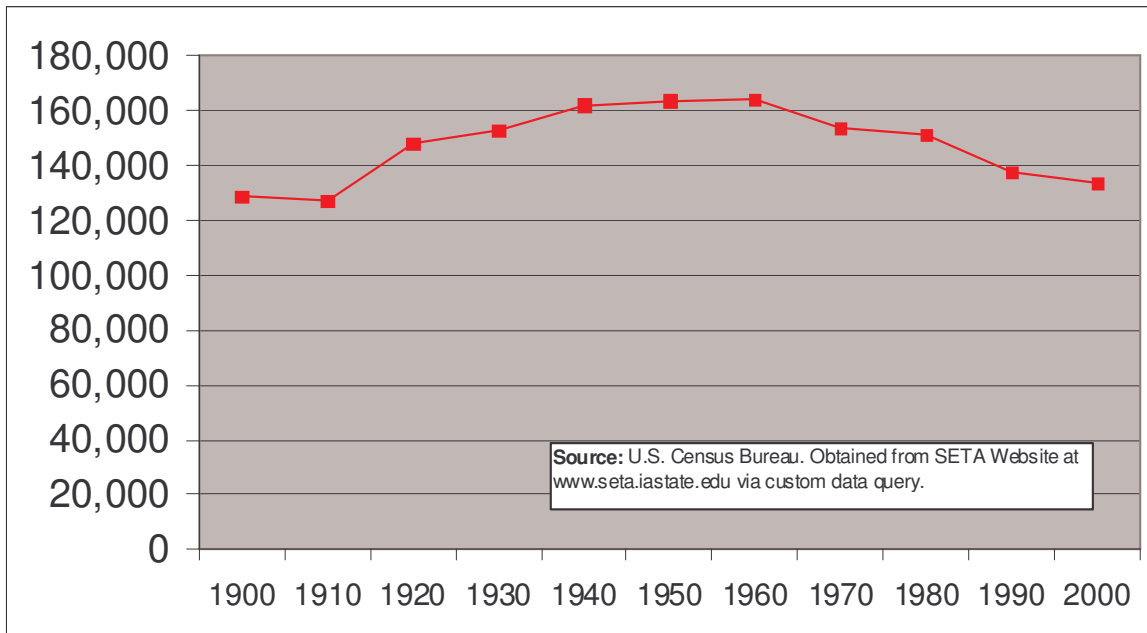
Source: U.S. Census / ISU Extension

According to 2006 estimates, the two counties with the largest populations – Cerro Gordo and Kossuth- lost significant population of 2,063 (4.4%) and 1,152 (6.7%). The other counties were generally more stable; Franklin County even experienced a slight gain.

As illustrated by the following table/chart, the region’s population peaked in 1960 and has declined since then through the most recent Census in 2000. The figures are from the decennial census administered by the U.S. Census Bureau.

HISTORIC POPULATION FOR NIACOG REGION

County	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000
Cerro Gordo	20,672	25,011	34,675	38,476	43,845	46,053	49,894	49,335	48,458	46,733	46,447
Floyd	17,754	17,119	18,860	19,524	20,169	21,505	21,102	19,860	19,597	17,058	16,900
Franklin	14,996	14,780	15,807	16,382	16,379	16,268	15,472	13,255	13,036	11,364	10,704
Hancock	13,752	12,731	14,723	14,802	15,402	15,077	14,604	13,227	13,833	12,638	12,100
Kossuth	22,720	21,971	25,082	25,452	26,630	26,241	25,314	22,937	21,891	18,591	17,163
Mitchell	14,916	13,435	13,921	14,065	14,121	13,945	14,043	13,108	12,329	10,928	10,874
Winnebago	12,725	11,914	13,489	13,143	13,972	13,450	13,099	12,990	13,010	12,122	11,723
Worth	10,887	9,950	11,630	11,164	11,449	11,068	10,259	8,968	9,075	7,991	7,909
Region	128,422	126,911	148,187	153,008	161,967	163,607	163,787	153,680	151,229	137,425	133,820
% Change	n/a	-1.2%	16.8%	3.3%	5.9%	1.0%	0.1%	-6.2%	-1.6%	-9.1%	-2.6%



The following table includes the forecast for future population as calculated by Woods & Poole for 5-year incremental periods. The 2005 'forecast' is consistent with the populations provided by the Census and the annual loss of 0.6% of population between 2000 and 2006. Beginning in 2010, however, Woods and Poole forecasts a stable population that extends through 2030.

Population & Population Projections							
Area	2000	2005	2010	2015	2020	2025	2030
United States	282,216,952	296,507,061	311,884,330	327,310,599	343,360,101	360,201,776	378,316,819
Percent Change		5%	5%	5%	5%	5%	5%
State of Iowa	2,928,703	2,965,524	3,033,806	3,098,303	3,170,115	3,250,144	3,342,014
Percent Change		1%	2%	2%	2%	3%	3%
Cerro Gordo	46,338	44,594	44,520	44,696	44,985	45,393	45,965
Floyd	16,864	16,453	16,538	16,661	16,825	17,034	17,304
Franklin	10,689	10,759	10,701	10,693	10,713	10,762	10,850
Hancock	12,105	11,758	11,746	11,829	11,942	12,087	12,275
Kossuth	17,133	16,181	16,073	16,153	16,274	16,438	16,661
Mitchell	10,871	10,872	10,757	10,636	10,543	10,480	10,453
Winnebago	11,760	11,360	11,047	10,841	10,664	10,516	10,406
Worth	7,911	7,755	7,821	7,974	8,146	8,340	8,563
Region	133,671	129,732	129,203	129,483	130,092	131,050	132,477
Percent Change		-3%	0%	0%	0%	1%	1%

Source: "2007 State Profile: Iowa", Woods & Poole Economics, Inc., Washington, DC, 800-786-1915, www.woodsandpoole.com. Prepared By: State Library of Iowa, State Data Center Program, 800-248-4483, 8/17/2007, www.iowadatacenter.org

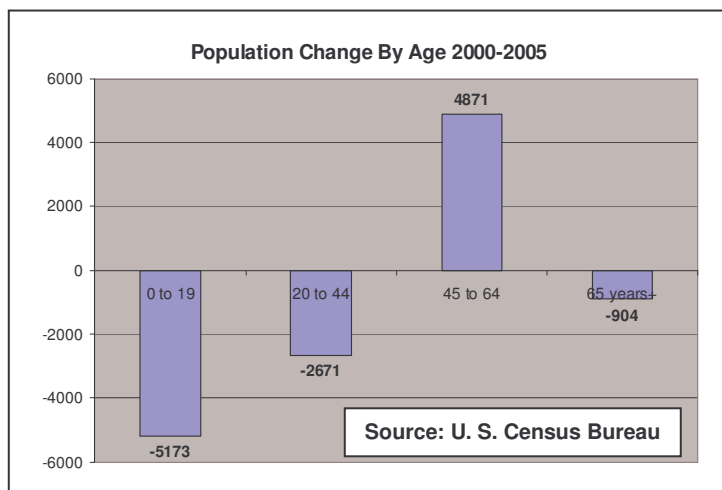
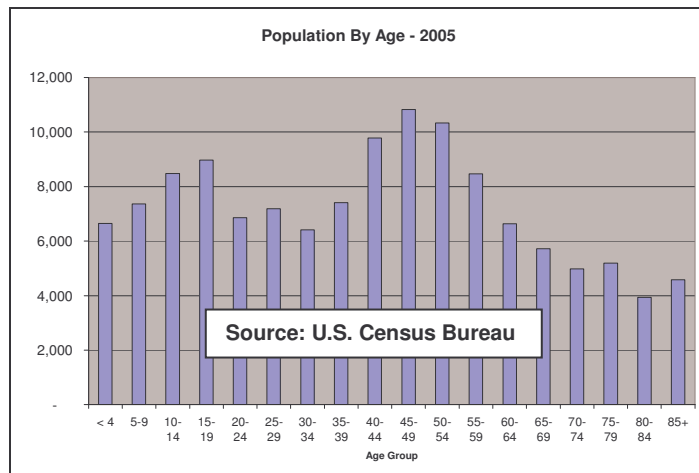
During this same period, Woods & Poole predict growth for the state at 2-3% every 5 years and 5% growth every 5 years at the national level.

b) Population By Age

Population By Age Executive Summary: The workforce age population grew by 2200 between 2000 and 2005. Workforce numbers are expected to be stable through 2010, but are then expected to decline sharply (as baby boomers come of retirement age) for the following 25 years. The number of youth (0-19) is also declining by 200-300 annually.

While the last section described the change in total population, this section addresses the age of the residents and explains a significant shift that is a critical issue regarding future workforce shortages.

The chart to the right illustrates age distribution for the NIACOG region's residents in 2005. Ideally, an age distribution chart starts high at the left side of the chart (youth) and then tapers to the right (elderly) as, over time, youth gives way to age and mortality. However, as you can see from the chart, the age distribution illustrates some areas of concern, especially for the youth which tapers from right to left, rather than left to right, which means a dwindling number of youth for the region. The drop off at age 20-24 is primarily a result of outmigration; outmigration will be further illustrated in the next section of this report. A complete table of age distribution figures is included at the end of this section in a chart entitled "Population By Age By County - 2000 & 2005".



The age groupings used in the chart to the left were chosen relative to work force dynamics; they include:

- ❖ Future Workforce Age: 0 to 19
- ❖ Younger Workforce Age: 20 to 44
- ❖ Older Workforce Age: 45 to 64
- ❖ Retirement Age: 65+

The chart specifically graphs the *change* in the number of people in the four age groupings between 2000 and 2005. The chart illustrates:

- A large reduction in youth (future workforce); the decrease is approximately 200 to 300 children per year and is fairly consistent when looking at the 5-year age cohorts.
- A significant reduction in the younger worker force
- A large increase in older workforce
- A relatively small reduction in the retirement age population

Overall, the workforce aged population increased by 2,200 (3%) between 2000 and 2005. The increase in this broad age category (20-64) is the result of:

- 1) An increase of 255 in the 20 to 24 year old age group representative of those entering the workforce. Please see the table on the next page entitled, 'Population By Age By County Groups - 2000 And 2005' for a summary of populations by 5-year age grouping.
- 2) A reduction in the number exiting workforce age and entering retirement age
- 3) In-migration of some at older workforce ages (as will be explained in the next section).

Although it may seem odd that a decline of 2,671 in the 'younger workforce age' would not also mean a decline in overall workforce numbers, the trend is mostly the result of the 'younger workforce' graduating to the 'older workforce category'. The increase of 4,871 in the older workforce is representative of the aging of our workforce as the baby boomer and baby burper generations advance through their working years. In its next phase, as the older workers retire a significant drain in workforce numbers is anticipated.

The chart below illustrates the base population by age data in the workforce related age cohorts (Future Workforce Age: 0 to 19, Younger Workforce Age: 20 to 44, Older Workforce Age: 45 to 64, Retirement Age: 65+).

Population By Age Cohort: 2000-2005								
Age Cohort	0 to 19		20 to 44		45 to 64		65 years+	
County / Year	2000	2005	2000	2005	2000	2005	2000	2005
Cerro Gordo	12,414	10,697	14,952	13,695	10,781	12,399	8,189	7,854
Floyd	4,593	3,981	4,913	4,796	4,117	4,478	3,240	3,188
Franklin	2,862	2,602	3,067	3,079	2,574	3,004	2,186	2,047
Hancock	3,502	2,855	3,578	3,411	2,863	3,351	2,160	2,169
Kossuth	4,783	3,883	4,823	4,204	4,072	4,725	3,453	3,330
Mitchell	3,118	2,830	3,033	2,946	2,378	2,858	2,342	2,285
Winnebago	3,289	2,801	3,519	3,189	2,732	3,252	2,219	2,109
Worth	2,071	1,810	2,439	2,333	1,875	2,196	1,526	1,429
Region	36,632	31,459	40,324	37,653	31,392	36,263	25,315	24,411

Source: U.S. Census Bureau, County Population Estimates By Age, Sex, Race, and Hispanic Origin For July 1, 2005, released August 2004, compiled by ReCAP of ISU Extension and NIACOG.

By 2010 the workforce population is expected to hold its own in spite of outmigration that will be described in the next section.

However, between 2010 and 2025, the population of working age is expected to decline sharply as fewer people are available to enter the workforce due to the dwindling youth populations and as the enlarged *older* workforce comes of retirement age.

Population By Age By County – 2000 & 2005

YOUTH												
	0 to 4		5 to 9		10 to 14		15 to 19				YOUTH	
	2000	2005	2000	2005	2000	2005	2000	2005			2000	2005
Cerro Gordo	2,752	2,347	3,009	2,566	3,161	2,803	3,492	2,981			12,414	10,697
Floyd	1,031	873	1,153	968	1,224	1,102	1,185	1,038			4,593	3,981
Franklin	593	591	690	603	740	699	839	709			2,862	2,602
Hancock	732	538	839	690	974	791	957	836			3,502	2,855
Kossuth	917	764	1,138	866	1,348	1,075	1,380	1,178			4,783	3,883
Mitchell	652	612	806	639	878	783	782	796			3,118	2,830
Winnebago	652	544	725	611	884	697	1,028	949			3,289	2,801
Worth	441	377	548	428	540	527	542	478			2,071	1,810
Region	7,770	6,646	8,908	7,371	9,749	8,477	10,205	8,965			36,632	31,459

YOUNGER WORKERS												
	20 to 24		25 to 29		30 to 34		35 to 39		40 to 44		YOUNGER WORKERS	
	2000	2005	2000	2005	2000	2005	2000	2005	2000	2005	2000	2005
Cerro Gordo	2,748	2,215	2,447	2,970	2,638	2,352	3,409	2,714	3,710	3,444	14,952	13,695
Floyd	779	960	836	859	970	851	1,138	989	1,190	1,137	4,913	4,796
Franklin	491	527	517	611	550	562	699	624	810	755	3,067	3,079
Hancock	493	687	586	550	606	592	906	625	987	957	3,578	3,411
Kossuth	653	864	710	673	830	603	1,186	846	1,444	1,218	4,823	4,204
Mitchell	402	571	477	488	544	478	772	587	838	822	3,033	2,946
Winnebago	686	653	572	613	557	530	790	586	914	807	3,519	3,189
Worth	357	387	399	428	429	439	608	439	646	640	2,439	2,333
Region	6,609	6,864	6,544	7,192	7,124	6,407	9,508	7,410	10,539	9,780	40,324	37,653

OLDER WORKERS												
	45 to 49		50 to 54		55 to 59		60 to 64				OLDER WORKERS	
	2000	2005	2000	2005	2000	2005	2000	2005			2000	2005
Cerro Gordo	3,577	3,722	2,940	3,616	2,213	2,907	2,051	2,154			10,781	12,399
Floyd	1,228	1,204	1,110	1,238	933	1,123	846	913			4,117	4,478
Franklin	791	835	714	849	567	732	502	588			2,574	3,004
Hancock	936	1,037	768	944	591	775	568	595			2,863	3,351
Kossuth	1,237	1,510	1,073	1,270	853	1,085	909	860			4,072	4,725
Mitchell	720	897	592	764	544	621	522	576			2,378	2,858
Winnebago	974	950	720	1,013	551	723	487	566			2,732	3,252
Worth	614	675	489	643	401	496	371	382			1,875	2,196
Region	10,077	10,830	8,406	10,337	6,653	8,462	6,256	6,634			31,392	36,263

RETIREMENT AGE												
	65 to 69		70 to 74		75 to 79		80 to 84		85+		RETIREMENT AGE	
	2000	2005	2000	2005	2000	2005	2000	2005	2000	2005	2000	2005
Cerro Gordo	1,958	1,867	2,041	1,665	1,747	1,731	1,224	1,282	1,219	1,309	8,189	7,854
Floyd	697	779	743	610	652	671	593	478	555	650	3,240	3,188
Franklin	499	453	536	422	470	471	363	334	318	367	2,186	2,047
Hancock	478	512	498	415	477	416	359	374	348	452	2,160	2,169
Kossuth	864	822	783	707	738	671	529	534	539	596	3,453	3,330
Mitchell	512	473	546	458	478	490	368	377	438	487	2,342	2,285
Winnebago	473	461	513	415	427	458	391	320	415	455	2,219	2,109
Worth	342	355	347	283	323	281	227	241	287	269	1,526	1,429
Region	5,823	5,722	6,007	4,975	5,312	5,189	4,054	3,940	4,119	4,585	25,315	24,411

Source: U.S. Census Bureau

c) Migration

Migration Executive Summary: The region experienced net outmigration of about 5% in 2005-6, including a high concentration of workforce age residents. Outmigration is of particular concern for older teens (4%) and young adults (23-33%) who are the region's potential new workforce additions.

In 2005-6 a significant number of residents moved out of the region as reported by the U.S. Census Bureau. The region experienced net *outmigration* of 5% (6800) between July 1, 2005 and June 30, 2006 according to the most recent figures. As reported in the table to the right, outmigration was in fact experienced in every county in the region, except Mitchell with a 3.3% net in-migration.

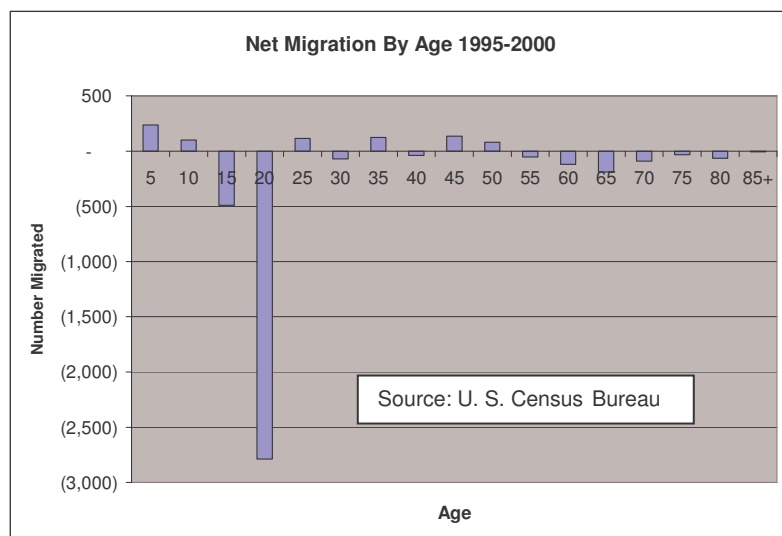
Outmigration was especially high in Kossuth (13.4%) and Winnebago (12.3%) Counties. People in-migrating from other countries helped to mitigate some of the loss; international immigration total about 1% or about 1200 people. This is an accelerated level from the 2% net outmigration reported by the Census Bureau between 1995 and 2000.

Migration: 2005-6			
Area	Total	International	Within U.S.
Cerro Gordo	-4.0%	0.5%	-4.5%
Floyd	-0.4%	0.9%	-1.3%
Franklin	-6.9%	3.6%	-10.5%
Hancock	-6.5%	0.9%	-7.3%
Kossuth	-13.4%	0.1%	-13.5%
Mitchell	3.3%	0.0%	3.3%
Winnebago	-12.3%	2.3%	-14.6%
Worth	-0.8%	0.1%	-0.9%
*Region By %	-5.0%	1.0%	6.0%
*Region By #	-6800	1200	-8000

* Approximated using 2000 Census population figures

Source: U.S. Census Bureau & State Library of Iowa, State Data Center program, www.iowadatacenter.org.

Census Bureau figures identified a substantial net outmigration for those of pre-workforce age (15-19) and early workforce age (20-24) between 1995 and 2000 that,



as will be explained later in this section, has continued and even accelerated.

The table on the next page and chart (to the left) report and illustrate the migration statistics from the Census to document this issue. The statistics illustrate migration for residents by their age group, which allows us to identify which age groups are seeing the most people move to other parts of the country.

Although the chart vividly illustrates the severe outmigration of the region's older teens (15-19) and young adults (20-24), area residents are empirically aware of the 'brain drain' as many of the region's promising youth move to larger cities for employment reasons and for the excitement of the metropolitan lifestyle. The net migration column in the table (below) is of particular interest. The column reports outmigration of:

- 4% of older teens (15-19)
- 23% of young adults (20-24)
- 3% of workforce age (20-64)
- 2% of total population

NIACOG Region Migration Patterns 1995-2000									
Age	Non-movers	Moved Within County	Domestic Immigrants	Immigrants From Abroad	Total Out-Migration	Total Immigration	Net Migration	Percent Migration	Total Persons
Total	79,380	25,866	19,784	866	23,797	20,650	(3,147)	-2%	149,693
5 to 9 years	4,782	2,172	1,964	75	1,803	2,039	236	2%	10,796
10 to 14 years	6,167	2,061	1,600	93	1,592	1,693	101	1%	11,513
15 to 19 years	6,258	1,973	1,582	127	2,200	1,709	(491)	-4%	12,140
20 to 24 years	1,572	2,646	2,339	111	5,236	2,450	(2,786)	-23%	11,904
25 to 29 years	1,277	2,477	2,748	46	2,678	2,794	116	1%	9,226
30 to 34 years	2,885	1,982	1,951	89	2,109	2,040	(69)	-1%	9,016
35 to 39 years	5,663	2,425	1,846	76	1,799	1,922	123	1%	11,809
40 to 44 years	6,886	2,062	1,305	80	1,424	1,385	(39)	0%	11,757
45 to 49 years	7,239	1,538	1,151	65	1,079	1,216	137	1%	11,072
50 to 54 years	6,326	1,166	787	47	754	834	80	1%	9,080
55 to 59 years	5,358	793	541	15	608	556	(52)	-1%	7,315
60 to 64 years	4,923	830	420	18	557	438	(119)	-2%	6,748
65 to 69 years	5,194	631	293	2	484	295	(189)	-3%	6,604
70 to 74 years	4,892	653	246	6	344	252	(92)	-1%	6,141
75 to 79 years	4,192	794	306	4	343	310	(33)	-1%	5,639
80 to 84 years	3,185	609	306	12	382	318	(64)	-1%	4,494
85 years plus	2,581	1,054	399	-	405	399	(6)	0%	4,439

Source: U.S. Census data obtained from the SETA website at www.seta.iastate.edu/census/migration on 12/2007.

If the trends calculated by the Census for the 1995/2000 period continue, during the 2005-2010 period, the region could expect outmigration of:

- 350 older teens
- 1,800 young adults (20-24 years old)

And, while more recent migration statistics are not available at the county level, we can estimate outmigration of young adults (20-24) by subtracting the 2000 population of 15 to 19 year olds from their respective 2005 population as they grew into the 20 to 24 year old age group. In 2000 the region had 10,205 15 to 19 year olds; in 2005 the region had 6,864 20 to 24 year olds. Therefore, it is estimated that $10,205 - 6,864 = 3,341$ young adults (33% of 20-24 year olds) moved out of the area during the 5 year period. (A mortality figure has not been deducted; however, it is assumed to be fairly nominal.) Using the same tabulation method, older teen outmigration is estimated at 784 (8% of 15-19 year olds) for 2000-2005.

These figures identify accelerating outmigration for older teens and young adults, further exacerbating the effect of declining population on workforce availability.

d) Minority Population

Minority Population Executive Summary: The minority population doubled from 1.9% in 1990 to 3.8% in 2000. Since international migration totaled nearly 1% of the population, this figure is expected to continue to increase.

The following table reports figures provided by the U.S. Census Bureau to analyze the minority population for the region.

TOTAL AND MINORITY POPULATION 1990 - 2000

County	1900 Population	Minority Population	Minority Percent	2000 Population	Minority Population	Minority Percent	% Chg.
Cerro Gordo	46,733	1,573	3.4	46,447	2,470	5.3	+1.9
Floyd	17,058	152	0.9	16,900	434	2.6	+1.7
Franklin	11,364	180	1.6	10,704	704	6.4	+4.8
Hancock	12,638	170	1.3	12,100	404	3.3	+2.0
Kossuth	18,591	159	0.9	17,163	296	1.7	+0.8
Mitchell	10,928	69	0.6	10,874	122	1.1	+0.5
Winnebago	12,122	212	1.7	11,723	426	3.6	+1.9
Worth	7,991	122	1.5	7,909	216	2.7	+1.2
REGION	137,425	2,642	1.9	133,820	5,072	3.8	+1.9

Source: U.S. Census Bureau, 2000 Decennial Census

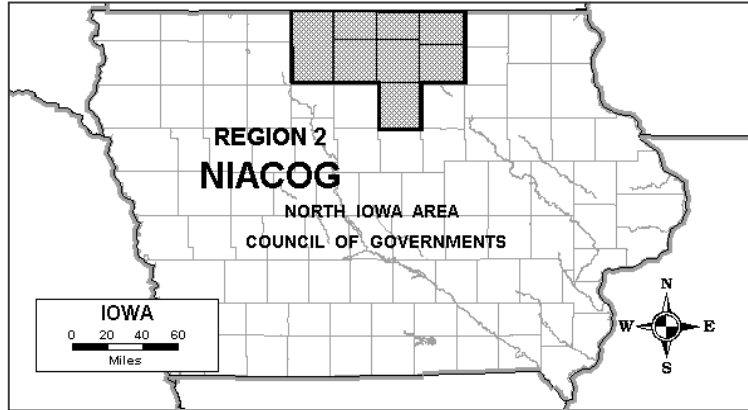
The NIACOG region experienced a 92% increase in its minority population over the past decade rising from 2,642 to 5,072. Although when considered as a percentage of the Region's overall population, the 2% increase from 1.9% to 3.8% seems relatively minor. However, many individual communities have been significantly impacted by the changing population. In Franklin County for example, the county's minority population experienced a 4.8% minority population increase with the county seat, Hampton, seeing its Hispanic population of 117 in 1990 increase to 463 in 2000, a 295 percent increase, or 10% of its population. In a neighboring community, Latimer, the Hispanic population has grown to nearly 20% of the community's population of 535.

As explained in the previous section, international migration (which also suggests an increasing minority presence) is playing a significant role in helping to mitigate the out-migration of our region's youth.

3) Geography

Region 2 is located in north-central Iowa and consists of eight (8) counties and sixty-seven (67) cities. The northerly four counties are adjacent to the Iowa-Minnesota border, and the other four counties are located adjacent to the first four, and to the south.

Seven of the counties are somewhat similar in size and area, with the exception of Kossuth County on the west which is approximately twice the size of the other counties, with a longer north-south dimension. The total land area of the eight counties is 2,868,914 acres.



The region has been influenced by two distinct geological characteristics. The westerly portion of the Region is in the Wisconsin Cary Drift; which is fresh glacial drift, no loess cover, arcuate bands of knob and kettle terrain, areas of level terrain, poor drainage, and natural lake areas. The easterly portion of the Region is in the Kansan Glacial Drift; thin discontinuous loess or loam over drift, bedrock near surface, Karst topography, and gently rolling terrain. (Source: 'From Rift to Drift, Iowa's Story in Stone', Iowa State University Press, 1983)

Topography is generally not an issue. The land elevation in the northwest corner of the Region is approximately 100 feet higher than in the southeast corner of the Region. Drainage in the Region is generally from north to south, and northwest to southeast. Several larger waterways collect the drainage in the Region; the Des Moines River in Kossuth County, the Iowa River in Winnebago and Hancock Counties, the Shell Rock and Winnebago Rivers in Worth and Cerro Gordo Counties, and the Cedar River in Mitchell and Floyd Counties. Otter Creek drains Franklin County easterly into the Cedar River. Clear Lake, located at the westerly edge of Cerro Gordo County in the center of the Region is a spring-fed lake formed by glacial action some 14,000 years ago. It has a surface area of approximately 3,600 acres and measures seven miles long and two and a half miles wide. The outlet of Clear Lake flows easterly across the county as Willow Creek, through Mason City where it merges into the Winnebago River. Several of the counties have smaller lakes utilized for recreational purposes.

The natural resources resulting from the geology and drainage of the Region provide generous areas of limestone formations, several areas of useful sand and gravel material, and a few peat material deposits. A very productive cover of rich, black soil exists in each of the counties, making this part of Iowa one of the best farming areas in the state. Wooded areas generally follow the drainage systems, and still exist in several of the farming areas to provide shelter from the winter winds. The Iowa

Department of Natural Resources (DNR) assists the counties and communities in the management of the lakes, woods and wetland areas, for preservation and recreation. Also, each County has an active Conservation Commission that assists in the preservation and uses of these areas. Wind erosion of the farming soils has been a serious problem in past years. However, more recent practices of 'no-till farming' and crop rotations have made a substantial positive impact on the wind loss of these valuable soils.

In addition to its prime agricultural soils, the Region is fortunate to have nonrenewable resources of clay, sand, gravel and limestone. These resources are being utilized by local area contractors for construction materials. The limestone and blue clay is used to produce Portland Concrete Cement which is shipped to many concrete companies in the region, and often shipped to far away users. Timber in the area is utilized for limited logging, but is safeguarded as a recreational and aesthetic feature. The climate of the Region is typical of north central Iowa: warm in the summer and cold in the winter. Average summer temperatures are approximately 70 degrees F, and average winter temperatures are approximately 19 degrees F. This temperature range allows for a frost free construction season of approximately 140 days. Annual precipitation is approximately 30 inches. Of this, 20 inches or 70 percent usually falls in April through September. Thunderstorms occur on about 40 days each year, normally during summer months. The average snowfall is approximately 35 to 40 inches.

A Corn Suitability Rating (CSR) has been established in several counties to indicate the farm productivity of a particular area of land. The CSR is an index that can be used to rate one soil's potential yield production against another soil over a period of time. CSR's are used to quantify the productivity potential and value of a tract of land or farm. CSR's are also being used as a comprehensive planning tool to preserve valuable farm land in urban growth areas.

4) Workforce Use And Development/Education

a) Unemployment

Unemployment Executive Summary: The unemployment level for the NIACOG region is low for every county and averages only 3.8%. It has remained consistently low over the last 10 years (1996-2006). The region's unemployment rate equals the state level. Iowa's unemployment level is among the lowest in the country. The region's/state's unemployment level is 20% less than the U.S. average of 4.6%.

The region boasts consistently low unemployment throughout the region and over a significant period of time. The regional unemployment level was just 3.8% in 2006. The unemployment levels for all counties in the NIACOG region fell within a low range of 3.5% to 3.9% with the exception of Floyd County. Having experience a full percentage point decline from 5.7% to 4.7%, Floyd County's unemployment level is also relatively low at 4.7%. Unemployment for the region was consistently 3.8% in both 1996 and 2006.

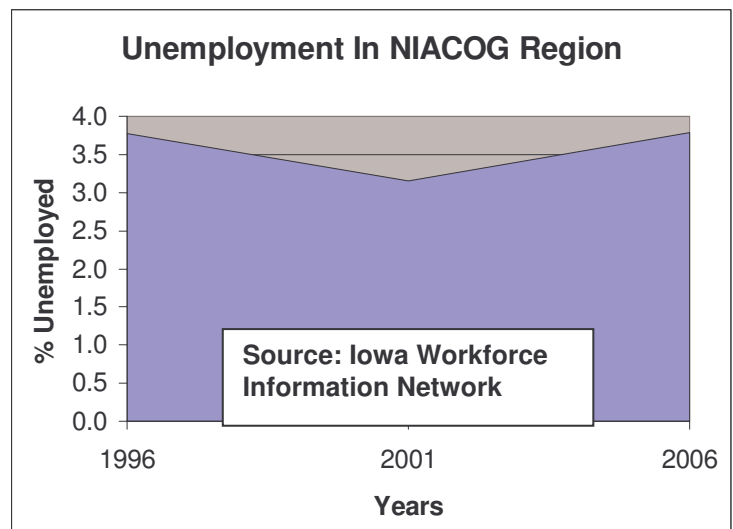
Unemployment In NIACOG Region: 1996-2006

County	1996	2001	2006	Percentage Point Change	
				2001-2006	1996-2006
Cerro Gordo	5.8	3.4	3.9	0.5	-1.9
Floyd	5.7	4.2	4.7	0.5	-1.0
Franklin	3.3	3.3	3.9	0.6	0.6
Hancock	3.3	2.6	3.7	1.1	0.4
Kossuth	3.7	2.9	3.3	0.4	-0.4
Mitchell	2.6	2.9	3.4	0.5	0.8
Winnebago	2.1	2.6	3.6	1.0	1.5
Worth	3.7	3.3	3.8	0.5	0.1
Regional Average	3.8	3.2	3.8	0.6	0.0

Source: Iowa Workforce Information Network

Notable changes for individual counties during the previous ten years include:

- ❖ An unemployment decline of nearly 2 percentage points for Cerro Gordo County and 1 percentage point decline for Floyd County
- ❖ An unemployment increase of 1.5 percentage points for Winnebago County. Because Winnebago's 1996 unemployment rate was only 2.1%, an increase to 3.6% is still quite low and less than the regional average.



During the ten year period, average county unemployment declined slightly between 1996 (3.8%) and 2001 (3.2%) for the region. The change was followed by an equally slight increase for the following 5 years (ending back at 3.8%) resulting in an overall static climate of low unemployment levels.

Recently released data indicates that the unemployment level in 2007 remained at 3.8%, consistent with the 2006 calendar year.

Unemployment for the State of Iowa was quite similar at 3.7% in 1996 and 3.8% in 2006. Unemployment for the country averaged 4.6% in 2006, exceeding the NIACOG region's average by about 20%.

The following map illustrates the unemployment levels of states throughout the U.S. As illustrated by the map's key, the lighter the state is hatched, the lower the unemployment level, and, consequently, the lower the available capacity of workers.



Source: Bureau Of Labor Statistics, <http://www.bls.gov/news.release/pdf/srgune.pdf>

Iowa is in the second to lowest range illustrating its lower unemployment level relative to the country as a whole. Since the NIACOG region's unemployment level is also in the 3.0% to 3.9% cohort like the state, it likewise has a lower unemployment level than most other areas of the country.

b) Employment

Employment Executive Summary: The number of jobs held in the region experienced a healthy increase of 3.2% between 2001 and 2005 that exceeded Iowa's overall increase (2.7%), but not the national increase (4.3%). The employment/population ratio is quite high for the region, exceeding state and national levels. The capacity to recruit additional workforce from within the region is more difficult than in other areas of Iowa or U.S. because so much of the population is already in the workforce or working multiple jobs.

Where unemployment looks at the percentage of people working who are in the workforce (but not working), employment looks at the number of jobs and allows us to compare job numbers to overall population. The jobs (employment) / overall population ratio indicates the propensity for recruiting additional workforce from within the region's population who are currently neither employed or looking for employment. For example, a non-working spouse may choose to work if a part-time position in their profession was available, or if their children have graduated, or if the right training were available to get them into a professional position, or etc.

The number of employment opportunities increased by 2,747 jobs (3.2%) for the region between 2001 and 2005. During the same period, the population declined by 2,216. This means more jobs are being sustained by a smaller population (even though, as indicated in the previous section, unemployment has risen slightly by 0.6% for the same period). As a result the employment/population ratio increased from 65% to 68%.

Employment (Number of Jobs): 2001-2005						
County	Employment			Population		Ratio Employment/ Population
	2001	2005	Change	2001	2005	
Cerro Gordo	33,267	34,829	4.7%	45,733	44,594	78%
Floyd	8,474	8,890	4.9%	16,642	16,453	54%
Franklin	6,557	6,733	2.7%	10,654	10,759	63%
Hancock	10,342	10,639	2.9%	11,950	11,758	90%
Kossuth	10,543	10,921	3.6%	16,814	16,181	67%
Mitchell	5,977	5,968	-0.2%	10,747	10,872	55%
Winnebago	7,127	6,806	-4.5%	11,576	11,360	60%
Worth	3,281	3,529	7.6%	7,832	7,755	46%
Region	85,568	88,315	3.2%	131,948	129,732	68%
Iowa	1,916,252	1,968,219	2.7%	2,932,151	2,965,524	66%
U.S.	167,014,700	174,249,600	4.3%	285,226,284	296,507,061	59%

Source: The Bureau of Economic Analysis, U.S. Department of Commerce, Regional Economic Information System 1969-2005, RCN-0852, released May 2007.

The region's employment increased (3.2%) exceeding the State of Iowa's increase (2.7%) by 0.5 percentage points. Not unlike the region, the employment/population

c) Workforce Development / Education

Education Executive Summary: The population is becoming more highly educated with increasing rates for graduation and post graduate work and degrees. Although the region exceeds the statewide and national high school graduation rates, the state and nation are significantly exceeding the region in both bachelor and graduate / professional degrees. College educated young adults are moving out of the area at alarming rates to obtain higher paying jobs, find jobs in their field, pay off high student debt, and experience the excitement of big city life. Beyond traditional educational attainment, education and training are also available in the region for soft skills, basic skills, technical skills, and small business / entrepreneurial.

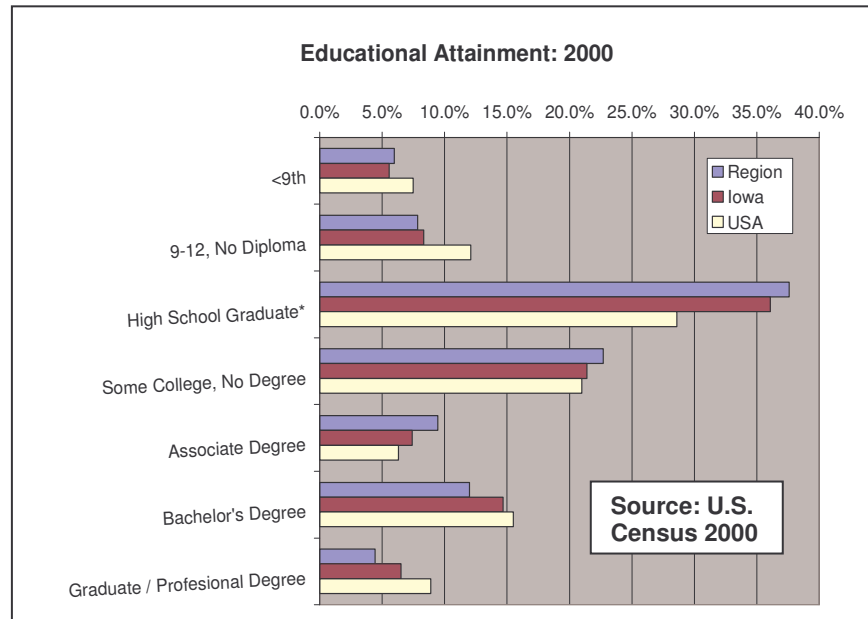
The Educational Attainment chart below illustrates the relative position of the region as compared to the state and nation.

Although the region exceeds the statewide and national high school graduation rates, the state and nation have higher levels of bachelor and graduate/professional degrees.

As reported by the table on the next page, the percentage of residents over age 25 with less than a 9th grade education dropped by almost

half from 11.4% in 1990 to just 6% in 2000. The assumed reason for this sharp decline relates to the mortality of older residents who grew up in a culture where many youth quit school before 9th grade to 'work on the farm'. The statewide and national percentages for this category are fairly similar to the NIACOG region's.

The percentage of residents with diplomas (but not post secondary education) decreased somewhat from 39.1% in 1990 to 37.6% in 2000. The region remained about 2 percentage points above the state levels. Compared to the nation as a whole, 20% more of the region's population obtained a diploma, but did not pursue post secondary education. The region's high school graduation rates are higher because more people get their diploma in out region (or GED) and, on the other end of the spectrum, fewer hold bachelor or graduate/professional degrees. Many of the the region's/state's young adults, who obtain bachelors and/or graduate degrees out-migrate to other parts of the country for higher paying jobs within their profession that help them pay off their high student debt and for excitement of big city life. For



more information on out-migration (brain drain) refer to the migration section of this report (A.2.d) and the Generation Iowa Commission report in section (B.3.).

The following table reports educational attainment for people over 25 years of age in the NIACOG region, as well as, for the State the nation.

Educational Attainment For Residents over 25 In 2000

County	<9th	9-12, No Diploma	High School Graduate/ GED	Some College, No Degree	Associate Degree	Bachelor's Degree	Graduate / Professional Degree
Cerro Gordo	1,368	2,607	10,385	7,159	3,371	4,405	1,920
Floyd	642	973	4,681	2,490	974	1,251	440
Franklin	554	624	2,844	1,595	677	824	244
Hancock	562	587	3,119	1,822	746	944	304
Kossuth	897	789	4,553	2,859	1,011	1,201	384
Mitchell	622	517	3,256	1,437	548	730	210
Winnebago	451	539	2,956	1,867	680	946	333
Worth	304	463	2,170	1,291	554	530	164
Region Total	5,400	7,099	33,964	20,520	8,561	10,831	3,999
Region	6.0%	7.9%	37.6%	22.7%	9.5%	12.0%	4.4%
Iowa	5.6%	8.3%	36.1%	21.4%	7.4%	14.7%	6.5%
USA	7.5%	12.1%	28.6%	21.0%	6.3%	15.5%	8.9%

Source: U.S. Census 2000

The percentage of associate degrees is very similar for the region, state, and nation.

Between 1990 and 2000 the percentage of residents in the NIACOG region holding bachelors degrees increased by about 1/3rd from 9.2% to 12%. The number of residents with graduate/professional degrees likewise increased by about 1/3rd from 3.1% to 4.4%. Both the region and the state had an approximate 3 percentage point gain in residents with bachelor's degrees and 1.3 percentage point gain for residents with graduate/professional degrees.

Several universities offer beginning courses on the NIACC campus: Buena Vista University, Iowa State University, University of Iowa, and University of Northern Iowa. Credits for courses taken on the NIACC campus can be transferred to the main university. All of these universities are within a few hours drive. Business, Liberal Arts, Trade Skills, and Religious schools are also readily available in the eight county area. Also, short courses and on the job training opportunities are offered by the area universities, colleges, trade schools, the Small Business Development Center and the Center for Industrial Research and Services.

Iowa is a top 10 importer of college students in the nation because of the esteemed quality education offered by its colleges/universities. Approximately 30% of NIACC's students, 30% of Iowa Lakes Community College's students, and 50% of Waldorf College's students are from out of state. Unfortunately, it also 'exports' one of its finest products, that is, well educated high school, college and university graduates.

Iowa's students rank among the highest in S.A.T. (Scholastic Achievement Testing) scores nationally.

Soft Skills Development

The following are some of the resources available in the region addressing the development of soft skills.

Action for Career Employment (ACE) – In this two-day motivational workshop participants will learn how to successfully deal with change, set goals, think positively about their future, and take control of their lives. Customers may also take advantage of an additional three days of job search skills training.

Life Orientations (LIFO) - An applied behavioral science system which fosters individual and organizational productivity. It begins by identifying the individual's basic orientation to life, or personal style. Based on this foundation of self-knowledge, it offers six powerful strategies that enable individuals and groups to be more productive in their work and more influential when dealing with people.

Job and Career Options Workshop – This 2-hour workshop will provide participants with information regarding options available when returning to work or school. Workshop topics include returning to work; job readiness; transferable skills; work experiences; barriers to employment; returning to school; benefits and costs; school readiness; enrollment procedures; financial aid; and balancing school, work and family.

Budgets and Finance – This 3-hour workshop will provide participants with information regarding: community resources, reviewing your finances, working with creditors, health insurance, unemployment insurance

Coping With Change Workshop – During this 2-hour workshop, participants are provided with information and methods for dealing with change related to unemployment. Workshop topics include change zones, unemployment blues, managing stress, family concerns, and self esteem and support.

Manufacturing Skills Training – A 4-week workshop which meets Monday through Thursday, 6:00 – 9:30 p.m. in which punctuality and attendance is required for successful completion. Training topics presented by area business partners and college faculty include: Behaviors in the Workplace, Quality and Problem Solving, Math and Measurements, Computer Basics, Job Search Techniques, Communications, Teamwork, Blueprint Reading and a 10-hour OSHA Safety Certification.

Basic Skills Development

Adult Basic Education - Employees may enhance their workplace basics including reading, writing, and math skills.

GED - NIACC instructors provide study assistance to obtain a General Equivalency Diploma.

English for non-English Speakers – Public and private training programs are available for workplace or general needs to help employees communicate better at work and in non-work settings.

Technical Skills Development

Regional post-secondary institutions provide a solid source of technical instruction for:

- Computer Skills
- Communication Skills
- Business Management
- Manufacturing Skills & Processes
- Health & Wellness

Career Link

North Iowa Area Community College, in partnership with area high schools, provides exciting educational opportunities that prepare high school students for fast growing occupations. Students participate and earn college credit while still in high school.

Career Link programs prepare high school students for careers in:

- Agriculture: Ag Sales & Service, Ag Marketing & Finance, Ag Operations Management.
- Business: Accounting, Entrepreneurship, General Business, Hospitality & Food Service Management, Retail Management, Sport Management, and Professional Administrative Services.
- Information Technology: E-Commerce, Web Design & Development, and Information Systems Technology.
- Health: Medical Assistant, Nursing, Physical Therapist Assistant, Medical Lab Technician, plus many other career options requiring four or more years of college.
- Industrial Technology: Automotive, Building Trades, Climate Control, and Tool & Die.

Customized Training

IWD and NIACC work together to create customized educational packages to meet the needs of each business. Private providers also provide customized educational packages.

Satellites, Online, ICN & Facilities

NIACC's Continuing Education Division has satellite downlink capabilities providing the ability for businesses to benefit from programs across the country. NIACC and other institutions offer a wide variety of online educational opportunities from short-term courses to courses leading to advanced degrees. The statewide fiber optics capability (ICN) allows businesses and their employees to attend seminars and workshops and take graduate courses without leaving town.

IWD itself functions under the direction of a Coordinating Service Provider (CSP). The CSP members include the Department of Human Services, North Iowa Area Community College and Iowa Workforce Development. This partnership has served to provide business services.

NIACC has many formal partnerships including:

Regional Health Education Center

This partnership between NIACC and Mercy Health Center North Iowa was formed January 1, 1987 to avoid duplication of effort, time and money while increasing opportunities for the health care professional and consumer of health. The efficiencies created by combining the resources of both institutions allow Mercy and NIACC to maintain their commitment of continuing education for employees, at a time when diminishing resources have forced many hospitals to reduce their educational offerings.

Murphy Manufacturing Technology Center

In 1997, a substantial gift from NIACC alumni David and Phyllis Murphy provided the impetus to create the Murphy Manufacturing Technology Center. The Center, a partnership between local industries, local school districts, and NIACC serves the community's economic development needs by offering local training, employees seeking customized training as well as degree-seeking students preparing to become high performance technicians.

The \$3 million Murphy Manufacturing Technology Center and its programs embody a vision of world-class advanced technology education. An Advisory Board of 25 industries in the NIACC service area joined with educational leaders in a yearlong process to envision and craft the center.

The Murphy Center offers existing employees the opportunity to retrain and retool through continuing education and customized training courses. At the present time, six local industries are financial partners of the Murphy Center.

In addition, nine local school districts are supporting partners of the Murphy Center. Through the unique high school partnership, NIACC hired two full-time first-year Tool & Die instructors. This entrepreneurial effort allowed the college to soften the effect of the lack of state fiscal support for new career programs.

Making Connections

The North Iowa Career Center at NIACC administers this database system designed to link students and educators with businesses willing to provide tours, classroom speakers, job shadowing, mentoring, work experiences and internships. This is an Internet database so students and educators can search the database for appropriate work-based learning opportunities and apply on-line.

Business and Industry Group

The NIACC Continuing Education Division and IWD's Employer Council of Iowa has joined forces with the Business and Industry Group (formerly NIAD Business and Industry) to provide training to businesses and industries in North Iowa. The collaborative efforts of all three organizations working together provide quality educational offerings and networking opportunities to common constituents.

Small Business And Entrepreneur Training

Through the John Pappajohn Business & Entrepreneurial Center, NIACC has been able to offer degrees and additional coursework in entrepreneurship.

John Pappajohn Business & Entrepreneurial Center

The mission of the John Pappajohn Business and Entrepreneurial Center is to enhance the quality of life for people in North Iowa by: educating aspiring entrepreneurs, small business owners and managers, and students; providing service and support to increase the probability of success for new ventures and expansions; and partnering with other area organizations to stimulate entrepreneurial activity. Recently, funding has been established to offer the NIACC Revolving Loan Fund, North Iowa Venture Capital Fund, and the Wellmark Venture Capital Fund

Small Business Development Center

The North Iowa Area Small Business Development Center (SBDC) is one of 16 Centers across Iowa. The SBDC program is currently the largest management and technical assistance program servicing the small business sector in the U.S. All SBDC offices are operated under cooperative agreements with the U.S. Small Business Administration. The Iowa SBDC program is administered by Iowa State University College of Business.

North Iowa Accelerator

NIACC was awarded a grant on January 7, 2005 by Michael Blouin, director of the Iowa Department of Economic Development for the North Iowa Accelerator. Mason City's Pappajohn Center is one of four sites in the state chosen for this business accelerator. The goal is to help businesses start up, expand or relocate to North Iowa. This will help the North Iowa area move to the next area of growth in

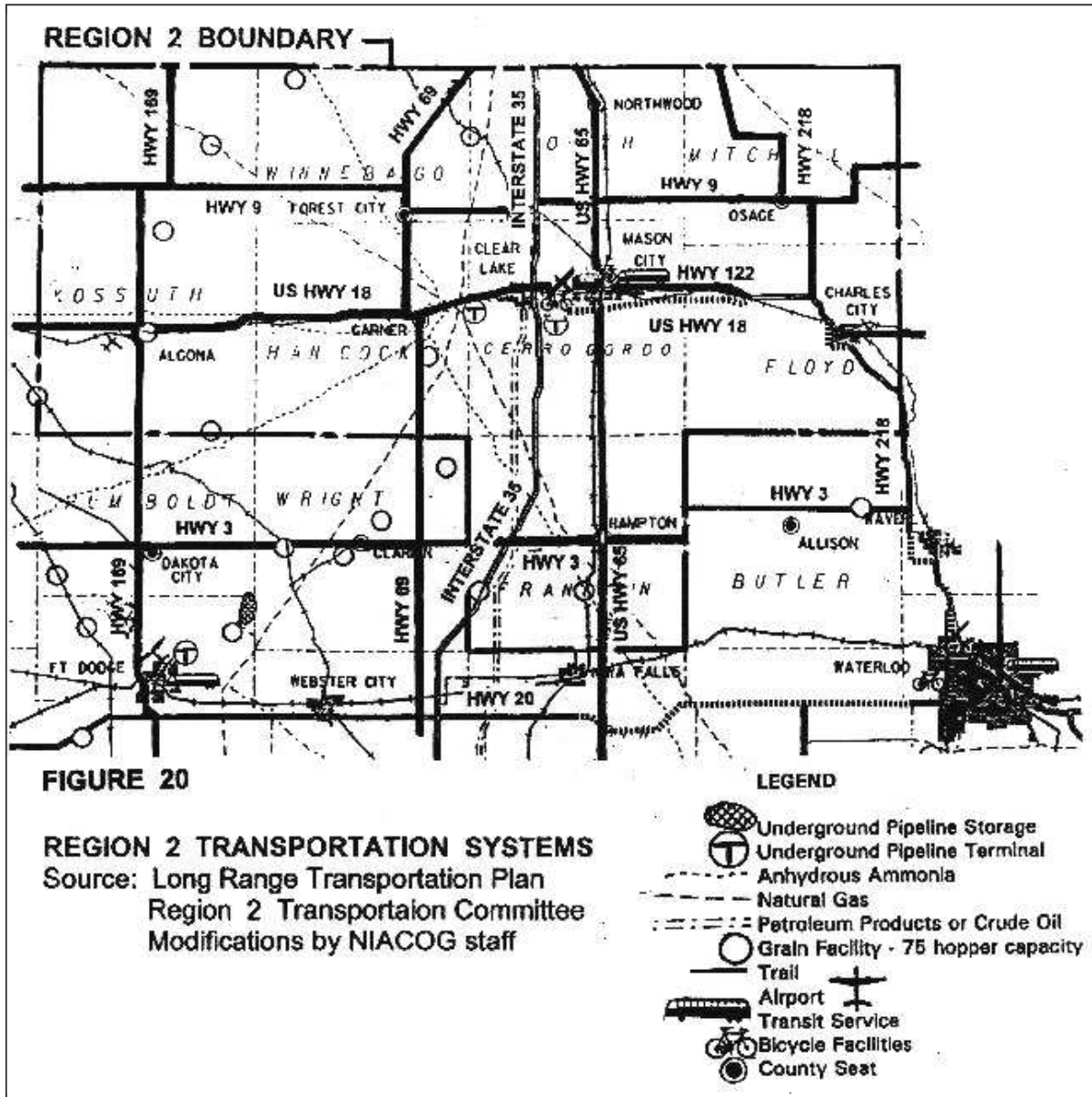
profitability, employment and efficiency. Iowa Workforce Development worked with NIACC to conduct an existing business survey across Region 2. Over 200 north Iowa businesses were visited and surveyed, with survey results being shared with service providing partners (IWD and NIACC) for appropriate follow up to address the identified needs of the business. Results from this business survey have also served to lay the groundwork for the business accelerator.

NIACC John Pappajohn Entrepreneurial Center Business Incubator

In addition to traditional services of an incubator, the NIACC JPEC Business Incubator will include monthly review of financial records, business coaching, and overall strong experienced support. Another unique feature are the additional resources available through NIACC such as modern manufacturing equipment for prototyping, wet lab space for biotechnology and chemistry, access to both on and off site research libraries, specialized and general business training, access to different types of debt and equity financing, high speed wireless internet connectivity and opportunities to network with other entrepreneurs.

5) Transportation Access

The map below, entitled Region 2 Transportation Systems, illustrates transportation systems in the Region 2 area. The systems elements include airports, major highways, railroads, grain facilities, transit service, bicycle facilities, trails; and underground pipelines for anhydrous ammonia, natural gas, petroleum products or crude oil. The county seat community is also shown for each of the eight Region 2 counties.



The Region 2 area is very well served by Transportation Systems. Interstate 35 runs north to Minneapolis / St. Paul, Minnesota and south to Des Moines, the capital city of Iowa. Note that highway, railroad, air, and pipeline facilities converge near the intersection of Interstate 35, Highway 18, and Mason City Municipal Airport. This

provides an 'intermodal transportation' opportunity somewhat unique in the state of Iowa, and provides the opportunity to transfer products from one type of transportation system to another. This would make both imports and exports very convenient to the Region 2 area.

Region 2 is divided by two major 4-lane divided highways, Interstate 35 traveling north and south, and State Highway 18 traveling east and west. Recently, the State constructed a major 4 lane divided highway from Interstate 35 to the east and south connecting to Interstate 80 near Iowa City. This route is called the 'Avenue of the Saints' because it will connect St. Paul, Minnesota and St. Louis, Missouri. The old Highway 18 route east of Interstate 35 is now called Highway 122 and connects to the new Highway 18 corridor near the center of Floyd County. Other major east / west highways are Highway 9 running through the northerly portion of the Region in Kossuth, Winnebago, Worth, and Mitchell Counties. Existing Highway 18 runs west of Interstate 35 through Cerro Gordo, Hancock and Kossuth Counties. Highway 3 runs through Franklin County in the southerly portion of the Region. Highways running in a north / south direction, named from west to east, are Highway 169 through Kossuth County, Highway 69 through Hancock and Winnebago Counties, U.S. Highway 65 through Franklin, Cerro Gordo, and Worth Counties, and Highway 218 through Floyd and Mitchell Counties.

Also, north central Iowa has a network of what are called 'farm to market' roads that are almost every mile through the rural countryside, jogging only to avoid a river or creek. Most of these roads are paved or hard surfaced. This road system is generally well maintained by the counties, because it is very important to the agricultural traffic that utilizes them during nine months of the year. Cities and counties depend heavily on 'road use taxes' to support the maintenance of their road systems.

Region 2 is served by six railroad lines. The Chicago-Northwestern track running north / south through Mason City in the center of Cerro Gordo County is the only high speed rail line, traveling at speeds up to 60 mph. The other rail lines travel at much lower speeds, up to 40 mph. The railway system serves many of the grain facilities shown on the map on the previous page. The Iowa Department of Transportation has classified grain facilities into four categories, depending on the quantity of grain they can store at each location. Each rail car can hold 100 tons of commodities. A grain facility will have a specific storage capacity. However, these Hopper rail car capacities indicate the number of cars a grain facility can handle at one given time. A facility would need adequate track capacity to serve 75 rail cars at one time. The railroad company may only allow so much time for a train to sit at a grain facility. They may choose grain facilities according to the track capacity. Obviously, the railroad system is very important to the agricultural uses in Region 2.

Airports depend on efficient highway access, for both passengers and the shipping of products. The different travel modes: air, highway, and rail are all needed to operate as efficiently as possible to move freight. These modes must be coordinated at the planning level to allow efficient movement. Air passengers, as well as freight tonnage, have increased dramatically in the last two decades.

Smaller airports help to serve markets and ease the pressure on larger airport hubs. The access and efficiency thus trickles down to the regional and local level.

Iowa ranks its airports in four categories:

Level 1: System of National / Regional Significance – Commercial Service

Level 2: System of National / Regional Significance – General Aviation

Level 3: System of Statewide Significance

Level 4: System of Local Significance

In Region 2, the Mason City Municipal Airport in Cerro Gordo County is in the Level 1 category. The nearest other Level 1 airports are located outside of the Region in Spencer to the west, Ames to the south, and Waterloo to the southeast. This Airport is undergoing a regionalization campaign. Further action was recently taken to eliminate the potential for development in the runway protection zones through property/air rights acquisition. The airport receives federal funding assistance for maintenance and operation of the facility because the number of enplanements exceeds the federal minimum threshold levels.

The Algona airport in Kossuth County and the Charles City airport in Floyd County are in Level 2. The Forest City airport in Winnebago County and the Hampton airport in Franklin County are in Level 3. The Lake Mills airport in Winnebago County, the Northwood airport in Worth County, and the Osage airport in Mitchell County are in Level 4. Hancock County is the only county in Region 2 without a recognized airport facility. However, the Iowa Department of Transportation is encouraging the regionalization and merging of airport facilities.

Also illustration on the Region 2 Transportation Systems map, the area is criss-crossed by several major underground pipeline systems. These lines carry a variety of products ranging from petroleum and crude oil to natural gas and anhydrous ammonia. The map also shows underground storage and terminal facilities along the routes, and there are also some very large above ground storage facility locations. These pipelines provide services to the area wholesale suppliers who then make the products available to the users. As the map indicates, the pipelines are located primarily in the central and westerly part of the Region. These are an important factor in the overall economic development of the NIACOG area.

Region 2 Transit provides demand response and subscription services in all eight counties under 18 providers. Approximately 425,000 rides are served each year, mainly to elderly and disabled persons. Each provider has a contract with NIACOG and receives federal and state money for operating, as well as capital improvements such as vehicles and related equipment. All services are open to the public. The transit system is staffed by one full-time Transit Administrator and partly by the NIACOG Executive Director and Secretary, all located at the NIACOG office. Each provider has its own facilities and employees on site. The vehicles are on the road generally from 8:00 am to 5:00 pm on weekdays. Also, there are other transit providers in the Region 2 area. The City of Mason City has its own fixed route system within the City.

Trail systems and bicycle facilities are increasing the Region 2 area. They are being funded in part by grants from the Iowa Department of Natural Resources, IDNR, by the Iowa Department of Transportation, IDOT, and by county and community fund raising events. Cerro Gordo County, Franklin County, and Wright County have received ownership of an abandoned railroad line from the Iowa Department of Transportation and are now working toward creation of a multi-county trail. Each of the eight counties have some amount of trail system for hiking, bicycles, bridle paths, and nature walks. A large regional trails map is maintained at the NIACOG offices as part of the organization's transportation planning efforts.

6) Resources

This section describes resources in the region that relate to the ability to recruit, maintain, and grow businesses and/or workforce and include:

- a) Water and Sanitary Sewer Systems
- b) Housing
- c) Health Services
- d) Educational Services
- e) Public Safety Services
- f) Recreation & Cultural Services
- g) Wind Currents

a) WATER AND SANITARY SEWER SYSTEMS

The existing infrastructure systems in the Region 2 communities and counties are very important to economic development. Many communities in Region 2 have opted to install water systems and sewage treatment facilities to avoid a potential underground water contamination situation. The Iowa Department of Natural Resources, IDNR, reviews permits and monitors the conditions related to water quality. NIACOG has assisted many communities in Region 2 in the application for financial assistance from several of the State programs for sewer and water infrastructure improvements. As these systems age there is a growing need for improvements and upgrading of the existing systems.

The following tables illustrate the Percent of Water Facilities and the Percent of Sewage Disposal Facilities in each of the counties in Region 2, and in the State of Iowa.

PERCENT OF WATER FACILITIES

COUNTY	PUBLIC / PRIVATE SYSTEMS	INDIVIDUAL DRILLED WELL	INDIVIDUAL DUG WELL	OTHER SOURCE
CERRO GORDO	84.5	14.5	0.9	0.1
FLOYD	69.7	29.2	1.1	0.0
FRANKLIN	60.2	36.8	2.5	0.5
HANCOCK	66.4	30.9	2.6	0.1
KOSSUTH	65.4	32.2	2.3	0.1
MITCHELL	56.4	39.5	4.1	0.0
WINNEBAGO	69.7	28.0	2.1	0.2
WORTH	56.4	41.0	2.6	0.1
STATE OF IOWA	81.1	15.2	3.1	0.5

Source: U.S. Census

PERCENT OF SEWAGE DISPOSAL FACILITIES

COUNTY	PUBLIC SEWER	SEPTIC TANK OR CESSPOOL	OTHER MEANS
CERRO GORDO	86.2	13.4	0.4
FLOYD	70.5	28.9	0.6
FRANKLIN	58.6	40.7	0.8
HANCOCK	61.4	37.6	1.0
KOSSUTH	57.4	41.6	1.0
MITCHELL	55.0	42.6	2.3
WINNEBAGO	67.9	31.7	0.4
WORTH	50.9	48.1	1.0
STATE OF IOWA	76.0	23.2	0.9

Source: U.S. Census

The tables above indicate Cerro Gordo County’s urban nature because of the large percentage of water and sewer facilities connected to public systems. Mitchell and Worth Counties show their more rural nature as the percentage of those connected to public systems is much lower. In general, the Region can be described as being more rural in terms of water and sewer infrastructure as compared to the rest of the state.

b) HOUSING

The following table illustrates the quantity, owner/renter status, and vacancy rates for housing in the Region 2 area.

CHARACTERISTICS OF HOUSING UNITS - 2000

COUNTY	NO. OF UNITS	OWNER OCCUPIED	RENTER OCCUPIED	VACANT UNITS	PERCENT VACANT
CERRO GORDO	21,488	13,857	5,517	2,114	0.10
FLOYD	7,317	5,058	1,770	489	0.07
FRANKLIN	4,763	3,266	1,090	407	0.09
HANCOCK	5,164	3,751	1,044	369	0.07
KOSSUTH	7,605	5,426	1,548	631	0.08
MITCHELL	4,594	3,503	791	300	0.07
WINNEBAGO	5,065	3,613	1,136	316	0.06
WORTH	3,534	2,588	690	256	0.07
REGIONAL TOTAL	59,530	41,062	13,586	4,822	0.08

FIGURE 23

Source: U.S. Census / ISU Extension

Forty to forty-five percent of the housing stock in each county was built before 1940. However, this older housing is generally well maintained since approximately 77% of the housing units in Region 2 are owner occupied. The State of Iowa average for home owner occupied units is 72%. New housing in most communities is in the \$100,000 to \$150,000 range, which is straining the development capacity in most of the communities. Cost is in excess of local values, thus making it infeasible for developers to build.

NIACOG is very active in assisting communities and individuals with several types of housing programs. The largest percentage of grant dollars go towards owner-occupied housing rehabilitation. Other active projects in the region have received awards from housing grant/loan programs are rental housing rehabilitation, rental housing new construction, home ownership assistance, and tenant based rental assistance. Under the Home Buyer Assistance program home buyers throughout the NIACOG Region are eligible to receive down-payment and/or closing cost assistance up to a maximum of 5% of the sales price.

Housing Need Assessment Studies have been conducted in all eight of the Region 2 counties by the NIACOG staff. The staff is currently in the process of updating them upon request.

c) HEALTH SERVICES

The eight counties have public health departments and a County Board of Health. North Iowa Mercy Center is headquartered in Mason City and offers complete medical and surgical facilities. There are currently 52 doctors providing family practice and specialists in dermatology, internal medicine, neurosurgery, obstetrics and gynecology, optometry and pediatrics. An outpatient surgical center was recently constructed and is now operating on the Mercy campus. Mercy Family Health Line is a telephone service for callers to obtain free medical information and physician referrals from a registered nurse 24 hours a day. Hospitals are also located in Charles City in Floyd County, Hampton in Franklin County, Britt in Hancock County, Algona in Kossuth County, and Osage in Mitchell County. Communities in Winnebago County and Worth County are in close proximity to the facilities in Mason City.

Several public and privately operated ambulance services cover all of the Region 2 area, with trained medical assistants at each ambulance location. Hospice of North Iowa is headquartered in Mason City with branch operations in Charles City, Forest City and Hampton. The North Iowa Cancer Center and the North Iowa Eye Clinic are also located in Mason City. A public transit system operated by NIACOG provides ride services from any community in the Region to any of the health service providers described above.

d) EDUCATION SERVICES

Region 2 is served by 27 school districts. The larger cities have a community school system; however, several of the smaller communities have merged two or more

school districts into a shared district. Some districts include areas outside of counties in Region 2. Present enrollment in grades K through 12 is estimated to be between 19,616 students for the 2007-2008 school year. According to the Iowa Department of Education, the enrollment in K-12 public schools has declined by 8% in just four years (comparing the 2004/5 school year to the 2007/8 school year). The only increase in enrollment is an approximate doubling for preschool enrollment for both the NIACOG region and the state. This is the result of a trend to get kids into an educational program earlier.

The state's enrollment increased slightly by less than 1%, during the same period (2004/5 – 2007/8 school years).

The graduation rates in the NIACOG region are impressive. Of the 25 school districts reporting graduation rates, nearly 1/4th (6 districts) had 100% graduation rates in 2006. The average graduation rate for school districts in the region is 94.3%, and over 70% of the districts had better graduation rates than the state average of 90.78%.

Parochial schools are also available in the Region for preschool through 12th grade. In addition to the several parochial preschool programs available throughout the NIACOG region, the region also has at least two parochial high schools and seven elementary/middle school programs.

Region 2 provides excellent opportunities for those wishing to continue with their education. In addition to recent high school graduates, many older students are participating in the classes and degrees offered. North Iowa Area Community College is located on a campus east of Mason City in Cerro Gordo County, and has a branch location in Floyd, Franklin, Hancock, Mitchell and Winnebago Counties.

Several universities offer beginning courses on the NIACC campus: Buena Vista University, Iowa State University, University of Iowa, and University of Northern Iowa. Credits for courses taken on the NIACC campus can be transferred to the main university. All of these universities are within a few hours drive. Business, Liberal Arts, Trade Skills, and Religious schools are also readily available in the eight county area. Also, short courses and on the job training opportunities are offered by the area universities, colleges, trade schools, the Small Business Development Center and the Center for Industrial Research and Services. About 30% of students at NIACC are from out-of-state.

Waldorf College, located in Forest City has expanded to offer 4-year degree programs. Approximately, 50% of the students at Waldorf are from out of state.

Iowa is a top 10 importer of college students in the nation because of the esteemed quality education offered by its colleges/universities. Unfortunately, it also 'exports' one of its finest products, that is, well educated high school, college and university graduates. Iowa's students rank among the highest in S.A.T. (Scholastic Achievement Testing) scores nationally. An effort to find and create jobs for these graduates is a very high priority on the economic development strategy list.

e) PUBLIC SAFETY SERVICES

Each county has a sheriff's department, and most communities have a full-time or part-time police officer, often from an off-duty person from the sheriff's department or from one of the larger communities in the area. Similarly, most communities have fire service which may be full-time, part-time or volunteers. Fire training classes are held regularly and the person serving must have a certificate of training. These groups are also being trained in the awareness of hazardous materials, called Hazmat. NIACOG staff provides administrative support to the NCRERC, North Central Regional Emergency Response Commission, which is instrumental in securing funding for training and community awareness.

Each community is tied into a safety communication system which allows them to respond and assist other counties and communities when needed. First responders react to medical emergencies and provide treatment until trained emergency medical technicians and ambulance crew members arrive and transport the patient to a care facility. First responders must be certified by the State of Iowa and must keep up to date with their CPR accreditation. Also, many fire departments in the Region have mutual aid agreements with other surrounding departments or the entire county in which they are located. If a large fire should occur and a department would need additional assistance, they could call other nearby departments to lend aid.

f) RECREATION AND CULTURAL SERVICES

Public recreation facilities are well provided in the Region 2 area. In 1955, the Iowa Legislature passed a law permitting individual counties to establish County Conservation Boards for the purpose of acquiring and developing lands for parks, hunting, fishing, recreation, and other conservation purposes within the County. Region 2 offers many state, county, and local parks and open spaces for recreation. Also, there are many cultural points of interest throughout the Region. A group called the Top of Iowa Tourism Committee, representing 10 counties in the north Iowa area, are working together to attract visitors and tourists to the area and encourage them to stay for several days to see and do all that is available. NIACOG staff is assisting the Top of Iowa Tourism Committee to coordinate and cooperatively operate as a group to make tourism and cultural attractions an important part of the north Iowa area economic development strategy. Tourism is now the third largest industry in Iowa, and growing.

Historic preservation is a growing activity throughout Iowa. A number of grant and assistance programs are available for counties and communities to preserve and restore historic buildings and sites. NIACOG staff is providing grant assistance to several of the communities to preserve and restore historic and cultural assets within the Region. Mason City is home to the only remaining hotel in the world that was designed as such by Frank Lloyd Wright.

g) WIND CURRENTS

One other important resource for the local economy is the availability of significant wind currents. These wind currents have spawned the establishment of 6 wind farms in the Region, and an additional 4 wind farms have been proposed and/or are being built within the region.

7) Environment

1. **PARKS.** The only designated National Park in Region 2 is the Union Slough Area in Kossuth County near Bancroft. The region contains no National Game Preserves; however, each of the eight counties have designated public hunting areas administered by the Iowa Department of Natural Resources (IDNR). Source: IDNR

Designated State Parks are located in Cerro Gordo County on Clear Lake (3 parks), Hancock County near Forest City (1 park), and Kossuth County (1 park) near Algona. Numerous county and city parks and conservation are available throughout the region.

2. **WILDERNESS ACT.** The region contains no designated or proposed wilderness areas under the Wilderness Act. (Source: IDNR)
3. **WILD AND SCENIC RIVERS ACT.** The region contains no wild or scenic rivers under the Wild and Scenic Rivers Act. (Source: IDNR)
4. **ENDANGERED SPECIES.** Endangered plants and animals were researched on the U.S. Fish And Wildlife Service's (Midwest office) website at http://www.fws.gov/midwest/endangered/lists/iowa_cty.html.

The region has one endangered animal species; the endangered species is the Topeka shiner. It is a type of fish that is located in prairie streams and rivers in Kossuth County. No habitat conservation plans have been developed. The Topeka shiner was first listed in 2004.

The region also has two threatened plant species - the western prairie fringed orchid and the prairie bush clover. Both of these species are in every county in the region 2 area. The western prairie fringed orchid is found in wet prairies and sedge meadows. The prairie bush clover is found in dry to mesic prairies with gravelly soil. The U.S. Fish And Wildlife Service has developed no habitat conservation plans or published critical habitat rules for either of these species. Both plants were both listed in the late 1980's.

5. **PRIME AGRICULTURAL LAND.** Approximately 80% of the farmland in the Region 2 area is 'prime / unique agricultural land', although not officially designated by the U.S. Department of Agriculture (Natural Resources Conservation Service) under the Federal Farmlands Protection Act. Several of the counties utilize a CSR (Corn Suitability Rating) zoning criteria to determine whether or not the land should be allowed to be used for non-agricultural use. The type and location of agricultural soils is monitored by the use of a Soils Survey document prepared for each county by the United States Department of Agriculture Soil Conservation Service in cooperation with the Iowa Agriculture and Home Economics Experimental Station Cooperative Extension Service of Iowa State University, and the Department of Soil Conservation, State of Iowa. (Source: U.S. Department of Agriculture

Soil Survey Reports & NIACOG)

6. SUPERFUND/RCRA/LUST/BROWNFIELD SITES. The EPA maintains a National Priority List Sites of contaminated sites needing attention (The EPA list does not include LUST sites). A fairly detailed summary for each of the 6 listed sites in the NIACOG region is included in Appendix A. Most of the site Further information about each of these sites is available at the Superfund Records Center, 901 N 5th St., Kansas City, KS 66101, 913-551-7166. Source: EPA, www.epa.gov/Region7/cleanup/npl_files/index.htm.

RCRA sites are located in 6 of the Region's 8 counties as follows with the number of sites in parenthesis: Cerro Gordo (4), Floyd (2), Franklin (1), Hancock (2), Kossuth (2), and Winnebago (1). Appendix C contains information about each of the sites and their respective handler types which includes whether they are subject to corrective action, whether they corrective action workloads, and whether they are small or large generators of hazardous waste. Source: EPA on their website with the following address http://www.epa.gov/enviro/html/rcris/rcris_query_java.html.

A list of active LUST sites in the region is included in Appendix B. The status of these active sites whether low or high risk is specified for each of the sites. Source: IDNR, <http://programs.iowadnr.gov/ustlust/pages/advanced.aspx>.

The region contains 4 brownfields recorded on the IDNR website. They include:

- The site of a former Vulcan Iron Works; the land is being recycled for use as open space/park, but could also potentially be used for commercial (but not residential) use according to IDNR.
- Tom Thumb Facility; an active grain elevator owns the land and is recycling it after an ag chemical spill
- Snap-On Tools; the tool company owns the land and is recycling it for their purposes
- Lake Mills Landfill; the City of Lake Mills owns land that was the site of a landfill about 30 years ago, but is buried; it has been used informally as a park for many years and was recently tested for contaminants by IDNR and determined that it was okay for park use as long as no excavation is done

The state offers funding for economic development on brownfield sites to assist with assessment and development costs.

7. MANUFACTURERS AND USERS OF HAZARDOUS CHEMICALS / STORAGE OF CHEMICALS. The region has several manufactures and users of hazardous chemicals. Each of the eight counties in Region 2 is served by a local Emergency Coordinator who works closely with the IDNR to monitor these hazardous chemical sites. Source: Steve O'Neil, Emergency Management Coordinator, Cerro Gordo/Franklin County Emergency Management Agency.

8. MANUFACTURERS/USERS OF PESTICIDES. The region has major manufacturers and users of pesticides .These site are monitored by the county Emergency Management Coordinators and IDNR. Source: EPA at the web address www.epa.gov/enviro/html/rcris/rcris_query_java.html and Steve O'Neil, Emergency Management Coordinator, Cerro Gordo/Franklin County Emergency Management Agency.
9. SINGLE SOURCE AQUIFERS. Region 2 contains several single source (drinking water) aquifers in Region 2, such as the Jordan and Cedar Valley aquifers. These aquifers are monitored by the local users in accordance with the IDNR's regulations. Also, several well-head protection areas have been established in the region as follows by number per respective county: Cerro Gordo 0, Floyd 3, Franklin 4, Hancock 2, Kossuth 1, Mitchell 0, Winnebago 0, and Worth 1. Typically, these well-head protection areas are owned, operated and monitored by the cities that receive water from the well-head area. (Source: IDNR)
10. WELL-HEAD PROTECTION AREAS. The Iowa Department of Natural Resources monitors the safety of source water for municipal water systems and well head protection areas. They issued a map in July 2007 of municipal water systems that had some susceptibility related to the aquifers that serve their respective systems. IDNR used a two-tiered classification system for identifying susceptible systems including Priority Systems and Susceptible Systems.

Priority Systems are defined as having highly susceptible aquifers with finished water that exceeds accepted standards. Two Region 2 cities are included on the Priority Systems list including St. Ansgar and Stacyville.

Susceptible Systems are defined based upon geologic characteristics of the aquifer *independent of well vulnerability*. Aquifer susceptibility is determined by examining the geologic logs for the public wells being modeled and/or other nearby wells for the thickness of any impermeable material, referred to as confining beds, above the aquifer. Susceptible Systems in Region 2 include Fertile, Nora Springs, Rockford, Marble Rock, Charles City, Sheffield , and Hampton.

Future development should be sensitive to the watershed protection areas in the cities listed above.

Source: IDNR, Priority and Highly Susceptible Community Water Systems map, July 11, 2007.

11. NONATTAINMENT AREAS. Although the region had a nonattainment area in the last CEDS plan, the cement plant causing the emissions has installed multi-million dollar filter/scrubbing equipment and is no longer listed. The region now has no nonattainment areas. Source: IDNR staff member Sean

Fitzsimmons of the Air Quality Services Bureau and the EPA website with nonattainment area listing (www.epa.gov/oar/oaqps/greenbk/index.html and <http://epa.gov/air/airtrends/values.html>)

12. 100-YEAR FLOOD PLAIN & AFFECT ON FUTURE DEVELOPMENT. The existence of 100-year flood plains has been determined by FEMA (Federal Emergency Management Agency) for participating communities. The 100-year flood plains have been identified and mapped for the cities and counties participating in the National Flood Insurance Program (NFIP) as identified in the following lists. The maps are available at www.fema.gov. Development projects will avoid flood plain areas unless essential to the project. If essential (such as an existing building in the flood plain seeking reuse), all rules will be followed to minimize flood hazard to the business and prevent any additional permanently fixed mass from being added to the 100-year flood plain.

- Algona
- Bancroft
- Charles City
- Clear Lake
- Corwith
- Fenton
- Fertile
- Floyd
- Forest City
- Hampton
- Latimer
- Leland
- Manly
- Marble Rock
- Mason City
- McIntire
- Nora Springs
- Northwood
- Plymouth
- Riceville
- Rock Falls
- Rockford
- Rockwell
- Rudd
- Sheffield
- Thornton
- Titonka
- Ventura
- Cerro Gordo County
- Floyd County
- Hancock County
- Mitchell County

The following cities and counties have special *flood hazard areas* identified, but do not participate in the National Flood Insurance Program.

- Colwell
- Coulter
- Hanlontown
- Kanawha
- Lu Verne
- Mitchell
- Scarville
- Stacyville
- Thompson
- Woden
- Franklin County
- Winnebago County

Source: FEMA at website address <http://www.fema.gov/cis/IA.pdf>.

13. ARCHEOLOGICAL, HISTORIC, PREHISTORIC, & CULTURAL SITES TO AVOID AS A MAJOR CONSTRAINT TO DEVELOPMENT

Archeological Sites are tracked by the Office of the State Archaeologist. Maps of archaeological and historical sites for each county are mapped by the OSA. Copies of the maps for each county are included in Appendix G. Please note that Kossuth County was broken into two maps because of its large size. Source: Office of the State Archaeologist at website address: <http://www2.uiowa.edu/i-sites/public.htm>.

Historic sites are located in every county of the region. Appendix D includes a list for each county of all of the sites listed on the National Register of Historic Places.

Source: National Register listing obtained from the State Historical Society of Iowa website in March 2008 and located at the following web address: www.iowahistory.org/preservation/national_register/nr_sites_list_iowa.html.

Cultural sites, not listed on the National Register of Historic Places, include the following list. Some of these sites are historic and Location Dependent (LD); others are simply the location where significant cultural events occur but are not necessarily tied to a location (Location Independent - LI).

- Cerro Gordo County:
 - LD - Surf Ballroom, MacNider Art Museum, Clear Lake Fire Museum
 - LI - Stebens Children's Theatre, Kinney Pioneer Museum, Mason City Community Theatre, Clear Lake Arts Center, Music Man Square, Cannonball 457
- Floyd County:
 - LD - Charles City Art Center, Carrie Chapman Catt girlhood home, Chapin Elevator, Floyd County Museum
- Franklin County:
 - LD – REA Power Plant Museum, Pleasant Hill Village & Grandpa's Farm,
 - LI - Rock Island Depot, Franklin County Historical Museum, Gatehouse and Tool Display, Latimer Historical Museum
- Hancock County:
 - LD – Larson-Armstrong House
 - LI - Heritage Park, Hancock County Agricultural Museum, Hobo Museum and Gift Shop
- Kossuth County:
 - LI - Internationally famous Kaib Nativity Scene (half-sized figures of the Nativity crafted by German Prisoners of War while interned at the Algona Prisoner of War Camp in 1944.)
- Mitchell County:
 - LD - Artesian Well, Cedar Valley Memories Museum,
 - LI - St. Ansgar Museum

- Winnebago County:
 - LD – Burnap Country School, Mansion Museum
 - LI - Waldorf College Art Gallery, Museum, Leland Museum & Reading Center
- Worth County:
 - LD – Alois Lang carved altar at Emmanuel Lutheran Church in Grafton, Hanlontown Community Bank Museum, Old Creamery Museum, Caboose Museum,
 - LI - Gladys Pixely Memorial Cabin, Kensett Log Cabin Museum, Machine Museum, Swensrud School

Source: Top of Iowa Tourism's website located at the following address www.topofiowatourism.com.

14. COASTAL ZONE. The Region has no Coastal Zones because Iowa is not a coastal state.

15. GENERAL CONSTRAINTS. During the Strategy Committee's evaluation of the weaknesses for the region, they prioritized the following as significant constraints to economic development: lack of infrastructure and aging infrastructure as two of the top 6 issues. The process of installing and repairing/replacing infrastructure is ongoing and requires.

16. SOCIAL IMPACTS / ENVIRONMENTAL JUSTICE (MINORITY / LOW INCOME POPULATIONS). During the Strategy Committee planning sessions, an attitude that is not welcoming was discussed. This is important as we work to address the need to overcome work force issues in needing to encourage people to come to live and work in the region. A high priority issue for the Strategy Committee was having an attitude of welcoming other cultures. In-migration of Hispanic people helped to curb some of the outmigration of our older teens and young adults in the current decade.

Households with lower incomes can be negatively affected when urban renewal seeks to redevelop an area that is currently populated by people of lower incomes. The private sector must pay market rate for these acquisitions and only from willing sellers because they do not have the power to condemn properties. If the government is involved, they do have the power to condemn in some cases, but are required to adequately notify and inform area residents/businesses and pay market rate for properties acquired and for moving expenses as mandated by federal regulations. Because of the prevalence of undeveloped land; however, urban renewal is seldom used in the region.

8) Other Pertinent Information: FY 2008 Accomplishments

This section describes NIACOG's activities from FY 2008 that fulfill the goals, objectives, and implementation plan of the 2005 CEDS.

Goal 1: Diversified Economic Base

Objectives: Ag Development, Business/Commercial Development, Industrial & Manufacturing Development, Tourism & Recreation Development, and Research & Development.

NIACOG routinely participates in negotiations with companies that are considering location in the region or are considering expansion. NIACOG also typically authors the respective grants and provides administrative services. Economic development organizations from the respective areas are also typically involved and NIACOG partners with them on concept development.

- Assisted the City of Garner with the expansion of Stellar Industries. As a result, the company will create 28 new jobs. The project's timeline is from 2007 to 2009.
- Assisted the City of Algona with the expansion of Hydrogen Engine Center, which is estimated to add 49 new jobs. The project has a capital investment of \$1.5 million. Funding sources include \$250,000 of CEBA, \$150,000 of PIAP, Enterprise Zone benefits, and the City of Algona. NIACOG assisted with grant writing services. The project's timeline is from 2006-2008.
- Assisted the City of Osage with expansion of the TOPS plant, retaining 12 jobs and adding 12 new jobs. Funding sources include an IDED grant of \$100,000, enterprise zone benefits, and the City. NIACOG authored the IDED grant. The project has a capital investment of \$1,232,000. The expansion project is about at its midpoint with a timeline of 2007-2009.
- Assisted the City of Britt with recruiting Primera Foods, a project that is anticipated to create 40 jobs. Funding sources for this project include IDED, Hancock County, and the REC. The timeline for this project is 2007-2010.
- Assisted the City of Manly with the location of the Manly Terminal. NIACOG staff assisted with discussions on infrastructure needs and funding sources for capital investment and the result will be significant job creation. Worth County provided financial incentives for the project. The project began in 2006 and is expected to be completed in 2009.
- Assisted the City of St. Ansgar with expansion of Grain Millers, Inc. The expansion resulted in the creation of 44 new jobs. Funding sources include \$21,800,000 private dollars, \$184,402 City of St. Ansgar, \$256,000 RISE, and \$740,000 USDA. NIACOG assisted with applications. The project also includes enterprise zone benefits. The project was initiated in 2007 and completed in 2008.
- Assisted the City of Marble Rock to amend its current TIF to accommodate future development. This project was initiated in 2007 and was completed in 2008.

- Assisted North Iowa Tourism to promote tourism by enhancing/updating a tourism website, updating an area map, hosting recreation shows, and manning a state fair booth. These activities are ongoing and not only create social capital, but also economic development.
- Served as a resource for the City of Charles City with expansion of Fort Dodge Animal Health. The \$24 million expansion project will increase capacity and provide an alternate manufacturing site for animal health biologicals exported overseas. The project will also create 44 new jobs with 23 paying an average wage of \$16.30 per hour. Funding sources included Enterprise Zone tax benefits.
- Assisted Hancock County with the establishment of a 100-turbine wind farm. FPL was used as a funding source. The project will be completed in 2008.
- Assisted Golden Grain Energy / Best Energy with developing a bio-diesel plant on the same 'campus' with the company's ethanol plant in Mason City. The proposed funding sources include IDED and the Power Fund. The project started in 2007 and is anticipated for completion in 2009.

Goal 2: Infrastructure Development

Objectives: CIP Development, Business Development, Housing Development, Transportation Development, Communication Development

- Assisted the City of Williams with establishment of the Boondocks Ag Industrial Park. This project started in 2006, but is not expected to complete until 2012.
- Assisted the City of Charles City with the establishment of Allied Subdivision. The funding source for the project included TIF, the City of Charles City, and the Iowa Finance Authority. As part of this project, NIACOG worked with the community to create a housing TIF. The city is now marketing the lots. The timeline for this project was 2007-2008.
- Assisted the City of Manly with completing an employee handbook. The project was completed in 2007.
- Assisted Winnebago County with roadway improvement in the Christensen Farm area. The \$13 million project included TIF bonding and will create 30 new jobs. The timeline for this project started in 2007 and is scheduled for completion in 2008.
- Assisted the following cities/counties with Pre-Disaster Mitigation Plans with the respective timelines: Goodell (2007-8), Marble Rock (2007-8), Manly (2008-9), Floyd (2007-9), Rockford (2007-9), Riceville (2007-9). The city projects are funded with \$6,375 of federal dollars and \$2,125 of city dollars. All projects are in the research phase with the exception of Goodell which is nearing completion.
- Worth County (2008). Worth County's project was funded by \$6,000 in federal dollars with a \$2,000 match by the County. Background research, and hazard research, and 25% of the plan draft have been completed.

- Submitted an application to complete additional pre-disaster mitigation plans for communities that will be identified later. The application was submitted in January 2008.
- Submitted Housing Fund applications for the Forest City (8 of units owner-occupied rehabilitations), Riceville (8 units of owner-occupied rehabilitations), Stacyville (4 units of home ownership with rehabilitation), Greater Bancroft Corp (rental housing rehabilitation in Bancroft), Charles City (10 units of owner-occupied rehabilitation, and Powerhouse LLC (rental housing rehabilitation in Osage) in 2007. All of the projects were funded by the Housing Fund program. Project administration for each of the projects will commence in 2008 and culminate in 2010/2011.
- Continued administration of 12 housing grants for the following cities with closeout estimated in parenthesis: Buffalo Center (completed 1/2008), Rake (completed 1/2008), Swea City (completed 1/2008), Stacyville (completed 1/2008), Algona (2008), Burt (2008), Titonka (2008), Sheffield (2009), Thompson (2009), Whittemore (2009), Lake Mills (2008), Common Grounds Duplexes in St. Ansgar (2008)
- Continued to administer NIACOG Homebuyer Assistance Program, which provides mortgage assistance to homebuyers. The program is a revolving loan fund that was originally capitalized with \$150,000 with state funding. The implementation is ongoing as funds are returned and loaned back out.
- Applied for RISE funding to reconstruct 5,300 feet of roadway for a proposed ethanol plant in Hancock County. Received \$270,000 from the IDOT.
- Assisted Swea City by procuring engineering services for CDBG project application. The City has since chosen not to proceed.
- Worked with the City of Floyd to update their City Code. The re-codification was completed during FY 2008.
- Continued administration of a sewer improvement project for the City of Bancroft that was funded by CDBG and the State Revolving Fund. The project was closed out in FY 2008.
- Assisted the City of Floyd with procurement of engineering services for a CDBG application to update their water system. The project was selected for funding by CDBG in March/April 2008.
- Participated in Airport Land Use Committee meetings for RPA 2. The committee developed a guidebook regarding land use around airports.
- Worked with Swea City to update their City Code. Re-codification was completed in FY 2008.
- Continued CDBG project administration for the City of Joice to make improvements to their water system. The project also received State Revolving Fund funding. The project will be closed upon completion within the next two years.
- Continued administration of CDBG funding for the City of Stacyville to make water system improvements. The project was also funded by the State Revolving Fund. The project will be closed out within the next two years.
- Although the project was not funded, NIACOG assisted the City of Fenton with a CDBG sanitary sewer project including procurement of an

- engineering firm and application preparation. An application was also made to the State Revolving Fund.
- Continued to administer a Community Attraction & Tourism grant to develop a new aquatic center in Forest City. Construction is underway and is scheduled for completion in late Spring 2008.
 - Applied for CAT funds to assist the City of Northwood with construction of a storm shelter. \$80,000 was awarded to the project. The project is to be completed within 2 years.
 - Continued administration of and closed out a CDBG community facilities project for the City of Forest City. The Good Samaritan Home received funding for expanding their building which serves people who are elderly and infirm.
 - Provided administrative services to the City of Britt for a storm shelter project.
 - Submitted an application to the Solid Waste Alternatives Project for a compost turner for the City of Hampton. The project did receive a funding award.
 - Authored an HMGP application to complete a multi-hazard plan for the City of Rockwell. The project did receive a grant award from FEMA.
 - In the process of writing a CAT application for a recreation center for the City of Garner.
 - Continued development of a comprehensive plan and zoning ordinance for the City of Rockwell.
 - Assisted the City of Lu Verne with procurement of engineering for a preliminary engineering report for a CDBG application. The CDBG application will be written and submitted by December 2008.
 - Assisted the City of Lone Rock with procurement of engineering for a preliminary engineering report for a CDBG application. The CDBG application will be written and submitted by December 2008.
 - Completed administration of an EDA Public Works grant to construct a water tower to serve a new industrial subdivision in Mason City. The project was closed out in February 2008.
 - Assisted Worth County with preliminary work to installing infrastructure in support of future development. The project area is near a casino that is only a few years old and located on Interstate 35 near the City of Northwood. NIACOG is working with the County to establish a TIF district and float TIF bonds to fund the project.
 - Participated in the regionalization of the Mason City Airport, the only commercial airport in the NIACOG region.

Goal 3: Human Capital Development

Objectives: Population Stability, Continuing Education, Labor Force Development, Cultural Development, Quality of Life Emphasis

- Organized a housing track for the Iowa Association of Regional Councils to educate NIACOG staff and staff across Iowa on funding programs

- available, partnership opportunities, and evaluation of local housing markets. The housing track was organized and held in the Fall of 2008.
- Organized and spoke at the North Iowa City Clerk's Association. NIACOG staff programmed the speakers/topics and presented informational topics. These sessions also provide an opportunity for City Clerks to network with other City Clerks. The Clerks Association meetings are held quarterly at the NIACOG office.
 - Spoke at the Kossuth/Palo Alto City Clerks Association. This activity is ongoing.
 - Participated in the development of the Rural Environmental Health Assessment Project. The project was sponsored by Cerro Gordo County with assistance from the EPA. NIACOG staff served on the committee. The resulting outcome is the completion of the assessment and environmental awareness. The project began in 2007 and was completed in 2008.
 - Co-hosted the Fall 2007 Northeast Iowa Community Development Conference.
 - Assisted the Iowa League of Cities with the Newly Elected Officials Workshop. The event was held locally and funded by the League and NIACOG.
 - To keep informed of economic development issues NIACOG staff participated in the IARC Director's Retreat, the IARC Staff Retreat, the NE Iowa Community Development Conference, monthly IARC director's meetings, FEMA Benefit-Cost Analysis training, Iowa Traffic Safety Forum, quarterly RPA meetings, Safety Planning Forum, and the Road Safety Workshop. NIACOG staff attended a total of 30 conferences (includes multiple staff at the same event).
 - Worked with the North Central Iowa Alliance (EDC directors and other area professionals) to assemble a concept for workforce solutions to be submitted to IDED this coming summer.
 - Assisted the City of Algona with the development of a child care project concept. A CDBG funding application will be submitted for this project in December.
 - Performed ongoing TPWP transportation administration. This activity is an ongoing responsibility.
 - Developed/revised the PTDP, Transportation Improvement Plan (TIP), and Long Range Transportation Plan (LRTP) for RPA 2.

Goal 4: Social Capital Development

Objectives: Citizen Participation, Local Cooperation, Youth Activities, Senior Citizen Activities, Recreation Activities

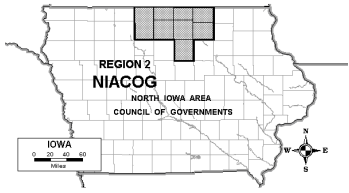
- Worked with the City of Mason City to create a National Archery Center. Funding sources include Easton, Mason City, Cerro Gordo County, and IDED. This project just began in 2007 and is still in the planning stages with site identification. Estimated completion for this project is in 2010.

- Distributed a survey to the cities and counties within the NIACOG region for the first time. The survey requested information about community needs and will help NIACOG to provide better assist them by better understanding their needs and priorities. The 2008 CEDS goals, objectives, and implementation plan reflect their input. Abbreviated survey results were shared with the Strategy Committee during its planning process as a source of added information. The surveys were sent on December 31, 2007.
- Newsletters were used to communicate with people around the region about programs that are available, events, success, and other miscellaneous items.

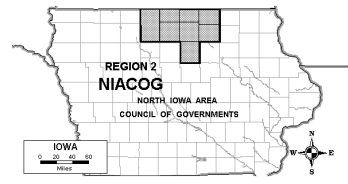
Goal 5: Financial Capital Development

Objectives: Leverage Funding Resources, Encourage Public/Private Partnerships, Utilize Cost/Benefit Analysis, Encourage Entrepreneurs, Utilize Creative Financing

- Attended training on cost benefit analysis sponsored by FEMA.
- Participated in quarterly RET meetings to discuss funding sources/strategies, current projects, and collaborative efforts.
- Applied and received funding for 6 housing projects. Housing funds awards total over \$2.2 million, leveraging \$308,500 in private funds, and \$114,000 in city funds.
- Used costs benefit analysis for pre-disaster mitigation planning.
- State, federal, and local funds were routinely used to leverage private funds in business development. These projects are included under Goal 1 (above). As an example, the Grain Millers project received funding of \$256,000 from RISE, \$740,000 from USDA, and \$184,402 from the City of St. Ansgar, leveraging \$21,800,000 private dollars.
- Worked with the North Central Iowa Alliance and John Pappajohn Entrepreneurial Center to create a pool of funds for medical insurance for potential entrepreneurs who find it difficult to pursue an entrepreneurial business venture because quitting their current job would cause them to lose their health insurance. NIACOG staff participated by working with others to develop the concept and by writing a grant to fund the program. The program was funded by IDED and is available in all 9 of the NIACOG counties. The program's timeline is 2007-2010.



NIACOG CEDS



B. Analysis of Economic Development Problems And Opportunities

Planning Process: The CEDS Strategy Committee reviewed pertinent historical factors including: population, migration, unemployment, income status, farm statistics, retail, and business establishments. Then, they added their experiences in the region's economic development climate to provide input as to the strengths, weaknesses, vision, and implementation methods for this document. This Section of the plan analyzes economic development problems and opportunities in light of their input on the region's strengths and weaknesses.

1) Analysis of Problems/Weaknesses - Human and Economic Assets / External & Internal Forces

The Strategy Committee identified the following listed items as the most prevalent barriers to economic development (weaknesses) for the Region. The items are listed in prioritized order starting with their greatest priority.

- a. Lack of available workforce / Brain Drain
 - Key factors relative to insufficient workforce numbers include:
 1. Dwindling workforce supply from outmigration, dwindling numbers of youth (birth rate). An estimated 12,000 workers will be needed to counteract these population trends by 2025.
 2. Increasing demand stemming from successful economic development that created more higher paying jobs. An estimated 11,000 will be needed to fill the additional demand for labor by 2025.
 3. Difficulties both recruiting and retaining young professionals (for example: engineers)

b. Low wages

- In 2005 the NIACOG region's average weekly wage (\$524) was 18% less than the state's (\$636). In 2006 the region's average weekly wage (\$554) was 16% less than the state's (\$660). Although some ground had been gained since 2000, a significant gap still exists between the regional and statewide averages.
- In 2005 the region's average weekly wage (\$524) was 33% less than the nation's (\$782).
- Lower wages affect the area's attractiveness to potential workforce. In a study completed by the 'Generation Iowa Commission', a commission of the state of Iowa, they found that 'low wages and high student debt are the biggest reasons young people leave Iowa'. The Globe Gazette reported the findings on January 12, 2008, further quoting Commission Chair Kyle Carlson as saying, '...the top problem is financial with recent college graduates fleeing the state in search of higher wages. Many of those people need high pay because they are buried in student loans from Iowa Colleges'. The Commission's proposed remedies include: a higher education tax credit, student loan repayment assistance for those working in labor shortage industries, and targeting economic development programs for higher wage companies.

c. Lack financial resources for business recruitment

- The NIACOG region averages a lower income level (\$30,139) per capita than the state (\$31,670) and the nation (\$34,471) and, therefore, has less disposable income to spend on recruitment.

d. Not welcoming attitude

- The Strategy Committee had witnessed circumstances where native born residents were held in higher regard during public discussions because they had 'lived here all their life'.

e. Lack infrastructures in communities

- Utilities, streets, and telecommunications are lacking or lacking in quality or capacity.

f. Aging infrastructure

- Utilities and streets are growing older and in need of repair, expansion, or replacement to adequately serve future economic development prospects.

g. Other weaknesses/problems (in no particular order)

- Commercial real estate tax
- Youth amenities

- Lack of population
- Lack of self-promotion
- Drugs/alcohol/gambling
- Resistant to change
- Doers are spread to thin
- Lack of jobs that attract talented young people
- Climate extremes
- Shortage of educators (especially nursing)
- Shortage of specific high level job candidates
- Limited creative class
- Limited diversity and acceptance of it
- Aging population – health care & cancer rate
- Lack of collaboration
- Host of issues for smaller cities to deal with is overwhelming
- Shop elsewhere
- Perceived as hicks
- IDEED too structured for creativity
- Lack view of area as part of global market place

2) Analysis of Opportunities & Strengths - Human and economic assets / External & Internal Forces

a. Quality Workforce With Positive Work Ethics/Values

- The area's workforce maintains a positive work ethic.

b. Ease of doing business with governments (governments are engaged in projects)

- Elected officials are proactive in recruiting or promoting economic development.
- Regulations are much less stringent in the NIACOG region than they are in larger communities like Chicago.

c. Education: K-12 and College

- The schools and colleges produce one of our most sought after commodities – our well-educated youth.
- Academic excellence is evident in Basic Skills testing and SAT scores.

d. High Quality of Economic Development efforts

- The efforts put into economic development in the NIACOG region are top notch because of the commitment and professionalism of the EDC's, volunteers, elected officials, Workforce Development (regional office), NIACOG, John Pappajohn Entrepreneurial Center, etc.

e. Affordable Housing

- The availability of affordable housing is prevalent throughout the NIACOG region.

f. Natural Assets

- Natural assets for the region include highly productive cropland, lakes/rivers, wooded areas/swamps/native habitat, and winds.

g. Local Companies

- Local companies form the backbone of our economic success and create stability for the region. They employ many people,

form much of the communities tax base, and numerous expansions have resulted in both more jobs and tax base.

- h. Union numbers, as a catalyst for higher wages (more attractive to bring workers)
 - The region has several unions that negotiate for higher wages for their member employees. In an area of low employment, like the NIACOG region, this can encourage non-union positions in those companies and other similar position in the same area to also offer higher wages. People may, consequently, be more willing to work in the area because of the higher wages levels.

- i. Wind energy
 - The NIACOG region has 6 wind farms and 4 more that are proposed and/or are under construction. The region offers relatively cheap land and favorable wind patterns. The result is green energy and favorable rents paid to land owners (usually farmers), which supplements their income.

- j. Proximity to larger cities for business & play (Minneapolis, Chicago, Des Moines)
 - The region's population provides for a complete lack of traffic jams (home to work in a few minutes), ample elbow room, and quick access to metropolitan areas with business connections, goods, services, and entertainment that a lower population area is unable to support on its own.

- k. Other strengths (in no particular order)
 - Destination for retail
 - Growing Hispanic community
 - Entrepreneurial center/cities/ideas
 - Transportation – highway, rail road, airport
 - Municipal involvement
 - Medical center quality
 - Cost of living
 - Clean water/air
 - Plenty of land/room to grow
 - Outdoor recreation – fish / hunt
 - Old money – stable capital / families
 - Low traffic / not crowded
 - Cultural/Historical/Museums – performing arts series at NIACC, Surf Ballroom, Community Theatre
 - Low Crime
 - Change of four seasons

3) Relevant Material From Other Government Plans (State/Local) And Consistency With State/Local Workforce Strategies

Government plans, obtained from Iowa Workforce Development, North Central Iowa Marketing Alliance, and the Generation Iowa Commission, have established varying, but related, goals for the region relative to workforce issues. An industry cluster analysis, completed by Iowa Workforce Development, is included later in part 5 of this section.

- a. **Iowa Workforce Development – Region 2 Office.** As noted earlier in this section the Strategy Committee identified workforce availability as the most prevalent barrier to economic development. In 2007 the Iowa Workforce Development (IWD) and its local Region 2 office adopted a strategy to enhance the area's workforce.

To develop the strategy IWD drew from a needs assessment survey that they had performed, which identified the prevailing needs for business and workers as follows:

1. *Needs of Businesses.* The businesses identified a lack of available workers and a gap in skills required and skills available.
2. *Needs of Workers.* The workers cited a need for recruitment of new businesses to increase the average hourly wage which is much lower than the national average. They also cited concerns about limited advancement opportunities due to flat management hierarchies in local firms, noting that upper level management position are often filled by people from out of town.

Based upon these needs, the IWD established the following priorities (in rank order):

1. *Regional Economic (Business) Development.* Working with partners, target efforts on new and expanding businesses that provide good wages and benefits. Also, maintaining existing jobs and perhaps expansion will be particular priorities.
2. *Education and Training.* Strengthen School-To-Work efforts. Work with existing workforce and businesses to keep skills current and enhance skills to become more productive and adapt to changing business needs.
3. *Outreach.* Reach more customers with products and services. Continue to target a diverse labor pool.

4. *Partnership Leverage.* Leverage IWD resources to sustain and enhance services by working with partners.
5. *Quality Improvement.* Utilize quality improvement methods to enhance service delivery. Launch I-Works, a new job exchange system. Garner feedback from customers.

The CEDS is consistent with IWD strategies in the following areas:

1. Business development
2. Increase wages
3. Educate/train workforce
4. Expand number in workforce

b. North Central Iowa Alliance. The North Central Iowa Alliance (NCIA) recently completed a strategic planning session that focused on increasing workforce availability. The NCIA is made up of the economic development commissions/corporations in the North Central Iowa area. The group includes every county in the NIACOG region except for Kossuth County.

The resulting strategy focuses in four areas including attraction, education, and job training/retraining. The following are some of the highlights:

Workforce Attraction

1. Financial incentives for workforce recruitment
 - a. Give points off of mortgages for workers who move into our region.
 - b. Moving expense assistance
 - c. Financial reward to someone who refers a new worker to our region
 - d. Tuition reimbursement for graduates that stay in our region
 - e. Assemble a package of free/reduced cost item: for free member to aquatic or wellness centers, passes to the movies, cable access buy down or donation, coupon booklets provided at no cost, free/reduced childcare, college tuition free for adult education, eliminate/buyout start-up utility deposits, rent assistance, membership fees, universal preschool
2. Marketing for recruitment
 - a. Recruit workforce in areas of the country with high unemployment and military
 - b. Recruit alumni through college and high schools
 - c. Improve communication for job listings (web, newsletter, mailing, newspaper, television, radio, job fairs) especially in target areas
 - d. Emphasize quality of life
3. New worker services
 - a. Help spouse of new worker to find a job
 - b. Offer mentors to acclimate new workers in community

- c. Welcome wagon
- 4. Offer internships and job shadowing for students

Education

1. Increase interaction of schools, businesses, families, and students through internships, job shadowing, school to work education sponsored by business if employee stays with company. Iowa students graduate with nearly the nation's highest student debt load.
2. Implement vocational clubs
3. Reinvent junior achievement
4. Offer tutors/mentors
5. Reduce extracurricular activities
6. Forgive college cost if student takes job in Iowa for 5 years (Create a student loan pool with forgiveness for longevity of employment in the region)
7. Offer tours of industry plants for career and technical education students
8. Expand funding for tours and other future work related activities students

Job Training & Retraining

1. Train/Retrain housewives and retirees willing to work under certain circumstances
2. Shorten training courses so that they fit better into employee schedules
3. Communicate with employers about programs available
4. Offer offsite training

The CEDS is consistent with IWD strategies in the following areas:

1. Business development
2. Increase wages
3. Educate/train workforce
4. Expand number in workforce

c. Generation Iowa Commission. Faced with looming worker shortages and a large out-migration of young people, the Generation Iowa Commission was formed by Iowa's Governor and is charged with finding solutions to the brain drain for both the public and private sectors.

According to the Commission's findings, although Iowa is among the top 10 states in the nation for attracting young college students from other states, "Iowa's ability to maintain that population in the state after graduation has been very poor, making Iowa a revolving door for college students. In other words, Iowa has been educating the nation's workforce for years."

Through research and the input of many young Iowans, the Commission found that 2 critical factors relate to this outmigration:

1. A high-paying job. Iowa's relative low cost of living is offset by lagging wages and high student loan debt costs. Iowa lags the Midwest and the nation in wages.
2. A job that is compatible with the young person's degree

Other 'tie-breaker' issues included:

3. Quality of life (vitality, uniqueness, diversity of the community, long-term, things to do, cultural life, attractions)
4. Geography (access to outdoors, access to other cities)
5. Options for career development, advancement, and leadership

The Commission's 'Iowa Best Practices: How To Recruit and Retain "Generation Iowa"' recommends the following for employers who wish to hire and retain younger workforce:

- Increase wages especially for crucial positions and high potential employees and include the value of benefits in wage discussions/promotions
- Be community focused
- Offer internships
- Offer effective mentorships to young employees
- Conduct a future workforce needs analysis
- Provide opportunities for advancement that include training, job/title, and raise

The Generation Iowa Commission's primary recommendations for the State of Iowa include the following activities:

1. Bridging The Wage Gap And Reducing Student Loan Debt
 - a. Tax credit for college loan payments for young (<35)
 - b. Student loan repayment assistance program based upon years worked in Iowa in selected Critical Needs Professions
 - c. Increase minimum wage level thresholds for business tax incentives related to job creation
2. Expanding Career Pathway Efforts
 - a. Create a merit-based scholarship program with residency expectation and make the list of Iowa Merit Scholars available to businesses. These scholarships would not be financial need based, but are selected based upon the quality of the student's work.
 - b. Eliminate 'non-compete contract clauses from state government: limit enforceability for private contracts so young professionals don't move out of state when changing positions. (Alan Greenspan testified in 1995 that lack of mobility from job to job is the top reason wage growth slows in a region.)
 - c. Create or support an online statewide job mentoring and internship program
 - d. Expand the Accelerated Career Education (ACE) program, developed for businesses as occupational training for their specific needs, to include 4-year colleges/universities
3. Investing in quality of life issues and amenities for young people
 - a. Identify and bridge gaps per specific community

- i. Develop pathways for interaction (events, ways to meet other young people, special interest groups, and attractions)
 - ii. Use connections with families, friends, and alumni to recruit and retain young professionals through ongoing interactions
 - iii. Include young professionals in events programming, community initiatives, and boards/commissions to engage them in community activities
 - iv. Focus efforts on social/cultural interaction, economic stability, environment, accessibility, neighborhoods, and safety
 - b. Expand state commitment to attraction programs to encourage development and promotion of cultural/recreation/entertainment opportunities and districts of interest to young people
 - c. Develop infrastructure for high-speed Internet to be able to offer 'the speed of business' connections.
4. Improve Iowa's image through effective marketing

The CEDS is consistent with the State's Generation Iowa strategies in the following areas:

1. Business development
2. Increase wages
3. Educate/train workforce
4. Expand number workforce
5. Enhance quality of life

4) Past, Present And Projected Future Economic Development Investments In The Region

The following list details economic development investments the span the past, present, and future in the region.

- a. Financial Incentives For Businesses
 - Helping Entrepreneurs Launch Program (HELP) – The HELP program pays for the health insurance for new entrepreneurs.
 - Development Funding Pools – Funding pools are available through some economic development agencies, cities, the Entrepreneurial Center, and state/federal grants.
 - Tax Increment Financing – TIF has been / is /will be used to provide tax rebates and/or direct grants to businesses.
 - Enterprise Zone benefits include income tax credits and sales tax refunds.
 - Tax Abatements allow businesses to pay no tax or a prorated tax for a number of years.
 - Cities/counties have/are/will provide direct grants from their general fund or other income streams especially to businesses that will offer a number of high paying jobs.
 - Local foundations – Some businesses are eligible for funding from local foundations.
- b. Infrastructure Installation/Repairs/Extension – water, sewer, sanitary sewer, storm sewer, streets, subdivisions, airports, rail, housing stock, etc. Cities, counties, and state/federal loans/grants typically fund these projects.
- c. Institutional Controls – zoning ordinance, subdivision regulations, urban renewal areas, urban revitalization areas, watershed protection. Cities, and counties typically finance these efforts.
- d. Marketing/Business Recruitment – trade shows, websites, distributed materials, direct contact with businesses (new and existing to promote expansion). Governments, EDC's, and utility companies typically fund these efforts.
- e. Quality Of Life Enhancements – establishments/enhancement of parks, trails, community events/attractions, museums, historic properties, entertainment venues, libraries, child care, etc. Public/private partnerships are particularly prevalent in funding projects in this area.
- f. Economic Development Professionals/Agencies - Economic development commissions/corporations, NIACOG, city/county staff, workforce development, John Pappajohn Entrepreneurial Center, etc. are funded to create a suitable environment for economic development activities.

In addition to the above a process is underway to develop incentives to address workforce issues. A grant application will be submitted to the IDED this summer to help fund the initiative. The funding request includes the establishment/administration of a young professionals group, recruitment incentives for workers to move to the North Iowa area, and more creative marketing techniques by the Economic Development groups.

5) Identify And Analyze Economic Clusters Within The Region

Iowa Workforce Development completed 'Industry Cluster Analysis' for the North Central Iowa Region. The following analysis is taken from the report and includes their recommendations, cluster analysis, prioritization criteria, and location quotient definition. The study is available on the NIACC website under the following address: www.niacc.edu/admin/pres/Laborshed/Intro_laborshed_cluster_analysis.htm.

Recommendation 1: The region should **focus economic recruitment, retention and growth efforts on** five (5) Core Industry Clusters.

- **Motor Driven Products**
- **Heavy Machinery Manufacturing**
- **Construction Materials**
- **Chemical Production**
- **Plastics Manufacturing**

A total of 9 clusters were evaluated in selecting the 5 clusters listed above. A brief analysis of each of the evaluated clusters follows this paragraph with further detail included in Appendix E. Several industry clusters have region-to-nation location quotients greater than one, demonstrating cluster growth over the three-year study period. Of the nine industry clusters analyzed, seven had wages greater than the regional average of \$27,828.

Agricultural Products:

- Location quotient for core industry is 1.78
- Average wage of \$25,348

Chemical Production (selected):

- Location quotient for core industry is 3.10
- Average wage of \$47,092
- Largest Employers in the Region:
 1. Cambrex
 2. Fort Dodge Animal Health
 3. Iowa Ethanol

Communications Equipment:

- Location quotient for core industry is 1.11
- Average wage of \$25,692

Construction Materials (selected):

- Location quotient for core industry is 5.23
- Average wage of \$33,124
- Largest Employers in the Region:
 1. Allied Construction Company

CLUSTER CRITERIA

The following criteria were used in selecting the priority clusters.

- High growth potential
- Higher than average wages
- Good match for competitive advantages – connection of buyer/supplier industries, skilled labor force
- High export of goods (High location quotient)

LOCATION QUOTIENT

A location quotient measures an industry's concentration in the region relative to the rest of the United States.

A location quotient greater than 1.0 means that an industry (such as agriculture is locally producing more goods and services in that area than are locally consumed (allowing the excess to be exported).

A location quotient less than 1 means that local production is assumed to be insufficient to satisfy local demand, thus required products to be imported.

ALTERNATIVE FUEL PRODUCTION

Although ethanol plants and other alternative fuel production facilities also have a tremendous impact on agriculture, they were included under the chemical production industry for purposes of this analysis.

2. Dean Snyder Construction
3. Larson Construction/Ag Builders

Heavy Machinery Manufacturing (selected):

- Location quotient for core industry is 5.70
- Average wage of \$36,980
- Largest Employers in the Region:
 1. Hagie Manufacturing
 2. IMI Cornelius
 3. Iowa Mold Tooling Company
 4. Stellar Industries
 5. Sukup Manufacturing Company
 6. Unverferth Manufacturing Company

Motor Driven Products (selected):

- Location quotient for core industry is 7.50
- Average wage is \$36,956
- Largest Employers in the Region:
 1. Hagie Manufacturing Company
 2. Sukup Manufacturing
 3. Unverferth Manufacturing Company
 4. Winnebago Industries

Pharmaceuticals:

- Location quotient for core industry is 3.46
- Average wage of \$52,532

Plastics Manufacturing (selected):

- Location quotient for core industry is 1.48
- Average wage of \$30,672
- Largest Employers in the Region:
 1. Haigie Manufacturing Company
 2. Sukup Manufacturing
 3. Unverferth Manufacturing Company
 4. Winnebago Industries

Printing & Publishing:

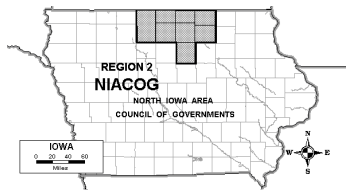
- Location quotient for core industry is 1.29
- Average wage of \$33,952

Recommendation 2: The region is a centrally located area in the Upper Midwest Region of the U.S., the North Central Iowa region should **examine other areas of the Upper Midwest Region for buyer/supplier connections** directly related to Core Industry clusters listed above, especially Chemical Production and Motor Driven Products.

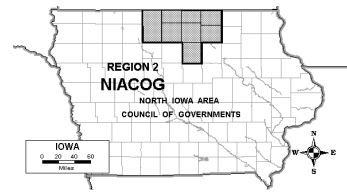
Recommendation 3: Use clusters as a context for designing education/training programs. Additional programs of interest may include school-to-work, two-plus-two programs, internships, and other experiential learning opportunities. Create career paths learning by promoting secondary coursework in math, science, and technology related fields.

Recommendation 4: Promote entrepreneurial enterprise growth. Entrepreneurial growth can be a source to foster buyer/supplier industries.

Recommendation 5: Examine structural infrastructure before embarking on industry recruitment opportunities. The region needs to make sure that buildings, sites, modes of transportation, and labor are adequate or in abundance to support any industry recruitment efforts.



NIACOG CEDS



C. CEDS Goals and Objectives: Defining Regional Expectations

1) Vision

As part of the planning process, the Strategy Committee considered a vision for the region in preparation for developing a list of goals/objectives. The priorities for their vision included the following items in rank order.

1. Welcoming other cultures
2. Forward looking elected leaders
3. Recreational opportunities for all seasons, ages, and incomes
4. Manufacturing/Quality jobs – enjoyable jobs that pay well
5. Universal prosperity
6. Well-maintained infrastructure
7. Other vision items (not in rank order)
 - Workforce
 - i. Balanced population of skilled workforce
 - ii. Good schools that create good workers who stay here
 - iii. Low unemployment
 - Population
 - i. Large population
 - ii. Slow/Steady growth
 - iii. Variety of ages
 - Education
 - i. Schools focused on academic excellence – high graduation rate
 - ii. Emphasis on technical schools
 - Business Development
 - i. Development of niche ag/ag tourism
 - ii. Healthy mix of ag and non-ag businesses
 - iii. Business incubator
 - Income

- i. Universal prosperity
 - ii. Affordable quality of life
 - iii. Healthy families that rely less on 2nd/3rd incomes
- Vibrant Main Street
 - Housing variety
 - Corporately and culturally integrated/connected region
 - Low crime
 - Booming construction
 - More green
 - Well planned land use

2) Goals

After the Strategy Committee developing prioritized lists of strengths, weaknesses, and vision, the following goals and objectives were selected.

Goal 1: Economic Development

Explanation: Stabilize, develop, and expand businesses

Goal 2: Infrastructure Development

Explanation: Maintain, renovate, and expand both public and private physical environment including utilities, commercial/industrial buildings/structures, housing, etc.

Goal 3: Workforce Development

Explanation: Increase the number of workers, train/educate workforce, and increase wages.

Goal 4: Quality Of Life Development

Explanation: Maintain, enhance, and add new buildings/structures/venues and activities that enhance lifestyle for all ages

Goal 5: Resources Development

Explanation: Maintain, enhance, and develop financial resources, human resources, laws, planning documents, organizations, and partnerships that assist with goals 1 through 4 above.

3) Goals/Objectives

Goal 1: Economic Development Objectives (Increasing the number of skilled workers is highly important to business recruitment/expansion, but it is such a significant and complicated issue, that it was isolated as a separate goal of its own.)

- a. Increase the number of businesses by recruiting new businesses that offer high paying enjoyable jobs, especially those in identified industry clusters
- b. Encourage stability and/or expansion of existing businesses/industries by offering financial incentives, expertise, quality sites, and positive marketing/ communication
- c. Enhance tourism opportunities and marketing

Goal 2: Infrastructure Development Objectives:

- a. Repair, replace, and add municipal infrastructure such as transportation related improvements, storm sewer, wastewater distribution/treatment, water distribution/treatment, communication, community facilities, and amenities. Create planning documents that balance resources and provide for sound management of physical development

- b. Repair, replace, and add privately held buildings/structures/utilities including commercial/industrial properties, housing, telecommunications, etc.
- c. Use green approaches for infrastructure development and rehabilitation projects

Goal 3: Workforce Development Objectives:

- a. Increase the number of high paying enjoyable jobs and increase the average wage
- b. Increase the overall number of workers and slow the accelerating trend of out-migration/brain drain
- c. Provide educational opportunities that meet the needs of employees and employers including connection of workforce and employers through mentoring/internship

Goal 4: Quality of Life Development

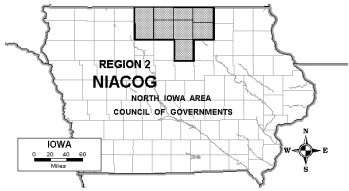
- a. Maintain, create, and market 'things to do' and venues for 'things to do' including recreational, cultural, and educational opportunities for people of all ages and incomes in all four seasons
- b. Provide early access to community information about events/venues for new residents

Goal 5: Resources Development

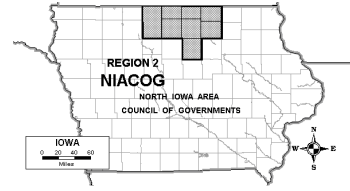
- a. Maintain and create new partnerships in and between the public and private sectors to track economic development and workforce issues and develop and implement strategies
- b. Reverse the decline in population and create slow steady growth in population
- c. Use city codes and planning and zoning tools to maximize the impact of limited resources, create orderly development, and a positive environment to live, work, and play
- d. Develop and administer funding pools (Grants received for individual projects will be reported under Goals 1 through 4 respectively.)

The strategic projects, programs, and activities identified in the following sections work to fulfill these goals and objectives.

- Section E: Strategic Regional Projects, Programs, and Activities – page 79
- Section F: CEDS Plan of Action – page 82
- Appendix H: Implementation Plan & Evaluation Report



NIACOG CEDS

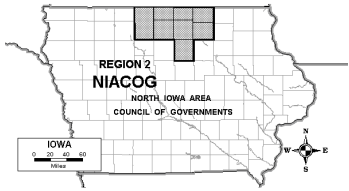


D. Community And Private Sector Participation

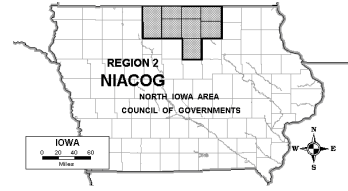
After NIACOG staff presented background population and economic information to the Strategy Committee, the Strategy Committee provided input into the Strengths, Weakness, and Opportunities/Vision for economic development in our region. They also voted on which issues were most important. After reviewing the prioritized issues from their first meeting, the Strategy Committee then moved on to the goals and implementation for the CEDS document. Their findings are found in the respective sections of this document including B.1. Analysis of Problems / Weaknesses, B.2. Analysis of Opportunities/Strengths, C.1. CEDS Goals, C.2. Objectives, E. Strategic Projects, Programs and Activities, and F. CEDS Plan of Action. You will find that the membership of the committee, the goals, and the implementation methods involve both public and private sectors in partnership.

The make up of the Strategy Committee includes representatives from areas prescribed by the 13 CFR § 300.3 including Public Officials, Community Leaders, Representatives of Workforce Development Boards, Representatives of Institutions of Higher Education, Minority and Labor Groups, and Private Individuals. A majority of the Strategy Committee's membership was senior management and executives holding key decision making positions. A delineation of the membership is included in Appendix F, entitled 'Strategy Committee Membership'. Three tables outline the committee's makeup in terms of CFR categories (public official, community leader, workforce, education, minority/labor), private sector executives, and economic interests represented.

Furthering the relationship and partnership of organizations, communities and business are clearly a priority of the Strategy Committee and evident in the projects (both vital and other suggested projects) that were selected by the Committee. The 'Vital Project' that focuses on partnership specifically states, "Maintain/create regional partnerships - 28E, North Central Iowa Alliance, etc.; reduce competition mentality between communities; work as a team." And, one of the 'Suggested Projects' includes partnering with local businesses to use testimonials from local companies to recruit new businesses.



NIACOG CEDS



E. Strategic Regional Projects, Programs, and Activities

The Strategy Committee developed the following list of suggested **regional** strategies to capitalize on the NIACOG region’s strengths, overcome weaknesses, and implement their vision. During that process, they voted for the following projects, programs, and activities in prioritized order with the ‘Vital Projects’ receiving significantly more votes than the ‘Suggested Projects’.

Suggested Regional Projects: Regional Projects, Programs, & Activities	
<i>Votes</i>	<i>Vital Projects, Programs, & Activities</i>
24	ENHANCE RECREATION/QUALITY OF LIFE: Enhance quality of life especially by adding leisure and recreation opportunities (ex: connect trails)
17	MAINTAIN/CREATE PARTNERSHIP: Maintain/create regional partnerships - 28E, North Central Iowa Alliance, etc.; Reduce competition mentality between communities; work as a team
14	INTEGRATE YOUNG ADULTS: Mentor/connect younger workers and college students into the community (boards, activities, young professional orgs.)
<i>Votes</i>	<i>Other Suggested Projects Programs and Activities</i>
7	Add more trade apprentice programs
7	Promote housing as affordable
6	Business incubation - NIACC/JPEC
6	Promote our strengths - education / work ethic / values
5	Focus on getting people to return vs. recruiting people who don't have ties to the area
5	Use testimonials from local companies / CEO's to recruit new businesses
5	Maintain/Create strong leadership

The following narrative summarizes the 1. ‘Vital Projects’ and 2. ‘Other Suggested Projects’.

1. VITAL PROJECTS

- CREATE RECREATION AND QUALITY OF LIFE BY CONNECTING EXISTING TRAILS TO CREATE A MORE REGIONAL TRAIL SYSTEM. This project largely deals with the number one issue in the region, that being a shortage of workforce especially young workforce who tend to move on for lack of things to do and

connections to the community. This process is coordinated through the NIACOG office as part of transportation planning. However, local communities and county conservation boards sponsor the projects.

- Funding Sources: IDOT, IDNR, County Conservation Boards, and Cities.
- Jobs To Be Created: Indirect job creation only
- Lead Organization: NIACOG

- **MAINTAIN THE ACTIVITY OF THE NORTH CENTRAL IOWA ALLIANCE AND WORK AS A TEAM FOR ECONOMIC DEVELOPMENT.** This project focuses on the need to work together to market and address economic development issues (such as workforce) at the regional level through the joint efforts of the North Central Iowa Alliance.

- Sources of funding: Economic Development Organizations, Counties, Cities, IDED
- Jobs To Be Created: 1,152
- Lead Organization: North Central Iowa Alliance

- **INTEGRATE YOUNG ADULTS BY CREATING A YOUNG PROFESSIONALS ORGANIZATION.** The project extrapolated from combining all three Vital Project areas includes a joint project that focuses on a Young Professional Organization that works toward creating activities, connections, and venues for leisure. This program would capitalize on the existing events, venues, and programs and create new ones to engage young professionals (and others). This project largely deal with the number one issue in the region, that being a shortage of workforce especially young workforce who tend to move on for lack of things to do and connections to the community.

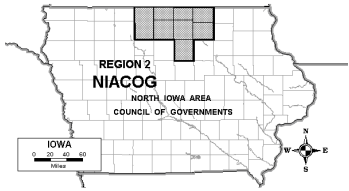
- Sources of funding: Businesses, IDED, IDNR, CVB, North Iowa Tourism, City Parks & Recreation, County Conservation Boards, Chambers of Commerce, North Iowa Tourism, Iowa Department of Cultural Affairs, Downtown Organizations, local foundations.
- Jobs To Be Created: Indirect job creation only
- Lead Organization: North Central Iowa Alliance

2. OTHER SUGGESTED PROJECTS

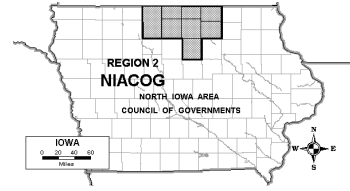
The Strategy Committee developed the following list of 'other suggested' **regional** projects, programs, and activities to capitalize on the NIACOG region's strengths, overcome weaknesses, and implement their vision. They are listed in prioritized order. These projects include the vital projects described above as well as other projects.

- **Add more trade apprentice programs**
 - Sources of funding: labor unions
 - Jobs To Be Created: 15

- Lead Organization: NIACOG
- Promote housing as affordable
 - Sources of funding: North Central Iowa Alliance
 - Jobs To Be Created: Because this is part of the marketing strategy used by the EDC's / NCIA, the number of jobs to be created falls within the 1,152 listed under the Vital Projects section above
 - Lead Organization: North Central Iowa Alliance
- Business incubation – NIACC/JPEC
 - Sources of funding: John Pappajohn Entrepreneurial Center, State of Iowa, local foundations
 - Jobs To Be Created: 178
 - Lead Organization: John Pappajohn Entrepreneurial Center
- Promote our strengths – education / work ethic / values
 - Sources of funding: North Central Iowa Alliance
 - Jobs To Be Created: Because this is part of the marketing strategy used by the EDC's / NCIA, the number of jobs to be created falls within the 1,152 listed under the Vital Projects section above
 - Lead Organization: North Central Iowa Alliance
- Focus on getting people to return vs. recruiting people who don't have ties to the area
 - Sources of funding: North Central Iowa Alliance
 - Jobs To Be Created: Because this is part of the workforce strategy to be used by the EDC's / NCIA, the number of jobs to be created falls within the 1,152 listed under the Vital Projects section above
 - Lead Organization: North Central Iowa Alliance
- Use testimonials from local companies / CEO's to recruit new businesses
 - Sources of funding: N/A
 - Jobs To Be Created: Because this is part of the marketing strategy to be used by the EDC's / NCIA, the number of jobs to be created falls within the 1,152 listed under the Vital Projects section above
 - Lead Organization: North Central Iowa Alliance
- Maintain/Create strong leadership – Connect clerks, zoning boards, and elected officials to learning opportunities that will make them stronger leaders
 - Sources of funding: NIACOG, Cities, League of Cities
 - Jobs To Be Created: Indirect job creation only
 - Lead Organization: NIACOG



NIACOG CEDS



F. CEDS Plan of Action

1. Implementation Plan

A list of specific projects, programs, and activities are included in Appendix H in a table called the 'Implementation Plan and Evaluation Report'. As required by the CEDS program, the projects listed:

- a. Promote economic development and opportunity
Goal 1 – Economic Development
- b. Foster effective transportation access
Goal 2: Infrastructure & Goal
- c. Enhance and protects the environment
Goal 1: Economic Development –wind energy projects
Goal 2: Infrastructure Development – Objective C Green Approaches - compost turner
Goal 5: Resources Development – pre-disaster mitigation plans
- d. Use workforce consistent with State & local workforce plans
Goal 3: Workforce Development
Goal 4: Quality of Life Development
- e. Promote use of technology in economic development, including access to high-speed telecommunications
Goal 1: Economic Development
Goal 2: Infrastructure Development under Objective B: Repair, replace, and add privately held buildings/structures/utilities including commercial/industrial properties, housing, telecommunications, etc.
- f. Balance resources through sound management of physical development
Goal 2: Infrastructure Development
Goal 5: Resources Development – updating plans, zoning documents, codes
- g. Obtain and utilize adequate funds and other resources
All Goals

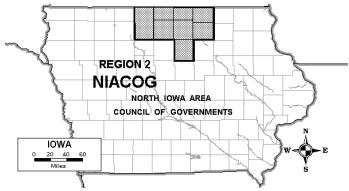
2. Integration Of The State's Economic Development Priorities

The State's Economic Development Priorities focus on:

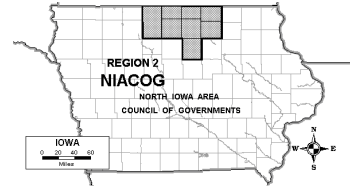
- a. Using technology to support green energy systems and other green developments. Green development is heavily integrated into the implementation plan as can be seen under 'Goal 1 Economic Development'. The projects include a number of ethanol, biodiesel, and wind power

generating systems. In addition under 'Goal 2 Infrastructure Development', the City of Hampton is purchasing a compost turner to recycle yard waste into a viable use. The State of Iowa has developed the Iowa Power Fund specifically to promote green energy research and development. NIACOG and MCEDC are currently in the process of making application to this new fund to construct a new bio-fuels plant that will use by-products from area ethanol plants to make additional fuel.

- b. Community Infrastructure enhancements. Maintenance of transportation systems, utilities (both public and private), and other community facilities is an ongoing issue statewide. The State's Legislative Committee on Worker Shortage specifically included as an important strategy the need to continue to enhance the capacity of Iowa communities to create a better quality of life for residents. The committee also included among its strategies the need to increase and enhance Iowa's housing capacity to aid in the recruitment of workers. 'Goal 2: Infrastructure Development' includes projects that maintain these infrastructure items including housing rehabilitation, water, sewer, and storm sewer projects, and transportation improvements. Similarly, the implementation plans of 'Goal 4: Quality of Life Development' are supported by the same State strategies. These include things like recreational trails, aquatic centers, and a recreation center
- c. Growing the Workforce. Similar to the North Central Iowa region, the state's workforce is also aging. Therefore, the state is investing considerable time and energy into growing its younger workforce numbers. As explained in earlier chapters, the State assembled the Generation Iowa Commission to study this issue and has since appointed a legislative committee to further address the issue and offers a new incentive program for developing workforce solutions. 'Goal 3: Workforce Development' includes a number of strategies to help address the workforce issues for our North Central Iowa region. The North Central Iowa region is currently in the process of developing an application to this fund to encourage workforce growth.
- d. Partnerships: The state is also emphasizing regional marketing in partnership with state and local resources. 'Goal 5: Resources Development' emphasizes the need for partnership and interaction in promoting economic development, communicating about programs, and implementing workforce strategies.



NIACOG CEDS



G. Performance Measures

The effectiveness of this CEDS document will be measured in two ways including 1) the quality of development of the base document (planning process) and 2) the implementation of the goals/objectives/strategies. These two processes will ensure a good base document as well as effective use of the base document's strategies.

First, the Strategy Committee rated and commented on the planning process through the use of an anonymous survey. The Committee was asked to rate or provide input in six areas including:

1. Was your input valued during the planning process?
2. Was the process for identifying strengths, weaknesses, and opportunities effective?
3. Were the meeting arrangements sufficient (location, time, pre-meeting information, refreshments, handouts, etc.)?
4. What did you like about the CEDS planning process?
5. What could we do better next time?
6. Overall, how would you rate the quality of the CEDS planning process?

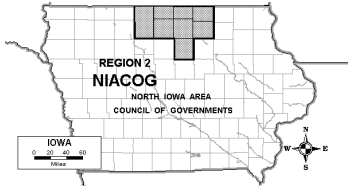
According to the survey results, Strategy Committee members felt that their input was valued (Score: 4.5), rated the process for identifying strengths, weakness, and opportunities as good or excellent (Score: 4.3), and rated the overall quality of the CEDS planning process as either good or excellent (Score: 4.3). The Committee members commented that the process was well organized/efficient, that the committee members were open and conversations were very good, and that the committee included a good cross-section of people from around the region. For improvements one committee member suggested healthier snacks, one suggested holding one more committee meeting, and one suggested greater involvement of local legislators.

The CEDS plan was also posted on NIACOG's website for comment. The Strategy Committee, NIACOG board, and the public were requested to provide input on the document. Input on the final document was incorporated into this document.

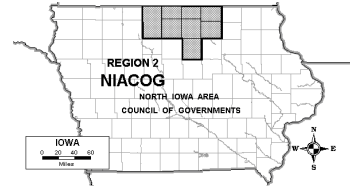
Second, the impact of the implementation of the CEDS will be measured in the future. Effective measures are defined in the CEDS program rules including the following:

- Number of jobs created after implementation of the CEDS
- Number and types of investments undertaken in the region
- Number of jobs retained in the region
- Amount of private sector investment in the region after implementation of the CEDS
- Changes in the economic environment of the region

In addition, a survey of NIACOG's member cities and counties will be taken annually to identify the need for additional work related to infrastructure, training, technical assistance, grant writing, etc. The Implementation Plan And Evaluation Report will be updated annually to reflect added/modified projects and track/report progress.

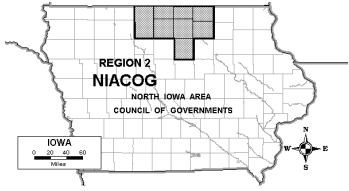


NIACOG CEDS

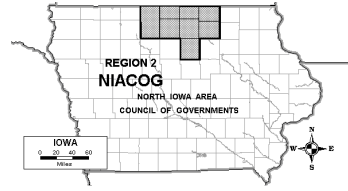


Appendices

- A. Superfund Sites
- B. Leaking Underground Storage Tanks
- C. RCRA Sites
- D. National Register Sites
- E. Cluster Analysis
- F. Strategy Committee Membership

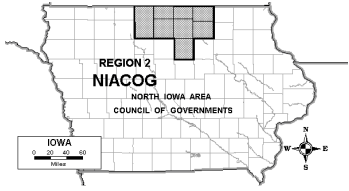


NIACOG CEDS

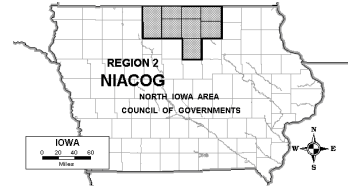


APPENDIX A

SUPERFUND SITES

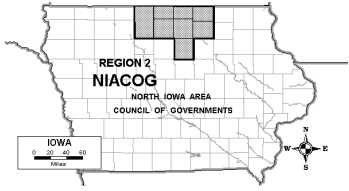


NIACOG CEDS

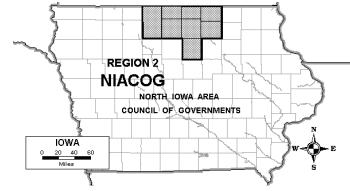


APPENDIX B

LEAKING UNDERGROUND STORAGE TANK SITES

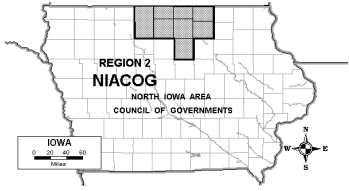


NIACOG CEDS

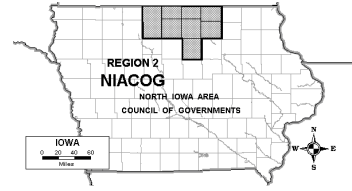


APPENDIX C

RCRA SITES

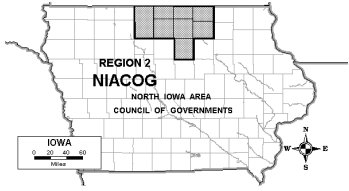


NIACOG CEDS

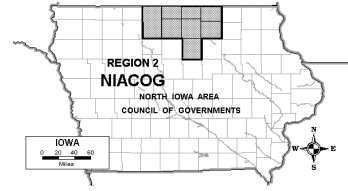


APPENDIX D

NATIONAL REGISTER SITES

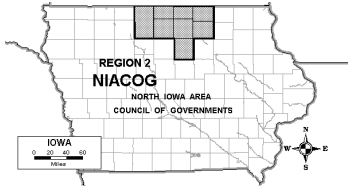


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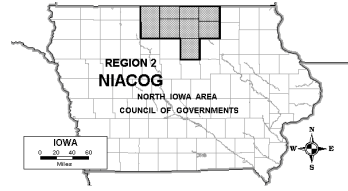


APPENDIX E

CLUSTER ANALYSIS

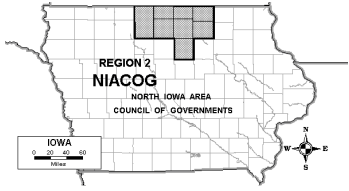


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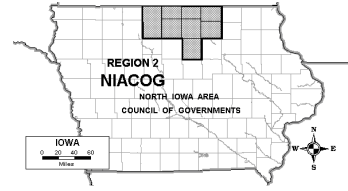


APPENDIX F

STRATEGY COMMITTEE MEMBERSHIP

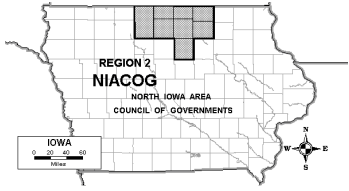


NIACOG CEDS



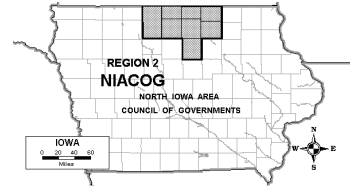
APPENDIX G

ARCHAEOLOGICAL SITES



NIACOG

CEDS



APPENDIX H

IMPLEMENTATION PLAN & EVALUATION REPORT