

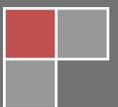
2014-15

Iowa Northland Regional Economic Development Commission

Annual Comprehensive Economic Development Strategy and Progress Report (#05-83-05378-01)

For the Period
July 1, 2014 through June 30, 2015

Prepared by the Iowa Northland Regional
Economic Development Commission (INREDC)
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Iowa Northland Regional Economic Development Commission Annual Comprehensive Economic Development Strategy and Progress Report

ADJUSTMENTS FOR CURRENT YEAR

In our six-county region of Northeastern Iowa, there were a number of adjustments that occurred during this year. Likely the most public and impactful were some key layoffs that occurred at a couple of major regional employers. With that said the overall economy of the region remains positive. However, there is a general nervousness about the agricultural and agriculturally-related manufacturing employment sectors that are causing concern.

Utilizing INREDC's 2012 Comprehensive Economic Development Strategy, we were involved in a number of development endeavors including economic development, planning, grant-writing, taking advantage of educational opportunities, and administering projects, all of which are consistent with our CEDS. As is stated in our CEDS, our goals are as follows:

- Goal #1: Aggressively Address the Workforce Needs of the Region
- Goal #2: Continue to Develop and Capitalize on the Following Regional Clusters: Advanced Manufacturing, Bio-fuels and Alternative Energy, Food Processing, Information Technology, Logistics and Distribution, and Wind Power
- Goal #3: Maintain and Improve the Economic Vitality of the Region
- Goal #4: Assist Businesses and Industries with Disaster Preparedness
- Goal #5: Foster Effective Transportation Service for Projects
- Goal #6: Protects and Enhances the Environment
- Goal #7: Local Projects Will Be Consistent with Federal and State Economic Development Plans and Programs
- Goal #8: Recognize that Technology Will Play a Crucial Role in Economic Development
- Goal #9: Work to Balance Resources in Economic Development Processes
- Goal #10: Define the Available Economic Development Funding Sources
- Goal #11: Maintain INREDC's Economic Development District Status

While the national economy continues to improve, the state and regional economy appear to have grown at a faster rate. And our regional and state unemployment rates have consistently remained below the national average. To that point, the most recently published unemployment figure for Black Hawk County was 3.8 percent. Employers continue to report that hiring of certain employees remains difficult, specifically skilled laborers including welders and computer numerically controlled (CNC) operators. Although this seems to be an issue in the Midwest, it remains a serious concern in the region as expansions and relocations are difficult when employees are unavailable. The region continues to explore workforce issues and options to assist with training and retraining of the employment pool, both internally and externally to the region.

Significant new economic development projects are reported later in the Annual Report, consisting of both expanded and new operations, as is our updated Board and Planning Committee member rosters.

REPORT

The following report reflects the EDA-funded economic development activities throughout the past year, referencing the Scope of Work as set forth in the Planning Grant Amendment (#05-83-05378-01).

Maintain INREDC's Economic Development District Status (CEDS Goal #11):

- Provide annual CEDS updates to EDA and prepare and file all required reports (GPRA and SF 425 Financial Reports)

Accomplishments Achieved: All EDA Reports have been submitted on schedule.

Quantifiable Deliverables: The prior year and current year's CEDS updates were provided in a timely fashion, as were the required Financial Reports (SF 425), and GPRA Reports. Said Reports have all been accepted by EDA.

Difficulties Encountered: No difficulties were encountered

- Provide timely reports to EDA on plant closures and downsizings within the region

Accomplishments Achieved: Staff notified EDA regarding closures and downsizings in our region, specifically three (3) reductions in work force totaling approximately one thousand (1,000) jobs at John Deere and Company in Waterloo and nearly fifty (50) jobs at Unverferth Manufacturing in rural Butler County occurred this past year.

Quantifiable Deliverables: Information related to specific company changes, including company name and job losses were reported to EDA staff during this past year. Currently, we are working with EDA and local economic developers to address these losses, including the possible development of an Economic Adjustment Assistance application.

Difficulties Encountered: No difficulties were encountered.

- Serve as the regional economic development umbrella agency for our members

Accomplishments Achieved: Conducted and attended economic development activities

Quantifiable Deliverables: INREDC conducted quarterly meetings of its Board and Technical Committees, as well as offered educational opportunities for members this past year. Staff also attended monthly meetings of the Cedar Valley Regional Partnership (CVRP), which is a regional consortium of economic development professionals. Our agency also serves as the grant writer/administrator and fiscal agent for the CVRP. Specific to this year, our staff participated in one (1) major regional economic development grant application, and administration thereof, for the continued operations of the CVRP.

Difficulties Encountered: No major difficulties were associated with this action step.

- Offer a forum for economic development that not only includes local governments and economic development professionals, but also encourages private sector, non-profit and non-governmental, as well as general public input involvement

Accomplishments Achieved: During the past year, we have strived to maintain a diverse INREDC Board and Technical Committee membership.

Quantifiable Deliverables: Our organization has completed restructuring, including filling vacancies on our Board by inviting specific members of their respective communities to participate in our activities. In addition, we have added representation from our local Community College (Hawkeye Community College) and an EDA University Center (at University of Northern Iowa) to be Board members. Their experience and regional knowledge will offer our organization leadership and direction that has been lacking.

Difficulties Encountered: No difficulties were encountered.

- Provide economic development assistance to businesses, industries, and local governments in our region

Accomplishments Achieved: INREDC, and INRCOG, in cooperation with our partner EDC organizations' staff members provided grant writing and administration assistance to all requesting businesses in our region.

Quantifiable Deliverables: During the past year, we have written and administered several business-related grants, specifically under the Revitalize Iowa Sound Economy (RISE) program, as well as provided assistance regarding programs to economic development professionals and our member cities and counties. Further, we have completed a Tax Increment Financing (TIF) project, specifically the implementation of a housing plan that utilizes TIF funding. Also, we have attempted to enhance our educational knowledge regarding TIF as well as follow the legislative changes that may occur. Not to be understated, we also assisted our partner EDCs, as requested, by providing input on numerous economic development projects.

Difficulties Encountered: We faced, and will continue to face, a few issues related to this action step. First, the Iowa Economic Development Authority (IEDA) has adjusted many of their programs, specifically the required wage levels, making their programs more challenging to access. Second, the State Legislature continues to consider making adjustments to TIF regulations, with the most recent significant changes occurring in 2012. Within these changes, the statute requires thorough project identification, budget, and timelines, which in turn, requires our local communities to adjust their urban renewal plans accordingly. This then creates an opportunity for INREDC to lead our local communities in making the necessary changes to their TIF programs. It is important to point out that while TIF legislation has been proposed in the 2014 and 2015 Legislatures, but has failed to win approval, we have participated in the legislative input processes.

- Provide economic development assistance to local economic development groups in the region

Accomplishments Achieved: We have offered assistance, in several different ways, to each of the local economic development organizations.

Quantifiable Deliverables: We have attended and conducted numerous meetings with our local development organizations, including but not limited to, the INREDC Board and Technical Committee meetings; Cedar Valley Regional Partnership meetings; INRCOG Board meetings; local EDC planning and government affairs sessions; as well as other INRCOG committee meetings where membership includes local EDC personnel.

Difficulties Encountered: No significant difficulties have been encountered. During this past year, we hired additional staff for addressing regional economic development needs.

- Actively participate in meetings of the Iowa Association of Regional Councils (IARC), a statewide association for the Iowa Councils of Government

Accomplishments Achieved: Programmatic information and education have been garnered by INRCOG and INREDC through attending monthly IARC meetings

Quantifiable Deliverables: Our Executive Director, or his designee, has attended all monthly IARC meetings during the timeframe of this report.

Difficulties Encountered: No difficulties were encountered.

- Engage the INREDC in the CEDS planning process (Annual updates and revisions)

Accomplishments Achieved: We have integrated our 2012 CEDS and updates thereto into our meetings, as well as tasked each local economic development organization to assist us in the implementation of the CEDS. Also, we have received and reviewed in detail the new EDA CEDS guidelines and have provided an outline of the requirements to our Board for consideration. This new guideline information we provided to our Board also includes a tentative timeline for developing our next CEDS, which is due in June 2017.

Quantifiable Deliverables: At each quarterly INREDC Board meeting, as well as each Technical Committee meeting, we have integrated-in the CEDS, either formally on the agenda or informally to all of our discussions. Also, as we go out and assist each EDC with strategic planning, we have included the overall CEDS goals into their planning session. Further, we continued to link our local economic development professional's pertinent activities and efforts directly to our CEDS.

Difficulties Encountered: While we have not encountered any difficulties, we need to remain diligent about connecting all of our activities back to the CEDS and our agency economic development process. In addition, we will need to be certain to understand and use the new guidelines to shape our 2017 CEDS, development of which will begin in earnest next year.

Maintain and Improve the Economic Vitality of the Region (CEDS Goal #3):

- Assist existing businesses so that they might expand and flourish

Accomplishments Achieved: Our region's focus regarding economic development has been on assisting existing businesses or businesses that are part of our regional clusters, which is also consistent with the state of Iowa's philosophy.

Quantifiable Deliverables: As the following section illustrates, the economic development projects that INREDC worked on have been primarily with businesses and organizations currently located in our region during the past year.

Difficulties Encountered: No difficulties were experienced.

- Encourage new business development, including development of entrepreneurial activity

Accomplishments Achieved: When contacted by local economic development officials, the state of Iowa, or local government officials, we have provided guidance and direction to new business start-ups as has been requested.

Quantifiable Deliverables: The quantifiable deliverables provided under this action step including meetings, phone calls, emails, and other correspondence with either the company, an individual representing the company, local government, and/or the local economic development professional.

Difficulties Encountered: We continue to face challenges identifying new businesses that may need assistance and that meet the state's wage threshold requirements.

- Work seamlessly with the US Department of Commerce Economic Development Administration and the Iowa Economic Development Authority to assist communities in our region

Accomplishments Achieved: INREDC and INRCOG continues to work on achieving this task.

Quantifiable Deliverables: During the past year, INRCOG and INREDC have solidified scope of work requirements related to EDA, including projects, reporting, employee assignments, and administration. We are maintaining our projects to the expectations of EDA, as well as to those of our local cities, counties, and economic development organizations. All planning and project reports have been, and will be, filed in a timely manner. Recently, we have notified EDA that we are nearing completion of the Waterloo Pump Stations Project. Finally, we have invested a significant amount of time and effort toward implementing and updating our CEDS and managing our EDA Revolving Loan Fund Program.

Difficulties Encountered: Work on all of our EDA projects and programs continue to be a priority.

- Maintain our positive working relationships with the local economic development commissions, organizations, and staff members.

Accomplishments Achieved: Our organization has better positioned itself to be recognized as the regional economic development organization through building positive relationships with our local development organizations, as well as with EDA and the state of Iowa.

Quantifiable Deliverables: We meet regularly with all of our economic development organizations and entities, specifically through the Cedar Valley Regional Partnership (CVRP), which is a consortium of local development professionals. We continue to engage the local development groups through requests for input on the CEDS and offering strategic planning services to their organizations. This in-turn allows us to request their assistance with implementing our CEDS. As previously stated, INREDC and INRCOG also provided grant writing/administration, procurement, and fiscal management services for the CVRP.

Difficulties Encountered: No noteworthy difficulties or problems were experienced.

- Identify regional projects and visions for diversification of entire region.

Accomplishments Achieved: We have chosen to utilize INREDC meeting time more effectively with regard to local project identification.

Quantifiable Deliverables: As was previously stated, we have integrated project overview discussion time on our INREDC Board and Technical Committee agendas. We also added an educational component (presentations, tours, etc.) to all of our Board agendas this past year. Finally, with the success of the Cedar Valley Regional Partnership (CVRP), project information is shared regularly among all of the local economic development organizations and with INREDC.

Difficulties Encountered: The development of the CEDS has afforded our organization the opportunity to plan for the future of the region, including diversification of the economy. And while the planning element was not extremely difficult this year, implementing some

of the long-term visions established in the CEDS has been challenging because many of the factors and influences are beyond local control.

- Continue to use the Cedar Valley Regional Partnership as a vehicle to promote the region and cooperative activity.

Accomplishments Achieved: This is an ongoing task to which our organization is committed. We helped create this consortium of local economic development professionals, which was legally formed under Iowa law, nearly a decade ago, and while we are not technically a voting member of the partnership, we serve in a leadership role as facilitator, contributor, and financial manager for them.

Quantifiable Deliverables: As noted above, INREDC and INRCOG provide all of the ongoing fiscal oversight, administration, and management for the CVRP at no cost to their organization. We continue to offer our facilities to their organization for their meetings and functions. Finally, our staff has, and will continue, to write any grants for funding or procure professional services on their behalf.

Difficulties Encountered: No difficulties were experienced.

- Assist communities in leveraging private investment dollars through local, state and federal incentives.

Accomplishments Achieved: As is illustrated in the following section of this update, Evaluation of Effectiveness, there have been several economic development successes in our region.

Quantifiable Deliverables: The table in the next section of this update presents the regional economic development projects during the past year. As shown, we can document approximately \$90M in private investment and approximately \$8.5M in public investment for regional economic development projects during the past year. Said investments can then be credited with creating or retaining approximately 425 jobs in our region.

Difficulties Encountered: The table shows that private investment has been infused all of the projects. However, the public dollars appear to have lagged a bit from last year, as the state adjusts its economic development programs and funding delivery requirements.

- Provide education in the development and use of tax increment financing for both industrial and housing projects.

Accomplishments Achieved: We have reestablished our organization as a provider for both TIF education and products (plans, ordinances, and technical assistance) for our member communities.

Quantifiable Deliverables: During the previous year, we have offered technical and planning assistance regarding TIF to our members. Further, we have several TIF planning projects pending in member communities. This service has been made possible through

staff education, training, and experience, as well as working more closely with municipal bond (legal) counsel and public financing companies (Speer Financial, Northland Financial, and Piper-Jaffrey).

Difficulties Encountered: No significant problems or challenges were experienced.

- Provide technical assistance to help communities implement Comprehensive Plans concerning economic development activities, infrastructure improvements, and expansion of housing options, workforce development, and other economic development elements.

Accomplishments Achieved: One of INRCOG's primary services is working with communities to develop Comprehensive Land Use Plans. Within said plans are elements addressing community development, infrastructure, housing, workforce development, and transportation, all of which affect economic development. Because of the size of the undertaking and staff limitations, our agency generally completes two or three Comprehensive Plans per year. Incidentally, these Plans are a policy instrument that act as the foundation for a community's land use regulations, urban renewal plans and revitalization efforts, and capital improvements programs.

Quantifiable Deliverables: In addition to local government and planning staff, we ask economic development staff to participate in the Comprehensive planning process when a community is developing or updating plans. This allows us to share programmatic information with the community, while affording the staff member a chance to obtain information regarding the community's growth plans and aspirations. During this past year, our agency completed Comprehensive Plans for Independence, and we are nearly finished in La Porte City. During the upcoming year, we will be working to complete the Bremer County plan update, and we are in process of negotiating a contract with the City of Waterloo regarding updating their plan.

Related to land use and development, our Metropolitan Planning Organization (MPO) utilizes its current long range transportation plan, which sets priorities and identifies funding, for programming transportation improvements within the Waterloo-Cedar Falls Metropolitan Area. In addition, the complementing long range transportation plan for the remainder of our region is also well underway. Obviously, these plans, and the projects they contain, are crucial to economic development efforts in our region.

INRCOG also wrote four (4) Community Development Block Grant (CDBG) infrastructure (water/sewer and stormwater improvements) applications, two (2) of which were funded by the state of Iowa. The two (2) unsuccessful applications are being reviewed and updated and will be resubmitted this next year. Further, our agency completed three (3) housing rehabilitation grant applications under the CDBG housing program as well, two (2) of which were successful. Also, under CDBG, INRCOG managed the local review and scoring of all water/sewer and housing applications that were submitted from our region.

Other economic development and quality of life projects in which we participated included preparing and submitting recreational amenities grant applications such as the Resource Enhancement and Protection (REAP) Grant Program; Land, Air, and Water Conservation (LAWCON) Grant Program; Blue Zones (healthy living and economic

sustainability) initiatives; hazard mitigation and watershed management; and organizational development of a locally-grown/food policy council.

Difficulties Encountered: No difficulties were encountered.

- Coordinate economic development planning and implementation with other economic development organizations affecting the area, especially EDA-funded grantees such as adjoining economic development districts and Indian Tribes, and University Centers.

Accomplishments Achieved: During the past year, INRCOG/INREDC worked with our neighboring Councils of Governments and EDDs on projects as the opportunity presented itself, most of which were cross-boundary service related issues or providing technical assistance. As previously stated, we have added the Director of the Institute of Decision Making at the University of Northern Iowa (UNI) (EDA University Center) and the Economic Development Director of the Hawkeye Community College to our INREDC Board of Directors.

Quantifiable Deliverables: In all instances, we worked well with all of the COGs and EDDs in our attempts to bolster our economies while assisting our member communities.

Difficulties Encountered: Inter-regional projects did create an opportunity for us to work with our counterpart agencies on endeavors with economic development ramifications. In the end, the experiences at the local level were positive.

Define the Available Economic Development Funding Sources (CEDS Goal #10):

- Identify possible funding sources for governments and businesses

Accomplishments Achieved: As one of the primary charges of INRCOG, our agency works diligently to identify possible funding sources for our local member governments and their businesses and industries.

Quantifiable Deliverables: During the past year, we continued to provide a significant amount of technical assistance to our members regarding potential funding sources for many different types of projects. This information was provided via personal visits, phone conferences/conversations, emails, presentations, and through meetings.

Difficulties Encountered: As we noted last year, the available dollars in our funding programs are decreasing while the program requirements have increased, which requires the local governments to participate more on the front-end of projects, both technically and financially, in order to make their applications more competitive. Our challenge has been to educate our member communities and businesses that they will likely have to contribute more at the beginning and will likely face more transparency review, examination, and scrutiny than similar projects that were completed in prior years. Obviously, this is an ongoing objective for our organization.

- Apply for grant or loan programs, as is appropriate

Accomplishments Achieved: This is an ongoing action step for our organization, utilizing a number of different local, state, and federal programs. In addition, this past year our agency began researching and applying for private foundation grants that may be used to augment financing of community projects.

Quantifiable Deliverables: Our measure of deliverables is if the project is completed as designed and requested, on-time, and within budget. Of the three private foundation grants written, one has been funded at this point. Nevertheless, we are committed to pursuing private funding opportunities when they may arise.

Difficulties Encountered: Identifying appropriate programs and tracking ever-changing program requirements have been two ongoing challenges for our agency.

- Allocate, appropriate, and administer local funds, as is necessary or required by the program itself

Accomplishments Achieved: This action step is implemented on an “as needed” basis.

Quantifiable Deliverables: During the past year, the Waterloo Pump Stations EDA Project and our Revolving Loan Fund have made noteworthy progress toward completion.

Difficulties Encountered: Regarding the Waterloo EDA project, we are nearing the successful completion of the five (5) separately-sited commercial pump projects and we anticipate closeout early this upcoming fiscal year. In addition, there are also three (3) residential pump stations currently under construction that are not funded by EDA that complement the commercial stations. As for the RLF, our challenges have been providing a service that complements financial institutions; identifies businesses in-need; and that obtains approvable, viable business applications. That being said, we are now receiving successful RLF applications and have updated all of the information related to our existing business loan date and files.

- Continue to expand professional knowledge base and expertise in development issues, tools and programs to include: new EDA and CEDS guidelines, housing programs, revolving loan administration, business credit analysis and financial packaging, economic impact analysis, tax increment financing and tax abatement, workforce development, and grant writing and administration.

Accomplishments Achieved: INRCOG and INREDC support continuing education and training as an employee or program needs or requires. In short, this is an ongoing or continuing action step for our organization.

Quantifiable Deliverables: As noted above, INRCOG/INREDC have added staff in the economic development area this past year, and a result, we have had the opportunity to reassign work and complete tasks more effectively. Said staffing changes required the newer employees to attend training regarding a number of topics. Furthermore, we have identified a continued need for additional training during the upcoming year.

Difficulties Encountered: No unexpected difficulties were experienced.

- Work closely with USDA, Iowa Economic Development Authority and other organizations that can provide economic development assistance to member jurisdictions and businesses.

Accomplishments Achieved: This action step is a continuous or ongoing effort that may be considered as the opportunity and/or need presents itself. Specifically, we have completed a USDA infrastructure grant for a member community related to upgrading their sanitary sewer treatment facility.

Quantifiable Deliverables: Through meetings, funding agency presentations, conversations, reports, and emails, we have maintained relationships with both USDA and IEDA regarding programs and current projects during the past year.

Difficulties Encountered: Other than adjusting projects to fit ever-changing, decreasing funding sources, we have not faced any notable difficulties related to this action step during this last year.

- Assist regional industrial/business retention and expansion teams in providing information on available state and federal programs offered to businesses as well as relevant state regulations and tax policies.

Accomplishments Achieved: This is also an ongoing, and as-needed, action step.

Quantifiable Deliverables: We meet with our regional economic development partners at least monthly as part of the Cedar Valley Regional Partnership (CVRP). In addition, we conduct regular meetings of our INREDC Technical Committee and Board, which allows us to maintain contact opportunities for sharing programmatic information. Likewise, all of the partners share information through their websites, emails, and social media. Finally, the table in the Evaluation section of this report illustrates the efforts that have been made regionally with regard to projects, development investment, and jobs created/retained in our region.

Difficulties Encountered: No difficulties were experienced.

Assist Local Economic Development Groups and Governments to Continue to Develop and Capitalize on Existing Regional Clusters and Aggressively Address the Workforce Needs of the Region (CEDS Goals #1 & 2):

- Assist in identifying the workforce needs of the Region

Accomplishments Achieved: The Cedar Valley Regional Partnership (CVRP), which emphasizes marketing of our region, also focuses on the business/industry clusters in the region (Advanced Manufacturing, Bio-fuels and Alternative Energy, Food Processing, Information Technology, Logistics and Distribution, and Wind Power) as well as workforce needs of the region. Our educational partners, University of Northern Iowa (UNI) and

Hawkeye Community College (HCC), are also focused on both of these areas, as is evident in the programs they offer to their respective institutions, students, surrounding communities, and businesses.

Quantifiable Deliverables: The table in the following section shows the investments made within our region.

Difficulties Encountered: Our region continues to struggle with workforce challenges, specifically having enough workers to fill certain skill positions. Moreover, making sure those prospective workers have the appropriate training is also an ongoing challenge. HCC has made changes to curriculums related to specialized laborers (i.e. welders, CNC operators, etc.) that will provide students an opportunity to obtain their education in a compact, intense window of time, which then allows them to enter the workforce quicker. Incidentally, our INREDC Board held one of their meetings in the HCC facility, received a presentation, and toured their educational laboratories during this past year. Further, regional economic development professionals in our region continue to make inroads into the secondary education institutions (high schools) in order to inform students about modern manufacturing processes. Their primary focus has been to provide information regarding the need for workers in certain skill professions, while showing students that these types of positions pay a decent living wage and offer a good work environment.

- Assist in efforts to provide training for new workers or retraining for existing or displaced workers

Accomplishments Achieved: This is also ongoing, and on an as-needed basis. We previously discussed two (2) specific agriculturally-related businesses, John Deere and Unverferth Manufacturing, which experienced job reductions in the past year.

Quantifiable Deliverables: Within our region, displaced workers appear to be able to find employment, as many of our existing companies are seeking qualified individuals. With that said, in some instances these downsizings are requiring retraining in the required skill sets of the affected persons, worker relocation, and unfortunately, possibly some underemployment.

Difficulties Encountered: No significant difficulties were experienced.

- Assist in cultivating existing identified regional clusters

Accomplishments Achieved: This is a continuous action step for our region.

Quantifiable Deliverables: Again, our economic development professionals continue to focus on the clusters we have identified in our CEDS, in their marketing, retention, and attraction efforts. Specifically, as they attend trade shows and make corporate visits under the auspices of the Cedar Valley Regional Partnership, our local economic development professionals target companies that fit within our identified regional clusters.

Difficulties Encountered: No significant difficulties were encountered.

We believe the above five CEDS Goals illustrated the primary focus of the Scope of Work for the 2014-2015 Planning Grant year. However, that does not mean the remaining goals identified in the current CEDS (2012 Revision) were not considered when carrying out the needs of our region. These goals are important aspects of economic development in the region and were integrated into projects and the Scope of Work as was appropriate. Those goals and their reports follow.

Foster Effective Transportation Service for Projects (CEDS Goal #5)

Accomplishments Achieved: As previously stated, INRCOG is in-process of implementing its recently-completed long range transportation plan for our Metropolitan Planning Organization (MPO) and is completing its plan for the remainder of our region under the auspices of our Regional Transportation Authority (RTA).

Quantifiable Deliverables: Completion of the transportation plans justifies the allocation and programming of transportation funds (capital and planning), which is accomplished through the Transportation Improvement Program (TIP) and Transportation Work Programs (TPWP). INRCOG is responsible for not only the plans, but the TIPs and TPWPs for both the MPO and RTA. Regarding the TIP and TPWPs for both entities, the annual drafts of both documents are out for public comment and the finished products will be approved by their respective boards this summer, as they have been in prior years.

Specific transportation projects, with strong economic development impacts, that were addressed this past year include University Avenue redevelopment (through the Waterloo/Cedar Falls communities); highway access and overpass projects at Viking Road/IA Highway 58 in Cedar Falls and Cedar-Wapsi Road/US Highway 27 in rural Black Hawk County; First Street and Hudson Road Redevelopment Projects in Cedar Falls; as well as reconstruction of US Highway 63 through Waterloo; and the beginning of a corridor study that looks at a potential northeastern bypass of the Waterloo/Cedar Falls metropolitan area.

Also, our staff continues to participate in the Complete Streets efforts in Waterloo and Cedar Falls. In the end, we hope that the Complete Streets projects we review positively affect the quality of life, enhance local/central business districts, solidify neighborhood preservation efforts, encourage multiple transportation modes, and as a result maintain and improve economic vitality whenever possible.

Difficulties Encountered: Other than having to continuously seek funding for such large transportation projects as well as any Complete Streets projects we identify, no significant difficulties were experienced.

Local Projects Will Be Consistent with Federal and State Economic Development Plans and Programs (CEDS Goal #7)

Accomplishments Achieved: This is an ongoing action step

Quantifiable Deliverables: Required by program.

Difficulties Encountered: None were noted or identified.

Work to Balance Resources in Economic Development Processes (CEDS Goal #9)

Accomplishments Achieved: This is also an ongoing goal.

Quantifiable Deliverables: All economic development projects require a balancing of resources, not to mention the utilization of multiple funding sources. See the table presented in the next section, Evaluation of Effectiveness.

Difficulties Encountered: No difficulties were noted during the past year.

Recognize that Technology Will Play a Crucial Role in Economic Development (CEDS Goal #8)

Accomplishments Achieved: This is also an ongoing goal.

Quantifiable Deliverables: All economic development projects are being impacted by technology. We should note that the CVRP, with our staff participation, is working with internet service providers and municipal utilities to enhance service to our businesses and industries, including encouraging installation of infrastructure that will place our region in at an economic advantage when it comes to web connectivity. In addition, this effort provides an educational opportunity for CVRP members.

Also, the CVRP has prioritized improvements to its website over the course of the next year, which will allow them to reach people more effectively while providing more current information to prospective business clients. INREDC will likely manage the vendor procurement and financial management related to this project.

Difficulties Encountered: Other than staffing shortages, no difficulties were noted during the past year.

Protects and Enhances the Environment (CEDS Goal #6)

Accomplishments Achieved: This is also an ongoing goal.

Quantifiable Deliverables: All economic development projects must adhere to environmental regulations, as is required by program, in order to receive assistance.

Difficulties Encountered: No difficulties were noted during the past year.

Assist Businesses and Industries with Disaster Preparedness (CEDS Goal #4)

Accomplishments Achieved: This is also an ongoing goal.

Quantifiable Deliverables: We will be working to update our CEDS Disaster Strategy, as part of developing the 2017 CEDS. Nevertheless, we have accomplished the following disaster-related planning efforts this past year.

Our organization worked a number of Hazard Mitigation Plans in our region. Of note, Bremer County and Waverly were successfully amended, and a new Black Hawk County Multi-Jurisdictional (MJ) Hazard Mitigation Plan (HMP) was recently approved by the Federal Emergency Management Agency (FEMA). In addition, Butler County submitted an updated MJ HMP to FEMA for consideration. Lastly, Bremer and Buchanan Counties were awarded federal (FEMA) and state funds to update their MJ HMPs, and Grundy County will likely be awarded funding to do likewise. Our only remaining county, Chickasaw County, has a current plan. In short, all of our jurisdictions are covered by an MJ HMP, and our organization and members are committed to maintaining that status.

Regarding disaster mitigation projects, under the Hazard Mitigation Grant Program (HMGP) in our region, our agency has closed our final two (2) safe room projects this year, making for a total of seven (7) completed in our service area. This is in addition to completing a siren and major sanitary sewer project in two (2) communities as well as local procurement of a communication vendor for upgrading emergency communications in Black Hawk County. Incidentally, we did submit two (2) siren applications for consideration and are working on two (2) infrastructure projects under the HMGP program this past year.

Other disaster Community Development Block Grants (CDBG) successfully closed include the: Waverly dam project; Cedar Falls lift station; Parkersburg and Clarksville stormwater projects; water projects in Beaman and Nashua; and completion of a trail bridge reconstruction in Black Hawk County, not to mention the fact that we are nearing the end of previously-mentioned Waterloo pump projects. Also, we continue to implement disaster-related housing projects including structural acquisitions and redevelopment initiatives.

Difficulties Encountered: Our most significant difficulty encountered was allocating staff and identifying funding availability and consistency.

EVALUATION OF EFFECTIVENESS

We have seen significant projects developed this past year in our region, and we are pleased with the economic development activities that were accomplished. And while the agricultural economy appears a bit nervous, our communities and businesses continue to look forward optimistically with regard to the regional and state economies.

As is evident in the prior section of this update, this past year has required significant and regular contact with our local economic development officials and member governments. Those contacts have fostered excellent working relationships that we believe will continue into the future. Nonetheless, the following table contains a list of projects, reported to INREDC, that have developed during the past year. We should point out that some of these projects are in still in the design and construction phases, but they do represent significant regional investment and job growth potential.

#	Initiative	Local Funding Source(s)	Public Agency	Category Type	Jobs Created or Retained	Public Investment			Private Investment
						Local	State	Federal	
1	Gilbert Service Center	City/Private	City of New Hampton	R	4	\$5,000			\$70,000
2	Midwest Floors	City/Private	City of New Hampton	R	5	\$72,000			\$223,200
3	Treasure Chest (Comp Systems, Inc.)	City/Private	City of New Hampton	T	20	\$2,500			\$247,500
4	CPM Roskamp/Champion (Waterloo)	State/Private	IEDA	R	2		\$26,200		\$723,800
5	ConAgra	City/State/Private	City of Waterloo/IEDA	R	57	\$600,000	\$3,900,000		\$45,500,000
6	VGM	City/State/Private	City of Waterloo/IDOT	R	200	\$935,000	\$306,000		\$18,759,000
7	United Equipment Access. (Waverly)	Private	N/A	R	8				\$1,600,000
8	Pries Enterprises (Independence)	Private	N/A	I, R	8				\$5,000,000
9	Wapsi Valley Creamery (Independence)	Private	N/A	I, R	1				\$3,000,000
10	Terex Global Business Services (Waverly)	Private	N/A	R	25				\$558,000
11	River Place (MU 1)	City/Private	City of Cedar Falls	R	3	\$200,000			\$4,000,000
12	Viking Road Commercial	City/Private	City of Cedar Falls	I, R	40	\$750,000			\$6,000,000
13	Standard Distribution	City/Private	City of Cedar Falls	I, R	20	\$1,500,000			\$3,500,000
14	City Hall Annex/Post Office (Bike Tech)	City/Private	City of Cedar Falls	I, R	18	\$200,000			\$750,000
15	5611 Westminster Project	City/Private	City of Cedar Falls	I, R	15	\$100,000			\$300,000
	Total				426	\$4,364,500	\$4,232,200	\$0	\$90,231,500
							\$8,596,700		\$90,231,500

Category Type Key: I-Infrastructure; R-Facility; T-Technical Assistance; and P-Planning

State Agency Key: IEDA-Iowa Economic Development Authority; IDOT-Iowa Department of Transportation

SCHEDULE AND IMPLEMENTATION

We have submitted, and received approval, of our Fiscal Year 2015-2016 Planning Grant (Year 3) and corresponding Scope of Work. As is expected, the scope closely follows the CEDS Goals and Objectives, and we anticipate pursuing implementation of as many activities as possible to further our regional goals. In addition, discussions are ongoing with our economic development partners regarding studies that the region may pursue in order to identify opportunities for our region. These studies will be funded by the economic development groups in the INREDC region, the Cedar Valley Regional Partnership, and/or the governmental entities that support them. Nevertheless, our region's scope of work, as taken from our approved 2015/2016 planning grant, is as follows.

Updated 2015/2016 Action Plan

INREDC Goals:

- Goal #1: Aggressively Address the Workforce Needs of the Region **(High Priority)**
- Goal #2: Continue to Develop and Capitalize on the Following Regional Clusters: Advanced Manufacturing, Bio-fuels and Alternative Energy, Food Processing, Information Technology, Logistics and Distribution, and Wind Power **(High Priority)**
- Goal #3: Maintain and Improve the Economic Vitality of the Region **(High Priority)**
- Goal #4: Assist Businesses and Industries with Disaster Preparedness **(Moderate Priority)**
- Goal #5: Foster Effective Transportation Service for Projects **(High Priority)**
- Goal #6: Protects and Enhances the Environment **(Moderate Priority)**
- Goal #7: Local Projects Will Be Consistent with Federal and State Economic Development Plans and Programs **(Moderate Priority)**
- Goal #8: Recognize that Technology Will Play a Crucial Role in Economic Development **(Moderate Priority)**
- Goal #9: Work to Balance Resources in Economic Development Processes **(Moderate Priority)**
- Goal #10: Define the Available Economic Development Funding Sources **(High Priority)**
- Goal #11: Maintain INREDC's Economic Development District Status **(High Priority)**

Action Steps:

- Provide annual CEDS updates to EDA and prepare and file all required reports (GPRA and Financial Reports)
- Provide timely reports to EDA on plant closures and downsizings within the region
- Serve as the regional economic development umbrella agency for our members
- Offer a forum for economic development that not only includes local governments and economic development professionals, but also encourages private sector, non-profit and non-governmental, as well as general public input involvement
- Provide economic development assistance to businesses, industries, and local governments in our region
- Provide economic development assistance to local economic development groups in the region
- Actively participate in meetings of the Iowa Association of Regional Councils (IARC), a statewide association for the Iowa Councils of Government
- Engage the INREDC in the CEDS planning process (Annual updates and revisions). We are currently just beginning the 2017 CEDS process, consistent with the new EDA requirements.
- Assist existing businesses so that they might expand and flourish
- Encourage new business development, including development of entrepreneurial activity
- Work seamlessly with the US Department of Commerce Economic Development Administration and the Iowa Economic Development Authority to assist communities in our region
- Maintain our positive working relationships with the local economic development commissions, organizations, and staff members.
- Identify regional projects and visions for diversification of entire regional economy, specifically participation in health care; healthy community initiatives; and food planning organizations, including production, distribution, and consumption of locally grown products. All of which have local clusters in our region
- Continue to use the Cedar Valley Regional Partnership as a vehicle to promote the region and cooperative activity.
- Assist communities in leveraging private investment dollars through local, state and federal incentives.
- Provide education in the development and use of tax increment financing for both industrial and housing projects.
- Provide technical assistance to help communities implement Comprehensive Plans concerning economic development activities, infrastructure improvements, and expansion of housing options, workforce development, and other economic development elements.
- Coordinate economic development planning and implementation with other economic development organizations affecting the area, especially EDA-funded grantees such as adjoining economic development districts and Indian Tribes, and University Centers.
- Identify possible funding sources for governments and businesses
- Apply for grant or loan programs, as is appropriate
- Allocate, appropriate, and administer local funds, as is necessary or required by the program itself
- Continue to expand professional knowledge base and expertise in development issues, tools and programs to include: housing, revolving loan administration, business credit

analysis and financial packaging, economic impact analysis, tax increment financing and tax abatement, workforce development, and grant writing.

- Work closely with USDA, Iowa Economic Development Authority and other organizations that can provide economic development assistance to member jurisdictions and businesses.
- Assist regional industrial/business retention and expansion teams in providing information on available state and federal programs offered to businesses as well as relevant state regulations and tax policies.
- Assist in identifying the workforce needs of the Region
- Assist in efforts to provide training for new workers or retraining for existing or displaced workers
- Assist in cultivating existing identified regional clusters

Lead Agencies:

- INREDC/INRCOG
- Cities and Counties in our Region
- Local Economic Development Corporations and Partner Organizations
- Cedar Valley Regional Partnership members
- Greater Cedar Valley Alliance
- University of Northern Iowa
- Hawkeye Community College

Funding Sources/Agencies:

- Local governments (cities and counties) and other taxing entities
- Local economic development organizations
- INRCOG/INREDC
- Iowa Economic Development Authority (Community Development Block Grant for infrastructure, community facilities, downtown revitalization projects, businesses, housing projects, and the Cedar Valley Regional Partnership)
- US Department of Agriculture including the Rural Business Enterprise Grant (RBEG) and infrastructure programs
- US Department of Commerce, Economic Development Administration
- Iowa Department of Transportation (transportation planning areas/regions and their programs; Revitalize Iowa's Sound Economy fund)
- Iowa Department of Natural Resources and Iowa Finance Authority (State Revolving Loan Fund for infrastructure and housing projects)
- Private businesses and industries

Timeframe: July 1, 2015-June 30, 2016

Jobs Anticipated: 200 positions region-wide

Scope of Work (Year 3: Fiscal Year 2016) (As it was submitted, and approved, as our Planning Grant Request; EDA Agreement #:05-83-05378-02)

As was stated in last year's EDA Peer Review of INREDC during 2012, the Scope of Work that INREDC had been submitting for consideration under previous Planning Grant Applications and Renewals was discussed at length. It was suggested that the Scope be redrafted into a shorter, more concise list of tasks to be performed by INREDC. For that reason, the Scope of Work for the past two renewals focused primarily on the Goals identified in the 2012 Revision of the Comprehensive Economic Development Strategy which was approved by EDA on November 30, 2012. Specifically, we will continue to focus on the following documented activities:

Maintain INREDC's Economic Development District Status (CEDS Goal #11):

- Provide annual CEDS updates to EDA and prepare and file all required reports (GPRA and Financial Reports)
- Provide timely reports to EDA on plant closures and downsizings within the region
- Serve as the regional economic development umbrella agency for our members
- Offer a forum for economic development that not only includes local governments and economic development professionals, but also encourages private sector, non-profit and non-governmental, as well as general public input involvement
- Provide economic development assistance to businesses, industries, and local governments in our region
- Provide economic development assistance to local economic development groups in the region, individually and to the Cedar Valley Regional Partnership, which is their legal, marketing consortium organization
- Actively participate in meetings of the Iowa Association of Regional Councils (IARC), a statewide association for the Iowa Councils of Government
- Engage the INREDC in the CEDS planning process (annual updates and revisions). We are working with our Board to begin development of our next complete CEDS update. Currently, we have a working outline and timetable that we are refining. Said new CEDS will be consistent with the newly released EDA guidelines.

Maintain and Improve the Economic Vitality of the Region (CEDS Goal #3):

- Assist existing businesses so that they might expand and flourish
- Encourage new business development, including development of entrepreneurial activity
- Work seamlessly with the US Department of Commerce Economic Development Administration and the Iowa Economic Development Authority to assist communities in our region
- Maintain our positive working relationships with the local economic development commissions, organizations, and staff members.
- Identify regional projects and visions for diversification of entire regional economy, specifically participation in health care; healthy community initiatives; and food planning organizations, including production, distribution, and consumption of locally grown products. All of which have local clusters in our region.
- Continue to use the Cedar Valley Regional Partnership as a vehicle to promote the region and cooperative activity.

- Assist communities in leveraging private investment dollars through local, state and federal incentives.
- Provide education in the development and use of tax increment financing for both industrial and housing projects.
- Provide technical assistance to help communities implement Comprehensive Plans concerning economic development activities, infrastructure improvements, and expansion of housing options, workforce development, and other economic development elements.
- Coordinate economic development planning and implementation with other economic development organizations affecting the area, especially EDA-funded grantees such as adjoining economic development districts and Indian Tribes, and University Centers.

Define the Available Economic Development Funding Sources (CEDs Goal #10):

- Identify possible funding sources for governments and businesses, including public and private funding sources.
- Research private foundation grants for businesses, industries, and local governments.
- Apply for grant or loan programs, as is appropriate and requested
- Allocate, appropriate, and administer local funds, as is necessary or required by the program itself
- Continue to expand professional knowledge base and expertise in development issues, tools and programs to include: housing, revolving loan administration, business credit analysis and financial packaging, economic impact analysis, tax increment financing and tax abatement, workforce development, and grant writing.
- Work closely with USDA, Iowa Economic Development Authority and other organizations that can provide economic development assistance to member jurisdictions and businesses.
- Assist regional industrial/business retention and expansion teams in providing information on available state and federal programs offered to businesses as well as relevant state regulations and tax policies.

Assist Local Economic Development Groups and Governments to Continue to Develop and Capitalize on Existing Regional Clusters and Aggressively Address the Workforce Needs of the Region

(CEDs Goals #1 & 2):

- Assist in identifying the workforce needs of the Region
- Assist in efforts to provide training for new workers or retraining for existing or displaced workers
- Assist in cultivating existing identified regional clusters

We believe the above five CEDS Goals will constitute the primary focus of the Scope of Work for the 2015-2016 Planning Grant year. However, that does not mean the remaining goals identified in the current CEDS (2012 Revision) will not be addressed. These goals are important aspects of economic development in the region and will be accommodated into projects and the Scope of Work as appropriate. Those goals include:

- **Foster Effective Transportation Service for Projects (CEDS Goal #5)**
- **Local Projects Will Be Consistent with Federal and State Economic Development Plans and Programs (CEDS Goal #7)**
- **Work to Balance Resources in Economic Development Processes CEDS Goal #9)**
- **Recognize that Technology Will Play a Crucial Role in Economic Development (CEDS Goal #8)**
- **Protects and Enhances the Environment (CEDS Goal #6)**
- **Assist Businesses and Industries with Disaster Preparedness (CEDS Goal #4)**

IOWA NORTHLAND REGIONAL ECONOMIC DEVELOPMENT COMMISSION

Board of Directors – Updated Composition (for 2015/2016)

1. GOVERNMENT REPRESENTATIVES (51-65%)

Name	Government	Position
Frank Magsamen	Black Hawk County	Supervisor
Ken Kammeyer	Bremer County	Supervisor
Ellen Gaffney	Buchanan County	Supervisor
Jeff Kolb	City of Clarksville	City Council
Steve Geerts	Chickasaw County	Supervisor
Brian Buhrow	Grundy Center	Mayor
Quentin Hart	Waterloo	City Council
Bill Werger	City of Waverly	Economic Development

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

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

Name	Company / Enterprise	Position
Linda Laylin	Cedar Valley Growth Fund I, Inc.	Executive Director
George Lake	Buchanan County EDC	Executive Director
Tammy Robinson	New Hampton EDC	Executive Director
Gale Brinkman	Greene Insurance	Owner/CEO
Rick Whalen	Butler County REC	Econ Dev. Director

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

Name	Organization	Position
Randy Pilkington	University of Northern Iowa	IDM Director
Aaron Sauerbrei	Hawkeye Community College	ED Director

3. AT-LARGE REPRESENTATIVES (0-14%)

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

Name	Area of Interest	Background
None		

CALCULATIONS

	<u>Number</u>	<u>Percent</u>
1. Government Representatives (51-65%)	<u>8</u>	53%
2. Non- Government Representatives (35-49%)	<u>7</u>	47%
A. Private Sector Representatives (at least 1)	5	
B. Stakeholder Organization Representatives (at least 1)	2	
3. At-Large Representatives (0-14%)	<u>0</u>	<u>0%</u>
Total Board Membership	15	100%

Strategy Committee - Composition

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

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

Name	Company	Position
Jerry Bitterman	Geater Machining and Manufacturing, Co.	CEO
Lynn Hopp	TriMark Corporation	VP, Human Resources
Dennis Hobson	American Tool	Owner
Roger Bockes	Heavy Equipment Manufacturing	Owner

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

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

Name	Area of Interest	Position
Noel Anderson	Public official	Dir., Planning & Dev.
Bob Seymour	Public official	Community Services Mgr.
Steve Brustkern	Economic Development	Executive Director

CALCULATIONS

	<u>Number</u>	<u>Percent</u>
Private Sector Representatives (at least 51%)	4	57%
Representatives of Other Economic Interests (no more than 49%)	<u>3</u>	<u>43%</u>
Total Committee Membership	<u>7</u>	<u>100%</u>