

# BLACKHAWK HILLS



Resource Conservation and Development  
Jo Daviess • Stephenson • Carroll • Ogle • Whiteside • Lee

May 26, 2010

Donald Kathan, Area Director  
U.S. Department of Commerce  
Economic Development Administration  
111 North Canal Street, Suite 855  
Chicago, IL 60606-7208

Mr. Kathan:

On behalf of the Blackhawk Hills Resource Conservation and Development District, I am pleased to submit the enclosed Year End Progress Report for the period of July 1, 2009 through June 30, 2010. The update specifically addresses the past year's activities and services, meetings and workshops attended, and our current partnerships and associations. The financial reports for the same time period will be submitted as the FY is closed out. This update is in regards to Award Number 06-83-05407.

If you have any questions or require additional information, please contact the RC&D staff at 815/625-3854.

Sincerely,

A handwritten signature in black ink that reads "William J. Tonne, D.D.S.".

William J. Tonne, D.D.S.  
Blackhawk Hills RC&D President

Enclosures

cc: C. Robert Sawyer, Regional Director, EDA  
Bill Warren, EDA

**Year-End Progress Report to the  
US Department of Commerce  
Economic Development Administration  
From Blackhawk Hills Resource Conservation and Development District  
July 1, 2009-June 30, 2010  
Grant Award Number: 06-83-05407**

During Fiscal Year 2009-2010, Blackhawk Hills RC&D District has been involved in the following activities as they relate to our Goals listed in the 2008-2013 CEDS document:

**Goal 1** – Utilize long-term planning to improve the conditions, strategies and problem solving capabilities of the District to stay economically competitive. The following objectives have been accomplished.

*Capital Improvement Planning (CIP) Incentive Program*

Blackhawk Hills Resource Conservation and Development (RC&D) received from the State of Illinois approximately \$23,250 to assist with regional planning efforts within our administrative boundaries. The funds were secured by the Illinois Association of Regional Councils through a special initiative. Funding for the 2009 cycle had been earmarked to assist communities of less than 5000 population to develop a capital plan including a budget for water and sewer infrastructure. Each community received an incentive payment of \$2000 for presenting their plan and budget to Blackhawk Hills RC&D. 11 communities participated on a “first come, first serve” basis in this effort. We had 3 for JoDaviess County, 3 for Carroll County, 1 for Stephenson County, 2 for Ogle County, and 2 for Lee County.

*2009 Stimulus Package Project Gathering*

Staff spent a considerable amount of time requesting, gathering, and compiling input from the communities and counties located in the Blackhawk Hills RC&D Region in regards to the new federal administration’s proposed stimulus plan. This was a request from various State and Federal Agencies that we act as the regional collection point. A letter and a copy of the list were sent to all IL State Representatives and Senators, as well as to DCEO, USDA, EDA, and the EPA. The list is included in the 5-Year CEDS Document as well.

*Whiteside County All-Hazard Mitigation Planning*

Our office has been asked to assist on an All-Hazard Mitigation Plan for Whiteside County. Our role would include working with the planning committee, reviewing resources and data, developing partnerships with community leaders, and involving the public in the planning process. We are determining our available time for this project and determining what roles we can play.

*Thomson Prison*

Staff has been attending a number of meetings, panel discussions, hearings and planning sessions concerning the sale of the Thomson Prison to the Federal Bureau of Prisons. We attended a meeting put on by the Bureau of Prisons (BoP) in Fulton on April 21<sup>st</sup> to hear about the potential hiring process and the requirements. No formal announcement has been made yet, but the BoP is proceeding ahead. We were also able to introduce ourselves and our

organization to the BoP staff and invite them to our May 5<sup>th</sup> workshop. Through our discussions, our office may be assisting the BoP in organizing future regional meetings and informational sessions as the hiring process starts up.

**Goal 2** – Assist with the improvement of community infrastructure (water, sewer, roads, telecommunications) to provide for new economic growth, as well as support existing businesses. The following objectives have been accomplished.

#### *Broadband Task Force*

Access to broadband fiber in northwestern Illinois has emerged as a primary and serious goal of the group. The Regional CEDS group felt there was an immense need to continue to explore, educate and bring grassroots pressure for governmental spending to access and expand existing broadband infrastructure in our 6-county region. Therefore, a Broadband Taskforce was formed to begin the long process of determining where our region had broadband infrastructure, opening lines of communication with area service providers, and determining who still needed access. It has been a long process, but Blackhawk Hills RC&D has been working with Northern Illinois University (NIU) to compile and submit a grant application to help fund the Broadband Project.

The Blackhawk Hills RC&D Broadband Task Force, consists of local governmental and other public service entities in the six northwest counties of Illinois (JoDaviess, Stephenson, Carroll, Ogle, Whiteside, and Lee County) was formed to explore the potential benefits and related cost of forming a regional high speed, broadband network that could meet the combined needs of local governments, school districts, library districts, park districts, community colleges, a multi-governmental public safety dispatch operation, hospitals and clinics in the area.

Initial efforts to expand individual Blackhawk Hills RC&D member networks were too costly and as a result, a regional network concept was developed to share the initial infrastructure costs, reduce ongoing maintenance costs and expand the potential benefits to all Blackhawk Hills RC&D members that could be achieved through a collaborative approach. The Illinois Broadband Opportunities Partnership Northwest (IBOP-NW), an 8-county partnership including Blackhawk Hills RC&D, is now making a \$67M grant application with more than \$9M in non-federal matching funds, to the federal Stimulus Plan. In addition, IBOP-NM has \$14M in State match.

The number of households/businesses passed by the proposed fiber will equal 93,917 households and 17,996 businesses. The majority of the new network costs were related to engineering, construction and professional services. These services will be provided by local firms that will create jobs and serve as an economic stimulus to the region, while providing much needed high speed communication capabilities. We estimate that this network has the potential to directly create between 95 – 100 professional services and construction jobs per county (about 600 total), and indirectly a significant number of additional jobs related to the network components.

This project is a significant upgrade of the Blackhawk Hills RC&D's broadband infrastructure that will meet the broadband demand and provide ongoing and long-term benefits to area schools, communities, enhance public safety, provide disaster recovery capabilities, improve service delivery to citizens and businesses and serve as an economic stimulus, expanding infrastructure and creating local jobs.

#### *Village of Milledgeville EDA Infrastructure Grant*

The Village has received confirmation that their EDA Grant Application to fund infrastructure development into their future industrial park along IL-40 was approved. However, due to the recent decline in the economy and uncertainty in new/pending Prevailing Wage legislation, the Village has considered halting the project and returning the money to EDA.

#### *Morrison*

Staff has worked with the City of Morrison on a number of initiatives. One, including a potential Green Business Park, and another to conduct a community assessment/inventory as a pilot for the rest of our region. Morrison has a lot of potential for future development and if it is done in the proper order, we feel a number of funding sources would be successful. We are working closely with the Community Development representative to ensure planning is done properly from the beginning to help make certain that funding criteria are met.

#### *EECBGP*

Serving as the regional economic development and planning entity, Blackhawk Hills RC&D has been awarded \$750,000 to be administered through our office for Energy Efficiency Conservation Block Grants in our District. Beginning in spring 2010, communities and local entities of government will be able to apply for Energy Efficiency Grants through our office to assist with projects in community facilities that will promote the conservation of energy. DCEO and ILARC have given staff direction and training throughout the process. How much will be invested into each county will depend on who decides to utilize this opportunity. RFAs were sent out on April 30, 2010 and completed applications are due to our office by June 11, 2010 for initial review by our committee.

#### *EDA Project*

We have been working with Sharon Pepin with a project for Dura in Jo Daviess County who has applied for EDA Funds under their Community Trade Adjustment Assistance Program. This program was created under the ARRA Program and was to be used for qualifying communities who have experienced the impact of international trade or had impacts from import trades. Qualifying communities could receive 95% project funding for construction projects or 75% for strategic planning. Deadline for project submission was April 20, 2010.

#### *Prevailing Wage Workshop*

Tom Whalen, Manager Conciliation & Mediation IL Department of Labor presented a workshop for our region to explain the new Prevailing Wage laws and what impact that will have on communities. Governor Quinn signed legislation to clarify and improve compliance with the Prevailing Wage Act. Quinn signed Senate Bill 223, House Bill 163 and House Bill 952, respectively, to clarify and enhance the Prevailing Wage Act. All three public acts were effective January 1, 2010. Changes to Illinois' Prevailing Wage Act included a clarification of

covered projects, added provisions requiring proper written notice be provided by public bodies and coverage of demolition work. The workshop was very well attended and we had great feedback from all sectors of the workforce who attended.

**Goal 3** – Work with and assist economic development professionals and organizations in our region. The following objectives have been accomplished.

#### *CEDS Workshop Series 2010*

As an extended initiative of the Regional CEDS Meetings, the group decided they would like to hear 3 topics expanded upon in workshops. The 3 topics included: 1) CEDS Leadership Training: What Are the Roles and Responsibilities? 2) Bracing for Impact? True Experiences from the Florence, CO Federal Super-Max Facility. 3) Site Selection: What Are They Really Looking For and Are You Ready? A description of each workshop is below.

Workshop #1—Held on March 24<sup>th</sup>, focused on the role of the CEDS Committees, both the Local CEDS groups (county level) and the Regional CEDS group. Also, how the Local and Regional CEDS Committees interact, play roles in project development and what the role of the Blackhawk Hills RC&D is as an EDD. It was a great refresher for experienced CEDS members and a great way for new CEDS members to learn their roles. We had approximately 20 representatives attend.

Workshop #2—Held on May 5<sup>th</sup>, focused on the real-life impact a Federal Prison could have on our region. We had 2 very experienced representatives come to our region from Florence, Colorado to share their stories about the creation of a Federal Super-Max Facility in their backyard and how the region looks/operates today. The night before, we were able to meet with them informally and learn firsthand what to plan for and things to expect. The morning of the workshop, we also had an informal roundtable meeting with approximately 25 area school leaders (including the Clinton area) to discuss what they could expect to see/experience in their schools and how Florence dealt with any changes they faced. We had an excellent turnout of approximately 125 participants, wonderful media coverage from the event, and very positive feedback.

Workshop #3—Is planned for June 30<sup>th</sup> in Rochelle. It will focus on the site selection process and how to make sure your community is development ready. We will hear from a local Economic Development Professional and an actual site selector, and learn how they successfully interact with one another and meet each other's expectations in a highly competitive field. We are expecting 20-25 participants to attend.

#### *Community Assessment and Preparedness*

We have been working directly with the Tri-County Economic Development Alliance (TCEDA), serving JoDaviess, Carroll and a portion of Whiteside County, to begin a Community Assessment and Preparedness Survey/Inventory to help the communities and businesses ready themselves for changes that may result from the sale of the Thomson Prison to the Federal government. Morrison is serving as our pilot project community, and we plan to extend this initiative across the entire 6-county region to compile a thorough community

assessment tool for as many as we can. This will not only help them prepare for the prison, but for future development needs, as well.

### *Prevailing Wage Workshop*

Blackhawk Hills RC&D held a workshop on the recent Prevailing Wage Legislation aimed at enhancing compliance with the most recent acts. Governor Pat Quinn signed Senate Bill 223, House Bill 163 and House Bill 952, respectively, to clarify and enhance the Prevailing Wage Act. All three public acts are effective January 1, 2010. Changes to Illinois' Prevailing Wage Act including a clarification of covered projects, added provisions requiring proper written notice be provided by public bodies and coverage of demolition work. Tom Whalen, Manager, Conciliation & Mediation with the IL Department of Labor explain the new Prevailing Wage laws and what impact it will have on communities. We had a great turnout for the workshop with a lot of insightful questions by the participants.

### *VISTA*

John Huggins' first year of VISTA service ended with Blackhawk Hills RC&D Entrepreneurs and Inventors Club on November 20, 2009. John has done an excellent job serving this group and working towards strengthening the E&I Club, developing interest in an Artisan's Club, and building entrepreneurial sustainability in our region. WIU offered to provide a 2nd year VISTA slot for John to serve in the position again: 1) if he was interested; and 2) if Blackhawk Hills RC&D was still interested and able to provide the support for him as they have this past year. After discussing it with John and we came to an agreement that we could fund as much as we currently had in the E&I Club fund and any donations he had brought in for his past work. John would be responsible for the remainder of the funds through donations. He agreed to this option and has updated his plan of work. He currently serves as a VISTA Leader and is trying to recruit more VISTA Volunteers to our region to assist communities and organizations.

### *Jo Daviess ED Summit*

The Jo Daviess County Economic Development Summit was held at Apple Canyon on November 18<sup>th</sup> and included a presentation on the County's Business Retention and Expansion Program. There was also a presentation from Tucker Kennedy, VP Marketing and Communication at IMEC. We assisted the EDC with printing their brochures, compiling and charting data, and with their registration needs.

### *NIU/WIU Meeting*

Met with Norm Walzer (NIU) and Giselle Hamm (WIU) for a discussion around ideas for potential projects in NW Illinois. Norm has constructed a number of potential project proposals which included: Regional Economic Industry and Business Analysis, Stimulating Tourism, Build Local Capacity for Entrepreneurship, Business Succession Planning, and Youth Entrepreneurship Initiatives. The ideas listed may be further refined and worked out with local development practitioners as to the potential job creation if implemented. At this point, they were only offered for discussion.

### *Jo Daviess Business Advantage Seminar*

We assisted TCEDA in presenting a Business and Community Development Seminar to local business leaders in Jo Daviess County. The Seminar was held on March 25<sup>th</sup> in East Dubuque and was well attended.

**Goal 4** – Encourage local economic and community development initiatives by providing necessary support and assistance as needed. The following objectives have been accomplished.

### *Entrepreneurs and Inventors Club*

Blackhawk Hills continues to provide technical and financial assistance to the Entrepreneurs and Inventors Club (the only surviving E&I Club in the Northern IL and Quad Cities Region). We have a large number of participants and members that attend from each county, many whom have went on to apply for Challenge Grants from the NWREC or received our Entrepreneur of the Year Award. The club meets monthly and recently celebrated its 4<sup>th</sup> Anniversary and the fact that we are the only surviving E&I Club remaining in the Northern IL area. They also awarded the Entrepreneur of the Year Award to Famous Fossil Winery in Cedarville, IL (Stephenson County).

### *US Census Bureau 2010 Participant Statistical Areas (PSAP)*

Blackhawk Hills RC&D had been invited to serve as the primary participant in the US Census Bureau's 2010 Participant Statistical Areas Program (PSAP). The 2010 PSAP allows our office to review and update the boundaries for census tracts, census block groups, census designated places and census county divisions. All tracts have been reviewed or revised, submitted, and confirmed to the U.S. Census Office in Chicago. The statistical areas are used by the Census Bureau to report data from the 2010 Decennial Census, American Community Survey and other census related surveys.

### *Thomson Prison Awareness*

Staff has been working with the TCEDA group to organize awareness and support for the economic potential of selling the Thomson Correctional Facility to the Federal Government. Staff and Council Members have participated and helped organize a number of informational meetings and participated/attended Commission on Government Forecasting and Accountability hearings. We have also informed our region's Economic Development Professionals, Mayors, and City Leaders to submit letters of support to the area's State and Federal Legislators.

**Goal 5** – Facilitate and participate in regional networking activities. The following objectives have been accomplished.

### *Riverlands*

A Regional Roundtable was held in Dubuque on February 20<sup>th</sup>. Invitations were sent along with further information to prepare participants. The Regional Roundtable reviewed strengths, business opportunities and recommended business clusters to develop a regional economic

strategic action plan that reflects the realities of today's and tomorrow's economic environment. We have continued to work with the regional partnership in the development of projects that will further support growth in this area. To date, we have begun work on expanding the Buyer/Supplier Network and created a local foods initiative.

### *NIU*

On December 10th and 11th, 2009, the Center for Governmental Studies (CGS) at Northern Illinois University (NIU) assembled more than 100 leaders from throughout our region to identify priorities and actions that we can pursue together to return prosperity to America's Heartland. Issue experts from the U.S. and abroad challenged and informed the gathering and provided a context for generating more than 200 actionable ideas. These will provide the framework for a regional action plan that will be used to stimulate a broader conversation about how we can align our priorities and pursue collaborative action on behalf of the region's future. Staff participated in this conference as a representative of the Blackhawk Hills Region.

### *Thomson Prison*

The Commission on Government Forecasting and Accountability held a public hearing on December 22<sup>nd</sup> involving the Illinois Department of Corrections, Thomson Correctional Center Closure. A second public hearing was held January 6th, 2010 at 1pm in Chicago. Our office understands the impact the prison sale could have on the area. Therefore, we have been working closely with the TCEDA group and the BoP to find ways to help prepare our small, rural communities for the change that could take place. We have held community workshops on how to get our communities in position for the possibilities for growth. Some of the preparedness information included: housing opportunities, assessing your community assets and needs, and thinking about the positives this opportunity could bring to our area.

We also addressed questions and concerns on how our businesses can expect to handle future potential growth. There was a separate workshop geared toward answer those questions. Some of the preparation information for businesses included: assessing your business, managing the growth from your business, and financing opportunities.

### *NWREC*

The Northwest Regional Entrepreneurship Center met twice during this time period, on July 10<sup>th</sup> and October 30<sup>th</sup>. So far, \$550,000 has been awarded in Challenge Grants to the NWREC district. Businesses located in counties within our Blackhawk Hills region that received Challenge Grants include: Carroll (9) \$45,000, JoDaviess (11) \$55,000, Lee (1) \$5,000, and Whiteside (18) \$105,000. At this point, FY2010 funding for the NWREC is still in limbo. Our region is greatly comprised of small businesses and entrepreneurs, and will definitely suffer if funding for Challenge Grants is eliminated. These are not huge grants, but they certainly make a big difference in the bottom-line of any small business that is looking to grow.

### *NWIL Workforce Investment Board*

The WIB met on a monthly basis throughout the year. The board has decided to go to bi-monthly meetings, which will begin with January 2010. We are participating in a task force to begin exploring options to regenerate the importance of Work Keys in our region and promote its usefulness to employers. A luncheon was held on January 20<sup>th</sup> to explore the success of

the program in actual businesses. We are also looking at ways to spend down the excess stimulus funding the board has received to be used for youth entrepreneurship and displaced workers through pilot programs/classes at the colleges. The WIB Board met monthly up until January, now it meets bi-monthly. The Board will be holding a planning retreat for Board Members on June 9<sup>th</sup> to help plan future initiatives in the region.

#### *Legislative Interaction*

The RC&D has spent countless hours working with state legislators in support of a capital budget. In addition, the RC&D has also worked with our federal legislators with regard to continued adequate funding for EDA and the various programs supported by EDA. Beyond the meetings, phone calls and letter writing to the staff of U.S. State Senators and Illinois Congressman for the 14<sup>th</sup>, 16<sup>th</sup>, and 17<sup>th</sup> District, Council members have traveled to Washington, D.C. this past year to voice their concern and support for a capital budget, pushed the importance of EDA funding to our region and hand deliver our list of Shovel Ready Projects for the ARRA Funding.

**Goal 6** – Update and maintain the Comprehensive Economic Development Strategy (CEDS) document. The following objectives have been accomplished.

#### *EDA CEDS 5-Year Report*

The EDA CEDS 5-Year Report has been adopted by our Council and submitted for the time period 2008-2013. We will be submitting our Annual Update as required by the end of June 2010, along with our updated project needs list.

#### *Regional CEDS Meetings*

The Regional CEDS Committee met August 21, November 20, February 19, and May 21 for this time period covered. The committee decided to start meeting quarterly to help alleviate travel costs for everyone. We are still averaging 20 to 25 participants at each meeting. These two meetings were used to give updates on the Broadband Initiative, provide funding updates in regards to USDA and other sources, and to provide updates on regional projects/issues.

#### *County CEDS Meetings*

Staff attends a number of individual County CEDS Meetings in each of our counties to help share information at a local level and give updates on projects and initiatives our office is undertaking.

#### *County Board Chair's Meetings*

Staff also conducts a number of County Board Chair's Meetings for each of our counties to help share information and give updates on projects (issues) and initiatives each county is undertaking.