

2009



***COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY***
SOUTHWEST IOWA PLANNING COUNCIL



Funded by a grant from the US Department of Commerce, Economic Development Administration

SOUTHWEST IOWA PLANNING COUNCIL

POLICY COUNCIL RESOLUTION

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY PLAN ADOPTION

WHEREAS the six county economic development region served by the Southwest Iowa Planning Council, comprising Cass, Fremont, Harrison, Montgomery, Page, and Shelby Counties in Iowa, is proactively planning for future economic development, and;

WHEREAS a committee of economic development professionals and area leaders has worked with the public and Southwest Iowa Planning Council staff to create the *Comprehensive Economic Development Strategy, 2009*, and;

WHEREAS two public meetings were held to discuss the plan and were well attended by the public, whose participation helped develop and guide the document, and;

WHEREAS notice of the plan has been published for at least 30 days in newspapers throughout the region and the public has been allowed to comment on the plan during that time period, and;

WHEREAS it is a requirement of the U.S. Department of Commerce, Economic Development Administration that economic development regions submit an updated Comprehensive Economic Development Strategy every 5 years;

THEREFORE BE IT RESOLVED that the Southwest Iowa Planning Council Policy Council adopts the *Comprehensive Economic Development Strategy, 2009* and will work to implement the recommendations thereof.

Passed this 23rd day of July 2009


Richard Crouch, Chairman


MJ Broomfield, Executive Director

CEDS Committee

Frank Waters Cass County Supervisor	Brad Wright City of Red Oak
John Krogman Atlantic Mayor	James Richardson Page County Supervisor
Earl Hendrickson Fremont County Supervisor	Byron Harris City of Shenandoah
Pat Shull Fremont County	James Burmeister Shelby County Supervisor
Gaylord Pitt Harrison County Supervisor	Terry Arentson City of Harlan
Sherman Struble City of Missouri Valley	Mike Kolbe Harlan Newspapers
Donna Robinson Montgomery County Supervisor	Dorothy Duran Iowa Western Community College
	Karen Goehring Workforce Development Partnership

CEDS Steering Committee

Renea Anderson	Harrison Co. Development
Gregg Connell	Shenandoah Chamber and Industry Association
Lynda Cruikshank	FREDCO
Shirley Frederiksen	Golden Hills RC&D
John Greenwood	Clarinda Economic Development
Theresa Jordison	USDA Rural Development
Russell Joyce	Cass/Atlantic Development Corporation
George Maher	Red Oak Industrial Foundation/Montgomery County Economic Development
Mark Stanley	Iowa Western Community College Economic Development
Dave Yamada	Shelby County Developsource
Wendy Prigge	Atlantic Community Schools
Brad Wright	City of Red Oak
MJ Broomfield	Southwest Iowa Planning Council

Table of Contents

Introduction	1
Background	3
Planning Process – Community and Private Sector Participation	43
Economic Development Problems and Opportunities	47
Goals and Objectives	58
Plan of Action/Strategic Projects/Implementation Steps	61
Vital Projects	73



Image 1: City Park in Griswold
Cover Photos: Lab Worker in Shenandoah, Combining Soybeans near
Hamburg, Rail Line in Fremont County

Introduction

Southwest Iowa is a region of incredible economic development potential. A strong agricultural and bio sciences base, coupled with a skilled and dedicated workforce, and highly livable communities, makes southwest Iowa an easy choice to live, work, and play.

Of course, the region is not without its challenges, and at the time of writing this economic development plan the entire world is enduring a severe economic downturn. The region has been thankfully insulated from many of the problems facing other communities. Housing prices never became as unreasonable as other places. Not as many individuals are over extended on their credit. The farm economy has thus far been fairly robust. However, other sectors of the local economy have been hit very hard. Manufacturing is a key employer, and many firms have laid off workers or have closed completely, especially those involved in making automobile components and residential building materials.



Image 2: Wind Turbine in Cass County

Now is a critical time for the future of the economy in Southwest Iowa. The region must capitalize on its strengths and work to mitigate and eliminate weaknesses. Therefore, it is all the more important that the region have a unifying plan for economic growth. This update of the Comprehensive Economic Development Strategy (CEDS) for the region of Cass, Fremont, Harrison, Montgomery, Page, and Shelby Counties in Iowa is perfectly timed to take a fresh look at the local economy and offer realistic goals and a strong vision for public and private decision makers.

The region that is covered by this CEDS, which includes the counties listed above, are six of the eight counties that make up the council of governments served by the Southwest Iowa Planning Council (SWIPCO). SWIPCO is the designated economic development district for the six county CEDS region. In addition to its role of developing and implementing the CEDS, SWIPCO provides a wide range of services to its member communities. These include comprehensive planning, project development, grant writing, housing programs, disaster recovery assistance, hazard mitigation planning, in addition to many other types of assistance, large and small. In addition to providing technical and administrative assistance to governments and other clients within the region, SWIPCO also provides public transit services to the area through the Southwest Iowa Transit Agency (SWITA).

A CEDS is designed to bring together the public and private sectors in the creation of an economic roadmap to diversify and strengthen regional economies. The CEDS is a required document for all economic development regions funded by the Economic Development Administration (EDA) of the US Department of Commerce. According to the EDA, a CEDS should “analyze the regional economy, and serve as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, and identifying investment priorities and funding sources.” The CEDS is a process as much as it is a document, and public participation has been a key component of developing this CEDS. From the start, development groups from each county in the SWIPCO area provided key input on the plan, as well as numerous government and non-profit agencies, in addition to concerned private citizens. Together, their input made this CEDS document a comprehensive and relevant plan for the area.

This CEDS is an update to the first CEDS written for the region five years ago in 2004. It is an EDA requirement that CEDS be updated at least every five years, but every year SWIPCO evaluates the progress toward the goals of the CEDS and reports that progress to the EDA. Since this is a major update year a complete review of the plan was necessary. Baring any major change in the local economic condition, the next major update to the CEDS for the SWIPCO area will be in 2014. Until that time SWIPCO will continue to measure the progress toward these CEDS goals, and make updates to the plan as necessary as it is implemented.

Background

Geography

The region covered by this CEDS plan includes the counties of Harrison, Shelby, Cass, Montgomery, Fremont, and Page in southwest Iowa. This corresponds to the council of governments area of the Southwest Iowa Planning Council, minus the counties of Pottawattamie and Mills, which are covered in a separate CEDS document. The six county area is in the middle of the United States and straddles Interstates 80 and 29. All of the communities are within an hour drive of either the Omaha or Des Moines metropolitan areas.



Figure 1: The SWIPCO CEDS Counties

Table 1: SWIPCO CEDS Counties' Statistics

County	Seat	Population	Land Area	Water Area
Cass	Atlantic	14,684	564 sq. miles	1 sq. mile
Fremont	Sidney	8,010	511 sq. miles	6 sq. miles
Harrison	Logan	15,666	697 sq. miles	4 sq. miles
Montgomery	Red Oak	11,771	424 sq. miles	1 sq. mile
Page	Clarinda	16,976	535 sq. miles	<1 sq. mile
Shelby	Harlan	13,173	591 sq. miles	1 sq. mile
	Totals	80,280	3,322 sq. miles	14 sq. miles

Source: US Census Bureau, 2000 US Census

The region is characterized by rolling hills, small streams and rivers, small towns, and abundant and fertile agricultural land. The western edge of the region is bounded by the Missouri River. A few miles east of the Missouri River stand the Loess Hills. The Loess Hills area is a striking geologic feature that was created after the end of the last ice age when sand deposited across Nebraska was blown eastward into huge drifts in the area that would become western Iowa. These hills today are predominately wooded and provide beautiful views of the Missouri River valley. Several state and county parks provide public access to the hills, and include hiking and camping areas.

Each county within the SWIPCO region is characterized by one or two larger towns surrounded by numerous smaller towns. Typically, the largest city in each county is also the county seat. When the area was first settled in the late 1800s, each county was laid out on a grid with roads every mile, several one room school houses



Image 3: A typical southwest Iowa country road near Elliott

in each township, and family farms on every 80 to 160 acres. The small towns that were scattered around each county served as market places for farmers' crops and in turn were also places where farm families purchased the supplies that they needed to continue to farm and live in the country side.

Over the years agriculture has changed and there are far fewer farmers and rural residents than when the counties were first settled. However, the system of roads and bridges remains and continues to serve its original purpose moving agricultural products to market. Many of the smaller communities have lost the schools and businesses that catered to a larger farm population than there is now. However, many have diversified their economies and continue to prosper.

Economy



Image 4: Pella Corporation Manufacturing Plant in Shenandoah

Southwest Iowa is a predominately rural region of the state with an economy that has long been rooted in agriculture. Over the years, as rural demographics have changed and the nature of farming has changed to increasingly larger operations, the number of individuals directly involved in agricultural production has decreased. The economy in southwest Iowa adjusted to this change, and although a relatively high percentage of jobs are related to agriculture, the percentage of service, healthcare, and manufacturing positions steadily increased over the years to the point where the majority of workers are involved in non-agricultural jobs. The disadvantage of conducting the CEDS planning process at this particular point in time is that the most comprehensive data available on the local economy is from the 2002 Economic Census, which includes some data that is almost 10 years old. Furthermore, if more detailed up to date information was available, it would not paint an accurate picture of the local economy over time because of the current severe economic downturn.

Agriculture

Iowa has the third largest farm economy of any state, with \$5.3 billion in agricultural sales in 2007. The agricultural economy in southwest Iowa is centered around corn and soybean production as well as the raising of livestock, particularly cattle and hogs. There also is sizable dairy and egg production, though row crop production dominates in terms of the amount of land used and dollars of production. Smaller, alternative operations are present as well, such as orchards, strawberry patches, and vegetable products destined for local consumption.

In the past few years biofuels, such as corn based ethanol and soybean based biodiesel, have had a major impact on the price of corn and soybeans in southwest Iowa. In the six county region covered by this CEDS, one ethanol plant is currently operational, in Shenandoah. There are several other plants close to the region,

especially in Council Bluffs, which all provide a good market for corn from the SWIPCO area.

Table 2: Net Farm Income by State 2002 - 2007 (in thousands)

States	2002	2003	2004	2005	2006	2007
United States	39,593,801	60,461,571	85,801,003	79,335,213	58,509,382	86,777,730
California	6,178,389	7,834,276	11,165,976	9,904,558	8,011,502	12,746,767
Illinois	757,084	1,634,334	3,893,845	1,633,478	1,759,162	3,244,075
Iowa	2,002,350	2,023,143	5,593,226	4,019,703	3,015,077	5,333,999
Minnesota	798,986	1,711,385	2,829,454	3,260,676	2,582,744	3,439,435
Missouri	661,123	1,124,290	2,642,615	1,667,568	1,626,166	2,027,103
Nebraska	859,167	2,735,213	3,545,824	2,922,622	1,993,888	3,391,521
Texas	5,188,810	6,179,651	7,467,896	6,922,409	4,859,774	7,181,007
Wisconsin	1,039,542	1,681,630	1,857,423	1,678,855	1,374,015	2,653,787

Source: US Department of Agriculture

Table 3: Value of Iowa Farm Exports, by Commodity (in millions of dollars)

	2002	2003	2004	2005	2006
Dairy products	23.1	23.0	29.8	39.5	41.2
Fats, oil, and greases	18.0	23.8	34.9	25.6	19.9
Feed grains and products	1,294.9	1,108.9	1,433.3	1,213.6	1,533.5
Feeds and fodders	110.2	109.4	114.7	127.6	146.5
Hides and skins	50.3	53.7	56.4	50.7	59.3
Live animals and meat, exc. Poultry	604.2	608.4	731.4	935.5	969.6
Other	12.7	14.5	17.3	17.4	19.8
Poultry and products	33.8	35.1	43.6	58.1	58.1
Seeds	28.5	14.4	16.3	16.5	13.7
Soybeans and products	1,328.0	1,155.6	1,434.5	1,519.7	1,327.2
Vegetables and preps.	0.5	0.6	0.5	1.2	1.3
Wheat and products	20.1	22.4	18.2	25.2	20.4

Source: US Department of Agriculture

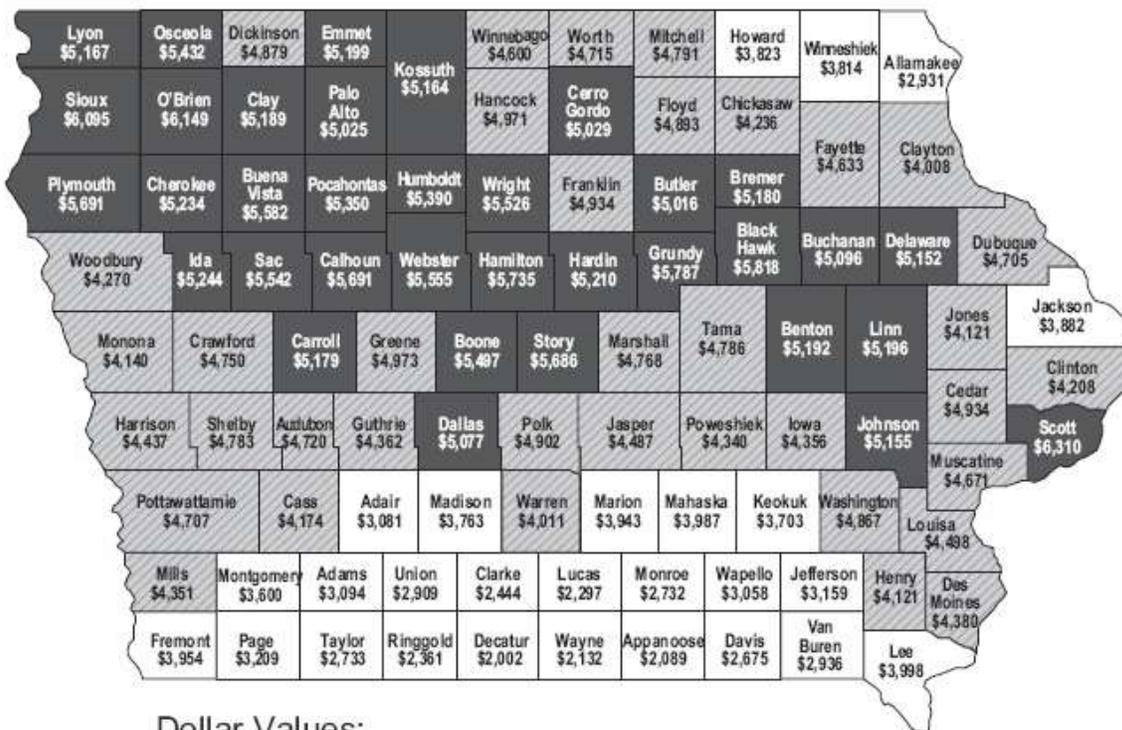
One of the key indicators of the health of the farm economy is the price of farm land. Throughout the 2000s farmland prices have risen in Iowa. 2008 was a peak year for the agricultural economy in southwest Iowa. Farmers saw record corn and soybean prices and although the price of inputs such as fuel and fertilizer also increased greatly, many had locked in their inputs prior to the jump and were able to capitalize on increased commodity prices. Because of this farm income was high in 2008 and land prices rose to record levels. In western Iowa land prices rose by 3% between April 2008 and April 2009. However, commodity prices have now leveled off and input costs have continued to rise. The first quarter of 2009 saw a substantial decrease in the number of sales of agricultural land as well as the value of that land.

Table 4: Iowa Land Value Changes From 04/08 to 04/09

Area	01/01/09-04/01/09 Change	04/01/08-04/01/09 Change
Statewide	-7%	+2%
Western counties	-9%	+3%
Northcentral counties	-12%	-6%
Northeast counties	-5%	+69%
Southcentral counties	-5%	-5%
Southeast counties	-2%	+10%

Source: Federal Reserve Bank of Chicago

Figure 4: 2008 Iowa Land Values



Dollar Values:
 □ Less than \$4,000
 □ \$4,000 – \$5,000
 ■ More than \$5,000

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Non Farm Sectors

Although rolling fields and farmhouses often symbolize southwest Iowa, the majority of workers are involved in non-farm employment. Healthcare and social assistance, retail trade, and manufacturing are the three largest employment sectors. The tables and charts on the following pages detail the makeup of the six county region's economy as a region and as individual counties.

As a whole, although healthcare and healthcare related industries employ the most people, manufacturing has the highest payroll and sales and receipts of any industry. Or at least it did in 2002 when the last economic census was conducted in this area. The current economic downturn has hit manufacturing particularly hard, and the majority of the layoffs that have occurred in the last year have been in the manufacturing sector.

However, as a region the economy is fairly well diversified with manufacturing employing 20 percent of all workers. In some counties, particularly Montgomery and Page, manufacturing makes up a much larger section of the local economy, and those counties have been hit particularly hard by the current recession. These counties in particular present both challenges and opportunities as more workers are available in the labor force, but retaining and retraining those workers may be difficult if new jobs are not available quickly.

Table 5: SWIPCO CEDS Region Non-Farm Economic Sectors

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Manufacturing	60	757,446	121,756	3,548
Wholesale trade	139	404,176	24,919	1,047
Retail trade	422	664,851	62,769	3,821
Information	51	D	21,253	1,040
Real estate & rental & leasing	50	17,062	2,927	155
Professional, scientific, & technical services	117	42,291	12,589	650
Administrative & support & waste management & remediation service	74	28,527	9,394	452
Educational services	8	D	D	D
Health care & social assistance	224	237,672	109,412	5,030
Arts, entertainment, & recreation	40	6,055	1,685	171
Accommodation & food services	196	38,062	10,635	1,448
Other services (except public administration)	184	36,894	8,031	537

"D" indicates information that is not available because doing so may identify specific firms.

Source: US Census Bureau

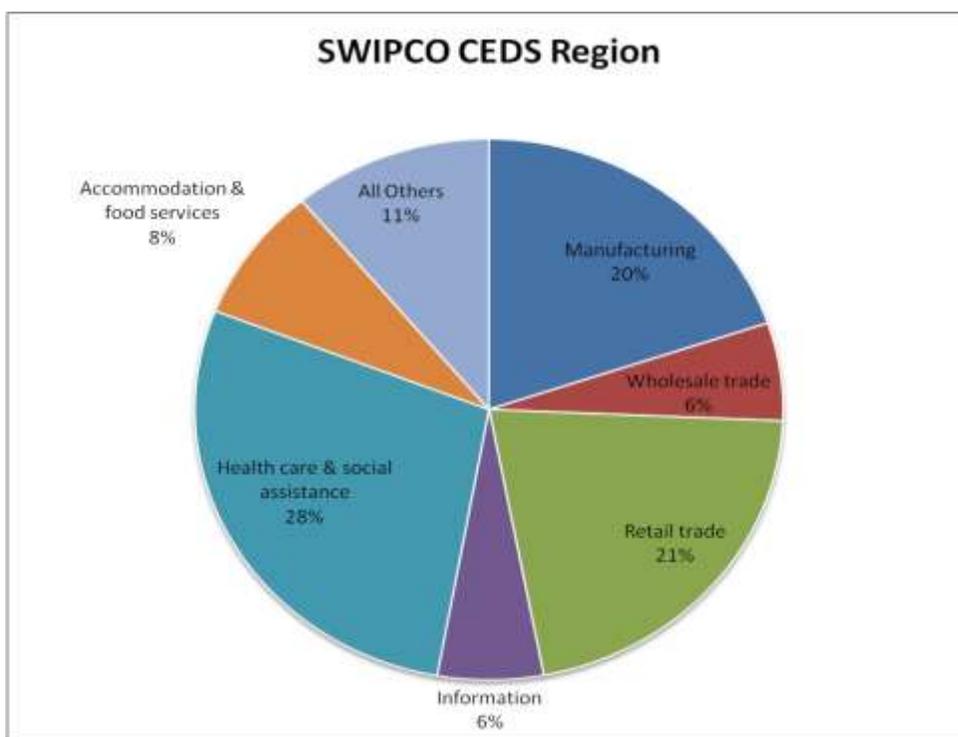


Table 6: Cass County

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Manufacturing	23	113,196	20,302	702
Wholesale trade	31	80,207	6,157	267
Retail trade	96	154,793	16,365	928
Information	14	D	1,899	93
Real estate & rental & leasing	12	4,859	1,300	37
Professional, scientific, & technical services	27	9,137	3,301	106
Administrative & support & waste management & remediation service	17	6,281	2,778	189
Educational services	2	D	D	D
Health care & social assistance	43	50,563	24,279	1,149
Arts, entertainment, & recreation	6	1,984	642	99
Accommodation & food services	42	9,547	2,725	370
Other services (except public administration)	47	9,759	1,972	141

"D" indicates information that is not available because doing so may identify specific firms.

Source: US Census Bureau

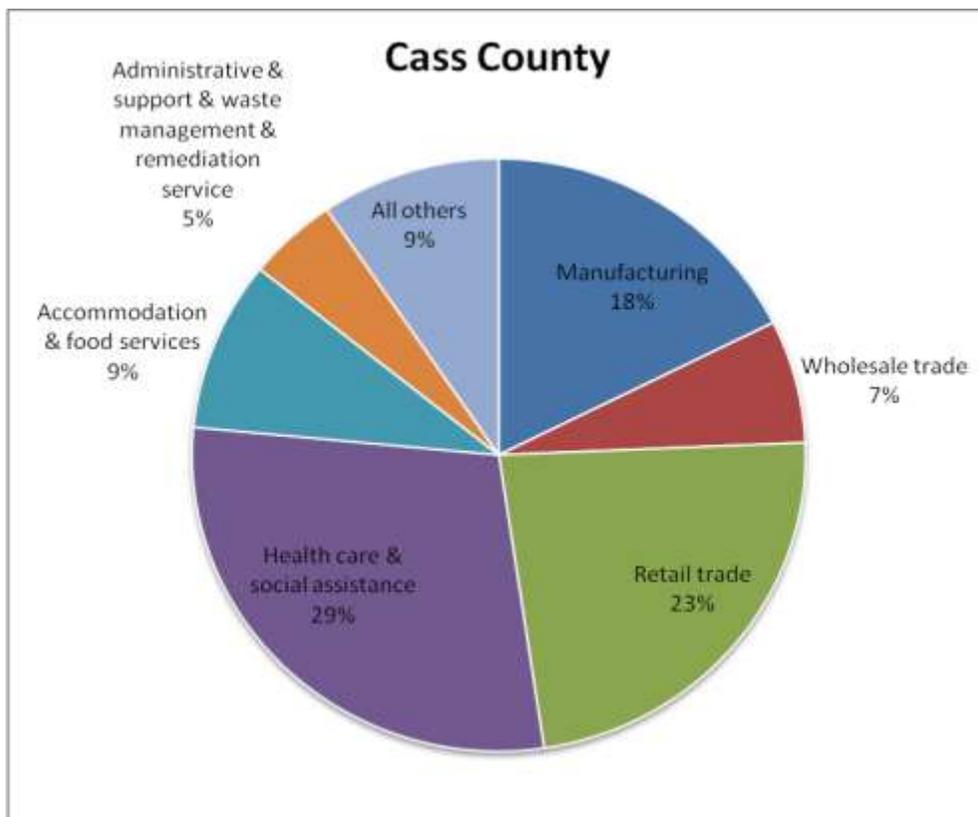


Table 7: Fremont County

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Wholesale trade	10	50,464	2,996	76
Retail trade	31	27,302	2,909	192
Information	3	D	66	8
Real estate & rental & leasing	1	D	D	D
Professional, scientific, & technical services	10	3,209	1,045	65
Administrative & support & waste management & remediation service	3	D	D	D
Educational services	1	D	D	D
Health care & social assistance	14	13,158	6,484	303
Arts, entertainment, & recreation	1	D	D	D
Accommodation & food services	16	D	D	D
Other services (except public administration)	14	4,207	566	66

"D" indicates information that is not available because doing so may identify specific firms.

Source: US Census Bureau

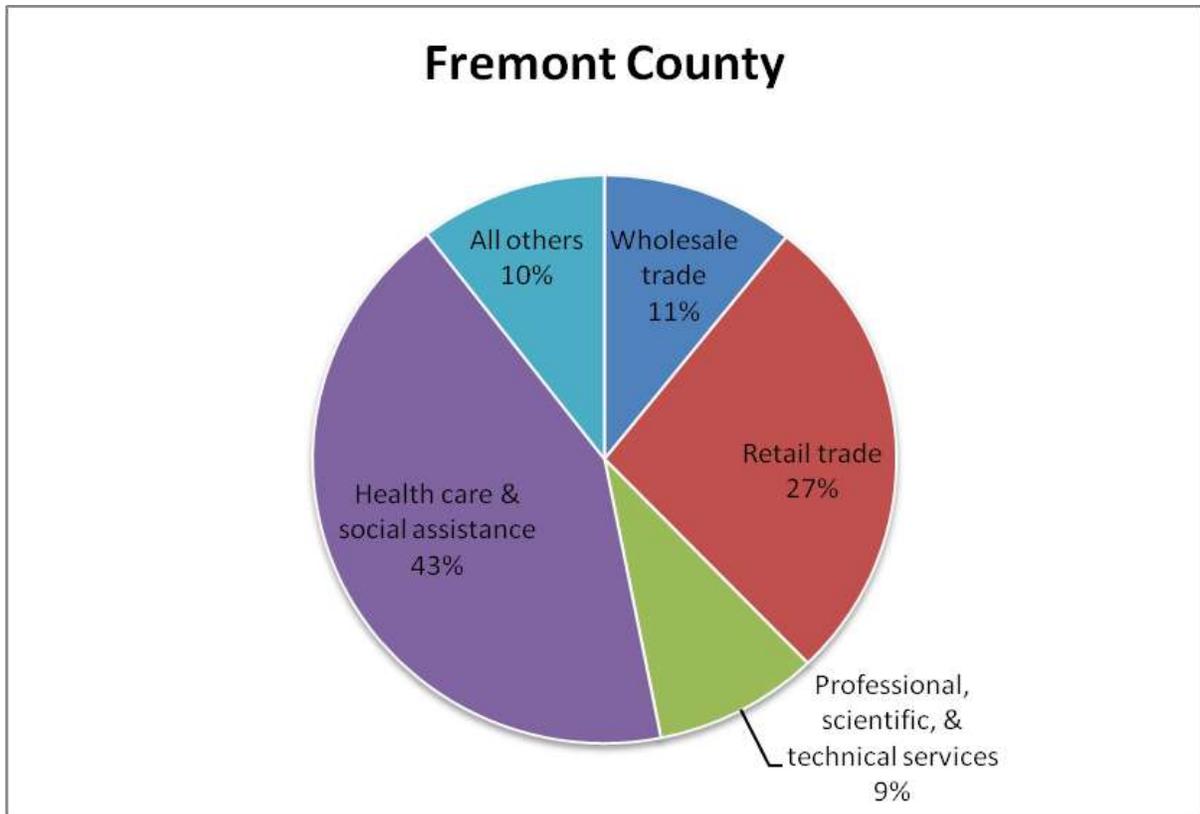


Table 8: Harrison County

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Wholesale trade	29	D	D	D
Retail trade	62	131,581	10,489	541
Information	4	D	D	D
Real estate & rental & leasing	11	2,915	429	35
Professional, scientific, & technical services	17	D	D	D
Administrative & support & waste management & remediation service	10	2,689	749	38
Educational services	1	D	D	D
Health care & social assistance	34	22,642	9,738	466
Arts, entertainment, & recreation	6	D	D	D
Accommodation & food services	32	7,763	2,157	246
Other services (except public administration)	23	D	D	D

"D" indicates information that is not available because doing so may identify specific firms.

Source: US Census Bureau

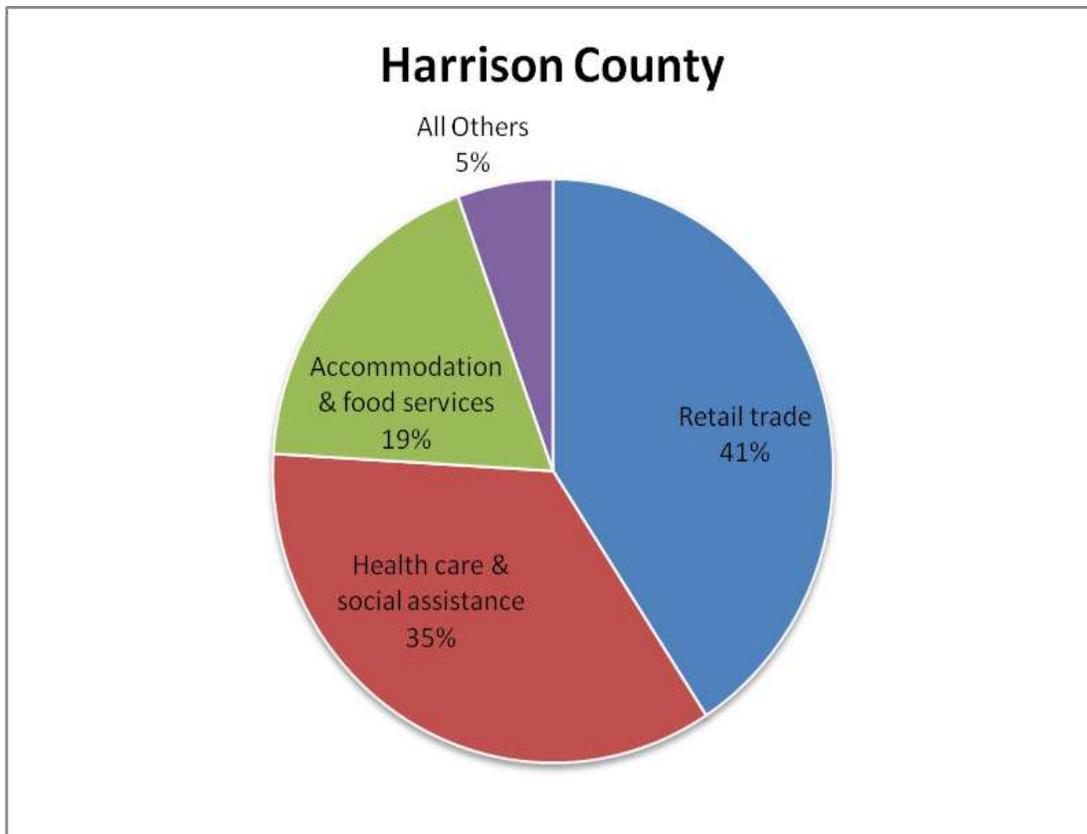


Table 9: Montgomery County

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Manufacturing	12	141,179	25,025	831
Wholesale trade	18	90,480	4,306	150
Retail trade	55	80,039	8,104	552
Information	10	D	8,727	415
Real estate & rental & leasing	9	6,401	888	48
Professional, scientific, & technical services	19	7,303	1,900	71
Administrative & support & waste management & remediation service	10	2,516	729	41
Educational services	1	D	D	D
Health care & social assistance	37	43,108	18,853	805
Arts, entertainment, & recreation	8	D	D	D
Accommodation & food services	25	D	D	D
Other services (except public administration)	32	6,880	1,396	98

"D" indicates information that is not available because doing so may identify specific firms.

Source: US Census Bureau

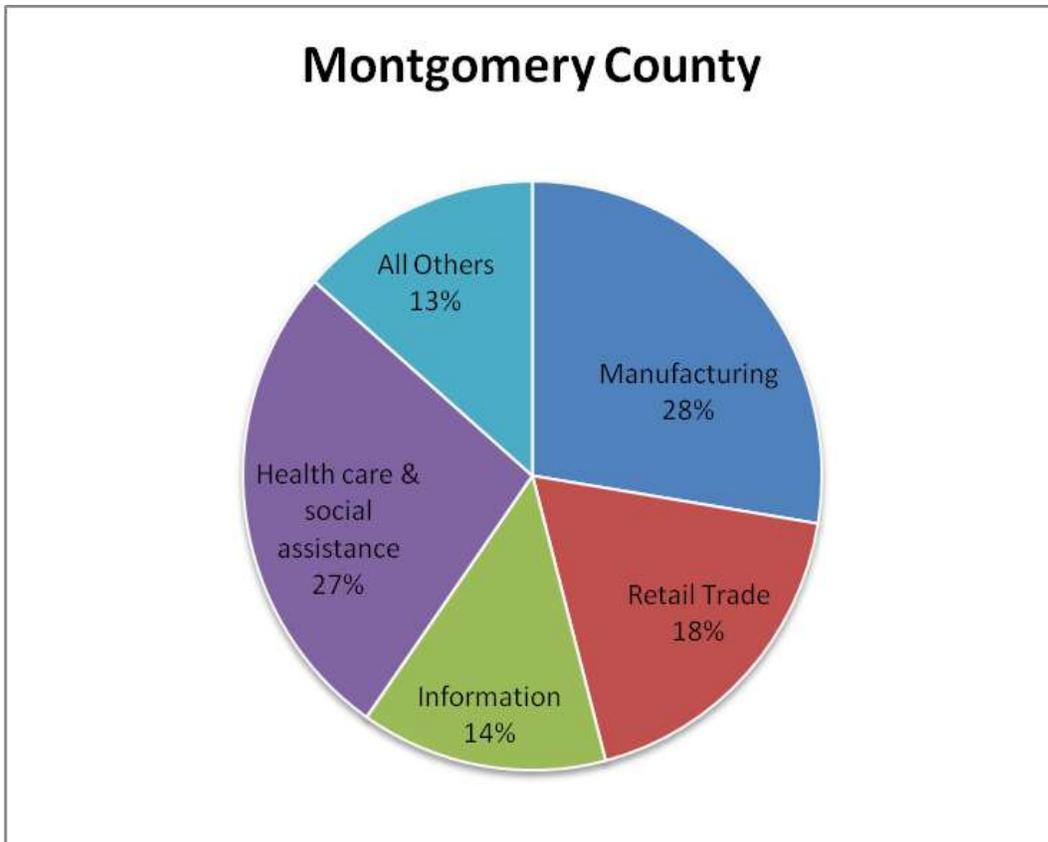


Table 10: Page County

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Manufacturing	25	503,071	76,429	2,015
Wholesale trade	26	84,605	4,053	164
Retail trade	100	154,382	15,202	990
Information	9	D	2,363	107
Real estate & rental & leasing	10	1,705	201	19
Professional, scientific, & technical services	22	5,877	2,416	238
Administrative & support & waste management & remediation service	18	14,438	4,482	146
Educational services	3	D	D	D
Health care & social assistance	59	70,509	33,482	1,355
Arts, entertainment, & recreation	9	1,134	302	33
Accommodation & food services	48	12,990	3,661	534
Other services (except public administration)	42	9,340	2,055	132

"D" indicates information that is not available because doing so may identify specific firms.

Source: US Census Bureau

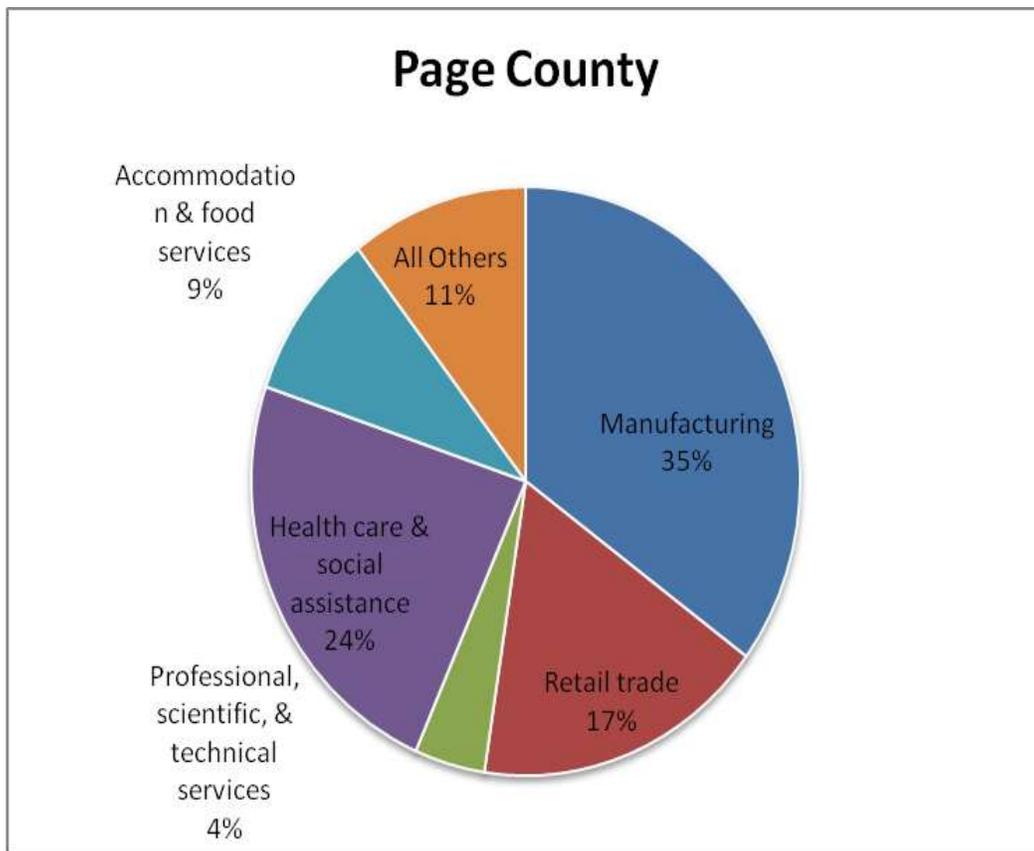
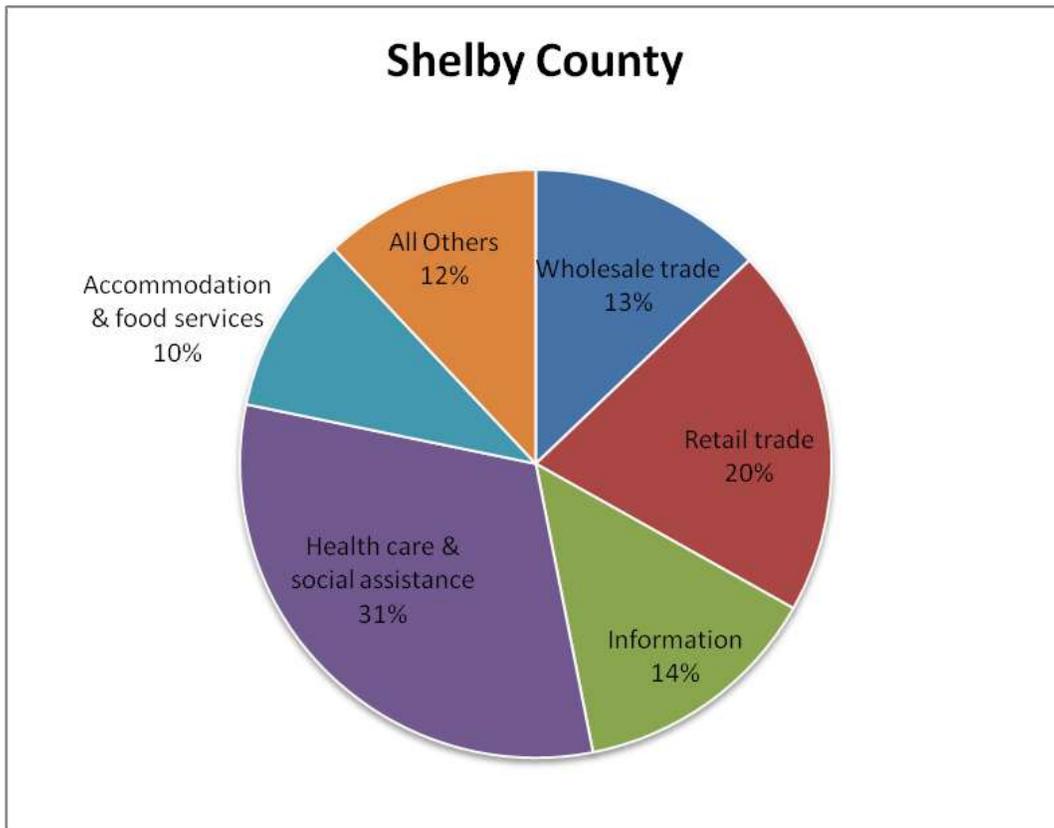


Table 12: Shelby County

2002 NAICS Code	Number of Establishments	Sales, Shipments, receipts (\$1,000)	Annual Payroll (\$1,000)	Number of Employees
Wholesale trade	25	98,420	7,407	390
Retail trade	78	116,754	9,700	618
Information	11	D	8,198	417
Real estate & rental & leasing	7	1,182	109	16
Professional, scientific, & technical services	22	16,765	3,927	170
Administrative & support & waste management & remediation service	16	2,603	656	38
Health care & social assistance	37	37,692	16,576	952
Arts, entertainment, & recreation	10	2,937	741	39
Accommodation & food services	33	7,762	2,092	298
Other services (except public administration)	26	6,708	2,042	100

"D" indicates information that is not available because doing so may identify specific firms.

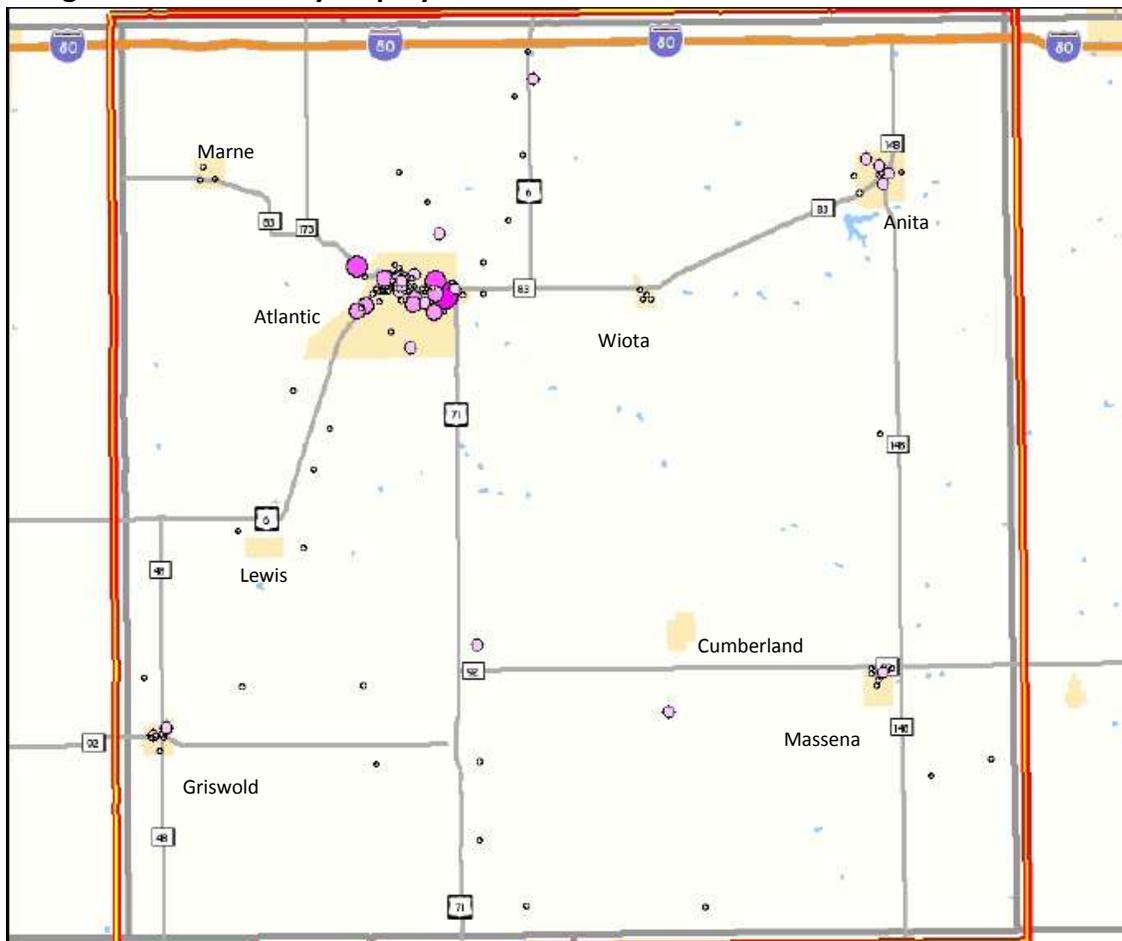
Source: US Census Bureau



Employment Clusters

Throughout the SWIPCO area, large scale employment is clustered in a relatively few communities. Although there are many cities throughout the region, in each county much of the employment takes place in one or two larger towns. Typically, this is the county seat town, but that is not always the case. In Shelby, Cass, and Montgomery Counties, the county seat is the largest city and is also the city with by far the most employment. In Harrison, Page, and Fremont Counties, employment is more spread out among 2-3 larger towns in each county. The following maps demonstrate how employment is distributed around the 6 county region.

Figure 5: Cass County Employment Clusters



Source for all cluster maps: Iowa Workforce Development, Laborshed Survey, 2006

- 2006**
- 2 - 13 Workers
 - 14 - 44 Workers
 - 45 - 105 Workers
 - 106 - 205 Workers
 - 206 - 355 Workers

Figure 6: Fremont County Employment

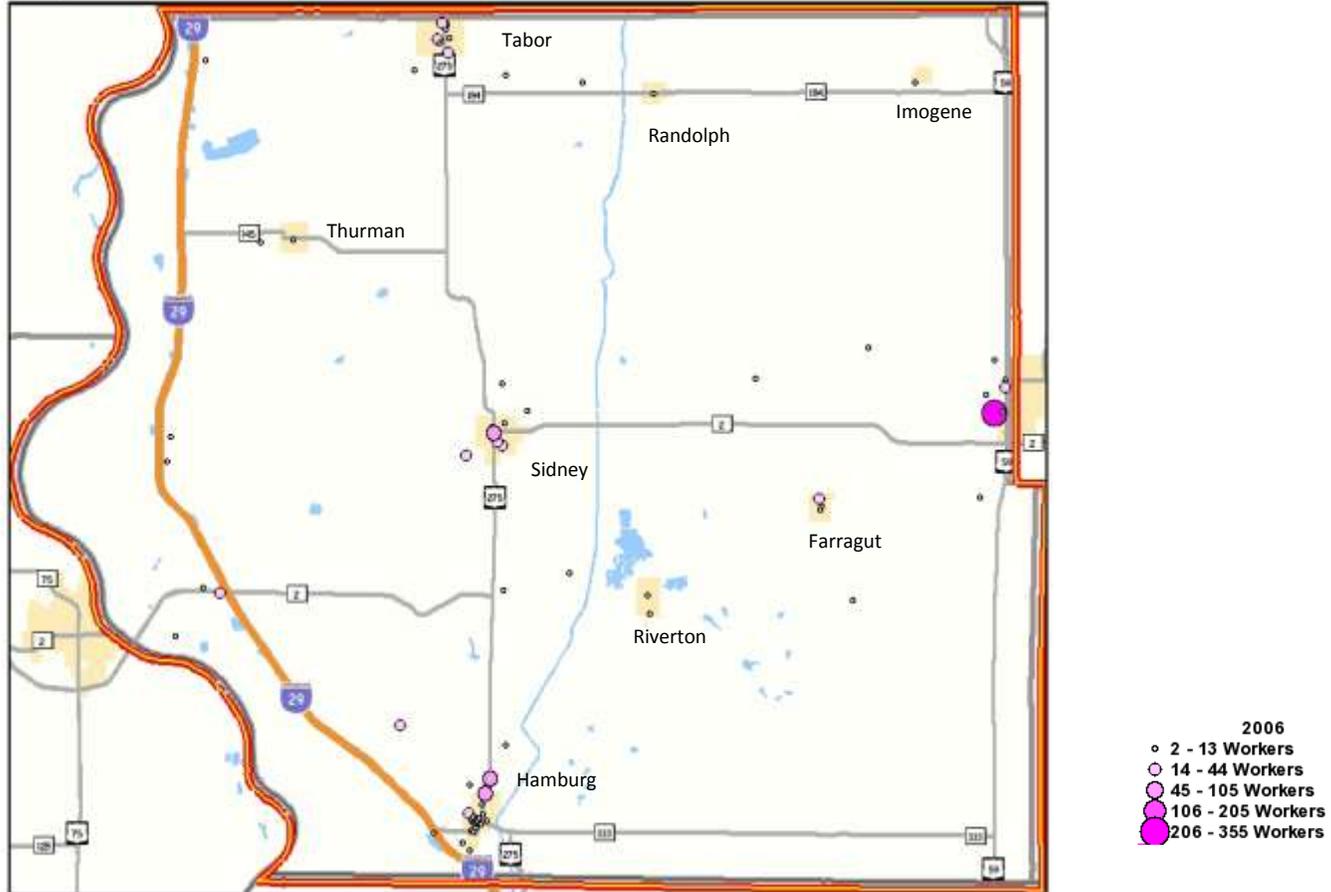


Figure 7: Harrison County Employment Clusters

Figure 8: Montgomery County Employment Clusters

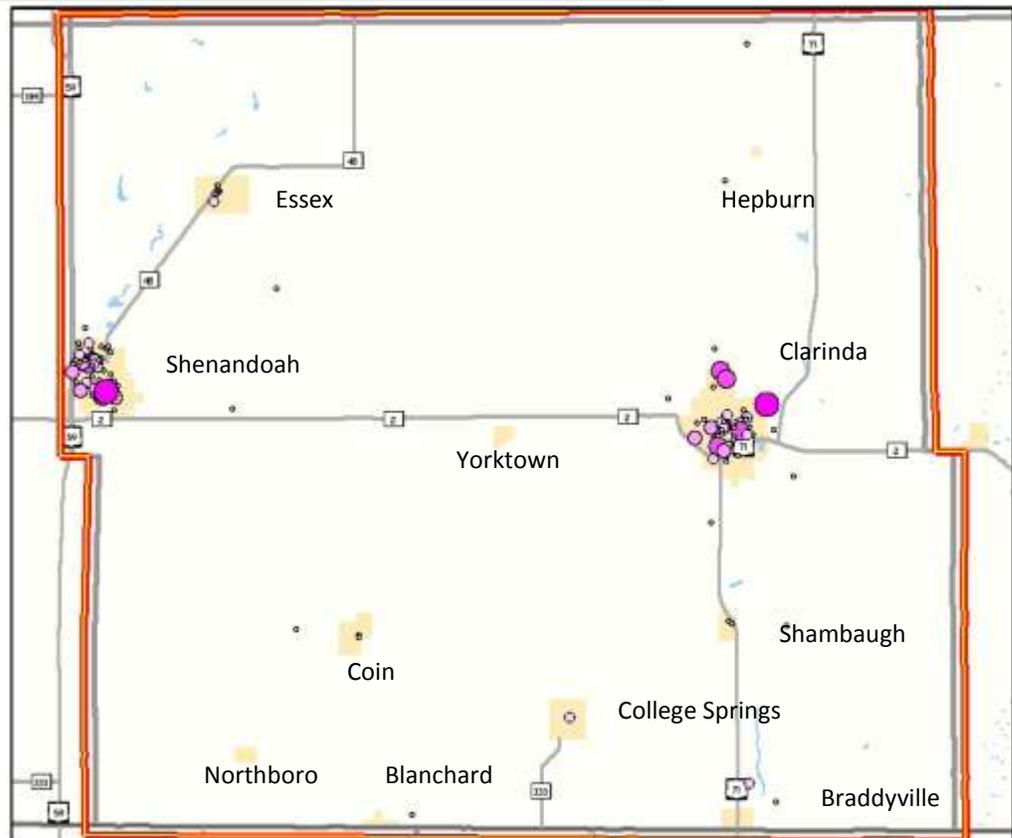
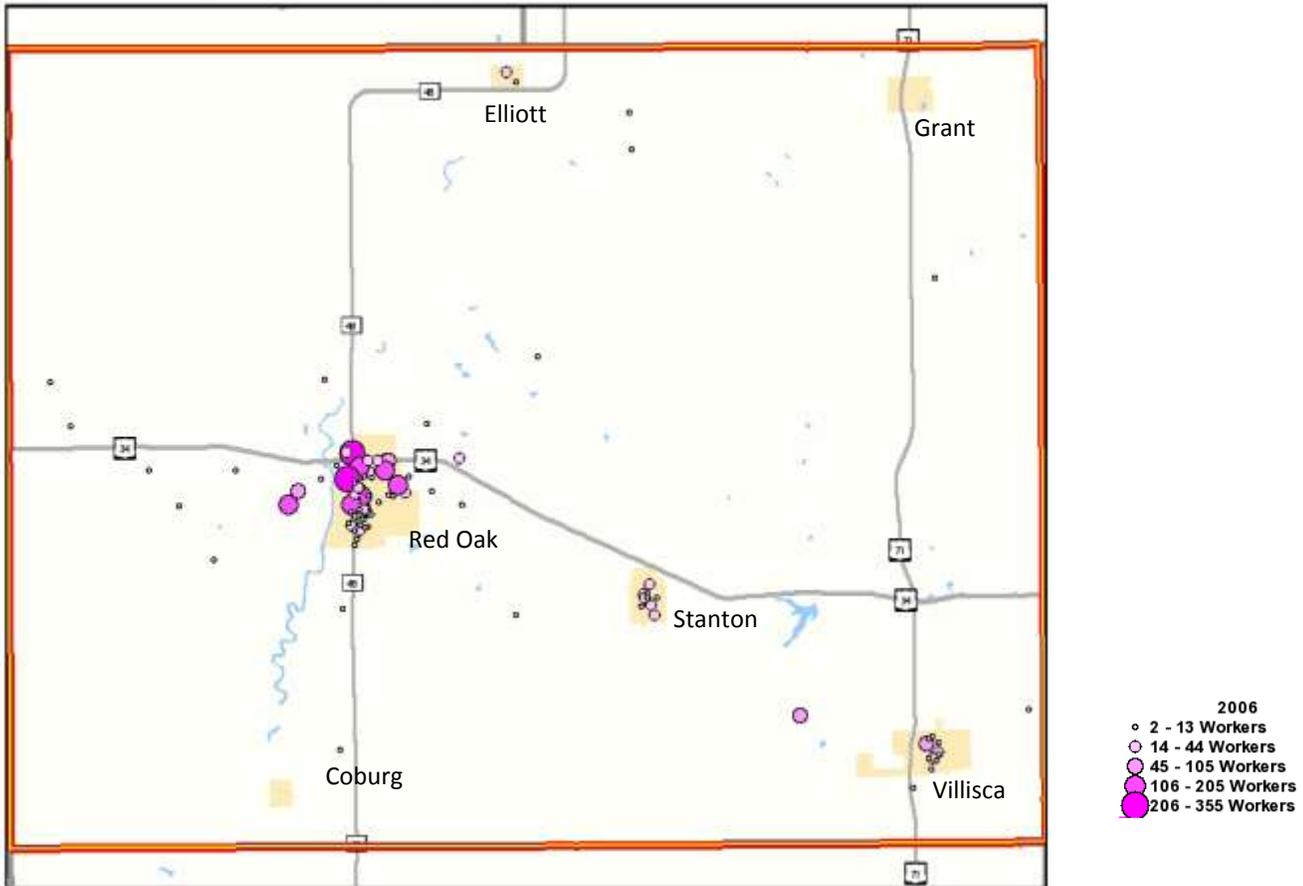
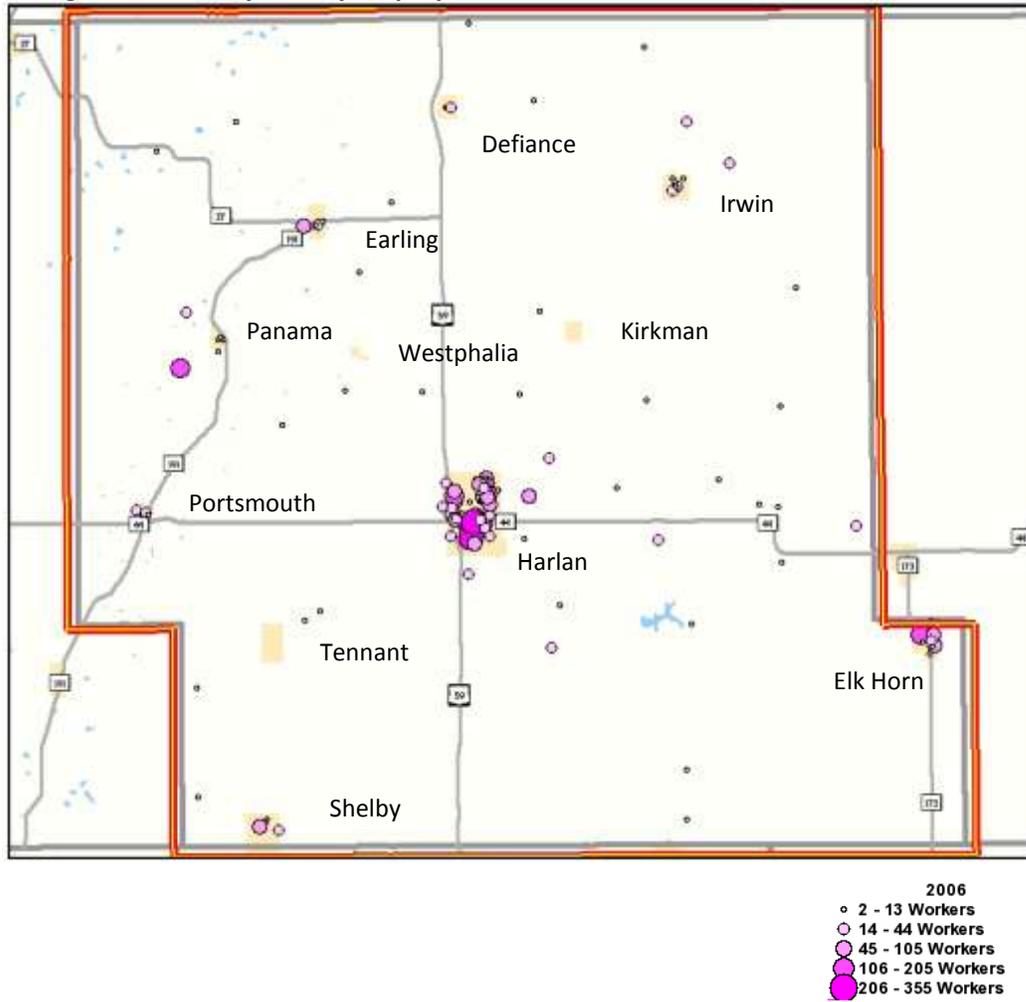


Figure 9: Page County Employment Clusters 19

Figure 10: Shelby County Employment Clusters



Population

The population in the SWIPCO CEDS region is very similar to other rural areas of the state of Iowa. In general, communities are small, there are few minorities, the average age is increasing, and population loss is a real concern. Since 1950, all of the SWIPCO counties have seen their populations decline. However, following rapid declines following World War II and after the Farm Crisis of the 1980s, this trend appears to have stabilized and the decline is much more gradual.

While the total population for the state of Iowa is projected to grow by more than 300,000 over the next 20 years, the population of the 6 county SWIPCO CEDS region is projected to remain fairly constant, with most counties experiencing a slight to moderate decline, though Harrison County is expected to grow because of its proximity to the Omaha/Council Bluffs metropolitan area.

Table 14: Total Population for Iowa and the SWIPCO CEDS Region

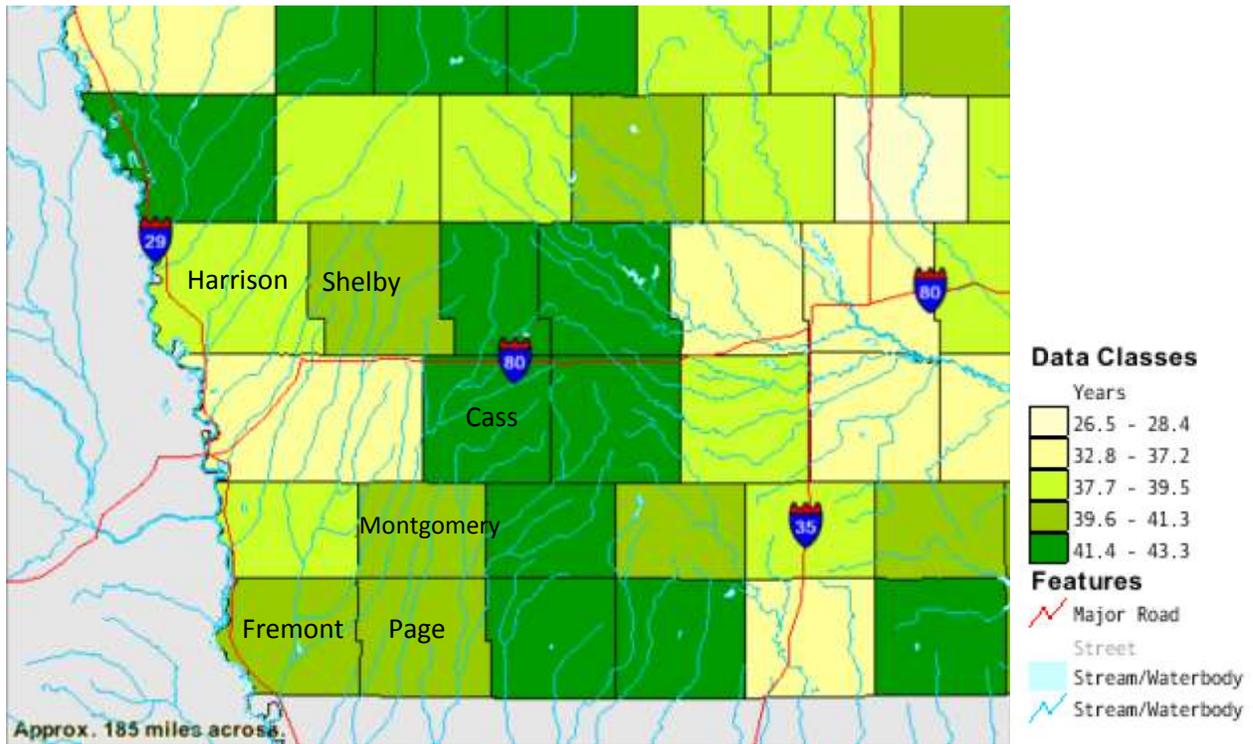
County	Actual						Forecast		
	1950	1960	1970	1980	1990	2000	2010	2020	2030
State of Iowa	2,621,073	2,757,537	2,825,368	2,913,808	2,776,831	2,926,324	3,023,313	3,157,890	3,322,010
Cass	18,532	17,919	17,007	16,932	15,128	14,684	14,007	13,836	13,747
Fremont	12,323	10,282	9,282	9,401	8,226	8,010	7,567	7,399	7,326
Harrison	19,560	17,600	16,240	16,348	14,730	15,666	15,878	16,411	17,033
Montgomery	15,685	14,467	12,781	13,413	12,076	11,771	11,247	11,135	11,096
Page	23,921	21,023	18,537	19,063	16,870	16,976	16,527	16,662	16,903
Shelby	15,942	15,825	15,528	15,043	13,230	13,173	12,688	12,449	12,303

Source: US Census Bureau

Contributing to the population decline is the fact that the median age for counties in southwest Iowa is increasing. Several factors have led to the increased median age, including longer life expectancies which mean that more seniors are living longer. However, two potentially negative factors are impacting the median age as well, these include reduced birth rates and high levels of out migration by young people. Most industrialized nations are experiencing lower birth rates as young people opt to put off marriage and family life until after they complete their education or are settled in a career. Later births tend to lead to fewer births per mother. The out migration of young people between the ages of 18 and 34 is seen by many as a double edged sword. Since there are few options for higher education beyond the community college level in

southwest Iowa, many young people leave to pursue their education and gain experience. Many of these young people eventually return to enjoy the high quality of life. However, many do not move back and overall the trend has been a net loss of young people to out migration in the region.

Figure 11: Median Age By County



Source: US Census Bureau

Another major demographic characteristic that plays an important part of the economy of southwest Iowa is the median household income. Iowa lags behind the US in terms of median household income, and southwest Iowa in general trails behind the state as a whole. This can be a positive characteristic for business. Wages tend to be lower in the region, reducing the cost of doing business. However, lower wages also reduce the amount of buying power that each household has, leading to lower demand for goods and services. Likewise, low wages lead to lower property values, lower tax revenue, and an increase in poverty. As a whole southwest Iowa communities would benefit from an increase in wages, both to stimulate the economy and to encourage in-migration.

Table 15: County Poverty Estimates - 2007

County	Living in Poverty	Total Pop.	% Living in Poverty
Statewide	316,303	2,926,324	10.8%
Cass	1,764	14,684	12.0%
Fremont	841	8,010	10.5%
Harrison	1,536	15,666	9.8%
Montgomery	1,185	11,771	10.1%
Page	1,762	16,976	10.4%
Shelby	1,142	13,173	8.7%

Source: US Census Bureau, Small Area Income and Poverty Estimates

Table 16: Median Household Income

State and County	2002	2003	2004	2005	2006	2007
U.S.	\$42,409	\$43,318	\$44,334	\$46,242	\$48,451	\$50,740
State of Iowa	\$41,052	\$42,278	\$42,865	\$43,610	\$44,560	\$47,324
Cass	\$33,985	\$34,799	\$37,276	\$37,900	\$38,490	\$39,215
Fremont	\$38,268	\$39,610	\$42,037	\$40,812	\$42,885	\$46,741
Harrison	\$39,669	\$40,191	\$42,627	\$41,410	\$43,271	\$47,193
Montgomery	\$33,887	\$34,346	\$37,074	\$37,408	\$37,655	\$41,225
Page	\$35,098	\$36,031	\$38,062	\$38,701	\$40,635	\$42,029
Shelby	\$38,787	\$39,672	\$42,636	\$42,704	\$41,313	\$45,568

Source: U.S. Census Bureau, Small Area Income and Poverty Estimates

Workforce Development and Use

Throughout the CEDS planning process, the quality of the southwest Iowa workforce was regularly listed as a prime asset for the region. At issue, however, has often been the size of the available workforce. Economic developers have often wrestled with the problem of which to work on first, attracting firms to create jobs and draw workers, or attract workers with amenities that then will attract firms to use the labor pool. In recent years a greater emphasis has been placed on entrepreneurial training to encourage local residents to start their own firms and grow employment from within.

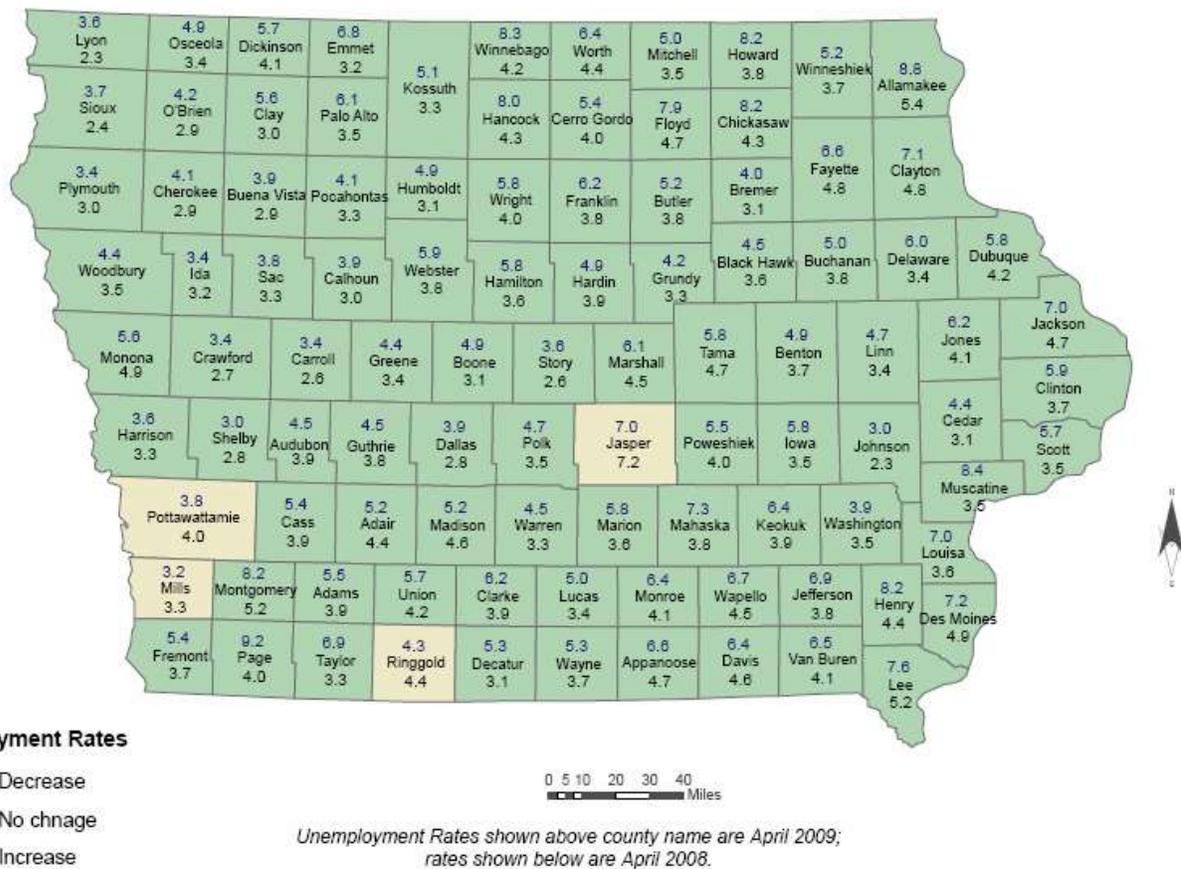
The current economic crisis has led to a number of layoffs and plant closings. This presents both a challenge and an opportunity for the region. Now in many communities there are available workers as well as available buildings for development. The key will be to retain this available workforce in the area; either through entrepreneurial activity where they start their own small businesses, or through business recruitment. In either case, some type of retraining and continuing education is necessary for a successful workforce.

Table 17: Iowa Unemployment Insurance Claims and Payments, April 2009

	April 09	March 09	April 08	Change Mo Ago	Change Yr Ago
Initial Claims	34,698	37,239	15,095	-6.8%	+129.9%
Continued payments					
No. of claimants	85,026	85,332	41,598	-0.4%	+104.4 %
Weeks paid	291,624	267,874	135,648	+8.9%	+115.0 %
Amount Paid	\$87,810,824	\$81,419,487	\$39,295,660	+7.8%	+123.5 %
First Payment	13,750	15,064	6,629	-8.7%	+107.4%
Final Payment	6,048	3,974	3,015	+52.2%	+100.6%

Source: Iowa Workforce Development

Figure 12: UNEMPLOYMENT RATES PER IOWA COUNTIES
 APRIL 2009 AND APRIL 2008



Educational Characteristics

In the six county region Shelby County has the highest proportion of people over 25 years with a high school diploma, at 86.6%, while Montgomery has the lowest proportion with a high school diploma at 81.8%. The region’s average of population completing high school or the equivalent degree is 84.5%, slightly below the state average of 86.1% of the population.

Cass and Page counties have the largest percent of their population with a two year or more college degree with 23.0% and 22.8% respectively. Harrison has the smallest proportion with college degrees at 19.2% of the population. The region’s average of population with a two year or more degree is 21.5%. This is below the 28.6% average for the state.

Table 18: Educational Characteristics of the SWIPCO Region

County	Population over 25	% H.S. Grads. Or Equivalent	% College Degree
Cass	10,296	85.9%	23.0%
Fremont	5,557	85.2%	20.4%
Harrison	10,487	85.0%	19.2%
Montgomery	8,124	81.8%	20.2%
Page	11,655	85.5%	22.8%
Shelby	8,957	86.6%	21.8%
Totals/Averages	55,076	84.5%	21.5%
State of Iowa	1,632,420	86.1%	28.6%

Transportation Access

Planning

The counties in the Southwest Iowa Economic Development District are in two transportation planning districts. Regional Planning Affiliate (RPA) 13 includes Cass, Fremont, Montgomery and Page counties. RPA 18 incorporates Harrison, Mills, Pottawattamie, and Shelby counties. RPA 13 is facilitated by Southwest Iowa Planning Council in Atlantic while RPA 18 is facilitated by Metro Area Planning Agency in Omaha, Nebraska.

Public Transit

Public transit is provided by Southwest Iowa Transit Agency (SWITA), a program of Southwest Iowa Planning Council, through a fleet of buses and vans located throughout the region. SWITA provides on-demand service in the larger cities, shopper routes to trade centers, special trips outside scheduled routes, and contracted services.



Image 5: SWITA Transit Bus

Table 19: SWITA Transit Summary in FY2007 and FY2008

	FY2007	FY2008	Difference
Rides	244,399	274,878	+30,479
Miles	1,092,380	1,197,346	+104,966
Hours	49,087	55,124	+6,037

Source: SWIPCO Annual Report, FY 2007/2008

Highways

The majority of transportation takes place in private vehicles on the region’s broad network of streets, roads, and highways. Most households possess at least one automobile, and the average is close to two cars per household. Each county has an extensive system of rural roads, typically gravel or dirt surfaced, which then lead to county highways which link all of the smaller communities and larger state and federal highways which facilitate regional and national travel and commerce.

The SWIPCO region is also served by two interstate highways. I-29 runs north and south along the western edge of the region and connects to Kansas City, Omaha, and Sioux City. I-80 runs east and west across Cass County and is adjacent to Harrison and Shelby counties. I-80 connects the region to Omaha and Council Bluffs, as well as with Chicago and the east and west coasts.



Image 6: Interstate 29 in Fremont County

Table 20: Automobile Registrations in 1990 and 2000

	1990	2000	2000 # per Household
Cass	10,502	10,964	1.79
Fremont	5,686	5,976	1.86
Harrison	10,261	11,893	1.94
Montgomery	8,244	8,418	1.72
Page	11,098	11,506	1.72
Shelby	9,027	9,508	1.83
Total Region	54,818	58,265	1.86

Source: US Census Bureau

Aviation

The Region is served by seven publicly owned airports that provide a variety of services to both private and commercial non-passenger operations. There are no commercial passenger airports within the region.

Anita - The Anita Municipal Airport - Burke Memorial Field is located along Highway 83 in the central portion of Anita. The airport has a turf surface on runway 05/23 with a 95 foot width and a length of 2,825 feet. There are LIRL runway lights but no approach lights. There is no rotating beacon, no local fuel, and the airport is not attended. The airport has a VOR type navigation system. The airport is a basic service II airport almost exclusively designed for small aircraft.



Image 7: Atlantic Municipal Airport Terminal

8:00

The airport has GPS Instrumental Approach systems. The airport is a general service airport, which supports most twin and single engine general aviation aircraft and occasional use by business jets.

Atlantic. The Atlantic Municipal Airport is located 2 miles west of the City of Atlantic. The airport currently has two runways; 2/20, which has a concrete surface, is 75 feet in width and 5,000 feet long; and 12/30, which has an asphalt surface, is 75 feet in width and 3,911 feet long. There are MIRL runway lights on both runways, and REIL approach lights on 12/30. The airport has a rotating beacon, is attended from A.M. till dusk, and has 100LL & Jet A

Clarinda. The Clarinda Municipal Airport - Schenck Field is located along Highway 71 on the southern fringe of the City of Clarinda. The airport has two runways; 13/31, which has a turf surface, is 255 feet in width and 2,425 feet long; and 02/20, which has a concrete surface, is 75 feet in width and 5,000 feet long. There are no runway or approach lights on 13/31, but 02/20 has MIRL runway lights and REIL approach lights. The airport has a rotating beacon, 100LL and Jet A fuel, and is attended from 8:00 A.M.

to 5:00 P.M. The airport has NDB and VOR type navigation systems. The airport is a general service airport, which supports most twin and single engine general aviation aircraft and occasional use by business jets.

Harlan. The Harlan Municipal Airport is located in Shelby County approximately 3 miles southwest of the City of Harlan. Local access is provided via US Highway 59. The Harlan Municipal Airport supports two runway facilities. Runway 15/33 is paved and is 4,100 feet in length and 75 feet in width. The asphalt and concrete surfaced runway has a 20,000 pound single wheel loading. Medium intensity edge and threshold lights are in place. Runway 15 and 33 are equipped with precision approach path indicators (PAPI). Runway 3/21 is turf and is 1,700 feet long and 120 feet wide.

Red Oak. The Red Oak Municipal Airport is located along H-34, 2 miles west of the City of Red Oak. The airport has three runways; 13/31, which has a turf surface, is 210 feet in width and 2,035 feet long; 17/35, which has a concrete surface, is 60 feet in width and 2,901 feet long; and 05/23, which has a concrete surface, is 75 feet in width and 5,000 feet long. There are no runway lights on 13/31, but 17/35 and 05/23 have MIRL runway lights. Runway 5/23 has REIL approach lights. The airport has a rotating beacon, both 100LL and Jet A fuel, and is attended 24 hours a day. The airport has NDB and VOR type navigation systems. The airport is a general service airport, which supports most twin and single engine general aviation aircraft and occasional use by business jets.

Shenandoah. The Shenandoah Municipal Airport is located along Manti Road 1 mile west of the city. The airport has two runways; 12/30, which has a concrete surface, is 75 feet in width and 3,299 feet long; and 4/22, which has a concrete surface, is 75 feet in width and 5,000 feet long. Runway 04/22 has MIRL runway lights and REIL approach lights, 12/30 has MIRL runway lights. The airport has a rotating beacon, both 100LL and Jet A fuel, and is attended from 8:00 A.M. to 5:00 P.M. Monday through Saturday. The airport has NDB and VOR type navigation systems. The airport is a general service airport, which supports most twin and single engine general aviation aircraft and occasional use by business jets.

Woodbine. The Woodbine Municipal Airport is located in Harrison County approximately one mile east of the City of Woodbine. Local access is provided via County Road F-32. The Woodbine Municipal Airport supports one turf runway facility. Runway 17/35 is 2,045 feet in length and 95 feet in width. Low intensity edge and threshold lights are in place. Runway is marked with yellow cones.

Aircraft based at the region's airports are as follows:

Anita – 1 aircraft

Atlantic – 22 aircraft

Clarinda – 24 aircraft

Harlan – 32 aircraft

Red Oak – 32 aircraft

Shenandoah – 13 aircraft

Woodbine – 2 aircraft

Rail

The railroad network performs an important role in moving goods produced and consumed throughout the region. The railways provide a vital link between the Region and outside markets. Railways also operate more efficiently and require fewer resources to operate than roadways, reducing highway costs and emitting fewer harmful chemicals than operating by highway. The region currently possesses rail lines



Image 8: Rail Terminal in Hamburg

operated by a Class I operator: Burlington Northern Sante-Fe R.R. Co. (BNSF); and a Class II Operator: The Iowa Interstate R.R. Ltd. (IAIS). Amtrak also operates on the BNSF line through Montgomery County by trackage rights.

BNSF operates rail lines that travel through Montgomery County, with facilities in Red Oak, Stanton and Villisca. A branch of this line runs south from Red Oak through

Coburg, Essex, Shenandoah, and ending in Farragut. Another BNSF line runs through Fremont County, with facilities in Bartlett, McPaul, Percival, Payne Junction, and Hamburg. Iowa Interstate Railroad travels through Cass County, with facilities in Atlantic, Wiota and Anita. No abandonments of these rail lines are planned according to the IDOT.

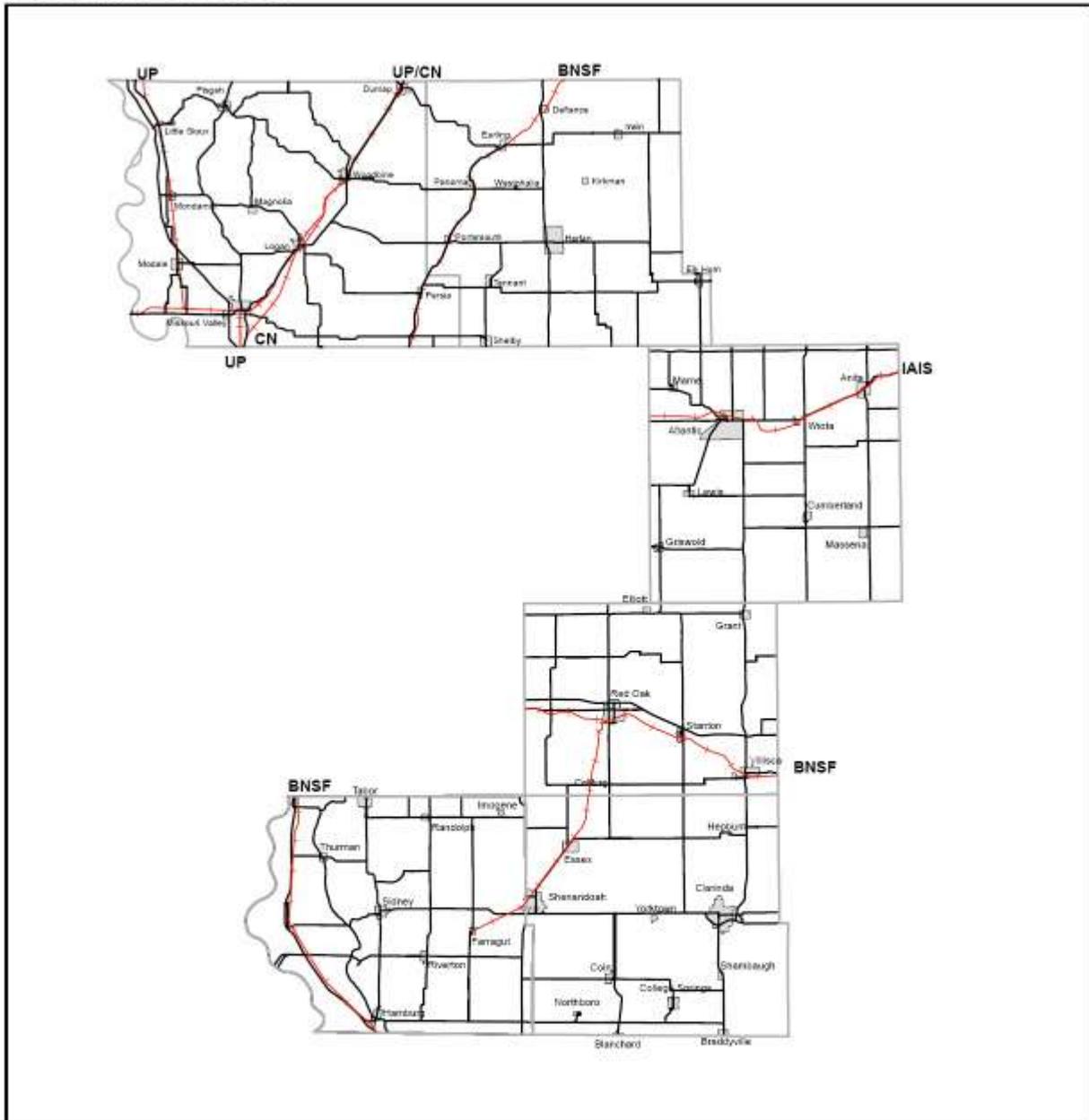
Freight Movement

The amount of freight shipped, and the number of trains utilizing the rail lines vary greatly from one railroad to another. The Burlington Northern Sante-Fe Railroad extends through the heart of the country and ships the largest annual amount of freight among the active lines in the Region, particularly on the line moving east-west through Montgomery County. BNSF carries over 40 million gross tons per mile on the east-west line, while the spur line from Red Oak to Farragut in Fremont County carries 0-0.99 million gross tons per mile. BNSF also carries 10.00-19.99 million gross tons per mile through Fremont County. Through Cass County, the Iowa Interstate Railroad carries 3-4.99 million gross tons per mile. Each of these lines has increased usage over the past 5 years.

The main products handled by the BNSF include coal, grain, intermodal containers and trailers, chemicals, metals and minerals, forest products, automobiles, and consumer goods. The main products handled by the IAIS include farm products, food products, transportation equipment, waste and scrap products, and metals.

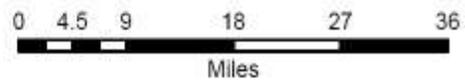
FIGURE 13: Rail Map

Railroad Carriers



Legend

- BNSF - Burlington Northern Santa Fe**
- CN - Canadian National**
- IAIS - Iowa Interstate**
- UP - Union Pacific**



Trails

Recreational trails are becoming an increasingly important piece of the local transportation network. Many communities have recognized the importance of recreational trails to their local quality of life, and as drivers of economic activity through tourism. The largest pedestrian trails in the area are the Wabash Trace, which travels through Fremont and Page counties, and the T-Bone Trail, in Cass County. The area also lies along the American Discovery Trail, which is the nation's only east/west transcontinental pedestrian trail. In the SWIPCO region the American Discovery Trail utilizes the T-Bone Trail, county and state roads, and portions of the Wabash Trace. Several cities have also undertaken efforts to construct trails within their communities.

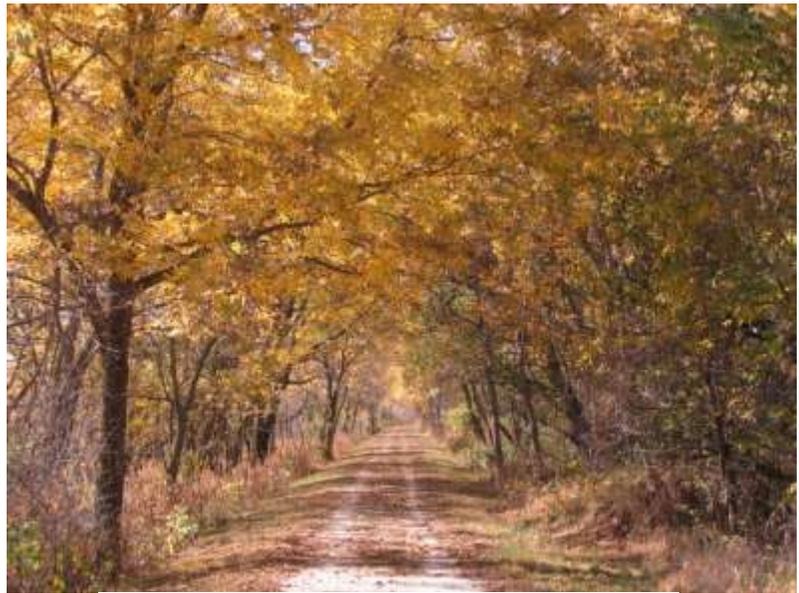
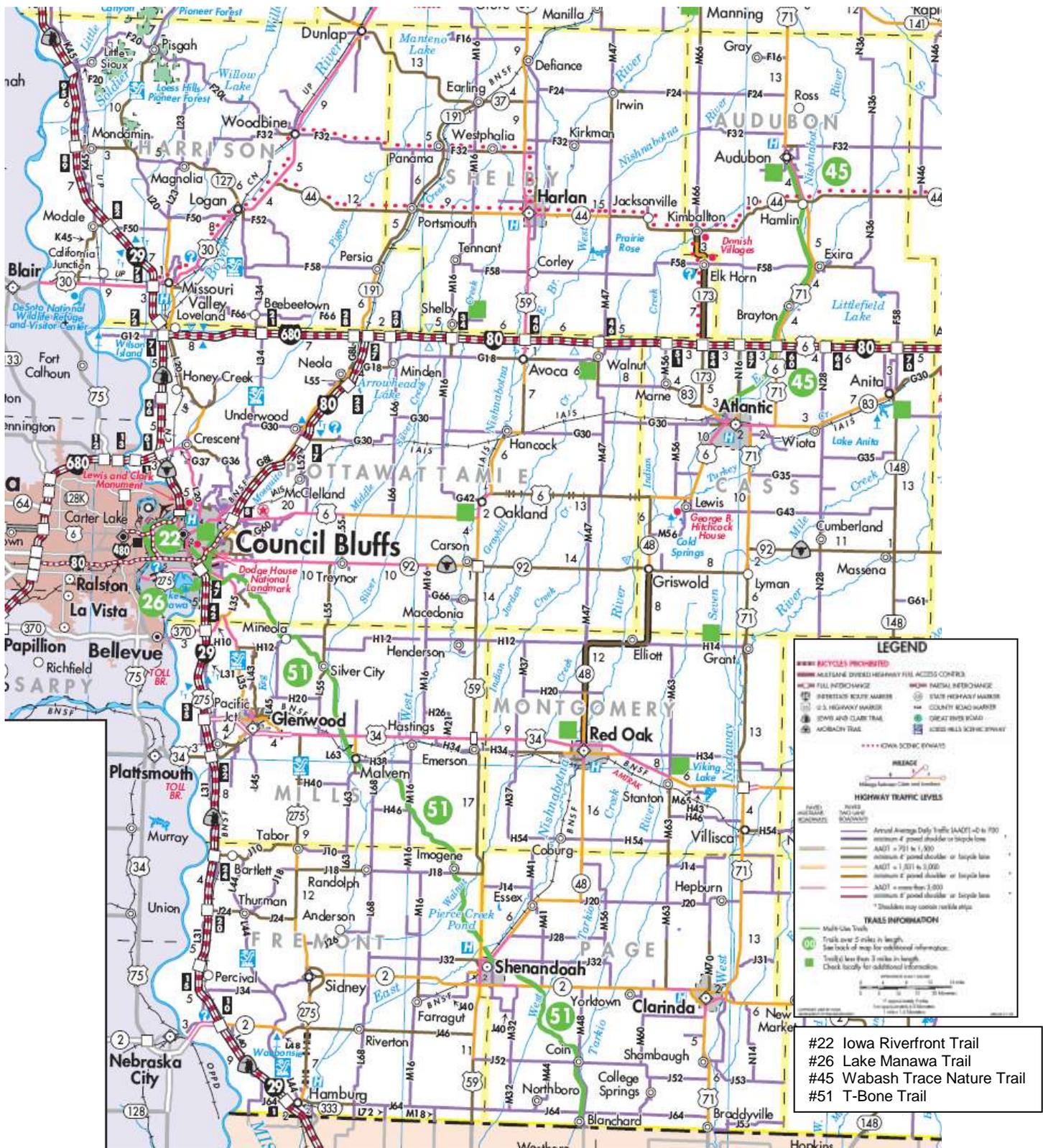


Image 9: Wabash Trace near Shenandoah

FIGURE 14: Trails Map



Resources

As long as people have lived in Iowa, the soil, air, and water of the state have been the area's most valuable resources. The SWIPCO region's agricultural economy depends heavily upon the fertility of the soil, the quality and quantity of water, and the cooperation of the region's weather. Although other natural resources have been exploited throughout the region's history, today very few of the raw materials, such as steel and petroleum products, that drive the local economy are produced locally, except for those that can be grown in the fertile soil.

In addition to the soil and water, the area's wind resources are also being tapped. Three major wind turbine farms are currently in operation in or near the SWIPCO region, and more are planned for the future. The area is very well suited to the installation of wind turbines because of strong prevailing winds, a good transportation infrastructure to facilitate wind farm construction, and proximity to major power consumers and distribution grids.

Although the wind is seemingly always present and renewable, the region's soil and water are resources that can be depleted and destroyed if not carefully managed and conserved. Therefore, the water and wastewater systems are critical pieces of infrastructure for supporting current and future economic development.

Water Systems

The major issues affecting water systems in southwest Iowa are quantity and quality. Quantity is becoming a concern for communities as water usage increases and supplies remain constant. According to a 1996 Iowa State Water Study, per capita water use increased from 106 GPD in 1969 to 154 GPD in 1990. Water use in Iowa will only increase and according to the same study, it is expected to increase by 17% between the years 1993 and 2015. Increases are primarily due to a combination of activities such as irrigation, watering lawns, and increases in household use.

Water quality issues are divided into two categories; impacts on ground water sources and impacts on surface water sources. Ground water contamination is primarily from leaching of nitrates, pesticides, and coliform bacteria. A 2002 state-wide study showed that of private water samples in Iowa, 26% were unsafe with coliform bacteria and 21% had unsafe nitrate levels.

Primary sources of water contamination are municipal and industrial point sources, agricultural point and non-point sources, sink holes, poorly constructed private wells, and waste sites.

As of 2001, 78% of Iowa households had access to a treated water supply through a Public Water System (PWS). Over 80% of Iowa municipal and rural water systems disinfected their raw water. Twelve percent treated but did not disinfect. Only 7% did not disinfect or treat at all. Systems without treatment are primarily rural housing developments with private systems. Over 60% of systems treated for taste and color

such as removal of iron or manganese. State wide, increasing numbers of small communities are answering both quantity and quality concerns by purchasing treated water from regional water sources. In the last 10 years alone, southwest Iowa has seen a great increase in the development of rural water systems with both private and public systems connecting.

Current regional water systems in southwest Iowa include Southwest Rural Water District (formerly Page One Rural Water District) of Clarinda serving most of Page County and parts of Montgomery and Fremont counties; Regional Water serving southern Shelby County; West Central Iowa Rural Water Association in Shelby County; and Southern Iowa Rural Water Association in parts of Cass County.

Sanitary Sewer Systems

In the six county SWIPCO CEDS region, 17 incorporated communities rely on private septic systems as their sole source of wastewater treatment. The majority of communities utilize a 2 or more cell lagoon system, while a few of the larger cities have trickling filter systems.

Table 21: Types of Wastewater Treatment Systems for the SWIPCO Region, 2008

Type of System	Number of Communities Using
Private septic systems	17
Two, three, or four cell lagoons	29
Trickling filter system	4
Other	3

Source: SWIPCO Study of Water and Sewer Rates, 2008

Communications

Information is a critical resource in today's modern society. Communications infrastructure is an increasingly important service to rural Iowa. Every community can access local service to the World Wide Web. The Iowa Communications Network (ICN) allows video conferencing for business meetings, state-wide workshops, high school classes, and college classes. The ICN has public sites available at schools, libraries, armories, and other public facilities. Cable is available in virtually every community in the region. Businesses are utilizing the Web to advertise to broader global markets.

Home-based workshops are possible through telecommuting, which becomes faster and easier with the implementation of fiber optics.

Harlan Municipal Utilities (HMU) was at the forefront of telecommunication for the nation by being one of the first cities to install fiber optics. HMU's hybrid fiber-coax network is a broadband system designed for high-quality television, high-speed data transmission, advanced energy services, improved telephone service, and long-term compatibility with emerging technologies.

Currently numerous internet companies, local and national, are providing service to the region. These companies include Cox High Speed Internet, Cumberland Telephone Company, Harlan Municipal Utilities, Heartland Net, Loganet, Marne & Elk Horn Telephone Company, AOL, and MSN.

Natural Gas and Electricity

Six communities are served by municipally owned electric utilities. There are 3 rural electric cooperatives (REC) in the region. Cities with their own electric utility are Atlantic, Harlan, Shelby, Stanton, Villisca, and Woodbine. Cities with their own gas utility are Harlan and Woodbine. The Rural Electric Cooperatives in the area are: Harrison County REC, Nishnabotna REC, and Northwest Iowa Power Co-op. The larger utility companies serving Southwest Iowa include Alliant Energy, Black Hills Energy (formerly Aquila), IES (part of Alliant Energy), MidAmerican, and People's Natural Gas. Cities without gas utility services primarily use propane as their heat source.

Solid Waste

Southwest Iowa continues to address complex issues of landfills and solid waste management. Landfills are potential sources of groundwater contamination. In addition, valuable natural resources, such as petroleum, wood, metals and glass are lost with buried waste. The increased cost of disposing of wastes at the landfills shows the need to look at alternatives to landfilling. Because of the numerous choices that must be made for solid waste management, all landfill operations in southwest Iowa have developed Solid Waste Management Comprehensive Plans, which provide a framework for solid waste decisions.

Table 22: Area Landfill Information

Landfills/Transfer Stations	Tipping Fee (per ton)	Planning Area/Service	Tonnage FY08 (million)
Cass County Environmental Control Agency	\$80.00	Cass County	9,500
Fremont County Planning Area	\$35.00	Fremont County	7,822
Harrison County Landfill Commission	\$40.00	Harrison County	12,443
Montgomery County Landfill Association	\$56.88	Montgomery County	8,678
Page County Landfill Association	\$50.00	Page County	13,650

Source: Iowa Department of Natural Resources

Each solid waste area adopted a strategy that will ultimately reduce the quantity of waste entering the Waste Management Hierarchy. The plan places waste management alternatives in an order of preference according to their environmental impacts.

Waste Management Hierarchy

1. Volume Reduction at the Source
2. Recycling and Reuse
3. Combustion with Energy Recovery
4. Combustion for Volume Reduction
5. Landfilling

Recycling

Counties within the region either have a fully operational recycling program or utilize a program through another county. Recycling is the preferred method when processing waste. The recycling programs include the following:

Table 23: Area Recycling Programs

County	Recycling Program
Cass	Atlantic Recycling Facility or Cass County Control Agency
Fremont	Recycling goes to Glenwood Schools or Nebraska City Recycling Center, NE
Harrison	Recycling goes to Weyerhaeuser Recycling, Omaha, NE
Montgomery	Recycling goes to Midwest Recycling in Clarinda, or Atlantic Recycling Facility
Page	Recycling goes to Midwest Recycling in Clarinda
Shelby	Recycling is processed at Carroll County Recycling Center

Source: Iowa Department of Natural Resources, 2004

Environment

The climate of the region is continental; hot and humid in the summer and cold in the winter. Nearly 75% of all precipitation occurs between April and September during the main growing season. Annual precipitation averages 29 - 34 inches. Growing seasons run from 130 to 175 days depending on location and annual conditions. Winter temperatures average 23 - 25 degrees Fahrenheit and summer temperatures average 73-74 degrees Fahrenheit. The last freeze of the winter usually falls between April 26 - May 13. The first freeze of the fall usually comes between September 19 and October 10.

Flora and fauna of the region are typical of the upper Midwest/Great Plains region. Although agriculture accounts for over 95% of the land use, a few remnants of the original prairie ecosystem exist in county parks and in some cases on private property. Wildlife habitat primarily consists of wooded areas along river bottoms and in the fence rows bordering fields, though habitat area is often converted to farm land as fields are consolidated into larger land holdings and fences are removed. The Missouri River Valley provides numerous resting places for migrating birds, and during the migration seasons it is not uncommon to see flocks of thousands of geese or other migratory birds on their way north or south. In recent years, bald eagles have made begun to reappear in the area as nationally their numbers recover.



Image 10: Loess Hills near Little Sioux

Housing

Housing is a major factor for economic development in southwest Iowa. Without appropriate housing it is difficult for any region to attract or retain workers. Housing is also a major factor in the quality of life of an area. The SWIPCO region has a wide variety of housing stock. Of particular concern in the region are the low vacancy rates and the high average age of the housing stock. Throughout the region 46.4 percent of the housing stock was built prior to 1939.



Image 11: Typical Pre-1939 House in Villisca

Many of these homes are very sound structures, but many are not. Older homes tend to have more problems with energy efficiency and lead based paint. The low vacancy rate is also a concern because a low vacancy rate indicates that there are few vacant properties available for sale at any one time. Although generally speaking a community does not want to have any vacant properties, statistically it is good to have between a 5 and 10 percent vacancy rate to accommodate new migration into the community. At this time, there is very little room in the current housing stock for added capacity

Table 24: Total Housing Units and Vacancy Rates

County	Housing Units	Occupied Units	Total	Vacant Units (Percent)			Vacancy Rate (Percent)		% Built before 1939	% Built after 1999
				For Sale	For Rent	Seasonal	Owner Occupied	Rental		
Cass County	6,590	6,120	470	27	28.7	9.1	2.7	8	47.1	4.6
Fremont County	3,514	3,199	315	24.8	19.7	17.8	3.2	7.1	45	6.1
Harrison County	6,602	6,115	487	24.8	23.6	7.6	2.5	7.4	49.5	10.7
Montgomery County	5,399	4,886	513	14.6	24.6	7.4	2.1	8.7	47.8	5.8
Page County	7,302	6,708	594	18.7	29.8	7.9	2.3	8.5	44.5	7
Shelby County	5,459	5,173	286	23.4	23.4	7.3	1.7	5.3	44.5	5.8

The SWIPCO CEDS Planning Process

The SWIPCO CEDS planning process began in the fall of 2008 with the initial conversations within the SWIPCO planning staff regarding the need for an update and discussions about how that should be carried out. The need for an updated plan was introduced to the governing board and to interested parties at the SWIPCO annual meeting in September, 2008. In the late fall and winter of 2008 we gathered background information and developed a public participation plan. This plan included the involvement of a steering committee of 13 members to help oversee the planning process as well as several larger public meetings open to any interested parties to gather information and feedback for the plan.



Image 12: Planning Session

The steering committee was drawn from individuals actively involved in economic development throughout the 6 county region. Representation was distributed not only geographically, but also public and private development organizations were invited to participate. They included:

- | | |
|---------------------|--|
| Renea Anderson | Harrison Co. Development |
| Gregg Connell | Shenandoah Chamber and Industry Association |
| Lynda Cruikshank | FREDCO |
| Shirley Frederiksen | Golden Hills RC&D |
| John Greenwood | Clarinda Economic Development |
| Theresa Jordison | USDA Rural Development |
| Russell Joyce | CADCO |
| George Maher | Red Oak Industrial Foundation/Montgomery County Economic Development |
| Mark Stanley | Iowa Western Community College Economic Development |
| Dave Yamada | Shelby County Developsource |
| Wendy Prigge | Atlantic Community Schools |
| Brad Wright | City of Red Oak |
| MJ Broomfield | Southwest Iowa Planning Council |

The planning process evolved as follows:

Steering Committee Meeting, Wednesday, January 21, 2009 1PM, SWIPCO Office

- Reviewed progress on goals from previous CEDS (copies sent out beforehand)
- Evaluated the planning categories, decided to continue with previous categories.
- Discussed potential participants for the focus group meetings.
- Set firm dates for focus group meetings.
- Each committee member invited at least 10 individuals to the focus group meetings.

Focus Group Meetings

Each focus group meeting included a short presentation on what the CEDS is followed by some statistical information concerning the meeting's topics. Following that was an explanation of the Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis, breaking into groups, and the group SWOT analysis. (The findings of the SWOT analyses is covered in a following section) The groups presented their findings from the SWOT analysis and in conclusion carried out a goals identifying exercise for each topic. All meetings were held at the Griswold Community Center, which is centrally located within the 6 county region. The first meeting was held in the afternoon, and the second meeting was held in the morning to be as flexible for individuals' schedules as possible. Each meeting lasted for approximately two and a half hours.

February 12, 2009 Topics:

- Education
- Health Care
- Housing
- Human Services and Child Care

Attendance:

Chad Wellhousen,	Iowa Western Community College
Lori Newberg,	Modale
Joe Vittitoe,	Modale
Kenner Baxter,	Marne
Sherman Struble,	Missouri Valley
Dan Haynes,	Nishna Valley YMCA
Bill Drey,	Montgomery County ISU Extension
Mary Ann Gibson,	Waubonsie Mental Health Center
Jerry Putnam,	Griswold
Dave Yamada,	Shelby County Develpsource
Russell Joyce,	CADCO
Connie Mellott,	Bank Iowa, Red Oak

George Maher,	Red Oak Industrial Foundation
Mickey Anderson,	Stanton
Rachael Christensen,	USDA Rural Development
Dee Fischer,	USDA Rural Development
Terry Cox,	Harlan
Roxanna Sieber,	Villisca
Glenda Farrier,	Cass Incorporated
Trudy Juelsgaard,	Juelsgaard Realty, Elk Horn
Theresa Jordison,	USDA Rural Development
Marie Durick,	Cass Incorporated
Sherri Clarke,	Nishna Productions
John Greenwood,	Clarinda Economic Development
Terry Torneten,	Shelby County ISU Extension
Marty Barnett,	Red Oak Industrial Foundation
Julie Mierau,	Iowa Western Community College E-Center
Elaine Armstrong,	Page County Board of Supervisors
John McCurdy,	SWIPCO
MJ Broomfield,	SWIPCO

February 19, 2009 Topics:

- Economic Development, Planning, and Land Use
- Finance
- Government Services and Infrastructure
- Recreation and Tourism

Attendance:

Duane Dinville,	Stanton
Gary Johnson,	Iowa Western Community College
Jerry Putnam,	Griswold
James Burmeister,	Shelby County Supervisor
Tim Marcsisak,	Nishna Valley Credit Union
Mike Kolbe,	Harlan
Deb Reed,	USDA Rural Development
Theresa Jordison,	USDA Rural Development
Bill Drey,	Montgomery County ISU Extension
Bo Harris,	City of Shenandoah
John Allen,	Southwest Iowa REC
Joe Vittitoe,	Modale
Shirley Frederiksen,	Golden Hills RC&D
Lori Newberg,	Modale
Michele Walker,	Western Iowa Tourism Region
George Maher,	Red Oak Industrial Foundation
Kenner Baxter,	Marne
Connie Mellott,	Bank Iowa, Red Oak

Roxanna Sieber,	Villisca
Dave Yamada,	Shelby County Developsource
John Greenwood,	Clarinda Economic Development
Jade Willcoxon,	Regional Water
John McCurdy,	SWIPCO
Jeremy Middents,	SWIPCO

Steering Committee Meeting, Review of Focus Group Input, April 1, 2009, SWIPCO Office

Once SWIPCO staff organized the feedback from the focus group meetings, the steering committee met again to review and prioritize the goals from the focus group meetings. At that meeting the committee:

- Reviewed the input of the focus groups.
- Discussed regional solutions to the goals.
- Developed recommendations for the governing board.

Governing Board Meeting, Review of CEDS, June 25, 2009

Using the steering committees guidance, SWIPCO staff prepared a draft CEDS plan for public review and comment as well as review by the governing board. The draft was unveiled at the governing board meeting on June 25, 2009, and notice was posted in the newspapers of record for each of the counties in the SWIPCO CEDS region that draft copies of the CEDS were available for review at the SWIPCO offices as well as online at www.swipco.org.

Governing Board Meeting, Adoption of CEDS, July 23, 2009

Following a month in which the draft CEDS was available for public review and comment, an amended CEDS plan was presented to the governing board and adopted by a unanimous vote of the board.

Economic Development Problems and Opportunities

Since the middle part of the 20th Century, and especially after the Farm Crisis of the 1980s, economic development efforts in the region have focused on diversifying the local economy away from a sole reliance on agriculture, while at the same time capitalizing on those agricultural strengths. Small manufacturing that takes advantage of the skilled local labor force as well as the agricultural market has been a key component to local economic diversity. This remains an important piece of the local economy, and southwest Iowa is still an economical place to develop manufacturing, but manufacturing as a whole has been very vulnerable to changes in the global market. Value added agricultural products, particularly products that utilize corn and soybeans, such as ethanol and bio-diesel, have taken center stage in economic development efforts over the last ten years.

However, moving into the 21st Century, economic development investments will need to take into account not only local strengths and weaknesses, but the demands of the world economy. Agricultural production, manufacturing, healthcare, and services will continue to be key components of the local economy. However, as the region moves forward, the traditional model of relying on a small number of large employers for economic growth, such as relocating a large plant from another region to the area, will be a smaller piece of the economic pie. New more adaptable types of growth, such as the development of local entrepreneurs and small business, will be an increasingly



Image 13: Downtown Villisca

important part of the local economy. Also, southwest Iowa is well placed to be a leader in energy production in ways not dreamed of ten years ago. Not just through the bio-fuels products we know now, but also wind energy, algae fuel processes, and other sustainable energy sources. Southwest Iowa has the land, wind, workforce, infrastructure, and access to markets required to make it a leader in energy production, and economic development efforts should be targeted to develop these resources.

Moving into the future, economic development will continued to be clustered near population centers and transportation crossroads. Communities with highway and rail access will continue to have advantages over those that do not. Advances in internet technology will enable certain businesses and individuals to locate in more remote places, however access to traditional infrastructure, such as roads, rails, water, and sewer will continue to drive economic development efforts and will concentrate growth around access to these services.

While developing the plan other state and regional plans were considered to maintain consistency with these plans, but also tailor their broad goals to the local needs in southwest Iowa. The joint Iowa Department of Economic Development/Iowa Values Fund *Strategic Plan for State Economic Growth* underscores the need for development of our local workforce, our infrastructure, and our business climate. The four primary goals for the Iowa Department of Economic Development, which are listed below, are an integral part of what this CEDS plan is seeking to implement at the local level:

- Goal 1: Iowa will grow in diversity of population and workforce.
- Goal 2: The IDEED will create new sources of wealth.
- Goal 3: IDEED will strategically invest its development resources and programs.
- Goal 4: The IDEED will promote and empower regional economic development success

To address those goals at the local level, and develop them further in ways more tailored to the local situation, the CEDS Steering Committee set up a series of focus group meetings for local economic development professionals, as well as interested citizens. During the focus group meetings held in February 2009, participants completed a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis on various topics relating to economic development. This SWOT analysis was used to identify problem areas in the economy, as well as areas for potential growth.

Each group selected a topic to cover, which included:

- Education
- Health Care
- Housing
- Human Services and Child Care
- Economic Development, Planning and Land Use
- Finance
- Government Services and Infrastructure
- Recreation and Tourism

Over the course of the two focus group meetings, each group individually discussed one of the 8 topics, then after conducting a SWOT analysis for each, presented their findings to the large group as a whole. In this way, additional points that may have been overlooked by the small group were discussed and included. A summary of the SWOT analysis findings is on the following pages.

Education:

Strengths:

- Personalized education
- Small classes
- Caring teachers
- Safe schools
- Partnerships between business/school
- Good community college and university access
- Good facilities
- Technologies makes up for some shortcomings
- Good academic reputation
- Good test scores
- Nutritious meal programs

Weaknesses:

- Lack of technology and lack of technology training
- Lack of science, engineering, and math courses
- Lack of vocational courses
- Declining population
- Difficulties retaining teachers
- Lack of good after school programs

Opportunities:

- Consolidation
- Technology
- After school programs
- Business partnerships to bring trainers from business into local schools
- Reasonably priced community colleges
- Access to college level courses in high school
- Partnerships with early childcare facilities

Threats:

- Budget Cuts
- Consolidation
- Declining Population



Image 14: Iowa Western in Clarinda

Housing:

Strengths:

- Low property values
- Inexpensive building lots
- Little speculation, no housing bubble
- Some communities have lots ready to go
- Grant programs are available for housing rehab, etc.
- Local banks are strong
- Cooperation between schools and cities, such as the building trades programs

Weaknesses:

- A lot of substandard housing
- Lack of housing in some areas
- Some communities lack buildable/ready lots
- Lack of building inspection and code enforcement
- Loss of local control of lenders

Opportunities:

- Low interest rates
- Better lending practices
- Stimulus package programs
- Upstairs housing units in central business districts

Threats:

- Government regulations
- Declining population
- Difficulty finding financing
- Hard to find the necessary second income to afford a home



Image 15: Housing Development in Clarinda

Health Care:

Strengths:

- Strong hospitals & clinics
- Active public health
- Women, Infants, and Children (WIC)
- Hospice care
- Nursing care
- Independent living
- Home healthcare
- Dedicated first responders

Weaknesses:

- Outdated first response equipment
- Difficulty finding transportation for care
- Out of area office visits are difficult
- The cost of healthcare and the income guidelines associated with certain programs
- Expensive assisted living
- Lack of intergenerational help
- Lack of networking
- Lack of awareness of services
- Medicare/Medicaid reimbursement
- Lack of affordable insurance that is not based on employment
- Hard to recruit healthcare providers

Opportunities:

- Awareness raising through education
- Using the internet to deliver services
- Young practitioners can immediately start a practice here
- Local media is available to spread the word about services

Threats:

- Increasing costs of services
- Funding cuts
- An underinsured population
- Providers retiring or moving away
- No obstetrics at some hospitals



Image 16: Cass County Memorial Hospital

Human Services & Child Care:

Strengths:

- Quality of services and providers
- Community based and often available
- Fairly reliable
- Good awareness of services (directories)
- Large number of volunteer hours
- Partnerships between organizations and facilities



Image 17: Childcare Groundbreaking in Atlantic

Weaknesses:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Budget and funding cuts limit the amount and quality of services • Limited staffing | <ul style="list-style-type: none"> • Awareness of services can always be better • Difficult to navigate bureaucracy |
|--|---|

Opportunities:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Raised awareness of programs • Rural areas provide a good quality of life • Safe communities • Good social networks • People are caring | <ul style="list-style-type: none"> • Convenient location near metros and interstates • Volunteerism • SWIPCO as a clearinghouse for information |
|---|--|

Threats:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Rising cost of providing services • Regulations are always changing • System can be very hard to navigate if you are a user • Facility and upkeep costs keep rising • The current economic conditions are challenging | <ul style="list-style-type: none"> • High expectations with limited staff, time, and budget • Costs to schools to provide special needs care |
|---|--|

Economic Development, Planning, Land Use

*Abbreviations: Land Use (LU), Planning (PL), Economic Development (ED)

Strengths:

- LU: Existing industrial parks, or land at a reasonable price
- PL: Availability of enterprise zones and benefits
- ED: Internal policy on acceptable potential industries, availability of resources: labor force, strong work ethic, training, etc. State job training.
- Economic Development committees



Image 18: Ethanol Plant in Shenandoah

Weaknesses:

- LU: lack of more developed infrastructure, not shovel ready, flood prone areas
- PL: Lack of county zoning
- ED: Lack of professional staff with economic development skills, can't afford that staff locally
- Communication between groups

Opportunity:

- LU: Access to rail, 4 lane highways
- PL: More zoning, right people in right places for that
- ED: Expanding entrepreneurship, resources available to educate those that want to go into entrepreneurship

Threat:

- LU: small towns: not able to afford infrastructure or incentives that are needed
- ED: regional population loss and brain drain, lack of community amenities to entice people back, such as recreational services, etc.

Finance:**Strengths:**

- Small community banks that work outside of the box
- A sense of community among lending institutions
- Close relationships between bankers and clients
- Local lenders are not in financial problems per se
- Revolving loan funds available in every county
- Banks work together, selling off parts of loans to other local banks
- There is credit available
- Banks are willing to work with borrowers in trouble

Weaknesses:

- Public perception of the current financial crisis is not necessarily the case in southwest Iowa
- Clients do not approach their lender soon enough when they have problems
- Increased scrutiny
- Crisis has caused some limits on local banking, it's not all good in southwest Iowa
- Lack of venture capital and angel investors

Opportunities:

- Interest rates are the lowest they have ever been
- Buyers can get more for their money
- Local lower cost of living, relative financial security
- Individuals that had problems in larger markets may be more attracted to small rural communities
- The American Recovery and Reinvestment Act, to include government guarantees and other programs
- Reinvestment in the local infrastructure with state and federal government assistance
- Business succession

Threats:

- The global economic crisis, including inflation, foreclosures, bank closures
- Access to infrastructure, particularly water
- Heavy reliance on agriculture and manufacturing
- Loss of local control of banks
- Business succession

Government Services and Infrastructure:

Strengths:

- Great workforce, including in government and utilities, which lends itself to good services
- Rail service
- Renewable resources
- Transportation networks
- A large percentage of the area's power is generated locally

Weaknesses:

- Lack rail access in many areas
- Aging transportation infrastructure
- A large transportation infrastructure system with a small population to maintain it
- Lack of resources for continued maintenance
- Water quality and quantity problems
- Unsewered communities
- Aging sewer treatment systems
- Lack of quality housing at various price ranges
- Problems distributing renewable energy

Opportunities:

- Economic stimulus bill
- Government programs such as CDBG
- Subsidies for renewable energy

Threats:

- The distribution of stimulus funds
- Lack of funding for maintenance and replacement
- Bonding problems for cities and counties
- The increasing size and weight of farm machinery on small roads and bridges
- Reduced tax revenue due to recession
- High up front cost of renewable energy and energy efficiency programs



Image 19: Shelby County Courthouse

Recreation and Tourism:

Strengths:

- The Loess Hills
- A regional tourism office
- Nationally known tourism destinations
- Scenic Byways
- Trails
- DeSoto Bend
- Underground Railroad
- Cultural sites
- Camp grounds
- Many events and volunteers
- Wineries
- Wilson Performing Arts Center

Weaknesses:

- We do not promote enough, too humble
- Lack of communication regarding programs and events
- Lack of funding
- Difficulty retaining volunteers
- Lack of understanding of the value of amenities and tourism
- School starting date moves up each summer
- People don't see the link between economic development and tourism
- Lack of coordination between attractions and events

Opportunities:

- Utilize existing calendars of events
- Community websites could be more utilized
- Communication
- Promotion
- Themed tours
- Access to metro areas
- Agricultural tourism
- Byways

Threats:

- We do not see our uniqueness as a strength
- Recreational sites have poor access
- Downturn in the economy
- School start date
- Rural blight



Image 20: Wabash Trace Trail

Goals and Objectives

Following the strengths, weaknesses, opportunities, and threats exercise each planning group then identified several goals and objectives within their focus areas. Then, similar goals were combined, and others were expanded upon to arrive at seven main goals for the next five years. These include:

Goal: Educate the Southwest Iowa workforce to meet the demands of the 21st Century.

Objectives:

- Train, retain, and attract qualified teachers.
- Match the local curriculum to the needs of local employers.
- Teach entrepreneurship and the skills necessary to build successful small businesses.
- Eliminate or substantially reduce the high school dropout rate.
- Build a sense of community involvement for youth through volunteer service programs and education about the special opportunities in southwest Iowa.

Goal: Develop the housing stock necessary for economic growth.

Objectives:

- Increase the number and quality of the available housing stock.
- Ensure access to affordable housing.
- Abate nuisance properties.
- Increase the energy efficiency of homes.

Goal: Have a healthy, productive population.

Objectives:

- Retain and recruit quality healthcare providers.
- Increase the awareness of available services.
- Promote wellness and preventative care.

Goal: Develop the infrastructure necessary for economic growth.

Objectives:

- Offer support and incentives for infrastructure development.
- Build collaboration and increase equipment and service sharing between providers.
- Develop the energy infrastructure necessary to make full use of our renewable resources.
- Increase the capacity and versatility of our information technology infrastructure.
- Review regulations and minimize roadblocks to infrastructure development.
- Develop the plans necessary to support infrastructure development and economic growth.

Goal: Finance development.

Objectives:

- Link local lenders with customers and government programs, such as revolving loan funds.
- Develop a venture capital base.
- Encourage individuals and businesses to buy local.
- Acknowledge the value of and support smaller businesses.
- Help small businesses prepare for ownership succession.

Goal: Encourage growth in the recreation and tourism industries.

Objectives:

- Build regional awareness of local attractions and amenities, and increase regional cooperation on recreation and tourism issues.
- Teach the value and uniqueness of southwest Iowa.
- Increase training for hospitality workers and volunteers.

Goal: Facilitate cooperation and collaboration among economic development groups.

Objectives:

- Increase knowledge about programs offered by various groups among development professionals.
- Ensure communication among economic development groups.
- Assist prospective new business owners or economic development leads through to the point where they no longer need assistance.

CEDS Plan of Action

The CEDS plan of action takes the goals and objectives and links them actions that are intended to reach the objectives and satisfy goals. To do this, each objective is listed with a potential implementation step, which includes strategic projects specifically intended to achieve the specific goal. Responsible parties are identified whose job it is to ensure that the implementation steps and strategic projects are carried out. There is also a timeline for objective completion, which in many cases encompasses the next five years, until the next scheduled CEDS review at which time that goal will be re-evaluated.

Many of the goals and objectives are directly related to activities that SWIPCO will undertake itself. However, most include partnerships with other organizations, or in some cases do not directly involve SWIPCO at all. In these cases, SWIPCO will work closely with the organization to monitor progress, and provide any assistance that may be needed.

The following matrices outline the CEDS plan of action. In many cases organizational names are abbreviated for convenience. A list of abbreviations is below:

AEA 13:	Area Education Agency 13
IWCC:	Iowa Western Community College
IWF:	Iowa West Foundation
RC & D:	Golden Hills Resource Conservation and Development
SBDC:	Small Business Development Center
SWCC:	Southwestern Community College
SWIHTF:	Southwest Iowa Housing Trust Fund
SWIMAQ:	Southwest Iowa Manufacturers Alliance for Quality
SWIPCO:	Southwest Iowa Planning Council
USDA/RD:	US Department of Agriculture, Rural Development
WCDC:	West Central Development Corporation

