



ROCKFORD AREA ECONOMIC DEVELOPMENT COUNCIL

**VisionNow** 

# STRATEGIC PLAN

2023 - 2026



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# **Four Major Goals:**



# **EXECUTIVE SUMMARY**

Rockford Area Economic Development Council engaged Next Move Group, LLC for a new VisionNow Strategic Plan. The purpose of this strategic plan is two-fold:

- 1. Gather input from the Rockford Area community on economic development needs and on RAEDC
- 2. Provide a Laser-Focused Plan of Action for the organization that is tactical in nature

The VisionNow Strategic Plan is not meant to be a comprehensive plan. For any Economic Development Organization to be successful, it must be built on a solid foundation.

# **During Our Time in the Community and** visiting with Stakeholders, We Uncovered Cracks in the Foundation of RAEDC, which included:

- 1. Lack of trust due to organizational issues
- 2. An unclear mission for the organization
- 3. Taking credit for non-RAEDC activities/results
- 4. Confusion over the addition of the Greater **Rockford Growth Partnership**



# **EXECUTIVE SUMMARY**

### **Four Major Goals:**

This strategic plan will focus on four major goals with strategies for action by RAEDC staff and leadership. The goals are stacked to rebuild the foundation for RAEDC. They are of equal importance, however, you will notice that organizational development is first, followed by ensuring good product development before the organization can market, attract, retain, and expand:

- 1. Organizational Development
- 2. Product (Property) Development
- 3. Marketing and Attraction
- 4. Business Retention and Expansion

It is clear to our team that RAEDC must rebuild trust and respect within the region. Without trust, RAEDC will continue to be left out of important discussions and job creation opportunities that come to partners and communities across the region. Improved Organizational Development will help RAEDC to be the region's single point of contact for all companies and job-creation opportunities in the region.

Product Development is key to any economic development success across the United States. Communities that invest in appropriate real estate readiness have

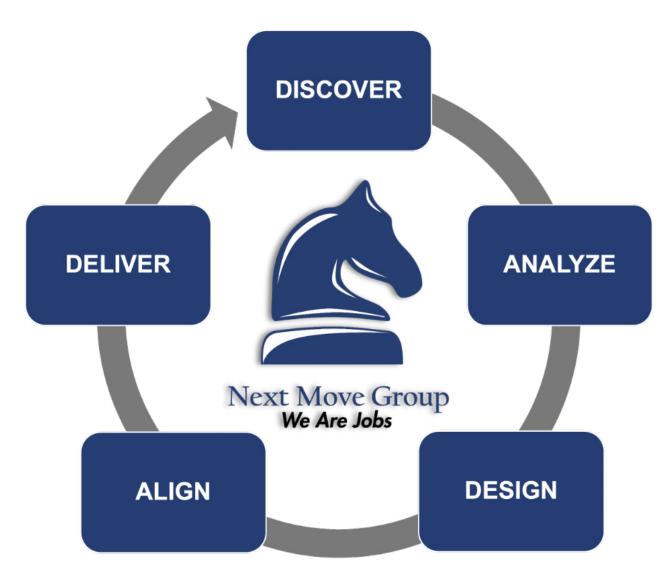
more opportunities than those that do not. Simply putting a sign in a corn field is insufficient. As site selectors, Next Move Group recognizes the importance of site development to build-ready status. Our clients will not wait for engineering, studies, utility extensions, or even clearing/grading to occur. Competing states/communities are putting major funds toward site development and the region around Rockford should have a focus on this led by the expertise of RAEDC staff.

RAEDC also must be the lead generation entity for the greater region. There will never be enough opportunities from the state, utility partners, or site selectors. If the region wishes to grow, RAEDC must take an aggressive approach to Marketing and Attraction of target industries. On the opposite side of the same coin is Business Retention and Expansion. A solid program, strong processes, and a value proposition that shows the benefit of existing industry to work with RAEDC not only improves job growth within the community, but it also opens up the possibility of attracting new investment through corporate referrals.

Next Move Group team members consistently heard that public school performance, rising crime rates, and the perception of Illinois being uncompetitive for business could all be major deterrents to growth. While these are challenges, the most important attribute that RAEDC staff and regional leadership should have is positivity. Every community and region can point to negative perceptions, but those communities and regions that succeed are able to quickly and easily show what processes they've put in place to improve schools, crime, and blight. These issues, while important to RAEDC's mission, are the responsibility of elected officials to improve. In discussions with Mayor McNamara, hope for the future and increased economic opportunities were discussed as major motivators to improve all three categories. Improved communication on positive activity from RAEDC can assist all communities in showing opportunities for the future.

The region around Rockford can have success, but success only comes with the appropriate amount of time, effort, and funding. This plan will give RAEDC staff the actionable steps to create a new foundation from which regional growth can occur and in turn, should be utilized to secure additional funding to ensure successful implementation.

# SUMMARY OF THE PROCESS



Next Move Group executive team members implemented the strategic planning process of Discover, Analyze, Design, Align, and Deliver. The Discover phase included a visit to the community for the purpose of stakeholder engagement. NMG executive staff met with over 25 stakeholders in person as well as via zoom in the weeks that followed. We combined the information gathered during these visits with economic data from our partners at the University of Southern Mississippi's Center for Economic Development Excellence to Analyze trends, key indicators, and growth potential.

The next step was to utilize both qualitative and quantitative data to Design actionable strategies for RAEDC to implement toward future successful results. Our team then held a meeting with RAEDC leadership to Align these strategies prior to Delivery. This document represents the input of stakeholders, staff, and the expertise of Next Move Group's executive leadership team.

# **OUR BIGGEST TAKEAWAY:**

Based on our stakeholder interviews, RAEDC has lost credibility and has no clear mission, through no fault of the current leadership. The issues present today were caused by past actions and former staff. Nevertheless, current staff and board leaders must deal with this fallout head-first.

### Other Key Takeaways:

- The No. 1 strength mentioned by stakeholders is Therese bringing new blood to the organization.
- Conversely, the No. 1 weakness was the fact that the staff is entirely new and mostly unknown in the community.
- All stakeholders were unclear as to the current mission of RAEDC, but the vast majority felt the focus should be on marketing, attraction, and retention.
- RAEDC should be the "mouthpiece" for the region, making connections and generating leads for the community.
- RAEDC must be aware of and avoid any questionable situations or issues. This could derail any potential for rebuilding the organization's brand in the region.
- RAEDC has major opportunities with airport growth, available land, and location amongst major metro markets.
- The region has a competitive advantage as compared to Chicago, but that diminishes under certain conditions, such as when construction projects are completed by Chicago-based firms.

- The perception of Illinois' business climate is seen as a major weakness.
- RAEDC must commit to specific actions and achieve results to rebuild the organization's reputation.
- The existence of the Greater Rockford Growth Partnership has caused confusion among community leaders. Only one person knew the purpose of GRGP.
- Many former stakeholders are hesitant to "jump back in" with support of RAEDC due to the perception that GRGP is unnecessary.
- · Communication from RAEDC has not been as robust as it should be.



# **ACKNOWLEDGMENTS**

Next Move Group would like to thank all stakeholders and community leaders who participated in interviews with our team for the benefit of the Rockford Area Economic Development Council.

Christopher Anderson, Principal, Larson & Darby Group

Travis Andersen. President/CEO. UW Health

David Anspaugh, Executive Director, Northern Illinois **Building Contractors Association** 

Conor Brown, CEO, NorthWest Illinois Alliance of Realtors

Nathan Bruck, Economic Development/Planning

Manager, City of Loves Park

**Dr. Gina Caronna**, Executive Director, The Workforce Connection

Joseph Chiarelli, Board Chairman, Winnebago County

Eric Cunningham, Vice President, Collins Aerospace

Chris Dornbush, Winnebago County

Michael Dunn, Executive Director, Region 1 Planning

Council

Rebecca Epperson, President, Chartwell Agency

Einar Forsman, Former CEO, Greater Rockford Growth

Partnership

David Forward, Vice President of Operations, Woodward,

Inc.

Karl Franzen, Director of Community and Economic

Development, City of Rockford

Anna Garrison, Economic Development Manager, City of

Rockford

Dan Giovannetti, President/CEO, Bergstrom Inc.

John Groh, President/CEO, Rockford Area Convention & Visitors Bureau

Mick Gronewold, Principal/Chairman of the Board, Fehr Graham

Jeff Hultman, President and CEO, Illinois Bank and Trust

Dr. Ehren Jarrett, Superintendent, Rockford Public **Schools** 

LoRayne Logan, Founder, workplace

Thomas McNamara, Mayor, City of Rockford

John Phelps, Executive Director, Rockford Local

**Development Corporation** 

Caitlin Pusateri, President, Rockford Chamber of

Commerce

Jimmy Rozinsky, Owner, Spectrum Insurance Agency, Inc.

Joel Sjostrom, CEO, Sjostrom and Sons, Inc.

Dr. Howard Spearman, President, Rock Valley College

Dr. Alex Stagnaro-Green, Rockford Regional Dean,

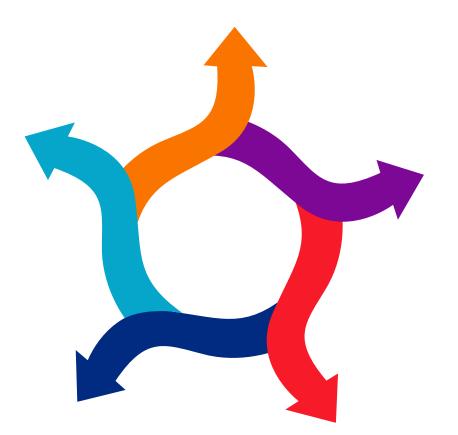
University of Illinois at Chicago

Dr. Eric Fulcomer, Former President, Rock Valley College

#### RAEDC Staff

Therese Thill. President Alex Keedi, Business Development Manager Matt Zarembski, Director of Investor Relations





# GOAL 1:

#### **ORGANIZATIONAL DEVELOPMENT**

Rebuild the RAEDC Brand - During our discussions with stakeholders, it became increasingly clear that RAEDC's brand has suffered in years past. This section is all about best practices to rebuild the organization's brand.

### **Develop a New Mission & Vision Statement**

Economic Development Organizations must have a clear mission and vision in order to secure appropriate funding, operate effectively, and achieve results. The staff must be able to easily explain in any situation what RAEDC is meant to accomplish and how they plan to do so.

# The difference between *mission* and *vision*:

Vision: Aspirational, focuses on tomorrow. This is what you wish to become/want to achieve.

> Mission: This is what you do tactically every day to achieve the vision.

#### **VISION EXAMPLE:**

Make the Rockford region of Illinois the most attractive location for new and existing businesses in the Midwest United States.

#### MISSION EXAMPLE:

Rockford Area Economic Development Corporation (RAEDC) exists as the leader for new business attraction, job growth, and existing industry expansion. We achieve this through aggressive marketing and recruitment, expertise in appropriate property development and planning, and as the knowledge center of all business assistance available for private sector growth opportunities in the region.









### **Develop a New Mission & Vision Statement**

#### **Recommendations:**

- Hold a mission and vision session with the Board of Directors and RAEDC Staff.
- 2. Have each person give statements of where they see the organization leading the region as examples of the vision.
- 3. Use the Strategic Plan and Goals, as well as the vision of leadership, as a guide toward the "tactical" Mission of the organization.
- 4. Develop the Vision as a single statement, if possible, that is direct and easy to understand.
- 5. Develop the Mission as succinctly as possible so that everyone knows what you focus on every single day.
- 6. Promote the Mission and Vision of RAEDC on your website, in conversations, in funding opportunities, and make it part of every press release you prepare as a statement "about the organization" at the bottom.

### **Example:**

One of your closest competitors has its mission on the website, BUT, no clear vision statement. This is where you can excel over competing regions. Companies looking for new locations want to be in communities that have a clear road map for the future, show that they will have a support system for their future growth, and work cohesively internally between government, business organizations, and private industry.

Madison, Wisconsin, Regional Economic Partnership: https://madisonregion.org/about/





Madison Region Economic Partnership (MadREP) is the economic development agency for the eight-county Madison Region of southcentral Wisconsin.

Mission: Through a comprehensive regional approach to economic development, the strategic pursuit of job creation and business growth in target clusters, and the development of a coordinated talent pipeline, MadREP will lead the development of a dynamic economy where people and business thrive.

#### **Role & Services**

MadREP fills an important role in Wisconsin's economic development landscape, serving as a partner and collaborator to the Wisconsin Economic Development Corporation and other state agencies, as well as economic development initiatives within counties, municipalities, chambers of commerce, and the private sector.



### **Increase Organizational Communication**

Stakeholders, leaders, and elected officials all stated that increased and proper communication is needed from RAEDC. Communication should be frequent, but not overwhelming, as it is important to avoid past issues, such as developing the perception that RAEDC is "taking credit" for things the organization does not do.

#### **Recommendations:**

- 1. Make sure the RAEDC Facebook page is accessible by all staff members.
- 2. Staff members should make posts based on their responsibilities. BRE should post when they meet with, and tour, an existing facility. This builds the credibility of the organization and shows you are working for the region, while also promoting the companies that call the Rockford Area home.
- 3. Update the RAEDC website. As the primary tool for communicating the attributes of the region and the organization's services, an updated, user-friendly website is imperative. Best practices in website development for economic development groups call for maximized visibility through search engine optimization, updated demographics, highlights of key industries, a showcase of leading employers, a comprehensive review of state and local incentives, and a fresh modern design where these key elements are no more than one or two clicks from the main page.
- 4. Decide internally if you wish to publicly thank investors. For example, when a financial investor in RAEDC commits future funding, post about it, share a photo of a check presentation, and thank them publicly. This may encourage other investors to get involved. It is always best practice to include a guote from the investor as to why they choose to invest.
- 5. Create a protocol and process for Press Releases from RAEDC. Again, designating a staff member who has the knowledge and ability to craft these appropriately is always best practice. You should always create a press release when RAEDC has assisted new investment and/or new job creation in the community. But never if RAEDC wasn't involved.
- 6. All communication made by RAEDC staff should be approved by the President before distribution.



### **Increase Organizational Communication:**

# Social Media, RAEDC Promotion, and Investor Appreciation

### **Example:**

Leveraging social media is an effective and efficient way to bundle promoting RAEDC, your activities, and your investors. We've included several examples from other economic development organizations from across the US.

#### **Montana West Economic Development:**

https://www.facebook.com/ MontanaWestEconomicDevelopment/

#### **Kentucky Lake Economic Development:**

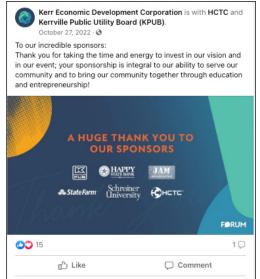
https://www.facebook.com/KentuckyLakeED/

#### Richland Area Chamber of Commerce:

https://www.facebook.com/richlandareachamber/

#### **Kerr Economic Development Corporation:**

https://www.facebook.com/KerrEDC/











### **Increase Organizational Communication:**

### Press Release Boilerplate

### **Example:**

The boilerplate at the end of a press release does a great job of highlighting an organization's core information, its successes, and its mission. Once you adopt a standard boilerplate, you should be able to use it for a long time.

#### **Fayetteville - Cumberland County, North Carolina:**

https://fayedc.com/top-homebuilder-creating-189-jobs-with-new-145000-square-foot-manufacturing-facility/

**About FCEDC:** The Fayetteville Cumberland County Economic Development Corporation is a public-private partnership designed to enhance job growth and prosperity in the region by attracting new industry and growing and retaining existing industry. FCEDC works daily to help strengthen our economy and diversify our community's tax base. Successful projects would not be possible without the ongoing support of the City of Fayetteville, Cumberland County, and community partners. Learn more at <a href="https://www.fayedc.com">www.fayedc.com</a>.

#### **Greater Sacramento Economic Council, California:**

https://www.greatersacramento.com/orca-bio-expands-in-greater-sacramento-building-new-state-of-the-art-manufacturing-facility/

#### About the Greater Sacramento Economic Council

The Greater Sacramento Economic Council is the catalyst for innovative growth strategies in the Capital Region of California. The organization spearheads community-led direction to retain, attract, grow and scale tradable sectors, develop advanced industries and create jobs and investment throughout a six-county region. Greater Sacramento represents a collaboration between local and state governments, market leaders, influencers and stakeholders, with the sole mission of driving inclusive economic growth. The Greater Sacramento region was founded on discovery, built on leadership and fueled by innovation.



# STRATEGY 1.C.

### **Develop an Action Plan for Fundraising**

While this strategic plan can serve as a catalyst for fundraising and increasing investors, RAEDC should have an action plan with clearly defined roles in order to execute successfully. Below are our recommendations.

#### **Recommendations:**

- 1. Have a brainstorming and planning session with the full board of directors and your investor relations staff member to create a comprehensive list of target investors.
- 2. List key decision-makers for each target investor.
- 3. Be aware of, and list, all potential issues with bringing the investor on board, or getting them to reinvest into RAEDC. Knowing the obstacles can help you prepare to overcome them if you land a meeting with the target investor.
- 4. The investor relations staff member should be focused every day on increasing RAEDC's funding, however, influential board members who are already "sold" on RAEDC's mission should be willing to open doors, set up meetings, go to meetings jointly with RAEDC staff, and even perform follow-up if staff members aren't hearing from target investors post-meeting.
- 5. Set a timeline with investment goals to keep staff and board members on task. The investor relations staff member should manage the process of reminding board members to help, setting up annual/quarterly/monthly invoicing dates to deliver to financial staff, keep record of all agreements and digitize them, and provide weekly progress reports to the President.
- 6. Most importantly, RAEDC staff and board members should develop the "why", or the reason companies and people should invest in RAEDC. All staff members should be able to explain it in a 30-second elevator pitch and carry on a conversation regarding it. Once it is developed, make sure it can be shared easily amongst those tasked with investor targeting and relations.

# **STRATEGY 1.C.**

# **Develop an Action Plan for Fundraising**

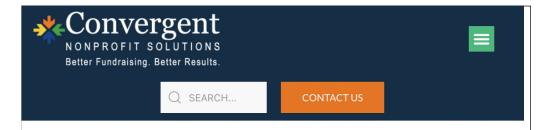
#### **Example:**

#### **Convergent Nonprofit Solutions:**

https://www.convergentnonprofit.com/blog/best-practices-funding-economic-development/



Watch the best practices for economic development video here: <a href="https://voutu.be/JdPOG50XEEc">https://voutu.be/JdPOG50XEEc</a>



# Best Practices for Funding Economic Development

The best practices approach for funding economic development organizations or the economic development initiatives of chambers of commerce is through an investment campaign. The investment campaign model for funding economic development essentially works like this:

First, you develop a multi-year strategic plan or program of work. Three to five years is typical. The program should encompass everything that you want to do for your community within that time frame, all the items that you'd like to work on; new business recruitment and attraction, existing industry retention and expansion, workforce development, whatever the right strategies are for your organization and your community. You'll also develop a multi-year budget and establish big-picture, long-term goals for what you would like the program to accomplish.

Then, you undergo what is pretty much a traditional nonprofit capital campaign process to secure multi-year pledges, funding commitments, from your stakeholders. In an economic development campaign, the primary stakeholders are the local business community. Then, with funding secured, you focus on implementing your program of work, attaining your big picture goals, and in the process, providing a return on investment to your stakeholders, your investors. Essentially, as you work to grow your local economy you'll be helping local businesses to prosper.

At the end of the three to five year period, you basically repeat the process. You develop a new plan, you establish a new budget, you set new big-picture goals, and you justify a fresh round of investment from your investors. Typically, the funding levels increase cycle over cycle. Hundreds of economic development organizations and chambers all over the country have adopted this model with much success. In fact, some organizations are in their sixth, or seventh, or eighth multi-year cycle and have literally been doing this for decades with great results.

Convergent's role in the process is at the outset of each cycle. We can help you to frame up the strategic plan in a way that maximizes investor appeal and then conduct the capital campaign. We can actually go out secure the funding for you so that you have the resources needed to implement a program of work that produces the outcomes your investors value.



# STRATEGY 1.D.

### Clearly Define RAEDC's Roles and Responsibilities

While the mission and vision showcase what RAEDC does, the staff, board, and investors need to understand what RAEDC does not do. Due to issues in the past, it is imperative that the organization remains in their own lane and showcases strong ethics and fiscal responsibility. It is also very important to define staff member roles to ensure that they understand what they are supposed to be doing and can maximize their daily productivity.

#### **Recommendations:**

- 1. Clearly define that RAEDC and the Chamber have separate responsibilities. missions, and visions. RAEDC does not do governmental affairs. However, the business retention and expansion program of RAEDC should inform the Chamber of key macro issues facing the business community.
- 2. Ninety-five percent (95%) of stakeholders we interviewed stated that there is major confusion as to the reason for Greater Rockford Growth Partnership's existence and usefulness. It also causes the lines to blur between the Chamber and RAEDC's missions. These three organizations should be able to clearly define themselves as well as each other's purposes. The organizations should be united under the umbrella of a shared and overarching strategic plan which unites their missions in a parallel, but still separate, fashion.
- 3. Workforce development is not within the purview of RAEDC. The organization should promote how the workforce system assists companies, either existing or new, and encourage excellence within workforce development.
- 4. Staff should have clearly defined roles and be encouraged to pursue further education within their field of responsibility. Business retention and expansion results get better through additional education and tools for the staff member.

# STRATEGY 1.D.

## Clearly Define RAEDC's Roles and Responsibilities:

# Marketing Rockford's Economic Development EcoSystem

### **Example:**

Oakville, Ontario, a suburb outside of Toronto, and its community partners have clearly defined what organizations exist there and who they provide assistance to.

#### Oakville, Ontario, Canada:

http://oakville.epubs.flippagepublishing.com/ publication/?i=605992&article\_id=3441909&view=articleBrowser

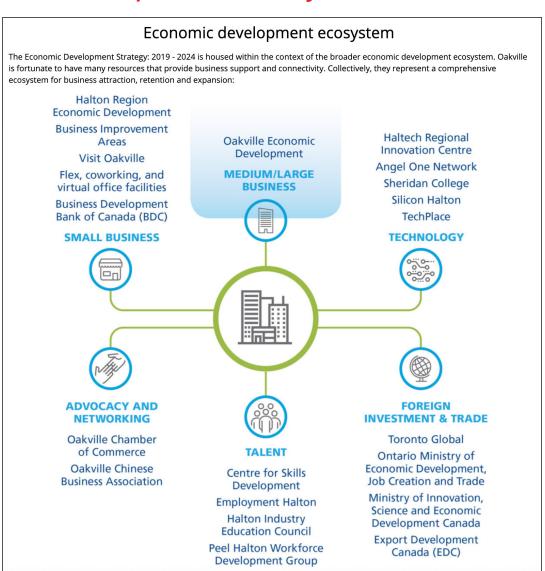
Contents View

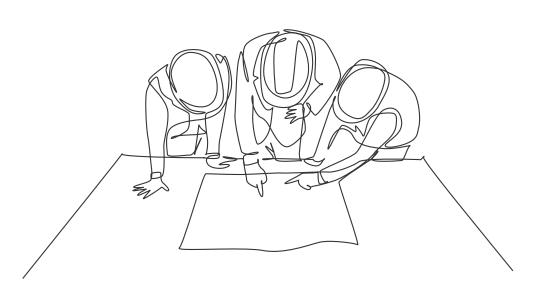
#### Economic development in Oakville

The field of economic development specializes in fostering an environment that promotes innovation, job creation, new investment and growth of the local economy.

In Oakville, the economic development function is provided by a departmental team that serves as the first point of contact for new and existing companies regarding town services. Departmental staff provide information and assistance to local companies; market Oakville as a location for new investment; respond to investment leads; and help new companies navigate the development approval process and other related functions.

The department's focus is industrial and commercial development, primarily with medium and large sized companies. Information and connections to other organizations, such as the Halton Region Small Business Centre, Haltech Regional Innovation Centre, and Silicon Halton are also provided.





# GOAL 2:

# PRODUCT (PROPERTY) READINESS

Opportunity can only be taken by those who are prepared. As a site selection firm, we see too many communities without fully prepared "build-ready" sites or existing buildings. As the site selection process continues to shrink, companies will not consider communities that do not have fully prepared sites, however those communities with fully prepared sites and available buildings will benefit the most as it allows "speed-to-market" in an environment where supply chain issues have crippled industries over the past few years.

### **Conduct Fatal Flaw Analysis on Existing Product**

In order to promote existing product, RAEDC staff should have all available information for each site as well as understand what needs to be completed for these sites to truly be marketed for industrial development. RAEDC should then lead the efforts to encourage full site development of existing properties.

#### **Recommendations:**

- Document all existing properties that are being marketed and conduct a fatal flaw analysis on each. Fatal flaw analysis should grade every possible risk associated with site selection and identify what areas need improvement for the site to be at its highest potential for marketability.
- 2. Identify potential local, state, and federal grants that could be used for site development, infrastructure improvement, and other needs.
- 3. Provide assistance to land owners/developers by helping them with grant applications, gathering support letters from officials, and developing site plans that show a case for successful results.

# **Conduct Fatal Flaw Analysis** on Existing Product

### **Example:**

Leitchfield, Kentucky, announced a new location project in early 2023 after working with Next Move Group on a site feasibility assessment project.

#### Water Solutions Unlimited New Location Announcement:

https://www.areadevelopment.com/Print/newsItems/2-3-2023/water-solutionsunlimited-leitchfield-kentucky.shtml

#### **AREADEVELOPMENT**

#### Water Solutions Unlimited Plans Leitchfield, Kentucky, Manufacturing Plant

Area Development News Desk (02/03/2023)

Water treatment company Water Solutions Unlimited Inc. will establish operations in Leitchfield, Kentucky. The \$3 million project is expected to create eight jobs in Grayson County.

The company will construct a new facility that will increase the capacity to blend and manufacture chemicals needed to combat dirty water and corrosion. The company also sells phosphates and other chemicals that improve water quality

"We are so excited to get down to Leitchfield and work with the community," said WSU President Mike Ricks. "WSU primarily works with cities to provide phosphates for drinking and wastewater, and we're excited to be servicing Kentucky."

KEDFA approved WSU for up to \$50,000 in tax incentives through the Kentucky Enterprise Initiative Act (KEIA) based on the company's investment of \$3 million. KEIA allows approved companies to recoup Kentucky sales and use tax on construction costs, building fixtures, equipment used in research and development and electronic processing.

By meeting its annual targets over the agreement term, the company can be eligible to keep a portion of the new tax revenue it generates. The company may claim eligible incentives against its income tax liability and/or wage assessments.

"I want to thank the leaders at Water Solutions Unlimited for this commitment to the commonwealth and the Grayson County community," Governor Andy Beshear noted. "Kentucky's manufacturing sector continues to grow, and it is great to see WSU be a part of that momentum. Together, we can build a better Kentucky where your kids and mine will have every opportunity right here.'



Leitchfield-Grayson County Industrial Development Corp. needs more industrial property to take advantage of growth opportunities arising from the location of Ford Blue Oval SK in Glendale, KY. The last two tracts of land at Judge Kenneth H. Goff Industrial Park only total 68 available acres. With limited buildable sites left, the LGCIDC retained Next Move Group, LLC to perform a Site Feasibility Study involving four potential properties for future

- Site A Russell Wilson Farm Property
- Site B Gibson-Ragland-Board of Education Property
- Site C Conder Farm Property
- Site D Grayson Co. Healthcare Foundation Property



The process for Site Feasibility included the following steps

· Information Gathering - Property maps, utility maps, FEMA flood plain mapping, topographic analysis (where necessary), Farmland values research, historical aerial photography, and more.

model using a real-life industrial project in the target industry of Leitchfield-Grayson County.

- Site Visit Visits to each site in-person to investigate known and unknown fatal flaws, meetings with officials, introduction to utility partners and PVA for any additional information needed · Site Scoring - All four sites were scored through or Fatal Flaw/Site Feasibility Matrix as well as through our Site Selection scoring
- · Development Timeline & Cost A development timeline and cost model was constructed as an example for LGCIDC.
- · JESCO Review A review of the sites and data by JESCO construction, one of the top automotive industry contractors in the United States, to ensure accuracy as well as feasibility





### **Redevelopment of Urban Blight Properties**

During our community visit we both observed and were told about blighted properties throughout the community. Many of these properties could be reused, in fact, some properties have already been redeveloped, such as the hotel in downtown. The remaining properties should be inventoried by RAEDC staff and targeted for redevelopment. Some may fall within potential industrial redevelopment, while others may necessitate commercial, retail, or residential. This strategy should allow RAEDC to build partnerships with the city and other organizations to identify the highest and best reuse of properties, as well as potential funding, and programs they may qualify for.

#### **Recommendations:**

- 1. RAEDC staff inventory all properties considered blighted within the community. Take note of the total square footage available, infrastructure accessibility, property dimensions, transportation access, structural stability, ownership, etc.
- 2. Partnering with real estate and/or development experts could be beneficial to this process in identifying the reuse of each property. RAEDC should work with these experts once properties have been inventoried to create an asset map of the properties and identify redevelopment potential.
- 3. Specifically, identify brownfield opportunities that may be eligible for certain types of redevelopment projects, grant funding, or special use.
- 4. Once all properties for potential industrial reuse are identified, RAEDC should develop strategies for making each property marketable to private investment. This is an entire strategy unto itself that must be well-planned in future years.
- 5. The end goal of this strategy should be to develop a Master Plan for all blighted properties within the community. RAEDC should lead the efforts for industrial-type properties, but should encourage master planning, in tandem, around additional properties for commercial, retail, or residential use.



### Redevelopment of Urban Blight Properties:

Determining a Property's Highest and Best Use

### **Example:**

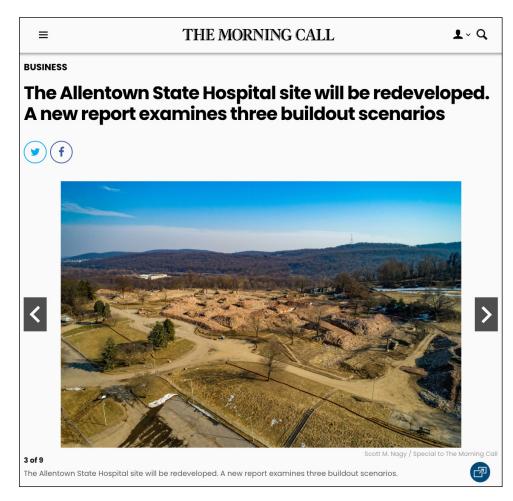
Allentown commissioned a report to analyze the site of a former 200-acre state hospital. The reuse feasibility study offered three different redevelopment scenarios with varying mixes of residential, industrial, commercial, and institutional land uses. The study estimated a number of projections for each scenario, including the number of permanent jobs created (as many as 6,600) and amount of annual city tax revenue generated (up to \$6 million).

#### Allentown, Pennsylvania:

https://www.mcall.com/2021/03/11/the-allentown-state-hospital-site-will-be-redeveloped-a-new-report-examines-three-buildout-scenarios/

#### **Link to Full Redevelopment Study:**

https://www.allentownpa.gov/Portals/0/files/ Planning\_Zoning/Plans/ASH-Feasibility-Study-9.30.2020. pdf?ver=dJGn4jL0wwC9M9JPRjLhxg%3d%3d





# GOAL 3:

### **MARKETING AND BUSINESS ATTRACTION**

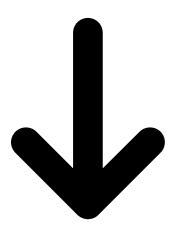
This was rated as the number one goal RAEDC should focus on by stakeholders we interviewed, however, Marketing and Business Attraction cannot be done properly without a solid organization and property for industry...you cannot sell from an empty cart.

### **Develop Your Attraction Value Proposition**

Everyone mentioned the issues that the Rockford Area would have in attracting industry based on the perception of Illinois. Next Move Group executive staff have dealt directly with attraction to locations with poor external perceptions. This can be overcome, however, you must have the correct focus and a solid value proposition!

### RAEDC's Value Proposition as Seen by Next Move Group:

### LOW COST | MANUFACTURING HUB AVAILABLE SKILLED LABOR | READY INDUSTRIAL PROPERTY LOGISTICS ADVANTAGE



#### **Low Cost:**

### **20% LOWER COST OF LIVING**

Rockford's cost of living is 20% Lower than the state of Illinois average.



A person making the average wage in Winnebago County of \$53,873 would need an increase to \$76,332 for the same cost of living in Chicago. That's a salary increase of nearly 42%.



This is why the Rockford Area is the prime location for businesses and people in northern Illinois for access to the Midwest!

### **Develop Your Attraction Value Proposition**

Current **Targeted** Industries:







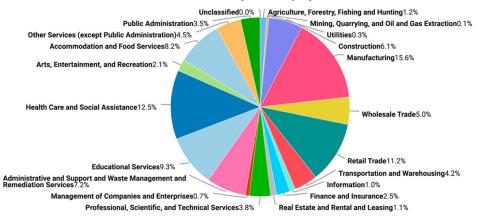


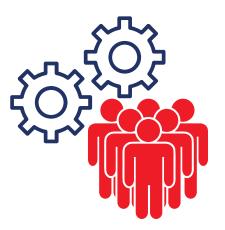




### **Manufacturing Hub:**

#### Rockford's Industry Make Up by %:





107,000 +

**Employed** in Manufacturing in Winnebago County, Illinois.

Manufacturing is the Rockford Area's largest industry sector.

#### The Rockford Area beats the national average in manufacturing employment in multiple sectors:



#### **165 X's MORE**

Employed in Fluid Power & Motor Manufacturing than the US average



#### 39 X's MORE

Employed in **Cutting & Machine Tool** Manufacturing than the US average



#### 33 X's MORE

Employed in Fastener Manufacturing than the US average

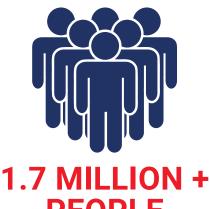


#### 18 X's MORE

Employed in Aircraft Engine & Parts Manufacturing than the US average



### **Develop Your Attraction Value Proposition**



**PEOPLE** 

within a



**45 MINUTE** 

Drive Time of Rockford, Illinois.



When you combine the 1.7 Million people within a 45-minute drive time, our rich history of manufacturing excellence, and our higher education institutions, the Rockford Area gives you the highly-skilled workforce you need to compete in today's marketplace!



#### The Rockford Area has multiple industrial and business development options.

From standard industrial sites, to our airport, and even redevelopment opportunities, we can meet the needs of any business type because of our robust land development partnerships.



For a limited time, Rockford should promote this to the people coming out of the Stellantis plant as part of this talking point.



### **Develop Your Attraction Value Proposition**

### **Logistics Advantage:**





The Rockford Area is crisscrossed by Interstates 90 and *39*.

I-90 is one of the primary logistics corridors in the United States.

I-39, highly used in its own right, connects the Rockford Area to six other interstates, and provides access to airports, transcontinental railroads, and ports.





The **Chicago Rockford International Airport is one** of the fastest-growing cargo airports in the United States. It is home to UPS, Amazon Air, and more!

### **Target the Right Industries**

The Rockford Area may have trouble competing for big automotive projects, semiconductors, and even the supply chain for those industries, but those are not the only industries that are growing or needing new locations. Based on Rockford's location and economic data, we have developed three recommendations on the best industries to target for attraction.

#### **Recommendations:**

#### 1. Foreign Direct Investment (FDI)

- Companies seeking locations in the United States for the first time do not have the same perception as domestic corporations, which is to Rockford's benefit.
- FDI is continuing to grow in the United States, especially due to supply chain shortages across all industries caused during the pandemic.
- · Canada is a tremendous opportunity for marketing and attraction. Based on our site selection and attraction experience, Canadian companies many times will site the "Chicago area" as one of prime interest because they do not know as much about the United States as you might think.

#### 2. Aerospace/Aviation Industry

- The airport in Rockford is a tremendous asset and growth has already occurred naturally. This should lead to a targeted approach by RAEDC for this industry.
- Aviation maintenance is an industry with high wages in need of airports without a large amount of commercial traffic, and is projected for growth in the next two years as the airlines have returned to almost normal operations.
- Aerospace-related manufacturing is also already prevalent in the Rockford Area. This should be a target of RAEDC's marketing and attraction efforts utilizing existing industry as a "cluster model' to attract additional primary employers and suppliers."
- Work with existing companies to identify potential suppliers to attract.

#### 3. Distribution and Logistics

- The Rockford Area's location in the Midwest, but outside of the traffic issues of Chicago, gives it a unique opportunity to attract even more distribution and logistics companies.
- This should be a focus of both standard industrial sites and the airport properties for air cargo.

## **Target the Right Industries:** Foreign Direct Investment

### **Example:**

This new 900,000-square-foot facility will help Lion Electric respond to increasing demand in the marketplace for Made in America, zero-emission vehicles, while bringing production closer to its customers. The Illinois Department of Commerce and Economic Opportunity worked with Intersect Illinois on the site selection process. The company has qualified for the state's EDGE incentive program, which supports companies making large-scale capital investments that lead to significant job creation. As part of its agreement with Illinois, Lion has committed to an initial investment of at least \$70 million over a 3-year period.

#### **Lion Electric Company Announces First US Manufacturing Facility in Illinois:**

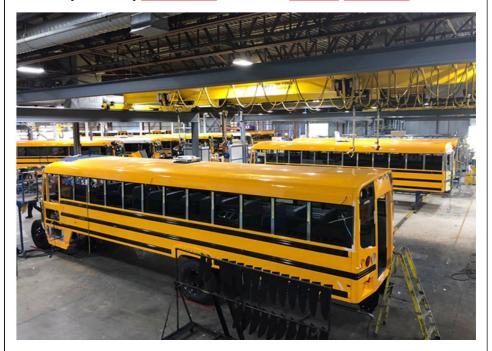
https://chargedevs.com/newswire/lion-electric-to-build-its-first-usmanufacturing-facility-in-illinois/

**CHARGED** EV Engineering News



#### Lion Electric to build its first US manufacturing facility in Illinois

Posted May 13, 2021 by Charles Morris & filed under Newswire, The Vehicles.



The Lion Electric Company (NYSE: LEV), a Canadian manufacturer of all-electric medium- and heavy-duty vehicles, has announced plans to build a new manufacturing plant in Illinois. The facility is expected to come online in the second half of 2022, with a production capacity of 20,000 vehicles per year.



### **Target the Right Industries:**

### Aerospace/Aviation Industry

#### **Example:**

<

Eastman, Georgia, has been diversifying its economy and capitalizing on its proximity to major aerospace communities since the 1960s.

#### Eastman | Dodge County: Resilient and Refocused:

https://www.georgiatrend.com/2020/11/30/eastman-dodge-county-resilient-and-refocused/

#### **Dodge County-Eastman Development Authority Website/Marketing:**

https://advancedaviationmanufacturing.com/aviation/

#### Aviation is BIG in Dodge County Today.

Today, we have the only state-sponsored Aviation College, a division of Middle Georgia State University, where they're training more than 1,150 students year-round. Piper trainer aircraft with fully equipped glass cockpits are everywhere with a few Cabri helicopters around and about.



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# Eastman | Dodge County: Resilient and Refocused

Aviation, education and downtown revitalization.

November 30, 2020 by Betty Darby



The Sky's the Limit: Charles Williams, executive director of the Dodge County-Eastman Development Authority Credit: Frank Fortune

Dodge County, southeast of Macon in central Georgia, has gotten really good at reinventing itself. Over the past 150 years, Dodge and its county seat, Eastman, have lived through booms and busts keyed to agriculture, timber and candy. Now the area is seeking to cement its new identity as an aviation hub.

### **Target the Right Industries:**

# Aerospace/Aviation Industry

### **Example:**

Through the acquisition of a tier-1 supplier in Eastman, Georgia, Kencoa Aerospace announced their 2017 expansion in the Heart of Georgia Regional Airport Industrial Park.

#### **Existing Industry, Kencoa Aviation, Expansion:**

https://www.areadevelopment.com/newsitems/9-15-2017/kencoa-group-heart-of-georgia-metal-crafters-eastman-georgia.shtml

Aerospace Attraction Marketing (Jefferson County, Colorado):

https://jeffcoedc.org/industryclusters/aerospace/

#### **AEROSPACE**



#### **ABOUT**

Colorado has the nation's second largest aerospace economy, generating over \$15 billion each year and ranks 1st for private-sector employment concentration. A growing part of Colorado's aerospace industry resides in Jefferson County, which has the 2nd largest aerospace economy in the state, accounting for nearly 26% of the industry's total employment in metro Denver.



### Kencoa Aerospace Plans Expansion at Eastman, Georgia, Plant

Area Development News Desk 09/15/2017



#### RELATED RESEARCH

2017 Top States for Doing Business: Georgia Ranks #1 Fourth Year in a Row

Aerospace Industry Costs "Disrupted" by Economic Development Partnerships

Implications of Renegotiating NAFTA on the Auto and Aerospace Industries

Personal VTOL Aircraft Take Off: What It Means for U.S. Manufacturing

Where Should Aerospace Companies Invest? Evaluating Aerospace Manufacturing Hubs ENCOA GROUP, a strategic aerospace holdings company, completed acquisition of Heart of Georgia Metal Crafters, a tier-1 supplier of precision machined and sheet metal fabricated components for the aerospace industry based in Eastman, Georgia.

The company, which plans a major expansion in the Heart of Georgia Regional Airport Industrial Park in Eastman, will now be known as Kencoa Aerospace.

Commenting on the acquisition, Kencoa Aerospace President Jason Premo, said, "As part of Kencoa Group, we are now able to further advance the

vision to achieve even greater opportunities for our employees, community, and most importantly our customers. We intend to enhance and expand these relationships by further investing in our people, capabilities and capacity, providing even greater added value and extraordinary service."



### **Target the Right Industries:**

### Developing Land Around Your Airport

### **Example:**

Over \$2 Billion in capital investments have occurred in Concord, North Carolina, over the last several years and the expansion of services in recent years at the Concord-Padgett Regional Airport have been cited as one reason why.

#### **Airport Fueling Local Economy:**

https://www.wbtv.com/2023/02/02/concord-padgett-regional-airporttaking-off-when-it-comes-fueling-local-economy/?mc\_cid=275a839f1c&mc\_ eid=UNIOID

#### **Concord-Padgett Regional Airport taking off when it** comes to fueling local economy



The airport has 226 based aircraft and is home to NASCAR's air force as well as several flight schools. (City of Concord)

Published: Feb. 2, 2023 at 6:13 AM EST

#### $\mathbf{G} \mathbf{Z} \mathbf{Y} \mathbf{O} \mathbf{B}$

CONCORD, N.C. (WBTV) - The Concord-Padgett Regional Airport continues to be one of the top performing airports in North Carolina, according to a new study.

The City of Concord is now the 10th largest and 6th fastest growing city in North Carolina, and continues to attract record economic development from a diverse mix of industries, including household names like Red Bull, Eli Lilly, Kroger, and NASCAR. Helping to fuel the city's success is Concord-Padgett Regional Airport, one of North Carolina's top performing commercial and corporate general aviation airports.

"The Concord-Padgett Regional Airport is an important economic engine for the City of Concord, Cabarrus County, and the region," said Dirk Vanderleest, Aviation Director. "The City continues to make strategic investments into planning, infrastructure, and development projects at the airport, and we are seeing the fruits of those decisions with income, tax, and economic output numbers that we anticipate will continue to grow."

According to The State of Aviation report released by the N.C. Department of Transportation Division of Aviation, Concord-Padgett Regional Airport (JQF) contributes over \$900 million to the local economy, \$48 million in tax revenue, supports 4,430 local jobs, and serves the second highest population base in the state with more than 1.4 million individuals residing within 30 minutes of the airport. The airport has 226 based aircraft and is home to NASCAR's air force as well as several flight schools.



## **Target the Right Industries: Distribution and Logistics**

#### **Example:**

A vacant warehouse was purchased and expanded by investors in Normal, Illinois. The facility is slated to be used as warehousing for an existing industry.

#### Normal, Illinois:

https://www.wglt.org/local-news/2023-01-06/investors-openexpanded-warehouse-in-normal-with-plans-for-more-development

# Investors open expanded warehouse in Normal with plans for more development

WGLT | By Eric Stock

Published January 6, 2023 at 5:19 PM CST







LISTEN • 2:17



Representatives from Phoenix Investors, P.J. Hoerr Inc., and the Town of Normal take part in a ribbon-cutting ceremony Friday at the expansion of the former Wildwood Industries site at 301 W. Kerrick Road



### **Create a Lead Generation Marketing Ladder**

RAEDC should generate leads and bring opportunities to the area for new investment and job creation. Lead generation should be a multi-faceted approach that is constantly updated based on what is working and what isn't. Building a "marketing ladder" with at least five steps is proven to give the best results for generating new leads.



- 1. Make at least one connection on LinkedIn per day
- 2. Target and attend trade shows with existing industry
- 3. Lead generation recruitment missions
- 4. Geofence regions with target industries
- 5. Visits to site selectors



### **Create a Lead Generation Marketing Ladder**

### 1. Make at Least One Connection on LinkedIn Per Day:

#### **Recommendations:**

- 1. Target 10 corporate executives per day via the LinkedIn search bar in these sectors and regions:
  - Target these industries: Foreign Direct Investment (FDI), Aerospace/Aviation, and Distribution and Logistics
  - Target these states/regions: Pacific Northwest, Southern California, New England/Northeast
  - Target these Canadian areas: Windsor to Toronto, Ontario; Montreal; and Vancouver
- 2. Send a message similar to this with each LinkedIn connection request:
  - [Connection Name]- Is [Company Name] considering adding a site in a new state or expanding a site? If so, let's talk. We have big infrastructure, 10% more workers than the national average, and incentives to help you defray industrial lease rates for two years. Webinar on our incentives: [insert link to webinar once it's created].
- 3. Typically, 10% will accept your invitation.
- 4. Post monthly video material to LinkedIn regarding the Rockford Area's value proposition so all these new contacts see your marketing on a constant basis.
  - Make your content require the LinkedIn contact to insert their email to view your videos, then call on everyone that watches your videos.







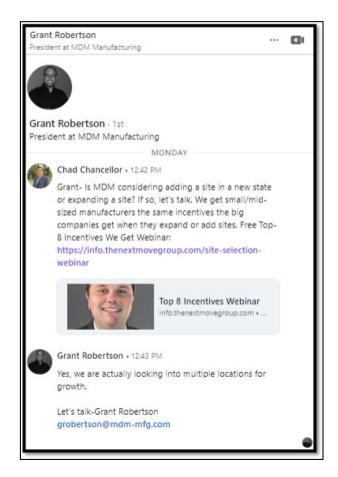
### **Create a Lead Generation Marketing Ladder**

### 1. Make at Least One Connection on LinkedIn Per Day:

### **Example:**

#### **Next Move Group, LLC:**

- Implemented LinkedIn outreach routine in early 2022.
- Over 1.000 new connections have been made.
- At least 20 new connections in our target market every day.



#### **Create a Lead Generation Marketing Ladder**

## 2. Target and Attend Trade Shows with Existing Industries:

- 1. Work with your existing industry and go to the same shows they attend.
- 2. Outsource meeting scheduling to a firm that has experience and connections to get you solid leads, like Research FDI.
  - · Goal of 8 meetings per trade show
  - Attend 4 trade shows per year, for a total of 32 meetings
- 3. Prepare marketing materials ahead of the show to share with prospects that includes the Rockford Area's value proposition, available sites and buildings, workforce training, labor advantages, and utility advantages.



## **Create a Lead Generation Marketing Ladder**

## 2. Target and Attend Trade Shows with Existing Industries:

#### **Example:**

Thomasville (Georgia) Welcomes Mimecri, USA: https://sgamag.com/index.php/2022/07/28/thomasvillewelcomes-mimecri-usa/

- \$25,000 Annual Spend
- 1 to 2 trade shows (SHOT Show) a year
- 15 Meetings with C-Level Executives at Trade Show
- They win roughly 1 deal per year

#### Thomasville Welcomes Mimecri, USA

28 Jul, 2022 in Archive by Thressea Boyd



Valenzuela made the announcement with Thomasville Payroll Development Authority executive director Shelley Zorn.

Imagine Thomasville and the Thomasville Payroll Development Authority (PDA) announced that Mimecri, USA, LLC plans to invest \$6 million, create 30 jobs and establish their new U.S. headquarters in Thomasville, Georgia.

The parent company, Ecrimesa Group of Santander, Spain, is a family-owned business established in 1964. The company develops and manufactures efficient steel and aluminum parts with investment casting, MIM, and machining. The company's products are used in the aerospace, automotive, healthcare, and firearms industries.

"Thomasville and Thomas County are thrilled to welcome Mimecri, USA, LLC to our community and to the U.S.," said Thomasville PDA Chairman and Mayor Jay Flowers. "We know they will thrive and continue to grow as their U.S. presence grows."

Mimecri, USA LLC has leased a 50,000-square-foot building in an existing Thomasville industrial park. Construction will continue through 2022, and hiring is expected to start in spring 2023.

"Mimecri is a perfect fit for Thomasville, family-owned, great people, and high-quality jobs. There will be opportunities for managers, machine operators, and office personnel," said Shelley Zorn, director of the Thomasville PDA. "These will be skilled jobs at very competitive salary levels. And Mimecri has plans beyond this first phase to growth as the company expands their U.S. customer base."

Zorn added, "The state of Georgia has really positioned itself as a leader in the firearms industry. Furthermore, a business-friendly environment truly matters on the local and state level, especially for foreign companies."

#### **Create a Lead Generation Marketing Ladder**

#### 3. Lead Generation Recruitment Missions:

- 1. Purchase lead generation meetings from one of these lead generation sources:
  - Research FDI
  - Applied Marketing
  - · Conway Data
- 2. Targeted industries:
  - Foreign Direct Investment (FDI)
  - Aerospace/Aviation Industry
  - · Distribution and Logistics

- 3. Target the following regions/cities:
  - Pacific Northwest
  - Southern California
  - New England/Northeast
  - · Windsor to Toronto, Ontario
  - Montreal
  - Vancouver
- 4. Target cities where Existing Industries have **Headquarters** 
  - Charlotte, NC (Collins Aerospace)
  - · Waltham, MA (Thermo Fisher Scientific)
  - Everett, WA (Achilles USA)
  - Fort Collins, CO (Woodward)

#### **Create a Lead Generation Marketing Ladder**

#### 3. Lead Generation Recruitment Missions:

#### **Example:**

#### **North Carolina Southeast Regional EDP:**

https://www.nccommerce.com/news/press-releases/leading-pressure-pipe-company-create-44-jobs-columbus-county-new-manufacturing

- Lead Generation (40 meetings/year)
- Spends about \$60,000 (including travel)

# Leading Pressure Pipe Company to Create 44 Jobs in Columbus County at New Manufacturing Facility

Pipeline Plastics Holdings, LLC, a leading manufacturer of high-performance industrial pipeline systems, will create 44 new jobs in Columbus County, Governor Roy Cooper announced today. The company will invest \$4.6 million in a new production facility in Fair Bluff.

"North Carolina's appeal as a center for manufacturing continues to attract companies from many different industries," said Governor Cooper. "Our focus on building a well-trained workforce, combined with North Carolina's outstanding transportation networks and East Coast market access, offers companies like Pipeline Plastics the right ingredients for success."

Pipeline Plastics specializes in engineered solid wall polyethylene pipe, with a size range up to 65" diameter utilized in all aspects of infrastructure construction. The company is a recognized leader to a wide variety of end uses, from municipal water and wastewater, industrial, agriculture, irrigation, and mining, to energy and natural gas distribution. With three existing production plants in Texas and South Dakota, the new facility in Fair Bluff will enable the company to expand its geographical presence on the East Coast.

"We are excited to bring our culture, reputation, and methodology as one of the safest, sustainable, and most efficient companies in the industry," said Mike Leathers, President & COO, Pipeline Plastics. "This facility will not only create jobs and careers for this location, but be a significant multiplier for the local economy, from jobs to suppliers and transportation."

"We welcome Pipeline Plastics to North Carolina's growing portfolio of manufacturing companies," said North Carolina Commerce Secretary Machelle Baker Sanders. "Our state remains committed to delivering the skilled workers manufacturers need, through the programs and services of the NCWorks system, one of the best workforce development systems in the country."

The company's new jobs will yield an average salary above the Columbus County average wage of \$35,138. Once the projects' new jobs are in place, the local region will benefit from a nearly \$1.6 million payroll impact in the community, each and every year.



## **Create a Lead Generation Marketing Ladder**

## 4. Geofence Regions with Target Industries:

- 1. Work with a local or national online advertising partner to design online ads that feature your value proposition for targeted companies.
- 2. Create a specific landing page on RAEDC's website for targeted companies that encourages them to either book a meeting with RAEDC or enter their email address to watch an online webinar about the Rockford Area.
- 3. Potential targeted areas include industrial parks, business parks, and corporate buildings located in:
  - · Pacific Northwest
  - · Southern California
  - New England/Northeast
  - · Windsor to Toronto, Ontario
  - Montreal
  - Vancouver
- 4. Follow-up with each company that visits your web page and identifies themselves.



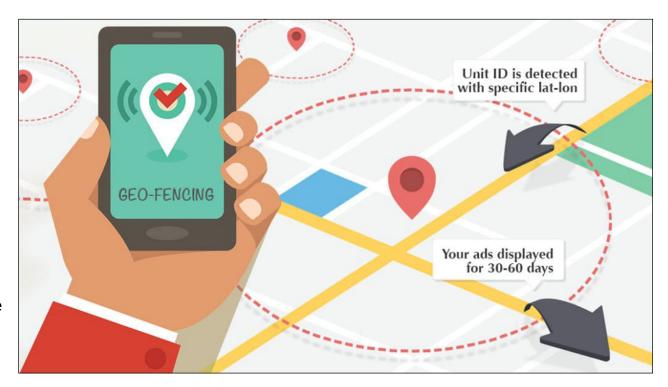
#### **Create a Lead Generation Marketing Ladder**

## 4. Geofence Regions with Target Industries:

#### **How it Works:**

Geofence advertising is the act of creating a "digital and invisible fence" around certain geographic areas (like a retail store, city limits, or an industrial park) in order to deliver online advertising to corporate executives within those areas with a goal of driving them to RAEDC's website.

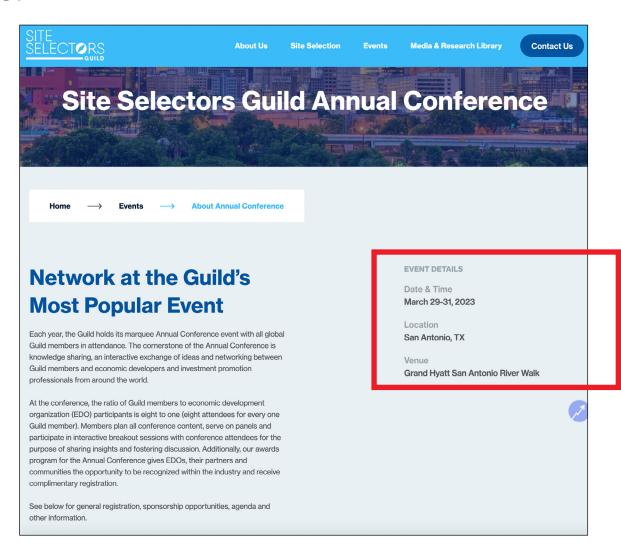
This can be especially effective in Canadian cities for those companies in need of US locations, many of which want to be near Chicago. It can also be effective in communities where RAEDC has a stronger value proposition.



#### Create a Lead Generation Marketing Ladder

#### 5. Visit to Site Selectors:

- 1. RAEDC should schedule in-person and virtual visits with Site Selectors in the following cities:
  - Chicago
  - Atlanta
  - · Greenville, South Carolina
  - Dallas
- 2. Attend conferences specific to Site Selection consultants
  - · Site Selectors Guild
  - Area Development
  - Women in Economic Development





# GOAL 4: **BUSINESS RETENTION AND EXPANSION (BRE)**

Assisting existing industries is extremely important for any economic development organization. An effective BRE program increases job creation, and can be used as a great recruitment tool for business attraction. As a site selection firm, Next Move Group highly recommends communities with robust BRE programs to our clients.

## **Strengthen Your BRE Value Proposition**

Example of RAEDC's BRE Value Proposition Statement

#### **RAEDC's BRE Value Proposition:**

RAEDC is the central organization connecting existing industry to the tools, entities, education, and opportunities that allow them to reduce costs and increase revenues. The RAEDC team is prepared to assist primary job creators toward future growth in our region!





#### **Strengthen Your BRE Value Proposition**

#### 1. Create a Catalog of Business Development Incentives

- 1. Catalog all possible incentives, grants, tax credits, and other assistance programs for private businesses. BRE staff should be well-versed in these incentives, be able to easily explain how to connect businesses to the programs, and assist the businesses with them to achieve results. At minimum, you should have the following:
  - Local Incentives Property Tax Exemptions, Reduced Cost Real Estate
  - All State Incentives
  - Federal New Markets Tax Credits Program (NMTC)
  - · Community Development Block Grants (CDBG)
  - · Low-Interest Loans
  - Tax Increment Financing (TIF)
  - · Workforce Development Incentives for Training
  - · On The Job Training (OJT) funding and credits from WIOA

#### **Strengthen Your BRE Value Proposition**

## 1. Create a Catalog of Business Development Incentives

#### **Example:**



Hanna Steel, a Tuscaloosa, Alabama, industry since 1991, employs over 200 people at a 600,000 square-foot facility in the Tuscaloosa County Airport Industrial Park.

## Tuscaloosa County IDA Approves \$1.5 Million Tax Incentive:

https://www.tuscaloosanews.com/story/news/2023/01/30/tuscaloosa-county-approves-incentives-for-hanna-steel-plant-expansion/69846336007/

# Hanna Steel plans to add jobs, spend \$20 million on Tuscaloosa plant expansion



Ken Roberts

The Tuscaloosa News

Published 5:04 a.m. CT Jan. 30, 2023







A \$20 million investment will expand Hanna Steel's Tuscaloosa plant and lead to the creation of at least 14 new jobs, according to the Tuscaloosa County Economic Development Authority.

"Hanna Steel is truly a 'made in Alabama' company that we are proud to have in Tuscaloosa County," said Justice Smyth, the economic development authority's executive director, in a Thursday news release.

"Their products are used in all types of construction, including commercial and residential developments and professional athletic facilities. While Hanna's growth in Tuscaloosa positively impacts our community, it also strengthens the Alabama company's presence in the steel tubing industry, which is a win win for us all," Smyth said.

The Tuscaloosa County Industrial Development Authority on Thursday approved a package of tax breaks estimated at around \$1.5 million for Hanna Steel as part of the Hoover-headquartered company's \$20 million investment.

## **Strengthen Your BRE Value Proposition**

## 2. Develop Revenue Boosting Opportunities

- 2. Develop revenue boosting opportunities that RAEDC can assist companies with such as:
  - Create an annual "Reverse Trade Show" where purchasing managers from large industries (like big
    manufacturers, healthcare systems, and large government facilities) set up trade show booths where the
    purchasing managers showcase the types of purchases they make annually. Then invite small businesses in
    the area to send their sales and technical people to visit the booths and find opportunities to provide goods
    and services to them locally.
  - BRE staff should seek opportunities regularly to connect existing businesses to one another for revenue growth. They should act as a liaison that sets up common lunches or face-to-face meetings between them.
  - Compile and email government bid opportunities to existing businesses that can compete for them. *Most businesses do not take the time to seek these out. RAEDC staff can be the conduit for this information.*

#### Strengthen Your BRE Value Proposition

## 2. Develop Revenue Boosting Opportunities

#### **Example:**

Procurement reps from over 20 local companies and government organizations participated in the River Region Chamber of Commerce's Reverse Trade Show.

#### **River Region Chamber of Commerce (Laplace, LA):**

https://www.lobservateur.com/2022/07/06/local-businesses-form-new-connections-during-reverse-trade-show/





LAPLACE — Networking is at the heart of economic development, and the River Region Chamber of Commerce recently hosted a Reverse Trade Show to form stronger connections between the businesses that make St. James, St. John the Baptist and St. Charles parishes thrive.

A Reverse Trade Show allows procurement representatives of large local companies to be seated at booths which local businesses may visit to learn how to do business with that company. This allows participants to get their name out there; meet top executives and business decision-makers in a positive environment; market new products, services and technology; and network with potential customers from the River Parishes.

The event took place June 30 at the Edward A. Dufresne Convention Center in Luling.



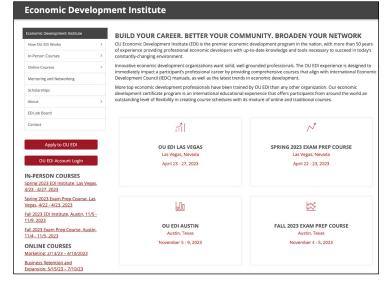
#### **Strengthen Your BRE Value Proposition**

## 3. Continuing Education for BRE Staff

- 4. Make sure RAEDC BRE staff are encouraged to seek continuing education opportunities, as well as attending networking opportunities, and conferences to learn more about BRE and how RAEDC can help existing industry:
  - Complete a Basic Economic Development Course, like Illinois BEDC - https://bedcillinois.com/
  - Complete Oklahoma University's Economic Development Institute https://pacs.ou.edu/edi/
  - Participate in conferences and programming hosted by the MidAmerica Economic Development Council (https:// www.midamericaedc.org/) and the International Economic Development Council (https://www.iedconline.org/)









## Implement the BRE Survey Method

Existing industry meetings help RAEDC staff to understand micro issues, or those issues faced by one or two businesses in particular, but implementing a BRE survey will uncover macro issues, or those faced by many or all businesses, which is to RAEDC's advantage as the organization works to help as many businesses as possible.

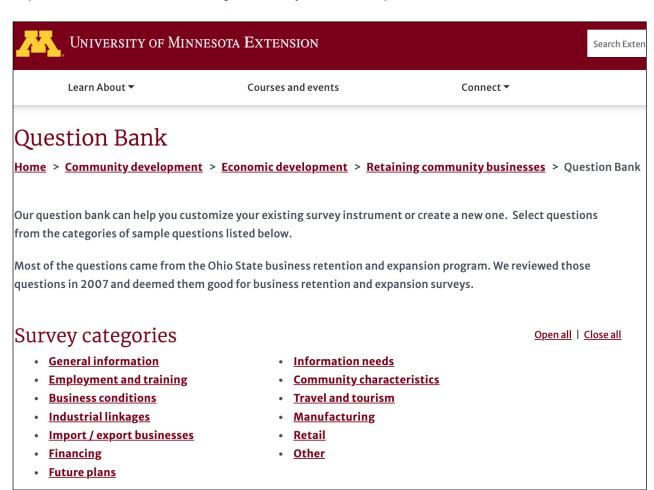
- 1. Create a survey using the University of Minnesota Question Bank (next page) to help.
- 2. Make sure to include questions about hot-button business issues like labor, taxes, utilities, and more.
- 3. Create the survey in a digital format using SurveyMonkey, or a similar program, to send via e-mail. *SurveyMonkey has free or paid versions starting at \$25/month.*
- 4. Determine your audience and the best way to reach them, possibly from combining RAEDC's contact list with a Chamber list.
- 5. Promote that the survey is available on your social media pages, websites, and even a press release if this is a newer concept for your existing businesses.
- Add a section to the survey that categorizes businesses by industry type (that they must select). This will make it easier to identify problems across specific industry sectors.
- 7. The purpose of the survey is to spot trends over time, so this should be done annually with each category being charted by industry sector to see which trends are improving and which trends are getting worse.



## Implement the BRE Survey Method

#### **University of Minnesota Question Bank:**

https://extension.umn.edu/retaining-community-businesses/question-bank



#### **Sample Questions:** Recruiting 22. What resources are you currently using to locate new employees? (Select all that apply.) Ad in metro-wide papers Ad in local community papers Placement office of four-year or two-year colleges Private search firms Referrals from existing employees Temporary agency Hire our own apprentices Promote from within Local job fair Internet/World Wide Web List other: Training 27. What types of General Skills training do your current employees need? (Select all that apply.)

How many paid employees currently work at this establishment? 52. Year-round full-time 1 to 5

Reading and writing

Basic accounting English as a second language Specialized equipment operations

Interpersonal communications

#### **Over the Next 3 Years**

#### Year 1:

CONVERSATIONS TO HAVE	PROJECTED COST
Set a planning session with the Board of Directors to develop new Mission & Vision Statements	Free
<ul> <li>Create a fundraising committee from the board of directors and set a planning session to:</li> <li>Utilize provided best practices for fundraising video to enhance your efforts</li> <li>Identify new investors</li> <li>Develop the "best connection" which is the best person either on the Board or on the Staff to open the door</li> <li>Create a systematic approach to requests for funding (i.e. Board Member reaches out first by phone, second by email, assists with setting up a meeting, RAEDC follows up meeting with a handwritten thank you note to the potential investor, place potential investor into a "follow-up rotation" for board member and/or staff to reach out to them regularly until they commit, etc.)</li> </ul>	Free
Coordinate a meeting of the boards for RAEDC, Chamber, and GRGP to have an honest conversation about the viability of continuing the umbrella organization.	Free
Have a discussion with the Chamber about coordinating with RAEDC on an online, large scale, new BRE survey. Develop procedure for handling the transfer of this information regularly between the organizations.	Free
Discuss attending industry trade shows with existing industries.	Free
Identify which of the three lead generation appointment-setting firms you would like to partner with: Research FDI, Applied Marketing, and Conway Data for future lead generation marketing trips.	Free
Identify a marketing company that can do GeoFence marketing for you in Canada.	Free
Continue discussions with Chicago Rockford International Airport about marketing their properties.	Free
Hold a meeting with just real estate developers to discuss RAEDC's ability to assist them in identifying how to make their properties more marketable to target industries and why it is important for growth.	Free
Hold discussions with the County and Cities to determine appropriate/available incentives within their jurisdiction.	Free

#### **Over the Next 3 Years**

#### Year 1:

MARKETING WORK TO DO	PROJECTED COST
Add Mission & Vision to RAEDC Website & Promote on Social Media.	Free
Implement Investor/Contributor Thank You/Recognition posts on Social Media.	Free
Update RAEDC Website	\$50,000
Connect with between one and 10 targeted executives per day on LinkedIn with targeted messages and place a promo video on LinkedIn once a month for RAEDC they will see and have to enter their email addresses to watch.	Free
Create target marketing video and material for Foreign Direct Investment, Aviation/Aerospace, and Distribution/Logistics.	\$10,000

TECHNICAL WORK TO DO	PROJECTED COST
Create Fund Raising subcommittee of RAEDC Board members to jump start funding efforts.	Free
Create a new protocol for press releases from the organization, including language to use at the bottom of any prepared press release.	Free
Conduct Fatal Flaw Analysis on existing industrial property to understand where each potential site is at in the site development process along with what needs to be completed for them to be competitive.	Free (if done by RAEDC) \$15,000 to \$35,000 (if done by an outside consultant)
Begin identification of Brownfield and Blighted Properties for potential redevelopment opportunities. Catalog all that are available and place them into categories for potential new use: Industrial, Commercial, Retail, Residential.	Free
Develop/finalize your Business Attraction as well as your Business Retention Expansion value propositions. Add them to the RAEDC Website, either throughout, or create a new web page for them to live on.	Free to \$5,000

#### **Over the Next 3 Years**

#### Year 2:

DIRECT MARKETING	PROJECTED COST
Attend MRO Americas Trade Show, The Battery Show North America, and PACK EXPO, tradeshows with existing industries and outsource eight prospect meetings per show. Also consider SELECT USA for FDI Projects.	\$50,000
Outsource 40 lead generation prospect meetings in Canada, the Pacific Northwest, Southern California, and the Northeast.	\$60,000
Connect with between one and 10 targeted executives per day on LinkedIn with targeted messages and place a promo video on LinkedIn once a month for RAEDC they will see and have to enter their email addresses to watch.	Free
Promote the Target Marketing Video about the Rockford Area value proposition for FDI and target industries in social media and geofence marketing advertising.	\$8,000
Attend conferences and market to site selectors: the Rockford Area's value proposition, available sites, and labor data. Choose the Site Selectors Guild, Mid-America Economic Development Association, and International Economic Development Council for these.	\$15,000
Geofence market to industrial parks, business parks, and corporate buildings in Toronto, Montreal, and Vancouver.	\$10,000

PROPERTY DEVELOPMENT	PROJECTED COST
Complete feasibility studies on Blighted Properties to determine redevelopment and reuse potential. The study should also identify potential grant funding available for such redevelopment.	\$50,000
Lead the effort to make industrial sites more marketable based on the results of existing site Fatal Flaw analysis.	Free
Continue Fatal Flaw Analysis on any new industrial sites that have been developed.	Free (if done by RAEDC) \$15,000 to \$35,000 (if done by an outside consultant)
Investigate potential for spec building development to enhance marketing efforts through conversations with property developers and municipalities that may be interested in owning industrial real estate.	Free

#### **Over the Next 3 Years**

#### Year 2:

FORMALIZE YOUR TRAINING & INCENTIVES PROGRAM	PROJECTED COST
Formalize how you will market that the Rockford Area can "Recruit, Screen, and Train" Employees for Prospects. This language should be specifically used in marketing and a process should be developed and understood by RAEDC staff.	Free
Formalize incentives from the County and Cities that can be used in marketing to prospects.	Free

BUSINESS RETENTION & EXPANSION	PROJECTED COST
Develop and begin planning for the "Reverse Trade Show" concept.	Free
Use "survey method" from BRE efforts to spot macro trends from various sectors of the economy and create local governmental affairs priorities.	Free
Continue BRE in-person visitation program using the new Rockford Value Proposition of reducing costs and increasing revenues.	Free

#### **Over the Next 3 Years**

#### Year 3:

DIRECT MARKETING	PROJECTED COST
Attend MRO Americas Trade Show, The Battery Show North America, and PACK EXPO, trade shows with existing industries and outsource eight prospect meetings per show. Also consider SELECT USA for FDI Projects.	\$50,000
Outsource 40 lead generation prospect meetings in Canada, the Pacific Northwest, Southern California, and the Northeast.	\$60,000
Connect with between one and 10 targeted executives per day on LinkedIn with targeted messages and place a promo video on LinkedIn once a month for RAEDC they will see & have to enter their email addresses to watch.	Free
Promote the Target Marketing Video about the Rockford Area's value proposition for FDI and target industries in social media and geofence marketing advertising.	\$8,000
Attend conferences and market to site selectors: the Rockford Area's value proposition, available sites, and labor data. Choose the Site Selectors Guild, Mid-America Economic Development Association, and International Economic Development Council for these.	\$15,000
Geofence market to industrial parks, business parks, and corporate buildings in Toronto, Montreal, and Vancouver.	\$10,000

PROPERTY DEVELOPMENT	PROJECTED COST
Assist developers, municipalities, and/or other entities in obtaining grant funding for redevelopment of blighted properties.	Free
Continue leading the effort to make industrial sites more marketable based on the results of existing site Fatal Flaw analysis.	Free
Encourage the development of speculative industrial space in the Rockford Area by private developers, municipalities, and even airport facilities for MRO and Cargo prospects.	Free

#### **Over the Next 3 Years**

#### Year 3:

PROMOTE YOUR TRAINING & INCENTIVES PROGRAMS	PROJECTED COST
Continue Promoting how the Rockford Area can "Recruit, Screen, and Train" Employees for Prospects.	Free
Continue Promoting formalized incentives for prospects considering the Rockford Area.	Free

BUSINESS RETENTION & EXPANSION	PROJECTED COST	
Use "survey method" from BRE efforts to spot macro trends from various sectors of the economy and create local governmental affairs priorities for the Chamber to promote.	Free	
Consider taking a leadership trip to a community/region with similar economic development priorities as the Rockford Area to learn best practices and see results.	\$30,000	
Hold the first "Reverse Trade Show" Event	\$10,000 (Free if you develop sponsors)	
Continue BRE in-person visitation program using the new Rockford Value Proposition of reducing costs and increasing revenues	Free	

#### Appropriate Metrics for an Organization the Size of RAEDC

RAEDC Board should determine which of these metrics are most appropriate for staff and choose the top three to five in each category.

#### **Business Attraction & Marketing Metrics:**

- Businesses attracted to the region (number, distribution across target industry sectors)
- Number of jobs attracted (full-time, part-time, contract, seasonal)
- Total number and value of new development projects
- New investment attracted/facilitated (overall, per project, public vs. private, etc.)
- Increase in tax revenue/base growth
- Wages/salaries of jobs attracted (average)
- "Active" prospects in the pipeline (number, distribution across target industry sectors)
- Cost-benefit analysis of proposed projects (Cost to community vs. benefit to the community)
- Incentives awarded (Number and/or value)
- Targeted marketing campaigns undertaken (number of people reached, variety of marketing techniques, etc.)
- Impact on employment by industry/sector due to EDO efforts
- Number of calls made for business attraction/Number of business visits conducted
- Number of general business assistance requests; how much time was taken up with general calls and referrals
- · Number of regional vs. statewide projects



#### Appropriate Metrics for an Organization the Size of RAEDC

RAEDC Board should determine which of these metrics are most appropriate for staff and choose the top three to five in each category.

#### **Business Retention & Expansion Metrics:**

- Number of businesses visited
- · Number of businesses expanded
- Number of jobs retained (full-time, part-time, contract, seasonal)
- Number of businesses assisted (type of assistance, value of assistance provided, etc.)
- Number of businesses surveyed
- · Businesses assisted by EDO with revenue increases and how it was achieved
- · Ratings of the business climate in the community
- · Amount of financing provided (\$)
- Businesses remaining and growing in the region following a risk of departure or closure
- · Percent of "jobs at risk" retained
- · Past utilization of and satisfaction with local business assistance programs
- · Relocation of suppliers or customers
- · Percent of revenue growth for businesses receiving EDO assistance
- · Number of residents/businesses assisted in economically distressed and under-served communities
- · Local business-to-business investment levels

#### Appropriate Metrics for an Organization the Size of RAEDC

RAEDC Board should determine which of these metrics are most appropriate for staff and choose the top three to five in each category.

#### **Real Estate & Industrial Use Metrics:**

- Availability of shovel-ready sites (number, acreage, etc.)
- Number and value of redevelopment projects
- Vacancy and absorption rates (as well as difference in rates between various industrial/commercial areas of the community)
- Availability of certified sites (number, acreage, etc.)
- Average value of commercial property
- · Number of new building permits granted
- · Change in property valuation over time
- Diversity of financing methods used (Tax credits, tax increment financing districts, leases, public use bonds, etc)
- Internal rate of return for projects
- Average cost of remediation (in case of redevelopment projects)
- Number of subsidized buildings

#### **EDO Leadership Metrics:**

- Regular information sharing with community stakeholders by EDO and board
- Effectiveness of EDO board to remove barriers to economic development progress (e.g. engaging in local and state policy development related to economic development)
- Businesses participating in EDO leadership (Board or ED related committees)
- Public sector representatives participating in EDO leadership
- Civic Engagement (number and variety of civic organizations represented on EDO board or committees or actively engaged in implementing EDO programs)
- · Participation by minorities, women, and immigrants in EDO leadership and community organizations



#### Appropriate Metrics for an Organization the Size of RAEDC

RAEDC Board should determine which of these metrics are most appropriate for staff and choose the top three to five in each category.

#### **Relationships Established Metrics:**

- Collaboration with nearby four-year colleges and universities, technical colleges, and community colleges
- Public-private partnerships, joint ventures, collaboration (number, size, type)
- Relationships established with regional and national site selectors
- Relationships established with area legislators
- Relationships with other organizations to expand resources, alternative funding streams, etc.
- Number of instances where EDO has partnered with other organizations to share resources (with or without formal partnership) agreements)
- Collaboration with area workforce investment boards (WIBs)
- EDO engagement with organized industry networks
- Number of relationships established between EDO and community stakeholders (Civic groups, schools, social service groups, environmental)
- · Number of meetings held with potential investors
- Depth of involvement with each partners (heavy, medium, light)

## **Appropriate Metrics for an Organization the Size of RAEDC**

#### **Example: Real-World Performance Metrics from an Economic Development Organization**

Metric	Weight	Goal	Stretch	Descriptions
Capacity Building	40%	75%	100%	Percent earned of each line item
a) Regional Team Meetings with ED and Chamber Execs	a) 10%	a) 3	a) 4	<ul> <li>a) Number of Regional Team meetings Notes on the meetings, subjects discussed, and who attended provided to the Board.</li> </ul>
b) More focused strategy and planning meetings.	b) 10%	b) 3	b) 4	b) Participate in strategy sessions with different individual cities or regional groups within the service territory to provide guidance on unique opportunities or infrastructure development.
New member annual capital raised	10%	\$50,000	\$100,000	New member annual contributions raised during the year
				An additional \$15,000 bonus for the raising of an incremental new \$500,000 in new member capital in the calendar year.
Fresh idea/Fresh approach	10%	Propose 3 quality ideas	Propose 5 quality ideas or implement 1	Bring the Board a unique and fresh idea in the area of economic development that will improve the organization's brand or function to improve economic development efforts in the region. Some may be precluded by funding, but the idea should challenge the Board and show a benefit to the operations.
Recruitment	60%	Threshold	Target	
Face-To-Face Meetings w/ Companies or Prospects	20%	80	90	Number of meetings throughout the year as reported by CEO
Site Visits by Different Companies Outside the Region	20%	7	10	Number of site visits hosted as reported by CEO
Projected new job Announcements in the served territory with the organization's involvement	20%	150	300	Projected job announcements that involved EDO staff in the recruitment
	100%			

# **FINAL THOUGHT**

As stated at the beginning, this strategic plan is meant to reestablish a solid foundation for the Rockford Area Economic Development Council to build and grow upon. Progress of this foundation building should be assessed toward the end of Year 2, with a goal of developing a longer-term, five to 10 year, all-inclusive, strategy for economic development in Year 3. Next Move Group would like to leave you with one example of the type of strategy that should be a part of this longer-term strategy on the following page.



# **ADDITIONAL STRATEGY**

## Establish the Rockford Area as the prime destination for FDI Investments in the Midwest

A high percentage of foreign companies that have yet to establish a facility in the United States run into issues doing so. Many times these companies will have plans to create several hundred jobs with large facilities, however, they wish to begin with a small footprint, sales staff, and some production or drop-shipping points. The Rockford Area can be a haven for FDI companies by implementing the following recommendations:

#### **Recommendations:**

#### 1. Convert a blighted industrial facility into an "FDI Incubator":

- Target established and successful foreign manufacturers for this program.
- Redevelop a blighted facility to house four or five FDI companies under one roof in separate "pods". The facility should have the ability to be subdivided during renovations.
- Develop office space, warehouse/manufacturing space with electrical drops for machinery, and truck docks for each "pod". Each section should be 20,000 square feet.
- Use the property as an incentive for these established foreign companies by offering them two years of free rent in one of the sections. All they have to do is purchase machinery and hire staff.
- In exchange for free rent, the company would then promise to build its long-term facility in the Rockford Area. If they do not, the clawback provision would be a back payment of all rent with interest added.
- Create a brand and promotional material around the facility with a name that conveys its purpose.

#### 2. Develop an "FDI Landing Team" for assistance to these companies and other foreign prospects.

- Put simply, RAEDC should have a team on call to assist foreign companies in how to establish themselves in the United States.
- This team should have expertise in the rules, regulations, laws, taxes, and other business needs that an FDI company has.
- What professionals should be on this team?
  - **Business Attorney**
  - **Immigration Attorney**
  - Certified Public Accountant/Agency
  - Insurance Agent (especially benefits)
  - Investment and/or Banking Professionals

# **ABOUT US**

#### **Next Move Group, LLC**



We Are Jobs

Next Move Group, LLC, is an economic development consulting firm which has serviced over 600 clients in 40 states plus Canada, Germany, Israel, and Brazil. Next Move's seven person staff consists of two employees with certifications from Oklahoma University's Economic Development Institute, one employee with a Masters Degree in Economic Development from the University of Southern Mississippi, and one employee who is an alumnus of the Goldman Sachs 10,000 Small Businesses Accelerator Program. Next Move Group has consultants located in Perdido Key, Florida; St. Louis, Missouri; Jackson, Mississippi; New Orleans, Louisiana; and Paducah, Kentucky.

Learn more: www.nextmovegroup.com, 1-800-764-3105.

#### **Our Team:**



**CHAD CHANCELLOR** Co-Founder



**ALEX METZGER** Co-Founder



**CHUCK SEXTON** 



**IVY STANLEY** COO



**BRITTANY** MCCOY RECRUITER



**ALLYSON KNAPP** OPERATIONS MGR.



**CAROLINE FEW** MARKETING DIR.