

CITY OF NEWTON,  
ILLINOIS



# Industrial Market Analysis Report

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June 2014

*This report was created to guide the City of Newton in future Industrial Recruitment efforts. It was funded through the Newton TIF District.*



The information presented in this document was deemed accurate at the time of preparation, or on the last revision date and is always subject to change. As businesses and industries come and go, the market changes quickly therefore this document should NOT be used as the sole source of information in regards to the current industrial market climate. Contact the City of Newton for the latest revision of this report:  
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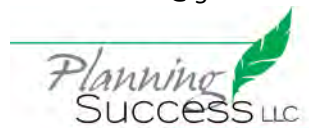


## Table of Contents

|   |           |
|---|-----------|
| <b>Overview &amp; Executive Summary</b>     | <b>1</b>  |
| Overview                                    |           |
| Executive Summary                           |           |
| <b>Demographics</b>                         | <b>9</b>  |
| <b>Quality of Life</b>                      | <b>11</b> |
| Culture                                     |           |
| Health Care                                 |           |
| Education                                   |           |
| Safety                                      |           |
| Recreation                                  |           |
| Local Tax Structure                         |           |
| <b>Infrastructure</b>                       | <b>17</b> |
| <b>Local Industries and Workforce</b>       | <b>21</b> |
| Inflow/Outflow of Workers                   |           |
| Employment and Earnings                     |           |
| Local Labor Market Assessment               |           |
| <b>Local Industry Mix</b>                   | <b>39</b> |
| <b>Resources</b>                            | <b>51</b> |
| Assessment, Training & Educational Programs |           |
| Local and State Incentives                  |           |
| Local Zoning & Permitting                   |           |
| <b>Available Properties</b>                 | <b>55</b> |
| <b>Recommendations</b>                      | <b>60</b> |
| Recommended Industries of Focus             |           |
| Recommended Recruitment & Retention         |           |
| Actions                                     |           |
| <b>Appendices</b>                           |           |
| Appendix A: Additional Data                 |           |
| Appendix B: Maps                            |           |
| Appendix C: Industrial Park Info            |           |
| Appendix D: Coal Maps                       |           |
| Appendix E: Funding & Incentives            |           |

# City of Newton Industrial Market Analysis June 2014

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### Market Analysis Overview

The City of Newton was founded in 1835 and serves as county seat for Jasper County. It is located at the intersection of Illinois Routes 33 and 130. Fifty years after incorporation, G & M Railroad constructed a line through town, creating a bustling community. The Litzelman Hotel, now known as the Pub, was once a fine hotel known for its food and hospitality and brought travelers down on the train from as far away as Chicago. In 1878, the Jasper County Courthouse was constructed in the center of the town square and is still considered one of the most beautiful and well-kept courthouses in the area. The beautiful Jasper County War Memorial adorns the courthouse lawn and is visible as you pass through town on Route 33. The Embarras River Bridge was constructed in 1890, creating the main entrance into town at that time. It is one of the few Pratt Through-Truss bridges remaining in Illinois and it is currently being reconditioned to serve as a pedestrian and bicycle bridge utilized in the Eagle Trails & Greenways system. The bridge is often visited and was added to the National Register of Historic Places in 1998.



At the present time, the City of Newton is a thriving agriculture, manufacturing, and service-oriented community. The city contains over 250 businesses employing nearly 1,500 people. Newton is home to manufacturers such as GSI, Skyline Steel, Evapco, and TPS. One of the 22 coal-fueled power generation facilities in the state of Illinois is located near the community-Newton Power Station. According to the U.S. Energy Information Administration, in 2012 this plant was the 10<sup>th</sup> largest plant in the state by generation capacity (4<sup>th</sup> largest coal-fueled). The city contains a number of service industries including three financial institutions, three agricultural implement dealers, four automotive dealers, four healthcare clinics, tax services, contractors, insurance companies and law offices. In addition, Newton is

home to several branded retail, restaurant and hospitality establishments including Alco, Dollar General, IGA, Cobblestone Inn & Suites, Hardee's, Dairy Queen, and Subway.

Newton is the largest community in Jasper County; therefore it serves as a hub for countywide commerce. In addition, due to the consolidation of many smaller schools, Newton contains the majority of the educational facilities in the county (Pre-K through 12). Further, because it is the county seat, the City experiences an influx of visitors to the courthouse and county offices. Newton is also frequented by tourists visiting the many recreational facilities located in Jasper County, to include Sam Parr State Fish & Wildlife Area, Newton Lake State Fish & Wildlife Area, Prairie Ridge State Natural Area, and local hunting lodges, and to attend local festivals and events. According to the Illinois Tourism Bureau, in 2012 \$7.96 million was spent in Jasper County by tourists resulting in \$550,000 in state sales tax receipts (\$350,000 in local tax receipts).

Like many rural communities in the Midwest, the City knows that it must continue to market and promote itself with the goals of retaining its current businesses and industries, attracting new businesses and industries, creating more jobs, and providing an increased quality of life to remain strong and sustainable. Therefore it contracted Planning Success LLC to develop an **Industrial Market Analysis Report** to aid in the efforts of current industry recruitment, specifically in the Southtown Industrial Park



## Overview & Executive Summary

and other areas suitable for this type of development. This report was compiled utilizing secondary data, local data and local input from reputable sources. The third party sources include the U.S. Census Bureau, Bureau of Labor Statistics, Bureau of Economic Analysis, ESRI Business Analyst, and the Illinois Department of Employment Security. Local sources include industry supervisors/plant managers, community leaders, residents and other relevant stakeholders. Also utilized in the development of this report was the *City of Newton TIF Plan*, *South Central Illinois Regional Industry Cluster Analysis*, *Southeastern Alliance of Illinois Workforce Assessment*, and the *Joint Enterprise Zone Ordinance for the Jasper County Enterprise Zone Extension Area of the Olney/Richland County Enterprise Zone*.



This report details the City of Newton and Jasper County, describes the current industrial climate, studies workforce trends and patterns, and presents available locations for new industries to consider as well as resources and incentives available to them. Recommendations were created based on the results of all information collected and analyzed. Also included are changes that could increase the attractiveness of the community to current and potential industries. This report and its recommendations are not to be construed as a guarantee of attraction or business success.

Many factors determine the success and longevity of any industry, both qualitative and quantitative. Moreover, just because there is a market potential for a specific industry type, in no way does this insure firms in this sector will have an interest in the community. There are many reasons why industries make particular location decisions-it is not possible to anticipate all of the criteria each utilizes in making these decisions. However, this report does provide a synopsis guide for the “best potential” industrial opportunities for Newton and arms the community with information that can be used to identify and attract them.



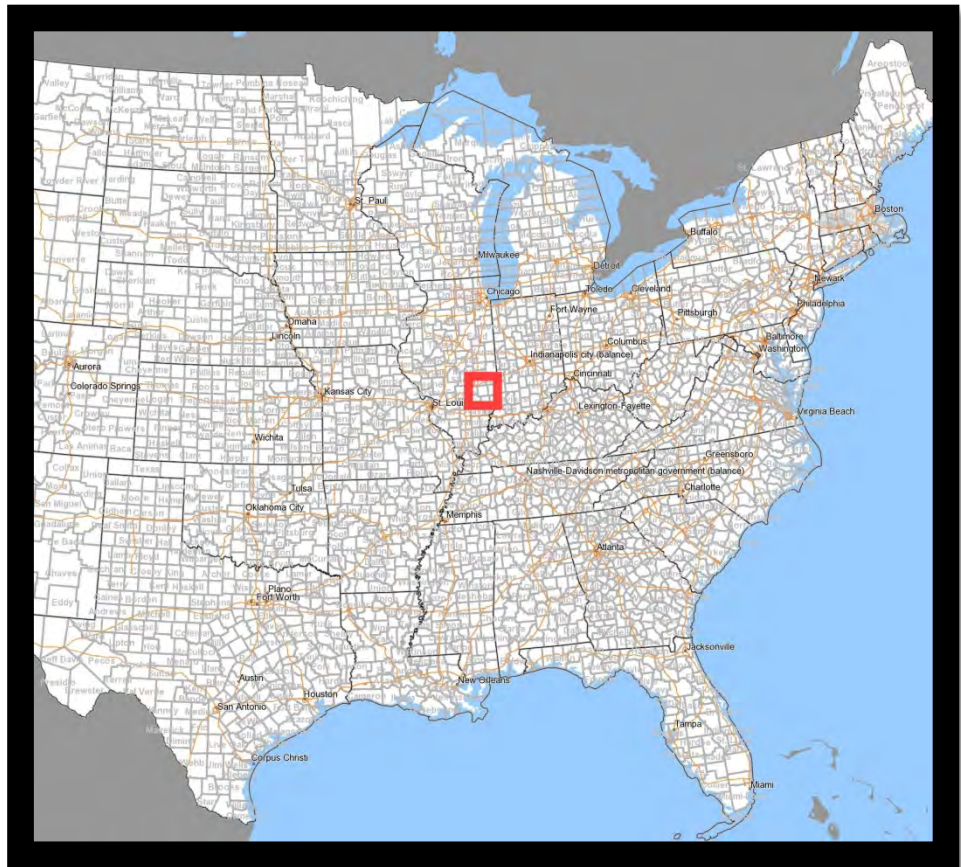
### Executive Summary

The City of Newton, Illinois is located at the junction of Illinois Routes 130 and 33. Each of these state routes carries over 7,000 vehicles through the community each day. The City of Newton is located 20 miles/minutes north of Olney, Illinois; 23 miles/minutes east of Effingham, Illinois; 19 miles/minutes south of Greenup, Illinois; and 24 miles/minutes west of Robinson, Illinois. It is the county seat for Jasper County, Illinois. Newton had an estimated 2012 population of 2,863 and an estimated 1,226 households. It is the largest community in the county and provides the bulk of goods and services available within the area.

The estimated Jasper County population in 2013 was 9,726 and the estimated number of households was 3,967. Currently, the population is split 50/50 between male and female residents. The median age is 43.2 years and the population is 97.8 percent white in race. Current per capita income is \$22,894.

The community has a culture founded on strong morals and faith-based principles. It has adequate health care facilities and services and is near hospitals in Olney, Robinson and Effingham. Jasper County Unit School District #1 serves the entire county and provides extraordinary Pre-K through 12<sup>th</sup> grade education. Higher education and vocational education institutions are located in the nearby communities of Olney, Robinson, Mattoon, Charleston, and Terre Haute, Indiana.

The area has a high quality of life with low crime rates and several recreational opportunities. Three state-funded recreation sites are located in Jasper County. Those include: Sam Parr State Fish & Wildlife Area, Newton Lake Fish & Wildlife Area, and Prairie Ridge State Natural Area. In addition, the City of





## Overview & Executive Summary

Newton has Peterson Park with several amenities available including a state-of-the-art aquatic center, canoe launch, miniature golf and batting cages.

The City of Newton has adequate utilities systems. Electric, water and sewer systems are owned and maintained by the City. Natural gas is provided by Ameren/CIPS. The City of Newton is located at the intersection of Illinois Routes 33 and 130. Also located in Jasper County is Illinois Route 49, which is approximately 8 miles east of town. Interstate 70 and 57 are within 25 minutes of the community. The nearest commercial airport is Coles County Memorial Airport (35 miles/minutes). The nearest public airport is Effingham County Memorial Airport (20 miles/minutes). The closest international airport to Newton is the Abraham Lincoln Capital Airport (99 miles/minutes). The closest waterway for the transport of goods is the Mississippi River, which can be accessed in St. Louis, Missouri (114 miles/minutes). The Illinois Central Railroad and the Indiana Railroad provide rail service in Newton.

Access to passenger railroad service is available in Effingham, Illinois or Mattoon, Illinois. The Amtrak service connecting Chicago-Memphis-New Orleans passes through these stations. The Rides Mass Transit District provides demand-responsive public transportation routes, including door-to-door services available to all Jasper County residents.

The local economy is driven by agriculture, forestry, fishing and hunting (NAICS 11), which is not surprising due to the three state recreation areas, several privately-owned fishing/hunting businesses and large agricultural-base found in Jasper County. This sector accounts for 7.49 percent of all employment in the county, which makes Jasper County unique when comparing it to other neighboring counties and to the State of Illinois. Two hundred and thirty-two businesses are classified in this industry sector, employing over 400 people. Other Jasper County industries that have higher percentages of employment than the state include: Mining, quarrying, and oil and gas extraction; Construction, Wholesale trade; and Other services, except public administration.

In 2012, over 2,447 full and part time jobs were available in the county. The average yearly earnings per job (at a median wage) were \$35,993. In comparing wages paid to workers in Jasper County to those paid to workers in the East Central Illinois nonmetropolitan area (includes Clark, Clay, Coles, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Iroquois, Jasper, Lawrence, Marian and Richland counties), Jasper County has a higher average median wage than the region as a whole.

When studying worker flow patterns, we utilized info provided by the U.S. Census Bureau to discover that 1,389 workers were employed by businesses inside Newton city limits in 2011. Of those, 72.7 percent did not live within City limits. Only 379 of those workers resided in Newton, while 1,100 lived outside of the community. However, over 75 percent of all workers resided within 24 miles of their workplaces. Of those employers, manufacturing (20.8%), healthcare and social assistance (14.8%), and educational services (11.8%) make up the largest employment sectors when looking at the number of jobs created and sustained.





## Overview & Executive Summary

The largest employer in the City of Newton is Jasper County Unit #1 Schools. The local manufacturers and utility companies also provide a large number of jobs within the community. The majority of the businesses found in Newton are locally-owned businesses or “mom-and-pop” shops. Some of these



thriving businesses have been a part of Newton for more than 100 years and serve as the lifeblood of the community.

According to the results of surveys responded to by regional manufacturers and summarized in the *Southeastern Alliance of Illinois Workforce Assessment*, the average length of employment per

employee in the region is 10.4 years. The average employee is 44.9 years old with 12.9 years of education. The average turnover rate is 6.9 percent. Over 45 percent of employees live within 10 miles from their workplace. According to the U.S. Census, Illinois workers live an average of 28.1 minutes from work. When rating workforce quality characteristics and workforce skills characteristics, employers rated most categories as average or above average quality. The overall workforce quality index is 3.72 (on a scale of 1 to 5) and the overall workforce skill index is 3.42 (on a scale of 1 to 5).

Manufacturers reported that they review approximately 16 or more qualified applicants to fill five available positions. Employers provide an estimated 27.5 percent of an employee’s total compensation as a contribution for benefits. This compares to the first quarter of 2012 Bureau of Labor Statistics (BLS) that showed private industry contributions at 29.6 percent. According to the report, the overall average hourly wage for the Southeastern Illinois area labor market is \$18.63 and compares to the 2011 BLS national average wage of \$21.35 and Illinois average of \$22.38. The Southeastern Illinois labor market hourly wage average is 13.7 percent below the national average and 16.6 below the State of Illinois.

Several industry and logistics companies in and around Newton were interviewed to complete an accurate assessment of the current environment from an industrial standpoint. These interviewees state their employees are loyal, hard-working, trustworthy and dependable. They have great relationships with local higher education institutions that assist with providing training and skilled labor. Major inputs needed for the current production at the Newton plants include: soybean oil, resin, fiberglass, electrical components, U.S. made steel, coal, ink, paper, concrete and aggregate, natural and synthetic brush/broom bristles and fibers, and broom/brush handles and bases.



## Overview & Executive Summary

All interviewees are happy with the service and support they have received from the City of Newton and the local economic development group – Jasper County Economic Development, Inc. (JEDI). Many have utilized Enterprise Zone incentives and the City of Newton revolving loan fund.

The South Central Illinois Regional Industry Cluster Analysis shows the two largest clusters as of 2010 in the region (Clay, Effingham, Fayette, Jasper and Marion counties) to be the agribusiness, food processing & technology cluster, and the energy cluster; followed by biomedical/biotechnical, manufacturing, business and financial services and the transportation & logistics cluster. Jobs in the energy cluster increased by 28 percent in the decade of 2000 to 2010 (1,447 jobs), while the number of jobs in the agribusiness cluster decreased by 13 percent. Jobs in the biomedical/biotechnical cluster increased by 12 percent, while manufacturing jobs decreased by 36 percent (1,846 jobs). In the manufacturing cluster, however, the fabricated metal products sub-cluster expanded by 33 percent and computer and electronic products grew by 2,600 percent (312 jobs).

The identified “star” clusters for the region include: Energy (fossils and renewable); Forest and wood products; Transportation and logistics; Mining; Agribusiness, food processing and technology; Manufacturing supercluster; and the Primary metals manufacturing sub-cluster. Emerging clusters named \_\_\_\_\_ were Biomedical/biotechnical, Advanced materials, Apparel & textiles, Computer & electronic products, and Fabricated metal products.

The Energy, Forest and wood products, Transportation and logistics, \_\_\_\_\_ and Biomedical/biotechnical clusters were selected within the report for a preliminary gap analysis. These clusters demonstrated a need for a group of medium to higher-level service industries if they are to satisfy regional demand. Currently these services are being imported into the region. These services

# WHY ILLINOIS

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## STATE BUSINESS INCENTIVES

Expanding a new or existing facility, or relocating your company headquarters?  
We build private sector partnerships, provide a world-class center for business and industry and a favorable business climate.

## BUSINESS RETENTION AND EXPANSION

Business recruitment tools and incentives for the competitive edge in today's business environment

- Economic Development Tax Credits (EDGE)
- Job Training and Education for Workers
- Public Infrastructure Investments
- Enterprise Zones and Special Tax Incentives
- LocationOne (LOIS) for Site Selection
- Other Grant Programs

## TAX CREDITS AND ACCESS TO CAPITAL

Capital and tax incentives for job creation and attracting new investment

- Advantage Illinois – Small Business Lending
- Invest Illinois Venture Fund
- Angel Investment Tax Credit
- Small Business Job Creation Tax Credit
- Illinois Historic Preservation Tax Credit

## SMALL BUSINESS AND ENTREPRENEURS

Marketing expertise and technical assistance for entrepreneurs and new business start-ups

- Small Business Development Centers
- Business Strategies / Financial Planning
- Marketing and Product Development
- Government Contracting Assistance
- Women & Minority Programs

## EXPORTING AND TRADE ASSISTANCE

Trading opportunities and export assistance

- Foreign Trade Offices in Key Overseas Markets
- International Trade Centers for Export Assistance
- Export Development / Product Promotion
- Market Research and Financial Assistance
- Overseas Trade Shows and Trade Missions

**Contact:**

|                            |   |                          |                             |
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## Overview & Executive Summary

include financial services, legal services, and management and administrative services. In addition, each of these clusters have specialized needs related to its core industries.

Several resources are available to the City of Newton's manufacturers. Many organizations and institutions are present within the State of Illinois whom offers a wide variety of training and educational programs, serve as a "voice" for the manufacturing industry in legislative affairs, and assist with maximizing operations, strategic planning and many other services to help manufacturers in becoming stronger, leaner, and more profitable. The City of Newton offers incentives when an industry is located within either a TIF District or its Enterprise Zone. In addition, several governmental entities offer several types of incentives and funding opportunities.

The City of Newton could serve as a prime location for several potential industries. The industries named within this report fit with the current industry mix to further enhance and strengthen the local economy. Industrial recruitment is a highly competitive endeavor. Most industries hire site selection experts to assist in identifying new locations for operations. These professionals are trained to eliminate as many potential locations as quickly as possible; therefore it is an absolute necessity for the information they need to make educated decisions is readily available and easy to access.

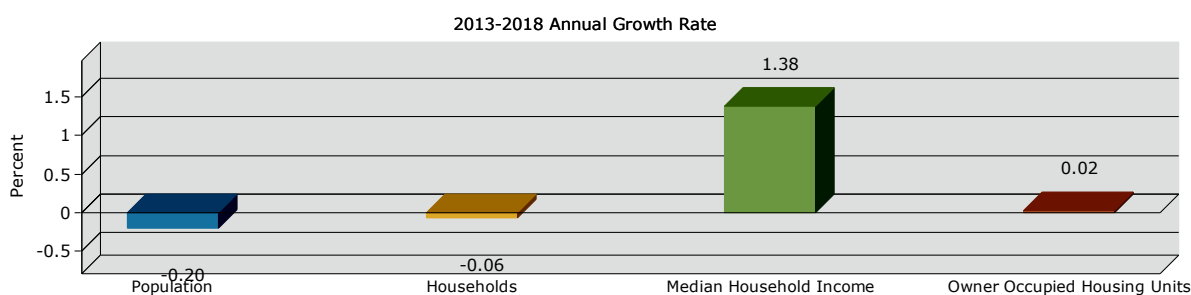


## Demographics

The characteristics of a population are important and relevant to discuss when looking at industry attraction. Companies seek a population that meets certain demographical criteria. A summary of Jasper County demographics are found within this section.

### Population

The estimated Jasper County population in 2013 was 9,726. In 2010, the U.S. Census reported a population of 9,698. The positive rate change since 2010 was 0.09 percent annually. The 5-year projection in area population is 9,631 according to the ESRI Business Analyst Executive Summary included in Appendix A. This represents a change of -0.20 percent annually from 2013 to 2018. Currently, the population is split 50/50 between male and female residents. The median age is 43.2 years and the population is 97.8 percent white in race.



Source: ESRI Business Analysis Graphic Profile Report accessed May 30, 2015

### Educational Obtainment

Thirty-eight percent of the Jasper County residents aged 25 years and older are high school graduates. Of that same population, 23 percent have some college education but no degree, 13 percent have an associate degree, 8 percent have a Bachelor's degree and approximately 7 percent have a graduate/professional degree.

### Households

The estimated number of households in 2013 was 3,967. This household count changed from 3,940 in 2010 to 3,967 in the current year (0.21 percent annual change). The 5-year household projection is 3,956 (2018). The average household size is 2.44 currently, compared to 2.45 in 2010. Median household income is currently \$49,323. Median household income is projected to be \$52,810 in 2018.

### Income

Current per capita income is \$22,894 compared to the U.S. per capita income of \$27,567. In 2018, the per capita income is projected to be \$24,551 compared to the U.S. per capita income projection of \$32,073.



## Demographics

### Housing

In 2013, 75.1 percent of the 4,355 housing units in the area were owner occupied, 16 percent were renter occupied, and 8.9 percent were vacant. Median home value is \$101,662 and is projected to rise to \$125,378 in 2018.

## Quality of Life Factors

Analyzing quality of life measures is important in developing a plan for industrial development. These factors work in conjuncture to define the local culture and economy. From an industry's perspective, discussing these factors assists leadership in deciding if its operations are a good fit for the community and displays what community services are available. Further, industries must be concerned with the quality of life found within an area of interest. These factors are important in recruiting an effective workforce to staff operations.

### Culture

The culture of a community defines who it is. It is unique to that particular community. Newton's culture is one founded on strong morals and faith-based values. This culture is reflected by the City's Vision Statement adopted by the Council through its Comprehensive Plan in 2010.

*The City of Newton is a great place to live, work, play, worship, and retire. It is founded on strong morals and faith-based values with modern infrastructure, pleasing aesthetics, and steady growth in both diverse industries and population. The City of Newton and Jasper County are shared stakeholders. The trends and successes of one greatly impact the other. The City is conscious of this relationship and works to fulfill the needs of all Jasper County residents. The City's energy and pride aids in:*

*Retaining and attracting youth by offering a safe and clean environment, quality education, opportunities for faith-based and community fellowship, affordable utilities and a new subdivision full of affordable homes;*

*Providing opportunities focused on retirees including independent and assisted living facilities and necessary community and health care services;*

*Offering good jobs for residents by remaining competitive with neighboring communities in attracting a stable and diverse industry and commercial base;*

*Communicating local happenings clearly and accurately through the collaboration with local media and service organizations;*

*Serving as the hub of Jasper County, providing shopping to satisfy the local needs and plenty of entertainment opportunities;*

*Valuing the importance of cultural and artistic experiences demonstrated by the museum and public arts center located in the Newton Public Library; and*

*Maintaining and growing its relationship with Jasper County by partnering to accomplish shared goals and representing the best interests of all residents.*





## Health Care

While the City of Newton does not have a hospital, it is served by four medical clinics. These clinics have affiliations with Sarah Bush Lincoln Healthcare Systems (located in Mattoon, IL), St. Anthony's Hospital (located in Effingham, IL), Richland Memorial Hospital (located in Olney, IL) and Marshall Clinic (located in Effingham, IL) and not only provide medical examinations and treatments but also x-ray, ultrasound, echocardiogram and laboratory services. Hospitals are located in the neighboring communities of Olney (20 miles away), Robinson (24 miles away) and Effingham (23 miles away). The closest trauma center is at Carle Hospital in Champaign, Illinois which is an hour and 45 minute ambulance ride or a 30 to 45 minute helicopter ride away. The Jasper County Health Department also provides behavioral health care services, immunizations, laboratory services and screenings. CVS and the Medicine Shoppe provide pharmaceutical products and services to residents. The community is serviced by several home-health providers, an optometrist, a physical therapist, and two chiropractic clinics. Also located in Newton is Integrated Therapy Services whom provides customized intervention therapies to children and adults. These therapies are focused around direct speech-language, developmental, physical, and occupational therapies and social work consultation as appropriate.



Newton is also home to Newton Rest Haven (extended-stay nursing care facility) and the Villas of Holly Brook (independent living facility) to provide health care/living options for the aging population of Jasper County.

The Jasper County Ambulance Service is located in the City of Newton. The full-time professional ambulance service has three ambulances and is staffed around the clock with at least 4 paramedics. The service has a mutual aid agreement with area helicopter ambulance services. Thirty designated landing zones are throughout Jasper County with three being within the City of Newton boundaries. It takes approximately 20 minutes for an ambulance to land at one of the designated zones after receiving a call, which allows the helicopter to often land before the ambulance even arrives to transport its passenger. Approximately 70 percent of the time, ambulances take patients to St. Anthony's Hospital in Effingham.

## Education

### **Primary & Secondary**

The City of Newton is served by Jasper County Unit School District #1 which also serves the entire County of Jasper. The District is comprised of 3 schools: Ste. Marie Elementary School, Newton Elementary, and Newton Community Junior High and High School. The City and the County are also



served by St. Thomas School, which is a private, Catholic school providing pre-K through 8th grade education. St. Thomas serves approximately 170 students.

### Higher Education

The City of Newton is very close to a number of community colleges and traditional universities in East Central Illinois. These institutions offer a variety of programs and assist in placing students with employers in the region. The community is served by Illinois Eastern Community Colleges, which includes four community colleges in its district: Lincoln Trail College, Olney Central College, Frontier College, and Wabash Valley College. The City is also near Lake Land College in Mattoon which serves the northwest corner of Jasper County. Eastern Illinois University in Charleston is also nearby, as well as Indiana State University in Terre Haute, Indiana.

### Vocational Training

Illinois Eastern Community Colleges and Lake Land College all have excellent vocational programs that are effectively training a workforce necessary to support the growing industries in the region. These institutions are partnering with manufacturing facilities and high schools to develop programs specific to industry needs. Illinois Eastern Community Colleges offer several certificate and associates programs aimed at the manufacturing industry to include Advanced Industrial Technician, Advanced Manufacturing, Advanced Machining, Automation, and Industrial Leadership and Organization programs. Lake Land College has effective training programs for manufacturing occupations, organizational and leadership development, and quality and process improvement. This institution is known to create specific certificate or associates programs for industry partners.

In 2013, the East Central Illinois (eci) Super Region was formed, dedicated to developing a trained industrial workforce and better preparing both young people and those already in the workforce with the skill sets needed for today's manufacturing jobs. This starts by identifying the skill sets needed in today's manufacturing, bridging the gap between education and employment, listening to the needs of industry, and identifying ways to collaborate. The leadership of East Central Illinois realizes that manufacturing and industry are changing rapidly and understand that having a common goal among institutions that can assemble quickly and assist in meeting industrial sector employment needs is vital to advancing manufacturing throughout the region. This consortium is comprised of six community colleges, economic and workforce development agencies, K-12 education, regional planning commissions, area manufacturers, and various community organizations. East Central Illinois Development Corporation (ECIDC) serves as the neutral facilitator for this group. More information can be found at [www.ecidc.com](http://www.ecidc.com).

### Safety

Newton is perceived as a safe place to live and run a business by those providing input for the development of this report. When looking at data, Newton has a lower crime rate compared to the



surrounding communities of Casey, Effingham, and Olney and has the same or near the same rate as Robinson and Greenup. The City of Newton Police Department has ten officers and maintains 24-hour emergency service. The City is served by the Wade Community Fire Protection District. It is an all-volunteer fire department made up of 29 members. The district encompasses approximately 84 miles of urban and rural area for protection. The department has three pumper trucks, one tanker, one equipment/rescue truck and two brush trucks.

### Recreation

The City of Newton and Jasper County offer many recreational activities and venues. Yearly events include the Fall Festival, Strawberry Fest, Holly Jolly Christmas, and the Jasper County Fair. Venues include conservation areas, Peterson Park, Fairview Drive-in, Jasper County Boys and Girls Park, and the Jasper County Museum inside the Newton Public Library.

**Sam Parr State Fish & Wildlife Area**, a 1,800-acre park, is surrounded by timberland and is popular with hunters and fishermen. It has a 180-acre lake, 840 huntable acres, several picnic and playground areas, a 13-mile equestrian trail and a 2-mile hiking trail, trailer camping and tent sites. Visitors will enjoy driving or walking through the park at dusk to view the many deer and other wildlife.

**Newton Lake Fish & Wildlife Area** is a 2,350-acre fish and wildlife area and is home to a variety of wildlife, including white-tailed deer, blue herons, ducks, geese, a family of bald eagles and the state-



protected prairie chicken and river otter. The 1,775-acre lake, known for its healthy population of bass and its shoreline, are perfect for bank and boat fishing, picnicking and hiking. Besides fishing, visitors can boat or swim at the lake. There are more than 22 miles of trails that run along the lake for hiking or equestrian use as well as cross country skiing in the winter months. A five-mile mountain biking trail exists and has received many positive reviews. Hunting, wildlife observation, and picnicking are also popular activities with park visitors.

Newton Lake is a power plant lake fishable year round. An abundant stock of large bass has made Newton Lake one of the premier bass fishing destinations in America. The average size bass in this lake is 3 to 5 lbs, with occasional 6 to 8 lbs being pretty common.

**The Prairie Ridge State Natural Area** is located southwest of Newton. This 3,300-acre site is unique in Illinois, dedicated to conserving the rarest members of Illinois' native tall grass prairie and marsh communities. It offers one of the most spectacular viewing opportunities for grassland wildlife in Illinois. The park is home to the largest breeding population of northern harriers and short-eared owls, as well as prairie chickens.



The Illinois Audubon Society's environmental educational area, known as the **Robert Ridgway Grassland Nature Preserve**, is open daily for wildlife viewing and hiking. This area has been restored to prairie and has a self guided interpretive trail and a wildlife viewing platform overlooking a wetland surrounded by native prairie plants.

**Peterson Park**, located in Newton, is a wonderful community facility containing several play areas, tennis courts, a basketball court, miniature golf, batting cages, sand volleyball court and a state-of-the-art aquatic center. Peterson Park also contains two pavilions for patrons, restroom facilities and access to the Embarras River with a canoe ramp. This community will soon be connected to the downtown area through the implementation of the Eagle Trails & Greenways Plan and by funding provided by the Illinois Department of Transportation (ITEP Program).

The **Fairview Drive-in** is located on IL Rte. 33 just minutes away from Newton. It is one of the last remaining drive-in theaters in Illinois and features two movies nightly Friday through Sunday from April 1 to September 30 each year.

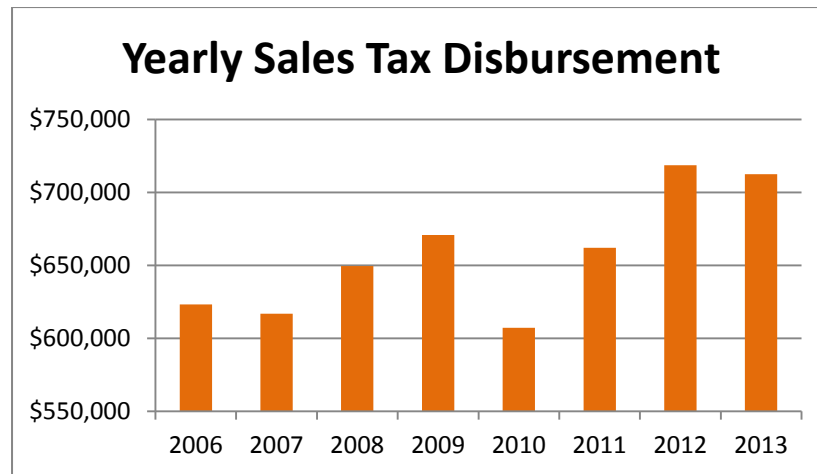
The **Jasper County Boys and Girls Park** is home to Newton's Babe Ruth League baseball and softball diamonds. With a total of five ball diamonds, the park hosts several state and regional softball tournaments and national championships. It is also home to the Newton Eagles baseball games and the Lady Eagles softball games.



The **Jasper County Museum** was established in 1965 by the Newton Woman's Club and the Newton Public Library Board. Over the course of the years, the Museum has expanded to include many items that reflect Jasper County and its residents' history.

### Local Tax Structure

Currently the State of Illinois includes several types of taxes within its tax structure, but the majority of its collections come from income and sales tax. The State currently imposes a 6.25% tax on the sale and use of tangible personal property. Of this, 5% is the share that supports state programs and 1.25% is collected for and distributed back to local governments. Besides sales tax revenue, local government's biggest revenue source is from local property tax. In the fiscal year ending on April 30, 2013, the City of Newton had property tax revenue of \$594,075 and sales & use tax revenue of \$712,373. According to the Illinois Department of Revenue's records, 293 entities pay sales tax to the City of Newton. As seen in the chart on the following page, Newton had a steadily increasing growth in sales tax collections until 2010, when it hit a decline which was caused by the national financial crisis. The economy has recovered from the decline and is projected for continual growth. The projected sales tax revenue for 2014 is \$725,000.



The total property tax rate for 2012 taxes paid in 2013 for properties inside Newton's boundaries is 9.016150 percent. This rate is similar to those found in surrounding communities; however the valuation of property is much less in Newton than in larger communities, such as Olney, Robinson and Effingham.

## Infrastructure

Industries must have the appropriate infrastructure in place in order to locate in a community. Each industry has its unique demands for specific utilities. For example, the current biodiesel plant located in the Southtown Industrial Park is a heavy natural gas user. This has required the plant to fund the construction of a 4" natural gas line to service its property. Transportation facilities are also important to the manufacturing and distribution/warehousing sectors. The appropriate transportation facilities are necessary for receiving and shipping goods.

### Natural Gas

Ameren/CIPS provides gas to the corporate and residential customers in the City of Newton. Ameren/CIPS can be contacted by calling (888)789-2477. The Southtown Industrial Park currently has a 2" gas line servicing the currently available properties; however the BN National Trail biodiesel plant is in the process of funding the construction of a 4" gas line to its property that would be available to service other large gas users.

### Electric

The City of Newton provides electric service to those located within its corporate limits. The City of Newton Electric Department is responsible for maintaining two substations and electric lines, in addition to installing electric service and trouble-shooting for the City's electric customers. Currently, the City's average daily electric usage is 8 MW per day. During the summer months the City uses up to 9 MW daily. The City currently holds a contract with Ameren for 11 MW in daily usage and the electric infrastructure can support additional commercial and industrial users with additional transformers and circuit upgrades. The City would need to construct a new substation if a very large electric user would locate within the community.

The City does have an Electric Incentive program for new employers that create at least ten new jobs and retain those jobs for at least five years (Ord. No. 05-28;10-04-05). This incentive allows the new business to pay an electrical rate that is equal to the City's cost from the City's supplier of electricity. This often results in a twenty to twenty-five percent cost savings. More information on this incentive program can be found in Appendix E.

The current City of Newton electric rates for commercial customers are:

|                                 | UNIT    | RATE     |
|---------------------------------|---------|----------|
| <b>Commercial Electric Rate</b> | 100     | 0.210270 |
|                                 | 150     | 0.157250 |
|                                 | 250     | 0.131650 |
|                                 | 500     | 0.117020 |
|                                 | 9999999 | 0.088500 |



## Water

The City of Newton maintains the City's potable water system that consists of the water treatment plant, two water towers, five wells and many miles of water lines. The current water system has a rated capacity of 1.0 MGD. The average daily demand is 0.25 MGD with peak demand being 0.50 MGD. The storage capacity of the system is 1.2 million gallons. The Safe Drinking Water Information System (SDWIS) Violation database shows only one Monitoring and Reporting violation in 2006 for Chlorine. This violation was remedied and no other violations have since has been reported. The aquifer providing the City with water is abundant and additional water capacity can be obtained by installing future wells.

The current City of Newton water rates for all customers inside city limits are:

|                           | UNIT    | RATE     |
|---------------------------|---------|----------|
| <b>Water Rate</b>         | 2000    | 0.008030 |
| <b>Inside City Limits</b> | 8000    | 0.008120 |
|                           | 10000   | 0.006690 |
|                           | 10000   | 0.005860 |
|                           | 9999999 | 0.005290 |

## Sewer

The City of Newton maintains its wastewater treatment plant built in 2006. The plant is extended aeration with an average flow of 0.8 MGD and peak flow of 2.6 MGD. The system includes approximately 27 miles of wastewater lines and 490 manholes. The system's rated capacity is 1.2 MGD.

The current sewer rates for all customers inside city limits are:

|                           | UNIT    | RATE     |
|---------------------------|---------|----------|
| <b>Wastewater Rate</b>    | 2000    | 0.012527 |
| <b>Inside City Limits</b> | 9999999 | 0.004767 |

## Telecommunications

East Central Illinois Network



The City of Newton is fortunate to be serviced by many providers of telecommunication services. NewWave Communications ([newwavecom.com](http://newwavecom.com)), Metro Network Services ([mcc-ixc.com](http://mcc-ixc.com)), and Windstream ([windstream.com](http://windstream.com)) all provide access to fiber optic internet service. Norris Electric Cooperative ([norriselectric.com](http://norriselectric.com)) provides access to Exede satellite internet. NewWave also provides cable service and Frontier Communications provides broadband internet and telephone service.



## Transportation Facilities

The City of Newton is located at the intersection of Illinois Routes 33 and 130. Also located in Jasper County is Illinois Route 49, which is approximately 8 miles east of Newton. Interstate 70 and 57 are within 25 minutes of the community. These two interstates provide both north-south and east-west connectivity with metropolitan areas throughout the U.S. Interstate 70 connects Maryland to Utah and is a major freight corridor for carrying grains and goods. Interstate 57 connects Sikeston, Missouri to Chicago, Illinois.

### **Travel Time**

(distance and travel time for goods in transit to selected major cities)

| <b>City</b> | <b>Highway<br/>Miles</b> | <b>Highway<br/>Km.</b> | <b>Days<br/>by Rail</b> | <b>Days<br/>by Truck</b> |
|-------------|--------------------------|------------------------|-------------------------|--------------------------|
| Atlanta     | 524                      | 838                    | 5                       | 1                        |
| Chicago     | 232                      | 371                    | 2                       | 1                        |
| Cleveland   | 575                      | 920                    | 3                       | 1                        |
| Dallas      | 769                      | 1,230                  | 7                       | 1                        |
| Denver      | 980                      | 1,568                  | 5                       | 2                        |
| Detroit     | 503                      | 805                    | 4                       | 1                        |
| Kansas City | 377                      | 603                    | 3                       | 1                        |
| Los Angeles | 1,972                    | 3,155                  | 7                       | 2                        |
| Memphis     | 418                      | 669                    | 3                       | 1                        |
| Minneapolis | 644                      | 1,030                  | 4                       | 1                        |
| New Orleans | 819                      | 1,310                  | 3                       | 1                        |
| New York    | 997                      | 1,595                  | 4                       | 2                        |
| St. Louis   | 124                      | 198                    | 2                       | 1                        |
| Seattle     | 2,295                    | 3,672                  | 6                       | 2                        |

The nearest commercial airport is Coles County Memorial Airport (35 miles). The nearest public airport is Effingham County Memorial Airport (20 miles). The closest international airport to Newton is the Abraham Lincoln Capital Airport (99 miles). The closest waterway for the transport of goods is the Mississippi River, which can be accessed in St. Louis, Missouri (114 miles). The Illinois Central Railroad and the Indiana Railroad provide rail service in Newton. A map showing rail service can be found in Appendix C. The BN National Trail biodiesel plant is currently working on the construction of a rail spur that will be operational in the fall of 2014 to begin utilizing the Indiana Railroad. This spur will be located in the Southtown Industrial Park.

Access to passenger railroad service is available in Effingham, Illinois or Mattoon, Illinois. The Amtrak service connecting Chicago-Memphis-New Orleans passes through these stations. The Rides Mass Transit District provides demand-responsive routes, including door-to-door services available to all Jasper County residents.







## Local Industry and Workforce

The Local Industry and Workforce section displays valuable information about the worker inflow/outflow patterns, the current industry mix, workforce characteristics, and wage rates. This information can be utilized by potential industries in determining whether the right mix and number of employees exist in this market to support its operations. This section also presents valuable wage information necessary to make location decisions.

### Inflow/Outflow of Workers

Due to Jasper County's rural nature, it is important to show the travel patterns of workers which may be much different than those of workers living and working in urban or metropolitan areas. Also to note is that miles are equivalent to minutes when it comes to travel distance/time for commuters in the area. According to the "OnTheMap" application created by the U.S. Census Bureau, in 2011, 4,256 Jasper County residents were employed in a job. Of those, 1,347 worked in the County and 2,909 worked outside the County. In that same year, 1,100 workers were employed in Jasper County but resided outside the County borders. This results in a net job outflow of 1,809 workers.



### Map Legend

#### Selection Areas

✦ Analysis Selection

#### Inflow/Outflow

- ✦ Employed and Live in Selection Area
  - ✦ Employed in Selection Area, Live Outside
  - ✦ Live in Selection Area, Employed Outside
- Note: Overlay arrows do not indicate directionality of worker flow between home and employment locations.



## Local Industries and Workforce

Of these workers, 14.2 percent were employed in the manufacturing sector, which accounts for the largest percentage of workers found in any one sector reported. Approximately 400 manufacturing jobs currently can be found within Jasper County, therefore one-third of those employed in this sector are employed outside the County. This lends support that additional manufacturing employees are available for new-coming industry to the community.

### Jobs by NAICS Industry Sector

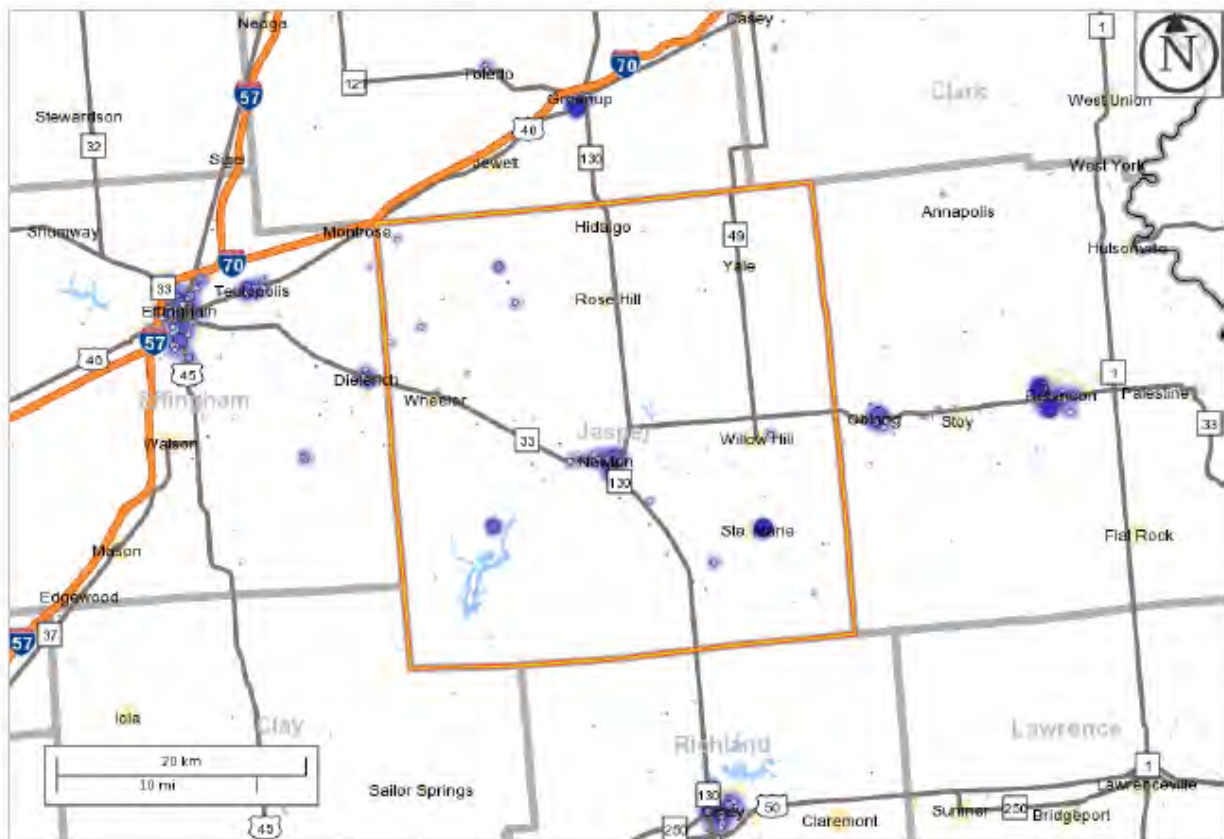
|  | 2011  |       |
|--|-------|-------|
|  | Count | Share |
| Agriculture, Forestry, Fishing and Hunting                 | 116   | 2.7%  |
| Mining, Quarrying, and Oil and Gas Extraction              | 61    | 1.4%  |
| Utilities  | 133   | 3.1%  |
| Construction   | 216   | 5.1%  |
| Manufacturing  | 606   | 14.2% |
| Wholesale Trade  | 252   | 5.9%  |
| Retail Trade   | 513   | 12.1% |
| Transportation and Warehousing                             | 253   | 5.9%  |
| Information  | 32    | 0.8%  |
| Finance and Insurance                                      | 164   | 3.9%  |
| Real Estate and Rental and Leasing                         | 13    | 0.3%  |
| Professional, Scientific, and Technical Services           | 77    | 1.8%  |
| Management of Companies and Enterprises                    | 14    | 0.3%  |
| Administration & Support, Waste Management and Remediation | 147   | 3.5%  |
| Educational Services                                       | 439   | 10.3% |
| Health Care and Social Assistance                          | 492   | 11.6% |
| Arts, Entertainment, and Recreation                        | 33    | 0.8%  |
| Accommodation and Food Services                            | 285   | 6.7%  |
| Other Services (excluding Public Administration)           | 141   | 3.3%  |
| Public Administration                                      | 269   | 6.3%  |

As shown on the following page, workers migrate to Effingham, Robinson and Olney to work each day. These locations are within 24 miles (minutes) of their homes. Jasper County families have strong ties within the community and therefore choose to commute these longer distances in order to remain close to their family and friends. If new opportunities arose, this workforce would likely choose to gain employment closer to home, increasing the amount of time available for personal obligations while saving money on gas and costly vehicle maintenance.



## Counts and Density of Work Locations for All Jobs in Home Selection Area in 2011

All Workers with Home to Work Distance of 10 to 24 miles



### Map Legend

#### Job Density [Jobs/Sq. Mile]

- 5 - 11
- 12 - 29
- 30 - 60
- 61 - 103
- 104 - 159

#### Job Count [Jobs/Census Block]

- 1 - 3
- 4 - 9
- 10 - 20
- 21 - 34
- 35 - 54

#### Selection Areas

- Analysis Selection



## Employment and Earnings

The U.S. Bureau of Economic Analysis and the U.S. Bureau of Labor Statistics were used in gathering data for this section. When looking at unemployment rates for Jasper County, the rate has increased slightly over the course of the one year from December of 2012 to December of 2013. The rate has increased from 8.4 percent to 8.5 percent with an average 2012 rate of 8.3 percent. The average unemployment rate for the State of Illinois was 8.9 percent for 2012, while the U.S. average rate was 8.1 percent.



## Local Industries and Workforce

In 2012, the total earnings of those living in Jasper County was \$388,066,000, of which \$92,833,000 was paid in wages and salaries, \$29,540,000 was paid in supplements to those wages and salaries (employer contributions to pension, insurance and government social security/Medicare), and \$77,134,000 was proprietors' income. The total number of full-time and part-time jobs in the county equaled 2,447. The average earnings per job (yearly) at a median wage were \$35,993. Per capita personal income was \$40,365. During 2012, the State of Illinois showed average earnings per job (yearly) as \$57,943 and per capita personal income as \$45,832.

The following table displays the wages paid to those employed in Jasper County broken down using the Standard Occupational Classification (SOC) System. When comparing this data to the data collected in May of 2012 for the East Central Illinois nonmetropolitan area (includes Clark, Clay, Coles, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Iroquois, Jasper, Lawrence, Marion and Richland counties), Jasper County has a higher median wage than the region as a whole. Jasper County also has a higher median wage for the following occupations: Management, Community and Social Services, Food Preparation and Serving-Related, Building and Grounds Cleaning and Maintenance, Janitors and Cleaners, Sales and Related Occupations, Office and Administrative Support, Bookkeeping/Accounting and Auditing Clerks, Installation/Maintenance and Repair Workers, Production, Transportation and Material Moving, Truck Drivers (Heavy and Tractor-Trailer), and Laborers and Freight/Stock and Material Movers.



## Local Industries and Workforce

Region: Jasper County

### Occupational Wages Illinois Department of Employment Security Wage Data: 2012 Annual

| SOC Code | SOC Occupational Title   | Hourly  | Annual   | Median Hourly | Median Annual | Hourly  | Annual   | Experienced Hourly | Experienced Annual |
|----------|--|---------|----------|---------------|---------------|---------|----------|--------------------|--------------------|
| 00-0000  | Total all occupations  | \$10.28 | \$21,340 | \$17.30       | \$35,993      | \$24.06 | \$50,046 |                    |                    |
| 11-0000  | Management Occupations   | \$16.80 | \$34,948 | \$33.85       | \$70,401      | \$40.95 | \$85,169 |                    |                    |
| 11-1011  | Chief Executives   | \$28.22 | \$58,701 | \$39.97       | \$83,145      | \$46.21 | \$94,028 |                    |                    |
| 11-1021  | General and Operations Managers  | \$9.37  | \$19,493 | \$30.11       | \$62,636      | \$37.16 | \$77,284 |                    |                    |
| 13-0000  | Business and Financial Operations Occupations  | \$14.69 | \$30,565 | \$21.46       | \$44,702      | \$25.12 | \$52,245 |                    |                    |
| 18-0000  | Life, Physical, and Social Science Occupations   | \$13.05 | \$27,135 | \$24.24       | \$50,425      | \$28.93 | \$60,178 |                    |                    |
| 21-0000  | Community and Social Services Occupations  | \$13.88 | \$29,107 | \$24.42       | \$50,802      | \$28.93 | \$60,178 |                    |                    |
| 21-1012  | Educational, Vocational, and School Counselors   | \$22.92 | \$47,662 | \$30.49       | \$63,415      | \$36.08 | \$75,039 |                    |                    |
| 25-0000  | Educational, Training, and Library Occupations   | \$10.32 | \$21,462 | \$16.97       | \$35,296      | \$21.06 | \$43,797 |                    |                    |
| 25-9041  | Teacher Assistants   | N/A     | \$17,879 | N/A           | \$18,508      | N/A     | \$20,682 |                    |                    |
| 35-0000  | Food Preparation and Serving-Related Occupations   | \$8.80  | \$18,312 | \$9.40        | \$19,552      | \$11.43 | \$23,768 |                    |                    |
| 37-0000  | Building and Grounds Cleaning and Maintenance Occupations                                    | \$10.88 | \$22,586 | \$13.99       | \$28,095      | \$16.46 | \$34,230 |                    |                    |
| 37-2011  | Janitors and Cleaners, Except Maids and Housekeeping Cleaners                                | \$10.76 | \$22,386 | \$13.64       | \$28,377      | \$15.69 | \$32,632 |                    |                    |
| 41-0000  | Sales and Related Occupations  | \$9.08  | \$18,885 | \$15.50       | \$32,244      | \$20.15 | \$41,921 |                    |                    |
| 41-4012  | Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products | \$18.29 | \$38,048 | \$26.77       | \$55,681      | \$33.08 | \$68,903 |                    |                    |
| 43-0000  | Office and Administrative Support Occupations  | \$9.53  | \$19,822 | \$12.89       | \$26,811      | \$17.41 | \$36,207 |                    |                    |
| 43-3031  | Bookkeeping, Accounting, and Auditing Clerks   | \$10.49 | \$21,813 | \$15.10       | \$31,399      | \$17.66 | \$36,731 |                    |                    |
| 43-5052  | Postal Service Mail Carriers   | \$19.22 | \$39,979 | \$19.46       | \$40,474      | \$23.48 | \$48,847 |                    |                    |
| 43-6011  | Executive Secretaries and Administrative Assistants  | \$13.52 | \$28,129 | \$16.81       | \$34,958      | \$19.13 | \$39,787 |                    |                    |
| 43-6014  | Secretaries, Except Legal, Medical, and Executive  | \$8.72  | \$18,142 | \$11.28       | \$23,470      | \$14.09 | \$29,316 |                    |                    |
| 43-9061  | Office Clerks, General   | \$8.70  | \$18,099 | \$10.97       | \$22,828      | \$13.08 | \$27,174 |                    |                    |
| 47-0000  | Construction and Extraction Occupations  | \$14.37 | \$29,894 | \$18.10       | \$37,655      | \$26.14 | \$54,363 |                    |                    |
| 47-1011  | First-Line Supervisors/Managers of Construction Trades and Extraction Workers                | \$31.44 | \$65,403 | \$39.97       | \$83,129      | \$48.65 | \$99,800 |                    |                    |
| 49-0000  | Installation, Maintenance, and Repair Occupations  | \$13.88 | \$28,879 | \$19.05       | \$39,622      | \$29.01 | \$60,339 |                    |                    |
| 49-9071  | Maintenance and Repair Workers, General  | \$12.23 | \$25,448 | \$15.56       | \$32,374      | \$16.70 | \$34,741 |                    |                    |
| 51-0000  | Production Occupations   | \$11.56 | \$24,044 | \$24.27       | \$50,491      | \$30.25 | \$62,918 |                    |                    |
| 51-1011  | First-Line Supervisors/Managers of Production and Operating Workers                          | \$16.76 | \$34,858 | \$21.23       | \$44,154      | \$23.34 | \$48,538 |                    |                    |
| 53-0000  | Transportation and Material Moving Occupations   | \$10.22 | \$21,250 | \$18.11       | \$37,688      | \$23.61 | \$49,112 |                    |                    |
| 53-3032  | Truck Drivers, Heavy and Tractor-Trailer   | \$18.88 | \$39,437 | \$26.15       | \$54,401      | \$28.27 | \$58,796 |                    |                    |
| 53-3033  | Truck Drivers, Light or Delivery Services  | \$12.43 | \$25,850 | \$23.10       | \$47,253      | \$13.94 | \$29,000 |                    |                    |
| 55-7062  | Laborers and Freight, Stock, and Material Movers, Hand                                       | \$10.62 | \$22,511 | \$13.57       | \$28,231      | \$14.68 | \$30,524 |                    |                    |

N/A = Wage data not available

More information is available at [www.ides.illinois.gov](http://www.ides.illinois.gov) under Tools & Resources, Data & Statistics





| East Central Illinois Nonmetropolitan Area Occupational Wages<br>Period: May 2012   |                    |                       |
|---|--------------------|-----------------------|
| Occupation (SOC code)   | Hourly median wage | Annual median wage(2) |
| <b>All Occupations(000000)</b>  | 13.65              | 28,400                |
| <b>Management Occupations(110000)</b>   | 31.74              | 66,010                |
| <b>Chief Executives(111011)</b>   | 48.74              | 101,380               |
| <b>General and Operations Managers(111021)</b>  | 30.34              | 63,100                |
| <b>Business and Financial Operations Occupations(130000)</b>  | 23.90              | 49,710                |
| <b>Community and Social Service Occupations(210000)</b>   | 15.14              | 31,500                |
| <b>Education Training and Library Occupations(250000)</b>   | 20.06              | 41,720                |
| <b>Food Preparation and Serving Related Occupations(350000)</b>   | 9.02               | 18,760                |
| <b>Building and Grounds Cleaning and Maintenance Occupations(370000)</b>  | 10.66              | 22,170                |
| <b>Janitors and Cleaners Except Maids and Housekeeping Cleaners(372011)</b>   | 11.28              | 23,460                |
| <b>Personal Care and Service Occupations(390000)</b>  | 9.33               | 19,400                |
| <b>Sales and Related Occupations(410000)</b>  | 10.53              | 21,890                |
| <b>Office and Administrative Support Occupations(430000)</b>  | 11.84              | 24,630                |
| <b>Bookkeeping Accounting and Auditing Clerks(433031)</b>   | 12.94              | 26,920                |
| <b>Postal Service Mail Carriers(435052)</b>   | 22.43              | 46,640                |
| <b>Executive Secretaries and Executive Administrative Assistants(436011)</b>  | 17.89              | 37,210                |
| <b>Secretaries and Administrative Assistants Except Legal Medical and Executive(436014)</b>   | 12.48              | 25,960                |
| <b>Office Clerks General(439061)</b>  | 10.04              | 20,880                |
| <b>Construction and Extraction Occupations(470000)</b>  | 16.97              | 35,300                |
| <b>Installation Maintenance and Repair Occupations(490000)</b>  | 16.96              | 35,280                |
| <b>Maintenance and Repair Workers General(499071)</b>   | 16.27              | 33,840                |
| <b>Production Occupations(510000)</b>   | 14.49              | 30,130                |
| <b>First-Line Supervisors of Production and Operating Workers(511011)</b>   | 23.11              | 48,070                |
| <b>Transportation and Material Moving Occupations(530000)</b>   | 13.71              | 28,530                |
| <b>Heavy and Tractor-Trailer Truck Drivers(533032)</b>  | 17.23              | 35,840                |
| <b>Laborers and Freight Stock and Material Movers Hand(537062)</b>  | 11.19              | 23,280                |
| Footnotes:<br>(2) Annual wages have been calculated by multiplying the hourly mean wage by 2080 hours; where an hourly mean wage is not published the annual wage has been directly calculated from the reported survey data. |                    |                       |



(4) Wages for some occupations that do not generally work year-round full time are reported either as hourly wages or annual salaries depending on how they are typically paid.

(5) This wage is equal to or greater than \$90.00 per hour or \$187199 per year.

(8) Estimate not released.

SOC code: Standard Occupational Classification code -- see <http://www.bls.gov/soc/home.htm>

Data extracted on August 1 2013

### Industry Distribution

Industry distribution can be analyzed by figuring percentages of individual industries based on specific industry employment divided by the total employment in Jasper County. These calculations were found on the U.S. Bureau of Labor Statistics website. Some industries are not represented here as the information is not available to avoid disclosure of confidential information; however estimates for these items are included in the figure for total earnings.

The following table compares the percentage of total earnings for Jasper County to Illinois figures. It is clearly seen that Jasper County's largest industries by employment are retail trade (12.13%) and manufacturing (11.03%). Although the Jasper County percentage of retail trade employment is one of the highest, it is still below the state percentage. The same holds true for manufacturing. Newton serves as home to several manufacturing operations, including GSI Group, TPS Enterprises, Skyline Steel and EVAPCO. Jasper County does have a higher percentage of people employed in the Agriculture, Forestry, Fishing and Hunting Industry than the state, which is not surprising due to the location of several natural areas, lakes and hunting operations within the county. Other Jasper County industries that have higher percentages of employment than the state include: Mining, quarrying, and oil and gas extraction; Construction; Wholesale trade; and Other services, except public administration. Due to the size of Jasper County and the limited number of businesses within various industries, much of the information is not disclosable, such as Utilities; Professional and Technical Services; Administrative and Waste Services; Health Care and Social Assistance; Transportation and Warehousing; Finance and Insurance; Real Estate and Rental and Leasing; Arts, Entertainment and Recreation; and Accommodation and Food Services.



## Local Industries and Workforce

Percentage of Employment (Calculated from Qtrly Census of Employment & Wages Data-2012)

|   | Illinois | Jasper  |
|---|----------|---------|
| <b>Base Industry: Total, all industries</b>   | 100.00%  | 100.00% |
| <b>NAICS 11 Agriculture, forestry, fishing and hunting</b>                                    | 0.34%    | 7.74%   |
| <b>NAICS 21 Mining, quarrying, and oil and gas extraction</b>                                 | 0.21%    | 2.19%   |
| <b>NAICS 22 Utilities</b>   | 0.49%    | ND%     |
| <b>NAICS 23 Construction</b>  | 3.90%    | 5.00%   |
| <b>NAICS 31-33 Manufacturing</b>  | 12.02%   | 11.03%  |
| <b>NAICS 42 Wholesale trade</b>   | 6.08%    | 8.96%   |
| <b>NAICS 44-45 Retail trade</b>   | 12.32%   | 12.13%  |
| <b>NAICS 54 Professional and technical services</b>   | 7.50%    | ND%     |
| <b>NAICS 55 Management of companies and enterprises</b>                                       | 2.12%    | NC      |
| <b>NAICS 56 Administrative and waste services</b>   | 8.20%    | ND%     |
| <b>NAICS 61 Educational services</b>  | 2.91%    | NC      |
| <b>NAICS 62 Health care and social assistance</b>   | 14.66%   | ND%     |
| <b>NAICS 48-49 Transportation and warehousing</b>   | 4.65%    | ND%     |
| <b>NAICS 51 Information</b>   | 2.07%    | 1.65%   |
| <b>NAICS 52 Finance and insurance</b>   | 5.79%    | ND%     |
| <b>NAICS 53 Real estate and rental and leasing</b>  | 1.49%    | ND%     |
| <b>NAICS 71 Arts, entertainment, and recreation</b>   | 1.63%    | ND%     |
| <b>NAICS 72 Accommodation and food services</b>   | 9.43%    | ND%     |
| <b>NAICS 81 Other services, except public administration</b>                                  | 4.10%    | 7.01%   |
| <b>NAICS 99 Unclassified</b>  | 0.11%    | ND%     |
| Footnotes:  |          |         |
| <a href="#">(ND)</a> Not Disclosable  |          |         |
| <a href="#">(NC)</a> Not Calculable, the data does not exist or it is zero                    |          |         |
| Percentage of Employment: Ratio of industry employment to base-industry employment times 100. |          |         |

Source: U.S. Bureau of Labor Statistics

Another mode of analyzing an area's distribution of employment by industry is to compare it to a reference or base area's distribution using ratios or Location Quotients (LQ). In this instance, the State of Illinois will be used as the reference area. The reference industry is the All Industry total. If a LQ is equal to or greater than 1, then the industry has the same or greater share of its area employment as it does in the reference area. The following table shows the LQs for each of the major sectors. Some are not represented due to confidentiality. The LQs show that both NAICS 11 (Agriculture, forestry, fishing and hunting) and NAICS 21 (Mining, quarrying, and oil and gas extraction) have a greater share of the local area employment than that of the State of Illinois. All other sectors do not have a strong variance when compared to the state levels.





| <b>Location Quotients</b> calculated from Quarterly Census of Employment and Wages Data  |                                |
|--|--------------------------------|
| <b>Industry</b>  | <b>Jasper County, Illinois</b> |
| Base Industry: Total, all industries   | 1.00                           |
| NAICS 11 Agriculture, forestry, fishing and hunting  | 22.79                          |
| NAICS 21 Mining, quarrying, and oil and gas extraction   | 10.53                          |
| NAICS 22 Utilities   | ND                             |
| NAICS 23 Construction  | 1.28                           |
| NAICS 31-33 Manufacturing  | 0.92                           |
| NAICS 42 Wholesale trade   | 1.47                           |
| NAICS 44-45 Retail trade   | 0.98                           |
| NAICS 54 Professional and technical services   | ND                             |
| NAICS 55 Management of companies and enterprises   | NC                             |
| NAICS 56 Administrative and waste services   | ND                             |
| NAICS 61 Educational services  | NC                             |
| NAICS 62 Health care and social assistance   | ND                             |
| NAICS 48-49 Transportation and warehousing   | ND                             |
| NAICS 51 Information   | 0.80                           |
| NAICS 52 Finance and insurance   | ND                             |
| NAICS 53 Real estate and rental and leasing  | ND                             |
| NAICS 71 Arts, entertainment, and recreation   | ND                             |
| NAICS 72 Accommodation and food services   | ND                             |
| NAICS 81 Other services, except public administration  | 1.71                           |
| NAICS 99 Unclassified  | ND                             |
| Footnotes:   |                                |
| <a href="#">(ND)</a> Not Disclosable   |                                |
| <a href="#">(NC)</a> Not Calculable, the data does not exist or it is zero   |                                |
| Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area. |                                |

Source: U.S. Bureau of Labor Statistics

Jasper County is bordered to the north by Cumberland County, to the east by Crawford County, to the south by Richland County and to the west by Effingham County. Effingham County is not comparable to Jasper County because of its much larger population and demographical makeup. Therefore we compare Jasper to its other three neighbors. The following tables demonstrate how the four counties compare.



**Employment calculated from Quarterly Census of Employment and Wages Data**

| Industry   | Jasper County, Illinois | Richland County, Illinois | Cumberland County, Illinois | Clark County, Illinois |
|--|-------------------------|---------------------------|-----------------------------|------------------------|
| Base Industry: Total, all industries                   | 1,641                   | 5,143                     | 1,926                       | 3,470                  |
| NAICS 11 Agriculture, forestry, fishing and hunting    | 127                     | 34                        | ND                          | 46                     |
| NAICS 21 Mining, quarrying, and oil and gas extraction | 36                      | 157                       | ND                          | 62                     |
| NAICS 22 Utilities                                     | ND                      | ND                        | ND                          | ND                     |
| NAICS 23 Construction                                  | 82                      | 106                       | 73                          | 329                    |
| NAICS 31-33 Manufacturing                              | 181                     | 475                       | 451                         | 1,120                  |
| NAICS 42 Wholesale trade                               | 147                     | 353                       | 177                         | 111                    |
| NAICS 44-45 Retail trade                               | 199                     | 714                       | 404                         | 474                    |
| NAICS 54 Professional and technical services           | ND                      | ND                        | ND                          | ND                     |
| NAICS 55 Management of companies and enterprises       | NC                      | NC                        | NC                          | NC                     |
| NAICS 56 Administrative and waste services             | ND                      | ND                        | ND                          | ND                     |
| NAICS 61 Educational services                          | NC                      | NC                        | NC                          | NC                     |
| NAICS 62 Health care and social assistance             | ND                      | ND                        | ND                          | ND                     |
| NAICS 48-49 Transportation and warehousing             | ND                      | ND                        | ND                          | ND                     |
| NAICS 51 Information                                   | 27                      | 92                        | ND                          | 27                     |
| NAICS 52 Finance and insurance                         | ND                      | ND                        | ND                          | ND                     |
| NAICS 53 Real estate and rental and leasing            | ND                      | ND                        | ND                          | ND                     |
| NAICS 71 Arts, entertainment, and recreation           | ND                      | ND                        | ND                          | ND                     |
| NAICS 72 Accommodation and food services               | ND                      | ND                        | ND                          | ND                     |
| NAICS 81 Other services, except public administration  | 115                     | 126                       | 44                          | 74                     |
| NAICS 99 Unclassified                                  | ND                      | ND                        | ND                          | ND                     |

Footnotes:

(ND) Not Disclosable

(NC) Not Calculable, the data does not exist or it is zero



**Percentage of Employment** calculated from Quarterly Census of Employment and Wages Data

| Industry   | Jasper County, Illinois | Richland County, Illinois | Cumberland County, Illinois | Clark County, Illinois |
|--|-------------------------|---------------------------|-----------------------------|------------------------|
| Base Industry: Total, all industries                   | 100.00%                 | 100.00%                   | 100.00%                     | 100.00%                |
| NAICS 11 Agriculture, forestry, fishing and hunting    | 7.74%                   | 0.66%                     | ND%                         | 1.33%                  |
| NAICS 21 Mining, quarrying, and oil and gas extraction | 2.19%                   | 3.05%                     | ND%                         | 1.79%                  |
| NAICS 22 Utilities                                     | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 23 Construction                                  | 5.00%                   | 2.06%                     | 3.79%                       | 9.48%                  |
| NAICS 31-33 Manufacturing                              | 11.03%                  | 9.24%                     | 23.42%                      | 32.28%                 |
| NAICS 42 Wholesale trade                               | 8.96%                   | 6.86%                     | 9.19%                       | 3.20%                  |
| NAICS 44-45 Retail trade                               | 12.13%                  | 13.88%                    | 20.98%                      | 13.66%                 |
| NAICS 54 Professional and technical services           | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 55 Management of companies and enterprises       | NC                      | NC                        | NC                          | NC                     |
| NAICS 56 Administrative and waste services             | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 61 Educational services                          | NC                      | NC                        | NC                          | NC                     |
| NAICS 62 Health care and social assistance             | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 48-49 Transportation and warehousing             | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 51 Information                                   | 1.65%                   | 1.79%                     | ND%                         | 0.78%                  |
| NAICS 52 Finance and insurance                         | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 53 Real estate and rental and leasing            | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 71 Arts, entertainment, and recreation           | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 72 Accommodation and food services               | ND%                     | ND%                       | ND%                         | ND%                    |
| NAICS 81 Other services, except public administration  | 7.01%                   | 2.45%                     | 2.28%                       | 2.13%                  |
| NAICS 99 Unclassified                                  | ND%                     | ND%                       | ND%                         | ND%                    |

Footnotes:

(ND) Not Disclosable

(NC) Not Calculable, the data does not exist or it is zero

Percentage of Employment: Ratio of industry employment to base-industry employment times 100.



Location Quotients (LQ) can also be used to compare Jasper County to other counties' distribution of employment by industry to see how it measures against its neighbors. Previously we used the State of Illinois as the reference area and compared Jasper County to it. In this instance, Jasper County will be used as the reference area and we will compare the surrounding counties to it. The reference industry is the All Industry total. If a LQ is equal to or greater than 1, then the industry has the same or greater share of its area employment as it does in the Jasper County.

| <b><u>Location Quotients</u> calculated from Quarterly Census of Employment and Wages Data</b>   |                                      |  |                                   |
|--|--------------------------------------|--|-----------------------------------|
| <b>Industry</b>  | <b>Richland County,<br/>Illinois</b> | <b>Cumberland County,<br/>Illinois</b> | <b>Clark County,<br/>Illinois</b> |
| <b>Base Industry: Total, all industries</b>  | 1.00                                 | 1.00                                   | 1.00                              |
| <b>NAICS 11 Agriculture, forestry, fishing and hunting</b>   | 0.09                                 | ND                                     | 0.17                              |
| <b>NAICS 21 Mining, quarrying, and oil and gas extraction</b>  | 1.39                                 | ND                                     | 0.81                              |
| <b>NAICS 22 Utilities</b>  | ND                                   | ND                                     | ND                                |
| <b>NAICS 23 Construction</b>   | 0.41                                 | 0.76                                   | 1.90                              |
| <b>NAICS 31-33 Manufacturing</b>   | 0.84                                 | 2.12                                   | 2.93                              |
| <b>NAICS 42 Wholesale trade</b>  | 0.77                                 | 1.03                                   | 0.36                              |
| <b>NAICS 44-45 Retail trade</b>  | 1.14                                 | 1.73                                   | 1.13                              |
| <b>NAICS 54 Professional and technical services</b>  | ND                                   | ND                                     | ND                                |
| <b>NAICS 56 Administrative and waste services</b>  | ND                                   | ND                                     | ND                                |
| <b>NAICS 62 Health care and social assistance</b>  | ND                                   | ND                                     | ND                                |
| <b>NAICS 48-49 Transportation and warehousing</b>  | ND                                   | ND                                     | ND                                |
| <b>NAICS 51 Information</b>  | 1.09                                 | ND                                     | 0.47                              |
| <b>NAICS 52 Finance and insurance</b>  | ND                                   | ND                                     | ND                                |
| <b>NAICS 53 Real estate and rental and leasing</b>   | ND                                   | ND                                     | ND                                |
| <b>NAICS 81 Other services, except public administration</b>   | 0.35                                 | 0.33                                   | 0.30                              |
| Footnotes:   |                                      |  |                                   |
| <a href="#">(ND)</a> Not Disclosable   |                                      |  |                                   |
| <a href="#">(NC)</a> Not Calculable, the data does not exist or it is zero   |                                      |  |                                   |
| Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area. |                                      |  |                                   |



## **Local Labor Market Assessment**

The Southeastern Alliance of Illinois and Ameren Corporation funded a Workforce Assessment for Clay, Crawford, Lawrence, Jasper, Richland, Wabash, and Wayne counties in 2012. The information contained within the report was gathered by emailing electronic surveys to 91 business firms in the region and receiving 41 responses. Seventy-eight percent of respondents were manufacturers and 22 percent were service/other businesses. Five of these 41 respondents were manufacturing/logistics employers in Jasper County. The full report and information just on the Jasper County respondents can be viewed upon request to the Jasper County Economic Development, Inc. (JEDI).

### **Employment Profile**

In summary, the Assessment shows an average length of employment per employee is 10.4 years. The average age of employees is 44.9 years. Employees average 12.9 years of education. The education attainment of those employed by the responding firms with bachelor's degrees or higher is 10.6 percent compared to the Illinois' 30.3 percent for the population aged 25 years and older. The average unscheduled absenteeism rate for the manufacturing respondents over a 12-month period is 4.9 percent. For manufacturers with 100 or more employees the absenteeism rate is 4.4 percent. The average turnover rate over a 12-month period is 6.9 percent. An average of 45.1 percent of employees live within 10 miles of their workplace and 35.8 percent commute from 10 to 30 miles to work. Of the remaining, 19.2 percent commute 31 or more miles to work. The average commute time to work (minutes) according to the U.S. Census for Illinois residents is 28.1 and 25.2 for U.S residents.

### **Workforce Quality Characteristics**

Respondents were asked to rank 12 workforce quality characteristics on a scale of five (excellent) to one (poor). A rating of three is considered average. Product Quality received the highest rating of 4.27. Availability of Job Applicants ranked the lowest with a score of 2.66. Eleven of the twelve quality characteristics received ratings above 3.0, the statistical average.

All 12 quality characteristics received at least one excellent (5) rating while five received a poor (1) rating. Safety, Productivity, Product Quality, Honesty, Reliability, and Trainability all received at least eleven excellent ratings. The overall workforce quality index is 3.72 and the overall statistical average is 3.00.

### **Workforce Skills Characteristics**

Respondents were also asked to rate twelve workforce skill characteristics found in employees on a scale of five (excellent) to one (poor). A rating of three is considered average. Operations Monitoring is rated highest at 3.76. Science ranked lowest with 2.63. Two of the skill characteristics rated below the statistical average of 3.00. Generally, employers evaluated all skill characteristics of the local workforce as average or above.



All 12 skill characteristics received at least one excellent (5) rating while five received at least one poor (1) rating. Reading Comprehension, Operations Monitoring, Troubleshooting, and Active Learning received five or more excellent (5) ratings. The overall workforce skill index is 3.42 and the overall statistical average is 3.00.

### Employer Practices

The respondents were asked questions regarding their practices and experiences as it applied to the availability of job applicants. Overall, approximately 71 percent of firms indicated that they would need to review 16 or more qualified applicants to fill five available positions.

| Applications<br>(reviewed to fill 5 positions) | Overall | Manufacturing | Service/Other |
|--|---------|---------------|---------------|
| Less than 16                                   | 29.3%   | 25.0%         | 44.4%         |
| 16 -- 30                                       | 39.0%   | 37.5%         | 44.4%         |
| 31 -- 60                                       | 22.0%   | 25.0%         | 11.1%         |
| 61 Or More                                     | 9.8%    | 12.5%         | 0.0%          |
| Total  | 100.0%  | 100.0%        | 100.0%        |

Source: Southeast Alliance of Illinois Workforce Assessment prepared by The Growth Services Group, December 2012.

Ninety percent of the respondents have a formal training program with 68 percent of the firms providing training with both internal and external providers. Sixty-three percent of employers use public or private employment agencies to hire employees. Of those, eight percent use public employment agencies and 92 percent use private companies. Forty-four percent of the respondents have a written diversity plan. Fifty percent of all manufacturer respondents utilize self-directed work teams.

### Workforce Compensation

Employee benefits packages vary greatly amongst employers. Benefits make up a large portion of costs associated with the workforce. Larger employer groups and the government/private sector often provide better overall benefit plans for their employees because of the high costs associated with offering these voluntary and mandated (includes Medicare, Social Security, etc) compensation. Employers provide an estimated 27.5 percent of an employee's total compensation as a contribution for benefits. This compares to the first quarter of 2012 Bureau of Labor Statistics (BLS) that showed private industry contributions at 29.6 percent.

Responses show a variety of benefit programs are made available to employees. Ninety-two percent of the firms responding contribute to or provide health insurance for their employees with 30 (73 percent) of the firms contributing 75 percent or more toward coverage. Over 46 percent of the employers contribute 50 percent or more to dental insurance programs and 49 percent contribute to vision care programs.

Dependent coverage for health insurance is offered with contributions by 78 percent of the firms responding to the survey. Thirty-two percent of the firms contribute to dependent vision insurance coverage and 41 percent contribute to group life insurance coverage for dependents.



Fifteen percent of the employers offer both a pension plan (defined benefit) and a 401(k) plan or similar public sector (defined contribution) plan and 68 percent offer only a 401(k) plan. Of those offering the 401(k) plan, 89 percent contributed a company match. Two percent offered no retirement benefits.

Employees are provided an average of 9 paid holidays per year by responding employers. According to the 2011 Bureau of Labor Statistics (BLS), all workers private, local, and state government average 13 holidays per year.

Forty-four percent report offering company-sponsored tuition programs for their employees with 1.8 percent of employees participating in the programs.

### Wages and Salaries

The overall average hourly wage for the Southeastern Illinois area labor market is \$18.63 and compares to the 2011 BLS national average wage of \$21.35 and Illinois average of \$22.38. The Southeastern Illinois labor market hourly wage average is 13.7 percent below the national average and 16.6 below the State of Illinois.

The table following displays a wage summary for the Southeastern Illinois region. All wages and salaries are weighted by number of employees. In some cases there are wide ranges from the minimum starting to the maximum starting values. Employer types by industry and employment level (number of employees) impact the values reported by the respondents. A different mix of reporting respondents could well change the results.

WAGE COMPENSATION SUMMARY

| Job Classification                     | Low Starting Wage | Average Starting Wage | High Starting Wage | Overall Average Wage | Number of Employees* |
|--|-------------------|-----------------------|--------------------|----------------------|----------------------|
| Cashiers                               | \$8.25            | \$8.48                | \$9.50             | \$8.85               | 18                   |
| Retail Sales Person                    | \$9.20            | \$10.30               | \$10.60            | \$12.14              | 8                    |
| Sales Representatives                  | \$14.42           | \$20.33               | \$24.04            | \$26.55              | 13                   |
| Bookkeeping, Accounting & Audit Clerks | \$8.90            | \$13.67               | \$17.97            | \$16.95              | 38                   |
| Customer Service Rep                   | \$9.00            | \$13.66               | \$18.09            | \$16.02              | 32                   |
| Office File Clerks                     | \$8.75            | \$10.88               | \$12.40            | \$13.44              | 16                   |
| Receptionists & Clerks                 | \$11.25           | \$12.55               | \$15.87            | \$13.66              | 9                    |
| Secretaries & Admin Assistants         | \$10.00           | \$13.25               | \$16.00            | \$16.98              | 28                   |
| Production Assemblers/Other Workers    | \$8.00            | \$13.04               | \$17.96            | \$15.82              | 973                  |
| Data Entry & Processing                | \$8.50            | \$12.49               | \$14.50            | \$14.31              | 20                   |
| First-Line Supervisors                 | \$8.75            | \$18.52               | \$35.14            | \$22.29              | 129                  |
| Electronics Assemblers                 | \$10.00           | \$13.43               | \$17.96            | \$15.15              | 66                   |



## Local Industries and Workforce

|                                  |         |         |         |         |     |
|----------------------------------|---------|---------|---------|---------|-----|
| Metal Fabricators                | \$9.10  | \$11.85 | \$14.90 | \$13.86 | 38  |
| Computerized Machine Operators   | \$10.00 | \$12.19 | \$16.00 | \$14.30 | 64  |
| Machine Tool Operators           | \$9.50  | \$11.19 | \$13.38 | \$13.70 | 119 |
| Machinists                       | \$10.50 | \$11.75 | \$18.49 | \$15.98 | 88  |
| Tool and Die Makers              | \$10.50 | \$17.94 | \$22.20 | \$23.19 | 20  |
| Welding, Brazing Workers         | \$12.00 | \$13.47 | \$14.80 | \$16.53 | 15  |
| Inspectors, Testers & Sorters    | \$9.00  | \$14.44 | \$19.69 | \$17.09 | 59  |
| Team Assemblers                  | \$8.50  | \$11.50 | \$14.00 | \$13.63 | 274 |
| Truck Drivers/Heavy              | \$10.20 | \$20.37 | \$29.00 | \$22.49 | 179 |
| Truck Driver/Light Delivery      | \$9.62  | \$12.22 | \$14.00 | \$14.80 | 13  |
| Fork Lift & Equipment Operators  | \$8.25  | \$14.13 | \$16.95 | \$18.75 | 189 |
| Warehouse & Material Movers      | \$9.00  | \$13.00 | \$16.95 | \$15.46 | 197 |
| Laborers & Production Workers    | \$8.50  | \$11.94 | \$16.20 | \$14.15 | 184 |
| Registered Nurse                 | \$17.80 | \$19.96 | \$26.50 | \$23.89 | 7   |
| Janitors & Cleaners              | \$7.50  | \$9.75  | \$12.50 | \$12.26 | 20  |
| Automotive Technicians & Repairs | \$12.50 | \$12.64 | \$13.50 | \$18.06 | 57  |
| Industrial Machinery Mechanics   | \$10.50 | \$17.03 | \$19.00 | \$22.34 | 226 |

Source: Southeast Alliance of Illinois Workforce Assessment prepared by The Growth Services Group, December 2012.

### Wage Rate Comparisons to State and National Averages

The current market salary and wage rates for the Southeastern Alliance of Illinois Area labor market compare favorably and in most job classifications are competitive with other state and national labor markets. While this survey data relates information for December 2012, the state and national data from the BLS has a 2011 timeline for comparison. Since wage rates change from year to year the actual rates for the national markets may be slightly lower or mostly higher.

#### ANNUAL AVERAGE SALARY BY JOB POSITION

| Job Classification*            | Survey Average | Illinois State** | National USA** |
|--------------------------------|----------------|------------------|----------------|
| Management                     |                |                  |                |
| Marketing & Sales Managers     | \$66,300       | \$110,700        | \$122,720      |
| Human Resources Managers       | \$68,312       | \$101,090        | \$108,600      |
| General & Operations Managers  | \$83,846       | \$110,870        | \$113,100      |
| Transportation Managers        | \$62,584       | \$77,660         | \$86,630       |
| Financial/Controller Manager   | \$79,459       | \$115,230        | \$116,970      |
| Administrative/Office Managers | \$58,101       | \$67,360         | \$84,390       |





| Business & Financial Operations  |          |          |          |
|----------------------------------|----------|----------|----------|
| Buyers & Purchasing Agents       | \$51,703 | \$60,890 | \$60,160 |
| Accountants & Auditors           | \$44,739 | \$71,330 | \$68,960 |
| Computer & Mathematical          |          |          |          |
| Computer Programmers             | \$52,570 | \$75,620 | \$74,900 |
| Database Administrators          | \$47,657 | \$79,600 | \$75,730 |
| Network Systems Administrators   | \$47,350 | \$72,810 | \$72,200 |
| Architecture & Engineering       |          |          |          |
| Electrical/Electronic Engineers  | \$57,823 | \$86,370 | \$90,270 |
| Industrial Engineers             | \$68,577 | \$71,700 | \$78,450 |
| Mechanical Engineers             | \$68,556 | \$87,760 | \$82,480 |
| Engineering Technicians          | \$55,976 | \$55,870 | \$59,060 |
| Chemists and Material Scientists | \$69,944 | \$70,960 | \$78,100 |

Source: Southeast Alliance of Illinois Workforce Assessment prepared by The Growth Services Group, December 2012.

#### HOURLY AVERAGE WAGE BY JOB POSITION

| Job Classification*                        | Survey Average | Illinois State** | National USA** |
|--|----------------|------------------|----------------|
| Sales and Related Occupations              |                |                  |                |
| Cashiers                                   | \$8.85         | \$9.84           | \$9.52         |
| Sales Representatives Commercial           | \$26.55        | \$31.52          | \$30.16        |
| Retail Salesperson                         | \$12.14        | \$12.31          | \$12.02        |
| Office & Administrative Support            |                |                  |                |
| Bookkeeping & Accounting & Auditing Clerks | \$16.95        | \$17.47          | \$16.99        |
| Customer Service Representatives           | \$16.02        | \$16.78          | \$15.76        |
| Office/File Clerks                         | \$13.44        | \$14.30          | \$12.88        |
| Receptionists & Information Clerks         | \$13.66        | \$13.07          | \$12.63        |
| Secretaries & Administrative Assistants    | \$16.98        | \$22.44          | \$22.05        |
| Data Entry Operators                       | \$14.31        | \$14.88          | \$13.65        |
| Production Occupations                     |                |                  |                |
| Line Supervisors/Foreman                   | \$22.29        | \$28.75          | \$27.01        |
| Electronics Assemblers                     | \$15.15        | \$15.38          | \$14.96        |
| Metal Fabricators and Fitters              | \$13.86        | \$17.46          | \$17.26        |
| Team Assemblers                            | \$13.63        | \$14.31          | \$14.05        |
| Production Assembly                        | \$15.82        | \$13.63          | \$14.92        |
| Computer Equipment Operators               | \$14.30        | \$18.75          | \$17.26        |
| Machine Tool Operators                     | \$13.70        | \$15.08          | \$14.76        |



## Local Industries and Workforce

|  |         |         |         |
|--|---------|---------|---------|
| Machinists                             | \$15.98 | \$19.27 | \$19.13 |
| Tool & Die Makers                      | \$23.19 | \$24.11 | \$23.42 |
| Welding & Brazing Workers              | \$16.53 | \$18.09 | \$17.96 |
| Inspectors, Testers & Sorters          | \$17.09 | \$18.07 | \$17.09 |
| Laborer and Production Helpers         | \$14.15 | \$11.76 | \$11.66 |
| Transportation and Material Moving     |         |         |         |
| Truck Drivers/Heavy                    | \$22.49 | \$21.15 | \$18.97 |
| Truck Drivers/Light Delivery           | \$14.80 | \$16.87 | \$15.45 |
| Fork Lift and Equipment Operators      | \$18.75 | \$15.16 | \$15.15 |
| Warehouse Laborers & Material Movers   | \$15.46 | \$12.62 | \$12.36 |
| Other Job Classifications              |         |         |         |
| Registered Nurse                       | \$23.89 | \$32.31 | \$32.56 |
| Janitors and Cleaners                  | \$12.26 | \$12.47 | \$11.81 |
| Automotive Technicians & Mechanics     | \$18.06 | \$18.09 | \$18.36 |
| Industrial Machinery Mechanics         | \$22.34 | \$24.13 | \$22.65 |
| Overall Averages (All Salary and Wage) | \$18.63 | \$22.38 | \$21.35 |

Source: Southeast Alliance of Illinois Workforce Assessment prepared by The Growth Services Group, December 2012.



## Local Industry Mix

The City of Newton is home to several existing industries. The oldest of which is celebrating its 100 year anniversary this year. Newton has seen industries come and go throughout the years but many have held strong and the City has been successful at filling empty buildings with new producers. Below is a table summarizing the current industry base. Each of these industries participated in an interview in conjunction with the development of this report. Overall, all companies are very satisfied with their location and operation in the City of Newton. Additional industries are present in Jasper County that are not shown below. These industries employ less than ten people but are also very important to the local economy. Amongst those include an eco-friendly cat litter manufacturer and a fiberglass tank refurbishing and manufacturing facility.

| Employer                                 | Product/Service  | Employees | IL Sales (%) | U.S. Sales (%) | Year Est. |
|--|--|-----------|--------------|----------------|-----------|
| GSI Group                                | Grain Equipment  | 140       | 25           | 90             | 1997      |
| Newton Power Station (Dynegy IPH)        | Electricity Generator  | 124       | +            | 100            | 1977      |
| Skyline Steel                            | Spiralweld Pipe  | 54        | 10           | 95             | 1980      |
| TPS Enterprises, Inc.                    | Short Run Books  | 47        | 15           | 95             | 1973      |
| EVAPCO                                   | Cooling Systems  | 30        | 5            | 95             | 2007      |
| BN National Trail Biodiesel Plant        | B100   | 29        | *            | *              | 2013      |
| Rex Vault Service                        | Burial Vaults, Aeration Tanks, Septic Tanks, Misc. Precast Concrete Products | 24        | 98           | 100            | 1956      |
| Dirtbuster Carwash/Superior Fuels        | Car Wash Chemicals, Equipment & Service/Propane Gas Delivery                 | 19        | 100          | 100            | 1965      |
| Newton Broom & Brush Co.                 | Brooms and Brushes   | 15        | 36           | 99             | 1914      |
| D.M. Manufacturing II, Inc. (Ste. Marie) | Hog Equipment and Trash Dumpsters  | 13        | 80           | 100            | 1992      |
| Lewis Transportation, Inc.               | Transportation of Goods  | 4^        | 70           | 100            | 1986      |

+Dynegy produces power that is distributed on a grid throughout Midwestern states.

\*BN National Trail sells to Noble Americas (broker who then sells to final customer)

^Hires owner/operators to transport (12-14). The number shown represents office staff and management.

Most of the interviewees believe Newton would need to pull from surrounding counties to provide an adequate workforce for new or expanding industry. Overall, the industries are very satisfied with the workforce currently employed, but state the issue lies in finding those individuals. The interviewees



spoke of their workers as loyal, hard-working, trustworthy and dependable. Many are working with area community colleges and universities to recruit workers and develop training programs. Most interviewees stated his/her company uses one or multiple staffing agencies to assist in the hiring of workers. Some interviewees reported many of their workers are coming from Richland and Crawford counties. Most interviewees contract out their shipping and use logistics brokers. Some have issues in the scheduling of shipments because of the shortage of semi-truck drivers due to the closing of many small firms providing these services. These small trucking firms are unable to meet the stringent new trucking standards and have folded. Local transportation providers also expressed a concern with finding owner/operators to transport the goods they are contracted to carry. Most of the current industries implement waste stream management controls by recycling by-products or selling them for use in other production processes. Two interviewees did express concern on the opportunities for future plant expansions due to their location and the unavailability of adjacent land.

Major inputs needed for the current production at the Newton plants include: soybean oil, resin, concrete and aggregate, fiberglass, electrical components, U.S. steel, coal, ink, paper, natural and synthetic brush/broom bristles and fibers, and broom/brush handles and bases. The Newton Broom & Brush Company import most of their inputs from Italy, Brazil, Mexico and also from companies in the U.S. Paper and ink come from Wisconsin, Illinois and Pennsylvania. Steel for several plants is purchased from Illinois, Indiana, Alabama and California suppliers. ADM in Decatur supplies the biodiesel plant with its oil. EVAPCO obtains its resin, fiberglass and other components from suppliers in Illinois, Indiana, Missouri, Georgia and Pennsylvania. Rex Vault's suppliers are in Illinois, Indiana and Ohio. Electrical components for production at GSI are obtained through suppliers in Illinois, Indiana and Arkansas. Coal for the power plant is shipped by rail from Wyoming.



Most plants are using trucks to ship and receive, however the power plant uses rail and the biodiesel plant will soon use rail. Skyline Steel also utilizes rail service depending on the volume, size, and destination of the order it is working to fill. Some companies own their own fleets while most contract transport services out or leave the customer responsible for scheduling these services.

All interviewees are happy with the service and support they have received from the City of Newton and the local economic development group – Jasper County Economic Development, Inc. (JEDI). Many have utilized Enterprise Zone incentives and the City of Newton revolving loan fund.

Positive attributes to being located in Newton spoken of during the interviews included: dependable and hard-working employees; fiber optic internet access; great community support and cooperation; good quality of life; close proximity to customer base; close to other plants within the company; located in the



Midwest Region so great strategic location in regards to logistics, transport and proximity to customers/suppliers; low overhead and operating costs; and lower wages than in metropolitan areas.

Some challenges or inefficiencies attributed to being located in Newton spoken of by interviewees included: difficulty finding IT personnel and having to wait for parts/service on equipment when needed; distance from major airports; lack of room for expansion/scattered locations throughout the community; Illinois is not a business-friendly state; and recruiting skilled professionals.

### **Regional Industry Clusters**

The City of Newton is part of the South Central Illinois Regional Planning and Development Commission (SCIRPDC) region. In 2011, this area, including Clay, Effingham, Fayette, Jasper and Marion counties, was subject to an industry cluster analysis performed by the Purdue Center for Regional Development. The region was studied for evidence of cluster industry concentration, competitive advantage and change in 17 clusters and sub-clusters over the period of 2001 to 2010. The information presented within this report is summarized below. The full report is available at <http://www.scirpdc.com/Downloads/2012%20Industry%20Cluster%20Analysis.pdf>.

In summary, this report states that this region is part of the oil and natural gas-rich geologic Illinois Basin. High prices for crude oil and demand for new sources of natural gas have led to a resurgence of the energy extraction industry in the SCIRPDC area and other parts of Illinois. Coal deposits are also present, with hardwood forests providing an additional natural resource asset.

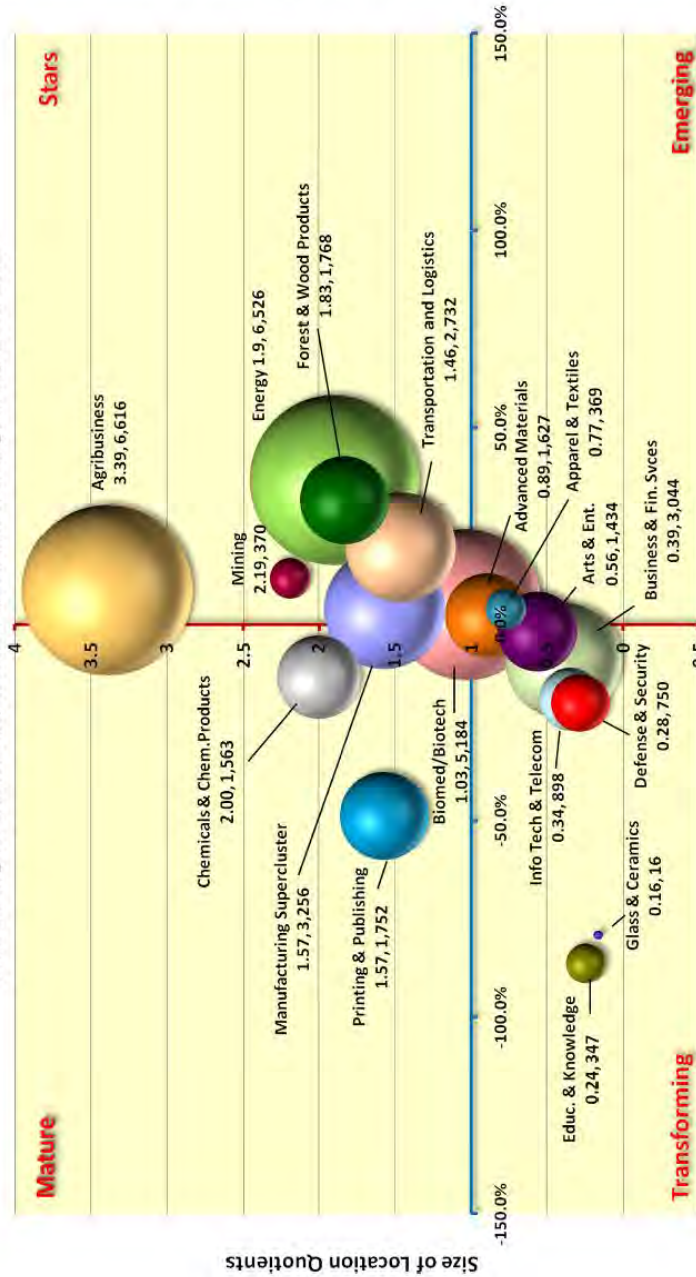
The report shows the two largest clusters as of 2010 to be the agribusiness, food processing & technology cluster and the energy cluster; followed by biomedical/biotechnical, manufacturing, business and financial services and the transportation & logistics cluster. Jobs in the energy cluster increased by 28 percent in that decade (1,447 jobs), while the number of jobs in the agribusiness cluster decreased by 13 percent. Jobs in the biomedical/biotechnical cluster increased by 12 percent, while manufacturing jobs decreased by 36 percent (1,846 jobs). In the manufacturing cluster, however, the fabricated metal products sub-cluster expanded by 33 percent and computer and electronic products grew by 2,600 percent (312 jobs).

The bubble chart found on the following page was displayed in the *2012 South Central Illinois Regional Industry Cluster Analysis* and provides a visual representation to the region's cluster strengths and weaknesses. The vertical axis shows the size of the Location Quotients (comparing cluster share in regional economy to the cluster share in the national economy). Any Location Quotient (LQ) over 1.0 means the cluster's presence is stronger in the region than it is in the nation. If the LQ is under 1.0, then the cluster's presence is weaker in the region than it is on a national level. The horizontal axis shows the percentage of change in the LQ over 10 years and the size of the bubble indicates the size of the cluster.



## Local and Regional Industry Mix

SCIRPDC Region Cluster Size, Location Quotients & Change in LQs 2001-2010



**Chart Note 1:** There are six subclusters in the Manufacturing Supercluster.

**Chart Note 2:** In this chart, the first number is after the cluster name is the cluster location quotient in 2010. The second number is the size of the cluster (number of jobs). The bubble size denotes the size of cluster employment.

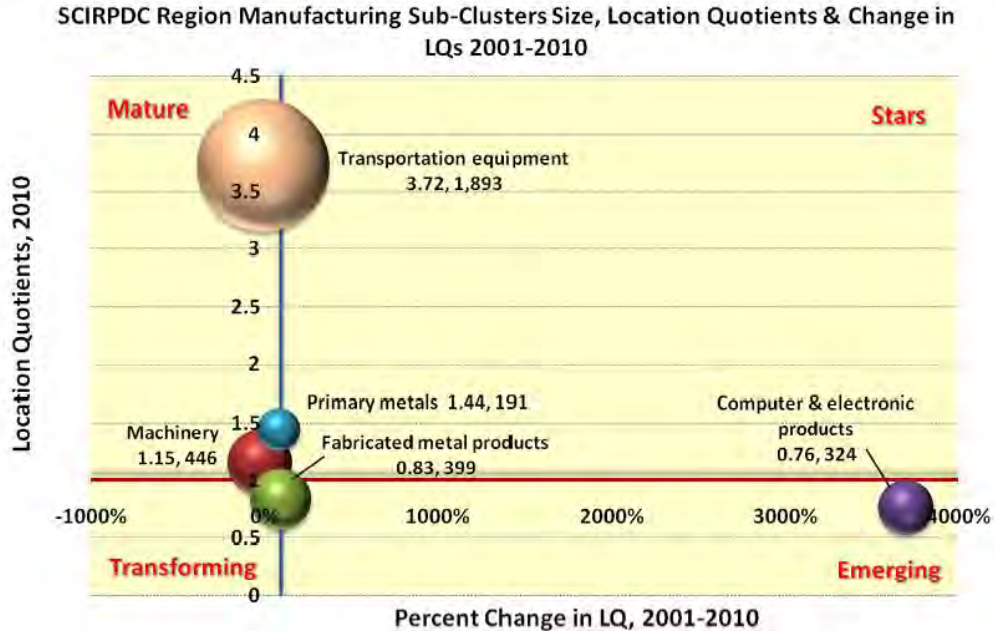
Percent Change in LQ 2001-2010

Source: EMSI Complete Employment - 2nd Quarter 2011





## Local and Regional Industry Mix



Source: EMSI Complete Employment - 2nd Quarter 2011

**Note 1:** There are six sub-clusters in the Manufacturing Supercluster. The Electrical Equipment, Appliances and Components sub-cluster does not appear on this chart because it barely exists in the region.

**Note 2:** In this chart, the first number after the cluster name is the cluster location quotient in 2010. The second number is the size of the cluster (number of jobs). The bubble size denotes the size of cluster employment. SCIRPDC Region comprises Marion, Effingham, Jasper, Clay and Fayette counties.

Here is a bubble chart showing a breakout of the Manufacturing Supercluster into 5 of its 6 component sub-clusters. Images depicting the clusters by region and by county can be found within the cluster analysis found within the full report. Jasper County is specialized in the Primary Metals Sub-Cluster, specifically iron and steel pipe and tube manufacturing.

The identified “star” clusters for the region include: Energy (fossils and renewable); Forest and wood products; Transportation and logistics; Mining; Agribusiness, food processing and technology; Manufacturing supercluster; and the Primary metals manufacturing sub-cluster. Emerging clusters named were Biomedical/biotechnical, Advanced materials, Apparel & textiles, Computer & electronic products, and Fabricated metal products. A table displaying these results is on the following page.





## Local and Regional Industry Mix

| Cluster Name   | 2010 Jobs | 2001 LQ | 2010 LQ | Percent Change LQ |
|--|-----------|---------|---------|-------------------|
| <b>Stars (LQ &gt;1.2 and increasing)</b>                 |           |         |         |                   |
| <i>Primary Metals</i>                                    | 191       | 0.76    | 1.44    | 89.5%             |
| Energy (Fossil & Renewable)                              | 6,526     | 1.39    | 1.90    | 36.7%             |
| Forest & Wood Products                                   | 1,768     | 1.39    | 1.83    | 31.7%             |
| Transportation & Logistics                               | 2,732     | 1.22    | 1.46    | 19.7%             |
| Mining   | 370       | 1.96    | 2.19    | 11.7%             |
| Agribusiness, Food Processing & Technology               | 6,616     | 3.12    | 3.39    | 8.7%              |
| Manufacturing Supercluster                               | 3,256     | 1.51    | 1.57    | 4.0%              |
| <b>Emerging (LQ &lt;1.2 and increasing)</b>              |           |         |         |                   |
| <i>Computer &amp; Electronic Products</i>                | 324       | 0.02    | 0.76    | 3700.0%           |
| <i>Fabricated Metal Products</i>                         | 399       | 0.42    | 0.83    | 97.6%             |
| Biomedical/Biotechnical (Life Sciences)                  | 5,184     | 0.98    | 1.03    | 5.1%              |
| Apparel & Textiles                                       | 369       | 0.74    | 0.77    | 4.1%              |
| Advanced Materials                                       | 1,627     | 0.87    | 0.89    | 2.3%              |
| <b>Mature (LQ &gt;1.2 and decreasing)</b>                |           |         |         |                   |
| <i>Transportation Equipment</i>                          | 1,893     | 3.95    | 3.72    | -5.8%             |
| Chemicals & Chemical Based Products                      | 1,563     | 2.31    | 2.00    | -13.4%            |
| Printing & Publishing                                    | 1,752     | 3.06    | 1.57    | -48.7%            |
| <b>Transforming Clusters (LQ &lt;1.2 and decreasing)</b> |           |         |         |                   |
| Arts, Entertainment, Recreation & Visitor Industries     | 1,434     | 0.57    | 0.56    | -1.8%             |
| Business & Financial Services                            | 3,044     | 0.43    | 0.39    | -9.3%             |
| Information Technology & Telecommunications              | 898       | 0.42    | 0.34    | -19.0%            |
| Defense & Security                                       | 750       | 0.35    | 0.28    | -20.0%            |
| <i>Machinery</i>   | 446       | 1.52    | 1.15    | -24.3%            |
| Glass & Ceramics   | 16        | 0.76    | 0.16    | -78.9%            |
| Education & Knowledge Creation                           | 347       | 1.74    | 0.24    | -86.2%            |
| <i>Electrical Equipment, Appliance &amp; Components</i>  | 10        | 1.81    | 0.02    | -98.9%            |

Source: EMSI Complete Employment - 2011.2

The Energy, forest and wood products; Transportation and logistics; and Biomedical/biotechnical clusters were selected within the report for a preliminary gap analysis. These clusters demonstrated a need for a group of medium to higher-level service industries if they are to satisfy regional demand. Currently these services are being imported into the region. These services include financial services, legal services, management and administrative services. In addition, each of these clusters have specialized needs related to its core industries. Examples named within the report include: the deficit in in-vitro diagnostic substance and pharmaceuticals manufacturing in the Biomed/Biotech cluster; engineering services in the Energy cluster; organic dye and pigments manufacturing in the Forestry and wood products cluster; and general warehousing and storage in the Transportation and logistics cluster.



## Local and Regional Industry Mix

These clusters were only selected following a thorough investigation based on many different factors. Those factors and how each cluster weighed can be found below.

| Cluster Name  | 2010 Cluster Jobs | % Change in Regional Employment | % Change in National Employment | 2010 LQ     | Percent Change in LQ | Competitive Effect | 2011 EPW        |
|---|-------------------|---------------------------------|---------------------------------|-------------|----------------------|--------------------|-----------------|
| <i>Transportation Equipment</i>                         | 1,893             | -42.0%                          | -31.0%                          | 3.72        | -5.8%                | -374               | \$69,510        |
| Agribusiness, Food Processing & Technology              | 6,616             | -13.0%                          | -9.0%                           | 3.39        | 8.7%                 | -243               | \$43,018        |
| Mining  | 370               | -8.0%                           | -7.0%                           | 2.19        | 11.7%                | -3                 | \$86,489        |
| Chemicals & Chemical Based Products                     | 1,563             | -41.0%                          | -24.0%                          | 2.00        | -13.4%               | -469               | \$51,635        |
| <b>Energy (Fossil &amp; Renewable)</b>                  | 6,526             | <b>28.0%</b>                    | <b>5.0%</b>                     | <b>1.90</b> | <b>36.7%</b>         | <b>1,168</b>       | <b>\$70,209</b> |
| <b>Forest &amp; Wood Products</b>                       | 1,768             | <b>-13.0%</b>                   | <b>-25.0%</b>                   | <b>1.83</b> | <b>31.7%</b>         | <b>253</b>         | <b>\$44,875</b> |
| Manufacturing Supercluster                              | 3,256             | -36.0%                          | -31.0%                          | 1.57        | 4.0%                 | -278               | \$61,950        |
| Printing & Publishing                                   | 1,752             | -59.0%                          | -10.0%                          | 1.57        | -48.7%               | -2,084             | \$43,112        |
| <b>Transportation &amp; Logistics</b>                   | 2,732             | <b>3.0%</b>                     | <b>-3.0%</b>                    | <b>1.46</b> | <b>19.7%</b>         | <b>144</b>         | <b>\$51,359</b> |
| <b>Primary Metals</b>                                   | 191               | <b>6.0%</b>                     | <b>-37.0%</b>                   | <b>1.44</b> | <b>89.5%</b>         | <b>77</b>          | <b>\$49,038</b> |
| <i>Machinery</i>  | 446               | -51.0%                          | -27.0%                          | 1.15        | -24.3%               | -217               | \$55,436        |
| <b>Biomedical/Biotechnical (Life Sciences)</b>          | 5,184             | <b>12.0%</b>                    | <b>20.0%</b>                    | <b>1.03</b> | <b>5.1%</b>          | <b>-391</b>        | <b>\$34,516</b> |
| Advanced Materials                                      | 1,627             | -30.0%                          | -22.0%                          | 0.89        | 2.3%                 | -182               | \$74,092        |
| <b>Fabricated Metal Products</b>                        | 399               | <b>33.0%</b>                    | <b>-25.0%</b>                   | <b>0.83</b> | <b>97.6%</b>         | <b>173</b>         | <b>\$56,176</b> |
| Apparel & Textiles                                      | 369               | -40.0%                          | -35.0%                          | 0.77        | 4.1%                 | -32                | \$40,111        |
| <b>Computer &amp; Electronic Products</b>               | 324               | <b>2600.0%</b>                  | <b>-36.0%</b>                   | <b>0.76</b> | <b>3700.0%</b>       | <b>317</b>         | <b>\$43,031</b> |
| Arts, Entertainment, Recreation & Visitor Industries    | 1,434             | -7.0%                           | 7.0%                            | 0.56        | -1.8%                | -219               | \$16,050        |
| Business & Financial Services                           | 3,044             | -3.0%                           | 21.0%                           | 0.39        | -9.3%                | -747               | \$32,755        |
| Information Technology & Telecommunications             | 898               | -40.0%                          | -17.0%                          | 0.34        | -19.0%               | -340               | \$46,019        |
| Defense & Security                                      | 750               | -26.0%                          | 5.0%                            | 0.28        | -20.0%               | -311               | \$43,563        |
| Education & Knowledge Creation                          | 347               | -85.0%                          | 21.0%                           | 0.24        | -86.2%               | -2,460             | \$18,672        |
| Glass & Ceramics  | 16                | -88.0%                          | -34.0%                          | 0.16        | -78.9%               | -71                | \$35,800        |
| <i>Electrical Equipment, Appliance &amp; Components</i> | <10               | -98.0%                          | -36.0%                          | 0.02        | -98.9%               | -278               | \$28,865        |

Source: EMSI Complete Employment - 2011.2

The region's competitive advantage for the Energy cluster is its soil and natural gas assets as well as its transportation infrastructure advantages. The competitive advantage in the Forest and wood products cluster is driven by the production of wood kitchen cabinets and countertops, butcher blocks and various types of wood furniture, as well as the production of paints, coatings and abrasive products. Hardwoods are readily available in the region and local sawmills process the wood.

### Energy Cluster

Four of the top 10 industries in the energy cluster in terms of demand within the region have absolutely no presence within the region, meaning the demand for these products and services are being supplied by imports from outside the region. These four industries are Lessors of Nonfinancial Intangible Assets (NAICS 533110), Bituminous Coal Underground Mining (NAICS 212112), Bituminous Coal and Lignite Surface Mining (NAICS 212111), and Engineering Services (NAICS 541330).

The remaining six industries do meet demand to varying degrees. All 10 industries, how they rank and statistics regarding demand and supply of these services within the region are show in the following table.



## Local and Regional Industry Mix

| NAICS Code | Description  | Total Regional Demand (\$'000) | % of Total Demand Satisfied in Region | % of Total Demand Satisfied from Outside the Region | Industry Exports (\$'000), 2011 | Industry Exports as % of Total Industry Sales | Exports per Job (\$'000), 2011 | Rank Order |
|------------|--|--------------------------------|---------------------------------------|---|---------------------------------|---|--------------------------------|------------|
| 211111     | Crude Petroleum and Natural Gas Extraction                           | \$64,859                       | 95%                                   | 5%  | \$640,009                       | 90%   | \$157.1                        | 1          |
| 533110     | Lessors of Nonfinancial Intangible Assets (except Copyrighted Works) | \$25,050                       | 0%                                    | 100%  |                                 |   |                                |            |
| 482110     | Rail transportation  | \$12,582                       | 95%                                   | 5%  | \$54,394                        | 60%   | \$174.9                        | 2          |
| 213112     | Support Activities for Oil and Gas Operations                        | \$11,564                       | 91%                                   | 9%  | \$2,340                         | 9%  | \$13.9                         | 5          |
| 324110     | Petroleum Refineries   | \$11,553                       | 85%                                   | 15%   | \$8,364                         | 7%  | \$278.8                        | 4          |
| 551114     | Corporate, Subsidiary, and Regional Managing Offices                 | \$9,573                        | 11%                                   | 89%   | \$12,591                        | 51%   | \$44.5                         | 6          |
| 522110     | Commercial Banking   | \$8,076                        | 35%                                   | 65%   | \$106,881                       | 66%   | \$157.6                        | 3          |
| 212112     | Bituminous Coal Underground Mining                                   | \$7,731                        | 0%                                    | 100%  |                                 |   |                                |            |
| 212111     | Bituminous Coal and Lignite Surface Mining                           | \$6,775                        | 0%                                    | 100%  |                                 |   |                                |            |
| 541330     | Engineering Services   | \$6,177                        | 0%                                    | 100%  |                                 |   |                                |            |

Source: EMSI Complete Employment- 2011.

The rank order displayed above is calculated for the six highest-value cluster industries present in the region, by using the following five variables—total regional demand; percent of total demand satisfied out of region; value of industry exports; exports as a percentage of total sales; and average value of exports per job.

These criteria are ranked on two scales “higher the better” or “lower the better.” Only one criterion (percentage of total demand satisfied from outside the region) falls into the “lower the better” scale. The other four criteria fall into the “higher the better” scale.

### Forestry and Wood Products Cluster

Three of the top 10 industries in the Forestry and wood products cluster in terms of demand within the region have absolutely no presence within the region, meaning the demand for these products and services are being supplied by imports from outside the region. These three industries are Lessors of Nonfinancial Intangible Assets (NAICS 533110), Plastics Material and Resin Manufacturing (NAICS 325211), and Inorganic Dye and Pigment Manufacturing (NAICS 325131). Of these, Lessors of Nonfinancial Intangible Assets is a specialized service-oriented industry that is most often found in metropolitan areas. This is likely not a strong recruiting opportunity. The other two industries could offer opportunities for recruitment.

The remaining seven industries do meet demand to varying degrees. All 10 industries, how they rank and statistics regarding demand and supply of these services within the region are show in the following table.



## Local and Regional Industry Mix

| NAICS Code | Description  | Total Regional Demand (\$'000) | % Satisfied in Region | % Satisfied out of Region | Exports (\$'000), 2011 | Exports as % of Sales | Exports (\$'000) /Job, 2011 | Rank Order |
|------------|--|--------------------------------|-----------------------|---------------------------|------------------------|-----------------------|-----------------------------|------------|
| 551114     | Corporate, Subsidiary, and Regional Managing Offices                 | \$9,094                        | 11%                   | 89%                       | \$12,591               | 50.7%                 | \$44.5                      | 3          |
| 321113     | Sawmills   | \$7,404                        | 81%                   | 19%                       | \$1,598                | 15.3%                 | \$25.4                      | 4          |
| 325211     | Plastics Material and Resin Manufacturing                            | \$6,540                        | 0%                    | 100%                      | \$0                    | 0.0%                  | \$0.0                       |            |
| 325199     | All Other Basic Organic Chemical Manufacturing                       | \$4,856                        | 2%                    | 98%                       | \$20                   | 5.0%                  | \$2.0                       | 7          |
| 113310     | Logging  | \$4,753                        | 57%                   | 43%                       | \$144                  | 5.0%                  | \$2.9                       | 5          |
| 325510     | Paint and Coating Manufacturing                                      | \$4,221                        | 92%                   | 8%                        | \$75,093               | 87.7%                 | \$494.0                     | 1          |
| 221210     | Natural Gas Distribution   | \$3,729                        | 3%                    | 97%                       | \$54                   | 5.0%                  | \$5.4                       | 6          |
| 325131     | Inorganic Dye and Pigment Manufacturing                              | \$3,011                        | 0%                    | 100%                      | \$0                    | 0.0%                  | \$0.0                       |            |
| 482110     | Rail transportation  | \$2,862                        | 95%                   | 5%                        | \$54,394               | 60.2%                 | \$174.9                     | 2          |
| 533110     | Lessors of Nonfinancial Intangible Assets (except Copyrighted Works) | \$2,720                        | 0%                    | 100%                      | \$0                    | 0.0%                  | \$0.0                       |            |

Source: EMSI Complete Employment, 2011.2

The rank order displayed above is calculated for the seven highest-value cluster industries present in the region, by using the following five variables—total regional demand; percent of total demand satisfied out of region; value of industry exports; exports as a percentage of total sales; and average value of exports per job.

These criteria are ranked on two scales “higher the better” or “lower the better.” Only one criterion (percentage of total demand satisfied from outside the region) falls into the “lower the better” scale. The other four criteria fall into the “higher the better” scale.

### Biomedical and Biotechnology Cluster

Only one of the top 10 industries in the Biomedical and biotechnology cluster is related to the health sector, Pharmaceutical Preparation Manufacturing (NAICS 325412), and has no presence in the region. Another industry, Administrative Management and General Management Consulting Services (NAICS 541611) has a presence in the region but all the regional demand is being imported and at the same time existing regional industries are exporting. This cluster shows much potential for recruitment. The region should work to recruit providers of the products and services needed in an effort to lessen the amount of “leakage” from this cluster. Also to be noted, less than 40 percent of the regional demand is currently being met internally for each of the nine industries with a regional presence, excluding Pharmaceuticals Manufacturing (NAICS 325412).

Five of the top 10 industries that provide services in the Biomedical and biotechnology cluster are related to the construction industries. These include: Lessors of Residential Buildings and Dwellings (NAICS 531110), Lessors of Nonresidential Buildings except mini-warehouses (NAICS 531120), Offices of Real Estate Agents and Brokers (NAICS 531210), Residential Property Managers (NAICS 531311), and Other Activities Related to Real Estate (NAICS 531390).



## Local and Regional Industry Mix

The remaining top industries include Temporary Help Services (NAICS 561320); Direct Property and Casualty Insurance Carriers (NAICS 524126); and Corporate, Subsidiary, and Regional Managing Offices (NAICS 551114). All 10 industries, how they rank and statistics regarding demand and supply within the region are show in the following table.

| NAICS Code | Description  | Total Regional Demand (\$'000) | % Satisfied in Region | % Satisfied out of Region | Exports (\$'000), 2011 | Exports as % of Sales | Exports (\$'000) /Job, 2011 | Rank Order |
|------------|--|--------------------------------|-----------------------|---------------------------|------------------------|-----------------------|-----------------------------|------------|
| 551114     | Corporate, Subsidiary, and Regional Managing Offices                 | \$8,499                        | 11%                   | 89%                       | \$12,591               | 50.71%                | \$44.5                      | 1          |
| 531110     | Lessors of Residential Buildings and Dwellings                       | \$7,204                        | 34%                   | 66%                       | \$1,147                | 5.00%                 | \$4.3                       | 3          |
| 531120     | Lessors of Nonresidential Buildings (except Miniwarehouses)          | \$6,900                        | 35%                   | 65%                       | \$1,129                | 5.00%                 | \$12.4                      | 2          |
| 531210     | Offices of Real Estate Agents and Brokers                            | \$6,313                        | 35%                   | 65%                       | \$1,046                | 5.00%                 | \$3.5                       | 6          |
| 531311     | Residential Property Managers  | \$3,248                        | 9%                    | 91%                       | \$138                  | 5.00%                 | \$3.9                       | 9          |
| 561320     | Temporary Help Services  | \$3,179                        | 26%                   | 74%                       | \$1,156                | 19.19%                | \$5.5                       | 5          |
| 531390     | Other Activities Related to Real Estate                              | \$3,122                        | 38%                   | 62%                       | \$575                  | 5.00%                 | \$3.6                       | 8          |
| 524126     | Direct Property and Casualty Insurance Carriers                      | \$2,822                        | 27%                   | 73%                       | \$716                  | 5.00%                 | \$11.9                      | 7          |
| 541611     | Administrative Management and General Management Consulting Services | \$2,690                        | 0%                    | 100%                      | \$6,657                | 98.87%                | \$96.5                      | 4          |
| 325412     | Pharmaceutical Preparation Manufacturing                             | \$2,529                        | 0%                    | 100%                      | 0                      | 0                     |                             |            |
|            |  |                                |                       |                           |                        |                       |                             |            |

Source: EMSI Complete Employment- 2011.2

The rank order displayed above is calculated for the nine highest-value cluster industries present in the region, by using the following five variables—total regional demand; percent of total demand satisfied out of region; value of industry exports; exports as a percentage of total sales; and average value of exports per job.

These criteria are ranked on two scales “higher the better” or “lower the better.” Only one criterion (percentage of total demand satisfied from outside the region) falls into the “lower the better” scale. The other four criteria fall into the “higher the better” scale.

### Transportation and Logistics Cluster

In this cluster, all top 10 industries have a regional presence and five of these industries are directly related to Transportation and logistics. These include Petroleum Refineries (NAICS 324110); Couriers and Express Delivery Services (NAICS 492110); General Freight Trucking, Long-Distance, Truckload (NAICS 484121); Postal Service (NAICS 491110); and Rail Transportation (NAICS 482110). For general freight trucking, postal service and rail transportation, 95 percent of regional demand is met from within, while the percentage of demand met with regional couriers and express deliver is 70 percent and warehousing and storage is only met at 67 percent.



## Local and Regional Industry Mix

The five non-transportation support industries include Petroleum Refineries (NAICS 324110); Commercial Banking (NAICS 522110); Direct Property and Casualty Insurance Carriers (NAICS 524126); Corporate, Subsidiary, and Regional Managing Offices (NAICS 551114); and Temporary Help Services (NAICS 561320). All 10 industries, how they rank and statistics regarding demand and supply within the region are shown in the following table.

| NAICS Code | Description  | Total Regional Demand (\$'000) | % Satisfied in Region | % Satisfied out of Region | Exports (\$'000), 2011 | Exports as % of Sales | Exports (\$'000) /Job, 2011 | Rank Order |
|------------|--|--------------------------------|-----------------------|---------------------------|------------------------|-----------------------|-----------------------------|------------|
| 324110     | Petroleum Refineries                                 | \$25,372                       | 85%                   | 15%                       | \$8,364                | 6.55%                 | \$278.8                     | 3          |
| 492110     | Couriers and Express Delivery Services               | \$7,632                        | 70%                   | 30%                       | \$580                  | 5.00%                 | \$3.4                       | 7          |
| 484121     | General Freight Trucking, Long-Distance, Truckload   | \$5,292                        | 95%                   | 5%                        | \$10,989               | 23.14%                | \$28.0                      | 5          |
| 491110     | Postal Service                                       | \$4,808                        | 95%                   | 5%                        | \$15,406               | 41.58%                | \$36.9                      | 2          |
| 561320     | Temporary Help Services                              | \$3,727                        | 26%                   | 74%                       | \$1,156                | 19.19%                | \$5.5                       | 8          |
| 524126     | Direct Property and Casualty Insurance Carriers      | \$3,079                        | 27%                   | 73%                       | \$716                  | 5.00%                 | \$11.9                      | 9          |
| 522110     | Commercial Banking                                   | \$2,931                        | 35%                   | 65%                       | \$106,881              | 65.62%                | \$157.6                     | 4          |
| 482110     | Rail transportation                                  | \$2,927                        | 95%                   | 5%                        | \$54,394               | 60.17%                | \$174.9                     | 1          |
| 493110     | General Warehousing and Storage                      | \$2,623                        | 67%                   | 33%                       | \$637                  | 5.00%                 | \$2.1                       | 10         |
| 551114     | Corporate, Subsidiary, and Regional Managing Offices | \$2,572                        | 11%                   | 89%                       | \$12,591               | 50.71%                | \$44.5                      | 6          |

Source: EMSI Complete Employment - 2011.2

The rank order displayed above is calculated for the ten highest-value cluster industries present in the region, by using the following five variables—total regional demand; percent of total demand satisfied out of region; value of industry exports; exports as a percentage of total sales; and average value of exports per job.

These criteria are ranked on two scales “higher the better” or “lower the better.” Only one criterion (percentage of total demand satisfied from outside the region) falls into the “lower the better” scale. The other four criteria fall into the “higher the better” scale.







## Industry Resources

The City of Newton is located in a region that provides several resources to its industry base. Many organizations and institutions are present within the State of Illinois whom offers a wide variety of training and educational programs, serve as a "voice" for the manufacturing industry in legislative affairs, and assist with maximizing operations, strategic planning and many other services to help manufacturers in becoming stronger, leaner, and more profitable. The City of Newton offers incentives when an industry is located within either its TIF District or its Enterprise Zone. In addition, several governmental entities offer several types of incentives and funding opportunities.

### Assessment, Training & Educational Programs

#### Illinois Manufacturing Excellence Center

"IMEC was established in 1996 to improve the productivity and competitiveness of Illinois' small and mid-sized manufacturing firms. We link your long-term plans and related goals with on-site implementation services by identifying performance gaps, solving these gaps, and building a culture to support sustained improvements. We help optimize operating capacity, implement advanced product and process innovations, increase sales and enter new markets, and improve profitability.

IMEC customizes every solution to address the client's specific needs, uses training to transfer knowledge and skills to the client's employees, and serves as a mentor and coach to sustain success."

[www.imec.org](http://www.imec.org)

#### Illinois Manufacturers' Association



"The Illinois Manufacturers' Association (IMA) is a nonprofit trade association for Illinois manufacturers. Founded in 1893, the IMA is the oldest and largest statewide manufacturing trade association in the United States. The IMA's mission is to strengthen the economic, social, environmental and governmental conditions for manufacturing and allied enterprises in the state of Illinois, resulting in an enlarged business base and increased employment.

The benefits of IMA membership are many. As the state's premier pro-industry association, the IMA works hard to protect and promote the interests of Illinois manufacturers. For example, IMA's government affairs efforts have resulted in over \$300 million annually in corporate and sales tax breaks for our members. The IMA was instrumental in passing the most sweeping liability law reforms in Illinois' history. The IMA is addressing the tax and education reform, retail wheeling of electricity and other key issues. In addition to our outstanding lobbying efforts, members benefit from the valuable information which they receive in IMA's many and varied publications.



## Industry Resources

Members also enjoy access to IMA's staff of experts who are just a (toll free) phone call away and ready to assist with any questions or problems. And IMA's Annual Meeting and "Business Day" in Springfield allow members to meet and network with hundreds of other executives and community leaders from throughout Illinois.

The collective buying power of members allows the IMA to offer group rates and discounts on a variety of products and services such as shipping, car rental, energy, and health care.

Finally, the IMA is often able to provide member companies access to grant funds that cover 50% of the total cost for employee training. These grant funds are limited and available to IMA members only."

[www.ima-net.org](http://www.ima-net.org)

### Alliance for Illinois Manufacturing

"The Alliance for Illinois Manufacturing is a collaboration of taxpayer supported and non-for-profit organizations that leverages, coordinates, and focuses their collective resources into integrated solutions that transform Illinois manufacturers into globally competitive companies. AIM impacts low income, economically disadvantaged communities in Illinois through the retention and growth of a high wage manufacturing employment base."

[www.illinoismanufacturing.org](http://www.illinoismanufacturing.org)

### Illinois Eastern Community Colleges



"Illinois Eastern Community Colleges' Workforce Education program offers industrial training classes at various locations throughout Illinois' mining regions through cooperative agreements with John A. Logan College, Kaskaskia College, Lincoln Land Community College, Southeastern Illinois College, and Southwestern Illinois College."

[www.iecc.edu](http://www.iecc.edu)

### Center for Business & Industry at Lake Land College

"Envision a versatile and responsive consulting group with the ability to tailor just-in-time training to the specific needs of your organization. For more than two decades, The Center for Business and Industry has provided high quality, on-demand training for employers in the midwest. Our professional training team, in partnership with some of the nation's top training firms, ensures easy, affordable access to world-class training, resources, and support services."

<http://www.lakeland.cc.il.us/cbi/>



## Local and State Incentives

### TIF District Incentives

The Newton TIF District was created in 2008 (expires in 2031 if not extended). The TIF District also includes two Industrial Park Conservation (IPC) Areas located on the west (48 acres) and south (52 acres) parts of the community. TIF funds can be used to assist with land assembly and site preparation, which includes acquisition of land, demolition of structures, and ground level site preparation (parking lots and other concrete or asphalt barriers, and clearing and grading of land) in order to induce private investment. The TIF Plan also allows the City to make necessary public utility improvements to serve the needs of and retain existing users and to induce private investment into the area. The City can assist in private renovation of existing buildings, including façade improvements. TIF funds can also be used to cover the cost of job training and retraining projects implemented by the businesses located within the TIF District or to cover interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project as long as the project meets certain criteria. The TIF District map is included in Appendix B.

### Enterprise Zone Incentives

The TIF District overlaps the City of Newton/Jasper County Enterprise Zone in certain locations. The Enterprise Zone Map is included in Appendix B. For businesses locating within the Enterprise Zone that fall in certain SIC codes, property tax abatement is available. The schedule is as follows:

|               |                |
|---------------|----------------|
| First 2 years | 100% abatement |
| Third year    | 80% abatement  |
| Fourth year   | 60% abatement  |
| Fifth year    | 40% abatement  |
| Sixth year    | 20% abatement  |
| Seventh year  | 0% abatement   |

A sales tax exemption will be granted for all businesses located in the Zone which exempts the business from the 6.25 percent state sales tax for tangible personal property to be used or consumed within the Zone. Eligible businesses will receive a 0.5 percent credit against the state income tax for investments in qualified property which is placed in service within the Zone and eligible businesses will receive fee waivers for water and sewer connections for property which is placed in service within the Zone.

### Commercial/Industrial Electric Rate Incentive

The City of Newton offers a discounted electric rate equal to what the City pays their electric supplier for power used to new businesses that create at least ten jobs and retain those jobs for at least five years. This results in a cost savings initially of approximately 20 to 25 percent for the first five years and a graduating rate for the sixth year. The business will begin paying the normal commercial rates beginning seven years after locating to Newton. More information can be found on this incentive in Appendix E.



### Financing Assistance

Many financing options are available to expanding and new businesses. The City of Newton has a **Revolving Loan Fund** that is often used by local businesses. South Central Illinois Regional Planning and Development Commission (SCIRPDC) has several programs including: Rural Business Initiative (RBI) Loans, Title IX Revolving Loans, and Commission Section 504 Certified Development Company Loans and Bank Loan Guarantees (SBA 7(a) and Rural Development Loans). More information can be found at SCIRPDC's website (<http://www.scirpdc.com/newfinassistprivate.htm>).

The **Illinois Department of Commerce and Economic Opportunity** has several grant, loan, tax credit and job training programs available. More information can be found at [www.illinois.gov/dceo](http://www.illinois.gov/dceo).

The **USDA Rural Development** offers several different grant and loan programs for businesses to utilize. More information can be sought at [www.rurdev.usda.gov/IL\\_BusinessPrograms.html](http://www.rurdev.usda.gov/IL_BusinessPrograms.html).

### Local Zoning & Permitting

The zoning plan helps to guide the growth and development in the community and insures an investor that there are proper guidelines in each area. A zoning map is included in Appendix B.

The building permit process is streamlined to provide quick response with goals to encourage safe structures. Forms for building and zoning are available on the City's website ([www.cityofnewtonil.com](http://www.cityofnewtonil.com)).



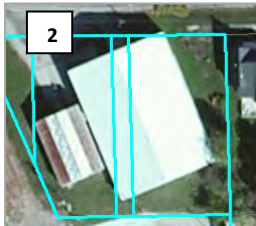
## Local Available Properties

Currently a number of properties are available for lease or purchase for new industrial developments in City limits or in close proximity to. Many of these properties are included in either the TIF District or the Enterprise Zone. These properties are plotted on a current ADT map following the individual property information with locations specified through a numbering system. Additional sites may also be available in the area but are not currently being advertised. For specific space/site inquiries please contact Ken Larimore at (618) 783-3409 or by emailing [larimore@illinois.edu](mailto:larimore@illinois.edu).

### Available Buildings



8775 N IL Hwy 130, Newton, IL 62448  
2 Buildings with IL Rte 130 frontage  
Previously a furniture store & warehouse  
Located on 1.8 acres in TIF District  
Buildings: 15,500 sq. ft & 10,800 sq. ft  
2 loading docks/3 phase power  
Contact Pat Jennings @ (618)783-8611



204 E Morgan Street, Newton, IL 62448  
2 Buildings one block off IL Rte 33 on 0.64 acres  
Approx. .65 acres in TIF District  
Previously a book production facility & warehouse  
Paper Side 88' x 124' – 16' to bottom of joist / add 5' for total of 21' at peak  
Side Building 39' x 60' – 9' 6" Ceiling  
Internal Office 8' 9" x 17' 3" – 7' 2" Ceiling  
240 3 phase power  
Contact Rick Lindemann @ (618) 783-2978



105 E Morgan Street, Newton, IL 62448  
2 Buildings one block from IL Rte 33 & 130 intersection  
Located in TIF District  
Previously a book production facility & warehouse  
Approx. 8,000 sq ft of production/warehouse space  
Approx. 2,000 sq ft of office space on .75 acres  
Contact Rick Lindemann @ (618) 783-2978



## Available Properties

### Available Properties



11.38 Acres served by rail  
Located right off of IL Rte. 130  
Located in TIF District and Enterprise Zone  
Across street from Southtown Industrial Park  
Contact Travis Bergbower @ (618)554-4644



Industrial Drive, Newton, IL 62448  
Southtown Industrial Park with IL Rte 130 frontage  
Approximately 43 acres left for development  
See Appendix C for site plan and utilities  
Located in TIF District and Enterprise Zone  
Contact Scott Bierman at Personal Service Realty  
for more information @ (618) 783-3524



Eaton Street, Newton, IL 62448  
2.43 acres with access to both Eaton Street and Edwards Street  
Located near Alco, IGA, and Dollar General close to IL Rte 130  
Located in TIF District  
Contact Scott Bierman at Personal Service Realty  
for more information @ (618) 783-3524

### Local Realtors

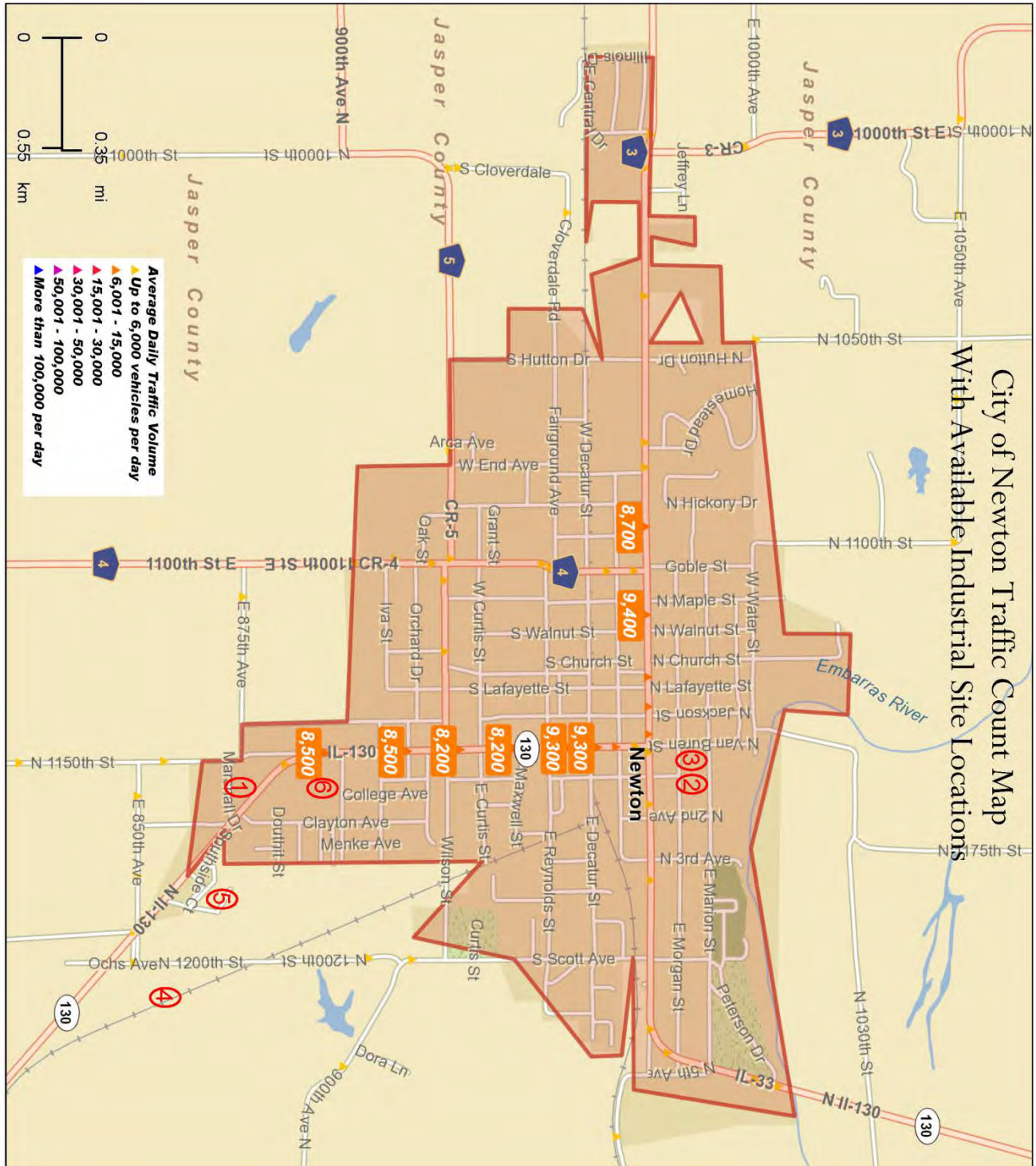
Jasper County Realty, 201 N Van Buren,  
Newton, IL 62448  
jaspercountyrealty.com  
Contact Karen Winn  
Tel: (618) 783-5272  
Email: kwinn@jaspercountyrealty.com

Personal Service Realty, 209 W Washington,  
Newton, IL 62448  
psreal.com  
Contact Scott Bierman  
Tel: (618) 783-3524  
Email: psrealty@psbnewton.com





## Available Properties









## Recommended Industries of Focus

Once all data and input was collected and analyzed, Planning Success LLC developed the following list of recommended industries to recruit. This listing does not suggest that these are the only types of industries Newton would be able to attract or support. This list however provides guidance based on the information provided and collected to lead Newton to adopt a more focused industrial growth and attraction strategy.

### Distribution and Warehousing

#### E-Commerce Distribution Center



Commerce has been given a new face with the introduction of the internet. This new platform has provided consumers around-the-clock access to products that fit their needs at the price they are willing to pay. E-commerce accounts for a growing share of sales and shipments each year for nearly all sectors of our economy which has led to many storefronts closing their doors or reducing their physical inventories and hunting for warehousing/distribution space instead. These retailers are looking for locations to strategically place their facilities, where they can deliver their products to their customers in the most efficient and timely manner. Newton would make a prime location for one of these centers with the benefits of being a small community with low overhead costs, the benefits of having available space in a TIF District and/or Enterprise Zone, a willing workforce, fiber optic internet availability and having a strong transportation network.



According to Curtis Spencer, president of IMS Worldwide, Inc., the following are the top nine criteria that retailers take into account when selecting a new distribution center location. How Newton measures up within these measures is discussed below as well:

1. *Reliable workforce/available surge workforce.*

The City of Newton has access to a large workforce within Jasper County that currently travels outside the County to work each day. Nearly 3,000 workers are employed outside the County. If further opportunities were available to these residents they would be much more likely to work closer to their homes and their families, increasing the amount of time they have to enjoy life outside of work. Further information about the local workforce can be found in the Local Industries and Workforce section of this report.

2. *Nearby UPS/FedEx truck hubs.*

Newton is located less than 30 minutes from the FedEx truck hub located in Effingham, Illinois (23 miles). It is also located 128 miles from the Indianapolis FedEx hub, which is FedEx's second largest Express hub in the United States. UPS has facilities in Olney, Illinois (24 miles) and Mattoon, Illinois (42 miles).

3. *Circumvention of Internet sales tax.*

If you do not have a physical presence in a state, you are not required to collect sales tax from customers in that state. The legal term used to describe a company's physical presence within a state is "nexus". A specific statement of what can count as a physical presence under Illinois law can be found in the Definitions section of the Illinois's Use Tax Act or the IDOR's Publication 113. These laws and specifications are subject to change regularly, therefore are not published within this report.

4. *Right-to-work states.*

Illinois is not a right-to-work state; however the average wage rates for Jasper County are significantly less than those of larger metropolitan areas while still being in close proximity to these metro-areas. The presence of unions outside the pipefitter or boilermaker trades is uncommon in Jasper County. More information on wage rates can be found in the Local Industries and Workforce section of this report.

5. *Proximity to major markets.*

Newton is located at the intersection of Illinois Routes 33 and 130. It is close to major markets, not to mention it is only 24 miles north of the Olney Wal-Mart Distribution Center. It is less than 30 minutes from Interstates 57 and 70 which transect the nation both north/south and



## Industry Recommendations

east/west. The community is 124 miles from St. Louis, Missouri; 232 miles from Chicago, Illinois; 137 miles from Indianapolis, Indiana; and 183 miles from Paducah, Kentucky.

6. *Inexpensive land.*

Newton has several light industrial sites available for the erection of a distribution center. This land is inexpensively priced compared to metropolitan areas and is included in an incentivized district. See the Available Properties section of this report to view current available sites.

7. *Real property and/or other tax incentives.*

The City of Newton does have an Enterprise Zone which affords the property owner to receive property tax and sales tax abatement on building materials along with tax credits and other tax incentives. The City also offers a Commercial/Industrial Electric Rate Incentive. See the Resources section of this report for more specific information.

8. *Robust Foreign Trade Zone (FTZ) programs.*

The Illinois Foreign Trade Zone #146 is located in Lawrence County, Illinois. It is the third largest zone in Illinois in size and volume. It is one of three Foreign Trade Zones in the U.S. that can do business in more than one state (Illinois & Indiana). Zone #146 has undergone expansion to include sites in Effingham, Illinois, and subzones for North American Lighting (Flora, Salem, & Paris, Illinois) and Marathon/Ashland Oil Refinery (Robinson, Illinois). For more information on Foreign Trade Zone #146 visit <http://www.lawrencecountyillinois.com/ftz146.html>.

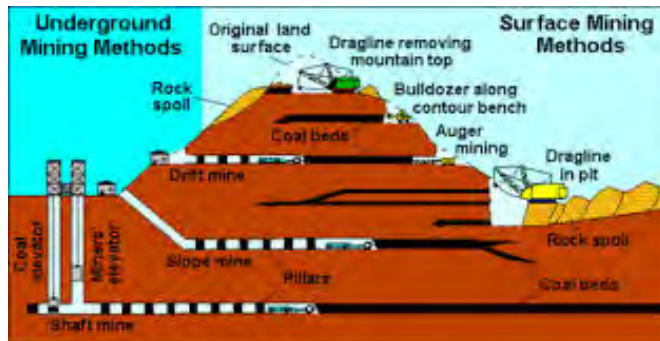
9. *“Zone skipping” availability to major markets.*

With the City of Newton being in close proximity to the nation’s highway transportation network, zone skipping is a viable option for a distribution center located within the community. Several other firms utilize parcel services for the shipment of their goods, including the local short-run book manufacturer, TPS Enterprises. Others also exist in close proximity, which increases availability of logistics companies to schedule multiple shipment pickups in order to increase the efficiency and make zone skipping a viable option.



### Energy Production and Natural Resources

#### Underground Coal Mining



According to the Illinois State Geological Survey, several coal mines have existed in Jasper County over the years. The first ones date back to the 1800s. Coal has been mined from this area through several types of mining that include shaft, surface, drift, slope and underground. As far as records show, a mine has not been operational in the county since 1940. Several types of coal are present in Jasper County. Maps

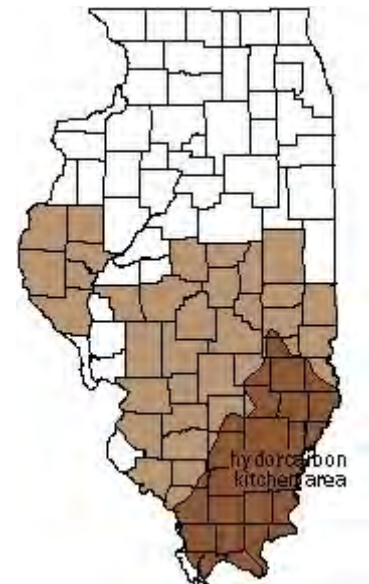
showing these are included in Appendix D. Over the past few years, land owners have been selling leases to mineral rights to their properties proving the interest in the coal resources found within the County. As technology emerges, the types of coal present under Jasper County soil may become more attractive and utilized in energy generation and other related industries.

Further, Jasper County is home to one of 22 coal-fueled electric power plants in the state of Illinois. When comparing each of these plants, the Newton Power Station (Dynegy) was the 3<sup>rd</sup> largest purchaser of coal in 2011. It ranks fourth in generation capacity. If the power station had coal that could be used in their operations in close proximity to their plant, it would create efficiencies within their operations.

#### Hydraulic Fracturing (Fracking)

According to an article published by the University of Illinois-Springfield, "hydraulic fracturing is achieved by pumping water mixed with sand and chemicals through a well into rock that holds a carbon fuel, such as oil or natural gas. The water creates pressure, which fractures the rock or opens up pre-existing cracks. The sand holds the cracks open so the gas and/or oil can be extracted. Chemicals are added to the water for a variety of reasons. Disinfectants may be added to discourage the growth of bacteria, lubricants may be added to cut down on friction and other chemicals may be used to thicken the water so that the sand spreads through it instead of settling to the bottom of the well. This hydraulic fracturing has been taking place for years with little to no controversy. However, when talk began of coupling this with horizontal drilling on a much greater scale, opposition began to rise.

The combination of the two technologies has some thinking that there is a chance to reach oil and natural gas in Illinois that was previously too difficult or not economically viable to go after. Energy companies across the nation have spent hundreds of thousands of dollars to lease mineral



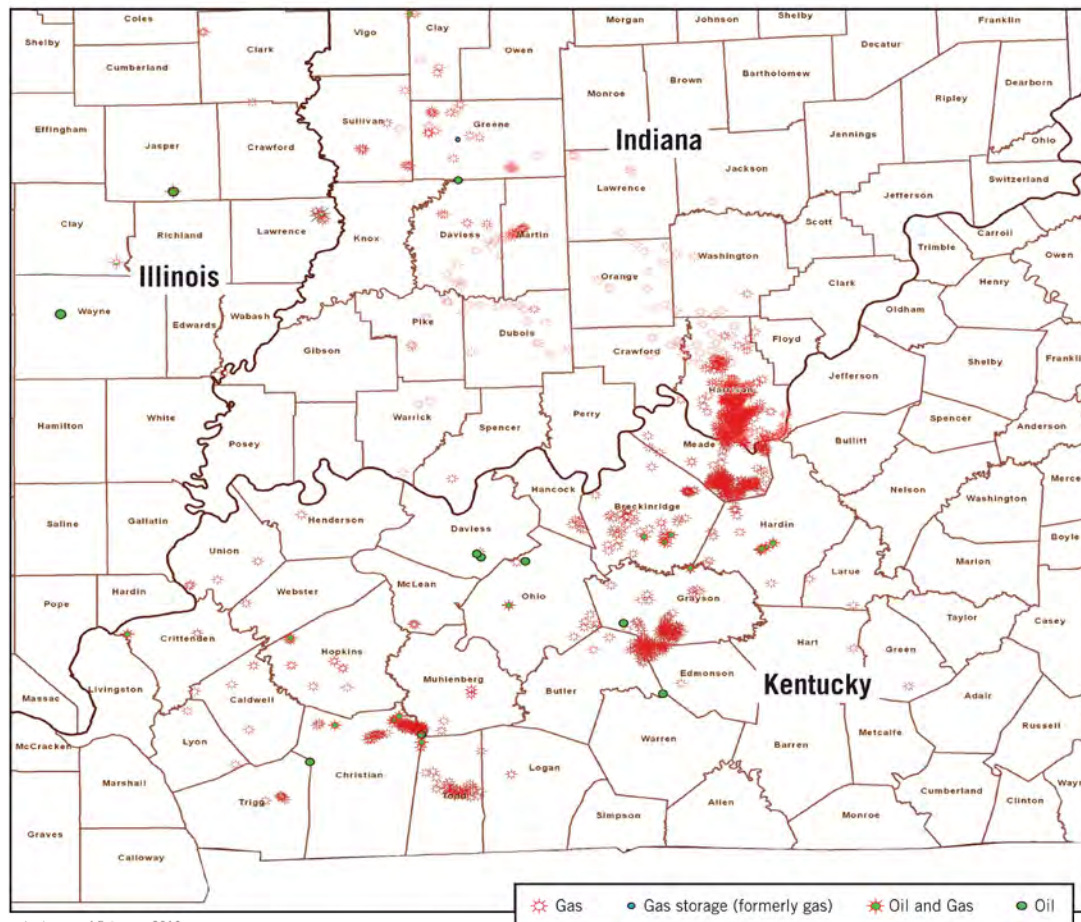




rights in Illinois. So far, the leasing has been concentrated in Wayne, Hamilton and Saline counties in southeastern Illinois, and it is not yet clear where and when fracking may come to other parts of the state. Two rock formations in Illinois, the New Albany Shale in the southeast and the Maquoketa Group shale in the north, have the potential to hold carbon fuels." *Illinois Issues*, University of Illinois at Springfield, May 2013 accessed at <http://illinoisissues.uis.edu/archives/2012/05/fracking.html>. This group of counties in the southeastern part of the state is known as the "hydrocarbon kitchen".

### NEW ALBANY PRODUCING WELLS, ILLINOIS BASIN\*

FIG. 2



\*Wells producing as of February 2010.  
Source: Illinois State Geological Survey

Jasper County is within the New Albany shale play and is thought to have the right shale conditions for natural gas. The U.S. Energy Information Administration said the New Albany shale play holds 11 trillion cubic feet of shale gas. That's enough to meet the needs of about 5 million households for 30 years, according to the American Gas Association. According to an article published in 2010 in the *Oil & Gas Journal*, in situ shale gas reservoirs in the New Albany are commercially established in just two areas in Illinois, at Russellville gas field in Lawrence County and in one or two wells along the Clay City anticline in Clay and Jasper counties. The State of Illinois is currently working to pass legislation regulating this industry which has a great potential to impact Jasper County and the region in the future.



### Manufacturing

#### **Agricultural-Based Manufacturing**

Currently, GSI is located within the City of Newton. This particular plant produces grain bin dryers. During an interview with the plant manager, he stated that the geographic location of the plant was ideal because it was close to its customers.

The agricultural industry makes up the basis of the economy in Jasper County. Illinois is a leading producer of soybeans, corn and swine. Local soils also enable farmers to grow and raise many other agricultural commodities, including cattle, wheat, oats, sorghum, hay, sheep, poultry, fruits and vegetables. Illinois farmers also produce several specialty crops, such as buckwheat, horseradish, ostriches, fish and Christmas trees, according to the Illinois Department of Agriculture. Illinois' 76,000 farms cover more than 80 percent of the total land in the state. Therefore, it lends no surprise that 950 food manufacturing companies in Illinois allow it to be well-equipped to turn these crops and livestock into food and industrial products.



Food processing is the state's number-one manufacturing activity. Illinois' agricultural commodities also provide the base for such products as animal feed, ink, paint, adhesives, clothing, soap, wax, cosmetics, medicines, furniture, paper and lumber. Each year, 274 million bushels of Illinois corn are used to produce more ethanol than any other state—about 678 million gallons.

In addition to its environmental elements that make this area prime farmland, Illinois has a competitive edge over many other states due to its central location and superior transportation system. Several multi-modal options are available for the transport of goods across the world. Illinois ranks second nationally in the export of agricultural commodities with nearly \$4 billion worth of goods being shipped to other countries each year. Exports from Illinois account for nearly 7 percent of all U.S. agricultural exports. Illinois is the nation's second leading exporter of both soybeans and feed grains and related products. More than 44 percent of grain produced in Illinois is sold for export.

Most food processors are located in the Chicago metropolitan area, which contains one of the largest concentrations of food-related businesses in the world. However, food processors have successfully located their facilities in other parts of the state, including Pinnacle Foods, Hodgson Mill, Kraft Foods, Pepsi MidAmerica and Hershey's.

Jasper County has access to this great transportation infrastructure and has local producers of the inputs needed for food production facilities and other manufacturing operations using commodities as its main





## Industry Recommendations

inputs. In that same breath, Newton could also serve as an ideal location for other manufacturers producing products necessary for the agricultural industry.

The Illinois Department of Agriculture and other state/federal agencies offer incentive programs to increase value-added agricultural businesses in Illinois. These financing/incentive programs are included in Appendix E of this report.

### Petroleum-based Products Manufacturing

The City of Newton is located near Robinson, Illinois, where Marathon Petroleum Corporation has one of their seven refineries. Marathon Petroleum Company LP provides fuels, asphalt and specialty product lines to support commercial, industrial and retail operations nationwide. The specialty products that it sells include bi-products from fuel production such as petrochemicals, propane, dilute naphthalene oil and sulfur. These products can be used to produce many products we use daily. Due to the rise in transportation costs and strategic logistical location, it could be cost effective for plants that manufacture products using the above inputs to locate in Newton, bringing them closer to both suppliers and customers.



A partial list of products made from Petroleum (144 of 6,000 items)  
Accessed at: <http://www.ranken-energy.com/Products%20from%20Petroleum.htm>

One 42-gallon barrel of oil creates 19.4 gallons of gasoline. The rest (over half) is used to make things like:

|                   |                    |                 |                  |
|-------------------|--------------------|-----------------|------------------|
| Solvents          | Diesel fuel        | Motor Oil       | Bearing Grease   |
| Ink               | Floor Wax          | Ballpoint Pens  | Football Cleats  |
| Upholstery        | Sweaters           | Boats           | Insecticides     |
| Bicycle Tires     | Sports Car Bodies  | Nail Polish     | Fishing lures    |
| Dresses           | Tires              | Golf Bags       | Perfumes         |
| Cassettes         | Dishwasher parts   | Tool Boxes      | Shoe Polish      |
| Motorcycle Helmet | Caulking           | Petroleum Jelly | Transparent Tape |
| CD Player         | Faucet Washers     | Antiseptics     | Clothesline      |
| Curtains          | Food Preservatives | Basketballs     | Soap             |



## Industry Recommendations

|                  |                   |                   |                    |
|------------------|-------------------|-------------------|--------------------|
| Vitamin Capsules | Antihistamines    | Purses            | Shoes              |
| Dashboards       | Cortisone         | Deodorant         | Footballs          |
| Putty            | Dyes              | Panty Hose        | Refrigerant        |
| Percolators      | Life Jackets      | Rubbing Alcohol   | Linings            |
| Skis             | TV Cabinets       | Shag Rugs         | Electrician's Tape |
| Tool Racks       | Car Battery Cases | Epoxy             | Paint              |
| Mops             | Slacks            | Insect Repellent  | Oil Filters        |
| Umbrellas        | Yarn              | Fertilizers       | Hair Coloring      |
| Roofing          | Toilet Seats      | Fishing Rods      | Lipstick           |
| Denture Adhesive | Linoleum          | Ice Cube Trays    | Synthetic Rubber   |
| Speakers         | Plastic Wood      | Electric Blankets | Glycerin           |
| Tennis Rackets   | Rubber Cement     | Fishing Boots     | Dice               |
| Nylon Rope       | Candles           | Trash Bags        | House Paint        |
| Water Pipes      | Hand Lotion       | Roller Skates     | Surf Boards        |
| Shampoo          | Wheels            | Paint Rollers     | Shower Curtains    |
| Guitar Strings   | Luggage           | Aspirin           | Safety Glasses     |
| Antifreeze       | Football Helmets  | Awnings           | Eyeglasses         |
| Clothes          | Toothbrushes      | Ice Chests        | Footballs          |
| Combs            | CD's & DVD's      | Paint Brushes     | Detergents         |
| Vaporizers       | Balloons          | Sun Glasses       | Tents              |
| Heart Valves     | Crayons           | Parachutes        | Telephones         |
| Enamel           | Pillows           | Dishes            | Cameras            |
| Anesthetics      | Artificial Turf   | Artificial limbs  | Bandages           |



## Industry Recommendations

|               |            |                     |               |
|---------------|------------|---------------------|---------------|
| Dentures      | Model Cars | Folding Doors       | Hair Curlers  |
| Cold cream    | Movie film | Soft Contact lenses | Drinking Cups |
| Fan Belts     | Car Enamel | Shaving Cream       | Ammonia       |
| Refrigerators | Golf Balls | Toothpaste          | Gasoline      |

## Recommended Recruitment and Retention Actions

The City of Newton is a progressive community with strong leadership and an achievable vision. The community contains a group of “doers” and not just “thinkers”. This dynamic group of people has implemented several past projects and policies that have developed Newton into an industry-friendly community. However, there is always room to grow and to improve. The following recommendations will assist in just that.

### 1. Embrace the Web.

Utilize the internet to educate outsiders on the many benefits the City of Newton and Jasper County have to offer. Currently both entities have websites; however these websites include outdated information and could be expanded to provide increased benefit and visibility. Each website should be combed through for errors, broken links, and outdated or incorrect information. Utilize the information presented within this report to update and expanded content. In addition, use Facebook to develop a page and post current events, boil orders, festival information and other community announcements. Link the City’s website and facebook pages to other organizations within the City and the County. The idea is to provide connectivity so regardless which web search is performed, somehow the searcher can be guided to other sites that promote and educate him/her on the community. The world is moving in this direction. More people get their information online than from any other source. If you are not developing and utilizing this mode of communication, then you have fallen behind. The Jasper County Chamber of Commerce website is also outdated. It appears this site houses the only community calendar available for the County. We recommend that the updating/maintenance of this calendar become a priority to the community and the County. Another web-based source of outdated information is the Jasper County Tourism information included on the Southeastern Illinois Tourism website ([southeastillinois.com](http://southeastillinois.com)).

### 2. Show Care and Support with Visits.

The most important thing you can do to assist your current industry is to make regularly scheduled retention visits. These visits will build relationships of trust and proves to plant managers that the City cares about their operations and considers them as partners. The visits also allow the City the opportunity to learn about the company’s operations, supply chains and shipping procedures. This



information can become useful when looking at recruiting new industry. If your current base is producing something (whether a finished good or a bi-product) that can be utilized in a new operation, this will decrease operating costs and make your community more attractive to that new industry. In addition, if a new industry's customers are located in the same area geographically as a current industry, this lends an opportunity for shared shipping and service. These visits will also assist the City in identifying unmet needs, possible expansion projects, and unveil a hurting or struggling industry. Often large industries make crucial plant decisions outside of your community. When the decision is passed down to the local plant manager, it is often implemented quickly and can lead to devastation within a community. Take the first step in preventing this by building these relationships. If the plant manager knows that he/she and the City are in this together and the City is there to help, he/she will be much more likely to lean on it for advice and assistance. These visits should take place yearly or bi-yearly and do not have to be made one-on-one but can also include educational sessions, coordinated industry forums and other means of connecting with these individuals to provide them high quality service and communication.

In addition, network with others involved in economic development and industrial retention/recruitment within your region. By doing so, you become aware of what type of industrial happenings are occurring around you. This too can lead to finding local suppliers, shared shipping, and collaboration opportunities amongst industries that will result in a stronger base for not only your community, but the region in which you are located.

### 3. Greet Visitors and Businesses with a Welcoming Environment.

The City of Newton has an overall clean and welcoming appearance. Recently, IL Rte. 33 received significant improvements that included roadway resurfacing, sidewalk additions/reconstruction and drainage improvements. Additional measures will be taken with the implementation of a streetscape/trails project that will extend from the Old Mill bridge (north of City Hall) south on IL Rte. 130 to Newton Elementary School and will include the outside parameter of the downtown square (inside perimeter is County-owned and contains the courthouse) set to be constructed in 2015. When designing this project, we recommend adding decorative lighting to the downtown area with hanging basket hooks and pole banners. Hanging flower baskets can bring color into the downtown during the spring and summer months, while banners can bring additional color and dimension while promoting the community's brand throughout the year. Other impactful design considerations are trees or large planters, local art or sculptures, trash receptacles and benches. We recommend installing electric outlets at the base of each pole or tree/planter. This allows for easy access to outlets during festivals (usually resulting in less exposed cords and less trip hazards) and during the holiday season to plug in decorative lighting that wrap around the trees and/or poles. These elements come together to increase the "friendliness" and "walkability" of the area. These elements create an atmosphere that visitors want to enjoy. It draws people to the area and gets them out of their vehicles to explore the nearby shops and restaurants, resulting in increased traffic and sales. Other improvements that promote this welcoming



## Industry Recommendations

appearance include wayfinding signage, decorated storefronts and utility pole banners lining the main corridors.

### 4. Keep LocationOne (LOIS) Updated with Available Sites and Buildings.

Currently the County has the LocationOne application linked to its website. This tool only continues to improve through the years and becomes more widely used by site developers when exploring communities for new locations. Keep the information updated and complete through this application. This shows developers that you are serious about marketing your community and arms them with the information they need to assist in location decisions. If the information these consultants need is not readily available, your community will be “marked off the list”.

### 5. Respond to RFIs Sent by DCEO.

The Illinois Department of Commerce and Economic Opportunity (DCEO) works with site selectors and large companies looking for new locations. When an opportunity comes about in which DCEO sends out requests for information on sites within your community that meet the criteria of a company, do your best to respond in the allotted timeframe. These RFIs give your community an opportunity to not only compete for new industry, but also gives the state the impression that you are a progressive partner and are wanting to increase and support your industry base within the City.

### 6. Stay Educated on Industry Movement

Stay abreast of current happenings with industry trends across the nation and the world. *Site Selection* magazine (<http://www.siteselection.com/>) is a prime source of this type of information. Another source is *Area Development* magazine (<http://www.areadevelopment.com/>). Another source is the Illinois Manufacturers' Association (<http://www.ima-net.org/>). These sources gives you an inside look at what industries are expanding, what they are looking for and how states are working to attract them.