



PUBLIC POLICY RESEARCH CENTER

UNIVERSITY OF MISSOURI - ST. LOUIS

White Paper
Economic Resuscitation in Illinois:
Old Man River City

A Comprehensive Housing and
Neighborhood Redevelopment Strategy for
Target Communities of East St. Louis, IL

Written by
Tracey Cannon,
Research Associate

Public Policy Research Center
University of Missouri - St. Louis
2006

Economic Resuscitation in Illinois
Old Man River City

Contents	Page
Introduction	1
Economic Development in Illinois	3
The Economic and Social Characteristics of the Region	5
The Political and Social Capital of the Region	6
The Old Man River Planning and Design Charette	7
2008 Cultural Festival	
Setting a Date for Planning Grant	8
More Planning <i>and Implementation</i>	8

Economic Resuscitation for Illinois *Old Man River City*

INTRODUCTION

As an innovative plan for economic redevelopment, the **Old Man River Economic Recovery Model** encompassed the Illinois communities of East St. Louis, Centreville, Washington Park, Fairmont City, Brooklyn, Alorton, and Sauget. Of these, East St. Louis, Alorton and Centreville were featured in a 1989 Newsweek article, as three of the ten poorest communities in the United States. As with other communities across the nation, having once been filled with vitality and booming economic activity, new strategies began to be explored for restoring and rebuilding the luster.

Having begun in 2001 as a development process sponsored by the Greater East St. Louis Chamber of Commerce with funding from the Illinois Department of Commerce and Community Affairs (DCCA), the Economic Recovery Model was designed to enhance revitalization through community empowerment and neighborhood renaissance, small business and housing development, new job creation and skills training, and the interaction of vital sectors of the local economy.

With miles of undeveloped riverfront, and disinvestment in downtown and surrounding neighborhoods, the recovery model promoted concerted effort for all three of these areas to produce balanced economic resurgence. Recovery plans across the nation included the establishment of community development corporations, housing of varying values, retail business, innovative entrepreneurship, employment and training, but the Old Man River Economic Recovery Model included these with components that would also promote economic justice through citizen ownership.

As the framework for the visionary development of the Geodesic Dome (see page 4), the recovery model encompassed workforce development, business merchant networks, community mobilization and cooperative entrepreneurship -- citizen ownership of the businesses and land for re-building the communities. Rather than having external, disconnected

developers accomplish and own the new, revitalized communities, the formation of cooperative construction companies, land owners, and other contributing businesses would increase the wealth and ownership of the local citizenry. This kind of economic justice, according to the purposes and intent of the economic recovery model, would lend itself to enhance the role of community re-investment and empowerment.

Modeled across our nation, to the discredit of economic recovery practices, businesses place themselves in communities based on their compatibility with the skills and educational level of local residents. Too often, this equates to minimum wage employers, a limited tax base, and local residents who continue to be disconnected from wealth and economic advancement. To its acclaim, the economic recovery model is a foundation for growth, to be overlaid with community reinvestment for the training and empowerment of citizens, and the preparation of the region for the visionary, high-tech thinking of the Geodesic Dome.

Based on the innovative thinking of Buckminster Fuller, the Geodesic Dome builds on the second layer of revitalization, and will, through pioneering research and technology, be the source of creation for more new jobs, new economic and business development. Envisioned by Thomas Zung of Buckminster Fuller, Sadao, Zung Architects this development is to make use of alternative energy sources, innovative architectural design and high tech structural and informational systems. As our nation faces dire need for alternative energy, the research for adding this to an economic resuscitation model becomes national, applied research as results lend themselves to solutions beyond the boundaries of Illinois. The foundational role of the economic recovery model, community reinvestment and high-tech, Geodesic Dome elements all work cooperatively for the resuscitation of the Illinois communities named.

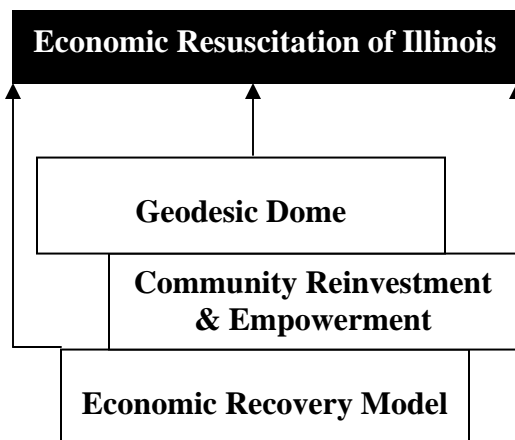


Figure 1:
Components of Resuscitation

**ECONOMIC
DEVELOPMENT
IN ILLINOIS**

While the need for community resuscitation is shared, individual community characteristics, regional resources, and even geographic location determines the most appropriate strategy. The cities in this region of Illinois are favored by a wealth of political and social capital, collaborative expertise and innovative thinking that will build on the foundation laid by the Old Man River Economic Recovery Model, for sustainable revitalization.

Economic development in Illinois is a very focused, intentional effort, made evident by the list of business assistance and incentive programs offered by the Illinois Department of Commerce and Economic Opportunity. Any investor or funding source for the development of this region would be joining a wide array of key players devoted to the recovery of the area – an invaluable source of non-monetary capital. For the Illinois Department of Commerce and Economic Opportunity, programs offered include:

- ✚ Business Development Public Infrastructure Program
- ✚ Corporate Headquarters Relocation Program
- ✚ EDGE Tax Credit
- ✚ Employee Training Investment
- ✚ Expanded Enterprise Zone Programs
- ✚ Enterprise Zone State Utility Tax Exemption
- ✚ High Impact Business Designation
- ✚ IDOT Economic Development Program
- ✚ Large Business Development Assistance Program
- ✚ State Treasurer's Small Business STEP
- ✚ State Treasurer's STEP Deposits

Recipients of these programs and incentives participate in transparent reporting back to the department of economic development, giving feedback that either clarifies sound implementation or the need for different economic development policies. The following is a partial list of businesses which participated in these programs in 2004, resulting in an increase in jobs, entrepreneurship, and business advantages:

2004 Illinois Businesses Reporting the use of Economic and Business Development Programs: (partial list)

<u>Company</u>	<u>Project Site</u>	<u>Award Year</u>	<u>Report Year</u>
Abbott Laboratories	Des Plaines	2004	2004
Aisin Electronics Illinois	Marion	2004	2004
Aisin Light Metals, LLC	Marion	2004	2004
Aisin Mfg. Illinois LLC	Marion	2004	2004
Alton Steel, Inc.	Alton	2004	2004
American Bioscience, Inc.	Elk Grove Village	2004	2004
Anixter, Inc.	Alsip	2004	2004
Apotex Corporation	Lincolnshire	2004	2004
Archer Daniels Midland Company	Decatur/Quincy/Peoria/Galesburg	2004	2004
Baltimore Aircoil Co., Inc.	Paxton	2004	2004
Bartello Property Co.	Mount Prospect	2004	2004
Bourn & Koch Inc.	Rockford	2004	2004
Cabot Microelectronics Corp	Aurora	2004	2004
Camcraft, Inc.	Hanover Park	2004	2004
Carl Buddig and Company	South Holland	2004	2004
Caterpillar Logistics Services, Inc.	Des Plaines	2004	2004
CDW Corporation	Chicago	2004	2004
Champion Laboratories, Inc.	Albion	2004	2004
Devry, Inc.	Naperville	2004	2004
DMS Holdings, Inc.	Waukegan	2004	2004
Earl L. Henderson Trucking Company	Salem/Carlinville	2004	2004
Earl L. Henderson Trucking Company	Carlinville	2004	2004
Earl L. Henderson Trucking Company	Salem	2004	2004
Holten Meat, Inc.	Sauget	2004	2004

Source: Illinois DCEO, 2006

While this shows the momentum building *around* the target region, it also shows the inevitability of inclusion -- cities designated by the Old Man River City Economic Recovery Model are not listed among those whose businesses have been further advanced by assistance programs. If Illinois is to survive the current climate of economic challenge, *all* of its cities must be the focus of development.

**ECONOMIC AND
SOCIAL CHARAC-
TERISTICS OF THE
CITIES IN THE
PROPOSED
REGION**

The cities of East St. Louis, Centreville, Washington Park, Fairmont City, Brooklyn, Alorton, and Sauget Illinois share many of the characteristics of cities across the country in need of resuscitation, but with qualities that make them unique and worthy of investment. The following table lists economic characteristics of these cities:

City Characteristics Matrix

City	Population	Predominate Race	Median Age	Labor force/ Unemployment	Median Household Income	Percent Below Poverty
East St. Louis	31,542	97.7% African American	31.2 yrs.	50.3% / 8.6%	\$21,324	35.1%
Centreville	5,951	95.5% African American	31.4 yrs.	50.4% / 6.8%	\$23,500	34.4%
Washington Park	5,345	91.9% African American	26.7 yrs.	49% / 10.7%	\$21,132	44.8%
Fairmont	2,436	66.5% White	31.8 yrs.	53% / 5.6%	\$27,070	18.4%
Brooklyn	676	98.7% African American	32.8 yrs.	67% / 4.2%	\$16,630	48.5%
Alorton	2,749	97.1% African American	26.3 yrs.	51.6% / 11.6%	\$17,860	47.3%
*Sauget	249	70.3% White	36.5 yrs.	60% / 5.8%	\$35,833	17.3%

Source: U.S. Census Bureau, Census 2000.

**Sauget is an industrial city located within the region of the original Old Man River City Economic Recovery Model, and enjoys a higher median household income with a lower percentage of poverty than those included in the resuscitation plan. Sauget is an example of a surrounding resource, and could possibly serve in a regional, collaborative capacity, as an industrial site for the economic development of its neighboring cities.*

The median age and size of the labor force is indicative of the percentage of each city's population that stands to benefit from the economic justice, reinvestment and empowerment of the resuscitation model, while the racial composition is indicative of opportunity for the use of other established policies, such as the minority and women owned business programs that could enhance cooperative entrepreneurship.

**POLITICAL AND
SOCIAL CAPITAL**

To its benefit, this region has been the focus of State Representative Wyvetter Younge, (D) 114th District Assistant Majority Leader, who has served as a dynamic catalyst for growth since 1975. From a long list of legislative bills passed by Representative Younge to further advance economic revitalization, one recent bill directly affects the redevelopment efforts described here.

House Bill 1281: Community Investment Corporation Development Commission – 2005/06. The Community Investment Corporation Development Act would create the Community Investment Corporation Development Commission within the Department of Commerce and Economic Opportunity, setting forth procedures for appointments to the Commission and for its operation, and amend the State Finance Act to create the Community Investment Corporation Fund. This act would entail some requirements that should contribute to the effectiveness of economic development efforts, such are the requirements of:

- ✚ the Commission to make annual reports to the Governor and the General Assembly concerning the establishment and operation of community investment corporations
- ✚ the Department of Commerce and Economic Opportunity to develop and maintain a program to make grants to communities seeking to establish community investment corporations
- ✚ the Commission to seek out funding sources to enhance the development of community investment corporations

Engaging in community redevelopment or recovery requires the political and social capital of visionaries like this to propel or enable other actors. The collective action problem, unless addressed, leaves would-be key players dormant, questioning the relevance of his or her contribution in the face of what looks like insurmountable need. While one after another rests on these questions, a contributor like Representative Younge becomes a mechanism for their engagement. With intention evidenced by legislative action, other players can now join a team that is progressing toward redevelopment outcomes.

This crucial House Bill also opens the way for funding. With funds made available for investment into community development programs, other investors will see the momentum and apply their investment with less apprehension. Economic development requires research and planning to such a degree that with the ball rolling through this legislation, participants begin gathering and presenting data that sheds new light on the potential for the region, creating the positive externality of fact finding and data collection that can be used by new investors and community developers.

Also to its account of social capital, is the list of key players, visionary thinkers, educators and expert architects who gathered for the Old Man River Planning and Design Charette October 22, 2005.

**DESIGN CHARETTE
OCTOBER 22, 2005**

The Design Charette of October 22, 2005, moderated by Charlotte Ottley, was another vehicle for progression toward the goals of redevelopment, creatively engaging the knowledge wealth of stakeholders. As a unique opportunity for collaboration, the session was attended by State Representative Wyvetter Younge, Norman Ross of the Greater East St. Louis Community Network Foundation, Norman Kurland of the Center for Economic Justice of Washington, D.C., Mr. Thomas Zung of Buckminster Fuller, Sadao, Zung Architects of Medina, Ohio, architectural and urban planning faculty and students from Southern Illinois University and a host of community leaders, cooperative business owners, and even TANF recipients and other community members who could benefit from the business training and mentoring of entrepreneurs.

This diverse list of attendees shows the collective expertise of architects, educators, legislators, entrepreneurs, and students as an advantage to the development of the region. While each made contribution to the knowledge shared and gained, the opportunity for more advanced planning was also explored.

The Charette opened dialogue about the role of each component, the original economic recovery model, economic reinvestment, and the high-tech, architecturally and energy advanced Geodesic

Dome. Further planning is being targeted for the integration of each component of the model to create the kind of results that will make this a duplicative model for other cities.

**2008 CULTURAL
FESTIVAL**

November 7, 2005 collective thinkers assembled for the International Commerce and Cultural Festival Think Tank, spearheaded by Charlotte Ottley and again attended by legislators, educators, entrepreneurs and cultural artists of the region to plan the 2008 Cultural Festival. Designed to open dialogue about the social and cultural assets of East St. Louis, the festival will attract reinvestment resources, building upon the rich array of resources already inherent in the community. Though some of its cities have been listed among the poorest, East St. Louis is rich in its heritage of outstanding culture – a long list of well recognized entertainers, athletes and cultural contributors originated here, with some still resident. The 2008 festival outlines a new target date for planning – funding for continued strategic planning is optimally sought prior to the 2008 festival.

**FUNDING FOR
MORE PLANNING
AND
IMPLEMENTATION**

As a result of the meetings, think tank and Charette, the components for change have been extensively discussed. This planning phase is actually intended to bring each component together in a way that will enhance the effectiveness of the Cultural Festival, and implement reinvestment. Planning and implementation grants will enable more progress toward the reinvestment goals outlined. Funding is sought for advancement toward the Geodesic Dome, for the discovery and application of alternative energy sources, high technology and advanced architecture, the implementation of cooperative ownership, employment training and economic empowerment, as described in **Appendices A and B***. These are all components of the three building blocks for resuscitation as described here, starting from the foundational economic recovery model, reinvestment and empowerment and the realization of the Geodesic Dome. Funding will enable the interlocking of each element of the resuscitation model, transforming the cities named in our region as three of the top ten poorest in the nation, into cities revived by not only new economic vitality, but economic justice and innovation that will affect the nation.

*

To obtain a copy of the appendices, contact Norman G. Kurland, President, email: thirdway@cesj.org
Center for Economic and Social Justice, Washington, D.C. <http://www.cesj.org>. The opinions of the
Center for Economic and Social Justice are not necessarily those of the Public Policy Research
Center at the University of Missouri – St. Louis.

SOURCES: Economic Recovery Model Project, Original Goals & Objectives
Greater East St. Louis Chamber of Commerce

U.S. Census Bureau, 2000 Census

Stoval, Kati. 2008 World Fair Planned for City: Collective Minds
Bring Hope at Meeting of International Commerce & Cultural
Think Tank in East Saint Louis. *The Monitor*, November 17, 2005.