



# Fulton County Economic Assessment

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Spoon River Partnership for Economic Development  
Canton Main Street  
University of Illinois Extension  
University of Illinois at Urbana-Champaign

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# Fulton County Economic Assessment

Prepared for

Spoon River Partnership for Economic Development  
45 East Side Square, Suite 303  
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Produced by



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# Executive Summary

This report represents a collaborative effort between Spoon River Partnership for Economic Development, Canton Main Street, Department of Urban and Regional Planning at the University of Illinois at Urbana-Champaign and the University of Illinois Extension. The assessment was conducted to understand the demographic trends, economic and employment base, growth industries and small business climate in Fulton County, IL. The purpose of this assessment is to enable local decision makers and employers with the groundwork for economic development initiatives.

The assessment approach includes analysis of demographic, income and employment trends, identifying strengths and opportunities for economic development with economic opportunity interviews and understanding the perspective of local business through a business survey.

In chapter 1, we describe the demographic trends in Fulton County. We conclude that Fulton County's population is both aging and declining in absolute numbers. The decrease in popula-

tion during 2000-2012 is not analogous with the population increase in the commute region (Fulton, Peoria, Tazewell and McDonough Counties) and Illinois. The aging population shows that people are getting older but the number of families with children is not increasing. Despite this stagnancy in population, the education attainment has improved for the residents of Fulton County who are also becoming more diverse in race and ethnicity. The analysis of the commute pattern suggests that Fulton County is a bedroom community because more Fulton residents are commuting out of the county for work than people commuting into the county for work.

We describe the income and employment trends in Fulton County in chapter 2. The per capita personal income in Fulton County was below the state average during 2000-2012. The analysis of income by industry shows that Fulton County has a weaker private nonfarm industrial base than the state and the commute region. Additionally, Fulton County has a higher unemployment rate than the nation, state and commute region.

Fulton County employment based on SIC and NAICS sector categories shows that the Fulton County experienced a shift in the nature of jobs from manufacturing to services during 1969-2000. However, there is no significant change in the service sector jobs during 2001-2011. Retail trade and healthcare are the biggest industries in Fulton County with highest employment numbers. However, the employment with government enterprises exceeds both retail trade and healthcare employment.

The locations quotients for two digit NAICS codes for Fulton County show that it only specializes in agriculture, forestry, fishing and hunting; health care and social assistance; and utilities. The location quotients for these industries respectively are 2.5, 1.7 and 1.5. Fulton County has a higher job concentration in these industries than the nation. For most of the other industries, Fulton County has less than adequate jobs relative to the national average. Despite the unique advantage of forestry, fishing and hunting, healthcare and utilities, the list of leading

industries as per four digit NAICS codes in Fulton County reveals that the county lacks employers other than those serving the residential neighborhoods such as grocery stores and gasoline stations.

The cluster identification analysis performed for Fulton County for the period of 2001-2012 shows that health care and social assistance, agriculture, forestry, fishing and hunting and construction industries have the potential to become a cluster. The shift share analysis for Fulton County for a time period of 2001-2012 shows that manufacturing and construction are the most promising industries for the future due to unique regional competitive advantage.

In chapter 3, we compare the economy of Fulton County with twenty five (25) selected peer counties that have similar demographic, urban and natural characteristics. Fulton County ranks 6<sup>th</sup> in the per capita personal income of peer counties for 2012. It ranks 7<sup>th</sup> in the percentage per capita personal income growth and ranks 6<sup>th</sup> in percentage increase in total employment during 2000-2012 among

peer counties. However, Fulton County ranks 17<sup>th</sup> in the total employment for peer counties for 2012. These rankings indicate that Fulton County is competitively performing better than many of its peer counties in per capita income and income and job growth. It only lacks behind from its peer counties in the total employment.

In chapter 4, we present findings from nineteen (19) semi-structured interviews with the representatives from government, economic development agencies, anchor institutions and business community leaders. The interviewees identified the readily available workforce, strong work ethic values and the amenities in the county as the greatest strengths. They mentioned manufacturing as the greatest opportunity for economic development. However the unavailability of a four lane highway, was identified as the biggest challenge for the county. A majority of interviewees supported the idea of having stronger and innovative partnerships in the county.

We draw from a business survey in chapter 5 in which a total of 79 businesses participated. The group of respondents was a healthy mix of old and new businesses, small and medium

size businesses, started and purchased businesses, local and regional businesses, and single owner and family owned businesses.

A quarter of the responding businesses plan to expand in next five years and a majority of respondent businesses have no plans to downsize, close, sell the business or relocate outside Fulton County. The responding businesses identified supportive Chamber of Commerce, good education facilities, community events and festivals, good healthcare facilities, and recreational and tourist places as the five biggest strengths of Fulton County contributing to business development. They identified limited employment opportunities, aging population, unfriendly building regulations/codes, high taxes and cost of utilities, and limited opportunities to attract tourists and nonlocal customers as the five biggest barriers in Fulton County for maintaining/expanding/starting business. Fulton County has good access to financing opportunities, business training and networking opportunities but it can improve in providing assistance with building codes/regulations and permit process/licensing.

# Introduction

This economic assessment is an outcome of the collaboration between the Spoon River Partnership for Economic Development (SRPED), Canton Main Street, Department of Urban and Regional Planning at University of Illinois Urbana-Champaign (UIUC) and University of Illinois Extension. The purpose of this report is to provide an overall assessment of the Fulton County economy. It discusses the economic base of the area, trends in key industries and presents insights about economic development and business climate in Fulton County.

The assessment provides the necessary information to support local planning and development decisions. It would enable local decision makers and stakeholders in economic development to set long term economic development goals and it can also be used as a basis to make strategic economic decisions in short term. The economic assessment can be useful for employers, businesses or entrepreneurs that intend to locate in Fulton County. It can also be referred to as educated decisions are made about new business startup, expansion and relocation in Fulton County.



Figure 1: Fulton County Historic Courthouse in Lewistown, IL<sup>1</sup>

### Assessment Approach

This economic opportunity assessment is comprised of various approaches, including analyzing the demographics and employment trends, determining strengths and opportunities for economic development and understanding perspectives of local businesses (see Figure 2).

The assessment uses a comparison of Fulton County attributes with a commute region that is defined based on the historical county to county commute flow data. The commute region for Fulton County is Fulton, Peoria, Tazewell and McDonough Counties (see commute region map in Appendix 1).

The assessment starts with the in-depth analysis of the population and migration trends in Fulton County in the chapter ‘Demographic Trends’. In ‘Income and Employment Trends’ chapter, the report analyzes the income, employment, industrial specialization trends and cluster possibility.



In the third chapter, it compares Fulton County’s economic attributes with peer counties to understand its competitive standing.

Along with these quantitative methods, it also uses a qualitative approach to complement the information. The assessment presents the perspective of the government, major employers and economic development agencies on Fulton County economic development niches and hurdles in the chapter ‘economic opportunity interviews’. In the last chapter, it draws from a comprehensive business survey to trace possible expansion opportunities, strengths and opportunities for business development in Fulton County.

## About Fulton County

Fulton County is located within the Spoon River Valley of Western Illinois. Canton is the largest city of Fulton County and is almost 30 miles south of the greater Peoria metropolitan area. Appendix 2 lists the population and household income of the communities in Fulton County. Fulton County is surrounded by Knox, Peo-

ria, McDonough, Tazewell, Mason and Schuyler Counties. The interstate nearest to Canton is I-74 and connects Peoria to Galesburg. Fulton County is served by U.S. Routes 24 and 136, and Illinois Routes 9, 41, 78, 95, 97, 100, and 116 (see Map 1).

Fulton County is primarily an agricultural County. It offers a unique blend of great schools, excellent healthcare, outstanding parks, a lower cost of living and relaxed lifestyles. Agricultural and related production has long been the basis for the local economy and farming continues to be key today. Employment opportunities in Fulton County cover a diverse range of job types, from agriculture, healthcare, medical manufacturing, educational institutions, city and county government, as well as national retailers (see Table 1 for largest employers in Fulton County).<sup>2</sup>

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***Canton is the largest city of Fulton County. The interstate nearest to Canton is I-74 and connects Peoria to Galesburg.***

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**Table 1: Largest Employers in Fulton County (2014)**






Employer	City	Employment
Graham Health System	Canton	750
Canton Union School District #66	Canton	345
IL River Correctional Center	Canton	304
Fulton County	Lewistown	240
Walmart	Canton	160
HyVee Food Store	Canton	150
Spoon River College	Canton	140
Cook Medical	Canton	130
City of Canton	Canton	127
Spoon River Health Care Services	Farmington	122

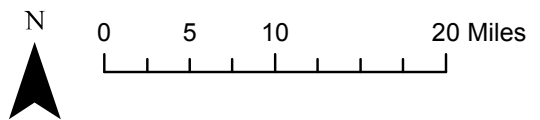
Source: ESRI Business Analyst Online. Accessed September 4, 2014. <https://bao.arcgis.com/>.

Map 1: Fulton County, IL



**Legend**

-  County
-  Places
-  Interstates
-  Railroads
-  Roads



Source: 2013 TIGER/Line® Shapefiles

# Demographic Trends

This chapter describes the demographic trends in Fulton County. It looks into the population, education, diversity and migration trends for Fulton County and presents comparisons with regional and state trends. The demographic trends reflect the strength of the local economy and are important for choosing appropriate economic development strategies.

## Population

The estimated population for Fulton County was 36,989 in 2012. Fulton County's population is both aging and declining in absolute numbers. Table 2 shows that the population of Fulton County has decreased 3.3% from 2000 to 2012. This is not analogous with the population increase in commute region (Fulton, Peoria, Tazewell and McDonough Counties) and Illinois over the same period.

Figure 3 shows the drastic difference in population change patterns for the counties in the commute region. Fulton County’s population has historically been almost stagnant whereas Peoria County’s population has constantly increased since 1860. The population of Tazewell County was analogous to Fulton County’s population till 1930 but after that it has also experienced significant population growth. This rapid urbanization

of Peoria and Tazewell Counties did not affect the population of Fulton County.

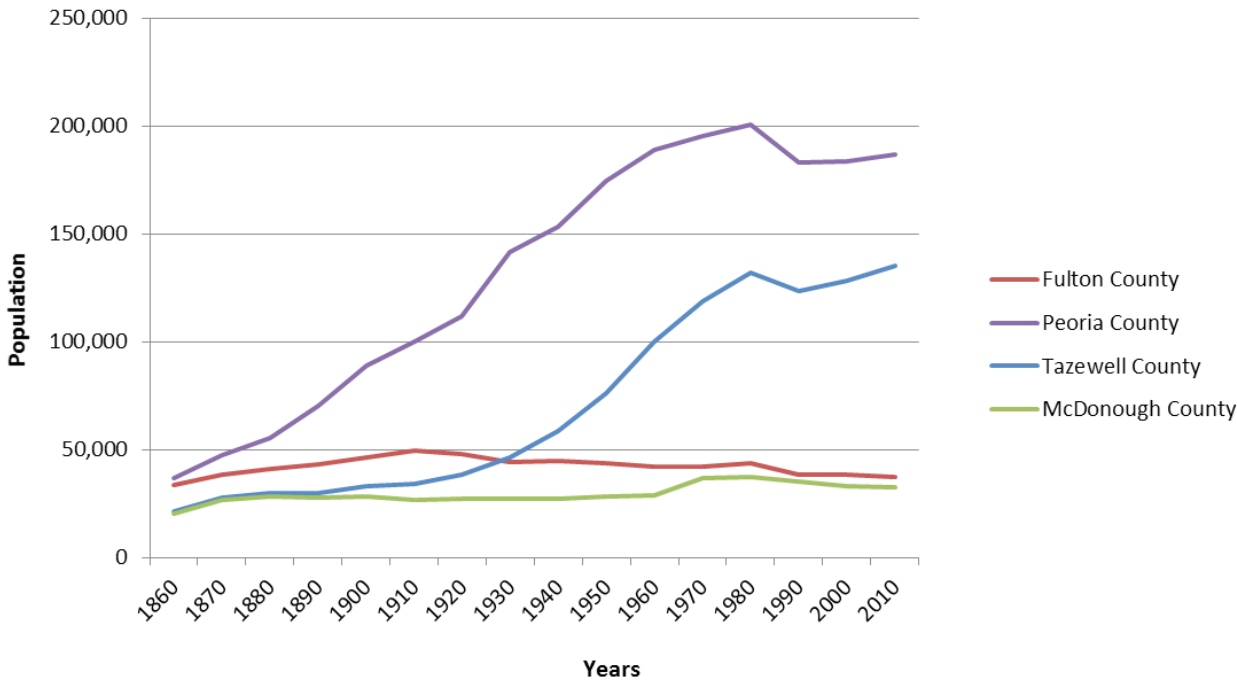
***Fulton County’s population is both aging and declining in absolute numbers. It has decreased 3.3% from 2000 to 2012.***

**Table 2: Population Change (2000-2012)**

Place	Population		Percentage Change in Population (2000-2012)
	2000	2012	
Fulton County	38,250	36,989	-3.3%
Commute Region <sup>A</sup>	383,081	391,157	2.1%
Illinois	12,419,293	12,823,860	3.3%

Source: US Census Bureau, Table DP05, 2012 ACS 5-year estimates, accessed via American FactFinder, November 26, 2014.  
 Notes: A. Commute Region includes Fulton, Peoria, Tazewell and McDonough Counties.

**Figure 3: Historical Population (1860-2010)**



Source: U.S. Census Bureau, 2010 Redistricting Data SF (PL 94-171); U.S. Census Bureau compilation from historical decennial census counts.

Figure 4 shows that the regional (commute region) population has increased at a lower rate than the state of Illinois since 1980. Only Tazewell County’s population growth is similar to the state trends otherwise the population in Fulton and McDonough Counties has been decreasing relative to the regional (commute region) and state population.

### Population Components and Migration

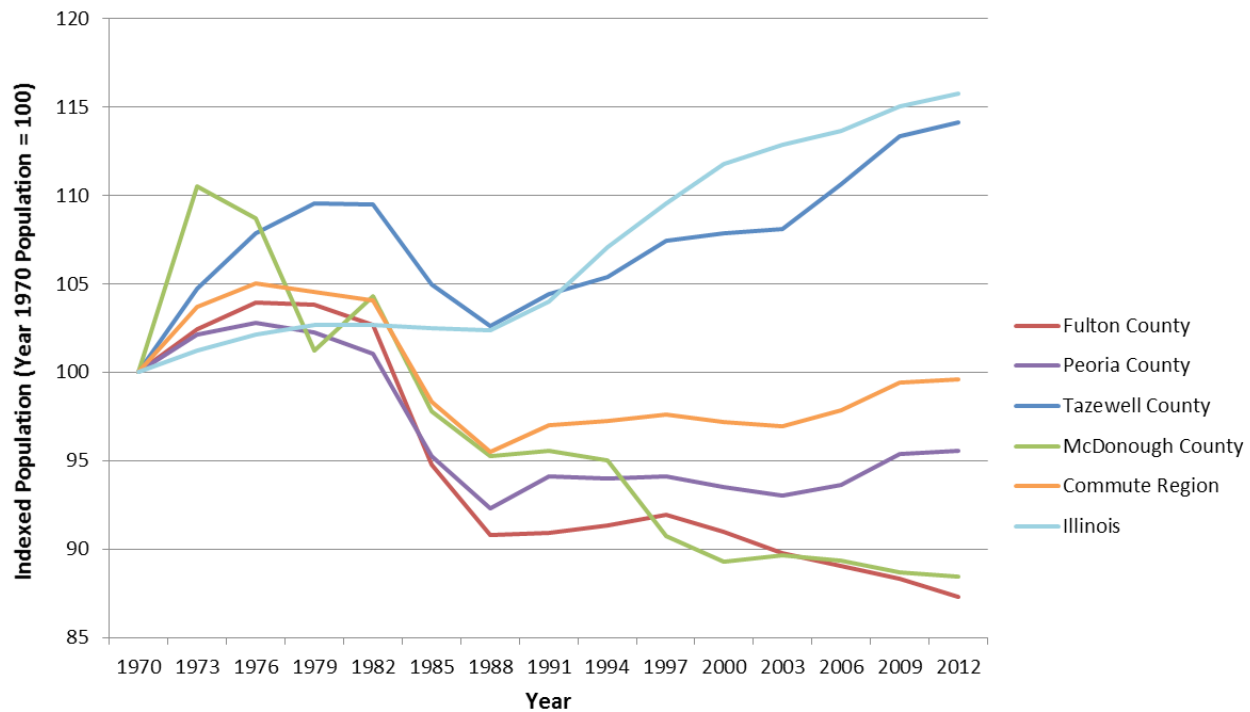
Table 3 presents the change in population components during 2000-2013. Population change is comprised of three components: natural increase (total number of deaths subtracted from total number of births), net international migration (represents the movement of people across the borders of the United States who change their residence) and net internal migration (difference between domestic in-migration to an area and

***The stagnant population in Fulton County can be ascribed to more deaths than births.***

domestic out-migration from the same area). Table 3 shows that the stagnant population in Fulton County can be ascribed to more deaths than births. In contrast, both the commute region and the state had natural increase in their population (more births than deaths).

Both commute region and state have gained some population due to international migration and lost population due to interregional migration. Fulton County has similar trends; however, these changes couldn’t compensate for the population loss due to more deaths than births. Tazewell County is the only county in the region with both positive natural increase and net interregional migration.

**Figure 4: Indexed Population Growth (1970-2012)**



Source: U.S. Department of Commerce, Bureau of Economic Analysis, CA1-3: personal income, per capita personal income, population, accessed via Regional Economic Information System on September 10, 2014.

**Table 3: Natural Increase and Net migration (2000-2013)**

Place	Percentage Change in Population (2000-2013)		
	Natural Increase (Births - Deaths)	Net International Migration	Net Internal Migration
Fulton County	-2.7%	0.1%	-3.1%
McDonough County	0.1%	2.6%	-2.8%
Peoria County	6.6%	1.9%	-5.8%
Tazewell County	3.3%	0.3%	1.0%
Commute Region	4.0%	1.2%	-3.0%
Illinois	7.9%	4.1%	-7.2%

Source: US Census Bureau, Components of Population Change, accessed September 13, 2014.

**Population by Age**

Fulton County’s population is aging as the overall population declines. The population change presented as age groups reveals that Fulton County had maximum population growth in age groups between 50 to 69 years from 2000-2012, which is analogous to the regional (commute region) trends. However, Fulton County has lost population in age groups of 10 to 34 years in comparison to the commute region (see Table 4).

This aging population shows that people are getting older but the number of families with children is not increasing. This may also mean that the young retirees are coming back to county (see population pyramids for Fulton County and commute region in Appendix 3). This sign of young retirees moving back to Fulton County is not enough to make up for the population losses. The aging population in the county is also reflected in the school enrollments. The total school

***Fulton County had maximum population growth in age cohorts between 50 to 69 years in-between 2000-2012.***

**Table 4: Population Change by Age**

Age Group	Percentage Change in Population (2000-2012)	
	Fulton County	Commute Region
Under 5 years	-9.1%	1.8%
5 to 9 years	-0.6%	-2.6%
10 to 14 years	-16.1%	-5.7%
15 to 19 years	-4.2%	0.8%
20 to 24 years	-10.0%	-2.6%
25 to 29 years	-7.3%	5.0%
30 to 34 years	-9.9%	1.0%
35 to 39 years	-28.5%	-14.5%
40 to 44 years	-9.4%	-15.0%
45 to 49 years	0.1%	-5.3%
50 to 54 years	17.7%	12.6%
55 to 59 years	23.2%	37.4%
60 to 64 years	38.1%	41.2%
65 to 69 years	16.4%	16.1%
70 to 74 years	-13.2%	-8.4%
75 to 79 years	-13.4%	-6.3%
80 to 84 years	-9.3%	6.5%
85+ years	-8.1%	10.9%
<b>Total</b>	<b>-3.3%</b>	<b>2.1%</b>

Source: US Census Bureau, 2000 SF1 100% Data , Table P012, 2010 SF1 100% Data , Table P12, 2012 ACS 5-year estimates, Table B01001, accessed via American FactFinder, September 11, 2014.

enrollment in Fulton County has decreased in comparison to the regional and state enrollment during 2003-2014 (see Figure 5).

## Education

Table 5 shows that the educational attainment in both Fulton County and the commute region has improved during 2000-2012 beyond the general national trend. The improving educational base is notable as the population with less than high school education has decreased on a rate more than the national average. Similarly, Fulton County has a higher percentage increase in the population with bachelor's degree compared to the region and the nation. However, the increase in graduate and professional degree holders is not significant in comparison with the region and the nation.

## Race and Ethnicity

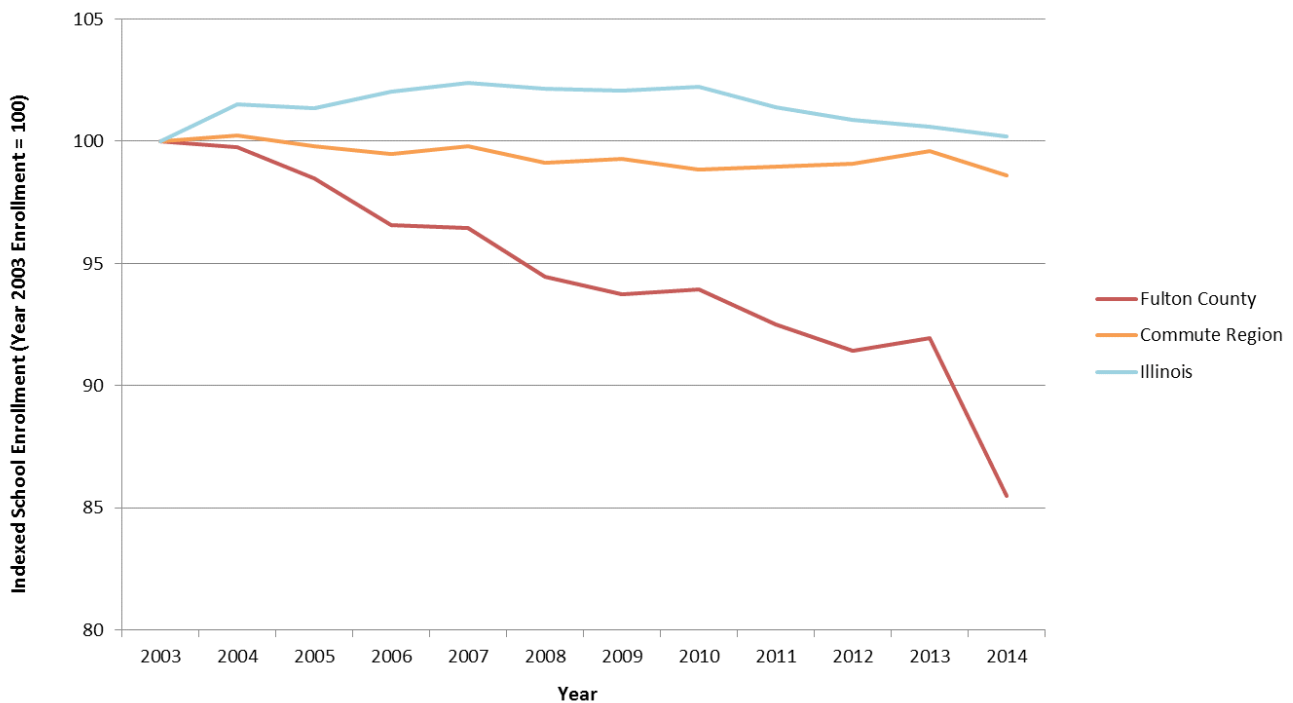
The population in Fulton County was predominantly more White (94.6%) in comparison to the commute region (85.7%) in 2012; however, both the Fulton County and commute region has become relatively more diverse during 2000-2012. The population other than the White and African American races has grown double fold in both Fulton County and region. The Hispanic or Latino population has also increased in both Fulton County and commute region respectively by 85.1% and 87.0% (see Table 6).

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***Hispanic or Latino population has increased in both Fulton County and commute region.***

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**Figure 5: Indexed School Enrollment (2003-2014)**



Source: District Summary (2003-2014), Data Analysis and Accountability, Illinois State Board of Education, accessed on September 17, 2014, [http://www.isbe.net/research/htmls/fall\\_housing.htm](http://www.isbe.net/research/htmls/fall_housing.htm).

**Table 5: Education Attainment (2000-2012)**

Education Attainment <sup>A</sup>	Percentage Change in Population (2000-2012)		
	Fulton County	Commute Region	US
Less than 9th Grade	-39.4%	-43.6%	-10.2%
9th to 12th Grade, no diploma	-28.9%	-30.4%	-23.4%
High School Graduate <sup>B</sup>	-2.5%	1.1%	10.6%
Some College, no degree	7.2%	1.6%	13.4%
Associate's Degree	33.4%	39.0%	36.7%
Bachelor's Degree	31.9%	30.7%	29.0%
Graduate or Professional Degree	9.5%	30.3%	34.3%

Source: US Census Bureau, 2000 SF3 Sample Data , Table P37, 2012 ACS 5-year estimates , Table B15002, accessed via American FactFinder, September 10, 2014.

Notes: A. Includes all residents of age 25 or higher.  
 B. including equivalents.

**Table 6: Population by Race and Ethnicity (2000-2012)**

Race	Percentage Share in 2000		Percentage Share in 2012		Percentage Population Change (2000-2012)	
	Fulton County	Commute Region	Fulton County	Commute Region	Fulton County	Commute Region
White	95.1%	88.2%	94.6%	85.7%	-3.8%	-0.7%
Black <sup>A</sup>	3.6%	8.7%	3.4%	9.5%	-8.0%	12.1%
Others <sup>B</sup>	1.3%	3.2%	3.3%	6.7%	146.7%	115.8%
Total	100.0%	100.0%	100.0%	100.0%	NA	NA

Ethnicity	Percentage Share in 2000		Percentage Share in 2012		Percentage Population Change (2000-2012)	
	Fulton County	Commute Region	Fulton County	Commute Region	Fulton County	Commute Region
Hispanic or Latino	1.2%	1.6%	2.4%	2.9%	85.1%	87.0%
Non Hispanic <sup>C</sup>	98.8%	98.4%	97.6%	97.1%	-4.4%	0.7%
Total	100.0%	100.0%	100.0%	100.0%	NA	NA

Source: US Census Bureau, 2000 SF1 100% Data, Tables P007 and P008, 2012 ACS 5-year estimates, Tables B02001 and B03001, accessed via American FactFinder, September 10, 2014.

Notes: A. or African American.  
 B. Includes Native Hawaiian, Other Pacific Islander alone, American Indian and Alaska Native, Asian and Two or more races.  
 C. or Non Latino.

## Commute Pattern

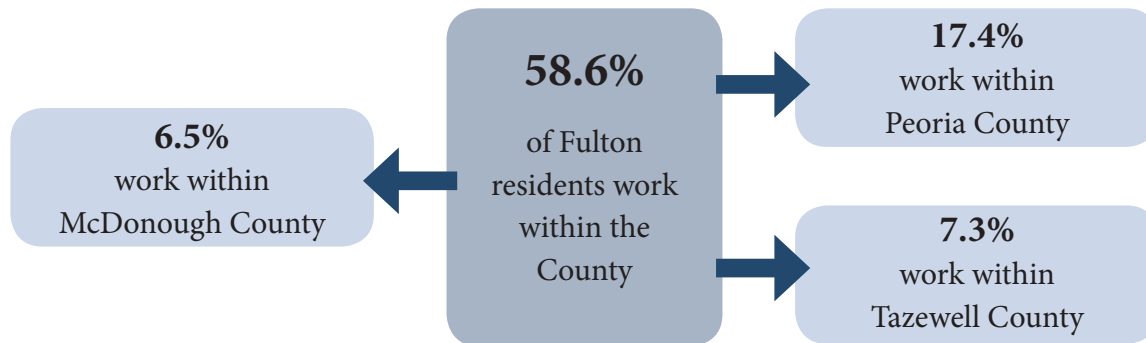
Fulton County’s commute region is Fulton, Peoria, Tazewell and McDonough Counties, based on historical county to county commute flow data. The employment opportunities and amenities in Fulton County can be assessed by analyzing journey to work commute data (see commute region map in Appendix 1). County to county commuting flow data provides information about where people live and where people work.

Figure 6 shows where Fulton County residents work and where Fulton County workers live. Specifically, only 58.6% of the residents of Fulton County work in Fulton County and the remain-

ing share of Fulton County residents commute to neighboring counties such as Peoria, Tazewell and McDonough. After Fulton County, Peoria County provides work for 17.4% of Fulton County residents. In contrast, 85.9% of Fulton County employees come from Fulton County itself. However, a few commute to work in Fulton County from neighboring counties such as Peoria. In other words, few people commute into the county for employment.

This commute pattern analysis suggests that Fulton County is a bedroom community because more Fulton residents are commuting out of the county for work than people commuting into the county for work.

### Where do residents of Fulton County Work?



### Where do people working in Fulton County live?

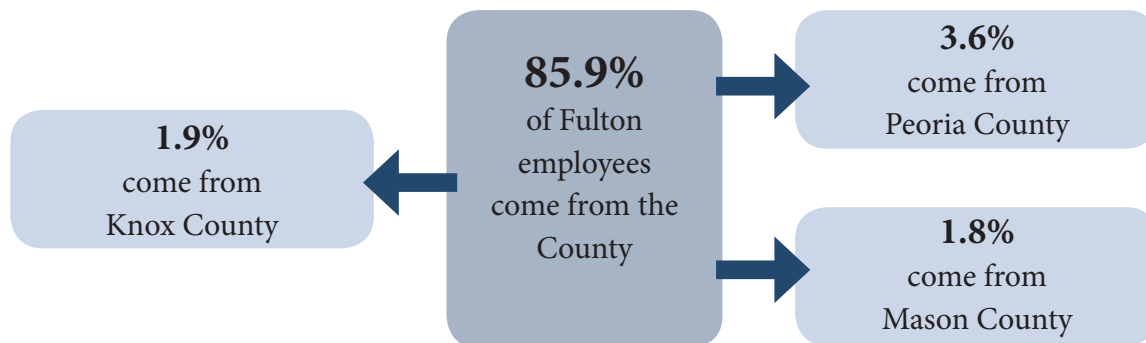


Figure 6: County to County Commute Trends

Source: US Census, 2006-2010 5 year ACS county to county commuting flow data.

# Income and Employment Trends

This chapter describes the income and employment trends in Fulton County. It looks into the income, components of income, unemployment, income and employment by industry, industrial specialization and possible clusters in Fulton County. It compares the economic trends of Fulton County with the commute region and state trends. Income and employment status of a community directly reflect the strength of the local economy. Industry specialization and cluster identification information tells about growth industries and thus provides opportunity to proactively plan for future economic activities in the county.

## Income

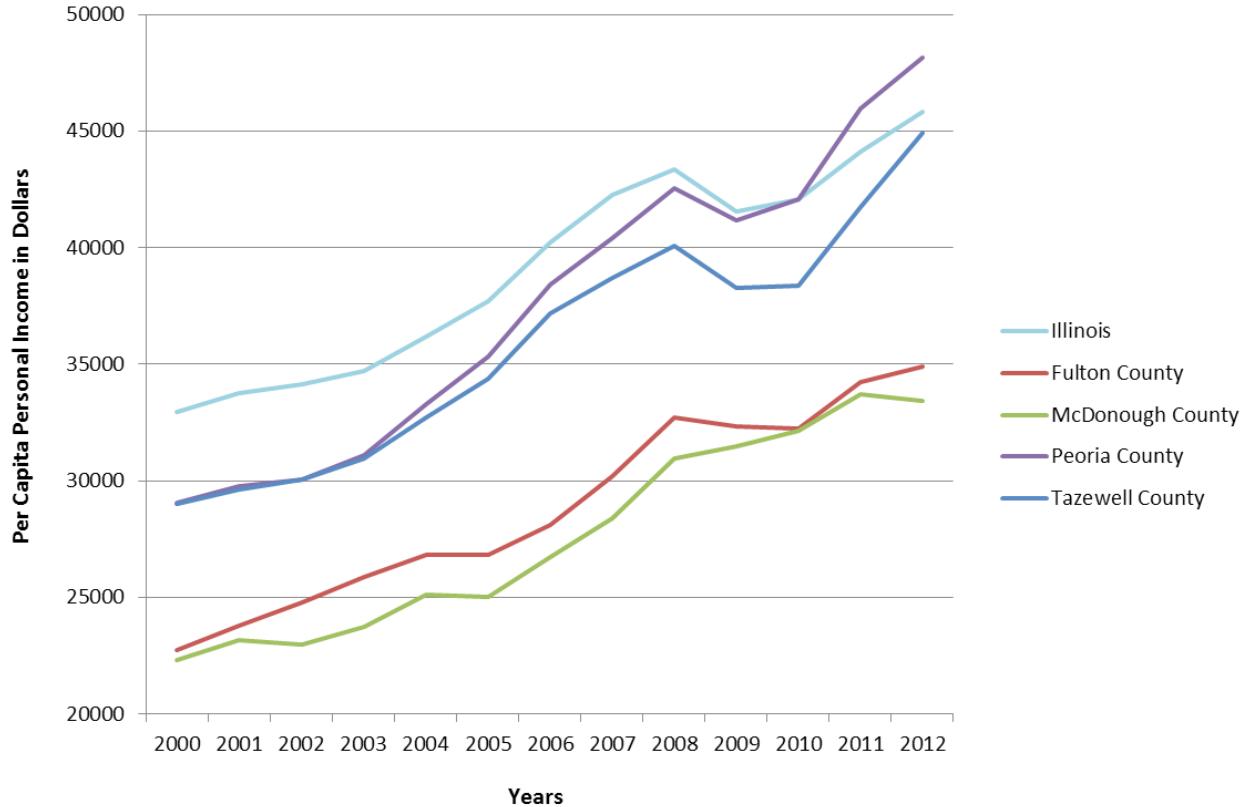
Figure 7 presents the per capita personal income for counties in the commute region from 2000 to 2012. Per capita personal income is the per person income received from all sources. It includes net earnings by place of residence, property income, and personal current transfer receipts (benefits for which no current services are performed such as food stamps, family assistance and unemployment compensation). In 2012, per capita personal income in Fulton County equaled \$34,904. The per capita personal income in Fulton County was nearly \$10,000 below than state average during 2000-2012. The per capita personal income in Fulton County was 23% below the statewide average, 27% below Peoria County, 22% below Tazewell County, and 4% above McDonough County in 2012.

*The per capita personal income in Fulton County was nearly \$10,000 below than state average during 2000-2012.*

## Income Components

Personal income is composed of earnings of residents, dividends/interest/rent accruing to individuals, and transfer receipts received by residents. In Fulton County, earnings are 58.7% of total personal income, whereas earnings account for around 65% of personal income for the state and commute region. Dividends account for 17.5% of personal income in Fulton County, which is comparable to the state and regional (commute region) figures. Finally, transfer payments account for 23.8% of personal income

**Figure 7: Per Capita Personal Income (2000-2012)**



Source: U.S. Department of Commerce, Bureau of Economic Analysis, CA1-3, accessed via Regional Economic Information System on September 10, 2014.

in Fulton County compared to just above 15% of personal income for the state and commute region. These comparisons reflect that Fulton County has a larger percentage of retired people than the state and the region (see Table 7).

### Income by Industry

Table 8 broadly presents the earnings by industry for 2012. It shows that Fulton County has more farm earnings and earnings from government organizations than the state and the commute region. The 2012 farm earnings for Fulton County were 6.7% of total earnings in comparison to the 1% for the state and 1.1% for the commute region. Similarly, the 2012 earnings from government enterprises were 32.4% of total earnings in comparison to the 14.8% for the state and 12.9% for the commute region. These comparisons reflect that Fulton County has a weaker private nonfarm industrial base than the state and the commute region.

### Unemployment

The annual unemployment trends for 1990-2013 suggest that unemployment in Fulton County has followed national, state and regional (commute region) trends. Fulton County has a higher unemployment rate than the nation, state and commute region during 1990-2007. It was analogous to national, state and regional (commute region) unemployment rate during the recession years (2007-2009); however since then, the unemployment rate in Fulton County has been more than the national, state and regional (commute region) figures. The 2013 unemployment rate for Fulton County was 10.8% (see Figure 8).

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***Fulton County has a higher unemployment rate than the nation, state and commute region during 1990-2013.***

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**Table 7: Personal Income Components (2012)**

Income Component	Fulton County	Commute Region	Illinois
Earning of Residents	58.7%	65.1%	66.8%
Dividends, Interest and Rent	17.5%	18.6%	18.1%
Transfer Receipts	23.8%	16.3%	15.1%
Total	100.0%	100.0%	100.0%

Source: U.S. Department of Commerce, Bureau of Economic Analysis, CA04, accessed via Regional Economic Information System on September 10, 2014.

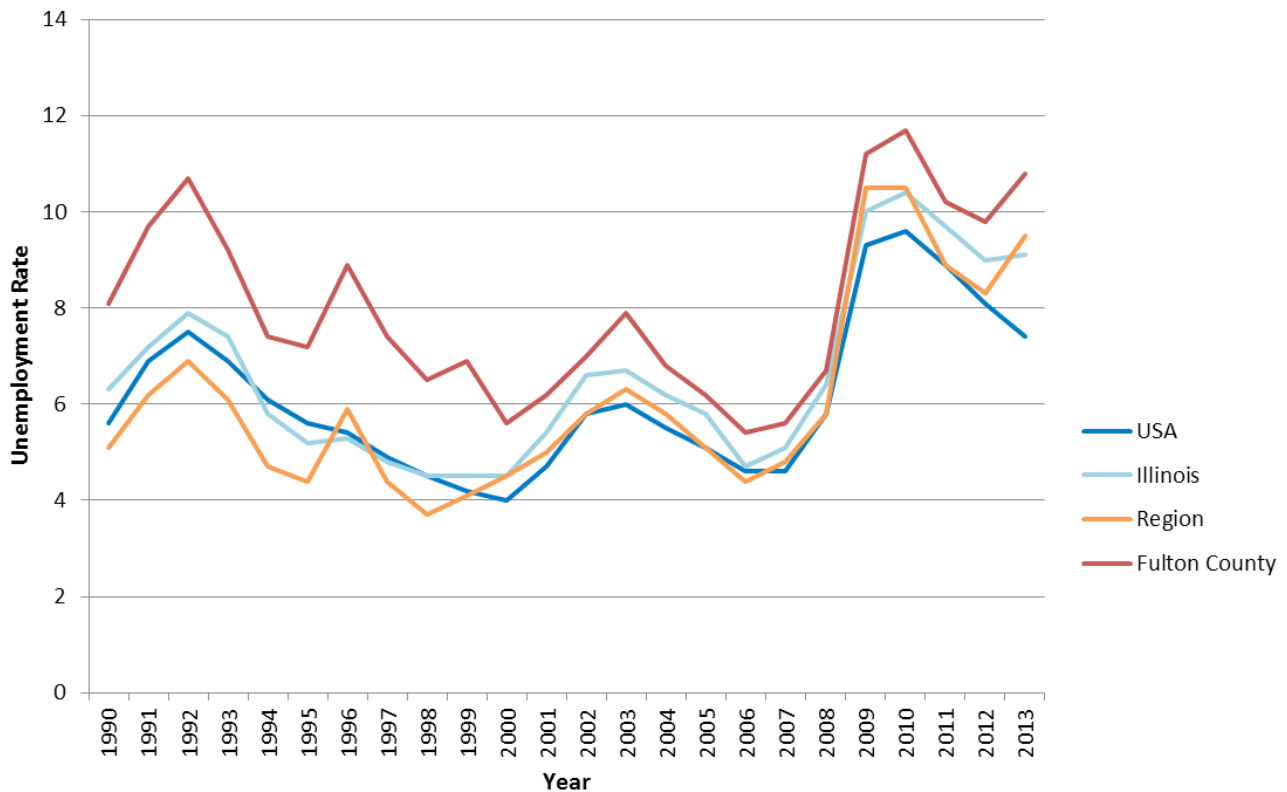
**Table 8: Personal Income by Industry (2012)**

Earning Source	Fulton County	Commute Region	Illinois
Farm	6.7%	1.1%	1.0%
Private Nonfarm	61.0%	86.0%	84.2%
Government <sup>A</sup>	32.3%	12.9%	14.8%
Total	100.0%	100.0%	100.0%

Source: U.S. Department of Commerce, Bureau of Economic Analysis, CA05N, accessed via Regional Economic Information System on September 10, 2014.

Notes: A. includes government enterprises.

**Figure 8: Annual Unemployment Rate (1990-2013)**



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, accessed September 13, 2014.

### Employment by Industry

Table 9 presents Fulton County employment from 1969 to 2000 based on SIC sector categories. This table shows that the Fulton County experienced a shift in the nature of jobs from manufacturing to services during 1969-2000. The job shares of manufacturing and services almost reversed from 1969 to 2000. During 1969-2000, Fulton County had a drop of 11.0 percentage points in the manufacturing jobs’ share of the total employment. In contrary, Fulton County had a hike of 10.7 percentage points in the manufacturing jobs’ share of the total employment during 1969-2000. During the same period, Fulton County also had a drop of around 5 percentage points in the mining and farm jobs’ share of the total employment.

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***Retail trade and healthcare are the biggest industries in Fulton County with highest employment.***

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Table 10 presents Fulton County employment from 2001 to 2012 based on NAICS sector categories. This table shows a 3 percentage point hike in the healthcare jobs’ share of the total employment during 2001-2011. However, there is no significant change in other service sector or manufacturing jobs during the same period. The change in percentage job shares for service sector jobs is sluggish. Though the county feels stagnation in service sector jobs, manufacturing jobs show some growth over 2001-2011 as its share grew by 0.9 percentage points.

**Table 9: Fulton County Employment by SIC Industry Sector (1969-2000)**

SIC Sector <sup>A</sup>	1969		2000		Percentage Point Change in Share (1969-2000)
	Employment	Percentage Share	Employment	Percentage Share	
Farm Employment	2,165	14.5%	1,345	9.5%	-5.1%
Nonfarm Employment	12,722	85.5%	12,868	90.5%	5.1%
Private Nonfarm Employment	10,119	68.0%	10,096	71.0%	3.1%
Agricultural Services <sup>B</sup>	31	0.2%	152	1.1%	0.9%
Mining	822	5.5%	48	0.3%	-5.2%
Construction	449	3.0%	724	5.1%	2.1%
Manufacturing	2,082	14.0%	421	3.0%	-11.0%
Transportation <sup>C</sup>	461	3.1%	629	4.4%	1.3%
Wholesale Trade	208	1.4%	361	2.5%	1.1%
Retail Trade	2,812	18.9%	2,985	21.0%	2.1%
Finance and Insurance <sup>D</sup>	808	5.4%	925	6.5%	1.1%
Services	2,446	16.4%	3,851	27.1%	10.7%
Government <sup>E</sup>	2,603	17.5%	2,772	19.5%	2.0%
<b>Total Employment</b>	<b>14,887</b>	<b>100%</b>	<b>14,213</b>	<b>100%</b>	<b>NA</b>

Source: US Bureau of Economic Analysis, Regional Economic Information System, Table CA25, accessed September 13, 2014.

Notes: A. Values estimated for suppressed data using estimation method, B. Includes forestry, and fishing, C. Includes public utilities, D. Includes real estate, E. Includes government enterprises.

Retail trade and healthcare are the biggest industries in Fulton County with highest employment. However, the employment with government enterprises exceeds both retail trade and healthcare employment (see Table 10).

### Industry Specialization

Table 11 lists the location quotients for two digit NAICS codes for Fulton County taking US as a reference. Location quotient (LQ) is a valuable way of quantifying how concentrated a particular industry is in a region as compared to the nation. It can reveal what makes a particular region “unique” in comparison to the national average.<sup>3</sup> The LQ is computed by dividing employment in a particular industry in Fulton County by the total

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***Fulton County only specializes in agriculture, forestry, fishing and hunting; health care and social assistance; and utilities.***

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for all industries in Fulton County, and then dividing that ratio by the comparable ratio for the nation. If the LQ is greater than 1, then Fulton County has proportionally more of its employment in that industry than does the nation, and Fulton County is assumed to have a comparative advantage in that particular industry.

Table 11 shows that Fulton County only specializes in agriculture, forestry, fishing and hunting; health care and social assistance; and utilities. The

location quotients for these industries respectively are 2.5, 1.7 and 1.5. For most of the other industries, the location quotients are less than 1 which shows less than adequate jobs relative to the national average. There are a few industries in which Fulton County is analogous with the

national average with location quotients slightly above 1. These industries are construction, retail trade, finance and insurance, and accommodation and food services.

Table 12 presents the largest industries as per four digit NAICS codes in Fulton County based upon

**Table 10: Fulton County Employment by NAICS Industry Sector (2001-2012)**

NAICS Sector <sup>A</sup>	2001		2012		Percentage Point Change in Share (2001-2012)
	Employment	Percentage Share	Employment	Percentage Share	
Farm Employment	1,261	9.3%	898	6.8%	-2.5%
Nonfarm Employment	12,335	90.7%	12,330	93.2%	2.5%
Private Nonfarm Employment	9,575	70.4%	9,650	73.0%	2.5%
Forestry <sup>B</sup>	131	1.0%	143	1.1%	0.1%
Mining	41	0.3%	45	0.3%	0.0%
Utilities	141	1.0%	56	0.4%	-0.6%
Construction	701	5.2%	766	5.8%	0.6%
Manufacturing	269	2.0%	386	2.9%	0.9%
Wholesale Trade	359	2.6%	362	2.7%	0.1%
Retail Trade	2,015	14.8%	1,659	12.5%	-2.3%
Transportation <sup>C</sup>	345	2.5%	298	2.3%	-0.3%
Information	201	1.5%	86	0.7%	-0.8%
Finance and Insurance	592	4.4%	686	5.2%	0.8%
Real Estate, Rental and Leasing	284	2.1%	338	2.6%	0.5%
Professional and Scientific <sup>D</sup>	337	2.5%	350	2.6%	0.2%
Management <sup>E</sup>	0	0.0%	0	0.0%	0.0%
Administrative <sup>F</sup>	226	1.7%	273	2.1%	0.4%
Educational Services	42	0.3%	52	0.4%	0.1%
Healthcare <sup>G</sup>	1,732	12.7%	2,112	16.0%	3.2%
Arts and Entertainment <sup>H</sup>	201	1.5%	142	1.1%	-0.4%
Accommodation <sup>I</sup>	830	6.1%	801	6.1%	0.0%
Other Services <sup>J</sup>	1,127	8.3%	1,095	8.3%	0.0%
Government <sup>K</sup>	2,760	20.3%	2,680	20.3%	0.0%
<b>Total Employment</b>	<b>13,596</b>	<b>100%</b>	<b>13,228</b>	<b>100%</b>	<b>NA</b>

Source: US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed September 13, 2014.

Notes: A. Values estimated for suppressed data using estimation method, B. Includes fishing, and related activities, C. Includes warehousing, D. Includes technical services, E. Management of companies and enterprises, F. Includes waste management services, G. Includes social assistance, H. Includes recreation, I. Includes food services, J. Except public administration K. Includes government enterprises.

**Table 11: Fulton County Location Quotients (LQ) with US as a Reference (2012)**

Two Digit NAICS Code	Industry	Location Quotient (LQ)
11	Agriculture, Forestry, Fishing and Hunting	2.5
21	Mining, Quarrying, and Oil and Gas Extraction	0.5
22	Utilities	1.5
23	Construction	1.3
31	Manufacturing	0.5
42	Wholesale Trade	0.9
44	Retail Trade	1.4
48	Transportation and Warehousing	0.8
51	Information	0.4
52	Finance and Insurance	1.1
53	Real Estate and Rental and Leasing	0.7
54	Professional, Scientific, and Technical Services	0.5
55	Management of Companies and Enterprises	0.0
56	Administrative and Support <sup>A</sup>	0.4
61	Educational Services	0.2
62	Health Care and Social Assistance	1.7
71	Arts, Entertainment, and Recreation	0.6
72	Accommodation and Food Services	1.0
81	Other Services (Except Public Administration)	1.7

Source: US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed September 13, 2014.

Notes: A. Includes waste management and remediation services.

the employment for 2012. The location quotients of these leading industries testify that Fulton County specializes in health care and social assistance and utilities. The impact of this specialization is visible in leading industries that include general medical and surgical hospitals with a location quotient of 2.3, nursing care facilities with a location quotient of 4.6, home health care services with a location quotient of 2.4 and electric power generation, transmission and distribution with a location quotient of 5.7. Despite the unique advantage of forestry, fishing and hunting, health-care and utilities, the list of leading industries as per four digit NAICS codes in Fulton County re-

veals that the county lacks employers other than those serving the residential neighborhoods such as grocery stores and gasoline stations. This is because the top 10 largest industries include restaurants and other eating places, grocery stores and gasoline stations. These industries do not provide high wage jobs or distinguish a place as unique (see Table 12).

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***Fulton County lacks employers other than those serving the residential neighborhoods such as grocery stores and gasoline stations.***

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**Table 12: Fulton County LQs with US as a Reference for 10 Largest Industries (2012)**

Four Digit NAICS Code	Industry	Employment	Location Quotient (LQ)
6221	General Medical and Surgical Hospitals	750	2.3
7225	Restaurants and Other Eating Places	660	1.2
6231	Nursing Care Facilities (Skilled Nursing Facilities)	475	4.6
5617	Services to Buildings and Dwellings	375	3.6
4451	Grocery Stores	359	2.3
5221	Depository Credit Intermediation	232	1.9
4471	Gasoline Stations	201	3.9
2211	Electric Power Generation, Transmission and Distribution	175	5.7
4521	Department Stores	175	2.7
6216	Home Health Care Services	175	2.4

Source: US Census Bureau, 2012 County Business Pattern, accessed September 13, 2014.

### Cluster Identification Analysis

The change in location quotients over time can be used to list industries into four categories: strength and growing, strength and declining, weakness but growing, weakness and declining. The industries lying in the strength and growing quadrant have the potential to be a cluster. Industry clusters are groups of similar and related firms in a defined geographic area that share common markets, technologies, worker skill needs, and which are often linked by buyer-seller relationships. Firms and workers in an industry cluster draw competitive advantage from their proximity to competitors, to a skilled workforce, to specialized suppliers and a shared base of sophisticated knowledge about their industry. A cluster approach can help firms to achieve a competitive advantage by promoting their common interests, and can make the public sector more effective in supporting the economy.<sup>4</sup> Figure 9 presents this cluster identification analysis performed for Fulton County for the period of 2001-2012.

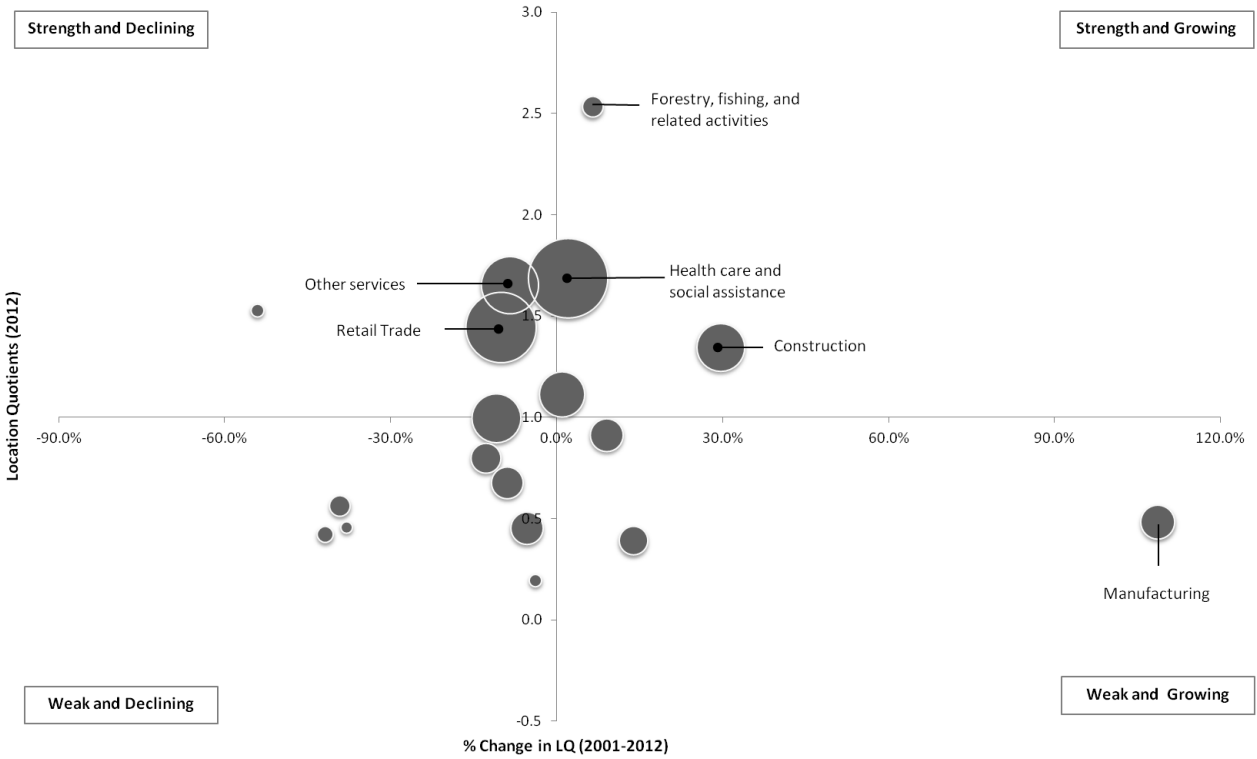
The industries that lie in the category of strength and growing are health care and social assistance, agriculture, forestry, fishing and hunting and construction. These industries have both unique advantages in the county as they have high location quotients and the location quotients have been growing with time indicating the possibility of further strengthening of these industry sectors in the county. Manufacturing, on the other hand is not one of the strengths of county due to low location quotients; however, the location quotient has been increasing over time making it a potential industry for future (see Appendix 4 for change in Fulton County employment and LQs for individual NAICS category over time).

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***Health care and social assistance, agriculture, forestry, fishing and hunting and construction industries have the potential to become a cluster.***

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**Figure 9: Cluster Identification Analysis for Fulton County (2001-2012)**



Source: US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed September 13, 2014.

### Shift Share Analysis

Shift share is a standard regional analysis method that attempts to determine how much regional job growth can be attributed to national trends and how much is due to unique regional factors. Shift share helps answer why employment is growing or declining in a regional industry. The basic use of shift share is to prevent a hasty and inaccurate interpretation of raw job growth numbers. To conduct shift share analysis, we split regional job growth into three components for a timeframe: (1) national growth effect, (2) industrial mix effect, and (3) regional competitive effect. National growth effect is simply the rate of growth of the particular industry at the national level. The industrial mix effect represents the share of regional industry growth explained by the growth of the

specific industry at the national level.

The regional competitive effect is the most interesting of the three indicators. It explains how much the change in a given industry is due to some unique competitive advantage that the region possesses, because the growth cannot be explained by national trends in that industry or the economy as whole.

Table 13 presents the results of the shift share analysis for Fulton County, IL for a time period of 2001-2012. The gain in employment for construction and manufacturing can be attributed more to the regional competitive effect than the industry mix effect. However, the gain in the health care and social assistance is mostly due to the national growth effect and industrial mix effect. This indicates that manufacturing and con-

struction are the most promising industries for future due to unique regional competitive advantage. Though the health care and social assistance is one of the largest industries in the county, it is saturating and is being driven by national trends.

The slight increase in jobs in some other industries can also be attributed to national growth effect and industrial mix effect. These industries include finance and insurance, real estate and rental

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***Manufacturing and construction are the most promising industries for future due to unique regional competitive advantage.***

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and leasing, and professional, scientific, and technical services.

**Table 13: Shift Share Analysis for Fulton County (2001-2012)**

Industry	Employment Change (2001- 2012)	National Growth Effect	Industrial Mix Effect	Regional Competitive Effect
Agriculture, Forestry, Fishing and Hunting	12	13	-2	2
Mining, Quarrying, and Oil and Gas Extraction	4	4	22	-22
Utilities	-85	14	-23	-76
Construction	65	68	-139	135
Manufacturing	117	26	-95	186
Wholesale Trade	3	35	-31	-1
Retail Trade	-356	197	-204	-348
Transportation and Warehousing	-47	34	-11	-70
Information	-115	20	-59	-76
Finance and Insurance	94	58	108	-71
Real Estate and Rental and Leasing	54	28	110	-84
Professional, Scientific, and Technical Services	13	33	32	-52
Management of Companies and Enterprises	0	0	0	0
Administrative and Support <sup>A</sup>	47	22	13	12
Educational Services	10	4	12	-7
Health Care and Social Assistance	380	169	354	-143
Arts, Entertainment, and Recreation	-59	20	33	-112
Accommodation and Food Services	-29	81	72	-182
Other Services (Except Public Administration)	-32	110	73	-215

Source: US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed September 13, 2014.

Notes: A. Includes waste management and remediation services.

# Peer County Comparison

This section compares the economy of Fulton County with selected peer counties that have similar demographic, urban and natural characteristics. Twenty five (25) counties were selected using rigorous criterion (see Map 2). These counties have comparable population, physical characteristics, Rural-Urban Continuum Codes and Natural Amenity Indexes. The selected peer counties also do not have an interstate passing through, similar to Fulton County (see Appendix 5 for peer county attributes).

The 2013 Rural-Urban Continuum Codes provided by US Department of Agriculture form a classification scheme that distinguishes metropolitan counties by the population size of their metro area, and nonmetropolitan counties by degree of urbanization and adjacency to a metro area. Each county in the U.S. is assigned one of the 9 codes. The 2013 Rural-Urban Continuum Code for Fulton County is six (6). In Illinois, 23 counties are similarly rural as Fulton County and 52 counties are more urban than Fulton County (see Table 14).



The Natural Amenities Scale, assigned by US Department of Agriculture, is a measure of the physical characteristics of a county area that enhance the location as a place to live. The scale was constructed by combining six measures of climate, topography, and water area that reflect environmental qualities most people prefer. Each county gets a score from 1 to 7. The Natural Amenities Index for Fulton County is three(3). In Illinois, 38 counties have the same natural amenities as Fulton County and 7 counties have better natural amenities than Fulton County (see Table 14).

Table 16 compares the per capita personal income, total employment of peer counties for 2012 and it compares the percentage increase in per capita personal income and total employment for peer counties during 2000-2012. Fulton County ranks 6<sup>th</sup> in the per capita personal income of peer counties for 2012. It ranks 7<sup>th</sup> in the percentage per capita personal income growth and ranks 6<sup>th</sup> in percentage increase in total employment during 2000-2012 among peer counties. However, Fulton County ranks 17<sup>th</sup> in the total employment for peer counties for 2012. These rankings indicate that Fulton County is competitively performing better than many of its peer counties in per capita income and income and job growth. It only lacks behind its peer counties in the total employment.

**Table 15: Natural Amenities Scale for Illinois Counties (2013)**

Scale Point <sup>A</sup>	Number of Illinois Counties
1	1
2	55
<b>3 - Fulton County</b>	<b>39</b>
4	7
5	0
6	0
7	0
Total	102

Source: “Natural Amenities Scale.” US Department of Agriculture Economic Research Service. Accessed November 16, 2014. <http://www.ers.usda.gov/data-products/natural-amenities-scale.aspx>.

Notes: A. Natural amenities increase from scale point 1 to 7.

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***Fulton County is competitively performing better than many of its peer counties in per capita income and income and job growth. It only lacks behind its peer counties in the total employment.***

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**Table 16: Peer County Comparison**

County	Rank Among Peer Counties			
	Per Capita Personal Income 2012	Total Employment 2012	Percentage Change in Per Capita Income (2000-2012)	Percentage Change in Total Employment (2000-2012)
<b>Fulton County, IL</b>	<b>6</b>	<b>17</b>	<b>7</b>	<b>6</b>
Covington County, AL	15	3	8	8
Pike County, AL	5	7	4	1
Christian County, IL	2	12	10	18
Jefferson County, IN	11	10	16	12
Lawrence County, IN	9	2	21	24
Wabash County, IN	4	8	14	23
Morehouse Parish, LS	10	23	3	10
Marion County, MS	16	21	2	7
Bladen County, NC	14	11	18	11
Adams County, OH	21	22	22	13
Coshocton County, OH	13	5	23	20
Gallia County, OH	8	14	12	17
Highland County, OH	18	13	19	14
Chesterfield County, SC	24	4	24	21
Marion County, SC	25	18	17	15
Hardeman County, TN	20	24	5	19
Lauderdale County, TN	26	26	20	26
Lawrence County, TN	22	9	26	22
Lincoln County, TN	7	15	9	4
Warren County, TN	19	6	25	25
Bee County, TX	17	19	1	3
Bennington County, VT	1	1	11	16
Orange County, VA	3	20	15	2
Mason County, WV	23	25	13	9
Vernon County, WI	12	16	6	5

Source: US Census Bureau, Table DP03 and DP05, 2012 ACS 5-year estimates, accessed via American FactFinder, November 16, 2014; US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed November 16, 2014.

Notes: See Appendix 5 for peer county attributes.

# Economic Opportunity Interviews

In addition to the quantitative review, nineteen (19) semi-structured interviews were conducted with representatives from government, economic development agencies, anchor institutions and business community leaders (see Appendix 6 for the list of interviewees).

Interviews were used primarily to better understand the roles of the county's economic development entities, identify the major shared goals between these entities, identify the challenges and opportunities for economic development in the county, and lastly, to investigate the possibilities of active partnerships (see Appendix 7 for the list of questions).

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***The readily available workforce with strong work ethic values is identified as the greatest strength of Fulton County.***

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## **Goals of Economic Development**

Interviewees were asked about the results they desire out of the economic development process as this understanding of economic development drives the actions and efforts made by the organization. It has the ability to guide the goals of a community. For example, a community that understands economic development as business recruitment would frame their strategies around recruiting more retail; however, a community that defines economic development in a more comprehensive manner would consider other quality of life guiding facets too. The interviewees in Fulton County can roughly be divided equally into these two groups. About half of the interviewees mentioned having more jobs in the county and increasing tax base through business retention, expansion and recruitment as economic development. However, they put limited emphasis on having jobs with a minimum living wage.

The other half of the interviewees pictured economic development as having a better quality of life beyond just jobs, businesses and taxes. As explained by one interviewee,

“... and making sure that people have a quality of life that they appreciate and that makes them wanna [want to] stay here [Fulton County] or if they are growing up here then they are coming back and raising their families here [Fulton County].”

These interviewees mentioned providing a better quality of life as the goal of economic development as it would hold both local and non-local population, surging the decreasing population

of the county. The understanding of economic development as a way to promote quality of life expands the scope of economic development by including community unity, collaboration and active partnerships in practice. It also allows the community to plan for quality of life elements such as housing and tourism beyond business recruitment.

## **Strengths & Opportunities for Economic Development**

The readily available workforce with strong work ethic values is identified as the greatest strength of Fulton County for economic development. As mentioned by one interviewee,

“....I think the work ethic of people of Fulton County [is the biggest strength]....the values of our community members and our people in general.... People [in the county] want to help, they want to be involved. We get a good amount of help from businesses.”

The amenities in the county are mentioned as the second greatest strength for economic development. Interviewees frequently mentioned the park and school systems, natural amenities and historical legacy, healthcare facilities and availability of higher education facilities in proximity as a base for economic development especially to promote the quality of life. A few interviewees also mentioned low crime, lower cost of living and proximity to other metro area as strengths. In general, interviewees mentioned that Fulton County has more amenities in comparison to the counties of similar population and size. This corresponds with the results of peer county comparison in this economic assessment.

Manufacturing is seen as the greatest opportunity for economic development in Fulton County. Interviewees mentioned the availability of the infrastructure such as railway, airport, utilities and lower cost of operation in the region and readily

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***Manufacturing is seen as the greatest opportunity for economic development in Fulton County.***

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available sites make Fulton County suitable for manufacturers. As mentioned by one of the established manufacturers in the county,

“.....You know as far as the manufacturing goes, I think Fulton County has kind of a great potential - workforce potential..... I don't think you can find better work ethic and individuals [than Fulton County] in the Midwest ..... It has been a pleasant experience [manufacturing in Fulton County]. It has been close to five years for me handling this [manufacturing] plant. The turnover rate has been very low compared to what normally is anticipated. I think the first two years we grew by 112% and we have like a 6% turnover rate.”

The suitability of Fulton County for manufacturing coupled with quality of life elements and strong work ethics results in manufacturing growth with minimum turnover rate. After manufacturing, interviewees acknowledge construction and healthcare as sectors of growth in the future. The response from interviewees corresponds with the location quotients and clusters identified in the income and employment trends chapter in this assessment where manufacturing, healthcare and construction were the identified as the growth industries.

Interviewees mentioned the presence of dedicated economic development agencies such as Spoon River Partnership for Economic Development, Canton Main Street and Chamber of Commerce as strengths for shaping the community economically. The economic development agencies in the county are helping to build collaboration and develop partnerships. However, a few interviewees accepted the limitations of Fulton County due to its rural nature. They mentioned that we do not

have much to offer if compared to the big cities around the country.

**Challenges for Economic Development**

The lack of transportation infrastructure, especially the unavailability of a four lane highway, has been identified as the biggest challenge for economic development in Fulton County. Almost all interviewees mentioned that having a four lane highway would help Fulton County to achieve its economic development goals. Apart from infrastructure, major employers in the county find the lack of employment diversity and inadequate high end housing as a challenge for recruiting high income individuals and families. As mentioned by a leading employer in the county,

“...One of the factors I struggle with is what the spouses [of my employees] are going to do as we don't have a lot of opportunities....Those folks [families with more than one person working] will end up in Peoria.... Housing is bit of a struggle as well especially when you recruit someone to the market and there are not a lot of \$150,000-\$200,000 homes here [Fulton County]....I tell you what would be a huge benefit for us [Fulton County employers] if there was a four lane highway at least between Canton to Peoria.”

Along with this, interviewees also mentioned the multigenerational poverty, low percentage of residents with college degrees, aging population, insufficient funding for infrastructure projects and stringent building regulations as other challenges for economic development in Fulton County. These challenges are not only limited to the factors associated with the county itself. Interviewees feel that some state and national trends are

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***The unavailability of a four lane highway, has been identified as the biggest challenge for Fulton County.***

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impeding the economic development in Fulton County as well. They mentioned that the recent education budget cuts and medical device tax are not auspicious for the education system and medical device manufacturing in Fulton County. Interviewees acknowledged that many rural counties in the Midwest have been struggling with the aging population and income decline and Fulton County is not the only one to experience this challenge. The state of Illinois in general has higher taxes than some of the neighboring states such as Indiana, Wisconsin and Missouri.

## Role of the Government

Interviewees were asked about the role of government for promoting economic development in Fulton County. The purpose of this question was that the responses would allow government to assess their existing efforts and make future plans toward economic development. Interviewees mostly suggested that government should continue existing efforts for economic development. However, they would like government to develop more collaboration across sectors including better communication with local businesses and healthy relations within the layers of government in the county.

Interviewees focused on more effective utilization and distribution of business incentives to spur development. They mentioned that governments need to concentrate more on public-private partnerships and effective TIF funding allocation. Interviewees acknowledged that the government is in general support of economic development but it can better utilize economic development professionals. As mentioned by one of the economic development professionals,

“.....They [government] should be involved actively, positively and keeping an open mind about doing their own homework and research about incentives and the way they

[business incentives] work so when the economic development professional is there explaining or presenting possibilities, the conversation can be more effective....I mean we can always collaborate better.”

Interviewees also mentioned leveraging the on-line resources such as websites and social media for better engagement, constantly re-examining the city regulations, making information more accessible to everyone and collaborating with educational resources to proactively shape the workforce as other responsibilities of the government. A few interviewees were not satisfied with the efforts government is making. The major reasons behind dissatisfaction were the limited ability of government to undertake infrastructure projects. Government should work with the economic development professionals to secure more funding and better utilization of incentives to spur development in the county.

## Possibilities of Partnerships

A majority of interviewees supported the idea of having stronger and more innovative partnerships in the county. These partnerships may exist between government and non-profits and from non-profits to businesses and anchor institutions. Interviewees mentioned that there are already a number of partnerships in place but there are organizations that have potential and are left behind or ignored. Government and non-profits should engage all major employers and education facilities to develop more active and effective partnerships.

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***A majority of interviewees supported the idea of having stronger and innovative partnerships in the county.***

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# Business Survey

The quantitative analysis to identify promising industries (chapters 1 & 2) and economic opportunity interviews (chapter 3) do not directly include the perspective of business owners in the county. Fulton County, being relatively smaller in population numbers, needs prospering businesses because despite the recent national shift to high-tech and service sector jobs, local businesses act as the backbone of smaller economies.

As part of the assessment approach, a survey was placed for a month for the businesses of Fulton County. The intent of the survey was to quickly document the attributes of the existing businesses, their plans for expansion or downsizing, strengths and barriers for conducting business and access to business development resources in Fulton County (see Appendix 8 for complete survey).

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***A total of 79 respondents participated in the survey. Of those, 55 participated online and 24 participated off-line.***

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The survey was created in both online and off-line modes. The online survey was circulated on business listservs (mailing lists) available with the Spoon River Partnership for Economic Development, Canton Main Street and Chambers of Commerce (Canton, Farmington, Lewistown and Astoria). Flyers mentioning the link to the survey were left with many business owners to further advertise the online survey. Written surveys were conducted over a period of two days in the business districts of Canton, Farmington, Lewistown and Astoria to cover businesses that do not have access to internet. A total of 79 respondents participated in the survey. Of those, 55 participated online and 24 participated offline. The findings from this business survey are as following -

### **Attributes of Businesses**

Appendix 9 lists responses to questions 1-9 and 16 from the business survey. Responses to questions 1-8 summarize the attributes of respondent businesses. The respondents were mainly from Canton as 70% of responding businesses were located in Canton; however the rest (30%) included businesses from Farmington, Lewistown, Astoria, Cuba and Avon. A total of 78% of the responding businesses didn't have offices/branches outside Fulton County.

The group of respondents was a healthy mix of old and new businesses, small and medium size businesses, start-up and purchased businesses, local and regional businesses, and single owner and family owned businesses. Forty seven percent (47%) of the respondents have been in busi-

ness for more than 20 years; however, a quarter of the responding businesses have been in business for less than five years. About a quarter of respondents had 1-2 employees and the about the same mentioned having 3-5 employees and more than 10 employees. One third of the businesses were started by the current owner and about the same mentioned that they have purchased their businesses. The group of respondents was highly diverse in their products and services as 76% of the businesses did not identify themselves as one of the commonly found categories in small towns. Twenty eight percent (28%) of responding businesses had more than quarter of their sales from outside Fulton County; whereas around 31% mentioned less than 5% of their sales coming from outside Fulton County. Around 60% of the responding businesses were not family owned but the rest (40%) employed 1 or more family member.

### **Future Plans of Businesses**

A quarter of the responding businesses plan to expand their businesses in next five years. Thirty percent (30%) of the responding businesses may expand in next five years (see response to question 9 in Appendix 9). A majority of respondent businesses (85%) have no plans to downsize, close, sell the business or relocate outside Fulton County (see response to question 16 in Appendix 9).

Table 17 summarizes the specific actions responding businesses might perform to expand their businesses in next two years. Forty seven

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***A quarter of the responding businesses plan to expand their businesses in next five years.***

---

percent (47%) of responding businesses are likely to hire new employees, 54% are likely to add new products/service, 46% plan to invest in new equipment and 44% plan to invest in training of their employees in next two years. However, only 15% of responding businesses are likely to seek financial capital and only 34% plan to expand advertising.

### Strengths for Business Development

Table 18 lists the strengths of Fulton County contributing to business development. The responding businesses identified supportive Chambers of Commerce, good education facilities, community events and festivals, good healthcare facilities,

and recreational and tourist places as the five biggest strengths of Fulton County contributing to business development.

### Barriers for Maintaining/Expanding/Starting business

Table 19 lists the barriers in Fulton County for maintaining/expanding/starting businesses. The responding businesses identified limited employment opportunities, aging population, unfriendly building regulations/codes, high taxes and cost of utilities, and limited opportunities to attract tourists and nonlocal customers as the five biggest barriers in Fulton County for maintaining/expanding/starting business.

**Table 17: Actions Businesses might Take in Next 2 Years**

Action	Very Likely or Likely	Possibly	Unlikely or Very Unlikely
Add a new product/service	54%	24%	22%
Hire new employees	47%	23%	30%
Invest in new equipment	46%	37%	18%
Invest in training of employees	44%	22%	34%
Expand advertising	34%	38%	28%
Seek financial capital	15%	27%	58%

Source: Business Survey Responses to Questions 10-15.

**Table 18: Top 5 Strengths for Business Development**

Strengths	Percentage of Respondents Mentioning
Supportive Chamber of Commerce	55%
Good Education Facilities	40%
Community Events and Festivals	39%
Good Healthcare Facilities	37%
Recreational and Tourist Places	36%

Source: Business Survey Responses to Question 17.

**Only 42% of respondents have guidance for permit process/licensing and only 46% mentioned they get assistance with building codes/regulations.**

### Access to Business Development resources

Table 20 summarizes the responses about access to business development resources. A total of 67% respondents mentioned that they have access to business and entrepreneurial training and networking and mentoring opportunities. A total of 76% respondents mentioned that they have access to financing opportunities. However, around only 42% of respondents mentioned that they have guidance for permit process/licensing and only 46% mentioned they get assistance with building codes/regulations.

### Suggestions for Government and Economic Development Agencies

Thirty two (32) of 79 responding businesses gave suggestions for the government and economic development agencies such as Spoon River Partnership for Economic Development and Canton Main Street. Other than a few, most of these businesses suggested some improvement in the way government and supporting agencies are practicing economic development. These businesses frequently suggested getting high wage jobs and high end housing in the community, relaxing the business regulations and helping with the permitting process, lowering the cost of utilities, improving collaboration and communication with existing businesses and making economic development as the highest priority for the county.

**Table 19: Top 5 Barriers for Maintaining/Expanding/Starting Business**

Barriers	Percentage of Respondents Mentioning
Limited Employment Opportunities	52%
Aging Population	51%
Unfriendly Building Regulations/Codes	40%
High Taxes and Cost of Utilities	40%
Limited Opportunities to Attract Tourists and Nonlocal Customers	36%

Source: Business Survey Responses to Question 18.

**Table 20: Access to Business Development Resources**

Business Development Resource	Yes	No	Not Sure
Access to financing opportunities	76%	6%	18%
Business or entrepreneurial training	67%	13%	20%
Networking and mentoring opportunities	67%	13%	20%
Assistance with building codes/regulations	46%	24%	30%
Guidance for permit process/licensing	42%	20%	38%

Source: Business Survey Responses to Questions 19-23.

# Appendices

Appendix 1: Commute Region for Fulton County, IL

Appendix 2: Communities in Fulton County, IL

Appendix 3: Population Pyramids for Fulton County and Commute Region

Appendix 4: Change in Fulton County Location Quotients (with US as a reference region), 2001-2012

Appendix 5: Attributes of Peer Counties of Fulton County

Appendix 6: List of Interviewees for Economic Opportunity Interviews

Appendix 7: List of Questions for Economic Opportunity Interviews

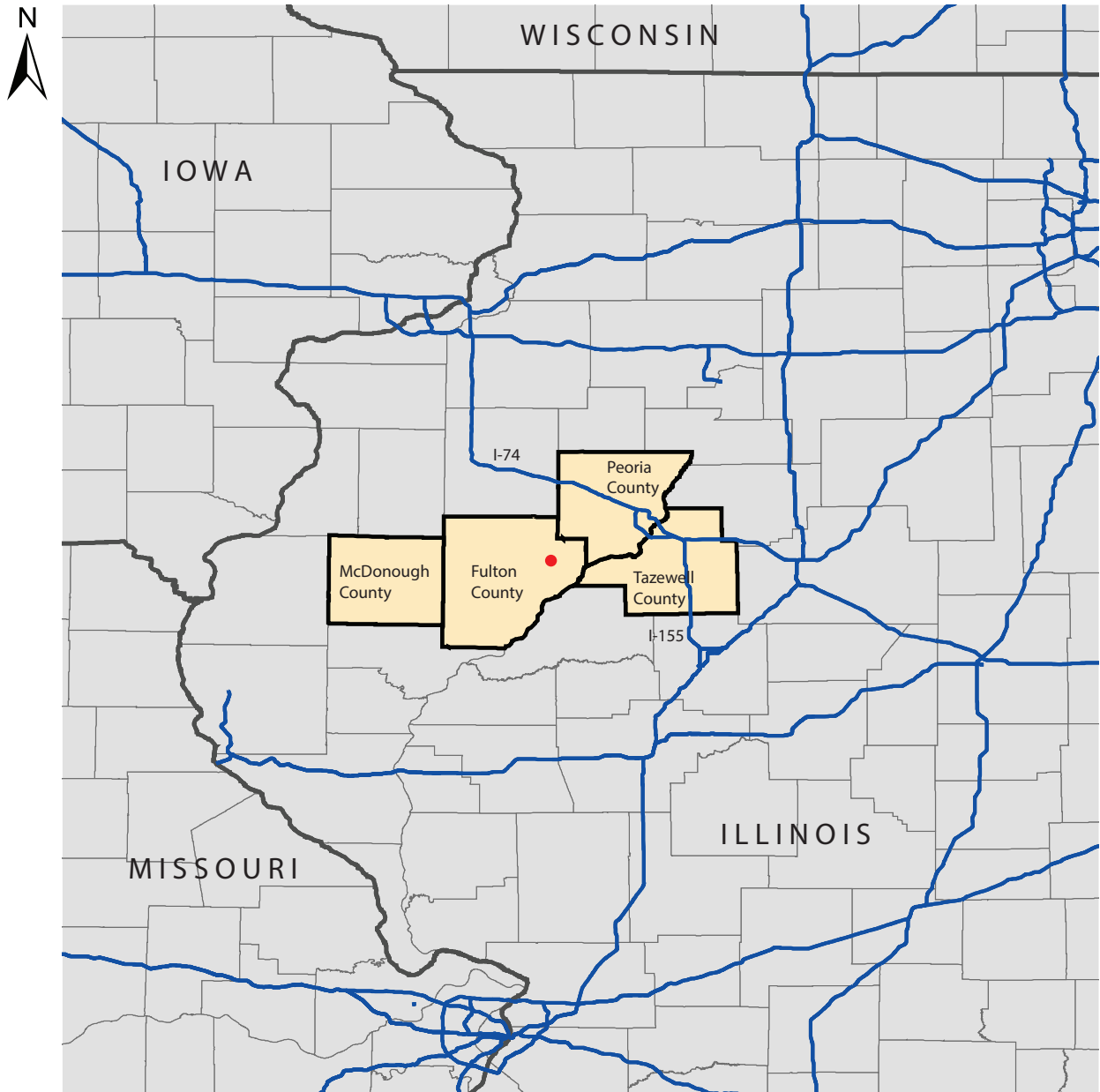
Appendix 8: Business Survey Questions

Appendix 9: Response to Questions 1-9, 16 of Business Survey








Figure 10: Jones Park in Canton

## Appendix 1: Commute Region for Fulton County, IL



### Legend

-  Interstates
-  Fulton County Region
-  State Boundary
-  County
-  Canton, IL

0 25 50 100 Miles

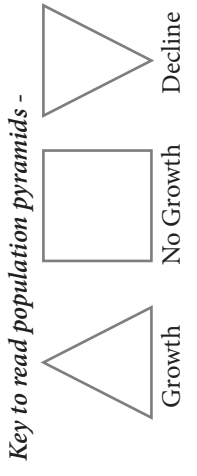
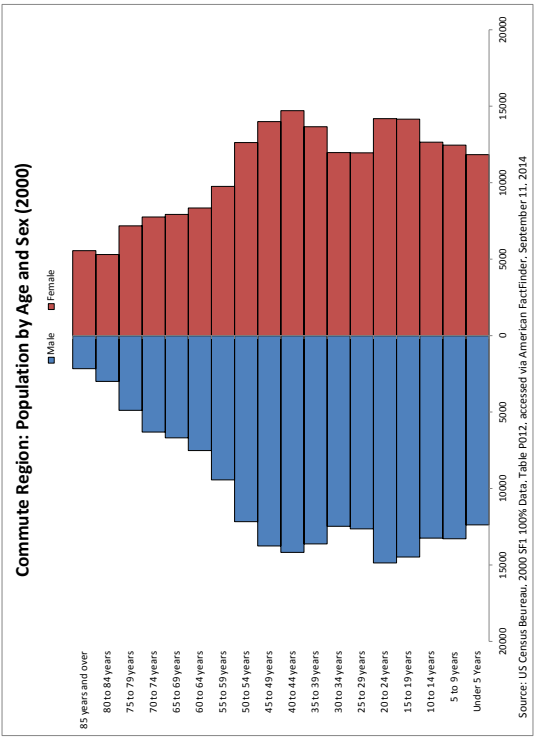
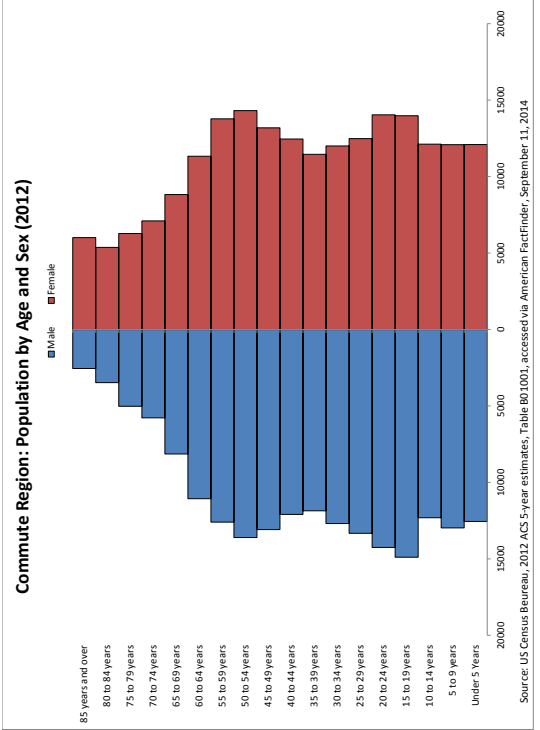
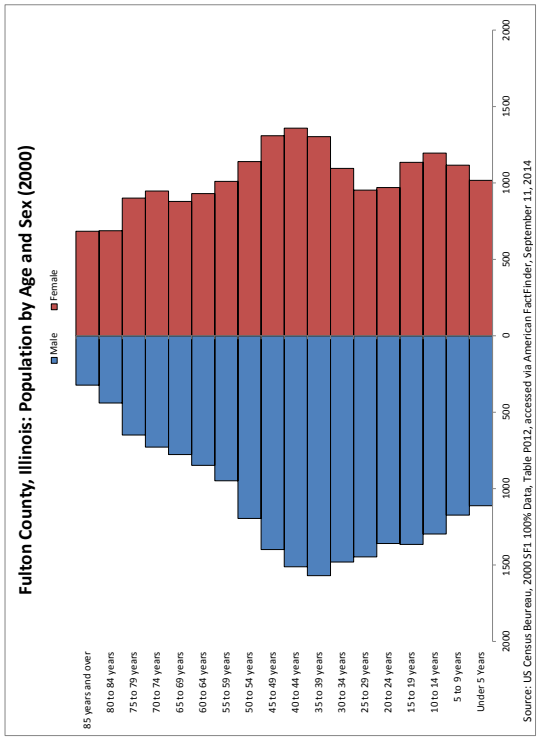
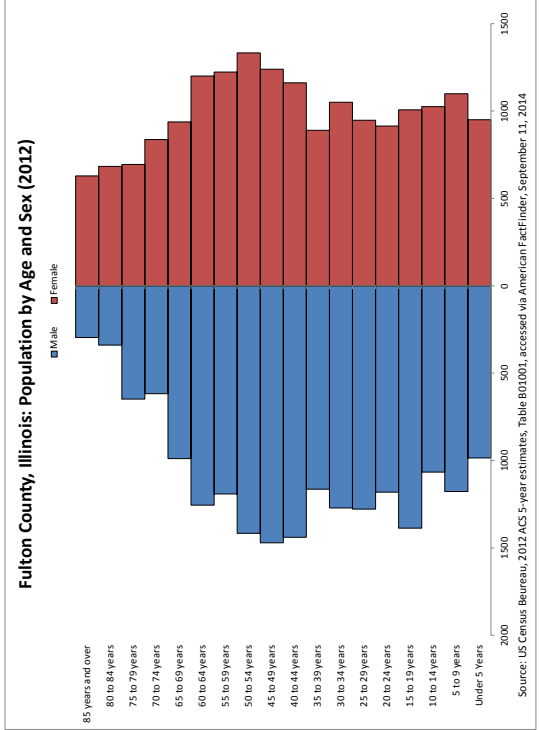
Source: 2013 TIGER/Line® Shapefiles

## Appendix 2: Communities in Fulton County, IL

Name of Town	Population (2012)	Median Household Income (2012)
Canton	14,699	39,387
Lewistown	2,296	36,932
Farmington	2,279	47,625
Cuba	1,509	41,677
Astoria	1,274	36,539
Vermont	748	47,875
Avon	688	35,357
Ipava	542	52,727
Fairview	493	53,125
Table Grove	438	39,125
London Mills	432	38,750
St. David	432	35,833
Bernadotte	352	46,250
Smithfield	301	44,750
Norris	260	33,472
Dunfermline	221	49,750
Bryant	186	53,750
Banner	164	31,923
Ellisville	119	25,208
Liverpool	99	27,250

Source: US Census Bureau, Table DP03 and DP05, 2012 ACS 5-year estimates, accessed via American FactFinder, November 26, 2014.

# Appendix 3: Population Pyramids for Fulton County and Commute Region



The shape of the population pyramid for Fulton County for 2000 and 2012 is almost a rectangle. The rectangular shape of the population pyramid shows that there is no future growth in population, as the families with children are missing from the demographic mix. In contrast, the commute region is experiencing slight growth illustrated by the slight triangular shape of the population pyramid for the top age cohorts.

### Appendix 4: Change in Fulton County Location Quotients (with US as a reference region), 2001-2012

NAICS Code and Industry Name <sup>A</sup>	2001		2012		Percentage Change in LQ (2001-2012)
	Employment	LQ	Employment	LQ	
11 Forestry <sup>B</sup>	131	2.4	143	2.5	6.5%
21 Mining	41	0.7	45	0.5	-38.0%
22 Utilities	141	3.3	56	1.5	-54.1%
23 Construction	701	1.0	766	1.3	29.6%
31 Manufacturing	269	0.2	386	0.5	108.0%
42 Wholesale Trade	359	0.8	362	0.9	9.0%
44 Retail Trade	2,015	1.6	1,659	1.4	-10.1%
48 Transportation <sup>C</sup>	345	0.9	298	0.8	-12.8%
51 Information	201	0.7	86	0.4	-41.8%
52 Finance and Insurance	592	1.1	686	1.1	0.9%
53 Real Estate, Rental and Leasing	284	0.7	338	0.7	-9.0%
54 Professional and Scientific <sup>D</sup>	337	0.5	350	0.5	-5.4%
55 Management <sup>E</sup>	0	0.0	0	0.0	0.0%
56 Administrative <sup>F</sup>	226	0.3	273	0.4	13.8%
61 Educational Services	42	0.2	52	0.2	-3.9%
62 Healthcare <sup>G</sup>	1,732	1.7	2,112	1.7	2.0%
71 Arts and Entertainment <sup>H</sup>	201	0.9	142	0.6	-39.2%
72 Accommodation <sup>I</sup>	830	1.1	801	1.0	-10.9%
81 Other Services <sup>J</sup>	1,127	1.8	1,095	1.7	-8.5%

Source: US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed September 13, 2014.

Notes: A. Values estimated for suppressed data using estimation method, B. Includes fishing, and related activities, C. Includes warehousing, D. Includes technical services, E. Management of companies and enterprises, F. Includes waste management services, G. Includes social assistance, H. Includes recreation, I. Includes food services, J. Except public administration.

## Appendix 5: Attributes of Peer Counties of Fulton County

County	Population 2012	Per Capita Personal Income 2012	Total Employment 2012	Percentage Change in Per Capita Income (2000-2012)	Percentage Change in Total Employment (2000-2012)
Covington County, AL	37,932	30,975	18,493	52.8%	1.6%
Pike County, AL	33,122	34,932	17,911	62.7%	14.6%
Christian County, IL	34,553	37,493	16,390	50.0%	-6.9%
Fulton County, IL	36,660	34,904	14,230	53.5%	7.6%
Jefferson County, IN	32,420	31,923	17,019	41.7%	-3.4%
Lawrence County, IN	45,994	32,808	18,762	33.8%	-14.9%
Wabash County, IN	32,455	36,851	17,438	42.9%	-14.8%
Morehouse Parish, LS	27,326	32,550	11,074	67.4%	-1.9%
Marion County, MS	26,443	29,882	11,507	70.6%	4.6%
Bladen County, NC	34,937	31,127	16,835	39.3%	-2.8%
Adams County, OH	28,319	27,429	11,501	33.2%	-3.6%
Coshocton County, OH	36,841	31,694	18,282	32.9%	-11.3%
Gallia County, OH	30,794	33,496	15,647	47.4%	-5.1%
Highland County, OH	43,264	28,766	15,898	36.6%	-3.8%
Chesterfield County, SC	46,324	26,452	18,329	31.8%	-11.4%
Marion County, SC	32,412	25,942	13,873	41.6%	-4.2%
Hardeman County, TN	26,568	27,827	9,960	61.7%	-9.3%
Lauderdale County, TN	27,780	24,718	8,831	34.5%	-24.3%
Lawrence County, TN	42,052	27,373	17,412	27.9%	-12.7%
Lincoln County, TN	33,501	34,306	15,565	52.0%	10.9%
Warren County, TN	39,910	28,463	18,081	31.3%	-18.3%
Bee County, TX	32,547	29,368	13,454	92.2%	12.1%
Bennington County, VT	36,709	44,408	25,091	48.8%	-4.3%
Orange County, VA	34,266	37,141	11,884	42.4%	14.1%
Mason County, WV	27,237	27,241	9,333	45.2%	0.6%
Vernon County, WI	30,206	31,855	14,426	59.8%	9.6%

Source: US Census Bureau, Table DP03 and DP05, 2012 ACS 5-year estimates, accessed via American FactFinder, November 16, 2014; US Bureau of Economic Analysis, Regional Economic Information System, Table CA25N, accessed November 16, 2014.

Notes: Peer Counties have Rural-Urban Continuum Code as 6, Natural Amenities Index as 3. They do not have any inter-states as well.

## **Appendix 6: List of Interviewees for Economic Opportunity Interviews**

### **Employers**

- Cook Medical Inc.
- Spoon River Home Health Services
- Walmart
- MidAmerica National Bank
- LTD Industries
- Canton Union School District #66
- Fulton/Schuyler Regional Office of Education

### **Anchor Institutions**

- Graham Health System
- Illinois River Correctional Center
- Spoon River College

### **Economic Development Agencies**

- Canton Main Street
- Spoon River Partnership for Economic Development
- Canton Chamber of Commerce
- Lewistown Chamber of Commerce
- Farmington Chamber of Commerce

### **Government Agencies**

- Fulton County Government
- City of Canton
- Farmington Government
- Astoria Government

## **Appendix 7: List of Questions for Economic Opportunity Interviews**

- What does economic development mean to the [Name of the Organization]?
- What are the vision/goals of the [Name of the Organization]? (If possible, please share a document mentioning vision/goals)
- Do you have any goal that specifically relate to economic development?
- What strategies/action/policies are you following for the fulfillment of your goals (or economic development goals)?
- How effective have these above mentioned strategies/action/policies been?
- Strengths and opportunities for economic development in Fulton County? (Suggestions: existing industries, collaboration across sectors, quality of life elements, entrepreneurship, small businesses, leadership, economic development authorities)
- Economic development challenges in Fulton County (Suggestions: economic development authorities, leadership, workforce needs, coordination across sectors, customer base, education/training, regulations, infrastructure)
- How do you assess the overall economic performance of Fulton County in the region?
- What should be the role of government, private sector and nonprofits?
- What partnerships and programs will be of your interest toward economic development?
- Any other information that you think can be helpful in this research?

## Appendix 8: Business Survey Questions

### Economic Opportunity Assessment for Fulton County, IL - Business Survey

Dear Business Owner/Manager,

This initiative is an outcome of the collaboration between Spoon River Partnership for Economic Development, Canton Main Street, Department of Urban and Regional Planning at University of Illinois and University of Illinois Extension. Your responses will be used to complete the economic opportunity assessment for Fulton County, IL which will help Spoon River Partnership for Economic Development and Canton Main Street to provide economic development assistance to the existing and new businesses. Your responses will help to shape new programming initiatives for both University of Illinois Extension and Spoon River Partnership for Economic Development. A summary of the survey report will be made available upon request.

Please note that all responses to this survey are voluntary and your specific responses will be anonymously reported with no identifying information. If you have any questions, please contact at msingh12@illinois.edu or 217-819-2241.

**You can also take this survey online at <https://illinois.edu/sb/sec/9075498>**

1. Where is your business located?

- Canton       Farmington       Lewistown       Astoria       Other \_\_\_\_\_

2. How long has your business been in existence?

- 0-5 years       6-10 years       11-15 years       16-20 years       Over 20 years

3. Which best describes how you came to own this business?

- Started       Purchased       Inherited       I don't own this business       Other \_\_\_\_\_

4. If you own this business, does your business have offices/branches outside Fulton County, IL?

- Yes       No

5. Which of the following best describes your business activity?

- Motor vehicle and parts dealer       Electronics and appliance store       Pharmacy and drug store       Florist, gift and souvenir store       Barber shop, nail and beauty salon
- Furniture and home furnishings store       Grocery store       Clothing and clothing accessories store       Restaurant and drinking place       Other \_\_\_\_\_

6. How many employees do you have?

- 0       1-2       3-5       5-10       More than 10

7. How many family members are employed at your business? (excluding you)

- 0       1       2       3       More than 3

8. What percentage of your sales comes from outside Fulton County, IL?

- 0%       1%-5%       5%-10%       10%-25%       More than 25%

9. Do you plan to expand your business in next five years?

- Yes       No       Maybe

*How likely is your business to do each of the following in next two years?*

	Very likely	Likely	Possibly	Unlikely	Very unlikely
10. Hire new employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Add a new product/service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Expand advertising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Invest in new equipment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Seek financial capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Invest in training of employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

16. Do you plan to do any of the following with your business in next two years?

- Downsize the business    
  Close the business    
  Sell the business    
  Relocate the business outside Fulton County    
  No plans to do any of these

17. What are the greatest strengths of Fulton County in contributing to business development? (Select up to five strengths)

- Advantageous location in the region    
  Good education facilities    
  Access to financing    
  Friendly building permitting process  
 High demand for goods and services    
  Good healthcare facilities    
  Assistance from economic dev. agencies    
  Community events and festivals  
 Good infrastructure    
  Variety in housing opportunities    
  Supportive Chamber of Commerce    
  Other \_\_\_\_\_  
 Qualified workforce    
  Recreational and tourist places    
  Supportive local government

18. What are the greatest barriers in Fulton County for maintaining/expanding/starting businesses? (Select up to five barriers)

- Poor location in the region    
  Limited employment opportunities    
  Limited financing opportunities    
  High taxes and cost of utilities  
 Low demand for goods and services    
  Aging population    
  Unfriendly building regulations/codes    
  Lack of community events  
 Inadequate infrastructure    
  Lack of diversity    
  Cumbersome permitting process    
  Other \_\_\_\_\_  
 Lack of workforce    
  Limited opportunities to attract tourists and non-local customers    
  Lack of business training, mentoring and networking opportunities

*Do you have access to each of the following?*

	Yes	No	Not sure
19. Business or entrepreneurial training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Networking and mentoring opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Access to financing opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Guidance for permit process/licensing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23. Assistance with building codes/regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

24. How can your government, your Chamber of Commerce, Spoon River Partnership for Economic Development or Canton Main Street better assist you?

## Appendix 9: Response to Questions 1-9, 16 of Business Survey

1. Where is your business located?

Canton	70%
Farmington	15%
Lewistown	9%
Astoria	1%
Other	5%

2. How long has your business been in existence?

0-5 years	25%
6-10 years	11%
11-15 years	9%
16-20 years	8%
Over 20 years	47%

3. Which best describes how you came to own this business?

Started	36%
Purchased	31%
Inherited	3%
I don't own this business	19%
Other	12%

4. If you own this business, does your business have offices/branches outside Fulton County, IL?

Yes	22%
No	78%

5. Which of the following best describes your business activity?

Motor vehicle and parts dealer	5%
Furniture and home furnishings store	3%
Electronics and appliance store	0%
Grocery store	1%
Pharmacy and drug store	1%
Clothing and clothing accessories store	1%
Florist, gift and souvenir store	1%
Restaurant and drinking place	6%
Barber shop, nail and beauty salon	5%
Other	76%

6. How many employees do you have?

0	10%
1-2	28%
3-5	24%
5-10	12%
More than 10	26%

7. How many family members are employed at your business? (excluding you)

0	59%
1	22%
2	10%
3	6%
More than 3	3%

8. What percentage of your sales comes from outside Fulton County, IL?

0%	13%
1%-5%	18%
5%-10%	24%
10%-25%	18%
More than 25%	28%

9. Do you plan to expand your business in next five years?

Yes	25%
No	45%
Maybe	30%

16. Do you plan to do any of the following with your business in next two years?

Downsize the business	0%
Close the business	8%
Sell the business	5%
Relocate the business outside Fulton County	3%
No plans to do any of the above	85%

Source: Business Survey Responses

## Notes

1. Accessed December 2, 2014. [http://courthousehistory.com/images/gallery/Illinois/Fulton/Lew-istown D\\_large.jpg](http://courthousehistory.com/images/gallery/Illinois/Fulton/Lew-istown D_large.jpg).
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