The Joplin Economic Development Program

Thirty-One Years of Partnership Success!

Reasons for Success

The City of Joplin and Joplin Area Chamber of Commerce have been in a Partnership for economic development since 1984. Other organizations such as the Industrial Development Authority, Joplin Redevelopment Corporation, Joplin Business & Industrial Development Corporation (now Joplin Regional Partnership) and others play key roles as needed. The success of the effort in Joplin has created nearly 10,000 new jobs and more than $400-hundred million in new capital investment during that period (exclusive of the 200+ firms that have come since the tornado) due to:

- Focused effort
- Every entity knowing and playing its role
- Aggressive, can-do attitude
- Creativity
- Sharing in success

The City of Joplin

- Primary public sector funding source
- Enhanced Enterprise Zone
- Community Development Block Grant monies
- Urban Development Action Grant monies
- Permitting and zoning
- Site, utilities maps, etc.
- Other Incentives including:
  * Chapter 100 Bonds
  * Tax Increment Financing
  * Joplin Redevelopment Corporation tax abatement

Joplin Area Chamber of Commerce

- Primary marketing entity for new businesses
- Existing companies support and assistance
- Coordination of efforts with prospects
- One-stop source for community, state information
- Development (management) of JIDA's Joplin-Webb City and Crossroads Parks
- Small business assistance and support, including Newman Innovation Center and Joplin Capital Corporation, Joplin Tomorrow loan programs
- Management of JBIDC's spec building program

More specifics on the Chamber's role as follows:

Focused Effort on Targeted sectors

- Food processing
- Advanced Manufacturing
  - Fabricated metals and transportation equip.
  - Plastics and Packaging
  - Power systems and energetics
  - High-end food processing
- Distribution & Logistics
- Back office and shared services
- Small business support

Economic Development Marketing

- Advertising
- Direct email
- Trade shows; participating with state of Missouri and other development allies
- Direct “call” trips to consultants; prospects in geographic areas
- Dedicated staff person through Joplin Regional efforts; 20+ marketing events annually; first point of contact for site consultants considering region

Entrepreneurs & Innovation

- Newman Innovation Center
  - 12 companies, 50 people
  - Includes providing space for Blasters
  - Makers Space with four direct users; 27 maker members
  - One of ten certified IC's in MO
- Small Business & Technology Development Center partnership, MSSU & NIC
- Training programs for small businesses, by Chamber, SBTDC, partners
- Loan programs from small businesses
- Two direct staff members

Workforce Development

- Work with employers, schools and WIB to become and maintain Certified Work-Ready Community designation both locally and regionally
- Convene regular Regional k-12 superintendents meetings to share “best practices”
- Provide labor market data for companies; skills gap data for educational facilities
- Manage the Tomorrow’s Leaders: Jr-Sr high students, leadership and community experiences
- Manage the Leadership Joplin leadership program for adults that are in mid-level and upper level positions.
- Execute Golden Apple, Community Pride

Economic Development & Quality of Place

- Economic Development is more complex than thirty years ago; more focus on education & workforce skills, transportation, utility capacity and quality of place

- Chamber not only supports but also raises funds and campaigns for incremental sales tax that improve the community.

- Chamber encouraged City for first sales tax for parks and stormwater. Supported campaign in 2001. Passed

- Chamber supported Public Safety Sales Tax. Passed.

Economic Development & Quality of Place

Since 2011 the Chamber has raised nearly $32,000 for direct campaign expenses and expended 40 staff days at no charge to the campaigns to support quality of place initiatives

	Staff Time Spent (hrs)	Cost of time spent	Funds raised and Expended
Capital Improvement Sales Tax Renewal (08/05/14)	97.5	$2,596.43	$9,419.20
MO Roads Amend. 7 (08/05/14)	19.5	$519.29	$0.00
Curbside Recycling Ordinance (04/08/14)	156.0	$4,154.28	$7,470.09
City & County Use Tax (11/05/13)	97.5	$2,596.43	$4,428.76
Joplin Parks & Storm Water Sales Tax Renewal (08/02/11)	78.0	$2,077.41	$19,990.81
	331.5	$8,828.11	$31,889.66

Economic Development & Quality of Place

- The Chamber manages the joint Chamber-City Cultural Affairs committed that has done Dancing with the Stars to, in turn raise funds for Art in Public Places.

- APP: Three public murals: Main & 15th; Main and 8th and the Gude mural in City Hall.

- Next, Art sculptures in the park.

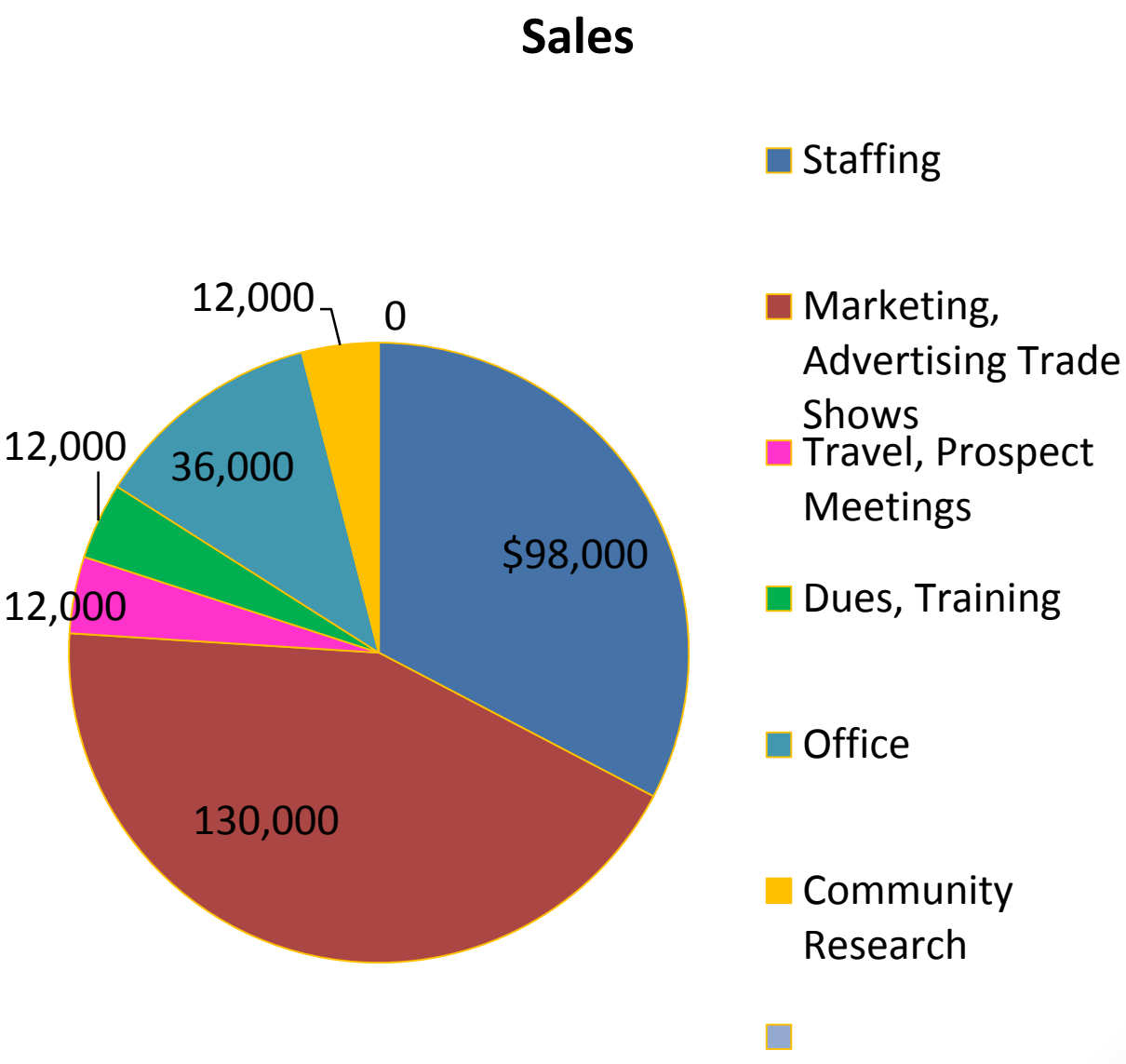
- The Chamber has been a part of the medical school effort since 2007. In 2010, the Chamber took steps to organize the formal Medical School Alliance, gaining 501-c-3 status in 2012.

- The Chamber is and will manage the funding campaign books and ongoing pledge billings

City-Chamber contract history

- First agreement was in 1984; marketing only
- 1986: Chamber creates the Joplin Business & Industrial Development Corporation to help provide private sector (minimum) match to City. Construct and market spec buildings.
- 1987: Updated agreement; City would not pay more than 48% of funds toward staffing; pay only. Chamber would provide rest of pay and all benefits
- Chamber would provide equivalent of one full-time staff person on economic development
- Payment on reimbursement basis; Chamber pays out first then requests reimbursement from City
- 1995 (O'Brian becomes JACC President) Questions need to update contract. Position of City: If budget is approved, there is a contract; maintain 48% guideline noted above
- 1995: JACC begins providing financial statement to City every month along with reimbursement request.
- Incremental increases take City budget to $200,000 annually by 2005.
- 2009: City requested to allocate $100,000 additional to support a more regional approach to economic development marketing and workforce. Industry trend. Chamber MAINTAINED the 48% administrative support based on $200,000 ($98,000)
- Post-tornado budget voluntarily reduced based on input from City for two years; restored in 2014.

Typical Budget: City $300k



Current Budget Year

Economic Development - City
STATEMENT

INCOME
FOR THE 04 PERIODS ENDED

FEBRUARY 28, 2015

	YEAR TO DATE			
	ACTUAL	CURRENT BUDGET	PRIOR YEAR	ANNUAL BUDGET
REVENUE				
Income - Funds from City	143133.57	150000	174786.88	335000
TOTAL REVENUE	148133.57	150000	174786.88	335000
OPERATING EXPENSES				
Salaries	32,380.00	32,380.00	31,440.00	97,140.00
Economic Development Auto	1,205.65	1,333.32	1,417.38	4,000.00
Marketing/Trade Shows	47,275.50	43,333.32	68,255.44	130,000.00
Staff Dues & Development	11,635.00	15,000.00	14,860.00	15,000.00
Mtgs & Travel/Prospect Host	4,960.54	4,000.00	3,016.53	12,000.00
DC Consultant Partnership	35,000.00	35,000.00	35,000.00	35,000.00
Community Projects	0.00	0.00	7,724.00	0.00
Postage/Packets	0.00	100.00	0.00	100.00
Communications	3,407.42	4,333.32	3,746.54	13,000.00
Office Supplies	320.96	1,166.68	1,673.37	3,500.00
Equipment Maintenance	7,442.99	7,333.32	7,094.49	22,000.00
Depreciation	526.68	333.32	50.89	1,000.00
Publications & Ref. Material	329.96	333.32	483.91	1,000.00
Professional Fees	10.00	0.00	0.00	0.00
Miscellaneous Expense	150.00	1,260.00	150.00	1,260.00
TOTAL OPERATING EXPENSES	144,644.70	145,906.60	174,912.55	335,000.00
NET INCOME (LOSS)	3,488.87	4,093.40	(125.67)	0.00

Economic Development Staffing

- City-Chamber agreement is for the equivalent of one full-time person doing “economic development”.
- Chamber President spends 90% of time on economic development inclusive of working with local firms, responding to requests for information, guiding new projects, developing Crossroads park, supporting quality of place initiatives. City covers less than 50% of salary.
- President is supported by a full-time Executive Assistant who spends 80% of her time on economic development related items. City covers about 2/3 of her salary.
- Approx. $7,000 is allocated to the Communications manager’s salary.
- Total of City funds above: $97,140 current year budget
- Remaining salaries and ALL benefits are covered through Chamber resources. Additional $177, 900.
- In addition, there is a full-time Business Attraction person, full-time Workforce Development person; two Innovation Center staff, part-time staff allocated to Arts. Additional: $247,100 .
- Economic development support is also provided by the Chamber’s VP, Business Development & Membership staff and NOT included in above.
- Professional financial staff are NOT included in above

Economic Impact

The efforts of the Chamber and City have produced direct economic benefits for the community and region. Since 1995, the Partnership has created opportunities for:

- 6,200 direct new jobs
- 3,800 indirect new jobs (.65 multiplier)
- 10,000 total new jobs
- $420-million+ in new capital investment
- Nearly 4,000,000 sq. ft. of new/remodeled space

Economic Impact

New jobs, wages and construction have a broad impact beyond the total noted. To give greater detail, NCDS has used its IMPLAN system to calculate the economic development impact of projects in the previous full two City years.

Company Assisted * = New	Jobs Created	NAICS Code[1]	Sector Defined[2]
1. Heartland Pet Food	153	311111	Food processing. Dog and cat food.
2. EaglePicher Technology	60	334419	Batteries, electronics. Other electronic component mfg.
3. Express Scripts	100	5614	Call center. Business support services.
4. Cardinal Pallets	11	321920	Wood container and pallet mfg.
5. Anderson Glass	1	238150	Residential maintenance & repair
6. Joplin Regional Business Journal	4	51112	Periodical publishers
7. MEs Place	6	722511	Full service restaurant
8. Aegis Communications	140	5614	Call center. Business support services.
9. Turbo Supply	70	333611	Turbine engine parts, metal machining
10. Express Scripts	75	5614	Call center. Business support services.
11. Able Manufacturing	55	33639	Auto parts mfg. & assembly
12. Don's Cold Storage	45	42	Distribution, wholesale trade
13. Natural Life Pet	15	311111	Food Processing. Dog and cat food.
14. CNC Machine Products	6	33271	Machined components, machine shops
15. Component Packaging	3	42	Fastener supply
16. Forged Water Jet	2	33271	Water cutting, machine shop
TOTAL	746		

Economic Impact of New Jobs

Impact Type	Jobs	Income[4]	Value Added[5]	Output[6]
Direct Impact[1]	746	$38,775,135	$143,917,191	$356,377,996
Indirect Impact[2]	371	$19,262,513	$32,192,496	$59,585,424
Induced Impact[3]	285	$10,499,927	$18,951,719	$31,852,923
Total Impact	1,402	$68,537,574	$195,061,406	$447,816,343

Sources: NCDS Input/Output model for the Joplin Area. County data, MIG, Inc., IMPLAN.

1. Direct Impact: Impact generated directly from the jobs created.
2. Indirect Impact: Changes in employment, income, and output (business sales) in various industry sectors of the local economy supplying goods and services to the companies that expanded.
3. Induced Impact: The ripple effect of increased income as employees spend.
4. Income: Employee compensation + proprietor income (owner wages).
5. Value Added: Labor income + indirect business taxes + other property type income.
6. Output: Value Added + intermediate inputs (goods used in production).

New Spending Makes An Impact

Total New Income	**$68,537,574**
Disposable Personal Income[1]	$61,005,295
Consumer Expenditures[2]	$55,795,442
Savings Deposit Potential[3]	$3,638,966
Sales Taxes[4]	$3,693,809
Property Taxes[4]	$2,918,055

Sources: National Community Development Services Input/Output model for the Joplin Area. County data, MIG, Inc., IMPLAN. DPI, PCE and savings deposit percent of income, Bureau of Economic Analysis, 2012, last revised December 2013.

1. **Disposable Personal Income:** Personal income less taxes. U.S. 10-year average annualpercent, Bureau of Economic Analysis.
2. **Consumer Expenditures**: Disposable personal income less interest, personal transfer payments, and personal savings. U.S. 10-year average annual percent, Bureau of Economic Analysis.
3. **Savings Deposit Potential:** Personal savings rate computed from 10-year average of both National Income and Product Accounts NIPAs and Flow of Funds Accounts FFAs = 5.84% of disposable personal income. Source, Bureau of Economic Analysis, 2012, revised December 2013.
4. **State and local tax impacts:** computed from I/O model,

Partnership Results in Success