

# NORTHEAST ARKANSAS INDUSTRIAL DEVELOPMENT COMMISSION

1<sup>st</sup> Quarter 2020

We appreciate your support of economic development in Jonesboro and Craighead County. This report contains key highlights from the first quarter and reflects our economic development partners' continued focus on the implementation of our strategic plan for economic growth and working to ensure its success.

Sincerely,  
Al M. Heringer III, Chairman

## BUSINESS ATTRACTION

**Delta Peanut LLC** continues construction on their facility in The Craighead Technology Park with plans to start operations this summer. The \$70 million investment will create 130 jobs.

Jonesboro has three **Opportunity Zone** areas designated by Governor Hutchinson – the downtown area, the A-State area, and an area that covers the Craighead Technology Park. In February, the city hosted a meeting to explain how

developments in these areas qualify for tax benefits to investors through the Tax Cuts and Jobs Act of 2017.

First quarter recruitment efforts included meeting with several companies in California who have expansion projects planned in the next 24-36 months. Jerry Szatan, an economic development consultant, also spent a few days in Jonesboro to learn more about our community and the many advantages we have for companies locating here. Showcasing Jonesboro to consultants helps promote our city on a global basis.

## BUSINESS RETENTION & EXPANSION

Construction on the **Ritter Communications Data Technology Center** is continuing, with plans for a grand opening this summer. The \$8 million investment will serve customers throughout the MidSouth, ensuring their access to a world-class facility. This data center enhances Jonesboro's economic development efforts, as we can show companies that our city has IT infrastructure and secure data center facilities second to none. **Old Dominion Freight Line** relocated to a new 44-bay truck terminal at 3115 Nestle Road. Employing 26 team members, the company made an \$8 million investment in the terminal.

The New York Institute of Technology College of Osteopathic Medicine (NYITCOM) held their first match ceremony for the very first graduating class in Jonesboro. Matches were made for 95 percent of graduates, with over half of those being placed in the Mississippi Delta region. NYITCOM's mission is to bolster medical care for areas of the country that are currently underserved and the Mississippi Delta region will receive great benefit from graduating doctors completing their residencies there.

## MARKETING & PROMOTION

Those of us who live in Jonesboro know our sense of community and quality of place make for a great place to live, work and play. Competition for talented professionals is at a tremendous level nationwide. To assist in recruiting efforts and to highlight city and county, a series of "Jonesboro – Here and Invested" videos were created to highlight professionals who have moved to Jonesboro and why they are staying here. Check out Jonesboro Unlimited's YouTube Page at <https://www.youtube.com/channel/UCo9AAZmPkcmz3jZMWuzbu6A> to see the videos.

## RELATIONSHIPS

Throughout the COVID-19 pandemic and the recent tornado that devastated many businesses in Jonesboro, NAIDC and our economic development partners have put a primary focus on relationships within our community – strengthening and

reinforcing the bond we have with our business owners, managers, individuals and companies. Resource information has been provided and support has been given through direct contact and care as we work to reopen and rebuild Jonesboro.

## INFRASTRUCTURE

Companies in the Jonesboro Industrial Park and the Craighead Technology Park will soon have an added rail benefit. The City of Jonesboro, in collaboration with the Jonesboro Economic Development Corporation (JEDC), will be constructing a **rail storage facility** to serve both industrial parks and will be **extending the terminus point of the city-owned rail** in the Craighead Technology Park. Cost of these improvements is being provided by a \$2.335 million federal rail grant and the JEDC.

Transportation infrastructure is being enhanced by the **East Arkansas Good Roads Association**, as they work with the **Arkansas Highway Commission** and our **federal delegation** to further the **I-57 Interstate project**.

## BY THE NUMBERS

**Unemployment numbers** are on everyone's mind during this challenging time we are going through. While we look at numbers, we remember that they represent people who are facing uncertain times. The work of NAIDC and our economic development partners is always important, but it becomes more critical and essential as we work to reopen, build, and grow our economy. During the COVID-19 pandemic, all sectors of the economy have been hit, especially the hospitality, retail, and service sectors.

From March 2019 to March 2020, the unemployment rate in the Jonesboro MSA went from a 2.8% unemployment to 3.9%. This is still below the state and national averages at 4.8% and 4.4% respectively. It is good to note though that the Jonesboro MSA **labor force continues to grow**. In March 2020 the labor force was 67,744, compared to 65,204 in March 2019. This is an approximate growth rate of 3.7%.

Economic development activity numbers for the first quarter included **10 Inquiries, 1 Prospect Visit, 5 Market Research Requests, and 12 Business Retention and Expansion Activities**.

The City and County's sales tax numbers continue to climb. For the first three months, the **county sales tax collections totaled \$5.726 million**, a 2.8% increase from 2019. The **city's sales tax collections totaled \$5.131 million** the first three months of the year, also a 2.8% increase from 2019.

**Total construction, both commercial and residential, totaled \$27 million**, with 206 permits being issued to date in 2020, compared to \$28.5 million and 209 in 2019. Commercial construction in the first quarter was \$9.7 million, with 61 permits, compared to \$13.8 million and 77 permits in 2019. Residential construction was \$17.3 million in the first three months of this year, with 145 permits, as compared to 2019 at \$14.7 million and 132 permits. Please note the permit totals include new homes, alterations, duplexes, storage, and swimming pools.