

NORTHEAST ARKANSAS INDUSTRIAL DEVELOPMENT COMMISSION

Ist Quarter 2021

Thank you for your continued support of economic development in Jonesboro. Economic development is an ongoing effort and takes dedication and hard work to achieve its goals. As we move into 2021, we continue to follow pandemic protocol and social distancing. As more of our population is vaccinated and we move toward a new normal in business practices, we look forward to the continued strength of our city and county and moving forward in growth and progress.

Sincerely,
Al M. Heringer III, Chairman

CONSTRUCTION UNDERWAY BY EXISTING INDUSTRIES



Jonesboro was fortunate to have major expansion announcements from some of our existing industries at the end of last year. NAIDC and our local partners know and understand the importance of investments made by our existing industries. We work with our companies to ensure Jonesboro is a viable location for their expansion projects and are pleased to see their investment and growth in our community. With the start of the new year, we're excited to report that construction has begun on these projects.

HOW IMPORTANT IS THE JONESBORO METROPOLITAN STATISTICAL AREA (MSA)?

The answer – VERY! The Jonesboro MSA is comprised of Craighead and Poinsett Counties and was established in 2005 by the Office of Management and Budget (OMB). Our MSA designation gives local leaders a voice in how federal transportation dollars are spent in our area, it affects federal funding programs that use the MSA as criteria for inclusion (in areas such as housing, Medicare, and transportation), and it affects economic development, as many consultants and companies use MSAs as one of their criteria points in a location search. It is much more than just a number or statistic.

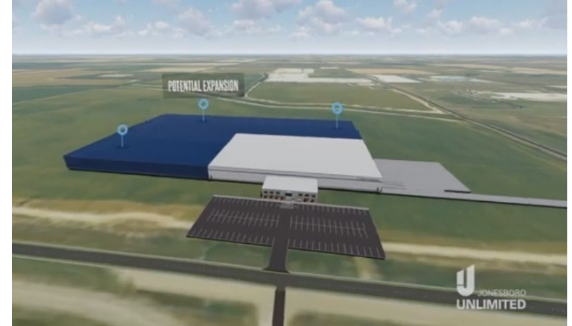
The OMB recently proposed changing MSA criteria to state that a metro area would have to have at least 100,000 people in its core city to count as an MSA. This change would drop Jonesboro and 143 other cities in the U.S. down to Micropolitan Statistical Areas (populations of more than 10,000). This could mean millions lost in funding and grants for the city and lost opportunities for economic development growth.

A grassroots effort was organized with Mark Young, President of the Jonesboro Regional Chamber of Commerce, contacting many economic development organizations in Arkansas and throughout the United States. All of our federal delegation worked on our behalf to oppose this recommendation and supported formal opposition, led by Senator John

Boozman and presented to the OMB. Letters of opposition were sent from the city and county and other community organizations during the public comment period. The OMB is currently reviewing the comments and will make a recommendation whether or not to adopt the recommended changes soon.

VIRTUAL SPEC BUILDING PROGRAM

With Class A Industrial Parks and shovel-ready sites with all utilities in place, Jonesboro has sites that are ready for construction by companies looking at investing in our city. Recently, a new Virtual Building Program was designed in collaboration with Jonesboro Unlimited and Nabholz Construction that can provide companies with an idea of what a 100,000 square foot industrial facility will look like on one of our available sites. The program will start with 100,000 square feet and show an expansion up to 400,000 square feet. You can watch the video here: https://www.youtube.com/watch?v=bXA_5yP9MStY.



WELCOME TO STEVEN LAMM

We're excited to introduce you to Steven Lamm, who has joined Jonesboro Unlimited's economic development team as Vice President of Economic Development. Steven brings a wealth of experience to Jonesboro and our economic development efforts. Most recently, he served as Vice President of Workforce Development in Fort Smith and prior to that spent four years as a Project Manager for the Arkansas Economic Development Commission. His experience is going to be an asset to Jonesboro's economic development efforts. The Northeast Arkansas Industrial Development Commission (NAIDC) is thrilled to have Steven working with Jonesboro Unlimited!

REVAMPED JONESBORO UNLIMITED WEBSITE

An economic development website is a vital location recruitment tool. Consultants and companies often start their searches by going to websites and gathering data. If your data is not current or relevant, you can be eliminated before you even know you're being looked at. As all website managers know, it's a time-consuming effort to keep your data valid. Jonesboro's economic development website, www.jonesborounlimited.com, recently took a few months to re-energize, revamp, and update their site. Take a few minutes and look it over – we know site location consultants are doing just that!

PLANT MANAGERS' ROUNDTABLE

Building relationships and keeping current with our existing industries is an important component in our business retention and expansion program. A managers' roundtable was held in the first quarter to touch base with our plant managers and collaborate with them on items of concern to them.

COVID-19

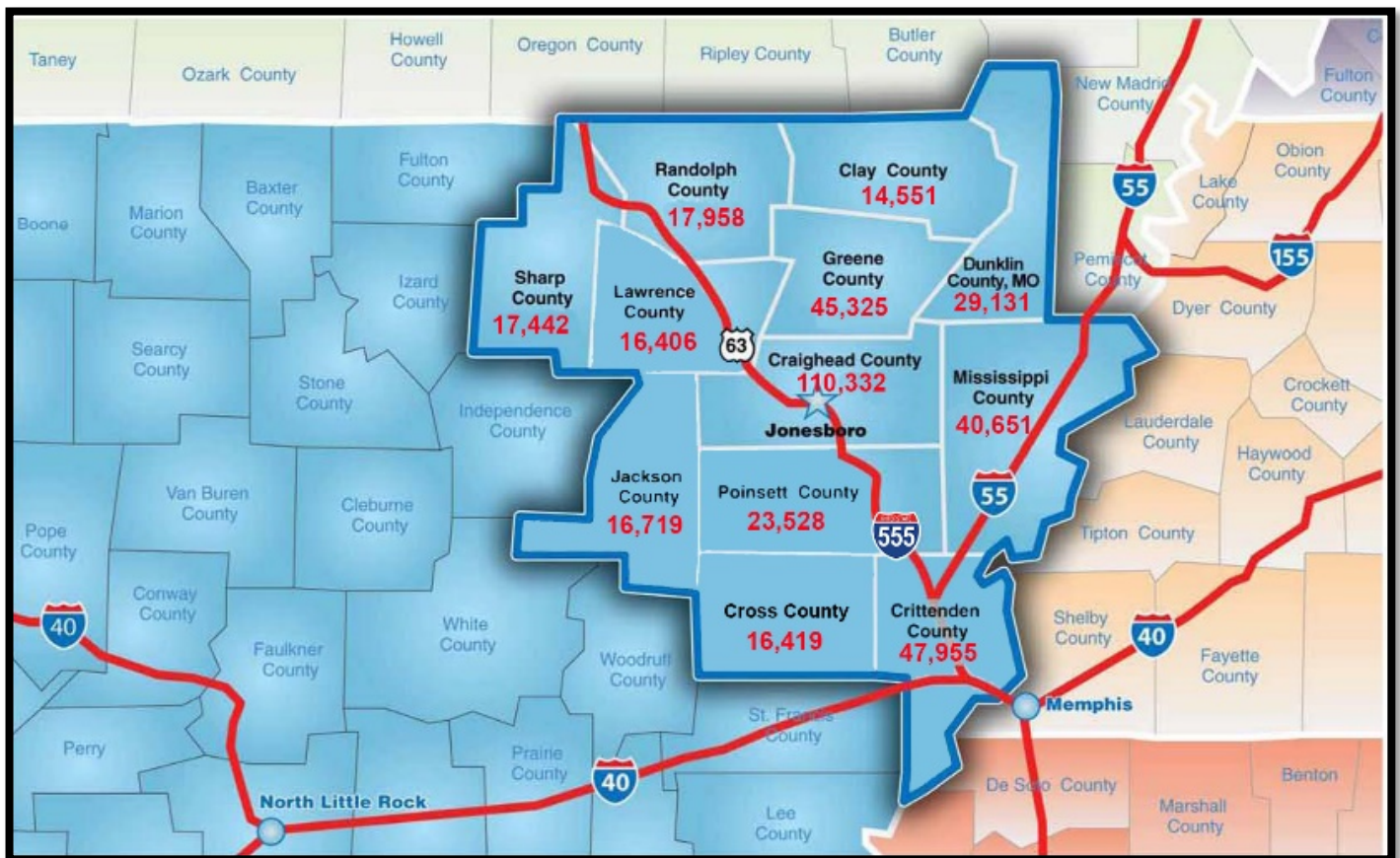
In addition to implementing the “Mask-Up” Jonesboro campaign, our economic development partners co-sponsored a mass vaccination day at the First National Bank Arena this quarter. Partnering together to host this event was the City of Jonesboro, Craighead County, Arkansas State University, the Jonesboro Regional Chamber of Commerce, NYITCOM at A-State, NEA Baptist, St. Bernards Healthcare and UAMS. Over 1,300 people were vaccinated at this event.

1ST QUARTER ACTIVITY

1st quarter activity included nine inquiries and one prospect visit, as companies are still not traveling with COVID-19 pandemic policies in place. There were also ten business retention and expansion activities with our existing companies and two market research requests during the first three months of 2021.

LABOR SHED POPULATION

Jonesboro’s labor shed is comprised of a 12-county region as shown on the map below. The population of this region totaled 396,417, in 2019, according to the U.S. Census Bureau Estimates.



The U.S. Census Bureau plans to release the 2020 county estimates in June 2021.

EMPLOYMENT NUMBERS

March 2021 Labor Shed Employment Data

County	Civilian Labor Force	Employed	Unemployed	Unemployment Rate
Clay	5,522	5,234	288	5.2%
Craighead	55,986	53,786	2,200	3.9%
Crittenden	21,115	19,894	1,221	5.8%
Cross	7,261	6,869	392	5.4%
Greene	19,216	18,400	816	4.2%
Jackson	5,921	5,570	351	5.9%
Lawrence	6,916	6,570	346	5.0%
Mississippi	16,892	15,584	1,308	7.7%
Poinsett	10,069	9,597	472	4.7%
Randolph	7,598	7,240	358	4.7%
Dunklin, MO	11,421	10,699	722	6.3%
TOTAL	167,917	159,443	8,474	5.0%

Source: "Arkansas Labor Market," Department of Workforce Services, March 2021; Local Area Unemployment Statistics," Missouri Economic Research & Information Center, March 2021; Data provided May 13, 2021.

In April of 2020, at the start of the COVID-19 pandemic, the labor shed's Civilian Labor Force was down more than 10,000 people at 157,686. In 2021, the number of employed people rose to 159,443, up from 142,256 in April of 2020. There were 15,430 people unemployed in April of last year with an unemployment rate of 9.8%, compared to March of this year with 8,474 unemployed in the region and an unemployment rate of 5.0%. As you can see, we are recovering well from the challenges we faced during the pandemic. Moving forward we anticipate continued growth.

PLANNING FOR THE FUTURE

Our economic development partners have been working together to shape our next five-year strategic plan. The planning process has included interviews, virtual focus groups, and a community survey, which had a great participation rate with 1,961 respondents. We appreciate all that provided feedback and look forward to seeing the results posted by Jonesboro Unlimited in June.