

Application for Enhanced Enterprise Zone Designation

G. Describe the available labor force. Please provide a breakdown of the education & skill levels of the available workforce.

- Education
- Skill Levels
- Geographic area

Additionally, if any gaps exist, goals should be identified and included within the community's attached strategic plan.

Does the existing labor force link / match the business clusters identified in Section F?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Can the region the zone resides in provide a qualified workforce for the business clusters you are soliciting?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Centralia is situated at the edge of the Columbia metropolitan area and shares most of its characteristic skilled and educated workforce. The available labor pool for Centralia is, indeed, that of a nine-county "Columbia Labor Basin" described in a study: Labor Availability Analysis - 2005 prepared for the Regional Economic Development, Inc.

This pool had an estimated population of 357,935, with more than 107,928 in the available labor pool. At least 93% of these had a high school diploma and 70% had some college. More than 107,928 considered themselves to be underutilized. At least 28% of the available labor pool would be willing to commute up to 45 minutes to work; for a 30-mile commute the number increases to 74%.

In the immediate surrounds of Centralia, many of the 200+ production workers laid off in the last five years, remain in the area and would be available for rehire or for as a skilled pool for other production work.

Columbia has continued to grow since the 2005 study, with a significant impetus from a rapidly increasing student population at the University of Missouri. Centralia has also grown—at least on its residential front—because of its superior schools and somewhat lower cost of housing. Anecdotally, many residents have recently expressed a desire to avoid rising gasoline costs and work closer to home.

Using the study, Columbia, through REDI and local schools and training facilities, has been building on the pre-existing infrastructure to enhance training opportunities and match them with present and projected skill sets for the labor pool.

On a regional basis, the training is coming from the University of Missouri, Columbia College, Stephen College, Linn State Technical College, Moberly Community College (at several sites), and others. On a community basis, Centralia's R-6 School District has a strong agriculture program, and is adding new training opportunities (such as welding classes to support the Hubbell production facility).

Note: <http://mcdc.missouri.edu/>

Under 'Quicklinks' – Click 'SF3 Profiles'

– Click 'Missouri' – Go to: Places (cities) **OR** Counties (whichever is applicable)

VI. Proposed Enhanced Enterprise Zone Planned Development

• Plans include:

6. Specific Objectives:

- The potential to create sustainable jobs in the targeted industry. Define the impact on current local industry cluster development.
- Outline any mandates, formal and informal, that will assist or hinder a climate conducive to business growth and expansion.
 - A specific and practical process for individual businesses to obtain waivers from burdensome local regulations, ordinances and orders which serve to discourage economic development without endangering the health or safety of the employees.
- Outline the strengths, weaknesses, opportunities and challenges of the designated zone. What approach will be taken to minimize any weaknesses and challenges identified?
- Provide a description of any marketing strategies currently utilized.

7. Implementation strategy:

- Describe any plans / strategies in soliciting new business industries to the designated zone.
- A description of what other specific actions will be taken to support and encourage private investment within the area.
- Discuss the availability, or plans for the creation of space (sites, etc.) for future enhanced enterprise zone development. Include specific details. (The Missouri Location-One Information System may assist you – Go To: www.ded.mo.gov – Click the ‘Businesses’ tab – Under ‘Location Resources’ click ‘Property and Community Site Information’)
- Include any public outreach or partnership efforts and / or detailed marketing plan to be utilized.

8. Timetables:

- Provide reasonable timetables for each of the objectives outlined above.

4. A specific plan to provide assistance to any person or business dislocated as a result of activities within the enhanced enterprise zone. Such plan shall determine the need of dislocated persons for relocation assistance; provide, prior to displacement, information about the type, location and price of comparable housing or commercial property; provide information concerning state and federal programs for relocation assistance and provide other advisory services to displaced persons. Public agencies may choose to provide assistance under the Uniform Relocation and Real Property Acquisition Act, 42 U.S.C. 4601, et seq., to meet the requirements of this subdivision.

Attachment:

- Zone Redevelopment Strategic Plan (Approved by the local governing authority)

Proposed Enhanced Enterprise Zone Planned Development

As mentioned elsewhere, the City of Centralia has a long history of collaboration with several major business sectors—particularly agriculture (through MFA, Farmland Coop, and Cargill) and manufacturing (especially Hubbell/Chance with its foundry, drop forge, and electroplating operations); albeit those relations have diminished in the past few years. Also, existing railroad switching facilities could enhance use of rail transport by the full spectrum of City of Columbia's large business and industry sectors.

Recent national economic developments have stressed that relationship and made Centralia's economic base more precarious. City leaders judged that proactive reaction was necessary. To this end Centralia joined with Regional Economic Development, Inc. (REDI) as a small investor when it was first created in 2005. In 2011, the Centralia Area Economic Development, Inc. was formed to supplement the broader efforts of both REDI and the Centralia Area Chamber of Commerce.

Additionally, Centralia, Columbia, and Boone County belong to a voluntary association of local government--the Mid-Missouri Regional Planning Commission (Mid-Mo RPC). Mid-MO-RPC has a blueprint for economic development in the region entitled a Comprehensive Economic Development Strategy (CEDS) and is certified as an Economic Development District. The DEEDS are approved by the United States Economic Development Administration (EDA) and updated annually.

Centralia's EEZ will provide major tools (1) to rejuvenate manufacturing through incentives to existing major employers, (2) for agricultural employers to look to Centralia as a supplemental transportation hub, and (3) for other potential new employers to help the area diversify the employment base as a buffer to the swings of economic winds.

The Centralia EEZ will encompass almost all present and potential land in the Centralia area suitable for industrial and business uses. Much of the land is already appropriately zoned, and the remainder could be rezoned and/or annexed to the City as needs appear. There is support among local leaders for employment growth in almost any sector. Their only expressed concern is in instances of business which are heavy polluters or those which may have extraordinary special needs (i.e. a nearby river for cooling water). Otherwise, Centralia EEZ will be open to all businesses not foreclosed by state legislative restriction

This EEZ, with the concurrence of Boone County, will be a facilitator for community and economic development, and a promoter of development initiatives. It will help to maintain and strengthen eligible new businesses and to establish and grow local employment opportunities. Through it, the Centralia area will further strengthen regional partnerships. The creation and oversight of the City of Centralia, Missouri Enhanced Enterprise Zone Board of Commissioners was used to complete this application and obtaining designation of the enhanced enterprise zone to put these actions into service.

Specific Objectives

The principal purpose of the Enhanced Enterprise Zone will be to improve Centralia's potential to create sustainable jobs in the targeted industries.

This will be accomplished by providing incentives for three guiding economic development strategies currently being implemented in the area: business attraction, business retention and expansion, and the growth of new companies through entrepreneurship. Because of its existing professional staff, Regional Economic Development, Inc. (REDI) will be the lead agency responsible for the marketing and implementation strategy of the EEZ, but economic development is a collaborative effort in the region. Other partners involved will include CREDI, Missouri CORE (CORE), Missouri Innovation Center (MIC), the Centralia Area Chamber of Commerce, and the University of Missouri.

The Centralia area can be described through the following characteristic categories:

STRENGTHS

Centralia brings many strengths to the table. Principle among them are (1) an inventory of existing vacant property, both downtown and along state highways and railroads, and (2) the availability of utilities at a reasonable cost. Several large parcels with direct transportation access are in and near the City. The City presently has a calculated surplus capacity for water and sewer treatment, and expandible water resources. The City's financial system is less stressed than many other, similarly-sized communities, with access to resources for quick utility improvements if necessary.

Centralia's K-12 school system is among the top quartile of Missouri schools, and the City is only about 25 miles from the campus of the University of Missouri. MU has stature as a major research university. It accounts for 72% of the research dollars flowing into Missouri's public universities, and it is nationally recognized in the fields of medicine and veterinary medicine and has its own nuclear research reactor. Thus, the community has direct access to a broad base of academic and professional expertise.

Broadband internet access is locally available from several sources.

WEAKNESSES

Centralia is somewhat hampered by its distance from a four-lane highway. This has not yet proven to be an obstacle; certainly, it has not been an hindrance to Hubbell/Chance's distribution and manufacturing operations. This deficiency can be balanced by the presence of two separate major rail lines.

In the present economic climate, the City's general government has limited of financial resources to devote to specialized economic development activities. It no longer has any City-owned land for development as industrial parks or sites. The EEZ will have to leverage all

available methods of State assistance, manpower from REDI, and City utility assets when appropriate to supplement opportunities for industrial expansion.

Some of the larger desirable properties are in unincorporated Boone County and are agriculturally-zoned. The City will have to remain open to annexation, rezoning, and sometimes purchasing service territory authority from Public Water Service District No.10. Much of the property most logically suited to development is already identified in the City's comprehensive plan as potentially commercial and/or industrial.

OPPORTUNITIES

Opportunities for business expansion in the Centralia EEZ are better now than in recent years, due to the rapid growth of student population at MU and general growth in nearby Columbia. Both REDI and MU are focused on facilitating entrepreneurial startups with training and incubator facilities, some of which could find homes in Centralia. These opportunities can only be strengthened by the ability to offer EEZ tax incentives.

Two of existing Centralia businesses should soon be examining the potential for expansion. EEZ might add weight to a decision to expand locally. At some point, the nation should pull out of its extended malaise. An approved EEZ will be in position to showcase and take maximum advantage of the recovery.

REDI, DED, and local industry is currently competing for designation to build pilot project modular nuclear reactors. Success in this regard would also open up extensive long-term opportunities for fabrication. Centralia has existing facilities and manufacturing expertise in this area and also rail access.

CHALLENGES

The most obvious challenge facing Centralia has been the recent, poor, national economy, with accompanying credit/lending tightness. In this environment, strong competition will come from other cities, states and nations willing to gamble on more generous giveaways of land and utilities, and underwriting of credit. Some of these communities already have EEZs or their equivalents in place.

The community must continually listen to local and potential employers and work to ensure that any identified barriers to success are minimized. The community needs to regularly assess attitudes, infrastructure, incentives, workforce development, transportation and other factors that might influence business decisions. This EEZ application is a response from the economic development community to stay competitive for business and job creation opportunities for Centralia and its citizens.

MARKETING STRATEGIES

The potential to create sustainable jobs in the targeted industries identified by NAIC codes is trending higher. This puts a premium on the cooperation that exists among Boone County municipalities, the University of Missouri, and the established business community. Such

cooperation has enabled some partners to reverse historic disinterest and consider new economic development tools and programs and to make commitments in support of economic development agencies. The University of Missouri has made economic development a priority, has invested in facilities and infrastructure, and has identified its core strengths that offer the best economic development opportunities. Many of Centralia's identified business clusters are coincident with those strengths.

These efforts are to be mutually reinforced through the activities of REDI, the City of Centralia EEZ Board, and their public and private partners. REDI will be a principal marketing agent. All of the local partners will constantly work to refine their interlinking web sites to promote the EEZ and the community.

From a marketing standpoint, REDI's practice over the last several years has included leveraging the assistance of other economic development players. For attracting new projects, the Missouri Partnership, KCADC, CORE, the University of Missouri, and Missouri Innovation Center have all provided business recruitment leads and projects. REDI often uses the Missouri Location One site for to list available property locations. Missouri CORE (Connecting Our Regional Economy) will assist with additional marketing and site selection strategies. It promotes projects that have a regional-wide economic impact, and assists communities in the expansion of existing and start-up businesses.

REDI operates an attraction campaign that includes attending trade shows and similar events, often with partner organizations, visits to consultants and realtors, and direct contact with prospective companies. REDI can prepare an incentive package for each potential project, and the EEZ will become part of the package. REDI will continue to develop relationships and name-recognition with private sector siting consultants.

REDI will continue existing business retention and expansion visits and calls and make sure local existing manufacturers and qualifying companies are aware of the EEZ and its potential benefits. These marketing activities for attraction, business expansion and retention, and entrepreneurship are ongoing.

The EEZ and local allies will send representative to the Entrepreneurship Summits annually hosted by REDI and the Columbia Chamber of Commerce. Each of the partners involved with start-up and early stage companies will assist in making the companies aware of the EEZ program. The EEZ program should be especially beneficial to these early-stage companies as they grow.

EEZ will first target industries for the Centralia area in the identified existing clusters, but will be open to contacts with most industries. These targets are reflected in the annual marketing program of REDI. REDI attends trade shows and meets with consultants and businesses to discuss Centralia and Boone County as locations important on their own and because of their proximity to Columbia.

REDI will provide information on the EEZ to area account firms to ensure that each of the tax

Timetables:

2012 - Complete CREDI Incorporation

Develop relationship between CREDI and REDI

Complete Memorandum of Understanding with Boone County concerning EEZ procedures

Submit EEZ application and wait for approval from the Missouri Department of Economic Development

Communicate with businesses ready to expand and update them on EEZ application status

2013 - Hold meetings of EEZ Board and review business applications, as needed.

Attend REDI and CREDI meeting and report on EEZ status

Supplement list of EEZ sites for Missouri Local One

Regularly advise City of Centralia and County on EEZ Activities

If possible, send representative to attend MO Broadband Now Annual Summit

Set priorities and goals for the year

Prepare schedule for work with local business on retention of employees

Conduct annual review of EEZ work

Monitor any approved applications

Prepare annual review of progress on any approved projects, as needed

Prepare end of year annual report and submit any annual financial statements

EEZ Board advises County Presiding Commissioner of activities

2014 & thereafter

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Relocation Assurances

The proposed City of Centralia Enhanced Enterprise Zone includes ample land sites and/or available buildings so that other business or individual dislocations should never need to occur. However, in all instances REDI and the EEZ Board of Commissioners will work with the City of Centralia and Boone County in a timely fashion, and will comply with the Uniform Relocation and Real Property Acquisition Act, 42 U.S.C. 4601, et seq.

advisors is aware of the local boundaries and benefits of the EEZ.

IMPLEMENTATION STRATEGY

Parts of the implementation strategy to attract new industries to the designated zone are already in place.

Many hours of REDI's staff time have been spent on "product development" in the form of ensuring that there are industrial sites available to attract new businesses. Within the past few years, the City of Centralia sold surplus property to a agricultural import firm with long-term expansion plans. A smaller site was also sold to another small manufacturer. The City has made a continued effort to ensure that additional industrial sites which have utilities in place or close proximity will be available to meet future industrial growth in the community. Many large-sized parcels have been annexed and zoned for industrial use, although they have not yet been offered on the market. The ability to overlay these sites and buildings with an Enhanced Enterprise Zone should help Centralia/Boone County to be more successful in future efforts to locate targeted business. The EEZ will work to confirm when and how these sites will be available for sale. The City is also addressing residential blight through a demolition subsidy for dilapidated houses.

Development planned within the boundary of the EEZ is preferably adjacent to or near the existing highways or the railroad lines and also near established corporate limits. However, this guidance are not intended to prohibit development elsewhere in the zone, especially if the nature of a business is identified with a rural setting or to be near resources in remote areas. In this latter situation, the EEZ would work with its partners to assist businesses and pursue appropriate zoning without endangering the health or safety of the public and employees.

Beyond organizational work, much of the EEZ's first efforts will be create a positive impact on current local business cluster development. The City is already working to relocate and expand an automobile dealership to better location. The EEZ will promote use of existing sites, such as: an defunct saw mill, the property vacated by the automobile dealership, an empty building formerly used as a dance hall, and two large agricultural parcels on the west side of the City. Other farmland farther from the city limits may be needed to respond to industrial prospects which need rail service and very large (200 acres and more) sites. Here, advance planning for promotion and providing utilities will be in order.

REDI serves as the primary economic development organization for Centralia, Columbia and Boone County. Funding for REDI is provided by the City of Columbia, Boone County, the University of Missouri, a variety of smaller business investors, and the cities of Centralia, Ashland, and Hallsville. Centralia's City Administrator is an ex officio member of the REDI Board, which also includes the Presiding Commissioner of Boone County. REDI is organized as a 501(c)6 and has a full time staff and maintains the www.ColumbiaREDI.com website. REDI is also the local organization that collects and updates property information on the Missouri Location One systems.

REDI and (once approved) the EEZ will further identify and provide access to local incentives

for business, job creation and retention, and economic growth opportunities. They will stay attentive to new opportunities as they appear and to communicate with businesses ready to expand and updating them on EEZ application process. REDI will be a prime contact for business recruitment from outside the area. The City operates with the expectation that Centralia will realize a fair share of any regional and county-wide economic expansion.

Business and educational institutions do not constrict themselves to city or county boundaries when hiring workers or matriculating students. To keep pace with that reality, local economic developers must consider their communities in the context of a wider region. For Centralia to get ahead in job growth opportunities, it must partner with its neighbors and operate on a more regional level, as many other communities in the State of Missouri have done. The EEZ will form and enhance partnerships with organization and entities that can provide mutual stabilization or growth opportunities for local businesses.

Initial implementation work for the Enhanced Enterprise Zone will include a continued focus on efforts that promote success for business attraction, existing business retention and expansion, and efforts geared toward start-up enterprises and entrepreneurship. Each of these efforts will include making businesses aware of the availability of special assistance in the geographic boundaries of the Centralia EEZ.

The Centralia EEZ will not have an independent staff. As mentioned, the EEZ's marketing efforts will rely on outreach to REDI, and other broad-based economic development agencies. REDI will help City staff and volunteers to review applicants for EEZ assistance. The EEZ and CREDI will build on an existing relations between business and training opportunities (such as the school district's new welding training program). REDI will help identify and coordinate specific job training needs and work with the University of Missouri and other institutes of higher education to address employee training. The Centralia EEZ will assist in attracting, retaining, and developing a competitive work force. Centralia's workforce will be supplement whenever needed by the wider labor pool. Regional training opportunities will benefit all communities in central Missouri.

The EEZ Board will rely on REDI to be the main point of contact for initial inquires, process and procedure assistance, and project development by businesses looking to expand and/or create new jobs. The same would be true for external economic development prospects in the retail and tourism fields.

REDI and the EEZ will provide organization and program development motivation, cooperation, coordination and evaluation of community projects, programs and resources.

REDI, CREDI and the EEZ will take a proactive leadership role in supporting analyzing, and addressing industry, and labor needs. This is accomplished through cooperation with other local governments and regional associations, plus private and public entities. The EEZ and its partners will work with local industries to address needs and overcome obstacles as they arise. They will make frequent site visits and cultivate business retention and expansion, provide support services to help existing companies grow and thrive, focusing on the needs and interest of existing

business in the area and on improving the competitiveness of the community's business climate.

The EEZ and its partners will establish procedures to boost entrepreneurship activity. It will work with REDI's affiliates in creating an entrepreneurship program. It will communicate these intentions to the business community and the general public.

The EEZ will closely coordinate work product with the Centralia Areas Chamber of Commerce and CREDI (with its continuing promotion of job fairs and work with a "visiting committee" for prospective or newly hired.)

EEZ and City staff will monitor and maintain available capacity and any need for improvements for municipal infrastructure and utilities.

Priorities and goals for the EEZ strategic plan will be reviewed and updated annually by the EEZ Board. A measures of success for the EEZ will include achieving diversity and depth for the local economy. The City would hope to be less reliant on a single industry or relegated to the status of a Columbia suburb. Centralia will have grown sustainable job opportunities in target sectors. It will have strengthened education and job training opportunities and fostered greater entrepreneurial spirit,.

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Application for Enhanced Enterprise Zone Designation

Complete one for each locality and the Lead governing authority (e.g. each town(s) with county)

VIII. Assurances and Authorization – Joint Application	
<p>This joint application for zone designation is being filed by mutual agreement between the COUNTY/CITY/TOWN /VILLAGE of: <u>City of Centralia</u>, which as the designated program administrator is authorized to file this application, and the COUNTY/CITY/TOWN/VILLAGE of: <u>Boone County</u>.</p>	
<p>It is hereby certified that:</p> <ul style="list-style-type: none"> A. The information in this application is accurate to the best of my knowledge; B. Any local Enhanced Enterprise Zone incentive proposed in this application represents a firm commitment by the applicant(s) making the proposal; C. We understand that if at any time any of the applicants is unable or unwilling to fulfill a commitment to provide local Enhanced Enterprise Zone incentives, the zone shall be subject to termination; and D. A public hearing was held by the applicants to solicit comments on the Enhanced Enterprise Zone application. 	
City of Centralia	Boone County
Locality	Locality
Print Tim Grenke	Print Daniel Atwill
Sign	Sign
Chief Administrator	Chief Administrator
Mayor	Presiding Commission
Title	Title
Date	Date