



Leading Business.  
Leading Springdale.

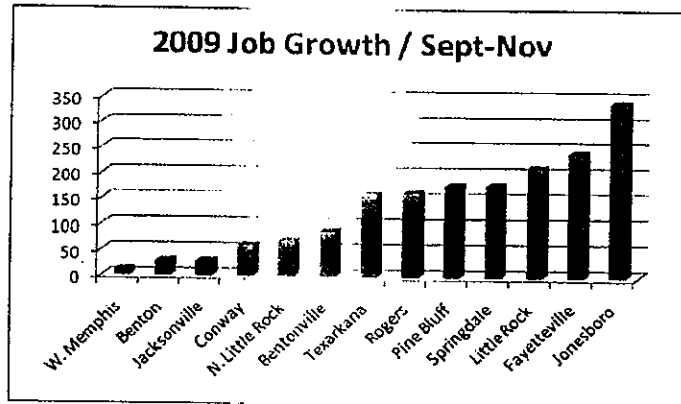
## Economic Report – January 2010

Springdale enjoyed late-year job growth, a 3 percent increase in employment from January through November, and experienced a 44 percent increase in business licenses for 2009. The Chamber received training on and identified two Springdale projects that could use a Federal New Market Tax Credit program that provides 39 percent federal tax credits, held planning meetings with architects and key stakeholders involved in future development of the Ballpark District, entertained a third site visit for a \$250 million project considering Springdale, and helped get approval for state incentives for a Springdale manufacturer had been approved.

### 4<sup>TH</sup> QUARTER HIGHLIGHTS

#### Jobs Increase

From September through the end of November, Springdale added 178 new jobs – fourth highest among Arkansas' largest cities in that time period (Source: Arkansas Department of Workforce Services). Jonesboro added 342, Fayetteville, 242, and Little Rock 214. Rogers added 164 jobs while Bentonville added 88. El Dorado (-33), Fort Smith (-63), Russellville (-77) and Hot Springs (-263) lost jobs during the same period.



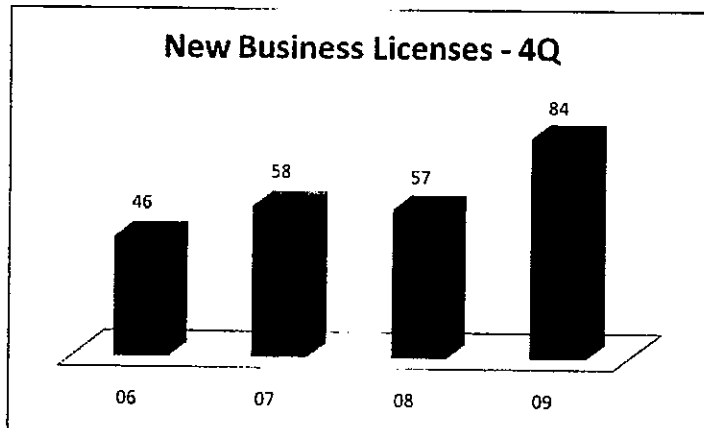
#### Unemployment Down

Springdale's unemployment rate declined one percentage point from a July high of 6.7 to a 5.7 rate for the months of September, October and November. The Springdale-Fayetteville-Rogers MSA had an unemployment rate of 5.3% in October and November. In November, only 13 of 372 metropolitan areas in the United States saw unemployment rates below 5 percent according to the Bureau of Labor Statistics. The national unemployment rate in November was 10 percent while Arkansas stood at 7.4 percent.

## 4<sup>TH</sup> QUARTER HIGHLIGHTS CONTINUED

### New Business Numbers Strong

84 new business licenses were issued in the fourth quarter, up from 57 issues in the fourth quarter of 2008. In the 4Q of 2006, Springdale issued 46 business licenses and 58 in 2007.



### Ballpark Development Focus of Economic Development Council

An update and planning meeting by architect Charles Hodges on the status of the design and future development of the Ballpark District highlighted the fourth quarter meeting of the Springdale Economic Development Council in December. Throughout the year, the Council received economic updates mirroring those provided to the City Council by the Chamber and provided guidance to the Chamber and Mayor Sprouse.

This was the second in a series of meetings with Hodges, the Chamber, city staff and land owners regarding ongoing preparations for the future development of the Ballpark District once the national economy recovers.

### Key Indicators

Continued growth was evident in year-to-year comparisons of total water hookups and Springdale customers of Ozarks Electric Cooperative:

	Dec. 08	Dec. 09	Increase	Highest Month
Springdale Water Utilities	31,695	31,911	216	Oct./32,073
Ozarks Electric Cooperative	10,560	10,858	298	Oct./10,958

# CURRENT ACTIVITY

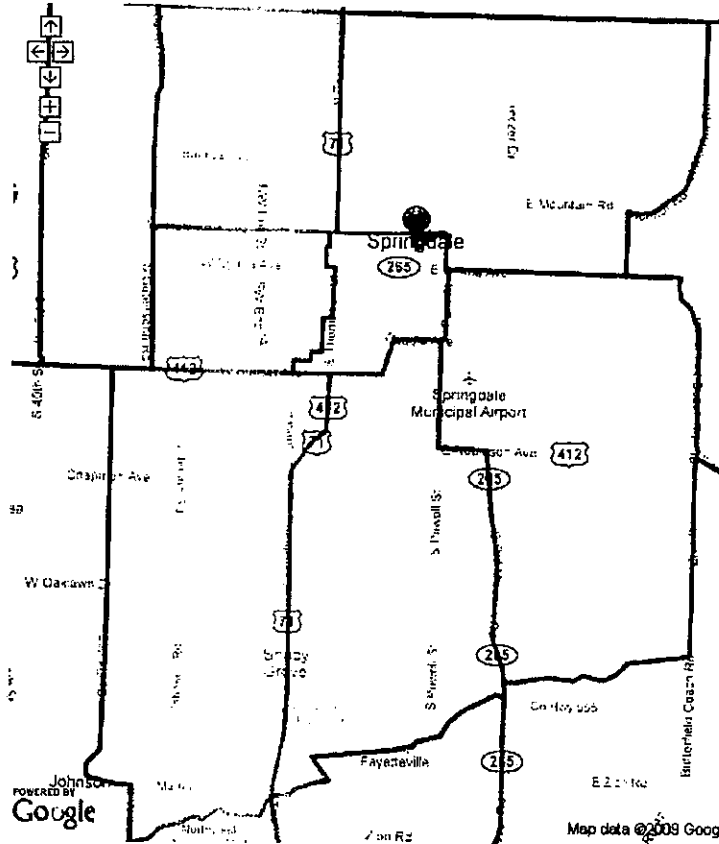
## New Market Tax Credits

The Chamber attended meetings with Arkansas Capital Corporation in Little Rock to learn details of a new-to-Arkansas Federal New Market Tax Credit Program targeted to stimulate investment in healthcare, education and economic development projects. The federal tax credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period.

The Chamber has found several qualifying projects and has scheduled meetings for two potential users of the New Market Tax Credit Program in Springdale. The 39 percent federal credits can be used to encourage investment and/or loans for a variety of projects in specified census tracts throughout the state.

In Springdale, three separate census tracts have been targeted (as shown on map) with Sunset Avenue the

northern boundary of the southern tract and County Line Road the northern boundary of the northern tract.



**Prospect Updates**

The Chamber is working the following list of projects with recent activity including:

- A third site visit was conducted with company officials of an international recycling firm (\$250 million investment/300 jobs).
- A meeting to discuss local investment options for an out-of-state firm seeking to relocate its corporate headquarters (30 jobs).
- Site location recommendations for an out-of-state medical provider considering Springdale for its first Arkansas location (20 jobs).
- Ongoing discussions with a southeastern firm involved in industrial sustainability.

In the fourth quarter, the Chamber:

- Learned a Springdale manufacturer the Chamber has worked with for several months will be receiving incentive funding from the Arkansas Economic Development Commission to expand an existing product line. An official announcement is forthcoming, hopefully within 60 days.
- Learned Springdale remains in contention for a state-wide food-related project (\$50 million investment/125 jobs)
- Learned Springdale was removed from consideration of a national operations/credit/call center (\$20 million investment/950 Jobs)
- Received a potential project inquiry requiring a specific sized existing building but no building was currently available in Springdale's inventory meeting those requirements.

**Strategic Planning**

The Chamber is closely involved in the Northwest Council's ongoing Regional Strategic Planning efforts. Perry Webb, as 2010 president of the Northwest Arkansas Chambers of Commerce organization, will fill that group's automatic position on the Northwest Council executive committee during this strategic planning period. The Northwest Council is in the process of hiring a firm to conduct a comprehensive community and economic development strategic plan for the region. The Chamber continues to be closely involved and representing Springdale's interests.

**D.C. Lobbying**

In November, Mayor Sprouse and Perry Webb were accompanied by their counterparts from Fayetteville, Rogers, Bentonville and Siloam Springs for a joint five-city lobbying effort to Washington D.C. for the purpose of expressing the region's concerns with proposed changes to EPA water quality standards. It was the first time mayors and chamber presidents from all five cities had conducted a joint lobbying effort with Arkansas' Congressional delegation in the nation's capital. The group will be making a follow-up lobbying trip again in the spring, maybe as soon as March.

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## CURRENT ACTIVITY CONTINUED

### **AEDC Regional Economic Development**

The Arkansas Economic Development Commission asked the Springdale Chamber to participate in a state-wide effort to increase economic regionalism in Arkansas, due to Northwest Arkansas' strong track record in regional economic development solutions. Perry Webb is the only Northwest Arkansas community representative on the ongoing AEDC Regional Economic Development Program planning group.

### **China 2010**

In the Chamber's continued efforts to encourage foreign trade by Springdale businesses, plans have been finalized for the Chamber's second trip to China. This year's departure date is scheduled for Oct. 19, 2010. The nine-day trip offers business leaders the opportunity to meet with business peers as well as become familiar with Chinese customs and visit major China cities including visits to both Beijing and Shanghai. This fall's registration fee of \$2,099 includes roundtrip international airfare from Los Angeles, three meals per day, double occupancy in five and four-star hotels plus English speaking guides and in-country transportation.

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## ANNUAL DATA

### **Business Licenses Up in 2009**

Springdale enjoyed a 44 percent increase year-to-year in new business licenses issued by the City Clerk's office. There were 297 new licenses issued in 2008 and 429 in 2009. The 2009 increase included 127 minority business owners of which 57 were women owned businesses.

### **Jobs**

In 2009 (excluding December statistics not yet available from the Arkansas Department of Workforce Services), Springdale added more new jobs than 11 of the state's largest cities. Only Little Rock (2,088), Fayetteville (1,104), Fort Smith (990), and Jonesboro (940) finished November with more jobs than Springdale (815). Rogers added 748 jobs while Bentonville added 404.

On the year, Springdale saw a 3 percent increase in employment from a low of 27,271 jobs in January to a high of 28,086 in November.

2008 and 2009 are the only two years since 2000 that Springdale has seen a decline in November year-to-year employment. However, Springdale had only 210 fewer jobs at the end of November 2009 than its 2007 high of 28,296.