

MONTGOMERY COUNTY ACTION COUNCIL

ECONOMIC DEVELOPMENT STRATEGIC PLAN

Executive Summary

ADY ADVANTAGE APPROACH

The following approach below was used by Ady Advantage to create an economic development strategic plan for Montgomery County Action Council.



PHASE 1: DISCOVER



- Project initiation meeting
- Market assessment
- On-site visit

PHASE 2: DISTILL



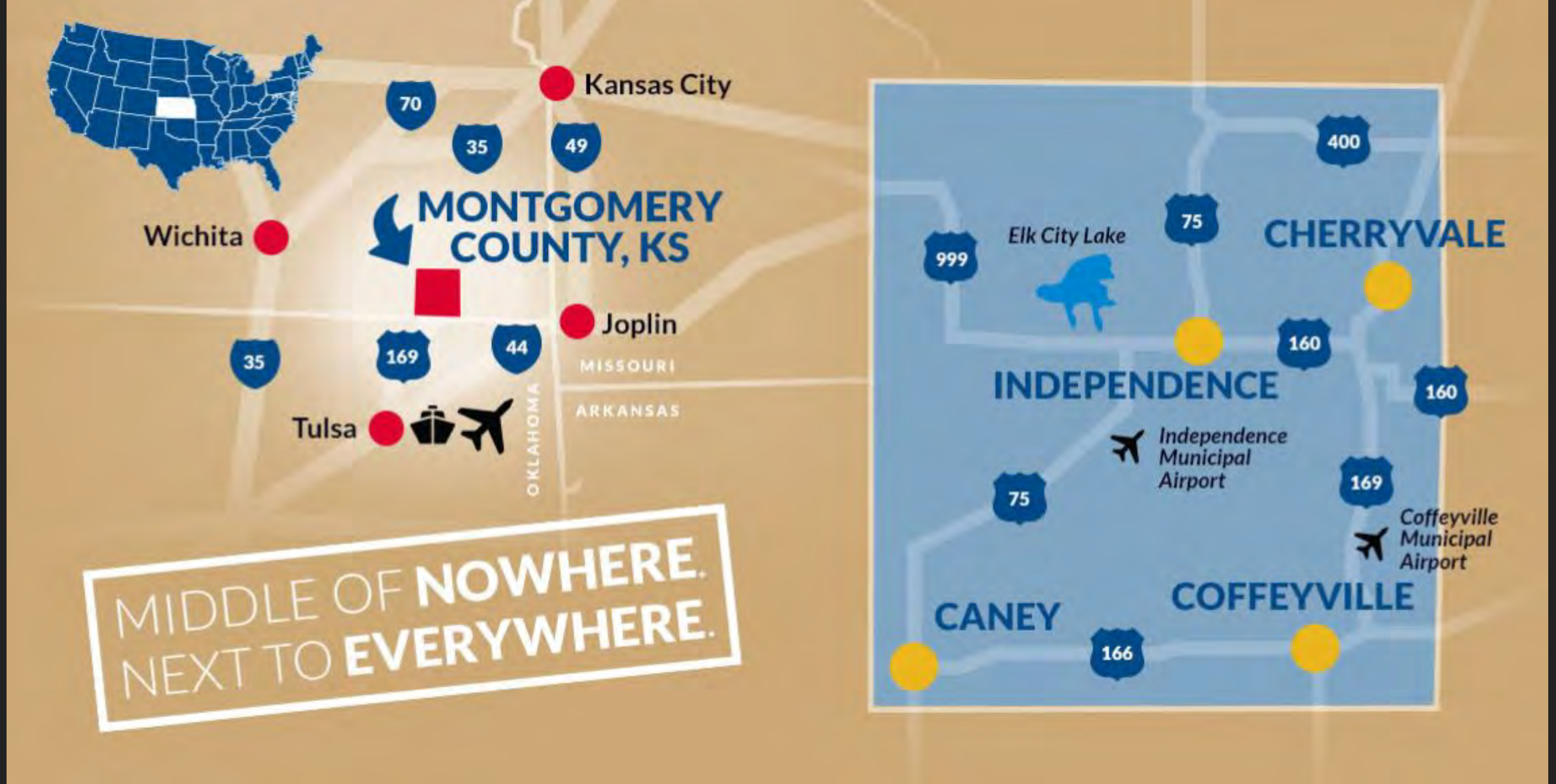
- Talent-focused target industry analysis
- Interim report
- Asset analysis and mapping
- Goals and vision workshop

PHASE 3: DO



- Economic development strategic plan
- Final presentation

The project included an on-site analysis that required primary research with area employers, stakeholders, and other key community leaders. It also involved an evidenced-based approach to economic development that recruited a variety of data sources that resulted in market focused research, an economic base analysis, target industry analysis, and an analysis of primary data. The overall plan was supported by a goals and visioning session that provided stakeholders the opportunity to develop unique strategies related to economic development. The following pages represent a summary of this comprehensive work.



STRATEGIC ASSETS

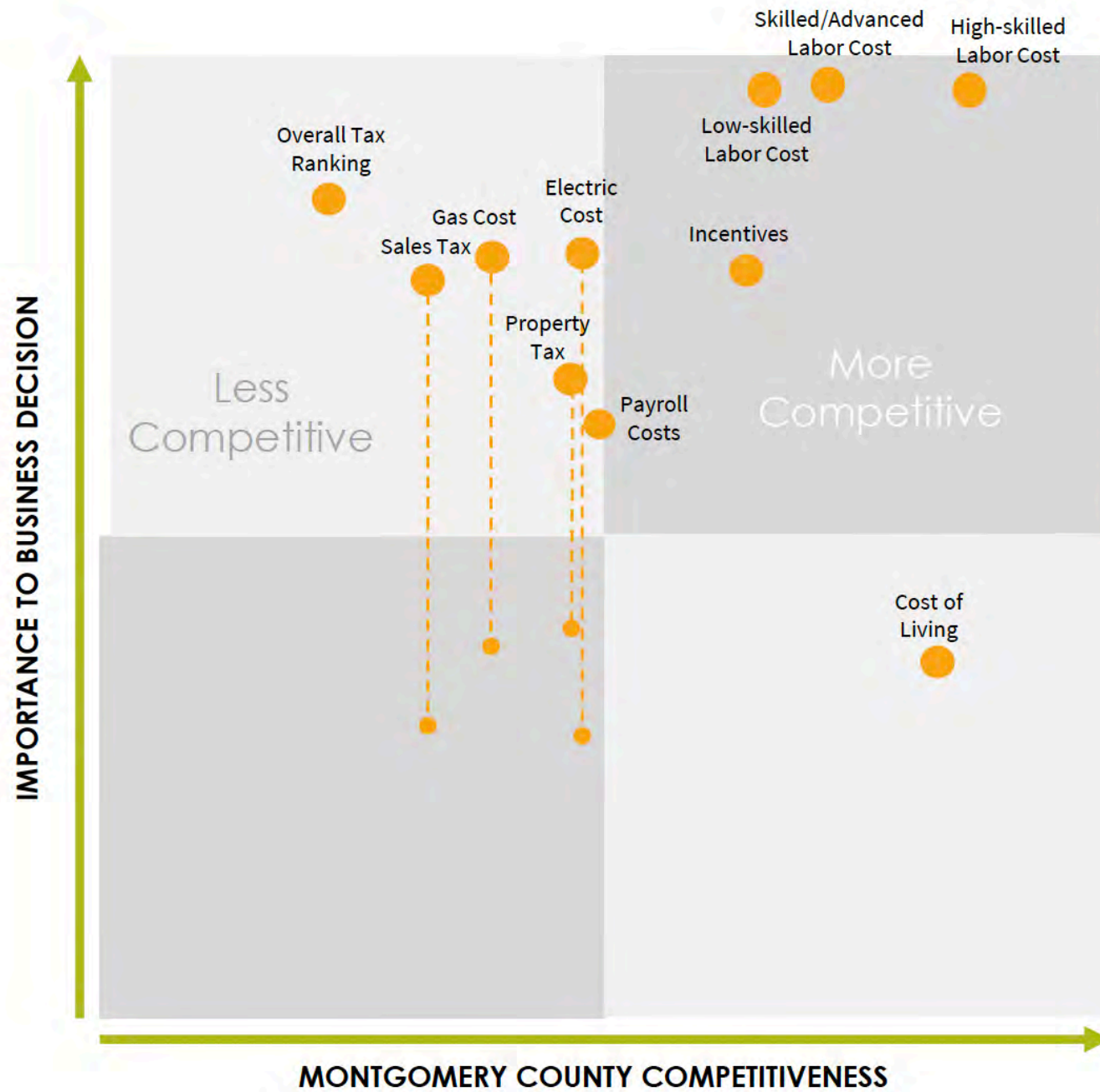
WHAT MAKES US ATTRACTIVE
TO BUSINESS & INDUSTRY

ASSETS SUMMARY

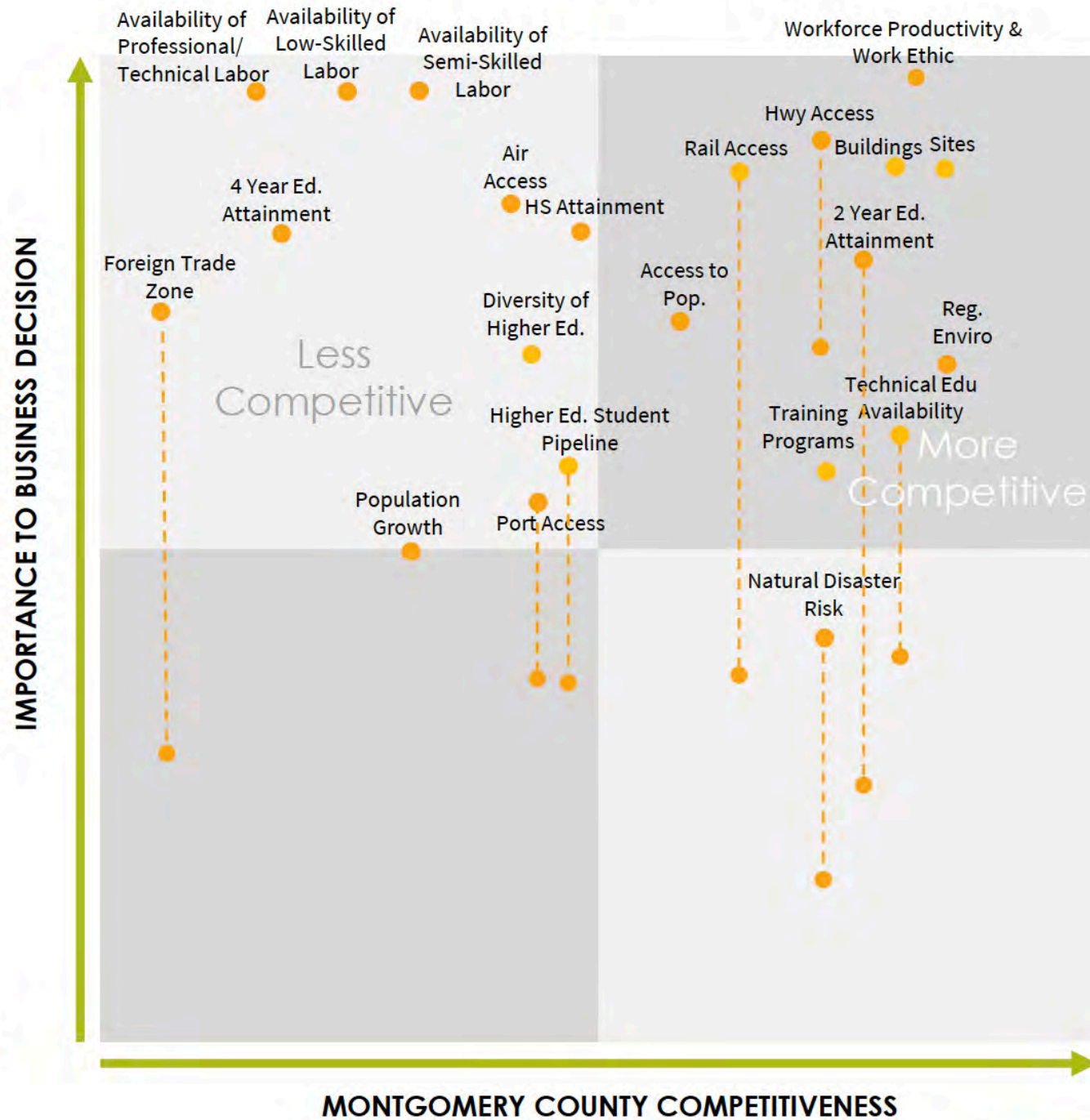
- ▶ Potential Projects like Tyson that could bring huge economic, infrastructure, and future growth opportunities for the region
- ▶ Programs and Assets at the ICC Fab Lab as a source of opportunity that can be leveraged to cultivate entrepreneurship and start-ups in the region.
- ▶ Between Coffeyville Community College and Independence Community College, there is a strong pipeline for trade skills and skilled labor in the region.
- ▶ Workforce availability, training, and entrepreneurship growth

Montgomery County Regional Positioning

GENERAL BUSINESS COSTS ASSET MAP



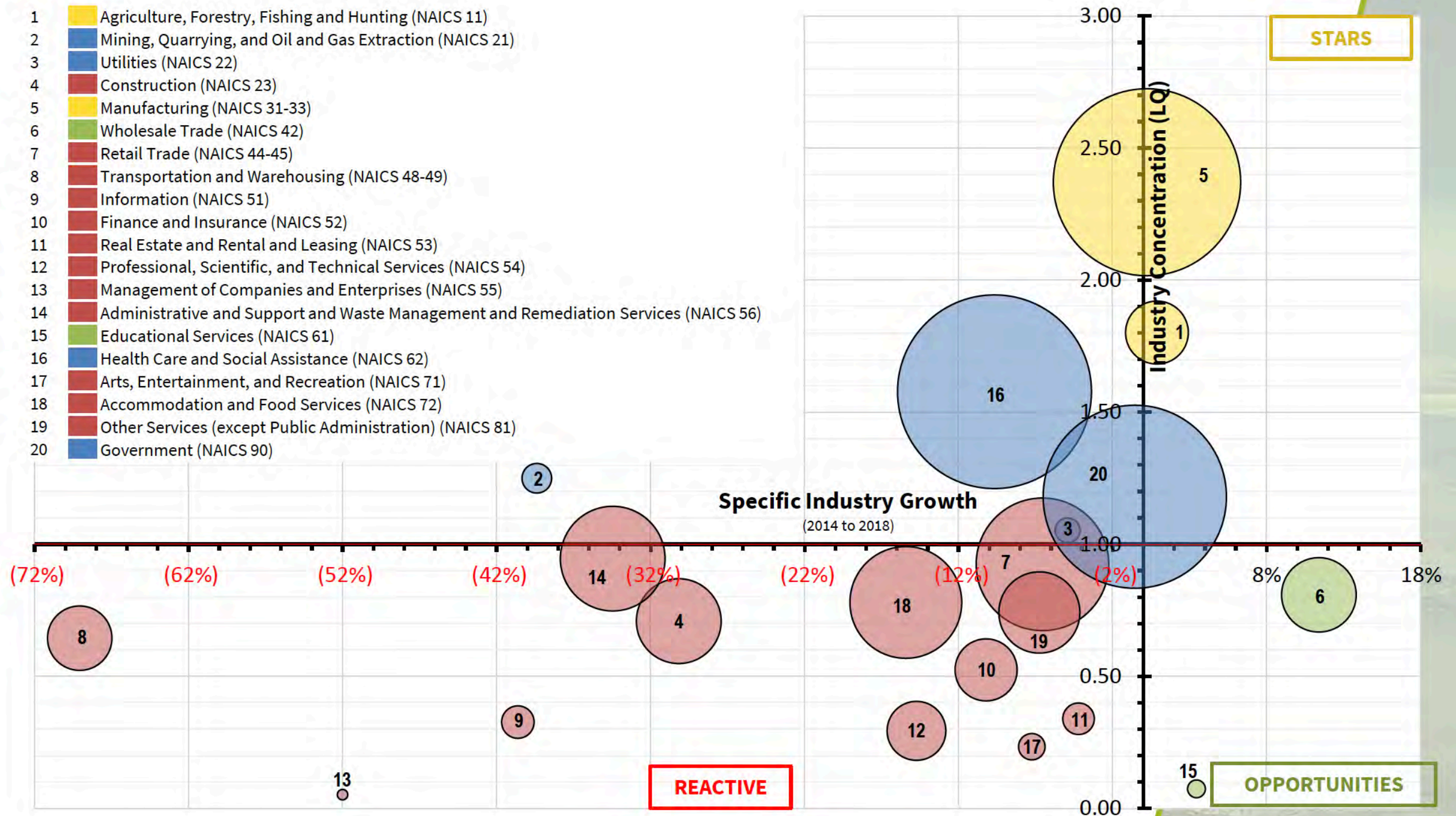
GENERAL CONDITIONS ASSET MAP



Note: Dotted lines down represent the variability of importance of each factor depending on the industry.

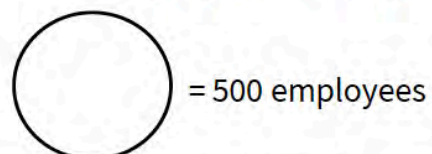
Economic Base Analysis

GRAPH 4.1 CORE REGION INDUSTRY ANALYSIS



Circle Size = Number of employees in Montgomery County
Source: EMSI 2018

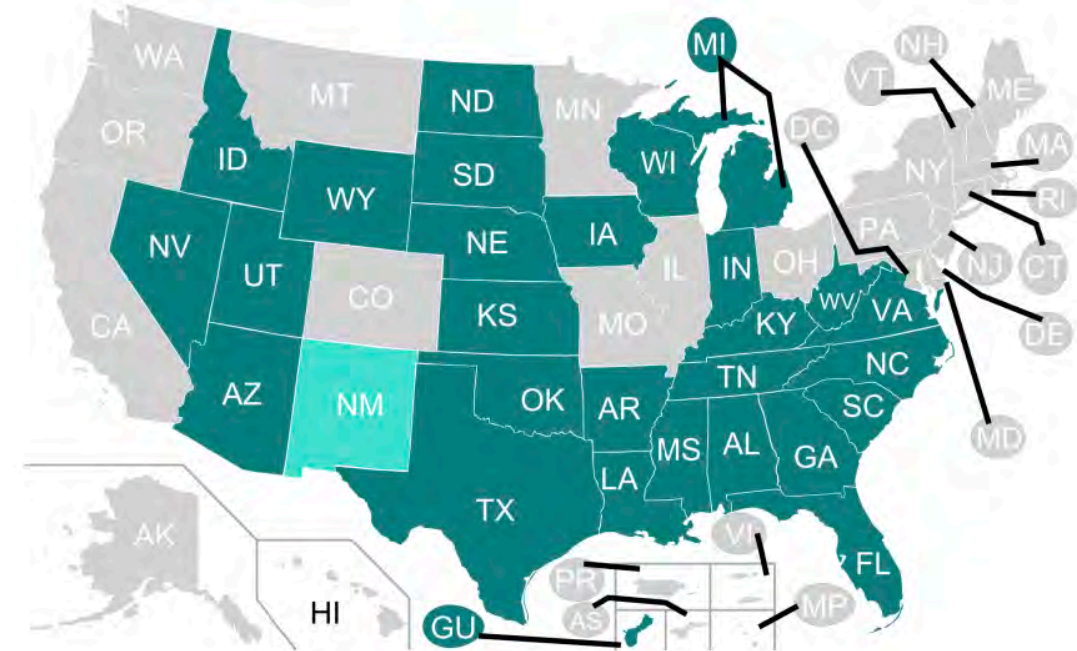
Total Employees in Montgomery County: 15,887



Montgomery County Regional Positioning

The Montgomery County region offers the following competitive advantages:

- **Competitive state business climate in Kansas**
 - **Rankings**
 - #7 Infrastructure (CNBC – America’s Top States for Business 2018)
 - #10 Workforce (CNBC – America’s Top States for Business 2018)
 - #10 Education (CNBC – America’s Top States for Business 2018)
 - #11 Regulatory Environment (Forbes Best States for Business 2018)
 - #12 Opportunity (McKinsey & Company – Best States 2018)
 - #16 Infrastructure (McKinsey & Company – Best States 2018)
 - #16 Quality of Life (McKinsey & Company – Best States 2018)
 - All business machinery and equipment are exempt from property tax
- **Right-to-work state**
 - Kansas is a right-to-work state guaranteed by a 1958 constitutional amendment. Of the 24 states that prohibit compulsory union membership, 14 are enacted by state statute rather than as amendments to their state constitutions and are vulnerable to change by state legislatures. Kansas’ right-to-work status can only be changed by a vote of the people.



Montgomery County Regional Positioning

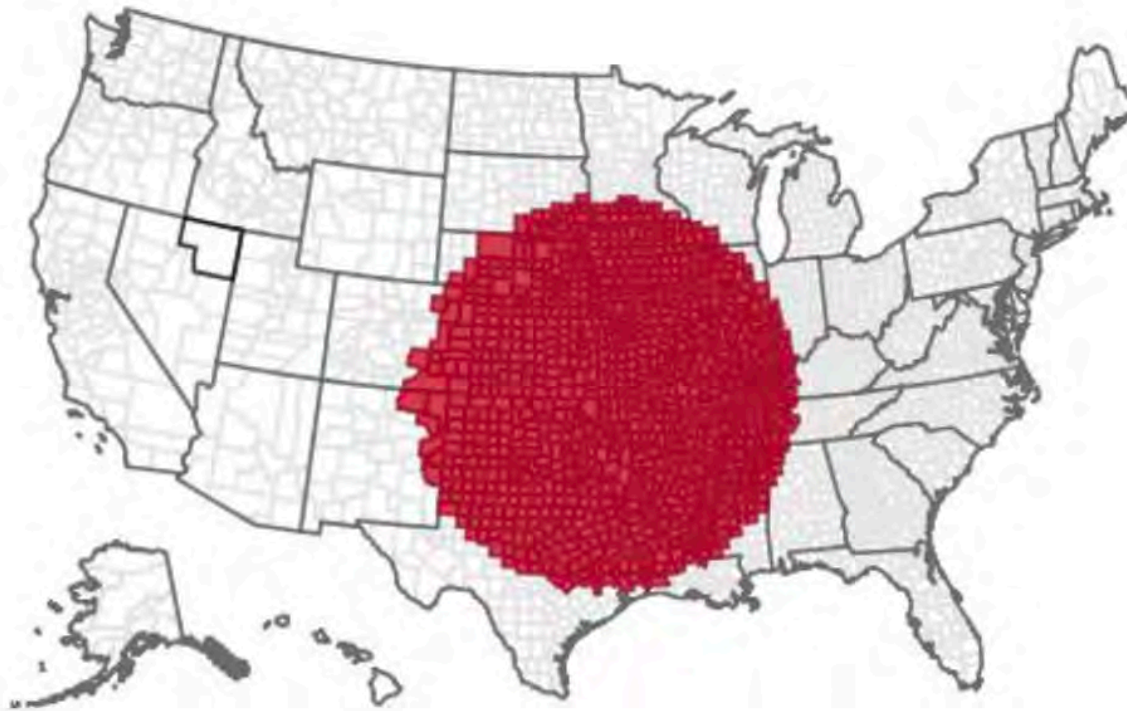
The Montgomery County region offers the following competitive advantages:

- **Rural Opportunity Zones (ROZ)**

- Rural Opportunity Zones are 77 counties that have been authorized to offer one or both of the following financial incentives to new full-time residents: Kansas income tax waivers for up to five years, and/or, student loan repayments up to \$15,000.

- **Access to Markets**

- Within 500 miles of Montgomery County, companies are able to reach over 49,000,000 million people, 15% of the total US Population. This includes the large metro areas of:
 - Wichita, KS
 - Kansas City, MO
 - St. Louis, MO
 - Oklahoma City, OK
 - Dallas, TX
 - Austin, TX
 - Memphis, TN
 - Omaha, NE
 - Des Moines, IA

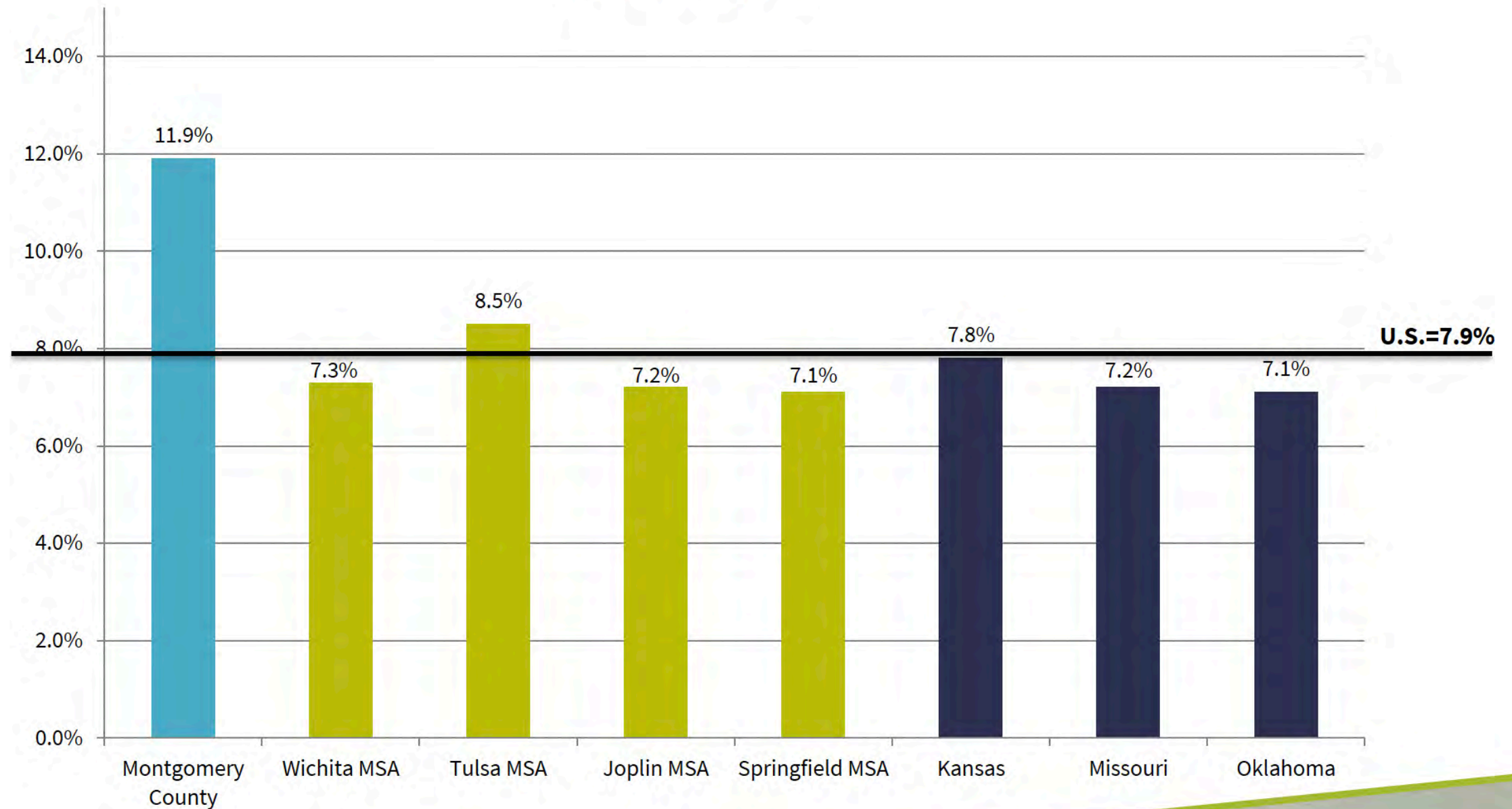


Regional Market Assessment

EDUCATION

EDUCATIONAL ATTAINMENT

POST HS - 2-YEAR

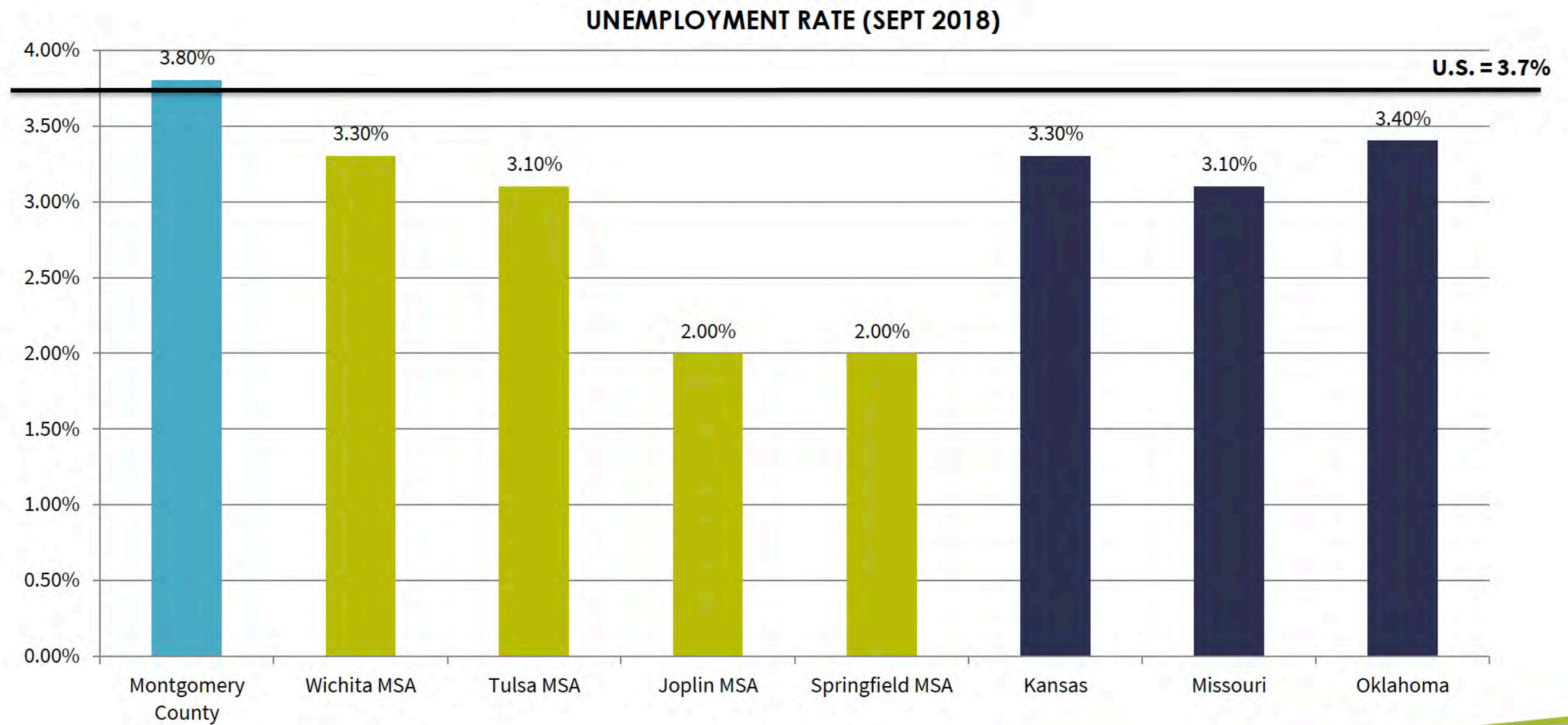


Source: U.S. Census Bureau, 2017

Regional Market Assessment

ECONOMICS

UNEMPLOYMENT RATE (SEPTEMBER 2018)



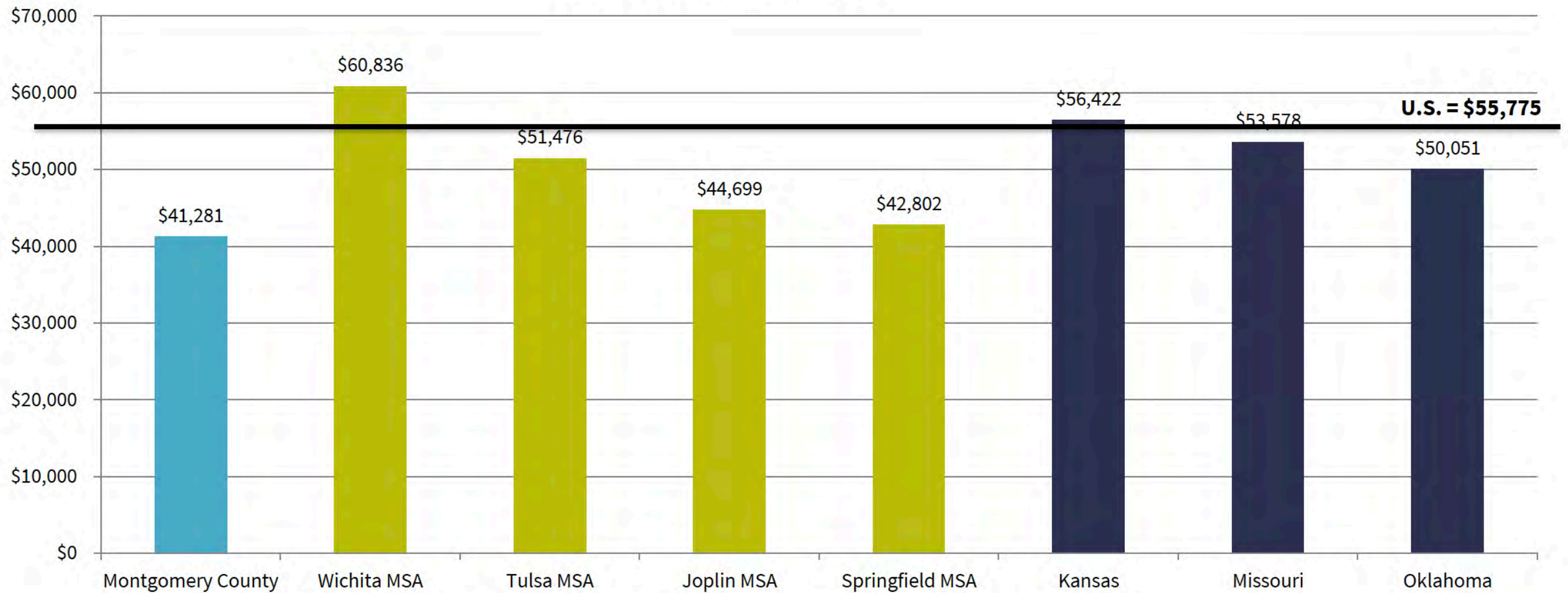
Source: U.S. Census Bureau, 2017

Regional Market Assessment

ECONOMICS

MEDIAN HOUSEHOLD INCOME

MEDIAN HOUSEHOLD INCOME



Source: U.S. Census Bureau, 2017

CHALLENGES MOVING FORWARD

- ▶ Montgomery County has 4 unique communities with their own identities, assets, and challenges
- ▶ Workforce development
- ▶ Housing opportunities
- ▶ Alignment among communities and community partners on economic development and competition among communities
- ▶ Some stakeholders noted the duplication of services that resulted from having two community colleges
- ▶ Youth Retention

**TARGETED
INDUSTRIES**

Executive Summary

TARGET INDUSTRIES

Ady Advantage conducted thorough research on a variety of industries and subsectors. As a result of this analysis, we recommend the following industries as targets for the Montgomery County region. Each target industry will have a specific strategy.

Target Industry	Subsectors of Focus	Comments
Agribusiness	<ul style="list-style-type: none"> • Crop Production (NAICS 111000) • Farm Labor Contractors and Crew Leaders (NAICS 115115) • Animal Production (NAICS 112000) • Dog and Cat Food Manufacturing (NAICS 311111) • Animal (except Poultry) Slaughtering (NAICS 311611) • Other Animal Food Manufacturing (NAICS 311119) • Meat Processed from Carcasses (NAICS 311612) 	Kansas and the region have a strong agriculture and food processing industry. This ecosystem presents value-added opportunities for the region. The region has a level of supply chain leakage that is largely non-value added goods. This area will provide opportunities to reduce leakage and create greater value. Furthermore, the Tyson project will create greater opportunity for value-added agribusiness in the area should the project land in the region.
Heavy/Light Industrial Manufacturing	<ul style="list-style-type: none"> • Metal Tank (Heavy Gauge Manufacturing (NAICS 332420) • Sheet Metal Work Manufacturing (NAICS 332322) • Industrial Valve Manufacturing (NAICS 332911) • Other Metal Container Manufacturing (NAICS 332439) • Metal Window and Door Manufacturing (NAICS 332321) • Fabricated Pipe and Pipe Fitting Manufacturing (NAICS 332996) • Construction Machinery Manufacturing (NAICS 333120) • Farm Machinery and Equipment and Equipment Manufacturing (NAICS 333111) • Heating Equipment (except Warm Air Furnaces) Manufacturing (NAICS 333414) • Oil and Gas Field Machinery and Equipment Manufacturing (NAICS 333132) • Fluid Power Pump and Motor Manufacturing (NAICS 333996) • Other Aircraft Parts and Auxiliary Equipment Manufacturing (NAICS 336413) 	The region has a strong existing industry base in this area, and many of these particular subsectors are projected to grow. The region has strong programs related to manufacturing that can benefit this industry, provided by Coffeyville Community College and Independence Community College. Additionally, the region has several sites that can serve manufacturing companies that have access to transportation assets with existing utility infrastructure in place. In particular, the region should aim to further build out a cluster around aircraft and aviation.
Supply Chain Support	<ul style="list-style-type: none"> • Other Warehousing and Storage (NAICS 493190) • General Freight Trucking, Long-Distance, Truckload (NAICS 484121) • Specialized Freight (except Used Goods) Trucking, Long-Distance (NAICS 484230) • General Freight Trucking, Local (NAICS 484110) • General Freight Trucking, Long-Distance, Less Than Truckload (NAICS 484122) • Rail Transportation (NAICS 482110) • Specialized Freight (except Used Goods) Trucking, Local (NAICS 484220) • Support Activities for Rail Transportation (NAICS 488210) • General Warehousing and Storage (NAICS 493110) • Commercial Screen Printing (NAICS 323113) • Cement Manufacturing (NAICS 327310) • Ready-Mix Concrete Manufacturing (NAICS 327320) • Cut Stone and Stone Product Manufacturing (NAICS 327991) 	There are various supply chain opportunities in the region as it relates to supporting the other recommended target industries. Focus should be on further cultivating clusters in these areas and leveraging downstream opportunities. These industries help provide greater retention of other industries.

agriculture

manufacturing

transportation

aviation

production

education

healthcare

distribution

tourism

highway-access

ag-related

agricultural

value-added

specialized-manufacturing

equipment-manufacturing

industry

supply-chain

technology

port-access

hotel

workforce

high-tech

aviation-related

farming

recreation

natural-gas

small-business

available-land

work-ethic

refinery

light-manufacturing

grocery-store

oil

blue-collar

renewable-energy

2-year-programs

heavy-manufacturing

John-Deere

local-business

foundry

airport

technology-related

Executive Summary

TARGET INDUSTRIES

In addition to the recommended target industries for Montgomery County, we also recommend an aspirational target industry of Professional, Scientific and Technical Services. Additional strategies and likely greater amount of resources would need to be applied to attract these companies. However, a business case can be made and developed that would result in greater diversification of the economic base.

Aspirational Target Industries		
Target Industry	Subsectors of Focus	Comments
Professional, Scientific and Technical Services	<ul style="list-style-type: none">• Computer Systems Design Services (NAICS 541512)• Engineering Services (NAICS 541330)• Other Accounting Services (NAICS 541219)• All Other Professional, Scientific, and Technical Services (NAICS 541990)• Corporate, Subsidiary, and Regional Managing Offices (NAICS 551114)	These types of industries will more likely tend to be located in Tulsa, Wichita and Kansas City, where highly educated talent is more abundant. To some degree, the region does pull some of this highly educated talent who live in Tulsa but work in Montgomery County for those employers who provide higher wages. Greater focus and resources will be needed to build up this industry area. The aim within this targeted area is to diversify the region's economy to create indirect and induced jobs.

Goals for the Future

INTRODUCTION

The overarching vision for Montgomery County is drive growth throughout the county that leverages the unique assets of each of the communities within the county. The goals on the following pages are in no particular order. All are considered equally high in importance.

The goals for the future were determined and thoroughly discussed during a facilitated Goals and Visioning work session on Tuesday, April 23, 2019. During the work session, we discussed certain gaps identified in the three main categories of alignment/regionalism, readiness, and marketing/differentiation, as well as key themes identified during our time on-site. Those gaps and key themes then drove the discussion on what goals Montgomery County would like to achieve in the near future. These goals will be discussed further in the following pages and will serve as the basis for the Economic Development Strategic Plan in the last section of this report.

