

Economic Development Consulting Services

February 2021 Reporting Period



CITY OF
FAYETTEVILLE
ARKANSAS

In partnership with

CHAMBER
FAYETTEVILLE

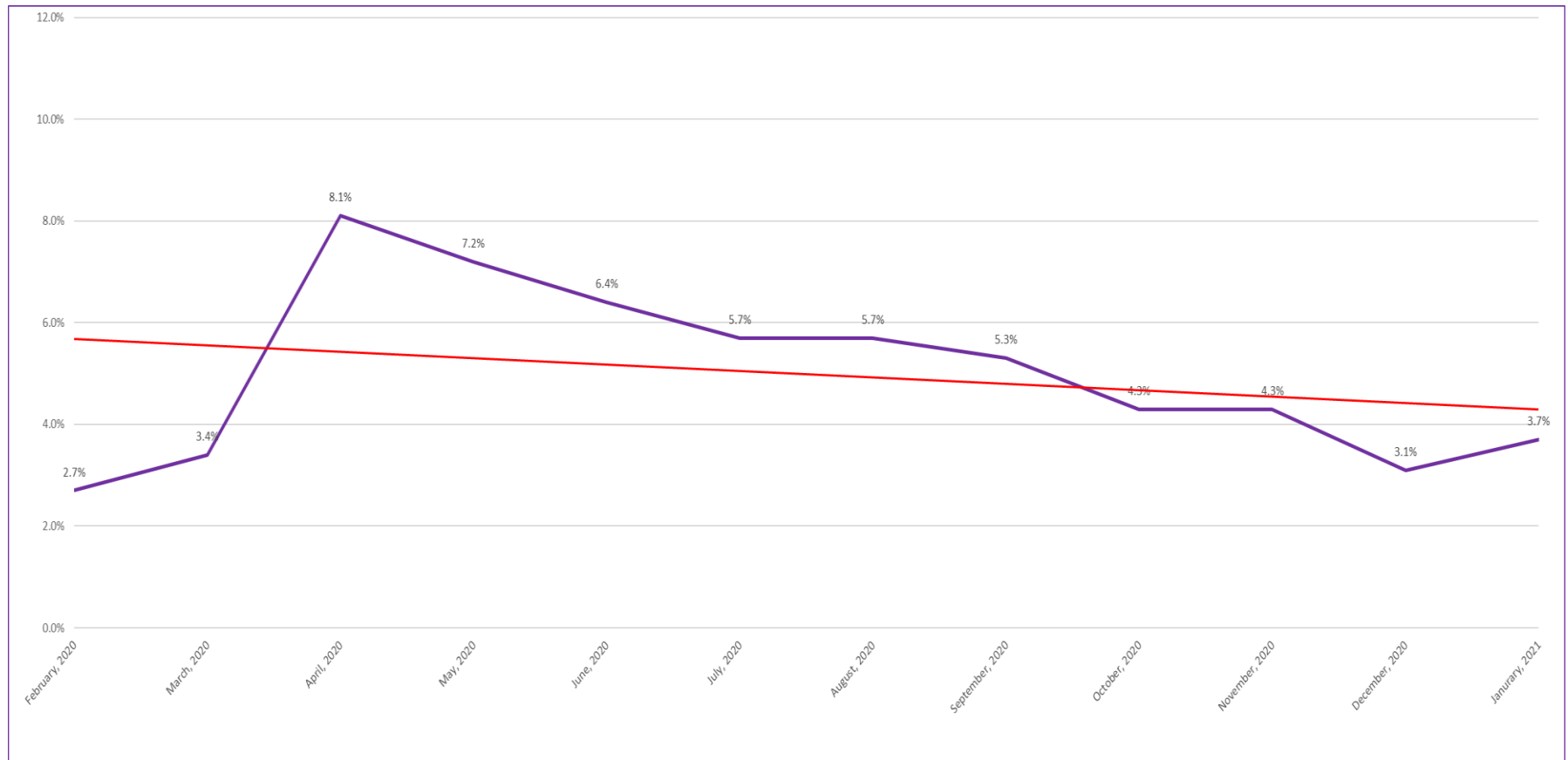
Economic Development Metrics and Activities

- Twelve Business Expansion projects in progress
 - Nine Manufacturing, three Services
 - One in out of discovery into active recruitment, successful meeting with executives
 - Estimated 70 new HC over 5 years at average hourly wage \$30 to 40 per hour (updated)
 - Engaging with AEDC
 - January addition is active but competing with seven other locations
 - February addition is active and initial discovery, competing with one state
 - Estimated net new HC: 500+, Average wages: \$21.03+/-, net new payroll: \$22.3M
- December (Preliminary) Unemployment rate 3.1%*
 - Still improving, as stated multiple times the coming winter months could see temporary reverse
 - Underlying economy still strong
 - We expect to start to see a sustained increase in MAR/APR
- Public Meetings – December meetings move to hybrid remote & in-person
 - Committee meetings remain remote
- Weekly Chamber Health Crisis review, on-going at least through June 2021
 - Consists of business leaders through out the City 20 – 30 per call
 - This call continues to draw 20 – 30, and was held on both Christmas Eve and New Years Eve

Workforce & Community Activities

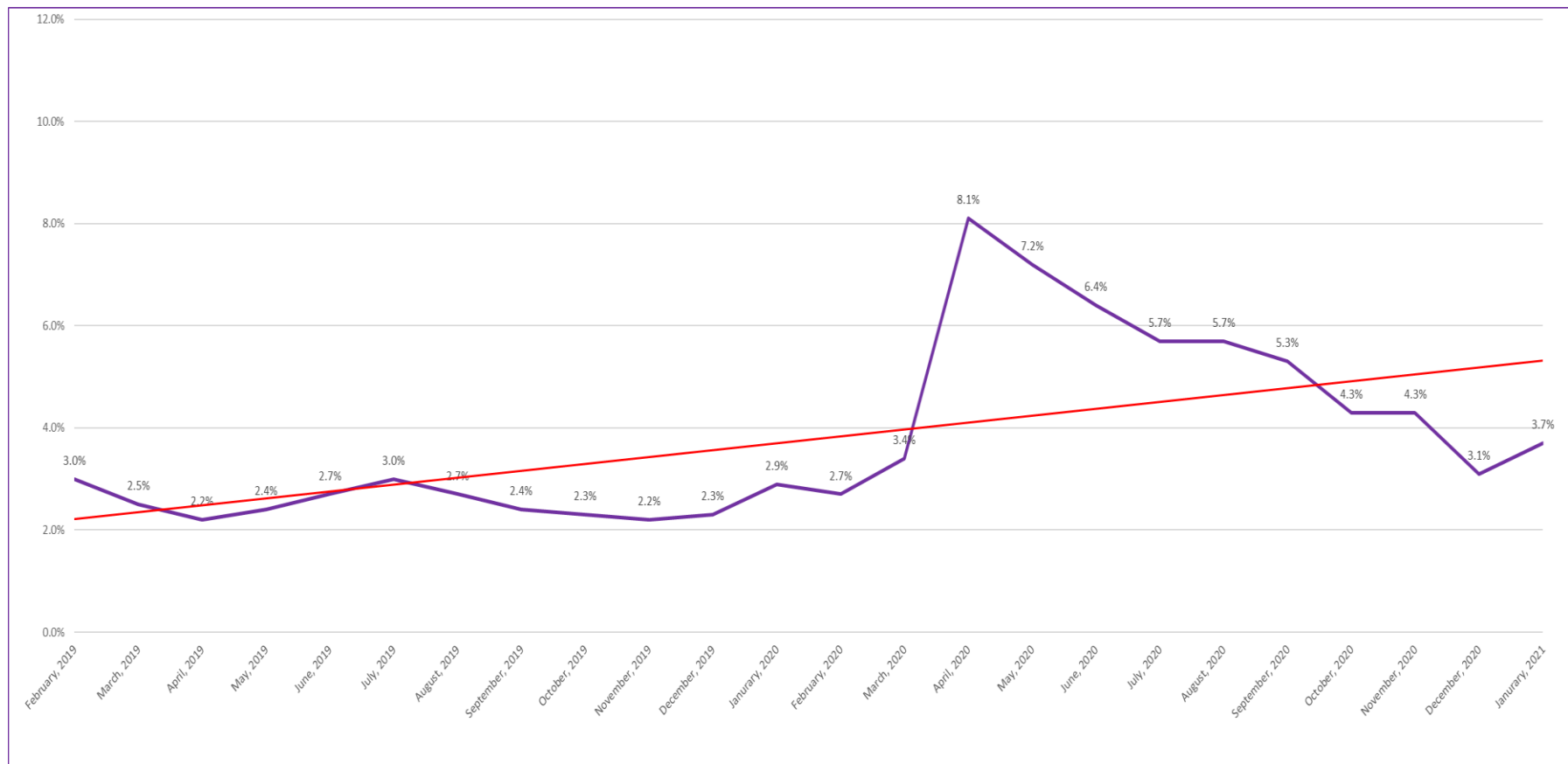
- Robotics Certificates Issued
 - February: 8 Year to date: 16 Future Registrations: 36 confirmed
 - 2019 & 2020: 218 Total Certifications: 234
- Fab Lab – *closed due to COVID-19*
 - The Chamber anticipates re-opening the Fab Lab for the public late March/early April
 - Expanded operation, offerings, and classes
- Career Atlas
 - Contract negotiations completed with publisher, on track for June 2021 publication
 - City has up to four pages at its disposal
- Business Survey
 - Survey tool discovery under way with City of Fayetteville
 - Initial question list being reviewed
- Outreach
 - Initial document drafted
- RFI/RFP:
 - February: 2 Year to date: 2

Unemployment Rate – 12 Month Trend



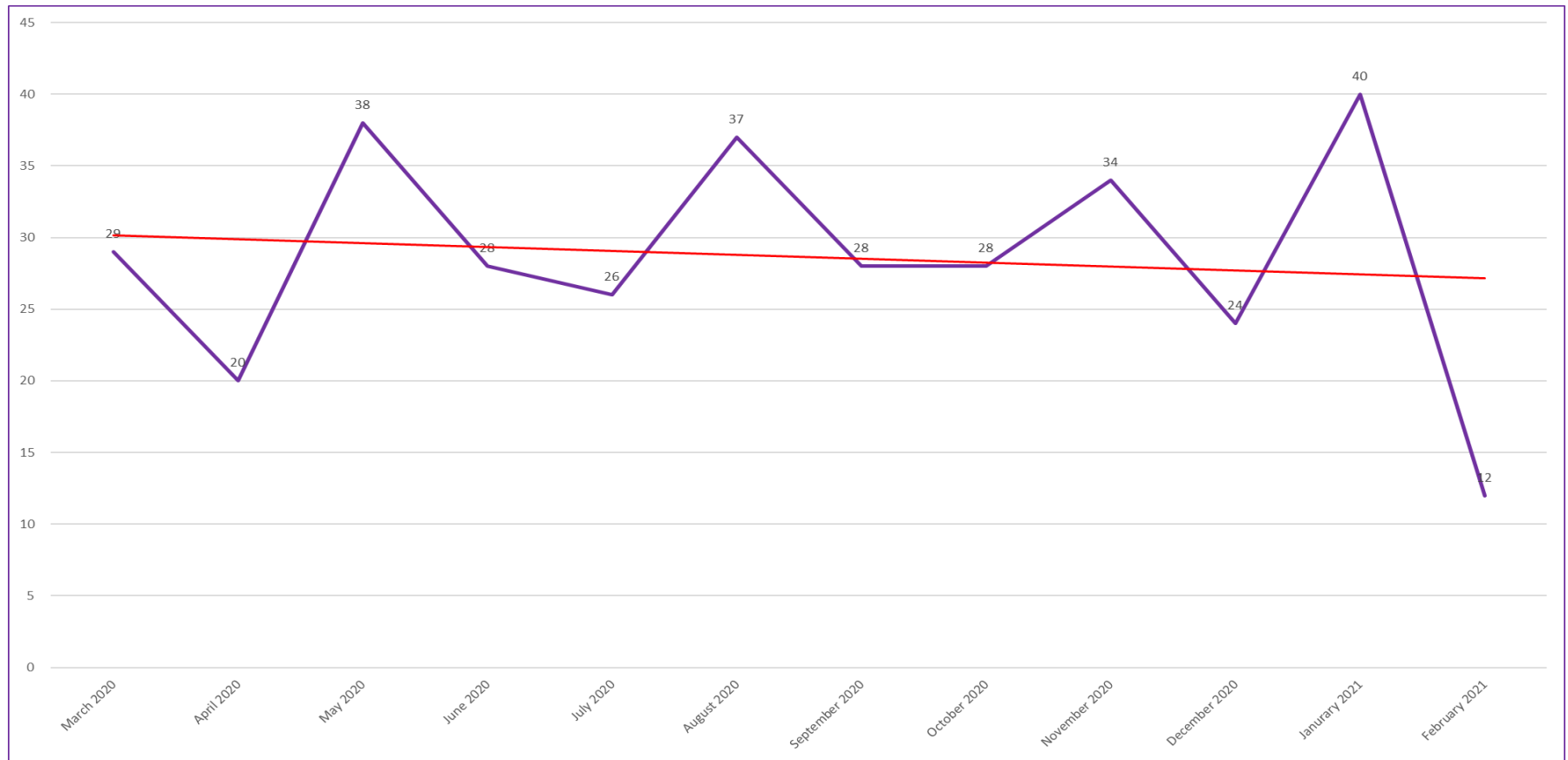
- Unemployment in the region expected to decline, despite January increase
- The rate of reduction will likely decrease over the next several months
- The hardest hit are restaurants, bars, and entertainment venues
- Likely to see unemployment fall below 3.0% by September
- May not see 2.2 to 2.4% range until early 2022

Unemployment Rate – 24 Month Trend



- Long term impact of unemployment spike
 - Persistent subsequent income reduction and/or loss
 - Depleted savings and increased debt
 - Adverse affect on physical and mental health
- Focus areas
 - Job training
 - Increased focus on expanded employment opportunities

Business License Open Date – 12 Month Trend



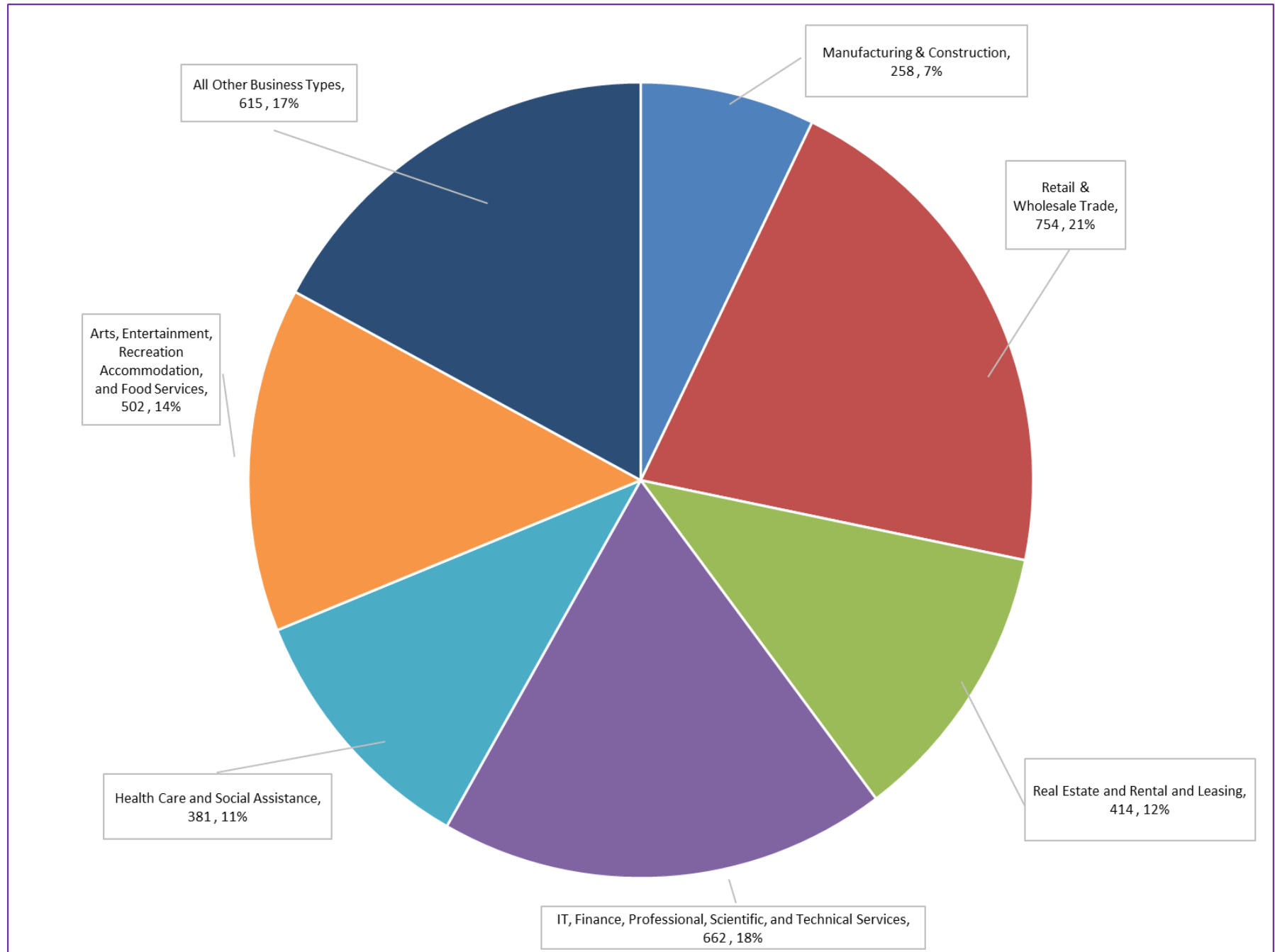
- A 4-year long term view continues to show an increase
 - The underlying economy remains strong
 - Business expansion inquiry picked up in the later half of JAN
- Beginning JAN 2021, the decrease in net Open Date begin to level off
 - While the first half will fluctuate up and down, we expect the overall trend to begin to increase
 - February snapshot expected to increase as more businesses report

Active Business License – February 2021

Insuustry	Business Count	Employee Estimate	Insuustry	Business Count	Employee Estimate
Agriculture, Forestry, Fishing and Hunting	8	18	Real Estate and Rental and Leasing	414	1,211
Mining, Quarrying, and Oil and Gas Extraction	0	0	Professional, Scientific, and Technical Services	447	2,599
Utilities	6	565	Management of Companies and Enterprises	23	133
Construction	168	1,653	Administrative and Support and Waste Management and Remediation Services	46	948
Manufacturing	90	3,434	Educational Services	57	656
Wholesale Trade	76	883	Health Care and Social Assistance	381	7,674
Retail Trade	678	5,744	Arts, Entertainment, and Recreation	115	722
Transportation and Warehousing	46	1,187	Accommodation and Food Services	387	5,255
Information	39	469	Other Services (except Public Administration)	446	1,870
Finance and Insurance	153	1,296	Public Administration	6	285

- 3,586 active licenses representing an estimated 36,602 employees
 - Manufacturing & Construction 258
 - Retail & Wholesale Trade 754
 - Real Estate and Rental and Leasing 414
 - IT, Finance, Professional, Scientific, and Technical Services 662
 - Health Care and Social Assistance 381
 - Arts, Entertainment, Recreation Accommodation, and Food Services 502
 - Other 615

Active Business License – February 2021

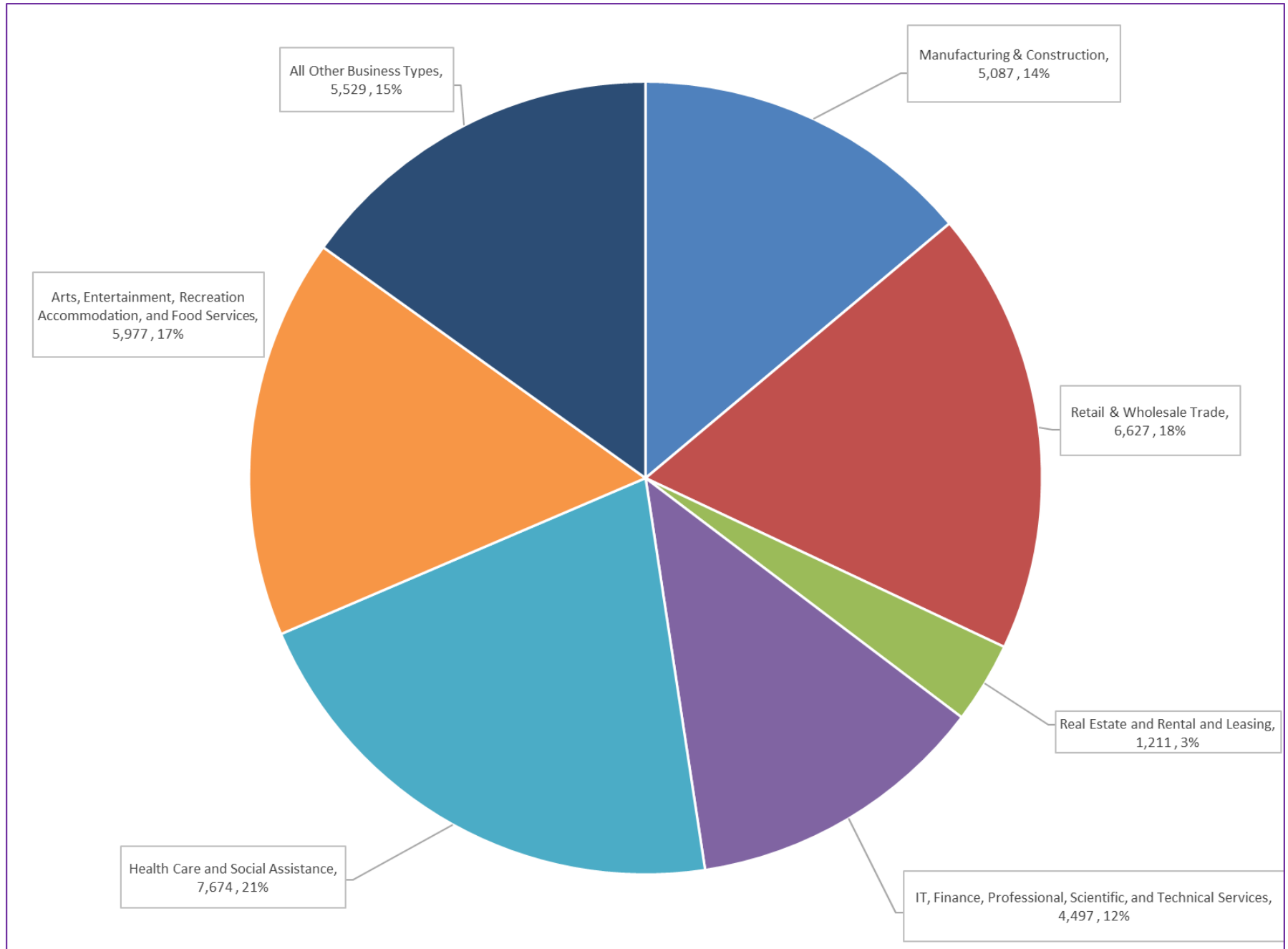


3,586 active licenses with a date open prior to February 2021

* Data from Bureau of Labor Statistics for Fayetteville-Springdale-Rogers, AR-MO MSA. Typically, updated 2 months in arrears.



Active Business FTE Equivalent – February 2021

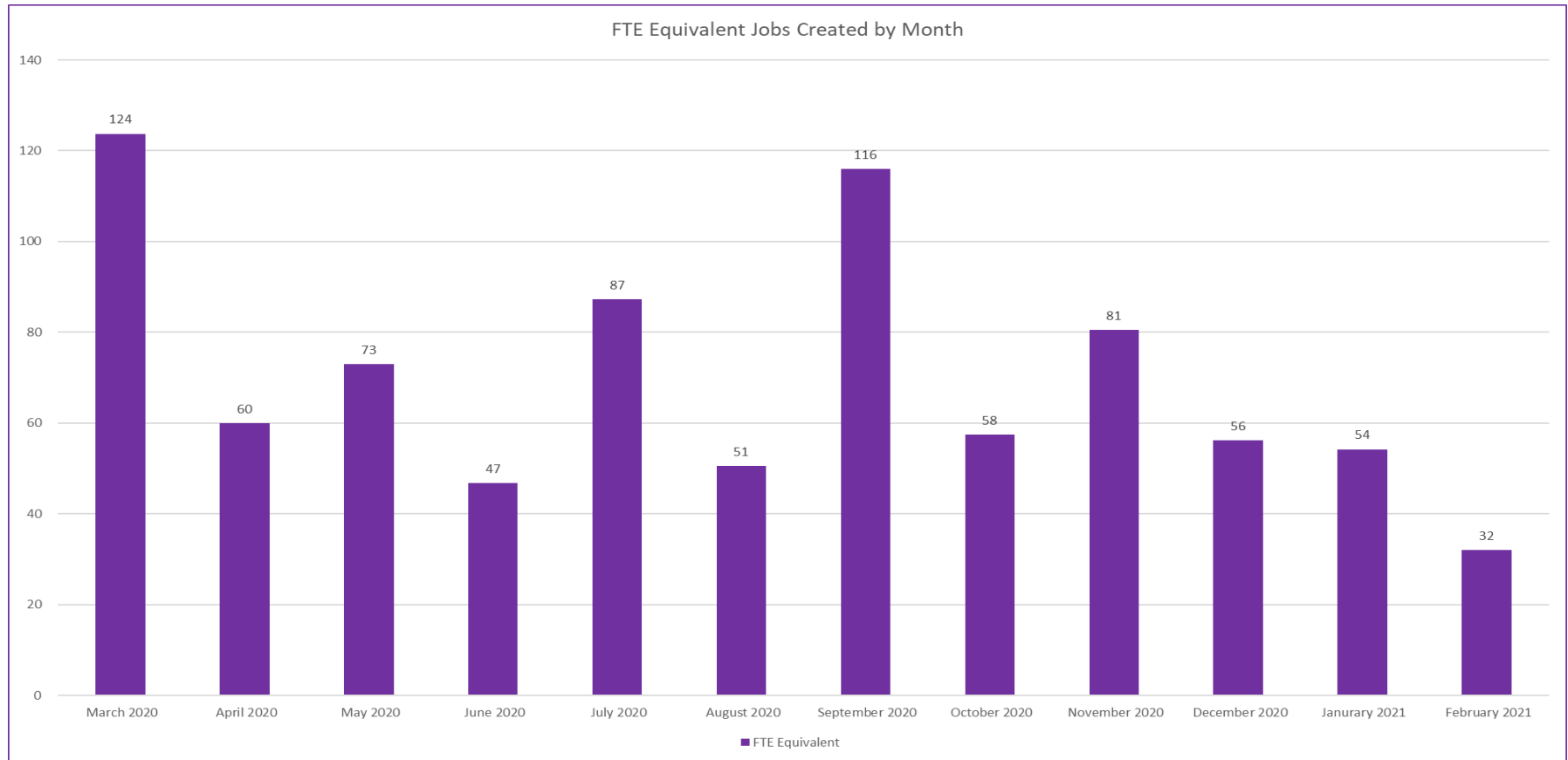


Represents 36,602 employees estimated from database

* Data from Bureau of Labor Statistics for Fayetteville-Springdale-Rogers, AR-MO MSA. Typically, updated 2 months in arrears.

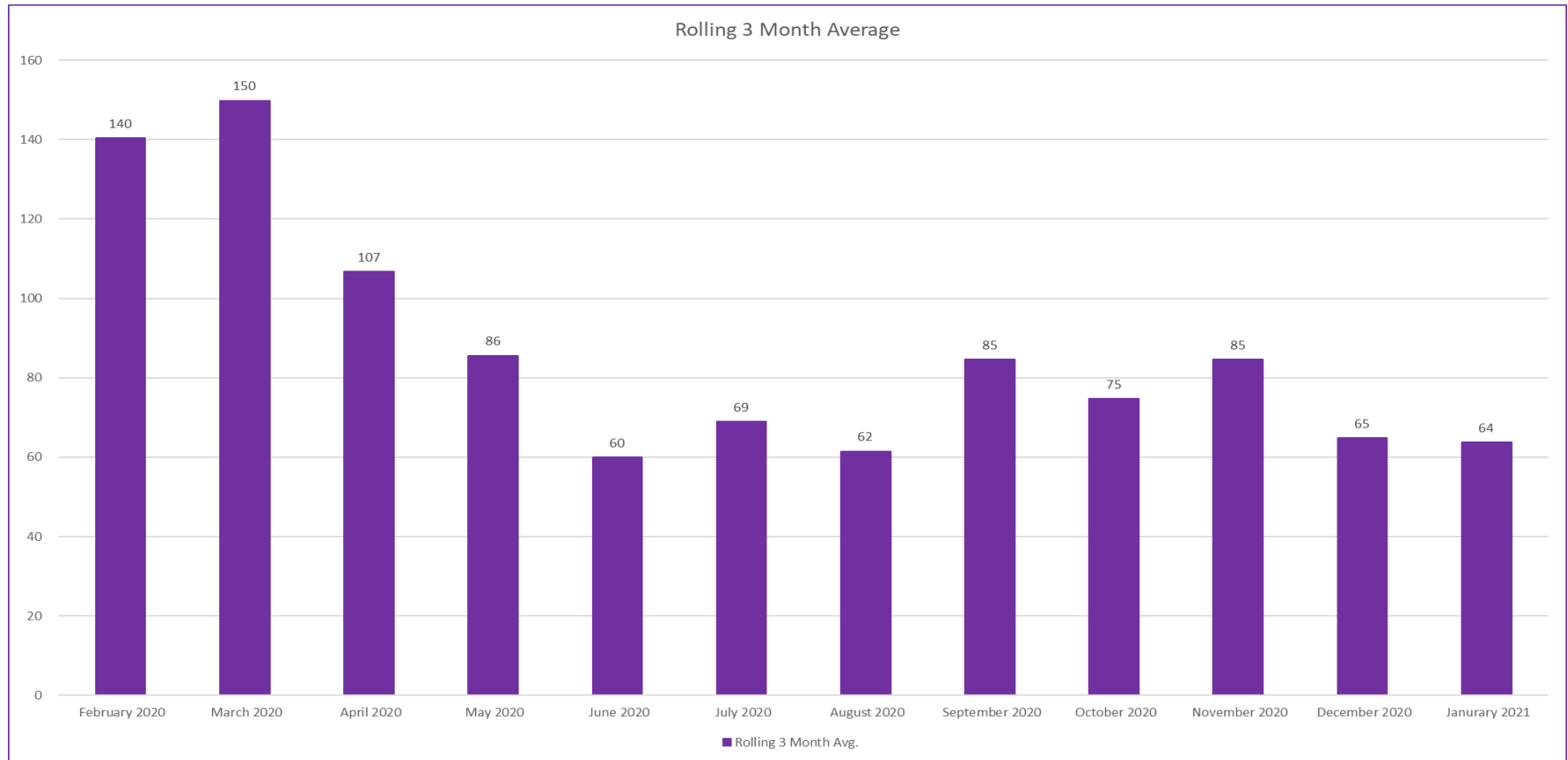


New Business Employee Count – 12 Month Trend



- Recent new businesses opening with fewer new FTE equivalent positions
 - 2019 total positions relating to business open date was 2,300
 - 2020 total positions relating to business open date was 1,000 – less than half prior year
 - 2021 YTD is less than 1/3 compared to same period 2020
- While signs of recovery are apparent, it's slow to materialize

New Business Average Employee Count – 12 Month Trend



- Rolling three-month average is still down from prior periods
 - JAN 2019 – 157
 - JAN 2020 – 190
 - JAN 2021 – 64