

Perry County, Missouri

Economic Development Authority

2023 Strategic Plan

Executive Summary

The Perry County Economic Development Authority (EDA) utilized a number of resources to develop a long-term Strategic Plan. Initial work was undertaken using the Strategic Doing process to identify several short-term goals. This process included input from members of the community representing education, social services, philanthropy, and business. During this process six key areas of focus were prioritized as follows:

1. Evaluate social support resources to increase awareness.
2. Leverage assets to expand advanced education training opportunities.
3. Better together Schools.
4. Small Business Support
5. Industry 4.0
6. Attainable Housing for All.

First step action items were developed for each goal. These six areas were combined and further ranked, with a single “action project” for each, and initial steps for the action project identified.

Area and Action Project	Initial Steps
1. Education: Develop regular communication among education, business, and other groups	<ul style="list-style-type: none">• Identify participating groups• Create agenda for meeting• Conduct meeting and assess
2. Small Business: Small Business Advisory Group	<ul style="list-style-type: none">• Identify small business and entrepreneurs in the area• Assess Needs• Identify Mentors
3. Housing: Reduce Building Costs	<ul style="list-style-type: none">• Assess infrastructure incentives from City• Review regulations for infrastructure that will help eliminate some costs
4. Social Services: Assess Social Support Needs	<ul style="list-style-type: none">• Convene groups in that area• Develop a survey to learn of current resources

	<ul style="list-style-type: none"> • Evaluate demographics on level of need • Work with schools to learn needs of students/families
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These goals created the initial working plan for the EDA for 2023 with the intention to undertake a more comprehensive and multi-year Strategic Plan to guide the organization for the next several years.

In May of 2023 the long-term plan was undertaken with the assistance of the International Economic Development Council. (IEDC) Several volunteers from that group visited Perryville and Perry County, reviewed demographic data on the area, interviewed business and community leaders and in December 2022, provided a report including a set of recommendations for consideration by members of the EDA. Portions of this plan borrow substantially from the findings and report of the IEDC. The key areas highlighted by the IEDC group were as follows:

- Support housing initiatives, potentially becoming a fiduciary agent for a housing fund and promoting the development of the missing middle housing types.
- Provide oversight and funding for a more robust downtown organization.
- Establish a small business and entrepreneurship support ecosystem.
- Develop county-wide business retention and expansion (BRE) program.
- Develop an industry cluster strategy including task forces for key clusters.
- Develop strategic attraction targets to expand the strength of existing industries.

Over the next several months, the EDA members developed a set of long-term goals and strategies and a set of action items, tasks, leaders and milestones for each. The matrix of these goals is attached as Appendix A. The goals identified in order of their priority are:

1. Housing and Response to the Labor Shortage-Workforce.
2. Business Retention
3. Small Business Development
4. Land Productivity
5. Industrial Development
6. Building Innovation in Industry
7. Downtown Development
8. Industry Clusters
9. Tourism
10. Tap Financial Resources
11. Climate Change Opportunities

Although numbered based on priority, the group anticipated that some of the goals will take multiple years and that others will be ongoing activities for the foreseeable future. Additionally, much of the work and activity around some of the goals will overlap in future

years. Appendix B shows a high-level outline of the timeline for each goal. The EDA is also anticipating that based on changing circumstances and needs, the action items and timeline may be modified in future years.

Perry County has been fortunate to locate a diversity of industry and business to the community. Diversification of industry will insulate the county's economy from downturns in certain sectors. Tactics to diversify industries include supporting small businesses and entrepreneurs, encouraging innovation within existing industries, and attracting more supporting firms to build on burgeoning industry clusters. Additionally, considering the impacts of climate change on industry and agriculture will help the economy prepare for and create economic opportunities in anticipation of future shifts.

From entry level workers to families to seniors, providing diverse housing options is necessary to assure all the needs of the community are served and that local companies can attract and retain workers. The structures that govern housing development in Perry County, like most communities in the United States, are biased toward the development of a small range of single-family homes. Unfortunately, these homes are not being built in the numbers needed due to market forces and regional competition. The EDA has adopted the IEDC recommendation that as a first priority that the leaders of Perry County take proactive steps to redevelop and refurbish downtown Perryville and adjacent neighborhoods to diversify the types of housing available to underserved community segments. Specifically, the addition of "Missing Middle" housing will provide a relatively quick release to some of the housing pressures.

A large part of the success of Perry County is attributable to the cooperation among the governmental bodies, business and industry, and non-governmental organizations (NGO) in the community. This Strategic Plan contemplates that cooperation continuing and will rely on other organizations to undertake many of the action plans developed under the leadership of the EDA. The EDA thanks the many groups and individuals involved in helping to shape this roadmap for the future of economic development in Perry County.

Vision

The EDA board recognizes the widely recognized issues of a lack of employable, trained and available labor and sufficient housing in the community for all income ranges and at all value levels. Not surprisingly these two issues are the top priority. The vision of the board is to have a growing and vibrant community, offering a range of activities and amenities that fosters and supports the expansion and success of business, industry, and agriculture, while creating an environment that facilitates the well-being and enrichment of its residents.

County Profile

Located in Southeast Missouri, Perry County stretches from the banks of the Mississippi River to west of Interstate 55. Founded in 1821, Perry County has a long history and has nine sites on the National Registry of Historic Places.

The local economy is built on the following industries: agriculture (food and feed crops), advanced manufacturing related to advanced materials and transportation, heavy construction, wood products, mining, and healthcare.

The largest employer in Perry County is Gilster Mary Lee Corporation which manufactures dry food mixes and employs 1,300 FTE. Next is TG Missouri, which is part of the Toyoda Gosei conglomerate, with 1,625 FTE, East Perry Lumber Company which produces hardwood products and employs 85 FTE, and West Star Aviation refurbishing jet aircraft and employing 130 FTE.

As a result of its convenient location on the Interstate and decades of auto-oriented and plastic injection manufacturing, Perry County provides businesses with a competitive advantage when it comes to a technical workforce and the transportation of goods and materials.

Perry County is divided into two areas topographically, the lowlands and uplands. Extensive lowlands are in the northeastern corner of the County called the Bois Brule Bottoms. This lowland area provides rich soil and extremely productive farmland but present a challenge for development of industrial or transportation facilities.

With a population of 18,922 residents according to the 2020 US Census and with 484 square miles, Perry County is a rural county with 39 people per square mile. The County has three cities, several townships and villages, and several unincorporated communities.

Perryville has 8,555 residents, serves as the Perry County seat, and is the community's economic center. With a beloved historic town square, an industrial park and airport, and jobs in the advanced manufacturing industry, Perryville is the prime contributor to the overall county economy. The other two incorporated cities in Perry County are Altenburg and Frohna, both of which have populations under 500 residents. Perry County has a growing retail and service sector but exports much of its consumer spending to residential communities with more retail options to the south of the County.

The Perry County population has a median age of 40.7, which may explain why the population has grown smaller since the 2010 census (-0.2 percent). Graduating students typically relocate outside of the County where there are more housing options and recreational amenities even if they work in the County. Industrial employers report that 50 percent of their employees commute in from out of town because they cannot find housing options within the community.

Residents who own their home pay \$1,124 as a median monthly cost and those renting pay \$808. The population is relatively stable with 87 percent living in the same location for more than a year. According to 2021 data, approximately 20 percent of the population has a bachelor's degree or higher.

Table 1: Summary of Population Distribution Age in Years

Under 18	18-24	25-34	35-44	45-54	55-64	65 and older
23.70%	7.70%	11.50%	11.80%	12.90%	14.20%	18.20%

Recent Initiatives and Investments

Over a decade ago, Perry County and the City of Perryville guaranteed \$6 million in bonds to finance infrastructure development and improvements at their municipal airport to help a regional aviation manufacturing company expand and grow its businesses and services.

In the late 2010s, the City, the Perryville Development Corporation and the Perry County EDA worked with Ranken Technical College to build a new campus in Perryville. Now, the construction of a new larger campus facility is complete, underscoring the success of this program. This campus will increase the number of students Ranken prepares for work in technical fields. Ranken prepares industry-certified workers in welding, auto service and collision repair, residential construction, and industrial technology including Heating Ventilation Air Conditioning (HVAC) systems, digital media and graphic design, health services, early childhood education, computer networking, and mineral studies. The state A+ program provides tuition assistance and grants for free tuition along with their ACT Work Ready program. The Perry County School District 32 is also preparing students for work through work-experience academic credit and finds that 34 percent of students go directly to jobs from graduation while 45 percent prefer a college track. New sectors may be included in the curriculum in the future including an LPN nursing program and culinary arts through the Perryville Area Career and Technology Center

In 2014, tourism-related spending in Perry County was \$19.5 million and grew 27 percent to \$27 million by 2017. In the mid-2000s, Perryville initiated a Tax Increment Financing (TIF) district to promote facade improvements on two sides of the historic town square. They further developed a new outdoor community stage area and supported some portions of the Square with "Washington" style lights and decorative trees.

Financial Demographics

Gross Domestic Product

It is apparent Perry County GDP is heavily dependent on manufacturing with 32 percent of its GDP coming from the manufacturing sector. Perry County had strong GDP growth coming out of the Great Recession and continued to grow through 2014. In 2020, the nominal GDP for Perry County was \$779,893,000 and contracted by 5.4 percent. This contraction appears to be the result of economic impacts related to the COVID-19 Pandemic and associated supply chain concerns that heavily affected the manufacturing industry in Perry County and worldwide. Unfortunately, the 2020 contraction followed a GDP contraction of -0.8 percent in 2019. Since

2015, GDP growth has been mostly stagnant, with small increases from 2016 to 2018, but with contractions in 2015, 2019, and 2020.

Median Household Income and Per Capita Income

The median household income in Perry County is \$400.00 more than the statewide mean value. In relation to the entire United States, Perry County's median household income is 18 percent lower. Key figures are provided in the table below.

Table 2: Summary of Median Household Income

	Perry County	Missouri	United States
Median Household Income	\$55,863	\$55,461	\$62,843
Per Capita Income	\$26,609	\$30,810	\$34,103

Cost of Living

The Cost-of-Living Index estimates the relative price levels for consumer goods and services. When applied to wages and salaries, the result is a measure of relative purchasing power. Perry County's Cost-of-Living Index is 14 points below the national base index of 100 and two points below the rest of Missouri. Purchasing power is high in Perry County due to the cost of living, which should be highlighted to prospective businesses and residents. Cost of living can be a natural business incentive for a community, and Perry County can promote this as extra incentive when working on its business and talent attraction efforts.

Table 3: Summary of Cost of Living to Purchasing Power Comparison

	Cost-of-Living Index	Annual Average Salary	U.S. Purchasing Power
Perry County	86.0	\$40,653	\$47,256
Missouri	88.5	\$54,338	\$61,424
United States	100.0	\$65,055	\$65,055

Labor Force Demographics

Perry County has a civilian labor force of 9,781 with a participation rate of 64.6 percent. Their participation rate is within 2 percent of both Missouri’s participation rate and the United States. Perry County has a prime-age (ages 25-54) labor force participation rate of 87 percent, which is about 5 percent higher than Missouri and the United States, which are 82.6 percent and 82.1 percent respectively. The mean commute time in Perry County is 22.3 minutes, which is similar to Missouri on average, and about 4.5 minutes faster than the United States on average.

Educational Attainment and Assets

Perry County’s educational attainment is comparable to or exceeds the Missouri-wide mean percentage and the U.S. for K-12 level education but falls behind when it comes to upper-level degrees. 41.3 percent of residents have just a high school diploma, which is 12.7 percent larger than the rest of Missouri, and 15.6 percent larger than the United States.

Unfortunately, this does not translate well to higher levels of educational attainment, as Perry County is close to 5-6 percentage points behind the rest of Missouri and the U.S. when it comes to bachelor’s degrees and postgraduate degrees. Technology employers paying higher wages typically like to see a higher level of people with four-to-six-year degrees.

Perry County has access to the Perryville Higher Education Center, which is a Mineral Area College campus. Mineral Area College (MAC) is a community college in Park Hills, MO, which is about one hour from Perry County. The campus in Perryville is easily accessible to residents and offers both certificates and two-year degrees. Students also can complete programs at MAC and Southeast Missouri State University, located just 30 miles away, or other colleges in Missouri to receive a bachelor’s degree.

Table 4: Educational Attainment Comparison

Educational Attainment	No High School Diploma	High School Graduate	Some College, No Degree	Associate degree	Bachelor's Degree	Post Graduate Degree
Perry County	8.30%	41.30%	20.50%	9.50%	14.70%	5.70%
Missouri	8.80%	28.60%	22.60%	8.90%	19.70%	11.50%
United States	10.90%	25.70%	20.70%	9.10%	21.20%	12.30%

Housing Statistics

The median house value in Perry County is approximately two-thirds of the median house value in the United States. Perry County also has a significantly lower percentage of rental housing than the rest of the state and country, as 25 percent of houses in Perry County are tenant occupied, as opposed to 33.2 percent in Missouri and 36 percent in the United States.

Table 5: Summary of Residential Types

Housing Statistics	Total Housing Units	Median House Value	Total Vacancies	Renter Occupied	Homeowner Occupied
Perry County	8,748	\$147,700	193	1,894	6,661

Table 6: Summary of Socioeconomic Statistics

	Households Receiving SNAP	Disconnected Youth	Population Uninsured	Population With a Disability	Foreign Born Population	Population That Speak English Less than Very Well
Perry County	9.90%	0.60%	6.30%	13.20%	1.50%	0.70%
Missouri	11.10%	2.80%	9.30%	12.50%	4.20%	2.20%
United States	11.70%	2.50%	8.80%	10.30%	13.60%	8.40%

Socioeconomic statistics show that Perry County is doing well in managing poverty and staying connected to its community when compared to Missouri and the United States. Perry County’s poverty rate is six percentage points less than the national poverty level. Less than one percent of the County’s youth is considered disconnected, which is generally defined as people between the ages of 16 and 19 years old, who are not in school, are not high school graduates, and are either unemployed or not in the labor force.

Employment Profiles

The largest sector in Perry County is manufacturing, employing around 2,900 workers. The next-largest sectors in the region are retail trade and health care and social assistance, which employ about 2,200 workers combined.

The industry sectors in Perry County with the highest location quotients (LQ) are manufacturing (LQ=3.46), agriculture, fishing and hunting, forestry (LQ=2.99), and utilities (LQ=1.61). High location quotients indicate sectors in which a region has high concentrations of employment compared to the national average (the base LQ=1). In Perry County, the following are sectors with the highest average wages per worker: management of companies and enterprises (\$85,831), transportation and warehousing (\$66,601), and finance and insurance (\$62,205).

Regional sectors with the highest percentage of job growth over the last five years are wholesale trade, accommodation and food services, administrative support, and waste management and remediation services. The fastest growing sector in the region is expected to be arts, entertainment, and recreation with a +3.1 percent year-over-year rate of growth. Over the next year, employment in Perry County is projected to contract by seven jobs, which is small even compared to the County’s small population.

Employment and Wage Trends and Unemployment Rate

As of the fourth quarter of 2021, total employment for Perry County was 10,209, based on a four-quarter moving average. Over the year ending in the fourth quarter of 2021, employment increased 1.2 percent in the region. The average worker in Perry County earned annual wages of \$40,653 in 2021. Average annual wages per worker increased 6.4 percent in the region over the preceding four quarters. Overall, unemployment trends show that Perry County was hit hard at the beginning of the pandemic but recovered quickly. Unemployment is incredibly low as of April 2022, and in late 2020, Perry County was almost back to pre-pandemic levels of unemployment.

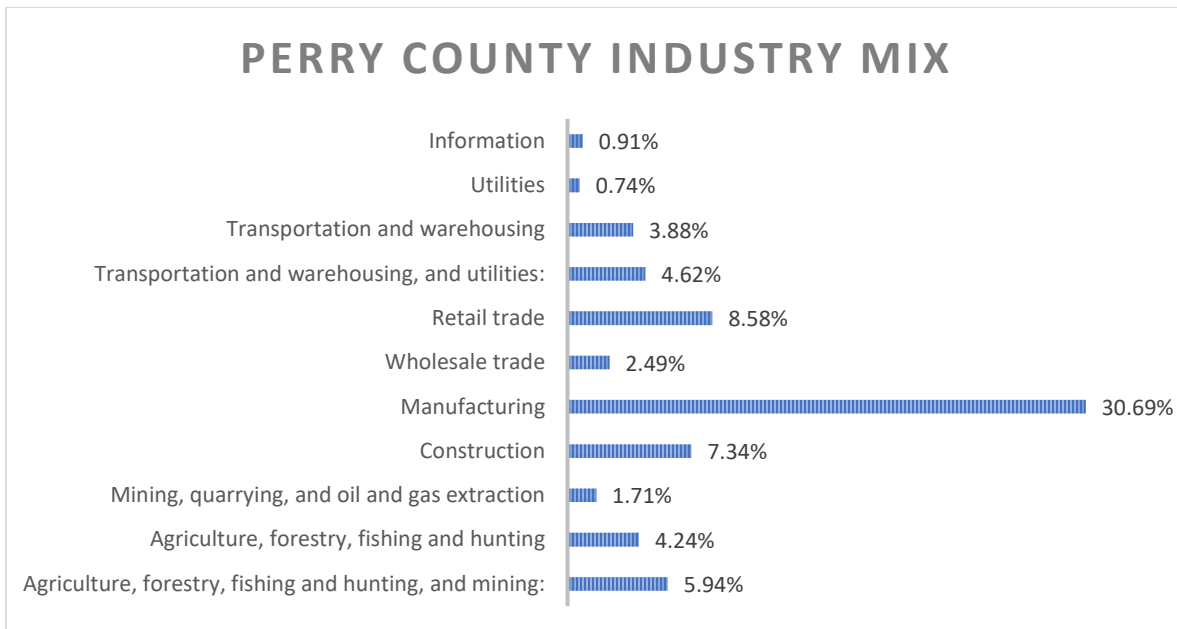
Table 7: Unemployment Trends Since the Beginning of COVID-19

April 2020	April 2021	April 2022
17.2%	3.1%	1.9%

Industry Snapshot

Perry County has a very high manufacturing base and approximately 31 percent of the overall county employment is manufacturing focused. The second highest employment industry sector is retail at 8.5 percent.

Figure 1: Industry Mix



Source: US Census

Occupation Snapshot

The largest major occupation group in Perry County is production occupations, employing 1,593 workers. Office and administrative support occupations and transportation and material moving occupations are the next-largest occupation groups in the region, employing around 1,100 workers each. The occupation groups with the largest LQs in Perry County are production occupations (LQ=2.7), farming, fishing, and forestry occupations (LQ=1.3), and material moving occupations (LQ=1.3).

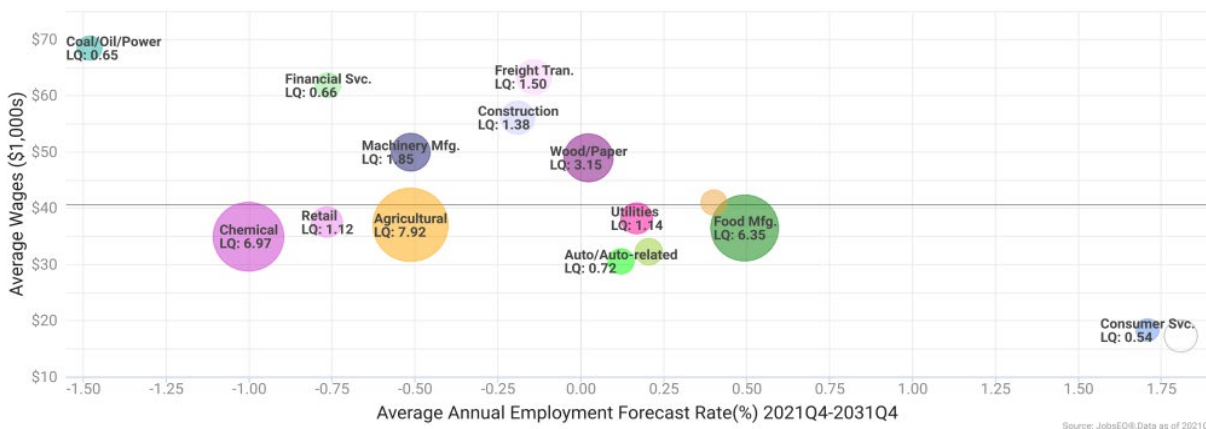
Occupation groups in Perry County with the highest average wages per worker are legal occupations (\$81,100), management occupations (\$75,600), and computer and mathematical occupations (\$75,500). The unemployment rate in Perry County varied among the major groups from 0.8 percent among healthcare practitioners and technical occupations to 4.8 percent among food preparation and serving-related occupations.

Over the next year, the fastest growing occupation group in Perry County is expected to be personal care and service occupations with a +1.5 percent year-over-year rate of growth. Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in production occupations (173 jobs) and transportation and material moving occupations (140 jobs). The occupation snapshot highlights that manufacturing is an extremely important economic driver for the community, creating a variety of jobs for Perry County.

Industry Cluster Graph

A cluster is a geographic concentration of interrelated industries or occupations. The industry cluster in Perry County, Missouri with the highest relative concentration is agriculture, with a LQ of 7.92. This cluster employs 1,139 workers in the region with an average wage of \$37,004. Employment in the agricultural cluster is projected to contract in the region by about 0.5 percent per year over the next ten years.

Figure 2: Industry Clusters for Perry County, Missouri as of 2021 Q4



Location quotient and average wage data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics, imputed where necessary, and updated through 2021Q3 with preliminary estimates updated to 2021Q4. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

As part of the Strategic Plan the EDA will examine the types of suppliers, distributors and logistics companies that are needed to support these sectors and target them in their attraction

efforts. Additionally, educational programs should be addressing the needs of these sectors in their programs. As part of the strategic planning process, the EDA will investigate each of the larger sectors to determine and track their expected growth and needs.

Economic Development District, Organizations, and Resources

The designated Economic Development District for Perry County is the Southeast Missouri Regional Planning Commission, which represents six other counties in Southeast Missouri. At the county level, the Perry County Economic Development Authority is the lead organization for county-wide economic development, as well as for the City of Perryville. The Perry County EDA is also the lead organization for all other small cities and towns in Perry County.

Below is a list of state, regional, and local organizations that can support the economic and community development efforts of Perry County. Collaboration among these organizations appears strong but may not be clearly unified in a way to eliminate duplication and identify consistent priorities.

<ul style="list-style-type: none"> • Southeast Missouri Regional Planning Commission • Perry County Economic Development Authority • Perry County Industrial Development Authority • Perry County Heritage Tourism Committee • Perryville Development Corporation • Perryville Area Chamber of Commerce • SEMO Redi • Innovate SOMO • Missouri Partnership • Missouri Department of Economic Development 	<ul style="list-style-type: none"> • Southeast Missouri Regional Port Authority • The University of Missouri Extension • Missouri Small Business and Technology Development Centers • Missouri Enterprise • Missouri Community Betterment • Perryville Area Career and Technology Center • Missouri Main Street Connection • Missouri Association of Counties • New Bourbon Port Authority • Perry County Community Foundation
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Regional Planning

Participating in economic development strategies for the region assures that the needs of Perry County are supported by partners at the state and federal level. Perry County is one of seven

counties comprising the Southeast Missouri Regional Planning and Economic Development Commission (SEMO RPC). This group produced a Comprehensive Economic Development Strategy (CEDS) covering five years from 2019 through 2023. The report includes a *Strengths, Weaknesses, Opportunities and Threats* (SWOT) analysis, plans describing the region's strategic direction, actionable tactics with a framework for evaluating progress toward these goals.

Strategic Goals, Strategies and Action Items

The EDA has determined to focus its early efforts on three priority Development Topics. Two other Development Topics, Tourism and Downtown Development, are considered high priorities. Tourism has a full-time Tourism Director that is currently very engaged in supporting and leading the growth and development of that significant economic development tool. A separate organization known as Downtown Perryville is leading many of the activities that are helping to revitalize the Downtown Square region. The EDA expects to continue to help develop both of those areas in a supporting role, but will focus in the next few years on the three priority topics as follows:

1. HOUSING AND RESPONSE TO LABOR SHORTAGE

Goal- Support housing initiatives to develop sufficient housing inventory in the community for all income levels and at all market ranges to encourage residential growth. This could potentially include becoming a fiduciary agent for a housing fund and promoting the development of the missing middle housing types.

Housing inventory is a critical problem for the community and there is a shortage of available housing at all market levels. The EDA is looking at a number of strategies to help alleviate this problem, including by renovating upper levels of buildings on the downtown square; attracting housing developers; updating building codes and zoning ordinances to address urban construction; and small-scale housing developments.

Goal- Ensure the recruitment and retention of local workforce.

The community has been blessed with a low unemployment rate, leading to the need to develop an available workforce to serve existing and future employers. Strategies include addressing areas that keep available workers out of the workforce, such as childcare, training, education and transportation. The ultimate solution will require awareness of creative solutions to labor shortage issues, including programs to incorporate under-utilized demographics.

2. BUSINESS RETENTION

Goal-Develop county-wide business retention and expansion (BRE) program.

The best source for growth and opportunity are those businesses and industries that have already recognized the value of operating in Perry County. The EDA believes that supporting and partnering with those businesses is one of its most important objectives. Therefore, implementing a means to determine the needs and support the growth of existing business is a priority goal. Strategies include a creating a county-wide BRE composed of diverse community members; provide training for the team on best practices and establish a regular business and industry visitation schedule to enhance communication with existing business and industry. Different community resources will be tapped to address any needs, concerns or expansion opportunities.

3. SMALL BUSINESS DEVELOPMENT

Goal- *Establish a small business and entrepreneurship support ecosystem.*

Closely related to supporting existing business and industry is the development of businesses opportunity by residents of the community. Every community has potential entrepreneurs that with resources, nurturing, mentoring and training can be the next business or industry in the community providing jobs and community growth. Strategies include young entrepreneurs' program, Angel investor network, Downtown business incubator, mentorship programs, and working with existing businesses to create succession planning to ensure the continuation of the business in the community. Some of these strategies are expected to be developed with the assistance and resources of regional organizations such as Innovate SOMO and SE MO REDI.

4. LAND PRODUCTIVITY

Goal- *Identify and inventory all developable property and create policy and incentives to further strategic goals.*

5. INDUSTRIAL DEVELOPMENT STRATEGIES

Goal- *Create a unified vision and plan for industrial development strategy.*

6. BUILDING INNOVATION IN INDUSTRY

Goal- *Develop strategic attraction targets to expand the strength of existing industries.*

7. DOWNTOWN DEVELOPMENT

Goal- *Provide oversight and funding for a more robust downtown.*

8. INDUSTRY CLUSTERS

Goal- *Develop an industry cluster strategy including task forces for key clusters.*

As part of the Strategic Plan the EDA will examine the types of suppliers, distributors and logistics companies that are needed to support the sectors identified in Figure 2 above and target them in their attraction efforts. Additionally, educational programs

should be addressing the needs of these sectors in their programs. As part of the strategic planning process, the EDA will investigate each of the larger sectors to determine and track their expected growth and needs.

9. TOURISM

Goal- *Build on existing investments and success to create a stronger tourism function.*

10. TAP FINANCIAL RESOURCES

Goal- *Leverage local financial institutions, regional organizations and state resources to engage them in local economic development strategies.*

11. CLIMATE CHANGE OPPORTUNITIES

Goal- *Evaluate the impact of climate change and what opportunities and threats may exist in Perry County.*

APPENDIX A GOAL TIMELINE

STRATEGIC GOAL	2023	2024	2025	2026	2027	2028
1. HOUSING & RESPONSE TO LABOR SHORTAGE						
2. BUSINESS RETENTION						
3. SMALL BUSINESS DEVELOPMENT						
4. LAND PRODUCTIVITY						
5. INDUSTRIAL DEVELOPMENT STRATEGY						
6. BUILDING INNOVATION IN INDUSTRY						
7. DOWNTOWN DEVELOPMENT						
8. INDUSTRY CLUSTERS						
9. TOURISM						
10. TAP FINANCIAL RESOURCES						
11. CLIMATE CHANGE OPPORTUNITIES						