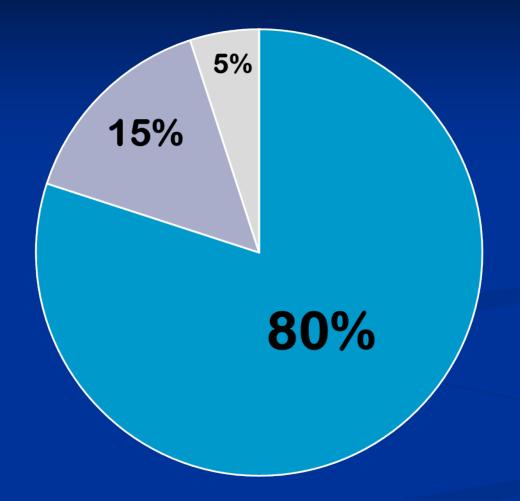


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Where Do New Jobs Come From?



■ Existing Companies
■ Start-Ups
■ Attraction

Strategic Plan Values

Build and Maintain effective partnerships.

Primary job growth anywhere in the region benefits Ponca City.

Recognize the Comparable Value of Existing and New Primary Jobs.

Incentives, if used, should be influential not enabling.

Promote jobs with pay scales above the county average.

Implement programs with tangible and relevant outcomes.



ponca city development authority

Fiscal 2015 - 2016 Report Card to the Community

ECONOMIC BENCHMARKS

- Unemployment Rate (Kay County): (1)
- Sales Tax Annual Change: (2)
- Annual Building Permits, in millions: (3):
- 2016 School Enrollment: (4)

PCDA BENCHMARKS

- New Companies Contacted:
- Visits to Existing Companies:
- Number of Projects Added:
- Number of Projects Closed:
- Number of Wins (Agreements):

PCDA JOB IMPACT COUNT

- Attraction:
- Expansion:
- · Retention:
- Total Jobs:

<u>15-16</u>	14-15	13-14	12-13
6.3%	5.5%	5.4%	6.6%
-4%	+1%	+4.3%	-2.5%
\$19.8	\$42.8	\$32.1	\$26.0
5,060	5,096	5,050	5,097
15-16 285 1,043 8 6 4	14-15 286 1,168 11 18 2	13-14 283 979 14 12 7	12-13 258 1,347 15 9
15-16	14-15	13-14	12-13
0	20	78	75
144	141	128	162
7	7	46	25
151	168	252	262

PONCA CITY DEVELOPMENT AUTHORITY

"The mission of the Ponca City Development Authority is to facilitate job growth in wealth producing industries in Ponca City, Oklahoma."

Standard Incentive Guidelines

The funding for incentives provided by the Ponca City Development Authority, (PCDA) is provided by public tax dollars. These funds come from a sales tax measure approved by the voters of Ponca City specifically for purpose of stimulating the creation of economic base jobs, (jobs that export a product or service and import money in return) in industries specified in PCDA's Trust Indenture. PCDA's role as a steward of public funds requires appropriate and essential safeguards and accountabilities. Indeed, companies that value the public trust placed in organizations such as PCDA are exactly the companies desired by and for Ponca City.

PROHIBITIONS

Based upon the structure of PCDA under state law, the Authority may not *legally* provide financial assistance for the following:

- GRANTS
- ■INCENTIVES PAID TO INDIVIDUALS
- ■RETAIL OPERATIONS
- **■**CHARITABLE CONTRIBUTIONS
- **EQUITY INVESTMENTS**
- ■SEED CAPITAL FOR START-UP BUSINESSES
- LOANS
- ■PROJECTS THAT DO NOT BENEFIT THE PONCA CITY AREA
- ■NON-GOVERNMENTAL SPECULATIVE DEVELOPMENT

PCDA involvement in any of the above is limited to technical assistance.

The following information provided is intended to provide an estimate for local incentives potentially available from the Ponca City Development Authority. The actual amount or value is dependent upon a number of factors including the industry of the company, wage levels, number of jobs, location, commitment, term of the agreement, etc. and is subject to approval by the Board of Trustees of the Ponca City Development Authority, who have sole discretion over the approval of any agreement notwithstanding anything included in this summary.

PCDA ECONOMIC	IMPACT	MODEL						
Project:	XXXXX gv							
Industry:	Man							
Term of study:	5							
Avg. Wage (1):	\$18.00							
Project Year Start:	2017							
Jobs Multiplier (2):	0.68							
Wage Multiplier (2):	0.41							
			2017	2018	2019	2020	2021	Total
Number of Jobs:			12	22	22	22	22	22
Average Wage:			\$18.00	\$18.45	\$18.91	\$19.38	\$19.87	\$19.87
Total Payroll of direct jobs (3):			\$216.00	\$405.90	\$416.05	\$426.45	\$437.11	\$1,902
Total Induced jobs per year (2)):		8	15	15	15	15	15
Wages paid for induced jobs (\$7.38	\$7.56	\$7.75	\$7.95	\$8.15	\$8.15
Total jobs, direct and induced:			20	37	37	37	37	37
Total Annual Payroll of new di		ed jobs:	\$459,631.41	\$863,724.03	\$885,317.13	\$907,450.06	\$930,136.31	\$4,046,259
Cumulative payroll of direct a		-	\$459,631.41	\$1,323,355.44	\$2,208,672.57	\$3,116,122.62	\$4,046,258.93	\$4,046,259
Total Square foot of new build			25,000	0	0	0	0	25,000
Total Company Investment:			\$2,500,000	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500,000.00
· ,			. , , ,					
								Totals
Property taxes paid (4/5):			\$22,680	\$41,580	\$41,580	\$41,580	\$41,580	
Cumulative property taxes col	lected:		\$22,680	\$64,260	\$105,840	\$147,420	\$189,000	\$529,200
Company State Income Taxes			\$9,193	\$17,274	\$17,706	\$18,149	\$18,603	12 2, 22
Cumulative State Income Taxe			\$9,193	\$26,467	\$44,173	\$62,322	\$80,925	\$223,081
Employee State Income Taxes		· ·	\$9.193	\$17,274	\$17,706	\$18,149	\$18,603	,
Cumulative employee income			\$9,193	\$26,467	\$44,173	\$62,322	\$80,925	\$223,081
Local Annual Retail Sales (8):		· ·	\$68,945	\$129,559	\$132,798	\$136,118	\$139,520	,
Cumulative total annual retail	sales made:		\$68,945	\$198,503	\$331.301	\$467,418	\$606,939	\$1,673,106
Local Annual Non-retail Sales	(9)		\$22,982	\$43,186	\$44,266	\$45,373	\$46,507	
Cumulative total non-retail sa	les made:		\$22,982	\$66,168	\$110,434	\$155,806	\$202,313	\$557,702
Utility margin received by util	ity/city (10):		\$2,520	\$4,620	\$4,620	\$4,620	\$4,620	
Cumulative utility margin colle	ected		\$2,520	\$7,140	\$11,760	\$16,380	\$21,000	\$58,800
Annual Local Sales Taxes recei		P	\$2,868	\$5,390	\$5,524	\$5,662	\$5,804	
Cumulative local sales taxes of	ollected:		\$2,868	\$8,258	\$13,782	\$19,445	\$25,249	\$69,601
Annual State Sales Taxes Rece	ived (13):		\$3,103	\$5,830	\$5,976	\$6,125	\$6,278	
Cumulative state sales taxes of	ollected:		\$3,103	\$8,933	\$14,909	\$21,034	\$27,312	\$75,290
Projected Construction/Invest	ment (13 & 17):	\$250,000	\$0	\$0	\$0	\$0	\$250,000
Projected local construction p	articipation (1	4):	\$37,500	\$0	\$0	\$0	\$0	\$37,500
Local sales taxes collected from	m construction	ı (15):	\$18,750	\$0	\$0	\$0	\$0	\$18,750
State sales taxes collected fro	m construction	ı (16):	\$25,000	\$0	\$0	\$0	\$0	\$25,000
Local permit fees collected (18	3):		\$25,000	\$0	\$0	\$0	\$0	\$25,000
Less Loca	l Incentives:							\$232,000
Less State	Investment:							\$150,000
Total Loca	al Benefit:							\$6,783,918
Total Stat	e Benefit:							\$396,451
Total F	conomic Im	nact:						\$7,180,370
Total E	COHOITHC IIII	pact.						\$7,180

		Standard				
Footnot	es/Assumptions es/Assumptions	Assumptions				
1	Assumed annual increase in hourly wage (percentage):	0.025				
2	Multipliers from chart, below					
3	Wages calculated based upon an average of this many hours worker per year:					
4	Assumption of housing value used to project property taxes					
5	Percent of home value to calculate property taxes	0.009				
6	Assumed percent of total wages paid by company for individual state income tax after deductions					
7	Assumed percent of total wages paid by individual for state income tax after deductions					
8	Percentage of total wages paid assumed applied to local retail purchases	0.15				
9	Percentage of total wages paid assumed applied to local non-retail purchases	0.05				
10	Assumed utility margin amount collected annually per direct and induced employee	125.00				
11	Local (City and County) annual sales and use tax revenue based upon total retail sales at a rate of:					
12	State annual sales and use tax revenue received based upon total retail sales at a rate of:					
13	Projected Construction and investment not included in total					
14	Assumed portion of construction to be completed by local contractors	0.15				
15	Total local (city and county) sales tax collected on construction assuming the following percentage of total cost:					
16	Total state sales tax collected on construction assuming the following percentage of total cost:					
17	Based upon line 19 at a total facility per square foot charge of:	\$1				

You know you're good enough, We know your good enough...



- 1. Identified potential companies
- 2. Developed guldelines
- 3. Went to (PCDA) board for approval
- 4. Approached companies
- 5. "Mock" audit
- 6. Funded 50% of audit cost up to \$5,000

Evaluation

- 1. Number completed (Industry Demand)
- 2. Additional Audit Requests
- 3. Contracts based upon Certification
- 4. Staying power of companies

Other People's Money



- 1. Found a consultant
- 2. "Audited" the company
- 3. Utility Rebates/Utility partner due diligence
- 4. Developed Pro forma
- 5. Found banking partner
- 6. Presented to the company
- 7. Company initiated the work

Evaluation

- Dollars Saved per year
- Kilowatt Hours saved per year
- ➤ Length of ROI for the Company
 - > Staying Power

No, we don't have 1,000 skilled welders willing to work for poverty wages hour but we do have...

P&NCA W&RKS

- 1. Headhunter for local companies
- 2. Zip Recruiter, Linkedin, etc.
- 3. In-state Network, Job Fairs, etc.
- 4. GirlPower!
- 5. METS

Evaluation

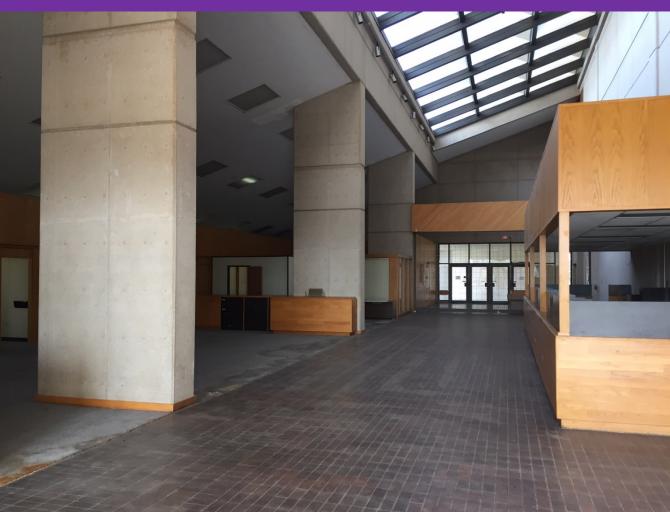
- 1. Number of direct placements (122)
- 2. Economic Impact (\$10 milus/\$281kUS)
- 3. Number of Assists
- 4. Company feedback

If they build it (and fund it)...



The Link

Shared Work Center-2018





- Approached by donor
- 2. Evaluated the finances
- 3. Went to the EDA
- 4. Went back to the donor for \$
- 5. Accepted donation
- 6. Applied to the EDA
- 7. Began Accepting Tenants
- 8. Construction
- 9. Shared Work Center-2018

Evaulation

- ➤ Original Five Year Financials
- >Fiscal Analysis
- ➤Impact Model (with/without)
- **≻**Political Analysis
- ►Plan "B" (Bailout)

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