COUNCIL WORK SESSION MINUTES

March 5, 2019 – 4:00 p.m.
Innovation Stockyard – 4221 Mitchell Avenue

A Council work session was held to discuss the following issues: 1) Landmark Commission trip to Paducah, Kentucky; and 2) Presentation by Innovation Stockyard and tour of facility.

Attending: Mayor Bill McMurray and Councilmembers Brenda Blessing, Russell Moore, Marty Novak and Kent O’Dell.

J. Bruce Woody, City Manager; Bryan Carter, City Attorney; Clint Thompson, Planning and Community Development Director; Nic Hutchison, City Planner; Scott Des Planques, Historic Preservation Planner; and Paula Heyde, City Clerk.

Mayor Bill McMurray called the meeting to order.

Agenda Item #1 – Landmark Commission trip to Paducah, Kentucky.  Nic Hutchison, City Planner, gave a power point presentation on the trip several individuals took to Paducah, Kentucky in November 2018 because they are recognized as being one of the leaders in innovative approaches to redevelopment in blighted areas (copy attached).

Isobel McGowan, former Landmark Commission Chairperson, spoke about Padudah’s Artist Relocation Program.

Mr. Hutchison then continued with the power point presentation.

The following individuals who went on the trip spoke about their thoughts on the redevelopment in Paducah: Kim Schutte and Lisa Rock.

There was discussion on the building at 418 S. 10th Street, which was issued a Certificate of Appropriateness (COA) from the Landmark Commission granting the owner permission to demolish it.

Cole Woodbury, Chairman of the Landmark Commission, said the Landmark Commission did not want to approve the COA but it came down to a sense of urgency and danger.

Agenda Item #2 – Presentation by Innovation Stockyard and tour of facility. Ronan Molloy, President of Innovation Stockyards, showed a brief video on the facility.

Jeff Meyer, Grant Company, spoke about his experience at the incubator.

Mr. Malloy gave a power point presentation on “Innovation Stockyard Driving Ideas to Market” and then gave a tour of the facility (copy attached).

The meeting adjourned at 5:14 p.m.

Minutes transcribed by Paula Heyde, CMC, City Clerk.
"BE THE BEST" - Community Brand
ATTENDEES

- Nic Hutchison – City
- Scott Des Planques – City
- Lauren Manning – City
- Ted Hauser – Landmark Commission
- Lisa Rock – Landmark Commission
- Isobel McGowan – OTNNA President
- Kim Schutte – Historic St. Joe Foundation
  - Gracia Pinzino – CVB
- Kristi Arthur – Chamber of Commerce
DEMOGRAPHIC

PADUCAH, KY

- Population: 24,941
- Owner Occupied Housing: 52.4%
- Households: 10,984
- Median House Unit Value: $116,100
- Median Rent: $607
- Bachelors Degree (25+): 24.8
- % of population in labor force: 56.1%
- Retail sales per capita: $56,501
- Poverty rate: 24.7%
- Median household income: $35,581
- Land Area: 19.90
- Population per Square Mile: 1,257.5

ST. JOSEPH, MO

- Population: 76,442
- Owner Occupied Housing: 59.4%
- Households: 28,603
- Median House Unit Value: $105,500
- Median Rent: $740
- Bachelors Degree (25+): 19.3%
- % of population in labor force: 62.4%
- Retail sales per capita: $17,537
- Poverty rate: 18.8%
- Median household income: $45,762
- Land Area: 43.99
- Population per Square Mile: 1,745.3

Source: 2010 Census (census.gov)
Neighborhood Revitalization

Success

Employment

Education

Public Safety

Health

Transportation

Housing

Policy

Strategy

Programming
Historic and Architectural Review Commission

- **Roof:** 50% of stabilization costs
- **New Business Grant:**
  - Small: 100% first $5k, then 50% up to $10k.
  - Large: 100% first $7,500, then 50% up to $15k
- **2nd Story:** 15% construction or $15,000 per unit
- **Beautification:** up to $100 for eligible projects
- **Façade improvement:** 50% project cost up to $1000
ARTIST RELOCATION PROGRAM

Paducah Bank – invested over $30 million to date
Fountain Avenue

Fountain Avenue - Phase I

Legend:
- Fountain Avenue District
- FA Parcels
- OWNER_TYPE
  - available tr
  - available home
  - transferred
  - HOME
  - private rehab
ECONOMIC DEVELOPMENT

Opportunity Zones

What is an Opportunity Zone?

Opportunity Zones are an economic development tool promoting investment in distressed communities through legislation enacted by the Federal Tax Cuts and Jobs Act of 2017. Communities have been designated as Opportunity Zones by the U.S. Department of Treasury, incentivizing investors to inject capital into these distressed communities to better address local needs in areas such as business growth, improvements to housing, and improvements to infrastructure.

While Paducah is not included within any of the current Opportunity Zones, the governor has selected two census tracts (shaded) located along the Ohio River as our official Opportunity Zones.

What is the Opportunity?

U.S. investors currently hold an estimated $2.2 trillion in unrealized capital gains. Opportunity Zones leverage this pool of money to promote economic development by providing federal capital gains tax advantages for investments made in these areas. Incentives can range from 10% to 15% deductions and the ability to carry forward capital gains taxes on investments held for at least five years with additional incentives available for investments maintained in Opportunity Zones for 7 and 10 years. To be eligible, investments must be made through Qualified Opportunity Funds which are vehicles formed for investing in eligible Opportunity Zone property.

To maximize the benefit, the majority of Opportunity Zone investment will occur before December 2024 as investors cannot realize the full benefits of the program on investments made after that date.

Capitalizing on the Opportunity

Since the essence of the essence, the City of Paducah has partnered with Thomas P. Miller & Associates to execute a strategy to identify priority projects and market them to investors. Our strategy is as follows:

1. Evaluate current conditions in the Opportunity Zones to identify needs such as businesses, housing, and infrastructure needs.
2. Create a well-articulated plan to achieve community development goals and investment needs.
3. Adapt local development programs and incentives to make local Opportunity Zones more attractive to investors.
4. Secure site control where possible increasing project readiness.
5. Developing materials that effectively communicate investment opportunities to investors and Qualified Opportunity Fund managers.

Why Does Paducah Need a Strategy?
Action Items

- Neighborhood Redevelopment Initiative
- Artist Relocation Program
- Grant Writer Position
- Main Street Program – Frederick
Tools
Questions?
INNOVATION
STOCKYARD
DRIVING IDEAS TO MARKET
OUR VISION

To be the innovation hub for the animal health industry and help bridge the gap between nascent ideas and commercialization
HISTORY

Formerly the Institute for Industrial and Applied Life Sciences

“Kit Bond” Science and Technology Incubator

On MWSU campus

A Missouri Innovation Center

Public/Private Partnership, 501(c)3 Non Profit
WHO WE ARE

• Non-profit incubator tasked with developing animal innovation
• Unbiased evaluator of potential technology/research
• Funded by both state and private industry
• Financial stability – established and secure
• No equity taken in prospective businesses
WHAT WE OFFER

- 25,000 square feet of lab and office space
- 1,800 square feet of co-working lab space
- 26 acres dedicated to future Life Science Park
- University involvement with inexpensive and readily available labor
WHAT WE DO

- Business Plan
- Marketing
- Grant Writing
- Product Distribution
- Guidance to Capital Sources
- Extensive Network Connections
- Laboratories and Office Space
- Strategic Partnership Development
- Study Design
- Regulatory Assistance
- Intellectual Property
- Product Commercialization
How We Support our Vision

- Commerce and Marketing
  Board composition
- Funding
  - MTC funds
  - Regional ED funds
  - SBIR/STTR grant writing assistance
  - St. Joe Angel Capital Group and Mid-American Angel fund
- Animal Health Corridor Annual Investment Forum
  - Coach and advise accepted applicants
- Venture Capital opportunities
- Connections to big pharma, food, and distribution outlets
ACCOMPLISHMENTS

• Branding Recognition
  • We have built a strong brand and are starting to see a lot of interest in the Innovation Stockyard and what we are trying to accomplish

• Worked with ~20 Virtual Clients
  • Globally (Portugal, Ireland, FL, CA, NC, OR, CO)
  • Helped them acquire >$500,000 in funding to date
  • Potential 2 new companies in St. Joe

• ~25% of KC Animal Health Corridor Investment Forum presenting companies (2 years in a row)
  • Magnomics won innovation award in 2016
  • Mazen Animal health won in 2017

• Introduced MT-1 Certification to St. Joseph

• Currently 9 companies in Incubator
MO TECHNOLOGY CORP

- State Certified Business Incubator
- State wide resource network
- Missouri Innovation Center
- Provide funding for our mission
- Position early-stage entrepreneurs to successfully attract add-on capital investment
- Create sustainable job growth for northwest Missouri
MOBEC GRANT

- Use existing, successful program to grow the startup environment in northwest Missouri
- Leverage existing resources at Innovation Stockyard
- Provide project funding for concept development
- Connect early-stage entrepreneurs to large corporation resources
- Provide a network to connect early-stage with successful local entrepreneurs
- Position early-stage entrepreneurs to successfully attract add-on capital investment
- Create sustainable job growth for northwest Missouri
Mentoring Stakeholders of Innovation Stockyard

AGP
Ag Processing Inc

AgriLabs
Making A Healthy Difference

Expedite LLC

Boehringer Ingelheim

Buchanan County Missouri

Clipper

MOSAIC LifeCare

Nestlé PURINA

BioZyme Incorporated

ST. JOSEPH
Chamber of Commerce

Western Institute

Driving Ideas to Market
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Learn More at innovationstockyard.com