



Economic Development Strategy



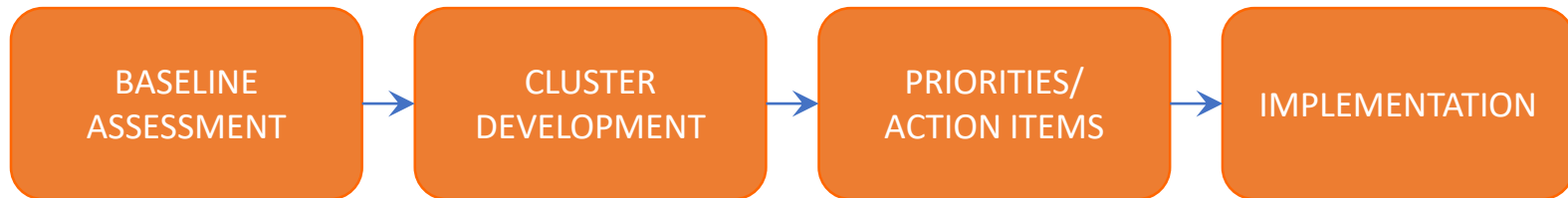
Table of Contents

Introduction	Page 3
Cluster Development	Page 4
Overview	Page 4
Aerospace/Aviation	Page 7
Travel & Tourism	Page 9
Retail	Page 11
Healthcare	Page 12
Retirement & Relocation	Page 13
Priorities and Action Items	Page 15
Overview	Page 15
Existing Business Retention & Expansion Efforts	Page 16
New Industry & Business Recruitment Efforts	Page 17
Develop Product for Targeted Sectors	Page 18
Workforce Development	Page 20
Marketing & Communications	Page 21
Quality of Place	Page 22
Economic Development Partnerships	Page 23

Introduction

The City of Grove, Oklahoma and the Grove Economic Development Authority engaged the Grove Area Chamber of Commerce (GACC) to develop an Economic Development Strategic Plan for Grove. The plan was developed based on thorough primary and secondary research, demographic and economic data analysis, and input from stakeholders. This plan is designed to provide direction to Grove’s economic development efforts, with action items identified in three categories: short-term (within 12 months), mid-term (1-5 years), and long-term (6-10 years).

GACC conducted the following four-step process in development and execution of this Plan:



This Plan includes an overview of existing and potential industry clusters, the identification of five targeted business opportunities for Grove to focus its economic development efforts, as well as priorities and action items in five areas of focus. Many of the targets and recommendations identified are based on extensive research as well as input from stakeholders in Grove.

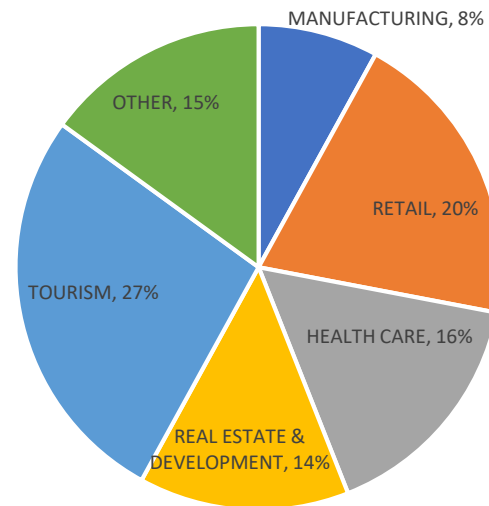
Cluster Development

As part of development of this economic development strategy, GACC reviewed data related to existing business sector clusters that exist in the Grove area, as well as opportunities for future development. Clusters are groups of inter-related industry sectors that drive wealth creation in a region, including specialized suppliers, service providers and associated institutions in a particular field. An industry cluster is different from the classic definition of industry sectors, because it represents the entire value chain of a broadly defined industry from suppliers to end products, including supporting services and specialized infrastructure.

Analysis of cluster development is generally done at a regional, rather than local, level. For that reason, for purposes of this economic development plan, cluster data was reviewed at the county level versus the city level, based on the concentration of businesses located in Grove & Delaware County. Based on that information, the chart to the right provides an overview of employment by sector for Delaware County.

Not surprisingly given that Delaware County includes the popular vacation destination of Grand Lake O’ The Cherokees, the largest sector in the county is Tourism (27%). Other dominant sectors include Retail Trade (20%), Health Care (16%), Manufacturing (8%), and Real Estate & Development (14%). These sectors comprise 85% of the county’s economy and are related not only to the area’s popular vacation reputation, but also the county’s popularity as a Top Retirement Destination and Aerospace manufacturing hub.

2016 EMPLOYMENT IN DELAWARE COUNTY
% OF COUNTY JOBS, BY SECTOR*



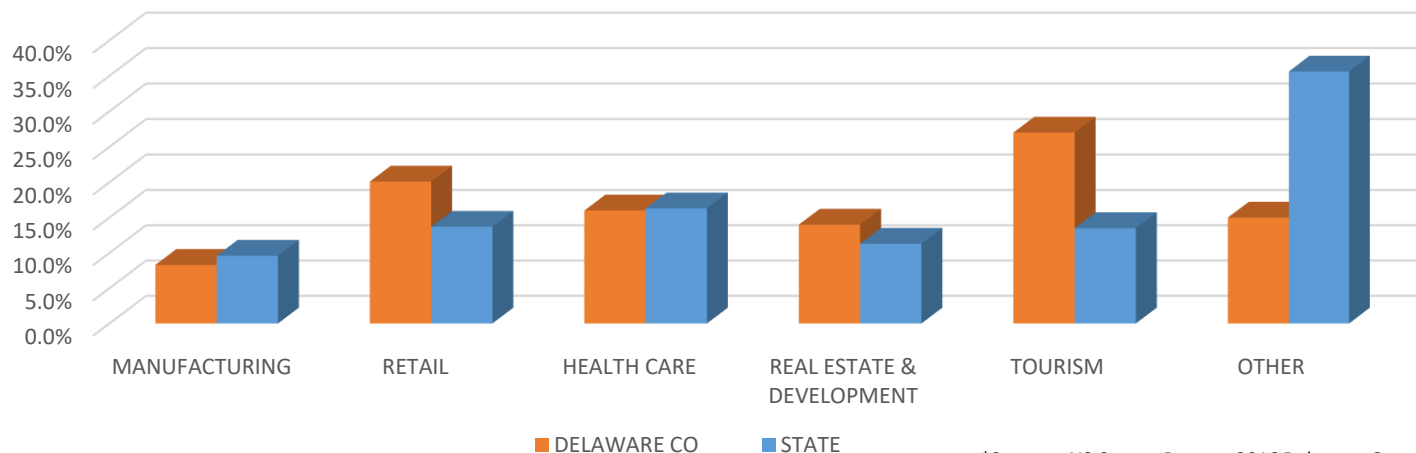
* Source: US Census Bureau, 2016 Delaware County, OK County Business Patterns

Cluster Development (continued)

Data was also reviewed for location quotients, which is a ratio that compares a community or region to a larger reference region, such as in this case, the State of Oklahoma, to determine the concentration of a particular sector. Compared to the state, Delaware County’s top sectors are Tourism (+13.4% difference); Retail (+6.4% difference), and Real Estate and Development (+2.5% difference). In terms of the Healthcare sector, Delaware County and the State of Oklahoma are very similar, while the State’s economy is more dependent upon manufacturing than the county, 9.63% versus 8.6%.

Using this information, combined with secondary research into major employers in the community and information gathered from local and regional stakeholders, GACC identified five targeted clusters for Grove to focus its efforts over the next five years - Aerospace/Aviation, Tourism, Retail, Healthcare, and Retirement/Relocation. Note these are not the only sectors in which Grove will see success, but they are the best targets for the community to focus its efforts on at this time.

Comparison – 2016 Employment by Industry Sector
Delaware County vs State of Oklahoma*



*Sources: US Census Bureau, 2016 Delaware County, OK County Business Patterns, US Census Bureau, 2016 State of Oklahoma Business Patterns

In Grove, these targeted sectors are interdependent. Here’s an example:

Tourism – In addition to its major direct financial impact, tourism introduces many to Grove & Grand Lake.

Retirement & Relocation – Many visitors choose to retire or relocate to Grove & Grand Lake to enjoy quality of life year-round.

Retail – Meets the needs and wants of visitors and residents alike. Grows with growth in visitation and new residents.

Healthcare – Plays a large role in attracting retirees and workforce. Makes Grove a hub of economic activity.

Aviation/Aerospace – Provides year-round, good paying jobs and builds upon cluster of existing related businesses & industries.



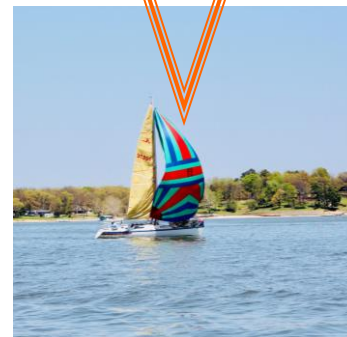
Retirement & Relocation



Retail



Healthcare



Tourism



Aviation/Aerospace



Aviation & Aerospace	
<p>Aviation & Aerospace related companies research, design, develop and manufacture products ranging from aircraft engines, parts, avionics, and finished aircraft to guided missiles, propulsion systems, air defense systems, and satellite and communications equipment. Companies may also provide services such as maintenance, repair and overhaul (MRO), flight training and simulation, and logistics and air cargo services.</p>	
Location Considerations	Grove & Grand Lake Assets
Available & Affordable Workforce with Technical Skills*	<ul style="list-style-type: none"> * Delaware County has a labor force of 7,580. Almost 1,400 people live in Grove but travel outside the community for employment. * 8.3% of those employed in the county are in manufacturing-related * 11.2% of Grove workers are in manufacturing-related industries. * Grove & Grand Lake quality of life attributes provide opportunities to recruit workforce, management.
Availability of aviation/aerospace specific training programs	<ul style="list-style-type: none"> * Northeast Tech - CNC Machining, Environmental & Spatial Technology (EAST), and Pre Engineering programs. * Grove High School - Robotics program and team. * Northeastern A&M - Computer Science, Pre-Engineering, and Management Information Systems programs. * Missouri Southern State University - numerous aviation-related programs (e.g., engineering technology). * Oklahoma State University - aviation programs up to Doctoral degree.
Proximity to customer or supplier	<ul style="list-style-type: none"> * Grove located in close proximity to other major Midwestern aerospace clusters - Tulsa, OK (90 miles), Oklahoma City (195 miles), Kansas City, MO/KS (205 miles), and Wichita, KS (215 miles).
Proximity to airports	<ul style="list-style-type: none"> * Location of Grove Municipal Airport adjacent to Grove Industrial Park. * Location of two additional airports in Grand Lake area - South Grand Lake Regional Airport (Ketchum) and Grand Lake Regional Airport (Monkey Island). * Larger regional airports nearby in Joplin (41 miles), Northwest Arkansas (52 miles), Tulsa (87 miles).

*Source: <https://onthemap.ces.census.gov/>

Aviation & Aerospace (continued)	
<p>Aviation & Aerospace related companies research, design, develop and manufacture products ranging from aircraft engines, parts, avionics, and finished aircraft to guided missiles, propulsion systems, air defense systems, and satellite and communications equipment. Companies may also provide services such as maintenance, repair and overhaul (MRO), flight training and simulation, and logistics and air cargo services.</p>	
Location Considerations	Grove & Grand Lake Assets
Available Sites	<ul style="list-style-type: none"> * Grove Industrial Park has limited locations for new/expanding industries. * Large tracts of undeveloped, privately-owned land is available for expansion or development of a new industrial park.
Utility Infrastructure	<ul style="list-style-type: none"> * Grove Industrial Park area is served by PSO and REC for electrical needs. * BOLT Fiber provides high speed Internet access to Airport/Industrial Park area. * Grove Municipal Services Authority (GMSA) serves area for water/wastewater, natural gas.
Cost of Doing Business	<ul style="list-style-type: none"> * Oklahoma has the twelfth lowest cost of doing business, according to CNBC's Top States for Doing Business 2018.
Supportive Business Environment	<ul style="list-style-type: none"> * Existing Grove aviation/aerospace cluster (Orizon Aerostructures, Valense Surface Technologies, Ferra Aerospace, Malone's CNC Machining, and others) provides support to new and expanding aerospace-related businesses. * City of Grove/Grove EDA, Grove Area Chamber of Commerce, the Grand Lake Manufacturers Council, the Northeast Oklahoma Regional Alliance and other regional and state organizations support the local aviation cluster. * The Aviation industry is a major segment of the Oklahoma economy and a targeted industry segment for the state.
Financial Incentives	<ul style="list-style-type: none"> * Depending upon needs, the City of Grove and the Grove Economic Development Authority have resources to be utilized as parts of an industry incentive package. * The State of Oklahoma has a wide variety of tax incentives that can be utilized by the Aviation/Aerospace industry.

Travel & Tourism	
<p>The Travel & Tourism industry includes tourist attractions and activities, accommodations, restaurants, meeting facilities, and those related services and businesses that service the traveling public.</p>	
Location Considerations	Grove & Grand Lake Assets
Available & Affordable Workforce *	<ul style="list-style-type: none"> * Delaware County has a labor force of 7,580. Almost 1,400 people live in Grove but travel outside the community for employment. * 26.9% of those employed in the county are in travel and tourism-related industries. * Grove & Grand Lake quality of life attributes provide opportunities to recruit workforce, management.
Availability of travel & tourism training programs	<ul style="list-style-type: none"> * Northeast Tech - Culinary Arts program. * Northeastern A&M - Business Administration Technology - Hospitality option program. * Travel & Tourism-related programs at Northeastern State University, University of Arkansas, Missouri State University, and Oklahoma State University.
Proximity to markets	<ul style="list-style-type: none"> * Grove & Grand Lake is located in close proximity to many major Midwestern/Mid South population centers - Joplin (40 miles), Northwest Arkansas (50 miles), (Tulsa, OK (90 miles), Oklahoma City (195 miles), Kansas City, MO/KS (205 miles), and Wichita, KS (215 miles).
Ease of Access	<ul style="list-style-type: none"> * Grove is located at intersection of US Highway 59 and State Hwy 10. * Downtown Grove is located 15 miles from US Interstate Hwy 44 (Will Rogers Turnpike) at Afton and 30 miles from US Hwy 412 (Cherokee Turnpike). * Three airports in Grand Lake area - Grove Municipal Airport (in Grove), South Grand Lake Regional Airport (Ketchum) and Grand Lake Regional Airport (Monkey Island). * Larger regional airports nearby in Joplin (41 miles), Northwest Arkansas (52 miles), Tulsa (87 miles).

*Source: <https://onthemap.ces.census.gov/>

Travel & Tourism (continued)	
<p>The Travel & Tourism industry includes tourist attractions and activities, accommodations, restaurants, meeting facilities, and those related services and businesses that service the traveling public.</p>	
Location Considerations	Grove & Grand Lake Assets
Available Sites	<ul style="list-style-type: none"> * Multiple locations available inside Grove along US Hwy 59/Main Street for development of tourism-related businesses. * Public owned property is available for development of additional recreational facilities and/or commercial development. * Large tracts of undeveloped, privately-owned land is available for development in Grove & surrounding area for lakeside development.
Cost of Doing Business	<ul style="list-style-type: none"> * Oklahoma has the twelfth lowest cost of doing business, according to CNBC's Top States for Doing Business 2018.
Supportive Business Environment	<ul style="list-style-type: none"> * Multiple attractions and activities ensure a large amount of visitation to Grove & Grand Lake annually (Grand Lake O' the Cherokees, Har-Ber Village, Lendonwood Gardens, Patricia Island Country Club, Wolf Creek Park, sports fields, Grove Civic Center, and nearby Shangri-La Resort plus multiple major events such as fishing tournaments, festivals, fundraisers, and exhibitions/shows. * Existing Grove travel & tourism businesses (attractions, accommodations, restaurants, and facilities/venues) provide support to new and expanding travel and tourism-related businesses. * City of Grove, Grove Convention & Tourism Bureau, the Grand River Dam Authority, and numerous local businesses provide valuable sponsorships to major events and activities related to travel and tourism, bringing in additional visitors above and beyond those attracted by Grand Lake and "regular" lake activities. * The travel & tourism industry is the major portion of the local economy and the third largest industry in the Oklahoma economy.
Financial Incentives	<ul style="list-style-type: none"> * Depending upon needs, the City of Grove, Grove Convention & Tourism Bureau, and the Grove Economic Development Authority have resources to be utilized as parts of a travel & tourism business incentive package. * The State of Oklahoma has a Tourism Development Act tax incentive program that can be utilized by those developing travel & tourism attractions.

Retail	
The Retail industry includes retail stores consisting of boutique retailers, big box retailers, and small footprint stores.	
Location Considerations	Grove & Grand Lake Assets
Available & Affordable Workforce*	<ul style="list-style-type: none"> * Delaware County has a labor force of 7,580. Almost 1,400 people live in Grove but travel outside the community for employment. * 20.1% of those employed in the county are in the retail industry. * Grove & Grand Lake quality of life attributes provide opportunities to recruit workforce, management.
Proximity	<ul style="list-style-type: none"> * Grove is the retail center of Grand Lake area with a population of approx. 27,000 within a 20 minute driving distance.** * In addition to the local population market, Grove is the center of the Grand Lake vacation destination. 1.9 million person overnight stays are hosted annually in Delaware County.***
Available Sites	* Multiple locations are available inside Grove in Downtown and along commercial corridors (US Hwy 59/Hwy 10) for development of retail-related businesses.
Cost of Doing Business	* Oklahoma has the twelfth lowest cost of doing business, according to CNBC's Top States for Doing Business 2018.
Supportive Business Environment	<ul style="list-style-type: none"> * Chamber Retail Committee synchronizes retail marketing efforts and promotions to stimulate increased retail sales in Grove and provides opportunities for input/assistance. * City of Grove, Grove Convention & Tourism Bureau, the Grand River Dam Authority, and numerous local businesses provide valuable sponsorships to major events and activities related to travel and tourism, bringing in additional visitors above and beyond those attracted by Grand Lake and "regular" lake activities.

*Source: <https://onthemap.ces.census.gov/>

**Source: Retail Strategies Retail Market Research, 2014

***Source: 2016 Oklahoma Tourism Impacts Report, Dean Runyan Assoc.

Healthcare	
<p>The Healthcare Sector includes administration and delivery of general and specialized treatment to patients through various facilities including hospitals, outpatient centers, doctor's offices, etc. Research and development facilities, laboratories, and support services, such as insurance processing and billing, are also included in this sector.</p>	
Location Considerations	Grove & Grand Lake Assets
Population Overview*	<ul style="list-style-type: none"> * Population of Grove and surrounding area (30 mile radius) is projected to grow by 7.1% over next 10 years. * Median Household Income of Grove is \$40,252. * Median Grove resident age is 54.8 years.
Available & Affordable Workforce with Technical Skills**	<ul style="list-style-type: none"> * Delaware County has a labor force of 7,580. Almost 1,400 people live in Grove but travel outside the community for employment. * 16.2% of those employed in the county are in healthcare-related industries. * 16% of Grove workers are in healthcare-related jobs. * Northeast Tech - Health careers and Practical Nursing programs. * Northeastern A&M - Medical Laboratory Technician, Nursing, Physical Therapy, and Psychology programs. * Missouri Southern State University - numerous health-related programs in School of Health Sciences. * Grove & Grand Lake quality of life attributes provide opportunities to recruit workforce, management.
Highly Concentrated Medical Community	<ul style="list-style-type: none"> * Grove is home to a number of healthcare facilities, including INTEGRIS Grove Hospital and numerous clinics and offices. * Grove is within 15 miles of a Cherokee Nation Health Center and VA Medical Center in nearby Jay. * Larger hospitals/specialities are located in Joplin (41 miles), Northwest Arkansas (52 miles), Tulsa (87 miles).
Proximity to Market***	<ul style="list-style-type: none"> * Within 30 miles of Grove, there are approximately 107,000 people with a median age of 41.1 years. A popular retirement area, the population within 30 miles of Grove tends to be older on average; US median age is 37.9 and Oklahoma median age is 36.2.
Cost of Doing Business	<ul style="list-style-type: none"> * Oklahoma has the twelfth lowest cost of doing business, according to CNBC's Top States for Doing Business 2018.

*Source: www.city-data.com

***Source: Location Summary Report, 2017

**Source: <https://onthemap.ces.census.gov/>

Retirement & Relocation	
<p>The Retirement & Relocation industry is not a "traditional" industry sector but includes all of those businesses and services related to residential real estate development and the businesses/services that serve those sectors. A relocating couple has the same economic impact as 3.7 factory jobs & the retirement industry benefits multiple segments of the local economy – tourism/hospitality, retail, healthcare, real estate/development, financial institutions, professional services, etc. – without burdening local schools, services.</p>	
Location Considerations	Grove & Grand Lake Assets
Housing Options	<ul style="list-style-type: none"> * Grove & Grand Lake has a variety of housing options available - single family homes, condos, duplexes, RV Parks, mobile home parks, multi-family/apartments, assisted living, and nursing homes - with a variety of settings (lakefront, golf course, in town, farm/rural). * Median home prices for Grove are \$164,242 in 2016 vs. median Oklahoma value of \$132,000. Median gross rent in 2016 was \$690.*
Health Services	<ul style="list-style-type: none"> * Grove is served by INTEGRIS Grove Hospital and numerous health clinics and offices. * Additional clinics serving the area include VA medical clinics and Cherokee National clinics in Jay & Vinita. * Larger hospitals/specialities are located in Joplin (41 miles), Northwest Arkansas (52 miles), Tulsa (87 miles).
Cost of Living*	* March 2016 cost of living in Grove was 83.1 (low, U.S. Average 100)
Public Safety*	* Grove is a safe city with a crime index consistently lower than US average (205 vs 236 in 2016).
Transportation / Connectivity	<ul style="list-style-type: none"> * Pelivan transit service provides public transportation within Grove. * Downtown Grove is located 15 miles from US Interstate Hwy 44 (Will Rogers Turnpike) at Afton and 30 miles from US Hwy 412 (Cherokee Turnpike). * Three airports in Grand Lake area - Grove Municipal Airport (in Grove), South Grand Lake Regional Airport (Ketchum) and Grand Lake Regional Airport (Monkey Island). * Larger regional airports nearby in Joplin (41 miles), Northwest Arkansas (52 miles), Tulsa (87 miles).

*Source: www.city-data.com

Retirement & Relocation (continued)	
<p>The Retirement & Relocation industry is not a "traditional" industry sector but includes all of those businesses and services related to residential real estate development and the businesses/services that serve those sectors. A relocating couple has the same economic impact as 3.7 factory jobs & the retirement industry benefits multiple segments of the local economy – tourism/hospitality, retail, healthcare, real estate/development, financial institutions, professional services, etc. – without burdening local schools, services.</p>	
Location Considerations	Grove & Grand Lake Assets
Shopping & Dining Options	* As retail and entertainment center for Grand Lake vacation destination, Grove has more shopping and dining opportunities available versus compared to similarly-sized communities.
Recreational Opportunities	* Multiple attractions and facilities provide recreational opportunities to local residents - Grand Lake O' the Cherokees and associated parks and facilities, Senior Citizens Center, Har-Ber Village and walking trails, Lendonwood Gardens, Patricia Island Country Club, Wolf Creek Park, sports fields, Grove Community Center activities, casinos, events at the Grove Civic Center, plus multiple major events such as fishing tournaments, festivals, fundraisers, and exhibitions/shows to attend.
Continuing Education Opportunities	* Classes and seminars available at NEO A&M Grove campus, Northeast Tech, the Grove Public Library, and Har-Ber Village
Volunteer Opportunities	* Numerous clubs and organizations offer volunteer opportunities - youth sports, Grove Rotary, Newcomers' Club, local churches, and similar entities

OVERVIEW - ECONOMIC DEVELOPMENT PRIORITIES, STRATEGIES & ACTION ITEMS

Grove has long been associated as a Resort/Retirement community - and with good reason. Tourism is a major economic driver for the community and many of those who visit here choose to make it a vacation home, their retirement destination, or - in growing numbers - a place to move with their families and enjoy the "Lake Life." Tourism and residents have made Grove the commercial center for Grand Lake, and with the development of the current INTEGRIS Grove Hospital and other healthcare-related facilities in recent years, Grove's role as a healthcare center for NE OK/SW MO/NW AR has been solidified. Additionally, the development of Grove's aviation/aerospace cluster provides a much needed, additional dynamic to the community that benefits the Grove & Grand Lake community and provides good paying, year-round employment in the manufacturing realm.

Grove's location is enviable: situated on Grand Lake, convenient to a number of large Mid-America markets. Compared to many other communities, Grove is affordable, safe, and provides quality infrastructure and public schools. There are many opportunities for growth, whether re-development and expansion of existing properties or development of previously undeveloped locations. Grove's unique and outstanding quality of life provides great opportunities to attract and retain businesses' management and workforce needs.

The priorities, strategies and action items identified for Grove are focused on addressing any issues and capitalizing on any opportunities identified in this process through in-depth research, stakeholder input and other means, as well as to support the targeted business sectors identified.



Identified Priority Areas of Focus

- Existing Business Retention & Expansion Efforts
- New Business & Industry Recruitment Efforts
 - Develop Product for Targeted Sectors
 - Workforce Development
 - Marketing & Communications
 - Quality of Place
- Economic Development Partnerships

General Strategy / Considerations

February 2019 – June 2020

- Primary Target Sectors (Tourism / Aviation & Aerospace / Retirement & Relocation) bring new money, visitors / residents to Grove & Grand Lake
- Secondary Target Sectors (Retail / Healthcare) benefit directly from increased activity in primary targeted sectors (i.e., more residents, visitors, employees)
- Focus Efforts on Primary Target Sectors
- Later Years- Capitalize upon growth / planned developments to -
 - 1) continue development, growth in primary economic drivers, &
 - 2) utilize population / visitor count increases to stimulate additional activity in retail and healthcare sectors.
- Future Years' Proposed Strategies / Action Items to be presented to EDA, City Council by February prior to year (e.g., Feb. 2020).



Strategies / Action Items

- **Tourism**
 - Seek, procure new tourist attractions / amenities to expand appeal of Grove to visitor markets **(Attract Visitors)**
 - Seek, procure additional lodging in Grove **(Retain Visitors)**
 - Actively Recruit, Assist Interested Developers of Lodging Properties
- **Aviation & Aerospace**
 - Assist existing Aviation & Aerospace companies with efforts to grow, expand **(Expansions)**
 - Actively promote City of Grove's acreage in industrial park as a location for aviation & aerospace companies **(Outside Investment)**
- **Retirement & Relocation**
 - Pursue City of Grove's designation as an AARC Seal of Approval Community – marketing competitive advantage for retirees, new residents **(Attract Residents)**
- **On-Going Business Expansion & Retention efforts**
- **On-Going Business Recruitment efforts** – in addition to targets above, assist other targets of opportunity
- **On-Going Economic Development Partnership efforts** – maintain active membership, involvement with local / regional / state economic development organizations