



City of Herculaneum  
#1 Parkwood Ct.  
Herculaneum, MO 63048  
636-475-4447



**Timeline:**

Founded in 1808, established as town in 1811. Selected as first County Seat of Jefferson County in 1818 and named after an ancient Roman town destroyed by the eruption of Mt. Vesuvius

**Population:**

3,660

**Location:**

The City of Herculaneum is in Jefferson County and in Southeast Missouri, 27 miles southwest of St. Louis.

**Major Highways:**

Route 61/67 travels through the city as well as Interstate 55, with an interchange on the western side of the city.

**Government:**

Mayor/Council

**Infrastructure:**

Recently upgraded water and sewer plants – ample capacity for new development.

**Amenities:**

Great parks (including a state park), named Tree City USA by Arbor Day Foundation, great community hospital, golf course, historic downtown and many restaurants and hotels.

**Taxes:**

Low Tax Rate

**Workforce:**

Skilled Workforce

**Developmental Sites:**

Several areas with undeveloped parcels along Interstate 55 and near McNutt St and Highway 61/67. See “Development Sites” and Attachment A

**Incentives:**

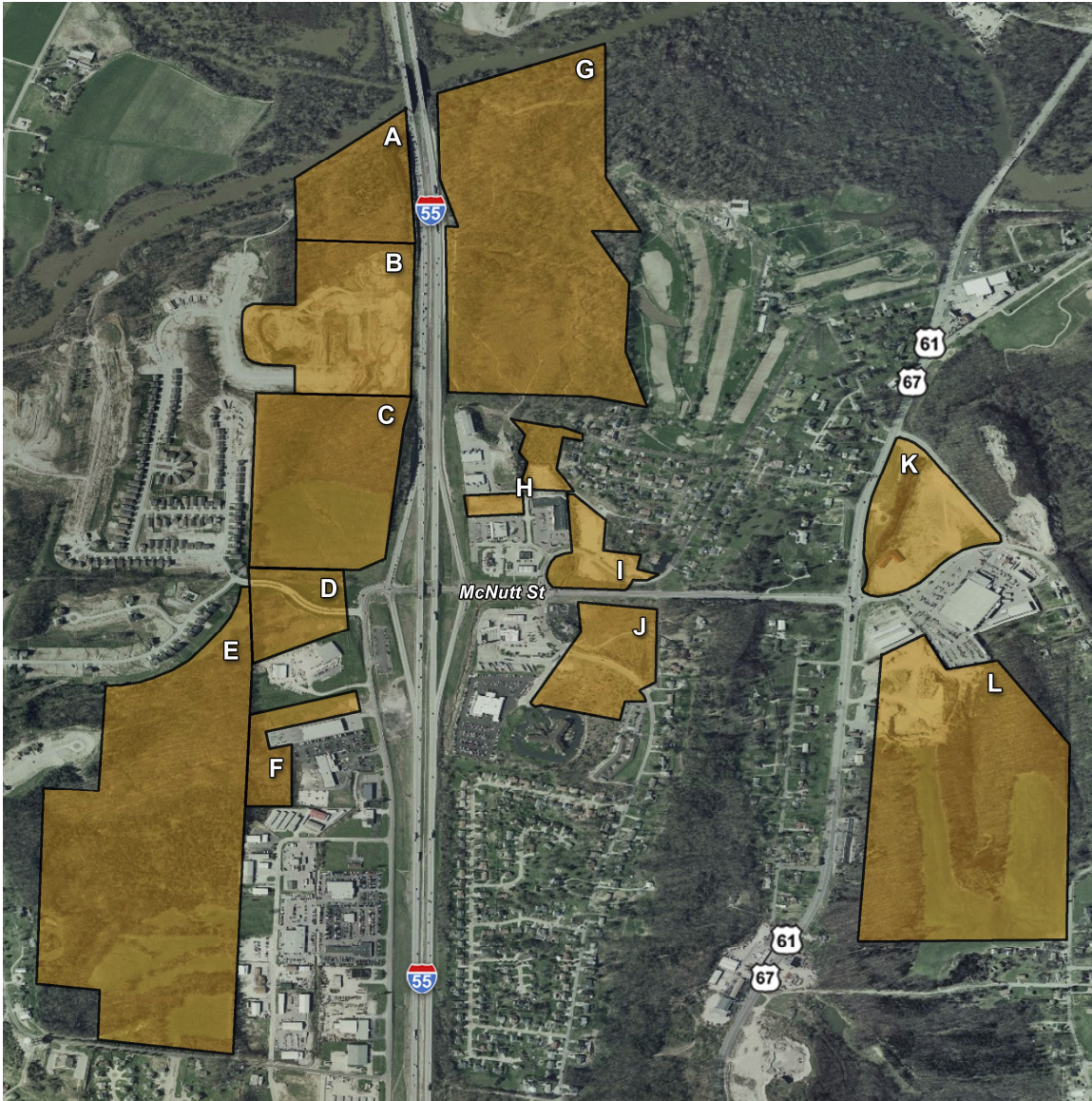
There are a number of incentives that could be utilized to attract the right project.

# Maps





## Developmental Sites



For more information on the individual sites, see Attachment A – Site Profiles.

## **Herculaneum Profile**

Herculaneum is in a period of transition. Currently, the McNutt Road corridor is a strip of two-lane road connecting the exit off of Interstate 55 to Highway 61/67. The area has commercial sectors near the I-55/McNutt Rd exit and intersection of McNutt Rd and Highway 61/67, but the road itself needs to be widened and straightened in order to facilitate better traffic flow and visibility between the two sectors. The Missouri Department of Transportation has budgeted \$4 million for the expansion and improvement of McNutt Road, but this money must be used by May of 2012. The City recently passed a half-cent increase in sales tax that, in combination with an existing Community Improvement District (CID) in the area, and is expected to generate approximately \$600,000 annually that would be used for the project. Also, the City has applied for TIGER (Transportation Investment Generating Economic Recovery) grant money that could become available in order to help the City pay back their portion of the project. This all adds up to a City that is aggressively pursuing infrastructure improvements in order to bolster economic development in a region with vast commercial potential.

The McNutt corridor would be widened to six lanes and a turn lane near the I-55 overpass and to four lanes leading to Highway 61/67. This would create a commercial sector prime for development from the interstate to Highway 61/67. As of now, McNutt Road has an annual average daily traffic (AADT) count of 18,362, but this number is stifled from congestion problems and lack of accessibility due to the road's limited capacity. With the expansion of the road and the addition of more lanes, it is expected that this number will increase significantly. Near McNutt Road Interstate 55 has an AADT count of 57,752, and Highway 61/67 has a count of 10,809. After the improvements to the corridor, it is expected that Highway 61/67 will see an increase in AADT as well, resulting in a prime area of development for the city. As of now there is commercial development near the I-55 exit and near the McNutt Rd Highway 61/67 intersection. Besides just adding lanes to McNutt Road, the City plans to flatten out the road through the corridor. This will additionally help with traffic flow problems, but also allow for visibility between the two sectors of commercial development. With an increase in the already high traffic counts in the area and the creation of a visibly vibrant area, the sector is poised to become a prime commercial destination for development.

Throughout this area there are many sites that have been identified as prime land for development (see Developmental Sites). These are areas that have undeveloped land near Interstate 55, McNutt Road, or Highway 61/67. With the improvements to McNutt Road about to commence, these areas have been selected as ideal sites for development due to their potential to capture some of the increased traffic flow that will come with the improved infrastructure in place. There is a range of possibilities for new development, with some of the sites located near residential developments and others within commercial sectors. Several of the sites are in a Tax Increment Financing District, which would allow the City to offer incentives to developers on those properties.

Another reason for the City's urgency to improve its infrastructure is to accommodate possible new developments near its industrial sector on the Mississippi River. Currently the Doe Run Company, who operates a factory on the property, owns most of the land in the area. Within the next several years Doe Run will be closing its lead smelting division at its Herculaneum location, and with that will open opportunities for other developments at the site. One possibility is Doe Run opening a lead processing facility where the smelting division currently resides. Jefferson County Port Authority has also been looking into the Herculaneum site as a potential location for a new port on the Mississippi River. Several studies have been conducted relating to the feasibility of the site for a port and also redevelopment plans for the Doe Run property. There are several different plans for the site, but all of them include new developments in commercial and light industrial space in the area along with the plans for the port. To accommodate future developments at the site the city has constructed a new bridge across the Joachim Creek that will divert heavy traffic away from the city center. This, combined with the planned improvements to the McNutt St corridor, will allow for streamlined access from Interstate 55 and Highway 61/67 to the riverside properties.

As mentioned previously, the City of Herculaneum is in a period of transition. The improvements to a major commercial and industrial sector of the City are only part of the reason for the transition. The other is the growth the city is experiencing already. Between 2000 and 2010, the population of Herculaneum is estimated to have grown by 25.5%, and is projected to grow another 7.0% within the next five years. The number of households is estimated to increase 33.8% between 2000 and 2010, with an increase of 8.2% projected between 2010 and 2015. In terms of average household incomes, over the past ten years the City has increased by 28.0%, and is projected to increase by 6.7% in the next five years. The demographic data shows that the City is currently experiencing very healthy growth in its population and financial sectors, and with the new development opportunities on the horizon Herculaneum is poised to emerge as a prime destination for businesses and families alike in the near future.

## **Herculaneum, Missouri Incentives**

Below are brief summaries of Tax Incentive programs offered by the state of Missouri through the Missouri Department of Economic Development (DED) and local communities.

**Business Facility Tax Credit Program**- Provide tax incentives to facilitate the expansion of new or existing businesses in Missouri that occurred prior to 1/1/2005.

**Loan Guarantee Fee Tax Credit Program** -Provides state tax credits to an "eligible small business" for the amount of a guarantee fee paid to either the U.S. Small Business Administration or the U.S. Department of Agriculture for a small business loan.

**Mutual Fund Tax Apportionment** - Stimulates the mutual fund industry in the state by allowing those certified by DED to utilize a more favorable state income apportionment method for tax purposes.

**Quality Jobs Program**- Facilitates new quality jobs by targeted business projects.

**Rebuilding Communities Tax Credit Program** - Helps stimulate eligible business activity in Missouri's "distressed communities" by providing state tax credits to eligible businesses that locate, relocate or expand their business within a distressed community.

**Sales Tax Exemption** - Machinery and equipment used to establish a new manufacturing facility or expand an existing manufacturing facility is exempt from local and state sales/use tax, provided such machinery/equipment is used directly to manufacture a product ultimately intended for sale.

**Small Business Incubator Tax Credit Program** - The Missouri Department of Economic Development (DED) may issue a 50% state tax credit to a taxpayer who makes a contribution to an approved incubator sponsor in Missouri.

**Wine and Grape Tax Credit Program** - Assists vineyards and wine producers with the purchase of needed new equipment and materials, by granting a state tax credit for a portion of the the purchase price.

**Film Production Tax Credit Program** - Provides a state income tax credit to qualified film production companies up to 50% of the company's expenditures in Missouri for production or production related activities necessary for the making of a film, not to exceed \$1 million in tax credits per project.

## **Local Incentives**

### **Tax Increment Financing (TIF)**

The City of Herculaneum offers assistance through Tax Increment Financing in certain areas of the City. Please contact us for more information on the use of this valuable economic development tool.

Tax Increment Financing is a development tool designed to help finance certain eligible improvements to property in designated redevelopment areas (TIF districts) by utilizing the new, or incremental, tax revenues generated by the project after completion. Under TIF, property taxes within the TIF District are frozen for up to 23 years, the property owners then make Payments In Lieu of Taxes (PILOTS) to a "special allocation fund". Additionally, 50% of any new local Economic Activity Taxes (EATS), i.e. local sales taxes, earnings taxes, utility taxes, generated from the project are also paid to the fund while the District is in effect. The proceeds of the fund are then used to reimburse the developer for eligible project costs or to retire indebtedness incurred to cover those costs. Eligible project costs are the total of all reasonable or necessary costs incurred, or estimated to be incurred and any costs incidental to a redevelopment plan or project. Specifically, these costs include, but are not limited to:

- Costs of studies, surveys and plans
- Professional service costs (architectural, engineering, legal, financial, etc.)
- Property assembly costs (acquisition, demolition, clearing and grading)
- Costs of rehabilitating, reconstructing, remodeling of existing structures
- Costs of construction of public works
- Financing costs, including issuance interest and reserves.

### **Community Improvement District**

A Community Improvement District (CID) may be either a political subdivision or a not-for-profit corporation. CID's are organized for the purpose of financing a wide range of public-use facilities and establishing and managing policies and public services relative to the needs of the district.

#### Typical Budget Items And Responsibilities

A CID may finance new facilities or improvements to existing facilities that are for the use of the public. Such public-use facilities include:

1. Convention centers, arenas, meeting facilities, pedestrian or shopping malls and plazas
2. Paintings, murals, fountains or kiosks
3. Parks, lawns, gardens, trees or other landscapes



4. Streetscapes, lighting, benches, marquees, awnings, canopies, trash receptacles, walls
5. Lakes, dams and waterways
6. Sidewalks, streets, alleyways, bridges, ramps, tunnels, traffic signs and signals utilities, drainage works, water, storm and sewer systems and other site improvements
7. Parking lots, garages
8. Child care facilities and any other useful, necessary or desired improvement

A CID may also provide a variety of public services, some of which may be:

1. Operating or contracting for the operation of parking facilities, shuttle bus services
2. Leasing space for sidewalk café tables and chairs
3. Providing trash collection and disposal services
4. With consent of the municipality, prohibiting, or restricting vehicular and pedestrian traffic and vendors on streets
5. Within a designated “blighted area”, contract with any private property owner to demolish, or rehabilitate any building or structure owned by such property owner
6. Providing or contracting for security personnel, equipment or facilities

## **Tax Structure- County & Local**

*The City of Herculaneum boasts one of the lowest tax rates in the region creating a superb business friendly city.*

### **Property Taxes**

Property tax is often a major tax expense for a company. Because it is set and administered locally, property tax is seldom comparable from state to state. Not only do tax levies vary widely from one city to another, but the assessment ratio for determining property value differs significantly among the 50 states. Even within one state assuring a uniform assessment practice is very difficult.

Missouri law sets the assessment ratio for personal property at one-third of true value throughout the state. Real properties (land and buildings) classified as commercial and industrial, are assessed at 32 percent; residential, 19 percent; and agricultural, 12 percent of true or fair market value. The local property tax rate is an aggregate of school, city, county and state levies expressed in tax per \$100 assessed valuation. Commercial and industrial real property is assessed an additional county surcharge designed to replace revenues lost by the tax exemption of business inventories.

The average county surcharge is about \$1.02 per \$100 assessed valuation, for a total commercial/industrial real property average tax rate of about \$6.41 per \$100. The average total personal property tax rate is about \$5.87 per \$100 valuation.

<u>  <b>Taxing District</b></u>	<u>  <b>Rate</b></u>
Dunklin School Dist.	4.2008
Jefferson Comm. College	0.3362
City	0.6437
Jefferson County	0.4961
Ambulance District	0.27
Miscellaneous	0.4644
Total Rate	6.4112

### **Total rates per \$100:**

**Personal Property.....\$5.87**

**Real Property.....\$6.41**

Thus a company would pay \$5.87 per \$100 on 1/3 of its total personal property, and \$6.41 per \$100 on 32% of its total real property value.

## **City of Herculaneum Business Recruitment Program**

The City of Herculaneum believes in establishing partnerships with the business community. Creating new jobs is critical to the future of our town. In today's competitive economy, we feel we must be proactive in recruiting businesses to our area. That's why we've created this program. We need to address the concerns of the business community and assist, where possible in developing new relationships with companies from around the world.

### **Highlights of the Business Recruitment Program:**

- The City will provide information and market this business development to prospective or existing businesses that are considering locating or expansion in our area.
- The City will personally help attract investors to this development.
- We will put site search proposals together for national and statewide site consultants interested in our area and continually market your development throughout the County, State and national markets.
- We will seek and assist in the preparation of state and federal grants.

## **City of Herculaneum Business Retention Program**

The City of Herculaneum has implemented an aggressive business retention and expansion program as part of its overall economic development strategy. A team of Chamber volunteers, staff and elected local officials meet with business managers, tour facilities and assist with issues large and small to ensure the health of the local tax base. Targeting every industry in the area, the business retention and expansion program is winning the confidence and trust of the local business community who call us for information, assistance, or expansion queries.

Informal and confidential, the business retention and expansion visits strengthen communication and networking that result in efficiencies and synergy. It also brings together an array of services designed to assist businesses in need of a helping hand or those that need an incentive to expand.

## **Educational System**

*Colleges/universities with over 2000 students nearest to Herculaneum:*

- Jefferson College (about 10 miles; Hillsboro, MO; Full-time enrollment: 2,568)
- Saint Louis Community College - Meramec (about 23 miles; KIRKWOOD, MO; FT enrollment: 7,507)
- Webster University (about 24 miles; St. Louis, MO; FT enrollment: 8,252)
- St. Louis Community College – Forest Park (about 27 miles; St. Louis, MO; FT enrollment: 3,441)
- St. Louis University – Main Campus (about 28 miles; St. Louis, MO; FT enrollment: 10,286)
- Maryville University of St. Louis (about 29 miles; St. Louis, MO; FT enrollment: 2,094)
- Washington University (about 29 miles; St. Louis, MO; FT enrollment: 10,939)

*Public high school in Herculaneum:*

- Herculaneum High School (Students: 411; Location: 1 Blackcat Dr; Grades: 09-12)

*Public elementary/middle school in Herculaneum:*

- Senn-Thomas Middle School (Students: 374; Location: 200 Senn Thomas Dr; Grades: 05-08)



## **Travel Times to Major Cities**

<u>City</u>	<u>Highway Miles</u>	<u>Days By Truck</u>	<u>Days By Rail</u>
Atlanta	550 miles	2	2
Chicago	330 miles	1	1
Cleveland	590 miles	2	2
Dallas	635 miles	2	2
Denver	870 miles	2	2
Detroit	580 miles	2	2
Kansas City	265 miles	1	1
Los Angeles	1,800 miles	3	3
Memphis	255 miles	1	1
Minneapolis	575 miles	2	2
New Orleans	650 miles	2	2
New York	980 miles	2	2
St. Louis	39 miles	1	1
Seattle	2,130 miles	4	4

**Nearest city with pop. 50,000+:** St. Louis, MO (26.7 miles , pop. 348,189).

**Nearest city with pop. 1,000,000+:** Chicago, IL (286.2 miles , pop. 2,896,016).

**Nearest cities:** Pevely, MO (1.3 miles )Horine, MO (1.5 miles ), Crystal City, MO (1.6 miles ), Festus, MO (1.7 miles ), Valmeyer, IL (2.3 miles ), Barnhart, MO (2.3 miles ), Kimmswick, MO (2.7 miles) , Imperial, MO (2.8 miles ).

## Demographic Information

Description	Total	%
<b>Population</b>		
2015 Projection	3,765	
2010 Estimate	3,519	
2000 Census	2,805	
1990 Censes	2,415	
Growth 1990-2000	16.15%	
<b>Households</b>		
2015 Projection	1,488	
2010 Estimate	1,375	
2000 Census	1,028	
1990 Census	868	
Growth 2010 - 2015	8.22%	
Growth 2000 - 2010	33.75%	
Growth 1990 - 2000	18.43%	
<b>Pop by Single Race Classification</b>		<b>2,805</b>
White Alone	2,711	96.65
Black or African American Alone	73	2.60
American Indian and Alaska Native Alone	0	0.00
Asian Alone	5	0.18
Native Hawaiian and Other Pacific Islander Alone	0	0.00
Some Other Race Alone	1	0.04
Two or More Races	15	0.53
<b>Population Hispanic or Latino by Origin</b>		<b>2,805</b>
Not Hispanic or Latino	2,787	99.36
Hispanic or Latino:	18	
<b>2000 Population by Age</b>		<b>2,805</b>
Age 0 - 4	173	6.17
Age 5 - 9	151	5.38
Age 10 - 14	185	6.60
Age 15 - 17	125	4.46
Age 18 - 20	95	3.39
Age 21 - 24	108	3.85
Age 25 - 34	320	11.41
Age 35 - 44	443	15.79
Age 45 - 54	363	12.94
Age 55 - 64	230	8.20
Age 65 - 74	228	8.13
Age 75 - 84	247	8.81
Age 85 and over	137	4.88
Age 16 and over	2,252	80.29
Age 18 and over	2,171	77.40
Age 21 and over	2,076	74.01
Age 65 and over	612	21.82
<b>Est. Median Age</b>	<b>40.54</b>	
<b>Est. Average Age</b>	<b>41.90</b>	

Description	Total	
	Place	%
<b>2010 Est. Households by Household Income</b>	1,375	
Income Less than \$15,000	223	16.22
Income \$15,000 - \$24,999	163	11.85
Income \$25,000 - \$34,999	159	11.56
Income \$35,000 - \$49,999	211	15.35
Income \$50,000 - \$74,999	310	22.55
Income \$75,000 - \$99,999	173	12.58
Income \$100,000 - \$124,999	71	5.16
Income \$125,000 - \$149,999	13	0.95
Income \$150,000 - \$199,999	25	1.82
Income \$200,000 - \$499,999	22	1.60
Income \$500,000 and over	5	0.36
<b>2010 Est. Average Household Income</b>	\$56,087	
<b>2010 Est. Median Household Income</b>	\$45,118	
<b>2010 Est. Per Capita Income</b>	\$22,264	

## Contact Information

Mayor Bill Haggard  
 #1 Parkwood Ct.  
 Herculaneum, MO 63048  
 Cell: 314 581-8241  
 Office: 636-475-4447  
[bhaggard@cityofherculaneum.org](mailto:bhaggard@cityofherculaneum.org)

Jim Kasten  
 City Manager  
 Cell: (314) 607-0257  
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[jkasten@cityofherculaneum.org](mailto:jkasten@cityofherculaneum.org)

Keith Moran  
 Economic Development Consultant  
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 Office: (618) 307-9100  
[keith@morandevlopment.com](mailto:keith@morandevlopment.com)

## Attachment A – Site Profiles

### Site A

Size: 11.85 Acres

Cost:

Owner: Henry Cords

Current Use: Undeveloped

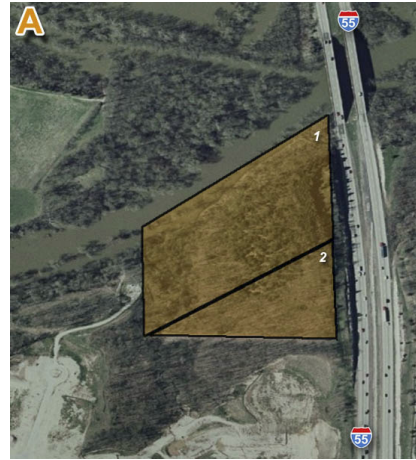
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: No

Electric: Ameren IP

Gas: Missouri Natural Gas



### Site B

Size: 24.17 Acres

Cost:

Owner: Commerce Bank

Current Use: Undeveloped

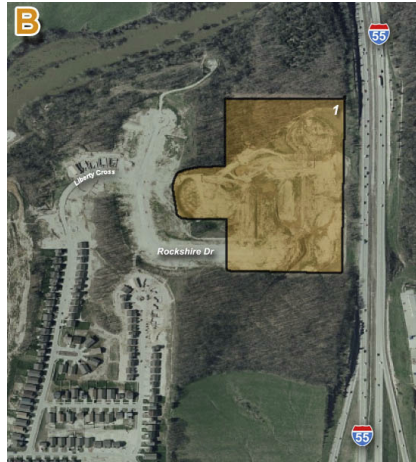
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: No

Electric: Ameren IP

Gas: Missouri Natural Gas



### Site C

Size: 28.5 Acres

Cost:

Owner: Langelier Corner, LLC

Current Use: Undeveloped

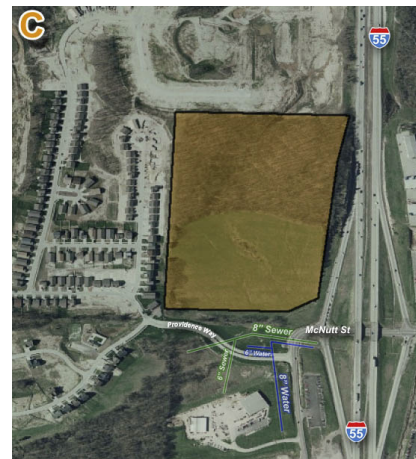
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas





## Site D

Size: 6.2 Acres

Cost:

Owner: Commerce Bank

Current Use: Undeveloped

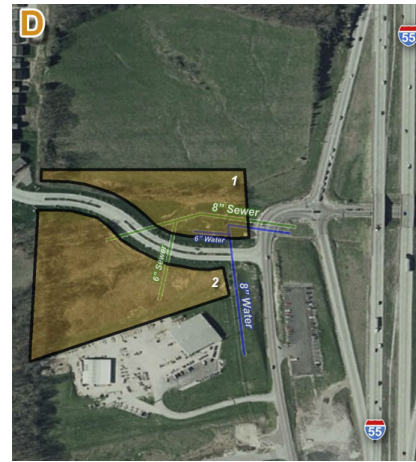
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas



## Site E

Size: 54.8 Acres

Cost:

Owner: Charter Development Group/  
Larry Sapaugh

Current Use: Undeveloped

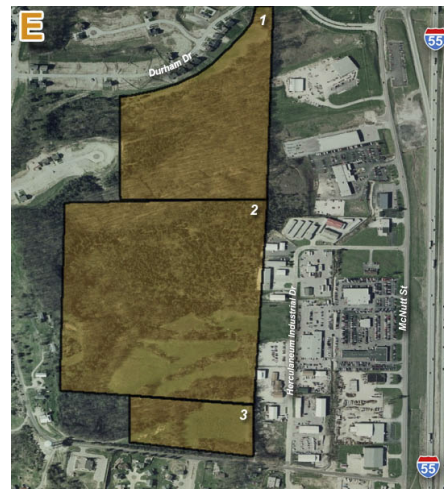
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: No

Electric: Ameren IP

Gas: Missouri Natural Gas



## Site F

Size: 6.6 Acres

Cost:

Owner: Realty Banc LLLP/  
Victory Tabernacle Church

Current Use: Undeveloped

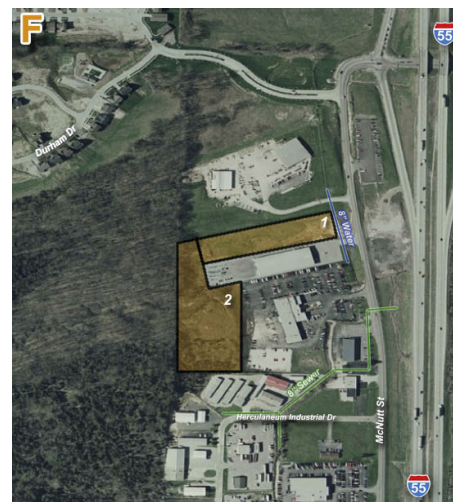
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas



## Site G

Size: 64.3 Acres

Cost:

Owner: CDF & CNF Holdings, LLC

Current Use: Undeveloped

Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: No

Electric: Ameren IP

Gas: Missouri Natural Gas

\*In a TIF District



## Site H

Size: 4.1 Acres

Cost:

Owner: Clayton Sign Co., LLC/  
Herky Ten Acres, LLC

Current Use: Undeveloped

Water: City of Herculaneum

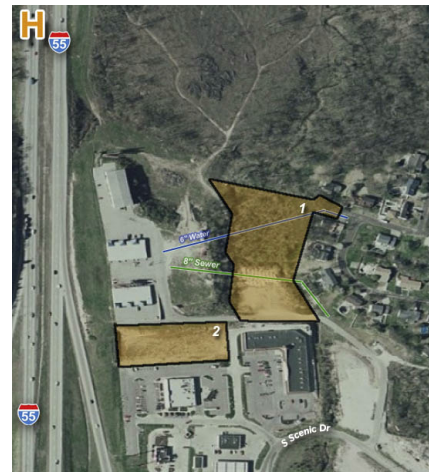
Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas

\*In a TIF District



## Site I

Size: 4.2 Acres

Cost:

Owner: David Smith/Lionheart LLC/  
CDF & CNF Holdings, LLC

Current Use: Undeveloped

Water: City of Herculaneum

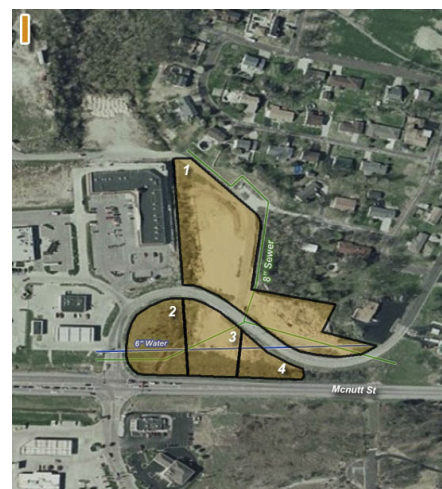
Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas

\*In a TIF District



## Site J

Size: 9.2 Acres

Cost:

Owner: Stardust Properties Inc./  
Troy, Kraemer & Kevin Cardona

Current Use: Undeveloped

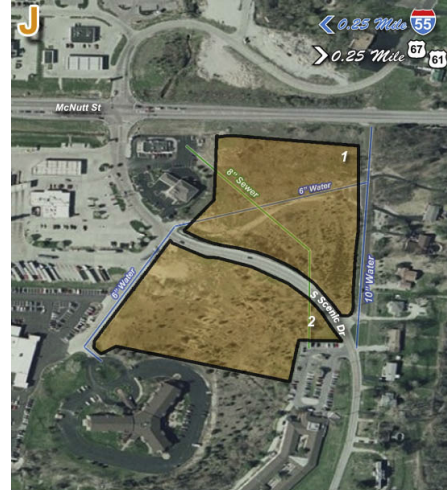
Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas



## Site K

Size: 16.6 Acres

Cost:

Owner: Great Eight, LLC

Current Use: Undeveloped/Commercial

Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: Yes

Electric: Ameren IP

Gas: Missouri Natural Gas



## Site L

Size: 58.8 Acres

Cost:

Owner: William Yeida

Current Use: Undeveloped

Water: City of Herculaneum

Sewer: City of Herculaneum

Frontage: No

Electric: Ameren IP

Gas: Missouri Natural Gas

