

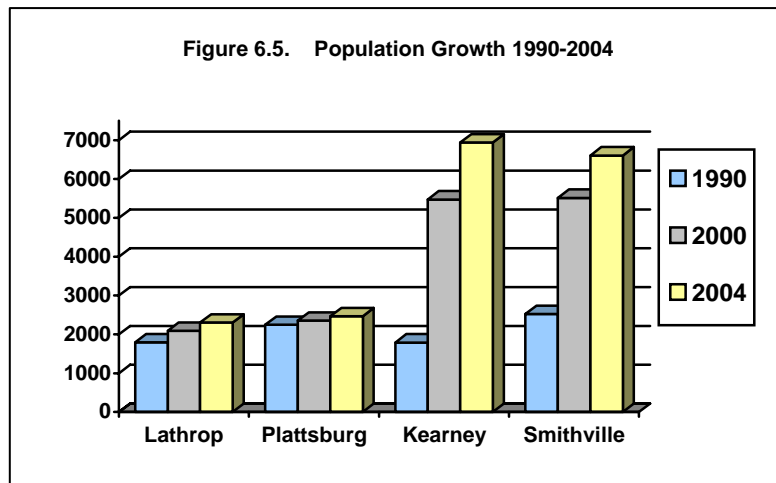
Section 6c: Socio-Economic Analysis

Introduction

Since 1990, Lathrop's population has steadily increased due primarily to residents moving from urban areas. Like many metropolitan areas with access to inexpensive available land, the Kansas City Metropolitan Statistical Area¹ (MSA) has experienced rapid and expansive growth. This development has created suburbs and exurbs, particularly along major transportation corridors, such as Interstates 29, 70 and 35. "Exurbs" (for "extra-urban") is a term coined in the 1950s to describe rural communities beyond the suburbs that, due to availability of new high-speed transportation corridors, became bedroom communities for the urban centers. The evolution of the exurb is demonstrated in the Lathrop study area.

As indicated, improvements to the major thoroughfares surrounding Kansas City has led to the development of many suburban and exurban communities, including Liberty, Kearney, Smithville and Lathrop along the I-35 corridor. It seems growth is determined not only by proximity to Kansas City proper, but also by access to major corridors and the amount of available land. Figure 6.5 points to this trend of nearby communities experiencing significant growth. Both Kearney and Smithville are slightly closer to Kansas City and have easier access to either US I-35 or Hwy. 169, which might help explain their significant population increase

from 1990 to 2004. Lathrop has shown a steady rise in population as well, particularly between the years 2000 and 2004, with an increase of nine percent. Based on current trends and growth patterns in the Kansas City MSA, it would be reasonable to argue that Lathrop's population trend would also increase. (Please see Demographics Section for additional information.) With the



steady growth of Lathrop's population, it is presumed that businesses will follow.

Beyond the location and proximity to Kansas City, several other issues influence the growth of Lathrop, including the regional economic status, local agriculture productivity, and unemployment rates.

¹ The Kansas City Metropolitan Statistical Area consists of 15 Missouri and Kansas counties, including Clinton, Clay, Ray, Platte and Jackson counties.

Employment characteristics

A community's business and industry composition will have a tremendous influence on the nature of the city. This is evident in such areas as Chapel Hill, North Carolina or Silicon Valley in California. These communities are steeped in high-technology research and development

and attract a younger, more mobile, better educated population. This leads community developers to build amenities that further attract those fitting this demographic. Thus, the complexion of a town's business and industry affect residential make up, in turn influencing further development. Concomitantly, residential development can have the same affect on business growth. As a town's population increases so do the number of businesses serving the residents. This latter trend appears throughout the Kansas City MSA, including Lathrop.

Lathrop's labor force is moderately diversified (see Figure 6.6), yet major employers are fairly limited. According to a recent employment survey by the Missouri Economic Research and Information Center (MERIC) and Missouri's Department of Economic Development, there are five employers located in Lathrop that employ more than 20 people. Three of these are tied to the school district, a fourth is the Cameron Community Hospital and the fifth is a faith-based organization. The three most populous employment categories are manufacturing, retail trade and construction respectively.

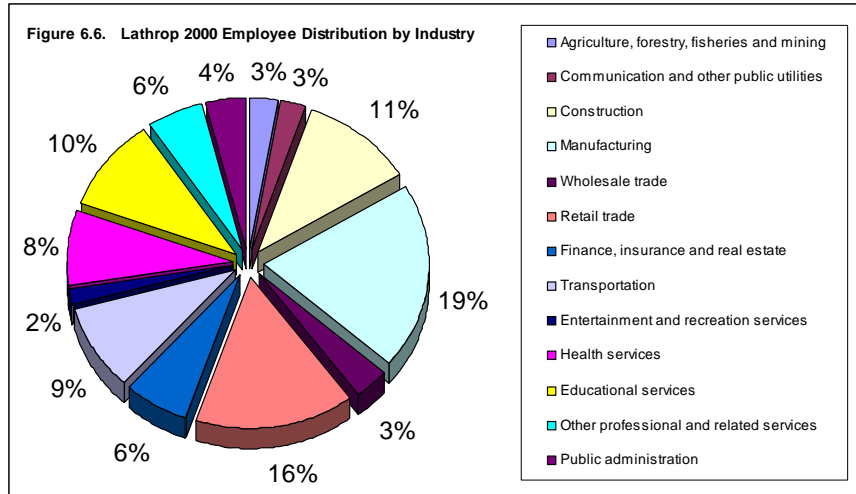
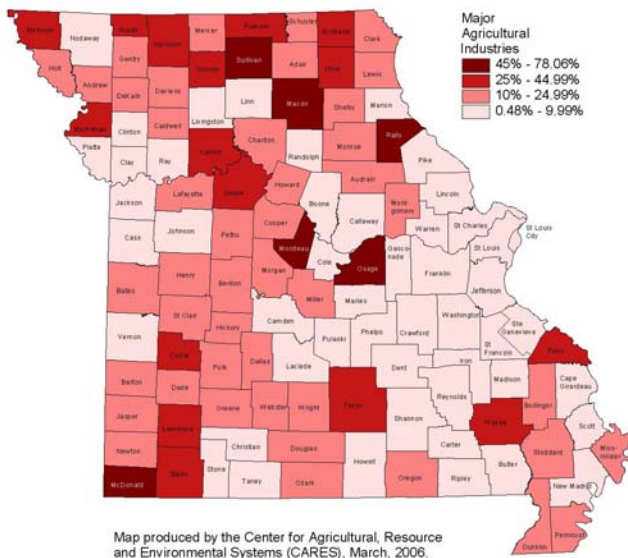


Figure 6.7 Missouri Agriculture

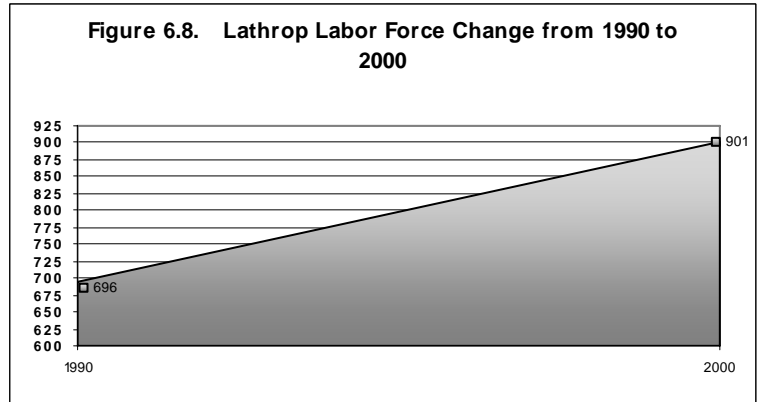


employment categories are manufacturing, retail trade and construction respectively. This could indicate several trends, but coupled with the trend in population and the phenomenon of the exurb, it most likely signifies a community reacting to continued growth. Note the low percentages shared by public administration (4%), entertainment and recreation services (3%) and wholesale trade (2%).

Despite the city having a rich agricultural history, less than 3 percent of labor force is involved with this endeavor. This corresponds with information recently gathered from the University of Missouri's Center for Agricultural Resource and Environmental Systems (CARES). As indicated in Figure 6.7,

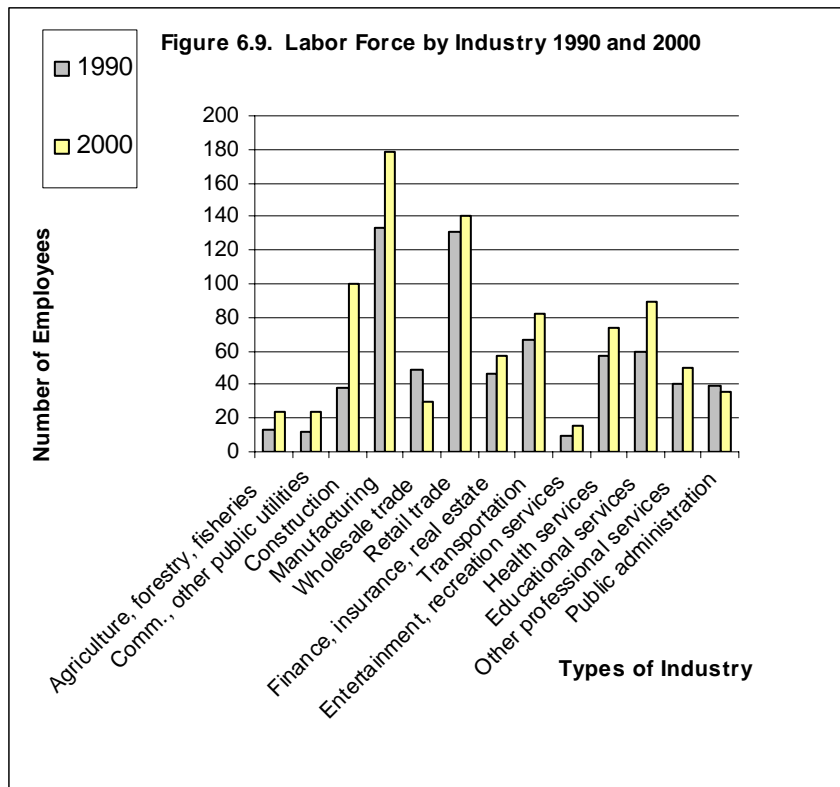
agriculture amounts to less than 10% of Clinton County's total business sales. Additional data shows this same ratio applies to sales and property tax revenues.

As the population has grown, so has the labor force. Figure 6.8 details this growth by comparing the total change in the labor force from 1990 to 2000 Census figures for the



city of Lathrop. In 1990, the Census determined Lathrop's labor force to be 696. As noted, this number grew by 205 (29%) to 901 in 2000. There is little to suggest this increase will slow or cease in the near future as long as Lathrop's population continues to grow.

As the labor force grows specific industry classifications develop at different rates. As shown in Figure 6.9, Construction, Manufacturing and Educational Services had the highest increases. Construction jobs improved by 62 (163%), moving from 38 to 100. This was followed by Manufacturing which increased by 46 (34%). Educational services had a higher percentage gain with 48% but only increased by 29, expanding from 60 to 89. Conversely, Wholesale Trade and Public Administration categories experienced declines in employment opportunities. Wholesale Trade decreased 19 jobs or 38%, while Public Administration moved from 39 to 36 or an 8% loss.



growth patterns to nearby Kearney's labor force, it is easy to see that growth took place in the same industry groupings. For instance, Construction in Kearney grew from 56 to 174 or 68%, while Manufacturing increased by 66% from 158 to 459. The biggest discrepancies between Lathrop and Kearney took place in Public Administration and Wholesale Trade. Both categories grew dramatically in Kearney moving from 32 to 142 jobs (Public Administration) and 67

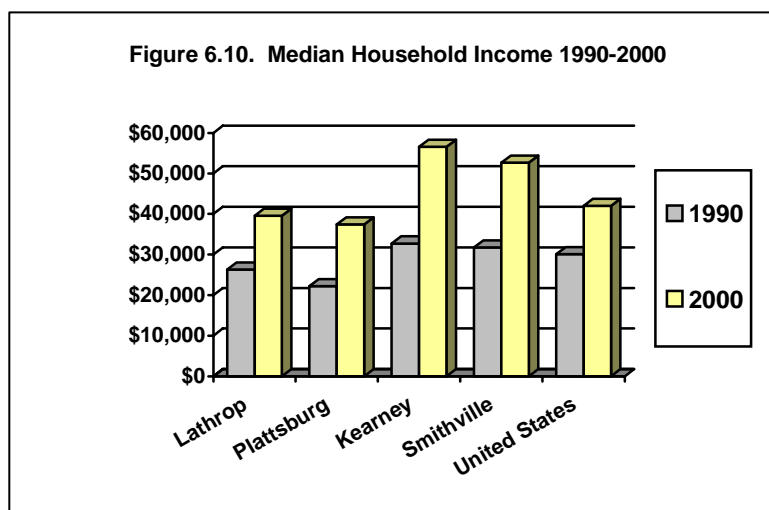
to 168 jobs (Wholesale Trade) respectively.

Income Characteristics

As with population and labor force, Lathrop's median household income (MHI) has increased. According to the 2000 US Census, Lathrop's MHI improved substantially moving from \$26,303 in 1990 to \$39,537 in 2000. This represents a 50% (\$13,234) increase in household income for those living in Lathrop. Figure 6.10 indicates this pattern is prevalent in the region. The community with the largest percentage gain was Kearney with a 78% increase. Lathrop had the smallest percentage gain. The National MHI grew \$30,056 to \$41,994, a 38% gain. While not shown in Figure 6.10, Clinton County's 2000 MHI is \$41,629.

There are a number of possibilities as to why Lathrop's MHI is \$2,000 less than the county's MHI, these include 1) affluent residents migrating to southern Clinton County, 2) Lathrop's aging population, or 3) a less educated workforce. The first option is supported by examining Figure 6.10. As more affluent residents move into southern Clinton County (around Kearney and Smithville), the county's MHI

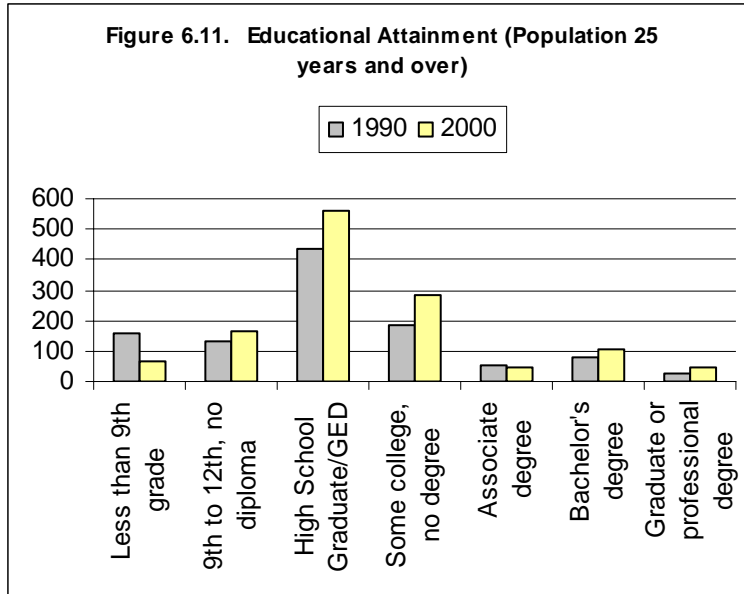
increases, thus giving the impression that the entire county's income is elevated. The second supposition is not supported by Census figures. In fact, when comparing Lathrop's widowed and disabled population to nearby communities, this demographic is actually lower than Plattsburg or Kearney. The third option, education, is detailed in the next section.



Education Characteristics

It is widely understood that income is positively correlated with education. The more advanced a person's educational level, the chances are greater that person's income will increase. The principal linkage is that with the improvement of the student from the local educational process, their ability to advance themselves as human capital is enhanced.

Lathrop's educational landscape is diverse, ranging from those with less than nine years of formal education to those with graduate or professional degrees. Figure 6.11 demonstrates this trend, comparing 1990 and 2000 for Lathrop residents 25 years and over.



As indicated in the figure, there have been significant shifts in several of the groupings. The most notable is the High School Graduate cohort. This category grew from 438 in 1990 to 563 in 2000, representing a 29% increase. Other clusters that improved were residents who have Some College, No Degree, which moved from 185 to 282 (52%); those who possess a Bachelor's Degree which increased by 25 or 29% from 1990 to 2000; and Graduate or Professional Degrees, which

advanced from 24 to 43 (79%). This category had the largest percentage gain. Concurrently, those that had Less than a 9th Grade education attainment decreased from 158 to 68 (-57%). Additionally, Figure 6.11 details residents holding an Associates Degree declined by seven.

It is not only important to understand trends in Education Attainment, but also Lathrop Educational Attainment by Percentage for residents 25 years and over. This percentage is described in Figure 6.12. The largest percentage is High School Graduate. This group represents 45% of the population. The smallest percentage is those with Graduate or Professional degrees at 3%.

