



City of Grand Island

Tuesday, August 26, 2014

Council Session - Updated

Item E-8

**Public Hearing on the Semi-Annual Report by the Grand Island
Area Economic Development Corporation/Citizen Advisory
Review Committee on the Economic Development Program Plan**

Staff Contact: Mary Lou Brown, City Administrator

Council Agenda Memo

From: Mary Lou Brown, City Administrator

Meeting: August 26, 2014

Subject: Public Hearing Concerning the Semi-Annual Report by the Citizen Advisory Review Committee on the Economic Development Program Plan

Item #'s: E-8 & I-10

Presenter(s): Mary Lou Brown, City Administrator

Background

The voters of the City of Grand Island approved an economic development plan at the November 6, 2012 election. Subsequent to the election, the city has adopted an ordinance that establishes the economic development plan and a Citizen Advisory Review Committee to oversee the process of approving applications for economic development incentives. The Citizen Advisory Review Committee is required by State Statute and the Grand Island City Code to make a semi-annual report to the City Council.

Discussion

The Citizen Advisory Review Committee has been conducting regular meetings during the last six months as required by the City Code and the Nebraska Statutes. The committee looks forward to receiving and reviewing meritorious applications for consideration in the future. The committee received the semi-annual report from the Economic Development Corporation at its meeting of August 14, 2014 and voted to forward it on to the City Council for its review and acceptance.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Accept the semi-annual report of the Citizen Advisory Review Committee.
2. Do not accept the semi-annual report of the Citizen Advisory Review Committee.

Recommendation

City Administration recommends that the Council accept the semi-annual report of the Citizen Advisory Review Committee.

Sample Motion

Move to accept the semi-annual report of the Citizen Advisory Review Committee.



Grand Island Area
Economic
Development
Corporation



Current LB-840 projects

Active Projects

•Bosselman Tank & Trailer

- Add 8 employees
- Expires February 2017

•Chief Industries

- Add 41 employees
- Expires May 2017

•Rogue Manufacturing

- Add 12 employees
- Expires December 2015

Forgiven Projects in 2014

•Case IH

- Add 20 employees
- Forgiven January 2014

•Hastings Foods

- Add 35 employees
- Forgiven April 2014

**GIAEDC will request LB-840
operating funds for 2015**



Changes LB-840 Process

- Site visit
- Market Study (partnership with Nebraska Business Development Center– UNK)
- Review prior three year financials
 - Review financial commitments & credit history (D & B)
- Review proforma for future three years
- Review company's business plan
- Identify key management & employees
 - Outlining skills & experience
- Highly confidential process
 - CRC chairman & City Administrator review all application information & financials

LB-840 Worksheet



Grand Island Area
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Position	Number of Employees	Ave. Wage P/HR	Wages P/Year	Consolidated Average Wage
Shop Technicians				
	0	\$ -	\$ -	
	0	\$ -	\$ -	
	0	\$ -	\$ -	
Totals	0		\$ -	
				#DIV/0!
Average Wage	LB-840 Funding	Min. Sustain Wage	Economic Contribution	LB-840 Leverage
\$ 13.00	\$ 2,000.00	\$ 9.08	\$ 27,040.00	\$ 8,153.60
\$ 13.50	\$ 2,500.00	\$ 9.08	\$ 28,080.00	\$ 9,193.60
\$ 14.00	\$ 3,000.00	\$ 9.08	\$ 29,120.00	\$ 10,233.60
\$ 14.50	\$ 3,500.00	\$ 9.08	\$ 30,160.00	\$ 11,273.60
\$ 15.00	\$ 4,000.00	\$ 9.08	\$ 31,200.00	\$ 12,313.60
\$ 15.50	\$ 4,500.00	\$ 9.08	\$ 32,240.00	\$ 13,353.60
\$ 16.00	\$ 5,000.00	\$ 9.08	\$ 33,280.00	\$ 14,393.60
\$ 16.50	\$ 5,500.00	\$ 9.08	\$ 34,320.00	\$ 15,433.60
\$ 17.00	\$ 6,000.00	\$ 9.08	\$ 35,360.00	\$ 16,473.60
\$ 17.50	\$ 6,500.00	\$ 9.08	\$ 36,400.00	\$ 17,513.60
\$ 18.00	\$ 7,000.00	\$ 9.08	\$ 37,440.00	\$ 18,553.60
\$ 18.50	\$ 7,500.00	\$ 9.08	\$ 38,480.00	\$ 19,593.60
\$ 19.00	\$ 8,000.00	\$ 9.08	\$ 39,520.00	\$ 20,633.60
Labor Training	Training Dollars	Number of Employees	Total	Skill Leverage
Skilled			\$0	
Non-Skilled	\$ -	0	\$0	
Infrastructure			\$0	
Totals		0		\$0
Total Job Creation Dollars				\$0
Total Training Dollars				\$0
Total Incentive Amount				\$0

LB-840 Funding Status



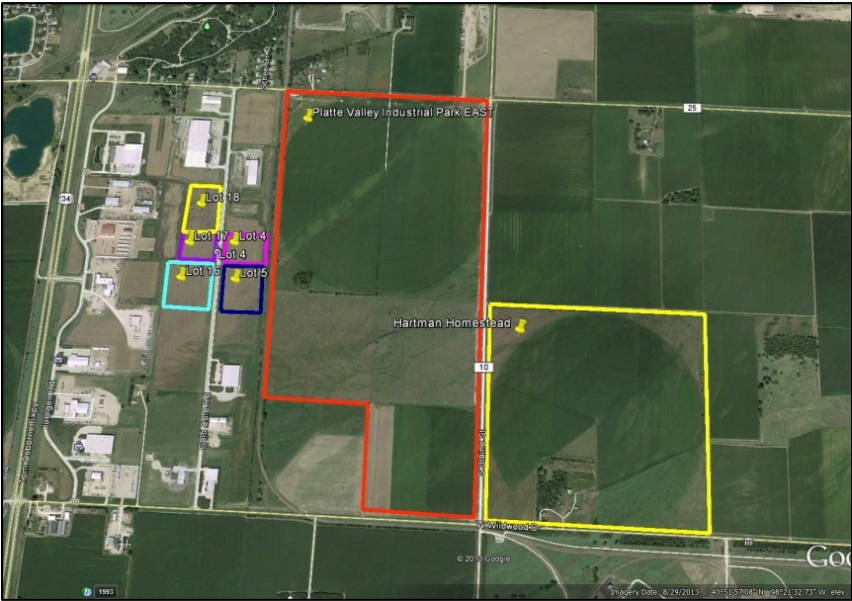
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LB-840 balance as of 8/1/2014	\$319,136.00
Quarterly EDC payment (operational funds)	\$0
LB-840 funds for Chief Industries	(\$239,000.00)
LB-840 funds for Bosselman Tank & Trailer	(40,000)
Ending LB-840 job creation funds	\$40,136.00

EDC Land



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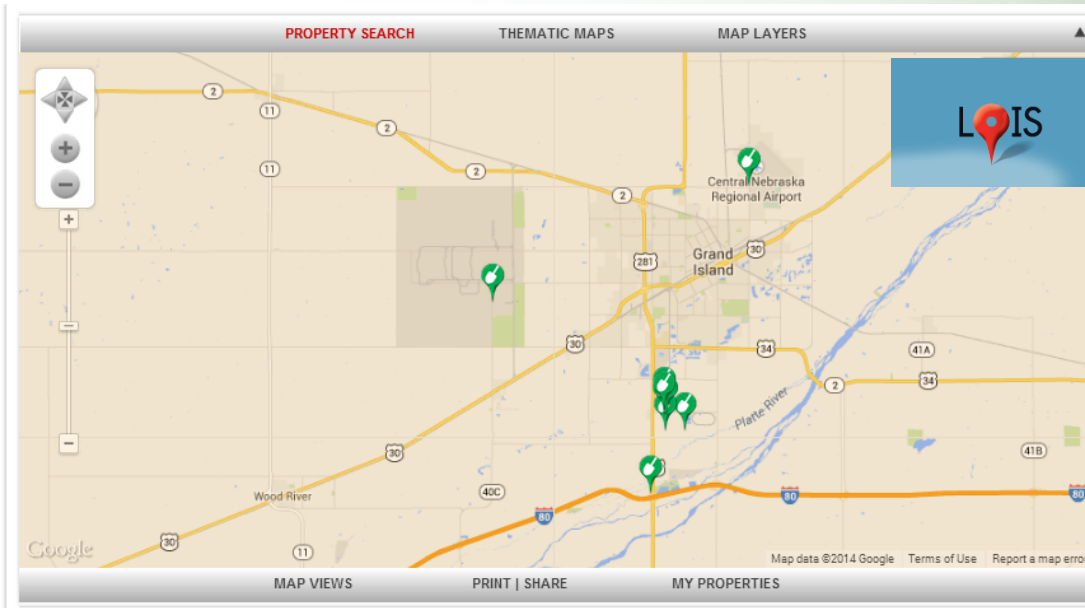
Platte Valley Industrial Park (4 lots / 25 acres)
Platte Valley Industrial Park- East (280 acres)
Homestead (160 acres)



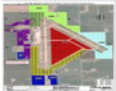

Cornhusker Industrial Park (226 Acres)

Enhanced Marketing Efforts



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Search Results		Displaying Items 1 to 9 of 9 on Map	
Platte Valley Industrial Park East	(440 acres)	Grand Island, NE	
	Hwy 281 - 2.5 mi. N of I-80 Grand Island, NE 68801	Sale Price: \$50,000/acre Lease Price: Negotiable	Airport: 11.5 mi Interstate: 3 mi <input type="checkbox"/> Add to My Properties Print Brochure More details
Cornhusker Industrial Park	(260 acres)	Grand Island, NE	
	7870 West Old Potash Highway Grand Island, NE 68803	Sale Price: \$10,000/acre Lease Price: \$285/acre (irrigated)	Airport: 8.5 mi Interstate: 8 mi <input type="checkbox"/> Add to My Properties Print Brochure More details
Business and Technology Park	(185 acres)	Grand Island, NE	
	3743 Sky Park Road Grand Island, NE 68801	Sale Price: NA Lease Price: Negotiable	Airport: 0 mi Interstate: 12.5 mi <input type="checkbox"/> Add to My Properties Print Brochure More details
Bosselville	(30.73 acres)	Grand Island, NE	
	Hwy 281 - 0.5 mi. N of I-80 Grand Island, NE 68803	Sale Price: Negotiable Lease Price: Negotiable	Airport: 12 mi Interstate: 0.5 mi <input type="checkbox"/> Add to My Properties Print Brochure More details

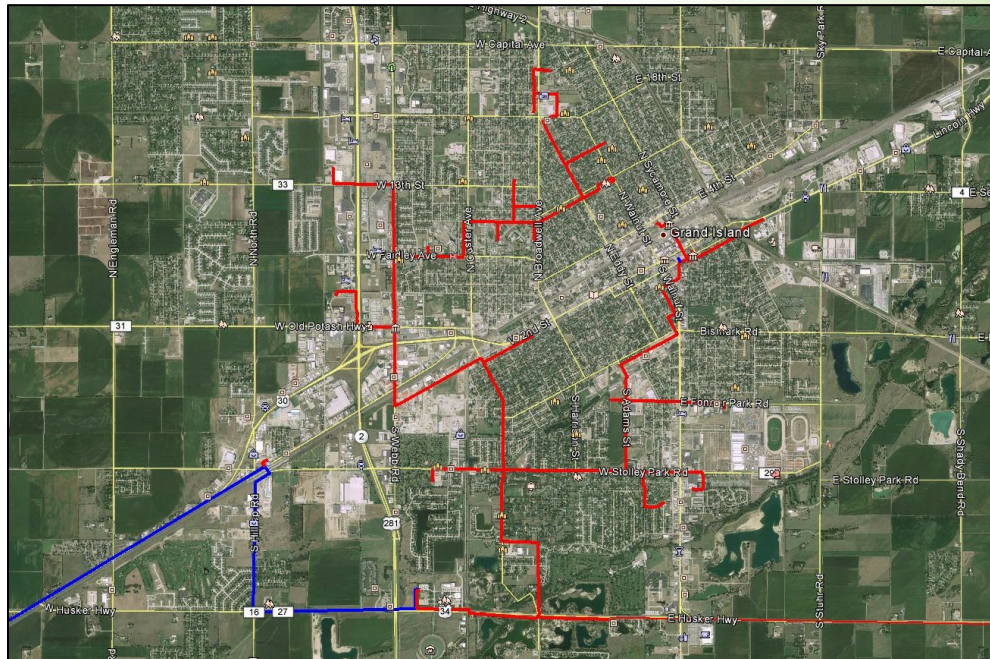
- Increased usage of state-owned databases
 - LOIS
 - Synchronist
- Virtual tour of properties will be added in Q4

Adding Value to Business Community



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- Entrepreneur / Business Development
 - Business development resource for existing and new businesses to assist in growth
 - Fiber optic connectivity at Platte Valley Industrial Park (1.5 mg to 30 mg of internet speed)



Enhanced Community Partnerships



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- Partnered with Chamber of Commerce to coordinate to tours of four Grand Island businesses to 20 University of Nebraska-Omaha students.
 - Hornady Manufacturing
 - The Chocolate Bar
 - Beaver Creek Marketing / Rasmussen Associates
 - Bosselman Companies
- Business interviews with State DED
 - Visited over 20 Grand Island Businesses
 - Data will be used with new state administration
 - FAM tour with DED on August 20, 2014
 - Meet with State DED Director and other EDCs to discuss possible changes to State incentive programs on August 21, 2014
- 2014 Housing Study
 - 13 area agencies, plus City staff involved
- Grow Grand Island
 - Partnership with EDC, Chamber & CVB





Project Leads

Existing GI
Businesses

- 5 expansion projects in play

New to
Grand
Island
Businesses

- 2 State initiated
- 2 EDC initiated



Additional Projects

Recertification of
EDC's NDO
Designation

*Non-Profit Development
Organization

- Due
September 30

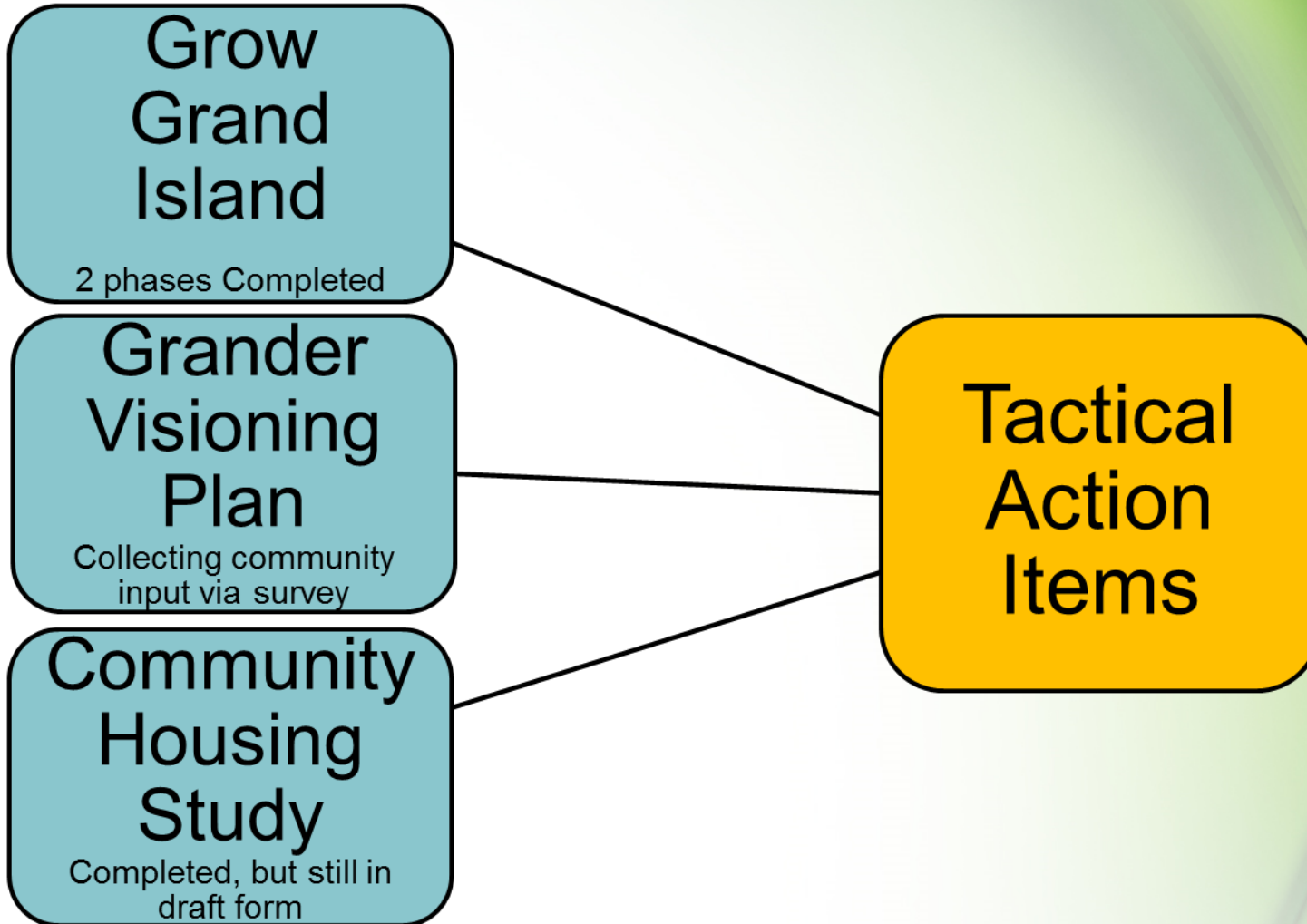
Recertification
Grand Island's
Economic
Development
Community status

- Due
December 1

2015 Strategic Initiatives



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Questions