



City of Grand Island

Monday, December 22, 2014

Council Session

Item I-3

#2014-383 - Consideration of Approving Funding of Economic Development Request

Staff Contact:

Council Agenda Memo

From: Randy Gard, EDC President

Meeting: December 22, 2014

Subject: Approving Economic Development Funding Request

Item #'s: I-3

Presenter(s): Randy Gard, EDC President

Background

On November 6, 2012, the voters of the City of Grand Island approved a new ten year Economic Development Program. The program is in conformance with Neb. Rev. Stat. 18-2710 and provides for annual funding of \$750,000 by the City.

Discussion

A request has been received from the Grand Island Area Economic Development Corporation, duly approved by the Citizen's Review Committee for payment of \$350,000. Funding will be used for administrative and community marketing purposes.

Alternatives

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

1. Approve the request for funds.
2. Disapprove or Deny the request for funds.
3. Modify the Resolution to meet the wishes of the Council.
4. Table the issue.

Recommendation

City Administration recommends that the Council approve the request for funds.

Sample Motion

Move to approve the request for funds to allow payment of \$350,000 to the Grand Island Area Economic Development Corporation.

Grand Island Area Economic Development Corporation

LB-840 Application

The Grand Island Area Economic Development Corporation's mission is to facilitate the creation of jobs and economic opportunities for the regional trade area.

APPLICANT IDENTIFICATION

Company Name: Grand Island Area Economic Development Corporation

Mailing Address: 123 North Locust, Suite 201B

City: Grand Island State: NE Zip Code: 68802

Phone: 308-381-7500

Applicant Website: www.grandisland.org

Business Classification (select all that apply):

☐ New Business ☐ Expansion of Existing Business ☐ Spec Building ☐ Other

☒ Corporation ☐ Partnership ☐ Proprietor ☐ Other

MAIN CONTACT INFORMATION

Name: Randy Gard Connection to Business: President

Mailing Address: 123 North Locust, Suite 201B

City: Grand Island State: NE Zip Code: 68803

Email Address: rgard@grandisland.org Phone Number: 308-381-7500

FINANCING/INCENTIVE REQUESTED:

The Grand Island Area Economic Development Corporation is requesting Three Hundred Fifty Thousand and No/100 Dollars (\$350,000) as authorized by State Statute 13-315 and 18-2710 (LB-840). Funding will be utilized for administrative and community marketing purposes.

Company Name: Grand Island Area Economic Development Corporation Date: 11/26/2014

Date Application Submitted: 11/26/2014

I hereby represent, this application and supporting information is accurate, and may be relied upon by representatives of the Grand Island Area Economic Development Corporations and the City of Grand Island.

Dated: November 26, 2014

By: 

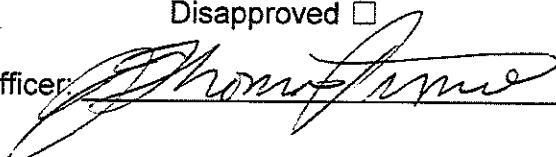
Randy Gard, President

Reviewed by the Grand Island Area Economic Development Elected Trustees

Date of review:

Approved ☒

Disapproved ☐

Signature of Officer: 

Reviewed by the Citizen's Review Committee

Date of Review: December 4, 2014

Approved ☒

Disapproved ☐

Signature of Officer: 

Referred to the Grand Island City Council

Date of Review:

Approved ☐

Disapproved ☐

Signature of Mayor: _____

Company Name: Grand Island Area Economic Development Corporation Date: 11/26/2014



Grand Island Area

Economic Development Corporation

2014 Review – 2015 Plan

Current LB-840 projects



Grand Island Area
Economic
Development
Corporation

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 100 employees
- Forgiven January 2014

•Hastings Foods

- Add 35 employees
- Forgiven April 2014

****Four applications are pending****

2004-2014 Historical Trend of LB-840



Grand Island Area
Economic

LB-840 Funds invested in Job Creation:

\$4,027,300

Jobs Created:

1,328

Annual Wages Created from Incentives:

\$40,807,291

Property Tax Increase:

\$4,013,046

2013-2014 Average Wage Per Job Created:

\$15.51

LB-840 Funding Status



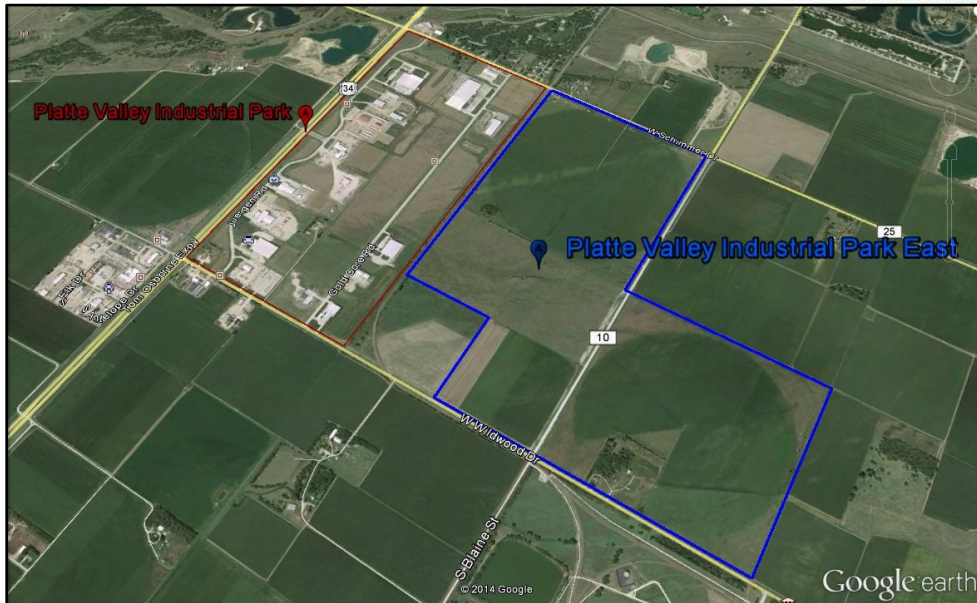
Grand Island Area
Economic
Development
Corporation

| | |
|--|-----------------------------|
| LB-840 balance as of 11/26/2014 | \$1,048,051 |
| Request for LB-840 operational funds | \$350,000 *upon approval |
| Commitments to area businesses for job creation | (\$279,000.00) |
| Ending LB-840 job creation funds | \$419,029 |

EDC Land



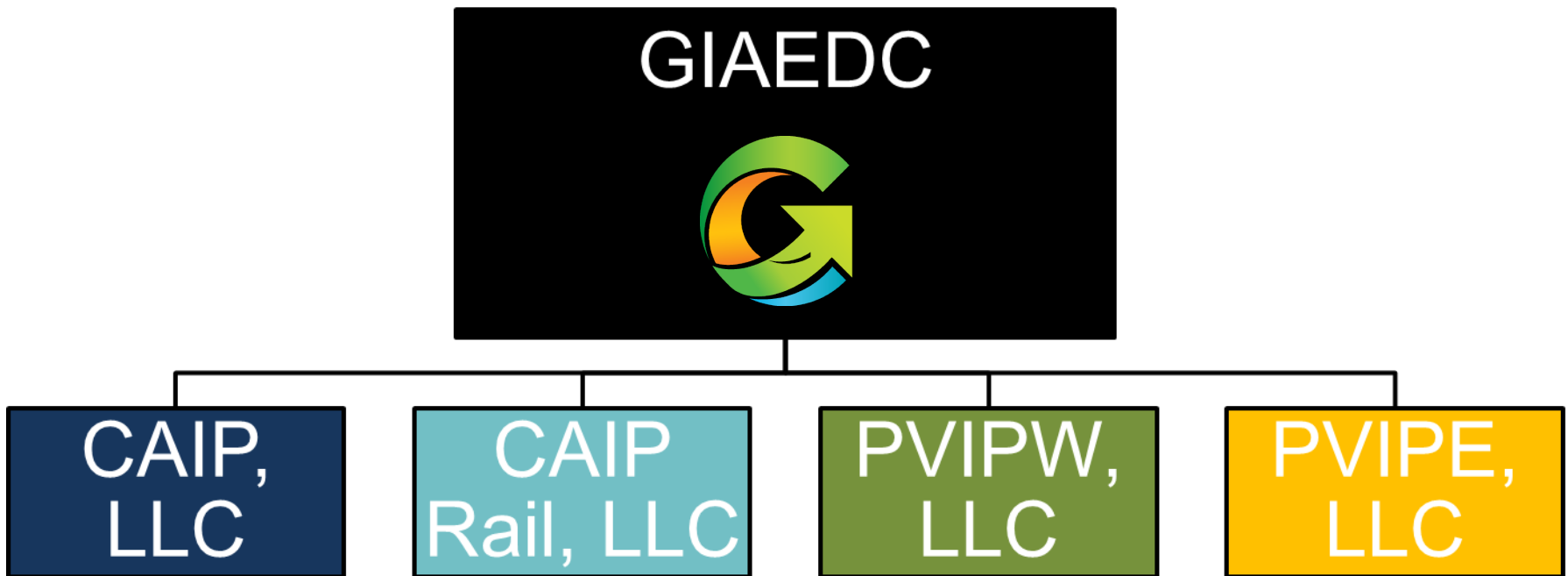
Grand Island Area
Economic
Development
Corporation



Platte Valley Industrial Park (3 lots / 19.2 acres)
Platte Valley Industrial Park- East (280 acres)
Homestead (160 acres)



Cornhusker Industrial Park (226 Acres)

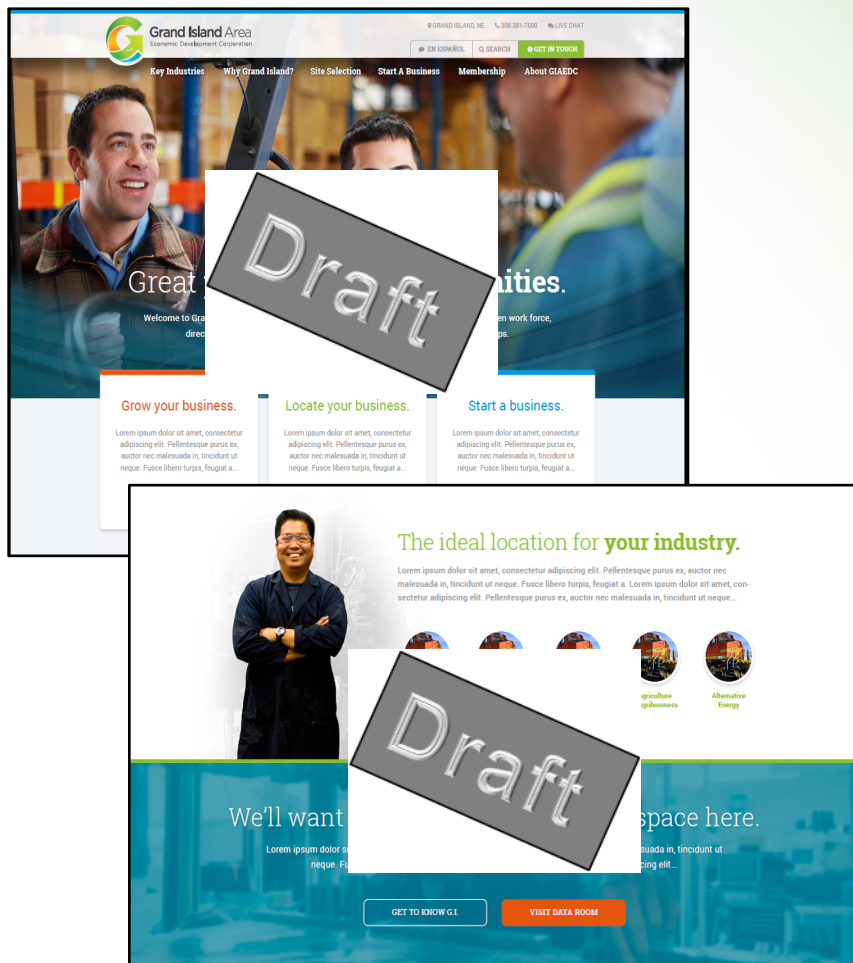


The formation of land LLCs are a critical component to GIAEDC's business plan and add a layer the protection to the GIAEDC land assets.

2015 Marketing Efforts



Grand Island Area
Economic
Development
Corporation



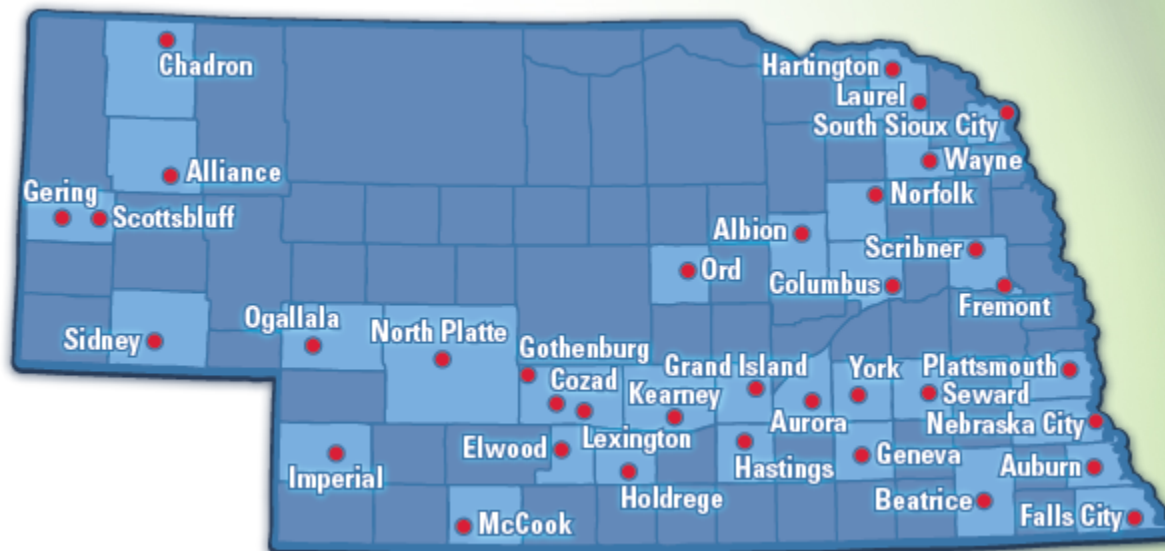
- Redeveloped website released in Q1 of 2015
 - Global access based on “trigger” words and search engine optimization
- Increased usage of state-owned databases
 - LOIS
 - Synchronist
- 100% engagement with the State DED
- Virtual tour of PVIP & PVIP-E
- PVIP-E Partnership

Additional Projects



Grand Island Area
Economic
Development
Corporation

The GIAEDC submitted an application to renew the Community's
Certified Economic Development Community
status on December 1, 2014.



Grow Grand Island Partnership



Grand Island Area
Economic
Development
Corporation





Grand Island Area
Economic
Development
Corporation

Existing Businesses

GOAL: Maintain a business climate that supports growth of existing businesses in Grand Island.

Entrepreneurs

GOAL: Encourage entrepreneurship and provide necessary resources to support startup growth.

Image

GOAL: Promote a positive image and market the area to potential new businesses, workers, and visitors.

Workforce

GOAL: Improve education and skills attainment to develop a workforce that meets the needs of the community's employers.

Community Assets

GOAL: Develop and enhance community assets that appeal to potential future businesses, residents, and visitors.

Grow Grand Island Partnership



Grand Island Area

Competitive Sectors

Manufacturing

Agriculture
Equipment

Metalwork &
Custom
Fabrication

Food &
Beverage

Transportation & Distribution

Transportation
Services

Warehousing
& Storage

Wholesale
Trade

Travel & Tourism

Entertainment,
Culture &
Recreation

Hospitality &
Traveler
Support

Business Support Services

Call Centers

Financial
Transaction
Processing

Corporate & Professional Services

Professional
Services

Regional
Offices &
Headquarters

Sustainable Processes & Technologies

Alternative
Energy

Repair, Reuse,
& Recycling

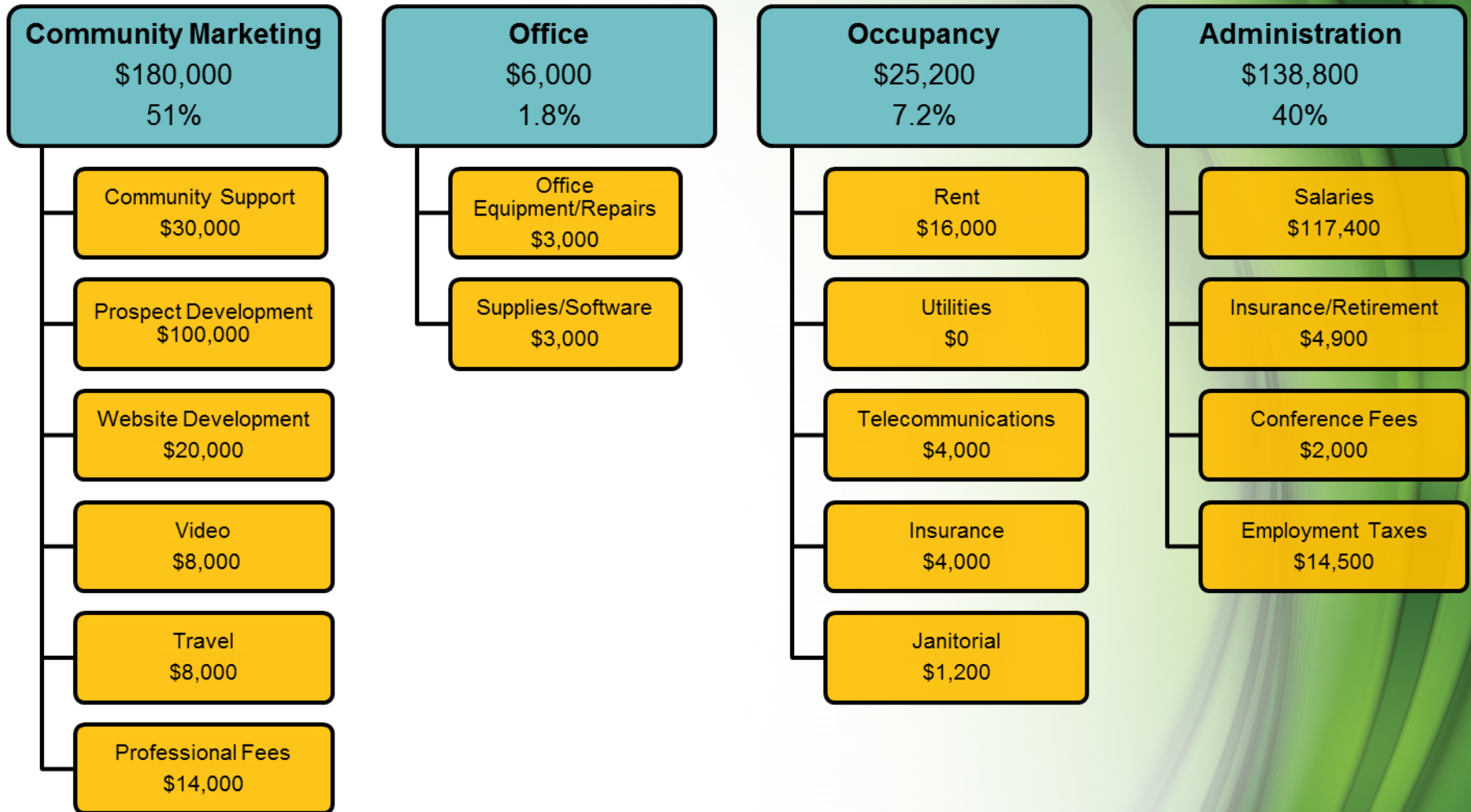
Developmental Sectors

--Presence of Agribusiness Activity--

Utilization of LB-840 Operating Funds



Grand Island Area
Economic
Development
Corporation





Grand Island Area
Economic
Development
Corporation

The GIAEDC staff and
Board of Trustees request approval
of LB-840 operating funds,
\$350,000, for 2015.

RESOLUTION 2014-383

WHEREAS, on November 6, 2012, the voters of the City of Grand Island approved a new ten year Economic Development Program in conformity with Neb. Rev. Statute No. 18-2710; and

WHEREAS, the program provides for \$750,000 in annual funding to be provided by the City of Grand Island; and

WHEREAS, a request has been made by the Grand Island Area Economic Development Corporation and the Economic Development Program's Citizens Advisory Review Committee for the payment of \$350,000 to be used for administrative and community marketing purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that approval is given to forward \$350,000 in City funding to the Grand Island Area Economic Development Corporation in accordance with the Economic Development Program in quarterly allocations of \$87,500.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, December 22, 2014.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

| | |
|---------------------|-----------------|
| Approved as to Form | ☐ _____ |
| December 19, 2014 | ☐ City Attorney |