

City of Scottsbluff, Nebraska
Thursday, July 14, 2022
Regular Meeting

Item 1

for meeting of May 23, 2022

Staff Contact: Starr Lehl

CITY OF SCOTTSBLUFF
ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE
May 23, 2022

A meeting of the Economic Development Application Review Committee was held on May 23, 2022 at 10:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Present were Committee members Dave Schaff, Marla Marx, Jim Trumbull, Dennis Hadden, and Hod Kosman. Also present were Elizabeth Loutzenhiser, Interim co-City Manager and Finance Director, Adam Hoelsing, Deputy City Attorney, and Starr Lehl, City Economic Development Director.

The meeting was called to order by Member Schaff at 10:00 a.m.

Member Schaff announced a copy of Nebraska Open Meetings Act was posted on the back wall of the meeting room.

It was moved by Member Trumbull and seconded by Member Marx to approve the Minutes of the March 23, 2022 Application Review Committee Meeting. Voting yes: Schaff, Marx, Trumbull, Hadden, and Kosman. Voting no: None.

The next item on the agenda was the consideration and possible action of an Application for Assistance by Skiles Industries, Inc. Present on behalf of applicant was Jerry Skiles. Mr. Skiles stated the Applicant was a manufacturing company started in Atwood, Kansas. It has been in business for approximately 38 years and Mr. Skiles stated it has never had a negative year. Mr. Skiles stated that the business started selling fertilizer tanks and then has moved into manufacturing other products. Currently, the primary product manufactured are fertilizer trailers and other fertilizer equipment associated with such trailers. The business opened its branch operation near Scottsbluff in 2013, with assistance from the Program, and currently employs 20 full-time positions at the manufacturing plant in Scottsbluff.

Mr. Skiles stated the current market for the product is at capacity. Currently, they are sold-out of products and there is five-month delay time from sales to final manufacturing to the market. Mr. Skiles stated that he sees the opportunity to increase production and capture more market share, since the product has been sold-out and continues to be sold-out on a routine basis. The facility in Scottsbluff is not complete and can be expanded for that. Mr. Skiles stated he desires to build an extension on the manufacturing plant in Scottsbluff which will allow for an expanded paint operation as well as an expanded setup and assembly operation. Both expansions will allow for greater efficiency and greater ability to produce and manufacture at a more efficient and productive rate.

Additionally, Mr. Skiles stated the increased production facility will be able to hire five more full-time employees. Mr. Skiles stated the employees typically make between \$13 and \$24 an hour, that the employees are provided regular full-time hours, and that all of the employees receive a benefit package.

Following Mr. Skiles's presentation, it was moved by Member Hadden and seconded by Member Trumbull that the following assistance package be provided to the Applicant:

\$100,000 in assistance be provided to the Applicant. The assistance would earn job credits against the balance at the rate of \$2,000 per full-time equivalent. The job credits would be eligible for enhanced credits for higher paying jobs at the normal rate of the City's Program schedule. The job credit term would be 10 years, beginning October 1, 2022. The base full-time equivalent for the job credits would be 20, and the Applicant would receive job credits for every full-time equivalent above 20. The assistance would be secured by a Deed of Trust on the real estate of the manufacturing plant in Scottsbluff, and the assistance would be guaranteed by the owners and affiliates of the Applicant. Voting in favor: Schaff, Marx, Trumbull, and Hadden. Voting no: None. Abstaining: Kosman.

The next item in the agenda was the report from Economic Director Starr Lehl regarding manufacturing expansion opportunities in the upcoming future. Ms. Lehl mentioned a couple of different projects that could be coming to the committee soon and no action or further discussion was taken regarding those projects.

Thereafter, the Meeting was adjourned at approximately 10:42 A.M.



Starr Lehl, Economic Development Director