

South Central Economic Development District (SCEDD)
Report for DED's Annual Consolidated Plan
(Revised June 18, 2004)

Introduction:

The South Central Economic Development District (SCEDD) was pleased to be selected by the State of Nebraska Department of Economic Development (DED) to facilitate public meetings in its twelve (12) counties of operation to gain comment and input for the Department of Economic Development's 2005-2009 Consolidation Plan and the 2005 Annual Action Plan.

The development of these planning documents provides the State of Nebraska an opportunity to extend and strengthen partnerships among organizations in the public, private and nonprofit sectors. To strengthen these partnerships, public hearings are held to gain public input and comment for the Consolidated Five Year Plan and the Annual Action Plan.

Logistics of Public Input Meetings Coordinated by SCEDD:

The South Central Economic Development District (SCEDD) Public Input process brought together local governments, community organizations, state and federal agencies, service providers and citizens who shared their experiences, level of satisfaction and areas for improvements with the DED-administered programs.

The South Central Economic Development District (SCEDD) hosted four Public Input Meetings within the 12 county area covered by SCEDD. These four locations were dispersed throughout the 12 counties of the district, in both small and large communities. The dates and locations of these four Public Input meetings were:

- 4/14/2004: Southwestern part of the district: City of Alma, Harlan County
(a small community)**
- 4/21/2004: Northwestern part of the district: City of Kearney, Buffalo County
(a large community)**
- 4/28/2004: Southeastern part of the district: City of Nelson, Nuckolls County
(a small community)**
- 5/12/2004: Northeastern part of the district: City of Grand Island, Hall County
(a large community)**

Each Public Input meeting was "staffed" by two individuals who represented the South Central Economic Development District. One of the individuals facilitated the Public Input meeting and the other individual recorded the public input and comments expressed at the meeting. A Facilitation Guide was used by each facilitator which provided a consistent framework of questioning for each meeting.

The representatives from the South Central Economic Development District who "staffed" these four Public Input Meetings were:

- Alma: Merle Illian of TrailBlazer RC&D and
Merrill Duntz of South Central Public Power District**

Kearney: Ron Tillery and Cindy Houlden both of
The Development Council of Buffalo County

Nelson: Randal Gunn of South Central NE RC&D and
Pam Maynard of South Central Public Power District

Grand Island: Marlan Ferguson, Grand Island Area Economic Development Corp.
Randal Gunn of South Central NE RC&D

Participation at the Public Input Meetings Hosted by SCEDD:

While attendance could be considered "light" at each of the Public Input meetings, the input and comments from the attendees and participants was valuable. The following rosters identified the attendees at each of these Public Input meetings:

<u>Name</u>	<u>Organization</u>	<u>Community</u>
City of Alma at Golf Course Club House on April 14, 2004:		
Merle Illian	TrailBlazer RC&D	Red Cloud
Don Reynolds	South Platte Chamber of Comm.	Hastings
Linda Black	Phelps County Dev. Corp.	Holdrege
Charlotte Erickson	Holdrege Housing Auth.	Holdrege
Bill Hogeland	City of Alma	Alma
Emanuel Smalik	Citizen	Alma
Merrill Duntz	South Central PPD	Clay Center
City of Kearney at Kearney Chamber of Commerce Office on April 21, 2004:		
Ron Tillery	The Development Corp.	Kearney
Candy Spencer	Miller & Associates	Kearney
Judy Sickler	Kearney Area Comm. Found.	Kearney
Cindy Houlden	The Development Corp.	Kearney
Randal Gunn	South Central NE RC&D	Doniphan
City of Nelson at South Central PPD Board Room on April 28, 2004:		
Arnold Brown	Nuckolls County Commissioner	Nelson
Randal Gunn	South Central NE RC&D	Doniphan
Pam Maynard	South Central Public Power	Edgar
City of Grand Island at Hall County Administration Bldg. on May 12, 2004:		
Marlan Ferguson	GI Area Econ. Dev. Corp.	Grand Island
Randal Gunn	South Central NE RC&D	Doniphan
Donna Jarzynka	USDA, Rural Development	Kearney
Mary Delka	Webster Co. Commissioner	Red Cloud
Brian Beeman	City of Sutton	Sutton
Russell Willems	Mayor	Blue Hill
Bonny Kroeker	Citizen	Juniata
James Eriksen	Hall County Supervisor	Grand Island
John Heaston	The Nature Conservancy	Aurora
Nicole Hunter	Dept. of Sustainability & Environment	Australia

Public Input on Housing:

The attendees generally indicated that most of the residents in their areas are better off now than they were last year relative to the State of Nebraska goal to increase cooperation among government entities, housing providers and lenders in order to produce more units of affordable housing. Attendees at the Kearney forum indicated that there is no shortage of available houses on the market. The biggest issue is usually with eligibility and credit worthiness for a few clients which results in some lenders "backing out" of loans. Another problem identified with affordable and available housing from the Kearney attendees is the lead-based paint issues and the education programs needed to address this issue. The Nelson attendees identified the accuracy of LMI data can be restrictive for a community where some are well-to-do but others are "dirt poor" and need assistance in housing but the community's total LMI category may prohibit such assistance through available community-wide grants. Alma is in the middle of a DED housing grant and the Alma community and the community of Holdrege feel that the cooperation is good between the involved agencies and that the communities are definitely better off than last year. The Grand Island attendees, in general, felt that they are "getting better" based on better cooperation between various agencies involved in providing affordable housing.

Cooperation between DED and local entities is generally rated as good to increasing as providers have been pro-active in getting the word out and attending town hall-type meetings when requested. The Kearney attendees recognized the DED's CDBG program of educating grant administrators and also the regional meetings with DED's Pat Compton, Field Staff for Housing, has increased communication and cooperation. Cooperation is good in Alma and in Holdrege and providers have been very responsive to their requests. The Nelson attendees indicated that encouragement for communities to establish Housing Development Corporations could further increase cooperation and communication between DED and the communities.

Many attendees indicated that their communities have benefited economically from the housing improvements in their communities supported by DED programs. The Kearney attendees indicated a large benefit from increased property values and more properties available as more affordable housing programs are undertaken. Alma expressed that they benefit tremendously when contractors work on housing projects as all materials will be purchased locally. Also rehabbed homes will be a "boost" to the town as these homes are owner-occupied and by fixing up the homes and making them more efficient will allow the occupants to spend their money saved from these efficiencies on something else, hopefully a local purchase. The Grand Island forum did have a comment that such subsidized housing programs may affect the ability of non-subsidized rental housing owners to "compete" financially and such programs would not benefit them economically.

Several "gaps" were identified in providing affordable housing in the communities in the 12 counties represented at these public forums:

- Smaller communities that have affordable housing needs may have trouble coming up with the "match" if that is needed for rehab grants
- Lack of mid-range rental in some communities (Alma)
- Many older homes are still available for rent but the utilities are very high
- In Holdrege there are many "run-down" homes for rent with rent reductions for repairs and these repairs are not being made to the home
- Many face a "down payment hurdle" for purchase of affordable home

- Need education for “potential” clients to increase awareness of available programs including combination of website information, printed materials/mailers and local workshops; education on lead based issues and certified testers availability
- Down-payment assistance, which could also be an education issue; lack of collaboration between institutions that provide assistance
- Some communities have housing efforts underway, but not all residents may know and or understand “what is happening/how to participate”
- Considerable gap in middle-range, family housing (i.e. there are usually large, expensive homes and low priced/marginal quality housing, but not as much housing available in between
- A gap exists in the difference between CDBG/LMI and USDA-RD/MHI income guidelines for program eligibility with recognition that this is an issue for resolution between HUD and USDA and not necessarily DED, although they could encourage such resolution by the federal agencies
- In some communities, more assistance is needed with rent subsidies
- Assistance is needed with CDBG grant-writing
- Rental properties for the elderly with first floor bedrooms are needed in some communities such as Holdrege
- Holdrege also expressed a need for 3-4 bedroom apartments for larger families
- Hastings felt they were not getting investment of those larger rental facilities in the 20-4- apartment range like many communities have
- In Alma some older homes are being bought to be fixed up but nothing is being done with them except to sit and deteriorate and eventually be unusable for housing
- Need to promote/market housing affordability in Nebraska outside of Nebraska
- Timeliness of awarding of the grant monies for housing.

Public Input on Homeless:

Generally, the attendees at all four forums expressed their opinion that the homeless were not “visible” in most communities, except the Tri-Cities of Hastings, Grand Island and Kearney, so it was difficult to gauge if they were better off now than last year. They did recognize that the DED has expressed more interest on the part of the homeless but the attendees, for the most part, were unable to express a perception of change in the levels of homelessness in their communities. In small rural communities, such as Alma and Edgar, the local ministerial association is often an avenue to assist or prevent this problem. Also, some could be considered homeless even though they live in a very substandard housing or even their car, but they do not avail themselves of “homeless” services, as is the case in Holdrege. The general consensus was that, with the availability of a shelter in the area, such as the Crossroads Center, the homeless are better off because someone cares.

Most of the attendees were not able to quantify the level or amount of homelessness in their communities in order to say if it has been reduced or not. But in general, their perception was that homelessness has not been reduced in their areas. For instance, Kearney experiences transitional and transient homelessness but they do not have an overnight shelter, therefore it is difficult to track how many persons are on the streets at any given time. In Kearney, service providers are attempting to track the number of persons returning for services, but these results are pending, so again it is difficult to quantify if homelessness is being reduced. As discussion continued on this issue, the attendees recognized that in rural areas, some that could be considered “homeless” in bigger communities, live with family and friends in rural communities even though they really have “no home”. Also, the issue of immigrants, especially Hispanics,

that come into the communities in the summer and live in trailers and other low-income rental facilities, may be considered “homeless” as they move from location to location, without a permanent home. In general, it is difficult to track the severity of the problem to see if it has been reduced, other than with a daily census of the homeless population at overnight shelters such as the Crossroads Center in Hastings.

Many of the attendees were not familiar with the “continuum of care” concept so they could not comment on whether this concept has improved assistance to the homeless. Those “homeless” citizens with needs tend to locate near services for the homeless, such as the Crossroads Center shelter in Hastings or the Salvation Army and other service providers and related resources. With the continuum of care improving the assistance to the homeless in Hastings, the Crossroads Center could experience financial problems however. Often the Crossroads Center is inundated with 25-30 persons from Grand Island coming to the shelter for the services it provides. These homeless citizens from other communities can put a financial burden on the Crossroads Center as they work to provide services to its citizens from Hastings and those that come from other bigger communities.

The primary gaps in providing successful homeless services relate to “MONEY” to provide such services, plus these additional gaps as expressed by the attendees:

- Lack of communication between partners
- Funds from DED to small communities to assist with this problem if this homeless population exists
- Difficulty for small towns to identify and track this population group, if it does exist
- All shelters seem to have less funds and resources today
- Transportation to homeless services for those in need
- Hesitancy on the part of the rural communities and its citizens to admit that this problem exists, as the community prides itself on “taking care of its own” and the citizen of a rural community hates to admit to their home town that they have “failed” and are homeless; thus they hide or disguise this fact by living with family or friends, when in fact they are “homeless”.

Public Input on Non-Housing Economic Development

The attendees at the public input forums expressed a range of opinion as to whether their citizens were better off now than they were last year relative to DED’s goal to strengthen Nebraska communities by targeting community development problems through economic development projects such as jobs to low-to-moderate income persons. Kearney attendees felt they were better off with entry level jobs that are competitive and with the ability to offer higher wages to get quality applicants. Alma did not think they were better off but Holdrege expressed that they were better off. Some communities like Edgar that have received a CDBG matching grant have not as yet got far enough into the project to impact the local work-force and economy in a positive or negative manner.

Attendees from the several communities indicated they are working to take advantage of this impact to community development by applying for and working on economic development grants, grant re-use program funds and projects in the community. Kearney attendees have identified the completion of a labor study to identify the education and skill level of the available labor pool in support of this goal. Kearney attendees also have in place a comprehensive Economic Development program that will coordinate the assets of the community. For smaller communities, “labor hoops” of a CDBG grant can be hurdle for a local contractor, so that the CDBG grant money can “stay” in the community and multiply by using local labor for the projects.

Almost all (if not all) of the client based in the attendees respective communities can be reached with economic development projects.

Economic Development projects can help the residents of their communities acquire jobs. In some small rural communities, the issue of using a local contractor who pays minimum wage who may have to pay a higher wage with a DED project, and then retaining that employee in the small community after the project is over and the employee going back to minimum wage. One concern was raised by Nuckolls County if these grant program jobs that are usually temporary construction jobs for the local employees, can be classified as "good jobs" if they do not include benefits. A concern was also expressed of impacting the local wage scales with DED projects and the competition for quality local workers while the project was going on with the local small businesses. If an employee went to work on the project, would they have a job to return to with the small local business or would they move out of the community to another DED project location.

Attendees expressed several gaps in providing successful economic development projects in their communities:

- HUD funding through DED targets LMI persons; does not encourage the creation of "good jobs" that would allow such populations continued employment with benefits; again can a job be classified as a good job if it does not include benefits?
- Limited funding
- Increased funding would allow pro-active programs such as site development, micro loans, grants and entrepreneurial development
- Some of this is being addressed through REAP
- Competitive process for available funds can limit success of projects
- The affordability of projects in small communities, even with CDBG and other funds, even for projects that are needed and critical for community development and the well-being of the community
- The ability to continue jobs after the project is over can present a big downside to a small community; such projects in a community may only provide this economic stimulus every 10-20 years or so for a community, if the community is not actively continuing to seek more grants. Such grant can often lead a small community to become "grant poor" with the need to provide the match for the next or more projects.

Public Input on Community Development

The attendees indicated that most of the residents in their respective communities are better off now than they were last year relative to the State of Nebraska's goal to strengthen Nebraska communities by targeting serious community development projects through infrastructure projects. Grand Island attendees indicated that some project funds have been and are being used for paving and water projects. Holdrege has a water treatment project through USDA. Rural Water District project is underway from Franklin east, while Alma did a water project on their own. Guide Rock is undertaking a CDBG water project. In general, these grant projects bring pride to the community along with the needed assets and infrastructure to the community.

Attendees indicated that several of the communities in their area are working to take advantage of this goal by obtaining funding for infrastructure projects in their communities.

Alma is applying for funds and Holdrege is looking for funding for infrastructure. The Grand Island community has used such grant funds plus the grant re-use program funds. The Kearney attendees indicated that are applying for more grants. The Nelson attendees indicated this goal assists their community by encouraging them to continually assess and reassess improvements needed in the infrastructure of the community. Edgar identified this goal also encourages small communities to develop and update comprehensive community plans so they can develop a road-map of what is needed, when and how to accomplish it by being able to commit and raise matching funds for such projects.

From 75% to the majority of the population of the communities can be reached with infrastructure development projects.

Almost all attendees indicated that such infrastructure projects help those residents of the community that are least able to pay for these infrastructure services.

Attendees expressed several gaps in providing successful public works projects in their communities:

- Meeting the median income criteria for communities with a big diversity in well-to-do citizens and those that are "dirt poor";
- Needs Survey Process can be a hurdle
- Lack of community strategic survey and/or comprehensive plan
- Availability of affordable and successful grant writing; application process is perceived as complicated by some small communities; some small communities may not have professional staff available to assist in writing successful grant applications and obtaining grants for community development; when professional assistance is available, it can be costly
- Concern over affordability of some projects, even WITH CDBG and other funds
- Some concern about "over designing" by engineering firms and resulting high cost of projects that are unaffordable by the small community; possible more oversight of the engineering firms to reduce "over engineering".
- Education process is necessary to provide data
- The short and long term needs of numerous communities along the UP railroad for overpasses as towns are "split" by railroad lines
- Small communities that begin to put all the pieces together with local successful grant writer can become "match poor" for needed services; meeting the LMI income criteria can often mean that the community does not have the financial resources it needs to improve the lot of its citizens that can not afford to pay for the services and infrastructure needed; so even if you do qualify, the match requirement may preclude you from successful completion of the project because your citizens can not afford the service/project
- For the budget of the small community with "lid restrictions", the match for the county/community can be just as difficult to obtain as the down payment for housing for its low income citizens.
- For new Economic Development and/or Community Development Projects, a new road to support/service such a project can cost from \$200,000 to \$350,000 per mile and there are no dollars available for such new infrastructure.

Public Input on Business Development

The attendees indicated that the citizens of their respective communities are not better off than last year relative to the State's goal to strengthen Nebraska communities by targeting community development problems with small business development and job training

projects as job training dollars are no longer available as a valuable resource and tool for business recruitment projects. While they previously had an impact on the ability to attract and/or retain businesses in a community, the perception and understanding is that these job training funds are no longer available. However, Holdrege and Hastings did indicate they have had some help with small business development through the use of their own trained staff.

Attendees indicated that several of the communities in their area are working to take advantage of this goal by continuing to work with DED and become knowledgeable of programs that would be relative to this goal. This is the stance taken by Alma. Holdrege indicates a willingness to take advantage of this goal with the stipulation that a job training program needs to make sense for the small business and the community. The Kearney attendees indicated that a plan is in place in the county to reuse CDBG funds for this endeavor.

A majority (if not all) of the citizens in these respective communities can be reached with small business development and job training. The Kearney attendees had a different perspective as they felt that 60% of their citizens could be reached with Small Business development but 0% could be reached with Job Training as there are not funds available.

Small business development and job training strengthen the business climate in a community, whether it is a small or larger community. The Kearney attendees did feel they were receiving the benefit of small business development/assistance to those residents least able to pay for these business development services. Alma and Holdrege felt they were not getting much in these areas, but then they realized they also must have appropriate projects that could qualify for such assistance.

Attendees expressed several gaps in providing successful small business development projects and job training to the businesses located within their communities:

- The need to distinguish between small business and entrepreneurs and have focused programs that address each segment and their needs for development and/or training
- Focus efforts on entrepreneurs with growth potential
- Model program after UN-L The Food Processing Center
- Consider incentives for participation by the private sector; leverage existing LB775 credits to local entity to be redistributed for venture capital, micro loans, etc.
- Create "Angel Network"
- Still uncertainty as to who to call for which type of needs
- More training and education of existing and potential business owners in business planning, marketing, etc.
- Help in recruiting businesses
- Very little of grant dollars stay in small community or county; usually use architect, builder, etc. from larger communities; once project is over, dollars usually have left the community;
- Help in developing business that contribute to the overall benefit of the community, quality of life, spinning off other businesses, etc.
- Help existing businesses expand facilities, (e.g. home-based business outgrowing current site needing larger building)
- The perceived and actual lack of funding
- Some feeling that DED is understaffed and has a full plate so a bit of "passing the buck" is felt by the small communities that do not have professional staff "up to speed" on all the Business Development programs and details.

Public Input on Planning

The attendees indicated varying levels of success and achievement relative to targeting serious community development problems with funds to solve the problems locally through the planning process. Hastings, Alma and Holdrege all expressed "No" that their citizens were not better off now than last year relative to this goal. Kearney attendees expressed "Yes" they were better off than last year. Other smaller communities recognized the need for planning but it is an activity that is continually put on the "back burner" relative to immediate concerns of the day, so the citizens would not be considered better off than last year because planning projects have not been undertaken..

Attendees indicated that several of the communities are working to take advantage of this goal, however, by submitting planning applications and obtaining funds for planning projects within their communities. Alma and Edgar will be applying for a planning grant as has a regional group (the Nebraska Development Network) that will be applying for a planning grant to assist small communities with community needs surveys. The Kearney attendees responded in the affirmative with a labor study planning grant and marketing the results and developing partnerships to benefit the region. Kearney attendees also believe that the planning grant process has developed a familiarity with the CDBG process which has enabled communities to look to the future and plan for the future.

Almost everyone expressed their opinion that 100% of their citizens could be reached by conducting planning projects and receiving funds to conduct these planning projects. The realization must also be made that an emergency in a small community or county sometimes takes precedence over a project that has been planned for and in the works.

Attendees expressed several gaps in providing successful planning projects within their communities, including:

- Paperwork for planning projects is too lengthy and difficult; a simplified application form and process could make it easier for more communities to participate in obtaining planning funds
- Lack of funding for all needed planning projects
- Lack of Technical Assistance for completion of the CDBG application
- Coordination with other agencies who are funding and working for similar planning efforts
- The need to reinforce implementation aspect of planning as Comprehensive Plans are often "still on the shelf"
- Increased awareness and information flows on the availability of planning programs and assistance; lack of knowledge on the financial assistance that is available for community and county-wide planning projects
- Ability of the community and or county to find the time and overcome the inertia to participate in the planning process;
- Lack of validity of U.S. Census and the use of this data on LMI criteria for qualification
- Even though a critical part of the strategic map for a community, it is sometimes the first "skipped" piece, as projects are developed and initiated that are in response to availability of grant funding and grant timing for specific endeavors.

Public Input on your Relationship with DED

Some of the attendees indicated their communities/organizations had the following priorities for the following year:

- Develop more relationships with other communities
- Expand grant applicant base
- Better coordination of education base and program availability; better coordination of UNK programs into the economic development process
- Continued addressing of Housing needs and availability
- Update Comprehensive Plan
- Business Recruitment and Retention
- Continued rehab of infrastructure
- Retain and strengthen existing businesses
- Develop VISTA- Technology Park
- Try to bring alumni back to the area to live and work/retire
- Fund raising for match for new community center
- Activate Community Foundation as a continued source of funds for community development projects
- Enhance the Information Technology Planning process to incorporate it into the strategic plan of the community and implement it within the new community center
- Maintain and enhance where needed the infrastructure of the community to make sure it continues to support existing and future community, business and economic development endeavors within the community.

Attendees indicated that their working relationship with DED was good to excellent depending on their own level of activity and energy towards various community, business and economic development projects. The attendees realized that DED and the field staff of DED are also working under resource restraints such as budget, staffing, geographic distance. It is the general consensus that all DED staff try their utmost and do their best to be accessible to all the communities and represent all the programs as best they can. Given the mandate of DED, some attendees feel that they field staff and DED are "stretched pretty thin" but still do a remarkable job in assisting the communities, counties and organizations. The communities recognize that they need to continue to foster their relationships with DED and develop working partnerships with DED and others.

Attendees listed areas of improvement in regards to their relationship with DED as follows:

- Increase the enthusiasm for out-state NE from the "Lincoln" staff to match that of the field staff
- Additional field staff realizing that budgetary constraints make this difficult
- Follow-up on their commitment to a community
- Need a plan of priority to assist rural NE
- Raise their DED visibility and accessibility with communities
- Expand their knowledge of other programs in addition to education on existing programs
- Understanding of CDBG application and funding at the county level
- An empathy for small communities that often operate in these areas of economic development with volunteer staff/citizens who are endeavoring to make their communities better, on their own time and on their own "dollar".
- Assure that the volunteer time and effort spent on a Business and Retention study results in recommendations for the area/communities in addition to a summary of the interviews, in order that the study doesn't just "go on the shelf".

Respectfully Submitted:

Pamela Maynard for South Central Economic Development District
June 18, 2004

