

Community Development Corner  
January 24<sup>th</sup>, 2018  
by Jarrod McCartney

Heritage Tourism Development is partnering with Hollman Media and the University of Nebraska-Kearney's "Community Strengths Project." The project will help us figure out what we're doing well in terms of attracting visitors and new residents and shine a spotlight on areas we need to improve. We need 100 surveys to be completed by Feb. 1<sup>st</sup> and are just a few shy of this writing. Go to this link to fill it out: <https://goo.gl/LSTA3b>. It takes 5-10 minutes and can be filled out by anyone who has ever been to Red Cloud.

I am hopeful that this data will be as illuminating as what we have gathered from recent surveys conducted by the South Central Economic Development District (SCEDD). SCEDD will soon be completing the City's Comprehensive Plan. This will give us a planning document that I hope will spur further economic development and downtown revitalization. You may notice some data in this report that conflicts a little with more optimistic data about population trends in the community. Basically, data from the US Census and another organization, ESRI, sometimes differs. For example, Census projections place Red Cloud's 2018 population at 948 while ESRI says we are at 1,001. One of the major reasons for differences is that the Census projections are based on assuming trends from the 2010 Census and the years leading up to it are continuing at the exact same pace whereas ESRI tries to account for things that have happened since. Obviously, we've been a little more active in promoting Red Cloud and building things the last few years so I am inclined to favor the ESRI data over the Census estimates—but it doesn't mean the Census estimates are wrong. Indeed, since they assume a static rate of decline, they could conceivably be underreporting population loss even. When the Census is conducted again in 2020 we will get a better sense of where we actually are. In the meantime, I'll simplify things by saying that the more pessimistic visions of Red Cloud's future are the likely outcome of doing nothing or standing still whereas the more optimistic projections reflect an active and engaged community trying to make itself better. We know that people are moving in and attracted by the work we're doing. The truth is that both outcomes are possible, and for some reasons that are out of local control, so let's not rest on our laurels.

One of the ways I truly feel that Red Cloud can become a more attractive place to newcomers and visitors alike is by doing as much as we can to make downtown a beautiful place to visit, shop, eat, grab a coffee and (if we get a hotel) stay the night. The other key factor is improving the housing stock so that there are suitable places for families to live. Improving housing also makes the community a more comfortable place for visitors, as some of our most painful eyesores are located near points of interest or entryways to town. Because of this, I feel it is imperative that we pass LB840 in Red Cloud. LB840 is the Local Option Municipal Economic Development Act and was passed by the State Legislature in 1991. The point of the program is to give communities resources to do their own economic development work instead of relying on federal or state programs. LB840 communities can use property or sales tax to establish a fund and use it for things like grants or loans to local businesses, grants or loans for storefront improvement, provide relocation assistance to new employees, and recently the legislature crafted language allowing LB840 funds to be used for the creation of workforce housing—that is moderately priced new or rehabbed homes intended to provide places for new working families

to live. Before you get too worried, we are not the least bit interested in proposing the use of property taxes to create economic development funds. We would only be seeking a half cent rise in City sales tax and only using that portion of the City sales tax for the plan as we recognize that improving the City's infrastructure is vital to make any shopping district worth visiting or any rehabbed home worth living in. We also cannot do any of this without the support of the majority of Red Cloud voters. Two issues must pass the ballot for this to become a reality. One is to pass the sales tax increase while the second is to pass the actual local economic development plan. The plan that voters pass is what will guide how the funds get used, not just my ideas or the City Council's, or the Chamber's, or any one group. If passed, a Citizens Advisory Review Committee will be appointed and make recommendations, listen to proposals, etc. If you want a detailed review of what LB840 entails, please consult this website:

<https://opportunity.nebraska.gov/program/lb-840/>

In late December, our application for two (2) Rural Futures Institute interns was approved. Working under my supervision and with the input of the Economic Development Advisory Board, the Board of Public Trust, and others, we will craft an Economic Development Plan for the City of Red Cloud to place on the ballot this Fall. We will hold several town meetings along the way and look forward to hearing everyone's perspective and explaining why we think this is useful for the future of Red Cloud. One reason I want to do this is I have been asked by local businesses about grants, loans, and other incentives available to them. I usually have to tell them that beyond a utility rebate that the City generously provides (and the Chamber matches) there's not much we can do for them. The State usually isn't all that helpful either. LB840 would change that. It's been used to tremendous effect in Arnold, Ord, Minden, Superior, and throughout the state. It's the reason why Superior has incentives for new businesses that we simply cannot match. It's how Minden was able to improve their water. It's part of how Ord and Arnold have been able to create vibrant downtowns and attract people even though they're miles from an interstate. I will caution you that it's not a magic bullet and the amount of money we'd get from it is not going to build us a new factory right away or attract Amazon to town. However, it will provide some funding for things we have been forced to neglect. I'm sure you all have a hundred ideas about how we could potentially reinvest LB840 money in the community. I cannot wait to hear them.