## FALLS CITY ECONOMIC DEVELOPMENT & GROWTH ENTERPRISE VOLUME I ■ 2012

## AGI Chooses Falls City for Expansion



In December, Falls City Economic
Development and Growth Enterprise
(EDGE) led a group of community and
state leaders to Ag Growth International's
(AGI) corporate headquarters in
Winnepeg, Canada, to meet with
company executives. Representing
EDGE was Beckie Cromer, Executive
Director, and Kevin Malone, Vice
President; the City of Falls City was Gary
Jorn, City Administrator; and the State
was Phil Michel, Development
Consultant with the Nebraska
Department of Economic Development.

The purpose of the visit was to establish relationships with AGI, the new owner of Falls City-based manufacturer <u>Airlanco</u>, and discuss the company's plans for continued growth in Falls City.

AGI corporate officials participating in the meeting included: Steve Sommerfeld, Chief Financial Officer; Dan Donner, Vice President Sales and Marketing; Paul Franzmann, Vice President of USA Operations; Doug Weinbender, Vice President of Operations; Nicolle Parker, Vice President Finance & Integration; and Eric Lister, Counsel.

"This is an exciting time for Airlanco. The financial and moral support provided by EDGE is very appreciated by Airlanco and Ag Growth. The EDGE group is certainly an asset to the Falls City community."

> -Doug Watkins, General Manager, Airlanco

AGI is a leading manufacturer of portable and stationary grain handling, storage, and conditioning equipment including augers, belt conveyors, storage bins, handling accessories and aeration equipment. The visit was also an opportunity to tour AGI's Canadian facility and learn more about its product lines.

Following the acquisition of Airlanco in October of last year, AGI announced it not only would be retaining all of Airlanco's current employees as well as all the management at the 80,000square-foot plant, but would be expanding its presence in Falls City. Their immediate plans called for the purchase of the 17,700-square-foot building in the Falls City Industrial Park which will become a research and development center for the company's new product lines. The company took possession of the building on December 31<sup>st</sup>. The expansion will generate \$1 million dollars in capital investment and create 15 new full-time jobs. Wages will be \$11 to \$16.50 per hour with full company benefits.

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## AGI Expansion (cont.)

The EDGE office assisted with submitting applications for three different incentive programs for the Airlanco expansion project, including:

- Nebraska Advantage Tier 1, submitted to Department of Revenue, which requires \$1 million dollars in capital investment and the creation of 10 jobs.
- Nebraska Asset Modernization Grant, submitted to Nebraska Investment Finance Authority, which awarded \$7,000 dollars to Airlanco for the modernization of equipment. Airlanco will submit a second application in June 2012 as additional equipment modernization is planned.
- Job Training Grant, submitted to Department of Economic Development, for the skilled training of new employees in the fields of welding, CNC operation, painting, fabrication and maintenance, as well as supervisory positions.

#### Other incentives EDGE assisted with include:

- A loan for the purchase of the building, interest-free for the first 18 months during the company's ramp-up period. The loan will be forgiven if Airlanco reaches and maintains its employment target.
- Upgrades to the building, including remodeling of the business offices and efficient new HVAC equipment.



EDGE, City and State Officials Tour AGI's Westfield Industries Facility in Canada

- Infrastructure upgrades including a new, higher capacity transformer and waterline at the existing Airlanco facility.
- Airlanco will also have first refusal on a 4.42-acre parcel adjacent to the new facility to allow for future building expansion, capital investment, and job growth.

"We are very excited Ag Growth chose Falls City for expansion," said Kevin Malone, EDGE Vice President. "AGI is a progressive and growing international company with an impressive management team. We look forward to a long-term relationship with AGI/Airlanco as a major employer in our community."

<u>To learn more about AGI, visit their website »</u> Visit Airlanco.com to learn more about the company's products manufactured in Falls City »

## Local Entrepreneurs Purchase Wolfe's Printing

Martha Chapple, a long-time employee of Wolfe's Printing & Office Supplies, and her husband Todd purchased the business as of December 31<sup>st</sup> last year with the help of local lenders and the newly expanded Community Development Block Grant (CDBG) program. The Re-Use Memorandum of Understanding, which earned unanimous City Council approval after a public hearing, calls for a \$40,000 dollar loan to be repaid over a seven-year period at 3% interest.

Chapple said she was previously unaware of the CDBG program, noting "I feel extremely fortunate to have been eligible to receive funding. Falls City EDGE was instrumental in the application process and EDGE's Executive Director Beckie Cromer made the process painless. I cannot thank her and the entire EDGE organization enough."

According to EDGE Executive Director Beckie Cromer, the project will retain and create new jobs as well as retain valuable community business services.



Martha Chapple, new owner of Wolfe's Printing

To learn more about incentives available to help your business expand and grow in the Falls City/Richardson County area, visit the EDGE website »

## **EDGE Celebrates a Year of Progress and Success**

The EDGE Annual Meeting and Banquet was held on Wednesday, January 4<sup>th</sup>, with over 80 member-investors attending the celebration. In his annual message EDGE President Bart Keller referred to the "energy, enthusiasm, and 'can-do' spirit" of the EDGE team, which has resulted in "significant economic development progress over the past five years."

A 15-minute video montage highlighted EDGE's "Top 10 Milestones of 2011." The list included the expanding role of Ag Growth International as a part of Falls City's industrial and business community; Herzog's multi-million dollar track expansion at its railcar repair facility in Falls City; utilization of the 2010 Housing Study and the start of the Wilderness Falls senior housing project; retention of all existing manufacturers and the expanding workforce; working with the City to expand incentive programs; small business development assistance, progress in developing "shovel-ready" industrial sites; aggressive promotion of Falls City and Richardson County as a place to do business, work and live; and maintaining/expanding support for EDGE through efforts to inform, engage and demonstrate accountability to investors and community stakeholders. (See next page for the complete list of 2011 milestones.)

Rod Vandeberg, District 1 Nebraska Highway Commissioner and former Mayor of Falls City, in his remarks extended "some well-deserved thank yous" to those currently providing EDGE leadership, including Executive Director Beckie Cromer who he said, "works so hard and represents us so well and who has gained so much respect in the field of economic development." Vandeberg also acknowledged Keller and fellow Executive Committee members Steve Kottich, Kevin Malone, Dana Rathje and Beth Sickel, as well as Administrative Assistant Carla Rhodd, the EDGE Board of Directors, the Mayor and City Council. He also thanked Lynn Franzen and Phil Michel of the Nebraska Department of Economic Development and Kevin Burnison of Southeast Nebraska Development District (SENDD) for attending the banquet and for their continued support.

"EDGE is clearly one of this community's 'crown jewels.' While there are times when it might appear that things are not happening, let me assure that things are constantly happening ... many times behind the scenes ... and that no stone is left unturned in its efforts to improve the economy of this great community."

— Rod Vandeberg

The EDGE 2011 Investor of the Year Award went to Vision Inn. "The project was the first in Falls City to utilize Tax Increment Financing," said EDGE Vice President of Investor and Community Relations Kevin Malone. "It shines as a great example of how this economic development tool can be a win-win for both the developer and the community." The investors in the project, including Jerry and Nancy McKim, Leon and Madaline Wilhelm, Allan and Mary Ann Clark, Gary and Linda Jones, Phil Bletscher, Dr. Dave and Joyce Borg, Rich and Susan Witt, Brian and Sally Palmer, Marna Stehlik, and Jim and Shirley Jones, were introduced and the award was presented by Malone, who noted their "very large investment in the future of Falls City and the surrounding area." Malone said, "The project shows how a collaborative effort of a number of investors can make something happen and should serve as a model to others of how to overcome development challenges and turn them into an economic success story for our area." The two previous winners of the award were Community Medical Center and Southeast Nebraska Communications.

During the business meeting, Jerry Oliver was re-elected to another three-year term as an EDGE General Director and Bart Keller will serve another year as president of the EDGE Board of Directors in 2012.



EDGE Board members Kevin Malone, Bart Keller and Beckie Cromer present 2011 Investor of the Year Award to the Vision Inn Investors

## Top 10 Milestones of 2011

- 1. Welcomed Ag Growth International (AGI) to the Falls City business community. AGI acquired Airlanco in October and has since announced it will expand operations in Falls City with the purchase of the 17,770-square-foot building located in the Falls City Industrial Park. The expansion will create 15 new jobs that will generate over \$1 million dollars in new wages while adding approximately \$1 million dollars in new capital investment.
- 2. Celebrated Herzog's multi-million dollar track expansion at its Falls City railcar repair facility.
- 3. Increased housing inventory in accordance with the 2010 Falls City Housing Study. A master plan for a 27-acre residential development site was completed, paving the way for future subdivision development. Excel Development began construction on the Wilderness Falls senior housing project in the development area, generating over \$400,000 dollars in bids awarded to local contractors.
- 4. Retained all existing manufacturers and encouraged job growth and expansion. The Falls City manufacturing sector increased employment by adding 70 new employees.
- 5. Addressed workforce needs of area businesses. Proactively recruited Staffing Services, Inc. to the community to meet area employers' growing demand for local employment services. Assisted Watkins Aircraft Support Products (WASP) with obtaining a \$6,000 dollar Nebraska Worker Training grant that provided funding for performance and efficiency training for 40 employees.
- 6. Worked in collaboration with the City to expand incentive programs, including the Community Development Block Grant Reuse Loan. These incentive tools are now available to qualifying industrial, commercial, retail, and service businesses, as well as any businesses locating or expanding in Falls City's 660-acre Redevelopment District.
- 7. Provided an array of assistance to stimulate small business development, including financial counseling, business plan development, succession planning, and site location assistance. As a result, Olberding Family Chiropractic and LaCarreta Mexican Restaurant opened new businesses and Wolfe's Printing continued its local business operations, creating or retaining eight jobs.
- 8. Continued to make progress toward development of "shovel-ready" industrial sites, including completing the mass grading of a 10.1-acre site in the Falls City Industrial Park. To assist with funding of the 2012 infrastructure development phase, a Nebraska Site and Building Development Fund application totaling \$234,000 dollars has been submitted to the Nebraska Department of Economic Development.
- 9. Aggressively promoted Falls City/Richardson County as a preferred place to do business, pursue a career, and live. Participated in a sales trip to Chicago, which included attending the Process Expo Trade Show and site selector appointments; the Community Venture Network prospect presentations in Minneapolis; and the Governor's Reverse Trade Mission events in Lincoln. Participated in three career fairs, including Falls City High School College Access Day, the Veterans Job Fair, and the Southeast Nebraska Career Fair.
- 10. Maintained support and investment levels as a result of focused efforts to inform, engage, and demonstrate accountability to investors and community stakeholders. Eight new member investors joined the EDGE economic development team.

To obtain *your* copy of the EDGE 2011 Annual Report, please contact the EDGE office at 402.245.2105 or email assistant@fallscityedge.com.



## Building Upon Success ... 2012 Strategic Plan

EDGE's 2012 Strategic Plan builds upon past accomplishments and outcomes, while addressing current issues/challenges influencing success. According to EDGE President Bart Keller, "This year's plan continues implementation of priorities established in 2011 and provides a comprehensive work plan for each of EDGE's three strategic action teams—Marketing and Sales, Product Development and Public Policy Advocacy, and Investor and Community Relations." Following are highlights of the 2012 plan:

#### **Marketing and Sales**

- Generate new business leads utilizing customized lead generation services.
- Retain and grow existing business investments.
- Develop and enhance marketing-sales tools to effectively sell Falls City area business location opportunities, including updating the 2008 Richardson County Labor Basin Study.
- In collaboration with Greater Omaha Economic Development, utilize <u>Destination Omaha</u> major events to host corporate headquarter executives and attract prospects.
- Continue to effectively outreach to corporate executives of local manufacturers.
- Attend marketing events, including target industry trade shows, Community Venture Network events, as well as hosting a Nebraska Department of Economic Development familiarization (FAM) tour and site selector events in collaboration with Lincoln Area Development Partnership.

#### **Product Development and Public Policy Advocacy**

- Develop short-term solutions and a multi-year/longer-term continuous product improvement action plan to address product weaknesses and to enhance product strengths.
- Increase product inventory—marketable sites and buildings. Specifically, pursue Nebraska Site and Building Development funding from the Nebraska Department of Economic Development to assist with funding infrastructure development phase of the <a href="10.1-acre site">10.1-acre site</a> in the Falls City Industrial Park.
- Continue to build relationships/partnerships with state and federal agencies administering financial assistance programs that could be utilized to fund product development/improvements and enhance <a href="EDGE's financial">EDGE's financial</a> assistance tools.
- Increase moderate-to-upper income single-family homes and senior housing, in accordance with the <u>2010 Falls City Housing Study Action Plan</u>, including continuing implementation of the 27-acre residential development site master plan.
- Address workforce needs of existing, new and entrepreneurial businesses. Continue to inform and educate employers on the Talent and Innovation Initiative.
- Advocate for the City to update the 2012 Comprehensive Plan to serve as a benchmark and guide for future growth and development, including land use; industrial, commercial and residential development; and public infrastructure and utilities.

#### **Investor and Community Relations**

- Foster positive community relations.
- Increase private sector investment, attracting at least one new "Visionary-\$5,000 level" investor.
- Maintain the City and County's financial support at current levels.
- Foster positive member-investor relations, including hosting investor networking events throughout 2012.

To learn more about EDGE's 2012 Strategic Plan of Action, please contact EDGE's Executive Director Beckie Cromer.

### Join Us on the Road to Economic Development Success!

For more information on how you can get involved in EDGE, please contact Beckie Cromer, Executive Director, at 402.245.2105 or director@fallscityedge.com.

# Neighborhood Stabilization Program Sparks Redevelopment

Falls City completed a successful voluntary demolition program which resulted in the removal of vacant or dilapidated homes throughout the community in the last two years. The Neighborhood Stabilization Program (NSP) is led by volunteers of the City Housing Board, including Adam Morris, Brian Poppe, Ed Harris, Kevin Malone, Karla Capps and EDGE Executive Director Beckie Cromer. These city wide improvements were made possible because of a grant as well as local donations and are part of the improvements necessary for our community to remain competitive and successful.

NSP, which is a component of the Community Development Block Grant (CDBG) program, allows localities to develop their own local programs and funding priorities. Falls City targeted the demolition arm of the NSP program in order to improve neighborhoods as well as provide opportunities for redevelopment of these newly vacant properties.

The most visible signs of improvement, resulting from this project, can be found along 14<sup>th</sup> and 21<sup>st</sup> streets in Falls City and include expansion of the Hullman's Ford dealership and the construction of a salon which is owned and operated by Lee Clark.

Adam Morris, Chair of the Falls City Housing Board and member of EDGE's Product Development and Public Policy Committee, notes, "We are very pleased with the success of Falls City's NSP grant program. Through this grant and the private donations from community members, totaling approximately \$133,000 dollars, we were able to raze 23 dilapidated structures which sparked redevelopment and improved our community."

In addition to the NSP program, the City also provides owner-occupied rehabilitation grants for the remodeling of homes, as well as a down payment assistance program which supports first-time homebuyers.



BEFORE



**AFTER** 

For information about these programs which help sustain our neighborhoods or to learn how you can become a member of the Falls City Housing Board, please contact Gary Jorn, City Administrator, 402.245.2707.



Peru State College (PSC) will be hosting a Southeast Nebraska Career Fair from 11:00 a.m. to 3:00 p.m. on Tuesday, March 13, in the Al Wheeler Activity Center. It is free and open to the public. The Career Fair is designed to give PSC students and people across southeast Nebraska the opportunity to meet with area employers to discuss current and anticipated employment opportunities.

Area employers interested in a display/table (no cost), can download the registration form at <a href="https://www.peru.edu/careerservices/careerfair/">www.peru.edu/careerservices/careerfair/</a> »

For more information, please contact PSC Career Services (CATS 204), 402.872.2436 or email aholtz@peru.edu.

## Community Colleges Launch Renewable Energy Courses

Nebraska's Community Colleges now offer programs in renewable energy technologies – wind, solar, hydropower, geothermal and biofuels. With a total of \$1.9 million dollars in *American Recovery and Reinvestment Act* grants from the Nebraska Energy Office to six community college systems, including Southeast Community College, the colleges have added coursework and training equipment across the state to prepare students for careers in renewable energy fields.

"There is increasing demand for workers with expertise in installing, maintaining, and operating new types of renewable energy equipment and facilities. I'm pleased the Community Colleges are filling this occupational training void," said Energy Office Director Ginger Willson.



Teams of instructors from across the state have developed courses in wind, solar, hydropower and geothermal technologies using national competency standards, and continue to expand the course offerings. Instructors have received training from organizations such as the American Wind Energy Association, National Hydropower Association, Geothermal Energy Association, Solar Energy Institute, and others who offer the most advanced thinking in renewable energy.

Southeast Community College in Milford has developed an Energy Generation Operations Program. The comprehensive program of study provides training in multiple energy systems, including renewable wind,

biofuels specializations, traditional fossil fuel, and nuclear programs. Students learn skills for power plant operators, ethanol production operators, wind farm technicians and operators, as well as operators of other types of energy production facilities. Programs are certified by the Wind Energy Association and the Nuclear Energy Institute.

"We are pleased Southeast Community College, which serves our area, as well as Community Colleges throughout the state are offering an array of renewable energy technology training programs," said EDGE VP of Product Development and Public Policy Dana Rathje. "These specialized training program offerings will help in our efforts to attract and retain renewable energy investments and jobs to the Falls City/Richardson County area. It will also enhance the supply of a well-educated and trained workforce for the multi-million dollar Flat Water Wind Farm in Richardson County."

For more information on all six community college program offerings, go to the Nebraska Energy Office's website »

## **EDGE Hosts Open House for Investors**

EDGE hosted an Open House, catered by Theresa Armbruster, with Main Street Falls City and the Falls City Area Chamber of Commerce on October 26<sup>th</sup>. Approximately 60 business and community leaders attended the event which included a tour of the newly remodeled offices.

"It was a great opportunity to say *thank you* to our investors for 'investing' in Falls City/Richardson County, as well as a chance to meet the new Main Street and Chamber directors," said Carla Rhodd, EDGE Administrative Assistant.



## A Message from the President

Since its inception in 2007, EDGE has been a *catalyst for progress*. From that day forward, we have acted proactively and decisively to put an aggressive economic development growth strategy into action. We have worked diligently to attract new business investments to the area, encourage existing business retention and growth, and stimulate entrepreneurial development—while still investing in the future.



We've seen significant economic development progress over the past five years, as evidenced by the Flat Water Wind Farm, Excel Development's Wilderness Falls senior housing project, Highway 159 Missouri River Bridge at Rulo, Falls City Industrial Park expansion, Southeast Nebraska Communications' Fiber-to-the-Home Network, and most recently, the Herzog and Ag Growth International expansions, in addition to several small business developments.

I would like to thank our Executive Director, Beckie Cromer, and Administrative Assistant, Carla Rhodd, for their hard work and commitment to advancing EDGE's goals and objectives, and our dedicated Board of Directors for their guidance and participation in all of our efforts. I would also like to thank our public partners—the City of Falls City and Richardson County, private and individual investors, as well as the community at large for your past and continuing support.

EDGE needs you, our partners, to continue to work together with us to create economic prosperity, a healthy tax base, and jobs in Falls City/Richardson County. Let's continue to be a *catalyst for progress*.

-Bart Keller, President

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