FALLS CITY ECONOMIC DEVELOPMENT & GROWTH ENTERPRISE

VOLUME I ■ 2011

Making Progress on the Road to Success



A Message from EDGE President Bart Keller

The EDGE Annual Meeting and Banquet was held on January 5. It was a time to reflect back on the year and look ahead to the future. In 2010 we gained significant momentum in an effort that started in 2007 with the formation of Falls City's first ever public-private economic development partnership.

One of the most significant developments this year was Southeast Nebraska Communications' (SNC) installation of a Fiber-to-the-Home Network, connecting virtually all homes and businesses in its service territory to next generation bandwidth. SNC received \$23.3 million dollars in USDA grants and loans for the project. This state-of-the-art telecommunications network will have a profound economic impact, enhancing EDGE's efforts to attract new businesses, workers and families to the Falls City area.

Construction of the \$145 million dollar Flat Water Wind Farm was completed and began producing electricity on December 21. The project provides an

anchor for development of a renewable energy cluster in Richardson County. In the coming year, EDGE will continue to pursue opportunities in this target industry sector.

With the economy rebounding, our existing manufacturers reported job growth. Even more good news—they project continued growth through 2011.

In September, work began on the new \$32 million dollar Highway 159 Bridge over the Missouri River. Infrastructure is a key to economic development success—the bridge opens a new transportation corridor to business and tourism development opportunities.

In the coming year, I look forward to serving as president of EDGE and continuing the momentum, making progress on the *road to success*.

Turn to the page 2 for the complete "*Top 10 Milestones of 2010*" and to page 3 for an overview of EDGE's 2011 strategic plan of action.

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Top 10 Milestones of 2010

- 1 Southeast Nebraska Communications' (SNC) Fiber-to-the-Home Network project is nearing completion in Falls City and design work is commencing in rural areas of the County. The state-of-the-art network will connect virtually all households and businesses to fiber optic cable. The project received a total of \$23.3 million dollars in funding from USDA Rural Development. Throughout the year, EDGE promoted the benefits this next generation bandwidth creates for doing business, working or living here on its website, in its quarterly newsletter and in a direct mailing to over 3,000 alumni of Falls City and Sacred Heart schools.
- 2 Construction of the \$145 million dollar Flat Water Wind Farm was completed and is now supplying power. Eight to ten high-tech jobs have been created. During the construction phase, the project employed over 140 temporary workers and injected an estimated \$100,000 per day in the local economy and tax base.
- 3 All existing manufacturers experienced job growth. According to the NE Dept. of Labor (*Quarterly Census of Employment and Wages*), Richardson County's manufacturing employment increased 32 percent from 2009 to the third quarter of 2010.
- 4 Vision Inn development—the City's first Tax Increment Financing (TIF) project—was completed. Attracted a new Mexican restaurant to the downtown district and a new medical facility that is creating three new jobs.
- 5 Worked with the City to complete the Falls City Housing Study. Recruited Excel Development that plans to invest more than \$3 million dollars in building 16 affordable duplexes and 6 market-rate duplexes.
- 6 Continued efforts to increase inventory of marketable sites and buildings. Completed design work on 10.1 acre site in the Falls City Industrial Park, including design of 40,000 to 80,000 sq. ft. expandable building. Remodeled former medical clinic utilizing HUD-EDI funds, adding 6,700 sq. ft. of office space to inventory. Garnered support for an additional 80- to 200-acre site with rail access and was a finalist for a state grant that would have provided assistance to develop a dual rail-served site.
- Work began on the new \$32 million dollar Highway 159 bridge over the Missouri River at Rulo. During the construction phase the area will reap many economic development benefits, utilizing local workers as well as hotels, restaurants and entire retail district. Scheduled for completion in 2012, the new transportation corridor will attract industry and jobs and also boost tourism by providing easier access to interstates and other major highways.
- 8 Continued to aggressively market and sell Falls City location opportunities. Attended Windpower 2010 and Solar Power 2010 international trade shows, promoting location opportunities in Nebraska and the Falls City area. Revamped and upgraded the EDGE website and was awarded a 2010 Website for Growth Award by the Nebraska Department of Economic Development.
- 9 Continued to support the work of the Falls City Chamber/Main Street in the redevelopment of the downtown district by investing \$10,000 in the Main Street Program and co-locating with the Chamber to enhance synergies.
- 10 Maintained support and investment levels as a result of diligently working to inform, engage and demonstrate accountability to investors and community stakeholders.

To obtain *your* copy of the EDGE 2010 Annual Report, please contact the EDGE office at 402.245.2105 or email assistant@fallscityedge.com.





















Focus, Direction, Action... 2011 Strategic Plan

EDGE's annual strategic planning effort presents an opportunity for the public and private investors to reassess and realign strategic priorities and actions to guide the organization on the road to continued success in creating jobs and a positive economic impact. Facilitated by Shelia Langdon, an economic development consultant, EDGE's three strategic action teams—Product Development and Public Policy Advocacy, Investor and Community Relations, and Marketing and Sales—met in mid-November to map out the route to the goal of achieving continued progress and success in the coming year. The EDGE Board adopted the plan at its December meeting. Following are highlights of the 2011 strategic priorities:

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.
- 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
 EDGE's financial assistance tools.
- Increase moderate-to-upper income single-family homes and senior housing, in accordance with the 2010 Falls City Housing Study Action Plan.
- Address workforce needs of existing, new and entrepreneurial businesses.
- Advocate for public policies and funding in support of EDGE's mission, goals and program of work as well as issues impacting economic development success.

Investor and 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.
- Foster positive community relations.

Marketing and Sales

- Generate new business leads.
- Retain and grow existing business investments.
- Develop and enhance marketing-sales tools to effectively sell Falls City area business location opportunities.

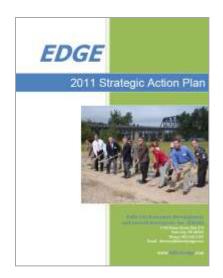
"This year's plan builds upon our past accomplishments and outcomes, while addressing current issues/challenges influencing success. The 36-page plan is comprehensive providing us with focus, direction and specific actions to take, along with a timeline/work plan," said EDGE President Bart Keller.

To learn more about EDGE's 2011 Strategic Plan of Action, <u>please contact EDGE Executive Director Beckie</u> Cromer.

Welcome New EDGE Member Investors and Thank You for Your Investment!

Check-In Motel William R. Boose III

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



SNC Recognized by USDA Rural Development

Southeast Nebraska Communications, Inc. (SNC) of Falls City, NE has been awarded a \$3.4 million dollar loan and \$7.9 million dollar grant from USDA Rural Development's Rural Utilities Service (RUS) Broadband Initiatives Program (BIP) for broadband and a \$1.2 million dollar Infrastructure Program loan and \$10.8 million dollar guaranteed loan for broadband and telecommunications services. The awards were recognized on December 8 in Falls City by USDA Rural Development Nebraska State Director Maxine Moul with a plaque presentation.

"We are pleased to celebrate SNC's award of funds to advance telecommunications and broadband services to rural southeast Nebraska and a small area in northeast Kansas," said Moul. "The funding illustrates RUS and SNC's commitment to bringing needed quality telecommunications to the area."

The \$11.3 million dollar BIP broadband project was funded through the American Recovery and Reinvestment Act. It will allow construction of Fiber-tothe-Home throughout the rural portion of SNC's certified service area, which includes all areas outside of Falls City. The project will benefit approximately 3,000 people, 50 businesses, and 20 community institutions.

The \$12 million dollar telecommunications project, anticipated to be completed in early 2011, brings Fiber-to-the-Home to all of Falls City. The project is funded through a \$10.8 million dollar guaranteed loan that was provided by the Federal Financing Bank with Rural Development guaranteeing the funds, and \$1.2 million dollars in Cost of Money funds. The project will benefit approximately 4,000 people, 250 businesses

(Left to Right) USDA Field Representative Andre Boening, SNC Owner Dorothy Towle, **USDA Rural Development NE Director** Maxine Moul, SNC General Manager Beth Sickel and USDA Area Director Roger Meeks

and 90 community institutions. SNC's certified service area includes the eastern portion of Richardson and several miles in Nemaha counties in

Nebraska and a few miles in Brown County, Kansas. These projects will create jobs and provide rural residents with access to improved service.

"SNC is excited for this opportunity to partner with USDA and invest in a Fiber-to-the-Home network to serve all our customers. This state of the art, "future-proof" communications solution, with nearly unlimited capacity, will not only allow for remarkable expanded phone and internet services to customers now, but also for new applications that customers will desire in the future," said SNC Owner Dorothy Towle.

Rail Grant Update

Falls City was one of the finalists for a grant through the Nebraska Department of Economic Development (NDED) to assist in the development of a dual rail-served industrial park. EDGE garnered support from the Union Pacific and BNSF railroads, as well as the City of Falls City Municipal Utilities, Southeast Nebraska Communications and the land owners. However, NDED officials informed EDGE Executive Director Beckie Cromer that after a comprehensive site evaluation conducted by the Department and their consultant, EDGE was not one of the communities selected to immediately move forward in the planning project. "NDED and the consultant felt we had an excellent site—served by two mainline railroads," said Cromer. "But we were not chosen because of electric capacity needed for a large scale industrial site. While Falls City has ample capacity for our targeted small to midsized companies, as well as expansion of our current manufacturers, we need to work with our partners on garnering additional capacity to facilitate future growth of our community."

EDGE is making this issue a priority in 2011 and will be working closely with the City of Falls City Board of Public Works (BPW) to develop a plan of action to address the issue and strengthen the competitiveness of the Falls City business location product. The BPW is conducting a study due in the first quarter of 2011 that will provide valuable insights into the problem which will allow us to identify and implement solutions over the long-term.

EDGE Wins 2010 Website for Growth Award

EDGE was a big winner at the 47th Annual Nebraska Community Improvement Program Awards Banquet in November. EDGE won the 2010 Website for Growth Award sponsored by the Nebraska Department of Economic Development, University of Nebraska Extension, Nebraska Public Power District, AIM Institute and the Nebraska Information Technology Commission Community Council. The Award recognizes communities that have developed effective community websites based on visual appeal, navigation (ease of finding information), quality of information, enhancement of community and economic development efforts, impact and use of Web 2.0 technologies. Beckie Cromer, EDGE Executive Director, accepted the award from Lt. Governor Sheehy.

"The importance of EDGE's website in recruiting new businesses and workers cannot be overstated," said Cromer. "It serves as the gateway to evaluating location opportunities in our area. The data trend is very clear that the internet will continue to grow in importance as a method for businesses and corporate real estate professionals to evaluate locations for business site selection. According to a recent national survey of corporate site selectors, 71 percent of the time a short list of location options were identified before an economic development professional was ever contacted. That's why we have focused on making the EDGE website the cornerstone of our marketing strategy, providing visitors with a positive virtual experience - content rich, easy to navigate and visually appealing."



The EDGE website was revamped and upgraded last fall by Shelia Langdon, an economic development marketing expert/consultant, utilizing a content management system developed by Cylosoft, Inc. The site has received over 1,400 visits since its launch on September 10, 2010.

Find out for yourself why the EDGE website is a winning site »

SE Nebraska Entrepreneurial Training Course

NebraskaEDGE[®]
Helping Small Businesses Succeed

<u>Five Rivers RC&D</u>, in collaboration with the city of Pawnee City, has partnered with the <u>Center for Applied Rural Innovation of the University of Nebraska NebraskaEDGE</u> business training course designed for both new and seasoned entrepreneurs. The course gives new and expanding businesses a competitive edge by enhancing management skills, expanding the business's customer base and marketing techniques, increasing profitability, and more. This 12-session course starts February 1 and will be offered as both traditional classroom and online. Classroom locations will vary in Southeast Nebraska throughout the course; the first class will be held at Five Rivers RC&D in Tecumseh.

Tailored to fit the needs of any business, the NebraskaEDGE program works with community members to enhance, develop and grow entrepreneurs in the area by providing valuable knowledge to help ensure success of growing future businesses. With an affordable registration fee of \$485 per business (two people per business recommended, but not required), new and established businesses as well as students are encouraged to participate and enhance their knowledge of entrepreneurship while networking with other businesses and exchanging ideas.

Southeast Nebraska Partners for Progress, of which EDGE is a member, is offering partial scholarships; if interested, contact EDGE Executive Director <u>Beckie Cromer</u>. <u>Go to the EDGE website for more information on the course and registration materials »</u> For additional course information or to register, contact program instructor and manager Shawnna Silvius of <u>eVenturesMarketing</u> in Nebraska City at 620.664.8286 or email <u>eventuresmarketing@live.com</u>.

Positive Messages at EDGE Annual Meeting

The EDGE Annual Meeting and Banquet was held on Wednesday, January 5th with over 95 member-investors attending the event. Beckie Cromer, EDGE Executive Director, served as Master of Ceremonies. In her opening comments, Cromer said "The banquet is a special time to recognize the hard work and accomplishments of everyone here tonight and to thank each of you for your continued support whether that's financially or in time given through board or committee representation—or both."

"We've had a great year which includes new investments and job creation—from our manufacturers hiring 45 new employees this year to the \$145 million dollar wind farm project which employed 140 temporary workers at the peak and created 8-10 permanent full-time jobs to Dave and Laurie Nachtigal's new medical facility which created 3 new jobs. EDGE also partnered with companies investing in the future of Falls City, including Excel Development which is planning to construct a \$3 million dollar housing development and Southeast Nebraska Communication's which is installing a Fiber-to-the-Home Network and received over \$23 million dollars in USDA funding," said Cromer. "We've expanded our tax base and generated new wealth to provide needed funds for our city, county and school districts."



2010 Top 10 Milestones Display

EDGE's top accomplishments for 2010 were showcased in a display and in the 2010 Annual Report which was distributed to investors at the meeting. (See page 2 for the 2010 Top 10 Milestones.)



Kevnote Speaker Brian Briggeman

This year's keynote speaker was Brian Briggeman, Economist with the Omaha Branch of the Federal Reserve Bank of Kansas City. Briggeman conducts research and provides expert commentary on agricultural and rural issues and has been published in several leading agricultural economics journals. His presentation provided an informative look at the state of the U.S. and Nebraska economies. Briggeman said the U.S. has been in a period of recovery since mid-2009. Financial markets have improved and the recovery is underway—but cautioned it is slow. He said Nebraska has held up much better in the recovery with gains in the agriculture sector boosting the state's economy. Briggeman said he sees positive signs from

large companies making capital investments in equipment and software and the trend in production activity is on the upswing.

During the program, EDGE Vice President Steve Kottich presented an Award of Appreciation to former Mayor Rodney Vandeberg for his dedication and service to EDGE. "Rod has been a great ambassador for our community—the recognition is well deserved," said Kottich. Vandeberg was presented with a plaque and a ceremonial shovel used at the Rulo Bridge groundbreaking.

The EDGE Investor of the Year Award went to Southeast Nebraska Communications. In announcing the award, EDGE Vice President (2011 President) Bart Keller said "SNC is an exemplar of Falls City excellence. The company has reinvented itself over the past decade from a local telephone company to a state-of-the-art telecommunications company. SNC is investing in fiber optics to gain an edge over larger cities in hopes of attracting not only new business to Falls City, but also people who work out of their homes. We believe this will help to continue growth in Falls City." Community Medical Center was the first recipient of the award presented at last year's banquet.

During the business meeting, Charlie Radatz was elected to serve another 3-year term as a General Director. EDGE President Beth Sickel concluded the meeting by saying, "We are always excited to have new members get more involved with EDGE at the board and committee levels. If you want to find out more about becoming involved in the exciting things EDGE is doing, please talk to Beckie Cromer or any board member. I urge you to get involved and help make a difference in Falls City and Richardson County."



Rodney Vandeberg and **EDGE President Beth Sickel**



EDGE's Bart Keller Presenting Investor of the Year Award to **SNC Marketing Director Chuck Whitney**

Staffing Services, Inc. Opening Falls City Office

In response to our employers' continued demand for local employment services, EDGE has recruited a professional employment services firm to Falls City. Staffing Services, Inc., a Nebraska City-based firm, will be opening an office in Falls City. The office will be located in the EDGE/Chamber office building at 1705 Stone Street and initially open two days per week from 8:30 a.m. to 4:30 p.m.

According to SSI's Sherry Rogman, "Searching for good employees can be a time consuming, costly and frustrating process. SSI strives to close the gap between individuals who are serious about becoming gainfully employed and employers who are just as serious about finding and retaining employees who demonstrate a true ability and desire to perform tasks."



SSI has placement expertise in a variety of career fields, including industrial, technical trade and office/clerical areas of employment. SSI offers several options to meet employers' staffing needs from a Direct Placement program to Temp-to-hire option to Day-to-Day program. The firm provides pre-screening and can customize the evaluative processes to meet employers' specific needs.

For more information on SSI, please visit their website at www.staffingservicesne.com »

Building Upon Falls City Renewable Energy Success

Falls City EDGE hopes to build upon the success of the \$145 million dollar Flat Water Wind Farm by recruiting renewable energy businesses to the area. The Falls City area is an excellent fit for the industry offering a strategic central U.S. location, access to transcontinental transportation networks, skilled workforce, customized training programs, favorable business climate and attractive incentives.

Currently, EDGE is actively working with a second wind farm prospect, as well as aggressively following up on contacts made at <u>WINDPOWER 2010</u>—the largest energy show in America and world's largest wind energy conference/expo—held last year in May.

In October EDGE Executive Director Beckie Cromer participated with Nebraska Department of Economic Development officials at <u>Solar Power International 2010</u> in Los Angeles, CA—North America's largest B2B solar event with 27,000+ attendees and 1,000+ exhibitors. Cromer worked the State of Nebraska booth and networked with exhibitors and attendees. She promoted the location advantages the state and Falls City/Richardson County have to offer to solar manufacturers and suppliers, including access to innovative solar power research and development. To prepare for the marketing event, Cromer attended a briefing on the <u>University of Nebraska-Kearney</u>'s solar research and development program.

Solar job growth over the next 12 months is anticipated to be 26%, representing nearly 24,000 net new jobs. This expected growth rate is significantly higher than the U.S. economy-wide expectation of 2% growth over the same period.

Source: <u>National Solar Jobs</u> Census 2010 (October, 2010)



Matt Mooney of the Flat Water Wind Farm presents to local middle school students.

EDGE is also working to promote career opportunities in the renewable energy industry sector. In October, EDGE sponsored a middle school assembly on wind energy for Sacred Heart and Falls City Public School students. The program featured a presentation by Matt Mooney of the Flat Water Wind Farm. According to the Wind Energy Association, approximately 85,000 Americans currently work in the wind power industry and related fields. For more information about career opportunities in the wind energy industry, go the U.S. Department of Labor, Bureau of Labor Statistics, Occupational Outlook Quarterly (Winter 2010-11) »

Existing Industry Retention and Expansion Program—Vital to Economic Development Success

Three primary sources of job growth exist in every community: incoming new business, existing business expansions and start-up operations. Studies from across the country have shown that 65% to 80% of a community's new jobs are created by existing companies and business expansions. This is why a strong and successful existing business program is vital to a successful community.

According to Steve Kottich, EDGE VP of Marketing and Sales, "EDGE's business retention and expansion outreach program involves building strong relationships with not only local plant officials but with corporate decision-makers who oversee the Falls City operations. We work closely with employers to assist with their growth plans, as well as look for new opportunities such as bringing in a new product line or attracting a buyer-supplier."

Recently, EDGE completed calls on local manufacturers. Following are common themes that emerged from the calls:

- The economy is rebounding and manufacturers believe they have "turned the corner"—production is up at most facilities.
- International customers/orders have increased and manufacturers are aggressively pursuing new world markets.
- Job growth is up and the majority of manufacturers are anticipating adding more jobs in 2011.
- Overall manufacturers are pleased with the Falls City workforce—one employer noted workers were their number one asset, another said they have talent knocking on their door and others touted their retention/low turnover rates.
- New technologies and equipment are keeping companies on the leading edge of their business and increasing production efficiencies.



What are local manufacturers saying about Falls City and EDGE?

- Doug Watkins, Operations Manager at Airlanco noted, "EDGE is doing a great job taking care of local business and creating a positive image for Falls City. There is a different and new attitude in the community and EDGE is a definite asset to Falls City."
- John Martin, Plant Manager, Ames True Temper commented, "EDGE is proactive and you can tell retention and growing what Falls City has is a priority."
- Willie VanWyhe, President of Vantec said, "Local support has been a big factor during the economic downturn."

"As a person who has had the opportunity to observe EDGE since its inception, and especially as a result of my close working relationship with EDGE during my four years as your mayor, I just want this community and all of you to know that the creation of EDGE by our City Council approximately five years ago was a great decision. In my opinion, EDGE represents the future growth of this great community! And while there may be those who at times question the usefulness and productivity of EDGE, I remind you that economic development is a huge, competitive and tedious job, so please remain supportive. EDGE is a big and important part of the future of this town in many, many ways!

And to the Steve Kottichs, Kevin Malones, Beth Sickels and Bart Kellers, who were the EDGE pioneers and the many others who have been individually involved, I say "Thank You" for your commitment to this community.

Rod Vandeberg Remarks at EDGE Annual Meeting & Banquet January 5, 2011

Meet Carla Rhodd

We are pleased to announce that Carla Rhodd has joined EDGE as Administrative Assistant. Carla is a Richardson County native and Falls City High School graduate. She is a 2007 graduate from Northwest Missouri State University with a degree in Wildlife Ecology and Conservation.

"This is such a great opportunity to finally give back to my home town. I am very excited to take part in improving Falls City and Richardson County," said Carla. "I am looking forward to working with all of the EDGE committees and member investors." Carla is also working part-time (10 hours per week) for the Chamber of Commerce/Main Street organizations—EDGE's local partners working towards building the new and progressive Falls City.



Carla was recently married to Falls City native Josh Rhodd. When she's not working, Carla likes to spend her days outdoors. She enjoys hunting and fishing.

You can reach Carla at the EDGE office or email assistant@fallscityedge.com.

Falls City Economic Development & Growth Enterprise (EDGE)
1705 Stone Street, PO Box 574
Falls City, NE 68355
402.245.2105
info@fallscityedge.com

<u>Beckie Cromer, Executive Director</u> Carla Rhodd, Administrative Assistant

Visit us online www.fallscityedge.com

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