

CDBG Success Stories

from the Nebraska Department of Economic Development

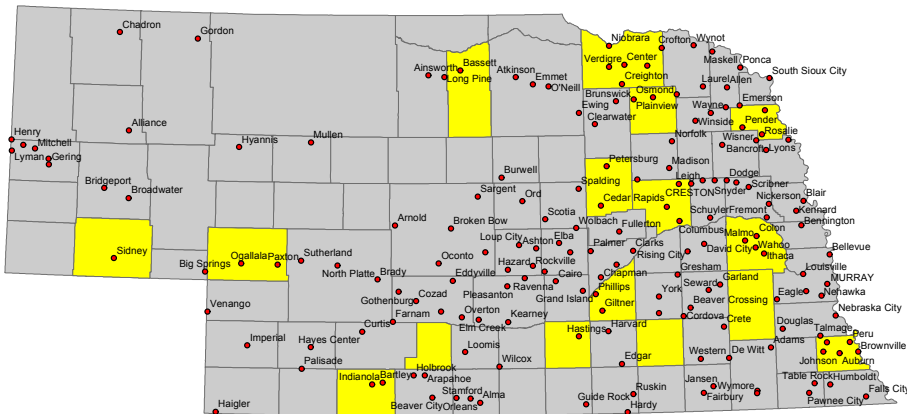
Community Development Block Grant Program administered
by the Nebraska Department of Economic Development



NEBRASKA
possibilities...endlessSM

Nebraska Community Development Block Grant Program

Community Development Block Grants Community & County Recipients 2003 - 2007



This publication highlights successful community and economic development projects funded with CDBG. Success stories from the following Nebraska communities are included:

Atkinson (population 1,244)
Oconto (population 141)
Laurel (population 986)
Stratton (population 396)
Hastings (population 25,144)

Cozad (population 4,284)
Platte County (population 31,962)
Aurora (population 4,256)
Nebraska City (population 7,137)

For more information about projects funded with Nebraska CDBG contact:

Nebraska Department of Economic Development

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Introduction

The Community Development Block Grant (CDBG) was established in 1974 as part of the Housing and Community Development Act. In 1982 the Nebraska Department of Economic Development (DED) instituted a state CDBG program that provides Nebraskans with safe, affordable housing and infrastructure as well as quality jobs and investments through the financing of new and expanding businesses. CDBG funding is allocated to the state from the U.S. Department of Housing and Urban Development.

CDBG Success Stories are publicized on the DED website: <http://www.neded.org/>, along with news releases, and used during Community Development Week. Success Stories are real events, real projects and real people. Each story is evidence that the CDBG program is beneficial for the constituents of the state of Nebraska.

“I realize the finite resources of the federal budget, but these programs are vital to economic growth. CDBG funding is an investment in the quality of Nebraska communities.”

Gov. Dave Heineman

2003-2007

Nebraska CDBG Investments and Other Investments for all Program Categories



25%
CDBG Investments

75%
Other Funds Leveraged

\$1.00 CDBG = \$4.00
additional investment in
all CDBG projects

\$54.1 million in CDBG invest-
ments leveraged \$219.2 million
in other private and public
investments

Atkinson City Library and Economic Development

Population 1,244

A once vacant lot is now home to the modern, high-tech Atkinson City Library—a source of great community pride. The city’s original library was almost 80-years-old and Friends of the Library Foundation, Inc. staff, library patrons, students, and residents alike badly needed the services that a new public library would provide.

Richard Miller, development director with the Nebraska Library Commission, encourages communities whose libraries are in need of improvements to apply for Community Development Block Grants (CDBG). The CDBG program specializes in providing economic opportunities to further develop communities.

The new 6,875 sq. ft. library offers nearly twice the space of its 3,600 sq. ft. predecessor. The additional space provides ample shelf space for the library’s 19,500 volumes. The circulation desk has doubled in size. A reading area with fireplace provides a quiet, cozy sanctuary for adults. A storybook mural surrounds the new children’s reading space.

A continuing education room with room divider offers flexibility for holding daily and weekly meetings, and according to Judy Hagan, library director, has been used daily since the new library opened. A junior room is available for youth, and a heritage room is equipped with local history and microfilms of the local newspaper.

“The CDBG program is a vital resource for Nebraska communities, and communities throughout the nation. It provides funding not available through other federal, state, or local sources for community economic development initiatives. The CDBG program has served Nebraska communities for 25 years and proven to be an invaluable resource for meeting community and economic development needs.”

U.S. Senator Chuck Hagel



Beyond the tangible benefits, the new library has helped beautify the downtown, incorporating a modern look to Atkinson's historic district.

Atkinson city officials realize the value and importance of building their community with support from CDBG funding. In addition to securing funding for the library project, CDBG funding also was used to bring Osborne Steel Company to town. CDBG allocated \$405,000 dollars that will assist Osborne Steel in building a new equipment manufacturing facility in the city of Atkinson.



Atkinson continues to pursue projects, such as the new library, Hometown Competitiveness and Osborne Steel in its efforts to increase economic development for the future of Atkinson.

Oconto Housing Rehabilitation and Community Center

Population 141

On Halloween of 2000, a tornado devastated Oconto, Nebraska. The annual Halloween party was taking place at the community center when a tornado ripped through the



village. Residents took shelter in the basement before the tornado hit. The tornado destroyed Oconto's community center, library, and several blocks of residential homes. The aftermath of the tornado was a massive trail of debris. Nebraska's governor declared the area in and around Oconto a disaster.

Rebuilding the community center was the highest priority of Oconto residents. After researching and planning the rebuilding project, Oconto applied for and received \$165,000 in Community Development Block Grant (CDBG) funding to rebuild the center. This grant, along with \$150,000 in other public and private funding financed the project. The community also applied for and received \$400,000 CDBG funding to rehabilitate 20 homes extensively damaged by the tornado.

July 19, 2003, marked the grand reopening of the new community center, which features an auditorium, senior center, library, and kitchen facility. The day also marked a rebirth of sorts for the Oconto residents.



Showcase Community Award

The Showcase Community Designation recognizes one community per year in conjunction with observance of Community Development (CD) Week. CD week honors communities that have demonstrated exceptional capacity during the past five to 10 years. CD week identifies development goals and strategies, the use of local, state and federal resources to achieve those goals, and people who have accomplished major projects, which positively impacted the community.

“The CDBG funding to rebuild a new community center meant a lot to the community after the tornado. It allowed us to rebuild and get back to normal. The center has given the community a central place to again gather and host events and activities.”

Janice Owens
Oconto Village Clerk

During program years 2003-2007, CDBG investments in 25 communities assisted 302 low-income families through housing rehabilitation and homeownership.

The 2006 Showcase Community was awarded to Laurel, Nebraska. Laurel has exemplified what it means to be a Showcase Community. The CDBG program continues to assist in projects throughout the state of Nebraska and with dedicated communities such as Laurel, the possibilities are endless.



Laurel Development Projects

Population 986

Located in Cedar County, in northeast Nebraska, Laurel has been making headway with numerous projects during the past 10 years. Community members of Laurel have undertaken an extensive list of development projects, which in turn have tremendously impacted Laurel citizens. The list of projects is astonishing. All were made possible by the committed work of city officials, Economic Development Advisory Board members, Laurel's economic development coordinator, the Development Corporation, Chamber of Commerce, Security National Bank, and local schools. Financial support from the Community Development Block Grant (CDBG) program made all projects possible.



Laurel, Nebraska has a successful history working with the CDBG program. The community has developed decent housing, maintained a suitable living environment and expanded economic opportunities.

Projects include: creating a new 27-lot housing development; combining the school and city libraries to create the Laurel Learning Center; improving landscaping; constructing a \$350,000 sports complex that includes a football field and track; applying CDBG funding toward the rehabilitation of 13 homes and down payment assistance on eight homes; receiving Tree City USA status; establishing the Laurel Community Foundation; raising funds to make the municipal swimming pool and community bathhouse handicapped-accessible; creating a community walking trail; establishing a wellness council, and health fair; creating a safe walkway under U.S. Highway 20 for students walking to and from school and the Norris Addition; and hosting its annual Ag Days and pancake feed events.



On September 11, 2006, Nebraska Governor Dave Heineman awarded Laurel another \$241,000 in CDBG funds for a new 10,000 sq. ft. addition to the steel manufacturing Giant A & M building, including the creation of 13 more jobs for Cedar County.



Celebrating another victory, Laurel has set a new record as the smallest community (pop.986) to become designated as a Showcase Community. Laurel represents the 2006 Governor's Showcase Community Award winner during this past year's Community Development (CD) week.

Stratton Economic Development

Population 396

In 2000, Timber Creek Homes finished constructing a new 24,000 square foot modular home production facility just outside of Stratton. The improvements made to Timber Creek Homes have generated new jobs and increased economic activity in this region. Funding for this project was made possible by a grant awarded by the Nebraska Department of Economic Development.

A December 8, 2001 McCook Daily Gazette article reported, “Timber Creek Homes has 17 employees in the factory, three on the site construction/road crew, three in sales, two in engineering, one accountant, one receptionist, and co-owners Charles Pelkey and Carl Rasmussen.” An additional 51 production employees were hired in 2001 to bring the total to 80.

The factory houses carpenters, electricians, plumbers, roofers, siders, drywall finishers, framers, trim carpenters, and heating/air conditioning and ventilation specialists. The majority of workers were hired from Nebraska communities located between Benkelman and McCook.

From the time construction is initiated until the day of shipment, a Timber Creek Home takes about five weeks to complete. This time may vary with the complexity of the house design and the number of modules within the house plan; some houses are in one piece, whereas others are built in five or six sections.

“Even with the on-site projects added to the factory time, a Timber Creek Home goes together much quicker

2003-2007

Nebraska CDBG Investments
in Economic Development
Projects



7%
CDBG Investment
in Economic
Development Projects

93%
Other Investments
Leveraged Through
CDBG Economic
Development Projects

\$1.00 CDBG = \$13.90
other investments for
economic development
33% of Nebraska’s CDBG
distribution is invested in economic development projects.

\$17.8 million in CDBG was
invested in the creation/retention
of 1,553 jobs during the
five-year period. The investment
leveraged \$248.6 million
in other public and private
investments.

than a stick-built on-site structure,” Pelkey said. He explained his reasoning by saying, “First, all building materials are stored at the factory, readily available and easily accessible. Second, trades people have all the latest tools and equipment, available at all times. Third, materials are assembled in an ‘assembly line’ process in areas designed specifically to build the components of a house. Large components are moved with cranes. All these procedures make more efficient use of time, reduce labor and cut man-hours.”

Hastings Day Care Center

Population 25,144

Since 1981, the Children’s Ark Day Care Center in Hastings has provided quality child care for families, even when the 60-year-old building in which it was housed could no longer keep up with the demands.

The community as a whole, including the day care’s staff and parents, came to the stark realization that the Children’s Ark Day Care Center along with its staff and precious cargo needed to move—and soon—to a safer, more modern facility. Although the building was not originally intended for use as a day care, it had worked until the challenges of inaccessibility, energy inefficiency and structural deterioration became predominant, and the building was no longer able to pass the State Fire Marshal’s inspection.



In 2004, the city of Hastings applied for and received \$250,000 in Community Development Block Grant (CDBG) funding from the Nebraska Department of Economic Development (DED) to build a new Children's Ark Day Care Center to be located on the grounds of Good Samaritan Village. The Good Samaritan Society matched the grant with \$395,320 from a variety of sources.

The new 7,800-square-foot day care center and preschool was completed and doors opened for business in October 2005. Designed specifically for child care, the building features a drive-up/drop-off area at the main entrance and is handicapped accessible throughout. The building's modern heating and cooling systems are far less expensive to operate.

The Children's Ark Day Care Center provides child care for the workforces of more than 100 businesses in the community, before and after school care, and transportation for the school system. The initial CDBG funding had a snowball effect on the project, leading many more people to donate and ultimately leading to the day care's construction, and preventing the loss of child care services for more than 150 families and over 100 businesses.

Hastings' interest and drive, coupled with support from the Good Samaritan Village, Children's Ark Day Care, and DED's CDBG program ultimately resulted in smooth sailing for this worthwhile project.



Cozad Economic Development

Population 4,284

The wafting scent of delicious pastries and other baked goods hits you as you open the door to walk in. Your mouth waters and you can almost taste one of the many scrumptious treats in your mouth. The year is 1959 and Evans Bakery has just opened in Cozad.

After being discharged from the Armed Forces in 1959, Gale Evans returned to his hometown to start Evans Bakery in downtown Cozad. The bakery, which became known for its great recipes and fresh baked goods, grew and eventually occupied four downtown storefronts. Evans and community leaders came to realize that Evans Bakery was not just a retail-front business, but potential manufacturer of quality baked goods for people in Cozad and throughout the region. A 23,000 sq. ft. building was constructed to house the bakery, and Evans gratefully acknowledged how much the single location improved plant operations. Over the years, the business expanded again to include a second facility in Oklahoma. Gale Evans and Evans Bakery received numerous state and industry awards, illustrating the importance of this business to Cozad and Nebraska.

Sadly, Evans, a genius in the industry of baked goods, became ill and business began to decline. In 2004, he passed away without a business succession plan, leaving ownership and control with First National Bank of North Platte which hired a business locator to increase interest in the bakery. Next Decade consultant Arne



McDaniel, along with partners from Dawson Area Development Corporation, First National Bank of North Platte, and the Nebraska Department of Economic Development (DED) collaborated on an incentive package that ultimately attracted Roger and Jane Eatherton of Chalfont, Penn.

In February 2007, DED awarded the City of Cozad a \$155,000 Community Development Block Grant (CDBG) to help the Eathertons start up Tabora Farms Bakery, Inc., and a new chapter in the Evan's Bakery story. Collectively, the bakery owners, the Cozad Overton Regional Economic Development Loan Fund, First Bank and Trust Company and First National Bank of North Platte invested an additional \$1.248 million in the project.



Tabora Farms Bakery began operations in 1990 as a full line bakery. The Earthertons pride themselves in their attention to quality, customer service and product innovation. Their goal is to bake products that remind customers of days gone by. Roger Eatherton, along with Dennis Marfisi, the sales manager and now general plant manager, used their experience in the industry to make needed improvements to the Cozad plant, and expanded the line of baked goods to realize new market potential. Beyond these improvements, this project immediately benefitted existing employees, who were able to work full-time again.

With the help of CDBG funds the bakery continues to be successful in providing quality jobs in the community as well as filling stomachs with scrumptious treats.

With the CDBG assistance the bakery was able to retain 18 full-time employees and create 10 new full-time positions, providing a great economic benefit for the community and the surrounding area.

The CDBG funds for this project were used in a unique way that resulted in benefitting the town of Cozad and the State of Nebraska, along with the patrons of Evans Bakery.

Platte County Health Clinic

Population 31,962

Individuals, couples and families living in Boone, Colfax, Nance and Platte counties, and who can't afford health care insurance look to Good Neighbor Community Health Clinic (GNCHC) in Columbus to provide for their needs. In addition to serving these four target counties, the GNCHC serves individuals from twelve counties, and does not turn anyone away. True to its name, the clinic is the place they've come to rely on, time and again, for quality, compassionate care—from basic checkups to comprehensive dental and mental health services.

It was really no surprise when GNCHC found itself with its own “good” problem in a manner of speaking—serving so many people that the facility no longer provided adequate space. Since 1990, the Hispanic population had increased a staggering 1148% resulting in growing language and cultural barriers within the traditional health service system.



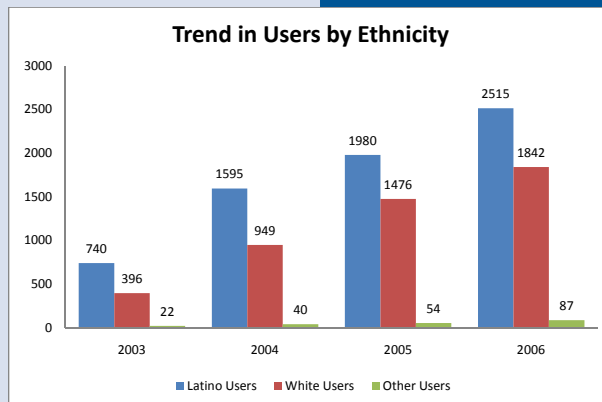
GNCHC grew so rapidly that some employees didn't even have desks and were literally working on top of one another; it was a struggle to meet every single patient's need.

80,717 Nebraska residents were impacted with new or improved public facilities and/or infrastructure projects from 2003-2007.

The Clinic couldn't afford a new building on its own so in a turnabout, they reached out to their good neighbor, Platte County officials who readily agreed to help the Clinic.

In 2003, Platte County requested \$350,000 in Community Development Block Grant funds from the Nebraska Department of Economic Development to construct a 5,440 square foot addition on the west side of the existing East Central District Health Department located along East 32nd Ave. in Columbus. This location was the most central and beneficial to all four counties it served. The East Central District Health Department contributed matching funds of \$199,000 for construction of the clinic.

Since it was built, the Clinic has exceeded its expectations. The GNCHC now meets the needs of all people who walk through its doors with quality medical, mental health and dental care services. The Clinic also acts as a major referral source to other agencies, completing over 54,000 annual contacts with the general public.



In addition to benefitting the community, GNCHC provides affordable services for school students and employees (based on their incomes) whose businesses can't afford to provide medical, mental health or dental insurance. The Clinic has boosted the local economy by employing many individuals (including trained health professionals in rural areas who are now hosting medical residents, interns and students), and attracting federal, state and local dollars into the community with its current budget of nearly \$4 million.

The East Central District Health Department staff, Nebraska Community and Rural Economic Development staff, and the CDBG program were essential to completing this project.

With the added space, GNCHC’s mission “to work in collaboration with established community service organizations to increase access to primary preventative health care in order to improve the health of the underserved and vulnerable populations” can continue to be carried out far into the future as the region’s population continues to expand.

Aurora Spec Building

Population 4,256

Because of its I-80 location in the middle of the U.S., Aurora, Nebraska, was THE hot spot for no fewer than seven companies interested in expanding manufacturing and warehouse operations in the 1990s. Aurora’s strong work ethic, community spirit, and quality of life further reeled companies in. But lacking the true test bait—readily available facilities—the inquiries went cold as companies scattered and moved onto other communities.

Aurora residents and officials were torn. It was clear that the lack of facilities hampered their economic development and industrial recruitment efforts. Available facilities were integral to attracting a new targeted industry that would create jobs, expand job opportunities, increase the tax base, offer new opportunities for other area businesses, and encourage more money to be spent in the region. On the other hand there was great risk in constructing a speculative building and hoping that the right company would come along and move in within a reasonably short timeframe.



2003-2007 CDBG Investments in Public Works Projects

32
Infrastructure Projects

38
Facilities Projects

\$1 CDBG = \$1.20 other Investments for public works

- 3,800 people impacted by 7 community centers
- 297 families have access to day care
- 17 fire station projects serve 25,000 people
- 7,900 people have access to public libraries
- 4 senior centers accessible to 7,800 seniors
- 32 public infrastructure projects provide safe streets, storm sewer and water distribution systems for 27,000 Nebraska residents

The Aurora Development Corporation Board of Directors, relying on the city's successful track record, voted to move forward with the building project. In 2000, city officials applied for and received \$250,000 in Community Development Block Grant (CDBG) funding from the Nebraska Department of Economic Development to build a speculative industrial warehouse on seven acres of land owned by the Aurora Development Corporation in the Aurora South Industrial Park.



Following the release of funds, construction got underway, along with an intense marketing and promotion campaign aimed at the agribusiness, electronic and manufacturing sectors. The new building provided a flexible layout, a large lot for future expansion, and quality infrastructure allowing for very quick start-up. These advantages, coupled with the city's excellent tax structure, housing and business climate, quality of life and central location served as heavy hitting selling points for the building.

A-1 Fiberglass, one of Aurora's existing manufacturing companies, was physically unable to expand its existing facility and had considered moving its business and jobs to another community—that is until the new speculative building became available. The company had always been able to find hard working employees in Aurora and the surrounding area and had built a solid personnel base there. The company also had sister plants in nearby Hastings and in Iowa.

“A-1 Fiberglass had been looking to expand its Aurora production facility. One of the reasons for wanting to expand in Aurora was the solid base of personnel. A-1 has always been able to find excellent employees from Aurora and the surrounding area. Had the spec building not been available, A-1 may not have been able to expand in the Aurora area. A-1's decision to purchase the building was certainly good for A-1 Fiberglass, and hopefully for the City of Aurora.”

Dan Gernstein, Owner and President of A-1 Fiberglass

To everyone's delight and ultimate benefit, the city of Aurora and A-1 Fiberglass worked out a deal. Today, A-1 has 37 employees—nearly twice the number of employees required through the original CDBG project. With fiberglass products being sold throughout the U.S., the company also has expanded its operations. The city was able to retain—and even create—new jobs, resulting in new business opportunities for other area businesses. Ultimately, the project assisted in growing the area's economy and tax base. As Rod Schroeder, former chair of the Aurora Development Corporation Speculative Building Committee declared, "Aurora did what we do best. Everyone got on board and the result is a successful project!"

Aurora's model CDBG project and excellent record of retaining and creating jobs has been cited time and again as an example for other CDBG recipients to aspire to. The accomplishments of A-1 Fiberglass, the city of Aurora, the Aurora Development Corporation, and the CDBG funds provided by the Nebraska Department of Economic Development all contributed to making this project a major success for everyone involved.

Nebraska City Arbor Day Farm Tree House

Population 7,137

J. Sterling Morton would be proud. A noted Nebraska politician, journalist and agronomist who also served as U.S. Secretary of Agriculture under President Grover Cleveland, Morton is probably best known for championing the value and importance of planting and caring for trees. With his great love of nature, Morton established Arbor Day in 1872 to cherish nature and further



2003-2007 CDBG Water/Wastewater Investments and Leverage



\$1 CDBG = \$2.61 leveraged
\$8.7 million in CDBG investments to improve water and wastewater systems impacted 18,543 people in 41 Nebraska communities. The investments leveraged \$22.7 million in other investments for safe water systems through partnerships with USDA Rural Development, Nebr. Dept. of Environmental Quality and Nebr. Health and Human Services System.

campaign for the planting of trees.

His legacy was further enhanced when Nebraska City, on behalf of The National Arbor Day Foundation, was awarded \$150,000 in Community Development Block Grant (CDBG) funding by then Governor Mike Johanns. The CDBG funding, along with matching funds from The National Arbor Day Foundation, helped support the Arbor Day Farm Tree House Trail Accessible Loop.



Arbor Day Farm is located on part of the original Morton estate and is owned and operated by The National Arbor Day Foundation. Thanks to its barrier-free design, everyone can enjoy the Tree House Trail and the Canopy Tree House.

The Tree House Trail and the Canopy Tree House allow visitors of all ages to learn about and experience nature at its best. The new trail bed, designed in a fractured earth pattern, leads up to the tree house that allows visitors to get a birds-eye view of the forest. The tree house provides educational insight to visitors so they can learn more about the forest and its wildlife. The tree house includes the Canopy Tower which is set 50-feet above the forest floor; the Canopy Obser-



vation Deck which offers a scenic view of the forest; and the Nature Club Cabin which provides insight to the vast diversity of the forest.

The Tree House Trail is the newest addition to the already captivating Arbor Day Farm Tree Adventure, which also features the Lied Greenhouse and the Pavilion.

Since the trail's opening on July 4th, it has received "very positive feedback from visitors and has exceeded their expectations," said Susan Wirth, Arbor Day Farm, education director. "The trail is reconnecting people to trees and the land in a fun, inspirational way," said Wirth.

"The Tree House Trail is a one-of-a kind experience that will engage your imagination, heighten your senses, and connect you with trees and the land."

Susan Wirth
Education Director
Arbor Day Farm





NEBRASKA

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