

WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) REQUEST FORM

#10d

Date: 10/11/16

Weekly Agenda Date: 10/18/16

ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN: David Gleiser, RED Director

WORDING FOR AGENDA ITEM:

End of Year Update on the Rural Woodbury County Development Committee

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Give Direction

Other: Informational

Attachments

EXECUTIVE SUMMARY:

This is the end of the year update on the Rural Woodbury County Development Committee.

BACKGROUND:

In October 2015, the Board of Supervisors approved the creation of the Rural Woodbury County Development Committee (RWCDC) as a Special Purpose committee. The purpose of this committee was "to develop recommendations for new rural economic development programs that more effectively use Local Option Sales Tax (LOST) in such a way as to have a greater economic development impact." Membership of this committee was comprised of 2 rural mayors, 2 representatives of rural media, 2 representatives of the Tax Payers Research Council, 2 County Supervisors, and the County Rural Economic Development Director.

Since it's formation, the committee met 6 times and held 1 town hall-style meeting in the county. The committee helped develop a Rural Economic Development Needs Assessment Survey which was disseminated to every rural city in the county and used the data collected to help formulate recommendations on rural economic development programs and initiatives. Such recommendations from this committee include: the dedication of the balance and budget of LOST funds for rural economic development, the County's support of the Ag & Expo Center Project, the Rural Comprehensive Planning Project, financial support for long-range planning services for the rural cities already with comprehensive plans and not participating in the Rural Comp. Plan Project, the SIMPCO City/County Dues Project, the continued support of providing assistance to form Community Development Corporations, and the partial tax exemption for Industrial and Owner-Operated Cattle facilities ordinance.

Through consensus, the committee believes it has met its objective and will not request a reauthorization at this time.

Per County policy, Special Purpose committees sunset at the end of each calendar year unless reauthorized by the Board of Supervisors. Accordingly, the RWCDC's scheduled sunset date is December 31, 2016. The committee's last meeting was held on 9/20/16.

FINANCIAL IMPACT:

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IF THERE IS A CONTRACT INVOLVED IN THE AGENDA ITEM, HAS THE CONTRACT BEEN SUBMITTED AT LEAST ONE WEEK PRIOR AND ANSWERED WITH A REVIEW BY THE COUNTY ATTORNEY'S OFFICE?

Yes No

RECOMMENDATION:

Acknowledge the information presented in the end of the year update.

ACTION REQUIRED / PROPOSED MOTION:

None

Rural Woodbury County Development Committee Meeting Minutes

Woodbury County Law Enforcement Center, 1st Floor Training Room

Tuesday, 9/20/16, 2-2:30 PM

Members Present:

1. Kent Baker – The Record
2. David Gleiser – Woodbury County Rural Economic Development Department
3. Dawn Norton – Woodbury County Rural Economic Development Department (Guest)
4. Jeremy Taylor – Woodbury County Board of Supervisors
5. Jon Winkel – City of Sergeant Bluff

AGENDA

- A.) Approval of 4/26/16 Minutes
- B.) RWCDC Updates
 - Local Option Sales Tax, Balance & Budget for Economic Development
 - Ag & Expo Learning Center Project
 - City/County SIMPCO Membership Dues Project
 - Rural Comprehensive Planning Project
 - Long-Range Planning Assistance (Menville, Salix, Sgt. Bluff)
 - Community Development Corporation Formation Assistance
 - RWCDC Newsletter
 - Ordinance for Partial Tax Exemption (427B)
- C.) New Business
- D.) Next Steps
- E.) Adjourn

A.) Approval of 4/26/16 Minutes

Motion and second with approval of minutes 4/26/16 (Carried 4-0)

B.) RWCDC Updates:

Discussion - Local Option Sales Tax (LOST), Balance & Budget for Economic Development

Jeremy Taylor reminded members that roughly \$575,000 is generated annually in LOST funds for economic development and that last year the Board of Supervisors dedicated about \$535,000 of LOST funds to help offset property taxes. Taylor also stated that he believes going forward the Board of Supervisors will dedicate \$1 of every \$2 from CF Revenue (\$130M over 20 years, of which \$56M comes directly to the county) to help lessen the need to rely on LOST funds to mitigate coming back to tax levies to keep up with inflation, bargaining, etc. Members were informed that of the unobligated balance of \$700,000 in LOST funds, the Board of Supervisors agreed with the RWCDC's recommendation to " earmark " those dollars for rural economic development programs and initiatives such as the Comp. Plan and SIMPCO dues projects.

Ag Expo & Learning Center Project

Taylor informed members that the Board of Supervisors voted in favor of providing financial support to Sioux City's Ag Expo & Learning Center project by committing to \$1.5M over 10 years (\$150K per year from Gaming Revenues). The information was well received as the RWCDC members, through consensus at the last meeting, made the recommendation that LOST funds be dedicated to rural economic development and not the Ag Expo project. Taylor stated that \$6.7M has been raised so far by private contributions to go towards the \$14.9M project. Taylor also said the Iowa Economic Development Authority would vote on state-level assistance during their October 21st board meeting. Taylor sits on the Architectural committee for the project and stated that he appreciates the fact that they have hired

a well-known and trusted architecture firm that specializes in equestrian stadium projects and that the project will incorporate the historical preservation of the Sioux City Stockyards into the overall design of the facility.

Discussion - City/County SIMPCO Membership Dues Offer

David Gleiser informed the committee that since entering into an agreement with SIMPCO to pay for half of the annual membership dues for rural cities wishing to participate, 8 accepted the offer and 6 declined. Participating cities include: Bronson, Danbury, Hornick, Lawton, Oto, Sgt. Bluff, Salix and Smithland. Cities that declined to participate include: Anthon, Correctionville, Cushing, Merville, Pierson and Sloan. Members then reviewed the update of activities from SIMPCO for the period of 7/1 to 9/15. Gleiser mentioned an Annexation/Infrastructure Expansion Cost-Benefit Analysis prepared by SIMPCO for Salix as being an extremely useful product that will help the City Council make important long-range decisions related to annexation and infrastructure investments. Jon Winkel shared an example of how the City of Sgt. Bluff recently negotiated an agreement with rural water & septic homeowners as they annexed them into the city. Winkel stated his willingness to help Salix do the same. Kent Baker mentioned how many rural communities had unfavorable past experiences with SIMPCO, which may be the reason why 6 communities declined the offer. Baker also mentioned being at a City Council meeting in June where a SIMPCO representative made a presentation about the Dues offer to the City Council and then at the next meeting the Council was informed that the person was no longer with SIMPCO. Baker noted that frequent employee turnover has been common with SIMPCO in the past and has contributed to cities being apprehensive to work with them. Gleiser said his biggest concern for the project was that there may be too much technical assistance being deployed at the moment with the Comp. Plan project, CDC's being formed and the SIMPCO project running at the same time. His fear is that communities may become confused or feel burned out. SIMPCO will provide the county with quarterly updates.

Discussion - Rural Comprehensive Planning Project

Gleiser shared copies of the winning proposal submitted jointly by the planning firm, Simmering Cory Inc. and the engineering firm, I & S Group. Gleiser said the review committee recommended this proposal due to the fact that in addition to having favorable recommendations from cities within the county, their proposal would develop comprehensive plans and provide preliminary probable costs for infrastructure projects identified in those plans. Gleiser felt this would really provide cities with the information they need to execute next steps. It was noted that 11 plans will be developed over 3 years at a total cost of \$112,530.

Discussion - Potential for Long-Range Planning Assistance (Merville, Salix, Sgt. Bluff)

Gleiser informed the committee that per the group's recommendation, the Board of Supervisors voted in favor to provide the 3 cities (Merville, Salix, Sgt. Bluff) not included in the Rural Comprehensive Planning Project with a like-dollar amount for other long-range planning projects. Each city may be reimbursed up to \$10,230 over the next 3 years to cover planning related expenses, as well as construction for projects previously identified in existing planning documents. Winkel expressed his appreciation for the assistance and shared how Sgt. Bluff was using those dollars. Gleiser also shared how Merville and Salix intend to use those dollars.

Discussion - Community Development Corporation Formation Assistance

Gleiser informed members that since the Board of Supervisors voted in favor of the committee's recommendation to continue allowing the Rural Economic Development Dept. to cover the costs of forming new CDC's in cities without one, 1 new CDC has been formed in Anthon and work is progressing

in 2 cities (Danbury & Pierson) to either modify the by-laws of an existing Community Betterment Club to allow them to facilitate economic development projects, or renew the non-profit status of the old CDC; 3 cities (Bronson, Hornick and Salix) have indicated serious interest in forming new CDC's soon; and 2 cities (Lawton and Smithland) will more than likely create one at a later time. Members were reminded that 6 cities (Correctionville, Cushing, Merville, Oto, Sgt. Bluff and Sloan) already had pre-existing CDC's.

Discussion – RWCDC Newsletter

Gleiser presented a draft RWCDC newsletter to the committee which featured an article on the committee, an overview of the Rural Economic Development Dept., and small business resources. Gleiser said he'd like to give copies of the newsletter to city councils while providing them with an update on the RWCDC's accomplishments. Members present agreed to review the document and provide Gleiser with any feedback they have. Baker also said he would search his files to see if he had any photos of the RWCDC in action.

Discussion – Ordinance for Partial Tax Exemption (427B)

Gleiser presented members with an ordinance that he intends to present to the Board of Supervisors in hopes they formally adopt it. He explained that Iowa Code 427B allows cities and counties to provide a 5-yr partial tax exemption for qualifying industrial projects and cattle facilities. Gleiser said that based on feedback garnered from the Rural Economic Development Needs Assessment Surveys, he felt this ordinance would help to address the desire for the county and cities to have "something to offer" as an incentive for qualifying projects. Gleiser said this ordinance is something that cities themselves could adopt and he has already shared it with Sgt. Bluff. Gleiser recognized the fact that not many rural cities have industrial zoned districts, however it's something they could offer and it's also something that could benefit the Ag community. He said he consulted with the Woodbury County Cattleman's Association and the Woodbury County Farm Bureau on the ordinance and both were supportive of it. Gleiser said he was told that recent construction estimates for a new cattle feed lot are \$1,000 per head of cattle, so a 1,000 head facility is worth \$1M in new taxable valuation. Taylor stated that he believes the Board of Supervisors will adopt the ordinance as he believes they want Gleiser to have more "tools" to work with. Gleiser said he would include this ordinance in his discussion with city councils and sharing of the RWCDC newsletter.

C.) New Business

Taylor presented members present with a letter from the Board of Supervisors thanking them for their service on the RWCDC. Taylor stated that since the group's formation, they have essentially accomplished their mission to help develop recommendations for potential uses of LOST funds. Taylor said he sincerely appreciated the forward-thinking of the group's ideas and collaborative spirit from which they've operated from. Gleiser added that with the enactment of recommendations made by the RWCDC, his department will have plenty of work to do for the next 3-5 years.

D.) Next Steps

Taylor stated that he would update the Board of Supervisors on the group's last meeting and share the final products (newsletter and 427B ordinance). Taylor stated that if there is a need in the future to reconvene the committee, members would be notified directly.

E.) Adjourn

The meeting adjourned at 2:50 PM.

SMALL BUSINESS RESOURCES



Where to Begin

Starting a new business or expanding an existing one is a daunting challenge. The risks of owning your own business can be high, but the rewards can be well worth it. However, if you look at national statistics, more businesses fail every year than those that start. There are many reasons why a business fails. They include poor product concept, lack of a reasoned business plan, undercapitalization, insufficient marketing efforts, and changing market economics.

So with statistics like these, how do you become a business success and not a business failure? The answer is to have a viable strategic and tactical plan, seek help, and be smart about how you set up your business and how much you spend or borrow to do that. Listed below are a few resources that have been identified by the Rural Economic Development department to help you or that person in your community be successful when taking that big leap.

Technical Assistance & Access to Capital



The SBDC at WITCC provides free one-on-one business counseling and other practical business services, including business plan development, market research services and a variety of business education classes.

4647 Stone Ave. Room B113
Sioux City, IA 51102
(712) 274-6454
www.iowasbdc.org/regional-center/sioux-city



SCORE provides free mentoring and low-cost workshops to entrepreneurs who want help starting or growing their business

320 6th St. Room 186
Sioux City, IA 51101
(712) 277-2324
www.siouxcity.score.org



IASourceLink provides free business webinars, expert advice, and a searchable directory of organizations that assist Iowa businesses can all be found on IASourceLink.

200 East Grand Ave.
Des Moines, IA 51101
(515) 725-3193
www.iasourcelink.com



Siouxland Economic Development Corporation (SEDC) offers financial assistance programs and services to assist small and medium sized businesses get started or expand.

617 Pierce St, Ste 202
Sioux City, Iowa 51101
(712) 279-6430
www.siouxlandedc.com



USDA Rural Development provides funding opportunities for rural small businesses through loans, loan guarantees, and grants.

617 Pierce St, Ste 202
Sioux City, Iowa 51101
(712) 279-6430
www.ww.rd.usda.gov/programs-services/programs-services-businesses



Renew Rural Iowa is designed to help increase the enterprise value of new and existing businesses in Iowa's small towns through a program of business education, mentoring, and the financial resources to help businesses grow.

617 Pierce St, Ste 202
Sioux City, Iowa 51101
(712) 279-6430
www.ww.rd.usda.gov/programs-services/programs-services-businesses

Growth & Prosperity

Newsletter Published by the Rural Woodbury County Development Committee
September 2016



This Issue

Exploring Opportunities P.1-2
Rural Econ. Dev. Dept. P.3
Resources for Businesses P.4

Designed just for you!

This newsletter was designed to help give you a better understanding of what Woodbury County is doing to promote and facilitate economic development in rural Woodbury County. We hope it's successful because we want your city and our county to be successful. Enjoy!

Exploring Opportunities for Rural Woodbury County

In October 2015, the Woodbury County Board of Supervisors formed the Rural Woodbury County Development Committee (RWDC) as an advisory committee charged with the task of developing recommendations for new economic development programs that more effectively use Local Option Sales Tax (LOST) funds in such a way as to have a greater economic development impact. The committee is comprised of 2 rural city Mayors (Jim Fisher of Merville and Jon Winkel of Sgt. Bluff), 2 rural newspaper representatives (Kent Baker of The Record and Wayne Dominowski of The Advocate), 2 representatives of the Tax Payers Research Council (Taylor Goodvin and Jim Johnson), 2 County Supervisors (Mark Monson and Jeremy Taylor), and the County's Rural Economic Development Director, David Gleiser.

In less than one year, the RWDC has developed a series of recommendations for the Board of Supervisors on the use of LOST funds to support economic and community development in rural Woodbury County. To formulate their ideas, the group collected input from rural stakeholders and city officials throughout the County by using a needs assessment survey and holding a county-wide town hall-style public meeting. Along with County staff, they analyzed the budget and formulated a strategy on how LOST funds should be expended over the next 3-5 years. Armed with this information, the committee developed 4 top-priority recommendations which were presented to and approved by the Woodbury County Board of Supervisors.

RECOMMENDATION I: The committee felt very strongly about the County using LOST funds strictly for rural economic development purposes only. During the development of this recommendation the City of Sioux City made a very publicized request for the County to financially participate in their capital campaign to help secure financing from the State for their Ag & Expo Center project. The committee wanted to ensure that rural communities would not lose LOST funds in order for the County to provide financial support to Sioux City for their project. The Board of Supervisors agreed. They committed LOST funds for rural economic development purposes and chose to use Gaming Revenues to help support the Ag & Expo Center.

See **EXPLORING OPPORTUNITIES** P. 2

Exploring Opportunities (continued)



Kent Baker President The Record	Wayne Dominowski Editor The Advocate	Jim Fisher Mayor City of Merville	David Gleiser Director Woodbury County Rural Econ. Dev.	Taylor Goodvin Exec. Director Tax Payers Research Council	Jim Johnson President Tax Payers Research Council	Mark Monson Supervisor Woodbury County Board of	Jeremy Taylor Chairman Woodbury County Board of	Jon Winkel Mayor City of Sgt. Bluff
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RECOMMENDATION II: The committee believed that every rural city in the County should have an up-to-date Comprehensive Plan, because by definition a Comprehensive Plan presents a vision for the city. It provides a strategy for realizing the vision and sets policies for the growth and development of specific areas of the city. These plans are often times prerequisites for many State and Federal grants. The committee learned that only 3 out of 14 rural cities in the County had one. They recommended the County issue a request for proposals (RFP) so that qualified planning firms could bid on developing plans for the 11 cities without one. The committee also recommended that the 3 cities with a Comprehensive Plan be provided a like-dollar amount that the other cities would benefit from. The Board of Supervisors agreed. Simmering-Cory, Inc. and I&S Group were awarded \$112,530 to develop 11 plans over the next 3 years. Merville, Salix, and Sgt. Bluff who already had Comprehensive Plans, were each awarded \$10,230 for additional planning services. In total, \$143,220 of LOST funds were allocated for this project.

RECOMMENDATION III: The committee believed that Siouxland Interstate Planning Council (SIMPCO) could provide rural cities in the County with professional planning, programming and technical assistance services to serve as an extension of their city staff and help them meet their municipal needs. As the oldest regional Council of Governments (COG) in Iowa, SIMPCO provides expertise to many cities and counties throughout the region by securing competitive state and federal grants. As a regional planning affiliate, SIMPCO plans for and programs the distribution of federal transportation funds within the region, including highways, transit, trails, and other enhancement programs. They also administer established housing, community development and economic development programs. At the time, only 2 out of 14 rural cities in the County were dues paying members to SIMPCO. The committee recommended that Woodbury County pay 50% of the membership dues for each rural city in the County for FY16-17 using LOST funds as the funding source. The Board of Supervisors agreed. They allocated \$7,923 in LOST funds to pay for half of the dues for each rural city in the County.

RECOMMENDATION IV: The committee believed that every rural city in the County would benefit from having their own non-profit Community Development Corporation (CDC) to help serve as the local economic and community development entity for each respective city. It was evident that cities with active and focused CDC's were the cities with the most economic and community development projects. The committee learned that 6 out of 14 rural cities in the County had an established CDC. Of the 6 cities with an established CDC, 2 were created within the last year by assistance provided by the County's Rural Economic Development Dept. They recommended that the County continue to allow its Rural Economic Development Dept. to provide assistance to rural cities without an established CDC and help them create one. The Board agreed. Using outside legal counsel, the legal fees to form a CDC are \$500 per city, so \$4,000 in LOST funds were allocated to pay for the formation of 8 new CDC's.

Achieving what the committee was commissioned to do, the Rural Woodbury County Development Committee has helped to enact some of the most forward-thinking economic and community development initiatives to have ever happen in Woodbury County. By using a collaborative and consensus based approach, using stakeholder feedback and data to drive their decisions, this advisory committee has truly set the stage for some very exciting things to happen in rural Woodbury County. On behalf of all the members of the RWDC, we wish the best for every rural community in the County. It has been a pleasure and an honor to serve you in this capacity.

The Woodbury County Rural Economic Development Department



The Woodbury County Rural Economic Development department is devoted to facilitating economic and community development in rural Woodbury County.

The department's Mission is to increase the local tax base and foster job growth by attracting, retaining and expanding targeted industries, including a special focus on small business growth and entrepreneurship, and thereby, enhance the quality of life for all residents of Woodbury County.

The department works closely with businesses and communities to position Woodbury County for success. They can assist with the following:

- Assistance with business retention, relocation and expansion options.
- Referrals and resources for start-ups and growing businesses.
- Input and analysis of development concepts and feasibility.
- Customized services to support local businesses.
- Identification of locations that match business needs.

Focusing solely on rural economic development, the department partners with outside agencies such as the Iowa Economic Development Authority (IEDA), USDA Rural Development, and the Siouxland Economic Development Corporation (SEDC) to access resources and programs to assist with economic and community development projects. The department also works with local, state and federal legislators to advocate on behalf of businesses and families in rural Woodbury County.

Funding for the Rural Economic Development Department comes from the county's Local Option Sales Tax, which was originally approved by voter referendum in the late 1980's to pay for secondary roads, county bridges, and economic development. Rather than choosing to be represented by a regional economic development organization as many rural counties in Iowa do, Woodbury County has chosen to use its Local Option Sales Tax funds to manage economic development interests on their own behalf. The results have paid dividends. In the last two years the department has secured \$130 million in capital investment projects in rural Woodbury County. Couple that with the largest capital investment project in Iowa history, a \$2.1 billion fertilizer expansion by CF Industries, Woodbury County's local economy is booming, but things are just warming up.

Through the use of Tax Increment Financing (TIF), tax abatements, tax rebates, resource programs, state incentives, supportive elected officials and steadfast management, Woodbury County has created a business-friendly environment that is conducive to economic development in its rural areas; something that many counties struggle with being able to do.

The department provides critical leadership in communities that are hard pressed for support. They can bring in resources, financial and technical assistance, and help build institutional capacity. They utilize a comprehensive approach that recognizes local politics and relationships but also pushes community leaders and entrepreneurs toward positive social change. Operating from a "whatever it takes" philosophy, the department seeks to help any way they can. If you have a question about a specific project or idea, be sure to contact the department today!

6th Floor Courthouse
620 Douglas Street
Sioux City, IA 51101

Department Hours
Monday—Friday
8am—4:30pm

Phone: (712) 279-6609
Fax: (712) 279-6530
Web: www.wcred.com