**Crofton, Nebraska Economic Development Plan 2009-2024**

**A look at Crofton Economic Indicators**

The City of Crofton, Nebraska has seen a population decline of over 7% since 1980 and with a corresponding decline of active business sites and business expansion, it is felt Crofton needs to be progressive to insure a stable viable and unique financing opportunities for expansion, retention and new business adventures.

**General Community and Economic Development Strategy**

Crofton’s community and economic development strategy is to improve the quality of life for our citizens. This involves building on our strengths, promoting our existing businesses, working to retain existing jobs, expanding current businesses, promoting entrepreneurship, and recruiting new businesses. We also need to strengthen our work force, develop community resources, attract new capital investment, broaden the community’s tax base, and provide local community services needed to maintain a good quality life.

The city of Crofton recognizes that the retention and expansion, along with the attraction of new business, is occurring in a very competitive marketplace. In order to make Crofton as competitive as possible, the community must strive to use all financial and human resources available by using federal, state, municipal and private sources.

**General Intent and Purpose Goals**

It is the intent of the City of Crofton to implement an economic development program, the purpose and goals of which will be to:

1. Create and retain jobs and generate employment opportunities with the area labor market;
2. Attract new capital investment to the community;
3. Broaden the tax base; and
4. Provide economic diversification to ensure economic stability and vitality for the City of Crofton and the surrounding area

**Eligible Businesses**

Any corporation, partnership, limited liability company or sole proprietorship, without regard to its principal source of income, shall be a qualifying business under the Crofton Economic Development Program. A qualifying business need not be located within the territorial boundaries of the City but will need to meet requirements as set out by the local economical development group and the local city council.,

**Eligible Activities**

Eligible activities under Crofton’s Economic Development shall include any project od program for the purpose of providing direct or indirect financial assistance to a qualifying business and the payment of related costs and expenses.

 Examples of eligible activities include, but are not limited to:

1. The purchase of real estate. Options for sure purchase and the renewal or extension of such options;
2. Public works improvements essential to the location or expansion of a qualifying business;
3. Expenses for locating a qualifying business into the area or relocating an existing business to a more suitable location;
4. Job creation incentives;
5. Grants to qualifying businesses
6. Loans to qualifying businesses;
7. Loan guarantees to qualifying businesses;
8. The provisions of technical assistance such as marketing assistance, management counseling, preparing business plans, engineering assistance, recruitment activities etc.;
9. Job training grants or agreements;
10. Tourism promotion related activities;
11. All other activities allowed by law, both now and through future amendments to the Local Option Municipal Economic Development Act.

**Source of funding for the Economic Development Program**

The Crofton Economic Development Program will be funded by the proceeds from a 20 percent of a 1 (one) percent local sales and use tax for a period of 15 years. It is estimated that $16,250.00 per year will be generated for the economic Development Program for an estimated 15-year total of $243,750.00.

**Duration of Program**

The time period during which the program will be in existence will be from January 1, 2009 to December 31, 2024. Although the sale tax will be collected for a period of 15 years ( January 1, 2009 to December 31st, 2024), the program will continue until December 31st, 2029 so that unused funds within the program (and funds generated through leases, real estate sale, loan repayments, and interest) can continue to be spent on a program activities.

**Basic Preliminary 15-year Budget**

INCOME:

15-year total to be collected: $195,000.00 (income may also include interest, sale of property and loan repayments).

EXPENDITURES:

 Property Acquisition $24,000.00

Infrastructure Improvements $75,000.00

 Business Loans/Grants $80,000.00

 Recruitment & Marketing $15,000.00

 Total Expenditures $195,000.00

This is only a preliminary budget. The amount to be expended under the economic development program will be fixed at the time of making the annual budget and shall be included in the budget approved by the City Council.

**Investment of Economic Development Funds** The city will establish a separate Economic Development Fund.

**Audit Procedures** The city shall provide for an annual outside independent audit of its economic development program by a qualified private auditing business. The results of such audit shall be filed with the City Clerk and made available for public review during normal business hours.

**Future Funding/Bonding Authority** Crofton may have a business opportunity or other economic development project that requires initial funds that exceed funds on hand. In order to take advantage of such an opportunity, the City of Crofton shall have the authority to issue bonds pursuant to the Local Option Municipal Economic Development Act to provide funds to carry out the program following a public hearing. The City shall also have the authority to commit future funding through contracting and other methods available to the City to respond to opportunities in which time is of the essence.

**Financial Assistance application Process** To be considered for direct financial assistance under the Crofton Economic Development Program, an applicant must provide the following unless waived by the Program Administrator;

 A detailed description of the proposed project; A business plan, including employment and financial projections; Current financial statements, financing requirements for the project and total project cost;

A completed “Crofton Economic Development Program Application for Financial Assistance” form. (An application shall be developed within the first 3 months of the

 Economic Development Program and may be revised from time to time to include pertinent information. Applications will be made available at the City of Crofton offices.).

Additional information, to determine the economic viability of the proposed project(s), may be requested by the Program Administrator.

Generally, applications will be reviewed in the order in which they are received. When an application is received that is deemed “urgent” by the Program Administrator, it may be reviewed approved, before other applications received. Other pending applications will then be addressed in a timely manner.

**Administrative System** A description of the administration of the plan follows; Additional responsibilities, as well as positions, may be needed to carry out the program during the course of the economic development program and may be approved by the City Board at some point in the future.

It is the intent of the City of Crofton to contract with the Crofton Economic Development Corporation to serve as the Program Administrator for the Crofton’s Economic Development Program.

The Program Administrator Duties:

The City of Crofton Board Duties

Although, it is the intent of the City Board to contract the administration of Crofton’s Economic Development Program to the Crofton Economic Development Corporation, the City retains the option to contract with another appropriate organization or may choose to administer the program within City Government.

**Process to Assure Applicable Laws and Regulations are Met** The program Administrator will be responsible for procedures to insure that all applicable laws, regulations and requirements are met by the municipality and the qualifying businesses that receive financial assistance. These procedures will be subject to review and approval by the City Board.

The Program Administrator may use the City Attorney to review all contracts, official documents, land transactions, and other official actions related to the economic development program, as well as applicable laws annually, to ensure compliance with applicable laws, regulations and requirements.

**Loan Program**  Applications from the revolving loan fund and program guidelines will be administered by the revolving loan committee recommendations and the city council approval.

**Citizens Advisory Review Committee**

As per the Act, the ordinance establishing the economic development program shall provide for the creation of a Citizen Advisory Review Committee. (This committee is a “watch Dog” committee, and not a committee that plays a role in the decision-making process in regard to where program funds are spent.) The Committee shall consist of not less than five or more than ten registered voters of the City who shall be appointed by the city chairperson subject top approval by the city board. Al least one member of the committee shall have expertise or experience in the field of business finance or accounting. No member of the Citizen Advisory Review Committee shall be an elected or appointed City official, an employee of the City, a participant in a decision-making position regarding the expenditure of funds, or an official or employee of any qualifying business receiving financial assistance in the economic development program or of any financial institution participating directly in the economic development program.

Short- and Long-Term Goals

2009: (1st Year)

1. Vote in a new 1% City Sales tax, with a portion of tax revenue going towards economical development opportunities.
2. Have a plan in place and project start for a new housing (sub-division) in he Crofton community.
3. Recruit 2-3 businesses to Crofton to fill 3-5 empty buildings in downtown area and 1-3 along highway 12
4. Promote tourism to the community by providing additional more attractive RV parking pads

(5 Year)

1. Acquire additional land for the Industrial complex area to provide business expansion.
2. Recruit 1 additional manufacturing/service business that would provide a minimum of 50 new jobs.
3. Have a new housing subdivision and the majority of building sites filled by 2010
4. Have an improved motel/hotel business inventory in the community, to help with hosting of events and increase visitor traffic.
5. Develop a comprehensive plan to retain and recruit young families to the Crofton Area
6. Recruit additional; 2-3 smaller business enterprises to the Crofton area to fill important business opportunities not currently being met.
7. Work with current businesses that need help with succession planning, maintaining current level or expansion plans.
8. Work the Knox County Economical Development Board to Promote the Crofton Community and Area.
9. Develop a local plan along with the 3 C’s to promote and encourage purchasing of goods and services in our area.
10. Take advantage of at least $50,000 of matching grant dollars opportunities

(6-15 YEAR)

1. Develop a plan to market and promote Crofton business entities as [art of the 125th Anniversary Celebration in 2017.
2. Attract a major manufacture or company to Knox County that Will add 5 -40 jobs to the area.
3. Have sustained population growth for both the Crofton community and the Knox County area in general that results in 10-15% growth from present levels.
4. Continue to apply sales tax revenue towards economical development opportunities that will have eh most impact on sustaining present businesses and increase new business. Renew the sales tax for another 15 years.
5. Continue to have a vibrant community that will sustain 2 variable elementary school systems and 1 excellent secondary junior and senior high school system.