

June 6, 2007

TO: Schuyler Development Company Directors

RE: Economic Development Assessment – May 10th, 2007

Gentlemen:

At my request, an assessment of Schuyler's commercial / industrial sites as well as an overview of the community was conducted on May 10th, 2007. Participating were David Bell (Loup Power), Cheryl Brandenburgh (Department of Economic Development) and Mary Simmons (Aquila). My sincere appreciation to the three consultants for their willingness to travel to Schuyler and to share their expertise. Enclosed, is their collective input.

Respectfully,

Kem Cavanah
Economic Development Coordinator, SDC

E.D. Assessment - May 10th, 2007

- Schuyler's greatest opportunities for continued economic growth are with the retention and expansion of existing businesses. Incubating and nurturing entrepreneurs may very well provide a more immediate and a higher rate of return on investment.
- QC Supply is significantly valuable to the community. Encourage SDC Directors and City to communicate with the property owner of the land immediately east of QC and attempt to facilitate the selling of acreage needed by QC for future expansion.
- Suggest additional Hispanic businesses be recruited to participate in the Chamber and be more incorporated / integrated into the business community. Schuyler's Hispanic entrepreneurs may be willing to identify and able to nurture additional business start-ups.
- Schuyler is in an enviable position with its few empty buildings. However, consideration should be given for a commercial office building type for back office business functions such as telemarketing, data center, etc. These types of businesses are looking for existing buildings. Examine the feasibility of the former bowling alley. Detailed information about the bowling alley would be needed to determine if this facility is both available and compatible with this type of business activity. Local bilingual population places Schuyler in a unique position. May want to consider constructing a speculative building.
- Keep up the housing efforts. Housing is a critical component to future economic growth and presents an opportunity for Schuyler because of its close proximity to Columbus employers. Implement the recommendations identified at the **Schuyler Community Housing Conference**.

- First priority with commercial / industrial sites is controlling the property (Land Purchase Options). Today's decision making process is fast-paced. Avoid time delays by removing obstacles to making an expeditious deal. Being prepared for opportunities requires prior planning and action. The focus becomes community preparedness more so than recruitment.
- Infrastructure is critical. Not having city sewer and water service to any sites will be a major disadvantage. Need to extend these services to commercial / industrial sites at a very low or no initial cost to the new business customer. Many communities are using this 'low or no initial cost' approach as one of several incentives to successfully compete for new and expanding businesses.
- Avoid spending dollars and time on properties in the flood plain. While land-build up is possible, a federal agency might halt such efforts. Flood plains are okay locations for parks, parking lots and non-building uses.
- Vacant land adjacent to the Expressway has significant potential. Recommended zoning for the Hwy 30 Expressway & Hwy 15 Interchange corners to be commercial and light industrial. This location may very well be Schuyler's best commercial sites. For more immediate success, attempt to recruit a truck stop at the southwest corner of Hwy 30 and Hwy 15. The southwest corner has greater accessibility to city infrastructure. Nebraska-based truck stops that are nationwide are Sapp Brothers based in Omaha and Bosselman's based in Grand Island. Local ownership is more advantageous.

- Industrial sites adjacent to the Union Pacific Railroad need to have the availability of rail service to those sites. Work with Union Pacific to determine feasibility of utilizing and/or extending off of existing spurs. Request the railroad give suggestions on physical layout as well as number of cars per week that would be needed to cause UP to serve Schuyler's industrial sites. UP has clients that come to them for potential rail-served sites. Make certain UP is made aware of an opportunity for a site if one is presented to Schuyler. Without rail service, the value of these industrial sites diminishes significantly. Rail service on UP's mainline would be an excellent competitive advantage if Schuyler can meet the new and more stringent UP standards for rail service that went into effect on September 14, 2006.
- Sites near Cargill facility would most likely need to be ag based, agreeable to potential odors and/or produce products that do not absorb odors. Examples of companies having potential odor emissions and less concerned with odors from other nearby facilities would be bio-fuels, tanning operation, etc. The prevailing warm-weather winds are either southwest or southeast. Sites north of Cargill are probably not desirable because of odor. Unfortunately, Cargill's waste ponds located on the east side of the plant reduces the desirability and possible uses for the Wagner property (16th Street - old Hwy 30). However, this property should continue to be marketed to value-added companies that buy products from Cargill. A meeting with Cargill management and a team of community representatives may be an approach to consider; i.e., Mayor, DED, Aquila, SDC. There has been interest in the past on a hide operation - may want to consider doing a targeted industry mailing. Exploration of the needs for a biodiesel operation may also fit well in area next to Cargill. Any synergisms derived from the Cargill plant would be valuable to help ensure Cargill's connection to Schuyler. Talk with Cargill about a sister plant that would finish the meat for restaurant or institutional use.

- The property owned by Greg Brandt (south and west of Nor-Am) is a good location; located west from Cargill does improve its marketability. Need to work with the railroad to determine how many feet of track come off the current spur, and determine what the cost would be to extend the spur west from Cargill across the road to the Brandt property. The property located directly south of the track on the west side of the county road #9 is a possible site. However, crossing the railroad will be of concern to all companies and their employees for any sites located south of the UP track.
- From Qwest request an assessment of Schuyler's telecommunications assets and liabilities. Also, encourage approaching Cable Nebraska and local Internet providers about their ability to provide voice communications over their systems to Schuyler.
- Promote Schuyler's large workforce pool as a potential source of available workers when recruiting new employers to Schuyler.
- Community Development efforts and 'quality of life' issues are vital to Schuyler's success in business retention, expansion and recruitment. Continue to focus on the overall development of Schuyler, its infrastructure and address issues negatively impacting quality of life.
- Schuyler's schools, and its facilities, significantly impact results in retention, expansion and recruitment. Old structures and modular class rooms do not project the progressive image necessary to successfully compete. Appearances influence perceptions.
- Continue the development of Schuyler's website – the importance cannot be overstated. Accurate and easily accessible information on the website is critical to future success. Promoting and marketing the community is ongoing – keep this a priority.
- Economic Development is a long-term process. ED is nothing that a community can start and stop and then start again without going backwards and repeating parts of the process – competition does not wait for other communities to catch up.

