

# Economic Development Update



FEDERAL RESERVE BANK *of* KANSAS CITY

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Federal Reserve Bank of Kansas City

The views expressed are those of the speaker and do not necessarily reflect the opinions of the Federal Reserve Bank of Kansas City or the Federal Reserve System.

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# Economic Development Update

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I. Introduction

II. Entrepreneurship Led Economic  
Development

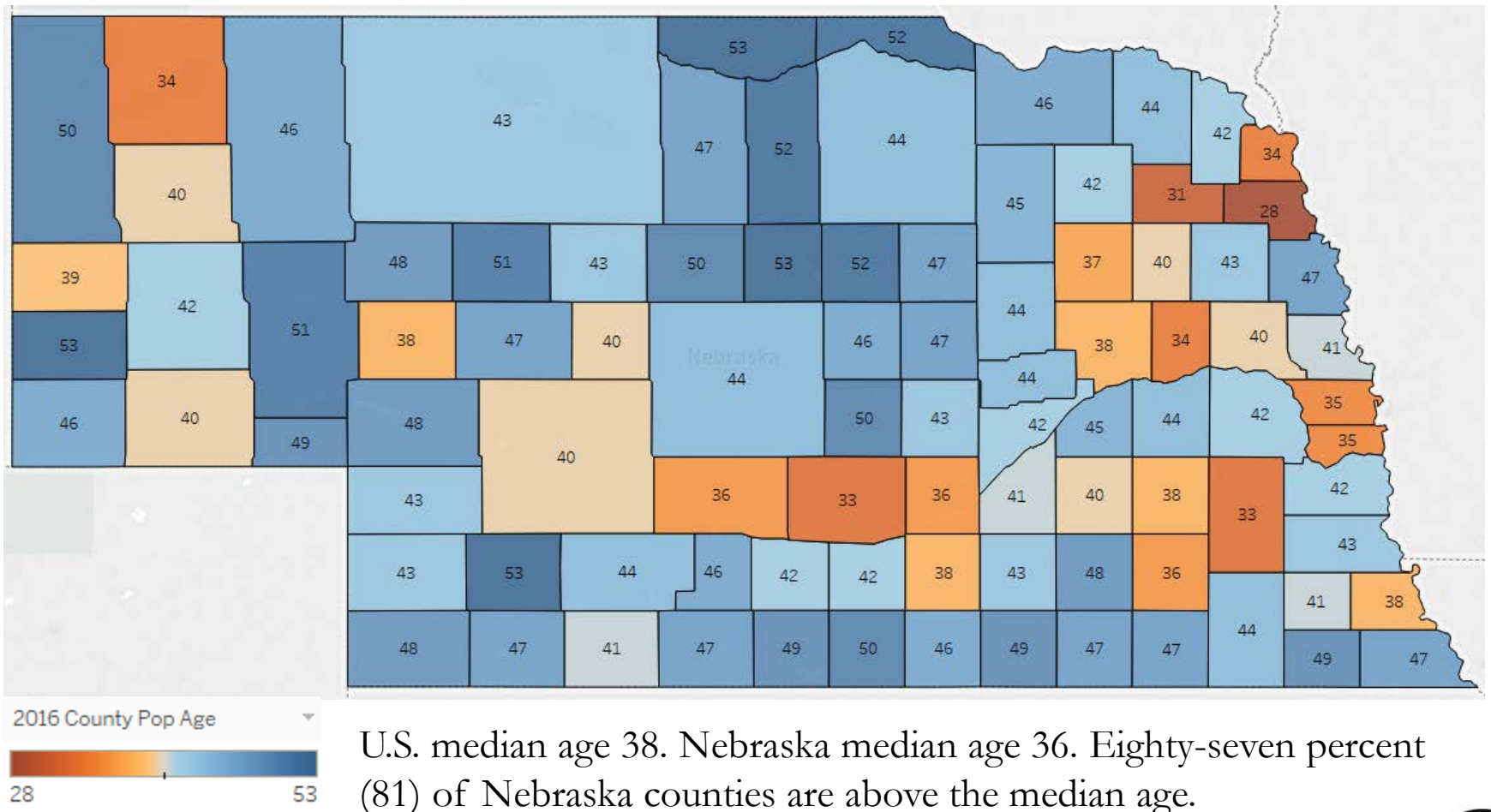
III. Nebraska & Federal Reserve Activities





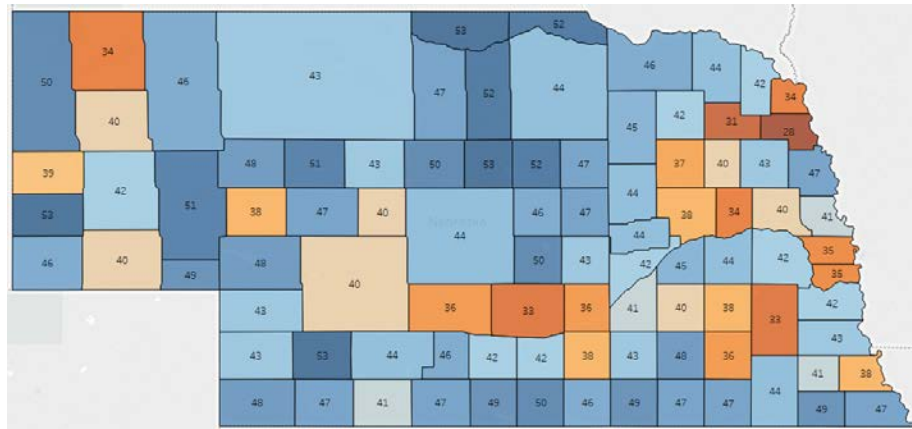
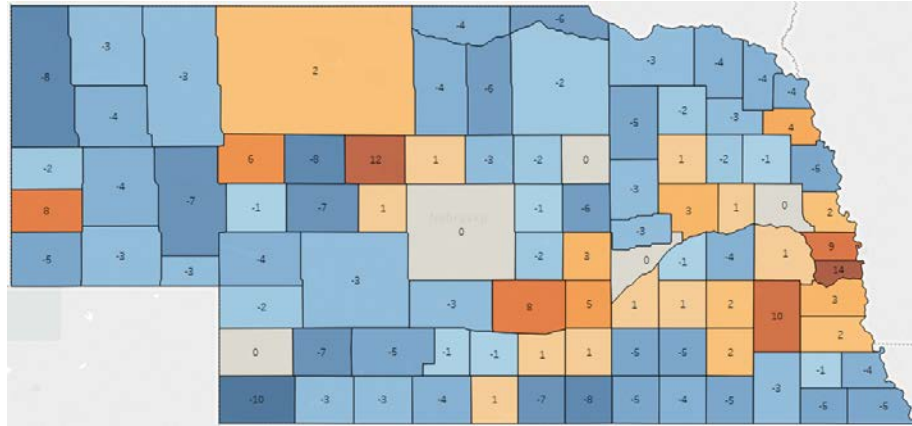
# Introduction

## 2016 Population Median Age by County



# Introduction

## Population Change and Median Age Comparisons



# Introduction

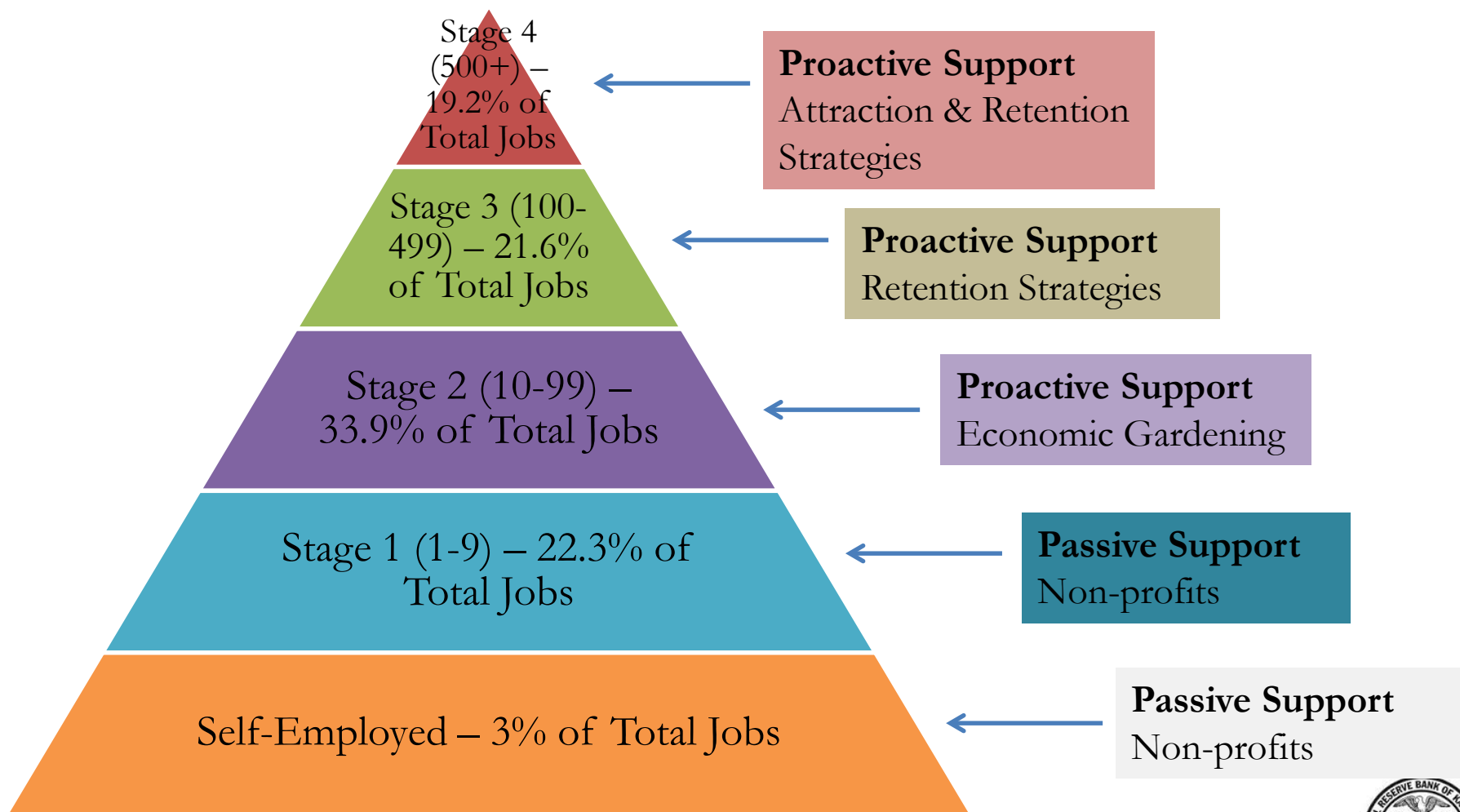
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Economic Development - Fostering a dynamic environment where economic opportunities can be discovered, taken advantage of and maximized to their fullest extent to create balanced and sustainable economic growth, jobs, a positive sense of 'place' and an improved quality of life in a defined geographic region.



# Introduction

## Business Stages by Size & Community Support



Source: Edward Lowe Foundation

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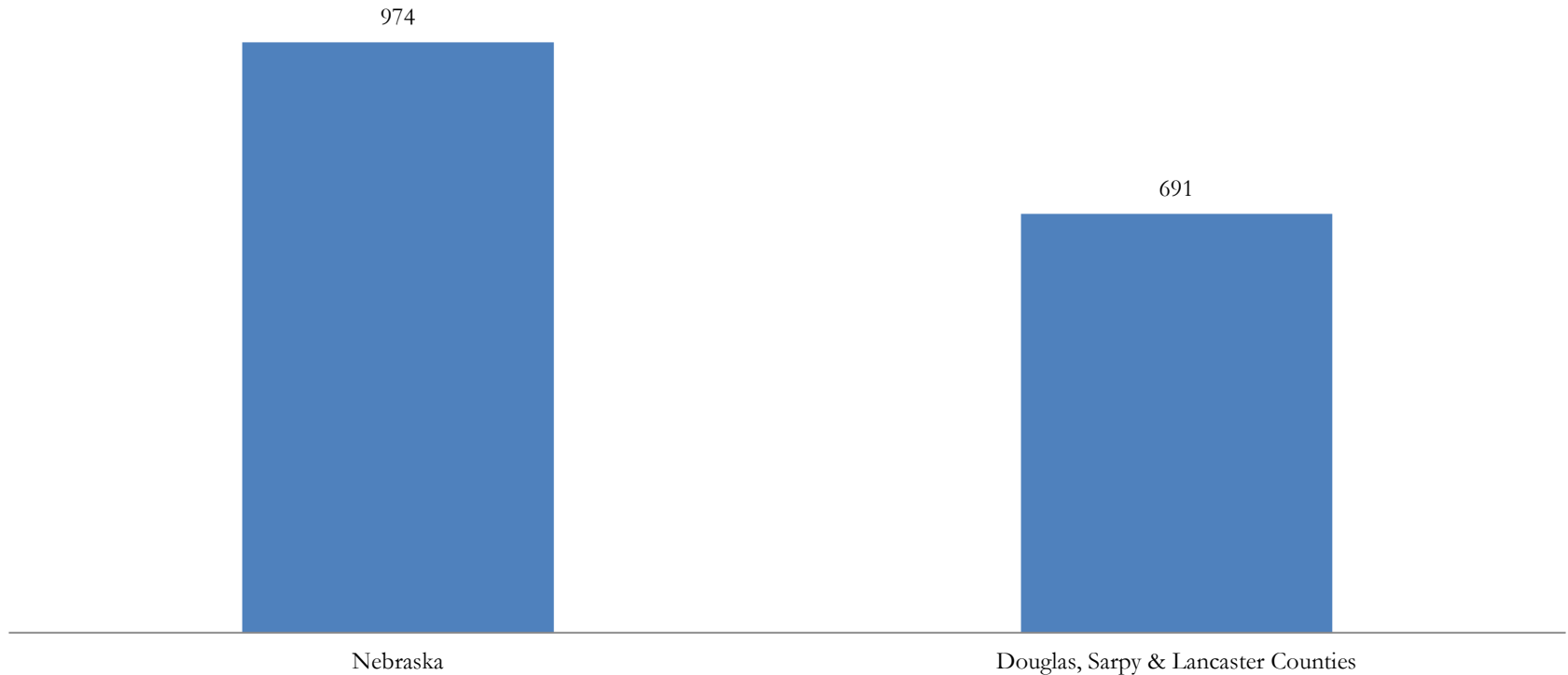


# Introduction

## Counties & Large Firms

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### 2016 Nebraska Firms with 100 or More Employees



Seventy-one percent of all Nebraska businesses with 100 or more employees are in three counties.





# Entrepreneurship Led Economic Development

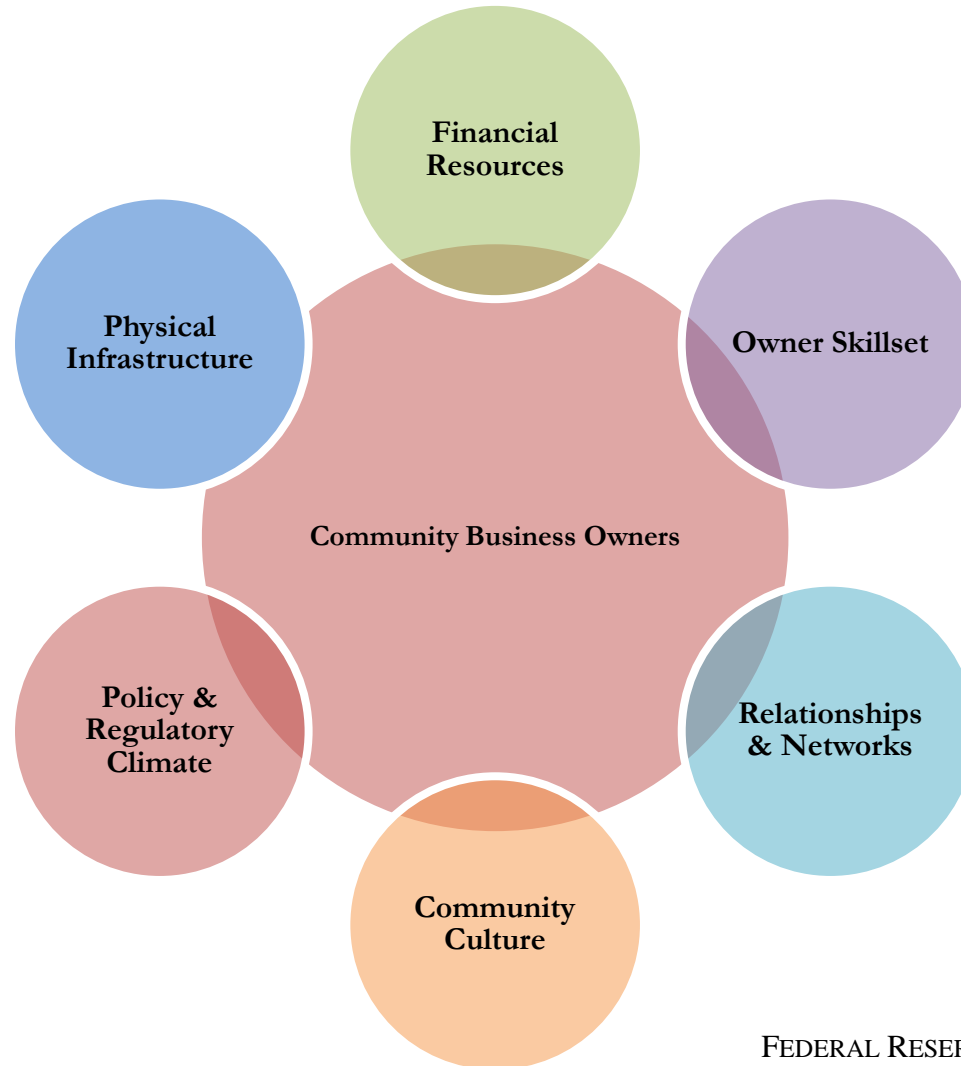
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Entrepreneurship led economic development is a local economic development strategy that prioritizes the startup and growth of local businesses as a primary economic development strategy.



# Entrepreneurship Led Economic Development

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# Entrepreneurship Led Economic Development

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## Advantages

- Economic diversification
- Economic growth potential
- Cooperation vs. competition
- Place making & community
- Talent attraction



# Entrepreneurship Led Economic Development Network Kansas

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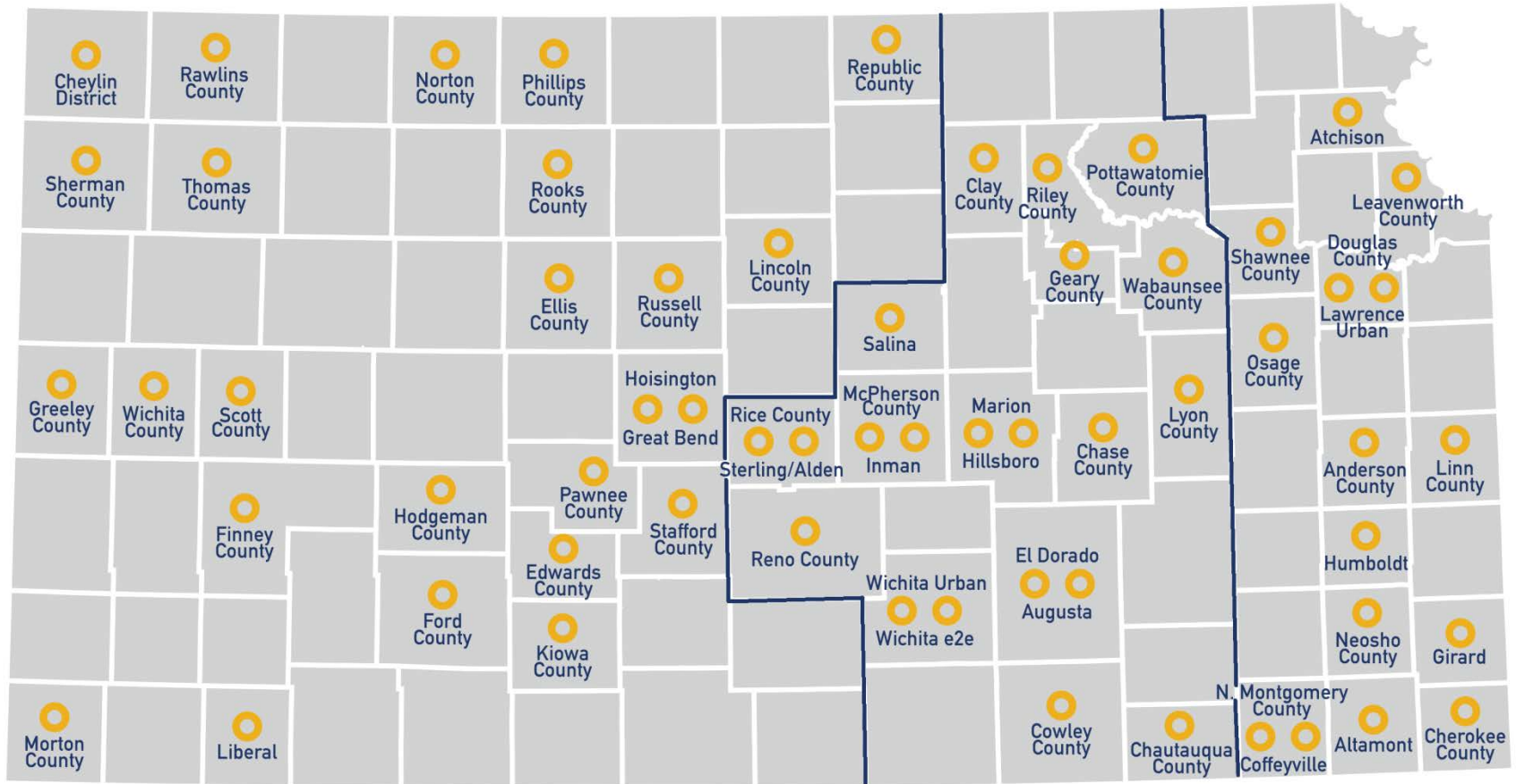
# NetWork Kansas

Resources for Starting and Growing Your Business

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# Entrepreneurship Led Economic Development Network Kansas



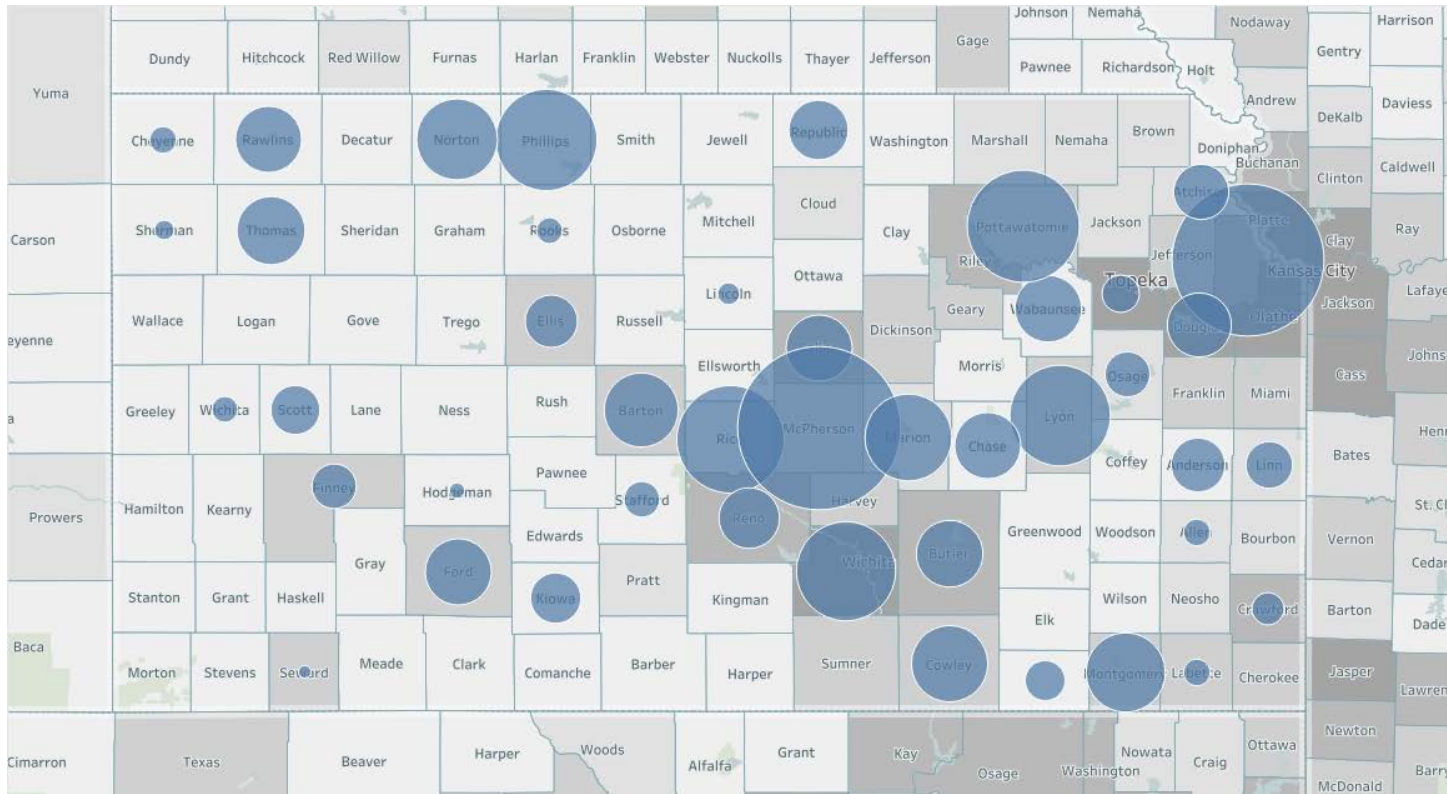
# Entrepreneurship Led Economic Development Network Kansas

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- 61 local financial review boards
- 459 loans totaling \$13.23M, to 438 businesses (as of 3/31/18)
  - 16% of total loan package (leveraged \$68.2M other capital)
  - 48% in towns with population <5K
  - 45% startups, 33% expansions, 17% purchase
  - 26% retail, 20% restaurant, 5% mfg, 49% service
  - 12% business failure rate (13 of the 53 still paying on their loan)
  - 19% of loans paid in full (88 of 459 loans)



# Entrepreneurship Led Economic Development Network Kansas



Dollars Loaned  
**\$12,890,216**

Loan Count  
**441**

Kansas Counties  
**44 out of 105**

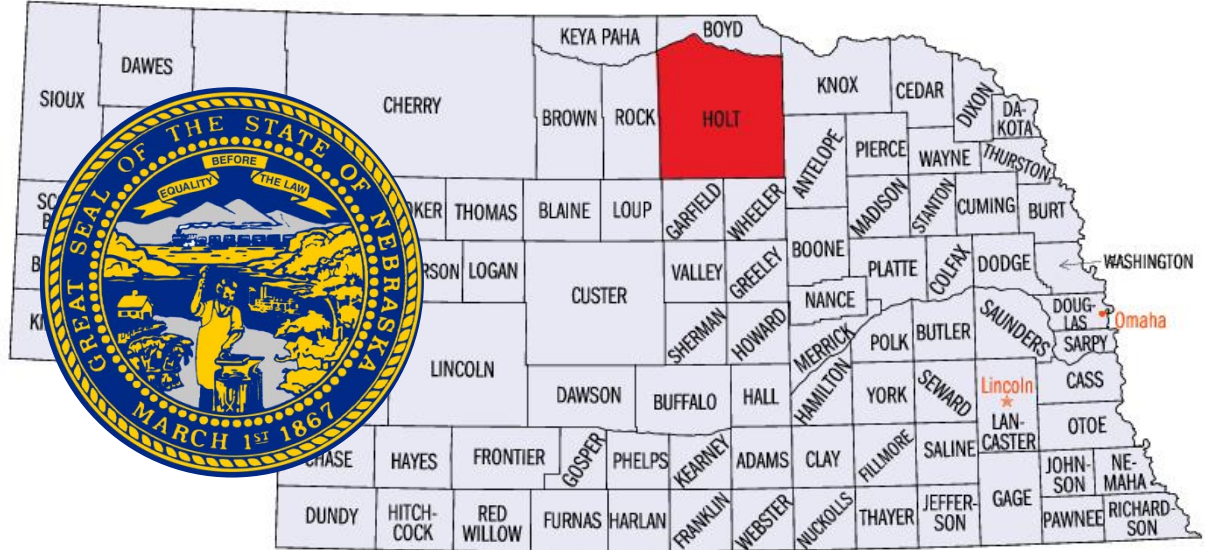


2018 Population

- 0 to 8,880
- 8,880 to 18,600
- 18,600 to 36,800
- 36,800 to 93,800
- 93,800 to 10,300,000



# Entrepreneurship Led Economic Development Holt County



The late Rudy Elis accepts his recognition as a member of the NCF Legacy Society.



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# Entrepreneurship Led Economic Development Holt County

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Holt County (Population 10,400) Created 275 Jobs in 7 Years

Nicole Sedlacek, Director of Holt County Economic Development accomplished the following:

- ❖ 275 jobs created
- ❖ 41 new businesses started
- ❖ 17 business expansions
- ❖ 19 businesses transferred to the next generation of owners
- ❖ 157 businesses visited to discuss needs
- ❖ More alumni continue to return to Holt County



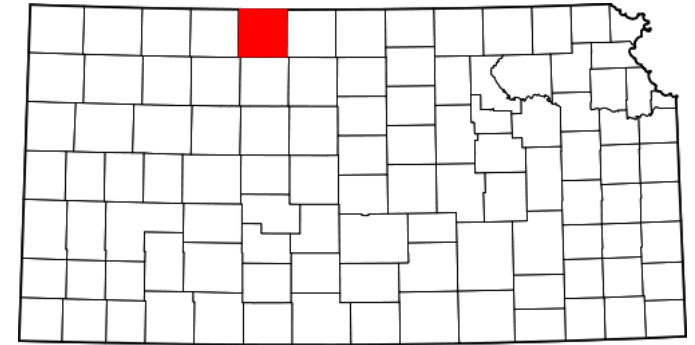
# Entrepreneurship Led Economic Development Cody Nebraska



# Entrepreneurship Led Economic Development Phillips County, Kansas

## Time Involvement:

- Creation: 45%
- Expansion: 25%
- Community Development: 15%
- Retention: 10%
- Recruitment: 5%



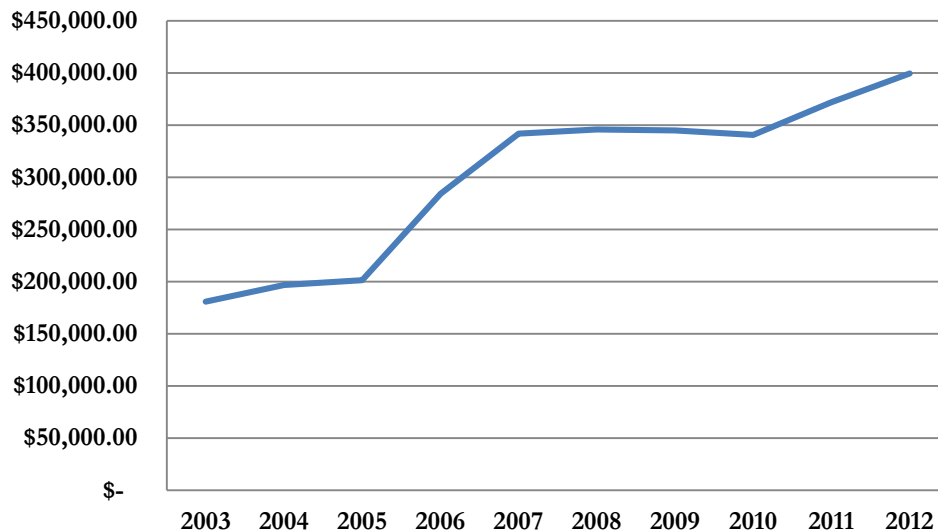
“In small counties, community  
development is economic development” –  
Jeff Hofaker, Phillips County

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# Entrepreneurship Led Economic Development Phillips County Kansas

**Phillips County Sales Tax Revenue  
2003 - 2012**



**Phillips County Economic  
Development was formed in 2003**

	Sales Tax Revenue
2003	\$ 180,788.00
2004	\$ 196,945.00
2005	\$ 201,480.00
2006	\$ 284,338.00
2007	\$ 341,915.00
2008	\$ 345,788.00
2009	\$ 345,120.00
2010	\$ 340,823.00
2011	\$ 371,933.00
2012	\$ 399,519.00



# Nebraska Activities

Community Vitality Initiative is led by Nebraska Extension, and seeks to develop rural communities through entrepreneurship and community development.




<https://communityvitality.unl.edu/>



# Nebraska Activities

JHEDI housing collaborative, is a collaborative of economic and community developers from across the state working to address the challenges in rural housing.



The poster features a yellow sun-like graphic in the top right corner. The text is arranged as follows: 'HomeNE' in a cursive font, 'GATHERING' in large blue block letters, and 'SHARING RURAL HOUSING SUCCESSES' in smaller blue block letters below it. The event details 'ST. PAUL, NE' and 'APRIL 25-26, 2018' are in the yellow graphic. The main text is in bold black, and the list of features is in black with bullet points.

**ST. PAUL, NE**  
**APRIL 25-26, 2018**

*HomeNE*  
**GATHERING**  
SHARING RURAL HOUSING SUCCESSES

**PLEASE JOIN US FOR OUR FIRST ANNUAL GATHERING EVENT TO BE HELD IN ST. PAUL, NEBRASKA. IF HOUSING IS A HOT TOPIC IN YOUR COMMUNITY, THIS EVENT IS FOR YOU! THIS EVENT WILL FEATURE:**

- A presentation and tour of St. Paul's community/housing achievements
- A Panel of local developers discussing their projects, as well as resources such as TIF.
- A wonderful atmosphere for learning, building solid relationships based on common goals and purposes
- Much, Much More



# Nebraska Activities

Rural Futures Institute focuses on rural economic growth through entrepreneurship and innovation.

They hold conferences, conduct research and do various community engagement activities.



ABOUT

FELLOWS

RESEARCH

LEADERSHIP

≡ MENU



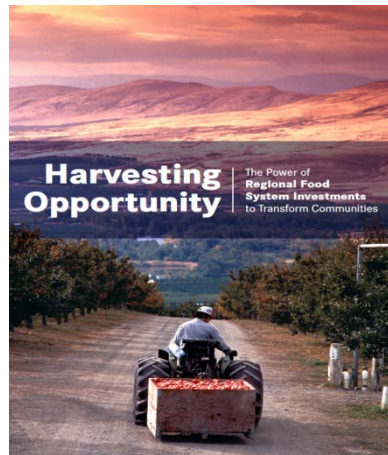
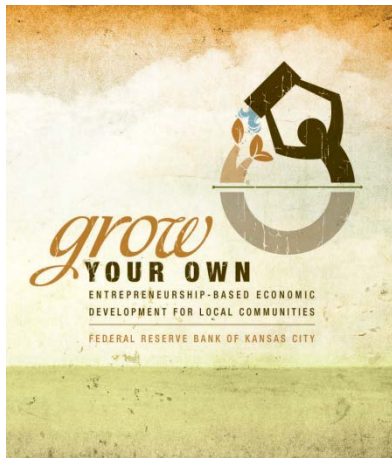
<http://ruralfutures.nebraska.edu>

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# Federal Reserve Activities

- ❑ National entrepreneurship led economic development certification
- ❑ Closing the digital divide
- ❑ Rural banking and community impact research



<https://www.kansascityfed.org/community/smallbusiness>

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# Questions?

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