

July 29, 2020



Dear Shelton Community Stakeholder,

On February 1, 2018 a group of Shelton community residents formed the Shelton Community and Economic Development (SCED) Group. Since then, the group has worked closely with the Village Board to complete projects that they believe are important investments in the future of the community.

In 2019, the Village Board adopted a comprehensive land use plan, updated zoning regulations, and a blight and substandard study. These documents were created and adopted to encourage and guide future growth in Shelton, following a community needs assessment survey. Three-hundred residents participated in the survey and voiced their need for better housing options and stronger support of local businesses.

In the Spring of 2020, the SCED Group raised funds locally and hired me, Bobbi Pettit of FIVE RULE Rural Planning. The purpose of this project was to gain assistance with drafting a local option municipal economic development action (LOMEDA) plan commonly referred to as LB 840. The purpose of the LOMEDA plan is to allow towns to raise their own funds locally and then spend those funds directly on economic and housing development projects in their community.

To have this ability, the community's registered voters must approve the LOMEDA plan. Voters must also approve the way the plan will be funded. In Shelton, the SCED and the Village Board have agreed to ask the voters to approve a 1.5% local sales tax. One percent (1%) of the local sales tax will fund the economic development plan while .5% of the local sales tax will be utilized by the Shelton Village Board to fund other infrastructure and community development projects within the Village of Shelton.

The Village Board of Trustees will hold a public hearing on the plan at their regular board meeting on Thursday, August 13 at 7:05 PM. The Board will then approve the final plan and direct that this issue be placed on your ballot for the November 3 election.

This letter is being sent to you to inform you that the Board will vote to approve this final plan on August 13 and to provide you with a summary of the plan on the following page. If you prefer to read the entire plan, the plan is available on the village website (<https://villageofshelton.com>) and hard copies of the plan are also available at the Shelton Village Office.

Should you have any questions about this project, please do not hesitate to contact me directly at 308.224.4653 or [bobbi@fiveruleplanning.com](mailto:bobbi@fiveruleplanning.com).

Thank you,

A handwritten signature in blue ink that reads "BPettit".

Bobbi Pettit

# VILLAGE OF SHELTON ECONOMIC DEVELOPMENT PLAN SUMMARY

## OVERALL INTENT

1. Support the recruitment, retention, expansion, and development of **businesses** serving the Shelton community and providing jobs to Shelton residents.
2. Support the growth of local businesses by implementing a workforce housing plan that will improve the current state of the **housing** situation in Shelton.

## ELIGIBLE ACTIVITIES

Activities that are legally eligible to be funded are defined by Nebraska State Law and listed within the plan. The plan lists 21 types of activities that includes items such as grants or loans for housing development, direct loans to businesses, purchase of real estate to assist with business recruitment/expansion, and loans for downtown businesses to improve their buildings.

## QUALIFYING BUSINESSES

Businesses that would qualify for assistance are defined by Nebraska State Law and are also listed within the plan. The qualifying businesses include any corporation, partnership, limited liability company, or sole proprietorship that earns its income through several types of activities, which are listed in the plan. The list is intended to be expansive and inclusive and aims to consider every type of business currently operating in Shelton, as well as any type of business that would potentially locate in Shelton in the future.

## PLAN FUNDING & TIMELINE

If approved by the voters, the plan will be funded by 1% of a 1.5% village sales tax. The tax would take effect on or about April 1, 2021 and remain in effect for ten (10) years. It is estimated that the total amount of funds generated to support the plan would be approximately \$712,000. While the tax would remain in effect for ten years, the plan would remain in effect for 20 years.

## ACCOMPLISHING THE PLAN

The Village Board would ultimately be responsible for all tasks associated with implementing the plan. To assist with carrying out the plan, the Board would appoint two separate groups:

1. **Citizens Advisory Committee:** consists of Shelton registered voters that would review the progress and report on the plan to the Village Board every six months.
2. **Loan Review Committee:** consists of local Shelton residents and individuals with professional expertise in business and finance. This committee would review project proposals and advise the Board on their feasibility.

## ADMINISTRATION, PRIVACY, AND LEGALITY ISSUES ADDRESSED WITHIN THE PLAN

The plan appoints a program administrator responsible for the administrative tasks associated with the plan, which would most likely be the Village Clerk. The plan also has requirements to protect the confidentiality of any business that applies for assistance. The plan also directs that the funds raised by the plan be kept in a separate bank account and audited on an annual basis.