

# **N***Gage*

**ANNUAL REPORT 2018**



402-228-5869



[www.ngagegroup.org](http://www.ngagegroup.org)



218 N 5th, Beatrice, NE 68310



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Gage County represents people,  
relationships, and a community,  
rather than a destination on a map.

## LETTER FROM THE DIRECTOR

Dear Friends,

We're reflecting on another great year, in which we saw growth throughout our Gage County communities. The State of Nebraska saw growth, too - there's even a trophy to prove it. Site Selection Magazine once again awarded Nebraska with a Governor's Cup for the second year in a row, having had more projects per capita than any other state. Beatrice made the list of top micropolitan areas in the entire country which helped contribute to this award.

NGage staff had a busy year helping facilitate expansions, mergers, housing projects, hotel development, regional partnerships, and traveling the world representing Gage County and Nebraska. You'll find details on these activities throughout this Annual Report.

The US economy is strong, and continues to strengthen, which makes investing here attractive to international companies. NGage focused 2018 efforts on building international relationships and saw an increase in projects from abroad while still receiving a constant flow of domestic and local activity.

Infrastructure is critical to the industries in Gage County - our public facilities must be able to respond to the needs of our businesses. In November, the citizens of Beatrice voted to support a sales tax increase for the funding of a new fire station. The NGage Board was happy to see the community's support for this ballot measure. Another infrastructure need was addressed when Southeast Community College in Beatrice began construction on new facilities in order

to grow their footprint and increase student population. Gage County is fortunate to have forward-looking community partners that are investing with the future in mind.

Reflecting on last year is encouraging. With so much groundwork recently completed, 2019 is sure to be another great year.

Respectfully,



Walker Zulkoski  
*Executive Director*

## MEMBER INVESTORS

\* Indicates Voting Members

### Leader\*

City of Beatrice  
Gage County  
Beatrice Community Hospital  
NextEra Energy

### Champion\*

Black Hills Energy  
First National Bank  
Pinnacle Bank  
Security First Bank

### Associate

Beatrice Area Chamber of Commerce  
Blackburn Technologies  
Carriage Motors  
Deines Pharmacy  
Farm Credit Services of America  
MembersOwn Credit Union

### Catalyst\*

Caspers Construction  
Clabaugh Pharmacy  
Diode Communications  
Echo Electric Supply  
Exmark Manufacturing  
First State Bank  
Flint Hills Resources  
Neapco Components  
Norris Public Power District  
Precise Fabrication  
Ratigan-Schottler Manufacturing  
Smith, Schafer, Davis, Gaertig  
Unite Private Networks

### Catalyst/Municipal\*

Village of Adams

### Advocate

American Family Insurance / Cheryl Wirth  
Edward Jones / Steve Hovendick  
Homestead Land Company  
Midwest Livestock Systems  
Nebraska Public Power District  
T&T Seed Express  
Worldlawn Power Equipment

R.L. Tiemann Construction  
Landmark Snacks  
Village of Cortland  
Woods Bros Realty  
Jones Insurance Agency  
Willet & Carothers



## BOARD OF DIRECTORS

**Andrea Schafer**  
President, City

**Patrick Ratigan**  
Vice President, City

**Darin Baehr**  
Treasurer, City

**Karen Stohs**  
Secretary, County

**Steve Hovendick**  
Board Member, County

**James Lenner**  
Board Member, County

**Bob Morgan**  
Representative, Beatrice City Council

**Matt Morrissey**  
Board Member, City

**Dennis Rosene**  
Board Member, County

**Erich Tiemann**  
Representative, Gage County Board

**Andy Carothers**  
NGage Attorney

NGage board members are elected by voting-level Member Investors. Two of the directors are appointed seats - one by the Beatrice City Council and the other by the Gage County Board of Supervisors. The other eight directors are Gage County community members or business professionals.

2018 NGage Board of Directors Retreat at Brick & Mortar Coworking, Beatrice, Nebraska ▶





## LOCAL AREA GROWTH

### Existing Industry

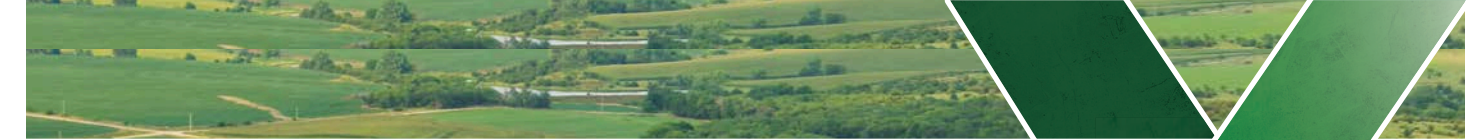
#### **Exmark Manufacturing, Inc.**

Exmark Manufacturing announced a major expansion in early 2018 with the acquisition of an 84,000 square foot building to the west of their current location in the Gage County Industrial Park. This new space will provide roughly 30,000 sq ft of distribution/warehouse space, and an additional 50,000 sq ft of office space for new and existing staff. The

expansion was aided in part by the Nebraska Department of Economic Development, who awarded Exmark \$250,000 in Site & Building Development Fund (SBDF) monies.

The purchase of Exmark's additional building created a unique challenge for the tenants of the building, one which NGage was eager to help solve.

Wurth Adams, Mid-States Bussing, and GT Midwest needed new space to locate their businesses, so NGage got to work, leveraging contacts and connections, property owners and community members, to find 84,000 square feet of space for the companies to relocate. By the end of 2018, all three businesses have been relocated in Beatrice.



#### **E Energy Adams (pictured above)**

E-Energy Adams became the first ethanol plant in Nebraska to install a "Whitefox ICE" system, a technology that allows producers to reduce energy, operation, and maintenance costs by simplifying production. The result of the \$28 million expansion is increased capacity from 50 million gallons to 80 million gallons since their opening in 2007.

#### **Landmark Snacks, LLC.**

Landmark Snacks operates a jerky and meat snacks production facility in Beatrice and manufactures products for the brand "Epic". The company surpassed its three-year growth plan in a matter of months, which was a key factor in being recognized by Congressman Adrian Smith in 2016. In 2018 the company again realized a substantial gain in its employment count by adding more than 40 full-time employees.

#### **Tredz Central**

Formerly located in Firth, Nebraska, Tredz Central constructed and moved into a new, 25,000 square foot building just south of Cortland. The new location houses the general/sales offices, a full-service center for tire mounting, mechanical work, automotive equipment servicing, and more. The move allowed them to hire up to six additional employees.





**Precise Fabrication**

In the summer of 2018, locally-owned Precise Fabrication was acquired by Lincoln-based Kinney Manufacturing. “Expanding in Beatrice was a logical move for our company. This support [from Gage County and the City of Beatrice] will ensure that we can share knowledge...to continue to grow the company with additional equipment and people, while making a positive impact on the community,” said Randy Kinney, owner of IntoMetal and Precise Fabrication. LeRoy-Janzen, founder and now former

owner of Precise Fabrication noted that “not only will this acquisition better serve [the] customers by enhancing the services we’re able to offer them, it will also retain existing jobs while adding new positions and the increased revenues made will go back into the tax rolls to further grow our community.”

**Rare Earth Salts**

Rare Earth Salts (RES), a privately held industrial and applications technology company, focuses on the separation and refining of all sixteen rare earth elements. The only operation of its kind in the United States, RES expanded their Beatrice production facility in 2018. The 9,000 sq ft addition brought their building footprint to nearly 25,000 sq ft and includes a new shipping and receiving area and houses administrative space and a state-of-the-art laboratory to support the production facility.

**MyPlace Hotel**

NGage commissioned Core Distinction Group LLC to provide a Lodging Feasibility Study for the Beatrice market area in 2017. The study results showed a need for additional guest rooms. In Summer 2018, it was announced that Beatrice Lodging, LLC proposed to build a prototype MyPlace Extended Stay Hotel. “I’m excited about bringing this prototype hotel to a market with demand for lodging and thankful for the efforts by

the City of Beatrice and NGage for assisting in the process,” said Mike Works of Beatrice Lodging, LLC. Walker Zulkoski, NGage Executive Director, said “NGage set out to understand the demand for hotel space in Beatrice and a need for lodging was identified. We are thrilled that Beatrice Lodging, LLC has chosen to invest in our community and help Beatrice retain significant lodging and sales tax revenue.”

**Did you know?**

**In 2018, new building permit valuations totaled \$35,482,524.**





## GAGE AREA HOUSING

The housing study completed in 2016 is still producing positive outcomes. This year, developers made housing a priority to cater to the growing need for units.



### **BHS / Brett Wells Project**

Brett Wells Construction and other local contractors, as part of a Home-Work Project with Beatrice High School, completed construction of a new home in the Covered Bridge development. Ten high school students received hands-on experience with the project in everything from blueprint design, foundation work, drywall, framing, landscaping, and finishing work.

### **Rural Workforce Housing (LB 518)**

Beatrice, in partnership with the Southeast Nebraska Development District and four other communities in Southeast Nebraska received a \$639,000 grant from the Nebraska Department of Economic Development to address the need for housing. The grant and matching funds from the Nebraska Investment Finance Authority created a nearly \$1,000,000 revolving loan, which creates the ability to grow and manage an investment fund for rural workforce housing.

### **Goossen Construction**

Goossen Construction continued development in the Covered Bridge neighborhood. With an initial projection to develop 31 lots, eight lots had already been developed and sold in 2018, with another eight currently under construction and available to sell. The development consists of duplexes, triplexes, and four-plexes.

### **Excel Development**

Excel Development purchased and demolished the former Beatrice Community Hospital building. In its place, and on adjacent property, an affordable sixteen-unit senior development and six single-family homes were constructed, with the intent to construct more market-rate single family homes.

### **Fakler Development (pictured below)**

Fakler Architects and Development designed, constructed, and leased six "tiny homes". This new development on Graham Street in west Beatrice boasts highly energy efficient features and creatively addressed a need for quality rental homes.



## REGIONAL ACCOMPLISHMENTS



### **Governor's Cup**

Site Selection Magazine, a senior publication in the corporate real estate and economic development fields, announced in March of 2018 that Nebraska had again been selected as the "Governor's Cup" recipient for most projects per capita for the second consecutive year (2016 and 2017). Governor Pete Ricketts said of the award, "This is a testament to Nebraska's world-class workforce and welcoming communities. Thank you to [those] partners working to grow Nebraska who brought this trophy home again." Beatrice tied for 64th for Site Selection Magazine's 2017 Top Micropolitans by Number of Projects.



Photo Credit: Lincoln Journal Star, SCC Ag Program

### **Southeast Community College**

SCC announced and broke ground on a series of campus improvements in 2018. On the Beatrice campus, a 60,000 square foot general classroom building is being planned, and work has begun on two other new buildings: a full-service dining facility and a residential hall. Other SCC campuses will also be getting new facilities as part of the school's Board of Governors' \$19 million commitment to taking the college to a new level and attracting more students.

## NEXT GENERATION PARTNERSHIPS

Next Generation Sector Partnerships are partnerships of businesses, from the same industry and in a shared labor market region, who work with education, workforce development, economic development and community organizations to address the workforce and other competitiveness needs of the targeted industry. Across Nebraska, these "Next Gen" Partnerships began to pop up in 2018 and NGage has been an active participant in both the Healthcare and Manufacturing sector groups.

### **Healthcare**

In August 2018, healthcare organizations in Gage, Lancaster, Saline, and Seward counties began gathering to identify opportunities and actions needed to promote the growth of the healthcare industry in Nebraska. The group's main focus areas include: talent pipelines, awareness and recruitment, care coordination, and community engagement.

### **Manufacturing**

The Regional Advanced Manufacturing Partnership (RAMP) launched in February 2018 as a partnership among eight Nebraska counties, five Kansas counties, two Missouri counties, and one county in Iowa. RAMP aims to reinvigorate the perception of the manufacturing industry by focusing on career awareness, partnerships, outreach, and educational opportunities.

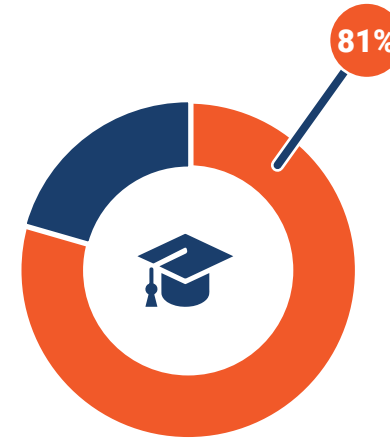




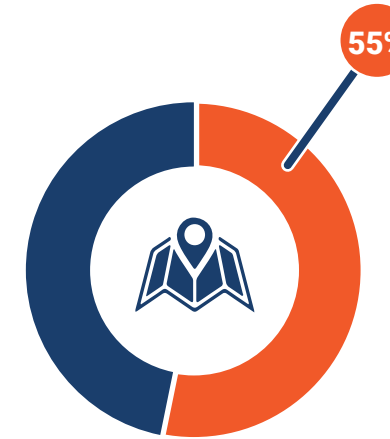


In conjunction with NGage’s 2018 Annual Meeting, the Growing Gage Communities (GGC) initiative kicked off a partnership among NGage, the Heartland Center for Leadership Development, and University of Nebraska Extension, with the backing of a grant for nearly \$100,000 from the USDA. GGC would seek to identify and help fund community facility improvement projects through surveys, community meetings, long-range goal planning, community perception, and more. The 2018 year finished with a resource provider meeting, where technical and financial assistance organizations gathered to educate the public on ways in which each organization could benefit project ideas. The GGC initiative will continue into the 2019 calendar year.

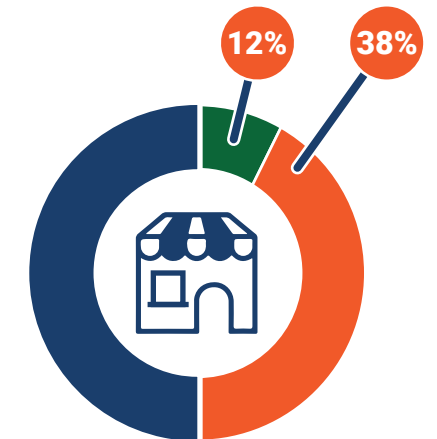
**FOUR** DISTRICTS **859** STUDENTS **6-12** GRADE  
**9** GAGE COUNTY COMMUNITIES REPRESENTED



Plan to attend college



Picture themselves living near their hometown in the future



12% currently have a business  
 38% are interested in business ownership in the future

# INTERNATIONAL GROWTH

## TARGETED RECRUITMENT

### **Governor's Council for International Relations**

In 2017, Nebraska Governor Pete Ricketts formed the Governor's Council for International Relations, and in 2018 the group unveiled a five-year Strategic Plan for International Engagement. Leaders from 30 state agencies and organizations identified six areas of focus, two of which are to plan and execute a five-year trade mission schedule and to develop an engaged network of Nebraska goodwill ambassadors to promote the state overseas. NGage's Walker Zulkoski has been actively engaged in both and will continue to place value in forming and strengthening relationships with international partners.



### **International Relationships**

Walker Zulkoski has spent the past several years traveling the country and globe building relationships. "We travel to be present. If we aren't traveling to them, someone else is," Walker is taking an approach to recruiting companies by building on the existing ecosystem of international business that has formed in Gage County. Currently, Beatrice is home to companies based in Korea, Canada, China, and the Netherlands. Other companies with international footprints also call Beatrice home due in part to a central location within the U.S., low cost of doing business, skilled workforce, and a business-friendly climate. As Walker travels the world, companies are meeting a local person, shaking hands, and establishing a warm and welcoming relationship that can lead to future business. Recent international travels include:

### *Canada*

In Fall 2018, Walker traveled to the Toronto area to visit the headquarters of Hendrix Genetics. This trip was important because Hendrix chose to make a significant investment in Beatrice in 2017 and building upon that relationship is key to future investment and growth. While in Toronto, Walker met with prospective companies interested in operating in the U.S. and identifying the market of Canadian companies looking to expand south.

### *South Korea*

In Spring 2018, Walker was asked to travel to South Korea with partners from the Nebraska Department of Economic Development, Lincoln Partnership for Economic Development, and the Nebraska Innovation Campus. This trip allowed Nebraska to begin establishing relationships with various trade organizations and meet with prospective companies. These newly-formed relationships build a framework for future conversations about opportunities available in Nebraska.





## County Support

The support of a county that understands the value of building international relationships is crucial. This approach takes time but should prove to be more effective than domestic recruiting; competing with neighboring communities and states for the same projects. NGage chooses to be on the road – to build relationships that will last a lifetime. When a company is ready to make a move, Gage County is top of mind and a face is connected to the name. The term “Gage County” comes to represent a person, a relationship, and a community, rather than a destination on a map.

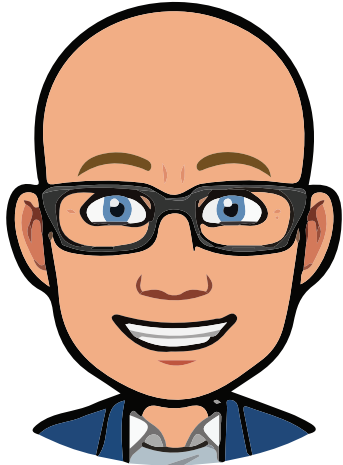


*NGage chooses to be on the road  
to build relationships that will last a lifetime.*





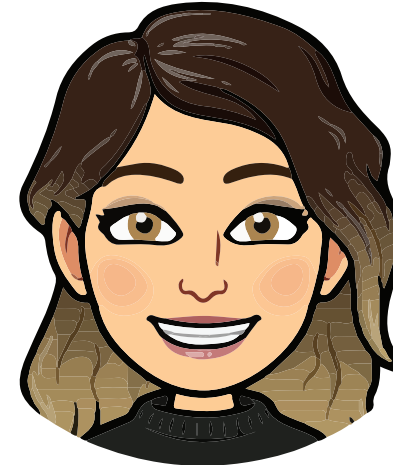
## STAFF UPDATES



### **Walker Zulkoski**

In 2018, Walker was appointed to the Board of Directors for the Nebraska Economic Developers Association (NEDA), the largest association of economic development professionals in Nebraska. The organization is dedicated to strengthening economic development in the state through educational and professional development of its members. Also, in 2018, Walker was appointed to the Board of Directors for the Southeast Nebraska Development District (SENDD), which is a voluntary association of counties and municipalities formed to identify problems, solutions, and provide continuing support among its members.

“The voices of NEDA and SENDD are powerful and carrying our message from rural Nebraska to state decision makers will be critical to the growth of business and the vitality of our rural communities.”



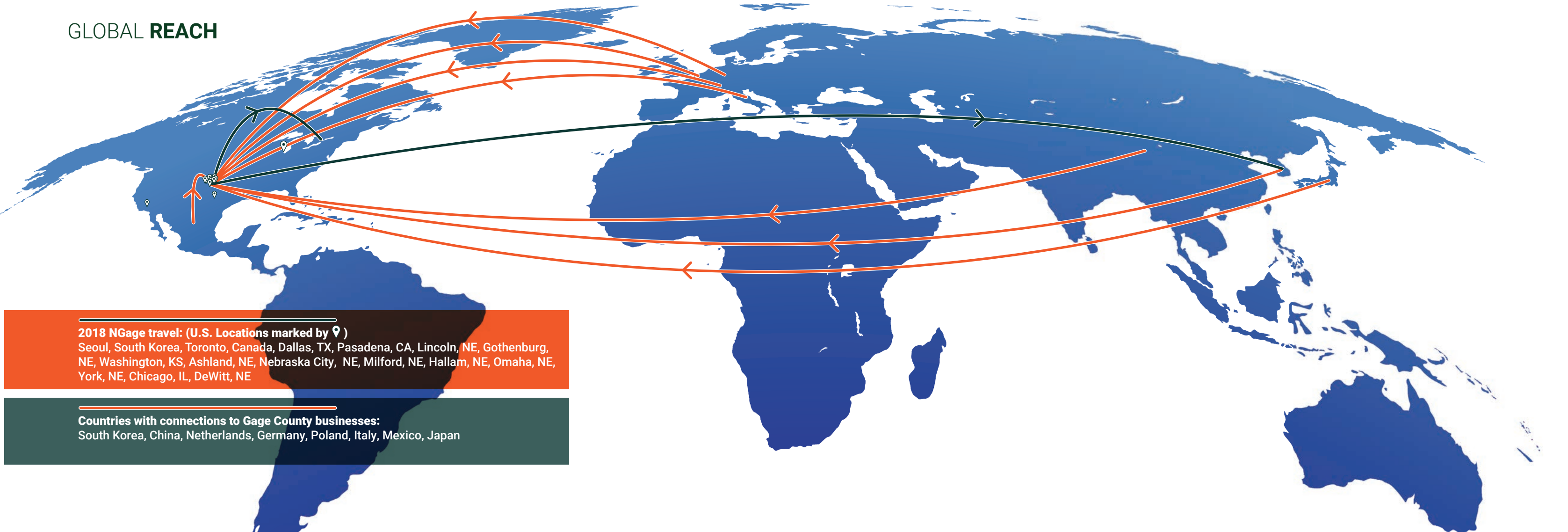
### **Erin Chadwick**

In April of 2018, Erin was one of 87 economic development professionals to attend the Heartland Economic Development Course (HEDC) in Blue Springs, MO. Heartland provides a solid foundation upon which developers can build their base of knowledge and experience. In November, Erin was elected to the Beatrice Public Schools’ Board of Education, furthering her commitment to the Beatrice community. Erin’s involvement is an example of how the NGage team is leading the charge in community change through personal and professional commitments.

“The Heartland Course was an excellent opportunity to learn from experienced professionals about the world of economic development. I’m excited to use this new knowledge as I further develop in my role at NGage, and to bring diversity to my seat on the Beatrice Board of Education.”



# GLOBAL REACH



## 2018 NGage travel: (U.S. Locations marked by 📍)

Seoul, South Korea, Toronto, Canada, Dallas, TX, Pasadena, CA, Lincoln, NE, Gothenburg, NE, Washington, KS, Ashland, NE, Nebraska City, NE, Milford, NE, Hallam, NE, Omaha, NE, York, NE, Chicago, IL, DeWitt, NE

## Countries with connections to Gage County businesses:

South Korea, China, Netherlands, Germany, Poland, Italy, Mexico, Japan

Miles traveled: 22,303

Facebook likes: 936

Website visitors: 11,654

Emails sent: 3,622

Recruitment projects opened: 27

MFG Day student participants: 22

# of employees @ Top 10 employers: 2,905

Governor's Pheasant Hunt Trophies: 8  
↳ There's always next year !!

New contacts in database: 532

NGage Interns: 3

2018... BY THE NUMBERS

**NGage**  
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Ethanol production: 80 million gallons

Biodiesel production: 35 million gallons

Lawnmowers produced: 70,000+

Fruitcakes produced: 777,800 pounds!

Custom furniture fabricated: 500,000 bd ft.

Turkeys hatched: 6,133,982

Fertilizer production: 12 million+ metric tons

SCC Beatrice graduates: 204

New building permits: \$35,482,524

Tiny homes built: 6

Hospitals demolished: 1

Hotels announced: 1

Unemployment rate: 2.9%

### Why invest in NGage?

Your expertise, vision, and investment helps create a more vibrant and economically sound county. The magnitude of our member investors verifies to business prospects that Opportunity Grows Here!



OPPORTUNITY GROWS HERE