Investing in Our Future to Preserve Our Way of Life

BY MEGAN SPARGO, BENKELMAN CRA COORDINATOR
INVEST IN PEOPLE

INVEST TIME AND EFFORT

INVEST IN COMMUNITY IMPROVEMENTS

PROVIDE INVESTMENT VEHICLES

LEADS TO STRATEGIC POSITIONING AND SUCCESS
Invest in People

- The CRA reached out to NDED and WCNDD-Start Point
- Hire a Coordinator
  - Central contact person-Connecting resources to where there are needed.
  - Education, Experience and skill set to be effective.
- Community Development is a job- My top priority.
- Compounded knowledge, skill set, network in one highly accessible location- easier to execute.
- Held Accountable
Invest Time and Effort

- Community Involvement - Creating the space and atmosphere that fosters ideas.
  - Town Hall Style Community Needs Assessment
  - Follow up meetings involving the community
  - More surveys
  - Strategic Planning
  - Business Visits
Creating an Investment Vehicle

- **Establishing Dundy County Investment Club**
  
  “Make investments in the community which will be beneficial both to the membership and the community as a whole”

- **Creating a vehicle for Venture Capital in Benkelman.**

- **Investments Made by Community Members- In projects they choose.**

- **Non-governmental funding source.**
Benkelman’s Housing Before Housing Crisis

- 10% of housing stock vacant
- Nearly 80% of housing stock is over 40 years old.
- 1 new house built in Benkelman in the 21st Century
- No workforce housing- Hard to attract skilled workers
- Extremely low tax base
CRA’s First Housing Investment

- CRA acquired 5 vacant and dilapidated houses. Demo’d the houses and cleared the lots—Creating 3 in-fill lots.
2017 Housing Project with WCND

Strategic Positioning

- Participated in Nuisance and Abatement Program
- CRA- Infill lots and TIF incentives
- Investment Club- Available Venture Capital
### 2017 Housing Project Partnership Roles

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<thead>
<tr>
<th><strong>WCNDD’s Role</strong></th>
<th><strong>CRA’s Role</strong></th>
<th><strong>DCIC’s Role</strong></th>
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<tr>
<td>Developer- purchased Wardcraft House.</td>
<td>Site Developments- basement, slab for garage, off street parking.</td>
<td>To provide $50k in matching funds for LB 518.</td>
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<td>Coordinated manufacturers, contractors.</td>
<td>This will be paid off through TIF over the course of 15 years.</td>
<td>This did not end up going through for us.</td>
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<td>Sold the house.</td>
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<td>Legal- put together redevelopment agreement and partnership.</td>
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<td>Ultimately took the biggest risk.</td>
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2017 Housing Project Breakdown

- The CRA sold WCNDD an infill lot for $1.
- WCNDD served as the developer, and purchased an inventory Wardcraft house for $155,00 (house, travel and instillation).
- CRA did site developments. $55,000. Also provided funding for building incidentals. This cost would be paid off over the course of 15 years through TIF. (Prior Assessed Value= $3,824/Current Assessed value is $178k. $178k-$3, 824=$174,176 with a 1.1 tax rate=$1,916 x 15= $28,740).
- WCNDD decided on a market price of $165,000- first come first service
  - WCNDD took the biggest risk. There was no data to support that a new house would be supported in Benkelman's market.
- The house had 2 offers within one hour of going on the market ($155,500 + $55,000= $210,000 -$165,000 =27,5000)
2017 Housing Project Payoff

- Increased Tax revenue for Benkelman
- New people with valuable skills
- A great addition to Benkelman’s Housing stock
- Improved the aesthetics of the community.
- Moving from thoughts and ideas to action/
  Another new house is breaking ground this month.
What we learned

- Selling the house at market rate would have been a better deal.
- Next time we will let buyers negotiate a price.
- We are able to take a look at the terms of this project make some tweaks so that it is more financially feasible and duplicate it.
Benkelman’s Housing Today

- Benkelman went almost 2 decades without a new house built in town. Now we have one.
- A basement for the 3rd house in the 21st Century has been poured!
- For years multi-unit properties sat vacant and dilapidated. Right now there are 4 of these properties that have been purchased and are in the process of being rehabbed- for 11 new rental units this Spring- Addressing a different housing need.
- Since I started in 2016, 18 vacant properties have either been removed or rehabbed- The CRA, Private Investors, Home owners
Round 2 of Demolition of Blight

- 4 INFILL LOTS AVAILABLE
- FREE LOT PROGRAM
- SECOND HOUSING PROJECT
3 Pig Houses
ICONIC EYE SORES
New lot directly across from WCNDD House
2 more dilatated Properties removed from Benkelman’s Housing Stock
Investors: Activity Breeds Activity

- Multi-Units that sat empty for years all currently being rehabbed
- Once rehab is completed, Benkelman will have 11 rental units open.
Housing Tomorrow

Collinsville Addition

- Roughly 20 acres of land in the blighted area purchased by the CRA in 2016 for $65K
- Currently has one house sitting on the property-used as rental.
- Final Plat approved by Benkelman City Council in October.
- New House being built now.
Questions?