

CASE STUDY UPDATE | ORD, NE

2019



Ord continues previous economic development strategies while also promoting the tourism sector, attracting businesses, and improving quality of life.

As Assistant Director of Valley County Economic Development, Kristina Foth, says, Ord has a “little bit of everything”—from arts & culture to natural resources to a growing business community.¹ Led by the county’s economic development board, Ord is the first certified and (three times since) re-certified economic development community in Nebraska, and a hallmark story of small-town success. Faced with declining population and economic stagnation, the city launched into new efforts to revitalize their town in 2000.

Since 2008, median income has increased from \$27,300 to \$42,228.² This massive increase has been spurred on by the continuation of previous economic development strategies which include investing in small-to-medium sized businesses, philanthropy, youth outreach, and leadership development. In addition, Ord has added three major focuses of economic development which include promoting the tourism sector, attracting businesses, and improving quality of

life.

PHILANTHROPY

In 2001, members of the community donated 1.2 million to the county, and since then, philanthropy continues to be an important part of the town’s success and identity. In 2015, Ord launched the “Vibrant Future Fund” program to raise \$500,000 in community donations which would be matched by up to \$250,000 by the Sherman Foundation. The program was fully funded in January 2019 and placed in an unrestricted endowment, allowing Ord to offer annual grants of \$35,000 in support of current and future community improvements and programs in the county.³

Additionally, the community has held “The Big Give” each year since 2013 in which citizens and business in Ord come together to donate to their designated non-profit partners. In 2018, there were 409 donations totaling \$119,688, which were subsequently given to 23 recipient organizations that benefit the community

¹ Interview with Kristina Foth, March 2019.

² “Ord, NE,” *Data USA*, n.d., <https://datausa.io/profile/geo/ord-ne/>

³ “Valley County Community Foundation Fund,” *Nebraska Community Foundation*, n.d., <https://www.nebcommfound.org/give/valley-county-community-foundation-fund/>

like the school system, leadership programs, and the Economic Development Endowment.⁴ According to Foth, the network established by the non-profits in coordinating this event has been just as beneficial (if not more so) than the money raised.

Another aspect of philanthropy is the Ord Chamber of Commerce. Fees range from \$100 to \$1000 for a variety of memberships. These fees are directed toward economic development in the community.⁵ As a result, members enjoy benefits of increased networking opportunities and advertisement in the community while giving back to Ord. Ultimately, this community-targeted philanthropic promotes overall quality of life in Ord while fostering altruism and community pride. Citizens of Ord derive a strong sense of purpose from their charitable involvements.

YOUTH OUTREACH

Part of Ord's push for both youth involvement and economic development is their School-to-Work program designed for seniors in high school. The program begins with basic lessons in making resumes and cover letters, problem solving, and communication. After these lessons, students are paired with local businesses where they work for the semester. The program improves student skills while adding to the company's workforce, leading to a mutually beneficial relationship. Beyond this, the program aims to forge connections between young people and the community that will encourage them to join the workforce in Ord permanently when they become adults. Other efforts for retention include sending out information regarding business opportunities, incentives, and other economic news to graduates. Foth says that each year, Ord asks students if they see themselves returning to the community and the percentage of positive responses grows every year—a testament to the progress in retaining and attracting the younger and future generations of Ord.

LEADERSHIP DEVELOPMENT

Launched in 2014, the Synovation Valley Leadership Academy (SVLA) is a program that members of the community can pay to join. The program has three customized levels which are designed to educate and provide participants with one-on-one coaching from successful mentors. The main areas of focus include confidence, emotional intelligence, leadership and followership theory, positive psychology and impacts, overall well-being, and engagement. SLVA is designed to help participants become "change agents" and better citizens overall. Those who have passed through the program are trained to be leaders in their families, businesses, and communities. The result of this training has been increased community engagement; graduates of SLVA have also started several new businesses after being inspired by their time in the program.

TOURISM

In 2017-2018, Valley County experienced unprecedented growth in the tourism sector, increasing revenue from their lodging tax by 21%. The five percent tax is paid by any guest who stays in a hotel or bed and breakfast in the county and totaled \$34,683 during the fiscal year. One percent of the tax goes to the state while the other 4% of the tax is directed equally between the County Visitors Promotion Fund and the County Visitors Improvement Fund. Two new hotels have since moved into the city, Cobblestone Inn & Suites and Trotter Event Center, while the Airport Motel has undergone massive renovation. Ord attracted so much attention that the Nebraska Tourism Commission decided to host their Agri-Eco Tourism Workshop there in February 2019, which brought in outside money from visitors and offered residents access to new connections and resources. The workshop not only benefited the hotels, but local restaurants who catered the events and shops. The take-away from this sector is that lodging improvements and expanded capacity have spurred growth in Ord's other service and retail industries. Businesses in these sectors, such as the new Scratchtown Brewery, have opened, furthering tourist attraction.

BUSINESS ATTRACTION

In an effort to continue economic growth, Ord now offers significant financial incentives for businesses looking to locate or expand in the town. One such incentive titled the Local Option Municipal Economic Development Act (LB 840) was first passed in 2001 and renewed in 2016, which adds a small tax in order to generate funds for existing business needs and new start-ups.

4 "The Big Give to Valley County," *OrdNebraska.com*, n.d., <http://www.ordnebraska.com/give/thebiggive/>

5 "Join the Ord Area Chamber of Commerce," *Ord, NE Membership Packet Booklet*, 2019, <http://www.ordnebraska.com/wp-content/uploads/2019/01/2019-Membership-Packet-Booklet.pdf>

Through loaning a total of \$5.6 million over the course of the program, their investments have leveraged an additional \$12.1 million in development. In addition, Ord offers 0% interest loans for up to \$10,000 for property revitalization and \$5,000 for façade updates as well as improvement to business websites. These incentives have attracted 100 new business, creating 350 new jobs. Additionally, to attract businesses, Ord emphasizes their quality of life: lower costs of living, short commutes, and local beauty.

QUALITY OF LIFE

The town has also focused on improving overall amenities and quality of life. For example, Ord completed their new public pool this past May; it has since become a shining attraction for residents.⁶ In addition, the pool is located next to Bussel Park which boasts a pond trail, a large park, and is home to one of the largest Nebraska flags. As executive director of Valley County Economic Development, Trevor Lee, puts it, Nebraska is the “land of lakes and rivers” with several of these bodies of waters in or near Ord. Capitalizing on this natural beauty of Ord, as well as the strong sense of community in the area, makes Ord more attractive and sets it apart from cities or more urban areas.

ORD LOOKS FORWARD

As the town moves forward, a few challenges persist. Low unemployment rates prove to be a blessing and a curse as the town now works toward attracting more skilled workers. Many businesses with the potential to expand further are held back by lack of human capital. Ord hopes to develop better and newer housing for people to live which will aid them in the recruiting process. In addition, Ord’s retailers have been impacted by the rise of ecommerce and companies like Amazon. Ord is combatting this by finding niche areas of production as well as creating a place that is attractive not simply for what it sells, but for its atmosphere (companies like Scratchtown Brewery exemplify this approach). Overall, as Bob Stowell, one of Ord’s economic development leaders, says, “school enrollment is up, city property values are going up because of new development, family income is up, and the number of people in their early thirties is increasing”⁷—multiple signs that Ord’s diverse approaches to economic development are working well.

THE OUTCOMES

The following outcomes can be attributed to Ord’s economic development efforts:

- Median income has increased from \$27,300 to \$42,228 since 2008
- Enrollment for Ord Public Schools is currently up; in addition, in a 2017 survey, 70% of Ord High School students said that they wanted to return to Ord after college graduation
- The number of residents in their early 30s is increasing
- The cost of living in Ord in 2019 was 21% lower than the national average, with housing being the biggest factor in the cost of living difference
- In February 2019, the Nebraska Tourism Commission hosted their Agri-Eco Tourism Workshop in Ord, bringing in outside revenue and providing residents with access to new connections and resources
- Multiple new business starts, including a new brewery

⁶ “Families excited for Ord’s new aquatic center,” *Nebraska.TV*, May 14, 2019, <https://nebraska.tv/news/local/families-excited-for-ords-new-aquatic-center>

⁷ “What If...Ord Economic Development,” *NetNebraska*, May 31, 2019, <http://netnebraska.org/interactive-multimedia/television/what-if-ord-economic-development>

⁸ “At Scratchtown Brewery in Ord, Nebraska, locals drink to newfound success of once-dying town,” *Omaha World-Herald*, April 4, 2017, https://www.omaha.com/lifestyles/at-scratchtown-brewery-in-ord-nebraska-locals-drink-to-newfound/article_c3aae7de-8fe5-576e-8dd8-cc22321a6ab6.html

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