

# ***SIDNEY / Cheyenne County OUTLOOK 2007***

**Prepared by Gary Person (01/01/2007)  
Sidney, NE City Manager  
Sidney/ Cheyenne County Economic Development Director**

Sidney and Cheyenne County has provided a consolidated economic development partnership from 1991-2006 that has resulted in unprecedented growth and strong momentum heading into the future. Economic indicators surged significantly upwards and the 2006 economic demographics indicated the Sidney area has one of the strongest economies among Nebraska's first class communities. We look for the trend to continue strong in coming years. Numerous expansion plans are underway by the industrial, business and residential sectors of the community. Approximately 1,200 new jobs have been announced by the Sidney area industries to be created over the next five years.

Sidney was named one of the ***TOP 100 Rural Communities in America*** for communities under 50,000 population by national economist and entrepreneur Jack Schultz, who featured Sidney in his book "*Boom Town USA*". This was based on a community and economic development analysis.

The 15 year span from(1991-2006) saw \$300 million in new community and economic development projects completed in the Sidney area creating a pro-business atmosphere where the economic indicators blossomed to record levels and the annual average wage income soared to the number one position of the 300 miles stretching over the 65 western Nebraska counties west of York. Sidney and Cheyenne County now ranks in the top 5 counties for per capita wages in Nebraska.

Many successful companies dot the Sidney landscape, with Cabela's (World's Foremost Outfitter) continued commitment to growth and success serving as the catalyst.

Sidney leads all western Nebraska communities in population growth since 1990 and the smaller farming communities in Cheyenne County are also seeing positive gains in population unlike most of their rural neighbors. The Sidney area economic development efforts have become the economic engine that is driving the well-being of the southern Panhandle and northeastern Colorado.

Building permits have averaged \$13 million a year over the past 10 years, which compares to a \$3 million average annually the previous decade. For 12 consecutive years the local economy hit or exceeded the \$10 million permit economic barometer.

Sidney has always enjoyed location advantages sitting on the east-west Interstate-80 (San Francisco to New York), north-south U.S. 385 (Canada to Mexico), east-west U.S. 30 and Highway 19 from the Colorado front range; along with the two major railroads - Burlington-Northern Santa Fe and Union Pacific, which cross paths at Sidney and are connected by Sidney and Lowe Railroad.

Approximately 45 percent of the work force for Sidney's 6,400 jobs commutes here from neighboring

communities in a 60 mile radius. Much effort has went into this as 20 new housing subdivision developments moved forward in recent years. The *Washington Post* in 2005 pointed out that Sidney had more job opportunities per capita than any community in America. Sidney's booming economy was also featured on the front page of the *Wall Street Journal* in 2002.

The past 15 years brought diversification to the area economy with manufacturing and trade growth and interstate commerce development that helped offset the ups and downs of the agriculture sector. While the growth of the mid 1940's and 1950's were significant in the Sidney area due to the construction and operation of the Sioux Army Depot; the discovery of oil and gas; a strong farm economy and the eventual implementation of the Minuteman Missile system in the 1960's, those economic boosts eventually dwindled or suffered downturns. These were factors influenced by outside sources - the federal government and mother nature.

The private sector (home grown entrepreneurs and recruited industries) economic base that was established in the 1990's and continued to expand in the current decade has proved to bring more balance and stability to economic progress for many years to come. Since the formation of the Sidney / Cheyenne County Economic Development partnership the Sidney area economy has seen:

\* **Retail sales** tripled. Taxable sales increased each year from \$46 million in 1990 to \$147 million in 2006. Sidney led all major Nebraska communities in retail growth during this time. Adding those retail sales that are non-taxable, approximately \$190 million in annual sales occurred in Sidney in 2006, which ranks at the top on a per capita basis for Nebraska communities. With the local option sales tax, SIDNEY has \$2.25 million annually now goes towards property tax relief, community development organizations and projects and economic development job creation incentive programs.

\* **Lodging revenues** quadrupled from \$1.1 million annually to \$5.5 million in 2006. Motel rooms increased from 220 to 550 during the decade and a Holiday Inn conference center was built and helped land approximately 600 regional and statewide conferences in the past 10 years here. A local lodging tax is overseen by the Cheyenne County Visitors Committee, for tourism promotions.

\* **Building permits** have totaled \$10 million, \$10 million, \$16 million, \$12 million, \$20 million, \$14 million, \$11 million, \$13 million, \$10 million and \$11 million respectively the past 10 years, setting an all-time record in year 2001. There has been over \$125 million issued in building permits the past decade compared to \$75 million in the 1990's and \$27 million in the 1980's..

\* **Employment growth** in the private sector climbed by 85 percent from 1980-2005, according to the Nebraska Department of Labor. The Department of Labor said in Cheyenne County had 6,400 jobs and less than 2 percent unemployment. A Target Industry Study conducted in 2003 by the nationally known research firm of Deloitte-Touche-Fantas for the Nebraska Department of Economic Development ranked Cheyenne County #1 among the state's 93 counties and Sidney #1 among the state's 531 communities for "most jobs per capita!"

\* **Valuation** of commercial and residential properties in the City of Sidney nearly tripled from 1987

to 2006 spreading the tax base over a larger area. Total valuation in 1987 was \$119 million. That figure rose to \$328 million in 2006. Valuation in Cheyenne County rose to an all-time record level of \$769 million in 2006 compared to \$350 million in 1987.

\* The 2006 **tax rate decline** for all property tax subdivisions in Sidney (school, county, city, natural resources district, wncc, esu, etc.) combined to reduce by 22 percent in the past 10 years from \$2.60 cents per \$100 of value in 1996 to \$2.12 per \$100 of value in 2006, as a result of increased valuation in the city and county and economic progress.

\* **Housing** starts jumped significantly in the past decade. In 1989 there was only 1 housing permit issued in all of Cheyenne County, followed by 2 permits in 1990. The subsequent years, housing units built in Sidney included 1991 (8), 1992 (14), 1993 (24), 1994 (22), 1995 (15), 1996 (37), 1997 (60), 1998 (67), 1999 (40), 2000 (18) 2001 (51) 2002 (17), 2003 (38), 2004 (22), 2005 (29), 2006 (55). As mentioned earlier 20 new housing subdivisions were created in the past 15 years. Additional housing development is the key to future growth to keep up with job creation.

\* **Traffic patterns** on the three major arteries leading into Sidney - Interstate-80, U.S. 385 and Highway 19 off the front range of Colorado - increased by 154 percent since 1988. Total vehicles on those three main arteries totaled 6,680 per day in 1988. By 2004, the latest year that traffic statistics are available, that total escalated to over 17,000 per day. If each vehicle represents 2.5 people, approximately 15.5 million people annually travel to Sidney on those highways each year.

All of these statistics are strong indicators of economic strength of the Sidney area. Agriculture has also had major production price gains the past couple of years. The community's emphasis to diversify by adding emphasis on the industrial sector and interstate development over the past 15 years has helped strengthen riding the highs and lows of other sectors of the economy.

The 1997 citizens' 91 percent "yes" vote to establish a Sidney Economic Development Plan and allocate \$2.5 million in development incentives for future expansions in the community, continues to pay dividends to the area. This was the highest favorable vote on an economic development plan in the history of the state of Nebraska for any community. Nebraska adopted a new economic development incentive plan in 2005 known as the Nebraska Advantage Act and the combination between the state / local incentive package makes Sidney very competitive with other markets.

Eight times in the past 15 years, Sidney was named the "Nebraska Community of the Year" by various statewide organizations, including the Nebraska Diplomats, Nebraska Department of Economic Development, Nebraska Municipal Power Pool, Municipal Energy Agency of Nebraska, Nebraska Community Improvement Program and Nebraska Department of Aeronautics.

As the atmosphere was created to enhance business and industry developments, area industries found the local economy conducive for growth and expansion, new investment and job creation. Industry expansions occurred several times at Cabela's, ADC Telecommunications-Prestolite Wire, Memorial Health Center, Egging Company, Progress Rail, Pennington Seed, Nienhueser Construction and

Excavation, Adams & Son Trucking, Glover Industries, Master Trading / Convert-a-Ball, Hooter Industries, Crossroads Cooperative, Scoular Grain, Security First Technology Center, K-West, U.S. Aprons, Anderson Forest Products, Sidney Warehousing & Industrial Sites, Sioux Meadows Industrial Park, Con-serv Flag, Commercial Resins and PerforMax Stone. Several additional projects are in the planning stage.

Three industrial park areas have now been established. Sidney recently purchased a 90 acre tract on the east edge of the community for future development. New ownerships and additional emphasis in development has taken place at the Sioux Meadows I-80 Industrial Park and Sidney Warehousing and Industrial Sites northwest of Sidney. Sioux Meadows announced a major housing development at the site northwest of Sidney in December 2006. Sioux Meadows and SWIS both continue to work with many new active prospects with the availability of commercial and industrial floor space. Both parks are served by a short line railroad that ties directly to the Union Pacific and Burlington-Northern Santa Fe main line railroads. Numerous trucking companies also serve this area. Over 500,000 square feet of warehouse / commercial space exists.

The Interstate-80 development opened in 1988. Now 45 businesses doing \$200 million in annual retail sales with \$100 million of new investment with 3,500 jobs are located in this area. The Sidney / Cheyenne County Economic Development Partnership is working on additional projects at the I-80 Exit 59. Wal-Mart Super Center opened in January, 2004 and its been home to Nebraska's number one tourist attraction in 2006 with Cabela's retail store.

Downtown improvement also saw significant change. Following the agriculture crisis of the 1980's there were several vacant buildings downtown as retailers closed their doors due to the sagging economy. The 1990's again saw a resurgence of this area and \$3 million in additional public improvements were invested. A Sidney Main Street program directed at revitalizing Sidney's historic corridor was adopted in 2003. An incentive program provided by the City of Sidney for historic restoration in the downtown area was adopted in 2005 and is administered by the newly formed Downtown Historic Preservation Board. Currently \$300,000 in local economic development funds are available to the downtown business owners to do historic improvements.

A major downtown drainage project was undertaken and funded by the City in 2006. A streetscape program will also soon adorn the downtown area. The Main Street program has been adopted along with a Certified Local Government program to enhance development and preserve the community's rich history. Main Street is administered by the Cheyenne County Chamber of Commerce with four active committees on Economic Vitality, Promotions, Design and Organization. The Keep Sidney Beautiful Program is also administered by the Chamber.

Over \$25 million in state and federal grants were secured by community leaders to enhance the development that took place in the community over the past 15 years. The financial community also strengthened its presence and financial backing in the community, including First National Bank, American National Bank, Security First Bank, Sidney Federal Savings and Loan and First Tier Bank. Three new banking facilities were constructed and another historically renovated.

Numerous major infrastructure projects have been undertaken in preparation for the 21<sup>st</sup> Century. A \$14 million new water well field and distribution system was implemented in 2005 for Sidney, which also tied in the industrial park area northwest of the community that resolved long standing quality and quantity challenges for generations to come. A new regional Subtitle D landfill was constructed in 1996. The City continues to upgrade its electrical distribution system and generating power plant and has secured some long term contracts for energy supply. The City constructed a flood plain control ditch that provided safety and eliminated much of a flood plain that previously restricted building throughout much of Sidney. A popular kids fishing pond is also being relocated and improved, and is scheduled to open in the summer of 2007.

A four mile walking, hiking and biking trail was built, expanded in 2001 and will expand again in 2007. A new \$3 million indoor community center was built in 1991, and several new ballfields and soccer fields have been redesigned and built. New highway improvements were made connecting Sidney's downtown area to its Interstate development. County fairgrounds building improvements were added, Legion Park and Lodgepole Valley Youth Camp improvements were made, a Kiwanis Park was established on Sidney's north side with new youth recreation amenities and the Community Building in Legion Park remodeled. A new skate park and tennis courts opened in 2002.

Numerous airport improvements have been implemented in recent years as the airport continues to build new traffic. Fire Department equipment upgrades have been made throughout the county with an all volunteer force, a library automation system was implemented, a County / City Communications Center was established at the Courthouse and the community's warning system was upgraded and expanded.

Sidney continues to build upon its reputation in attracting tourists. Highway traffic leading into the community has grown by 164 percent and the community boasts of the No. 1 tourist attraction in Nebraska with the Cabela's retail store. The downtown historic designation tied together much of the history that draws visitors such as the Fort Sidney Museum and Post Commander's Home. Memorial Gardens has continued to add improvements including a gazebo and War Memorial. U.S. 385 received a scenic by-ways designation. Efforts are now under way to re-establish Sidney's famed historic boot hill that traces its history back to 1867.

A community web site was also created at [www.sidney-nebraska.com](http://www.sidney-nebraska.com) that allows for all websites in the community to be accessed. The City of Sidney website [www.cityofsidney.org](http://www.cityofsidney.org) and the Cheyenne County Chamber of Commerce is [www.cheyennecountychamber.com](http://www.cheyennecountychamber.com).

Sidney's scenic 18-hole Hillside public golf course wraps around a picturesque canyon and is considered one of the top public golf courses in Nebraska. A new club house in a public / private venture partnership opened in the fall of 2005 and offers all of the amenities with a pro shop, restaurant and lounge. A record amount of play exceeding 18,000 rounds occurred in 2006, but green fees are still only \$20 for 18 rounds.

On the education front, Western Nebraska Community College built a new downtown Center in a cooperative development effort with the City in 1995. It continues to strengthen its business relationship with area industries and has established relationship with Chadron State College and the University of Nebraska regarding four year degrees. WNCC and the community partnered together to build the new WNCC Aviation Maintenance School at the Sidney Municipal Airport. A community child care development center opened in 2002 on campus and a nearby housing complex serves for housing for the college students was secured in 2006.

Sidney Public Schools expanded and restructured its elementary school system. West Elementary built a new gymnasium. An industry technology program was established in the school system. The city and school district worked together to build a fiber optic interconnection between schools that now allows 450 computers to be linked to web site Internet connections. Sidney Public Schools ACT scores ranked above the state and national averages in the latest testing. Consolidation of the rural schools have been very successful at Dalton-Gurley, Potter-Dix and Lodgepole - Chappell, enhancing rural educational opportunities for area students.

On the natural resources front, a groundwater quality management area was established, a groundwater guardian program implemented and an Environmental Trust wildlife refuge area developed. Other projects have included a community forestry program, groundwater festival, tree give-away program, well decommissioning, storm water stenciling, a multi-agency equipment collaboration and Arboretum. The area is currently working through a Ground water Integrated Management Plan that will be implemented soon to further protect water resources in the area.

A new Sidney Shooting Park featuring skeet and trap shooting and other types of shooting competitions and archery opened in 2006 and many improvements are planned in the coming months.

The successes from 1991-2006 was a result of a very strong public - private partnership between the City of Sidney and Cheyenne County, along with the Cheyenne County Chamber of Commerce and a strong base of private sector employers.

This effort has made Sidney a shining example of a rural community that diversified and has gained state and national acclaim for its efforts. The community has been featured on the front page of the *Wall Street Journal* and the *Washington Post*, on German Public Television, *Nebraska Life Magazine* and in Jack Schultz's new book, "*Boomtown USA - 7 1/2 Steps to Big Success in Small Towns*" published nationally on America's successful rural economic development communities..

We are proud of all of these outstanding accomplishments and we feel confident in saying that we will continue to grow and prosper through our hard work and partnership efforts. Our community motto sums it up best . . . .

***Sidney, Nebraska . . . Small Town Values . . . Big Time Opportunities!***