



## **Heritage Tourism Development Short Report**

October 27, 2021 version

### *Executive Summary*

Please read "[The Value of Heritage Tourism](#)" report which compiles information about revenue generated because of activities connected to the Heritage Tourism Development office. Heritage Tourism has generated/obtained close to \$5.2 million worth of revenue since its inception with another \$3.2 million likely forthcoming and has initiated conversations that led to another \$2.7 million in revenue for a total of \$8.3 to \$11.1 million of revenue generation. That's a *123 to 1* return on the City's investment. This does not include economic impact estimates based on consumer spending at events and from lodging. It seems clear that it is in the best interest of the City to continue supporting Heritage Tourism Development. Since the revenue generated is invested in other projects, the City's support of Heritage Tourism to foster growth in other areas is vital for the community to develop and sustain the positive momentum that has been created.

### *Some additional highlights:*


- Red Cloud received a Public Works Grant for \$288K and a CARES Act grant for the hospital at \$475K. The Planning Grant SCEDD submitted should be announced some time in November.
- We have set a Nov. 14th date to set up tours of buildings under construction in Red Cloud, including Hotel Garber, Dennis & Sally's building, the Farmers & Merchants Bank, Todd & Lisa Mahin's building, Brad & Andrea Frey's building and Amy Springer's apartments (tours by Todd & Cody Brown).
- Lodging tax collections for August were strong, 2nd highest ever for that month. April through August collections have been excellent. If trends persist, we'll set an all-time record.
- Twisted Petal will be opening soon in the former Riverwood Bakery location. It will be a flower shop/boutique and may possibly do baked goods and other food as well.
- Fat Fox's is just a few thousand dollars short of reopening in a food trailer. That should happen soon.
- Red Cloud's E3 Team is off to a great start and we would love for a City Council person or County Commissioner to get involved. Ask myself, Danny Benge, Dennis Hansen, Ashley Olson, or Adam Vetter for more information.
- Red Cloud Community Fund raised almost \$24K for local causes in September. \$3275 of this will be granted to the City for the Ballfields Project and another ~\$6,250 will be donated for the Trail Project (\$1750 from this round of fundraising). \$250 will go to the City for Historic Preservation Commission. See Appendix A for more details.
- Our Letter of Intent to establish a creative district in and around Red Cloud was accepted by the Nebraska Arts Council. Additional materials and letters of support will be necessary in order to obtain certification and a \$10,000 grant for the community.



**Heritage Tourism Development  
Long Report**

October 27, 2021 version

**Table 1: September 2021 Website Data**

 Great Stories Grow Here	YTD	Sep '21	v. Sep 20	vs. previous month	2021 v. 2020	2020 v. 5 year average
Website users (visitedcloud.com)	27,325	4,905	+31.7%	+109.1%	+13.4%	+87.4%
Webpage views	66,467	8,005	+0.24%	+32.8%	+18.4%	+35.3%

*Analysis:*

These are last month's numbers as I won't be able to collect October data until Nov. 1st and will submit this report on Oct. 29th.

**Table 2: August 2021 Tax Data<sup>1</sup>**

Tax source	2021	August 21	v. Aug. 20	v. previous month	2021 v. 2020	2020 v. 5 year average
County lodging tax revenue	6,671.29	770.78	+29.8%	-45.8%	+63.3%	+12.7%
City sales tax <sup>2</sup> payout	182,831.96	22,436.94	-5.0%	+5.1%	-2.3%	+40.3%
Sales tax derived from retail sales	138,250.92	18,440.35	-15.2%	+2.4%	-22.5%	NA

*Analysis:*

Lodging tax numbers continue to be excellent. That "vs previous month" number is misleading as numbers typically decline from August through November as less travelers visit the area. Better to compare it to the same month last year and versus the entire year. By those measures, you can see that we are at a record setting pace. Being on a record setting pace in a year in which

<sup>1</sup> Sales tax in Red Cloud is 7%, with 5.5% going to the State and 1.5% going to the City. These payout numbers only reflect the 1.5% payout to the City. Lodging tax for Webster County is at 5% with 1% going to the State of Nebraska. These numbers reflect the 4% that comes back to Webster County. Lodging establishments collect both sales and lodging tax and are approved to collect occupancy taxes and other taxes that the City and County currently do not collect. The Webster County Visitors Promotion Committee grants revenue from the lodging tax to tourism related entities for marketing and/or improvement projects targeted towards attracting visitors.

<sup>2</sup> Includes use and motor vehicle tax.

the first few months were lost to COVID-19, the May/June numbers were down because of a mostly virtual Cather Conference, and a resurgence of COVID-19 in the Fall is quite impressive.

City sales tax derived from retail is starting to stabilize and outperformed July.

### **Hotel Garber Update**

- We will be pursuing a historic design and hope to have Design Development documents ready by November 4th and to share with everyone at the Nov. 14th “Hard Hat Downtown Transformation Tours” we will conduct (see note in the short report above).
- We have raised \$12,350 from local donors for the South Central State Bank Challenge. This means we’ve met the first two years of our 5 year challenge and are over halfway through our year 3 goal before year 2 is even finished. I’m somewhat optimistic that we will wrap the Challenge up this calendar year.
- We received a \$1 million gift that can be used for the Hotel should our fundraising efforts fall short for whatever reason. This money will likely not be used for the hotel as there are other needs the donor prefers it be spent on, but it obviously is a nice insurance policy. This is especially comforting since we will try to raise \$500K before the end of the calendar year to maximize our match amount for the Shovel Ready Grant.
- I will be submitting grant applications to the Chief, Kiewit, Daughtry and additional foundations through the Nebraska Community Foundation to hedge our bets further. We will also be attempting to utilize NCF’s allocation of CDAA Tax Credits to encourage additional donations.
- Our architects have begun the application process with the State Historic Preservation Office. This should generate ~\$720K in funding for the historic design version of the project.
- Federal New Markets Tax Credits were announced and we are still considering those as a backup plan should other funding sources not materialize.
- Shovel Ready Grant will likely be announced in February or March based on the Nebraska Legislative Schedule. There was a hearing in Lincoln on Oct. 5th to discuss how the state should spend its ARPA allocation. I have been working diligently behind the scenes to state the case for the Hotel Garber project and am cautiously optimistic. I have been discussing this with members of the governor’s staff and several state senators and trade organizations. If we receive this funding, it will render all of the other efforts outlined above moot (except the historic tax credits) as we will fund the rest of the project at that point. We are mainly continuing to apply for other funding sources because we do not want to count our chickens before they hatch and will therefore continue to aggressively fundraise for the foreseeable future since this will be part of the state budget process in the next legislative session and therefore unlikely to be announced until late February 2022. Shovel Ready would eliminate the need for loans, which makes it the most attractive possibility even as it requires more labor costs due to the Davis-Bacon wages being tied to it.
- We have challenged ourselves to raise another \$500K before the end of the calendar year so we can avoid releasing more funds from the Cather Foundation that have potential use on other projects, jobs, etc.

### **Leadership Certification & Downtown Revitalization**

SCEDD has had trouble keeping staff and leadership certification is, therefore, still not done. We have dealt with 9 different community planners since 2015. Sharon Hueftle should be getting it wrapped up soon. If not, I will finish it myself (if the City makes its Heritage Tourism contribution this year).

### **Trails Project (updates)**

Looking like the Community Fund will have between ~\$6000-6500 to help get Phase I of the trail completed.

### **Creative Districts**

We sent a Letter of Intent for Red Cloud's downtown to become a Creative District and have been invited to apply for certification. If we are successful in getting the certification it would result in a \$10,000 grant and qualify us for a \$250,000 grant opportunity and additional funding down the line. The project dovetails nicely with our own tourism objectives. The City would have to sign a letter of support, but the funds would be administered by the Chamber of Commerce. Watch this video from the Nebraska Arts Council to learn more about this program: [So, you want to be a Creative District?](#)

### **Social Media Blitz--September**

Our September Social Media Blitz was more successful than our July one this year. It looks like the decision to forego advertising to the Tri-Cities and north central Kansas in favor of Oklahoma, Minnesota, and Illinois paid off (we kept Omaha, Lincoln, Denver and Kansas City). See Appendix B below for a review of the ad's performance from Fluegge Consulting.

### **Energizing Entrepreneurial Ecosystems Committee**

A committee from the Red Cloud participated in this program in Ord on Sept. 30-Oct. 1st and had an additional group meeting in Red Cloud on Oct. 27th. There will be a stakeholders invite only meeting on Dec. 1st in Red Cloud with additional public meetings happening later in December or January.

RC Committee members are: Danny Benge, Jarrod McCartney, Dennis Hansen, Adam Vetter, and Ashley Olson. Nebraska Community Foundation, NetWork Kansas and Valley County Economic Development are collaborating on the "Energizing Entrepreneurial Ecosystems" project and were awarded the grant by the Kauffman Foundation. *Additional grant funding from the Kauffman Foundation is a likely outcome* of participating in this as is expertise from communities like Ord and O'Neill that have had excellent success in the last decade or two.

This will allow NCF to establish a core cohort of six communities/counties that will go through a three-year peer learning experience to build locally-driven, community-centric entrepreneurial ecosystems. This will include travel to these Nebraska communities and one trip out of state. As the core cohort goes through the experience, they will connect to a total of 8-12 neighboring communities to peer mentor. That builds a cohort of 20 communities that will then be connected to other entrepreneurial programs/initiatives/groups in Nebraska (Extension, Business Builders of Nebraska, SourceLink, etc.) with the ultimate goal of building critical mass to change the

statewide approach to economic development in our state to a more entrepreneurial focus. A longer overview can be provided upon request or [by clicking here to learn more](#), including benefits, outcomes, and expectations/commitments of participants.

In plain English: we are studying how to make Nebraska's economic development strategy be centered around small business growth instead of dependent on large community block grants and tax revenue (though those would still play a significant role). It's really an honor for Red Cloud to be involved in this and the fact that we are by far the smallest community speaks volumes about the quality of work we've been doing and the quality/potential of the town itself. I really encourage anyone reading this to take a visit to the community of Ord if you're interested in what the standard bearer is for the vision of this group. It's a 3 year project so expect to hear a lot more about this--we'd love for an entrepreneurial minded City council member to join us.

Other communities involved include: Ord/Valley County, O'Neill/Holt County, Ogallala/Keith County, Sidney, and McCook.

#### **Events, etc**

- Expect an announcement soon about the 2022 Opera House schedule. Go for Baroque will perform on Nov. 12th
- The next Farmers & Merchants Banquet should be January 28th.
- Check out the [Red Cloud Newsletter](#) for more information about additional events and news

Appendix A  
September Month of Giving 2021

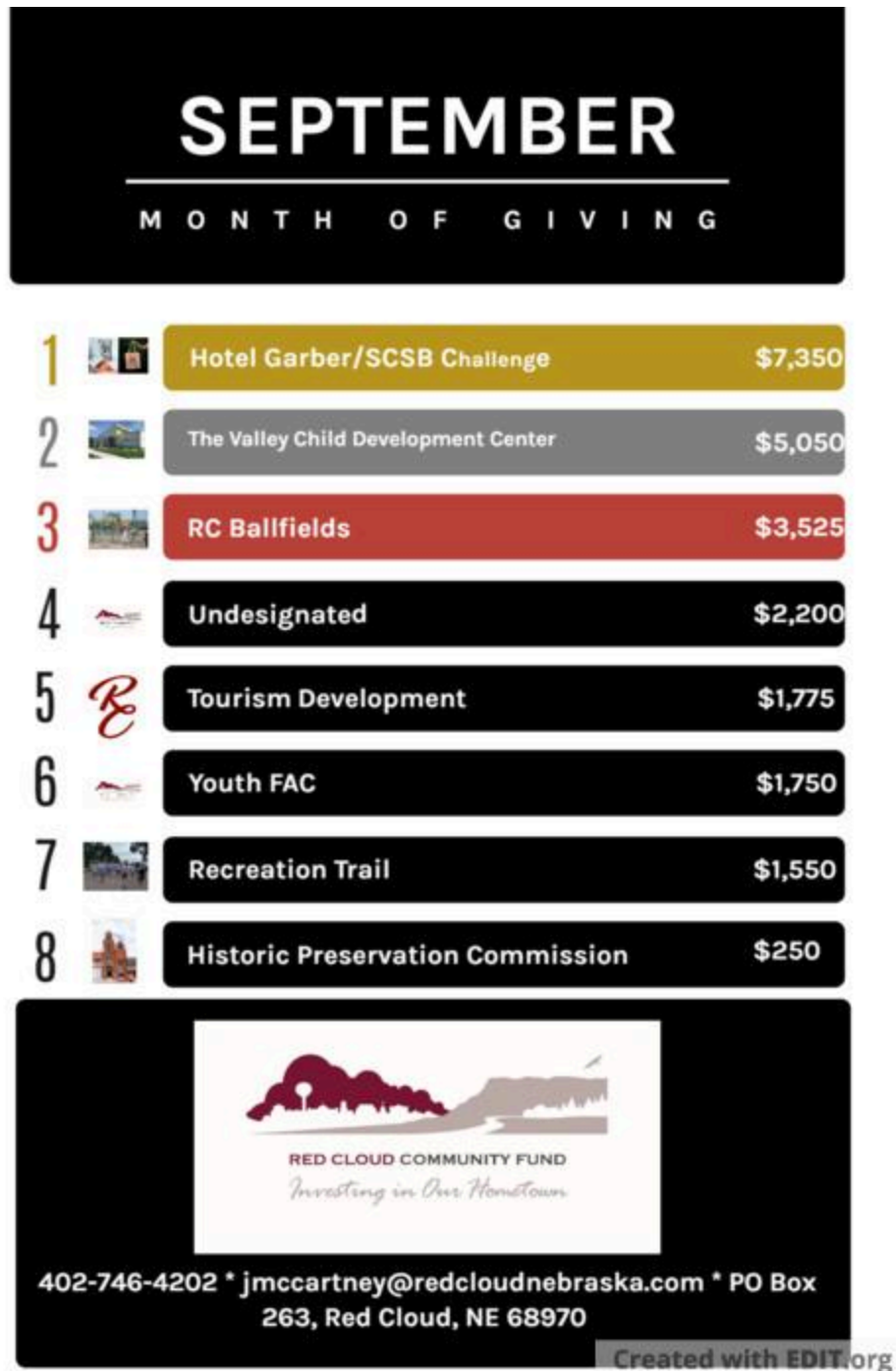


Fig. 1: September Month of Giving Campaign, October 8th, 2021 update. These may not reflect the final numbers. Grants will be given out later in the year.

Appendix B  
September Social Media Blitz--2021

# Campaign

Promote a brand post on Facebook

Campaign Date: 09/16 – 09/18

- Primary Goal
  - Link Clicks
- Targeting
  - See Screenshot
  - 35+
- Location:
  - Denver, Chicago, Minneapolis, Kansas City, Lincoln, Omaha, OK City
  - Audience Size: 854K
- Budget: \$2,000

**People Who Match:**

Interests: Historical society, Creative writing, American History, Museum, Living history, Cultural history, English Heritage, Local history, National Trust for Historic Preservation, Literature, Colonial history of the United States, Nobel Prize in Literature, National Trust for Places of Historic Interest or Natural Beauty, Historical reenactment, Pulitzer Prize, Cultural heritage, National Register of Historic Places, Heritage tourism, Historic site, American literature, Writing, Historic preservation or Historic house, Field of study: American History, History, Fine Arts or Historic preservation

**And Must Also Match:**

Interests: Nebraska, Behaviors: Frequent Travelers

Visit  
Nebraska



# Coop Post Results



**Susan Lorkovic**  
Our visit exceeded all expectations!



**Barbara Jo Burns**  
One of my favorite places



**Bev Swanson**  
Enjoyable trip there!



**Sarah Donnelly Crenshaw**  
Was there 2 summers ago; great little town and tour!



**Patti Krolkowski Ford**  
Visited this summer. Did the Cather tours and the great Webster Co. museum. I would definitely go back!



**Jeanine Dickes**  
Stayed there three days and two nights at their B&B wonderful getaway and history museum and the people are so friendly ❤️



**Nancy Hanshaw**  
Headed to Red Cloud in a week! Looking forward to an interesting trip and good time!



**Lynn Barnett**  
I was there this summer to center Red Cloud is a neat town



**Sherry Cianciolo Fisher**  
I need to visit her home. In college, back in the early 1980's, I registered for a literature class on Willa Cather's books. It was such a great class!



**Vicki Anderson Brinkman**  
This is a must visit for Cather fans. You do see the inspiration for many of her novels and short stories.



**Kimberly A. Whaley**  
Would love to go again!



**Virginia Spinar White**  
Great place. Used to teach Cather.



**Craig Plamp**  
Willa Cather is a favorite of mine! It has been a goal of mine to visit Red Cloud one day. I recently retired and it is on the bucket list. I am from South Dakota. We have a museum in Mitchell called Friends of the Middle Border. It includes authored from the region like Willa, Hamlin Garland, E. Rolvag and others. Preserving our pioneer regional history.



**Marilyn Bork**  
We had a terrific tour guide earlier this year.

Visit  
Nebraska



## Results

Total Reach: 117,467

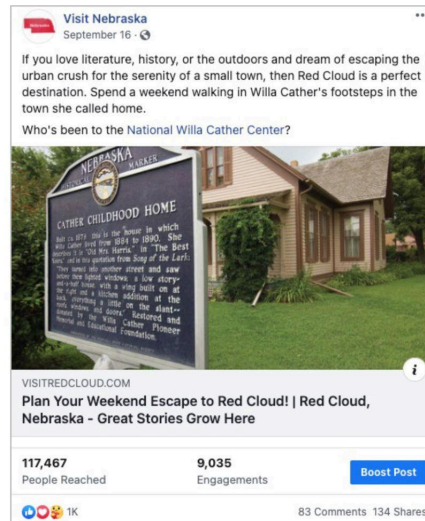
Likes: 1,175

Comments: 144

Shares: 137

Link Clicks: 3,568

uCTR: 6.80%



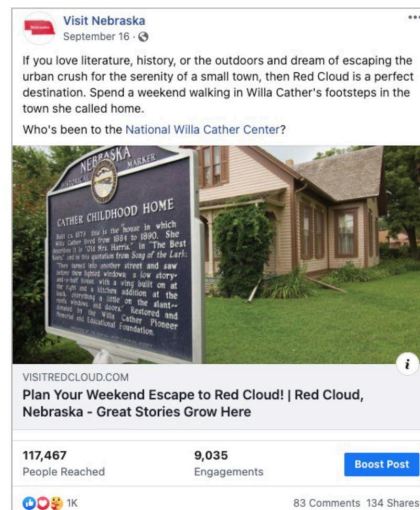
\*Website clicks is reported by Facebook analytics, not by industry partner.

Visit  
Nebraska

# Coop Post

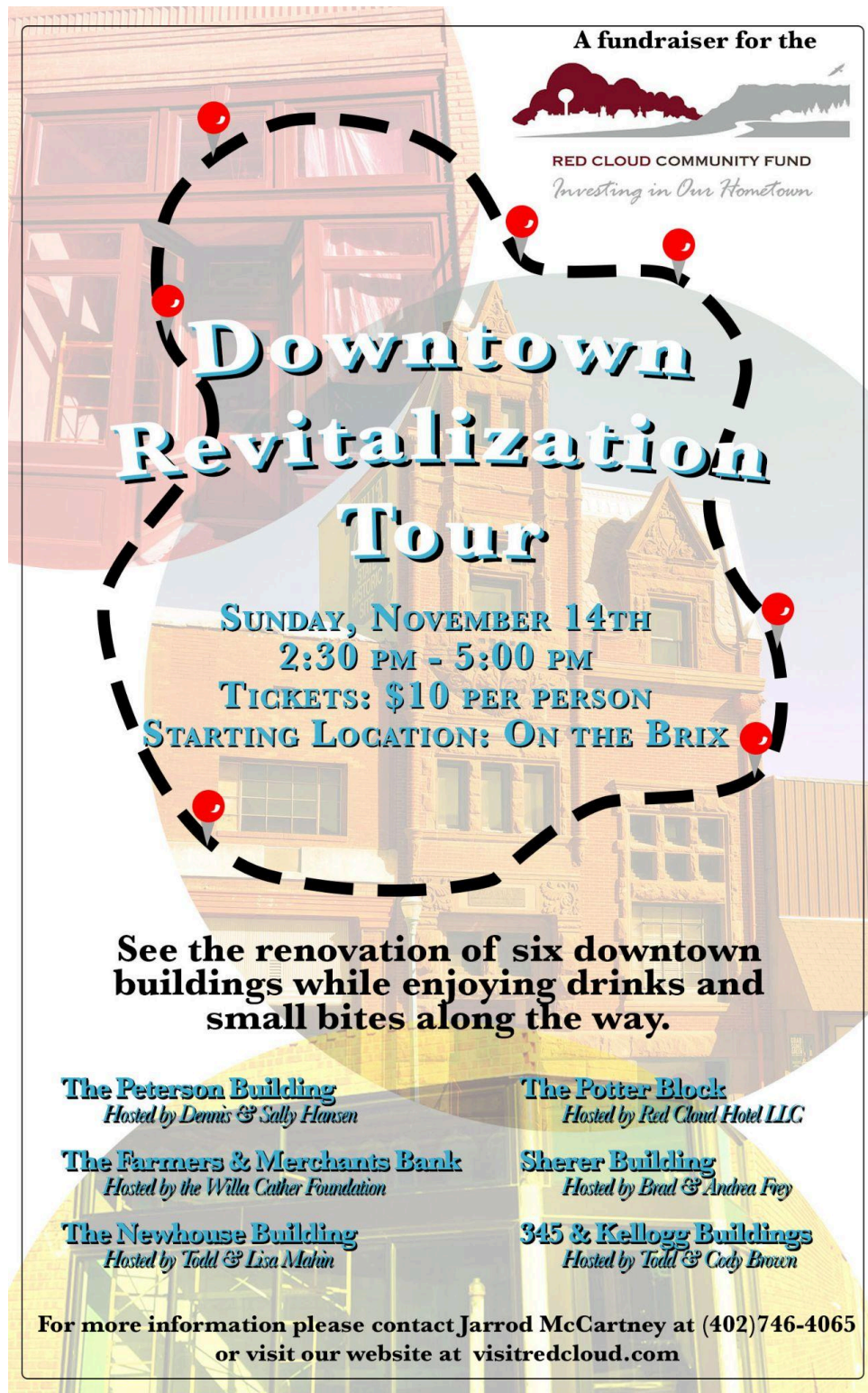
### Effects of Paid:

- Boost to Organic due to paid engagement
- All paid reach is target
- Copy was intended to drive awareness and engagement




Visit  
Nebraska

Appendix C  
Downtown Revitalization Tour Ad

The advertisement features a background image of a historic downtown building with a red-tiled roof and large windows. A large, semi-transparent circular graphic with a dashed black border and red dots is centered on the page. The text is arranged within and around this graphic. At the top right, there is a small logo for the Red Cloud Community Fund, which includes a silhouette of a town and a river. The main title 'Downtown Revitalization Tour' is written in a large, stylized, blue-outlined font. Below the title, the date, time, ticket price, and starting location are listed in a smaller, blue-outlined font. A paragraph of text describes the tour's purpose. At the bottom, six hosts and their locations are listed in a two-column format. The overall design is colorful and informative, with a focus on downtown revitalization.

A fundraiser for the



RED CLOUD COMMUNITY FUND  
*Investing in Our Hometown*

# Downtown Revitalization Tour

SUNDAY, NOVEMBER 14TH  
2:30 PM - 5:00 PM  
TICKETS: \$10 PER PERSON  
STARTING LOCATION: ON THE BRIX

See the renovation of six downtown  
buildings while enjoying drinks and  
small bites along the way.

<b>The Peterson Building</b> <i>Hosted by Dennis &amp; Sally Hansen</i>	<b>The Potter Block</b> <i>Hosted by Red Cloud Hotel LLC</i>
<b>The Farmers &amp; Merchants Bank</b> <i>Hosted by the Willa Cather Foundation</i>	<b>Sherer Building</b> <i>Hosted by Brad &amp; Andrea Frey</i>
<b>The Newhouse Building</b> <i>Hosted by Todd &amp; Lisa Mahin</i>	<b>345 &amp; Kellogg Buildings</b> <i>Hosted by Todd &amp; Cody Brown</i>

For more information please contact Jarrod McCartney at (402)746-4065  
or visit our website at [visitredcloud.com](http://visitredcloud.com)