



## Heritage Tourism Development *Short Report*

April 1, 2022

### *Executive Summary*

The Hotel Garber project is progressing slower than the architects originally projected, but this is due mainly to some fine tuning and the Historic Tax Credit application process. *I would be shocked if there aren't further delays even after we put the Hotel project out to bid and even after we raise all the money due to labor shortages and supply chain issues connected to COVID and the Ukraine War.* The inaugural Great Plains Mini Film Festival was a modest success and has the potential to be something bigger in the near future. This is precisely the sort of event that Heritage Tourism should be cultivating to attract our target demographic of affluent, educated tourists interested in arts and culture. The Nebraska Tourism Commission selected The Corner Nook as a 2022 Passport Stop! Plans are underway for Alumni Weekend—we need to start treating this like a major tourism event and planning for years with more lodging options. I submitted a column to the Red Cloud Chief which was published on March 23rd and will get published every 4 weeks (next one is Apr. 20th). I am hoping it will dispel some myths and misconceptions and make my role more clear to the community. I am also hoping it will advance some of our priorities by giving us a forum to discuss them.

### *Some additional highlights:*

- *Shameless: A Tribute to Garth Brooks*, will perform Apr. 23rd at the Red Cloud Opera House.
- The Spring Cather Conference will be in-person this year: June 2-4. There is only one banquet (dinner on June 4th). This means local restaurants should be prepared for visitors and should get good business.
- The Red Cloud Community Fund's Annual Celebration will be May 27th at the Starke Round Barn. We would love to have each and everyone of you there.
- The 5K Color Run will be May 28th.
- RCCF will focus on fundraising for Heritage Tourism and the Recreation Trail in 2022.
- Red Cloud's poverty line decreased below the state average and median income increased approximately 19% since the last American Community Survey. The number of employed individuals also increased to near the state average. Median income is still well below the state average, but the state average actually decreased slightly. It's likely that stimulus payments affected this data, but it's still great news.
- Webster County's population went up in 2021 according to the American Community Survey as did the 68970 Zip Code. For the county, this might be the first time that's happened since the 1920s. Hopefully this is not an anomaly occurring only due to the repercussions of COVID and can be sustained. Red Cloud needs to continue embracing the newcomers to the community.



**Heritage Tourism Development**  
**Long Report**  
 April 1, 2022 version

**Table 1: February 2022 Website Data**

 Great Stories Grow Here	YTD	Mar '22	v.Mar 21	vs. previous month	2022 v. 2021	2021 v. 5 year average
Website users (visitredcloud.com)	6,268	2,380	+11.7%	+10.3%	-14.1%	+44.0%

*Analysis:*

Our e-newsletter and social media presence is driving a lot of traffic to the website as we have set new records for readership in 3 consecutive months and will likely break the record again this month. The City sharing minutes is also helping. We are also quickly narrowing the gap between 2021 which is outsized because of a spambot attack in January 2021.

**Table 2: January 2022 Tax Data<sup>1</sup>**

Tax source	2022	Jan. 22	v. Jan. 21	v. previous month	2022 v. 2021	2021 v. 5 year average
County lodging tax revenue	\$411	\$411	+99.5%	-75.1%	+99.5%	+21.5%
City sales tax <sup>2</sup> payout	\$20,301	\$20,301	-6.8%	-13.9%	-6.8%	+20.2%
Sales tax derived from retail sales	\$17,488	\$17,488	+12.9%	-1.0%	+12.9%	+1.6%

*Analysis:*

The retail sales and lodging tax increases point to a clear COVID recovery. While I'm encouraged, I am not prepared to read too much into these numbers at this point. The red numbers can be largely disregarded this time as comparing January to December is always unfair

<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.

due to Holiday Shopping and the nature of tax reporting. December is always, by far, the month with the most revenue.

### **Hotel Garber Update**

- APMA is still working on construction documents and we are still awaiting Historic Tax Credit application review.
- The project should still be put out to bid within 60 days. Usually, there'd be a month or so delay between bid and construction starting. Due to labor shortages, Red Cloud's geographic isolation, and supply chain issues connected to COVID and the Ukraine War I would be shocked if it all comes together that quickly.
- NCF will submit a CDAA allocation request. I need to get the City to pass a resolution of support at the Apr. 5th meeting or get Mayor Brown to sign a letter of support.. Everything is finished with the application except that
- We were able to fit a full catering kitchen in the basement. It will be directly opposite the event space which we are also designing for future expansion.
- Shovel Ready Grant Funding with the State of Nebraska advanced to Final Reading and is currently being amended to make sure it complies with federal law. The odds of this funding coming through increased significantly when the State Legislature decided to divvy it up by congressional district, meaning we are no longer competing with Omaha, Lincoln, Norfolk, or Fremont projects. I suspect ARPA eligibility requirements will eliminate further competition. The final day of the session is Apr. 20th. At that point it will likely be passed on to the Department of Economic Development for award review.

### **Downtown Revitalization CDBG**

I'm eager to learn more about the Planning Grant for CDBG Downtown Revitalization funding process and how it all works. There are several eager small business owners who want to participate in whatever vision is created for the community. I am also eager to hear any updates from the Nebraska Department of Transportation about improving our roads downtown—both because they are in dire need of repair and because I want to know what parts of downtown will not be covered by their work and therefore should be a part of whatever Downtown Revitalization plan we come up with.

I am more than willing to assist with this if the City asks. If SCEDD reaches out I will defer to the City unless it's for letters of support, etc. I do not want to make any assumptions about what role the City wants Heritage Tourism to play in matters of clear City jurisdiction. Folks who received the RFP have been reaching out to me for advice. I need to know if the City wants me responding to those requests. I do not want to make any assumptions.

### **Creative Districts**

We had a great meeting on March 22nd and identified nearly 150 artistic assets. I will come to either the May or June meeting with a request for the City to pass a resolution of support and sign a letter of support for the application. The Administrator for this project will be the Chamber of Commerce.

## **Energizing Entrepreneurial Ecosystems Committee**

We will travel to Holt County on April 7-8 and learn more about economic development strategies there. Of particular interest to the RC community is the community of Stuart which has done an incredible job of addressing housing issues.

## **USDA Redlg Loan**

I have a meeting set up with USDA on April 12 at noon to discuss REDLG and other funding options. You should have received an invite for the Microsoft Teams meeting. Let me know if you need it sent again.

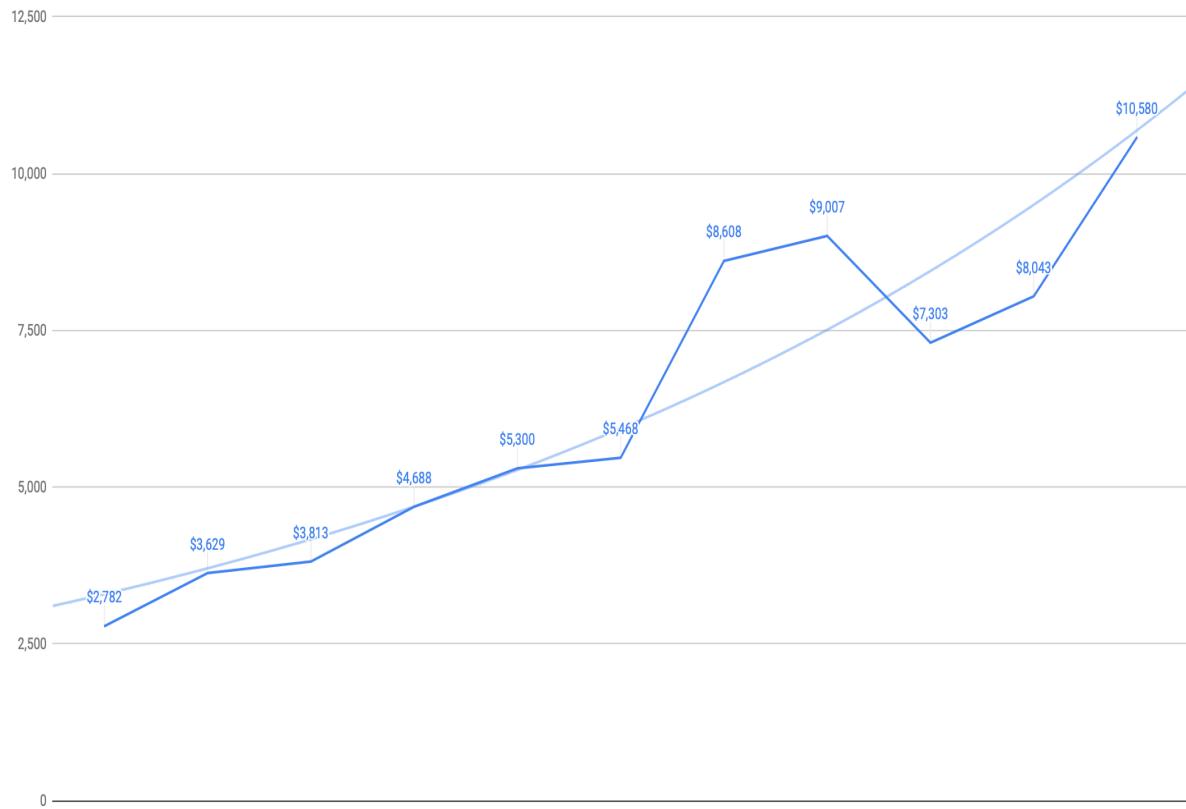
## **Events, etc**

- Apr. 9th: Cinda Rasser Goodrich (Rep. Valley Arts Council-RC Opera House)
- Apr. 16th: Easter Egg Hunt
- Apr. 21st: Steven Trout Author Event
- Apr. 23th: Shameless: A Tribute to Garth Brooks
- May 20: Gallivant at OTB
- May 27-29: Alumni Weekend
- May 27: RCCF Community Celebration, tentatively “Round Barn Reunion”
- May 28: Alumni Banquet
- June 2-4: 67th Spring Willa Cather Conference
- June 25: Hospital Car Show
- Aug. 5-7: Street Car Days
- Sept. 30-Oct. 2: Trail of Treasures
- Oct. 1: BBQ Cookoff
- Nov. 22nd: 14th Annual Shopping
- Nov. 5th: Indigenous at RCOH
- Dec. 9th: Paramount at RCOH

## Appendix A

### Lodging Tax Revenue in Webster County, 2011-2021

Lodging Tax Revenue in Webster County, 2011-2021



## Appendix B

### City Sales Tax Payout, 2011-2021

City Sales Tax Payout, 2011-2021

