

Agency 72 - Department Of Economic Development

Statutory Authority:

Primary statutory authority for the Department of Economic Development is contained in Chapter 81, Article 12, Revised Statutes of Nebraska. The sections of this article cover the organization, mission, and functions of the Department of Economic Development and the Department's operating divisions, including Economic Development Commission, Nebraska Visitors' Development Act, Agricultural Products Research, Housing Affordability Strategy, Nebraska Microenterprise Act, Venture Capital Forum Act, Nebraska Industrial Competitive Alliance, Surety Bond Program, and the Rural Development Commission.

Vision Statement:

Mission Statement:

The mission of the Nebraska Department of Economic Development (NEDED) is to develop economic opportunities by keeping Nebraska businesses, communities and people competitive.

From its creation by the Legislature in 1967, NEDED's emphasis has been on growing and diversifying the state's "economic base," which is economic activity that brings new dollars into the state.

NEDED primarily focuses on five "pillars" supporting the economic development process.

- 1) Product Development: In the case of economic development, the "product" is Nebraska and the competitive advantages that its communities offer.
- 2) Support for retention and expansion of existing industry.

Goals:

- 1) Strengthen Nebraska communities and regions.
- 2) Enhance opportunities for the start-up, retention, expansion and attraction of businesses.
- 3) Enhance personal opportunities for economic success.

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	4,856,543	3,990,459	5,434,152	5,052,681	5,398,226	5,128,523
Cash Fund	7,952,462	12,017,804	12,024,568	12,050,960	12,024,705	12,086,474
Federal Fund	24,338,658	23,915,783	23,924,883	23,952,579	23,925,252	23,985,590
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	37,147,663	39,923,846	41,383,603	41,056,220	41,346,183	41,200,587

Agency 72 - Department Of Economic Development Program 134 - Rural Development Commission

Program Objectives:

The RDC develops and establishes policy positions that impact rural Nebraska constituents and coordinates the rural development efforts of other organizations to eliminate unnecessary duplication in programs and in services. In addition, the RDC does some limited program development in partnership with other rural development organizations when it is necessary to fill a gap in services. The prior biennium was dedicated to reestablishing the RDC under its new structure when assigned to NEDED (with no staffing or funding provided to NEDED for the added responsibility). The two professional staff positions dedicated to RDC are among the sixteen field staff positions in NEDED. (See Program 603, Sub-Program 53, Field Services.)

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	0	0	196,800	196,800	176,800	176,800
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	0	0	196,800	196,800	176,800	176,800

Performance Measures:

Agency 72 - Department Of Economic Development Program 600 - Administration

Program Objectives:

Program 600 performs two major agency functions: S/P 50 provides administrative services plus oversight and overall management for the agency; and S/P 51 provides fiscal, human resource, information technology/information system, and project/clerical support. S/P 53, which provides expanded delivery of economic development programs across the state through field staff, has been reassigned to the three programs supported (601, Community and Rural Development; 603, Business Development; and 618, Tourism). There is no impact to staffing or to funding associated with this realignment. S/P 51, Operations, is a new subprogram started in 2003 to centralized the above noted functions under common supervision.

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	1,497,049	1,518,346	1,148,337	968,859	1,148,358	1,011,015
Cash Fund	491,413	595,387	284,778	293,454	284,788	303,774
Federal Fund	329,917	998,889	145,038	146,807	145,040	149,375
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	2,318,379	3,112,622	1,578,153	1,409,120	1,578,186	1,464,164

Performance Measures:

Description	FY04 Actual	FY05	FY06 Request	FY07 Request
Newsletters per year	12	12	12	12
Email notification to listserv readers	1170	1190	1310	1350
# of press releases	175	175	175	175
# of media requests answered	155	155	155	155
Internet web pages	Maintain	Maintain	Maintain	Maintain
Media services for Governor's office	25	25	25	25

Agency 72 - Department Of Economic Development Program 601 - Comm. & Rural Development

Program Objectives:

The Community and Rural Development Division, Program 601, provides technical and financial services through community-based programs and regional service delivery. Programs are financed through state and federal funds. Where possible state and federal funds are blended to achieve maximum results and reduce paperwork for those using the funds. State funded activities within Program 601 include programs for community improvement, strategic planning, the Nebraska Affordable Housing Trust Fund, Community Development Assistance Act tax Credits, and the Nebraska Microenterprise Development Fund. Federal programs include the Community Development Block Grant Program and HOME Investment Partnership.

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	566,342	497,562	732,148	734,339	732,156	739,960
Cash Fund	3,967,215	6,096,329	6,198,948	6,202,671	6,199,009	6,205,683
Federal Fund	23,246,445	22,764,865	22,778,001	22,801,236	22,778,368	22,828,556
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	27,780,002	29,358,756	29,709,097	29,738,246	29,709,533	29,774,199

Performance Measures:

Description	FY04 Actual	FY05	FY06 Request	FY07 Request
Improve programs and services delivery	Implemented	Implemented	Implemented	Implemented
Annual reports submitted	Submitted	Submitted	Submitted	Submitted
# of advisory committee meetings	6	6	6	6
# of NCIP community participants	65	65	70	75
Sponsor & UNL investment in NCIP	\$55,500	\$56,000	\$56,000	\$56,000
NCIP Recognition Day attendees	400	400	500	500
Community Quest attendees	155	160	160	160
NCIP in-kind community contributions	\$4 million	\$4 million	\$5 million	\$5 million
NCIP ambassadors	20 ambassadors	20 ambassadors	20 ambassadors	20 ambassadors
CDAA projects/credits approved	14	14	14	14
CDAA credits approved	\$250,000	\$250,000	\$250,000	\$250,000
CDAA \$'s leveraged	\$5,824,057	\$8,864,849	\$7,300,000	\$7,300,000
CDAA credits used	\$131,180	\$86,836	\$200,000	\$200,000
Communities provided tech assistance	35	20	30	30
Number of CDBG ED projects	15	29	20	20
\$'s leveraged with CDBG ED \$'s	\$18 million	\$36 million	\$25 million	\$25 million
Jobs created/retained through CDBG	400	500	500	500
Approve/finance CDBG planning	29	22	20	20
Review CDBG water/wastewater	55	52	45	45
Approve CDBG water/wastewater	11	8	8	8
CDBG \$'s for water/wastewater projects	\$2.6 million	\$2 million	\$2 million	\$2 million

Agency 72 - Department Of Economic Development Program 603 - Industry Recruitment

Program Objectives:

Business Development, Program 603, encompasses business recruitment, international trade and investment, existing business assistance, value-added agriculture development, workforce development, film office activities, and the Manufacturing Extension Partnership (primary industries). Included are efforts to: attract new employers to Nebraska; assist with business expansions, both domestically and internationally; provide surety bond assistance; provide job training financial assistance; provide business start-up technical assistance; provide export assistance; assist in workforce attraction and retention; market the state to film producers; enhance economic development in rural areas of the state; and provide assistance to add value to businesses.

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	2,696,187	1,887,241	3,269,234	3,062,753	3,251,274	3,108,173
Cash Fund	922,758	1,239,991	1,240,453	1,241,168	1,240,479	1,242,013
Federal Fund	567,479	42,029	42,029	44,721	42,029	47,844
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	4,186,424	3,169,261	4,551,716	4,348,642	4,533,782	4,398,030

Performance Measures:

Description	FY04 Actual	FY05	FY06 Request	FY07 Request
Number of loans packaged	20	22	23	23
Number of new jobs created	1,200	1,200	1,200	1,200
Number of jobs saved	500	500	400	500
Total \$ amount leveraged	\$32 million	\$35 million	\$35 million	\$37 million
Payroll increases resulting	\$30 million	\$32 million	\$32 million	\$33 million
One-stop info requests	2,500	2,700	2,800	2,900
One-stop clients served	2,200	2,300	2,300	2,300
Surety bond participants	5	5	5	5
Bonding & tech support to participants	3,500	3,500	3,500	3,500
Submitted bond packages	2	2	2	2
Surety bond placements	15	15	15	15
Surety bond values	\$4,250,000	\$4,250,000	\$4,250,000	\$4,250,000
Surety bond contract awards	26	26	26	26
Value of surety bond contracts	\$3,763,500	\$3,763,500	\$3,763,500	\$3,763,500
Number of surety bond loans	3	3	3	3
Value of surety bond loans	\$25,125	\$25,125	\$25,125	\$25,125
# of workers hired & trained for jobs	1,200	1,200	1,200	1,300
Average wage of workers hired &	\$12.00	\$12.00	\$12.00	\$12.00
Companies served by training programs	20	25	25	30
Students enrolled in supported training	350	400	400	450
Employees trained in customized	1,400	1,400	1,500	1,500

Agency 72 - Department Of Economic Development Program 618 - Travel & Tourism

Program Objectives:

The Division of Travel and Tourism, Program 618, provides a variety of programs and services that help communities develop their tourism potential. These programs and services include the Statewide Tourism Industry Development Plan, Tourism Assessment Resource Growth Evaluation Team (TARGET), tourism marketing grants, tourism advertising partnerships, film industry services, marketing at national and international trade shows, group tour marketing, press tours and travel writer assistance, travel counselor program, tourism planning assistance, and the travel information system. The Department's Travel and Tourism Division is funded through a one percent lodging tax cash fund.

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	96,965	87,310	87,633	89,930	87,638	92,575
Cash Fund	2,571,076	2,986,367	3,200,859	3,214,137	3,200,899	3,235,474
Federal Fund	194,817	110,000	959,815	959,815	959,815	959,815
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	2,862,858	3,183,677	4,248,307	4,263,882	4,248,352	4,287,864

Performance Measures:

Description	FY04 Actual	FY05	FY06 Request	FY07 Request
Develop marketing plan	107 partners	115 partners	120 partners	125 partners
Publish & distribute Nebraska Traveler	300,000	300,000	250,000	250,000
Publish & distribute Events Catalog	180,000	175,000	170,000	165,000
Number of travel info requests to 800#	107,189	100,000	90,000	80,000
Number of website user sessions	600,000	620,000	640,000	680,000
Number of website emails	23,547	23,400	22,500	22,000
Lodging tax revenue projections	2,855,515	2,941,363	3,129,604	3,130,492
Cost per media response	\$10.00	\$11.00	\$12.00	\$14.00
Recipients of marketing grants	32	32	35	36
Attend group travel/tour operator shows	6	6	6	6
Attend regional consumer travel shows	6	6	6	6
Implement tourism industry plan	1	1	1	1
Conduct TARGET visit to communities	6	6	6	6
Host Governor's Travel Conference	1	1	1	1
Average spending for non-resident	364	375	400	425
Hire & train I-80 travel counselor staff	50	50	50	50

Agency 72 - Department Of Economic Development Program 655 - Local Civic/convention Finance

Program Objectives:

The purpose of the Local Civic, Cultural, and Convention Center Financing Act and its implementation by the Department is to support the development of civic, cultural, and convention centers throughout Nebraska. Especially favored are projects that attract new civic, cultural, and convention activity to Nebraska from outside of the state. The means of support are grants of assistance to municipalities or counties from the Local, Civic, Cultural, and Convention Center Financing Fund administered by the Department.

Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	0	0	0	0	0	0
Cash Fund	0	1,099,530	1,099,530	1,099,530	1,099,530	1,099,530
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	0	1,099,530	1,099,530	1,099,530	1,099,530	1,099,530

Performance Measures:

The total number of civic, cultural and convention centers applying for funding and the number reported to the Legislature for consideration are the first measures of performance.