

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.

Vision Statement:

The vision of the Department of Economic Development is that Nebraska communities, businesses and people are equipped to operate successfully in a global economy.

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, DED's emphasis has been on growing and diversifying the state's "economic base," which is economic activity that brings new dollars into the state. DED accomplishes its mission by growing strong Nebraska communities, retaining and expanding existing businesses, attracting new businesses, fostering new business creation (entrepreneurship) and tourism development and marketing. Special emphasis is placed on the creation of new primary jobs and the development of new capital investment in the State.

Goals:

DED uses the following criteria when evaluating the efficiency and effectiveness of both existing and new programs and services. Successful economic development initiatives, programs and policies should:

1. Grow stronger communities by supporting solid public infrastructure and high quality, affordable, housing options that stimulate long-term community sustainability and future economic growth
2. Stimulate the creation and retention of high quality, primary employment opportunities that improve per capita incomes and lead to a better quality of life for Nebraska residents
3. Generate additional wealth creation potential for Nebraska residents
4. Attract human and financial capital from outside of the State
5. Grow a readily available, top quality, skilled workforce to meet the ever-changing needs of business and industry, thereby retaining Nebraska's best and brightest youth and attracting additional workforce and population to Nebraska's communities.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	4,485,636	6,389,948	13,912,423	6,479,221	13,921,442	6,574,496
Cash Fund	10,690,833	14,175,481	17,384,181	22,259,250	16,939,069	21,845,993
Federal Fund	21,097,140	24,274,875	21,836,085	21,849,157	21,837,854	21,880,884
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	36,273,609	44,840,304	53,132,689	50,587,628	52,698,365	50,301,373

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

Program Objectives:

The Rural Development Commission develops and establishes policy positions that impact rural Nebraska constituents and coordinates rural development efforts to eliminate unnecessary duplication in programs and services. Additionally, the RDC does 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 re-establishing the RDC under its new structure within NEDED (with no staffing or funding provided to NEDED for the added responsibilities). The two professional staff positions dedicated to RDC are among the 16 field staff positions in NEDED. (See program 603, sub-program 53, Field Services.)

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	109,194	150,000	149,624	153,124	149,685	156,657
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	109,194	150,000	149,624	153,124	149,685	156,657

Performance Measures:

Administer and monitor the Building Entrepreneurial Communities Act and the Agricultural Innovation and Value Added Agriculture Act grant programs.

Continue to coordinate rural development efforts across programs and agencies in an effort to gain efficiencies and to maximize impacts in rural Nebraska.

Develop and support rural policy initiatives that are appropriate for Nebraska.

Agency 72 - Department Of Economic Development Program 600 - Administration

Program Objectives:

Program 600 performs two major agency functions: administrative services plus oversight and overall management for the agency.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	1,177,072	1,234,129	1,241,948	1,265,624	1,245,279	1,298,142
Cash Fund	153,133	286,912	286,065	287,361	286,145	288,709
Federal Fund	107,217	146,291	146,291	149,160	146,291	152,688
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	1,437,422	1,667,332	1,674,304	1,702,145	1,677,715	1,739,539

Performance Measures:

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

Program Objectives:

The Community and Rural Development Division (CRD) provides technical and financial services through community-targeted programs and regional service delivery. These include grant programs for housing, community infrastructure, planning and business development; the Nebraska Community Improvement Program; the Nebraska Microenterprise Development Program; and the Community Development Assistance Act.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	718,632	1,594,854	1,599,442	1,596,423	1,600,350	1,598,341
Cash Fund	4,623,671	8,207,977	11,410,018	11,266,230	11,410,092	11,274,264
Federal Fund	19,962,237	22,843,254	20,404,464	20,414,953	20,406,233	20,443,124
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	25,304,540	32,646,085	33,413,924	33,277,606	33,416,675	33,315,729

Performance Measures:

The housing priority will utilize Affordable Housing Program funds including NAHTF, CDBG and HOME, will be invested in affordable housing in Nebraska to benefit low and moderate income households.

The Community Development Priority will strengthen Nebraska Communities through community development programs and services, which provide a stable platform for economic development.

The Economic Development Priority will foster the competitiveness of Nebraska business and industrial sector, and as a result, assist in the economic development of Nebraska's communities and people.

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

Program Objectives:

The Business Development Division, Program 603, provides technical and financial services to businesses, regional organizations and communities to help expand economic development opportunities in areas that include business and industry recruitment, international trade and investment, existing and start-up business assistance, entrepreneurship, workforce development and job training.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	2,387,667	2,823,063	10,333,507	2,875,360	10,338,196	2,931,817
Cash Fund	2,554,188	1,240,712	1,240,285	6,240,942	1,240,324	6,241,966
Federal Fund	693,517	325,515	325,515	325,229	325,515	325,257
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	5,635,372	4,389,290	11,899,307	9,441,531	11,904,035	9,499,040

Performance Measures:

Description	FY06 Actual	FY07	FY08 Request	FY09 Request
CDBG loans packaged	22	23	24	24
CDBG project jobs created	350	360	370	380
CDBG project leveraged funds	\$225 million	\$225 million	\$225 million	\$225 million
Customized job training contracts	29	35	40	40
Customized job training workers trained	3,400	4,200	4,500	4,500
Customized job training average wage	\$13.90	\$14.00	\$14.50	\$15.00
Nebraska Advantage applications	29	35	40	40
Nebraska Advantage investments	\$3.5 billion	\$3.7 billion	\$4.0 billion	\$4.2 billion
Nebraska Advantage jobs created	7,500	7,500	7,750	8,000
Business recruitment prospects	140	145	150	155
Business recruitment projects	90	100	110	115
Businesses relocate/expand in	60	65	70	80
Microenterprise Advantage applications	60	70	80	90
Microenterprise Advantage investments	\$5 million	\$7 million	\$9 million	\$11 million
Microenterprise Advantage jobs created	120	125	130	135
Rural Advantage applications	14	16	20	20
Rural Advantage investments	\$10 million	\$12 million	\$12.5 million	\$13 million
Rural Advantage jobs created	120	125	130	135
One stop clients served	2,500	2,500	2,500	2,500
Website user sessions	65,000	67,000	69,000	70,000
Business retention/expansion surveys	325	340	350	350

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 Tourism Assessment Resource Growth Evaluation Team (TARGET), tourism marketing grants, tourism advertising partnerships, marketing at national and international trade shows, group tour marketing, press tours and travel writers assistance, travel counselor program, and tourism planning assistance. The Department's Travel and Tourism Division is funded through a one percent lodging tax cash fund.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	93,071	587,902	587,902	588,690	587,932	589,539
Cash Fund	3,029,176	3,340,350	3,348,283	3,365,187	3,352,508	3,391,054
Federal Fund	334,169	959,815	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	3,456,416	4,888,067	4,896,000	4,913,692	4,900,255	4,940,408

Performance Measures:

Description	FY06 Actual	FY07	FY08 Request	FY09 Request
Travel Guide Production	300,000	300,000	300,000	300,000
Festivals & Events Guide	150,000	150,000	Combined	Combined
Travel Requests	127,539	130,000	135,000	140,000
Website User Sessions	767,812	850,000	900,000	950,000
Website Email Inquiries	29,190	40,000	50,000	60,000
Paid Ads Cost Per Inquiry	11.00	11.50	12.00	12.50
TARGET Visit	6	6	6	6
Marketing Grants Awarded	475,445	650,000	650,000	650,000

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 is to support the development of civic, cultural and convention centers in Nebraska municipalities. Especially favored are projects that attract new activity to Nebraska from outside of the state. The means of support are grants of assistance to municipalities except the City of Omaha from the Local Civic, Cultural and Convention Center Financing fund administered by the Department.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	330,665	1,099,530	1,099,530	1,099,530	650,000	650,000
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	330,665	1,099,530	1,099,530	1,099,530	650,000	650,000

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. The Department first announced this grant program to Nebraska municipalities in the summer and fall of 2003. In response, 23 municipalities sent completed grant applications to the Department in October 2003. Eight of these municipalities eventually received grants, awarded in 2004 and 2005. The total awarded was \$950,665.