

Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

STATUTORY AUTHORITY:

Primary statutory authority for the Department of Economic Development (DED) is contained Chapter 81, Article 12, Revised Statutes of Nebraska. The sections of this article cover the organization, mission, and functions of DED. Along with Nebraska statutory requirements, DED also administers federal funds allocated from the U.S. Department of Housing and Urban Development, the U.S. Small Business Administration, and the U.S. Department of Treasury.

VISION:

To provide quality leadership and services that enable Nebraska communities, businesses, and individuals to succeed in a global economy. DED strives to equip and assist businesses and communities in developing and capitalizing on economic development opportunities that maintain and create good quality jobs for Nebraskans and generate new sources of wealth for Nebraska residents.

MISSION AND PRINCIPLES:

To provide quality leadership and services that enable Nebraska communities, businesses, and people to succeed in a global economy. DED is equipped and ready to assist in developing and capitalizing upon Nebraska's economic development opportunities.

GOALS:

1. Strive to create community and economic growth.
2. Make Nebraska a better place to live, work, raise a family and grow a business.

These goals will be accomplished by focusing efforts on:

- Aggressive housing and community development.
- Focused business retention and expansion.
- Attraction and retention of talent and human capital.
- New business attraction.
- New business creation (entrepreneurship).
- Promotion of the state.
- Special emphasis on the creation of new primary jobs, business innovation, and wealth creation.

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Financial Data

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	4,373,446	4,899,875	5,416,980	5,275,652	5,423,972	5,357,395
Cash Fund	430,448	1,151,730	1,151,730	1,164,880	1,151,730	1,173,891
Federal Fund	1,267,461	2,047,075	2,047,075	2,078,841	2,047,075	2,102,241
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	6,071,355	8,098,680	8,615,785	8,519,373	8,622,777	8,633,527
Aid Funding						
General Fund	5,726,313	6,860,000	6,860,000	6,860,000	6,860,000	6,860,000
Cash Fund	10,062,405	26,611,794	27,612,194	27,612,194	27,612,194	27,612,194
Federal Fund	18,469,180	24,187,291	24,187,291	24,187,291	24,187,291	24,187,291
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	34,257,897	57,659,085	58,659,485	58,659,485	58,659,485	58,659,485
Total Funding						
General Fund	10,099,759	11,759,875	12,276,980	12,135,652	12,283,972	12,217,395
Cash Fund	10,492,853	27,763,524	28,763,924	28,777,074	28,763,924	28,786,085
Federal Fund	19,736,641	26,234,366	26,234,366	26,266,132	26,234,366	26,289,532
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	40,329,253	65,757,765	67,275,270	67,178,858	67,282,262	67,293,012

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Program 600 - ADMINISTRATION

PROGRAM DESCRIPTION:

The Administration Program performs two major agency functions: administrative, operation services, plus oversight and overall management for the Department of Economic Development ("DED"). the primary areas of agency support include business development, community and rural development, and economic development policy reserch for the agency and administration. In addition, the Program includes all legal and general public interaction for the Agency. This Program also processes significant amounts of federal, state cash, and general fund aid programs.

PROGRAM OBJECTIVES:

The primary objectives of the Program are to represent the State of Nebraska regarding Economic Development policies and initiatives and to provide sufficient support and structure to enable the Agency divisions to complete objectives and goals. This includes leadership from the Director and Deputy Director, research, legal, information technology, human resources, clerical support, and fiscal operations for the agency.

PERFORMANCE MEASURES:

- The Department of Economic Development ("DED") staff processes more than \$34 million in state and federal grant payments.
- DED processes grant payments within 7 days of receiving completed reimbursement requests.
- DED staff will draft and execute more than 600 contracts for services and aid.
- DED legal, research, fiscal, and administration staff will lead the development of, provide input on, and monitor as appropriate over 40 legislative bills and resolutions during the biennium.

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Program 600 - ADMINISTRATION

Financial Data

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	1,195,287	1,179,669	1,179,669	1,479,305	1,179,669	1,502,743
Cash Fund	40,015	263,914	263,914	265,264	263,914	265,803
Federal Fund	96,363	161,589	161,589	165,028	161,589	167,416
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	1,331,664	1,605,172	1,605,172	1,909,597	1,605,172	1,935,962
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	10,000	14,250	14,250	14,250	14,250	14,250
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 Aid Funding	10,000	14,250	14,250	14,250	14,250	14,250
Total Funding						
General Fund	1,195,287	1,179,669	1,179,669	1,479,305	1,179,669	1,502,743
Cash Fund	50,015	278,164	278,164	279,514	278,164	280,053
Federal Fund	96,363	161,589	161,589	165,028	161,589	167,416
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	1,341,664	1,619,422	1,619,422	1,923,847	1,619,422	1,950,212

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Program 601 - COMMUNITY & RURAL DEVELOPMENT

PROGRAM DESCRIPTION:

The Community and Rural Development Division 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 Community Development Block Grant program (CDBG); the Community and Civic Center Financing Fund (CCCCFF); and the Community Development Assistance Act (CDAA) tax credit program. Funding for this division includes state general funds, cash funds, and a variety of federal funds. Over the past two years, this division worked diligently to continue implementation of various federal funds.

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 Community and Civic Center Financing Fund (CCCCFF); and the Community Development Assistance Act (CDAA).

PERFORMANCE MEASURES:

Annually:

Housing - 25 rental units newly constructed; 175 units rehabilitated; 50 homeownership units completed; and 25 people trained on the Fair Housing Act.

Community Development - 7,500 low-to-moderate income benefit from facilities and infrastructure or planning efforts; 4,000 low-to-moderate income benefit from Comprehensive and Downtown Revitalization activities; \$1,000,000 of leverage funds result from CDBG investment; and 4 training sessions held.

Economic Development (Business Assistance) - 189 jobs created or retained and \$8,500,000 of leveraged funds due to CDBG investment.

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Program 601 - COMMUNITY & RURAL DEVELOPMENT

Financial Data

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	280,172	290,830	290,830	295,297	290,830	298,619
Cash Fund	229,835	633,930	633,930	642,656	633,930	648,846
Federal Fund	955,809	1,807,733	1,807,733	1,835,233	1,807,733	1,855,900
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	1,465,816	2,732,493	2,732,493	2,773,186	2,732,493	2,803,365
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	4,119,400	11,250,000	11,250,000	11,250,000	11,250,000	11,250,000
Federal Fund	18,123,462	23,937,950	23,937,950	23,937,950	23,937,950	23,937,950
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	22,242,862	35,187,950	35,187,950	35,187,950	35,187,950	35,187,950
Total Funding						
General Fund	280,172	290,830	290,830	295,297	290,830	298,619
Cash Fund	4,349,234	11,883,930	11,883,930	11,892,656	11,883,930	11,898,846
Federal Fund	19,079,272	25,745,683	25,745,683	25,773,183	25,745,683	25,793,850
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	23,708,678	37,920,443	37,920,443	37,961,136	37,920,443	37,991,315

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Program 603 - INDUSTRIAL RECRUITMENT

PROGRAM DESCRIPTION:

The Business Development Division 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, innovation, entrepreneurship, workforce development, and job training. Special emphasis over the last two years has been placed on partnering with the Nebraska Department of Education and the Nebraska Department of Labor to better understand the workforce shortages that businesses are facing.

PROGRAM OBJECTIVES:

DED is charged as the leading statewide economic development organization in Nebraska. This mission is accomplished through a wide variety of on-going and one-time programs and activities including Business Recruitment, Business Innovation, International Trade and Investment, and Industry Cluster Development.

PERFORMANCE MEASURES:

On a macro level, the Business Development Division measures its success on factors such as the state's unemployment rate, per capita income, job growth in targeted industries, productivity per worker, etc. However, the Division uses a variety of other performance measurements to track regular progress of the Division's work. The Research Division tracks the performance of industry clusters in Nebraska Competitiveness Reports.

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Program 603 - INDUSTRIAL RECRUITMENT

Financial Data

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	2,897,988	3,429,376	3,946,481	3,501,050	3,953,473	3,556,033
Cash Fund	150,454	218,886	218,886	221,688	218,886	223,819
Federal Fund	215,289	77,753	77,753	78,580	77,753	78,925
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	3,263,731	3,726,015	4,243,120	3,801,318	4,250,112	3,858,777
Aid Funding						
General Fund	5,726,313	6,860,000	6,860,000	6,860,000	6,860,000	6,860,000
Cash Fund	4,058,074	14,382,944	14,382,944	14,382,944	14,382,944	14,382,944
Federal Fund	345,718	249,341	249,341	249,341	249,341	249,341
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	10,130,105	21,492,285	21,492,285	21,492,285	21,492,285	21,492,285
Total Funding						
General Fund	8,624,300	10,289,376	10,806,481	10,361,050	10,813,473	10,416,033
Cash Fund	4,208,528	14,601,830	14,601,830	14,604,632	14,601,830	14,606,763
Federal Fund	561,007	327,094	327,094	327,921	327,094	328,266
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	13,393,835	25,218,300	25,735,405	25,293,603	25,742,397	25,351,062

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Program 655 - LOCAL CIVIC/CONVENTION FINANCE

PROGRAM DESCRIPTION:

The Civic and Community Center Financing Fund purpose is to support the development of civic, community, and recreational centers throughout Nebraska and to support projects that foster maintenance or growth of communities.

PROGRAM OBJECTIVES:

The Civic and Community Center Financing Fund ("CCCFF") is to be used for the construction of new qualified centers, or the renovation or expansion of existing centers, including historic buildings and upgrades to existing centers, as well as the demolition of substandard and abandoned buildings. Planning activities related to the above projects is also an eligible use.

PERFORMANCE MEASURES:

The Department anticipates awarding \$2 million annually on five projects in 2015 and 2016.

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Program 655 - LOCAL CIVIC/CONVENTION FINANCE

Financial Data

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	10,145	35,000	35,000	35,272	35,000	35,423
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 Operations	10,145	35,000	35,000	35,272	35,000	35,423
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	1,874,931	964,600	1,965,000	1,965,000	1,965,000	1,965,000
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 Aid Funding	1,874,931	964,600	1,965,000	1,965,000	1,965,000	1,965,000
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	1,885,076	999,600	2,000,000	2,000,272	2,000,000	2,000,423
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 Program	1,885,076	999,600	2,000,000	2,000,272	2,000,000	2,000,423