

ECONOMIC DEVELOPMENT IN NEBRASKA

WHAT IS NEDA AND WHO ARE ECONOMIC DEVELOPERS?

Nebraska Economic Developers Association (NEDA) is an association of professional economic developers dedicated to the prosperous growth of Nebraska's business climate. NEDA's purpose is to foster economic development in Nebraska, encourage the advancement of the expertise of its members, foster cooperation among economic development professionals, and to afford professional economic developers a vehicle for assembly and collective expression.

In the simplest of terms these professionals work tirelessly to help their respective communities grow by increasing the economic position of the community's residents by assisting their existing businesses to expand and new companies to locate within the community.

Economic Developers assist business to navigate regulatory requirements, act as intermediaries between the business and all levels of the public sector, provide information on various local and state tax incentive programs, identify suitable properties (sites or buildings) and numerous other forms of assistance.

WHAT ARE THE INCENTIVES AND TOOLS CURRENTLY AVAILABLE?

Today, in this global business environment we live in, it is necessary for communities and the State of Nebraska to provide incentives to both expanding and new businesses. These incentives are available due to the ongoing collaborative efforts between NEDA; the Nebraska Legislature; the Governor along with the Nebraska Departments of Economic Development, Labor, and Revenue; Nebraska Chamber of Commerce; and local economic development groups across the state.

Nebraska Advantage Act

Nebraska Advantage Act is Nebraska's comprehensive economic development tax incentive program that meets the needs of expanding or relocating business. Incentives include refunds of sales tax on projects capital purchases, job credit on new employee compensation, investment credit, and personal property tax exemption on qualifying projects.

Intern NE

InternNE connects college students and employers from across the state, providing a unique opportunity for them to co-invest in the future. Interns gain valuable business experience that will help them in future careers, while successful internships help businesses develop tomorrow's leaders.

Business Innovation Act

The Business Innovation Act provides financial and technical assistance to help startups and businesses develop new technologies that lead to quality job opportunities across the state. The various programs under the Act include competitive grants for prototype development and Research & Development, seed capital, and technical assistance for small businesses and high-growth startups.

Job Training Funds

The purpose of the Nebraska Customized Training Grant Program is to provide employee training assistance to businesses that maintain, expand and diversify the state's economic base and, in the process, retain and create quality jobs for Nebraska residents.

Community Development Block Grants (CDBG)

CDBG provides Nebraskans with safe, affordable and accessible housing and infrastructure; quality jobs and investment through financing new and expanding businesses. Created under the Housing and Community Development Act of 1974, the CDBG program merged seven categorical programs into a pool of community development funds distributed by the U.S. Department of Housing and Urban Development annually according to a formula weighing population and measures of distress (poverty, age of housing, housing overcrowding, and growth lag).



The core membership of NEDA is made up of 300+ professionals from Nebraska's smallest to largest communities.

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Housing Trust Fund

This program provides a housing resource to enhance economic development. The Fund also provides matching funds for federal sources while maintaining the flexibility to provide workforce housing opportunities for households that are not able to utilize federal funding assistance due to higher incomes.

Tax Increment Financing (TIF)

TIF is a method of financing the public costs associated with a private development project. Essentially, the property tax increases resulting from development are targeted to repay the public infrastructure investment required by a project. TIF provides a means of encouraging private investment in deteriorating areas by allowing local governments to use future property tax revenues to finance the current infrastructure costs needed to attract development.

Site and Building Development Fund

This program provides funding to create industrial-ready, available sites and buildings. The Fund is financed with a documentary stamp tax of \$.25 tax for every \$1,000 of valuation on all real estate transfers, resulting in approximately \$2M to the fund per year. The Fund is fairly flexible for uses (requires at minimum a 1:1 match) and can be used for developing speculative sites or assisting with business attraction and expansion projects. Most projects are awarded based on need and impact, including jobs and investment.

Local Option Municipal Economic Development Act (LB 840)

LB 840 authorizes incorporated cities and villages to collect and appropriate local tax dollars (sales and/or property tax) if approved by the local voters, for economic development purposes. Activities eligible for local funds collected for the economic development program may include any project or program for the purpose of providing direct or indirect financial assistance to a qualifying business, or for the payment of related costs and expenses. An economic development program may also include grants or loans for the construction or rehabilitation for sale or lease of housing for persons of low to moderate income.

Community Development Assistance Act (CDAA)

CDAA encourages financial support by businesses to community betterment organizations in their efforts to implement community service and development projects in chronic economically distressed areas. CDAA empowers the Department of Economic Development to distribute a 40 percent state tax credit to businesses, corporations, insurance firms, financial institutions or individuals that make eligible contributions of cash, services or materials to approved community betterment projects.

Economic Development is vital to the future growth of communities across the great State of Nebraska. The continued availability and evolution of incentives and other development tools that meet the ever changing needs of communities and business is critical to fostering growth.

FOR MORE INFORMATION ON ECONOMIC DEVELOPMENT PLEASE VISIT THE FOLLOWING WEBSITES:

Nebraska Economic Developers Association: www.neda1.org
Nebraska Department of Economic Development: www.neded.org