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Nebraska Department of Economic Development
2003-2004 FY Annual Report

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Governor Johanns, Members of the Legislature, and Fellow Nebraskans:

As Director of the Nebraska Department of Economic Development (DED), it is my pleasure to provide you with this 2003-2004 FY Annual Report. This report is provided to share with you a general overview of our department's accomplishments, and to provide you with a sense of how our dedicated staff, partners, and friends work diligently to grow and enhance our great state.

2003-04 brought a renewed sense of hope and optimism to the national and Nebraska economies after an extended recession. While we saw continued pressure on our existing manufacturers from foreign competition, we also observed new economic opportunities in the areas of specialized/niche manufacturing, transportation and logistics, insurance, business services, customer care, and defense support industries. DED continued to work with partners across the state to market the benefits of doing business in Nebraska through a coordinated joint marketing effort. A strong push also was made to improve competitiveness, and expand markets for our existing business and industry base.

During the past year, there was a renewed focus on entrepreneurship and small business development. Special attention was given by the Rural Development Commission and DED field staff to identify state and local obstacles to new business start-ups. I anticipate continued program and legislative changes in future years to address these obstacles.

DED's Community and Rural Development Division directed resources to assure the availability of affordable housing for all Nebraskans, and to maintain strong public infrastructure in communities statewide. The 40th Annual Nebraska Community Improvement Program celebrated the efforts of 68 communities in building and furthering community and economic development. Overall, this division helped direct valuable state and federal resources to hundreds of deserving Nebraska towns and projects.

With a new logo, tagline and marketing plan, the Travel and Tourism Division embarked on an aggressive campaign to attract visitors to the state's many tourist attractions, museums, outdoor escapes and special events. A targeted advertising campaign was designed to promote tourism opportunities for those regions most impacted by the ongoing drought. Tourism staff also worked with communities to strengthen their local tourism efforts. The Tourism Development Initiative provided financial resources to spur the development of new tourist attractions and destinations.

With the completion of my first full year as DED Director, I am pleased with the progress made in many areas. For example, we have cut the 4-6 week grant payment processing time to less than five days. Likewise, we have made good strides in offering improved customer service and in how we successfully market the state. However, we need to remain vigilant as the competition for new business and industry growth becomes increasingly intense. Through the KPMG Study on Taxation and Incentives, we were able to identify specific areas of weakness within our general business climate. Successfully addressing these weaknesses and aggressively growing our State will require all Nebraskans to work cooperatively and to recognize that we are not just working for today, but working to build a solid community and economic foundation for future Nebraskans.

Sincerely,

Richard J. Baier
Director
In 1967, Lyndon Baines Johnson was president; the median household income was $7,143; the St. Louis Cardinals defeated the Boston Red Sox four games to three in the World Series; "The Graduate," "Bonnie and Clyde," and "Cool Hand Luke" were top box office draws; and Dr. Christiaan N. Barnard performed the world's first successful human heart transplant.

1967 proved a landmark year for Nebraska, too, when the Nebraska Unicameral created the Nebraska Department of Economic Development (DED).

Today, as the state's lead economic development agency, DED is dedicated to helping businesses locate the information and resources they need to succeed, grow, and prosper.

The major responsibility of the department is to use the tools and resources provided by the Nebraska Legislature, under the leadership of the governor to grow, diversify, and develop the capability of Nebraska's economy to grow at a pace that enhances the lives of its residents.

More specifically, the mission of DED is to provide quality leadership and services that enable Nebraska communities, businesses, and people to succeed in a global economy. We are here, equipped, and ready, to assist you and your community in developing and capitalizing on economic development opportunities.

Goals
DED's mission is to develop economic opportunities by keeping Nebraska businesses, communities, and people competitive. Since its creation, the department's emphasis has been on growing and diversifying the state's "economic base," which is economic activity that brings new dollars into the state.

Divisions and Programs
DED's broad range of programs serve multiple functions: To support communities with development efforts; to assist with starting up, retaining and expanding businesses; to promote the state as a place for business locations and expansions; and to encourage increased visitations by travelers. The department's four operating divisions, and major goals and services are outlined.
## D E D 2003-2004 FY Annual Budget
### Sources and Major Uses

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>FY 2003-2004 Appropriation</th>
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</thead>
<tbody>
<tr>
<td>General Funds</td>
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<tr>
<td>Cash Funds</td>
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<td>Federal Funds</td>
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<td>$ 36,563,112</td>
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<table>
<thead>
<tr>
<th>Use of Funds</th>
<th>FY 2003-2004 Appropriation</th>
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<tr>
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<tr>
<td>Aid/Grants</td>
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<td></td>
<td>$ 36,563,112</td>
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</table>

### Major Aid/Grant Programs and Service Contracts

<table>
<thead>
<tr>
<th>Program/Contract</th>
<th>FY 2003-2004 Appropriation</th>
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<tbody>
<tr>
<td>Community Development Block Grant</td>
<td>$ 16,499,700</td>
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<tr>
<td>Affordable Housing Trust Fund</td>
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<tr>
<td>H O M E</td>
<td>5,000,000</td>
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<tr>
<td>Customized Job Training Contracts</td>
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<tr>
<td>Manufacturing Extension Partnership</td>
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<td>Microenterprise Program Contract</td>
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<td>Venture Capital Forum Contract</td>
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<td>Surety Bond Program Contract</td>
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<td>Tax Incentive Comparability Contract</td>
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<td>Tourism Marketing Grants</td>
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<td>Main Street Program Grants</td>
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<td>Lewis &amp; Clark Commemoration Project Grants</td>
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<td>Scenic Byways Grants</td>
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<tr>
<td></td>
<td>$ 28,253,657</td>
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</table>

Economic development loans are awarded to communities throughout Nebraska to help recruit and expand businesses ranging from super- and mid-sized manufacturers to small start-ups. Each makes major contributions to the profitability and health of the state’s economy.

Business recruitment trips were taken throughout the United States and around the world. Some of destinations included: Illinois, Minnesota, Kansas, Missouri, New York, Colorado, Iowa, North Carolina, South Carolina, California, Washington, Georgia, Europe, and the Far East.

“For the last many decades, I could have lived anywhere in the country I’d wanted to and conducted my business from there, and I’ve never given a thought to being any place but in Nebraska.”

Warren Buffet, CEO, Berkshire Hathaway, Omaha, Nebraska

“Direct mail companies thrive on central location, and Nebraska has everything we look for in fulfilling our customer’s demands for quick shipment and excellent service. Our products and services are only as good as the people who stand behind our company, and we have the best. For us, Nebraska is number one.”

Jim Beardsley, Cabela’s Inc., Sidney, Nebraska
The city of Blair received $505,000 in Community Development Block Grant (CDBG) funding to help one of the state's largest manufacturers, Cargill, Inc./Cargill Polyol LLC, purchase new equipment for an expansion of its corn milling facility. Sixteen new employees are involved in producing new low calorie, low carbohydrate polyol sweeteners for food products aimed at people watching their calories and carbs. Parent company Cargill, Inc., in Minneapolis invested $30.6 million in the project.

Just 22 miles south and west of Blair along U.S. Highway 30, the city of Fremont assisted its newest corporate citizen, Southwark Metal Manufacturing Company, Inc., with $505,000 CDBG funding to build a new facility. The Philadelphia-based sheet metal and assembly plant chose Fremont for its close proximity to an already established customer base in Omaha and Kansas City. Known as one of the largest duct manufacturers in the U.S., the company added 30 new jobs to the Fremont employment rolls.

Red Willow County, which borders Kansas in southwest Nebraska, was awarded $180,000 CDBG funding to attract 21st Century Systems, Inc. (21CSI), a company that designs agent-based decision software support systems for time and mission critical U.S. Department of Defense applications. The new software technology center created seven full-time jobs. 21CSI's partnership with McCook Community College is a win-win for area students interested in IT professions. The McCook company also works closely with staff in its Omaha office, various U.S. Armed Forces bases, ships of war, defense and other federal laboratories and centers, all size industries, and institutions of higher learning.
Nebraska exports products to more than 180 countries annually, including ag commodities, value-added food products, ag equipment and machinery, irrigation equipment and processed foods, athletic equipment, computer hardware and software, medical and surgical products, modular homes, and air and water purification systems. In 2003, 56% of Nebraska’s exports went to three countries: Canada (25.7%), Mexico (17.3%), and Japan (13.1%).

Special training in using AESDirect to file shipper’s export declarations electronically helped prepare Nebraska companies to meet mandatory electronic filing requirements for export shipments. This is one of many training opportunities provided by DED in partnership with other economic development and trade organizations across the state, including the U.S. Department of Commerce, Nebraska Business Development Center, Midwest International Trade Association, Nebraska Public Power District, Loup Public Power District, Greater Omaha Chamber of Commerce, community colleges, and various private sector partners.

A Nebraska trade mission to Japan in 2003, helped net a contract for Daitron, Inc., a global manufacturer of electronic equipment component parts and semiconductor equipment, which is planning to add a new facility and 50 jobs to the Lincoln landscape. A subsidiary of Daito Electron, Co. LTD, headquartered in Osaka, Japan, Daitron is a major supplier to Kawasaki in Lincoln and other global manufacturers.
Nebraska manufacturers are guaranteed their money's worth when they contract with the Nebraska Manufacturing Extension Partnership (MEP). Clients served from July 1, 2003 to June 30, 2004 reported that Nebraska MEP's services led to 92 jobs created, increased sales of $999,000, reduced production costs of $11,256,400, and total new investments of $54,349,350.

"Nebraska MEP consultants provide a variety of business and technical services designed to enhance the efficiency of a manufacturer's operations and significantly improve their "bottom line" performance and profits. Nebraska MEP is one of a network of 70 manufacturing outreach centers located across the U.S."

Carla Patterson, Director, Nebraska Manufacturing Extension Partnership

Brehmer Manufacturing in Lyons, Neb. is a recipient of Nebraska MEP services. Brehmer, started by father and son, Rey and Joe Brehmer, employs 20 people in the manufacture of customized truck bodies, reconditioned trucks, truck hoists, and equipment made from recycled tires. Brehmer Mfg. is one of seven companies that formed a local manufacturing network and met regularly with a Nebraska MEP field agent. To energize the network, the agent suggested that they undergo more formal Lean Manufacturing 101 training, followed by a group Value Stream Mapping exercise. A skeptic at first, Joe Brehmer became a believer when he and his brother, Jaime, who now runs the company with him, began realizing improvements, specifically in their tire recycling product line, product throughput, and customer response time.

"Eaton Corporation has been a proud resident of Nebraska for more than 20 years. Our plant in Kearney has earned a reputation throughout Eaton as having one of the finest work forces in the company. The success of our plant is directly attributed to the pride and work ethic of our employees. We have one of the lowest absentee rates, highest education levels, and best productivity records of any work force within Eaton."

Bob Dyer, Plant Manager, Eaton Corporation, Kearney, Nebraska
**Nebraska Film Office**

The Nebraska Film Office provides assistance to producers of full-length films, commercials, and other film-related projects, including "About Schmidt" starring Jack Nicholson, and "Election," starring Matthew Broderick. In 2003-04, numerous commercials, plus parts or all of the following full-length feature films were shot in Nebraska:
- "Independence," a Nebraska-produced film;
- "Elizabethtown," a Cameron Crowe film;
- "Assassination of Richard Nixon," starring Sean Penn;
- "Rocket Science," another Nebraska production.

**Workforce Development**

The Nebraska Works Program assists businesses, communities, and regional partnerships with identifying workforce development needs and developing plans to address issues related to recruiting and retaining employees. During FY 2003-04, labor surveys were completed in two labor shed areas. Nebraska also was promoted and marketed as a state in which to live and work through DED's website, at the Nebraska Society for Human Resources Management conference, and through mailings and publications. More than 8,000 Nebraska quality of life brochures were mailed to Nebraska employers for use in promotional packets.

**The Customized Job Training Program**

The Customized Job Training Program provides training assistance on projects that offer an opportunity for economic development in Nebraska. Funding is limited to eligible companies and training projects. In general, examples of companies that qualify are those engaged in selling goods/services primarily to non-Nebraska markets; manufacturing, processing, and warehousing; and headquarter facilities.

**The Edgerton Awards**

The Edgerton Awards Program is patterned after the Malcolm Baldrige National Quality Awards Program. Applicants are evaluated in the areas of leadership, strategic planning, customer and market focus, information and analysis, human resources, product and service processes, and business results; judged by a team of Edgerton examiners; and rated according to strengths and opportunities for improvement.

A record 10 applicants—six hospitals, three manufacturers, and one professional service business—received 2004 Edgerton Quality Awards for ongoing efforts in quality in the workplace, and with marketplace customers. Two awardees received Excellence Awards, making them only the seventh and eighth businesses to receive the highest award level in the Edgerton program's 11-year history.
THE 'ONE-STOP BUSINESS ASSISTANCE' OFFICE PROVIDES A SINGLE SOURCE OF CONTACT FOR INFORMATION RELATED TO: STARTING A BUSINESS; BUSINESS DEVELOPMENT AND MARKET RESEARCH; COMPLIANCE WITH GOVERNMENT REGULATIONS AND REGISTRATION REQUIREMENTS; AND A WIDE VARIETY OF GENERAL BUSINESS QUESTIONS RANGING FROM FINANCING TO INTELLECTUAL PROPERTY.

THE OFFICE RESPONDS TO APPROXIMATELY 2,500 REQUESTS FOR INFORMATION PER YEAR AND HAS RESPONDED TO REQUESTS FOR ASSISTANCE FROM PEOPLE AND BUSINESSES IN PRACTICALLY EVERY NEBRASKA COMMUNITY AND THE 50 STATES SINCE IT BEGAN IN 1988.

THE RANGE OF TOPICS THE OFFICE PROVIDES ASSISTANCE WITH ARE REFLECTED IN THE "BUSINESS TOOLKIT" WEBSITE, HTTP://ASSIST.NEDED.ORG, CONTAINING BUSINESS AND TAX REGISTRATION FORMS, TRAINING AND BUSINESS ASSISTANCE SERVICES AND RESOURCES AVAILABLE THROUGHOUT NEBRASKA, AND AN EXTENSIVE LIBRARY OF INFORMATION ON TOPICS REQUESTED BY MANY TYPES OF BUSINESSES RANGING FROM FINANCING TO INTELLECTUAL PROPERTY.

THE NEBRASKA DIPLOMATS INC. IS A NONPROFIT CORPORATION. WITH MEMBERSHIP OF MORE THAN 450 BUSINESS EXECUTIVES AND COMMUNITY LEADERS, IT IS THE LARGEST ECONOMIC DEVELOPMENT ORGANIZATION IN NEBRASKA.

THE NEBRASKA DIPLOMATS HAS FORMED ALLIANCES WITH OTHER NEBRASKA ECONOMIC DEVELOPMENT ORGANIZATIONS TO PROMOTE THE STATE'S PRODUCTIVE BUSINESS CLIMATE AND ITS UNIQUE QUALITY OF LIFE. THE NEBRASKA DIPLOMATS ORGANIZATION PROVIDES A CONNECTION TO NEBRASKA LEADERS WITHOUT POLITICAL, ORGANIZATIONAL, OR GEOGRAPHIC RESTRICTIONS.

DURING FY 2003-2004, THE DIPLOMATS HOSTED THE FOLLOWING EVENTS:

**AUGUST 29 & 30 - PASSPORT WEEKEND**
The Diplomats Annual Meeting, CEO Roundtable and Banquet drew more than 400 people on Friday, August 29th. Thirteen guests were hosted from around the country. The next day, Governor Mike Johanns and Mrs. Mike Johanns hosted a tailgate party at the Governor's residence before the Nebraska vs Utah football game for more than 250 Diplomats and guests.

**FEBRUARY 2 - LEGISLATIVE RECEPTION**
More than 150 Diplomats and 30 Senators attended the reception.

**MAY 11 - BUSINESS AND INDUSTRIAL DAY**
More than 100 Diplomats attended the day's activities. Attendees toured the Qwest Center and the newly revitalized development areas in downtown Omaha.
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 Nebraska Community Improvement Program; the Nebraska Microenterprise Development Program; and the Community Development Assistance Act tax incentive program.

“People have taken an improved approach toward community betterment. Nicer yards, new buildings, and an improved public image.”

- Tim Moore, Village Board Chairman Madrid, Nebraska

### 2003-2004 Community, Housing and Economic Development Grants

<table>
<thead>
<tr>
<th>Program</th>
<th>Grants</th>
<th>$ Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing</td>
<td>44</td>
<td>$10,658,238</td>
</tr>
<tr>
<td>CDBG Planning</td>
<td>31</td>
<td>$544,800</td>
</tr>
<tr>
<td>Public Works</td>
<td>16</td>
<td>$3,760,650</td>
</tr>
<tr>
<td>Water/Wastewater</td>
<td>11</td>
<td>$2,510,656</td>
</tr>
<tr>
<td>Tourism Dev. Initiative</td>
<td>4</td>
<td>$338,200</td>
</tr>
<tr>
<td>Economic Development</td>
<td>15</td>
<td>$5,069,400</td>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>121</strong></td>
<td><strong>$22,881,944</strong></td>
</tr>
</tbody>
</table>
Housing

The village of Page, in partnership with the Page Development Corporation, received $95,300 Nebraska Affordable Housing Trust Fund monies to develop a duplex with units that feature 1,036 sq. ft., two bedrooms, and single-attached garages. The idea for the project came about when residents of this north central Nebraska community discussed how the lack of suitable housing was preventing the village from attracting new residents. The village office fields several calls a month about available housing. Page's small town atmosphere, small school class sizes, and proximity to several larger communities with employment opportunities were deemed qualities that would draw people to Page. The village and the Page Development Corporation worked with CORE, a multi-community organization, to attract an ethanol plant to nearby Plainview, a satellite medical clinic, and a new business, Domes USA; and to make improvements to the city park, main street, and fire station, among other projects.

Public Works

The city of Columbus received $350,000 CDBG funding in the public works category to help build a 5,440 sq. ft. addition to the East Central District Health Department (ECDHD) that would house a combination medical, dental, and mental health clinic, and create 10 new jobs. ECDHD, a public agency, was formed in 1998 by Platte County and Colfax County government officials, who partnered with area health care providers to offer medical, dental and mental health services to low-income citizens who could not afford health care for themselves or their families. Witnessing the great success of ECDHD, Boone and Nance counties joined it in 2001 and 2002, putting a strain on its existing space, equipment and staff.

"I would strongly recommend that water improvement be an important agenda item considered by all Nebraska villages and towns."

Doug Steffensmeier, board member, Beemer, Nebraska
Celebrating its 40th anniversary in 2003, NCIP continues to serve communities, providing assistance and recognizing accomplishments in leadership, and community and economic development. In 2003, 68 communities participated in the program, including long-time member Potter.

The 2003 Otto Hoiberg Award went to Potter, a past 1994 and 2001 recipient. Judges were impressed with the community's innovative and creative projects, demonstrating a long-term ongoing vision. Community assets included an effective organizational structure and allocation of volunteer strengths and resources. Potter also won the Class I Community Development Award for overall excellence in community and economic development for outstanding projects that included the ongoing Potter-Dix Community Improvement Class, beautification and tree planting, and a Reading Garden with gazebo, benches and lighting in the park. The Potter Historical Foundation also finished projects that preserve the community’s history and promote the downtown business district.

2003 NCIP Community Development Award Recipients

<table>
<thead>
<tr>
<th>CLASS I (1-400 population)</th>
<th>CLASS IV (1,601-5,500 population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st - Potter</td>
<td>1st - Gothenburg</td>
</tr>
<tr>
<td>2nd - Petersburg</td>
<td>2nd - Hartington</td>
</tr>
<tr>
<td>3rd - Farnam</td>
<td>3rd - Kimball</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>CLASS II (401-900 population)</th>
<th>CLASS V (5,501 &amp; Over population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st - Eustis</td>
<td>1st - Sidney</td>
</tr>
<tr>
<td>2nd - Stuart</td>
<td>2nd - Alliance</td>
</tr>
<tr>
<td>3rd - Elgin</td>
<td>3rd - Seward</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CLASS III (901-1,600 population)</th>
<th>CLASS VI (Multi-Community)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st - Hebron</td>
<td>1st - Pawnee County</td>
</tr>
<tr>
<td>2nd - Ravenna</td>
<td>2nd - Loup Basin Region</td>
</tr>
<tr>
<td>3rd - Franklin</td>
<td>3rd - Hayes County</td>
</tr>
</tbody>
</table>

“Anytime Main Street looks better, it has to help businesses. Downtown projects help keep small communities from fading away.”
- Frank Pelican, Owner, Pelican’s Meat Processing Johnson, Nebraska
Micro businesses in Nebraska completed the sixth year of data collection for funding received under the Nebraska Microenterprise Act. The program is administered cooperatively by the Nebraska Microenterprise Partnership Fund and DED. Individuals from 92 of Nebraska's 93 counties have received services throughout the years of the program, and the number of active loans and trainees increased to 4,068. Of the 12 programs receiving funding under this program in 2003, one--the Rural Enterprise Assistance Program (REAP)--shared a couple of success stories from western Nebraska.

Imre Dojcsany, a Hungarian immigrant, received a $22,000-23,000 loan through REAP to purchase a CNC lathe to add to his machine shop, Precision Machining, in Chadron, Nebraska. Dojcsany had previously lived and worked in Denver, operating his own machining shop, until he sold it to a company that kept him on as shop manager. When the company announced it was moving its operations to a new location in Denver, Dojcsany decided that he'd had enough of big city living. He moved to Chadron because a client of his formerly based in Denver, had relocated there.

Dustin Peden opened “D Best Taper” barbershop in Mitchell, Nebraska. Peden, his wife, Lisa, and their one-year-old daughter, Emily, moved from their hometown of Cozad, Nebraska to purchase the shop from Frank Stiver, a long-time resident of Mitchell who wanted to retire. Peden had filled in as summer help at the barbershop while attending Bible College in LaGrange, Wyoming. He had always wanted his own shop and contacted Stiver about the possibility of purchasing the shop. Contact with the Nebraska Business Development Center (NBDC) in Scottsbluff, Nebraska resulted in a referral to REAP. With help from REAP, the Scottsbluff NBDC, and the city of Mitchell, a business plan was developed and financing secured for the purchase. Peden recently leased a separate portion of the building to another new entrepreneur—a beauty salon.
Travel and tourism is big business for Nebraska. One indicator is that revenue from the state’s 1% lodging tax (which represents the total funding for DED’s Travel and Tourism Division), has increased every year since its inception in 1981. In 2002, travelers spent more than $2.83 billion in Nebraska on trips with overnight stays in paid accommodations, and on day trips 100 or more miles from home. Given a travel spending multiplier of 2.7, the overall spending impact was more than $7.6 billion, and 46,000 Nebraska jobs were directly attributed to travel spending. Each dollar spent by tourists in Nebraska is respent in the state to produce an additional $1.70 in business and income, creating an overall economic impact of $2.70.

Nebraskans and visitors to Nebraska together made 19.5 million trips in the state in 2003 to destinations 100 miles or more away from home. For trips by visitors, the leading states of origin were, in order, Kansas, Iowa, Colorado, Missouri, South Dakota, Illinois, and Minnesota. The average nonresident traveling party visiting Nebraska by highway during the summer consists of 2.4 persons who stay 2.2 nights in the state and spend $364. More than one third of the nonresident traveling parties go to attractions or events, and for each attraction or event visited, they average a half-day longer in Nebraska, spending an additional $83.
Established July 1998, the TDI grant program funds tourism development projects that have already attracted significant financial support and are expected to have long-term positive impacts on local and regional economies.

In 2003, one TDI recipient, Brownville, received $102,700 for acquisition and easement expenses related to acquiring a historical property and to removing architectural barriers and assisting with land and building expenses related to creation of the Brownville Historical Archives Center and Brownville Booktown Attraction. The project will add five new jobs in Brownville and create space where artifacts related to Brownville can be collected, preserved, interpreted and displayed. The facility also will showcase used, rare, and antiquarian books of interest to the region, including river lore, plains literature, Lewis and Clark, steamboats, and the western migration.

Cass County/B-1 Airpark Project at the Strategic Air & Space Museum received $73,500. The museum will use funding to prepare an outdoor site and exhibit area for displaying a B-1 bomber aircraft that will be brought from Ohio, reassembled at the museum outside Ashland, and mounted in a flying cradle. The project will create jobs for an aircraft restoration assistant and a facilities maintenance/groundskeeper. The Strategic Air & Space Museum is regarded as the nation’s foremost facility of its kind. The $29.5 million, 300,000 sq. ft. museum opened in May 1998, and preserves aircraft and missiles for future generations.

“The Travel and Tourism Division is pleased to assist outstanding tourism projects through the CDBG Tourism Development Initiative.”

- Dan Curran
Director
Travel and Tourism Division
TARGET

Started in 1991, the TARGET (Tourism Assessment Resource Growth Evaluation Team) Program helps Nebraska's rural communities celebrate strengths, improve weaknesses, and reach tourism potentials. Communities organize a local TARGET team that completes an evaluation of the community's past and present tourism efforts and issues. After the state TARGET coordinator reviews the evaluation, a community visit is scheduled where local TARGET members and a TARGET team from the Travel and Tourism Division meet to tour and discuss the community's existing tourism draw and potential for future tourism development.

A recently completed Brownville TARGET Report lists among its 14 distinct recommended marketing and development strategies:

- Encourage a more distinct character to the downtown retail shops.
- Place historic Brownville signs at the town's main entrances.
- Encourage the Brownville Lyceum to be a catalyst for future downtown growth.

In addition to Brownville, TARGET reports were written for Morrill County, Pawnee City, the Prairieland Region (Boone, Colfax, Nance and Platte counties), Hartington, and Falls City during this fiscal year.
The National Lewis and Clark Coordinating Council selected Nebraska to host one of only 15 national signature events. The event, "First Tribal Council," took place July 31-August 3, 2004. With more than 65,000 people attending the Fort Atkinson site, and over 8,000 attending Elmwood Park in Omaha, attendance expectations of 50,000 for the four days was far exceeded. Designed for families, all-day time activities took place at Fort Atkinson State Historic Park, and included living history presentations, interactive educational workshops, historically based period encampments and an American Indian "village". Native American dance groups included the Lakota Heritage Society, the Bat Shunatona, dancers and the Standing Eagle Dancers. Musicians included Lemuel Sheppard, Brule, Kevin Locke, Dallas Chief Eagle, the Plain Label String Band, Daniel Slosberg, Seay and Greenblatt, the Roundhouse Band, the Lewis and Clark Fife and Drum Corps, and an all ages fiddling contest. Top speakers from all over the country also took part in the event, including Gary Moulton, Hal Stearns, Mary Gunderson, Dayton Duncan and James Ronda. One of the biggest (literally!) attractions was the full size keelboat that participants could tour.

Evening events occurred at Omaha's Elmwood Park, and included a dramatization of the pivotal First Tribal Council between the Expedition and the Otoe and Missouria Indian Tribes, clearly demonstrating how different cultures interacted and contributed to what would later become the United States of America. This meeting was significant in that it fulfilled one of President Jefferson's mandates to the Corps of Discovery. Traditional songs of the Otoe-Missouria Tribe, Oklahoma, preceded the nightly dramatization that featured music of academy award nominated composer Philip Glass. The University of Nebraska-Lincoln's Hixson-Lied College of Fine and Performing Arts and Lied Center for Performing Arts premiered Glass's three-movement Lewis and Clark Concerto for Piano and Orchestra that features a Native American flutist during the second movement. Paul Barnes and R. Carlos Nakai performed the second movement of the Concerto nightly at the signature event.
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