

Nebraska Innovation Hub Act Designation Application and Program Guidelines

The Nebraska Legislature passed, and the Governor signed, Legislative Bill 450 during the 2022 Legislative Session creating the Nebraska Innovation Hub Act. The Legislature declared that Innovation hubs could serve as a vital resource for stimulating and supporting entrepreneurship and technology based small businesses in Nebraska. The Nebraska Innovation Hub Act selects the Nebraska Department of Economic Development (DED) to designate innovation hubs within iHub areas to stimulate partnerships economic development and job creation by leveraging iHub partner assets to provide an innovation platform for startup businesses, economic development organizations, business groups, and venture capitalists.

DED will make an application available to private nonprofit corporations to become designated as an iHub.

Program Objectives

Job creation through rapid technology commercialization is a vital part of the state's economic well-being. Innovation and technology-driven entrepreneurial activity coupled with venture investment creates small business startups and expansions at an accelerated rate, which leads to significant employment opportunities that contribute to the state's financial health and economic competitiveness. In order to maintain a healthy state economy and to aid communities, entrepreneurship and technology-based small businesses must be stimulated and supported. The Nebraska Innovation Hub Act seeks to:

1. Stimulate partnerships, economic development, and job creation and support entrepreneurship and technology-based small businesses in Nebraska.
2. Accelerate entrepreneurial activity coupled with venture investment
3. Increase employment opportunities with start-ups and technology-based small businesses

iHub Grant Funding

The Nebraska Legislature passed, and the Governor signed, Legislative Bill 1024 during the 2022 Legislative Session creating the Economic Recovery Act. Under the Economic Recovery Act, the Economic Recovery and Incentives Division of the Nebraska Department of Economic Development shall create a Qualified Census Tract (QCT) Recovery Grant Program to provide funding to public and private entities located within qualified census tracts throughout the state to respond to the negative impact of the COVID – 19 public health emergency. The Qualified Census Tract Recovery Grant Program will provide up to \$30 million in grants to one or more innovation hubs located in one or more qualified census tracts and within two miles of a major airport providing services and resources within qualified census tracts located within the boundaries of a city of the metropolitan class.

Up to \$10 million in grants shall be distributed under the QCT Recovery Grant Program to eligible grantees in qualified census tracts that are located in a city of the primary class. iHubs are eligible grantees however, the allocation is not expressly for iHubs and is available to other eligible grantees and uses.

Up to \$10 million in grants shall be distributed under the QCT Recovery Grant Program to eligible grantees in qualified census tracts that are located outside of a city of the metropolitan class or a city of the primary class. iHubs are eligible grantees however, the allocation is not expressly for iHubs and is available to other eligible grantees and uses.

Please note, separate iHub grant funding guidance and an application process will be made available for nonprofit corporations designated as an iHub.

Eligible Applicants

Eligible applicants are private nonprofit corporations locating an iHub within an economic redevelopment area; or an enterprise zone designated pursuant to the Enterprise Zone Act. A map showing economic redevelopment areas can be found at: <https://imagine.nebraska.gov/about-the-program/> . A map showing Enterprise Zones can be found at: <https://nded.maps.arcgis.com/apps/Viewer/index.html?appid=fffa5fe8b47845fda426ac2977e888c1>

Eligible Partnerships

An iHub shall form a collaborative relationship, through a signed statement of cooperation, with at least three iHub partners. An iHub partner may be any of the following:

1. A postsecondary educational institution
2. A bank or other financial institution
3. A municipal economic development division or department
4. A nonprofit economic development corporation
5. A federal government entity or agency focused on economic development
6. An inland port authority created pursuant to the Municipal Inland Port Authority Act
7. A business support organization, including a workforce development or training organization, an incubator or a business accelerator, a business technical assistance provider, a chamber of commerce, or a networking organization that supports innovation
8. An educational consortium, including technology transfer representatives
9. A venture capital network, including angel investors
10. A business foundation, innovation foundation, science foundation, laboratory research institution, federal laboratory, or research and development facility.

Eligible Activities

1. An iHub may do all of, but shall not be limited to, the following:
 - a) Provide counseling and technical assistance to entrepreneurs, either by direct or indirect services, in the following areas:
 - (1) The legal requirements for starting a business.
 - (2) Entrepreneurial business planning and management.
 - (3) Financing and the use of credit.
 - (4) Marketing for small businesses.
 - (5) Tax education.
 - (6) Financial account management, bookkeeping, and budgeting.
 - (7) Leadership development.
 - (8) Insurance needs and requirements.
 - (9) Sources for grant funding and how to apply for such grants.
 - (10) Financial literacy education.
 - (11) Permit and licensing requirements.

- (12) Government procurement processes.
- b) Conduct business workshops, seminars, and conferences with local partners including, but not limited to, universities, community colleges, local governments, state and federal service providers, private industry, workforce investment boards and agencies, small business development centers, microenterprise development organizations, small business service agencies, economic development organizations, and chambers of commerce.
 - c) Facilitate partnerships between innovative startup businesses, research institutions, and venture capitalists or financial institutions.
 - d) Provide the following for entrepreneurs:
 - (1) Housing.
 - (2) Retail space.
 - (3) Commercial kitchens.
 - (4) Community spaces.
 - (5) Coworking spaces.
 - e) Make loans and award grants to entrepreneurs.
2. An iHub shall, to the extent feasible, do all of the following:
- a) Work in close collaboration with the activities of the department as its primary statewide partner and coordinate activities with community colleges, universities, and other state economic and workforce development programs.

iHub Application Requirements

The application shall include but not be limited to, the following:

1. A statement of purpose.
2. A signed statement of cooperation and a description of the roles and relationships of each iHub partner.
3. A clear explanation and map conveying the iHub area.
4. A clearly identified central location for the iHub, which shall be a physical location.
5. A complete budget, including a description of secured funds, pending funds, and potential future funding sources.
6. A clearly articulated iHub management structure and plan, which may include a description of the capabilities, qualifications, and experience of the proposed management team, team leaders, or key personnel who are critical to achieving the proposed objectives.
7. A list of iHub assets and resources.
8. A clearly articulated industry focus area of the iHub, including industry sectors or other targeted areas for development and growth.
9. A list of specific resources available to support and guide startup companies.
10. A five-year plan, which shall include a clearly articulated list of goals to be achieved with the designation of the iHub.
11. Defined performance standards agreed upon by the applicant and the proposed iHub partners, which may include expectations for job development and business creation.
12. Evaluation procedures that will be used to measure the level of achievement for each stated goal.
13. A plan for sustainability.
14. Demonstrated experience with innovation programs, such as involvement with technology commercialization.
15. Evidence of community engagement and support.
16. An application fee of one thousand dollars.

iHub Designation Criteria

NDED shall establish a scoring system to evaluate applications for iHub designations. Such scoring system shall consider, at a minimum:

1. Whether the iHub is committed to serving underrepresented communities in the proposed iHub area.
2. Whether the iHub has a plan for marketing and outreach to underrepresented communities in the proposed iHub area.
3. Whether the iHub has signed statements of cooperation with at least three proposed iHub partners.
4. The quality of the iHub's five-year plan.

Application Timing and Process

Applications shall be submitted on or after November 1, 2022, and before June 1, 2023. DED shall determine whether or not to approve the requested iHub designation by no later than July 1, 2023. Each iHub designation shall be for a term of five years. Once the application cycle opens, applications will be considered and designated every two months on a rolling basis until the cycle closes on June 1, 2023. Applications must be completed online and will be accepted at <https://opportunity.nebraska.gov/programs/recovery/iHubs/>, and must fully comply with all requirements within the time period specified. Applications that do not include all of the documentation or attachments specified or have not been fully completed, will not be considered. At its discretion, the DED may request supplemental materials from applicants.

iHub Designation

The iHub designation shall not be official until a memorandum of understanding is entered into by the applicant and the NDED. The memorandum of understanding shall include the goals and performance standards identified in the application and other related requirements as determined by the NDED.

iHub Reporting Requirements

An iHub shall annually report to the NDED on its progress in meeting the goals and performance standards as described in the iHub application and the implementing memorandum of understanding with the NDED. The report shall also include information regarding the number of businesses served, the number of jobs created, and the amount of funds raised by the iHub. The NDED shall annually post the information from these reports on the NDED website and provide notice to the Governor and the Legislature that the information is available on the website.

DED PROGRAM CONTACT PERSON

For additional information or clarifications of this program, please direct your inquiries to:

Nisha Avey, Small Business Assistance Manager

Nebraska Department of Economic Development
PO Box 94666
245 Fallbrook Blvd, Suite 002

Lincoln, NE 68521
Nisha.avey@nebraska.gov

Phone: 402-853-1391

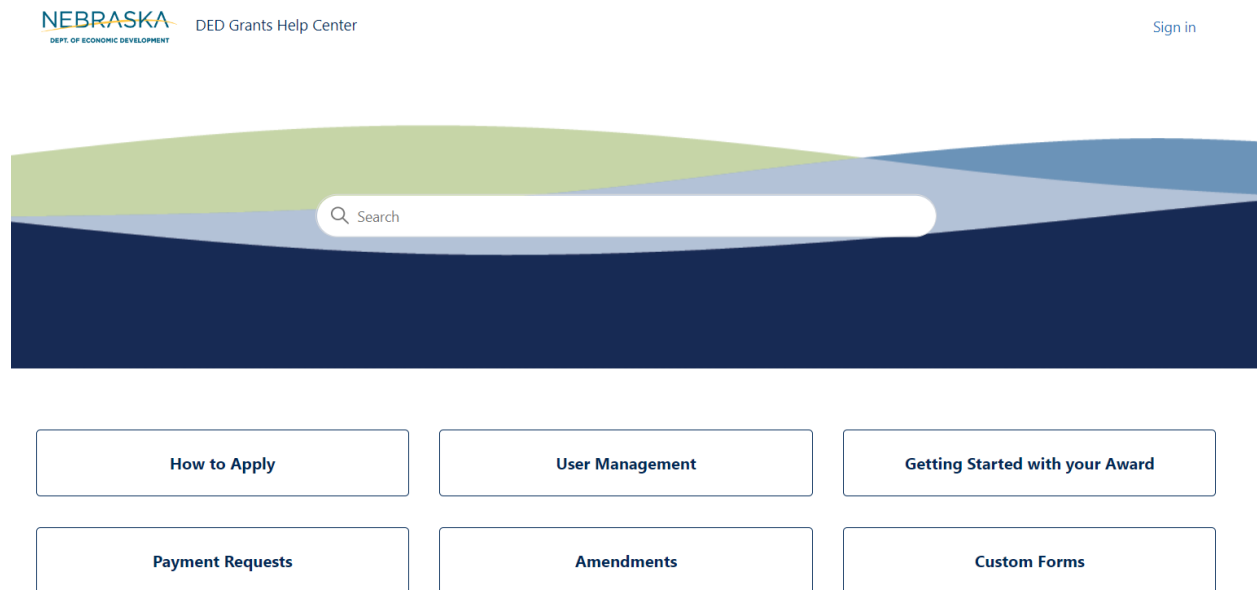
Website: opportunity.nebraska.gov

Technical Assistance for Using the Applicant Portal

To intake applications, DED uses a grants management system (GMS) known as AmpliFund. Applications will be submitted through AmpliFund (GMS).

8.1 DED Help Portal

User guides about DED's specific business processes for accessing and using the GMS to apply are available on DED's website, <http://opportunity.nebraska.gov/amplifund/>. The help portal is organized by topic. You can enter key words into the search bar to find specific articles.



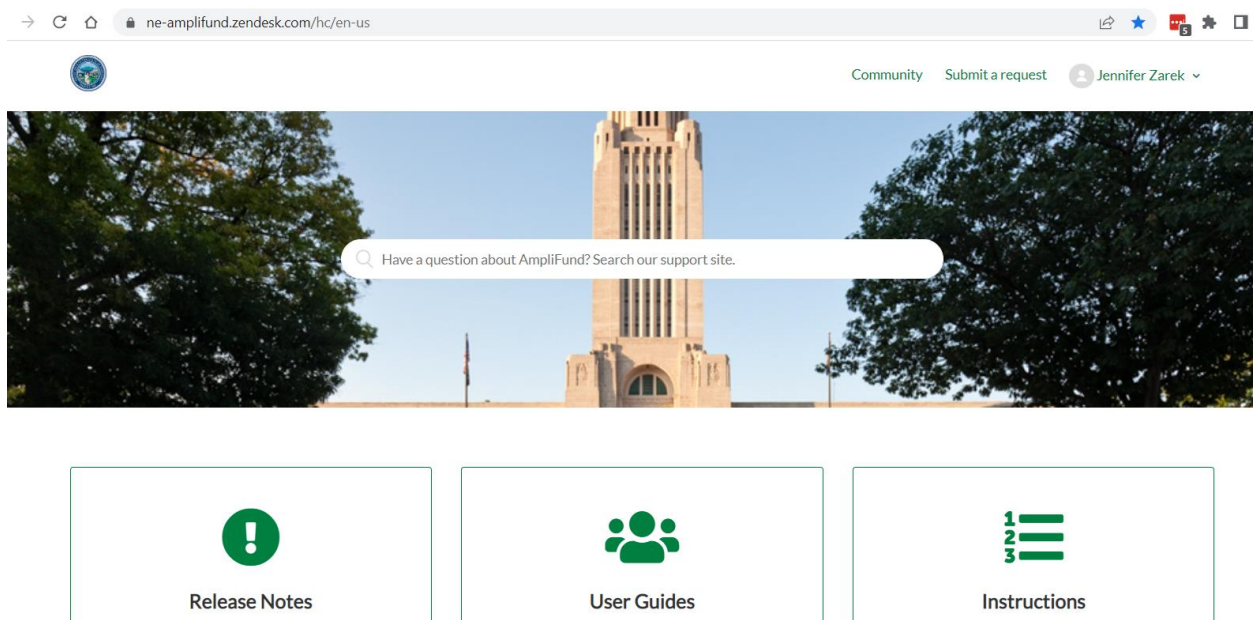
8.1.1 Application User Guides

For instructions on registering to apply, please see **User Management** (<https://dednebraska.zendesk.com/hc/en-us/categories/7865709789851-User-Management>).

For instructions on applying through the GMS, please see **How to Apply** (<https://dednebraska.zendesk.com/hc/en-us/categories/7542920001051-How-to-Apply>).

8.2 GMS Help Portal

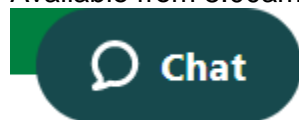
For user guides about using AmpliFund, please visit <https://ne-amplifund.zendesk.com>. This help portal will help you learn how to use the system, navigate the system, and more.



8.3 Customer Support

If you need help using the GMS to apply or manage you award, you can reach out to customer support in three different ways:

1. Call toll-free 1 (844) 735-0239
 - a. Available from 7:00am-7:00pm CDT
2. Online chat
 - a. Available from 8:00am-4:00pm CDT



3. Email support@ne-amplifund.zendesk.com