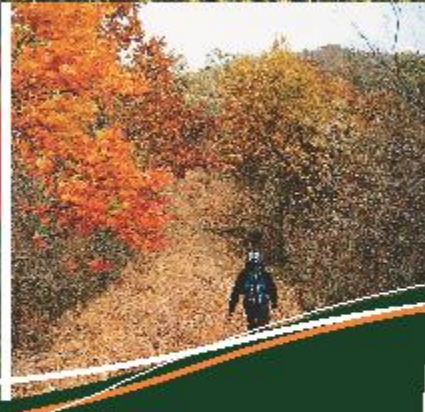


nebraska

www.RuralNebraska.info

RURAL DEVELOPMENT COMMISSION ANNUAL REPORT 2009



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FROM THE CHAIR: *M.L. Martin*

“Those personal networks from the widespread spectrum of all our backgrounds makes this a very unique, interesting, and evolving organization that meets many needs for rural Nebraska.”



Looking back over 2009 and the RDC, a couple of thoughts come to mind. We definitely have in place several goals and/or missions with several yet to be accomplished. In that vein, the informational meeting representatives of the Rural Development Commission had with the USDA-Rural Development, Nebraska Chamber of Commerce and Industry, and Farm Bureau helps reinforce the informal networking and subsequently keeping us in the loop.

On a personal note, the knowledge I acquired at our November board meeting helped educate the “cowmen” in our country on the check-off dollars and how they can be utilized.

FROM THE DIRECTOR: *Linda Fettig*

“The Rural Development Commission advocates for effective development in rural Nebraska.”



As the federally-recognized rural development council for the State of Nebraska, the Rural Development Commission strives to meet the national rural development issues.

The past year’s highlights include partnering with development agencies, entities, and service providers to bring information about services to rural communities while helping to build capacity and encourage development statewide.

PROGRAM INFORMATION:

The Rural Development Commission (RDC) administers the Building Entrepreneurial Communities (BECA) and Agricultural Innovation and Value-Added Agriculture (VAA) grant programs, both created by LB90 in 2005. Funding is used exclusively for grant awards with administration expenses absorbed by the Rural Development Commission and the Nebraska Department of Economic Development. Since 2006, Nebraska has invested \$4,567,514 in the two programs and applicant cash matches of \$3,276,715 brings the total investment in rural Nebraska to \$7,844,229. Detailed information about each program is included in later sections of this report. Staff offers technical assistance for the 165 grants which have been awarded to date and fields questions about possible new ventures and collaborative efforts on an ongoing basis.

A “Rural Nebraska Views” photography contest was sponsored this year with winners yet to be featured in the newsletter and on the RDC website www.ruralnebraska.info.

The website continues to be developed as a place to share pertinent information on a variety of topics affecting Nebraskans. More efficient use of technology, better customer access to information, and cost awareness have reduced postage and printing costs while ensuring easy availability to information about commission meetings, minutes, and the monthly newsletter.

COMMUNICATIONS:

All meetings are subject to the Open Meeting laws and information is readily available to the public. Meeting notices and agendas are published on the RDC and state meeting websites. Meeting minutes are archived in the Library Section of the RDC website. The monthly newsletter highlights commission activities and other items of interest to Nebraskans. It also is available on the RDC website at www.ruralnebraska.info.

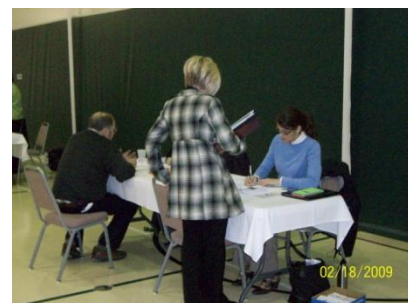
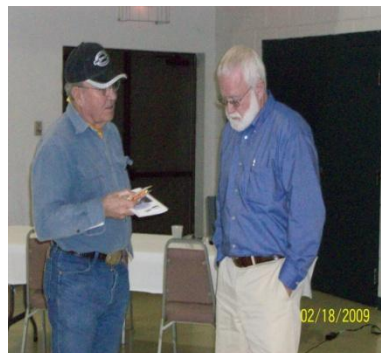
2009 PROGRAM YEAR:

A January 2009 meeting was held in Lincoln following the legislative update hosted for senators and staff. In April, the Commission meeting was held via video conferencing to help reduce costs and travel time. An August meeting in Ogallala included a briefing for the western state senators. In November, the commissioners gathered in Kearney prior to the Governor's Conference on Rural Development. Collaborating with the Partnership for Rural Nebraska, the RDC assisted with the "Connecting Nebraska" awards recognizing individuals and entities working to keep rural Nebraskans connected to resources and technical assistance. The awards were presented during the Governor's Conference luncheon.



Connecting Nebraska Awardees

Other program year activities included planning and co-hosting three "Listen and Learn" sessions, again partnering with the Partnership for Rural Nebraska. Sessions in Stapleton, Bridgeport, and Chadron brought regional service providers together to learn about available programming. The sessions were open to the public and served as a resource fair for the regions.





Working with the Federal Reserve Bank, two “More Than Just Money” sessions were coordinated by the RDC. These all-day sessions, in Bridgeport and North Platte, introduced participants to state programs that offer funding and technical assistance. Presentations were made by the Federal Reserve Bank, Rural Development Commission, the Nebraska Department of Economic Development and its Travel and Tourism Division,

Community and Rural Development Division, Business Development Division, Certified Communities Program, Community Development Assistance Act, and Nebraska Community Improvement Program, Nebraska Department of Banking, Nebraska Department of Environmental Quality, Nebraska Arts Council and the Nebraska Humanities.



PROGRAM FUNDING:

The Rural Development Commission is funded through the Nebraska Department of Economic Development. There were no federal or private funds received in 2009.

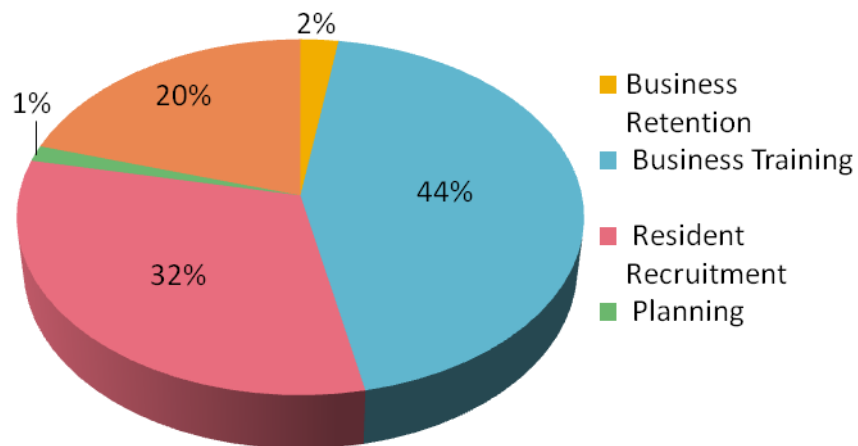
GRANT PROGRAMS:

BUILDING ENTREPRENEURIAL COMMUNITIES ACT

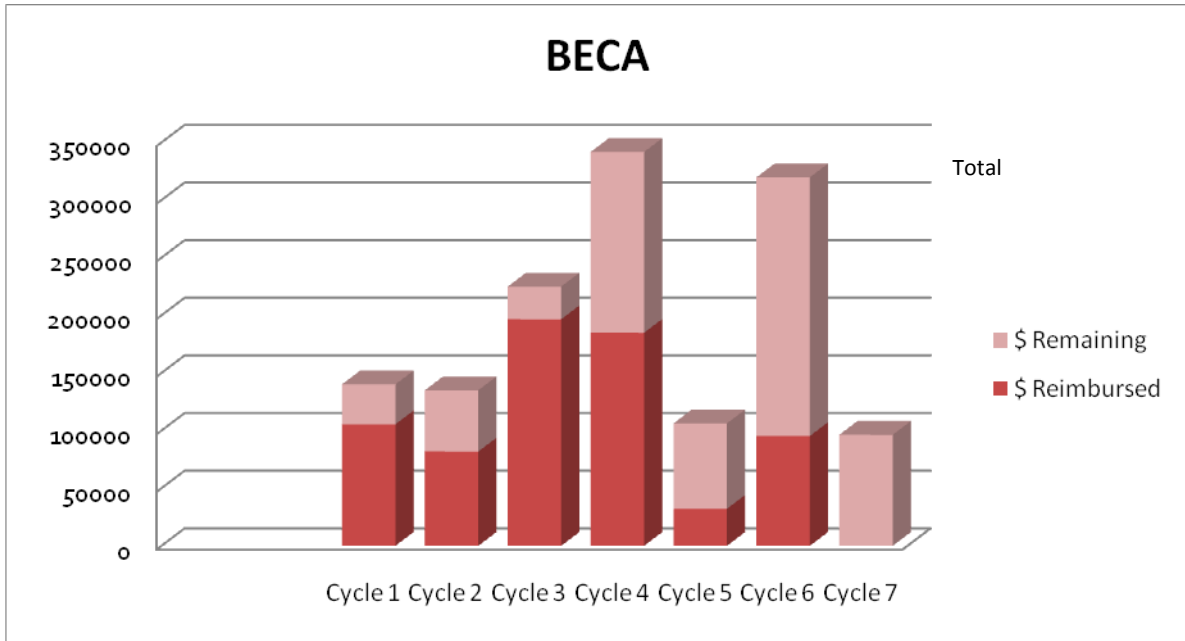
Nebraska has invested \$1,363,950 in the BECA program since its inception as part of LB 90 passed in 2005 with the first grants awarded in April 2006. The program has generated a cash match of \$1,047,982 from participants resulting in a \$2,411,932 cash investment for Nebraska. Additionally many hours of in-kind support as well as donated use of meeting space, equipment, and supplies have increased grant recipients' investments in their projects raising the total project values.

The program supports economically depressed rural areas of Nebraska with grants that create community capacity to build and sustain programs that generate and retain wealth in the communities and regions. Grants awarded in 66 counties have gone for business educational workshops, scholarships to business trainings, youth entrepreneur camps, business coaching and mentoring, resident recruitment programs, community website development and improvement, leadership courses, entrepreneurship courses, alumni outreach, marketing, and workforce scholarship programs.

Grant Awards by Project Type



The graph demonstrates the usage of grant funds identified by broad categories. While many grants include more than one project, the contracts were categorized by the main use of the requested funds.



Cycle 1 (awarded 4/24/06) = \$140,090 awarded/\$105,460 reimbursed

Cycle 2 (awarded 10/30/06) = \$134,968 awarded/\$ 81,847 reimbursed

Cycle 3 (awarded 4/11/07) = \$224,942 awarded/\$196,571 reimbursed

Cycle 4 (awarded 1/10/08) = \$341,717 awarded/\$184,891 reimbursed

Cycle 5 (awarded 7/8/08) = \$106,205 awarded/\$ 32,164 reimbursed

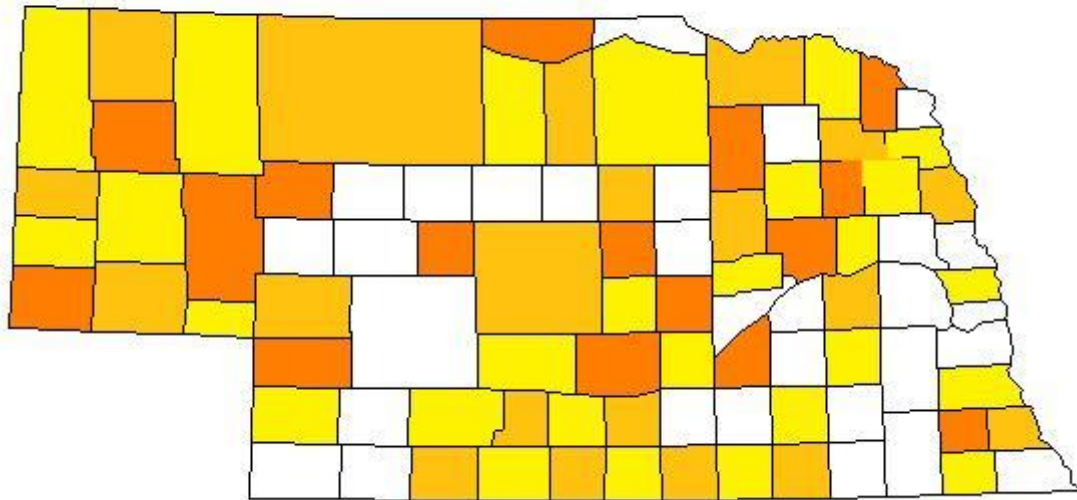
Cycle 6 (awarded 11/19/08) = \$319,609 awarded/\$ 95,294 reimbursed

Cycle 7 (awarded 6/8/09) = \$ 96,331 awarded/\$ 0 reimbursed

(as of December 1, 2009)

To date recipients have requested \$ 696,227 in reimbursements with the balance of the awarded amounts plus the appropriate match available to generate additional community-based projects.

Nebraska



Color coding is only for ease of visualizing county borders.

Projects receiving grants June of 2009 include:

- \$15,681.75 Merrick County Venture Center project of Chapman and Central City
- \$ 1,500.00 Kimball Entrepreneurial Project of Kimball and Kimball Public Schools
- \$15,500.00 Boone County Capacity Development Initiative project of Cedar Rapids, Albion, Petersburg and St. Edward
- \$42,400.00 Wayne Marketing and Leadership Program project of Wayne and Wayne County
- \$21,600.00 Connections Entrepreneurship project of Thayer, Butler and Seward Counties and David City

The RDC website features success stories from BECA grant recipient projects including the Furnas/Harlan Partnership Building the Future, Valentine's Building Blocks, Holdrege's Just the Place Nebraska resident recruitment website, Southeast Nebraska's EDGE program, Shop Sidney's virtual mall website, Western Nebraska Initiative, Eight Communities working for success. Other recipients will be featured during the upcoming year.

The BECA program is funded through the Nebraska Department of Economic Development and administered by the Nebraska Rural Development Commission.

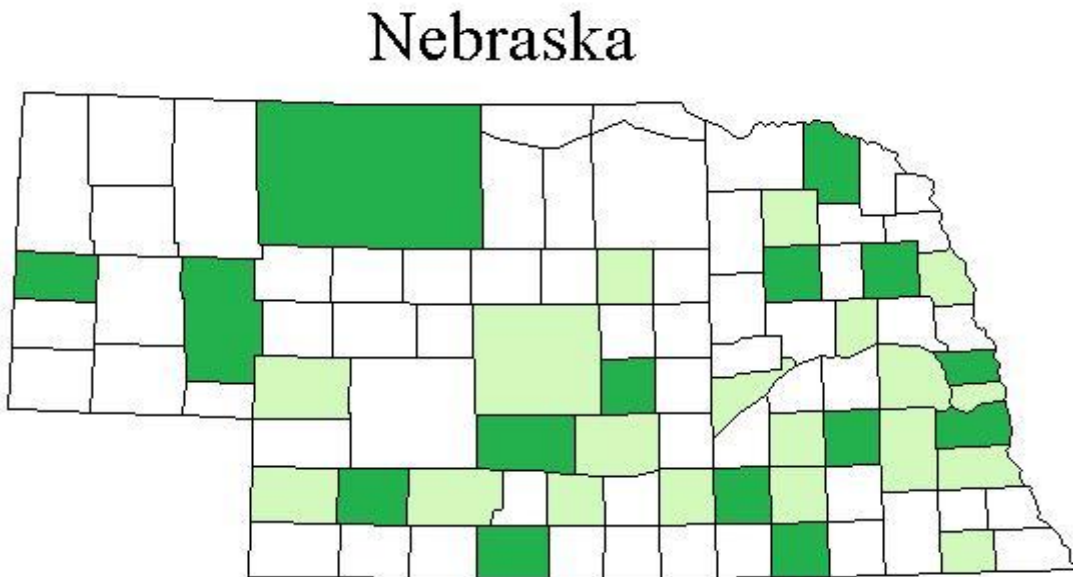
AGRICULTURAL INNOVATION AND VALUE-ADDED

Rural Development Commission

Page 7 of 13

The Agricultural Innovation and Value-Added Agriculture (VAA) grant program also was established as part of LB 90 in 2005, with the first (VAA) grants awarded in June 2006. The program supports small enterprise formation in the agricultural sector of Nebraska's rural economy, and development of agricultural communities and economic opportunity and innovative partnerships geared to creating value-added agricultural products, encourages collaboration, strengthens the value-added industry, and enhances the income generation opportunities for farming and ranching operations in Nebraska.

Nebraska has invested \$3,158,064 in the VAA program since it began, generating an additional \$2,228,732 cash and in-kind match from recipients and creating an overall investment of \$5,386,796. Ninety-five grants have been awarded in 35 of the state's 93 counties.



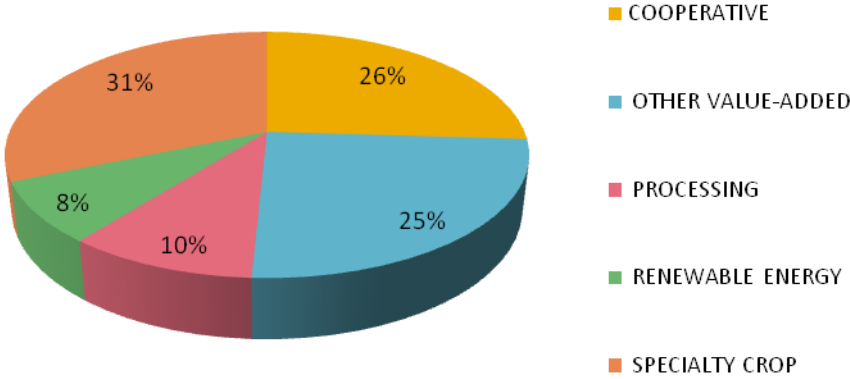
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Agricultural Innovation and Value-Added Agriculture projects receiving grants in 2009 include:

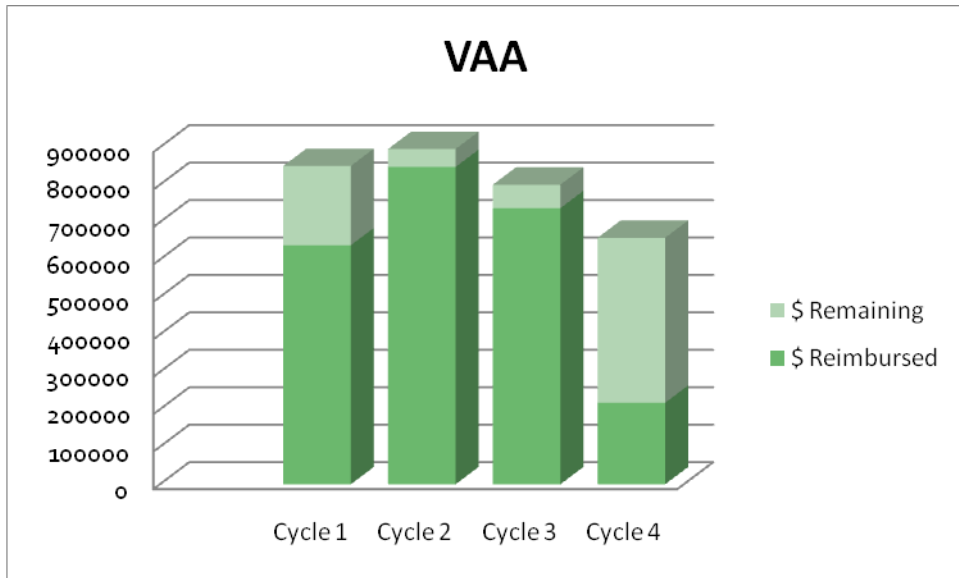
RECIPIENT	COMMUNITY	\$ AWARDED
Sandhills Creations LLC and Wingsets	Geneva and Lincoln	\$20,320.00
Victory Hills Farms	Scottsbluff	\$57,924.53
Nebraska Food Cooperative	Omaha	\$28,000.00
Medicine Valley Economic Development Corp.	Curtis	\$46,000.00
5 Trails Winery	Paxton	\$20,000.00
Energy Grains	Kearney	\$ 9,675.00
IntegriFlex LLC	Lexington	\$60,000.00
Nebraska Waters	Plainview	\$30,000.00
Surge Sales & Service	Hartington	\$ 5,000\$00
Nebraska's Finest Meats	Randolph	\$24,750.00
GROW Nebraska	Holbrook	\$ 4,550.00
Nutritious Snacks	Syracuse	\$10,950.00
Holiday Farms	Imperial	\$34,300.00
Nebraska Renewable Energy Systems	Oakland	\$ 8,000.00
Aspire Cellars	Ashland	\$75,000.00
NE Woody Florals	Leigh	\$13,551.00
Bluebird Nursery	Clarkson	\$21,937.50
Hollenbeck Farms	Elmwood	\$69,069.00

Community Crops	Lincoln	\$13,300.00
Spring Valley Farm	Lincoln	\$10,400.00
On-Farm Biofuels	Springfield	\$75,000.00
Pheasant Oak Vineyard Confections	Brainard	\$20,400.00

Grants Awards by Project Type



Funding led to the formation of coalitions and cooperatives, building renovations or construction, equipment purchase, feasibility and marketing studies, marketing of specialty crops, product research, business plans, product testing, website development or improvements, encourage agri-tourism, and assist with training and educational opportunities.



Cycle 1 (awarded 6/27/06) = \$804,500 awarded/\$638,326 reimbursed

Cycle 2 (awarded 12/01/06) = \$894,837 awarded/\$847,462 reimbursed

Cycle 3 (awarded 1/10/08) = \$800,000 awarded/\$541,653 reimbursed

Cycle 4 (awarded 1/13/09) = \$658,227 awarded/\$217,621 reimbursed

(as of December 1, 2009)

Grant recipients have requested \$2,440,773 in reimbursements. The remainder of the grant awards and the matching contributions are available for future investment in rural Nebraska.

The RDC website features VAA success stories including Extreme Entrepreneurs, Pickled Peppers, 5 Trails Winery, Woody Florals, Community Crops, Honey of a Deal, Greenglade Dairy and Aw Nuts. Other recipients will be featured during the upcoming year.

The Agricultural Innovation and Value-Added Agriculture program is funded through the Nebraska Department of Economic Development and administered by the Nebraska Rural Development Commission.

