



Northeast Nebraska.  
Growing  
Together

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Northeast Nebraska.

# Growing Together



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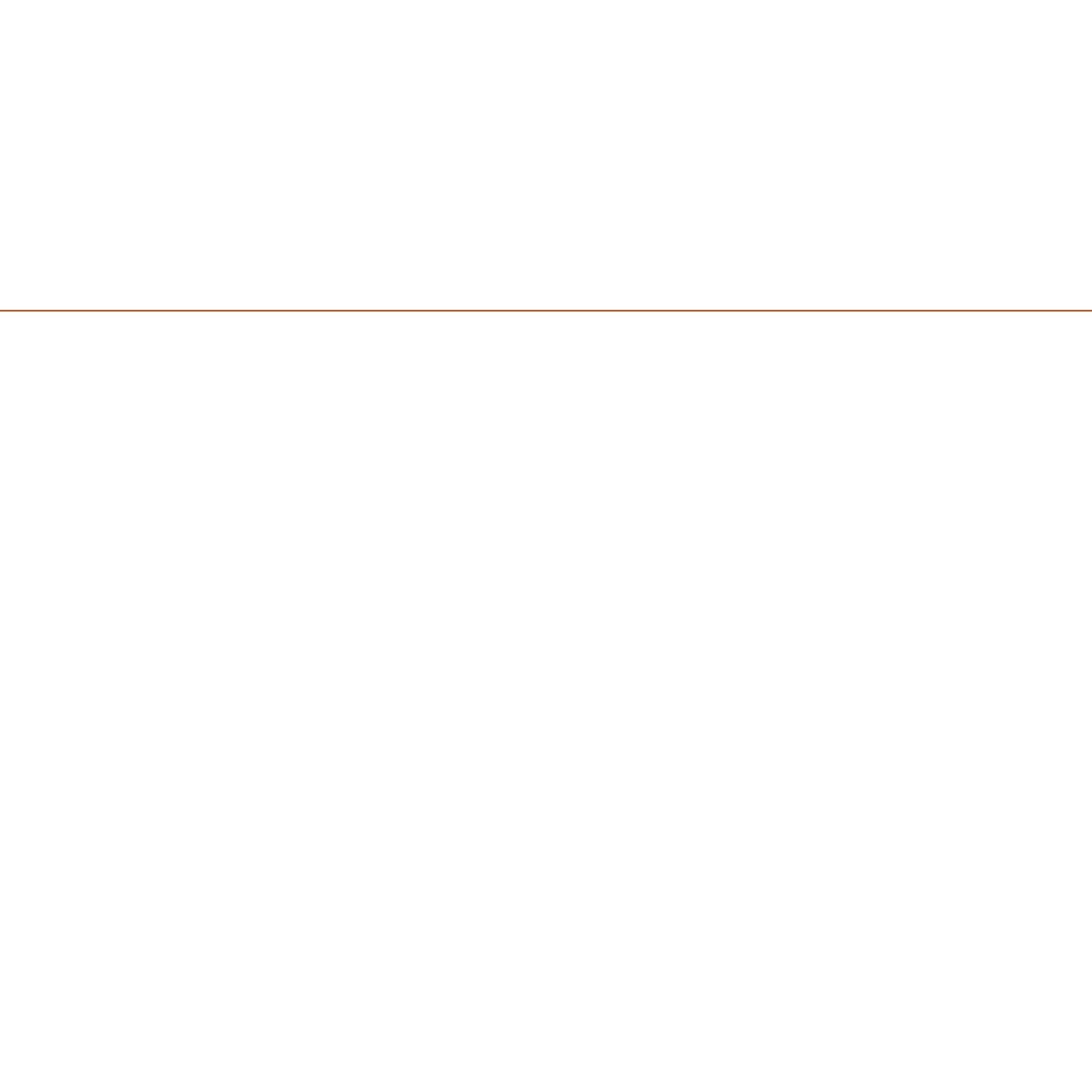
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# Preface

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## Picture it: Northeast Nebraska, circa 2030

In downtown Norfolk, you see a bustling hub. A vibrant combination of businesses and residences, restaurants, theatres and art galleries populated by young, energetic entrepreneurs who got their start on the farms and in the towns of Northeast Nebraska and decided to stay to make their fortunes and raise their families.

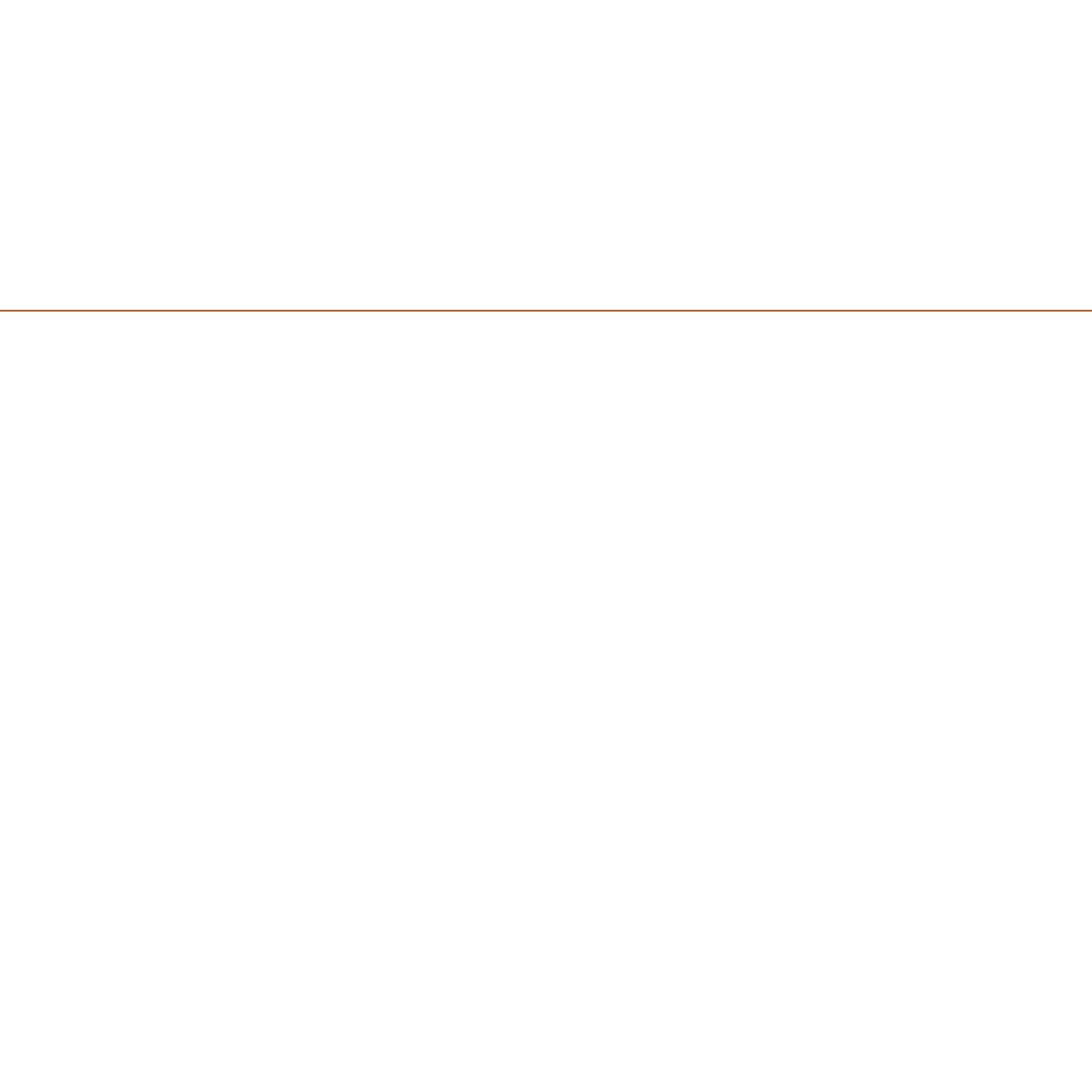
They are here because they benefitted from scholarships and workforce training programs that leveraged their work ethic into well-paying careers in fields related to business, information technology and computer science.

They are here because the community stepped up and took a chance. Funders saw the promise of a plan that would keep the state's most precious asset – its young people – in the state where they belonged. Here because this place provides what they once thought they could get only if they moved away. In surrounding communities, some of these entrepreneurs have branched out and brought their families back home, creating more opportunities for a new generation of young people who are discovering that their life's dream really is in their own backyard.

What ten years ago, way back in 2019, had been a worrisome out-migration of the region's young men and women has now taken a promising turn. With the area attracting, not only its own sons and daughters but, "outlanders," too, who want the same chance to grow and thrive in a warm and welcoming environment. The upshot is that Northeast Nebraska isn't dwindling away in the face of industrial change and fading opportunity, no longer a victim of a work base that expanded beyond agriculture and manufacturing.



The region is making its own future and that future is bright.



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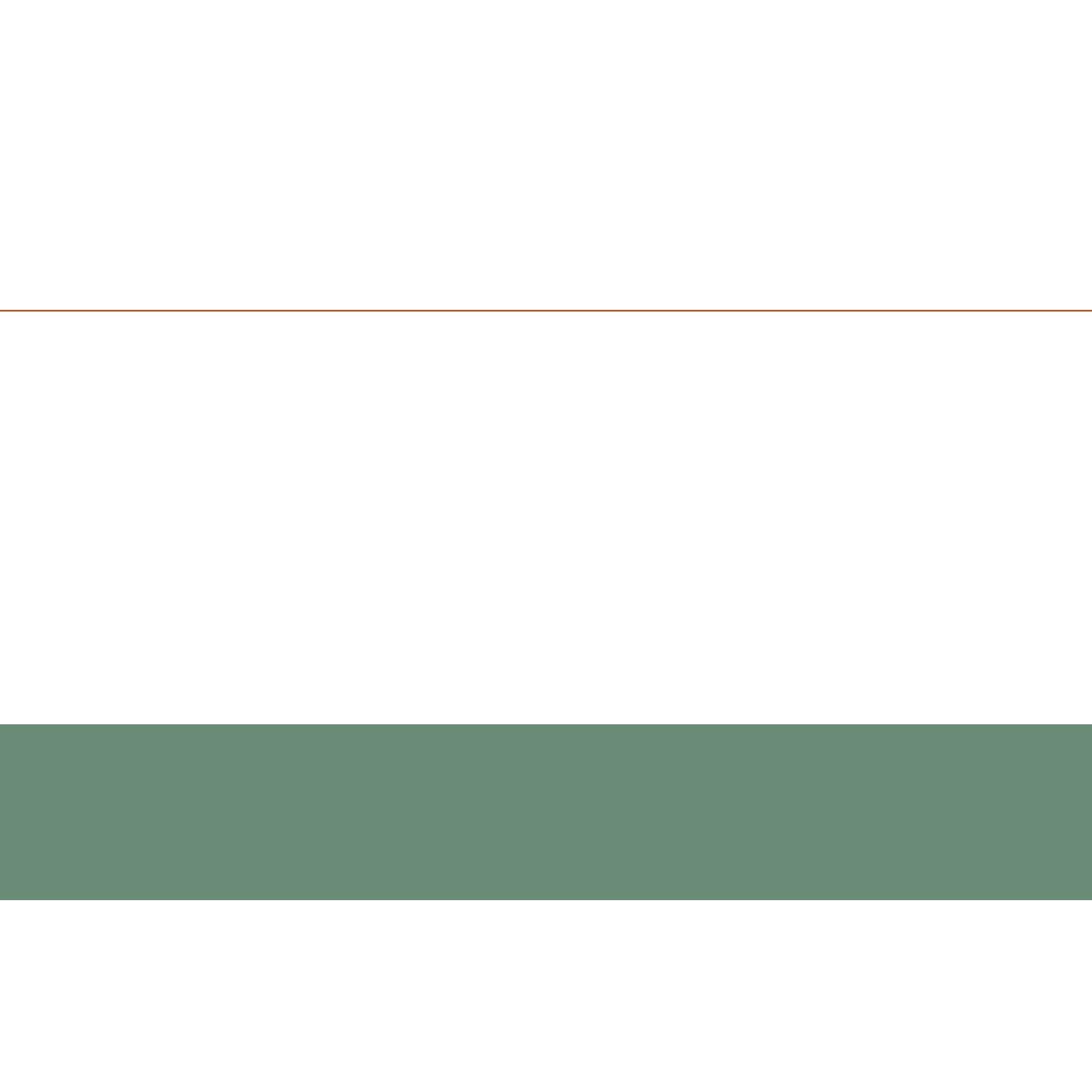
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# Executive Summary

Proactive transformation of Northeast Nebraska's regional economy, and population growth in the area are critical, in light of the current decline in the number of ag jobs, the growth of automation and a reduction in the number of low-wage, low skilled jobs the region relies upon. To ensure that Northeast Nebraska finds the means to grow, it's necessary to pair entrepreneurs with investment capital and technology to redesign a workforce that can compete in a knowledge-based economy where the sharing of information is valued more than the means of production.

A team of community leaders came together to explore ways to achieve such a transformation. The result is *Northeast Nebraska Growing Together*, an initiative that can be broken down into six complementary components:

1. Downtown Development
2. Founders in Residence
3. Cooperative Scholarships
4. Workforce Retraining
5. Artists in Residence
6. Early Childhood Education

## Downtown Development

The effort to transform Northeast Nebraska's future by addressing the outmigration of young people is focused

on creating an affordable and stimulating living and working environment in a 3 x 7-block area of downtown Norfolk. The objectives are to develop 300 high-quality, individual rental units and to attract a concentration of business enterprises that complement the residential improvements, making the area a viable option for a core population of 1,000 predominately twenty-something employees in which to work, live and play.

## Strategies for achieving these objectives include:

- *leveraging the proposed Co-op Scholarship Program* - designed to increase the information technology, communications and business workforce, which requires scholarship recipients in their final year to live in downtown housing in the identified 3x7-block section of Norfolk
- *recruiting existing, local businesses* - with an average workforce age less than 32 to locate in this area
- *developing common spaces* - for younger employees and entrepreneurs to mingle close to where they work and live
- *capitalizing on the close proximity* - of entertainment, business and personal services already available downtown.



### Founders in Residence

The concept of “founders in residence” will result in a concentration of businesses in the developing downtown Norfolk. Inviting founders of both existing and new businesses with an average workforce age under 32 years to take up residence will shift the focus to technology-based economic development and create an innovation ecosystem involving both public and private sectors. The Northeast Innovation Seed Fund, a component of the Northeast Technology Initiative started by community and regional leaders, is geared to attracting entrepreneurs and founders who want to make their homes and base their businesses in Northeast Nebraska.

Invest Nebraska, a corporation that helps grow Nebraska’s economy by assisting entrepreneurs and investing capital in companies with high growth potential, will be engaged to create a seed funding mechanism to provide founders and entrepreneurs with access to sufficient investment capital to execute their business models. In addition, further innovations, including incubation and co-working tech spaces in downtown Norfolk, as well as creation and coordination of entrepreneurial events in Norfolk, like technology meetups and *1 Million Cups*, will make the area even more attractive to businesses and the young people that they employ.

### Cooperative Scholarship Program

The Aksarben Foundation-supported Co-Op Scholarship program is intended to increase the number of Norfolk-area four-year college graduates in specific degree programs, such as computer science and business, and to retain young adults who have grown up in Northeast Nebraska as a labor pool for the high-skilled, high-wage jobs to be created by this initiative.

The program will provide scholarships to students to enroll in and complete degree programs in computer science and business at Wayne State and other state colleges and universities. Scholarship recipients will be required to live in downtown Norfolk during their senior year to complete immersive work-based learning experiences in Norfolk, likely leading to full-time jobs, building commitment to employers and creating a close community with other scholarship recipients. In addition to increasing the supply of higher-skilled workers and enabling local businesses to secure investments, increased outputs and broaden market impact, the scholarship program will increase the size of the available labor pool with critical thinking skills in areas underserved in this skill.

### Workforce Retraining Program

For residents who are not college-educated or find themselves in jobs that are disappearing or in positions that offer little in the way of career advancement, opportunities to develop new skills in information technology are available through an innovative, accelerated workforce training program that will make significant progress in helping to close the gap between open IT jobs and people who can succeed in these positions.

Modeled after the Nebraska TechHire initiative, piloted in Buffalo County in 2015, the workforce training program will train non-IT individuals to become skilled technology workers. In partnership with Northeast Community College and local businesses who stand to benefit from a well-trained workforce, this program will help Northeast Nebraskans build skills they need to transition into the kinds of jobs that will be available as the entrepreneurial hub in Norfolk begins to grow. The target population for this endeavor will be those with a current household income less than \$25,000 a year, those who do not have a college education and members of minority groups.

The 12-week program consists of a specified set of technical and professional trainings that prepare participants for entry-level IT positions in the areas of quality assurance, technical support, database administration and automation testing, supported through intensive, individual mentoring engagement with senior level IT employees. The program will pay all participants a \$15/hour stipend during the 12 weeks of training and mentoring. After five years, the workforce retraining program is expected to result in placement of 500 non-traditional candidates in entry-level IT positions.

### Early Childhood Education

Families with two working parents are most likely to remain in the Northeast Nebraska area if they are assured that high-quality daycare is available to allow them to work, volunteer or pursue their dreams, while fortifying the region’s K-12 investment. These goals can be met by combining the area’s current childcare capacity with new resources to establish free, high-quality care and education programs for children age birth to kindergarten in communities surrounding Norfolk (Battle Creek, Pierce, Tilden, Madison and Stanton).

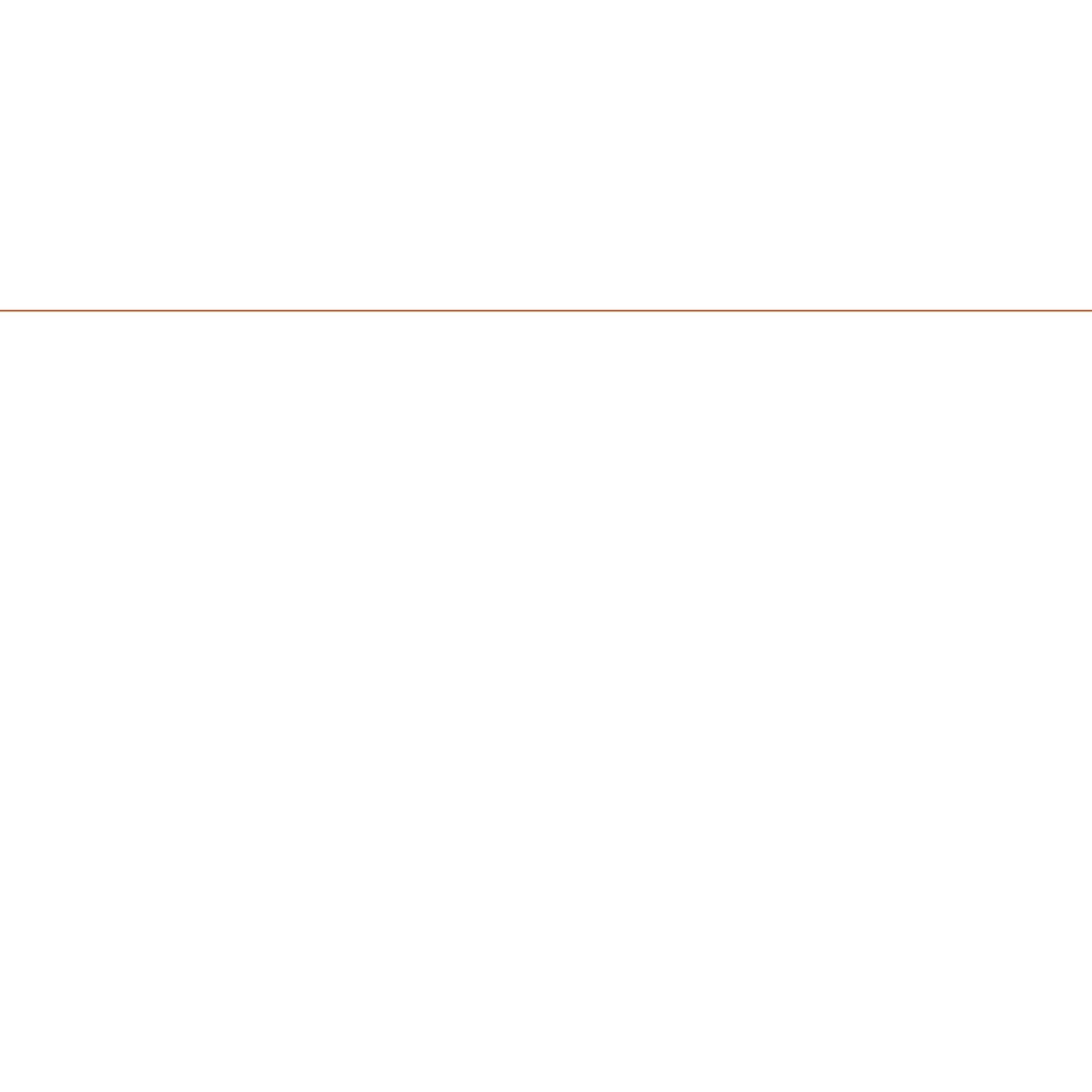
Local revenue strategies will be developed to sustain community-wide quality early childhood programming for the long term (a possible source of additional revenue is increased home construction in participating school districts, which would increase total taxable resources). Attention to this critical need of young families will build their confidence in the ability of small towns to provide safe, healthy learning environments for their children.

### Artists in Residence

An artists-in-residency program (similar to the Bemis Center in Omaha) will increase opportunities for Norfolk and Northeast Nebraska residents to experience a new level of artistic expression to stimulate creativity, imagination, collaboration, risk-taking, tolerance and resilience. Strategies include creating places where artists can practice their craft in downtown Norfolk; offering free events, panel discussions, workshops and other place-enhancing activities; leveraging the close proximity of existing entertainment, business and personal services already available downtown; and creating an environment that embraces diversity, freedom of expression and thought to bolster a sense of welcome and tolerance in the community.

## Downtown Norfolk





# Introduction

Northeast Nebraska, like other agriculture-dependent areas, recognizes that it is losing its most valuable asset. Young men and women are leaving the region in record numbers to pursue post-secondary degrees or to find employment – and they are not coming back.

The northeast region, a 10-county area (Antelope, Boone, Cedar, Dixon, Knox, Madison, Pierce, Stanton, Thurston and Wayne Counties) with a diverse populace, accounts for 8% of the state’s population. Residents in this region hold 35% fewer college degrees than the rest of the state as a whole; the poverty rate exceeds the state average; and average annual earnings fall \$2,000 below the state mean. In addition, the region is disproportionately reliant on agricultural industries to drive its economy. As industries automate over the next 10 years, industrial employers will require fewer and fewer low-skilled workers, meaning fewer employment opportunities for a young workforce without college degrees.

Even though the issues facing rural areas are difficult, northeast Nebraska has an advantage. The area ranks in Bridgespan’s top 10% in the country for youth economic advancement based on factors other than a college education: a high expectation that young people will “opt in” and join a team or volunteer; strong informal support systems; a strong sense of shared fate and a commitment to sustaining the community; and schools that place an early focus on career pathways. Young people are growing

up in an area of the country where upward mobility is thriving. Many of them want to stay, but without the promise of high-paying jobs, they have no choice but to leave.

## Six factors that seem to support young people’s economic advancement



## Northeast Nebraska Workforce Development Committee

In 2018, the Aksarben Foundation challenged its members to convene both industry-specific and region-specific work groups to address Nebraska’s workforce crisis. With



a board comprised of business owners and leaders of both large and small corporations from a wide area of the state, Aksarben is uniquely positioned to serve as a “convener” focused on Nebraska’s economic well-being. As a non-partisan organization with no allegiance to any one organization, Aksarben can focus on what’s best for the state, rather than what’s best for any one group. There is consensus that what’s best for the state today is to retain and create high-skilled, high-paying jobs and, along with the jobs, to retain the state’s most precious asset: young people age 20-34 who are leaving the state at alarming rates. Without these young leaders the state cannot look forward to a prosperous future.



The Northeast Nebraska ‘Growing Together’ Committee is one group that took up Aksarben’s challenge. It is led by Mike Flood, former Speaker of the Legislature, Aksarben Board member and owner of News Channel Nebraska, a business with a state-wide footprint. Mike brought together a collection of volunteers, including local and regional business owners, community leaders, public officials, entrepreneurs, K-12 and higher education leaders and young professionals who have left the state.

### The committee's goals:

1. Develop and implement strategies to reverse out-migration of people age 20-34
2. Increase the number of four-year college graduates in Madison County workforce
3. Increase the average wage to match the state’s average.

The Northeast Nebraska ‘Growing Together’ Initiative is a multi-tiered approach to building the necessary conditions to create an entrepreneurial ecosystem in downtown Norfolk that will increase high-wage jobs and keep young people in the state’s workforce.

### Role of the Leadership Board

This effort enjoys the oversight and guidance of the ‘Growing Together’ leadership board and president/founder Mike Flood. Their responsibilities include: direct involvement with each entity charged with delivering programming or services; coordination of real estate development efforts in downtown Norfolk; recruitment and retention of new and existing businesses to



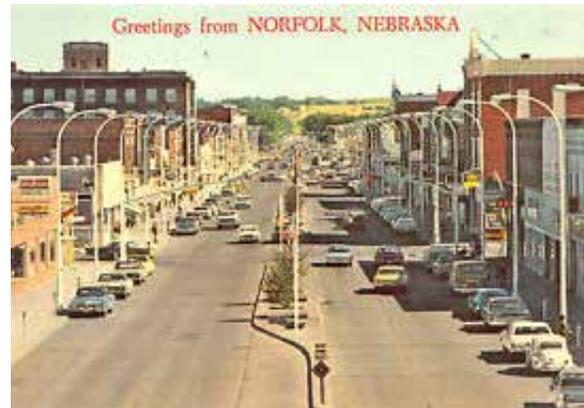
downtown Norfolk; management of related post-secondary educational efforts; managing accountability to philanthropic funders; development of early childhood education in northeast Nebraska rural schools; and working in partnership with the City of Norfolk in pursuing quality of life efforts in downtown. The leadership team also will be a resource to other Nebraska communities interested in employing the strategies developed and implemented by this effort.

No governing authority has been established, however, to directly manage the multiple entities involved – a deliberate decision, because, under law, outside management of some of the entities is not authorized. Instead, government and philanthropic contributions are made directly to the agency or non-profit corporation assigned to each specific strategy designed to positively impact the metrics on which the initiative is focused.

### Why Norfolk and Northeast Nebraska?

Norfolk is the cultural and economic hub of northeast Nebraska, geographically and historically. Among cities of 20,000 or more people, Norfolk has the highest “retail pull factor,” not only in northeast Nebraska, but in the entire state. (The pull factor measures how well local retail stores capture the sales of local and non-local people. Because it compares actual retail spending in a city to that city’s population, it can be used to assess whether people are coming into the community to shop – or if people are leaving the community to shop elsewhere.) Norfolk’s regional draw extends to the Pender and Bancroft areas to the east, the Yankton, S.D., area to the north, the Columbus area to the south, and the Ainsworth and O’Neill areas to the west. This expansive geographic reach is unique to Norfolk and helps the community support commercial, retail, health care and recreational/

cultural endeavors more typical of a city of much larger population.



Norfolk plays a strong role in economic development in Northeast Nebraska, partnering with Madison County to fund a full-time economic development team. The city is at the core of a greater network of smaller communities who meet regularly to discuss projects and strategies to attract families, retain youth and address workforce challenges. These communities look to Norfolk for leadership.



Cultural events in Norfolk draw tens of thousands of northeast Nebraskans on a regular basis. The city's Boomfest Independence Day celebration drew a crowd of more than 30,000 in July 2019. Norfolk's Oktoberfest, an annual celebration of the region's German heritage, is Nebraska's largest such festival, drawing crowds of 15,000 each fall.

Also important to note is Norfolk's role as a journalistic/news info hub of the region. The Norfolk Daily News' circulation rate is the 4th largest in the state of Nebraska and is a regional source of news rather than simply as a city newspaper. The same can be said for the unique news services offered by News Channel Nebraska via its statewide television and radio coverage available in 500,000 homes across Nebraska.

Either by necessity – because it's not located on an Interstate highway nor close to a large metro area – or just by good fortune, Norfolk has been blessed with leadership that is forward-looking and progressive, making needed investments in the community's future. The city's downtown district improvements, parks and trails expansions, and its plans for North Fork Riverfront development are recent examples.

# Growing Together

## Growing Together as a Model for Other Communities

While the focus of this initiative is on Norfolk, the benefits of the investment-building described here flow like waves beyond the borders of Madison County. In physics, a wave is defined as a disturbance that travels through space, transferring energy from one place to another. The ideas outlined here represent the first “disturbance” that starts the wave moving, transporting energy into geographic groups bordering Madison County, then on to groups bordering those, in subsequent phases of the project.

The plan for developing Norfolk as the hub at the center of this effort is intended to serve as an exemplar or model for other population centers in Nebraska that want to become anchors for investment and development in their surrounding communities. The key to success lies not in merely duplicating what Norfolk is doing, but in gathering the three key ingredients that make up this simple, but powerful, recipe: Identify the right leadership, choose the right hub for development and seize on the area's unique assets that can be used to leverage against population loss. Once these key elements are clearly defined, the leaders in those areas can seek support from organizations like the Aksarben Foundation to keep the energy moving onward.





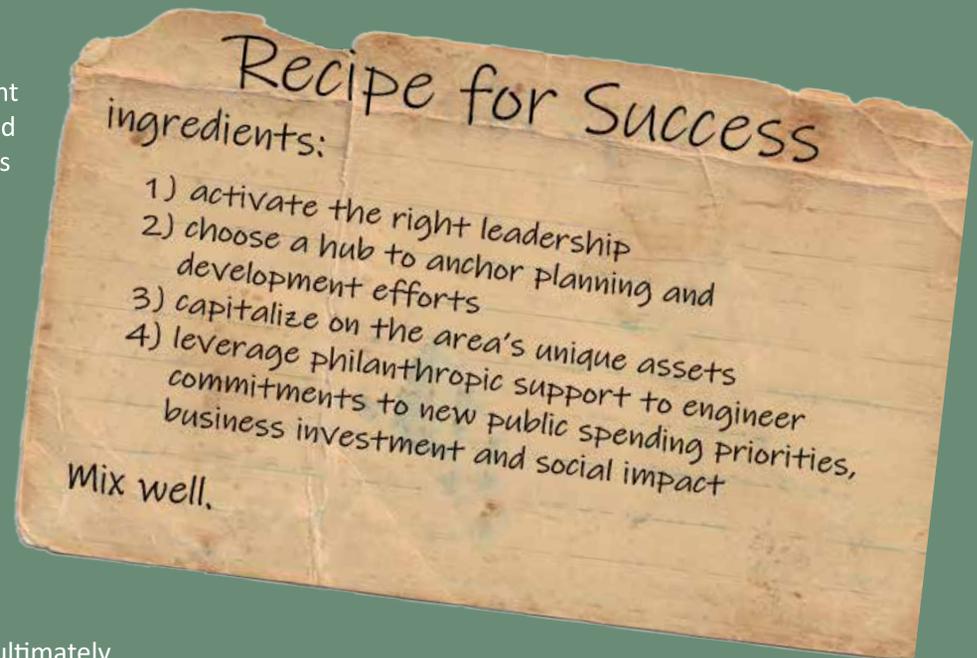
## Preview of the Rest of This Book

In the next section, you'll find a frank assessment of the current reality in Northeast Nebraska and a review of some of the problems – as well as promising developments – that inspired this effort.

But don't stop there. The following chapters detail the ideas and strategies that make up a workable solution to the problem and a forward-looking approach to capitalizing on the inherent promises found in Northeast Nebraska.

**The Growing Together initiative comprises these six main components:**

- 1) *vision for downtown* - to create a business, residential and cultural hub that will keep the region's young wage-earners close to home, ultimately serving all of Northeast Nebraska
- 2) *raising investment capital* - in conjunction with the *Northeast Innovation Seed Fund* and with the help of Invest Nebraska Corporation, to attract and engage local businesses and others to lend their ideas
- 3) *innovative co-op scholarship program* - to increase IT, Communications, and Business workforce by supporting state college, university and community college students allowing them to work and raise families where they grew up



- 4) *ambitious workforce retraining program* - similar to *TechHire Nebraska Initiative*, giving non-IT individuals intense IT training with extensive mentoring, making ideal candidates for jobs in Norfolk's growing downtown business hub
- 5) *artists-in-residence program* - to add cultural enrichment to Norfolk's business and residential district and create an environment where creative solutions and big thinking thrive
- 6) *early childhood education programs* - that will be an attractive incentive to bring young families to the smaller communities in the region and keep them there

Once all these components take shape and start working in harmony, the result will be a dynamic ecosystem that creates high-wage jobs, provides strong incentives for young people to make their homes and livelihoods in northeast Nebraska, and contributes to the state's economic strength. The book concludes with a call to action, asking members of the communities in Northeast Nebraska to embrace and advocate for the ideas presented here.

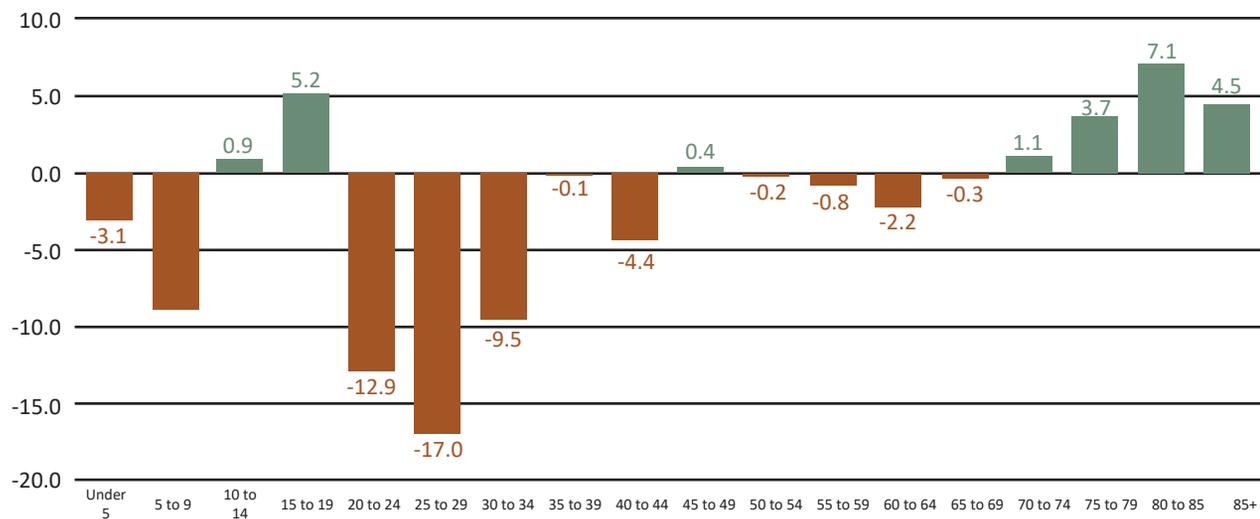


# Current Reality

Greater Nebraska's fate and future turn on the ingenuity, imagination and investment of farm communities to harness this century's information revolution as successfully as they capitalized on the technological breakthroughs of the last. This potential is not lost on leaders of the knowledge economy: according to an IBM report in 2014, "Today, the sector of the economy with the lowest IT intensity is farming, where IT accounts for just 1 percent of all capital spending. Here, the potential impact of the IoT [Internet of Things] is enormous. Farming is capital-and technology-intensive, but it is not yet information-intensive."

## Population, Wages and Industrial Change

The relationship between agricultural advancement and population seems self-evident. Never in the history of civilization have so few people produced so many crops and livestock so consistently. In December 2018, the *New York Times* wrote rural America's obituary. Citing three decades of population growth in tech hubs like Boston and Silicon Valley, the message was clear: as Middle America dies, the coasts' high-skilled, high-wage workers will feed off their own success while the rest of us dwindle into nothingness.



5-Year Net Migration Rates for Madison County, NE by age for 2000-2010 using two 5-year periods



There's scant evidence that northeast Nebraska is contradicting this trajectory. In the ten years between 2007 and 2016, nonfarm payroll jobs averaged an annual 0.29% increase throughout non-metropolitan Nebraska. Although Madison County's growth rate was better than its rural peers, just 685 jobs were added. The Education and Health Services sectors led the improvement with 635 jobs. The largest job sector losses came from Construction (-68), Federal Government (-45) and Information (-43).

Overall population changes throughout the region show similar weakness. Northeast Nebraska's population decline has deceptively hidden itself since 2000. Population signs outside Norfolk, Pierce, Hartington, Battle Creek and Randolph haven't changed much — the towns look much the same as they did in the 1990s. The truth, according to the data, is that the populations of farms and ranches have emptied out thanks to technology and commodity prices. The population of this 10-county region was estimated to be 99,281 as of 2017. However, the region has seen significant population stagnation since 1990, which is common for rural regions of the country.

According to UNO's Center for Public Affairs Research, from 2000-2010, negative net migration of people between 20-34 years old from Madison County was worse than from similar-sized Platte and Dodge Counties. For each year that more than 10% of twentysomethings move out of Madison County, the county is burdened with a 50-year problem because these young people relocate elsewhere and get married and start families, not likely to return. People in their 20s prefer to live in places where they are surrounded by people of the same age as they begin to search for significant others and begin their professional lives. At the same time, people essentially stay put after they begin to have children, making it even less likely that they will return.

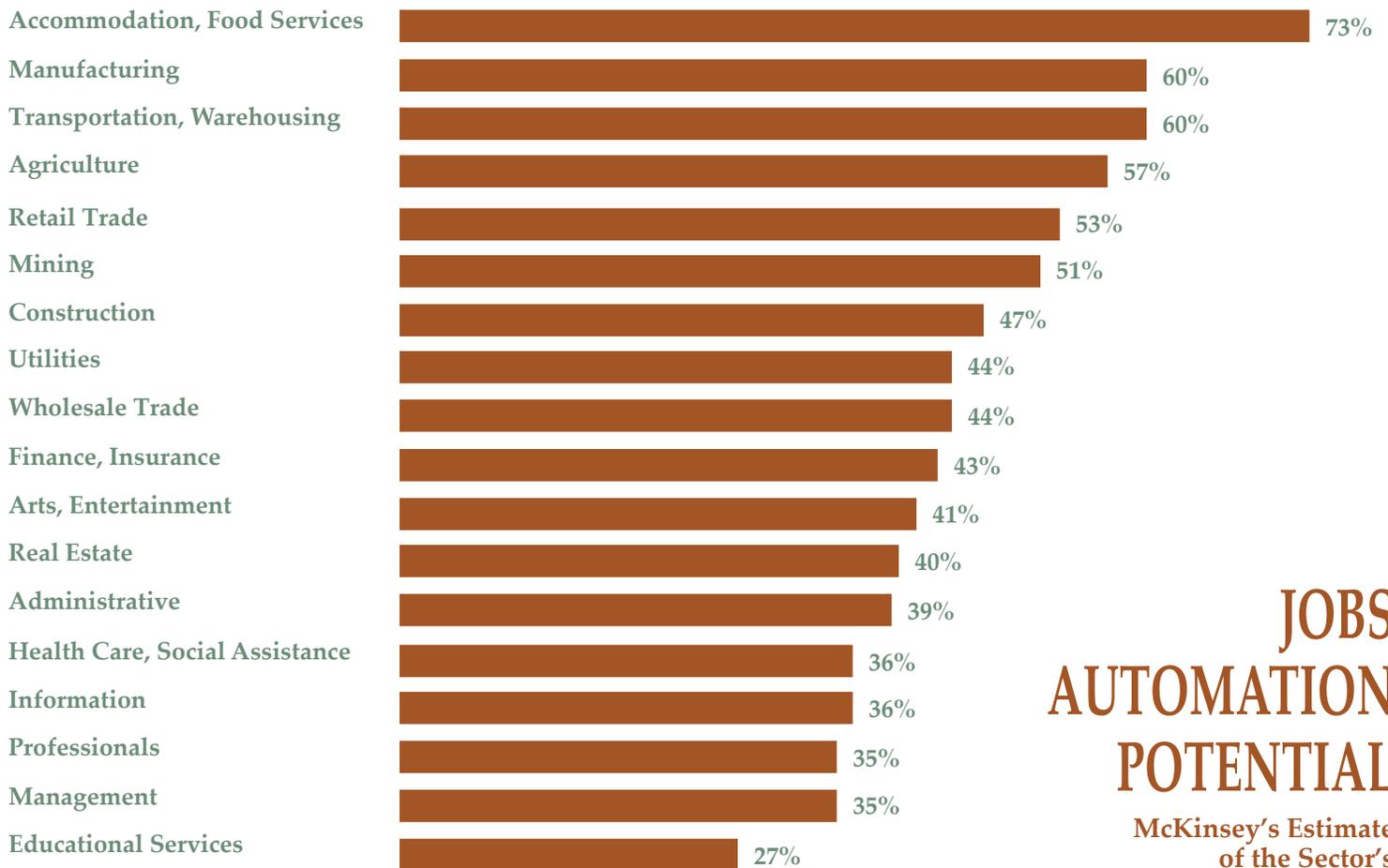
While Norfolk might appear to be a population anchor for the region, closer scrutiny reveals it has seen a steady out-migration of its workforce-aged population since 2000. As of 2016, a disproportionately higher number of residents were older than 55, but the number of residents between 20-34 years old was lower than Nebraska's average.

In addition, Madison County's average wages are \$2,000/year below the state average, and there are 35% fewer four-year degreed workers in the regional workforce. This translates into fewer high-skill, high-wage jobs. Business and industry are turning rapidly to machines and automation to replace human skill. A recent McKinsey study forecasts a disruptive decade ahead that singles out Madison County's top five industries. Industries now employing 2,000 food service workers may see up to 1,400 of those jobs lost to machine-learning automation. Warehousing will no longer require the efforts of farm kids. Instead, robots and new technology will operate 24 hours



a day, cutting out the middleman from the supply chain logistics of a massive food warehouse that has employed hundreds of workers for decades in the city of Norfolk.

Norfolk is the state’s only primary hub 80 miles or more from any Interstate highway, and its sales tax receipts outpace growing communities like Kearney. But there is no long-term success in northeast Nebraska without strong and vibrant surrounding communities.



# JOBS AUTOMATION POTENTIAL

McKinsey's Estimate  
of the Sector's  
Overall Automation  
Potential

SOURCE: MCKINSEY

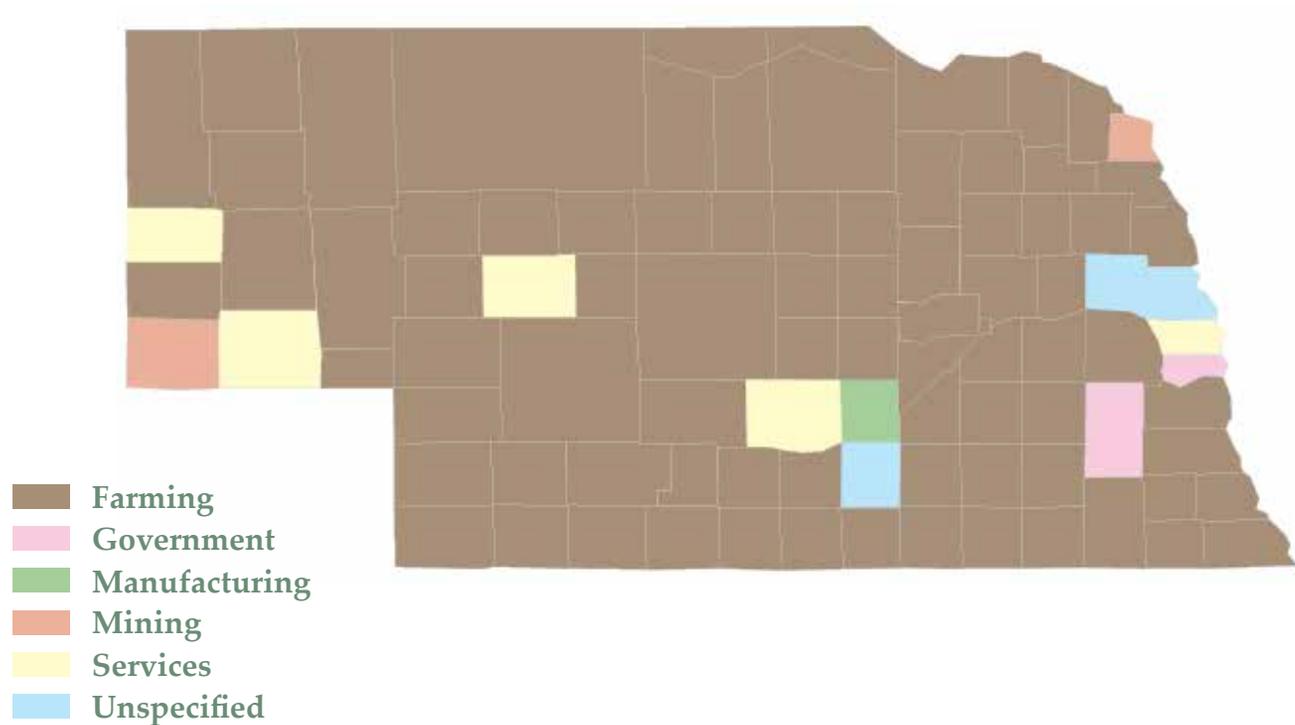


*Fewer farmers and out-migration of young people seriously threaten the economic viability of the area.*

Norfolk's recent growth is negligible and disturbingly low compared to cities like Kearney, Grand Island, and Columbus in central Nebraska.

### Economic Dependence on Agriculture

In 2014, Nebraska produced 128% of its predicted economic activity. The only states with comparable populations to perform better than Nebraska were those with significant mineral and energy wealth (UNO 2015-2017). Nebraskans cannot work any harder--employers and workers already over-produce relative to expectations.



**Map: County Economic Dependence**

Agriculture & food processing, ag machinery, transportation, and warehousing & distribution logistics are the only Nebraska industries that fared well in productivity compared to the nation.

Source: Battelle, 2010; Federal Reserve Bank of Kansas City, 2016



Nebraska's gross domestic product (GDP) depends five times more heavily on agriculture than the GDP of most states. That the state is blessed is certain; whether it has capitalized on the windfall from tilling and grazing nearly every inch of this state remains less convincing.

While agriculture directly contributes only 6.3% to Nebraska's total GDP, it remains the primary economic engine for most Nebraska counties. This map illustrates how much a challenge this lack of diversity poses for the state geographically. Economic opportunities outside of agriculture are tightly concentrated in small pockets around Lincoln and Omaha and along I-80.

Northeast Nebraska communities understand that their future depends on expanding the economic work base beyond agriculture and manufacturing. To exploit the commercial potential of emerging technologies, the region must grow its supply of young, specialized professionals capable of building lifelong careers in the area.

The challenges facing Northeast Nebraska are not entirely different from those facing the rest of rural America. If citizens collectively decide to pursue transformational change, they can chart a future designed for their benefit. To do this successfully will require tough decisions that aren't politically expedient. It will require local funding, redirection of current resources and calculated risk taking. Angry nay-sayers with honest conviction and legitimate concerns will fill public meetings with hard questions and opposition. Elected officials will be urged not to try unproven strategies and to maintain the status quo.

"Since October of 2018, I've consumed myself with data to understand what is happening and why. I've been surrounded by area farmers, bankers, doctors, leaders and Wayne State College's president who have been sharing their talents and ideas.

In all honesty, when confronting data that makes my heart sick, I've asked myself is this area even "save-able?" The last thing I want to do is waste people's time or risk my own credibility on something that is unsolvable or so incredibly complex that anything I or others do will have negligible impact.

And then I realize how insignificant and petty that negative thinking is compared to the sacrifices and foresight that German Lutheran settlers had when planting their first stake at the base of the north fork of the Elkhorn River.

Our biggest barrier in Northeast Nebraska is letting ourselves decide there's nothing we can do to transform our own future. Jeff Yost of the Nebraska Community Foundation recently told me, "Nebraskans are careful, not conservative. We have extraordinarily long memories which makes it harder to take risks. We are also blessed with forgiveness and resilience, and forgiveness has to be part of the tuition for the journey."

— Mike Flood, Leader, 'Growing Together' Effort

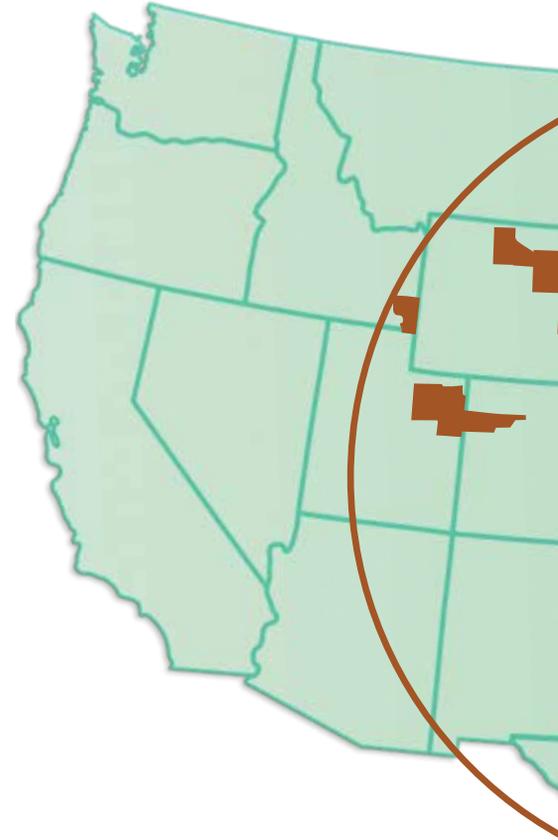


### Northeast Nebraska's Greatest Resource: The Kids

In 1967, Nebraska created a Department of Economic Development, along with every other state in the nation. The idea was to create a tool kit of tax advantages and incentives to lure businesses into the Cornhusker State to create jobs and increase the population, thereby increasing the number of taxpayers and valuation. By all accounts, the plan has worked well, and now Nebraska competes with other states to reward a company's balance sheet for choosing to locate or expand their business here.

Economic developers extol the virtues of Northeast Nebraska's rich soil, public power transmission grid, access to America's Union Pacific rail line and the area's unmatched work ethic. Other economic advantages of northeast Nebraska range from the presence of the state's only steel-making hub to a high-performing community college.

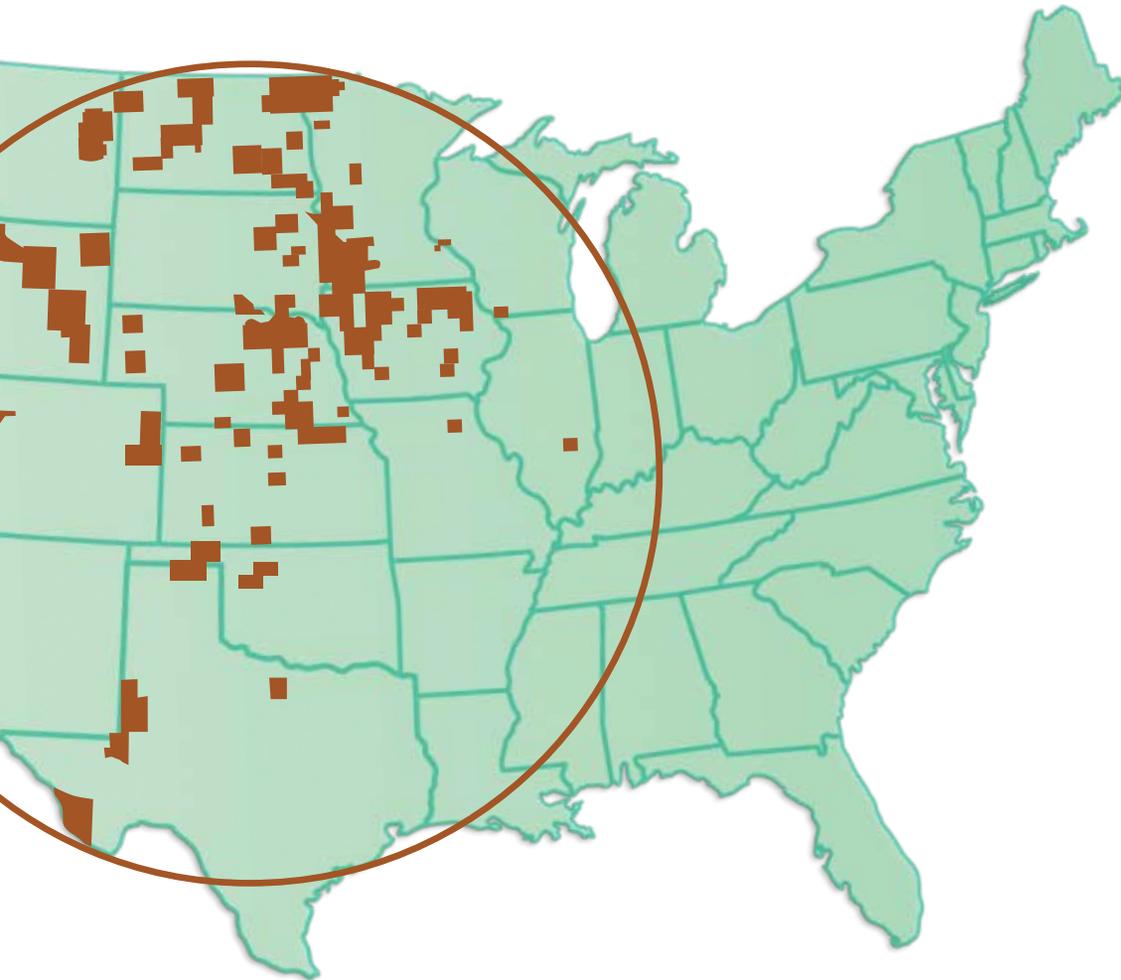
But the area's greatest asset turns out to be its kids.



It is often said that the American dream is "dead," and for some, it is true. According to the data, if you grow up in the southeastern United States and you're poor, that's not likely to change. But if you grow up in Nebraska towns like Hartington, Bloomfield or Randolph, regardless of your family's economic status, you begin your young adult life with the expectation that anything is possible if you put your shoulder into it.



### Top 10 percent (top 133) of US rural counties by economic mobility



The prevalence of upward social mobility in northeast Nebraska is not accidental. There's a high expectation that youth in Nebraska will become involved in school and community activities. Did you know that 90% of Battle Creek high school students participate in one or more extra-curricular activities? Strong, informal support systems give kids confidence. A young person can't win a

blue ribbon at the County Fair or make the game-winning touchdown without ending up in the local paper or featured on television or radio.

Schools are ahead of the game in letting kids know what their potential career pathways are. Programs like 4-H, FFA and Scouts build life skills.



A young person interested in learning a career can get real world experience starting at 13 – an opportunity that doesn't exist in larger communities.

after workers in our country. So are Northeast Nebraska communities growing great kids just to “export” them to other cities and other states?



Northeast Nebraska is the best place to be a kid – and raise one – from birth to age 18. But the problem is how the area can remain attractive to people who aren't kids anymore?

### Current State of Investment and Development in Northeast Nebraska

Absent a comprehensive vision/mission to drive collective commitments at the scale of cities, counties or the region, development and investment tend to focus on quality of life, general civic maintenance responsibilities and the reduction of public expenditures. Recent local examples of these types of efforts include:

Northeast Nebraska kids have been taught intangibles that an ACT test will never assess. These life experiences build a spirit of grit, perseverance and resilience. When a farm kid shows up in Omaha or Atlanta and a prospective employer finds out they grew up on a working farm, the interview quickly moves to an offer and then a job. These young men and women have been raised to be the “best of the best” in the American workforce. There's a reason so many area natives go on to do great things in cities across America.

- Nascent re-development of downtown Norfolk
- New Norfolk Library
- New YMCA and expansion
- Alternative energy projects

Ironically, the area's greatest asset is also the most personal. People raised in these small towns drive through snowstorms to make it to work, they don't leave until the job is done right, and they don't expect to be successful unless they do their part for the team. Hands down, Northeast Nebraska's rural communities know how to raise children who grow up to be among the most sought-

Without a coordinated strategy to knit these efforts into an ecosystem of support, all too often this approach corresponds with substantial population declines from the region, especially among residents in the age group on which communities rely most heavily as a source of vitality and expansion. Young people who left the area for a college education cannot return to their home communities due a scarcity of suitable employment, housing and social-recreational opportunities. All evidence indicates northeast Nebraska is not on the radar of the broader knowledge economy.



### Aksarben-inspired Community Assessment and Planning Initiative

Civic leadership now recognizes that two things are needed to secure sustained, lasting prosperity over the next 50 years and to attract/retain the requisite human capital for this effort:

- 1) the region must differentiate itself through accomplishments and claims grounded in knowledge capital; and
- 2) the existing business, residential and recreational environment must shift to provide the quality of life, access to capital and technical infrastructure that fosters creativity, risk-taking and global competitiveness.





*The Aksarben-inspired Northeast Nebraska Growing Together team has identified many ways in which the region's physical space and social scene need to adapt:*

- Hard data and mobile networks and WiFi must meet standards of the broader knowledge economy in terms of access, speed, reliability and cost.
  - The community setting has to allow for the geographic concentration of 20 to 40-year-olds in their work, daily leisure and housing.
  - On-ramps to existing and developing job opportunities must be hard-piped through degree program requirements aligned with employer demands.
  - Pay for internships and employees must meet the market rate of the broader U.S. economy, not just Nebraska.
  - Geographic isolation must be mitigated through a greater variety of local amenities and recreation and faster, more convenient modes of transportation.
  - The pursuit of promising founders must be reinforced with capital access, workspace and the supporting services that drive the success of start-ups.
  - The community must support legacy merchants and businesses to achieve stronger market penetration outside Nebraska, transition to higher value outputs and facilitate inter-generational succession of owners and management.
  - Northeast Nebraskans must collectively envision, plan and develop recreational options distributed throughout the region.
  - The region must renew and expand its commitment to the arts and entertainment.
  - K-12, post-secondary and youth programs must saturate the region with chances for young people to experience, explore and compete in opportunities emphasizing creativity, critical thinking, communication and quantitative literacy.
  - Business and finance leaders must facilitate the creation, management and success of programs and funds to support local citizens' investment in the region's economic revitalization efforts.
  - State and local government must streamline applications, review and permitting of priority infrastructure and investment projects.
  - Investment authorities and civic leaders must demand publicly accessible dashboards and data analyses that substantiate progress and foster community confidence through accountability and transparency.
- The problems – and solutions – that have been described here are serious, but not too big to address if citizens and businesses and entire communities come together to act now. The next chapters present the components of the Growing Together Initiative that address these issues and lay out a clear blueprint for the next five years in Northeast Nebraska.

# Downtown Development

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To transform northeast Nebraska's future, addressing the outmigration of young people ages 20-34 is a top priority. The goal is not to re-create or model towns like Omaha or Lincoln. Instead, this effort uses placemaking and density, focused on a 3 x 7-block area of downtown Norfolk (from Madison Ave. north to Braasch Ave., and from 1st St. west to 7th St.), to create an environment that is more than one would ever expect in this town of 24,000 people. Success means attracting single young people who have grown up in northeast Nebraska to downtown Norfolk and offering them opportunities for personal and professional success that will convince them to stay.



Too often in Nebraska, young people are asked to stay or move back to communities that revolve around the preferences and businesses of 50-plus-year-olds. It should

be no surprise that, according to *Governing Magazine*, twentysomethings are attracted to communities where there is a distinct identity of place, efforts to engage them, and an abundance of affordable housing. These are the principles of agglomeration and spatial density that can help make downtown Norfolk a catalyst for youth attraction and regional growth.

## Downtown Revitalization in Norfolk

Over the last decade, the downtown area in the city of Norfolk has entered a renaissance period not seen in more than 60 years. Restaurants, bars, retail boutiques and professional enterprises have relocated to Norfolk Avenue, where they had flourished for decades after the city's founding in the 1880s. Modernization and beautification have assisted the resurgence. Norfolk has prioritized redevelopment of streetscapes and trails and the creation of green space. Festivals and entertainment options have increased while the number of downtown residential units has doubled.

Norfolk is investing \$40 million in its downtown riverfront. The banks of the North Fork of the Elkhorn River are where the German families that settled Norfolk first staked ground and where the city's first major commercial endeavor, a flour mill, was constructed and powered. Wanting to call their new city "Norfork," a compounding of North and Fork, the settlers registered the name back East with the U.S. Post Office. It came back

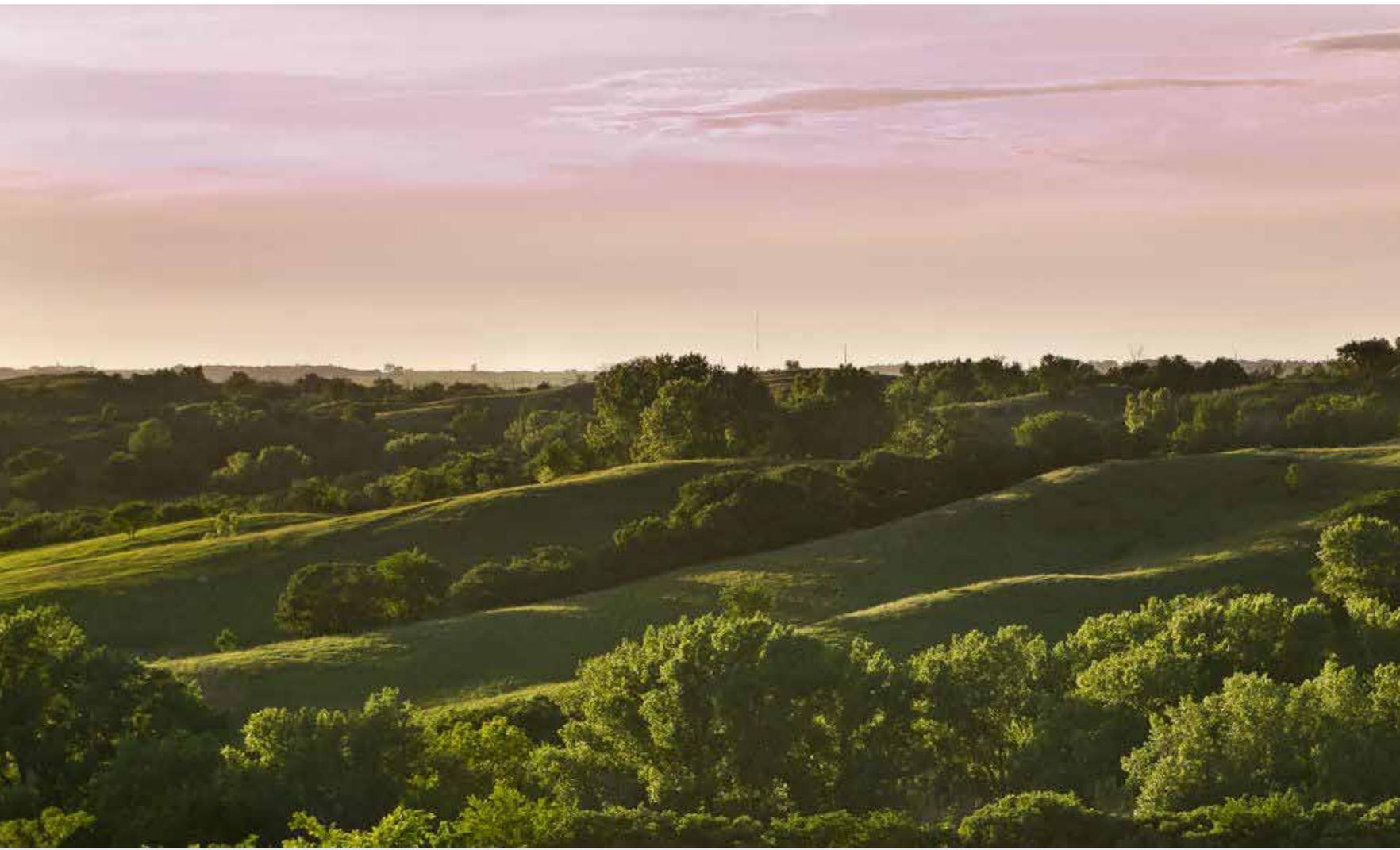


to them “Norfolk.” In German fashion, their descendants stubbornly still pronounce the second “r” today.

Like other progressive cities in the region that have transformed their downtown areas and their entire communities by making natural amenities a feature (Sioux Falls, South Dakota, for example), the city of Norfolk has embarked upon an effort to redevelop the North Fork riverway and its riverfront. Forging partnership with the local Natural Resources District, the city is working to

remove the river’s remnant dam structure, replacing it with a series of drop structures that create a white-water park in the heart of downtown Norfolk, an attraction for outdoor enthusiasts and a platform for private redevelopment in the area.

A flood-controlled natural waterway flowing through the heart of downtown, an attached historic park, proximate to retail shops and entertainment with a full-service grocery store across the street – all are ingredients





needed for mixed-use redevelopment that is targeted to young professionals, drawing upon their preferences, energy and creativity.

Norfolk Mayor Josh Moenning and the Norfolk City Council have laid plans for public investment along the riverfront, in Johnson Park and throughout downtown Norfolk, optimistic that quality-of-life enhancements will prompt private redevelopment efforts.



In 2017, the \$5 million East Norfolk Avenue bridge project not only replaced a deteriorating bridge but also brought along streetscape, trail and beautification elements that expanded downtown another block to the east.

In 2018, a new walking/biking trail was constructed along the North Fork, looping through historic Johnson Park. In 2019, design plans will be finalized for the \$4 million reconstruction of Braasch Avenue, a critical downtown corridor linking Norfolk Avenue to the riverfront. In 2019, a downtown parking lot will be converted into a pocket park and public gathering space. All told, these projects represent more than \$10 million in downtown improvements in three years.

In April 2019, the city council unanimously authorized engineering work to begin on the river restoration project, a \$3.1 million effort to replace the dam structure with the white-water park. Major renovations to Johnson Park were also approved, including the addition of amphitheater space for live performance arts. Related area infrastructure improvements and additional trails amount to another nearly \$9 million planned investment. And this is not to mention huge investments made in nearby community institutions upstream – an \$8.5 million library renovation and a \$13 million YMCA expansion, complete with an indoor fieldhouse.

### Attracting Young Professionals to Norfolk

Norfolk is willing to invest in itself and its future. Over \$40 million in local public and private funding will create a quality-of-life improvement that will lead to growth for decades. Leveraging these resources is the magic ingredient needed to fuel the private investment that makes the transformative change of northeast Nebraska's regional hub lasting and sustainable. Norfolk's version of



Aksarben Village will attract twentysomethings who want an environment where they can work, live and play in proximity. They want the nightlife and recreation options available in larger cities. More than anything, they want to be around other people their age and in the same stage of life.



To achieve the goal of increasing Madison County's population in the 20-34 age range and to retain young workers, existing Norfolk businesses must lead the way through private investment and effort.

Norfolk's business community recognizes that its future depends on high-skill, high-wage employees. Bringing together existing innovative, information-based businesses is a key first step. Local businesses with a cumulative total of 500 employees (mostly under the age of 30) have committed to re-locating their operations in downtown Norfolk.

In June 2019, the Norfolk Area Economic Development Foundation purchased several acres of riverfront real estate for \$3.1 million to launch this effort. This key parcel lies at the northeast corner of East Norfolk Avenue and 1st

Street. This "linchpin" property will become the corporate home of several local businesses with young workers.



The intent is to co-locate as many employees in their 20s as possible in small spatial proximity to each other to achieve the benefits of the principle of agglomeration. To date, several companies have expressed their interest to locate in a shared commercial space to launch this effort, including:

- Daycos – a provider of revenue solutions for transportation service providers, which currently employs 55 workers
- Premier Senior Marketing – a nationwide network of support for senior insurance products, which currently employs 115 workers
- Connecting Point Computer Center - an information technology company, which currently employs 35 workers

The goal is to locate businesses with over 1,000 employees under the age of 30 in downtown Norfolk. This will make it virtually impossible for twentysomethings to say they don't encounter others their age. By also co-locating

housing downtown, walking to work will become the preferred method of transportation, which will increase interaction among young people in downtown Norfolk. Everything in this effort is intentional and designed to increase the population of persons in Madison County between the ages of 20 and 34.

Besides the \$3.1 million from Norfolk’s Development Foundation, and additional funding is needed to aid the real estate development efforts in downtown Norfolk. Just as has been the case with new high-profile developments in Omaha, participating businesses are willing to increase what they pay per square foot, but not double it. Businesses that agree to co-locate must also agree to wage and work rules expectations.

**Higher Wages, New Workplace Rules**

Thirty years ago, wages in towns like Norfolk were determined by what local employers would pay and local

workers would accept without significant interference from regional or national influences. Job opportunities in nearby or distant cities were harder to find and even more difficult to instantly know what they paid. Those times have changed and employers in cities like Norfolk must adapt.

Nebraska entrepreneur Paul Eurek, former owner and CEO of the software services company Xpansion, built a global IT development center in Kearney. After successfully launching the profitable effort and matching the wages paid in the area, his tech employees in Kearney soon discovered their talents paid more in cities like Dallas and Kansas City. Eurek realized he wasn’t competing in a Kearney-area talent pool, but rather a global employment market where Nebraska born-and-raised tech workers are highly sought after and in demand.

**Average Hourly Wages by County**



Source: *Labor Market Information for the Norfolk Area*, Jodie Meyer, Research Analyst  
 State of Nebraska Office of Labor Market Information, May 2019



Madison County’s median wages are more than \$2,000 below the state average. Growing Northeast Nebraska’s economic future means the area must diversify beyond agriculture.

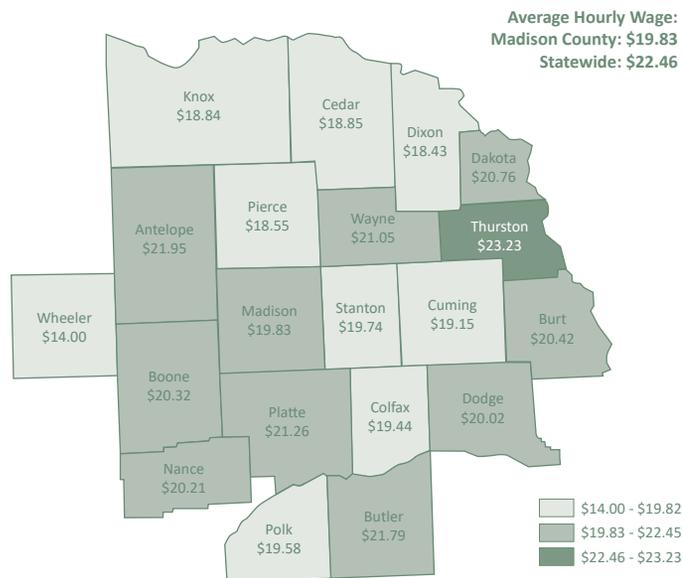
*Businesses that participate in this effort will be required to establish wage rates that meet or exceed the state average for similar work.*

Businesses co-locating in downtown Norfolk will also be expected to offer maternity and paternity leave, unlimited vacation for non-emergency personnel and a safe/inclusive workplace environment for LGBTQ employees.

Co-locating Norfolk businesses on its Riverfront is a game changer. Twentysomethings prefer to work, live and play in walkable, mixed-use developments that have a sense of place. In the last 20 years, the work that younger people prefer has changed, too. The Information Economy revolves around the use of technology and is less about the means of production. Computers and broadband make it possible for professionals to work in higher density commercial spaces.

The changing economy prioritizes the exchange of information and ideas in place of yesteryear’s office environment in which specific linear tasks were taught and then repeated as production-type skills.

### Wages by County in Northeast Nebraska



Successful small and medium-sized cities have created environments similar to college campuses, where it is commonplace to interact with those of similar age who have similar interests and professional growth goals. By pairing “placemaking” centered on Norfolk’s unique natural amenities with economic opportunity, the community can remedy the steady out-migration of those in their 20s and early 30s – and in the process create a dynamic, resilient regional economy that significantly contributes to the state’s growth and deepens Nebraska’s workforce talent pool for years to come.

Source: Labor Market Information for the Norfolk Area, Jodie Meyer, Research Analyst  
State of Nebraska Office of Labor Market Information, May 2019

# Founders in Residence

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The concept of founders in residence comes from the world of startups, referring to the integration of entrepreneurs and product leaders into the community, where they both live and work as they build their own products and teams. At the heart of the Northeast Nebraska Growing Together Initiative is a revitalized Downtown Norfolk – but no matter how many resources are devoted to physical upgrades, the area will be effective in attracting a permanent population of twentysomethings only if it can also support establishment and maintenance of new businesses.

That support comes in the form of the Northeast Innovation Seed Fund, a component of the Northeast Technology Initiative started by community and regional leaders. It is geared to attracting founders and entrepreneurs to “take up residence” in downtown Norfolk and focuses on technology-based economic development to create an innovation ecosystem involving the public and private sectors. The purpose is to cultivate a regional innovation ecosystem in northeast Nebraska by helping entrepreneurs develop businesses and technologies, increasing investment capital attraction and creating high-wage jobs. \$5.5 million has been identified as the amount needed to carry out the six main components of this initiative over the next four years.





1. *Incubation and co-working tech space in downtown Norfolk (\$1m).*
2. *An inventory of tech workers in Northeast Nebraska and a concentration, or density, of tech workers in downtown Norfolk.*
3. *Entrepreneurial events such as Technology Meetups and '1 Million Cups'*
4. *Seed funding (\$4.25m) 5*
5. *Programming and administration (\$2.5m)*
6. *Outreach and engagement plan*

*By the end of this four-year funding period, we expect that 12 new businesses will be served, creating 100 new jobs and leveraging more than \$16 million in private investment capital.*

### **Regional Innovation**

The Northeast Innovation Seed Fund serves the counties of Northeast Nebraska. A number of regional innovations are already in place in this area, paving the way for significant changes in downtown Norfolk that will make the area attractive to current businesses and new enterprises.

Since the fall of 2018, the 'Growing Together' Steering Committee has been meeting to develop a Northeast Technology Initiative. The committee is currently comprised of 20 individuals representing public and private stakeholders and continues to add new organizations as the vision expands to incorporate the entire Northeast region. Current committee members represent:

*Flood Communications, LLC*

*City of Norfolk*

*Battle Creek Public Schools*

*Norfolk Area Visitors Bureau*

*Norfolk Public Schools*

*University of Nebraska-Omaha*

*Invest Nebraska (INC)*

*Northeast Community College*

*Wayne State College*

*Faith Regional Physicians Services*

*Midwest Bank*

*Precision Technology, Inc.*

*Dittrich Farms*

*Aksarben Foundation*





**Table 1: Population Growth in Northeast Nebraska 1990 - 2017**

Source: U.S. Census Bureau

County	Pop. 1990	Pop. 2017	Growth 1990-2017
Antelope	7,965	6,362	-20.1%
Boone	6,667	5,352	-19.7%
Cedar	10,131	8,530	-15.8%
Dixon	6,143	5,754	-6.3%
Knox	9,534	8,472	-11.1%
Madison	32,655	35,144	7.6%
Pierce	7,827	7,138	-8.8%
Stanton	6,244	5,988	-4.1%
Thurston	6,936	7,223	4.1%
Wayne	9,364	9,318	-0.5%
	199,185	198,932	-0.1%

**Assets and Workforce**

Northeast Nebraska has some significant assets and workforce to build upon going forward. Table 2 shows the percentage of residents in each of the 10 counties with a bachelor’s degree or higher, as well as the number of residents currently enrolled in college (where those numbers are available). The region is home to Northeast Community College in Norfolk with 2,969 full-time students enrolled in classes held in approximately 60 different communities. A satellite campus is located in South Sioux City. The average age of a Northeast student is 26, approximately 57 percent of degree-seeking students intend to transfer to a four-year school, and 43 percent earn career/technical degrees or diplomas. Table 3 provides data on the current businesses and workforce in the region.

**Financial and Business Resources**

The Nebraska Department of Economic Development operates the Business Innovation Act (BIA), which annually provides up to \$6 million in funding to four programs focused on early-stage, technology-based businesses in the state, with more favorable match ratios for ag-focused projects. New or expanding businesses that want to take up residence in downtown Norfolk can take advantage of these programs.

*SBIR/STTR Program* – Grants up to \$5,000 to assist small businesses that apply for SBIR funding, and up to \$100,000 for small businesses that receive a Phase 1 or Phase 2 federal SBIR/STTR grant

*Nebraska Prototype Program* – Grants up to \$150,000 to small businesses to support proof-of-concept activities (required match from the business of 50%; only 25% match if business is ag related)

*Nebraska Innovation Seed Fund Program* – Seed investment (equity or convertible debt held by Invest Nebraska) up to \$500,000 (100% match by other investors; 25% match if ag related)

*Academic R&D Program* – Grants up to \$100,000 (Phase1) and \$400,000 (Phase 2) for applied research, new product development or new uses of IP. The business must use faculty/facilities of a public or private Nebraska university (100% match by business; 25% match if ag related).



**Table 2: Educational Attainment and College Student Enrollment** *Source: U.S. Census Bureau*

County	Bachelors or Higher	College Student Enrollment
Antelope	18.6%	N/A
Boone	19.8%	N/A
Cedar	18.4%	N/A
Dixon	18.8%	N/A
Knox	20.8%	199
Madison	20.4%	5,145
Pierce	22.5%	N/A
Stanton	17.6%	N/A
Thurston	16.0%	150
Wayne	32.4%	3,326

**Table 3: 2016 Business and Employment Data**

*Source: U.S. Census Bureau*

County	# of Businesses	# of Employers	Employment	Total Payroll (in 1,000s)
Antelope	854	230	1,498	\$50,557
Boone	811	203	1,471	\$49,367
Cedar	1,095	303	1,888	\$64,405
Dixon	677	107	1,065	\$36,070
Knox	742	257	1,621	\$46,015
Madison	3,752	1,322	18,045	\$669,030
Pierce	740	234	1,538	\$52,198
Stanton	338	115	1,967	\$115,428
Thurston	221	118	1,425	\$66,610
Wayne	727	241	3,194	\$94,427
Total	18,528	6,102	73,503	\$1,244,107

Nebraska also has an active angel network, consisting of several investor groups willing to provide capital to support business startups. The Nebraska Angels, founded in 2008, is a network of approximately 60 accredited

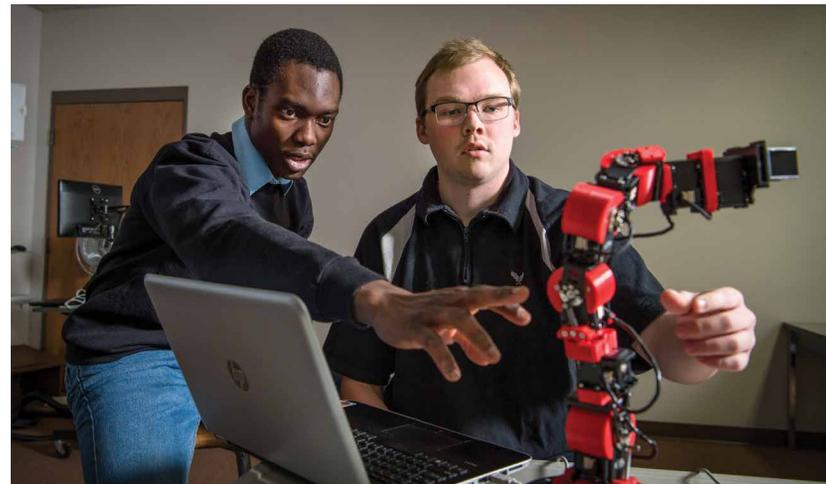
investors from the Omaha and Lincoln areas. KAAPA is Nebraska’s producer-owned Ag development group with 500+ members who operate hundreds of thousands of acres of cropland in the heart of the United States. Norfolk also has its own angel fund, comprised of eight business leaders organized as the Northeast Venture Capital Fund, LLC. The fund has invested a total of \$150,000 in three companies operating in the ag tech, real estate tech and medical device sectors.

**Norfolk’s Downtown Ecosystem**

The epicenter of the innovation ecosystem will be a 3 x 7 block area of downtown Norfolk. Some will question why this community is the initial focal point for an innovation hub rather than spreading components and programming across the entire region. The answer is quite simple: entrepreneurial density and spatial proximity matter.

First devised by Boulder-based venture capital expert Brad Feld, the term “entrepreneurial density” is defined as the ratio of entrepreneurs and startup employees to the whole adult population of a particular city. The formula is: When entrepreneurs are in close proximity to each other

$$\text{Entrepreneurial density} = (\# \text{ entrepreneurs} + \# \text{ people working for startups or high growth companies}) / \text{adult population}$$





and frequently interact through meetups, coffee shops and pubs, they're likely to create new and successful ventures together, spur job creation, refine local legislation in relation to small businesses and lay the foundation for robust wealth creation across their home city. Applying the theory of agglomeration successfully employed in larger U.S. cities, Norfolk intends to build to scale an environment where young entrepreneurs live communally. The interdependent ingredients that are essential for a tech hub include:

- Talent
- Density
- Culture
- Capital
- Regulatory Environment

Capital attracts density, which in turn facilitates culture, which impacts a community's regulatory environment. All these components are important, but if stakeholders focus on only one component or view them in silos, then any attempt at creating a tech hub will fail. The talent portion (or skilled labor) typically comes from nearby colleges/universities that not only provide a steady flow of job-seeking graduates but have the necessary tools and facilities to accommodate research. Once a city's entrepreneurial community gains momentum to grow and nurture new companies, the impact on the local and regional economy is formidable. Clusters of emerging businesses lead to the creation of new jobs and create a powerful network of people with shared interests.

Not surprisingly, building this entrepreneurial ecosystem is extremely difficult in almost all rural regions of the United States. However, by first

building the right infrastructure for entrepreneurs and innovators, it is possible to build the necessary density.

#### Northeast Innovation Seed Fund Program Description

The purpose of the Growing Together Initiative is to cultivate a regional innovation ecosystem in Northeast Nebraska by helping entrepreneurs develop businesses and technologies, increase investment capital attraction and create high-wage jobs through technology-based economic development.

By the end of the Northeast Innovation Seed Fund funding period, the expectation is that 12 new businesses will be served, creating 100 new jobs and leveraging more than \$16 million in private investment capital. These are the plans for developing the six main components comprise this project.





**Incubation and Co-working Tech Space in Downtown Norfolk** Invest Nebraska Corporation (INC) will work with the City of Norfolk, the ‘Growing Together’ effort and private developers to build/lease a co-working tech space/incubator in downtown Norfolk. The space, collaboratively operated by Invest Nebraska and a local entity, will serve

as the main anchor for the entrepreneurial ecosystem. It should resemble the Fuse Coworking Space in Lincoln or Do Space in Omaha in culture, layout and amenities. This will also be the location for meetups, 1 Million Cups, and general entrepreneurial meetings.





The Norfolk Technology Effort has identified a location for the Incubator and co-working tech space at 501 W. Norfolk Ave. This mixed-use building contains 11 spacious upgraded apartments (six 1-bedroom and five 2-bedroom) and over 12,000 sq. ft of commercial/retail space. The commercial space is currently divided into four

separate retail locations, and three of the four spaces are currently leased. The incubator space will be located in the current vacant space of this building. Organized with an open design concept, the space would include hot desks (shared by multiple workers), breakout rooms, event space and office suites.



\$1 million is earmarked for this component, to include remodeling of the space, purchasing of equipment and furniture, rent and other expenses over the four-year period.

### **Inventory of Tech Workers in Norfolk and a Density of Tech Workers in Downtown Norfolk**

The City of Norfolk and the ‘Growing Together’ effort Norfolk Technology Effort will take an inventory of the current IT workforce in the public and private sectors around the Norfolk area. Such an inventory would include:

- number of IT workers
- IT positions
- educational attainment level of those IT workers including degree(s) awarded if possible.

This inventory will then be used to engage appropriate businesses to re-locate their IT departments to the downtown area and create an immediate density of tech workers.



### **Events – Technology Meetups and 1 Million Cups**

The Norfolk Area Chamber of Commerce will hold monthly meetups for entrepreneurs, startups and tech workers that focus on technology-specific companies. As an example, Nebraska Innovation Campus in Lincoln holds a monthly AI (Artificial Intelligence) and Data-Driven



Innovation Meetup for anyone wanting to meet/greet with the community of people around Nebraska interested in Artificial/Augmented Intelligence, Machine Learning, Big Data and Data Science. Experts, practitioners, academics, entrepreneurs and those who just want to learn more about these rapidly advancing fields are welcome. The idea is to multiply everyone's expertise, interests, ideas and networks for everyone's mutual benefit.

Powered by the Kauffman Foundation, *1 Million Cups* is a free nationwide program designed to educate, engage and inspire entrepreneurs around the country. Through volunteer efforts, 1 Million Cups events are held every Wednesday in 180 communities around the country. Adding this enterprise to the Growing Together initiative will strengthen the entrepreneurial community in the downtown Norfolk business hub.

### Seed Funding

Invest Nebraska understands the importance of entrepreneurs accessing adequate capital to execute their business models. As a venture development organization, INC partners with the Nebraska Department of Economic Development to assist entrepreneurs, grow Nebraska's entrepreneurial communities and invest in potential high-growth startups and businesses. INC was recently ranked by PitchBook as the second-most-active venture capital investor in the Mountain and Midwest region of the United States for 2018.

The invested capital number referenced in the dashboard above includes \$360,000 invested in 36 businesses participating in the NMotion Accelerator, Nebraska's premiere startup accelerator, which is supported through

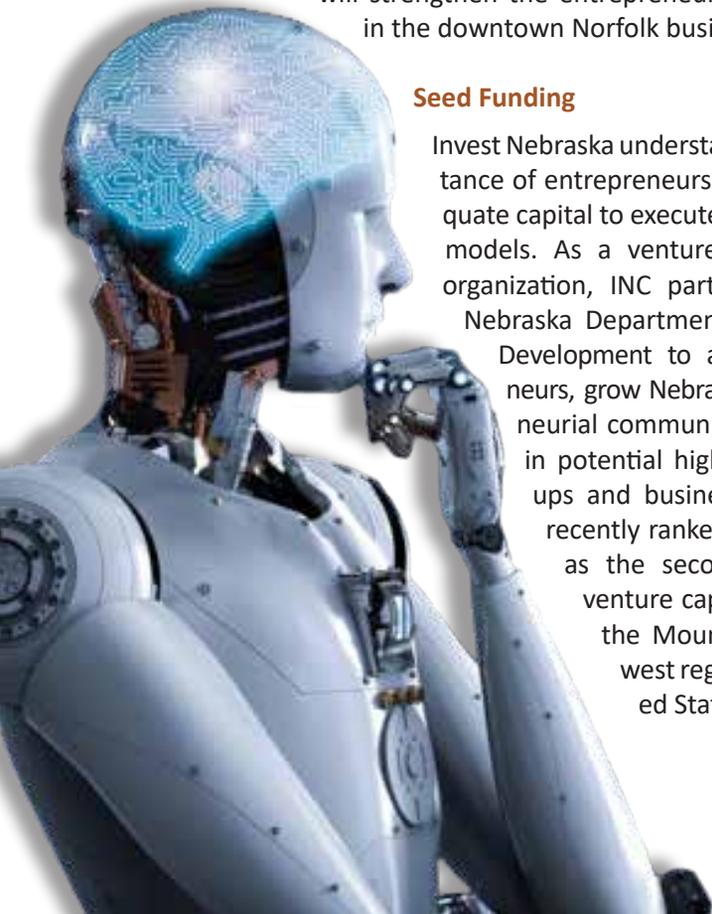
### Invest Nebraska Dashboard



Invest Nebraska committed **\$19,972,951** in **54** high-growth companies since 2012. This was matched by over **\$90 million** of private capital.



Created and supported **~543** direct jobs at the end of 2018 with an average salary of **\$62,942**.



collaboration between the University of Nebraska–Lincoln and the Lincoln Partnership for Economic Development. These businesses received \$20,000 in capital (\$10,000 from INC and \$10,000 from a group of private investors)

in exchange for equity or convertible debt. This portfolio has experienced a 2.2X return as companies have raised additional funds, shut down or remained on-going concerns.



Follow-on capital of ~\$142 million was raised by portfolio companies.



Received 130 patents with another 318 in process as of the end of 2018.

Founders-in-Residence participants will receive counseling from INC on accessing early-stage financing, including grant capital, seed capital and loan capital based on several factors: the business technology, the business’s current place in its life cycle and its growth goals. The Nebraska Department of Economic Development has various early-stage financing programs for Nebraska-based companies totaling \$6 million annually, as discussed more fully in the description of Financial and Business Resources in the subsection above on **Regional Innovation**.

Invest Nebraska utilizes a 9-step process when investing funds in early-stage businesses through the Nebraska Innovation Seed Fund. A similar investment process will be used to invest funds under the Northeast Innovation Seed Fund. INC will continually monitor funded companies via monthly phone calls or personal meetings with the founders; request financial documents on a semi-annual basis; and participate as an observer or member of all board of director meetings.

#### Programming and Administration

The Northeast Innovation Seed Fund and its complementary components will initially be run in a lean fashion, as is typically expected of startups. The effort will be led by Invest Nebraska in coordination with the City of Norfolk and the Norfolk Area Chamber of Commerce. However, coordinating the events, working with startups and conducting community outreach will require “boots on the ground.” Invest Nebraska will submit an application to the U.S. Department of Agriculture (USDA)–Rural Development under the Rural Cooperative Development



Grant program for the maximum \$200,000 grant to provide funds for administering the program.

The USDA grant program is a good fit because it encourages projects that help rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships and innovation. Key strategies under the USDA program include:

- Achieving e-Connectivity for Rural America
- Developing the Rural Economy
- Harnessing Technological Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

INC will write the USDA grant application to focus on developing the rural economy of northeast Nebraska and harnessing technological innovation by building out the required infrastructure previously discussed. Grant funds would be used to hire a Northeast Innovation Program Manager (a full-time position) in Norfolk to develop this infrastructure and support the Northeast Innovation Seed Fund. Administration of the Northeast Innovation Seed Fund would be led by key INC employees listed below. The Northeast Innovation Program manager would be an employee of INC during the grant period and lead the boots-on-the-ground efforts in Norfolk.

This USDA grant program requires a 25 percent match of the total project cost. Since Invest Nebraska plans to seek the maximum \$200,000 grant amount, the total project cost will be \$266,667, with the matching requirement amount of \$66,667.

Administration. The total amount for the program tentatively discussed by regional stakeholders is \$4.5

million over four years. INC proposes to set aside 5.8 percent, or \$250,000 for administration (\$62,500/year for four years) and \$4,250,000 for capital investments. INC would then apply for additional government and foundation support to capitalize project components 1-3 previously outlined and ensure evergreen administrative and programming support once the federal USDA grant expires (or is not awarded).

Key Personnel. INC is the lead applicant on the USDA grant and key personnel include Daniel Hoffman, INC CEO, and Ben Williamson, INC Investment Associate and General Counsel, both of whom will co-lead the seed funding process and development of the first seed investment for the co-working space. Matt Foley, Ag and Food Tech Incubator Program Director, will assist the Norfolk Chamber of Commerce in organizing the Technology Meetups and 1 Million Cups events.

### Outreach and Engagement

Building an entrepreneurial ecosystem in Northeast Nebraska requires an anchor project. As previously mentioned, innovative ideas frequently come from dense metropolitan regions with large populations, research universities and available risk capital. Innovative ideas generated in rural areas occur, but at an irregular pace and frequency.

While the issue of “brain drain” is frequently mentioned as a problem for the state of Nebraska, significant lessons can be learned from a phenomenon called “brain circulation,” whereby talented people leave, settle down abroad, then return to their home countries (or states). Richard Devane writes in a study issued by the World Bank, “China, India and Israel enjoyed investment or technology booms over the past decade, and these booms are linked...by expatriate leadership in all three countries.” Countries have

developed “Diaspora” networks of scattered populations whose origins lie in separate geographic locales. If one takes a broad view of these networks, it can be argued that some innovative/entrepreneurial Nebraskans had to leave for greater economic opportunity in other regions of the country, whether the opportunity was education-related or employment-driven, but many of these people still have family ties to the state and consider themselves Nebraskans.

A few former northeast Nebraska residents either grew up in the region or once worked in the region and are currently involved in innovation elsewhere. Preliminary conversations with these individuals have led INC to the conclusion that a startup could be formed around their innovation and experiences and funded with the right startup talent. This startup would be the first anchor tenant in the Norfolk co-working Tech Space described under the first component of the Project Description.

Members of the ‘Growing Together’ Steering Committee will identify other talented individuals who fit the “brain circulation” phenomenon – because they grew up in or have ties to the region, have developed new technologies and innovations, and are interested in giving back to northeast Nebraska.

INC will take the lead in starting the discussions with former Nebraskans and identify ideas that have the highest potential for success and do not require large amounts of capital and talent upfront.

**Milestones and Deliverables**

The project activities will begin 30 days after the project commences (estimated start date: January 2020). The project will be completed by December 2024. INC will continue to monitor businesses at the end of the project

period with specific check-ins two years and five years after the end date. Most project activities will be ongoing throughout the project period.

**Table 4. Project activities, responsible parties, milestone and deliverables**

Specific Activities	Implementer(s)	Key Milestones	Deliverables
Design/purchase co-working space in downtown Norfolk	Leads: Invest Nebraska; Norfolk Technology Effort	Co-working space has first tenant	N/A
Inventory of tech workers in Norfolk	Leads: Mike Flood; Norfolk Chamber of Commerce	Report finalized	N/A
Technology meetups and 1 Million Cups events	Lead: Norfolk Technology Effort Support: North-east Innovation program manager	First meetup event in co-working space	N/A
Develop seed funding process with Northeast Technology effort	Leads: INC CEO and INC senior associate, with Dr. Tristan Hartzell of Faith Regional Health Services	Seed fund due diligence and approval process provided for region approval	Document outlining investment process for Northeast Innovation Seed Fund
Apply for USDA grant	Lead: INC CEO Support: INC senior associate; City of Norfolk	Grant application prepared and ready for delivery by due date	Final grant package with letters of support and match
Identify first seed investment for co-working space	Leads: INC CEO and INC senior associate Support: Mike Flood; City of Norfolk	Innovaton concept using “brain circulation” phenomenon Business model developed and founder(s) identified	N/A



### Anticipated Impacts

In 2018, Dr. Eric Thompson, Director of the University of Nebraska Bureau of Business Research, authored The Annual Economic Impact of Businesses Supported by Nebraska Business Innovation Act (BIA) Programs, administered by the Nebraska Department of Economic Development. These were Dr. Thompson’s key findings:

- Participating businesses raised \$4.46 in private capital for each \$1 of state funding, or a total of approximately \$100.3 million.
- Participating businesses earned revenue of \$4.47 for every \$1 of state support, or a total of approximately \$100.6 million annually.
- These businesses added 630 direct jobs with an average wage of \$53,677.
- The total annual economic impact of the BIA was \$284 million annually, or \$12.90 for each \$1 of state funding. This was due to the significant investment and follow-on investment companies received as the businesses grew over time.

**Understanding this third-party data provides confidence that the project can achieve its stated goals. Within the four-year funding period, the Northeast Innovation Seed Fund will support 12 new and existing businesses that will create 100 new jobs and leverage over \$16 million in private investment capital. Further impact data are illustrated in Table 5.**

**Table 5 - Anticipated Impact with BIA Funding**

Specific Activities - Output Measures (at the end of the 4-year period)	End of Period 12/31/2024
Number of companies receiving seed financing	12
Number of monthly meetups	48
Specific Activities - Output Measures (at the end of the 4-year period, 1 year after, and 2 years after)	
Number of new and existing firms supported	12*
Amount of Northeast Seed Venture Fund	\$4,250,000*
Number of new jobs created by seed fund investments	100*
Amount of State BIA funding received (assumes \$3M received by the 12 baseline companies during 4-year period)	\$3,000,000
Amount of private capital raised (\$4.46 of private capital for every \$1 of State BIA funding received)	\$13,380,000
Annual amount of revenue earned by participants (\$4.47 of revenue for every \$1 of State BIA funding received)	\$13,410,000
Annual economic impact to Nebraska (\$12.90 annual economic impact for each \$1 of State BIA funding received)	\$38,700,000

\*Baseline - Goals of the Northeast Innovation Seed Fund Project

# Co-op Scholarship Program

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Currently, the state's universities, state colleges and community colleges produce only a small number of graduates in computer science and information technology – and most of those are not seeking primary employment in northeast Nebraska. Yet all businesses and industries in Nebraska – not just technology businesses – have a critical need for software developers, web developers, programmers, analysts and other technical positions. The types of entrepreneurs who will make up the core of businesses in downtown Norfolk will need people with these skills, too. The challenge is to tap the potential of high school seniors in Northeast Nebraska and parlay their interests in business, communication, computer technology and information technology into competitive careers that will keep them in the community.



The Northeast Nebraska Co-Op Scholarship program, a collaboration between the Aksarben Foundation and the Nebraska State College System and the University of Nebraska, is an ideal way to support those students and integrate their education with other key components of the Growing Together Initiative's multi-tiered approach to create an entrepreneurial ecosystem in downtown Norfolk, increase high-wage jobs and inspire young people to remain in Northeast Nebraska.

Throughout its nearly 125-year history, Aksarben has adapted in response to a changing world. Throughout these times, however, a core component has remained the same – its commitment to support young women and men through scholarship programs.

Since the 1950s when its first scholarship was awarded, Aksarben has supported students in need of financial assistance to attend college. Today the Foundation awards over \$1 million through various scholarship programs annually. The Aksarben/Horatio Alger Scholarship program provides over \$500,000 for students to attend Nebraska colleges and universities. The Aksarben Career Promise Scholarship program provides 200 scholarships for students in high-demand, high-paying career preparation programs at Metro Community College totaling \$400,000. Each of these programs is fully funded to enable the Foundation to raise funds for additional programs.



### Northeast Nebraska Co-op Concept

Co-Op's are a structured learning model providing academic credit for both traditional classes and practical, outcome-based work experience. As an integral part of the overall educational experience, co-op students take on increasing levels of responsibility and apply their job knowledge and classroom learning to make meaningful contributions to the businesses in which they work.

The Co-Op Scholarship program is designed to increase the Information technology (IT), communications, and business workforce. Its purpose is to create new knowledge capital – a skilled, educated IT and entrepreneurial workforce. An ideal education partner is the Nebraska State College System with locations in Wayne, Chadron and Peru. The state colleges work diligently within their rural service regions to attract and educate students from within the area. Not all, but a great many, of their students come from rural Nebraska and want to continue to live and work there.

### Scholarship Program Overview

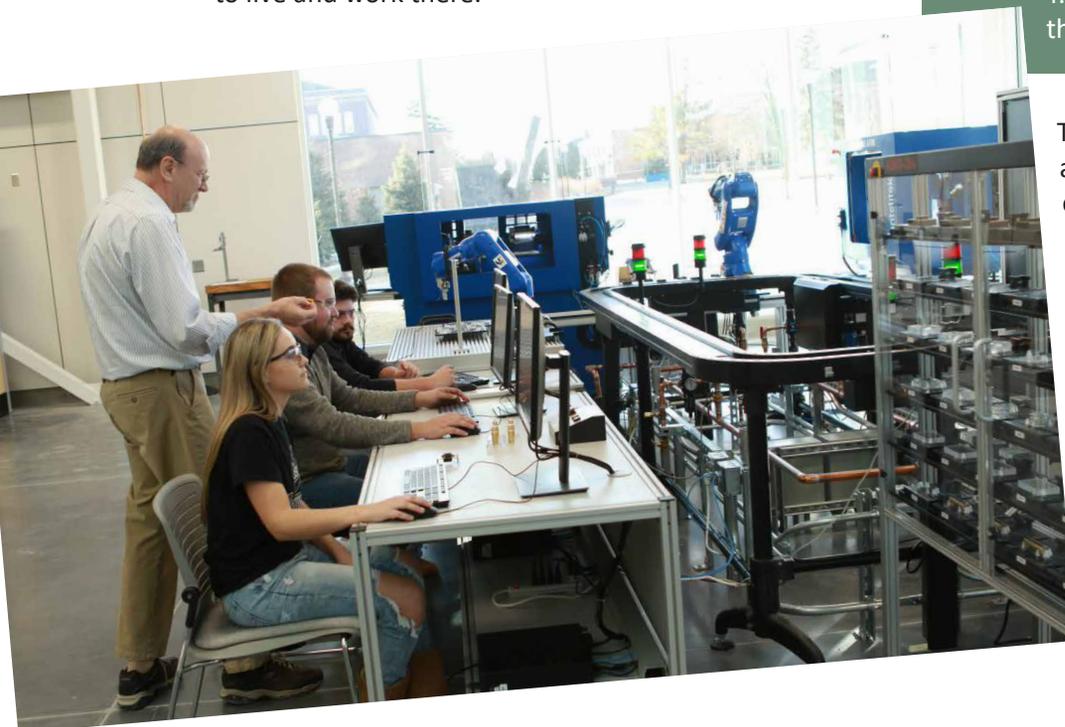
The goals of the Northeast Nebraska Co-Op Scholarship program address the challenges that inspired the Growing Together initiative: how to revitalize and in some ways reinvent the economy and community of northeast Nebraska. The Co-Op Scholarship program will:

1. Provide incentive for students to enroll in and complete degree programs in IT and select areas of communications and business
2. Enable committed student recipients to complete their education in immersive, work-based learning experiences intended to lead to a full-time job in the northeast Nebraska region
3. Create a labor pool in the Northeast region that enables local businesses to secure investment so they can implement advanced production methods, increase outputs and expand market share
4. Support the creation of higher wage jobs that will retain talent in northeast Nebraska

To qualify for the Co-op Scholarship program, a high school senior must plan to enter a field of study related to Computer Information Systems (networking, programmer/analyst, web analyst, integrated technology support), Computer Science, Communications (digital, multi-media, IT-based) or Business Administration (finance, accounting, agri-business, economics, management).

### Students

Seventy-five high school seniors from northeast Nebraska who are committed





**Students:**

High School Senior	Freshman Experience	Sophomore	Junior	Senior - Coop Experience in Downtown Norfolk	Transition to Employment - 1st Year
Recruit 150 students; select 75 by Dec	Residential Living Learning Community for program participants	Sophomore Living Learning Community	Career svcs soft skills development	Coop mentor relationship	Onboarding experience & ongoing relationship
Dual credit math during spring semester	Extra academic and other resources to ensure success	Development of soft skills built into curriculum	Entrepreneur classes and seminars	Interact with Education Coordinator	
Summer Bridge program with business leaders	Interact with business leaders through Norfolk field trips	Mentor incoming freshmen (cohorts 2-3)	Coop mentor assigned		
	Innovation/creativity immersion program	Job shadowing			
		Educational competitions			

to majors in IT, communications and business will be recruited during their senior year of high school into the cooperative education program. Those selected will take a dual-credit math course in the spring semester and participate in a summer Bridge program with area business leaders.

Students participating in the Northeast Nebraska Co-Op Scholarship program will complete a prescribed pathway of courses leading to an 18-credit hour cooperative education experience during their senior year.

In the first two years of college at Wayne State, participants will reside together on campus in a living/learning community. As freshmen, they will continue to interact with area businesses through field trips and involvement in an innovation/creativity immersion program. The sophomore-year curriculum integrates

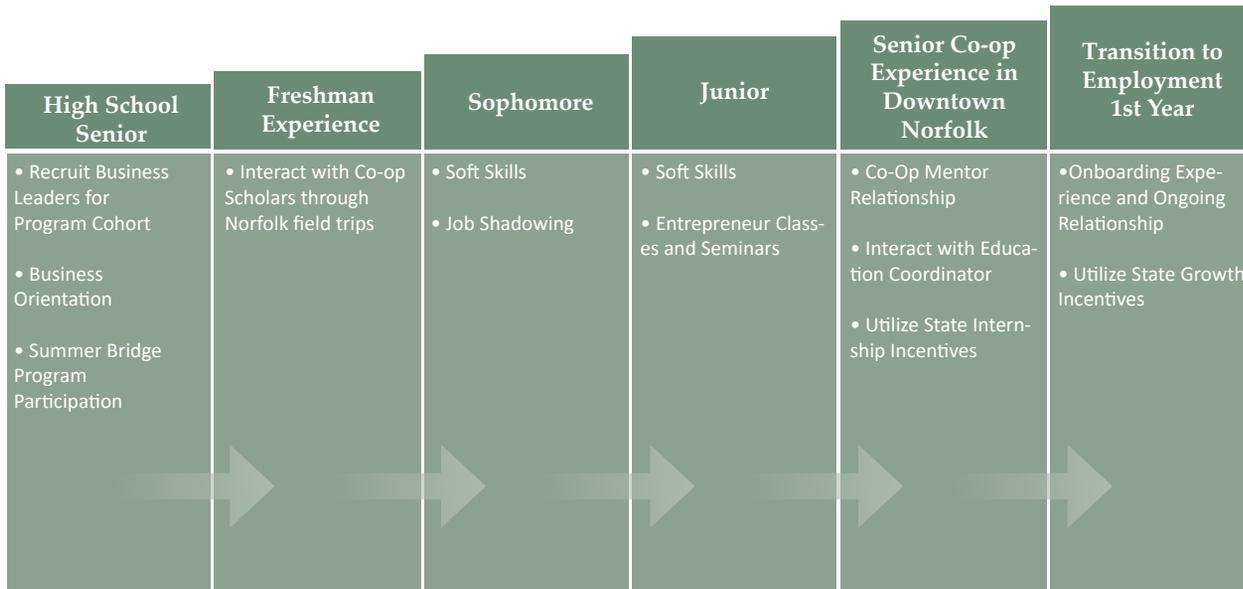
practice with soft skills important to business success. Students at this level will begin job shadowing and engage in educational competitions. As juniors, they will continue skill development and participate in entrepreneurship classes and seminars. At this stage, they will be paired with Co-op mentors.

As seniors, Co-op scholars will be required to live in Norfolk in downtown housing, within the developing residential/business hub and intern with their mentor’s local business. Program graduates are expected to continue employment in the jobs they held during the senior year experience.

To remain in the program, scholarship holders must retain full-time student status by enrolling in a minimum of 12 credit hours each semester and must maintain a minimum 2.5 GPA.



**Students:**



**Higher Education and Business Investment**

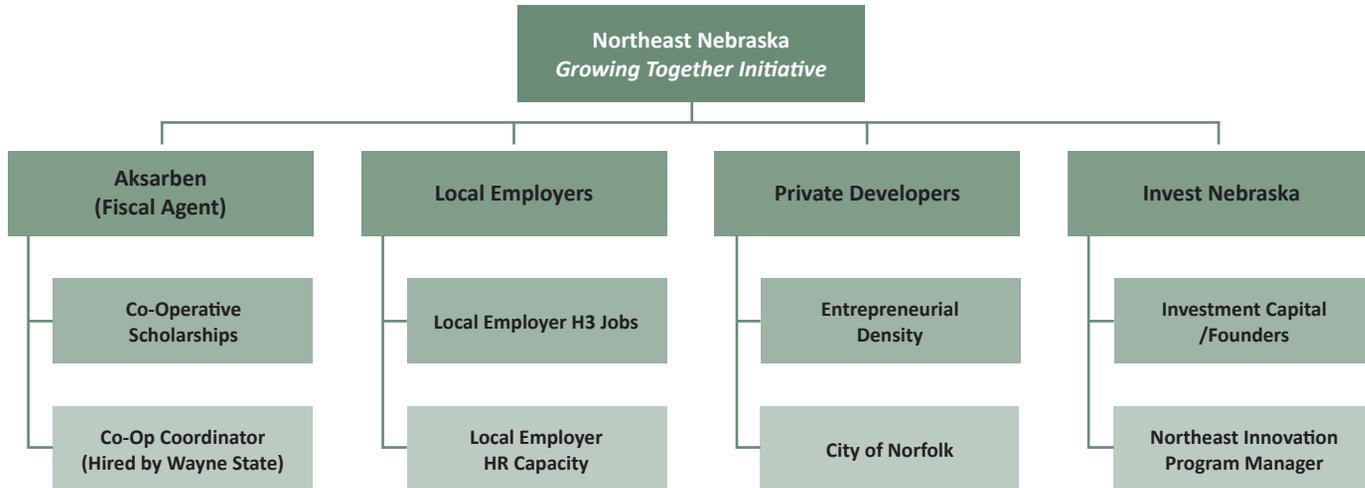
Wayne State College will lead the state college effort and will make two critical investments:

1. Permanently change the IT, computer science, communications and business curricula to shift away from a traditional academic track to a work-based learning experience/program. The new model integrates employers and work experiences throughout a students’ college experience, beginning with the summer before the student enrolls as a new first-year student.
2. Hire one full-time staff person to develop and oversee the student/employer component of the program. This amounts to a \$75,000 (salary/benefits) investment each year for six years, totaling \$450,000.

**Business**

Local businesses have been engaged to support this effort. Like many communities, Norfolk is creating an urban core to imbue the area with dynamism, vibrancy and “entrepreneurial density” to retain young talent and grow entrepreneurial businesses. Many existing businesses – such as News Channel Nebraska, Daycos, Precision Technology, Inc., and several departments within Faith Regional Health Systems – have committed to relocating 1,000 employees to the downtown area. Many more companies are considering downtown relocation.

Local business leaders and entrepreneurs will continue to be recruited to form cooperative partnerships and will work on the summer Bridge program with Co-op scholars after they graduate from high school. Business partners will get to know the Co-op scholars during the freshman



year field trip experiences and through skills training and job shadowing opportunities during students’ sophomore year. Their involvement will grow during the junior year when called upon to work with scholars in entrepreneurship classes and seminars and are assigned to individual students as Co-op mentors.

During student’s senior year when scholars are living in downtown Norfolk, mentorship will continue as students intern at cooperating businesses. Participating employers must make the financial commitment to pay Co-op students a salary. Co-op graduates will replace retiring workers at higher competency levels as Norfolk experiences a demographic shift. Local businesses have “skin in the game” and will work diligently to ensure this program is a success. In total, businesses are committing a match of up to \$2,187,000 for the Co-op program (\$9,720/student; total of 225 students).

**Investment Capital**

The Co-op Scholarship program is an integral part of the much larger, long-term Growing Together initiative that focuses on creating new, high-wage jobs through technology-based economic development in an ecosystem integrating the public and private sectors. This part of the equation is designed to cultivate a regional innovation ecosystem in Northeast Nebraska by helping entrepreneurs develop businesses and technologies, increase investment capital attraction, and create high-wage jobs.

Year in School	Scholarship Amount
Freshman	\$5,500
Sophomore	\$6,000
Junior	\$6,500
Senior	\$10,000
Total Award Package	\$28,000



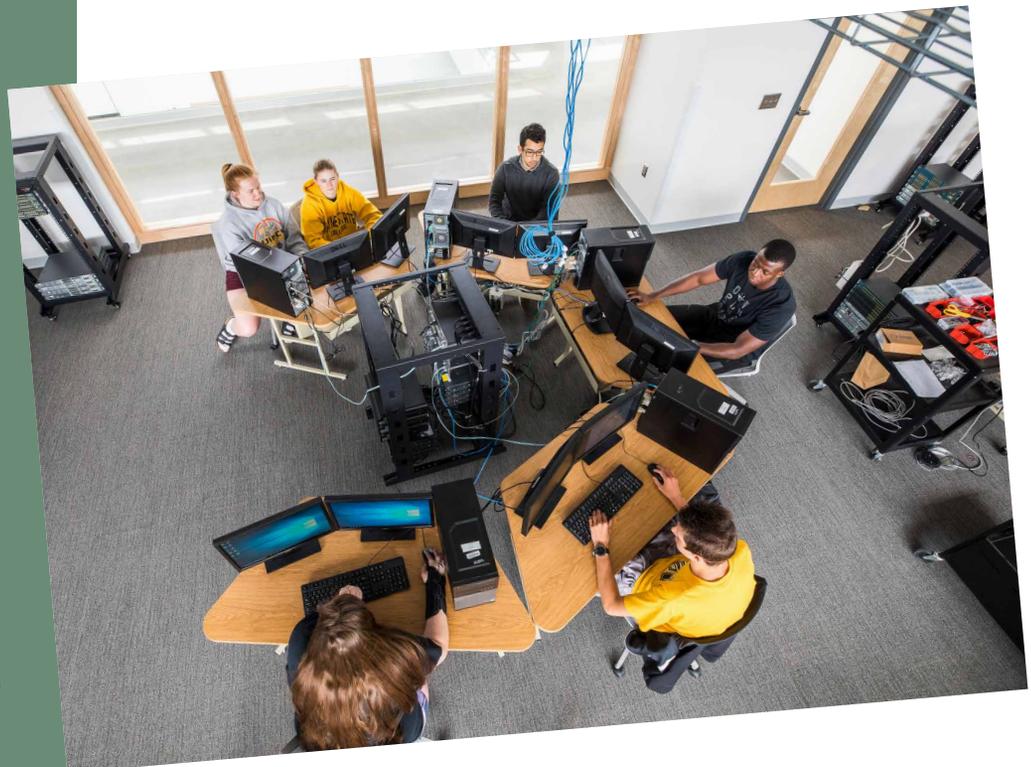
A separate \$5.5 million initiative, in partnership with Invest Nebraska, will secure investment capital to attract founders and entrepreneurs in the tech area (see section on Founders in Residence). The value proposition is that entrepreneurs will have the necessary resources to execute their business models - seed funding/investment capital, skilled educated talent, knowledge capital, a welcoming collaborative culture and a favorable regulatory environment. By the end of this portion of the initiative, we anticipate 12 new businesses will be started, creating 100 new jobs in the area staffed by Co-Op Scholarship graduates.

Because students are expected to make a serious commitment to their education, the scholarship awards are significant enough to support tuition and some housing expenses. Students will be responsible for any related expenses (fees, remainder of housing, food, books/supplies, and living expenses).

Each year, a cohort of 75 students majoring in IT, communications or business will each receive a Co-op scholarship, renewable each year for four years, to cover tuition and a portion of housing costs. The program expects to serve three cohorts of students, from 2020-2026, for a total of 225 students.

### ***Co-Op Scholarship Financial Model:***

*Total cost of attendance does not include general living expenses. Information provided represents total cost of attendance at Wayne State College for the 2018-2019 academic school year, which was \$15,117 for students who qualified for the Nebraska resident tuition rate. Chadron State and Peru State costs are slightly higher. The NSCS annually approves increases for the subsequent school year in March (housing and meal plans) and June (tuition and fees). For this proposal, the 2018-2019 costs were used rather than comingling 2018-2019 and 2019-2020 expenses to determine cost of attendance.*





Scholarship amounts will increase as students progress through the program to keep pace with annual tuition increases (approximately 5% each year) plus an amount to reward student commitments. The larger increase during the senior year is meant to supplement the salaries students will receive as interns working for participating businesses in downtown Norfolk to compensate for the housing and meal costs associated with the program requirement that they live in Norfolk in designated Co-op housing. The accompanying table shows scholarship amounts to be awarded to each student each year. The

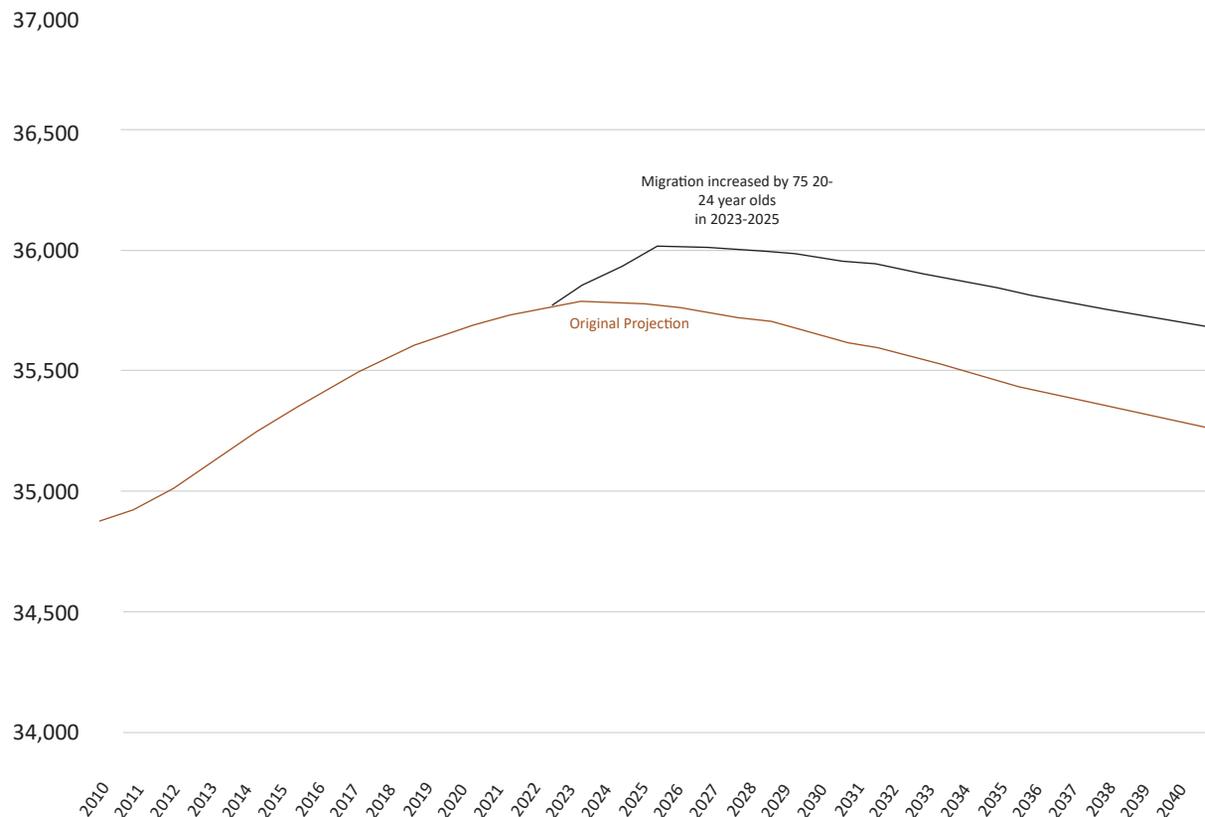
total award package for each student in the first cohort (2020-2024) amounts to \$28,000.

### Projected Project Impact on Wages and Population

#### Wages

The Co-op Scholarship program will address Madison County’s comparatively low wages. By creating at least 75 new, high-skilled jobs each year, the average hourly wages for Madison County should increase over time and create an environment attractive to young people.

Comparison of Madison County Total Population Projection vs. Increased Migration Model





### ***Population***

The Co-op Scholarship program will be critical in stabilizing the population of Madison County. The following graph shows that without proactive intervention, Madison County would reach peak population in 2024, then begin to decline by 25 to 50 people per year thereafter (red line). It also shows the projected impact of the implementation of the Co-op Scholarship program for the years considered in this proposal (black line). The projection includes the 225 students plus their future families and children (1.7 children per U.S. estimated average). The Co-op Scholarship program is a proactive intervention that will reverse the predicted decline in population in Madison County.

The Co-op Scholarship program essentially “kick starts” the Northeast Nebraska Growing Together initiative. Infusing 75 new young professionals into the Madison County economy each year will reverse the anticipated downward trend. We fully expect this program to be successful and therefore continue into the future.

# Workforce Retraining

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Northeast Community College's Board of Governors established a new strategic plan in 2015 called, *Vision 2020*. A new mission statement followed:

*Northeast Community College is dedicated to the success of students and the region it serves. The implementation of student success initiatives, workforce development strategies and developing a globally competitive workforce are among the many initiatives that are part of this work.*



Northeast Community College is open to all who wish to enroll and assists students in determining their career of choice to reach their educational goals by:

- Providing increased career awareness opportunities for K-12 students and partnering with business and industry to align programs and careers with local industry and to bring increased awareness to the value and importance of middle skill jobs
- Expanding the use of alternative delivery methods such as industry-recognized credentials, the boot camp model, online and hybrid delivery methods and other education and training opportunities to increase access to higher education in non-traditional ways
- Delivering financial aid workshops in the community and the region, while also increasing student scholarships and emergency assistance funds to help students and their parents understand that college may be in closer reach than they imagine

### Train

Training the region's workforce is what Northeast Community College does each and every day. And it does so very successfully in many ways. Several recent innovative programs have been developed through Northeast's Center for Enterprise (CFE).

The focus of the CFE is to provide excellence in education and training to meet workforce needs as seen through the eyes of employers and communities. This focus

is delivered through: business and industry training, continuing education, and community education. Businesses, industries and communities in northeast Nebraska may get a helping hand through a variety of services at the College.

Northeast assists in community economic development in cooperation with the Nebraska Department of Economic Development, the Nebraska Development Network and other regional development partners. Community needs assessments, strategic planning, leadership training, and rural development assistance are available to all northeast Nebraska communities throughout the College service area. Assistance to communities within the 20-county service area is provided through coaching, facilitation and coordination of economic development resources to encourage "Rural Revitalization" throughout the region.

### Partnerships

Over the years, the CFE has created several opportunities to partner with area business and industry. The work of Northeast Community College with the Nucor (Steel) Detailing Center in Norfolk is among the shining examples of this work. NDC provides drafting/modeling support and services to all of the Nucor divisions across North America utilizing state-of-the-art 3D modeling software. The College was the first place that Nucor leadership looked to as they needed to solve a bottleneck in production.

Working with the College president and administration, Nucor leadership made the decision to open a new detailing center based on the great success the local Vulcraft (Steel) joist plant experienced with graduates from the Northeast drafting program. At the time, 65-percent of Vulcraft detailers were Northeast graduates. Once the company knew there was a training pathway to build the





needed workforce of detailers, the decision was clear that the national detailing center for Nucor Steel needed to be in Norfolk. A side note: the new NDC manager and the original seven employees were all Northeast graduates.

### Retain

Northeast immediately ramped up the training capacity from an initial class of 15 students after three years, matriculating 45, first-year students in the drafting program and graduating 25 candidates for NDC to recruit its workforce. Today, NDC employs 150 detailers and continues to grow its workforce.



The recession of 2008 hampered NDC's ability to grow its workforce due to a lack of commercial construction investment. However, since 2010, the construction economy has rebounded and has continued to grow, directly impacting the work of NDC.

At that time, Northeast and the Center for Enterprise developed a 36-hour training program to provide interested individuals with exposure to both the Nucor culture and the job skills required to become a successful detailer.

After completing this initial training, candidates are able to make an informed decision on whether they would like to continue the process of becoming a full-time detailer at Nucor or to continue their education towards an Associate of Applied Science degree in Drafting through Northeast. Students who successfully complete the 36-hour training program receive a Certificate of Completion and have the opportunity to interview with Nucor.

The NDC partnership is an example of the work the CFE conducts daily in its responsibility to help revitalize rural Nebraska by developing inventive workforce development solutions. The CFE has worked with dozens of companies, served hundreds of employees and has changed the workforce landscape. Through its work in the area of economic development, the Center for Enterprise adds value by delivering local customized training and is eager to serve the needs of new and expanding businesses in the future.

Due to the success of Northeast's collaboration with NDC, the College received the American Association of Community Colleges Award of Excellence for Outstanding College/Corporate Partnerships in 2013.

### Attract

In 2017, Northeast was named a national Top Ten community college by the Aspen Institute with its Aspen Prize for Community College Excellence, the nation's preeminent recognition of high achievement and performance in America's community colleges. The Prize recognizes outstanding institutions selected from an original pool of more than 1,000 public community colleges nationwide.

With a singular focus on student success, the Prize assesses community colleges' achievements in four areas: student learning, certificate and degree completion, employment and earnings for graduates, and access and success for minority and low-income students.

This recognition is confirmed regularly as the institution graduates approximately 900 students each spring while the annual Graduate Report states that approximately 99-percent of graduates either find employment or continue their education. The latest report indicates that 85-percent of the graduates who entered the workforce remained in Nebraska, and 58-percent of those students stayed in Northeast's 20-county service region.

These are among the statistics Northeast Community College relies upon to confirm that it is delivering on its promise to provide a high quality educational experience for students, ensuring that they complete their educational goals, as well as be assured that they are employed in the area related to their career path or continue on to the next level of education.

### Boot Camp Model

Northeast has seen great success in what it calls "boot camps" – 72 hour instructional experiences that provide business and industry trainees with important first-tier competencies to set them on a flexible path for higher levels of certification and credits.

In conversations with Northeast, it was clear that business and industry wanted additional training to bolster technical manufacturing skills. When these company officials discussed the situation further, they indicated that employability or soft skills were as important as technical skills.





Examples of soft skills include reporting to work on time, demonstrating the ability to work in teams and manage conflict, and the ability to communicate with internal and external customers. Both technical and employability skills training were therefore woven into the curriculum. Northeast Community College turned to its instructors who developed the first boot camp model – a Diversified Manufacturing Certificate, a program that would meet the objectives of the business community.

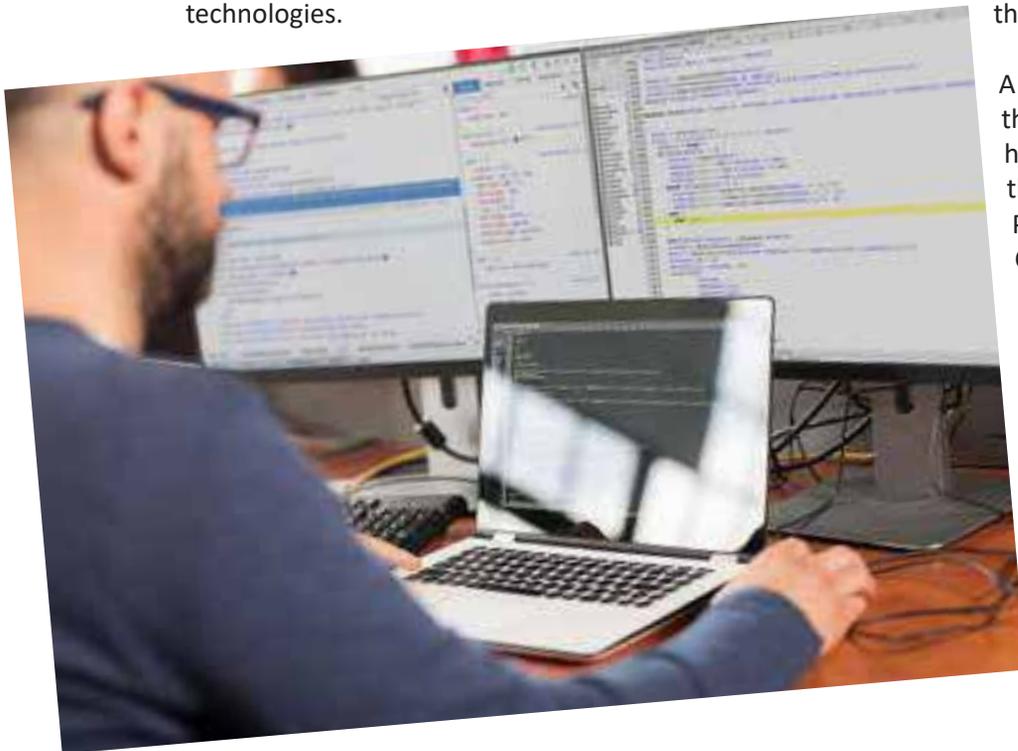
Local business professionals provided a great deal of input in developing the new customized “boot camp” curriculum, which includes basic workforce readiness skills; tools and techniques related to the application and management of quality, productivity and competitiveness in an industrial environment; customer service, safety; and information about evolving manufacturing career pathways and technologies.

Picking and choosing aspects of an already established certificate program had benefits as well as challenges. As portions of the curriculum were already in place, the process of developing customized training was fairly easy for Northeast instructors. Furthermore, the businesses appreciated the flexibility of designing a program to meet local needs. However, customizing the curriculum did create some additional costs.

Low unemployment rates and the need for qualified workers drove employers to focus the training program to those in the community who were unemployed and underemployed. The targeted populations meant affordability was important. That led Northeast Community College to look at possible grants that could offset some of the costs, as well as require the businesses to make financial investments toward support of the program.

A statewide financial assistance program for those pursuing high-demand, high-skill and high-wage fields has been expanded through the CFE. The Community College Gap Assistance Program, administered by the Nebraska Coordinating Commission for Postsecondary Education, aims to address this shortage of skilled workers by offering financial aid to low-income community college students who take non-credit courses in high-need fields.

Gap programs are developed based on industry demand, advisory committee recommendations or Department of Labor data points. All candidates for Gap assistance participate in an entrance interview to discuss their ability to benefit from the program. They also communicate an understanding



of the workplace and help identify a “fit” with partnering employers. Once accepted, candidates stay connected to the program throughout the training and also report their job status six months after successful completion of their program.

Other workforce development funding exists for Nebraska-based businesses through the Nebraska Department of Labor and Nebraska Department of Economic Development. The Nebraska Department of Labor offered “Worker Training Grants” for approved training programs that provide up to 50-percent of the cost of the training. Whereas, the Nebraska Department of Economic Development utilizes the “Nebraska Advantage Act” to help recruit and sustain companies that wish to locate or expand in the state. Through this program, workforce training dollars are available as an incentive to help develop a future workforce.

The Center for Enterprise works with all businesses submitting applications and assists with the administrative requirement, as well as acts as an approved training provider to deliver content.

### Stackable Credentials

While it has seen achievements using the model in its machining and manufacturing automation and drafting programs, Northeast Community College is looking at developing similar boot camp opportunities in the area of informational technology (IT). The college has the capacity to work with business and industry to develop a curriculum that is built around stackable certificates to provide the skills and training to future partners.

Northeast’s focus is to ladder these programs which will, in turn, allow students to begin in a boot camp experience,

incrementally move into a credential program and eventually enroll into a degree-seeking program, if they so desire. The concept allows students to earn educational certification while increasing their value with the business or industry in which they are employed.



The “boot camp” model can be developed around all industries, helping recruiting talent, develop short term professional development, and laddering these experiences into degree programs. These are excellent ways to recruit talent into companies and provide a ladder approach to long term development. The Northeast Information Technology program and the IT business sector are ideally set up for the development of



a “boot camp” culminating in offering high-tech industry certifications provided through the CFE Code School model.

Northeast Community College presently offers certificate level information technology programming in Cisco Networking, Information Security, IBMi Application Development, Technical Services, Web and Visual Application, and Information Technology – General.

Ten IT programs are offered at the Associate of Applied Science degree level – IBMi Application Development and Technical Services Support; Application Development; Information Security and Technical Services Support; Information Security and IBMi Application Development; Web and Visual Application Development and Information Security; Cisco Networking Academy and Technical Support; Cisco Networking Academy and IBMi Application Development, Cisco Networking Academy and Information Security; Web and Visual Applications Development and Cisco Networking Academy; and Web and Visual Applications Development and Technical Services Support.

Northeast’s Information Technology (IT) program also offers two transfer Associate degree programs – Computer Information Systems and Computer Science which meet the educational training needed by future employers of the region and transfer onward towards a bachelors’ degree as well.

In 2018, the National Security Agency and the Department of Homeland Security designated Northeast Community College as a National Center of Academic Excellence in Cyber Defense Two-Year Education (CAE2Y).

The College is one of 16 new centers named, bringing to 70 the number of two-year colleges in the United States with the CAE2Y designation.

The designation recognizes the entire College for its security program and its novel curriculum options that produce professionals who will enter the workforce with the training and expertise necessary to help protect our nation’s information infrastructure.

Northeast Community College first began teaching cybersecurity protocols in 2009, two-years before the first CAE2Y center was established. The Business and Technology Division received the go ahead to develop the curriculum after the IT program’s advisory committee supported the move.

Northeast has been working with high school students to instill the importance of training ethical hackers to enter the workforce. This is the fourth year Northeast IT instructors conducted their “Cybersecurity and Software Development Summit,” which is designed to demonstrate to students who are interested in a career in information technology what Northeast has to offer, and to explain that there is a big push to get more people into the IT field. The IT program features many options that provide up-to-date training for individuals so they can be “work-ready” immediately upon completion or choose to transfer on to 4-year institutions for advanced degree work.

The graphic below showcases business and industry information technology training that has been developed by the Center for Enterprise as well future opportunities.



## CENTER FOR ENTERPRISE PROGRAMMING

### *Current Business & Industry Training Offerings*

Adobe Certification Training  
 Agile Project Management Certification Training  
 Amazon Certification Training  
 Apple Certification Training  
 Autodesk Certification Training  
 CAP/CISSP Certification Training  
 CertNexus Certification Training

Cisco Certification Training  
 CompTIA Certification Training  
 DASA Certification Training  
 Hewlett Packard Enterprise (HPE) Certification Training  
 ISACA Certification Training  
 ITIL © Certification Training  
 Juniper Networks Certification Training

PMI © Certification Training  
 QuickBooks Certification Training  
 Salesforce Certification Training  
 SAP Certification Training  
 SAS Certification Training  
 Tableau Certification Training  
 VMware Certification Training

Microsoft - Application Certification Training  
 Microsoft - Technical Certification Training  
 Microsoft Dynamics Certification Training  
 Mile2 Certification Training  
 Novell Certification Training  
 Oracle Certification Training  
 Palo Alto Certification Training

### *In Development: Code School*

- Potential Code School joint venture with Wayne State College
- Amazon Web Services training and testing in 8 technology areas
- SANS Institute partnership
- Market Analysis / Program Development / Business Plan - In Development
- Anticipated Launch: Spring 2020

The Center for Enterprise is positioned to work with all incoming companies by facilitating strategic marketing and recruitment conversations, build customized onboarding programs, work with industry to build and deliver necessary entry level skills focused on short-term employee

recruitment and training, as well as develop 2+2/1+2 programs that introduce students who are directly out of high school to company employment and educational opportunities in order to solidify a long-term workforce.



Other examples of the CFE-forming partnerships with corporate clients to meet current and future workforce challenges includes work recently performed with:

- Natural Resource Conservation Service (NRCS) Nebraska. The CFE developed a three-day sales and marketing boot camp for all field conservationists and managers statewide that was delivered to seven locations throughout Nebraska. This program not only met the current need, but now serves as part of the onboarding for all future NRCS field staff hires.
- Technology Services Division at Northeast Community College. The CFE has become embedded in the division by providing DISC behavior assessment, training and consulting for all employees and teams. Individual professional development plans are being built around the market-based pay structure that the division adopted a few years ago. Within these plans includes IT specific training and certification to meet the future needs of the division.

The CFE develops workforce strategies to meet corporate expectations and are positioned to meet the needs of companies as a result of current and future initiatives.

Educational programming offered by Northeast ladders well in to high-technology careers by giving the individual who is gaining industry training, a pathway to obtaining credentials recognized by industry. This training easily leads into certificate, diploma and degree attainment by the individual through educational courses, as well as

credit for prior learning that has been obtained on the job (up to 18 credit hours towards the credentials offered by the college). Credit for training can be offered through both credit and non-credit coursework that seamlessly ladders in to college credentials. Northeast stands poised ready to deliver a quality education and positive work-ready experience.

### Innovate

Northeast also has partnerships with K-12 school districts across its 20-county service area. One of the more recent successes centers around a new 16,000 square-foot facility in West Point that opened in 2019.

Northeast and Pathways 2 Tomorrow (P2T), a consortium of eight school districts consisting of Bancroft-Rosalie, Emerson-Hubbard, Howells-Dodge, Lyons-Decatur Northeast, Oakland-Craig, Pender, West Point-Beemer and Wisner-Pilger, are among partners who have worked with Northeast to develop career pathways at the Donald E. Nielsen Career and Technical Education Center.

Programming in the center focuses on areas that include building construction, manufacturing and welding. Computer and health science classes are held in the Shirley and Jake Weber wing of the Nielsen Community Center directly across the street.

The intent of this work is to introduce high school juniors and seniors to career fields that may motivate them to seek further education or enter the workforce. Another outcome is to help retain and attract residents to the area and provide additional undergraduate and graduate educational opportunities for local residents, as well as offer workforce training to businesses and industries in the region.



### High School Career Academies and Northeast

Northeast has been a strong partner with many of the 60 high schools in our 20-county region. As a charter member of the Northeast Nebraska Career Academy Partnership (NENCAP) have been able to partner with many high schools to deliver health science career academies that offer courses in medical terminology, certified nurse aid and medical terminology. Northeast faculty and administrators also serve on the advisory committees for all of the Norfolk Public Schools (NPS) career academies. Dual credit courses are available to many of the students enrolled in the NPS program.

### Fridays@Northeast

In the four years Northeast Community College has worked with area high schools through its Fridays@Northeast program, the number of students who have enrolled in classes has increased every year. At the beginning of the current academic year, over 100 high school seniors are taking part in the program.

The Fridays@Northeast model allows high school seniors to spend the final day of their school week on campus as college students and introduces them to a variety of career and technical education classes that lead directly into programs of study upon completion of their high school education.

Fridays@Northeast is all about career awareness. It is about helping high school students figure out what they want to do with their lives. But for now, the program assists them in obtaining more information on the class they are in and see if it is something they would like to do in the future.

Fridays@Northeast programs include animal science, auto body, building construction, certified nurse assistant, criminal justice, early childhood education, emergency medical technician (EMT), engineering, graphic design, health sciences, horticulture, and welding.

### Workforce Development Partner

As the City of Norfolk and the downtown development group continue to plan and recruit a technology-based industry, Northeast Community College stands ready to work with leaders and investors to build a workforce for related employers. The work with the Nucor Detailing Center illustrates that Northeast's educational and training opportunities can easily be replicated to any industry and employer if there are jobs at the end of the training.

Northeast Community College is committed to its role of educating the next generation of America's workforce. It is fortunate to employ highly motivated, positive-thinking professionals who foster the core values behind who they are, how they work, and how they treat others. Northeast is not only proud of its success in serving students and the region, but also proud of the way it is achieved.

Whether it is a certificate, degree or proof of skills through outcomes-based competencies as the result of training, Northeast stands ready to work with any employer to assist in the development of the downtown and build a future workforce for the betterment of the region by delivering a quality education and positive work-ready experience.



# Artists in Residence

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## Arts and Makerspaces Drive Business Innovation

According to the Harvard Business Journal, creating an environment where business innovation and creativity thrive is directly linked to the prevalence of creative communities that embrace artistic expression. Arts organizations and artists are now a driving force in the revitalization of communities in the Knowledge Economy. “Creatives” play a special role in creating a culture where business ideas are born and tested, while also attracting visitors and creating an inclusive community.

The addition of this creative element to the overall Growing Together initiative ensures the atmosphere cultivated within downtown Norfolk will nourish and inspire a creative ecosystem where out-of-the-box ideas are not only accepted but expected.

The effort establishes a creative district in downtown Norfolk. A credible artist-in-residency program will be located inside the 3 x 7 block area of downtown Norfolk. Building on what Omaha has accomplished with its Bemis Center, this effort, while smaller in scope and size, is intended to greatly change the downtown experience for college seniors and young people living in this area. The business support systems highlighted throughout this plan will generate a positive feeling of place. A deliberate effort will be made to cultivate artistic endeavors within the area.

The five main components necessary to build a creative environment:

1. Artists-in-residency program
2. Development of an organizational structure to support the growth and sustainability of the creative district
3. Development of Maker Spaces which will attract and retain creative enterprises, jobs and hobbyists
4. Improvements in creative sector revenues, specifically retail and dining sectors
5. Support for placemaking efforts throughout the creative district.

Program implementation success will be measured by the following metrics:

- Artists in residency participation
- Creative jobs created/retained within the district
- Commercial occupancy rates



### Establish Artist-in-Residency Program

This effort cultivates artists and creative contributions within the district to help sustain an environment where new ideas, creative solutions and big thinking thrive. Beginning in June of 2022, six artists will be selected to participate in a four-month downtown residency program and will be given a platform to cultivate their chosen medium in an incubator space. The residency program is expected to serve 18 artists per year for three years. Those participating in the residency program will receive an \$1,800 monthly stipend to cover costs of living during the four-month program. Three, four-month residency programs would be offered each year. Artists will be selected through a competitive process and must be at least 21 years of age when applying. Those chosen would reside in the downtown district during their residency. Art created in the incubator space will be displayed throughout the downtown district with access to gallery, retail, dining, business offices, and outdoor exhibition space.

### Develop Creative Incubator Space

Similar to a co-working space in nature, the art incubator provides space, tools and a platform to cultivate and showcase artistic expression by removing financial barriers that prohibit access to tools used for the creation of art. To create this necessary space, \$400,000 is budgeted for the purchase and launch of a creative incubator. The maker's space will provide artists, musicians, photographers, graphic designers, marketers, videographers, and other creatives with the tools and space needed to create.

### Create Organizational Structure to Support District's Growth and Sustainability

The artists-in-residency program and incubator space will be managed by the Norfolk Arts Center, which would

receive \$50,000 per year to operate the programs. Norfolk's Arts Center has been a rural leader in engaging rural northeast Nebraska communities with art and the expression of new ideas. Management duties will include recruitment and review of artists for the residency program and management of the incubator space, including maintenance of the building and equipment, membership oversight and event programming.

The Norfolk Downtown Creative District will include the leadership of City of Norfolk staff, the Downtown Vehicle Parking District, Downtown Norfolk Association, Norfolk Area Visitors Bureau and Norfolk Area Chamber of Commerce. These partners will hire a full-time creative district manager and establish a community leadership board and a committee structure to assist with the management of the district.

### Attract and Retain Creative Enterprises and Jobs

If Norfolk wants to compete in the Knowledge Economy and grow its tech related businesses, Norfolk must enhance small business support partners like restaurants, retail establishments and nightlife options. Better retail and entertainment options enrich the experience of those participating in a work/live community downtown.

A revolving loan fund tailored to meet the needs of secondary small businesses will be administered by the City of Norfolk. Over \$150,000 from Norfolk's LB 840 Fund and federal sources will fund this program. These low-interest, revolving loan funds will be used to encourage the growth of businesses that can lend support to the entrepreneurial ecosystem this initiative is seeking to establish. Revolving loan activities may include, but are not limited to, facade improvements, updated signage, working capital, equipment purchase, etc.



### Improve Creative Sector Revenues Specifically in the Retail and Dining Sectors

The Downtown Norfolk Association will host downtown events that offer a comprehensive roadmap for the planning, implementation, production and ongoing management of a five-year weekly summer music and entertainment program in the district. The cost is \$5,000 per year and the deliverables are estimated to be as follows:

### Support Placemaking Efforts Throughout the Creative District

#### *Sculpture Walk*

Nearly 200 artists were solicited for entries to the inaugural sculpture walk. A committee then selected ten pieces that are on loan but also for sale by the artists. The exhibit features an eclectic selection of art created by artists from across the Midwest, including Nebraska, South Dakota, Iowa, Colorado and Minnesota. The pieces are being placed on sidewalks and public areas throughout the downtown, as well as at the Norfolk Arts Center and Veterans Memorial Park.

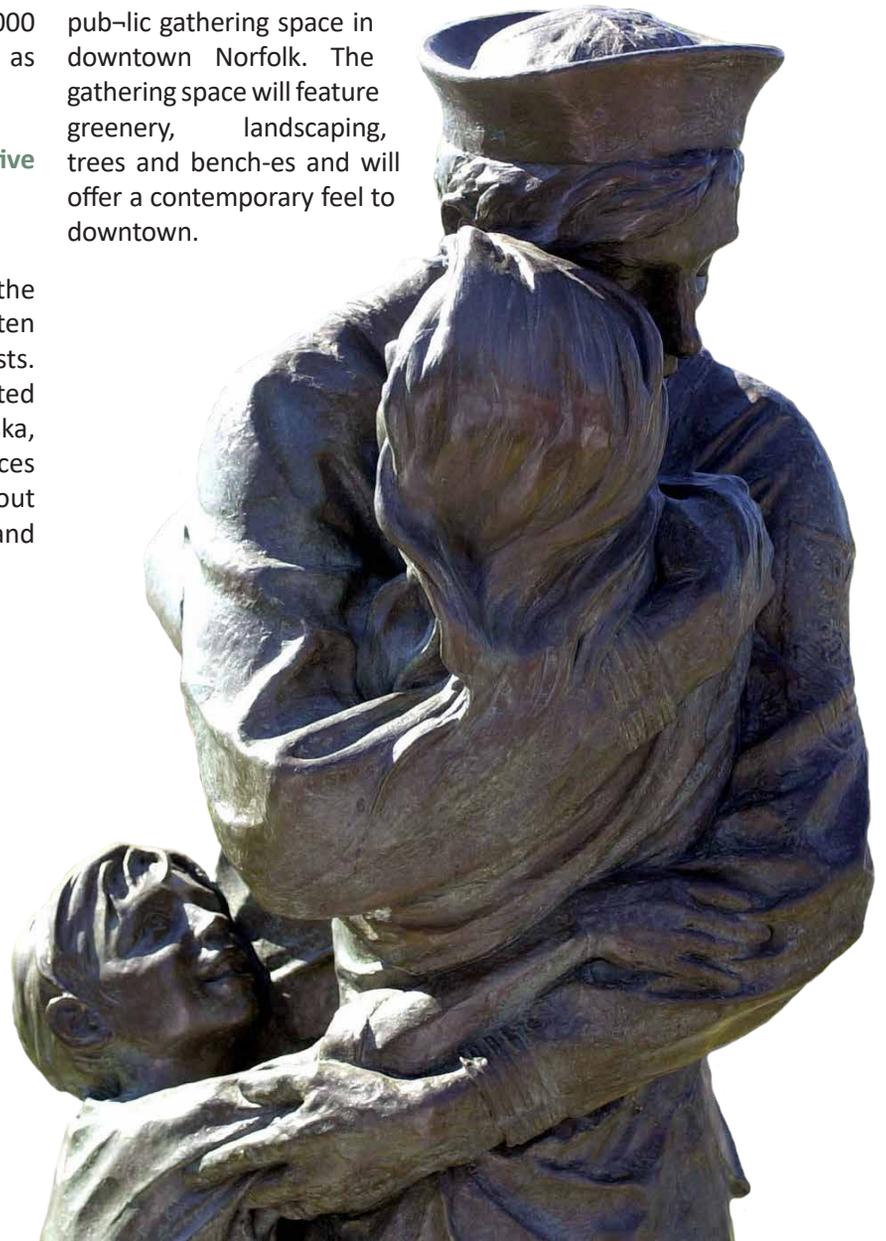
#### *Riverfront Development*

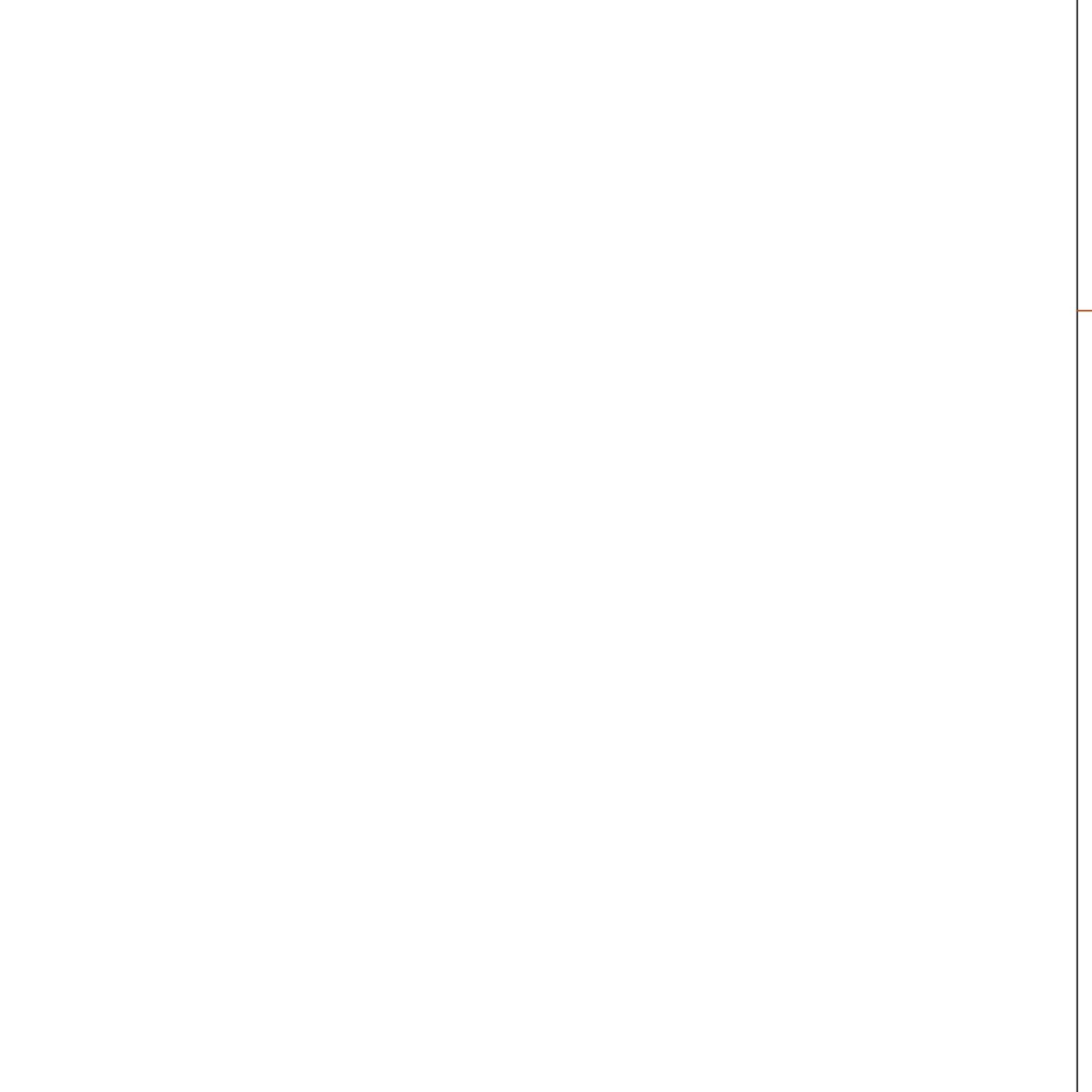
The Riverfront Development plan is to restore the connection of Johnson Park to the North Fork river by providing attractions that draw several types of park users with a wide variety of interests. Improvements to the playground, expansion of the festival space and improved access via trails and pathways will provide a location for community members to gather. The establishment of an amphitheater space with a permanent stage and grass seating for about 400 will provide a unique outdoor venue for concerts, plays, ceremonies and other events. Redeveloping the north side of the building to establish small

storefronts will create a greater relationship to the park and river.

#### *River Point Square*

The Johnny Carson mural at the intersection of 3rd and Norfolk Ave will be the new public gathering space in downtown Norfolk. The gathering space will feature greenery, landscaping, trees and benches and will offer a contemporary feel to downtown.





# Early Childhood Education

Strengthening local infrastructure is often seen as the central challenge to the sustainability of greater Nebraska. Very often, this conversation focuses on investments in housing, roads and transport, broadband access and other systems intended to build commercial and social connectivity throughout the state.

However, developing these systems alone is not enough to address crucial challenges to Nebraska's rural communities—especially those facing a rapidly aging population, shrinking workforce and accelerating out-migration of younger residents. In fact, there are few elements of infrastructure that can offset these challenges more effectively than investments in early childhood care and education.

Families with two working parents are not likely to live in an area without excellent daycare. Establishing free, high-quality, comprehensive early childhood care and education programs for children from birth to kindergarten in Madison County communities of Battle Creek, Pierce, Tilden, Madison and Stanton will allow parents to work, volunteer or pursue their dreams, as well as helping the region fortify its K-12 investment. The availability of sound, community-wide early childhood

programs will build young families' confidence in the ability of small towns to provide safe, healthy learning environments for young children.

How a community supports the development of its youngest children is directly related to its ability to attract and anchor young parents, strengthen its current and future talent pool, increase workplace productivity and create social and economic opportunity on a broad scale.

It is time to think differently



about how we organize greater Nebraska communities so they can become more desirable places





to put down roots, raise a family, grow a career or build a business. That means prioritizing infrastructure investments that not only keep communities functional but optimized for ongoing growth and vitality.

### High-quality early childhood care and education

Children's best prospects for lifelong success are informed by early experiences that lay the foundations for ongoing learning, skill formation, social-emotional competency and physical well-being. Quality early care and education capitalizes on a crucially important period when the human brain is most receptive to the environments and interactions children encounter every day. Consistently stimulating, emotionally supportive and physically nurturing early experiences improve children's chances of following a trajectory that will eventually lead them into a healthy, productive adulthood.

This is rooted in the earliest days of life as babies begin interacting with their parents and caregivers. Reading, talking and exchanging physical and vocal cues with babies begin the process of linguistic and social development. As children grow out of infancy and into toddlerhood, their range of experience with the world and people around them widens. They not only increase their command of spoken language, but begin to recognize the connection between images, letters and sounds as the basis for literacy. They start to develop a basic understanding of sequence, size and proportion that points the way to emerging numeracy and math skills. Throughout these first five years, children assimilate more complex reasoning and problem-solving abilities and acquire the social and behavioral skills that will enable them to successfully transition into the K-12 system and grow as responsible, well-oriented members of their families and communities.

Children can—and should—benefit from quality early experiences wherever they are being cared for—at home with family or in an out-of-home setting. In either case, they are most likely to experience these long-term positive outcomes if their early development and education is consistently guided by attentive, nurturing adults who understand and can meet their unique developmental needs during the first years of life.

As important as children's developmental outcomes are, early care and education settings must also be responsibly managed and financially sustainable—whether these experiences occur in the family household or in out-of-home child care. Guiding the care and development of young children is a demanding and expensive undertaking for parents as well as professional providers.

### Consequences of gaps in quality early childhood care and education

Nebraska boasts one of the most hard-working populations in the entire country. Our state ranks first in the nation for workforce participation by single mothers of young children. We are ranked second in the nation for married-couple families with both spouses in the workforce (Drozdz, 2018). In some respects, this is an indicator of an enviable statewide work ethic—but it also points to the fact that this is a matter of financial necessity for most Nebraska families.

At 3.0% (“Nebraska Economy,” 2019), Nebraska's unemployment rate is among the ten lowest in the nation, suggesting that anyone who is willing to work in this state is likely to find a job. However, it also means there is very little slack in the statewide labor market. With approximately 58,000 vacant jobs throughout the state, Nebraska's employers and economic development



leaders count on parents with job-ready skills to fully participate in the labor market if they are willing and able to do so.

Given the urgency of cultivating and anchoring young families and talent in Northeast Nebraska, we need to focus greater attention on affordable, quality child care to make this possible. Currently, large regions of the state—especially rural communities—face significant gaps in these services. According to Kids Count, approximately 84% of Nebraska counties lack enough child care capacity to meet the needs of local families (“Kids Count,” 2016). While more robust data is needed to measure this more precisely, the general trend suggests that widespread gaps in available care severely limit parents’ workforce participation and undercut economic productivity throughout the state.

#### Causes of gaps in Nebraska’s childcare infrastructure

In rural regions of the state, long-established providers have offered child care for their neighbors over the span of decades. However, as more of these persons grow older and close their businesses, they are not being replaced by a younger workforce that sees child care as a viable career option. This owes much to the demands of a profession that requires high levels of personal and material commitment in exchange for a relatively low amount of compensation.

On average, child care workers earn \$11.17 per hour, depending on their region of the state (“Childcare Workers,” 2019). This is just slightly more than \$2 above the minimum wage and less than one dollar above the living wage for a single working adult in Madison County (“Living Wage,” 2019). For childcare providers raising children of their own, this level of compensation is barely

above poverty standards. As a result, many potential early childhood educators end up pursuing more rewarding positions in K-12 education, either in their own communities or elsewhere.

#### Fallout of high cost and low supply in quality child care

As more childcare providers close their businesses throughout Nebraska, major economic problems result, affecting working parents, their employers and their communities. According to recent research, breakdowns in child care cost the nation \$57 billion in lost earnings, productivity and revenue (“Want to Grow,” 2019).

For parents, inadequate or unreliable child care options result in frequent work absences and threaten their prospects for career success. One in five parents say they have been reprimanded, 8 percent have been fired, and about 1 in 10 have been demoted, transferred or fired due to work performance problems associated with childcare issues (“Want to Grow,” 2019). In 2016, 4,204 Nebraska parents statewide reported having lost their jobs because of childcare problems (“Kids Count,” 2018). While these issues can severely affect a family’s financial stability, they are compounded by the fact that the average cost of child care often consumes a large percentage of household income. According to the Economic Policy Institute’s calculations, parents on average may spend between 9 and 22 percent of their earnings on child care for a single child (“The Cost,” 2016). This decreases the incentive for many parents to pursue employment, causing them to drop out of the labor force entirely.

The economic effects of these breakdowns in child care are not limited to families. Employers must also sustain the costs of frequent worker absence and turnover. Even

when working parents are on the job, anxiety about their children's care arrangements have been linked to lower workplace productivity. Collectively, these costs to employers account for \$12.5 billion of the total economic loss due to the childcare crisis in the nation ("Want to Grow," 2019).

In sum, these problems severely compromise a community's ability to market itself to new business and industry, as well as cultivate the talent pool necessary to support ongoing economic growth.

### Finding the right solutions for local early childhood care and education needs

Although many Nebraska communities must develop their early childhood care and education infrastructures, there is no single solution that is universally applicable to all parts of the state. The right strategy for addressing these challenges depends greatly on the specific needs of residents as well as the resources already embedded in the community. That said, any successful approach should address certain common elements:

1. **Quality:** Children's early environments should reflect acknowledged standards associated with children's safety and positive developmental outcomes.
2. **Sustainability:** Home-, center- or school-based programs must be administered responsibly and efficiently to ensure their ability to deliver consistent, reliable services.
3. **Accessibility:** Local childcare solutions must provide enough capacity to meet local needs and be available to the population most in need of these services, regardless of family income.

Throughout Nebraska, communities are addressing these issues by building cross-sector partnerships that involve

local business and industry, education and health care systems, nonprofit and philanthropic organizations, among others. In some cases, these partnerships target their investments at the construction of new child care facilities, but this is not the only or necessarily the best solution for local needs. Many communities have found ways to repurpose existing buildings as suitable spaces for





the care and education of young children. These solutions often offer opportunities for shared service agreements that can reduce operating costs and result in more sustainable, efficient programs.

Just as importantly, some regions of the state are leveraging their existing early childhood workforce more effectively by connecting care providers to networks of support to help them grow in quality and improve their business practices.

Building robust early childhood care and education systems can do much to address the most urgent, present-day challenges to the sustainability of Northeast Nebraska and its communities. Happily, these kinds of systems deliver more than near-term gains. Ultimately, investments in the development of young children represent a long-term strategy for building a talent pipeline that will deliver a more productive workforce, cohesive communities and a stronger Nebraska.

# Post Script

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## *Will This Work?*

The notion that something must be done is not new: whether it's cotton, corn or cattle, one hundred years of mechanical innovation have stealthily trimmed the need for a human workforce. The concerns presented here are not novel: rural areas around the globe watch their youth migrate to metropolitan areas dense with opportunity.

Hopefully, one of the biggest conclusions taken from this report is how much work and how many resources have set the stage for northeast Nebraska to succeed.

The people joined through this study and brainstorming over the past several months have dedicated years, some even lifetimes, to preparing for and battling against the demographic and social tide that drains Madison County and its regional neighbors.

The Aksarben Foundation and Mike Flood provided a catalyst to bring these individuals and independent initiatives to focus on the particular opportunities for Norfolk and its surrounding communities.

Our civic, educational, philanthropic and governing bodies grasp the urgency of reversing population declines and transforming twentieth century methods of production and trade. The recommendations and proposals compiled

here would have been impossible without the research and thought already prepared in anticipation that someday, somehow, the region would come together to organize and act. These same groups, however, cannot independently save the region and, frankly, have plenty of other obligations if northeast Nebraska cannot come together to command its commitments around a common priority for which we claim ownership.

Northeast Nebraska can set the aspirational example that everyone else chases. We have the perfect scale, people and resources to pursue and achieve accomplishments the rest of the world finds laughably audacious. We don't have to luxuriate in a comfortable demise – our communities can truly take control of the future.

And, while the constellation of solutions may seem complex, we take some comfort in the stark simplicity of the problem: **we must grow the region's population of 20-34-year-olds**. Our sustained economic relevance depends on designing communities and building professional opportunities that fulfill the coming generations.

**How will we know it's working?**



Evidence of progress will be revealed most immediately in the marshalling of our collective authority behind public commitments to strive for this ultimate objective. For example, just as Wayne State and local business leaders worked together to formulate the Cooperative Scholarship proposal, more employers and educators must elevate the quality of work and workforce in our region. Just as a coalition of city leaders, private interests and foundations came together to secure property pivotal to creating space that increases the density of young workers downtown, all levels of government and all types of developers will need to factor population retention into their planning.

More directly, the retention, in-migration and growth of Northeast Nebraska's 20-34-year-old population is the single-most important indicator of progress. Strategies like the Cooperative Scholarship proposal are about more than workforce; they have the potential to keep Madison County's population growing years past its projected peak.

As our population diversifies, closing gaps in educational achievement between white and non-white students becomes more than a matter of equity and justice; it is central to our economic survival. Just as every person in our region counts toward our progress in population, the full potential of every child and adult must be unlocked to transform the lives and work of our region.

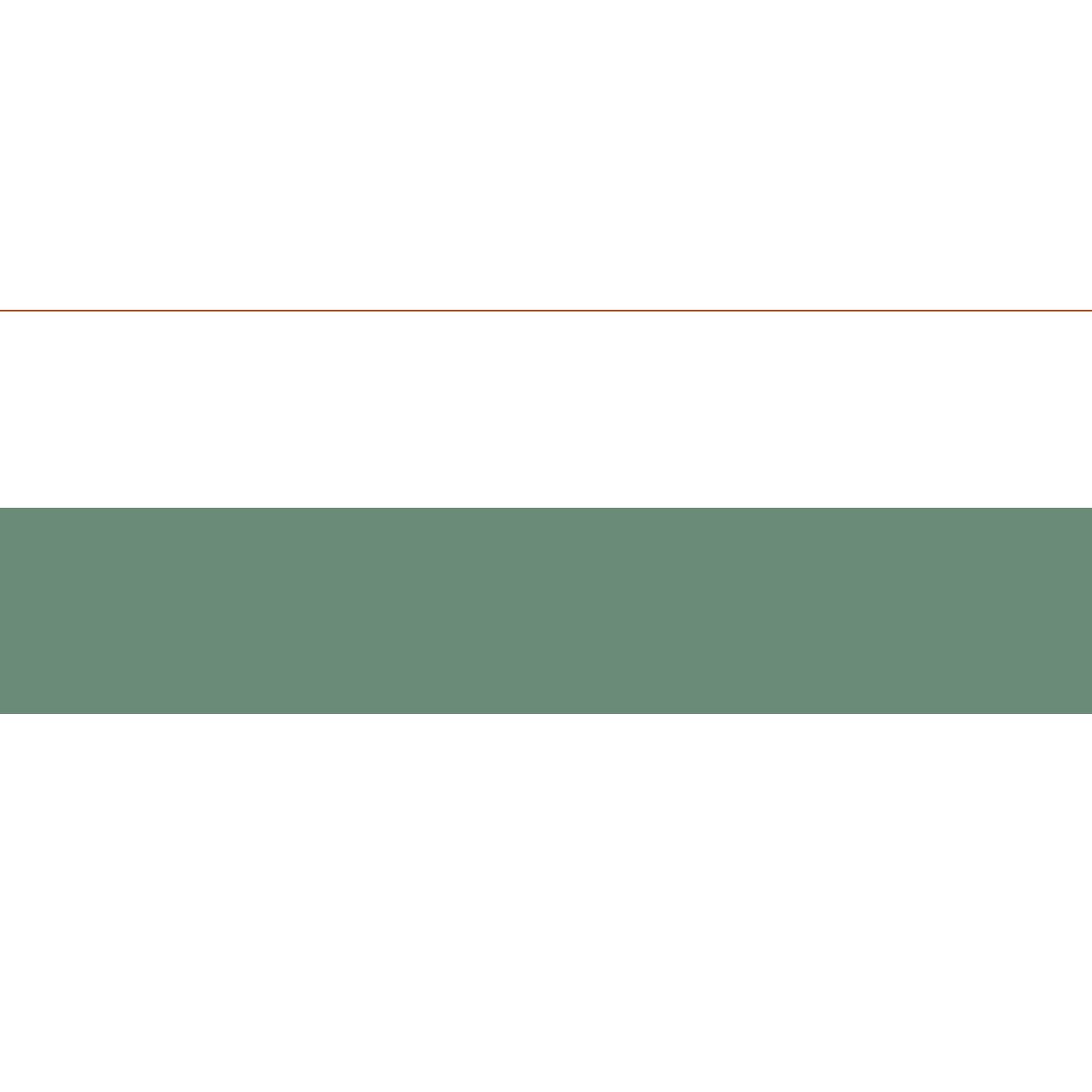
The past several months' work has revealed an army of people who have long prepared and become immensely qualified to do this "very special thing." The thoughts and ideas presented here represent the figurative "tap on the shoulder" that the Aksarben Foundation, Mike Flood and this team gives to Northeast Nebraska. Once we combine our energy, creativity and investment towards this commitment, it will indeed be our "finest hour."

In some sense, the campaign proposed here will work because it has to. We have every reason to expect it to work because we have everyone and everything that's needed for it to work.

**The only thing left is for us to start.**

*Churchill said, "To each there comes in their lifetime a special moment when they are figuratively tapped on the shoulder and offered the chance to do a very special thing, unique to them and fitted to their talents. What a tragedy if that moment finds them unprepared or unqualified for that which could have been their finest hour."*





# A Note to Other Communities

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How do I develop a plan like this for my region?

The plan for Northeast Nebraska demonstrates strategies that other regions around the state might consider. We follow a simple, powerful recipe to achieve the twin objectives of population and economic growth:

- Activate the right leadership
- Choose a hub to anchor planning and development efforts
- Capitalize on the area's unique assets
- Leverage philanthropic support to engineer commitments to new public spending priorities, business investment and social impact.

When we started the 'Growing Together' process, leaders were chosen who wouldn't necessarily agree on everything. The emphasis was on progress, not participation; not everyone invited came and most meetings happened regardless of who could make it. People who wanted to stay, stayed. Participants could invite anyone they thought would be helpful. There was no leadership vote and no expectations other than, "do what you say you will." The "right leadership" triggers coalitions organized around sustained commitments to long term objectives.

A community's ability to catalyze regional transformation varies according to infrastructure, population and its basic economic engine. The "right" town(s) to anchor such an effort will depend on whether a place has the intrinsic potential to financially and organizationally bolster investment and growth throughout the surrounding area. To sustain broad geographic support and credibility, satellites of the hub must be able to directly identify with and prosper from a plan.

The graphic on page 22 shows nearly 80% of Nebraska counties rely on agriculture as their "unique asset". Even as we celebrate the economic muscle with which we've been blessed, we must also acknowledge modern agriculture's declining demand for human labor. Fewer of the resilient, creative, innovative farm and ranch kids we grow (arguably our greatest asset) can expect to build the fulfilling lives in agriculture their parents and grandparents enjoyed. We must figure out how the special strengths and raw, undeveloped potential of each area of Nebraska can now be exploited to knit new connections to the global knowledge economy. Each town must be more than a great place to live and raise children. It must hold the promise of personal prosperity.

The Growing Together process confirmed our regions have access to financial support and investment to bridge the transformation we imagine here. The amount that could come from foundations and other philanthropies,



however, pales in comparison to our current levels of public investment and private lending. Vast amounts of Nebraska dollars will remain quietly sidelined until we tie budgets together around common, meaningful initiatives which build towards ways of doing business that build robust, diversified economies. Evidence of such a shift should be seen in what public entities fund, the multiplier effects from private lending and the improved quality of life and work for the people of a region.

Nebraska can either make do with the workforce the rest of the world lets us keep or we can create the conditions and careers that fuel the personal and economic aspirations of our children and grandchildren. We must fight to retain our people and convince others to come and believe their future lies with our communities. All positive outcomes pair population growth with economic success.

All hope rests in our abiding commitment to close the opportunity gap between our regions and the rest of the country.

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