



Lincoln

Nebraska

Economic & Demographic Profile

Partnership for Economic Development

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Welcome to Lincoln!

Lincoln, a city of nearly 250,000 people, offers the ambiance of a friendly small town and the amenities, attractions and entertainment opportunities of a major metropolitan area. Lincoln is both the state capital and home to the flagship campus of the University of Nebraska; as a result it provides a greater range of offerings than might be expected in a community of its size. Efficient transportation, a stable business environment, advanced health care technology and an excellent educational system are just a few reasons why Lincoln ranks highly in livability studies.

Kudos include:

- #18 of 200 **“Best Places for Business and Careers”** (*Forbes.com*)
- **“Five Star Business Opportunity Metro”** (*Expansion Management*)
- **“Entrepreneurial Hot Spot”** (*National Policy Research Council*)
- **“Five Star Quality of Life Metro”** (*Expansion Management*)
- 4th **Best Overall Business Climate** among smaller metropolitan areas (*Forbes Magazine*)
- #10 (out of 329 metropolitan areas) on list of **“Best Places in the U.S. to Locate a Company”** (*Expansion Management Magazine*).
- #22 of 50 **“Best Small Metro Areas for Starting and Growing a Business”** (*Inc. magazine*).
- #20 out of 100 **“Best Cities for Families”** (*Child magazine*)

Lincoln also is home to two companies on *Fortune Magazine’s* annual list of **“Top 100 Companies to Work for in America”** and boasts one of the **“Best Medium Sized Companies to Work for in America.”**

Location

Lincoln is located nearly equidistant between New York and Los Angeles on Interstate 80 the only coast-to-coast interstate.

Given its central location, all major Midwestern markets are accessible within a single day’s drive. In addition, Lincoln is less than three hours from anywhere in the United States via direct air flight.



Transportation

Highways

Major interstates and highways running through and adjacent to Lincoln include Interstate 80 (east-west), and US highways 2, 6, 34, and 77. Access to Interstate 29 (north-south) is less than one hour from Lincoln. A bypass routes U.S. 77 around Lincoln on the west, and plans for construction of east and south bypasses are underway.¹



Shipping and Distribution

More than 1,000 long-haul trucking firms are accessible within a 100 mile radius of Lincoln.² Full truckload service is available from Lincoln to anywhere in the nation within 3 days.

Package Delivery is available through the United States Postal Service, UPS, Fed Ex, DHL, American Courier Corp, Greyhound Package Express, and several local courier companies.

Air Transportation

Lincoln is served by two commercial airports with daily shuttle service available between locations. The Lincoln Municipal Airport is located less than 10 minutes from downtown and has daily departures to Chicago, Denver, Detroit, and Minneapolis. Eppley Airfield located in east Omaha is 65 minutes from downtown Lincoln and offers service from 13 airlines. Together the two airports offer more than 100 arrivals and 100 departures daily. A metro shuttle service provides easy access to both locations. In addition, Kansas City International Airport is accessible in approximately 2.5 hours via Interstate 29.

The Lincoln Municipal Airport also offers General Aviation services. The General Aviation runway is 8,649 feet long, elevation is 1,219 feet, and the runway is lit dusk to dawn.

Rail Transportation

Rail service is provided by Burlington Northern/Santa Fe Railroad and the Union Pacific Railroad. Both maintain yards in Lincoln. Daily passenger service and package express is provided by Amtrak. Any domestic destination is accessible by rail within 4 days of shipment from Lincoln.

Ground Transportation

Lincoln residents have numerous options for ground transportation including an Amtrak railway system, taxi, and local StarTran bus services.

The average commute in the Lincoln area is 18 minutes and nearly 20 percent of area commuters spend less than 10 minutes on the road.³

¹ Transportation Division, City of Lincoln Public Works Department

² Nebraska Trucking Association

³ US Bureau of the Census, American Community Survey, 2006, <http://factfinder.census.gov>

Employment and Wages

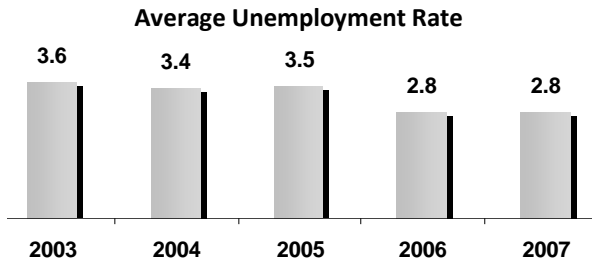
Lincoln offers a highly educated and motivated labor force. The work ethic and productivity of the Lincoln employees are cited by local employers as two key advantages of doing business in Lincoln.

Largest Private Sector Employers

Ameritas Life Insurance
 BryanLGH Medical Center
 BNSF Railroad
 Duncan Aviation, Inc.
 Kawasaki Motors Manufacturing, USA
 Lincoln Benefit Life
 Madonna Rehabilitation Hospital
 Molex, Inc.
 Nelnet
 Perot Systems
 Saint Elizabeth Regional Medical Center
 State Farm Insurance

Insurance
 Health Care
 Transportation
 Aviation Service/Sales
 Recreational Vehicles Mfg.
 Insurance
 Health Care
 Electronics Mfg.
 Financial Services
 Business Services
 Health Care
 Insurance

Current Labor Market Data⁴



Employment by Industry, 2007

Government	22%
Education & Health Services	14%
Retail & Wholesale Trade	12%
Professional & Business Services	11%
Leisure & Hospitality	10%
Manufacturing	8%
Financial Activities	7%
Construction & Mining	5%
Trans, Warehousing & Utilities	5%
Other Services	4%
Information	2%
	100%



⁴ Nebraska Workforce Development, Labor Market Information, <http://www.dol.state.ne.us/lwf.htm>

Underemployment

Underemployed individuals are those workers who possess the education, skills and experience to merit a better job, but are unable to locate or assume one. While Lincoln's unemployment rate is relatively low compared to other areas of the country, a recent study by the Nebraska Department of Labor⁵, found that nearly one-third those employed in Nebraska believe that they are underemployed. The majority of overqualified workers cited lack of adequate income from available jobs as the reason for holding current positions. The study also found that more than 40 percent of temporary employees seeking permanent jobs were currently earning college credit.

Unemployment Insurance

All non-construction industry employers who are not eligible for experience rating will be assigned a tax rate equal to the state's average tax rate or 2.5%, whichever is less. These rates will be recalculated each year so an employer cannot expect to have the same rate each of the two years it takes to qualify for experience rating. The rate can go up or down from the initial rate based upon the employer's experience with the unemployment insurance program.

The taxable wage base is \$9,000 (effective 2007). For more information link to:
<http://www.dol.state.ne.us/nwd> (Click on Employer Services; Unemployment Insurance).

Annual Wages by Occupation⁶

Occupations	Entry Level	Experience	Median
All Occupations	17105	43995	28940
Management	42110	99395	72310
Architecture & Engineering	28335	80340	52495
Legal	32570	63515	51420
Computer & Mathematical	32345	61355	48945
Business & Financial Operations	32275	58795	45870
Healthcare Practitioners & Technical	28760	70515	45340
Life, Physical, & Social Science	28005	56765	42700
Education, Training, & Library	26980	53360	40025
Installation, Maintenance, & Repair	22520	42950	34695
Arts, Design, Entertainment, Sports, & Media	17795	48025	33220
Protective Service	21580	41445	32050
Construction & Extraction	19995	37345	31610
Community & Social Services	21545	38960	31500
Production	22540	41380	31345
Farming, Fishing, & Forestry	19230	36525	29445
Office & Administrative Support	18220	32055	25790
Transportation & Material Moving	15950	34050	24995
Healthcare Support	19970	27410	23590
Sales & Related	14215	38065	20445
Building & Grounds Cleaning & Maintenance	15165	25095	19975
Personal Care & Service	14155	23445	18770
Food Preparation & Serving-Related	12725	18220	14875

⁵ Nebraska Underemployment Study, A Comparative Analysis 1992-2000.

⁶ Nebraska Workforce Development, Labor Market Information, <http://neblswages.nwd.ne.gov>, Dec 2007 ECI Factors

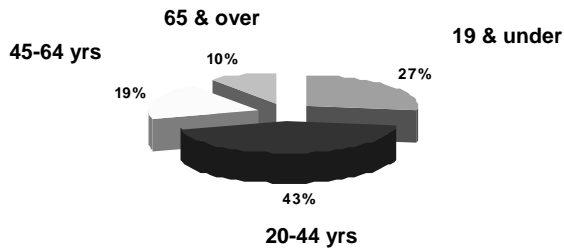
Demographic Profile⁷

Total Population

City of Lincoln 248,744
 Lincoln MSA (Lancaster & Seward Counties) 292,219

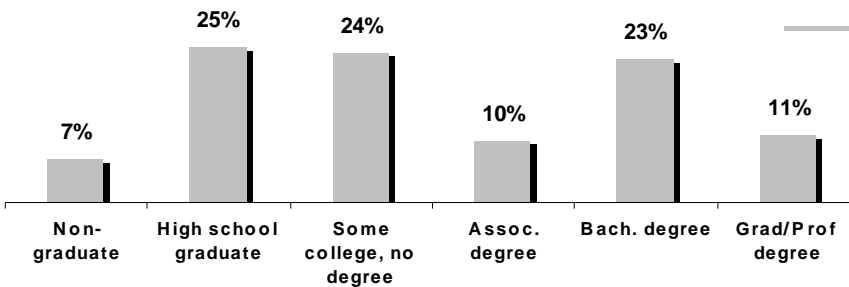
- Lincoln’s total population grew 10 percent from 2000 to 2007.
- Population growth is expected to average from 1.6 to 1.8 percent annually through 2020.

Age Distribution



- Lincoln’s median age is 32 years.

Educational Attainment (Persons 25 years and over)



- 93 percent of adults in Lincoln have at least a high school diploma; 34 percent have **at least** a Bachelor’s degree, compared to the U.S. average of 27 percent.

Income

Per Capita Income, 2006 \$23,854
 • % of U.S. 94%

Median Household Income, 2006 \$48,511
 • % of U.S. 100%

Median Family Income, 2006 \$62,567
 • % of U.S. 107%

⁷Sources: U.S. Census Bureau, Population Estimates Program; U.S. Census Bureau 2006 American Community Survey

Utilities

Electric: The Lincoln Electric System (LES), a publicly owned utility supplies electric service to Lincoln and surrounding communities. For the 21st straight year, a survey by KPMG LLP ranks the rates paid by LES customers among the lowest 10 percent in the country⁸. The system's reliability (the fraction of time that an LES customer has power) is 99.993 percent.

System Average Interruption Duration Index (SAIDI) ⁹ :	33.9 min. (5-yr average); U.S. average: 180 min.
System Average Interruption Frequency (SAIFI)	0.64 interruptions/year (5-yr average) U.S. average: 1.33
Average Cost per kWh:	varies by type of service; see Appendix 1, p 18

Natural Gas: Black Hills Energy, a full-service natural gas distribution company, is the retail supplier of natural gas in Lincoln. Commercial customers can select pricing options to stabilize their rates. In addition, Black Hills assists large volume users with customized services tailored to their specific needs.

Current Natural Gas Rates ^{10*}	Residential	Commercial
Customer charge	\$12.00/mo	\$17.00/mo
Avg. Price/Therm (recent 12 mos.)	\$0.96113	\$ 0.97760

*Rates vary slightly due to seasonal fluctuation. Average does not include taxes or regulatory assessments.

Telephone: Local residential and business wireline service is provided by Windstream Communications. Windstream has more than 240 route miles of cable fiber and 11,600 fiber strand miles in Lincoln. Fiber is generally available within 1/2 mile of a business site. Time-Warner Cable provides residential and business class digital phone service locally. Unite Private Networks provides dark fiber, lit fiber (1-10 gig), private line, metro optical Ethernet (MOE) Internet, VOIP and storage area networks for business customers.

Internet: In addition to Windstream and Time-Warner Cable, which offer a full spectrum of internet services, Lincoln is served by a number of local and national internet service providers.

Water & Wastewater¹¹: The City of Lincoln provides water and wastewater services.

Daily Water Capacity:	114 mil gallons/day
Average Daily Demand:	36 mil gallons/day
Daily Peak Demand:	97 mil gallons
Fees for Non-Residential Customers:	Two levels of rates based on use; see Appendix 2, p 18

The existing Lincoln wastewater collection system service area covers 13 drainage basins encompassing over 80 square miles. The system includes over 900 miles of wastewater collection pipelines ranging in size from 8-inch to 90-inch in diameter

Wastewater System Capacity:	32.5 million gallons/day
Average Daily Demand:	25.5 million gallons/day
Fees for Non-Residential Customers:	Based on monthly water use. Surcharge for high-strength waste.

⁸ Lincoln Electric System (LES), <http://www.les.com/pdf/RateSurvey.pdf>

⁹ Lincoln Electric System (LES), 2006 Outage Summary

¹⁰ Aquila Networks, Nebraska Residential Rates; Nebraska Firm Commercial/Industrial Franchise Rates.

¹¹ City of Lincoln Public Works/Utilities Department, Water Division

Commercial Real Estate

Lincoln's commercial and industrial real estate market has remained fairly stable despite recent economic fluctuations at the state and national levels.¹²

Cost Information

(rent/sq ft)

Downtown office

	Low	High	Effective Avg	Vacancy
Premium (AAA)	N/A	N/A	N/A	N/A
Class A (Prime)	\$ 14.50	\$ 22.00	\$ 17.75	20%
Class B (Secondary)	\$ 9.00	\$ 15.00	\$ 12.25	15%

Suburban office

New construction (AAA)	\$ 20.00	\$ 25.00	\$ 23.00	N/A
Class A (Prime)	\$ 16.00	\$ 22.00	\$ 16.50	14%
Class B (Secondary)	\$ 12.00	\$ 18.00	\$ 14.75	17%

Industrial

Bulk Warehouse	\$ 2.50	\$ 4.50	\$ 3.75	18%
Manufacturing	\$ 1.75	\$ 5.00	\$ 3.25	20%
High Tech/R&D	\$ 8.50	\$ 14.00	\$ 12.25	12%

Retail

Downtown	\$ 8.50	\$ 23.00	\$ 14.75	10%
Neighborhood Service Centers	\$ 9.00	\$ 27.00	\$ 14.00	10%
Community Power Center	\$ 10.50	\$ 18.00	\$ 13.00	10%
Regional Malls	\$ 18.00	\$ 36.00	\$ 24.00	10%

Development Land

(price/acre)

	Low	High
Office in CBD (per buildable sq')	\$ 19	\$ 45
Land in Office Parks	\$ 300,000	\$ 600,000
Land in Industrial Parks	\$ 87,000	\$ 220,000
Office/Industrial Land-Non-park	\$ 45,000	\$ 200,000
Retail/Commercial Land	\$ 350,000	\$ 1,200,000
Residential	\$ 28,000	\$ 182,000

Locatelincoln.com is a web-based geographic information system that enables users to conduct a detailed search for available sites and buildings. Users have the option to print a short report about each property directly from the web site, or elect to have a more detailed report sent via e-mail. The system interfaces with the Midlands Multiple Listing Service (MLS) a service of the REALTORS Association of Lincoln, and incorporates key infrastructure data (utilities, schools, roads, communication, zoning, etc.) from the City of Lincoln and other cooperating agencies and organizations. The system's core mapping function enables users to view sites along with associated map layers such as roads, schools rail lines, and electrical substations.

The system includes two search options. The *Simple Site Search* option quickly generates a list of suitable sites based only on site type and size. The *Advanced Site Search* offers a list of site variables including drive times to airports, proximity to water and sewer lines, and zone types. The system also reports demographic characteristics within a specified radius of a given site.

¹² NAI Global Commercial Real Estate Services, Market Research, <http://www.naidirect.com/mr.aspx>, March 4, 2008

Taxes

Sales Tax

The State of Nebraska and the City of Lincoln levy sales and use tax. State and local levies currently produce a combined 7.0 percent tax levy for Lincoln. The local rate in Lincoln of 1.5% has not increased since 1985.¹³

Income Tax

Individual income tax rates are established by the Nebraska Legislature. Taxable income for individuals in Nebraska is determined by the following formula:

- Federal AGI +
- Non-Nebraska tax exempt bonds —
- Federal standard deduction or federal itemized deduction, less state or local income taxes included in the deduction —
- U.S. government interest

Individual income tax rates range from 2.56 to 6.84 percent of income. There are no local income taxes in Lincoln.¹⁴

The Nebraska corporate tax rate¹⁵ is 5.58% for the first \$50,000 of the federal taxable and \$2,790 + 7.81% in excess of \$50,000.

Property Tax

Taxes on real estate and personal property are levied by local government subdivisions in Nebraska. Property tax on land, buildings and improvements is based on 100% of appraised valuation. The value of personal property is based on the recapture period. Personal property tax depreciation schedules permit full 100% depreciation.

Property tax levies (real and personal) have remained relatively stable in recent years. A comparison of 2006 and 2007 consolidated levy rates on \$100 of assessed value for the City of Lincoln¹⁶ is shown below.

	2006	2007	% Change
Rate per \$100 of value	1.9967880	2.009031	0.61%

The following resources provide detailed information on valuation and taxation in Nebraska:

Nebraska Department of Revenue: <http://www.revenue.state.ne.us>

Property Assessment & Taxation Division: <http://pat.nol.org/personalProperty>

¹³ Nebraska Department of Revenue, <http://www.revenue.state.ne.us/question/sales.htm>.

¹⁴ Nebraska Department of Revenue, <http://www.revenue.state.ne.us/question/indiv-03.htm#iquest5>

¹⁵ Nebraska Department of Revenue, <http://www.revenue.state.ne.us/question/business.htm#c12>.

¹⁶ Lancaster County Assessor, <http://www.lincoln.ne.gov/cnty/assess/LevyRates.htm>

Incentives and Business Climate

A variety of state and local incentives, training and financing assistance are designed to attract and retain businesses in Lincoln.

Nebraska Advantage: a comprehensive package of economic development incentives effective January 1, 2006. Nebraska Advantage contains 6 tiers of benefit:

Tier 1 - \$1 mil investment/10 new jobs: Refund of ½ of the sales tax paid for qualified property purchases at the project, the full sliding scale wage credit of 3,4,5 or 6% depending on wage level, and a 3% investment tax credit. Available to manufacturers, research and development or testing businesses, and listed technology-related services where at least 75% of the sales and licensing are to out of state customers or to the federal government.

Tier 2 - \$3 mil investment/30 new jobs: Sales tax refunds for capital purchases at the project, the sliding scale wage credit and a 10% investment credit.

Tier 3 – Jobs only: Requires creation of 30 new jobs. Companies receive the sliding scale wage credit. No capital investment is required.

Tier 4 - \$10 mil investment/100 new jobs: In addition to the sales tax refund, jobs credit, and the investment credit, qualifying businesses under this tier receive a personal property tax exemption for turbine-powered aircraft, mainframe computers, agricultural product processing machinery and personal property used in a distribution facility for up to 10 years.

Tier 5 – Investment only/no jobs: Requires \$30 million in new investment. Companies receive a refund of sales taxes paid on eligible property with the project.

Super Tier 6 – \$10 mil investment/75 jobs or \$100 mil investment/50 jobs: Offers 15% investment tax credit, 10% jobs credit on wages above specific threshold, sales tax refunds for capital purchases at the project, and personal property tax exemption up to 10 years.

Other components of Nebraska Advantage include:

Research and Development Advantage: Provides a tax credit for research and development activities by any qualified business entity. Allows a research tax credit to business firms that increase research expenditures in Nebraska. The credit is equal to 3% of any research and development expenditures that are greater than the average of the previous two years research and development spending. An important feature is that business with little or no income may take advantage of the income tax credit by receiving a sales tax refund or a refundable income tax credit.

State and local sales tax exemptions of manufacturing machinery, equipment, and related services: Manufacturing machinery and equipment is defined to include: equipment for transporting raw materials or components, molds and dies for forming cast or injected products or its packaging materials, machinery to maintain the integrity of the product or environmental conditions, testing equipment for quality control, computers that control a manufacturing process, machinery used to produce steam, electricity, catalysts, and solutions, repair or

replacement parts, and all installation, repair and maintenance service performed on such equipment.

Customized Job Training Program: Provides training assistance to qualifying companies that sell goods/services primarily to a non-Nebraska market. Eligible training projects include new investment in Nebraska that create full-time jobs or require retraining of existing full-time positions in order to retain those positions in Nebraska. Program details available at: <http://www.nebraskaadvantage.biz/customizedjobtraining.htm>

For more information contact Jason Smith, jsmith@lcoc.com, 402.436.2373 or link to www.nebraskaadvantage.biz.

Other incentives available in Lincoln:

Community Improvement Financing: Tax increment financing (TIF) of the cost of public improvements for projects located in blighted and substandard areas. Its purpose is to reduce developer capitalization to a level that makes investment feasible. Public improvements include land purchase, clearance and sale, construction of streets, sidewalks, utilities, parks or other similar public spaces necessary in site preparation.

New Market Tax Credits (NMTC): The New Markets program helps revitalize targeted urban and rural geographic areas through the retention and creation of jobs, the renovation and expansion of vacant business properties, community facilities, and the purchase of major equipment for business expansion. Eligible borrowers can obtain loans with lower interest rates and terms up to 25 years, creating a lower monthly payment and allowing borrowers to keep more cash in their businesses. The New Markets loan enables borrowers to expand and renovate their existing properties, buy the properties outright, or purchase additional property for business expansion. For loan information link to: <http://www.cdr-nebraska.org/nmtcbusiness.pdf>

Capital Gains Exemption: One-time exemption from state personal income tax on gains realized from selling or exchanging stock of a corporation acquired by an employee with the corporation. The corporation must do business in Nebraska for at least three years and must have a minimum of five shareholders. The provision is an excellent recruitment tool for growth-oriented companies that use company stock options as part of employee compensation or retirement programs.

Industrial Development Bonds: Designed to encourage economic and industrial development through the investment of private capital. Industry targets include manufacturing, warehousing, transportation, and tourism.

City/County Economic Development Loan Program: Job creation and building improvement loans.

Community Development Resources (CDR): Technical assistance, training and access to capital for new and existing businesses. Link to <http://www.cdr-nebraska.org>

Nebraska Economic Development Corporation (NEDCO): State-chartered nonprofit corporation that provides long-term capital loans to businesses unable to secure regular bank credit. NEDCO can make long-term loans (up to 20 years) to eligible small businesses for fixed asset projects.

Financing is limited to 40 percent of the project's total cost up to \$750,000 or \$35,000 per job created or retained. Revolving loan fund financing is limited to \$150,000 or 75 percent of the project cost not to exceed \$15,000 per job created or retained. Link to <http://www.nedcolans.org>

Nebraska Worker Training Program: Provides grants to assist firms in the retraining and upgrading of existing employees. Grants are awarded on a quarterly cycle. A match of at least one dollar of employer's funds (including wages for participating employees) for each dollar of state funds is required. Use of program funds is extremely flexible. The type and length of training programs, training vendors and materials are chosen by the company. Link to: <http://www.dol.state.ne.us/nwd> (click on Employer Services, Worker Training)

Work Opportunity Tax Credit (WOTC): Provides a credit against federal income tax liability of up to \$2,400 for each qualified hire. Qualified employees include 18 to 24 year old food stamp recipients, disabled persons, low-income ex-felons, and persons receiving SSI benefits. Link to: <http://www.dol.state.ne.us/nwd> (click on: Employer Services)

Business Assistance Programs

Lincoln has numerous assistance programs to help businesses stay competitive or find financing. Programs include:

- Nebraska Business Development Center (NBDC) which assists in business planning, analysis, market research, feasibility studies and microcomputer training.
Link to <http://nbdc.unomaha.edu/About/lincoln.cfm>
- The Food Processing Center at UNL provides expertise for the food processing industry in manufacturing, technology, marketing and business development.
Link to <http://www.fpc.unl.edu/index.htm>

In addition to specific incentives, the business climate is enhanced by:

- No state-levied property tax.
- 'Sales-only' corporate income tax apportionment factor.
- No property tax on business inventories.
- No tax on intangibles.
- Performance-based state and local sales tax credits and refunds for qualifying firms.
- Personal property tax depreciation schedules permitting full 100% depreciation.
- No sales tax on electricity, coal, gas and fuel oils when more than one-half used directly in processing or manufacturing.
- No sales or use tax on ingredients used in manufacturing or processing of a product destined for ultimate retail use.
- No sales tax on most food or prescription drugs.
- No sales tax on common carriers' vehicles and replacement parts.
- Sales tax refund on air and water pollution control equipment.

Technology Park

The University of Nebraska Technology Park is located in a 130-acre high amenity, master-planned development in northwest Lincoln. It is adjacent to Interstate 80, and five minutes from the University of Nebraska-Lincoln campuses, downtown and the Lincoln Municipal Airport. Since its inception in 1997 the Park has grown to house high-tech companies employing a total of more than 1,000 people.

The mission of the Technology Park is to promote synergy between the University of Nebraska and park tenants by facilitating technology transfer and interaction with the private sector via basic and applied research of technology based projects and services. The results are intended to foster economic development and new jobs for the state.

All potential occupants of the Technology Park are evaluated by the Park's executive committee in accordance with a list of permitted activities. Permitted activities include but are not limited to:

1. Laboratories and related facilities intended for basic and applied research, development of technology-based products and services or testing of technology-based products and services.
2. Facilities intended for production or assembly of products of a technological nature.
3. Pilot plants in which prototype production processes can be tested and used for assembly of products of a technological nature.
4. Corporate, regional and divisional headquarters of technology-based or knowledge-driven companies and organizations.
5. Technology-dependent or computer-based facilities dedicated to the processing of data or analysis of information, provided that these information services are supported by on-site research or product development.

Key features of the park include a 23,000 square foot Technology Development Center that provides incubator space for new technology-based companies as well as One Technology Place and the Cabela's Technology Center, multi-tenant facilities designed specifically for midsize companies and Technology Development Center graduates.

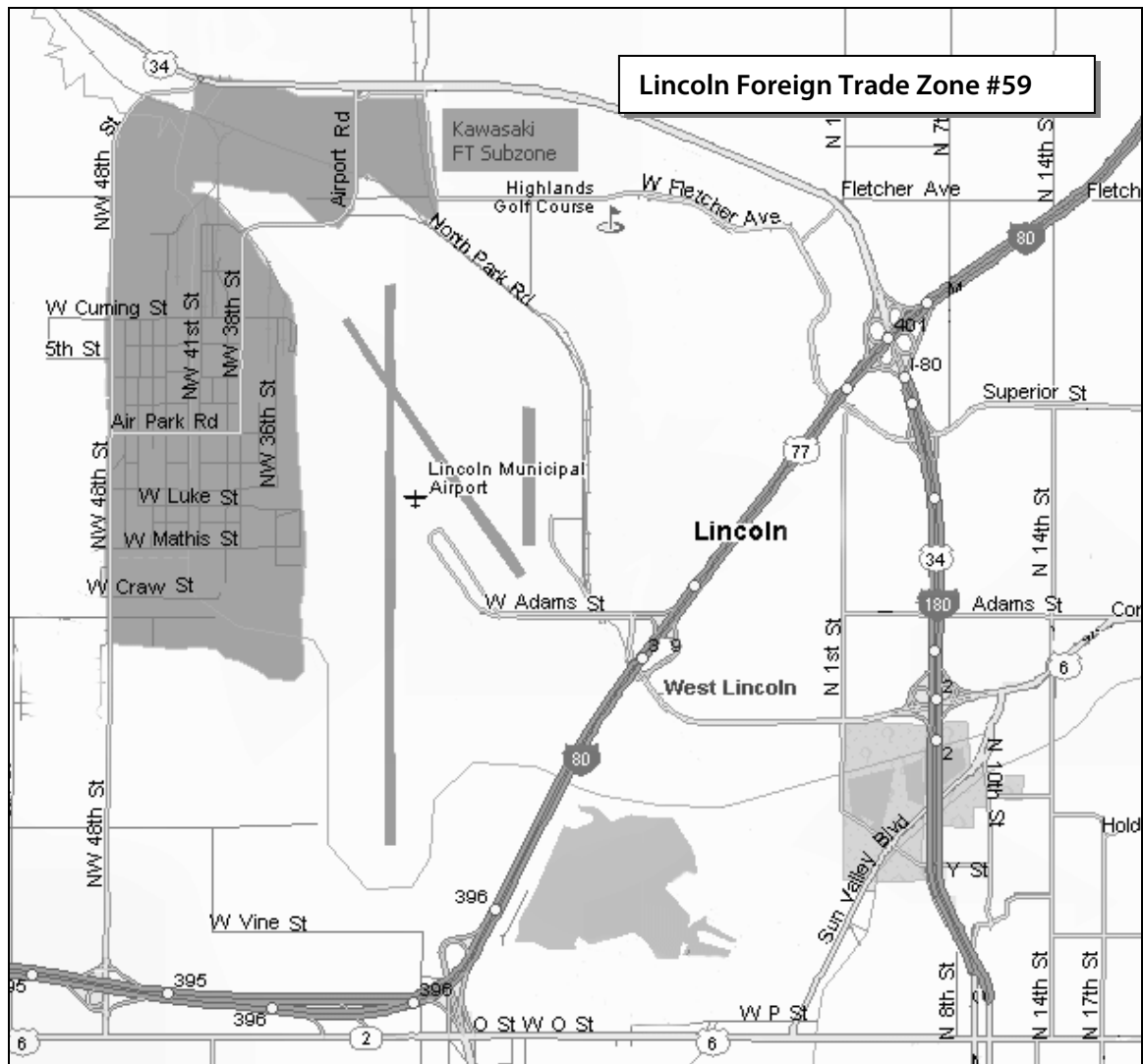
Advantages include redundant fiber optic telecommunications service, an on-site OC-12 Sonet Node, fiber optic interconnectivity of park buildings, an on-site co-location facility for mission critical data storage, a "smart" auditorium available for internet based training, videoconferencing, access to University of Nebraska facilities, a student internship program, and an Affiliate Incubator Program for off-site companies.

A particularly unique component of the Park is the Nebraska Center for Excellence in Electronics (NCEE), a full-service electronics testing and training laboratory providing regulatory compliance testing to the Federal Communications Commission (FCC), the European Union, and other appropriate emissions and immunity standards.

For more information visit the Tech Park web site at <http://www.nutechpark.com>

Foreign Trade Zone

Lincoln has a 372-acre general purpose Foreign Trade Zone (FTZ) located in the northwest quadrant of the city, adjacent to the Lincoln Municipal Airport. The zone is administered by the Lincoln Partnership for Economic Development.



Foreign Trade Zones are designed to encourage economic growth and make domestic companies more competitive against foreign counterparts. The fundamental advantage offered by the FTZ program is the ability to defer, reduce, or in some cases, eliminate Customs duties on products admitted to the zone. Other benefits include:

- Elimination of quota restrictions on goods admitted to the zone.
- Improved manufacturing and distribution logistics.
- Improved security and potentially lower insurance costs.

Quality Living

Cultural Amenities

Lincoln is home to a 2,400 seat performing arts center, a professional symphony, chamber orchestra, jazz orchestra and ballet company. Lincoln also boasts the Sheldon Memorial Art Gallery renowned for its significant collection of 20th century American art. In addition, a state-of-the-art film center offers a variety of quality presentations from American independent and foreign films, to classics, documentaries and experimental films for public viewing.

Festivals and Events

Lincoln hosts a myriad of festival and events throughout the year. A small sample of these events includes a farmer's market from May to October, Jazz in June, Trail Trek, Chocolate Lovers Fantasy, Ribfest, the Nebraska State Fair, and Star City Holiday Parade.

Recreation & Sports

There are dozens of golf courses, parks and playgrounds located throughout the Lincoln area. There are also several public swimming pools, a public water park, a children's zoo and a public observatory. Fishing and boating are plentiful at the many state recreation areas in and around the Lincoln area. Racing enthusiasts enjoy events at three local raceways from April to September.

Lincoln has an extensive hiker-biker trail system. Considered one of the best in the region, the trail system uses converted rail lines to make an enjoyable way for bikers and pedestrians to tour the city and surrounding region at their leisure.

From football to soccer, baseball to ice hockey, Lincoln is a mecca for sports enthusiasts. Lincoln is home to a professional baseball team, a Tier I Junior league ice hockey team and nationally ranked college athletic programs in football, baseball, volleyball, softball, track and gymnastics. Lincoln hosts numerous state high school championships and NCAA regional tournaments. Lincoln also offers four large soccer venues, premier junior volleyball facilities, and a variety of recreational and club leagues for children of all ages.

For more information on Lincoln's amenities, events, recreation and sports, link to the Lincoln Convention and Visitors Bureau, www.lincoln.org.

Health Care

Lincoln is home to three full-service medical centers, a hospital specializing in heart surgery, and a premier rehabilitation hospital specializing in stroke, brain and spinal cord injury. The Lincoln health care system also provides a 24-hour information and services line; an extended-hour illness and injury clinic; eight nursing homes and several in-home-care agencies; and a community blood bank.

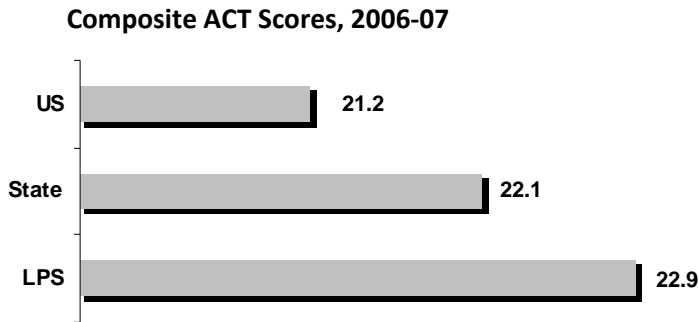
Health care is affordable both to businesses and individuals. Nebraska was recently ranked 5th among states by Expansion Management¹⁷ in terms of lowest health insurance costs to business and 6th for healthcare visit costs.

¹⁷ Expansion Management, January/February 2007

Elementary & Secondary Education

The Lincoln Public Schools (LPS) consist of 36 elementary schools, 10 middle schools, 6 high schools, 1 alternative high school, and focus programs in *science, arts and humanities, technology, and entrepreneurship*. LPS, which enrolls roughly 32,000 annually, was ranked

among the top five in the nation for quality of education by *Expansion Management Magazine*.



LPS students score above state and national averages on a variety of standardized tests including the ACT.¹⁸ Two-thirds of LPS seniors take the ACT; on average 17 percent scored above 28

as compared to 10 percent nationally.

LPS graduation rates are consistently high. Since 2001 an average of 77 percent of 12th graders has received diplomas.¹⁹ Seventy-five percent of LPS graduates pursue postsecondary education.

Lincoln is home to nearly 30 private and parochial schools ranging from pre-K to high school. Affiliations include Roman Catholic, Lutheran, SDA, and non-denominational Christian.

Postsecondary Education

Lincoln is home to the flagship institution of the University of Nebraska system. Founded in 1869, the University of Nebraska-Lincoln is the state's only land-grant university and primary research and doctoral-degree granting institution. UNL enrolls nearly 23,000 students annually. Areas of excellence include materials research, electronics engineering and testing, remote sensing technology, bioinformatics, nanotechnology, plant genomics, and entrepreneurship.

Other postsecondary institutions in the Lincoln area include:

Southeast Community College: Provides quality applied technology and academic educational opportunities for the students, businesses and communities in the district.

Nebraska Wesleyan University: Ranked the number one liberal arts college in Nebraska by *U.S. News & World Report*.

Kaplan University: Offering quality programs that integrate general education, professional skills and career-focused education.

Doane College: An independent four-year college offering traditional liberal arts and non-traditional/adult undergraduate and graduate education.

Concordia University (Seward): Private four-year institution consistently ranked in the top tiers of Midwest colleges by *U.S. News & World Report*.

Union College: An independent four-year college offering degrees in the liberal arts and sciences.

¹⁸ Source: Lincoln Public Schools, Evaluation Unit, <http://misc.lps.org/misc/post/index.cfm?collection=90>, ACT High School Profiles - 5 Year History link.

¹⁹ Source: Lincoln Public Schools, Evaluation Unit, <http://misc.lps.org/misc/post/index.cfm?collection=98>, Graduation Rate link.

Climate

Lincoln is located in the upper Midwest region of the country, an area that enjoys the full range of seasons. Seasonal averages are 51°F in spring, 75 in summer, 52 in fall and 26 in winter²⁰.

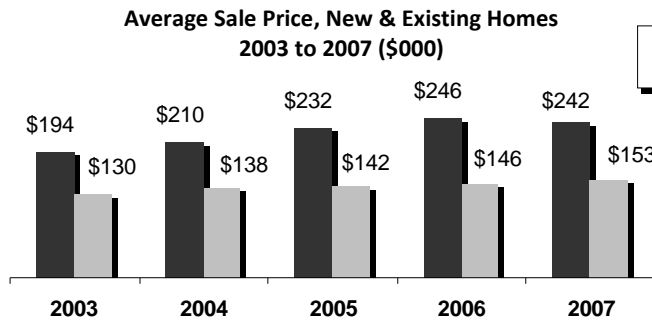
January high	32°	Average temperature	51°
January low	13°	Average clear days	212 annually
July high	89°	Annual precipitation	29 inches
July low	68°	Average growing season	180 days

Air and Water Quality

Lincoln's air quality gets grades of "A" on ozone pollution and "B" on particle pollution from the American Lung Association²¹ in its *State of the Air 2006 Report*. Lincoln consistently ranks among the cleanest cities in the nation for ozone pollution.

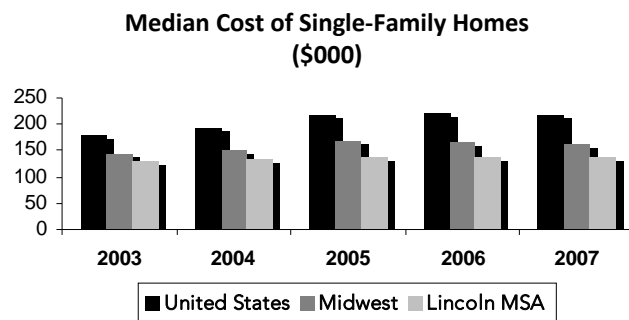
Lincoln receives its water from a groundwater aquifer, a self-replenishing source naturally high in quality. Lincoln's drinking water meets or exceeds all State and Federal drinking water regulations.

Housing Costs²²



Average Rents for Multi-Family Units, 2006 (Avg. low – Avg. high \$)

Area	NW	NE	SE	SW
Efficiency	394-426	404-418	451-456	364-416
1-br	478-549	523-605	549-587	416-467
2-br	585-671	626-745	637-702	522-602
3-br	766-815	801-843	839-886	705-761



²⁰ University of Nebraska-Lincoln High Plains Regional Climate Center, <http://www.hprcc.unl.edu/nebraska/lincoln.html>

²¹ http://lungaction.org/reports/sota06_full.html

²² Sources: REALTORS Association of Lincoln, Market Statistics; 2006 Multi-family Rental Property Report; National Association of Realtors, Metropolitan Area Existing Home Prices, <http://www.realtor.org/Research.nsf/Pages/MetroPrice>

Selected Web Resources

Economic Development

Downtown Lincoln Association
<http://www.downtownlincoln.org>

Partnership for Economic Development
<http://www.LINCOLNecdev.com>

NE Department of Economic Development
<http://www.neded.org>

Education

Kaplan University
<http://www.kucampus.edu/kucampusPortal/kucampusCampuses/Nebraska/Lincoln/>

Lincoln Public Schools (LPS)
<http://www.lps.org>

Nebraska Wesleyan University
<http://www.nebrwesleyan.edu>

Southeast Community College
<http://www.southeast.edu>

University of Nebraska-Lincoln
<http://www.unl.edu>

General Information

City of Lincoln
<http://www.lincoln.ne.gov>

Lincoln Chamber of Commerce
<http://www.lcoc.com>

Lincoln Convention & Visitors Bureau
<http://www.lincoln.org>

State of Nebraska/State Agencies
<http://www.nebraska.gov>

Labor Force & Employment

Lincoln Jobs
<http://www.lincolnjobs.com>

Nebraska Job Link
<http://nejoblink.dol.state.ne.us>

Medical Services

BryanLGH Medical Center
<http://www.bryanlgh.org>

Locate Physicians
<http://lincoln.specialtycare.org>

Madonna Rehabilitation Hospital
<http://www.madonna.org>

Saint Elizabeth Regional Medical Center
<http://www.saintelizabethonline.com>

Property Information

Locate Sites & Buildings
<http://www.LOCATELINCOLN.com>

REALTORS Association of Lincoln
<http://www.lincolnrealtors.com>

Utilities

Black Hills Energy (Natural Gas)
<http://www.blackhillscorp.com>

Windstream Communications (Local Phone Service)
<http://www.Windstream.com>

Lincoln Electric System (LES)
<http://www.les.com>

Lincoln Public Works
<http://www.lincoln.ne.gov/city/pworks/index.htm>

Time Warner Cable (Cable & residential phone)
<http://www.twcnebraska.com>

Appendix 1: Electric Service Rates

(Effective March 1, 2008)	Small	Medium	Large
	28% Load Factor	28% Load Factor	28% Load Factor
	150 kW & 30,000 kWh	500 kW & 100,000 kWh	1,000 kW & 200,000 kWh
Industrial Low Load Factor			
Primary	7.95¢	9.33¢	9.24¢
Secondary	8.64¢	9.71¢	9.62¢
Industrial High Load Factor			
	90% Load Factor	90% Load Factor	90% Load Factor
	150 kW & 97,000 kWh	500 kW & 325,000 kWh	1,000 kW & 650,000 kWh
Primary	4.08¢	4.28¢	4.26¢
Secondary	4.40¢	4.44¢	4.41¢
Commercial Low Load Factor			
	42% Load Factor	42% Load Factor	42% Load Factor
	150 kW & 45,000 kWh	300 kW & 90,000 kWh	500 kW & 150,000 kWh
Primary	6.08¢	6.05¢	6.90¢
Secondary	6.59¢	6.56¢	7.17¢
Commercial High Load Factor			
	50% Load Factor	50% Load Factor	50% Load Factor
	100 kW & 36,000 kWh	280 kW & 100,000 kWh	500 kW & 180,000 kWh
Primary	5.49¢	6.20¢	6.09¢
Secondary	5.94¢	6.44¢	6.33¢
Source: Lincoln Electric System (LES)			
To calculate specific costs for your company link to: http://www.les.com/your_business/bill_calculator.asp?look=b			

Appendix 2: Non-Residential Water & Wastewater Fees

Water is sold by the unit. One unit equals 100 cubic feet (748 gallons.) There are two levels of non-resident users.

1. Customers who used less than 12 million cubic feet the previous calendar year pay:

Price Blocks	\$1.13/unit	\$1.59/unit
Monthly	1-80 units	all additional units
Bi-monthly	1-160 units	all additional units

2. Customers who used more than 12 million cubic feet the previous calendar year are billed according to a high user schedule. On a calendar year, a "base usage" of each high user customer is determined. The base usage is an average of the water usage of each high user customer for the previous three calendar years. Rates are as follows:

- \$1.07 per unit for usage less than base to 5% above base
- \$1.11 per unit for usage 5% - 15% above base
- \$1.15 per unit for usage 15% - 25% above base
- \$1.20 per unit for usage more than 25% above base

Wastewater

The wastewater rate is based on a flat fee of \$1.575 per unit. Wastewater fees for non-residential users are determined by each month's water use. In addition some industries pay a surcharge for high-strength waste.

Source: Lincoln Water System , <http://www.lincoln.ne.gov/city/pworks/business/wtswbill/rates/index.htm>, Feb 2008