



City of Grand Island

Tuesday, September 27, 2016

Council Session

Item G-2

Approving Minutes for September 20, 2016 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION
September 20, 2016

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on September 20, 2016. Notice of the meeting was given in the *Grand Island Independent* on September 14, 2016.

Mayor Jeremy L. Jensen called the meeting to order at 7:00 p.m. The following Councilmembers were present: Mitch Nickerson, Mark Stelk, Jeremy Jones, Chuck Haase, Julie Hehnke, Linna Dee Donaldson, Michelle Fitzke, Vaughn Minton, Roger Steele, and Mike Paulick. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Finance Director Renae Griffiths, City Attorney Jerry Janulewicz, and Public Works Director John Collins.

Mayor Jensen introduced Community Youth Council member Miranda Keiper.

INVOCATION was given by Community Youth Council member Miranda Keiper followed by the PLEDGE OF ALLEGIANCE.

SPECIAL ITEMS:

General and Financial Information on Food & Beverage Occupation Tax. City Administrator Marlan Ferguson stated the Food and Beverage Tax had been in place since July 2016 with estimated revenue of \$2 million.

Kent Birnie, 1224 West Anna Street commented on his small business and the impact this tax would have on his business.

Ron Depue, 208 North Locust Street commented on the Food and Beverage Oversight Tax Committee meeting last Thursday, September 15, 2016.

Assistant Finance Director William Clingman stated it was the responsibility of the business owner to consult with a tax professional and/or the Nebraska Department of Revenue when figuring the food and beverage tax. The Food and Beverage tax rate was 1.5% and was applicable to food and beverages subject to Nebraska sales tax which included alcoholic beverages. Returns of the taxes were due by or must be postmarked on the 25th of the following month. Late returns were subject to a 10% penalty and interest of 1% for each month they were late.

Reviewed was the history of the food and beverage tax total receipts since 2008. FY 2015-2016 total receipts were \$1,718,878.80 through August 2016. Mr. Clingman gave an example of how to calculate the tax, what was subject to the tax and what was non-taxable. Occupation tax was subject to sales tax. The Finance Department was working with the restaurant owners in making sure the correct tax was collected.

Currently there were three establishments on payment plans. The following three commercial establishments were past due: Uncle Ed's Steakhouse, Carnivore's, and McKinney's.

Mr. Clingman stated they had been working with the Health Department in identifying who had food permits and were required to pay the tax.

Parks and Recreation Director Todd McCoy stated his department had a long list of worthwhile and overdue projects that could benefit from the food and beverage tax funding. The following four major projects were:

Veterans Athletic Field Complex Expansion – expanding the Veterans Athletic Field Complex would alleviate scheduling conflict with local leagues and provide facilities to keep pace with the growing demand of area competitive sports teams. With the improvements, the complex would be a desirable location for state and regional tournaments. It was estimated that the annual expense to operate the additional fields was approximately \$75,000 for staffing, fuel, fertilizer, electricity, weed control, equipment, etc.

Island Oasis Expansion and Update – in 2004 an Aquatic Master Plan was completed recommending a dedicated children's play pool be added to Island Oasis. In 2007 the City hired Water Technology and Olsson and Associates to design a children's area project. Funding had not been available to complete the project. A budget of \$1.7 million was estimated to complete a dedicated children's wet play area at Island Oasis. It was estimated that the annual expense to operate the additional expansion was approximately \$50,000 for staffing, additional pool chemicals, natural gas, electricity, and maintenance.

Heartland Public Shooting Park 100-Meter Range – the immediate need to a new range is driven by the National 4-H Shooting Championships. The National 4-H Shooting Championships has continued to grow each year. The existing 100-meter range no longer meets their needs. Building a new range would also make HPSP more attractive to new regional and national events. Additionally, the range would enhance existing HPSP events like Zombies in the Heartland, American Marksman, Sportsman Team Challenge, Steel Challenge, and more. Engineers have estimated the new range to cost near \$800,000.

Second Large Baseball Field – the American Legion Baseball Field at Ryder Park is Grand Island's only true large competitive baseball field. Since the addition of high school baseball and the explosion of select teams, Grand Island is in need of an additional 90' base field. A new baseball field would accommodate more teams and take pressure off Ryder and Ashley fields. The new baseball field project including facilities is estimated to cost \$750,000.

Additionally, the Parks and Recreation Department had a number of ongoing needs for park updates, hike/bike trail expansion, and more. Below is a tentative list of potential projects to be completed in the next five years.

2016	Fieldhouse Turf	\$ 170,145
2017	Vet's Soccer Concession/Bathroom Bldg	\$ 250,000
2017	Lions Park Irrigation	\$ 50,000
2017	Sterling Parks Phase 3	\$ 150,000
2017	Misc: Replace Playground, Parking Lots, etc.	\$ 150,000

2018	Phase II Veterans Complex	\$1,500,000
2018	Replace Original Two Water Park Slides	\$ 300,000
2018	Island Oasis Expansion	\$1,700,000
2018	Sterling Park Phase 4	\$ 150,000
2018	Misc: Replace Playground, Parking Lots, etc.	\$ 150,000
2018	Hike/Bike Trail Development	\$ 250,000
2019	HPSP 100 Meter Range	\$ 800,000
2019	Seawall Sucks Lake South Bank	\$ 200,000
2019	Baseball Field Ryder Park	\$ 750,000
2019	Grace Abbott Band Stand	\$ 100,000
2019	Hike/Bike Trail Development	\$ 75,000
2019	Misc: Replace Playground, Parking Lots, etc.	\$ 150,000
2020	George Park Field Upgrade	\$ 200,000
2020	Splash Pad	\$ 400,000
2020	Skate Park Upgrades	\$ 300,000
2020	Hike/Bike Trail Development	\$ 75,000
2020	Misc: Replace Playground, Parking Lots, etc.	\$ 150,000
2021	Misc: Replace Playground, Parking Lots, etc.	\$ 175,000
2021	Hike/Bike Trail Development	\$ 75,000
		\$8,270,145

City Administration was recommending the consideration of a ten year \$5 million bond to fund the completion of the four major projects. Annual bond payments were estimated at \$541,623. Conservative estimates show the food and beverage revenue would generate \$6.25 million during the same time period.

Discussion was held regarding the additional cost of maintaining these additional facilities which would require additional employees. Mentioned was the need for an indoor community pool and archery range.

Kurt Haecker, 2604 Riverside Drive on behalf of the Executive Committee of Grow Grand Island presented a brief overview of Grow Grand Island. Their mission was to grow Grand Island, cultivate bold ideas that create business and quality of life opportunities in our region through planning, partnering and doing.

The following goals were presented for Grow Grand Island:

- Help Existing Businesses Grow
- Assist & Nurture Entrepreneurial Culture
- Enhance Community Image & Marketing Activities
- Improve Educational Attainment that Align w/Employer Needs
- Continue to Develop our Community Assets

Grow Grand Island, Inc. a non-profit organization was in the process of applying for a 501 c 3 status in order to accept funds from the City.

Chamber of Commerce President Cindy Johnson explained the following Grow Grand Island (GGI) grant process:

- GGI finalizes project in committee
- Submits application (growgrandisland.com)
- App. Reviewed by GGI Grant Committee
- Grand Committee recommendation of GGI Exec.
- GGI Exec approves/denies/approves different \$\$\$
- GGI Exec. Reviews finances
- Grant App. Signed by GGI Exec. Chair, Grant Chair, Finance Chair, & authorized City Official (when applicable)

Ms. Johnson stated there were currently 13 projects at a cost of \$1,700,000. She also commented on the function of the Oversight Committee. It was to advise the public and city officials with regard to the food and beverage tax; confirm the food and beverage tax revenues are accounted for in the designated special revenue funds; and confirm the collected funds are being expended on eligible projects as provided by city ordinances.

Husker Harvest Days was mentioned regarding funding from GGI and what the City could do to help keep this venue in Hall County.

City Attorney Jerry Janulewicz explained the agreement between the City of Grand Island and Grow Grand Island, Inc. with regard to the Food and Beverage Tax. He stated the voter-approved ballot measure directed the occupation tax be used for the following community enhancements:

1. The annual financial commitment to the Nebraska State Fair as required by state law;
2. Promote entertainment, agricultural and livestock shows, trade shows and similar events that will attract visitors to Grand Island;
3. Ongoing enhancement and development of recreational and athletic facilities such as hike, bike and recreational trails, ball fields and other community activity needs; and
4. Invest in community development projects and activities that stimulate progress and growth for Grand Island.

Grow Grand Island, Inc., a Nebraska nonprofit corporation (“GGI”), was organized and established through the effort of community minded individuals and organizations for the purpose of promoting, encouraging, and developing projects and programs to promote entertainment, agricultural and livestock shows, trade shows and similar events that would attract visitors to Grand Island and to invest in community development projects and activities that stimulate progress and growth for Grand Island.

ADJOURNMENT: The meeting was adjourned at 8:39 p.m.

RaNae Edwards
City Clerk