



City of Grand Island

Tuesday, November 22, 2016

Council Session

Item F-3

#9614 - Consideration of Amending City Code Article 23, Chapter 7, Section 23-65, Food and Beverage Retailers Occupation Tax; Intent and Purpose of Article

Staff Contact: Jerry Janulewicz

Council Agenda Memo

From: Jerry Janulewicz, City Attorney

Meeting: November 22, 2016

Subject: Harmonize City Code with Food and Beverage Retailer Occupation Tax ballot measure as approved.

Presenter(s): Jerry Janulewicz, City Attorney

Background

At the primary election held May 10, 2016, the electors of Grand Island approved by majority vote a ballot measure regarding Food and Beverage Retailer Occupation Tax. The measure, as approved by the electors, stated the proceeds of the tax “**shall be used for the following community enhancements:** The annual financial commitment to the Nebraska State Fair as required by state law; Promote entertainment, agricultural and livestock shows, trade shows and similar events that will attract visitors to Grand Island; Ongoing enhancement and development of recreation and athletic facilities such as hike, bike and recreational trails, ball fields and other community activity needs; Invest in community development projects and activities that stimulate progress and growth for Grand Island.”

As adopted and enacted by Council, City Code Section 23-65 states the revenue derived from the occupation tax “**shall be designated for uses in the following order:** (i) To make the City’s quarterly payments to the Nebraska State Fair Support and Improvement Fund as required by Neb Rev. Stat. §§2-108-110; (ii) Promote entertainment, agricultural and livestock shows, trade shows and similar events that will attract visitors to Grand Island; (iii) Ongoing enhancement and development of recreation and athletic facilities such as hike, bike and recreational trails, ball fields and other community activity needs; and (iv) Invest in community development projects and activities that stimulate progress and growth for Grand Island.”

The purpose of the proposed amendment of Section 23-65 is to harmonize this section with the ballot language approved by the city’s electors.

Discussion

The amendment of Section 23-65, if approved and enacted, would harmonize City Code with the ballot language approved by the electorate by removing language that provides a priority of use for occupation tax revenues.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the ordinance amending Section 23-65.
2. Take no action on the ordinance.
3. Refer to committee.

Recommendation

City Administration recommends that the Council approve the ordinance amending City Code Section 23-65 thereby harmonizing this section with the ballot measure approved by the city's electors.

Sample Motion

Move to approve the ordinance amending City Code Section 23-65.

ORDINANCE NO. 9614

An ordinance pertaining to occupation tax; to amend Chapter 23, Article VII, Section 23-65 pertaining to Intent and Purpose of Food and Beverage Retailer Occupation Tax; to repeal any ordinance or parts of ordinances in conflict herewith; and to provide for publication and the effective date of this ordinance.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA:

SECTION 1. Grand Island City Code Chapter 23, Article VII, Section 23-65, is amended to read as follows:

§23-65. Intent and Purpose of Article

(A) Pursuant to the authority of Nebraska Revised Statute R.R.S. 1943, Section 16-205, the City Council finds, determines and declares that it is appropriate that a tax be imposed on commercial establishments that sell food and beverages as herein defined for the purpose of raising revenues. The foregoing determination is made with due consideration of business in the City and the relation of business to the municipal welfare, together with relation thereof, to expenditures required by the City, and with consideration of just, proper and equitable distribution of the tax burdens within the City and other properly associated matters.

(B) That revenue derived from Grand Island City Code, Article VII - the Food and Beverage Tax shall be used for the following community enhancements designated for use in the following order:

- (i) To make the City's quarterly payments to the Nebraska State Fair Support and Improvement Fund as required by Neb Rev. Stat. §§2-108-110;
- (ii) Promote entertainment, agricultural and livestock shows, trade shows and similar events that will attract visitors to Grand Island;
- (iii) Ongoing enhancement and development of recreation and athletic facilities such as hike, bike and recreational trails, ball fields and other community activity needs; and
- (iv) Invest in community development projects and activities that stimulate progress and growth for Grand Island.

SECTION 2. Any ordinances or parts of ordinances in conflict herewith be, and hereby are, repealed

Approved as to Form	☐ _____
November 16, 2016	☐ City Attorney

ORDINANCE NO. 9614 (Cont.)

SECTION 3. This ordinance shall be in force and take effect from and after its passage and publication.

Enacted: November 22, 2016.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk