



Community Redevelopment Authority (CRA)

**Wednesday, August 17, 2016
Regular Meeting**

Item J1

**Interlocal Agreement with the City of Grand Island regarding
proposed additional sales tax**

Staff Contact:

August 9, 2016

From: Chad Nabity, AICP Director

To: CRA Board

Re: Interlocal Agreement with City of Grand Island

Enclosed you will find a draft of an interlocal agreement between the CRA and the City of Grand Island and a resolution to consider for approval of the agreement authorizing the Chair to sign the agreement.

The Grand Island City Council is considering placing an initiative on the November election ballot that would allow the city to increase the local option sales tax by ½ cent. This additional ½ cent is permitted if approved by the citizens of the city. It must be spent on infrastructure including but not limited to streets, water, sewer, gas, electrical, storm drainage, railroad extension and spurs, telecommunications, cable, fiber optic, satellite service, and airport expansion and upgrades.

As part of the enabling legislation allowing this additional tax the City must enter into an interlocal agreement with another political subdivision for the purposes of creating an oversight committee for the project and funding associated with the tax. The city of Fairbury has already implemented and approved the tax. They entered into an agreement with their community redevelopment authority. Legal counsel for the City Of Grand Island has recommended a similar approach for Grand Island.

The CRA is a logical choice for such an agreement as you are already concerned with redevelopment, development and infrastructure issues especially in the most vulnerable areas of the City.

If you approve the attached resolution you will be asked to form a Separate Administrative Entity. This will be formed by the Chair of the CRA or their designee and the Mayor of the City of Grand Island. The responsibilities of this committee are to:

- a. review the efforts of both the City and CRA to implement the public infrastructure goals of the Parties and any public infrastructure projects undertaken by the Parties or a Party
- b. establish a plan, including benchmarks, for long-term development of unified governance of public infrastructure projects between the City and CRA, and report to the City and CRA as the Parties request on the progress of meeting such benchmarks
- c. report to both the CRA and City Council as determined necessary by the Parties regarding the coordination of public infrastructure efforts between the Parties

- d. suggest changes to the Economic Development Plan and/or the Redevelopment Plans to better effectuate the public infrastructure goals of such plans
- e. such other powers deemed by the Parties to be necessary and proper to be delegated to the Committee

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (“Agreement”) is made and entered into this _____ day of August, 2016, by and between THE CITY OF GRAND ISLAND, Hall County, Nebraska, a municipal corporation (the “City”), and THE CITY OF GRAND ISLAND COMMUNITY REDEVELOPMENT AUTHORITY (the “CRA”). The City and the CRA are individually referred to as “Party” and collectively as “the Parties.”

WHEREAS, the City owns and is charged with constructing, operating, and maintaining various elements of public infrastructure projects within the City;

WHEREAS, the City has identified in its Economic Development Plan public infrastructure and public works needs critical to realizing the City’s community and economic development strategy, including but not limited to streets, water, sewer, gas, electrical, storm drainage, railroad extension and spurs, telecommunications, cable, fiber optic, satellite service, and airport expansion and upgrades;

WHEREAS, the City and CRA jointly approved a Redevelopment Plans for the City that identifies similar public infrastructure and public works needs critical to the success of the goals of the Redevelopment Plans for the City, including but not limited to storm drainage; water and sewer mains; utility mains; street construction, resurfacing, and paving projects; parks and public spaces; and sidewalks;

WHEREAS, the CRA is charged with approving funds for such public infrastructure projects as part of its statutory responsibilities in carrying out the Redevelopment Plans;

WHEREAS, the Parties find that there is considerable overlap in the goals of the City’s Economic Development Plan and the Redevelopment Plans, and that better coordination and long-term development of unified governance of public infrastructure projects between the City and CRA in implementing the public infrastructure goals of the Redevelopment Plans and the Economic Development Plan would be beneficial to achieving the goals of the City and the CRA in providing for the public infrastructure needs of the City;

WHEREAS, the Parties wish to enter into this Interlocal Agreement to accomplish such coordination;

WHEREAS, this Agreement is authorized by the Interlocal Cooperation Act, Neb. Rev. Stat. §§ 13-801 *et seq.*

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties hereto agree as follows:

1. **Coordination of Public Infrastructure Efforts.** The Parties acknowledge that the City is authorized by law to provide the public infrastructure contemplated by this Agreement and in pursuance of the goals of the City’s Economic Development Plan, and that the CRA is authorized by law to provide funding for public infrastructure projects contemplated by this Agreement in pursuance of the goals of the City’s Redevelopment

Plans. The Parties agree that they will coordinate their respective efforts in implementing the public infrastructure goals of the City's Redevelopment Plans and its Economic Development Plan through steps including, but not limited to:

- a. creating a separate administrative entity relating to public infrastructure projects that will be tasked with reviewing the efforts of both the City and CRA to implement the public infrastructure goals of the Parties and any public infrastructure projects undertaken by the Parties or a Party
- b. tasking such separate administrative entity with establishing a plan, including benchmarks, for long-term development of unified governance of public infrastructure projects between the City and CRA
- c. tasking such separate administrative entity with reporting to both the CRA and City Council as determined necessary by the Parties regarding the coordination of public infrastructure efforts between the Parties
- d. tasking such separate administrative entity with suggesting changes to the Economic Development Plan and/or the Redevelopment Plans to better effectuate the public infrastructure goals of such plans
- e. joint meetings of the CRA and City Council as determined necessary by the Parties regarding the coordination of public infrastructure efforts between the Parties
- f. other action as deemed necessary by the Parties for the long-term development of unified governance of public infrastructure projects between the City and CRA

2. **Public Infrastructure Projects.** The public infrastructure projects that may be subject to coordination between the Parties pursuant to this Agreement include, but shall not be limited to, public highways and bridges and municipal roads, streets, bridges, and sidewalks; solid waste management facilities; wastewater, storm water, and water treatment works and systems, water distribution facilities, and water resources projects, including, but not limited to, pumping stations, transmission lines, and mains and their appurtenances; hazardous waste disposal systems; resource recovery systems; airports; port facilities; buildings and capital equipment used in the operation of municipal government; convention and tourism facilities; redevelopment projects as defined in Neb. Rev. Stat. § 18-2103; mass transit and other transportation systems, including parking facilities; and equipment necessary for the provision of municipal services.

3. **Duration.** This Agreement shall be in force and effect, and shall be contingent upon, City's enactment of an ordinance imposing a Local Option Sales Tax of the City that exceeds one and one-half percent (1 ½%), and shall continue thereafter for such time as the Local Option Sales Tax of the City exceeds one and one-half percent (1 ½%), or until both Parties agree to terminate this Agreement. The value of any property jointly held by the Parties pursuant to this Agreement, if any, shall be divided equally between them upon termination of this Agreement.

4. **Separate Administrative Entity.** There is hereby created under this Agreement the Public Infrastructure Coordination Committee (the “Committee”). The Committee shall be comprised of the chairperson of the CRA or his or her designee, the Mayor of the City of Grand Island or his or her designee, and such other members of the City Council and the CRA as the Parties shall determine by mutual agreement, if any. The Committee shall be a separate administrative entity and a joint board, and not a separate legal or joint entity, for purposes of the Interlocal Cooperation Act and the Local Option Revenue Act. The powers delegated to the Committee shall be:
- a. review the efforts of both the City and CRA to implement the public infrastructure goals of the Parties and any public infrastructure projects undertaken by the Parties or a Party
 - b. establish a plan, including benchmarks, for long-term development of unified governance of public infrastructure projects between the City and CRA, and report to the City and CRA as the Parties request on the progress of meeting such benchmarks
 - c. report to both the CRA and City Council as determined necessary by the Parties regarding the coordination of public infrastructure efforts between the Parties
 - d. suggest changes to the Economic Development Plan and/or the Redevelopment Plans to better effectuate the public infrastructure goals of such plans
 - e. such other powers deemed by the Parties to be necessary and proper to be delegated to the Committee
- The Committee shall not have the powers to contract, sue or be sued, hire staff or employees, or create rules or regulations.
5. **Financing of the Cooperative Undertaking.** Financing of the cooperative undertaking under this Agreement shall include all sources of financing permitted by the Interlocal Cooperation Act and the Local Option Revenue Act. As public infrastructure projects are undertaken by either Party under the coordination of this Agreement, a budget for such project shall be prepared and reported to the Committee and the Parties.
6. **Manner of Acquiring, Holding, and Disposing of Real and Personal Property.** The Committee may acquire, hold, and dispose of real and personal property used in the cooperative undertaking under this Agreement only as directed by the Parties.
7. **Invalidity/Severability.** If any portion of this Agreement is held invalid, the remainder hereof shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.
8. **Authority to Bind.** Each of the signatories executing this Agreement acknowledges and represents that he or she has been authorized to execute this Agreement on behalf of the

Party for whom he or she is signing, and has the legal authority to bind and commit such Party to the agreements set forth herein.

9. **Applicable Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nebraska.
10. **Entire Agreement.** This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations, representations and agreements between the Parties and/or their representatives.

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Signature page follows

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

THE CITY OF GRAND ISLAND, NEBRASKA:

ATTEST:

BY: _____
Jeremy L. Jensen, Mayor

RaNae Edwards, City Clerk

THE CITY OF GRAND ISLAND COMMUNITY
REDEVELOPMENT AUTHORITY:

ATTEST:

BY: _____
_____, Chair

Chad Nabity, Director

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ____ day of August, 2016, by Jeremy L. Jensen, Mayor of the City of Grand Island, on behalf of the City of Grand Island, Nebraska.

(S E A L)

Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ____ day of August, 2016,
by _____, Chairperson of the City of Grand Island Community Redevelopment Authority, Hall
County, Nebraska.

(S E A L)

Notary Public

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. _____

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, (THE CRA) PERTAINING TO AN INTERLOCAL AGREEMENT WITH THE CITY OF GRAND ISLAND, HALL COUNTY NEBRASKA, A MUNICIPAL CORPORATION (THE CITY).

WHEREAS, the City is responsible for providing for public infrastructure and public works for citizens of the community in its Community and Economic Redevelopment Plans; and public infrastructure includes but is not limited to streets, water mains, sanitary sewer lines, electrical lines, storm drainage, parks and other public spaces and sidewalks; and

WHEREAS, the CRA has the duty of approving funds for public infrastructure projects as a part of its responsibilities in carrying out the Redevelopment Plans; and

WHEREAS, there is a great deal of duplication between the City and the CRA in implementing the public infrastructure goals of the City and the CRA pursuant to the City's Redevelopment Plans; and

WHEREAS, the City has submitted to the CRA a proposed Interlocal Agreement under the Interlocal Cooperation Act, Neb. Rev. Stat. § 13-801 et seq. for the purpose of creating a separate administrative entity relating to public infrastructure projects for coordinating the public infrastructure efforts of both parties; and

WHEREAS, the Chairperson and members of the CRA find and determine that it would be in the best interest of Community Redevelopment Authority of the City of Grand Island, Nebraska that it enter into the said Interlocal Agreement with the City of Grand Island, Nebraska.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Interlocal Agreement between the City of Grand Island, Nebraska and the Community Redevelopment Authority of the City of Grand Island, Nebraska for the purpose of creating a separate administrative entity relating to public infrastructure projects authorized by Neb. Rev. Stat. §13-801 et seq. be approved to provide coordination of public infrastructure efforts between the city and the CRA.

2. The chairperson and the director be authorized and directed to execute said Agreement on behalf of the Community Redevelopment Authority of the City of Grand Island, Nebraska.

PASSED AND APPROVED this ____ day of August, 2016.

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

By _____
Chairperson

ATTEST:

Director