



City of Grand Island

Saturday, February 25, 2012

Council Retreat

Item -1

Agenda

Staff Contact: Mayor Vavricek & Mary Lou Brown

2012 Council Retreat

20/20 Vision - A Clear Vision for the Future

Date February 25, 2012

Time 9:00 AM -3:30 PM

Location Nebraska Nature & Visitor Center (Crane Meadows)
9325 South Alda Road
Alda Exit (Exit #305 on I-80)
Wood River, NE 68883
308-382-1820

Agenda

Time	Subject	Presenter
9:00 - 9:15	Introduction	Mayor/Mary Lou
9:15 - 11:00	Visioning	Andy Greenberg
11:00 - 12:45	Working Potluck Lunch	
11:00 - 12:45	Council Administration	Peg Gilbert
	Council packet development	
	Boards and commissions	
	Decorum for Council member agenda requests	
	Study session topics	
12:45 - 1:00	Break	
1:00 - 2:00	History and Review of LB 840 Economic Development Plan	Mary Lou Brown/Marlan Ferguson
2:00-3:00	Future Growth Considerations	
	Northeast Interceptor and Road Classifications	John Collins
	Growth and Redevelopment Issues	Chad Nabity
	Annexation	
	County industrial tracts	
	Development along I-80 entrances	
	Redevelopment of worn out properties	
	Out of County EMS Response	Tim Hiemer
3:00 - 3:30	Summary	Mary Lou/Mayor

Grand Island Mayor and City Council

Jay Vavricek, Mayor
2729 Brentwood Blvd.
Grand Island, NE 68801
(308) 385-5444 Ext. 140 (308) 381-0206 (home)
(308) 380-4913 (cell)
mayorvavricek@grand-island.com
jvavricek@kgi.com

Term Expires 2014

Ward One

Randy Gard
3927 Meadow Way Trail
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(308) 384-3009 (home)
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Ward Two

Peg Gilbert
3121 Brentwood Drive
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Ward Three

Linna Dee Donaldson
1012 East Oklahoma Avenue
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Ward Four

Mitchell Nickerson
811 West 9th Street
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Ward Five

John Gericke
2628 O'Flannagan Street
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Term Expires 2012

Ward One

Bob Niemann
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Ward Two

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Ward Three

Kirk Ramsey
813 East Sunset
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Ward Four

Larry Carney
621 West 10th Street
Grand Island, NE 68801
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Ward Five

Chuck Haase
3024 Colonial Lane
Grand Island, NE 68803
(308) 384-3264 (home)
councilhaase@grand-island.com

The Honorable Mayor

Jay Vavricek

Administration and Directors

Mary Lou Brown – City Administrator

RaNae Edwards – City Clerk

Vacant – Fire Chief

Steve Lamken – Police Chief

Tim Luchsinger – Utilities Director

Jaye Monter – Finance Director

Steve A. Fosselman – Library Director

Craig A. Lewis – Building Department Director

Steve J. Paustian – Parks and Recreation Director

Jon Rosenlund – Emergency Management Director

John Collins – Public Works Director

Brenda Sutherland – Human Resources Director

Robert Sivick – City Attorney

Chad Nabity – Planning Director

Andy Greenberg- Biography and Background

Andy has 35 years experience with national companies as a sales and marketing expert whose main strength is motivating associates and friends to visualize and attain success.

His accomplishments include managing several \$60,000,000 businesses, creating and launching 12 new products and rebranding a national company. He has won several national awards, quoted in USA Today, Associated Press, Inc Magazine, Omaha World Herald, Strictly Business Magazine, Business Midlands Journal and in various local news broadcasts.

He is married for 41 years, visited 71 countries, all 50 states and every major league ballpark. His sales career started by selling shoes door to door in New York City!

Although active in speaking and training for over 11 years, in July 2009 he started "Speaking of Andy Greenberg" a life and business building based company that through presentations, seminars, consulting and coaching he shares and teaches individuals and businesses how to stay motivated and excel in sales, marketing, leadership, networking and customer service.

Three months later "Getting UP with Andy Greenberg" was featured on Omaha's most listened to daily radio show "The Good Morning Show with Gary Sadlemyer on 1110 KFAB. The segment provides daily innovative insights on keeping motivated all day. Over 500 vignettes have been created to date! Andy can also be seen Sunday nights starting October 16 on KPTM Fox 42 news with his personalized weekly vignettes.

Today he appears regularly on over 245 radio stations and is heard by millions of people in the US in a show called "Your Daily High with Andy Greenberg" He has also been voted the 4th best dressed in Omaha! He is one of the most listened to speakers in America as a result of radio spot.

COUNCIL PACKET DEVELOPMENT

COUNCIL PACKET DEVELOPMENT RESOLUTION 2009-59

Monday 5:00 p.m. Agenda item requests by other than staff due to City Clerk

Tuesday 5:00 p.m. Agenda item requests by elected officials due

Written request by elected officials includes topic title and meeting date requested; supporting material also included

COUNCIL PACKET DEVELOPMENT CURRENT PROCESS

- Leadership team submits potential items to City Clerk
- City Clerk creates draft agenda
 - Reviewed in leadership team staff meeting on Wednesday prior to meeting
 - Items are added/deleted
- Draft agenda and draft packet to City Administration Thursday by 5:00 p.m.
 - City Administration reviews and makes final revisions, additions, deletions

COUNCIL PACKET DEVELOPMENT CURRENT PROCESS (cont.)

- 🇺🇸 Agenda is posted at the same time the packet is posted to the website
- 🇺🇸 Council packet posted when changes are complete
 - 🇺🇸 Attempt to post between 1:00 p.m. – 3:00 p.m.

BOARDS AND COMMISSIONS

BOARDS AND COMMISSIONS 2012

Boards and Commissions	Meeting Date/Time	Meeting Location	2011 Council Representative	2012 Proposed
Building Code Advisory	As needed	Fire/Bldg Conference Room	Carney	N/A
BID #4 (So. Locust - Stolley to Fonner)	Quarterly on the 2nd Wednesday at 8:15 a.m.	Chamber of Commerce	Ramsey	Ramsey
BID #6 (2nd Street)	Three times a year on Wednesday at noon	Chamber of Commerce	Niemann	N/A
BID #7 (So. Locust - Hwy 34 to Stolley)	Every other month on the 2nd Thursday at 8:00 a.m.	Chamber of Commerce	Dugan	Dugan
BID #8 (Downtown)	Third Thursday of every month at 8:00 a.m.	St. Stephen's Community Center	Gard	N/A
Central Dist. Health Board	Second Monday of every month at 6:00 p.m.	Central District Health Dept.	Haase	Haase
Central NE Humane Society	Third Monday of every month at 6:00 p.m.	Humane Society	Dugan & Haase	Nickerson & Niemann
Community Dev. Advisory	First Thursday of every month at noon	Fire/Bldg Conference Room	Donaldson	Donaldson
CRA	Second Wednesday of every month at 4:00 p.m.	Conference Room #1	Gard	Gard
Emg. Mgt./Communications	As needed at noon	Emg. Operating Center	Gericke & Nickerson	Gericke & Nickerson
GI Area Economic Dev.	Quarterly starting in March on Wednesday at 11:30 a.m.	Various locations	Gilbert	Gilbert
Heartland Events Center Board	Annual Mtg - last Wed. of July	Determined by the Board	Gilbert	Gilbert
Law Enforcement Co-Location	Quarterly or as needed	Conference Room #1	Niemann	N/A
Library Board	Third Monday of every month at 5:30 p.m.	Library Meeting room	Gilbert	Carney
Odor Committee	As needed at 5:30 p.m.	Conference Room #1	Carney, Gericke, Niemann, Ramsey	Gericke & Ramsey
Problem Resolution Team	Third Tuesday of every month at 9:30 a.m.	Conference Room #1	Carney & Gericke	Donaldson & Niemann
Regional Planning Commission	First Wednesday of every month at 6:00 p.m.	Council Chambers	Nickerson	Nickerson
System Information Advisory	Quarterly or as needed at 2:00 p.m.	Hall Co. Admin. Bldg	Dugan	Dugan

Building Code Advisory

Board Type:	Standing	Department:	Building
Board Mission / Purpose:	The purpose of the Building Code Advisory Board is to consider requests and make a determination concerning the suitability of alternate building materials and methods of construction. The Chief Building Inspector shall be an ex-officio member and will act as secretary of the Board. One City Councilmember shall also act as an ex-officio member. Section 8-6 of the City Code provides for the establishment of a Board of seven members; appointed by the Mayor and approved by the City Council.		
Normal Meeting Time / Place:	As needed. Building Department Conference Room		
Board Member Qualifications:	Persons qualified by experience and training to pass upon matters pertaining to building construction.		
Term of Appointment:	2 Years	Term Limits:	No
		# of Terms:	N/A

9 Board Members

		<u>Term Start</u>	<u>Term Expiration</u>
Steve Grubbs	Estimator		8/1/2012
Donald Skeen	Contractor		8/1/2012
Mike Spilinek	Engineer	8/1/2010	8/1/2012
Marv Webb	Architect		8/1/2013
Mike Wenzl	Contractor	8/1/2005	8/1/2013
Todd Enck	Contractor	7/25/2006	8/1/2013
Brad Kissler	Architect	8/1/2009	8/1/2013
Craig Lewis	(Ex Officio)		
Larry Carney	Councilmember	2/8/2011	12/31/2011

Board Contact Title: Building Department Director

Business Improvement District #4

Board Type:	Standing	Department:	Chamber
Board Mission / Purpose:	Ordinance #8751 approved by City Council on July 23, 2002 establishes Business Improvement District #4 (BID #4) for a period of 10 years. The purpose of the Business Improvement District #4 Board is to oversee all activities, whether physical or promotional, relating to the economic welfare of South Locust Street, from Stolley Park Road to Fonner Park Road. The Board is to make recommendations to the City Council on decisions impacting this area of the community.		
Normal Meeting Time / Place:	First Tuesday of every month at 8:15 a.m. Chamber of Commerce, 309 West 2nd Street		
Board Member Qualifications:	Board members must be property owners or business owners or operators or residents within the boundaries of the districts and are appointed by the Mayor, with Council approval.		
Term of Appointment:	N/A	Term Limits:	# of Terms: N/A

7 Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Hugh Miner	6/11/2002	9/30/2012
Roy Neneman	9/23/2003	9/30/2012
Byron Wheeler	6/11/2002	9/30/2012
Buzz Douthit	6/11/2002	9/30/2012
Bill Martin	6/11/2002	9/30/2012
Kris Nolan Brown	12/2/2008	9/30/2012
Scott Zana	6/11/2002	9/30/2012
Kirk Ramsey	(Council Liaison)	12/31/2011

Board Contact Title: Chamber of Commerce President

Business Improvement District #6

Board Type:	Standing	Department:	Chamber
Board Mission / Purpose:	Ordinance #9186 approved by City Council on September 9, 2008 establishes Business Improvement District #6 (BID #6). The purpose of the Business Improvement District #6 Board is to oversee all activities, whether physical or promotional, relating to the economic welfare of the 2nd Street District, between Eddy Street and Garfield Avenue. The Board is to make recommendations to the City Council on decisions impacting this area of the community.		
Normal Meeting Time / Place:	Chamber of Commerce, 309 West 2nd Street		
Board Member Qualifications:	Board members must be property or business owners or operators or residents within the boundaries of the district and are appointed by the Mayor with Council approval.		
Term of Appointment:	5 Years	Term Limits:	No
		# of Terms:	N/A

Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Robert Dodendorf	3/25/2008	9/30/2013
Phil Maltzahn	3/25/2008	9/30/2013
Mike Wanek	3/25/2008	9/30/2013
Cheryl Niedfeldt	3/25/2008	9/30/2013
Derek Apfel	3/23/2010	9/30/2013
Dave Schaffer	12/15/2009	9/30/2013
Bill Raile	3/25/2008	9/30/2013
John Folsom	4/8/2008	9/30/2013
Fred Groenke	10/28/2008	9/30/2013
Bob Niemann	1/1/2010	12/31/2011

Board Contact Title: Chamber of Commerce President

Business Improvement District #7

Board Type:	Standing	Department:	Chamber
Board Mission / Purpose:	The purpose of Business Improvement District #7 Board is to oversee all activities, whether physical or promotional, relating to the economic welfare of South Locust Street, between U.S. Highway 34 and Stolley Park Road. The Board is to make recommendations to the City Council on decisions impacting this area of the community.		
Normal Meeting Time / Place:	Third Thursday of every month at 10:00 a. m. Chamber of Commerce, 309 West 2nd Street		
Board Member Qualifications:	Board members must be property owners or business owners or operators or residents within the boundaries of the district and are appointed by the Mayor with Council approval.		
Term of Appointment:	N/A	Term Limits:	# of Terms: N/A

Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Jack (Bud) Rasmussen	4/8/2008	9/30/2013
Gene McCloud	4/8/2008	9/30/2013
David Bartz	4/8/2008	9/30/2013
Bill Lawrey	4/8/2008	9/30/2013
Rhonda Saalfeld	4/8/2008	9/30/2013
Daniel Naranjo	4/8/2008	9/30/2013
Nate Wieland	7/26/2011	9/30/2013
Scott Dugan	1/13/2009	12/31/2011

Councilmember

Board Contact Title: Chamber of Commerce President

Business Improvement District #8

Board Type:	Standing	Department:	Chamber
Board Mission / Purpose:	The purpose of the Business Improvement District #8 Board is to oversee all activities, whether physical or promotional, relating to the economic welfare of the Central Business District, within the confines of the boundaries of the Downtown Special Assessment Districts, and to make recommendations to the City Council on decisions impacting this area of the community.		
Normal Meeting Time / Place:	Third Thursday of every month at 8:00 a.m. Chamber of Commerce, 309 West 2nd Street		
Board Member Qualifications:	Board members must be property or business owners or operators or residents within the boundaries of the district and are appointed by the Mayor with Council approval.		
Term of Appointment:	N/A	Term Limits:	# of Terms: N/A

Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Matthew Armstrong	4/8/2008	9/30/2013
Kris Jerke	12/6/2011	9/30/2013
Craig Hand	4/8/2008	9/30/2013
Mark Stelk	4/8/2008	9/30/2013
Dee Johnson	4/8/2008	9/30/2013
Tom Ziller	4/8/2008	9/30/2013
Kurt Haecker	4/8/2008	9/30/2013
Eric D. Edwards	9/27/2011	9/30/2013
David Wetherilt	4/12/2011	9/30/2013
Randy Gard	Councilmember	2/8/2011
		12/31/2011

Board Contact Title: Chamber of Commerce President

Central District Health Department

Board Type: Standing **Department:** Health

Board Mission / Purpose: The purpose of the Central District Health Board is to enact rules and regulations for the protection of public health in Hall, Hamilton and Merrick Counties.

Normal Meeting Time / Place: Central District Health Department, 1137 S Locust Street
Second Monday of every month at 6:00 p.m.

Board Member Qualifications: Board representatives serve a 3-year term with the option of serving a second 3-year term if reappointed. Members cannot serve more than two consecutive 3-year terms. The City Council representative serves a 3-year term, for no more than two consecutive terms.

Term of Appointment: 3 Years **Term Limits:** Yes **# of Terms:** 2

2 Board Members

		<u>Term Start</u>	<u>Term Expiration</u>
Steve Kunzman	Citizen at Large	1/1/2010	12/31/2013
Chuck Haase	Councilmember	1/13/2009	12/31/2011

Board Contact Title: Health Department Director

Central Nebraska Humane Society

Board Type: Standing

Department: Administration

Board Mission / Purpose: The purpose of the Humane Society Board is to assist other non-profit and governmental agencies in the control and care of animals and pets as such may concern the public health and welfare; to shelter and care for the abandoned, lost and homeless animals and pets of the Central Nebraska area; to educate and inform the general public regarding the safe and humane-treatment of animals and pets; and to carry out any lawful purpose allowed by Section 501© 3 of the Internal Revenue Code of the United States.

Normal Meeting Third Monday of each month.

Time / Place: 6:00 p.m. at the Humane Society, 1312 Skypark Road.

Board Member Qualifications:

Term of Appointment: N/A

Term Limits: No

of Terms: N/A

Board Members

Scott Dugan

Councilmember

Term Start

2/8/2011

Term Expiration

12/31/2011

Chuck Haase

Councilmember

2/8/2011

12/31/2011

Board Contact Title:

Community Development Advisory

Board Type: Standing **Department:** Planning

Board Mission / Purpose: The Community Development Advisory Board shall monitor all existing and potential community development programs and projects and make recommendations on all existing and potential community development programs, projects, and procedures. This committee is comprised of seven members, six of whom are citizen representatives and the seventh who is a non-voting member of the City Council.

Normal Meeting Time / Place: First Thursday of every month at noon.
Fire/Building Conference Room at City Hall

Board Member Qualifications: Must be residents of the City of Grand Island.

Term of Appointment: 3 Years **Term Limits:** No **# of Terms:** N/A

7 Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Melissa DeLaet	10/13/2009	6/30/2012
Minday Gilbertson	10/13/2009	6/30/2012
Bob Loewenstein	7/1/1998	7/31/2013
Lori Wilson	8/1/2010	7/31/2013
Lisa Crumrine	2/10/2004	6/30/2014
Steven Beck	1/8/2008	6/30/2014
Linna Dee Donaldson Councilmember	2/8/2011	12/31/2011

Board Contact Title: Regional Planning Director

Community Redevelopment Authority

Board Type: Standing **Department:** Planning

Board Mission / Purpose: Ordinance #8021 approved by City Council on June 27, 1994 establishes the Community Redevelopment Authority (CRA). The purpose of the Community Redevelopment Authority is to be a useful tool in economic development and to enable a wide variety of improvements within their blighted and substandard project area. Included in the abilities of the Authority are employing tax increment financing, expending funds to acquire substandard or blighted areas including land, buildings and improvements, demolition or removal of buildings and funding infrastructure improvements. Members of the Authority are appointed by the Mayor with Council approval.

Normal Meeting Time / Place: Second Wednesday of every month at 4:00 p.m.
Community Meeting Room in City Hall

Board Member Qualifications: Members shall be residents of the City of Grand Island.

Term of Appointment: 5 Years

Term Limits: No

of Terms: N/A

5 Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Barry Sandstrom	11/22/1999	9/30/2012
Sue Pirnie	2/10/1997	9/30/2013
Glen Murray	12/9/2003	9/30/2014
Michelle Fitzke	10/1/2010	9/30/2015
Tom Gdowski	12/9/2003	9/30/2016
Randy Gard	2/8/2011	12/31/2011
Chad Nabity		

(Council Liaison)
Director

Board Contact Title: Regional Planning Director

Emergency Management/Communications Center

Board Type:	Interlocal	Department:	Emg. Mgt.
Board Mission / Purpose:	The purpose of this committee is to supervise the Communications-Civil Defense Center (911 Communications Center and Civil Preparedness), recommending and supervising policies governing operations of the Civil Defense-Communications Center and recommending a budget to the Boards of Supervisors of the County of Hall and the City Council of the City of Grand Island. The City-County Communications/Civil Defense Committee is comprised of three Councilmembers and three Hall County Supervisors, with the Mayor and County Chairperson service as Co-Chairs. Councilmembers or Supervisors can also be assigned to serve as Chair.		
Normal Meeting Time / Place:	As needed. Noon in the Emergency Operating Center at City Hall.		
Board Member Qualifications:			
Term of Appointment:	1 Year	Term Limits:	No
		# of Terms:	N/A

7 Board Members

		<u>Term Start</u>	<u>Term Expiration</u>
Mitch Nickerson	Councilmember	2/8/2011	12/31/2011
John Gericke	Councilmember	12/19/2006	12/31/2011
Jay Vavricek	Mayor		
Dan Purdie	Hall Co. Supervisor		
David Ziola	Hall Co. Supervisor		
Pam Lancaster	Hall Co. Supervisor		

Board Contact Title: Emergency Management Director

Grand Island Area Economic Development Corporation

Board Type:	Standing	Department:	Administration
Board Mission / Purpose:	The purpose of the Grand Island Area Economic Development Corporation is to maintain an ongoing program of new business attraction; conduct visits to non-Grand Island businesses encouraging investment and development; and actively promote the business advantages of a Grand Island location to targeted manufacturing concerns. The Board's mission is to facilitate the creation of primary employment; offering stability, diversity, and skill advancement opportunities for the area work force.		
Normal Meeting Time / Place:	Third Wednesday of every month at noon. Various Locations		
Board Member Qualifications:	The Mayor, City Administrator and one Councilmember attend the meetings on behalf of the City.		
Term of Appointment:	1 Year	Term Limits:	No
		# of Terms:	N/A

3 Board Members

Peg Gilbert	Councilmember
Jay Vavricek	Mayor
Mary Lou Brown	Interim City Administrator

<u>Term Start</u>	<u>Term Expiration</u>
2/8/2011	12/31/2011

Board Contact Title: City Administrator

Heartland Events Center Board

Board Type:	Standing	Department:	Administration
Board Mission / Purpose:	Fonner Park Exposition and Events Center, Inc. (Heartland Events Center) is a 501©(3) corporation created for the purpose of planning, designing, constructing, and financinng an agricultural exposition and events center.		
Normal Meeting Time / Place:	Annual meeting held the last Wednesday in July of each year and other meetings as needed. Determined by the Board of Directors.		
Board Member Qualifications:	During the term of the Agreement between the City and Heartland Events Center, Heartland shall be governed by a Board of Directors consisting of not less than five persons, one of whom is to be nominated by the Mayor of the City and all of which shall be subject to annual approval by the Mayor and City Council. The Board of Directors shall consist of individuals who have no substantial financial interest in the affairs of the corporation.		

Term of Appointment: 1 Year **Term Limits:** No **# of Terms:** N/A

Board Members

Barry Sandstrom

Roger Luebbe

Steve Dowding

Jim Cannon

Scott Zana

Peg Gilbert

(Council Liaison)

Term Start

Term Expiration

8/1/2012

8/1/2012

8/1/2012

8/1/2012

6/28/2005

8/1/2012

6/14/2011

12/31/2011

Board Contact Title: Mayor

Law Enforcement Co-Location

Board Type: Interlocal **Department:** Police

Board Mission / Purpose: The purpose of the Law Enforcement Co-Location Committee is to provide the terms for the shared use of a public safety center building. The City of Grand Island shall construct a joint law enforcement facility which shall be occupied by members of the Hall County Sherrif's Office and the Grand Island Police Department. The County and City agree that law enforcement information management services and law enforcement property and evidence services shall be provided for both agencies in a combined manner as set forth in the Interlocal Agreements between the parties. The committee consists of six members, one from the Hall County Board of Supervisors, one from the City Council of Grand Island, the Hall County Sheriff, the Grand Island Police Chief, one resident of the City of Grand Island to be appointed by the Mayor, and one resident of Hall County to be appointed by the Chairman of the Hall County Board of Supervisors. The committee shall be advisory in nature and shall have the responsibility to make recommendations of the governing bodies of the City and County regarding policies for the use of the shared facility.

Normal Meeting Time / Place: Quarterly or as needed.
Conference Room #1 at City Hall

Board Member Qualifications:

Term of Appointment: N/A **Term Limits:** No **# of Terms:** N/A

6 Board Members

		<u>Term Start</u>	<u>Term Expiration</u>
Steve Lamken	Police Chief	10/17/2005	
Jerry Watson	Sheriff	6/8/2004	
Jim Williams	Member at Large	1/8/2008	
Pam Lancaster	Hall Co. Supervisor		
Roy Neneman	Hall Co. Supervisor		
Bob Niemann	Councilmember	1/1/2010	12/31/2011

Board Contact Title: Police Chief

Library Board

Board Type:	Standing	Department:	Library
Board Mission / Purpose:	The Board shall have the power to make and adopt bylaws, rules, and regulations for the guidance and government of the library, subject to the supervision and control of the City Council.		
Normal Meeting Time / Place:	Third Monday of every month. 5:30 p.m. in the Library Meeting Room		
Board Member Qualifications:	The Library Board consists of seven members, appointed by the Mayor and confirmed by the City Council. Members are to be chosen from citizens at large. The Mayor and Councilmembers cannot serve as members of the Library Board, however, a Council liaison may be appointed to facilitate communication between the City Council and the Library Board.		
Term of Appointment:	4 Years	Term Limits:	Nonconsecutive # of Terms: 2

7 Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Kristine McElligott	7/1/2008	6/30/2012
Lori Hock	7/1/2000	6/30/2012
Rob Czaplewski	11/24/2009	6/30/2012
Karl Kostbahn	4/12/2004	6/30/2014
Nancy Jones	7/1/2006	6/30/2014
Rebecca Rosenlund	7/1/2010	6/30/2014
Alan Lepler	7/1/2010	6/30/2014
Peg Gilbert	(Council Liaison)	1/1/2010 12/31/2011

Board Contact Title: Library Director

Problem Resolution Team

Board Type: Ad Hoc **Department:** Building

Board Mission / Purpose: A multi-agency response team developed and appointed by the Mayor to address situations of immediate concern as well as long term recurring problems, targeting properties/situation, needing a multi-resource approach. Members will be appointed indefinitely.

Normal Meeting Time / Place: Third Tuesday of every month at 9:30 a.m.
Conference Room #1 at City Hall

Board Member Qualifications:

Term of Appointment: N/A **Term Limits:** No **# of Terms:** N/A

13 Board Members

		<u>Term Start</u>	<u>Term Expiration</u>
Gregg Ahlers	Hall County Sheriff Deput		
Jeremy Collinson	Health Department		
Betty Curtis	Clean Community System		
Curt Rohling	Fire Division Chief		
Danny Dubbs	Police Sgt.		
Craig Lewis	Building Department Direc		
Jason Eley	City Attorney		
Chad Nabity	Regional Planning Directo		
Laurie Dethloff	Humane Society		
Kathy Mankin	Health & Human Services		
John Gericke	Councilmember	1/13/2009	12/31/2011
Larry Carney	Councilmember	2/8/2011	12/31/2011

Board Contact Title: Assistant to the City Administrator

Regional Planning Commission

Board Type:	Standing	Department:	Planning
Board Mission / Purpose:	The purpose of the Regional Planning Commission is to provide for planning related services for the City of Grand Island, Hall County, and the villages of Alda, Cairo, Doniphan, and Wood River, as required by State Statutes and the rules and regulations allowed by the City. It is responsible for the development, maintenance, and implementation of the Comprehensive Plan, administration of the development review process, and administration of land use regulations established in the zoning and subdivision ordinances. The Regional Planning Commission reviews and processes all development proposals and provides direct support to the public, the City Council, City staff, Hall County Board of Supervisors, and the small village governing boards.		
Normal Meeting Time / Place:	First Wednesday of every month at 6:00 p.m. Council Chambers		
Board Member Qualifications:	The joint planning commission shall include four members who reside in the City of Grand Island and who shall represent different positions or occupations in the City and shall be appointed by the Mayor with confirmation by the Council. The Council representatives serve as non-voting liaisons.		
Term of Appointment:	3 Years	Term Limits:	Yes
		# of Terms:	2

4 Board Members

	<u>Term Start</u>	<u>Term Expiration</u>
Karen Bredthauer	3/27/2007	10/31/2012
Julie Connelly	12/1/2009	10/31/2012
Scott Ericksen	8/14/2001	10/31/2013
Dennis McCarty	10/11/2011	10/31/2014
Mitch Nickerson	1/13/2009	12/31/2011

(Council Liaison)

Board Contact Title: Regional Planning Director

Systems Information Advisory

Board Type: Interlocal

Department: Police

Board Mission / Purpose: On July 24, 2001 the City Council entered into an Interlocal Agreement with Hall County for Law Enforcement Records Management and Computer Aided Dispatch. (Resolution #2001-197) This allows Hall County to provide the City of Grand Island, internet and e-mail services, law enforcement records management and computer aided dispatch data services, and software sublicenses through the network system of Spillman Technologies, Inc.

Normal Meeting Time / Place: Jointly with Hall County at least once quarterly or as needed at 2:00 p.m.
Hall County Administration Building

Board Member Qualifications:

Term of Appointment: N/A

Term Limits:

of Terms: N/A

7 Board Members

Steve Lamken

Jerry Watson

Robert Humiston, Jr.

Jon Rosenlund

Scott Dugan

Mary Lou Brown

Police Chief

Sheriff

Hall Co. Supervisor

Emergency Management D

Councilmember

City Administrator

Term Start

Term Expiration

2/8/2011

12/31/2011

Board Contact Title:

**TENTATIVE
STUDY SESSION
TOPICS**

Tentative Study Session Topics

Annexation
Cable franchise agreement
Cell phone towers
City Code updates
County ambulance contracts
Dewatering
Electronic utility metering
EMS districts for taxing purposes
Financial related policies - fiscal, procurement and investment
Fireworks
Future water rate increases
Heartland Events Center review (management agreement and City's lodging occupation tax ordinance)
Highway 281 sewer extension progress
LB 840, Economic Development Plan
Leasing of parks
Lincoln Park Pool design review
Long term financial view
Mosquito spraying
Motor vehicle replacement plan
Naming rights
One Stop Building
Open (leaf) burning
Parks & Recreation financial overview and infrastructure needs
Public safety consultants
Utility rates outside city limits
Waste water treatment plant operations
2013 budget - multiple subtopics

Mary Lou Brown

From: Mary Lou Brown
Sent: Friday, January 13, 2012 11:21 AM
To: Electeds
Cc: Brenda Sutherland; Chad Nabity; Craig Lewis; Jaye Monter; John Collins; Jon Rosenlund; Robert Sivick; Steve Fosselman; Steve Lamken; Steve Paustian; Tim Hiemer; Tim Luchsinger
Subject: Study Session Listing and Presentations

In our meetings with Peg and Randy regarding improved communications with council, it was requested that a listing of potential study sessions be created and made available so that individual members could be assured that their requested topics have been logged in with staff. The link below will take you to the location on the website where that information may now be found. As study sessions occur, we will also be posting the study session presentations at this same link.

Please let me know of additional requests as they surface; we will use this listing as a working document. Items will be removed as they have been covered, others may fall off the list if the applicability no longer exists.

Mary Lou

From: Shannon Oster
Sent: Friday, January 13, 2012 11:05 AM
To: Mary Lou Brown
Subject:

2012 Study Session topics and presentations: <http://www.grand-island.com/index.aspx?page=1520>

LB 840

OVERVIEW

LB 840 OVERVIEW

- LB840 was approved by the Legislature
 - Effective September 6, 1991
- On November 26, 2002 Council approved:
 - Economic Development Program
 - Ballot language
- Special election approved by Council
 - Election held May 6, 2003

LB 840

OVERVIEW (cont.)

- EDC initiated a City wide campaign
- Voters approved plan inclusive of \$750,000 annual funding
- Citizen Review Committee established and committee members appointed

LB 840

CURRENT OPERATIONS

- \$750,000 annual funding
 - \$350,000 for EDC operations
 - \$377,500 for business incentives
 - \$ 22,500 for 3% admin fee to City
- Four layers of administration/accountability
 - EDC application review
 - CRC public review
 - Council's public consideration
 - Mayor's public consideration

LB 840

CURRENT OPERATIONS (cont.)

- Council has awarded \$350,000 annually from 2003 through 2012
- One remaining year of support - 2013

LB 840

GOING FORWARD

- 🇺🇸 Council will need to decide if it wants to move forward with discussing a plan beyond 2013
- 🇺🇸 Plan agreement approved by Council
- 🇺🇸 Ballot language approved by Council
- 🇺🇸 Potential special election approved by Council

LB 840

FUTURE DATES

- 🇺🇸 General Elections
 - 🇺🇸 Primary – May 15, 2012
 - 🇺🇸 General – November 6, 2012
- 🇺🇸 Special election has no time constraints
- 🇺🇸 Ballot Language is due March 1, 2012 for the Primary election and September 4, 2012 for the General election

LB 840
HSITORY

LB-840 projects under current plan

October 2003 – January 1, 2012. Available funding: \$3,200,000

Standard Iron	200,000	(2004)	Hastings Foods	70,000	(2008)
Heritage Disposal	100,000	(2004)	Nova-Tech, Inc.	160,000	(2008)
Love Signs	42,000	(2005)	Ace Machine Shop	32,500	(2009)
CXT, Inc.	200,000	(2005)	Structured Solutions	600,000	(2009)
J. C. Doyle	20,000	(2006)	Hornady Mfg. (2 nd App.)	200,000	(2010)
O'Neill Wood Rec.	45,000	(2007)	PV Industrial Park East	575,000	(2010)
Case IH	325,000	(2007)	Rogue Manufacturing	50,000	(2010)
Hornady Mfg.	154,000	(2007)	Standard Iron (2 nd App.)	200,000	(2011)
Principal Financial	30,000	(2007)	Case IH (2 nd App.)	219,000	(2011)

18 projects \$ 3,222,500

Jobs created/retained from LB-840

	<u># Jobs</u>	<u>Year</u>		<u># Jobs</u>	<u>Year</u>
Standard Iron	100	(2004)	Hastings Foods	35	(2008)
Heritage Disposal	18	(2004)	Nova-Tech, Inc.	50	(2008)
Love Signs	20	(2005)	Ace Machine Shop	7	(2009)
CXT, Inc.	55	(2005)	Structured Solutions		(2009)
J. C. Doyle	21	(2006)	Hornady Mfg. (2nd App.)	50	(2010)
O'Neill Wood Rec.	15	(2007)	PV Industrial Park East		(2010)
Case IH	80	(2007)	Rogue Manufacturing	12	(2010)
Hornady Mfg.	77	(2007)	Standard Iron (2nd App.)	25	(2011)
Principal Financial	550	(2007)	Case IH (2nd App.)	73	(2011)

Impact of LB-840 investment

- 3,274 new jobs in 8 years (NE Dept. of Labor)
- 1,188 direct jobs created with estimated payroll of \$36,048,313 per year.
- Direct jobs created reflect what was stated on the application.

(Every dollar spent turns over 7 times (\$890 million) in our community!)

Impact of LB-840 investment

- \$3,911,284.46 in accumulative new real estate taxes from 2003-2011
- \$26,092,264 in new real estate valuations

Compliance of LB-840 projects

	<u>\$ Amount</u>	<u>Purpose</u>	<u>Month/Year</u>
Standard Iron	200,000	job creation	September 2009
Heritage Disposal	100,000	job creation	November 2011
Love Signs	42,000	job creation	October 2011
CXT	100,000	infrastructure	June 2005
	100,000	job retention	October 2009
JC Doyle	20,000	job creation	September 2011
O'Neill Wood Resources	15,000	infrastructure	December 2011
	30,000	job creation	December 2011
Case IH #1	100,000	infrastructure	December 2006
	25,000	job training	January 2007
	200,000	job creation	January 2012
	100,000	job retention	October 2009
Hornady Mfg. #1	106,666	job creation	May 2011
Principal Financial	30,000	infrastructure	June 2007
Nova-Tech, Inc.	100,000	infrastructure	April 2010
	20,000	job creation	April 2011
Ace Machine Shop	15,000	infrastructure	March 2009
Hornady Mfg. #2	75,000	infrastructure	July 2011
	41,666	job creation	July 2011
Rogue	35,000	infrastructure	June 2011
Total forgiven	\$1,455,332		

LB 840
GUIDE TO PROGRAM
IMPLEMENTATION

LB 840

Revised 11.2009

Nebraska Statutes

Section 18-2701 to 18-2738

A GUIDE TO PROGRAM
IMPLEMENTATION

The Local Option Municipal Economic Development Act

nebraska

Prepared by the Nebraska Department of Economic Development
PO Box 94666, Lincoln, NE 68509-4666 • 800.426.6505 or 402.471.3

Official Nebraska Government Website

Department of Economic Development

The lead economic development agency for Nebraska emphasizes diversifying the state's economic base, and bringing new dollar

BUSINESS COMMUNITY & HOUSING TRAVEL

Local Option Municipal Economic Development Act (LB840)

The Local Option Municipal Economic Development Act (LB 840, 1991) authorizes incorporated cities and villages to collect and appropriate local tax dollars (sales and/or property tax) if approved by the local voters, for economic development purposes. The Act went into effect on September 6, 1991. The Act has been modified by LB719A in 1992, LB732 in 1993, LB 1188 in 1994, LB207/LB490 in 1995, LB989 in 1998, LB87 in 1999, LB LB1116/LB1258 in 2000, and LB827/LB362/LB362 in 2001.

The Act involves the formulation of the local economic development program plan. The plan forms the foundation for the collection and expenditure of local tax revenues for economic development and, if the voters approve the plan, the provisions of the local plan becomes the basis under which the municipality's program operates.

Communities which have voted to create LB840 programs include:

Albion	Alliance	Arapahoe	Arnold	Atkinson
Bayard	Beatrice	Beaver City	Blair	Burwell
Cambridge	Central City	Chadron	Clearwater	Columbus
Cozad	Crete	Crofton	Curtis	Doniphan
Fairbury	Falls City	Fremont	Geneva	Gering
Gothenburg	Grand Island	Hartington	Holdrege	Imperial
Kimball	La Vista	Lexington	Louisville	Loup City
McCook	Milford	Mitchell	Nebraska City	Neligh
Norfolk	North Platte	Ord	Oshkosh	Plattsmouth
Ravenna	Schuyler	Scottsbluff	Seward	Sidney
South Sioux City	St. Paul	Stromsburg	Superior	Sutton
Tecumseh	Valentine	Wakefield	Wayne	

Only the above communities are currently in a position to offer the loans, grants and other activities under the LB840 statutes.

Eligible Communities

All Nebraska cities and villages, as well as any group of two or more cities acting under the Interlocal Cooperation Act, are eligible.

RESOLUTION 2002-366

WHEREAS, the City of Grand Island is proposing adoption of an Economic Development Program to bring new employers to our community and to help existing companies to grow; and

WHEREAS, a proposed Economic Development Program has been prepared in conformity with Neb. Rev. Stat. § 18-2710; and

WHEREAS, following a public hearing conducted on November 26, 2002, the Mayor and City Council have decided to adopt the Economic Development Program attached hereto as Exhibit "A" and made a part hereof by reference; and

WHEREAS, the Mayor and City Council proposed to present said Economic Development Program to the voters of the City of Grand Island for their approval at a special election on May 6, 2003.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA:

- (1) The Mayor and City Council do hereby approve and adopt the Economic Development Program attached hereto as Exhibit "A" and made a part hereof by reference.
- (2) The following ballot shall be submitted at a special election on May 6, 2003:

**(OFFICIAL SAMPLE BALLOT)
OFFICIAL MUNICIPAL ELECTION BALLOT**

CITY OF GRAND ISLAND, NEBRASKA

Tuesday, May 6, 2003

Economic Development Program:

Shall the City of Grand Island, Nebraska establish an economic development program as described here by appropriating \$750,000 annually from local sources of revenue for ten (10) years?

Vote for or against the foregoing proposal.

- ☐ FOR the proposal
- ☐ AGAINST the proposal

ECONOMIC DEVELOPMENT PROGRAM SUMMARY

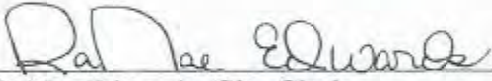
The City of Grand Island is proposing adoption of an Economic Development Program to bring new employers to our community and to help our existing companies to grow. The program will use \$750,000 from the general fund as the sole source of local funds for the program. The total amount will not exceed an annual amount as is authorized by the Local Option Municipal Economic Development Plan. The program will be in existence for 10 years commencing October 1, 2003. The City may issue bonds pursuant to the Local Option Municipal Economic Development Act to carry out the economic development program.

(3) The City Clerk is directed to certify the above issue to the Election Commissioner by March 18, 2003 in the manner and form provided in Neb. Rev. Stat. §§18-2713 and 32-559.

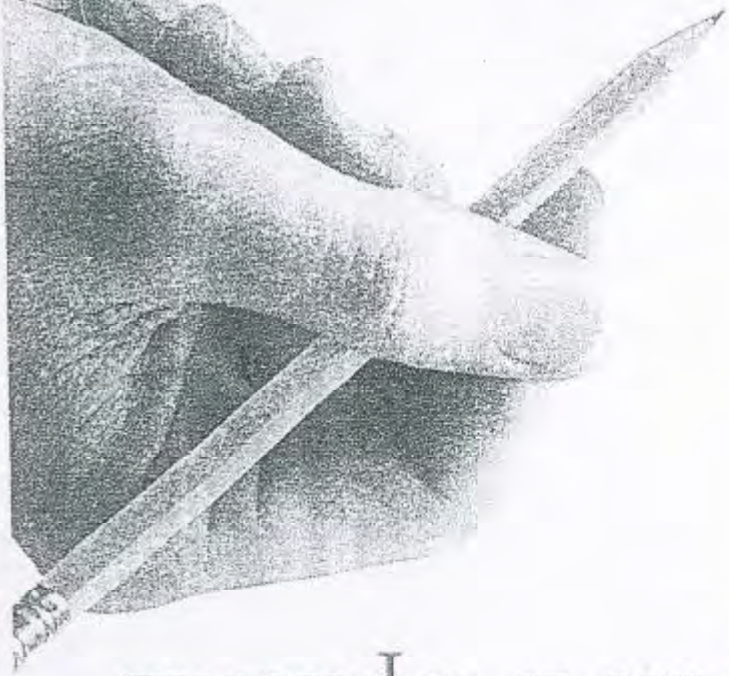
(4) Further, the City Clerk is directed to receive a copy of this resolution, including the proposed Economic Development Program into the records of the City of Grand Island and shall make the same available for public review at City Hall during regular business hours, and to send copies of the same to the Edith Abbott Memorial Library and Grand Island Area Economic Development Corporation to be made available for public review also.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska on November 26, 2002.


RaNae Edwards, City Clerk

Progress is Optional



[] You Decide

Vote *for* the economic
development program on
May 6th, 2003.

How have similar economic development
programs worked in other communities?
Over 20 communities throughout Nebraska have adopted
economic development programs and the results are proof
that it can work in your favor:

Sidney, Nebraska – Adopted in 1997

1200 jobs created by expansion or retention. Property tax rates
dropped 22% by the year 2002.

Beatrice, Nebraska – Adopted in 1992

11 new industries have been recruited, creating over 1,000 new jobs.

Nebraska City, Nebraska – Adopted in 1993

A local industrial plant doubled in size, retaining 150 jobs and
creating 150 new jobs.

*Progress
for Grand Island*
VOTE FOR THE ECONOMIC DEVELOPMENT PROGRAM

Paid for by the Progress for Grand Island Committee

206 N. Locust • Box 1151
Grand Island, NE 68802

308.398.0450

Progress for Grand Island

VOTE FOR THE ECONOMIC DEVELOPMENT PROGRAM

Progress *for* Grand Island will:

- Generate new, higher paying jobs
- Attract new business to the area
- Support local business expansion
- Broaden our tax base
- Diversify our local economy

Progress for Grand Island is NOT a tax increase.

What is Progress *for* Grand Island?
Made up of Grand Island residents, Progress for Grand Island is supporting the proposed economic development program, as defined by the Nebraska Legislature. A vote "for" the economic development program on May 6th designates part of Grand Island's existing General Fund to help support local business expansion and attract new business to Grand Island.

How will Progress *for* Grand Island work for me as a business owner?
As your business expands, there are several tools available to help you and your growing needs; such as performance based loans, public works improvements, grants for job training, and the reduction of property taxes.

How will Progress *for* Grand Island work for me as an employee?

Expanding local businesses and new businesses locating in Grand Island means more job opportunities, higher paying jobs, and the security of employee benefits such as health insurance.

As businesses grow and new businesses are established, the local tax base will expand – which could help stabilize or even reduce your property taxes in the years to come.

How will Progress *for* Grand Island work for me as a parent or grandparent?

As job opportunities increase, our children and grandchildren are more likely to stay in Grand Island – choosing to live and raise a family here.

How will Progress *for* Grand Island work for me as a retiree?

As a retired and responsible Grand Island citizen, you'll see your community grow even stronger, expanding on the values and solid foundation you've built with pride.



**THERE'S A BETTER WAY TO
WORK YOUR WAY UP.**

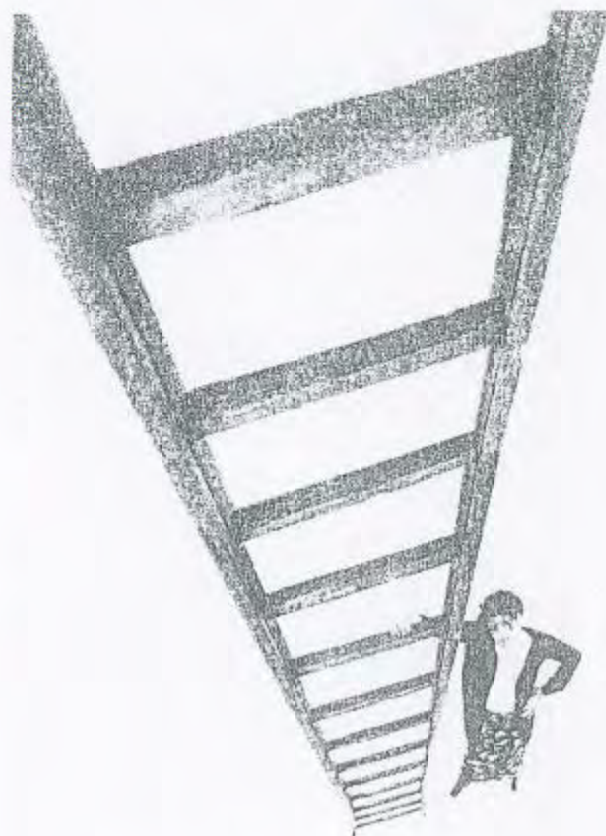
Vote *for* the
economic development program
on May 6th, 2003.

- More jobs
- Higher paying jobs
- Positive growth
without raising taxes

Progress
for Grand Island

VOTE FOR THE ECONOMIC DEVELOPMENT PROGRAM

www.ProgressforGrandIsland.org



**THERE'S A BETTER WAY TO
GET TO THE TOP.**

Vote *for* the
economic development program
on May 6th, 2003.

- More jobs
- Higher paying jobs
- Positive growth
without raising taxes

Progress
for Grand Island

VOTE FOR THE ECONOMIC DEVELOPMENT PROGRAM

www.ProgressforGrandIsland.org

LB 840

Revised 11.2009

Nebraska Statutes
Section 18-2701 to 18-2738

**A GUIDE TO PROGRAM
IMPLEMENTATION**

• **The Local Option Municipal Economic Development Act**

nebraska

Prepared by the Nebraska Department of Economic Development
PO Box 94666, Lincoln, NE 68509-4666 • 800.426.6505 or 402.471.3111

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INTRODUCTION

Purpose

The Local Option Municipal Economic Development Act (LB 840) (Section 18-2701 to 18-2738 Nebraska Revised Statutes) authorizes incorporated cities and villages to appropriate and spend local sales and property tax revenues for certain economic development purposes. Such action must be made in compliance with procedures set forth in the Act.

This guide is intended to assist officials of any city or village who desire to use the authority granted by the Act. City and village officials should seek and follow the advice of their city or village attorney in implementing the Act.

History of "Local Option Municipal Economic Development Act"

In 1990, the Nebraska Legislature adopted Legislative Resolution 11 CA, which placed on a statewide ballot, an amendment to the Constitution of the State of Nebraska. This amendment would allow the Legislature to authorize any incorporated city or village (or group of two or more cities and villages) to appropriate funds (if approved by its voters) from local option sales and/or property taxes levied by the municipality for economic or industrial development programs.

During the November 1990 general election, Nebraska voters approved Amendment 3 (LB 11 CA), by more than 100,000 majority votes, amending the state constitution to authorize the Legislature to pass statutes granting cities and villages the power to use local sources of revenue for economic or industrial projects or programs, subject to a vote of the people at the local level.

The enabling legislation for this new authority was introduced during the 1991 Legislative Session. Legislative Bill 840, the Local Option Municipal Economic Development Act (referred in the document as "the Act" or LB 840), was passed by the Legislature and signed into law on June 3, 1991. The new law took effect on September 6, 1991.

Keys to Success

The complex Act is actually based on the simple premise that voters of a municipality should have the right to spend their own tax dollars in the manner they find best suited to meet their own local needs. Within certain broad limits, local municipalities are given great latitude in defining local economic development needs and in spending their own tax dollars to meet those needs.

The core of the LB 840 process involves formulation of the local economic development program plan--perhaps the most important part of the process. The plan forms the foundation for the collection and expenditure of local tax revenues for economic development and, if the voters approve the plan, the provisions of the plan become the basis under which the municipality's economic development program operates.

A careful, thought out and fully developed plan is of paramount importance to the success of the economic development program. And of course, voters are more likely to approve the expenditure of their tax dollars if they believe the plan is comprehensive and workable. If approved by voters, the plan will define the limits of the economic development program... limits that can only be changed through another election process.

The Local Option Municipal Economic Development Act is a local economic development tool--there is no state oversight or enforcement mechanism. However, care should be taken not to violate any provisions in the Act. Local citizens will have the right to seek enforcement of the Act's provisions in court if they feel those provisions have not been followed.

Using This Guide

To help communities better understand the Local Option Municipal Economic Development Act (or LB 840), the verbiage that is italicized in this guide comes directly, or is paraphrased from the Act. Additional information from the guide's author appears as regular print. When implementing the Local Option Municipal Economic Development Act it is advised to refer directly to the Act.

For additional information and assistance on Local Option Sales and Use Tax visit:

<http://www.revenue.state.ne.us/legal/regs/localopt.htm>

Special Note on Section 13-315

Section 13-315 of the Nebraska statutes (as amended in 1972) authorized cities, villages and counties to appropriate general funds or other revenues (not to exceed .4 percent of the actual valuation) for the express purpose of conducting a publicity campaign to encourage new business investment in the community, or to purchase or option land for industrial development. In 1976, the Nebraska State Supreme Court ruled that the portion of the statute authorizing the purchase or option of land was unconstitutional. Therefore, Section 13-315 related to the purchase and option of land was deleted. Also notable was a special provision placed into LB 840 (Section 3) specifying the following:

"Appropriations and expenditures made by a city which are authorized by Section 13-315 and made according to its provisions shall not be subject to the Local Option Municipal Economic Development Act and shall be exempt from its requirements."

LB 840 does not provide any new authority nor does it remove any previous authority for municipalities that use (or wish to use) the authority granted under Section 13-315. LB 840 merely reminds municipalities that publicity campaign activities, authorized under Section 13-315, can be financed as provided by Section 13-315 and do not need to comply with LB 840 requirements.

Before initiating a program under Section 13-315, you are encouraged to consult with your municipal attorney.

Communities That Are Eligible Under the Act

What communities may use the authority granted by the Local Option Municipal Economic Development Act?

Entities eligible under the Act would include any metropolitan, primary, first, or second class city, or village, including any city operated under a home rule charter. Also eligible is any group of two or more incorporated cities acting in concert under the terms of the Inter-Local Cooperation Act or Joint Public Agency Act by means of a properly executed agreement. Counties are not eligible. (Section 18-2704)

Are there any special requirements for communities that are working together under the Local Option Municipal Economic Development Act?

If an economic development program is to be conducted jointly by two or more municipalities, approval of the program by the voters of each participating municipality is required. To work jointly, the municipalities must enter into a properly executed agreement under the terms of the Inter-Local Cooperation Act or Joint Public Agency Act.

Steps to Implement the Local Option Municipal Economic Development Act

1. Prepare a general community and economic development strategy.
2. Develop a proposed plan for the economic development program.
3. Prepare and pass a resolution that adopts the plan and provides wording for the ballot. File the resolution and plan with the city or village clerk for public review. A public hearing, while not required before the resolution is passed, is advisable during this step.
4. File a certified copy of the resolution with the election commissioner or county clerk no later than 50 days prior to a general or primary election, or 41 days prior to a special election.
5. Schedule and hold a public hearing to present the resolution for public comment and discussion. The public hearing is to be held no later than 15 days prior to the date of the election.
6. Two issues must appear on the ballot – a vote for the tax and a vote to approve the plan.
7. Hold election.
8. If the program is approved by the voters, establish the economic development program by ordinance within 45 days after voter approval.
9. Appoint a Citizen Advisory Review Committee.
10. Amend the existing municipal annual budget to immediately include, or include in the next annual budget, the amount to be expended on the economic development program.
11. Establish an Economic Development Fund.
12. Carry out the required tasks once the program is implemented.
13. When ready to end the program, follow termination activities including steps for ending the program.

STEP 1: Prepare a General Community and Economic Development Strategy.

The Act requires that a description of the community's general community and economic development strategy be included in the plan, but provides no guidance for developing such a strategy.

Therefore, it is recommended that a community and economic development strategy be developed through a community-wide assessment and planning process. More citizens may ultimately approve the program if they have participated in its preparation.

A community and economic development strategy describes how a community will fare in the future. The strategy is based on understanding what economic activity changes are taking place in the community and why. It implies an understanding of how dollars enter the community and where they are spent by local residents and businesses; how these dollar movements are changing; and how they might change in the future due to focusing on economic activities to take place during the next several years.

A strategy is balanced with growth opportunities and examination of weaknesses that are causing or may cause decline. The strategy should highlight the most important issues, and when properly addressed, can foster opportunities and overcome weaknesses. Goals are identified for each important issue that is raised.

Assistance is available for communities preparing economic development strategic plans. Organizations, including the Nebraska Department of Economic Development, University of Nebraska, Economic Development Districts, and private planning firms can provide valuable help.

STEP 2: Prepare a Proposed Plan for the Economic Development Program.

Before implementing the Local Option Municipal Economic Development Act, an economic development plan must be prepared that includes:

1. A description of the community's general community and economic development strategy.
2. A statement of purpose about the municipality's general intent and proposed goals for the economic development program.
3. A description of eligible activities under the program.
 - a. A description of eligible businesses under the program.
4. A statement specifying the total amount of money that is proposed to be collected to finance the program.
 - a. The projected length of time the program will exist.
 - b. A basic preliminary program budget.
5. If the plan includes financial assistance for businesses the plan must include:
 - a. A description of the process that a qualifying business must follow to apply for financial assistance, including information required from the business and the process used to verify the information.
 - b. Steps the municipality will take to insure the business's right to privacy and confidentiality.
6. A description of the administrative system that will be established to administer the economic development program, including the personnel structure and duties and responsibilities of all involved.
7. A description of how the municipality and qualifying businesses receiving assistance will comply with and enact all applicable laws, regulations, and requirements.

If the proposed economic development program involves the purchase of or option to purchase land, the plan also shall specify:

8. How tracts of land will be identified for purchase or option to purchase, and whether the municipality will use future sale proceeds from land for additional land purchases.

If the proposed economic development program involves the creation of a loan fund, the plan shall also specify:

9. The types of available loans including the maximum portion to be provided to any single qualifying business and criteria used to determine the appropriate level of assistance.
10. The criteria and procedures used to determine those businesses that qualify to participate in the loan fund program.
11. The timeline within which a qualifying business must meet the goals set forth under its participation agreement, and the criteria used to establish such a timeline.
12. What personnel beyond regular municipal employees, or other assistance that may be needed to administer the loan fund program and how personnel will be paid or reimbursed.

13. Investment strategies that the municipality will pursue to promote the growth, security and liquidity of the loan fund.
14. Auditing and verification methods to be used by the municipality to ensure appropriate assistance as well as protection against fraud or deceit.

General Community and Economic Development Strategy

The plan must include a description of the community's general community and economic development strategy (Section 18-2710) that includes highlights of the strategy, rationale and methodology used to meet the goals objectives.

Statement of Purpose Describing General Intent and Goals

The plan must include a statement of purpose describing the municipality's general intent and proposed goals for the economic development program. (Section 18-2710)

The statement must express the program's general direction and priority goals. Program goals do not need to include all goals identified in the strategy. Selecting program goals may depend upon resources available in relation to actions and the time involved in meeting those goals.

While the plan's general intent and goals can be very broad, identifying more specific goals may lead to swifter and more widespread approval. Samples of goals could be:

- A) Increase employment opportunities in the area;
- B) Increase opportunities for health care services;
- C) Increase tourism opportunities in the area.

Types of Activities That Will Be Eligible

The plan must describe eligible types of economic development activities under the program. (Section 18-2710)

This section should specifically describe types of eligible activities to be funded by local tax revenues under the program. However, it's important to note that all listed eligible activities do not necessarily need to be undertaken. The community and economic development strategy should provide guidance.

Activities not included in the plan, however, will not be eligible for funding during the life of the plan unless changed through another election process.

What are Eligible Activities of the "Economic Development Program?"

Eligible activities include any project or program using the program's funds for the purpose of providing direct or indirect financial assistance to a qualifying business, or for the payment of related costs and expenses. Examples include, but are not limited to (Section 18-2705):

1. Payments for salaries and support of municipal staff, or for contracts with outside entities to implement the economic development program.
2. Job training grants or loans.
3. Public works improvement grants essential to the location or expansion of qualifying businesses.
4. Direct loans or grants to qualifying businesses for fixed assets, working capital, or both.

5. Loan guarantees for qualifying businesses.
6. The purchase of real estate, or options for such purposes, and the renewal or extension of such options.
7. Technical assistance, including marketing, management counseling, financial package preparation, engineering assistance and other services for qualifying businesses.
8. Expenses for conducting industrial recruitment activities.
9. Grants and loans to construct or rehabilitate housing that is sold or leased to persons of low or moderate income persons.
10. Issuance of bonds as provided for in the Act.

It is important to note that a municipality's program need not be restricted to the listed activities. The Legislature left some latitude for local communities to develop creative forms of economic development program activities to match their own particular local conditions and needs. If a municipality has an idea for such a creative activity that is not otherwise inconsistent with the Act or other state laws, it can be included within the proposed plan. Consult your village or city attorney.

Types of Businesses That Will Be Eligible

The plan must describe those types of businesses that are eligible under the program (Section 18-2709).

What businesses may qualify for funds collected under the Local Option Municipal Economic Development Act?

In cities with populations greater than 2,500 persons, a qualifying business is any corporation, partnership, or sole proprietorship which derives its principal source of income from any of the following:

1. The manufacture of articles of commerce.
2. The conduct of research and development.
3. The processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce.
4. The sale of services in interstate commerce.
5. Advanced Telecommunications activities.
6. Tourism-related activities.
7. Headquarter facilities for a corporation, partnership or sole proprietorship whose activities include one or more of those listed in 16 above.
8. The construction or rehabilitation of affordable housing.
9. Retail trade, for cities with populations between 2,500 to 10,000.

In municipalities with populations of 2,500 inhabitants or less, a qualifying business is any corporation, partnership or sole proprietorship regardless of its principal source of income (Section 18-2709).

Even though the municipality could identify specific business types based on the community's strategy, care must be taken not to exclude types of businesses that the municipality may want to fund in the future.

Remember that any eligible business classification type not initially included in the plan will not be eligible for funding throughout the life of the plan unless changed through another election process.

What safeguards prevent businesses from receiving assistance from one Nebraska municipality while moving its operations to another Nebraska community?

If an otherwise qualifying business employs people and carries on activities in more than one Nebraska community, or will do so at any time during the first year following its application for program participation, it shall qualify for assistance only if it maintains employment in each community for the first two years of its program participation at a level not less than its average employment in each community over the 12-month period preceding participation (Section 18-2709).

Example: Widget Corporation operates a manufacturing facility in Huskerville, Nebraska, where it has employed on average 20 employees during the most recent 12-month period. If Good Life City, Nebraska, wishes to provide financial assistance to Widget Corporation to expand its operation to Good Life City, it may do so only if Widget Corporation maintains its number of employees in Huskerville at an average of at least 20 employees over the next 24-month period. The purpose of this provision is to prevent Nebraska municipalities from using LB 840 funds to entice businesses from other Nebraska communities through lucrative offerings.

By adopting this provision, the Legislature clarified that it is the state's policy to create new jobs in Nebraska through the Act and increase total statewide employment opportunities, and not just to redistribute the same jobs between various communities at the taxpayer's expense, or to foster "bidding wars" between Nebraska communities.

Amount to be Collected from Local Sources

The plan must include a statement specifying the total amount of money that is proposed to be collected from local sources of revenue to finance the program (Section 18-2710).

How much money can be appropriated by a municipality for the economic development program?

No municipality shall appropriate more than the least amount calculated (Section 18-2717) under the following alternatives:

1. An amount exceeding the amount approved by voters in the election, or
2. An amount exceeding 4/10ths of one percent (0.4 percent) of the actual taxable valuation of the municipality in the year in which the funds are collected, or
3. More than \$3 million in any one year (for cities of metropolitan or primary class), or
4. More than \$2 million in any one year (for first class cities), or
5. More than \$1million in any one year (for second class cities or villages)

Keep in mind that the limitation is on the amount appropriated, not on the amount collected. Let's assume that the municipality wishes to collect a one-cent sales tax which is expected to generate about \$100,000 each year, but the appropriation limit for that same municipality is \$80,000 (0.4% of the municipality's taxable valuation) in any one year for the economic development program. The municipality can collect the one-cent sales tax, but only \$80,000 can be appropriated in any year for the economic development program. The suggested method is to optimize the amount of LB840 funds to be collected and appropriated for any program year. Also, the local government is encouraged to investigate LB840's impact on the municipal budget and its restricted funds. The most recent actual valuations can be obtained through each county assessor's office.

What types of sources can be collected for the Economic Development Program?

Provisions of Amendment 3 to the Constitution state that only funds raised from "general taxes levied by the city or village" can be used for economic development programs. The Act specifies that those local sources of revenue are the local property tax and/or the local option sales tax (Section 18-2708).

How much can be collected with a local option sales tax?

Local sales taxes can be levied at one-half percent, one percent, or by one and one-half percent. LB 840 does not authorize exceeding the one and one-half percent local tax limit. To estimate how much revenue a community could generate, multiply the municipality's "net taxable sales" by .005, .01, or .015 depending on the rate that's being considered. Recent figures can be obtained by calling the Nebraska Department of Economic Development. When a local option sales tax is collected, the state retains 3 percent of the amount collected for administration fees.

When can a municipality expect to receive the first month's sales tax collection receipt?

The Nebraska Department of Revenue requires a 60-day notice for the collection of local option sales taxes and those collections must begin (and end) at the beginning of a quarter. So a community that wants the sales tax collections to begin on January 1, must submit notice by November 1. Each month's receipts will be received by the city approximately two months after the month it is collected—for example, January's receipts would be received by the city in March.

When can a municipality expect to receive property tax increase receipts?

Property tax rates are revised for any given year by the preceding September 15th. The majority of a year's collections are received in the months of May and September of each year. So if a property tax increase was approved during the November 2009 election, the 2011 rate would be changed by September 15, 2010 and the first half year's collections would be received in May 2011.

Does the municipality have to impose an additional sales tax or raise the property tax levy to garner funds for the economic development program?

No. If revenue from the existing sales tax or current property tax levy is sufficient to fund the program, no additional funding need be sought and should be so stated in the plan.

If, however, a prior authorization to collect a local option sales tax specified different uses for the proceeds, such as property tax relief, debt service, capital improvements, etc., a new sales tax authorization vote may be necessary. Consult your city or village attorney.

Length of Time the Program Will Exist

The plan must include a statement specifying the length of time the program will exist. (Section 18-2710).

The Act does not limit the length of time a program can exist. Consequently, a municipality will probably not want to create a short program due to the amount of work involved in its start-up and to avoid going through another election within a year or two. Of course if a proposed program is too long, it may be more difficult to encourage citizens to vote for its approval. Therefore, careful consideration is urged in determining the proper length of a program.

Some consideration should be given to when increased taxes will actually be received by the city. For example, if a local option sales tax is approved during a November election, the earliest the sales tax can be collected is the following April. And April's collection won't be received by the city until June. For this reason a community may want to set two time periods in the plan—one for tax collection and one for the program's existence. The actual program would probably start before tax collections begin and end after last month's (or year's) taxes are to be received.

Program's Basic Preliminary Budget

The plan must include a statement specifying a basic preliminary program budget (Section 18-2710).

Requiring municipalities to include preliminary budgets encourages them to take a long, hard look at precisely what the proposed programs require in the way of municipal resources. How many new people may need to be hired? What qualifications will they need and what kind of salaries will we need to pay to attract them? These and other questions need answers before the municipality gets involved in a program.

Cost of administering the program is important to its viability and whether or not voters will approve it. This requirement gives the governing body and interested citizens the opportunity to do some practical planning and to establish solid, short-term goals.

Budget line items of an economic development program might include: salaries and fringe benefits; audit fees; travel; prospect entertainment; insurance; printing; advertising; office equipment; loan funds; land purchases; grants; and administrative items such as telephone, postage, photocopying, etc.

The budget also will include income amounts and sources, such as sales and property tax revenues, and program income (repayment of loans, interest income, and additional funds from other non-municipal sources including grants, utilities, economic development corporations, foundations, etc.).

Application Process for Financial Assistance to Businesses

The plan must include a detailed description of the required application process a qualifying business follows to apply for financial assistance. It must include the type of information required from the business and the process used to verify the information (Section 18-2710).

This section of the plan will be required only if the economic development program includes direct financial assistance to qualified businesses. Such assistance could include loans, grants, loan guarantees, tax incentives, or equity investments. If the program involves creation of a loan program, additional program description is required per the Act. While the application process can be tailored to fit your program, it should be able to answer general questions asked by businesses seeking funds from the municipality, including:

- What is the process I need to go through to get funding?
- Who can answer my questions?
- When and where do I submit my application?
- Who reviews the applications?
- Who makes the final decision of who receives assistance?
- Is the process competitive?
- Is there a deadline for applications?
- What kinds of businesses are eligible?
- What types of funding are there, and for what purposes?

Any process established for an economic development program application should answer these and other basic questions. The application process may vary according to the assistance that is provided by the program. For example, a loan application process will require different information than a business applying for employee training. Therefore, the program's application process needs to be in synch with the assistance that the municipality intends to provide.

The Information Required From the Business

To decide what kind of information you will need, you should focus again on the kind of program that is undertaken and the types of businesses to be assisted. It would be prudent to have enough information that confirms the business is responsible and can follow through with promises they make. It may be advisable to set up a mechanism to ascertain that any representations about a business's financial condition and prospectus are accurate.

Basic suggestions for what should be in the applications include:

1. A business description verifying that the business satisfies program goals and intentions.
2. A business plan for the project.
3. Income statements covering the last three years and pro forma for the next three.
4. Financing requirements and commitments from financial institutions, investors, etc., relating to the project/purpose being funded.
5. A list of key management, employees and their skills and experience related to the project.
6. Verification.

Once a business has provided required application information, it is advised to have a verification process in place to check for accuracy. A verification process may involve any number of activities from calling business references to criminal record checks. Determine what verification activities are necessary for your program and include a description of the proposed process in the plan.

Process to Insure Business Information Confidentiality

The plan must describe steps taken to insure the privacy and the confidentiality of business information. This section is required only if the economic development program includes direct financial assistance to qualified businesses. (Section 18-2710)

During the information gathering process a municipality may receive confidential information, which if released, could harm a business, or give an unfair advantage to its competitors. State law authorizes municipalities and other public entities to maintain the confidentiality of business records that come into their possession.

To protect businesses applying for funds, and encourage them to fully and frankly disclose relevant information on their application forms, the Act provides that municipalities should specify steps it will take to ensure full confidentiality. The process may include:

1. Adoption of an ordinance that requires information confidentiality and penalizes disclosure.
2. A restricted number of people allowed file access, and only one person primarily responsible for safe-keeping of the files.
3. Personnel involved in the program to review and sign confidentiality statements regarding all personal and private submittals by qualified businesses.

Administration System of Program/Personnel Structure

The plan must describe the administrative system that's established to administer the economic development program, including the personnel structure, duties and responsibilities of everyone involved (Section 18-2710).

Two staff positions and their responsibilities as specified in the Act are described below. Additional responsibilities, as well as other positions and responsibilities may need to be identified to carry out the program depending on its nature and extent. The administrative system needs to be tailored to the specific program needs and concerns of the municipality.

Program Administrator:

1. Track participating businesses' employment figures for two years if said businesses employ persons in other Nebraska communities (Section 18-2709).
2. Administer the economic development program (Section 18-2715).
3. Serve as an ex-officio member of the Citizen Advisory Review Committee (Section 18-2715).
4. Provide the Citizen Advisory Review Committee with necessary information and advise the Committee on the economic development program (Section 18-2715).

Loan Fund Program Administrator (If loan program exists):

1. Provide to the governing body an account of the status of:
 - a. Each outstanding loan.
 - b. Program income.
 - c. Monthly updates of current investments of unexpended funds (Section 18-2720).
2. Keep records on accounts and compile reports that include:
 - a. Name of borrower.
 - b. Purpose, date, amount, and basic terms of loan.
3. Payments made to date and current balance due (Section 18-2720).
4. Regularly monitor each loan's status and, with cooperation from the governing body and primary lender(s), take appropriate action on any delinquent loans (Section 18-2720).

Process to Assure Laws and Regulations are met by the Municipality and Participating Businesses

Describe how the municipality will assure that all applicable laws, regulations, and requirements are met by the municipality and that qualifying businesses will receive appropriate assistance (Section 18-2710).

The economic development program should be regularly reviewed to ensure that this responsibility is met, and a description should be included in the program of who will be handling such a review.

Municipal officials administering the economic development program are probably the most qualified to know when qualifying businesses or the municipality itself is violating state and federal laws and regulations. Because the program administrator regularly accesses confidential records and information and monitors activities he or she may be best suited to ensure that appropriate laws and regulations are followed.

It is wise to involve the city or village attorney in the review of relevant documents to assure that laws and regulations are upheld. The city or village attorney also should keep the municipality informed of any relevant legal changes affecting the program.

Beyond periodic review of the program, a system for monitoring participating businesses' activities may be included. Again, the nature of the program being undertaken will be determined by the process that is adopted.

Purchase or Option to Purchase Land

If the proposed economic development program involves the purchase or option to purchase land, the plan also shall specify how tracts of land will be identified for purchase or option to purchase. The plan also should address whether the municipality proposes to use proceeds from future sales of such land for additional land purchases (Section 18-2711).

If land is to be purchased or optioned by the community for a general purpose industrial site or industrial park, it is advisable for the property to:

1. Measure at least five acres.
2. Be properly zoned with no excessive easements, covenants, or other encumbrances, and conform to the city's or county's comprehensive plan.
3. Feature good topography (level to gently sloping), be well-drained, and carry no flood plain designation.
4. Have access to city or rural water mains of 6" to 8" looped. On-site private wells can be used as well.
5. Have ready access to electricity and telecommunications infrastructure. While access to natural gas is not absolutely necessary, it is highly desirable.
6. Have good highway access. Railroad access is highly sought and often required.

If infrastructure is not already in place at the site, there should be an existing site plan that includes the extension of these utilities and ingresses and egresses from the proposed site. Protective covenants and easements need to be factored into the planning process. A professional engineer should be engaged to assist with the site plat plan. Future development costs must be known and included to ensure proper pricing of the land.

Communities seeking advice about the most feasible industrial site or industrial park properties should contact the Nebraska Department of Economic Development's Business Development Division. The Division's Field Staff coordinate the "Nebraska Site Evaluation Team" program. Economic development allies serving the region will collectively assist in determining which sites are the most feasible for industrial purposes.

Loan Program

Items 9 through 14 in Step 2 above are required in the Economic Development Plan **only if tax revenues are to be used in a business loan program.**

Types of Assistance Available and Maximum Portion

If the proposed economic development program involves creation of a loan fund, the plan also should specify the types of available financial assistance. It should state the maximum amount of financial assistance provided to any single qualifying business as well as the criteria used to determine the appropriate levels of assistance (Section 18-2711).

Participation Criteria for Qualifying Businesses

If the proposed economic development program involves creation of a loan fund, the plan also needs to specify criteria and procedures to be used to determine the necessity and appropriateness of permitting a qualifying business to participate in the loan fund program (Section 18-2711).

What are the requirements of a business applying to participate in a loan fund program?

At the time a qualifying business applies to a municipality to participate in a loan fund program, it needs to provide appropriate documentation verifying its negotiations with one or more primary lender(s) and the terms upon which it has received, or will receive, the portion of total financing for activities not provided by the municipality (Section 18-2719).

Time Allowed for Participating Businesses to Meet Goals

If the proposed economic development program involves creation of a loan fund, the plan also shall specify criteria for determining the timeframe within which a qualifying business must meet the goals set forth under its participation agreement (Section 18-2711).

What is the governing body's role in the repayment of loans to the loan program?

1. The governing body shall establish standards for:
 - a. When a loan shall be declared to be in default, and
 - b. What actions shall be taken to deal with the default and protect the interests of the qualifying business, third parties, and the municipality.
2. The governing body shall establish a process for consultation, agreement, and joint action between the municipality and the primary lender(s) when pursuing appropriate remedies following default of a qualifying business to collect amounts owed under the conditions of the loan (Section 18-2720).

Personnel Requirements

If the proposed economic development program involves creation of a loan fund, the plan also shall specify what personnel or other assistance beyond regular municipal employees will be needed to administer the loan fund program and the method for payment or reimbursement (Section 18-2711).

If the economic development program involves creation of a loan fund, who is responsible for loan servicing?

If the economic development program involves the creation of a loan fund the governing body shall designate a individual to assume primary responsibility for loan servicing and other assistance, lest the determination is made that additional personnel is required. The individual may be an employee of the municipality, or the municipality may contract with an appropriate business or financial institution for loan servicing functions (Section 18-2720).

What are the responsibilities of the person who services the loan fund?

1. The person responsible for overseeing the loan fund should provide accounts to the governing body about:
 - a. Each outstanding loan.
 - b. Program income.
 - c. Monthly updates of current investments of unexpended funds.
2. Records and reports made to the governing body of the municipality shall include, but not be limited to:

- a. The name of the borrower.
 - b. The purpose, date, amount and basic terms of the loan (including interest rate, maturity date and payment frequency).
 - c. Payments made to date and current balance due.
3. The individual responsible for loan servicing shall monitor the status of each loan and, with the cooperation of the municipality and the primary lender(s), take appropriate action when a loan becomes delinquent (Section 18-2720).

Investment Strategies

If the proposed economic development program involves creation of a loan fund, the plan also shall specify the investment strategies that the municipality will pursue to promote the growth, security and liquidity of the loan fund (Section 18-2711).

Methods of Auditing and Verification

If the proposed economic development program involves creation of a loan fund, the plan also shall specify methods of auditing and verification to be used by the municipality to insure appropriately awarded assistance, as well as protection against fraud or deceit in the conduct or administration of the program (Section 18-2711).

STEP 3: Prepare and Pass a Resolution that Adopts the Plan and Provides the Wording on the Ballot.

The Resolution and Plan are filed with the City or Village Clerk for Public Review. It is suggested (although not required) that a public hearing be held before the resolution is passed to allow for public input and plan changes to be made before a final vote is taken.

The Economic Development Plan has been completed. What is the next step?

After the plan is completed, the governing body must adopt it by resolution and file the resolution and proposed economic development plan with the city or village clerk who will make it available for public review at the city hall or village office during regular business hours (Section 18-2712).

The proposed economic development plan can either be included or referenced in the resolution. Either way, the plan needs to be available for public review.

However, a community may want to consider adding a step before the resolution. Although not a requirement of the Act, it may be in the interest of the economic development program to hold a public hearing before approving the plan by resolution to allow revisions should valid concerns arise out of the hearing process.

What must the required resolution include?

The resolution (Section 18-2710, 2712, 2713) must include:

1. A reference to the proposed economic development plan. The entire plan can be included in the resolution. If, however, the plan is long, it may be more appropriate for the resolution to refer to the plan since a requirement, outside of the Act requires municipalities to publish resolutions.
2. A formal adoption of the proposed plan.
3. A statement proposing the economic development program.

4. Wording for the question on the ballot.

What must be included in the ballot question?

The question on the ballot briefly sets out the terms, conditions, and goals of the proposed economic development program as outlined in the plan (Section 18-2713) to include:

1. The program's timeline.
2. The number of year(s) the funds are to be collected.
3. The source(s) from which the funds are to be collected.
4. The total amount to be collected for the program.
5. Whether additional, non-municipal funding sources will be sought beyond local sources of revenue.

If the funds are to be derived from local property tax, the ballot question also shall include:

1. The present annual cost of the economic development program per \$10,000 of assessed valuation based on the most recent valuation of the municipality.

The ballot question shall state: "Shall the city (village) of _____ establish an economic development program as described here by appropriating \$ _____ annually for _____ years?"

Special Note: The Act specifies that if the proposed program either involves the purchase or option to purchase land, or a loan program the resolution also must specify information concerning these two items. These have been covered in Step 2 because it was the intent of the bill's authors to include this information. Please check with your city or village attorney for their interpretation.

Can the ballot questions for the economic development program and the local option sales tax be combined?

No. If the funding source for the proposed economic development program is a local option sales tax, two separate resolutions and ballot questions will be required. The resolution and ballot question for the economic development program are covered by LB 840 and addressed above. The Local Option Revenue Act, 77-27,142 and 77-27,142.02 covers the requirements for a local option sales tax resolution and ballot question. Both ballot questions should be carefully and clearly worded so that voters understand only one tax increase is being proposed. (The Local Option Revenue Act, 77-27,142 and 77-27,142.02 is included in the Appendix.)

STEP 4: File a Certified Copy of the Resolution with the Election Commissioner or County Clerk.

How does the question get placed on the ballot?

The city's or village's governing body submits the question by filing a certified copy of the resolution proposing the economic development program (and specifying the wording for the ballot question) with the election commissioner or county clerk no later than:

- Forty-one (41) days prior to a special election, OR
- Fifty (50) days prior to a primary or general election.

Refer to Section 18-2713.

The LB 840 Guide authors caution readers about relying on the 41-day window for filing prior to a special election (specified in Section 18-2713) due to a conflicting provision in Section 32-559 (that more generally governs special elections by political subdivisions, such as cities or villages). Section 32-559 requires that for an issue to be submitted to voters as part of a special election, it must be certified by the election commissioner or county clerk at least fifty (50) days prior to that election. The apparent conflict in the statutes:

- a 41-day window for special election submission in Section 18-2713, versus
- a 50-day window for special election submission in Section 32-559

is probably best handled (to avoid any future objections about timing) by taking the conservative approach and making sure the filing with the election commissioner or county clerk is done at least 50 days prior to any election—primary, general or special.

STEP 5: Schedule a Public Hearing to Present the Resolution for Public Comment and Discussion.

What guidelines does the Local Option Municipal Economic Development Act spell out for public hearings?

The governing body of the municipality shall schedule a public hearing at which time the resolution shall be presented for public comment and discussion. The public hearing shall be held no later than 15 days prior to the date of the election (Section 18-2712).

In addition to holding a required public hearing for presenting the resolution, it is recommended to hold an additional public hearing (described in Step 3) to allow for revisions to the proposed economic development program and ballot question before passing the resolution (particularly if valid concerns arise during the hearing).

Because of the timing of the required public hearing described here in Step 5, the actual benefit of this hearing may be to inform the voters rather than to provide a method of changing the plan since the ballot question will probably have already been filed.

STEP 6: Hold Election.

Who ultimately decides whether an economic development program is adopted for a municipality?

Voters within the municipality. Before adopting an economic development program a municipality shall submit the question of its adoption to the registered voters at an election, either primary, general, or special (Section 18-2713).

What determines the results of the election?

If a majority votes in favor of the question, the governing body may implement the proposed economic development program upon the terms set out in the resolution.

If a majority votes against the question, the governing body shall not implement the economic development program (Section 18-2713).

Are there any limits on how many times a community can bring an Economic Development Program to an election?

No. However, if the Economic Development Program is to be funded through a Local Option Sales Tax, state statute (Section 77-27.142.03) limits how often a sales tax issue can be submitted to the voters.

According to Section 77-27.142.03, "The question of imposing a sales and use tax shall not be submitted to the electors of an incorporated municipality more often than once every 23 months."

STEP 7: Establish the Economic Development Program by Ordinance.

What are the requirements for establishing the economic development program by ordinance after the election?

After the ordinance establishing the economic development program is adopted, it shall only be amended:

1. To conform to the provisions of any existing or future state or federal law; or
2. When necessary to accomplish the purpose of the original enabling resolution.

An amendment requires notice, at least one public hearing, and a two-thirds vote of members of the governing body of the municipality.

The municipality shall not amend the economic development program so as to fundamentally alter its basic structure or goals, either with regard to eligible businesses, use of funds, or basic terms set out in the original enabling resolution, without submitting the proposed changes for a new vote of registered voters in the appropriate manner (Section 18-2714).

Because fundamental changes cannot be made without another election process, care should be taken to include businesses and activities that you may want to fund through the economic development program in the original proposed plan.

STEP 8: Appoint a Citizen Advisory Review Committee.

Who should make up the Citizen Advisory Review Committee?

The Citizen Advisory Review Committee shall consist of five to ten resident taxpayers of the municipality who shall be appointed to the committee by the mayor (or chairman) subject to approval by the governing body of the municipality. (Section 18-2715)

Committee member criterion includes:

1. At least one committee member shall have expertise or experience in the business finance or accounting field.
2. All committee members shall be resident taxpayers of the municipality.

No member of the Citizen Advisory Review Committee shall be:

1. An elected or appointed municipal official.
2. An employee of the municipality.
3. An official or employee of any qualifying business receiving financial assistance under the economic development program.
4. An official or employee of any financial institution participating directly in the economic development program.

What is the responsibility of the Citizen Advisory Review Committee?

The Citizen Advisory Review Committee (Section 18-2715) shall:

1. Review the economic development program's function and progress at regular meetings, as set forth in the ordinance, and advise the governing body of the municipality with regard to the program.
2. Report to the governing body on its findings and suggestions at a public hearing called for that purpose, at least once in every six-month period after the effective date of the ordinance.

Is there any provision for official municipal government representation on the Citizen Advisory Review Committee?

Yes. In the ordinance, the governing body shall designate one municipal official or employee (designated by title instead of name) to administer the economic development program and serve as an ex officio Committee member. The designated individual also will be responsible for providing the committee with necessary information and advice on the economic development program (Section 18-2715).

Are there any safeguards that protect the confidentiality of business information provided by participating businesses?

The Citizen Advisory Review Committee, in their capacity as and consistent with their responsibilities as members, may access business information received by the municipality in the course of its administering the economic development program...information that would otherwise be confidential. Any municipal ordinance that provides access to such records to members of the committee, and guarantees the confidentiality of business information received by reason of its administration of the economic development program, also may stipulate that unauthorized disclosure of any business information confidential under Section 84-712.05 shall be a Class III misdemeanor (Section 18-2715).

STEP 9: Annual Budget

The municipality's existing annual budget must be amended to include the amount to be expended on the economic development program, or the next annual budget must include this amount.

How is the amount to be expended on the economic development program determined? Does it change from year to year?

Although the amount to be collected is specified in the original plan, the amount to be expended for the ensuing year is fixed after the election.

Following adoption of the ordinance establishing the economic development program, the amount expended on the program for the ensuing year shall be fixed at the time of formulating the annual budget, which is required by law and shall be included in the municipality's budget (Section 18-2716).

This means that a municipality cannot spend any collected funds until the expenditures have been included in the budget and approved and appropriated as required by law. Normally this does not occur before August 1 when the fiscal year starts for the municipality. However, if a municipality already has collected money and wants to spend it before the fiscal year, they can amend the local budget through the appropriate statutory process.

Can the municipality re-appropriate unexpended money that was appropriated in a previous year?

Yes. However the municipality cannot appropriate more than the limits described in Section 18-2717 in any one year.

For instance, assume that the limit for Huskerville is \$40,000 per year (0.4 percent of the actual valuation). If in year one \$40,000 was appropriated and only \$30,000 was expended, the unexpended \$10,000 could be re-appropriated the next year. However, the limit that can be appropriated in year two would remain at \$40,000 (or 0.4 percent of the actual valuation in that year), and not increased to \$50,000 to make up for the savings that took place in year one.

Other than the appropriation limitations set out in Section 18-2717, are there requirements about how fast a community should expend the money collected for the economic development program?

No. However, if after five full budget years following initiation of the approved economic development program, less than 50 percent of the money collected is spent or committed by contract, the governing body of the municipality shall place the question of continuing the economic development program on the ballot of the next regular election. (Section 18-2718)

STEP 10: Establish the Economic Development Fund.

What should be deposited into the "Economic Development Fund?"

Any municipality conducting an economic development program shall establish a separate economic development fund. Funds that shall be deposited into this fund (Section 18-2718) are:

1. Those derived from local sources of revenue for the economic development program.
2. Earnings from the investment of such funds.
3. Loan payments.
4. Proceeds from the sale of assets purchased by the municipality under its economic development program.
5. Any other money received by the municipality by reason of the economic development program.

Can funds collected for the economic development program be deposited into the general fund?

Except in the case of the termination of the economic development program, no money in the economic development fund shall be deposited or transferred to the general fund of the municipality, nor shall it be commingled with any other municipal funds (Section 18-2718).

Can funds collected for the economic development program be invested?

Any money in the economic development fund not currently required or committed for the purposes of the economic development program shall be invested as provided for in state statute (Section 18-2718, 77-2341).

STEP 11: Carry Out the Required Tasks Once the Program is Implemented.

What are the ongoing responsibilities of the Citizen Advisory Review Committee?

The Citizen Advisory Review Committee (Section 18-2715) shall:

1. Review the functioning and progress of the economic development program at regular meetings, as set forth in the ordinance, and advise the governing body of the municipality with regard to the

program.

2. Report to the governing body on its findings and suggestions at a public hearing called for that purpose, at least once during every six-month period after the effective date of the ordinance.

What safeguards are provided concerning the integrity of the program and the proper use of funds?

The municipality shall provide for an annual, outside, independent audit of its economic development program by a qualified private auditing business. The auditing business shall not, at the time of the audit or for any period during the term subject to the audit, have any contractual or business relation with any:

1. Qualifying business receiving funds or assistance under the economic development program.
2. Financial institution directly involved with a qualifying business receiving funds or assistance under the economic development program.

The results of the audit shall be filed with the city or village clerk and made available for public review during normal business hours. (Section 18-2721)

STEP 12: Methods to End the Program Including Termination Activities.

How do the municipality's citizens repeal the economic development program?

Registered voters of any municipality that has established an economic development program have the right to vote, at any time after one year following the original vote, on continuation of the economic development program. The question shall be submitted to the voters whenever petitions calling for its submission, signed by registered voters of the municipality in number equal to at least 20 percent of people voting in the municipality at the last preceding general election, are presented to the municipality (Section 18-2722).

What process should be followed if petitions are received?

Upon receipt of the adequate number of valid petitions, the governing body shall:

1. Submit the question at a special election to be held 30 to 45 days after receipt of the petitions. (If another election is to be held within 90 days of the receipt of the petitions, the election may be held on the same date.
2. Give notice of the submission of the question 10 to 20 days prior to the election via publication in one or more city-circulated newspaper(s). This notice is additional to any notices required by the election laws of the state (Section 18-2722).

What steps can a municipality take to avoid putting the question to a vote after the proper number of petitions are received?

If the municipality acts within 15 days of receiving petitions for an election, and two-thirds of the members of the governing body of the municipality vote to repeal the ordinance establishing the economic development program, the economic development program shall end and the election shall not be held (Section 18-2722).

How should the question on the ballot appear in case a valid petition calls for the question's submission?

The question on the ballot shall generally set out the basic terms and provisions of the economic development program as required for the initial submission, except the question shall be:

"Shall the city (village) of _____ continue its economic development program?" (Section 18-2722).

What determines the results of the election?

A majority of registered voters voting on the question at the election shall determine its outcome. The final vote shall be binding. If a majority of voters choose to discontinue the program, the municipality shall act within 60 days of the certification of the vote to repeal the ordinance that established the economic development program (Section 18-2722).

What method is available for the governing body of the municipality to repeal the economic development program?

The governing body of a municipality may, after publishing notice of its intent to consider the repeal and holding a public hearing, repeal the ordinance by a two-thirds vote of the members of the governing body. This would end the economic development program, which is subject only to the provisions of any existing contracts relating to the program and rights of any third parties arising from those contracts. (Section 18-2714)

Termination Activities:

What steps must be taken before terminating the economic development fund?

The economic development fund shall not be terminated until all projects and contracts related to the program have been finally completed and all related funds fully accounted for, with no further municipal action required, and after completion of a final audit.

When the economic development program is terminated, the governing body of the municipality shall certify, by resolution, the amount of money to be transferred from the economic development fund to the general fund of the municipality and the amount that is anticipated will be received by the municipality between such time and the final audit of the economic development fund (Section 18-2718).

What happens to the balance of the money in the economic development fund after the program is terminated?

The balance of the money in the economic development fund not otherwise committed by contract under the program shall be deposited in the general fund of the municipality. (Section 18-2718)

What happens to funds received because of the economic development fund after the termination of the program?

Any funds received by the municipality for the economic development program after its termination shall be transferred to the general fund of the municipality as such funds are received (Section 18-2718).

Upon termination of the economic development program, how fast must a municipality spend funds transferred to the general fund?

The sum of the amount transferred from the economic development fund to the general fund plus the amount anticipated to be received should be divided by the number of years the economic development program funds were collected. This total shall be the amount applied against the budgeted expenditures of the municipality during each succeeding year until all funds from the economic development program have been expended. Example: A municipality expects to transfer a total of \$100,000 for a program that lasted five years, so \$20,000 (\$100,000 divided by 5), should be applied against expenditures each year for the next five years (Section 18-2718).

Upon the program's termination, how will the expenditure of money now in the general fund affect property taxes?

The yearly installments to be applied against expenditures shall go toward reducing the property tax levy of the municipality by that amount in each year in which they are expended. So in the example cited directly above, a \$20,000 property tax reduction per year for five years would be required (Section 18-2718).

APPENDIX

Local Option Municipal Development Act

18-2701

Act, how cited.

Sections 18-2701 to 18-2738 shall be known and may be cited as the Local Option Municipal Economic Development Act.

Source: Laws 1991, LB 840, § 1; Laws 1993, LB 732, § 16; Laws 1995, LB 207, § 1; Laws 2001, LB 827, § 9.

18-2702

Legislative findings.

The Legislature finds that:

- 1) There is a high degree of competition among states and municipalities in our nation in their efforts to provide incentives for businesses to expand or to locate in their respective jurisdictions;
- 2) Municipalities in Nebraska are hampered in their efforts to effectively compete because of their inability under Nebraska law to respond quickly to opportunities or to raise sufficient capital from local sources to provide incentives for the provision of new services or business location or expansion decisions which are tailored to meet the needs of the local community;
- (3) The ability of a municipality to encourage the provision of new services or business location and expansion has a direct impact not only upon the economic well-being of the community and its residents but upon the whole state as well; and
- (4) There is a need to provide Nebraska municipalities with the opportunity of providing assistance to business enterprises in their communities, whether for expansion of existing operations, the creation of new businesses, or the provision of new services, by the use of funds raised by local taxation when the voters in the municipality determine that it is in the best interest of their community to do so.

Source: Laws 1991, LB 840, § 2; Laws 2001, LB 827, § 10.

18-2703

Definitions, where found.

For purposes of the Local Option Municipal Economic Development Act, the definitions found in Sections 18-2703.01 to 18-2709 shall be used.

Source: Laws 1991, LB 840, § 4; Laws 2001, LB 827, § 11.

18-2703.01

Advanced telecommunications capability, defined.

Advanced telecommunications capability shall mean high-speed, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology.

Source: Laws 2001, LB 827, § 12.

18-2704**City, defined.**

City shall mean any city of the metropolitan class, city of the primary class, city of the first class, city of the second class, or village, including any city operated under a home rule charter. City shall also include any group of two or more cities acting in concert under the terms of the Inter-local Cooperation Act or Joint Public Agency Act by means of a properly executed agreement.

Source: Laws 1991, LB 840, § 5; Laws 1999, LB 87, § 64.

Cross References: Interlocal Cooperation Act, see Section 13-801. Joint Public Agency Act, see Section 13-2501.

18-2705**Economic development program, defined.**

Economic development program shall mean any project or program utilizing funds derived from local sources of revenue for the purpose of providing direct or indirect financial assistance to a qualifying business or the payment of related costs and expenses or both, without regard to whether that business is identified at the time the project or program is initiated or is to be determined by specified means at some time in the future. An economic development program may include, but shall not be limited to, the following activities: Direct loans or grants to qualifying businesses for fixed assets or working capital or both; loan guarantees for qualifying business; grants for public works improvements which are essential to the location or expansion of, or the provision of new services by, a qualifying business; grants or loans for job training; the purchase of real estate, options for such purchases, and the renewal or extension of such options; the issuance of bonds as provided for in the Local Option Municipal Economic Development Act; and payments for salaries and support of city staff to implement the economic development program or the contracting of such to an outside entity. For cities of the first and second class and villages, an economic development program may also include grants or loans for the construction or rehabilitation for sale or lease of housing for persons of low or moderate income. An economic development program may be conducted jointly by two or more cities after the approval of the program by the voters of each participating city.

Source: Laws 1991, LB 840, § 6; Laws 1993, LB 732, § 17; Laws 1995, LB 207, § 3; Laws 2001, LB 827, § 13.

18-2706**Election, defined.**

Election shall mean any general election, primary election, or special election called by the city as provided by law.

Source: Laws 1991, LB 840, § 7.

18-2707**Financial institution, defined.**

Financial institution shall mean a state or federally chartered bank, a capital stock state building and loan association, a capital stock federal savings and loan association, a capital stock federal savings bank, and a capital stock state savings bank.

Source: Laws 1991, LB 840, § 8; Laws 2003, LB 131, § 21.

18-2708**Local sources of revenue, defined.**

Local sources of revenue shall mean the city's property tax or the city's local option sales tax.

Source: Laws 1991, LB 840, § 9.

18-2709**Qualifying business, defined.**

Qualifying business shall mean any corporation, partnership, limited liability company, or sole proprietorship which derives its principal source of income from any of the following: The manufacture of articles of commerce; the conduct of research and development; the processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce; the sale of services in interstate commerce; headquarters facilities relating to eligible activities as listed in this section; telecommunications activities, including services providing advanced telecommunications capability; or tourism-related activities. In cities of the first and second class and villages, a business shall also be a qualifying business if it derives its principal source of income from the construction or rehabilitation of housing.

In cities with a population of more than two thousand five hundred inhabitants and less than ten thousand inhabitants, a business shall also be a qualifying business if it derives its principal source of income from retail trade, except that no more than forty percent of the total revenue generated pursuant to the Local Option Municipal Economic Development Act for an economic development program in any twelve-month period and no more than twenty percent of the total revenue generated pursuant to the act for an economic development program in any five-year period, commencing from the date of municipal approval of an economic development program, shall be used by the city for or devoted to the use of retail trade businesses. For purposes of this section, retail trade shall mean a business which is principally engaged in the sale of goods or commodities to ultimate consumers for their own use or consumption and not for resale. In cities with a population of two thousand five hundred inhabitants or less, a business shall be a qualifying business even though it derives its principal source of income from activities other than those set out in this section.

If a business which would otherwise be a qualifying business employs people and carries on activities in more than one city in Nebraska or will do so at any time during the first year following its application for participation in an economic development program, it shall be a qualifying business only if, in each such city, it maintains employment for the first two years following the date on which such business begins operations in the city as a participant in its economic development program at a level not less than its average employment in such city over the twelve-month period preceding participation.

A qualifying business need not be located within the territorial boundaries of the city from which it is or will be receiving financial assistance.

Source: Laws 1991, LB 840, § 10; Laws 1993, LB 121, § 145; Laws 1993, LB 732, § 18; Laws 1994, LB 1188, § 1; Laws 1995, LB 207, § 4; Laws 2001, LB 827, § 14.

18-2710**Economic development program; proposed plan, contents.**

The governing body of any city proposing to adopt an economic development program shall prepare a proposed plan for such economic development program. The proposed plan shall include:

- (1) A description of the city's general community and economic development strategy;
- (2) A statement of purpose describing the city's general intent and proposed goals for the establishment of the economic development program;
- (3) A description of the types of businesses and economic activities that will be eligible under the program for the city's assistance;
- (4) A statement specifying the total amount of money that is proposed to be directly collected from local sources of revenue by the city to finance the program, whether the city desires the authority to issue bonds pursuant to the Local Option Municipal Economic Development Act to provide funds to carry out the economic development program, the time period within which the funds from local sources of revenue are to be collected, the time period during which the program will be in existence, and a basic preliminary proposed budget for the program;
- (5) A description of the manner in which a qualifying business will be required to submit an application for financial assistance, including the type of information that will be required from the business, the process

that will be used to verify the information, and the steps that will be taken to insure the privacy and confidentiality of business information provided to the city;

(6) A description of the administrative system that will be established to administer the economic development program, including a description of the personnel structure that will be involved and the duties and responsibilities of those persons involved; and

(7) A description of how the city will assure that all applicable laws, regulations, and requirements are met by the city and the qualifying businesses which receive assistance.

Source: Laws 1991, LB 840, § 11; Laws 1993, LB 732, § 19.

18-2710.01

Economic development program; housing for low-income or moderate-income persons; proposed plan; contents; eligibility criteria.

(1) If the proposed economic development program involves the making of grants or loans for the construction or rehabilitation for sale or lease of housing for persons of low or moderate income, the proposed plan shall specify (a) the income levels which will qualify persons for participation in the housing program and (b) the criteria for determining the adjustments to be made to the income of persons to determine their qualification for participation. For purposes of the Local Option Municipal Economic Development Act, the city shall determine low-income and moderate-income standards for the economic development program by basing such standards upon existing federal government guidelines or standards for qualifying for any federal housing assistance program as such levels may be modified by the consideration of existing local and regional economic conditions and income levels.

(2) In establishing the criteria to be applied in determining appropriate adjustments to the income of persons seeking consideration for participation in the program pursuant to subsection (1) of this section, the city shall consider the following factors:

(a) The amount of income the person has available for housing needs;

(b) The size of the family to reside in each housing unit;

(c) The cost and condition of housing available in the city;

(d) Whether the person or any member of the person's family who will be residing in the housing unit is elderly, infirm, or disabled;

(e) The ability of the person to compete successfully in the private housing market and to pay the amounts the private enterprise market requires for safe, sanitary, and un-crowded housing; and

(f) Such other factors as the city determines which are particularly relevant to the conditions facing persons seeking new or rehabilitated housing in the city.

Source: Laws 1995, LB 207, § 2.

18-2711

Land purchase; creation of loan fund; additional requirements.

(1) If the proposed economic development program involves the purchase of or option to purchase land, the proposed plan shall also specify the manner in which tracts of land will be identified for purchase or option to purchase and

whether or not the city proposes to use the proceeds from the future sale of such land for additional land purchases.

(2) If the proposed economic development program involves the creation of a loan fund, the proposed plan shall also specify:

(a) The types of financial assistance that will be available, stating the maximum proportion of financial assistance that will be provided to any single qualifying business and specifying the criteria that will be used to determine the appropriate level of assistance;

(b) The criteria and procedures that will be used to determine the necessity and appropriateness of permitting a qualifying business to participate in the loan fund program;

(c) The criteria for determining the time within which a qualifying business must meet the goals set for it under its participation agreement;

(d) What personnel or other assistance beyond regular city employees will be needed to assist in the administration of the loan fund program and the manner in which they will be paid or reimbursed;

(e) The investment strategies that the city will pursue to promote the growth of the loan fund while assuring its security and liquidity; and

(f) The methods of auditing and verification that will be used by the city to insure that the assistance given is used in an appropriate manner and that the city is protected against fraud or deceit in the conduct or administration of the economic development program.

Source: Laws 1991, LB 840, § 12; Laws 1993, LB 732, § 20.

18-2712

Public hearing; governing body; adopt resolution; filing.

Upon completion of the proposed plan, the governing body of the city shall schedule a public hearing at which time such plan shall be presented for public comment and discussion. Following the public hearing, the governing body shall adopt the proposed plan and any amendments by resolution. At the discretion of the governing body, the resolution may include the full text of the proposed plan or it may be incorporated by reference. The resolution shall include a statement of the date the economic development program will be presented to the voters of the city for approval pursuant to Section 18-2713 and the language of the ballot question as it will appear on the ballot. Following its adoption, a copy of the resolution and the proposed plan shall be filed with the city clerk who shall make it available for public review at city hall during regular business hours.

Source: Laws 1991, LB 840, § 13; Laws 1993, LB 732, § 21.

18-2713

Election; procedures.

Before adopting an economic development program, a city shall submit the question of its adoption to the registered voters at an election. The governing body of the city shall order the submission of the question by filing a certified copy of the resolution proposing the economic development program with the election commissioner or county clerk not later than forty-one days prior to a special election or not later than fifty days prior to a primary or general election. The question on the ballot shall briefly set out the terms, conditions, and goals of the proposed economic development program, including the length of time during which the program will be in existence, the year or years within which the funds from local sources of revenue are to be collected, the source or sources from which the funds are to be collected, the total amount to be collected for the program from local sources of revenue, and whether the city proposes to issue bonds pursuant to the Local Option Municipal Economic Development Act to provide funds to carry out the economic development program. The ballot question shall also specify whether additional funds from other non-city sources will be sought beyond those derived from local sources of revenue. In addition to all other information, if the funds are to be derived from the city's property tax, the ballot question shall state the present annual cost of the economic development program per ten thousand dollars of assessed valuation based upon the most recent valuation of the city certified to the Property Tax Administrator pursuant to Section 77-1613.01. The ballot question shall state: "Shall the city of (name of the city) establish an economic development program as described here by appropriating annually from local sources of revenue \$..... for years?". If the only city revenue source for the proposed economic development program is a local option sales tax that has not yet been approved at an election, the ballot question specifications in this section may be repeated in the sales tax ballot question.

If a majority of those voting on the issue vote in favor of the question, the governing body may implement the proposed economic development program upon the terms set out in the resolution. If a majority of those voting on the economic development program vote in favor of the question when the only city revenue source is a proposed sales tax and a majority of those voting on the local option sales tax vote against the question, the governing body shall not implement the economic development program, and it shall become null and void. If a majority of those voting on the issue vote against the question, the governing body shall not implement the economic development program.

Source: Laws 1991, LB 840, § 14; Laws 1993, LB 732, § 22; Laws 1995, LB 490, § 23.

18-2714

Economic development program; established by ordinance; amendment; repeal; procedures.

- (1) After approval by the voters of an economic development program, the governing body of the city shall, within forty-five days after such approval, establish the economic development program by ordinance in conformity with the terms of such program as set out in the original enabling resolution.
- (2) After the adoption of the ordinance establishing the economic development program, such ordinance shall only be amended (a) to conform to the provisions of any existing or future state or federal law or (b) after notice, at least one public hearing, and a two-thirds vote of the members of the governing body of the city, when necessary to accomplish the purposes of the original enabling resolution.
- (3) The governing body of a city shall not amend the economic development program so as to fundamentally alter its basic structure or goals, either with regard to the qualifying businesses that are eligible to participate, the uses of the funds collected, or the basic terms set out in the original enabling resolution, without submitting the proposed changes to a new vote of the registered voters of the city in the manner provided for in Section 18-2713.
- (4) The governing body of a city may, at any time after the adoption of the ordinance establishing the economic development program, by a two-thirds vote of the members of the governing body, repeal the ordinance in its entirety and end the economic development program, subject only to the provisions of any existing contracts relating to such program and the rights of any third parties arising from those contracts. Prior to such vote by the governing body, it shall publish notice of its intent to consider the repeal and hold a public hearing on the issue. Any funds in the custody of the city for such economic development program which are not spent or committed at the time of the repeal and any funds to be received in the future from the prior operation of the economic development program shall be placed into the general fund of the city.

Source: Laws 1991, LB 840, § 15.

18-2715

Citizen advisory review committee; membership; meetings; powers; unauthorized disclosure of information; penalty.

- (1) The ordinance establishing the economic development program shall provide for the creation of a citizen advisory review committee. The committee shall consist of not less than five or more than ten registered voters of the city who shall be appointed to the committee by the mayor or chairperson subject to approval by the governing body of the city. At least one member of the committee shall have expertise or experience in the field of business finance or accounting. The ordinance shall designate an appropriate city official or employee with responsibility for the administration of the economic development program to serve as an ex-officio member of the committee with responsibility for assisting the committee and providing it with necessary information and advice on the economic development program.
- (2) No member of the citizen advisory review committee shall be an elected or appointed city official, an employee of the city, a participant in a decision-making position regarding expenditures of program funds, or an official or employee of any qualifying business receiving financial assistance under the economic development program or of any financial institution participating directly in the economic development program.
- (3) The ordinance shall provide for regular meetings of the citizen advisory review committee to review the functioning and progress of the economic development program and to advise the governing body of the city with regard to the program. At least once in every six-month period after the effective date of the ordinance, the committee shall report to the governing body on its findings and suggestions at a public hearing called for that purpose.

(4) Members of the citizen advisory review committee, in their capacity as members and consistent with their responsibilities as members, may be permitted access to business information received by the city in the course of its administration of the economic development program, which information would otherwise be confidential (a) under Section 84-712.05, (b) by agreement with a qualifying business participating in the economic development program, or (c) under any ordinance of the city providing access to such records to members of the committee and guaranteeing the confidentiality of business information received by reason of its administration of the economic development program. Such ordinance may provide that unauthorized disclosure of any business information which is confidential under Section 84-712.05 shall be a Class III misdemeanor.

Source: Laws 1991, LB 840, § 16; Laws 1993, LB 732, § 23.

18-2716

Expenditures; budget.

Following the adoption of an ordinance establishing an economic development program, the amount to be expended on the program for the ensuing year or biennial period shall be fixed at the time of making the annual or biennial budget required by law and shall be included in the budget.

Source: Laws 1991, LB 840, § 17; Laws 2000, LB 1116, § 16.

18-2717

Appropriations; restrictions.

(1) No city shall appropriate from funds derived directly from local sources of revenue for all approved economic development programs, in each year during which such programs are in existence, an amount in excess of four-tenths of one percent of the taxable valuation of the city in the year in which the funds are collected.

(2) Notwithstanding the provisions of subsections (1) and (3) of this section, no city of the metropolitan or primary class shall appropriate from funds derived directly from local sources of revenue more than three million dollars for all approved economic development programs in any one year, no city of the first class shall appropriate from funds derived directly from local sources of revenue more than two million dollars for all approved economic development programs in any one year, and no city of the second class or village shall appropriate from funds derived directly from local sources of revenue more than one million dollars for all approved economic development programs in any one year.

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, no city shall appropriate from funds derived directly from local sources of revenue an amount for an economic development program in excess of the total amount approved by the voters at the election or elections in which the economic development program was submitted or amended.

(4) The restrictions on the appropriation of funds from local sources of revenue as set out in subsections (1) through (3) of this section shall apply only to the appropriation of funds derived directly from local sources of revenue. Sales tax collections in excess of the amount which may be appropriated as a result of the restrictions set out in such subsections shall be deposited in the city's economic development fund and invested as provided for in Section 18-2718. Any funds in the city's economic development fund not otherwise restricted from appropriation by reason of the city's ordinance governing the economic development program or this section may be appropriated and spent for the purposes of the economic development program in any amount and at any time at the discretion of the governing body of the city subject only to Section 18-2716.

(5) The restrictions on the appropriation of funds from local sources of revenue shall not apply to the re-appropriation of funds which were appropriated but not expended during previous fiscal years.

Source: Laws 1991, LB 840, § 18; Laws 1992, LB 719A, § 79; Laws 1993, LB 732, § 24; Laws 2000, LB 1258, § 1.

18-2718

Economic development fund; required; use; investment; termination of program; effect; continuation of program; election.

(1) Any city conducting an economic development program shall establish a separate economic development fund. All funds derived from local sources of revenue for the economic development program, any earnings from the investment of such funds including, but not limited to, interest earnings, loan payments, and any proceeds from the sale or rental by the city of assets purchased by the city under its economic development program shall be deposited into the economic development fund. Any proceeds from the issuance and sale of bonds pursuant to the Local Option Municipal Economic Development Act to provide funds to carry out the economic development program, except as provided in Section 18-2732, shall be deposited into the economic development fund. Except as provided in this section, subsection (4) of Section 18-2714, and subsection (7) of Section 18-2722, no money in the economic development fund shall be deposited in the general fund of the city. The city shall not transfer or remove funds from the economic development fund other than for the purposes prescribed in the Local Option Municipal Economic Development Act, and the money in the economic development fund shall not be commingled with any other city funds.

(2) Any money in the economic development fund not currently required or committed for purposes of the economic development program shall be invested as provided for in Section 77-2341.

(3) In the event that the city's economic development program is terminated as provided in subsection (4) of Section 18-2714 or subsection (7) of Section 18-2722, the balance of money in the economic development fund not otherwise committed by contract under the program shall be deposited in the general fund of the city. Any funds received by the city by reason of the economic development program after the termination of such program shall be transferred from the economic development fund to the general fund of the city as such funds are received. The economic development fund shall not be terminated until such time as all projects and contracts related to the program have been finally completed and all funds related to them fully accounted for, with no further city action required, and after the completion of a final audit pursuant to Section 18-2721.

(4) When the economic development program is terminated, the governing body of the city shall by resolution certify the amount of money to be transferred from the economic development fund to the general fund of the city and the amount that is anticipated will be received by the city between such time and the final audit of the economic development fund. The sum of those two amounts shall be divided by the number of years in which funds for the economic development program were collected from local sources of revenue. The resulting figure shall constitute the amount to be applied against the budgeted expenditures of the city during each succeeding year until all funds from the economic development program have been expended. The installments shall be used to reduce the property tax levy of the city by that amount in each year in which they are expended.

(5) If, after five full budget years following initiation of the approved economic development program, less than fifty percent of the money collected from local sources of revenue is spent or committed by contract for the economic development program, the governing body of the city shall place the question of the continuation of the city's economic development program on the ballot at the next regular election.

Source: Laws 1991, LB 840, § 19; Laws 1993, LB 732, § 25.

18-2719

Loan fund program; qualifying business; documentation required.

At the time when a qualifying business makes application to a city to participate in a loan fund program, the qualifying business shall provide to the city appropriate documentation evidencing its negotiations with one or more primary lenders and the terms upon which it has received or will receive the portion of the total financing for its activities which will not be provided by the city.

Source: Laws 1991, LB 840, § 21; Laws 2008, LB895, § 1.

18-2720**Loan fund program; loan servicing requirements.**

(1) If the economic development program involves the establishment of a loan fund, the governing body of the city shall designate an appropriate individual to assume primary responsibility for loan servicing and shall provide such other assistance or additional personnel as may be required. The individual may be an employee of the city, or the city may contract with an appropriate business or financial institution for loan servicing functions. The governing body of the city shall be provided with an account of the status of each loan outstanding, program income, and current investments of unexpended funds on a monthly basis. Program income shall mean payments of principal and interest on loans made from the loan fund and the interest earned on these funds.

(2) Records kept on such accounts and reports made to the governing body of the city shall include, but not be limited to, the following information: (a) The name of the borrower; (b) the purpose of the loan; (c) the date the loan was made; (d) the amount of the loan; (e) the basic terms of the loan, including the interest rate, the maturity date, and the frequency of payments; and (f) the payments made to date and the current balance due.

(3) The individual responsible for loan servicing shall monitor the status of each loan and, with the cooperation of the governing body of the city and the primary lender or lenders, take appropriate action when a loan becomes delinquent. The governing body shall establish standards for the determination of loan delinquency, when a loan shall be declared to be in default, and what action shall be taken to deal with the default to protect the interests of the qualifying business, third parties, and the city. The governing body shall establish a process to provide for consultation, agreement, and joint action between the city and the primary lender or lenders in pursuing appropriate remedies following the default of a qualifying business in order to collect amounts owed under the loan.

Source: Laws 1991, LB 840, § 21. Laws 2008, LB895, § 1.; Effective date April 18, 2008

18-2721**Audit.**

The city shall provide for an annual, outside, independent audit of its economic development program by a qualified private auditing business. The auditing business shall not, at the time of the audit or for any period during the term subject to the audit, have any contractual or business relationship with any qualifying business receiving funds or assistance under the economic development program or any financial institution directly involved with a qualifying business receiving funds or assistance under the economic development program. The results of such audit shall be filed with the city clerk and made available for public review during normal business hours.

Source: Laws 1991, LB 840, § 22.

18-2722**Continuation of program; election; procedure.**

(1) The registered voters of any city that has established an economic development program shall, at any time after one year following the original vote on the program, have the right to vote on the continuation of the economic development program. The question shall be submitted to the voters whenever petitions calling for its submission, signed by registered voters of the city in number equal to at least twenty percent of the number of persons voting in the city at the last preceding general election, are presented to the governing body of the city.

(2) Upon the receipt of the petitions, the governing body of the city shall submit the question at a special election to be held not less than thirty days nor more than forty-five days after receipt of the petitions, except that if any other election is to be held in such city within ninety days of the receipt of the petitions, the governing body may provide for holding the election on the same date.

(3) Notwithstanding the provisions of subsection (2) of this section, if two-thirds of the members of the governing body of the city vote to repeal the ordinance establishing the economic development program within fifteen days of the receipt of the petitions for an election, the economic development program shall

end and the election shall not be held.

(4) The governing body shall give notice of the submission of the question of whether to continue the economic development program not more than twenty days nor less than ten days prior to the election by publication one time in one or more newspapers published in or having a general circulation in the city in which the question is to be submitted. Such notice shall be in addition to any other notice required by the election laws of the state.

(5) The question on the ballot shall generally set out the basic terms and provisions of the economic development program as required for the initial submission, except that the question shall be: "Shall the city of (name of the city) continue its economic development program?"

(6) A majority of the registered voters voting on the question at the election shall determine the question. The final vote shall be binding on the city, and the governing body of the city shall act within sixty days of the certification of the vote by the county clerk or the election commissioner to repeal the ordinance establishing the economic development program if a majority of the voters voting on the question vote to discontinue the program.

(7) The repeal of the ordinance and the discontinuation of the economic development program shall be subject only to the provisions of any contracts related to the economic development program and the rights of any third parties arising from those contracts existing on the date of the election. Any funds collected by the city under the economic development program and unexpended for that program on the date of its repeal and any funds received by the city on account of the operation of the economic development program thereafter shall be deposited in the general fund of the city.

Source: Laws 1991, LB 840, § 23.

18-2723

Appropriations and expenditures; exempt.

Appropriations and expenditures made by a city which are authorized by Section 13-315 and made according to its provisions shall not be subject to the Local Option Municipal Economic Development Act and shall be exempt from its requirements.

Source: Laws 1991, LB 840, § 3.

18-2724

Issuance of bonds; purpose; not general obligation of city.

Any city which has received voter approval to conduct an economic development program pursuant to the Local Option Municipal Economic Development Act, which program as presented to the voters included the authority to issue bonds pursuant to the act, may from time to time issue bonds as provided in Sections 18-2724 to 18-2736. Such bonds shall be in such principal amounts as the city's governing body deems necessary to provide sufficient funds to carry out any of the purposes of and powers granted pursuant to the economic development program, including the establishment or increase of reserves and the payment of all other costs or expenses of the city incident to and necessary or convenient to carry out the economic development program. Principal and interest on the bonds shall be payable from one or more sources which are to be deposited in the economic development fund pursuant to Section 18-2718. The bonds shall not be a general obligation of the city or a pledge of its credit or taxing power except to the extent of the obligation of the city to contribute funds to the economic development program pursuant to the act.

Source: Laws 1993, LB 732, § 1.

18-2725

Issuance of bonds; immunity.

The members of a city's governing body and any person executing bonds under Section 18-2724 shall not be liable personally on such bonds by reason of the issuance thereof.

Source: Laws 1993, LB 732, § 2.

18-2726**Issuance of bonds; authorization; form.**

Bonds issued under Section 18-2724 shall be authorized by resolution of the issuing city's governing body, may be issued under a resolution or under a trust indenture or other security instrument in one or more series, and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment and at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, trust indenture, or other security instrument may provide and without limitation by any other law limiting amounts, maturities, or interest rates. Any officer authorized or designated to sign, countersign, execute, or attest any bond or any coupon may utilize a facsimile signature in lieu of his or her manual signature.

Source: Laws 1993, LB 732, § 3.

18-2727**Bonds; negotiability; sale.**

- (1) Except as the issuing city's governing body may otherwise provide, any bond and any attached interest coupons shall be fully negotiable within the meaning of and for all purposes of article 8, Uniform Commercial Code.
- (2) The bonds may be sold at public or private sale as provided by the city's governing body and at such price or prices as determined by such governing body.

Source: Laws 1993, LB 732, § 4.

18-2728**Bonds; officers' signatures; validity.**

If any of the officers whose signatures appear on any bonds or coupons issued under Section 18-2724 cease to be such officers before the delivery of such obligations, such signatures shall nevertheless be valid and sufficient for all purposes to the same extent as if such officers had remained in office until such delivery.

Source: Laws 1993, LB 732, § 5.

18-2729**Issuance of bonds; city covenants and powers.**

Any city may in connection with the issuance of its bonds under Section 18-2724:

- (1) Covenant as to the use of any or all of the property, real or personal, acquired pursuant to its economic development program;
- (2) Redeem the bonds, covenant for their redemption, and provide the terms and conditions of redemption;
- (3) Covenant to charge or seek necessary approval to charge rates, fees, and charges sufficient to meet operating and maintenance expenses of the agency, costs of renewals and replacements to a project, interest and principal payments, whether at maturity or upon sinking-fund redemption, on any outstanding bonds or other indebtedness of the city, and creation and maintenance of any reasonable reserves therefore and to provide for any margins or coverage over and above debt service on the bonds deemed desirable for the marketability or security of the bonds;
- (4) Covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds shall become or may be declared due before maturity, as to the terms and conditions upon which such declaration and its consequences may be waived, as to the consequences of default and the remedies of bondholders;
- (5) Covenant as to the mortgage or pledge of the grant of any other security interest in any real or personal property and all or any part of the revenue from any property, contract, or other source within the city's economic development program to secure the payment of bonds, subject to such agreements with the holders of outstanding bonds as may then exist;

- (6) Covenant as to the custody, collection, securing, investment, and payment of any revenue, assets, money, funds, or property with respect to which the city may have any rights or interest pursuant to the economic development program;
- (7) Covenant as to the purposes to which the proceeds from the sale of any bonds may be applied and the pledge of such proceeds to secure the payment of the bonds;
- (8) Covenant as to limitations on the issuance of any additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds;
- (9) Covenant as to the rank or priority of any bonds with respect to any lien or security;
- (10) Covenant as to the procedure by which the terms of any contract with or for the benefit of the bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;
- (11) Covenant as to the custody, safekeeping, and insurance of any of the properties or investments of the city and the use and disposition of insurance proceeds;
- (12) Covenant as to the vesting in a trustee or trustees, within or outside the state, of such properties, rights, powers, and duties in trust as the city may determine;
- (13) Covenant as to the appointing and providing for the duties and obligations of a paying agent or paying agents or other fiduciaries within or outside the state;
- (14) Make all other covenants and do any and all such acts and things as may be necessary, convenient, or desirable in order to secure its bonds or, in the absolute discretion of the city, tend to make the bonds more marketable, notwithstanding that such covenants, acts, or things may not be enumerated in this section; and
- (15) Execute all instruments necessary or convenient in the exercise of the economic development program granted or in the performance of covenants or duties, which instruments may contain such covenants and provisions as any purchaser of bonds may reasonably require.

Source: Laws 1993, LB 732, § 6.

18-2730

Refunding bonds; issuance authorized.

Any city may issue and sell refunding bonds for the purpose of paying or providing for the payment of any of its bonds issued under Section 18-2724 at or prior to maturity or upon acceleration or redemption. Refunding bonds may be issued at any time prior to or at the maturity or redemption of the refunded bonds as the city's governing body deems appropriate. The refunding bonds may be issued in principal amount not exceeding an amount sufficient to pay or to provide for the payment of (1) the principal of the bonds being refunded, (2) any redemption premium thereon, (3) interest accrued or to accrue to the first or any subsequent redemption date or dates selected by the city's governing body in its discretion or to the date or dates of maturity, whichever is determined to be most advantageous or convenient for the city, (4) the expenses of issuing the refunding bonds, including bond discount, and redeeming the bonds being refunded, and (5) such reserves for debt service or other capital or current expenses from the proceeds of such refunding bonds as may be deemed necessary or convenient by the governing body of the issuing city. A determination by the governing body that any refinancing is advantageous or necessary, that any of the amounts provided in this section should be included in such refinancing, or that any of the bonds to be refinanced should be called for redemption on the first or any subsequent redemption date or permitted to remain outstanding until their respective dates of maturity shall be conclusive.

Source: Laws 1993, LB 732, § 7.

18-2731**Refunding bonds; use; holder of bonds; payment of interest.**

Refunding bonds issued under Section 18-2730 may be exchanged for and in payment and discharge of any of the outstanding obligations being refunded. The refunding bonds may be exchanged for a like, greater, or smaller principal amount of the bonds being refunded as the issuing city's governing body may determine in its discretion. The holder or holders of the bonds being refunded need not pay accrued interest on the refunding bonds if and to the extent that interest is due or accrued and unpaid on the bonds being refunded and to be surrendered.

Source: Laws 1993, LB 732, § 8.

18-2732**Refunding bonds; deposit of proceeds in trust; investments authorized; section, how construed.**

To the extent not required for the immediate payment and retirement of the obligations being refunded or for the payment of expenses incurred in connection with such refunding and subject to any agreement with the holders of any outstanding bonds, principal proceeds from the sale of any refunding bonds under Section 18-2730 shall be deposited in trust to provide for the payment and retirement of the bonds being refunded, payment of interest and any redemption premiums, and payment of any expenses incurred in connection with such refunding, but provision may be made for the pledging and disposition of any surplus, including, but not limited to, provision for the pledging of any such surplus to the payment of the principal of and interest on any issue or series of refunding bonds. Money in any such trust fund may be invested in direct obligations of or obligate the principal of and interest on which are guaranteed by the United States Government, in obligations of any agency or instrumentality of the United States Government, or in certificates of deposit issued by a bank, capital stock financial institution, qualifying mutual financial institution, or trust company if such certificates are secured by a pledge of any of such obligations having an aggregate market value, exclusive of accrued interest, equal at least to the principal amount of the certificates so secured. Nothing in this section shall be construed as a limitation on the duration of any deposit in trust for the retirement of obligations being refunded but which have not matured and which are not presently redeemable or, if presently redeemable, have not been called for redemption. Section 77-2366 shall apply to deposits in capital stock financial institutions. Section 77-2365.01 shall apply to deposits in qualifying mutual financial institutions.

Source: Laws 1993, LB 732, § 9; Laws 2001, LB 362, § 28.

18-2733**Refunding bonds; general provisions applicable.**

The issue of refunding bonds, the manner of sale, the maturities, interest rates, form, and other details thereof, the security thereof, the rights of the holders thereof, and the rights, duties, and obligations of the city in respect of the same shall be governed by the provisions of Sections 18-2724 to 18-2736 relating to the issue of bonds other than refunding bonds insofar as the same may be applicable.

Source: Laws 1993, LB 732, § 10.

18-2734**Issuance of bonds; consent or other conditions not required.**

Bonds may be issued under Sections 18-2724 to 18-2736 without obtaining the consent of any department, division, commission, board, bureau, or instrumentality of this state and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required thereof by such sections, and the validity of and security for any bonds shall not be affected by the existence or nonexistence of any such consent or other proceedings, conditions, or things.

Source: Laws 1993, LB 732, § 11.

18-2735**Bonds; securities; investment authorized.**

Bonds issued pursuant to Sections 18-2724 to 18-2736 shall be securities in which all public officers and instrumentalities of the state and all political subdivisions, insurance companies, trust companies, banks, savings and loan associations, investment companies, executors, administrators, personal representatives, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds shall be securities which may properly and legally be deposited with and received by any officer or instrumentality of this state or any political subdivision for any purpose for which the deposit of bonds or obligations of this state or any political subdivision thereof is now or may hereafter be authorized by law.

Source: Laws 1993, LB 732, § 12.

18-2736**Bonds; tax exempt.**

All bonds of a city issued pursuant to Sections 18-2724 to 18-2736 are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income there from, shall be exempt from all taxes.

Source: Laws 1993, LB 732, § 13.

18-2737**Economic development program approved prior to June 1, 1993; bond issuance; authorized; procedure.**

(1) Any city which has received voter approval to conduct an economic development program pursuant to the Local Option Municipal Economic Development Act prior to June 1, 1993, may, subject to subsection (2) of this section, issue bonds as provided by the act even though the proposed plan prepared pursuant to Section 18-2710 did not contemplate or provide for the issuance of bonds and the question on the ballot approved by the voters did not set out that the city proposed to issue bonds to provide funds to carry out the economic development program.

(2) The governing body of any city proposing to issue bonds pursuant to the authority granted by subsection (1) of this section shall adopt a resolution expressing the intent of the city to issue bonds from time to time pursuant to the act to provide funds to carry out the economic development program. Such resolution shall set a date for a public hearing on the issue of exercising such authority, and notice of such hearing shall be published in a newspaper of general circulation in the city at least seven days prior to the date of such hearing. Following such hearing, the governing body of the city shall amend or incorporate into the ordinance adopted pursuant to Section 18-2714 a provision authorizing the governing body to exercise, in the manner set forth in the act, the authority granted by the act to issue bonds to provide funds to carry out the economic development program.

(3) Any city desiring to exercise the authority granted by this section which complies with the provisions of subsection (2) of this section may exercise the authority to issue bonds as provided in the act.

Source: Laws 1993, LB 732, § 14.

18-2738

Act; supplemental powers; how construed.

The powers conferred by the Local Option Municipal Economic Development Act shall be in addition and supplemental to the powers conferred by any other law and shall be independent of and in addition to any other provisions of the law of Nebraska, including the Community Development Law. The act and all grants of power, authority, rights, or discretion to a city under the act shall be liberally construed, and all incidental powers necessary to carry the act into effect are hereby expressly granted to and conferred upon a city.

Source: Laws 1993, LB 732, § 15.

Nebraska Revenue Act

77-27,142

Funds of governmental subdivision; investment of surplus; securities authorized.

Incorporated municipalities; sales and use tax; authorized; election. (1) Any incorporated municipality by ordinance of its governing body is hereby authorized to impose a sales and use tax of one-half percent, one percent, or one and one-half percent upon the same transactions that are sourced under the provisions of Sections 77-2703.01 to 77-2703.04 within such incorporated municipality on which the State of Nebraska is authorized to impose a tax pursuant to the Nebraska Revenue Act of 1967, as amended from time to time. No sales and use tax shall be imposed pursuant to this section until an election has been held and a majority of the qualified electors have approved such tax pursuant to Sections 77-27,142.01 and 77-27,142.02.

(2) A city of the metropolitan class is hereby authorized to increase any city sales and use tax existing on January 1, 1978, imposed pursuant to this section by an amount not to exceed one-half of one percent if the question of such tax increase is submitted to the voters of such city and the voters by a majority vote approve such increase. The question of such increase shall be submitted to the voters at the primary or general election in 1980 if the city council shall submit a certified copy of a resolution to that effect to the election commissioner not later than forty-one days prior to the primary or general election.

Notwithstanding the provisions of Section 77-27,143, if the increase is approved by the voters at the primary or general election in 1980, the election commissioner shall file a certified copy of the election results with the Tax Commissioner on or before the last day of the month in which the election is held. If the increase is not approved by the voters at the primary or general election in 1980, no tax increased pursuant to this section shall remain in effect after December 31, 1980.

(3) A city of the primary class is hereby authorized to increase any city sales and use tax existing on January 1, 1985, imposed pursuant to this section by an amount not to exceed one-half of one percent if the question of such tax increase is submitted to the voters of such city and the voters by a majority vote approve such increase. The question of such increase shall be submitted to the voters at the next primary or general election or at a special election if the city council shall submit a certified copy of a resolution proposing the tax increase to the election commissioner within a reasonable time prior to the primary, general, or special election. If the increase is approved by the voters at the primary, general, or special election, the election commissioner shall file a certified copy of the election results with the Tax Commissioner on or before the last day of the month in which the election is held. If the voters of a city of the primary class have not approved such an increase by December 31, 1987, the question of such an increase shall not be submitted thereafter to the voters and there shall be no increase in the city sales and use tax.

(4) A city of the first or second class or village is hereby authorized to increase any city sales and use tax existing on January 1, 1986, imposed pursuant to this section by an amount not to exceed one-half of one percent if the question of such tax increase is submitted to the voters of such city or village and the voters by a majority vote approve such increase. The question of such increase shall be submitted to the voters at any primary or general election or at a special election if the city council or village board shall submit a

certified copy of a resolution proposing the tax increase to the election commissioner or county clerk within a reasonable time prior to the primary, general, or special election. If the increase is approved by the voters at the primary, general, or special election, the election commissioner shall file a certified copy of the election results with the Tax Commissioner on or before the last day of the month in which the election is held.

Source: Laws 1969, c. 629, § 1, p. 2530; Laws 1978, LB 394, § 1; Laws 1978, LB 902, § 1; Laws 1979, LB 365, § 1; Laws 1981, LB 40, § 1; Laws 1985, LB 116, § 1; Laws 1986, LB 890, § 1; Laws 2003, LB 282, § 80.

77-27,142.02

Incorporated municipalities; sales and use tax; election; question; effect.

Incorporated municipalities; sales and use tax; election; question; effect. Except as otherwise provided by Section 77-27,142, after February 14, 1978, the power granted by Section 77-27,142 shall not be exercised unless and until the question has been submitted at a primary, general, or special election held within the incorporated municipality and in which all qualified electors shall be entitled to vote on such question. The officials of the incorporated municipality shall order the submission of the question by submitting a certified copy of the resolution proposing the tax to the election commissioner or county clerk not later than forty-one days prior to the primary or general election, or within thirty days before a special election. The question may include any terms and conditions set forth in the resolution proposing the tax, such as a termination date or the specific project or program for which the revenue received from such tax will be allocated, and shall include the following language: Shall the governing body of the incorporated municipality impose a sales and use tax upon the same transactions within such municipality on which the State of Nebraska is authorized to impose a tax? If a majority of the votes cast upon such question shall be in favor of such tax, then the governing body of such incorporated municipality shall be empowered as provided by Section 77-27,142 and shall forthwith proceed to impose a tax pursuant to the Local Option Revenue Act. If a majority of those voting on the question shall be opposed to such tax, then the governing body of the incorporated municipality shall not impose such a tax.

Source: Laws 1978, LB 394, § 3; Laws 1985, LB 116, § 2; Laws 1986, LB 890, § 2.



LB 840 **A GUIDE TO PROGRAM IMPLEMENTATION**

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**ECONOMIC DEVELOPMENT
RELATED STATE STATUTES
AND LB 471**

18-2710. Economic development program; proposed plan, contents.

The governing body of any city proposing to adopt an economic development program shall prepare a proposed plan for such economic development program. The proposed plan shall include:

- (1) A description of the city's general community and economic development strategy;
- (2) A statement of purpose describing the city's general intent and proposed goals for the establishment of the economic development program;
- (3) A description of the types of businesses and economic activities that will be eligible under the program for the city's assistance;
- (4) A statement specifying the total amount of money that is proposed to be directly collected from local sources of revenue by the city to finance the program, whether the city desires the authority to issue bonds pursuant to the Local Option Municipal Economic Development Act to provide funds to carry out the economic development program, the time period within which the funds from local sources of revenue are to be collected, the time period during which the program will be in existence, and a basic preliminary proposed budget for the program;
- (5) A description of the manner in which a qualifying business will be required to submit an application for financial assistance, including the type of information that will be required from the business, the process that will be used to verify the information, and the steps that will be taken to insure the privacy and confidentiality of business information provided to the city;
- (6) A description of the administrative system that will be established to administer the economic development program, including a description of the personnel structure that will be involved and the duties and responsibilities of those persons involved; and
- (7) A description of how the city will assure that all applicable laws, regulations, and requirements are met by the city and the qualifying businesses which receive assistance.

Source: Laws 1991, LB 840, § 11; Laws 1993, LB 732, § 19.

18-2710.01. Economic development program; housing for low-income or moderate-income persons; proposed plan; contents; eligibility criteria.

(1) If the proposed economic development program involves the making of grants or loans for the construction or rehabilitation for sale or lease of housing for persons of low or moderate income, the proposed plan shall specify (a) the income levels which will qualify persons for participation in the housing program and (b) the criteria for determining the adjustments to be made to the income of persons to determine their qualification for participation. For purposes of the Local Option Municipal Economic Development Act, the city shall determine low-income and moderate-income standards for the economic development program by basing such standards upon existing federal government guidelines or standards for qualifying for any federal housing assistance program as such levels may be modified by the consideration of existing local and regional economic conditions and income levels.

(2) In establishing the criteria to be applied in determining appropriate adjustments to the income of persons seeking consideration for participation in the program pursuant to subsection (1) of this section, the city shall consider the following factors:

- (a) The amount of income of the person which is available for housing needs;
- (b) The size of the family to reside in each housing unit;
- (c) The cost and condition of housing available in the city;
- (d) Whether the person or any member of the person's family who will be residing in the housing unit is elderly, infirm, or disabled;
- (e) The ability of the person to compete successfully in the private housing market and to pay the amounts the private enterprise market requires for safe, sanitary, and uncrowded housing; and
- (f) Such other factors as the city determines which are particularly relevant to the conditions facing persons seeking new or rehabilitated housing in the city.

Source: Laws 1995, LB 207, § 2.

18-2737. Economic development program approved prior to June 1, 1993; bond issuance; authorized; procedure.

(1) Any city which has received voter approval to conduct an economic development program pursuant to the Local Option Municipal Economic Development Act prior to June 1, 1993, may, subject to subsection (2) of this section, issue bonds as provided by the act even though the proposed plan prepared pursuant to section 18-2710 did not contemplate or provide for the issuance of bonds and the question on the ballot approved by the voters did not set out that the city proposed to issue bonds to provide funds to carry out the economic development program.

(2) The governing body of any city proposing to issue bonds pursuant to the authority granted by subsection (1) of this section shall adopt a resolution expressing the intent of the city to issue bonds from time to time pursuant to the act to provide funds to carry out the economic development program. Such resolution shall set a date for a public hearing on the issue of exercising such authority, and notice of such hearing shall be published in a newspaper of general circulation in the city at least seven days prior to the date of such hearing. Following such hearing, the governing body of the city shall amend or incorporate into the ordinance adopted pursuant to section 18-2714 a provision authorizing the governing body to exercise, in the manner set forth in the act, the authority granted by the act to issue bonds to provide funds to carry out the economic development program.

(3) Any city desiring to exercise the authority granted by this section which complies with the provisions of subsection (2) of this section may exercise the authority to issue bonds as provided in the act.

Source: Laws 1993, LB 732, § 14.

18-2708. Local sources of revenue, defined.

Local sources of revenue means the city's property tax, the city's local option sales tax, or any other general tax levied by the city or generated from municipally owned utilities or grants, donations, or state and federal funds received by the city subject to any restrictions of the grantor, donor, or state or federal law. Funds generated from municipally owned utilities shall be used for utility-related purposes or activities associated with the economic development program as determined by the city council, including, but not limited to, load management, energy efficiency, energy conservation, incentives for load growth, line extensions, land purchase, site development, and demand side management measures.

Source: Laws 1991, LB 840, § 9; Laws 2011, LB471, § 1.

LEGISLATURE OF NEBRASKA
ONE HUNDRED SECOND LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 471
Final Reading

Introduced by Karpisek, 32; Mello, 5.

Read first time January 14, 2011

Committee: Urban Affairs

A BILL

- 1 FOR AN ACT relating to the Local Option Municipal Economic
- 2 Development Act; to amend sections 18-2708, 18-2709,
- 3 18-2714, and 18-2717, Reissue Revised Statutes of
- 4 Nebraska; to redefine terms; to expand and change
- 5 restrictions on appropriations from local sources of
- 6 revenue for the use of economic development programs; and
- 7 to repeal the original sections.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2708, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 18-2708 Local sources of revenue ~~shall mean~~ means the
4 city's property tax, ~~or~~ the city's local option sales tax, or any
5 other general tax levied by the city or generated from municipally
6 owned utilities or grants, donations, or state and federal funds
7 received by the city subject to any restrictions of the grantor,
8 donor, or state or federal law. Funds generated from municipally
9 owned utilities shall be used for utility-related purposes or
10 activities associated with the economic development program as
11 determined by the city council, including, but not limited to, load
12 management, energy efficiency, energy conservation, incentives for
13 load growth, line extensions, land purchase, site development, and
14 demand side management measures.

15 Sec. 2. Section 18-2709, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 18-2709 (1) Qualifying business ~~shall mean~~ means any
18 corporation, partnership, limited liability company, or sole
19 proprietorship which derives its principal source of income from any
20 of the following: The manufacture of articles of commerce; the
21 conduct of research and development; the processing, storage,
22 transport, or sale of goods or commodities which are sold or traded
23 in interstate commerce; the sale of services in interstate commerce;
24 headquarters facilities relating to eligible activities as listed in
25 this section; telecommunications activities, including services

1 providing advanced telecommunications capability; or tourism-related
2 activities.

3 (2) Qualifying business also means:

4 (a) In cities of the first and second class and villages,
5 a business ~~shall also be a qualifying business if it that~~ derives its
6 principal source of income from the construction or rehabilitation of
7 housing;

8 (b) ~~A . In cities with a population of more than two~~
9 ~~thousand five hundred inhabitants and less than ten thousand~~
10 ~~inhabitants, a business shall also be a qualifying business if it~~
11 ~~that~~ derives its principal source of income from retail trade, except
12 that no more than forty percent of the total revenue generated
13 pursuant to the Local Option Municipal Economic Development Act for
14 an economic development program in any twelve-month period and no
15 more than twenty percent of the total revenue generated pursuant to
16 the act for an economic development program in any five-year period,
17 commencing from the date of municipal approval of an economic
18 development program, shall be used by the city for or devoted to the
19 use of retail trade businesses. For purposes of this ~~section,~~
20 subdivision, retail trade ~~shall mean means~~ a business which is
21 principally engaged in the sale of goods or commodities to ultimate
22 consumers for their own use or consumption and not for resale; and -

23 (c) In cities with a population of two thousand five
24 hundred inhabitants or less, a business shall be a qualifying
25 business even though it derives its principal source of income from

1 activities other than those set out in this section.

2 (3) If a business which would otherwise be a qualifying
3 business employs people and carries on activities in more than one
4 city in Nebraska or will do so at any time during the first year
5 following its application for participation in an economic
6 development program, it shall be a qualifying business only if, in
7 each such city, it maintains employment for the first two years
8 following the date on which such business begins operations in the
9 city as a participant in its economic development program at a level
10 not less than its average employment in such city over the twelve-
11 month period preceding participation.

12 (4) A qualifying business need not be located within the
13 territorial boundaries of the city from which it is or will be
14 receiving financial assistance.

15 Sec. 3. Section 18-2714, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 18-2714 (1) After approval by the voters of an economic
18 development program, the governing body of the city shall, within
19 forty-five days after such approval, establish the economic
20 development program by ordinance in conformity with the terms of such
21 program as set out in the original enabling resolution.

22 (2) After the adoption of the ordinance establishing the
23 economic development program, such ordinance shall only be amended
24 (a) to conform to the provisions of any existing or future state or
25 federal law or (b) after notice, at least one public hearing, and a

1 two-thirds vote of the members of the governing body of the city,
2 when necessary to accomplish the purposes of the original enabling
3 resolution.

4 (3) The governing body of a city shall not amend the
5 economic development program so as to fundamentally alter its basic
6 structure or goals, either with regard to the qualifying businesses
7 that are eligible to participate, the local sources of revenue used
8 to fund the program, the uses of the funds collected, or the basic
9 terms set out in the original enabling resolution, without submitting
10 the proposed changes to a new vote of the registered voters of the
11 city in the manner provided for in section 18-2713.

12 (4) The governing body of a city may, at any time after
13 the adoption of the ordinance establishing the economic development
14 program, by a two-thirds vote of the members of the governing body,
15 repeal the ordinance in its entirety and end the economic development
16 program, subject only to the provisions of any existing contracts
17 relating to such program and the rights of any third parties arising
18 from those contracts. Prior to such vote by the governing body, it
19 shall publish notice of its intent to consider the repeal and hold a
20 public hearing on the issue. Any funds in the custody of the city for
21 such economic development program which are not spent or committed at
22 the time of the repeal and any funds to be received in the future
23 from the prior operation of the economic development program shall be
24 placed into the general fund of the city.

25 Sec. 4. Section 18-2717, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 18-2717 (1) No city shall appropriate from funds derived
3 directly from local sources of revenue for all approved economic
4 development programs, in each year during which such programs are in
5 existence, an amount in excess of four-tenths of one percent of the
6 taxable valuation of the city in the year in which the funds are
7 collected.

8 (2) Notwithstanding the provisions of subsections (1) and
9 (3) of this section, no city of the metropolitan or primary class
10 shall appropriate from funds derived directly from local sources of
11 revenue more than ~~three~~five million dollars for all approved
12 economic development programs in any one year, no city of the first
13 class shall appropriate from funds derived directly from local
14 sources of revenue more than ~~two~~four million dollars for all
15 approved economic development programs in any one year, and no city
16 of the second class or village shall appropriate from funds derived
17 directly from local sources of revenue more than ~~one~~three million
18 dollars for all approved economic development programs in any one
19 year.

20 (3) Notwithstanding the provisions of subsections (1) and
21 (2) of this section, no city shall appropriate from funds derived
22 directly from local sources of revenue an amount for an economic
23 development program in excess of the total amount approved by the
24 voters at the election or elections in which the economic development
25 program was submitted or amended.

1 (4) The restrictions on the appropriation of funds from
2 local sources of revenue as set out in subsections (1) through (3) of
3 this section shall apply only to the appropriation of funds derived
4 directly from local sources of revenue. Sales tax collections in
5 excess of the amount which may be appropriated as a result of the
6 restrictions set out in such subsections shall be deposited in the
7 city's economic development fund and invested as provided for in
8 section 18-2718. Any funds in the city's economic development fund
9 not otherwise restricted from appropriation by reason of the city's
10 ordinance governing the economic development program or this section
11 may be appropriated and spent for the purposes of the economic
12 development program in any amount and at any time at the discretion
13 of the governing body of the city subject only to section 18-2716.

14 (5) The restrictions on the appropriation of funds from
15 local sources of revenue shall not apply to the reappropriation of
16 funds which were appropriated but not expended during previous fiscal
17 years.

18 Sec. 5. Original sections 18-2708, 18-2709, 18-2714, and
19 18-2717, Reissue Revised Statutes of Nebraska, are repealed.

**HISTORICAL COUNCIL
ACTIONS REGARDING
EDC**



City of Grand Island

Tuesday, August 12, 2003
Council Session

Item F2

#8832 - Consideration of Amending the Economic Development Plan

This ordinance has been prepared to amend the the original economic development plan to delete reference to the Community Projects Director which is a position that has been eliminated in recent personnel changes. This ordinance amends the original plan to accomplish the purpose of the original enabling resolution, ordinance and economic development plan. The amended plan will permit the City Administrator or his or her designee to act in the role that was to be fulfilled by the Community Projects Director.

Staff Contact: Doug Walker

ORDINANCE NO. 8832

An ordinance to amend the economic development program for the City of Grand Island; to repeal any ordinance or parts of ordinances in conflict herewith; and to provide for publication and the effective date of this ordinance.

WHEREAS, at its July 22, 2003 meeting, the Grand Island City Council approved Ordinance No. 8830 which adopted an economic development program for the City of Grand Island which was prepared in conformity with Neb. Rev. Stat. §18-2710; and

WHEREAS, since the original economic development program was drafted, there have been changes in the City staff which will necessitate changes in the plan to accomplish the purposes of the original enabling resolution; and

WHEREAS, at its August 12, 2003 meeting of the Grand Island City Council, a public hearing was held pursuant to the requirements of Neb. Rev. Stat. §18-2715(2) for public input into the amendment of the plan.

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

SECTION 1. The City Council of Grand Island, Nebraska, hereby amends the Economic Development Program as adopted in Ordinance No. 8830 and the Economic Development Plan shall be as set forth in Exhibit "A" attached hereto and made a part hereof by this reference.

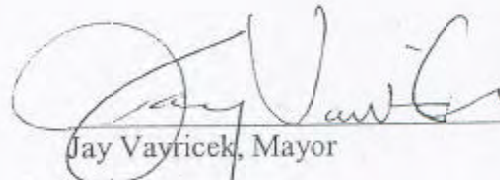
SECTION 2. Any ordinances or parts of ordinances in conflict herewith be, and hereby are, repealed.

Approved as to Form ☒ *DRW*
August 8, 2003 ☒ City Attorney

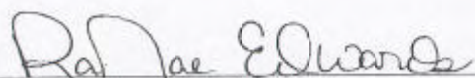
ORDINANCE NO. 8832 (cont.)

SECTION 3. This ordinance shall be in force and take effect from and after its passage and publication, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: August 12, 2003.


Jay Vavricek, Mayor

Attest:


RaNae Edwards, City Clerk



CITY OF GRAND ISLAND, NEBRASKA
ECONOMIC DEVELOPMENT PROGRAM
General Community and Economic Development Strategy
November 20, 2002

In order for Grand Island to continue to grow and prosper, we need to broaden our wealth producing economic base by bringing to our community new employers and helping our existing companies to grow. Unfortunately, communities all across the nation are faced with potential loss of jobs due to mergers, corporate takeovers, and changing economic events. It is becoming increasingly difficult for our community to absorb the loss of this type of employment.

Faced with this challenge, it is the intent of the City to save the existing job opportunities within the community and secure future additional jobs for Grand Island's residents. The formation of an economic development program will provide a mechanism for assisting businesses interested in locating in Grand Island or those interested in expanding their existing businesses. It will take local participation in a financial partnership to develop this new program. Our only means for acquiring the needed funds to carry on an economic development program is through an affirmative vote of the citizens of Grand Island to support this project.

Need and Purpose

An economic development program is a community tool that encourages and stimulates the growth of quality jobs, attracts permanent investment, broadens the tax base, and diversifies the region's economic base that will lead to new opportunities and options for all citizens, ultimately improving the quality of life for all taxpayers in Grand Island and the surrounding region.

Grand Island's best chance of long term growth and prosperity will come with increased diversification with an overall goal of increasing per capita and median household incomes throughout Grand Island and Hall County. Taking into consideration the very low unemployment rates that Hall County has experienced in the 1990's, our focus will be on attracting capital intensive instead of labor intensive businesses – businesses that hire skilled laborers to complement million-dollar production equipment and machinery. In addition, we will be targeting businesses that will provide employment opportunities for those who are underemployed in Hall County and those seeking professional positions.

SECTION I. GENERAL COMMUNITY AND ECONOMIC DEVELOPMENT STRATEGY

The Nebraska Legislature, in the Local Option Municipal Economic Development Act Neb. Rev. Statutes 18-2701, et seq., has made the following legislative findings: (1) there is a high degree of competition among states and municipalities in our nation in their efforts to provide incentives for businesses to expand or locate in their respective jurisdictions; (2) municipalities in Nebraska are hampered in their efforts to effectively compete because of their inability under Nebraska law to respond quickly to opportunities or to raise sufficient capital from local sources to provide incentives for business location and expansion decisions which are tailored to meet the needs of

Exhibit "A"

the local community; (3) the ability of a municipality to encourage business location and expansion has a direct impact not only upon the economic well-being of the community and its residents but upon the whole State as well; and (4) there is a need to provide Nebraska municipalities with the opportunity of providing assistance to business enterprises in their communities, whether for expansion of existing operations or creation of new businesses, by the use of funds raised by local taxation when the voters of the municipality determine that it is in the best interests of their community to do so.

The City of Grand Island faces stiff competition to recruit businesses to the community and to retain businesses that not only are presently operating in the community but also are considered anchors of the economic vitality of the City.

The City, through the Economic Development Corporation, has competed as best it could to bring new business and new well paying jobs to the community, but frankly has less ability to compete by not having available the tools granted by the Local Option Municipal Economic Development Act. The City believes that not having the ability to directly fund economic development activities in the past may have cost jobs and capital investment which otherwise would have been realized. The effect is to hamper growth of the tax base of the City.

Only by adoption of an economic development program can the City of Grand Island directly contribute to economic development projects and thereby compete successfully for location of manufacturing facilities and other businesses to our community and retain those excellent employers currently within our community. The well paying jobs and talented employees employed in these fields are critical to Grand Island. Those jobs are among the highest paying in the community and they attract the most capable and talented people in the work force. Absent approval of the program by the voters, other communities and states could become more attractive as the potential site for business and industry. Grand Island becomes less competitive. The foregoing is a practical example of the underlying basis for the legislative findings set out in the Local Option Municipal Economic Development Act.

The Local Option Municipal Economic Development Act became effective June 3, 1991, and authorizes cities and villages to appropriate and spend local sales tax and property tax revenues for certain economic development purposes. An economic development program formulated by the City to implement this legislation is subject to the vote of the people.

The core of the process involves the formulation of a proposed plan for a local economic development program. The program forms the foundation for the expenditure of local tax revenues for economic development. Because the development and utilization of an economic development program is truly a plan for the community, the Economic Development Fund will be administered by a Citizens' Review Committee appointed by the Mayor and approved by the City Council. The Committee would be comprised of seven members from the community. Three at large members would be recommended for appointment by the Grand Island Area Economic Development Corporation. All members must be registered voters in the city of Grand Island. It is recommended that professionals in the fields of accounting and banking and finance, small business owners, and business professionals be included on the Citizens' Review Committee. At least one member of the Committee shall have expertise or experience in

Exhibit "A"

business finance and accounting as a banker or accountant, at least one member of the Committee shall be a business owner. No member shall be an elected or appointed City Official, an employee of the City, an official or employee of any qualifying business receiving financial assistance under the Program or an official or employee of any financial institution participating directly in the Program. The City Administrator or designee will serve as Liaison to the Economic Development Corporation.

The City has prepared the Program for submission, first to the City Council and, upon Council approval, to the voters of Grand Island. The Legislature of the State of Nebraska has made available through the Act an invaluable tool to recruit new businesses and to retain and expand businesses presently located in a community. The City intends to use this tool to spur further economic development within the City. The City seeks, through the Economic Development Program, to be more competitive or at least as competitive in the economic development area as any other community in this or any other State of comparative size. With voter approval, the provisions of the Program become the basis for funding the economic development program and thereby expanding job opportunities and the tax base in our community.

Through voter approval of the Economic Development Program, the City would be in a position to operate a low-interest, performance based revolving loan fund, provide job creation incentives, equity participation, interest buy downs, acquire commercial and industrial sites, promote their development, and bond the costs of economic development pending sufficient general fund revenues. The City proposes that funding from the City's general fund be dedicated for the economic development program.

SECTION II. STATEMENT OF PURPOSE DESCRIBING GENERAL INTENT AND PROPOSED GOALS

The general intent and goal of the Grand Island Economic Development Program is to provide well paying jobs to the citizens of Grand Island, Nebraska, by encouraging and assisting local businesses to expand as regards job creation and capital investment and to recruit new qualified businesses which results in creation of jobs and expansion of the tax base. The success of the Program will be measured by the number of jobs created and retained for the length of the Program, the total dollars invested in fixed assets, i.e., buildings, new commercial real estate and business equipment and finally, the growth in total valuation in the City. Each project will be considered on its merits, but priority will be given to jobs created and/or retained at or above average wage and benefits for the community.

SECTION III. TYPES OF ECONOMIC ACTIVITIES THAT WILL BE ELIGIBLE FOR ASSISTANCE

A. Definition of Program

Economic Development shall mean any project or program utilizing funds derived from the City's General Fund, which funds will be expended primarily for the purpose of providing direct

Exhibit "A"

or indirect financial assistance to a qualifying non-retail business, the payment of related costs and expenses, and/or through a revolving loan fund. The purpose of the Program is to increase job opportunities and business investment within the community.

B. Eligible Activities

The Economic Development Program may include, but shall not be limited to, the following activities:

- 1) A revolving loan fund from which performance based loans will be made to non-retail qualifying businesses on a match basis from the grantee business and based upon job creation and/or retention, said jobs to be above the average wage scale for the community.
- 2) Public works improvements and/or purchase of fixed assets, including potential land grants or real estate options essential to the location or expansion of a qualifying business or for capital improvements when tied to job creation criteria or when critical to retention of jobs of a major employer within the community, which equity investment may be secured by a Deed of Trust, Promissory Note, UCC filing, personal and/or corporate guarantees or other financial instrument.
- 3) The provision of technical assistance to businesses, such as preparation of financial packages, survey, engineering, legal, architectural or other similar assistance and payment of relocation or initial location expenses.
- 4) The authority to issue bonds pursuant to the Act.
- 5) Grants or agreements for job training.
- 6) Interest buy down agreements or loan guarantees.
- 7) Other creative and flexible initiatives to stimulate the economic growth in the Grand Island area (activities which may be funded through the Economic Development Program or General Fund as authorized by Section 13-315 R.R.S.).
- 8) Commercial/industrial recruitment and promotional activities.
- 9) Payments for salaries and support of City staff or the contracting of an outside entity to implement any part of the Program.
- 10) End Destination Tourism Related Activities.
- 11) Reduction of real estate property taxes for City of Grand Island to stimulate local economy.
- 12) Development of low to moderate income housing.

SECTION IV. DESCRIPTION OF TYPES OF BUSINESSES THAT WILL BE ELIGIBLE

- A. A qualifying business shall mean any corporation, partnership, limited liability company or sole proprietorship that derives its principal source of income from any of the following:
1. The manufacturer of articles of commerce;
 2. The conduct of research and development;
 3. The processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce as distinguished from goods offered for sale at retail locally;
 4. The sale of services in interstate commerce as distinguished from services offered on a local or area basis;
 5. Headquarters facilities relating to eligible activities as listed in this section;
 6. Telecommunications activities; or
 7. End Destination Tourism-Related Activities.
- B. A qualifying business must be located within the zoning jurisdiction of the city unless a variance is granted for special circumstances.
- C. Any other business deemed a qualifying business through future action of the Legislature.

SECTION V. REVOLVING LOAN FUND

- A. The amount of funds available for any single project shall not exceed the amount of funds available under the Economic Development Program during the project term, nor shall it provide for more than fifty percent (50%) of total project costs. An applicant must provide participation and evidence of participation through private funding as distinguished from federal, state, or local funding in the minimum amount of fifteen percent (15%) equity investment. The right is reserved to negotiate the terms and conditions of the loan with each applicant, which terms and conditions may differ substantially from applicant to applicant.
- B. The interest rate shall be negotiated on an individual basis. The term shall not exceed fifteen (15) years for loans used for real estate and building assets and not to exceed seven (7) years for loans involving any other asset category such as furniture, fixtures, equipment or working capital. Security for loans will include, but will not be limited to, Promissory Notes, a Deed of Trust, UCC filings and personal and/or corporate guarantees as appropriate and may be in a subordinate position to the primary commercial or government lender.
- C. If the loan is approved as performance based, a qualifying business may be approved to recapture on a grant basis a portion of the loan amount to be determined by the Economic

Exhibit "A"

Development Corporation based upon job creation or retention and economic impact of the project to the community.

- D. A loan repayment schedule providing for monthly, quarterly or annual payments will be approved in conjunction with project approval. Repayments will be held in a revolving reuse loan fund for future projects as approved.
- E. The City Administrator or his designee is responsible for auditing and verifying job creation and retention and determines grant credits toward any loans made. No grant credits are available unless pre-approved in the initial application and project approval and no grant credits are available beyond the level initially approved.
- F. The Revolving Loan Fund and its portfolio of loan funds will be audited annually by a selected firm of certified public accountants. The audits will be funded by the Economic Development Fund and the findings will be presented to the Citizens' Review Committee.
- G. The City Administrator or his/her designee will be the Program Administrator. The Finance Director will be responsible for the financial and auditing portions of the plan.

SECTION VI. SOURCE OF FUNDING

The Program will be funded from local sources of revenue, including property taxes and/or sales taxes, contained in the City's general fund. The City shall not appropriate from these funds for approved Economic Programs, in any year during which such programs are in existence, an amount in excess of four-tenths of one percent of actual valuation of the City of Grand Island in the year in which the funds are collected, and further, will be subject to the limitation that no city of the First Class shall appropriate more than two million dollars in any one year. The City of Grand Island shall appropriate \$750,000 annually for the Economic Development Program. The restrictions on the appropriation of funds from local sources of revenue shall not apply to the re-appropriation of funds that were appropriated but not expended during the previous fiscal years. If, after five full budget years following initiation of the approved Economic Development Program, less than fifty percent of the money collected from local sources of revenue is spent or committed by contract for the Economic Development Program, the governing body of the City shall place the question of the continuation of the City's Economic Development Program on the ballot at the next regular election.

A. Time Period for Collection of Funds

Annual funding for the program, \$750,000 per year, will come from the City's General Fund. These funds will be allocated commencing with the FY 2003-2004 budget year, beginning October 1, 2003 and will continue for 10 years.

B. Time Period for Existence of the Program

The Economic Development Program will be in effect beginning October 1, 2003 and will continue for 10 years.

C. Proposed Total Collections from Local Sources

<u>Fiscal Year</u>	<u>Estimated Collections</u>
2003-2004	\$750,000 (General Fund revenues)
Every year for 9 years thereafter	\$750,000 (General Fund revenues)

The total amount of City General Fund revenues to be committed to the Economic Development Fund Program for 10 years is \$7,500,000.

D. Basic Preliminary Proposed Budget

It is anticipated that the proposed annual total budget of \$750,000 will be allocated to the Economic Development Fund. Any funds not expended in the revolving loan category will be used to fund the other eligible activities as set out in Section III above.

SECTION VII. APPLICATION PROCESS FOR FINANCIAL ASSISTANCE TO BUSINESSES

A. Application Process and Selection of Participants:

Businesses seeking assistance will be required to:

1. Complete an application which may be obtained from the Grand Island Area Economic Development Corporation or the City of Grand Island.
2. Submit the completed application together with all information as set out below to the Grand Island Area Economic Development Corporation or the City of Grand Island. Following review by the Economic Development Corporation Executive Board and Citizens' Advisory Review Committee, an overview of the proposed application for assistance will be forwarded by the Citizens' Advisory Review Committee to the Mayor and City Council. The overview shall contain sufficient information in order for the elected officials to make an informed decision yet maintain confidentiality of information that, if released, could cause harm to such business or give unfair advantage to competitors. The City Council will approve or deny the application.
3. The Program Administrator will coordinate with the Economic Development President to notify any applicant whose application is not approved. Such applicant may request in writing that the application, with the recommendation not to approve, be forwarded to the City Council for re-consideration.

Exhibit "A"

B. Information Required:

The qualifying business shall provide the following information before any application is considered by the Economic Development Executive Board and the Citizens' Advisory Review Committee:

Sole Proprietorship:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed)
- 4). Current Year to Date Profit and Loss Statement
- 5). Recent Balance Sheet (signed)
- 6). Other information as requested

"S" Corporation:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns, if over 25% ownership (signed)
- 4). Two years complete Corporate Tax Returns (signed)
- 5). Current year to Date Profit and Loss Statement (signed)
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

"C" Corporation:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed), if over 25% ownership
- 4). Two years complete Corporate Tax Returns (signed)
- 5). Current year to Date Profit and Loss Statement (signed)
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

General Partnership:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns, if over 25% partnership (signed)
- 4). Two years complete Partnership Tax Returns (signed) and K-1s for all partners
- 5). Current year to Date Profit and Loss Statement (signed)
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

Limited Partnerships:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed) and K-1s for all partners
- 4). Complete copy of Partnership Agreement for Partnership
- 5). Other information as requested

Limited Liability Companies:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed)
- 4). Two years complete Entity Tax Returns (signed) and K-1s for all partners
- 5). Current Year to Date Profit and Loss Statement
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

C. Verification Process:

- 1). Credit check
- 2). Dun and Bradstreet Credit Report
- 3). Examine information required
- 4). Examine internal records
- 5). Obtain oral and written verification of application information
- 6). Other investigations as may be deemed necessary

SECTION VIII. PROCESS TO ENSURE CONFIDENTIALITY OF BUSINESS INFORMATION RECEIVED

In the process of gathering information about a qualifying business, the Economic Development Corporation and City may receive information about the business that is confidential and, if released, could cause harm to such business or give unfair advantage to competitors. The Economic Development Corporation and City shall endeavor to maintain the confidentiality of business records that come into its possession.

To protect businesses applying for assistance and to encourage them to make full and frank disclosure of business information relevant to their application, the Economic Development Corporation and City will take the following steps to ensure confidentiality of the information it receives:

- 1) The adoption of a City ordinance that makes such information confidential and punishes disclosure.

Exhibit "A"

- 2) A restriction of the number of people with access to the files which files will be maintained in the Economic Development Corporation Office, who shall be primarily responsible for their safekeeping and any distribution of information contained therein, and
- 3) Require personnel involved in the Program Review, including Economic Development President, secretarial staff assisting the President, Citizens' Advisory Committee, and City staff, to sign statements of confidentiality regarding all personal and private submittals by qualified businesses.

SECTION IX. ADMINISTRATION SYSTEM FOR ECONOMIC DEVELOPMENT PROGRAM

A. Program Administration

- 1). The Program Administrator will serve as ex-officio member of the Citizens' Advisory Review Committee hereinafter established, which Committee will hold regular meetings to review the functioning and process of the Economic Development Program and advise the governing body of the City with regard to the Program.
- 2). The Program Administrator, in cooperation with the Economic Development President, will review on a regular basis the progress of ongoing projects to ensure the qualifying businesses are complying with the terms of any approved project.
- 3). The Economic Development President and the Program Administrator will advise the Mayor and City Council as regards the status of ongoing projects in the Economic Development Program.
- 4). A 3% fee will be retained by the City of Grand Island for program administration. The 3% fee will be retained in the City's general fund.

SECTION X. PROCESS TO ASSURE LAWS, REGULATIONS AND REQUIREMENTS ARE MET BY THE CITY AND QUALIFYING BUSINESSES

The City will assure that all applicable laws, regulations, and requirements are met by the City and the qualifying businesses that will receive assistance as follows:

A. Program Review

The Ordinance establishing the Program shall provide for the creation of a Citizens' Advisory Committee to:

- 1). Review the functioning and progress of the Economic Development Program at regular meetings as set forth by ordinance and to advise the governing body of the City with regard to the Program, and

Exhibit "A"

- 2). Report to the City Council on its findings and suggestions at a public hearing called for that purpose at least once in every six-month period after the effective date of the ordinance.

B. Monitor Participating Businesses

The Program Administrator in cooperation with the Economic Development President or appointed contract loan administrator will conduct reviews on a regular basis to ensure that qualifying businesses are following the appropriate laws and regulations and meeting the terms and conditions of assistance.

C. Monitor Regulatory Changes

The City Attorney will be responsible for keeping the City informed of relevant changes in the law that could affect the Economic Development Program and will review Agreements, Deeds, Leases, Deeds of Trust, Promissory notes, security documents, personal and/or corporate guarantees and other documents relating to specific projects or to the Program as a whole.

- D. The City shall provide for an annual, outside, independent audit of its Economic Development Program by a qualified private auditing business.

SECTION XI. PURCHASE OF REAL ESTATE OR OPTION TO PURCHASE

If and when real estate is to be purchased or optioned by the City under the Program, it should meet the following general criteria:

- 1). Be properly zoned with no excessive easements, covenants, or other encumbrances, and
- 2). Should conform and be able to be re-zoned to comply with the City's or County's Comprehensive Plan.
- 3). Can be located either within or outside of the City limits.

The proceeds from the future sale of such land would be returned to the Economic Development Program Fund for reuse for any activities eligible in the Program or for additional land purchases.

SECTION XII. INVESTMENT OF ECONOMIC DEVELOPMENT FUND

The City will establish a separate Economic Development Program Fund. All funds derived from local sources of revenue for the Economic Development Program, any earnings from the investment of such funds, any loan payments, any proceeds from the sale by the City of assets purchased by the City under its Economic Development Program, or other money received by the City by reason of the Economic Development Program shall be deposited into the Economic

Exhibit "A"

Development Fund. No money in the Economic Development Program Fund shall be deposited in the General Fund of the City except as provided by statute. A 3% administrative fee will be retained by the City for program administration. This fee will be retained in the General Fund. The City shall not transfer or remove funds from the Economic Development Fund other than for the purposes prescribed in the Act and this Program, and the money in the Economic Development Fund shall not be co-mingled with any other City funds. Any money in the Economic Development Fund not currently required or committed for the purposes of Economic Development shall be invested as provided in Section 77-2341 R.R.S. Nebraska. In the event the Economic Development Program is terminated, any funds remaining will be transferred as provided by statute to the General Fund of the City and will be used on an installment basis to reduce the property tax levy of the City as provided by the Act.

Council Agenda Memo

From: Douglas R. Walker, City Attorney

Meeting: March 23, 2004

Subject: Public Hearing on Amending Chapter 2 of the Grand Island City Code to Include the Economic Development Program and Regulations for the Operation of the Citizens Review Committee

Item #'s: E-5 and F-1

Presenter(s): Douglas R. Walker, City Attorney

Background

The Economic Development Program which was adopted by the city in 2003 included the establishment of a Citizen's Review Committee. The original program did not include some details specifying how the Committee was to be organized and operated. The proposed code sections will reference the Economic Development Program and will set out in detail how members are to be appointed, how they are to be removed, how vacancies are to be filled, how officers are to be selected, who is eligible for the review committee and will prohibit disclosure of confidential information. The code sections will also contain some language in the areas of administration and auditing to conform the program more closely to state statutes. None of the proposed code sections will alter the substance of the Economic Development Program, however, when making changes to the Economic Development Program, Nebraska statutes require that a public hearing be held.

Discussion

As the Citizens Review Committee organized for its initial meetings, questions arose about the organization and operation of the Committee that were not addressed in the original Economic Development Program. The proposed code sections will codify rules for the operation of the Citizens Review Committee to respond to some of the questions that have been raised since the adoption of the Economic Development Program. The new code sections will also conform the plan to more closely follow state statutory requirements. The Citizen's Review Committee has reviewed and approved the proposed additions and amendments to the Economic Development Program at its meeting on February 16, 2004. a copy of the minutes are attached hereto for reference.

Alternatives

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

1. Approve the proposed code sections to enhance the operation of the Citizens Review Committee and conform the Economic Development Program to state statutes.
2. Disapprove or /Deny the ordinance setting forth the code sections on the operation of the Citizens Review Committee and conforming the Economic Development Program to state statutes.
3. Modify the ordinance to meet the wishes of the Council (within the intent of the ballot language and state statutory requirements).
4. Table the issue.

Recommendation

City Administration recommends that the Council approve the ordinance establishing regulations for the operation of the Citizens Review Committee and conforming the previously adopted plan to state statutory requirements.

Sample Motion

Approve the ordinance relating to the Economic Development Program.

ORDINANCE NO. 8889

An ordinance to amend Chapter 2 of the Grand Island City Code; to add Article IX. Economic Development Program and Sections 2-106 through Section 2-115 pertaining to such Economic Development Program; 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. Article IX. and Sections 2-106 through 2-115 is hereby added to Chapter 2 of the Grand Island City Code to read as follows:

Article IX. Economic Development Program

§2-106. Economic Development Program Adopted

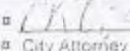
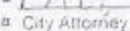
The mayor and city council have by ordinance adopted an economic development program for the City of Grand Island as authorized by the Local Option Municipal Economic Development Act, R.R.S. 1943, §18-2701, et seq. The Economic Development Program of the City of Grand Island is marked as Exhibit "A" attached hereto and incorporated herein by reference.

§2-107. Citizen Advisory Review Committee; Creation and Composition

There is hereby created in and for the city, a Citizen Advisory Review Committee as authorized by the Municipal Economic Development Act, Neb. Rev. Stat. §18-2715. This Committee shall be composed of seven (7) members who shall be registered voters of the city of Grand Island. Four (4) members shall constitute a quorum. The members shall be appointed by the Mayor subject to the approval of the City Council. Three (3) at-large members will be recommended by the Economic Development Corporation to the Mayor. At least one member of the committee shall have expertise or experience in the field of business, finance or accounting.

§2-108. Terms of Citizen Advisory Review Committee Members

The term of office for the members shall be for the ten (10) year life of the economic development plan.

Approved as to Form 
March 18, 2004 
City Attorney

ORDINANCE NO. 8889 (Cont.)

§2-109. Individuals Ineligible for Membership on the Citizen Advisory Review Committee

No member of the citizen advisory review committee shall be an elected or appointed city official, an employee of the city, a participant in a decision-making position regarding expenditures of program funds, or an official or employee of any qualifying business receiving financial assistance under the economic development program or of any financial institution participating directly in the economic development program.

§2-110. Citizen Advisory Review Committee Meetings

The citizen advisory review committee shall hold regular meetings at least quarterly in January, April, July and October and on other occasions as necessary to review the functioning and progress of the economic development program and to advise the governing body of the city with regard to the program. Special meetings of the citizen advisory review committee shall be held whenever called by the mayor or chairperson of the committee. At least once in every six-month period after the effective date of the ordinance, the committee shall report to the governing body on its findings and suggestions at a public hearing called for that purpose.

§2-111. Citizen Advisory Review Committee Officers

The citizen advisory review committee shall elect its chairperson from its members and shall create and fill such other offices as it may determine. The term of the chairperson shall be two (2) years, with eligibility for reelection.

§2-112. Citizen Advisory Review Committee Vacancies; Removal

Vacancies occurring in the membership of the Citizen Advisory Review Committee, shall be filled by the mayor, by and with the approval of the council for the remainder of the term. Any member of the citizen advisory review committee may be removed from office by the mayor, by and with the approval of the council.

§2-113. Citizen Advisory Review Committee Administration

The City Administrator or his/her designated representative shall be the Program Administrator and shall be responsible for the administration of the Economic Development Program of the City, shall be an ex-officio member of the committee, and shall be responsible for assisting the committee and providing it with necessary information and advice on the economic development program. The City Finance Director will be responsible for providing financial information to the committee and to the auditing firm that does the annual audit.

ORDINANCE NO. 8889 (Cont.)

§2-114. Citizen Advisory Review Committee Audit

The city shall provide for an annual, outside, independent audit of its economic development program by a qualified private auditing business. The auditing business shall not, at the time of the audit or for any period during the term subject to the audit, have any contractual or business relationship with any qualifying business receiving funds or assistance under the economic development program or any financial institution directly involved with a qualifying business receiving funds or assistance under the economic development program. The results of such audit shall be filed with the city clerk and made available for public review during normal business hours.

§2-115. Disclosure of Confidential Information

All trade secrets, academic and scientific research work which is in progress and unpublished or other proprietary or commercial information of a qualifying business participating in the Economic Development Program of the city which if released would give advantage to business competitors and serve no public purpose shall be confidential. Members of the citizen advisory review committee, in their capacity as members and consistent with their responsibilities as members, may be permitted access to business information received by the city in the course of its administration of the economic development program, which information would otherwise be confidential under Section 84-712.05 or by agreement with a qualifying business participating in the economic development program. The mayor and city council shall designate by resolution other persons who are authorized to have access to such confidential business information.

The unauthorized disclosure of any business information which is confidential under Neb. Rev. Stat. 84-712.05 by any person who knowingly releases such confidential information other than to persons who are authorized to have access to such information in accordance with the provisions of this section shall be guilty of a Class III misdemeanor and upon conviction or being found guilty, shall be subject to a maximum imprisonment of three months in the county jail or a fine of five hundred dollars (\$500.00), or both.

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

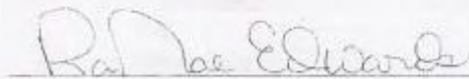
ORDINANCE NO. 8889 (Cont.)

SECTION 3. That this ordinance shall be in force and take effect from and after its passage and publication, in pamphlet form, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: March 23, 2004.


Jay Vavricek, Mayor

Attest:


RaNae Edwards, City Clerk

CITY OF GRAND ISLAND, NEBRASKA
ECONOMIC DEVELOPMENT PROGRAM
General Community and Economic Development Strategy

In order for Grand Island to continue to grow and prosper, we need to broaden our wealth producing economic base by bringing to our community new employers and helping our existing companies to grow. Unfortunately, communities all across the nation are faced with potential loss of jobs due to mergers, corporate takeovers, and changing economic events. It is becoming increasingly difficult for our community to absorb the loss of this type of employment.

Faced with this challenge, it is the intent of the City to save the existing job opportunities within the community and secure future additional jobs for Grand Island's residents. The formation of an economic development program will provide a mechanism for assisting businesses interested in locating in Grand Island or those interested in expanding their existing businesses. It will take local participation in a financial partnership to develop this new program. Our only means for acquiring the needed funds to carry on an economic development program is through an affirmative vote of the citizens of Grand Island to support this project.

Need and Purpose

An economic development program is a community tool that encourages and stimulates the growth of quality jobs, attracts permanent investment, broadens the tax base, and diversifies the region's economic base that will lead to new opportunities and options for all citizens, ultimately improving the quality of life for all taxpayers in Grand Island and the surrounding region.

Grand Island's best chance of long term growth and prosperity will come with increased diversification with an overall goal of increasing per capita and median household incomes throughout Grand Island and Hall County. Taking into consideration the very low unemployment rates that Hall County has experienced in the 1990's, our focus will be on attracting capital intensive instead of labor intensive businesses – businesses that hire skilled laborers to complement million-dollar production equipment and machinery. In addition, we will be targeting businesses that will provide employment opportunities for those who are underemployed in Hall County and those seeking professional positions.

**SECTION I. GENERAL COMMUNITY AND ECONOMIC DEVELOPMENT
STRATEGY**

The Nebraska Legislature, in the Local Option Municipal Economic Development Act Neb. Rev. Statutes 18-2701, et seq., has made the following legislative findings: (1) there is a high degree of competition among states and municipalities in our nation in their efforts to provide incentives for businesses to expand or locate in their respective jurisdictions; (2) municipalities in Nebraska are hampered in their efforts to effectively compete because of their inability under Nebraska law to respond quickly to opportunities or to raise sufficient capital from local sources to provide incentives for business location and expansion decisions which are tailored to meet the needs of

Exhibit "A"

the local community; (3) the ability of a municipality to encourage business location and expansion has a direct impact not only upon the economic well-being of the community and its residents but upon the whole State as well; and (4) there is a need to provide Nebraska municipalities with the opportunity of providing assistance to business enterprises in their communities, whether for expansion of existing operations or creation of new businesses, by the use of funds raised by local taxation when the voters of the municipality determine that it is in the best interests of their community to do so

The City of Grand Island faces stiff competition to recruit businesses to the community and to retain businesses that not only are presently operating in the community but also are considered anchors of the economic vitality of the City.

The City, through the Economic Development Corporation, has competed as best it could to bring new business and new well paying jobs to the community, but frankly has less ability to compete by not having available the tools granted by the Local Option Municipal Economic Development Act. The City believes that not having the ability to directly fund economic development activities in the past may have cost jobs and capital investment which otherwise would have been realized. The effect is to hamper growth of the tax base of the City.

Only by adoption of an economic development program can the City of Grand Island directly contribute to economic development projects and thereby compete successfully for location of manufacturing facilities and other businesses to our community and retain those excellent employers currently within our community. The well paying jobs and talented employees employed in these fields are critical to Grand Island. Those jobs are among the highest paying in the community and they attract the most capable and talented people in the work force. Absent approval of the program by the voters, other communities and states could become more attractive as the potential site for business and industry. Grand Island becomes less competitive. The foregoing is a practical example of the underlying basis for the legislative findings set out in the Local Option Municipal Economic Development Act.

The Local Option Municipal Economic Development Act became effective June 3, 1991, and authorizes cities and villages to appropriate and spend local sales tax and property tax revenues for certain economic development purposes. An economic development program formulated by the City to implement this legislation is subject to the vote of the people.

The core of the process involves the formulation of a proposed plan for a local economic development program. The program forms the foundation for the expenditure of local tax revenues for economic development. Because the development and utilization of an economic development program is truly a plan for the community, the Economic Development Fund will be administered by a Citizens' Review Committee appointed by the Mayor and approved by the City Council. The Committee would be comprised of seven members from the community. Three at large members would be recommended for appointment by the Grand Island Area Economic Development Corporation. All members must be registered voters in the city of Grand Island. It is recommended that professionals in the fields of accounting and banking and finance, small business owners, and business professionals be included on the Citizens' Review Committee. At least one member of the Committee shall have expertise or experience in

Exhibit "A"

business finance and accounting as a banker or accountant, at least one member of the Committee shall be a business owner. No member shall be an elected or appointed City Official, an employee of the City, an official or employee of any qualifying business receiving financial assistance under the Program or an official or employee of any financial institution participating directly in the Program. The City Administrator or designee will serve as Liaison to the Economic Development Corporation.

The City has prepared the Program for submission, first to the City Council and, upon Council approval, to the voters of Grand Island. The Legislature of the State of Nebraska has made available through the Act an invaluable tool to recruit new businesses and to retain and expand businesses presently located in a community. The City intends to use this tool to spur further economic development within the City. The City seeks, through the Economic Development Program, to be more competitive or at least as competitive in the economic development area as any other community in this or any other State of comparative size. With voter approval, the provisions of the Program become the basis for funding the economic development program and thereby expanding job opportunities and the tax base in our community.

Through voter approval of the Economic Development Program, the City would be in a position to operate a low-interest, performance based revolving loan fund, provide job creation incentives, equity participation, interest buy downs, acquire commercial and industrial sites, promote their development, and bond the costs of economic development pending sufficient general fund revenues. The City proposes that funding from the City's general fund be dedicated for the economic development program.

SECTION II. STATEMENT OF PURPOSE DESCRIBING GENERAL INTENT AND PROPOSED GOALS

The general intent and goal of the Grand Island Economic Development Program is to provide well paying jobs to the citizens of Grand Island, Nebraska, by encouraging and assisting local businesses to expand as regards job creation and capital investment and to recruit new qualified businesses which results in creation of jobs and expansion of the tax base. The success of the Program will be measured by the number of jobs created and retained for the length of the Program, the total dollars invested in fixed assets, i.e., buildings, new commercial real estate and business equipment and finally, the growth in total valuation in the City. Each project will be considered on its merits, but priority will be given to jobs created and/or retained at or above average wage and benefits for the community.

SECTION III. TYPES OF ECONOMIC ACTIVITIES THAT WILL BE ELIGIBLE FOR ASSISTANCE

A. Definition of Program

Economic Development shall mean any project or program utilizing funds derived from the City's General Fund, which funds will be expended primarily for the purpose of providing direct

Exhibit "A"

or indirect financial assistance to a qualifying non-retail business, the payment of related costs and expenses, and/or through a revolving loan fund. The purpose of the Program is to increase job opportunities and business investment within the community.

B. Eligible Activities

The Economic Development Program may include, but shall not be limited to, the following activities:

- 1) A revolving loan fund from which performance based loans will be made to non-retail qualifying businesses on a match basis from the grantee business and based upon job creation and/or retention, said jobs to be above the average wage scale for the community.
- 2) Public works improvements and/or purchase of fixed assets, including potential land grants or real estate options essential to the location or expansion of a qualifying business or for capital improvements when tied to job creation criteria or when critical to retention of jobs of a major employer within the community, which equity investment may be secured by a Deed of Trust, Promissory Note, UCC filing, personal and/or corporate guarantees or other financial instrument.
- 3) The provision of technical assistance to businesses, such as preparation of financial packages, survey, engineering, legal, architectural or other similar assistance and payment of relocation or initial location expenses.
- 4) The authority to issue bonds pursuant to the Act.
- 5) Grants or agreements for job training.
- 6) Interest buy down agreements or loan guarantees.
- 7) Other creative and flexible initiatives to stimulate the economic growth in the Grand Island area (activities which may be funded through the Economic Development Program or General Fund as authorized by Section 13-315 R.R.S.).
- 8) Commercial/industrial recruitment and promotional activities.
- 9) Payments for salaries and support of City staff or the contracting of an outside entity to implement any part of the Program.
- 10) End Destination Tourism Related Activities.
- 11) Reduction of real estate property taxes for City of Grand Island to stimulate local economy.
- 12) Development of low to moderate income housing.

SECTION IV. DESCRIPTION OF TYPES OF BUSINESSES THAT WILL BE ELIGIBLE

- A. A qualifying business shall mean any corporation, partnership, limited liability company or sole proprietorship that derives its principal source of income from any of the following:
1. The manufacturer of articles of commerce;
 2. The conduct of research and development;
 3. The processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce as distinguished from goods offered for sale at retail locally;
 4. The sale of services in interstate commerce as distinguished from services offered on a local or area basis;
 5. Headquarters facilities relating to eligible activities as listed in this section;
 6. Telecommunications activities; or
 7. End Destination Tourism-Related Activities.
- B. A qualifying business must be located within the zoning jurisdiction of the city unless a variance is granted for special circumstances.
- C. Any other business deemed a qualifying business through future action of the Legislature.

SECTION V. REVOLVING LOAN FUND

- A. The amount of funds available for any single project shall not exceed the amount of funds available under the Economic Development Program during the project term, nor shall it provide for more than fifty percent (50%) of total project costs. An applicant must provide participation and evidence of participation through private funding as distinguished from federal, state, or local funding in the minimum amount of fifteen percent (15%) equity investment. The right is reserved to negotiate the terms and conditions of the loan with each applicant, which terms and conditions may differ substantially from applicant to applicant.
- B. The interest rate shall be negotiated on an individual basis. The term shall not exceed fifteen (15) years for loans used for real estate and building assets and not to exceed seven (7) years for loans involving any other asset category such as furniture, fixtures, equipment or working capital. Security for loans will include, but will not be limited to, Promissory Notes, a Deed of Trust, UCC filings and personal and/or corporate guarantees as appropriate and may be in a subordinate position to the primary commercial or government lender.
- C. If the loan is approved as performance based, a qualifying business may be approved to recapture on a grant basis a portion of the loan amount to be determined by the Economic

Exhibit "A"

Development Corporation based upon job creation or retention and economic impact of the project to the community.

- D. A loan repayment schedule providing for monthly, quarterly or annual payments will be approved in conjunction with project approval. Repayments will be held in a revolving reuse loan fund for future projects as approved.
- E. The City Administrator or his designee is responsible for auditing and verifying job creation and retention and determines grant credits toward any loans made. No grant credits are available unless pre-approved in the initial application and project approval and no grant credits are available beyond the level initially approved.
- F. The Revolving Loan Fund and its portfolio of loan funds will be audited annually by a selected firm of certified public accountants. The audits will be funded by the Economic Development Fund and the findings will be presented to the Citizens' Review Committee.
- G. The City Administrator or his/her designee will be the Program Administrator. The Finance Director will be responsible for the financial and auditing portions of the plan.

SECTION VI. SOURCE OF FUNDING

The Program will be funded from local sources of revenue, including property taxes and/or sales taxes, contained in the City's general fund. The City shall not appropriate from these funds for approved Economic Programs, in any year during which such programs are in existence, an amount in excess of four-tenths of one percent of actual valuation of the City of Grand Island in the year in which the funds are collected, and further, will be subject to the limitation that no city of the First Class shall appropriate more than two million dollars in any one year. The City of Grand Island shall appropriate \$750,000 annually for the Economic Development Program. The restrictions on the appropriation of funds from local sources of revenue shall not apply to the re-appropriation of funds that were appropriated but not expended during the previous fiscal years. If, after five full budget years following initiation of the approved Economic Development Program, less than fifty percent of the money collected from local sources of revenue is spent or committed by contract for the Economic Development Program, the governing body of the City shall place the question of the continuation of the City's Economic Development Program on the ballot at the next regular election.

A. Time Period for Collection of Funds

Annual funding for the program, \$750,000 per year, will come from the City's General Fund. These funds will be allocated commencing with the FY 2003-2004 budget year, beginning October 1, 2003 and will continue for 10 years.

Exhibit "A"

B. Time Period for Existence of the Program

The Economic Development Program will be in effect beginning October 1, 2003 and will continue for 10 years.

C. Proposed Total Collections from Local Sources

<u>Fiscal Year</u>	<u>Estimated Collections</u>
2003-2004	\$750,000 (General Fund revenues)
Every year for 9 years thereafter	\$750,000 (General Fund revenues)

The total amount of City General Fund revenues to be committed to the Economic Development Fund Program for 10 years is \$7,500,000.

D. Basic Preliminary Proposed Budget

It is anticipated that the proposed annual total budget of \$750,000 will be allocated to the Economic Development Fund. Any funds not expended in the revolving loan category will be used to fund the other eligible activities as set out in Section III above.

SECTION VII. APPLICATION PROCESS FOR FINANCIAL ASSISTANCE TO BUSINESSES

A. Application Process and Selection of Participants:

Businesses seeking assistance will be required to:

1. Complete an application which may be obtained from the Grand Island Area Economic Development Corporation or the City of Grand Island.
2. Submit the completed application together with all information as set out below to the Grand Island Area Economic Development Corporation or the City of Grand Island. Following review by the Economic Development Corporation Executive Board and Citizens' Advisory Review Committee, an overview of the proposed application for assistance will be forwarded by the Citizens' Advisory Review Committee to the Mayor and City Council. The overview shall contain sufficient information in order for the elected officials to make an informed decision yet maintain confidentiality of information that, if released, could cause harm to such business or give unfair advantage to competitors. The City Council will approve or deny the application.
3. The Program Administrator will coordinate with the Economic Development President to notify any applicant whose application is not approved. Such applicant may request in writing that the application, with the recommendation not to approve, be forwarded to the City Council for re-consideration.

Exhibit "A"

B. Information Required:

The qualifying business shall provide the following information before any application is considered by the Economic Development Executive Board and the Citizens' Advisory Review Committee:

Sole Proprietorship:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed)
- 4). Current Year to Date Profit and Loss Statement
- 5). Recent Balance Sheet (signed)
- 6). Other information as requested

"S" Corporation:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns, if over 25% ownership (signed)
- 4). Two years complete Corporate Tax Returns (signed)
- 5). Current year to Date Profit and Loss Statement (signed)
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

"C" Corporation:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed), if over 25% ownership
- 4). Two years complete Corporate Tax Returns (signed)
- 5). Current year to Date Profit and Loss Statement (signed)
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

General Partnership:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns, if over 25% partnership (signed)
- 4). Two years complete Partnership Tax Returns (signed) and K-1s for all partners
- 5). Current year to Date Profit and Loss Statement (signed)
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

Exhibit "A"

Limited Partnerships:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed) and K-1s for all partners
- 4). Complete copy of Partnership Agreement for Partnership
- 5). Other information as requested

Limited Liability Companies:

- 1). Submit a Grand Island Economic Development Loan Fund Application
- 2). Business Plan
- 3). Two years complete Individual Federal Tax Returns (signed)
- 4). Two years complete Entity Tax Returns (signed) and K-1s for all partners
- 5). Current Year to Date Profit and Loss Statement
- 6). Recent Balance Sheet (signed)
- 7). Other information as requested

C. Verification Process:

- 1). Credit check
- 2). Dun and Bradstreet Credit Report
- 3). Examine information required
- 4). Examine internal records
- 5). Obtain oral and written verification of application information
- 6). Other investigations as may be deemed necessary

SECTION VIII. PROCESS TO ENSURE CONFIDENTIALITY OF BUSINESS INFORMATION RECEIVED

In the process of gathering information about a qualifying business, the Economic Development Corporation and City may receive information about the business that is confidential and, if released, could cause harm to such business or give unfair advantage to competitors. The Economic Development Corporation and City shall endeavor to maintain the confidentiality of business records that come into its possession.

To protect businesses applying for assistance and to encourage them to make full and frank disclosure of business information relevant to their application, the Economic Development Corporation and City will take the following steps to ensure confidentiality of the information it receives:

- 1) The adoption of a City ordinance that makes such information confidential and punishes disclosure.

Exhibit "A"

- 2) A restriction of the number of people with access to the files which files will be maintained in the Economic Development Corporation Office, who shall be primarily responsible for their safekeeping and any distribution of information contained therein, and
- 3) Require personnel involved in the Program Review, including Economic Development President, secretarial staff assisting the President, Citizens' Advisory Committee, and City staff, to sign statements of confidentiality regarding all personal and private submittals by qualified businesses.

SECTION IX. ADMINISTRATION SYSTEM FOR ECONOMIC DEVELOPMENT PROGRAM

A. Program Administration

- 1). The Program Administrator will serve as ex-officio member of the Citizens' Advisory Review Committee hereinafter established, which Committee will hold regular meetings to review the functioning and process of the Economic Development Program and advise the governing body of the City with regard to the Program.
- 2). The Program Administrator, in cooperation with the Economic Development President, will review on a regular basis the progress of ongoing projects to ensure the qualifying businesses are complying with the terms of any approved project.
- 3). The Economic Development President and the Program Administrator will advise the Mayor and City Council as regards the status of ongoing projects in the Economic Development Program.
- 4). A 3% fee will be retained by the City of Grand Island for program administration. The 3% fee will be retained in the City's general fund.

SECTION X. PROCESS TO ASSURE LAWS, REGULATIONS AND REQUIREMENTS ARE MET BY THE CITY AND QUALIFYING BUSINESSES

The City will assure that all applicable laws, regulations, and requirements are met by the City and the qualifying businesses that will receive assistance as follows:

A. Program Review

The Ordinance establishing the Program shall provide for the creation of a Citizens' Advisory Committee to:

- 1). Review the functioning and progress of the Economic Development Program at regular meetings as set forth by ordinance and to advise the governing body of the City with regard to the Program, and

Exhibit "A"

- 2). Report to the City Council on its findings and suggestions at a public hearing called for that purpose at least once in every six-month period after the effective date of the ordinance.

B. Monitor Participating Businesses

The Program Administrator in cooperation with the Economic Development President or appointed contract loan administrator will conduct reviews on a regular basis to ensure that qualifying businesses are following the appropriate laws and regulations and meeting the terms and conditions of assistance.

C. Monitor Regulatory Changes

The City Attorney will be responsible for keeping the City informed of relevant changes in the law that could affect the Economic Development Program and will review Agreements, Deeds, Leases, Deeds of Trust, Promissory notes, security documents, personal and/or corporate guarantees and other documents relating to specific projects or to the Program as a whole.

- D. The City shall provide for an annual, outside, independent audit of its Economic Development Program by a qualified private auditing business.

SECTION XI. PURCHASE OF REAL ESTATE OR OPTION TO PURCHASE

If and when real estate is to be purchased or optioned by the City under the Program, it should meet the following general criteria:

- 1). Be properly zoned with no excessive easements, covenants, or other encumbrances, and
- 2). Should conform and be able to be re-zoned to comply with the City's or County's Comprehensive Plan.
- 3). Can be located either within or outside of the City limits.

The proceeds from the future sale of such land would be returned to the Economic Development Program Fund for reuse for any activities eligible in the Program or for additional land purchases.

SECTION XII. INVESTMENT OF ECONOMIC DEVELOPMENT FUND

The City will establish a separate Economic Development Program Fund. All funds derived from local sources of revenue for the Economic Development Program, any earnings from the investment of such funds, any loan payments, any proceeds from the sale by the City of assets purchased by the City under its Economic Development Program, or other money received by the City by reason of the Economic Development Program shall be deposited into the Economic

Exhibit "A"

Development Fund. No money in the Economic Development Program Fund shall be deposited in the General Fund of the City except as provided by statute. A 3% administrative fee will be retained by the City for program administration. This fee will be retained in the General Fund. The City shall not transfer or remove funds from the Economic Development Fund other than for the purposes prescribed in the Act and this Program, and the money in the Economic Development Fund shall not be co-mingled with any other City funds. Any money in the Economic Development Fund not currently required or committed for the purposes of Economic Development shall be invested as provided in Section 77-2341 R.R.S. Nebraska. In the event the Economic Development Program is terminated, any funds remaining will be transferred as provided by statute to the General Fund of the City and will be used on an installment basis to reduce the property tax levy of the City as provided by the Act.

Adopted by Ordinance No. 8830 on July 22, 2003
Amended by Ordinance No. 8832 on August 12, 2003

**FUTURE GROWTH
CONSIDERATIONS**

**NORTHEAST
INTERCEPTOR AND
ROAD CLASSIFICATIONS**



CITY OF

Grand Island

NEBRASKA

PUBLIC WORKS

Department of Public Works Vision 2012

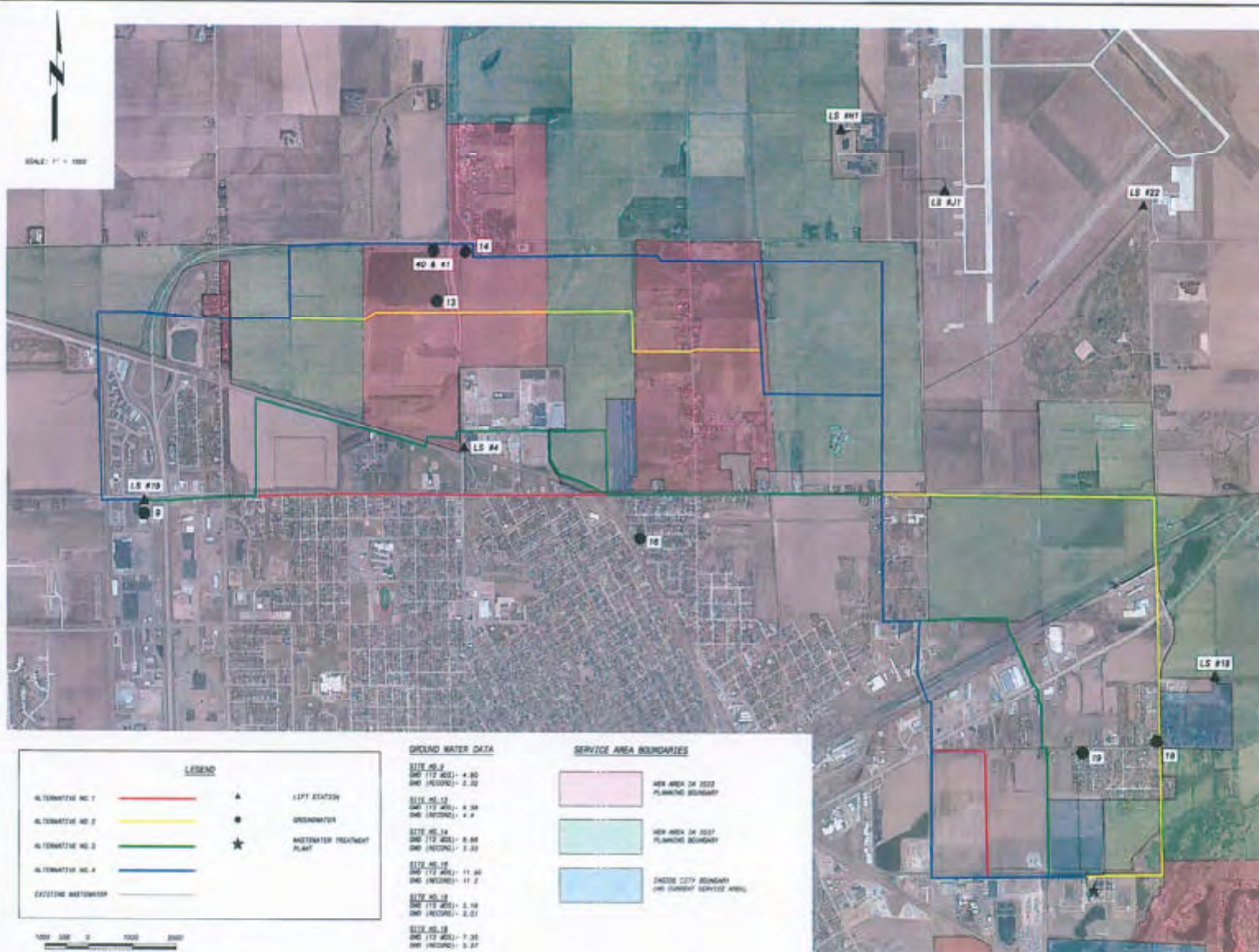
A city is its Infrastructure

John Collins, P.E.

North Interceptor

- Replaces Northeast Interceptor
- Northeast Interceptor demoted to main
- Phase 1 - WWTP to 7th Street
- Phase 2 – 7th Street to Lift Station 19





LEGEND

ALTERNATIVE NO. 1	—	▲	LEFT STATION
ALTERNATIVE NO. 2	—	●	GROUNDWATER
ALTERNATIVE NO. 3	—	★	WASTEWATER TREATMENT PLANT
ALTERNATIVE NO. 4	—		
EXISTING WATERWAY	—		

GROUND WATER DATA

SLITZ NO. 1	SLITZ NO. 12
SLITZ NO. 2	SLITZ NO. 13
SLITZ NO. 3	SLITZ NO. 14
SLITZ NO. 4	SLITZ NO. 15
SLITZ NO. 5	SLITZ NO. 16
SLITZ NO. 6	SLITZ NO. 17
SLITZ NO. 7	SLITZ NO. 18
SLITZ NO. 8	SLITZ NO. 19
SLITZ NO. 9	SLITZ NO. 20
SLITZ NO. 10	SLITZ NO. 21
SLITZ NO. 11	SLITZ NO. 22
SLITZ NO. 12	SLITZ NO. 23
SLITZ NO. 13	SLITZ NO. 24
SLITZ NO. 14	SLITZ NO. 25
SLITZ NO. 15	SLITZ NO. 26
SLITZ NO. 16	SLITZ NO. 27
SLITZ NO. 17	SLITZ NO. 28
SLITZ NO. 18	SLITZ NO. 29
SLITZ NO. 19	SLITZ NO. 30
SLITZ NO. 20	SLITZ NO. 31
SLITZ NO. 21	SLITZ NO. 32
SLITZ NO. 22	SLITZ NO. 33
SLITZ NO. 23	SLITZ NO. 34
SLITZ NO. 24	SLITZ NO. 35
SLITZ NO. 25	SLITZ NO. 36
SLITZ NO. 26	SLITZ NO. 37
SLITZ NO. 27	SLITZ NO. 38
SLITZ NO. 28	SLITZ NO. 39
SLITZ NO. 29	SLITZ NO. 40
SLITZ NO. 30	SLITZ NO. 41
SLITZ NO. 31	SLITZ NO. 42
SLITZ NO. 32	SLITZ NO. 43
SLITZ NO. 33	SLITZ NO. 44
SLITZ NO. 34	SLITZ NO. 45
SLITZ NO. 35	SLITZ NO. 46
SLITZ NO. 36	SLITZ NO. 47
SLITZ NO. 37	SLITZ NO. 48
SLITZ NO. 38	SLITZ NO. 49
SLITZ NO. 39	SLITZ NO. 50
SLITZ NO. 40	SLITZ NO. 51
SLITZ NO. 41	SLITZ NO. 52
SLITZ NO. 42	SLITZ NO. 53
SLITZ NO. 43	SLITZ NO. 54
SLITZ NO. 44	SLITZ NO. 55
SLITZ NO. 45	SLITZ NO. 56
SLITZ NO. 46	SLITZ NO. 57
SLITZ NO. 47	SLITZ NO. 58
SLITZ NO. 48	SLITZ NO. 59
SLITZ NO. 49	SLITZ NO. 60
SLITZ NO. 50	SLITZ NO. 61
SLITZ NO. 51	SLITZ NO. 62
SLITZ NO. 52	SLITZ NO. 63
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SLITZ NO. 56	SLITZ NO. 67
SLITZ NO. 57	SLITZ NO. 68
SLITZ NO. 58	SLITZ NO. 69
SLITZ NO. 59	SLITZ NO. 70
SLITZ NO. 60	SLITZ NO. 71
SLITZ NO. 61	SLITZ NO. 72
SLITZ NO. 62	SLITZ NO. 73
SLITZ NO. 63	SLITZ NO. 74
SLITZ NO. 64	SLITZ NO. 75
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SLITZ NO. 72	SLITZ NO. 83
SLITZ NO. 73	SLITZ NO. 84
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SLITZ NO. 77	SLITZ NO. 88
SLITZ NO. 78	SLITZ NO. 89
SLITZ NO. 79	SLITZ NO. 90
SLITZ NO. 80	SLITZ NO. 91
SLITZ NO. 81	SLITZ NO. 92
SLITZ NO. 82	SLITZ NO. 93
SLITZ NO. 83	SLITZ NO. 94
SLITZ NO. 84	SLITZ NO. 95
SLITZ NO. 85	SLITZ NO. 96
SLITZ NO. 86	SLITZ NO. 97
SLITZ NO. 87	SLITZ NO. 98
SLITZ NO. 88	SLITZ NO. 99
SLITZ NO. 89	SLITZ NO. 100

SERVICE AREA BOUNDARIES

NEW AREA IN 2022 PLANNING BOUNDARY
NEW AREA IN 2027 PLANNING BOUNDARY
EXISTING CITY BOUNDARY AND CURRENT SERVICE AREA

PRELIMINARY - NOT FOR CONSTRUCTION

BLACK & VEATCH Building a world of difference Black & Veatch Corporation Overland, Colorado	
CITY OF GRAND ISLAND, NE NORTHEAST INTERCEPTOR ALTERNATIVES NOS. 1-4 OVERALL PLAN	
PROJECT NO. 175144	SHEET C1
PREPARED BY: [Name] CHECKED BY: [Name] DATE: [Date]	

Road Classification

- Roads are grouped into classes based on the service they provide.
- The Nebraska Board of Public Roads Classification and Standards.
- The Local Road Network includes: Interstate, Expressway, Major Arterials, Other Arterials, Collectors, Local

Compare a parking lot to the Interstate

Interstate

- 🇺🇸 Federally Designated
- 🇺🇸 Intended for point to point travel
- 🇺🇸 High Speed (55 to 75 mph)
- 🇺🇸 Strictly Controlled Access – No Driveways

Example: I-80

Expressway

- 🌐 Intended for point to point travel
- 🌐 High Speed (50 to 65 mph)
- 🌐 Controlled Access - distant spacing

Example: US 281, US 30

Major Arterial

- Travel through a municipality
- Medium speeds (40 to 55 mph)
- Driveways are allowed, but only as a secondary consideration

Example: Highway 34 (Husker Highway), Highway 2

Other Arterial

- Commercial/Industrial/Business
- Driveways
- Medium Speeds (35 to 50 mph)





Example: Webb Road, Stolley Park Road

Collectors

- 🌊 Gather traffic from local roads (usually residential)
- 🌊 Connect to other collectors or arterials
- 🌊 Driveways
- 🌊 Slower Speeds (30 to 50 mph)

Example: Custer Avenue, State Street

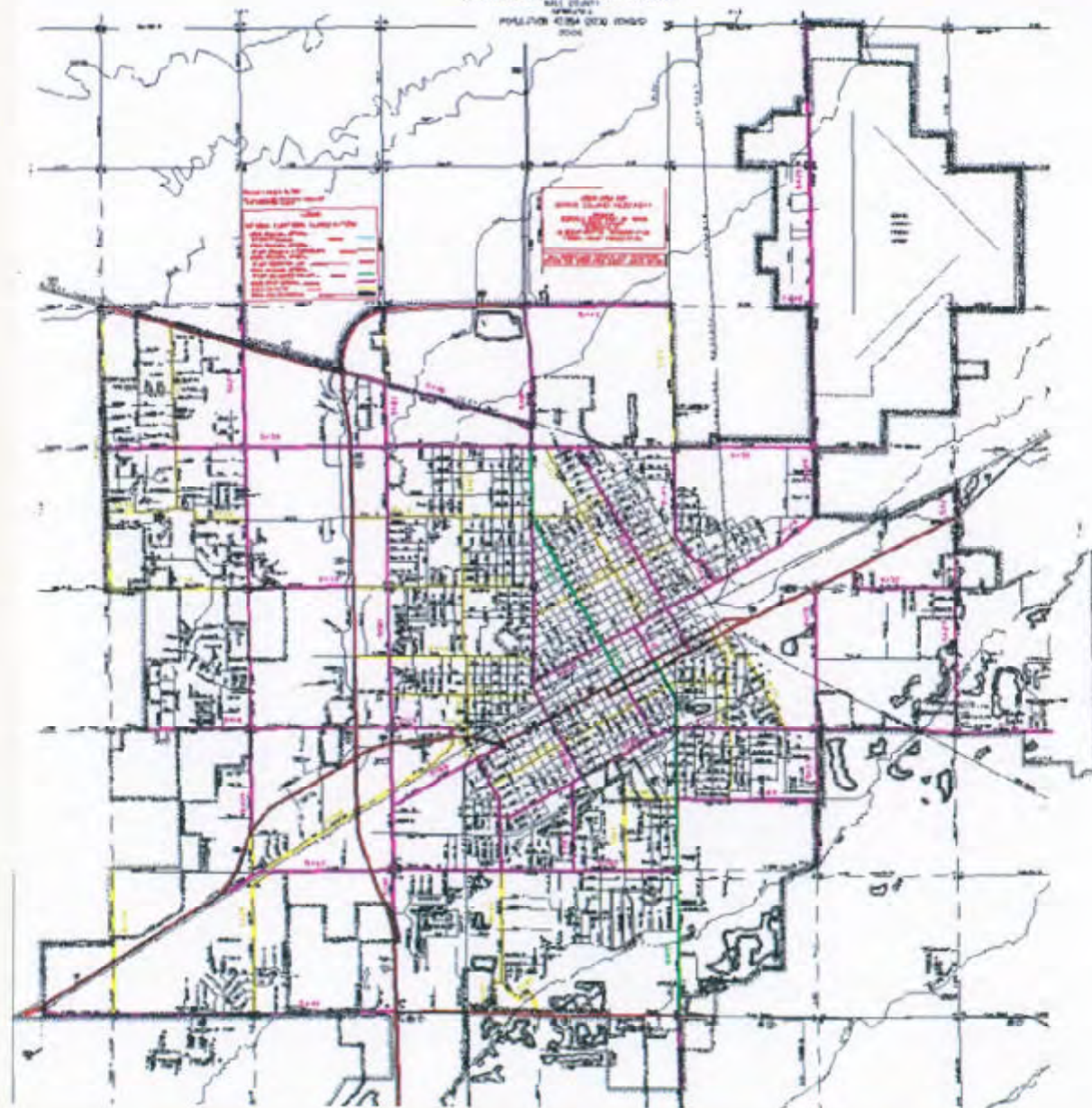
Local Streets

-  Focus on access to adjacent property
-  Frequent Driveways
-  Street Parking
-  Slow Speeds (30mph or less)

Example: Elm Street, Oklahoma Street

GRAND ISLAND

ALL DISTRICTS
OFFICIAL
POLICE CHASE ZONE
2004



Importance

- Importance of differentiating increases with growth
- Accidents increase as characteristics deviate from function
- Congestion and driver dissatisfaction increase with deviations from function
- Drivers determine function by the way they utilize the road
- Planning and regulations can affect the way drivers utilize roads

FUTURE GROWTH CONSIDERATIONS

GROWTH AND REDEVELOPMENT ISSUES

CITY OF

Grand Island

NEBRASKA

Topics

- Annexation/City Residency
- County Industrial Tracts
- Development along I-80 Entrances
- Redevelopment of Worn Out Properties



CITY OF

Grand Island

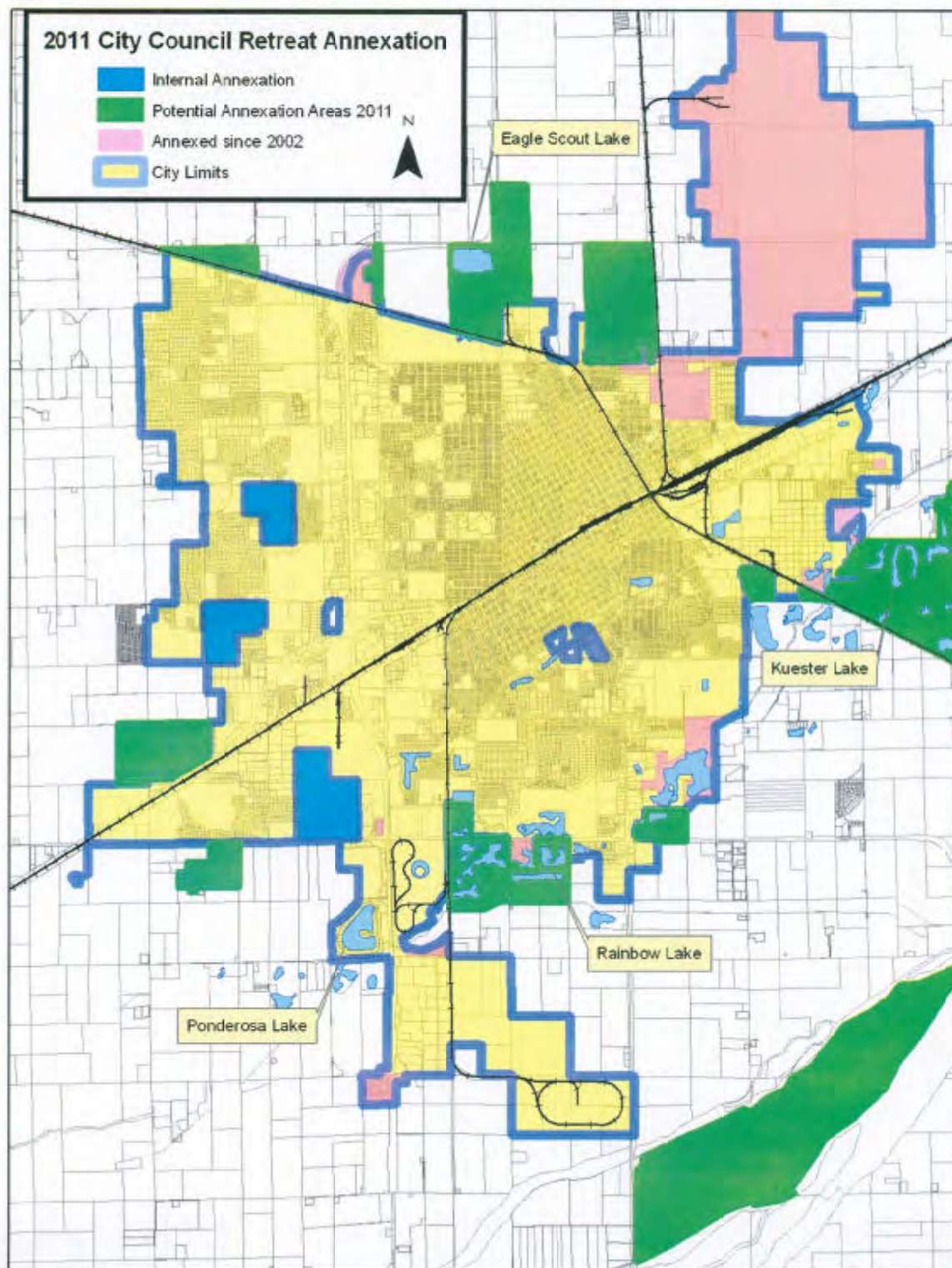
NEBRASKA

**ANNEXATION/CITY
RESIDENCY**

CITY OF

Grand Island

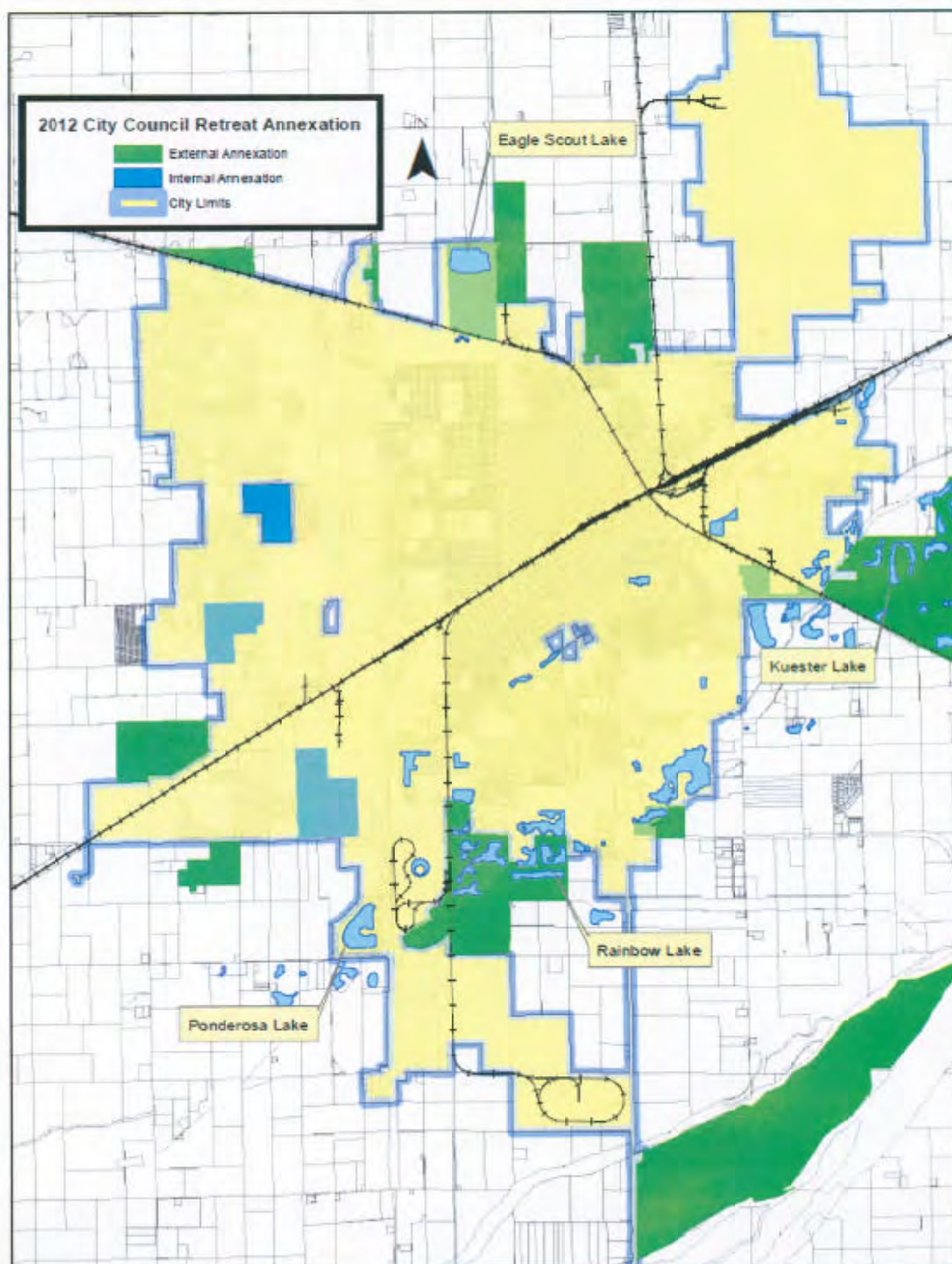
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CITY OF

Grand Island

NEBRASKA



CITY OF

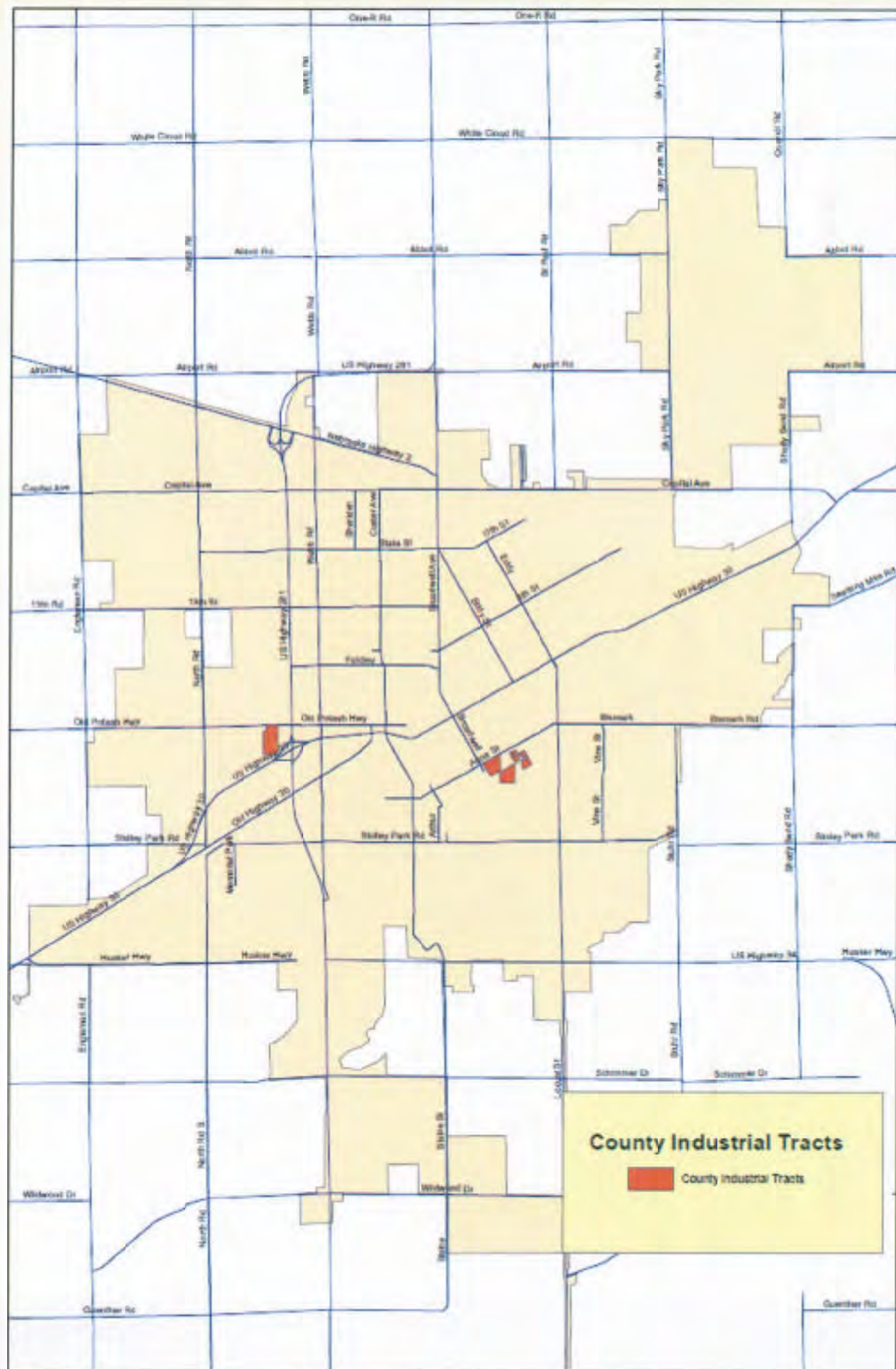
Grand Island

NEBRASKA

COUNTY INDUSTRIAL TRACTS

CITY OF Grand Island

NEBRASKA



County Industrial Tracts

- County will review in March of this year.
- County will compare existing uses with the permitted uses
- County will determine if the existing uses still comply with the permitted uses
- County will either allow the Industrial Tracts to continue or start procedures to remove properties from the County Industrial Tract
- County did remove properties on Old Potash Hwy and 281 in 1982 under this process



CITY OF

Grand Island

NEBRASKA

**SOUTH LOCUST AND
U.S. HIGHWAY 281**

CITY OF

Grand Island

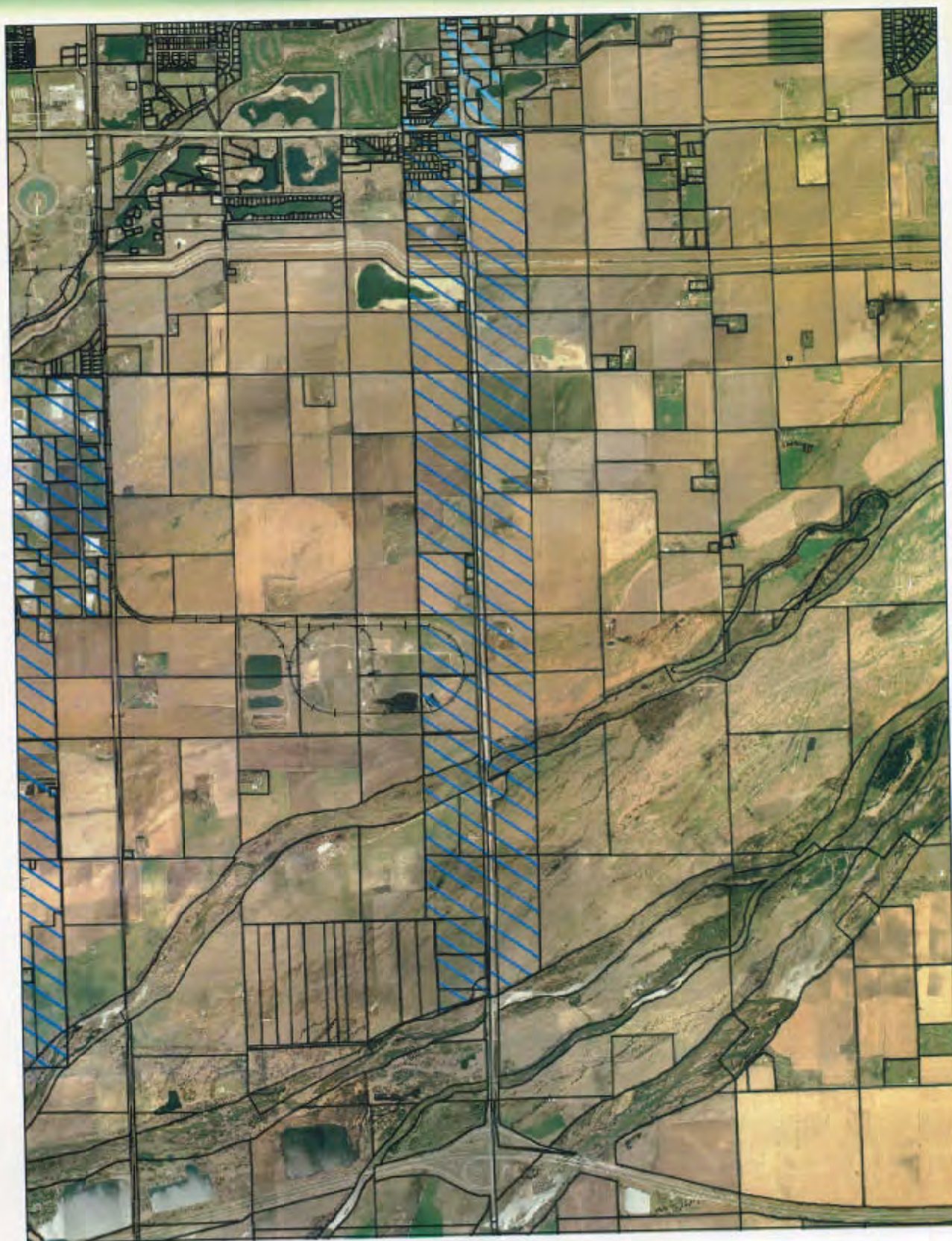
NEBRASKA



CITY OF

Grand Island

NEBRASKA



CITY OF

Grand Island

NEBRASKA



281 and Locust Entrances


§36-80. (GCO) Gateway Corridor Overlay District

Intent: The City of Grand Island has established basic site and building development criteria to be implemented within the boundaries of this overlay district. These criteria include, but are not limited to the following: landscaping, building material selection, lighting, and interior street development. The purpose for regulating these issues is to provide for a cohesive and properly developed entrance into the City of Grand Island from the Interstate corridor. Guiding development in this manner promotes the general health, safety and welfare of the residents within the zoning jurisdiction of the City, by providing quality design and construction that will also aid in the protection of past and future investment in the corridor.

281 and Locust Entrances

§36-80. (GCO) Gateway Corridor Overlay District

Purpose: The purpose of these criteria is to establish a checklist of those items that affect the physical aspect of Grand Island's environment. Pertinent to appearance is the design of the site, building and structures, planting, signs, street hardware, and miscellaneous other objects that are observed by the public.

-  The criteria contained herein are not intended to restrict imagination, innovation or variety, but rather to assist in focusing on design principles that can result in creative solutions that will develop a satisfactory visual appearance within the city, preserve taxable values, and promote the public health, safety and welfare.

Adopted in December 2003 prior to Walmart South and then reconfirmed and adopted with new zoning regulations in July of 2004

CITY OF

Grand Island

NEBRASKA

REDEVELOPMENT

CITY OF
Grand Island
NEBRASKA

Blake and Darr



Blake and Darr



00-2011

Anna and Lincoln



Anna and Lincoln



North Ruby







**FUTURE GROWTH
CONSIDERATIONS
OUT OF COUNTY EMS
RESPONSES**

CITY OF

Grand Island

NEBRASKA

FIRE

Out of County EMS Response



History of EMS Response

- In the late 1960s the City entered into agreements with Hamilton and Howard Counties and the Chapman Rural Fire District to provide EMS services to those areas, with no additional cost to the counties.
- This agreement set ambulance rates based on location of call.
 - Charge for all in city calls \$15
 - Charge for calls outside of the city \$20 plus .50 per mile

History of EMS Response

- 🇺🇸 Hall County and the City had a separate agreement that had the county agreeing to pay 40% of operating cost on the ambulance service.
- 🇺🇸 In 1990 the agreement with Hall County was modified and a set dollar amount is charged.
- 🇺🇸 The last agreement with Hamilton and Howard Counties and Chapman Rural Fire District was in 1979. Rates are \$40 per call plus \$1.00 per mile.
 - 🇺🇸 This agreement is technically still in effect, since there was no termination date.

Response by County

County	2010	2011	Avg/yr
Hall	323	308	315.5
Howard	24	25	24.5
Merrick	36	26	31
Hamilton	0	4	2

Need for an Agreement

- ❖ Out of county response account for 18% of all calls that occur outside of Grand Island.
 - ❖ The City and Hall County are subsidizing EMS coverage for these areas.
- ❖ Howard County Medical Center and Litzenberg Memorial County Hospital want the option to call on GIFD to transport critical patients to St. Francis Medical Center.