



City of Grand Island

Tuesday, August 27, 2002

Council Session

Item I3

#2002-270 - Consideration of Certifying a 1/2 Cent Sales Tax Ballot Issue for the May 11, 2004 Primary Election

The City Council, at the March 6, 2002 Council Retreat, established securing the 1/2 cent sales tax as a priority. Reasoning behind this decision is simple: if the City is to continue with major capital projects, an additional revenue source is needed. The State of Nebraska is in a budget crisis and has cut back State Aid to Municipalities, which will ultimately impact the City of Grand Island budget. The need for capital projects for public safety including Fire Station, Training Center, replacement equipment and possible relocation of the Police Department Public Safety Center is ongoing. There is also a need to fund infrastructure projects including sewer, water, storm sewer and streets. These projects will not be completed in a timely fashion without additional funding. Property tax relief could be realized with the increased sales tax revenue.

State Statute only allows the sales tax issue to be on the ballot once every 23 month. At the May, 2002 primary election the issue of the 1/2 cent sales tax for an endowment was on the ballot and was defeated. The next time this issue can be on the ballot then is May 11th, 2004. It is important that the City establish its intent to have the 1/2 cent sales tax on the ballot at the next election. The Resolution before the Council secures the City's position for forwarding the 1/2 cent sales tax issue in May 2004. The exact ballot language can be modified in accordance with ballot issue guidelines, however, a sample ballot must be included in this Resolution of Intent. A MOTION is in order.

Staff Contact: Marlan Ferguson

RESOLUTION 2002-270

WHEREAS, the City Council of the City of Grand Island have expressed their desire to maintain and improve public safety within the community, expand parks and recreational opportunities, provide for infrastructure, and property tax relief; and

WHEREAS, an increase in the local option sales tax is the fairest and best means to fund the foregoing programs; and

WHEREAS, the Mayor and City Council wish to place this issue before the voters of the City of Grand Island for their decision at the statewide primary election of May 11, 2004.

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

(1) Pursuant to Neb. Rev. Stat. §31-4,153, in lieu of a separate special election, the following ballot shall be submitted at the statewide primary election on May 11, 2004:

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

CITY OF GRAND ISLAND, NEBRASKA

Tuesday, May 11, 2004

Sales and Use Tax Proposal:

Shall the Mayor and City Council of the City of Grand Island, Nebraska, impose a sales and use tax in the amount of one-half percent (1/2%) in addition to the one percent (1%) currently in effect, upon the same transactions within the City of Grand Island on which the State of Nebraska is authorized to impose a tax and shall the City of Grand Island increase its budgeted restricted funds for fiscal year 2004-2005 by \$4,500,000 over the current year's restricted funds with the proceeds collected therefrom to be used specifically for funding public safety, expanding parks and recreational opportunities, provide for infrastructure, and property tax relief?

Vote for or against the foregoing proposal.

FOR the proposal

AGAINST the proposal

(2) The City Clerk is directed to certify the above issue to the Election Commissioner by March 1, 2004 in the manner and form provided in Neb. Rev. Stat. §32-559.

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Adopted by the City Council of the City of Grand Island, Nebraska on August 27, 2002.

RaNae Edwards, City Clerk