



City of Grand Island

Tuesday, September 23, 2008

Council Session

Item I3

#2008-275 - Consideration of Approving Funding of Economic Development Request

Staff Contact: Marlan Ferguson - EDC President

Council Agenda Memo

From: Dave Springer, Finance Director

Meeting: September 23, 2008

Subject: Approving Economic Development Funding Request

Item #'s: I-3

Presenter(s): Dave Springer, Finance Director

Background

On July 22, 2003, the City Council approved Ordinance No.8830 adopting an Economic Development Program for the City of Grand Island in conformance with Neb. Rev. Stat. 18-2710. This provides for annual funding of \$750,000 by the City.

Discussion

A request has been received from the Grand Island Area Economic Development Corporation, duly approved by the Citizen's Review Committee for payment of \$350,000. Said funds to be used for operating expenses, community publicity, and promotion.

Alternatives

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

1. Approve the request for funds.
2. Disapprove or Deny the request for funds.
3. Modify the Resolution to meet the wishes of the Council.
4. Table the issue.

Recommendation

City Administration recommends that the Council approve the request for funds.

Sample Motion

Move to approve the request for funds to allow payment of \$350,000 to the Grand Island Area Economic Development Corporation.



ANNUAL APPLICATION FOR ECONOMIC DEVELOPMENT LB-840 FUNDING

1. Applicant Business Name Grand Island Area Economic Development Corp.
- Address The Downtown Center, 308 North Locust, STE 400, Grand Island, NE 68801
- Telephone (308) 381-7500
- Email Address mferguson@grandisland.org
- Business Contact Person Marlan Ferguson, President
- Telephone (308) 381-7500
2. Business Organization: ☒ Corporation ☐ Partnership
☐ Proprietor ☐ Other
3. Business Type: ☐ Startup ☒ Existing
☐ Business Buyout ☐ Spec Building
☐ Other
4. Project Location: ☒ Within the city limits of Grand Island, Nebraska
☐ Outside the city limits, but within the 2 mile zoning jurisdiction
☐ Outside the zoning jurisdiction of Grand Island in (county) _____

5. Product or Services Provided: Economic growth, job creation, expansion of the tax base, and support for current businesses.

6. Project Description: Operating overhead to include salaries and benefits, occupancy costs, supplies, business recruitment, and community publicity. To offset cost associated with infrastructure including: interest, real estate taxes, maintenance, advertising, special assessments to city, debt service payments, and infrastructure needs study (long range plan).

7. Project Timetable: October 1, 2008 thru September 30, 2009

8. Employment Information:

Current number of employees 2 (full-time equivalent)

Proposed number of employees N/A (full-time equivalent)

What is the average hourly wage for all employees? N/A

Number of new jobs to be created N/A (full-time equivalent)

What would be the average hourly wage for new jobs? N/A

Number of jobs to be retained, if any N/A (full-time equivalent)

Please describe all benefits which the business provides to employees: N/A

9. Financing/Incentives Requested: The request for \$350,000 funding from LB-840 funds is
for the fiscal year beginning October 1, 2008 thru September 30, 2009. Application being
made is to continue Economic Development within Hall County under state statute 13-315
and 18-2721 (LB-840).

NOTE: Additional Information may be required and made part of this application by attachment.

To the best of my knowledge, this application and supporting information is accurate, and may be relied upon by representatives of the Grand Island Area Economic Development Corporation (GIAEDC).

By:

Marlan Ferguson
Marlan Ferguson

President

Title

Date: 09/05/2008

GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORP.

Proposed Fiscal Period October 1, 2008 thru September 31, 2009

Community Publicity (to include business retention and recruitment, occupancy, advertising, and operational costs)	64,000
Workforce Training	20,000
Project Costs	62,000
PVIP costs (Real Estate taxes, interest, maintenance)	85,000
Debt Service Payments	50,000
Special Assessments to City	45,000
Project Costs	<u>24,000</u>
TOTAL EXPENSES	\$ 350,000

R E S O L U T I O N 2008-275

WHEREAS, on July 22, 2003, by Ordinance No. 8830, the Grand Island City Council approved and adopted an Economic Development Program for the City of Grand Island prepared in conformity with Neb. Rev. Statute No. 18-2710; and

WHEREAS, such program was amended on August 12, 2003, by Ordinance No. 8832;
and

WHEREAS, the program provides for \$750,000 in annual funding to be provided by the City of Grand Island; and

WHEREAS, a request has been made by the Grand Island Area Economic Development Corporation and the Economic Development Program's Citizens Review Committee for the payment of \$350,000 to be used for operating expenses, community publicity and promotion.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that approval is given to forward \$350,000 in City funding to the Grand Island Area Economic Development Corporation in accordance with the Economic Development Program.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 23, 2008.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
September 18, 2008	▣ City Attorney