

City of Scottsbluff, Nebraska

Monday, August 18, 2014

Regular Meeting

Item Pub. Hear.2

Council to consider a Resolution to place the renewal and continuation of the local option sales tax, and the continuation of, and amendment to, of the Scottsbluff Economic Development Plan to be effective October 1, 2015.

Staff Contact: Rick Kuckkahn, City Manager

Resolution No. _____

Be it resolved by the Mayor and City Council of the City of Scottsbluff, Nebraska:

1. The City currently imposes a City Sales and Use Tax in the amount of 1.5% pursuant to the Local Option Revenue Act, sections 77-27,142, *et seq.* of the Nebraska Statutes. The current City Sale and Use Tax expires on October 1, 2015, unless extended by a vote of the electors before that date:
2. The City currently has an Economic Development Plan in place pursuant to the Local Option Municipal Economic Development Act, sections 18-2701, *et seq.* of the Nebraska Statutes. The allocation of a portion of the City Sales and Use Tax for the funding of this Plan expires on October 1, 2015, unless extended by a vote of the electors before that date.
3. The attached Amended Plan for the City of Scottsbluff Economic Development Program is incorporated in this Resolution by reference. This Amended Plan was reviewed at a public hearing on August 18, 2014, and is now adopted by this Resolution. A copy of the Amended Plan has been filed with the City Clerk, who shall make it available for public review at City Hall during regular business hours.
4. At the November 4, 2014 general election, the ballot will include the opportunity for the qualified electors of the City to:
 - a. Extend the existing Sales and Use Tax; and
 - b. Consider the continued allocation of a portion of the Sale and Use Tax toward the City's Economic Development Program and to amend the Plan under which that Program is established.
5. The following Propositions in the form shown below shall be submitted to the qualified electors of the City for their approval or disapproval at the general election:

Proposition No. 1:

Shall the City Council of the City of Scottsbluff, Nebraska continue to impose a Sales and Use Tax in the amount of 1.5% upon the same transactions within the City on which the State of Nebraska is authorized to impose a tax, subject to the terms and conditions of the Proposition as set out below?

_____ Yes (For continuing the Sales and Use Tax)

_____ No (Against continuing the Sales and Use Tax)

Terms and Conditions: The terms and conditions of Proposition No. 1 are as follows:

a. Property Tax Limitation: The property tax that may be levied by the City for General Fund Purposes in each fiscal year that the City Sales and Use Tax is in effect shall not exceed \$175,000.00.

b. Economic Development Portion: If Proposition No. 2 passes, a portion of the City Sales and Use Tax equal to $\frac{1}{4}$ of one percent ($\frac{1}{6}$ of the total City Sales and Use Tax) shall be allocated to the Economic Development Program as provided for in the Plan set out in Proposition No. 2.

c. Termination of Tax: The City Sales and Use Tax shall automatically terminate on October 1, 2025, unless the tax is extended by a vote of the electorate prior to that date.

Proposition No. 2

Shall the City of Scottsbluff, Nebraska continue and amend its existing Economic Development Program as described below by appropriating annually from local sources of revenue approximately \$1,200,000 per fiscal year during the time period for which the City Sales and Use Tax provided for in Proposition No. 1 is in existence:

_____ Yes (For continuing the Program)

_____ No (Against continuing the Program)

Description of the Economic Development Program: The Economic Development Program, as amended and approved by the City Council, is summarized as follows:

a. General Description of the Program: The goal of the Economic Development Program is to provide quality jobs to the citizens of Scottsbluff, Nebraska. Activities included in the Economic Development Program are direct loans or grants to qualifying businesses for fixed assets or working capital or both, loan guaranties for qualifying businesses, grants for public works improvements and job training, real estate purchases and options, issuance of bonds, the costs of implementing the program, technical assistance, industrial recruitment activities, expenses for locating qualifying businesses into the area, the equity investment. Qualifying businesses include those which derive their principal source of income from (1) manufacturing, (2) sale of goods or commodities in interstate commerce, (3) processing, storage, transport, or sale of goods or commodities in interstate commerce, (4) the sale of services in interstate commerce, (5) headquarters facilities relating to eligible activities, (6) telecommunications activities, (7) tourism-related activities, or any other business deemed to be qualifying businesses through future amendments to Nebraska law.

b. Duration of the Program: The Economic Development Program is currently in existence and shall be extended until October 1, 2040.

c. Years of Collection of Funds: Collection of additional fund for the Economic Development Program shall be on all taxable sales beginning on October 1, 2015 and shall end on October 1, 2025.

d. Source of Funds: The source for Economic Development Funds shall be a portion of the City Sales and Use Tax provided for in Proposition No. 1. The City may issue bonds pursuant to the Local Option Municipal Economic Development Act.

e. Total Amount to be Collected: The total amount to be collected from local sources of revenue shall be the lesser of (1) \$1,200,000 per fiscal year for the next 10 fiscal years, or (2) the amounts allocated to the Economic Development Program pursuant to the City Sales and Use Tax provided for in Proposition No. 1.

f. Additional Sources of Funds: Additional funds from other non-city sources will be sought beyond those derived from local sources of revenue.

6. Electors desiring to vote in favor of or against the propositions shall do so in the manner specified in the ballot form as provided by the Scotts Bluff County Clerk.

7. The general election shall be conducted by the Scotts Bluff County Clerk at polling places established by the County Clerk in each of the City's precincts. The polls shall be open from 7:00 a.m. through 7:00 p.m. on the day of the general election.

8. The foregoing notice required by law shall be published in the Star-Herald, a legal newspaper of general election in the City: (1) not more than 30 days nor less than 10 days before the date of the election, and (2) not less than 5 days nor more than 10 days before the date of election. The notices shall be in substantially the following form:

**City of Scottsbluff, Nebraska
Notice of Election**

Notice is given that at the general election on Tuesday, November 4, 2014, at the usual polling place in each precinct of the City of Scottsbluff, Nebraska, the ballot will include for the electors of the City for their approval or rejection, the following propositions:

[Insert text of Proposition No. 1 and Proposition No. 2 from
Paragraph 5 of this Resolution in the notice]

The polls will be open from 7:00 a.m. through 7:00 p.m. on the election day. Absent, disabled, and confined voters' ballots may be obtained from the County

Clerk as provided by law. Copies of the propositions may be obtained at the office of the Scottsbluff City Clerk at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska 69361.

Dated: August 18, 2014.

/s/ City Clerk

9. The City Clerk shall cause a certified copy of this Resolution to be delivered to the Scotts Bluff County Clerk.

Passed and Approved on August 18, 2014.

Mayor

Attest:

City Clerk