

RESOLUTION NO. 2024-02

A RESOLUTION OF THE CITY OF LYONS, NEBRASKA, ADOPTING AN ECONOMIC DEVELOPMENT PLAN PURSUANT TO THE NEBRASKA LOCAL OPTION MUNICIPAL ECONOMIC DEVELOPMENT ACT AND AUTHORIZING AND DIRECTING THAT TWO (2) ISSUES BE PLACED ON THE BALLOT FOR THE NEBRASKA PRIMARY ELECTION TO BE HELD ON MAY 14, 2024, TO WIT: (1) CONSIDERATION BY THE MUNICIPALITY'S ELECTORS TO ADOPT THE ECONOMIC DEVELOPMENT PLAN AS PRESENTED AND (2) CONSIDERATION BY THE MUNICIPALITY'S ELECTORS TO FUND THE ECONOMIC DEVELOPMENT PLAN WITH A LOCAL OPTION SALES TAX OF ONE-HALF PERCENT (0.5%).

WHEREAS, Nebraska's voters enacted a constitutional amendment in November 1990, granting municipalities the power to use local sources of revenue for economic development projects and programs;

WHEREAS, in 1991, the Nebraska Legislature implemented said amendment with the passage of the Local Option Municipal Economic Development Act (Laws 1991, LB 840) ("Act"), which is based on the premise that communities should have the ability to utilize their own tax dollars in ways that best meet local needs;

WHEREAS, The Lyons Property Development Committee and Burt County Economic Development Corporation, prepared and presented an Economic Development Plan to the City Council of Lyons, Nebraska, for adoption by the City;

WHEREAS, the City Council held a public hearing regarding the proposed Economic Development Plan on February 13th, 2024, at which time public comment was received;

WHEREAS, the City Council finds the proposed Economic Development Plan includes each provision required by the Act, and will provide an opportunity to assist business enterprises and other endeavors in the Lyons community;

WHEREAS, the Local Option Revenue Act, Neb. Rev. Stat. §§ 77-27,142 through

77-27,148, as amended, authorizes the City, conditioned on the affirmative vote by at least seventy percent (70%) of all of the members of the City Council and on the approval of the majority of the City's qualified electors, to impose a sales and use tax of up to two percent (2%) upon the same transactions that are sourced under the provisions of Neb. Rev. Stat. §§ 77-2703.01 through 77-2703.04, as amended, within the City 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, provided the City uses any proceeds from the rate in excess of one and one-half percent (1.5%) for voter-approved infrastructure related to an economic development plan as defined in the Act, and provided further any such rate in excess of one and one-half percent (1.5%) shall terminate no more than ten (10) years after its effective date or, if bonds are issued and the local option sales and use tax revenue is pledged for payment of such bonds, upon payment of such bonds and any refunding bonds, whichever date is later; and

WHEREAS, the City Council desires to fund the Economic Development Plan, if approved, with an additional local option sales and use tax of one-half percent (0.5%);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lyons, Nebraska, as follows:

1. The proposed Economic Development Plan, a 12-page document attached hereto, is hereby adopted by the City Council of the City of Lyons, for presentation to the voters, and is by this reference incorporated into this Resolution as if fully set forth.

2. The Economic Development Plan and local option sales and use tax shall be presented to the voters of the City for approval pursuant to Neb. Rev. Stat. § 18-2713 and § 77-27,142.01, as amended, at the Nebraska primary election to be held Tuesday, May 14, 2024, by means of the following ballot language:

#### Proposition 1

Shall the City of Lyons establish an economic development plan as described here by appropriating annually one-half percent (0.5%) of a local option sales and use tax, estimated to generate approximately \$64,000 per year, for 10 years, for an estimated total of \$640,000?

A vote YES will result in implementing the Economic Development Plan. A vote

NO will result in not implementing the Economic Development Plan.

\_\_\_\_\_ YES

\_\_\_\_\_ NO

Summary of Economic Development Plan:

i. Description of the Economic Development Plan: The goals of the plan are to generate additional employment opportunities; retain and grow the local tax base; recruit new businesses; recruit and retain residents; retain and expand existing businesses; revitalize Lyons' downtown area and central business district; and aid housing development. These goals will be achieved, in part, by establishing a grant and loan fund for use by qualified businesses and grant funding for public works improvements essential to qualifying businesses. The Plan will be implemented and monitored in accordance with Nebraska's Local Option Municipal Economic Development Act.

ii. Duration of the Plan: The length of the Plan shall be a period of ten (10) years, from October 2024 through September 2034.

iii. Years for Collection of Funds: Collection of funds for the Plan shall be on all taxable sales beginning October 2024 or as soon thereafter as provided by Nebraska Department of Revenue regulations, and ending September 2034, provided, however, if bonds are issued and the local option sales and use tax revenue is pledged for payment of such bonds, the collection of funds shall terminate on the first day of the calendar quarter after payment of such bonds and refunding bonds.

iv. Source of Funds: The source of funds for the Plan shall be one-half percent (0.5%) of a sales and use tax imposed pursuant to the Local Option Revenue Act, Neb. Rev. Stat. §§ 77-27,142 through 77-27,148, as amended. Additional funds from other non-City sources will not be sought beyond those derived from local sources of revenue.

v. Issuance of Bonds: The Plan includes a provision that proposes the City issue bonds pursuant to Nebraska's Local Option Municipal Economic Development Act to provide funds to carry out the Plan.

vi. Total Amounts to be Collected from Local Sources of Revenue: The total amount to be collected from local sources of revenue is estimated to be \$64,000 each year for a period of ten (10) years, for an estimated total of \$640,000.

## Proposition 2

Shall the governing body of the City of Lyons, for a period of 10 years, increase Lyons' local option sales and use tax by the amount of one-half percent (0.5%) upon the same transactions within the City on which the State of Nebraska is authorized to impose a tax, with the proceeds of such tax being allocated to fund the Lyons Economic Development Plan?

A vote YES will result in the increase of Lyons' local option sales and use tax by the amount of one-half percent (0.5%) (from 1.5% to 2.0%), with the additional 0.5% to be used to implement and fund the Lyons Economic Development Plan. A vote NO will not result in an increase of Lyons' local option sales and use tax by one-half percent (0.5%) (from 1.5% to 2.0%) to fund the Lyons Economic Development Plan, and will also result in the Lyons Economic Development Plan not being implemented.

\_\_\_\_\_ YES

\_\_\_\_\_ NO

### Summary of Local Option Tax:

i. Reduction or Elimination of Other Taxes or Fees: The one-half percent (0.5%) local option sales and use tax will not reduce or eliminate other taxes or fees.

ii. Projects to be Funded: The revenue collected will be used to fund the Lyons Economic Development Plan, which implements an economic development program as defined in Neb. Rev. Stat. § 18-2705.

iii. Duration of Tax: The tax will be effective for a period of ten (10) years, beginning October 2024 or as soon thereafter as provided by Nebraska Department of Revenue regulations, and ending September 2034, provided, however, if bonds are issued pursuant to the Lyons Economic Development Plan and some or all of the local option revenue is pledged for payment of such bonds, the tax will be collected until the

first day of the calendar quarter after the payment in full of such bonds and any refunding bonds.

iv. Percentage of Revenue for Interlocal Purposes. No percentage of revenue collected will be used for the purposes of an interlocal agreement or joint public agency agreement.

3. A copy of this Resolution and the proposed Economic Development Plan shall be filed with the City Clerk, who shall make it available for public review at the Lyons City office during regular business hours.

4. Pursuant to Neb. Rev. Stat. § 77-27,142.04, notice required by law shall be published in a legal newspaper of general circulation in the City not more than thirty (30) days nor less than ten (10) days previous to the May 14, 2024, election. Such notice shall be in addition to any other notice required by law.


5. The City Clerk shall cause a certified copy of this Resolution to be delivered to the Burt County Clerk / Election Commissioner.

PASSED, and ADOPTED this 13<sup>th</sup> day of February 2024.

CITY OF LYONS, NEBRASKA,

  
\_\_\_\_\_  
Kyle Brink, Mayor

ATTEST:

  
\_\_\_\_\_  
Whitney Anderson, City Clerk

