

RESOLUTION NO. 2024-18

COUNCILMEMBER ANDERSEN INTRODUCED THE FOLLOWING RESOLUTION:

WHEREAS, in November 1990, the Nebraska Constitution was amended to authorize the Nebraska Legislature to pass enabling legislation granting cities and villages the power, with local voter approval, to use local sources of revenue for economic and industrial projects or programs; and

WHEREAS, in 1991 the Nebraska State Legislature authorized cities and villages through the passage of the “Local Option Municipal Economic Development Act” (LB840) to collect and appropriate Local Option Sales Tax revenue for Economic Development Programs; and

WHEREAS, the citizens of the City of Blair approved an Economic Development Program in 2006, thereby acknowledging that the attraction of new business and industry to a community, and the expansion of existing business or industry, takes place in a very competitive marketplace and requires all available financial and human resources, working together in partnership with federal, state, municipal and private sources; and

WHEREAS, the Economic Development Program approved in 2006 is scheduled to expire on September 30, 2025, such date being in a year without a primary or general election; and

WHEREAS, to ensure a successful economic future for the City of Blair, a revised Economic Development Program has been prepared for the period June 1, 2024 – September 30, 2036, and is hereby being considered for adoption.

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

SECTION 1. That the proposed Economic Development Program for the City of Blair for the period June 1, 2024 – September 30, 2036, marked as Exhibit “A” and attached hereto and incorporated herein by this reference, is hereby adopted and that a copy of such Exhibit “A” shall be filed with the City Clerk for public review and inspection at Blair City Hall during regular business hours.

SECTION 2. That the following question be submitted to the registered voters of the City of Blair, Nebraska at the next Primary Election to be held on May 14, 2024:

“Shall the City of Blair establish an Economic Development Program as described here by appropriating annually from city sales tax revenue an amount not to exceed one-tenth of one percent (0.1 %) of the taxable valuation of the city for twelve years?”

“The LB840 Economic Development Program is designed to create new jobs, attract new retail business, broaden the tax base, generate employment opportunities, support new residential development and housing, attract new capital investment, expand the labor market, and ensure economic stability and vitality for Blair. The Program would operate from June 1, 2024, until September 30, 2036, and would use revenue from Blair’s Local Option Sales Tax. The amount to be collected shall be appropriated annually by the Blair City Council and shall not exceed one-tenth of one percent (0.1%) of the taxable valuation of the city each year. Remaining funds and repayments may continue to be used for ten additional years. The Blair City Council may issue bonds pursuant to the Program and pay off the bonds using future sales tax revenue. Additional funds from private sources may be sought beyond those derived from public sources of revenue.”

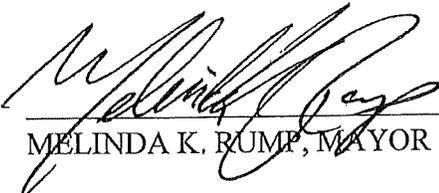
SECTION 3. That the City Clerk is hereby directed to certify the proposition to the Washington County Clerk at least 50 days prior to such election and to make all notices as required by law regarding such election.

SECTION 4. That all other resolutions or parts of resolutions in conflict herewith are hereby repealed.

COUNCIL MEMBER ANDERSEN MOVED THAT THE RESOLUTION BE ADOPTED AS READ, WHICH SAID MOTION WAS SECONDED BY COUNCIL MEMBER PAULSEN. UPON ROLL CALL, COUNCIL MEMBERS HIGHFILL, FERRARI, WOLFF, ANDERSEN, PAULSEN, HAFER AND SANDVOLD VOTING “AYE” AND COUNCIL MEMBERS NONE VOTING ‘NAY’; THE MAYOR DECLARED THE FOREGOING RESOLUTION PASSED AND APPROVED THIS 27TH DAY OF FEBRUARY, 2024.

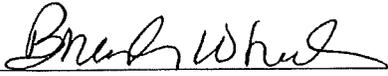
CITY OF BLAIR, NEBRASKA

BY:



MELINDA K. RUMP, MAYOR

ATTEST:

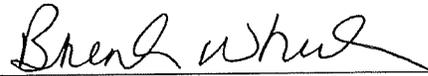


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BRENDA WHEELER, CITY CLERK



STATE OF NEBRASKA    )  
  ) SS:  
WASHINGTON COUNTY    )

BRENDA WHEELER, hereby certifies that she is the duly appointed, qualified and acting City Clerk of the City of Blair, Nebraska, and that the above and foregoing Resolution was passed and adopted at a regular meeting of the Mayor and City Council of said City, held on the 27th day of February, 2024.



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BRENDA WHEELER, CITY CLERK

**BLAIR NEBRASKA  
ECONOMIC DEVELOPMENT PROGRAM**

**June 1, 2024 – September 30, 2036**

**MAYOR:**

**MELINDA RUMP**

**COUNCIL MEMBERS:**

**BRAD ANDERSEN  
KATELYN FERRARI  
HOLLY HAFER  
KIRK HIGHFILL  
RICK PAULSEN  
JAMES SANDVOLD  
KEVIN WILLIS  
FRANK WOLFF**

**CITY ADMINISTRATOR:**

**PHIL GREEN**

**CITY ATTORNEY**

**DESIRAE SOLOMON**

**Submitted by: Gateway Development Corporation  
February 27, 2024**

**Overview:**

Nebraska's voters enacted a constitutional amendment in November 1990 granting cities and villages the power to use local sources of revenue for economic or industrial projects and programs. In 1991, the Unicameral implemented this amendment with the passage of Legislative Bill 840, the Local Option Municipal Economic Development Act.

The Local Option Municipal Economic Development Act is based on the premise that communities should use their tax dollars in ways that best meet local needs. While ongoing planning processes in many towns have identified development, job creation and increased economic opportunity as their highest priority for the future, a variety of constitutional and legislative prohibitions kept them from investing local public funds in development programs. The removal of these limitations gives municipality's greater latitude in determining and acting upon local needs.

As communities have witnessed population declines and the loss of younger people, they have thought about their futures and the types of actions and investments needed to reverse these past trends. In a period of uncertainty, complexity and growing concern about the problems and quality of urban life, including cost and relative safety, the advantages offered by the smaller communities have become uniquely attractive. Concurrently, the revolution in information and communication technology has reduced the isolation of small towns. As a result, it is increasingly possible to operate a significant business in growth areas outside of major urban areas.

City of Blair residents approved the last Economic Development Program in May 2006. Since that time, 30 new or expanding businesses have received grants or loans from the program, resulting in the creation or retention of 651 jobs in Blair and Washington County. In 2017, support for workforce housing was added to the program, resulting in the construction of 17 houses.

**Economic Development Strategy:**

The City of Blair's community and economic development strategy involves building on our strengths to promote the expansion of existing industries and the accompanying creation and retention of jobs and to recruit new industries and new jobs to the community. The principal strategy is directed at maintaining a good quality of life, building a strong workforce, developing community resources, attracting new capital investment, broadening the community's tax base and ensuring economic stability and viability for the City of Blair.

Economic diversification will continue to be a critical priority for the City of Blair. Diversification will be strengthened by the recruitment of new business from outside and development of new businesses from inside the city. An economic development program can establish the city as a nurturing environment for small and large businesses alike and provide economic opportunity. This atmosphere will encourage people with skills and ideas to move or return to Blair to live and do business.

In addition to recruitment, Blair can create job opportunities by helping existing businesses in the city to expand their markets and compete more successfully. The successful marketing of Blair as a center for opportunity is important to Blair's effort to expand its labor force and attract new residents.

The City of Blair recognizes that the attraction of new business and industry to a community, or the expansion of existing business or industry, takes place in a very competitive marketplace. To

keep Blair competitive, the community will continue to use financial and human resources in partnership with federal, state, municipal and private sources.

The current Comprehensive Plan and the 2021 County-Wide Housing Study showed the lack of available housing was a hinderance to meeting the needs of the community and area businesses. According to that Study, “The City of Blair has a ‘target’ housing demand for 162 housing units, consisting of 96 owner and 66 rental housing units. If the Economic Development (ED) Boost scenario of 525 Full-Time Employment opportunities is achieved, the target demand for housing in Blair will increase to an estimated 370 housing units, including 179 owner and 191 rental housing units. This would require an estimated investment of \$86 Million.”

A new Housing Advisory Committee, appointed by Mayor Rump in December 2023, is working to identify specific areas in and around Blair for future residential development in all price ranges. This Economic Development Program will be used to support the development of “workforce housing”, that sells for less than \$275,000, as well as “missing middle” housing.

**Statement of Purpose, General Intent and Goals:**

It is the intent of the City of Blair to implement an Economic Development Program with the purpose and goals as follows.

- ◆ Create New Jobs
- ◆ Attract New Retail Business
- ◆ Broaden the Tax Base
- ◆ Generate Employment Opportunities
- ◆ Attract New Capital Investment
- ◆ Expand the Labor Market

In addition to soliciting input for the development of this program, an effort has been made to ensure consistency with other plans and goals of the City of Blair. Therefore, the City of Blair’s Comprehensive Plan has been reviewed and has been taken into consideration.

The objective of the Comprehensive Plan is to promote the health, safety and general welfare of the city by providing harmonious development and proper arrangements of streets and utilities. The plan also calls for adequate sanitary facilities and for the reduction of flood damage potential to the greatest extent possible.

**Eligible Activities:**

Eligible activities under the Economic Development Program may include, but shall not be limited to, the following.

- 1) Direct loans or grants to Qualifying Businesses for fixed assets or working capital or both.
- 2) Loan guarantees for Qualifying Businesses.
- 3) Grants for public works improvements which are essential to the location or expansion of, or the provision of new services by, a Qualifying Business.
- 4) Grants or loans to Qualifying Businesses for job training.
- 5) The purchase of real estate, options for such purchases, and the renewal or extension of such options.
- 6) Grants or loans to Qualifying Businesses to provide relocation incentives for new residents.
- 7) The issuance of bonds as provided for in the Local Option Municipal Economic Development Act.
- 8) Payments for salaries and support of city staff to implement the Economic Development Program or develop an affordable housing action plan, or payments for

- the contracting of such Program implementation or plan development to an outside entity.
- 9) Grants, loans, or funds for construction or rehabilitation for sale or lease of housing (i) for persons of low or moderate income, (ii) as part of a workforce housing plan, or (iii) as part of an affordable housing action plan.
  - 10) Grants, loans, or funds for a “rural infrastructure project” (a natural gas pipeline for unserved or underserved areas).
  - 11) Grants, loans, or funds for early childhood infrastructure development.
  - 12) The eligible activities described above are considered priority activities for the use of funds generated under the local Option Municipal Economic Development Act. The City of Blair recognizes that the attraction of new businesses to a community or the expansion of existing businesses takes place in a very competitive marketplace. In order to keep Blair as competitive as possible in that marketplace, and in the creation of new jobs in the area, the City retains the right to include as eligible activities those additional activities allowable by law under the Local Option Municipal Economic Development Act.
  - 13) The Local Option Municipal Economic Development Act has been changed in several Legislative sessions since it was signed into law on June 3, 1991. It is reasonable to assume the law will change during the course of Blair’s Economic Development Program. This program is written with the intent that future changes to the Act which are beneficial to the City and citizens of Blair are expressly included in this program.

**Qualifying Businesses:**

A 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 trades or industries:

1. Manufacturing.
2. Research and Development.
3. Processing, Storage, Transport, or the Sale of Goods or Commodities in Interstate Commerce.
4. Sale of Services in Interstate Commerce.
5. Headquarters facilities related to a Qualifying Business.
6. Telecommunications, including services providing advanced telecommunications capability (defined as high-speed, broadband telecommunications capabilities).
7. Tourism-related Activities.
8. Retail.
9. Production of Films.
10. Construction or Rehabilitation of Housing.
11. Early childhood care and education programs.
12. Any other business deemed a Qualifying Business in the Local Option Municipal Economic Development Act or through future action of the Nebraska legislature.

A Qualifying Business does not have to be located within the territorial boundaries of the City of Blair if the Blair City Council determines that there is a clear economic benefit to the city, but it must be located in the City’s two-mile extraterritorial jurisdiction; within two miles of the Blair Executive Airport; or on land held in the name of the city. Eligible Qualifying Businesses may apply more than once and receive program benefits more than once.

**Source of Funds, Length of Program, Preliminary Budget, Bonding Authority:**

This section describes the source of funds and a preliminary budget for Blair's Economic Development Program. It is important to note that this budget must be developed annually and may be modified from time to time by the Blair City Council. In the field of economic development, it is impossible to anticipate every condition or requirement. The City of Blair should maintain the flexibility to respond to specific requirements and opportunities on a short-term basis.

**Source of Local Option Funds**

The City of Blair's source of public funds for this Economic Development Program will be the local option City Sales and Use Tax.

**Length of Time the Program will Exist**

The City of Blair's reauthorized Economic Development Program will collect local sources of revenue from June 1, 2024, until September 30, 2036. Miscellaneous revenues and funds, including but not limited to repayment of loans, return on investments, fees for activities such as loan guarantees, and sales proceeds from properties, may continue until September 30, 2046, to be used for activities contained within this reauthorized Economic Development Program.

**Preliminary Budget**

The City of Blair shall establish an Economic Development Fund and shall contribute an amount not to exceed one-tenth of one percent (0.1%) of the taxable valuation of the city per year for the life of the program, as appropriated annually by the City Council. The annual amount of Local Option Sales Tax to be placed into this fund shall be included in the City of Blair's budget each year and approved by the Blair City Council. Any proceeds from the issuance of bonds to provide funds to carry out this Economic Development Program and any proceeds from land or building sales associated with this Economic Development Program shall be deposited in this fund. The City of Blair shall not transfer or remove funds other than for the specific uses outlined in this program during the life of this program.

**Bond Authority**

Following a public hearing, the Blair City Council may authorize the issuance of bonds to carry out this Economic Development Program. Future contributions of Local Option Sales Tax to the Economic Development Fund shall be used to payoff these bonds.

**Administrative Process:**

The City of Blair shall contract with Gateway Development Corporation, a non-profit economic development organization, to administer this Economic Development Program. Gateway Development Corporation, in conjunction with the Mayor of Blair and the Blair City Council, will develop an Advisory Committee to administer the application process of the program. The committee shall consist of seven (7) residents from the City of Blair who shall be appointed by the Mayor of Blair subject to approval from the Blair City Council. At least one member of the committee shall have expertise in the field of business finance or accounting. The Mayor of Blair, with the approval of the Blair City Council, will designate an appropriate City Official to assist in the administration of the Economic Development Program and also serve on the Advisory Committee as an ex-officio member. The City Official will be responsible for providing assistance, information and advice on the Economic Development Program. Also serving on the Advisory Committee as an ex-officio member will be Gateway Development Corporation's Executive Director, who will serve as the Economic Development Program Administrator.

The City of Blair may contract with Gateway Development Corporation or other entities to provide staffing and other support services to assist the Advisory Committee in the administration of the program.

The Advisory Committee will meet to review applications on an as needed basis; they will also meet on a quarterly basis to review the progress of the Economic Development Program. The committee will report its findings and suggestions to the Blair City Council on a semi-annual basis.

The Blair City Council may assign additional responsibilities necessary to carry out the program or program changes as dictated by changing project needs and economic conditions.

**Application Process:**

To be considered for financial assistance through Blair’s Economic Development Program, applicants must provide the following information.

1. A detailed description of the proposed project.
2. A business plan that includes employment and financial projections, current financial statements, financing requirements for the project and total projected costs.
3. If the application is for assistance for the construction or rehabilitation for sale or lease of housing, the application must include the number and type of dwellings constructed or rehabilitated, and the maximum dollar amount of the final sale or rent for each dwelling. For loans, the application must also include the requested interest rate and term of the loan.
4. A complete City of Blair Local Option Municipal Economic Development Program application.

In determining eligibility, additional information may be requested by Gateway Development Corporation, the Blair City Council’s Finance Committee, and the Blair City Council.

The Advisory Committee will review applications in the order they are received. Using program guidelines, the Advisory Committee will determine the applicant’s eligibility and will provide a project qualification recommendation to the Blair City Council’s Finance Committee. The Blair City Council’s Finance Committee will review the Advisory Committee’s project qualification recommendation, review all applicable documents and make a project funding recommendation to the Blair City Council for consideration. The Blair City Council has final approval on the amount of funds that are allocated to the applicant.

All applications are subject to a financial verification process that will be completed by Gateway Development Corporation. The financial verification process will be completed prior to the application being presented to the Advisory Committee, the Blair City Council’s Finance Committee, and the Blair City Council.

Once an application is approved, Gateway Development Corporation will be responsible to execute the legal agreements made between the applicant and the City of Blair. Gateway Development Corporation will also be responsible to report to applicants whose applications have been disapproved.

**Requirements for Purchase or Option to Purchase Land:**

The following criteria shall be applied for the purchase of or option to purchase real estate:

1. The property shall be properly zoned without any excessive easements, covenants or other encumbrances.

2. The property shall conform to the City or County's Comprehensive Plan.
3. Selection of sites shall be based upon sound economic development location criteria or specifications for special projects.
4. All purchases and options for purchase shall be approved by the Economic Development Program Advisory Committee, the Blair City Council's Finance Committee, and the Blair City Council.

Proceeds from the sale of real property purchased pursuant to the Economic Development Program shall be returned to the City of Blair's Economic Development Fund for future use.

#### **Administration of Economic Development Program:**

It is the intent of the program that the majority of the funds are used to support eligible activities and that only a minimal amount is spent on administrative costs. The administration of this program will be shared by four separate entities. The entities are as follows.

#### **Program Administrator – Gateway Development Corporation's Executive Director**

1. Will be responsible for the day-to-day operations of the program.
2. Will assist applicants and recruit potential applicants.
3. Will serve as an ex-officio, non-voting member of the Advisory Committee and will provide the Advisory Committee with all necessary advice and information.

#### **Advisory Committee**

1. The Advisory Committee will be comprised of seven (7) residents from the City of Blair. The Mayor of Blair will appoint the committee members after receiving approval from the Blair City Council. Advisory Committee members may not be elected or appointed officials, employees of the City of Blair, an official or employee of any Qualifying Business receiving financial assistance under this Economic Development Program or an official or employee of any financial institution participating directly in the Economic Development Program. The committee will have at least one individual with expertise or experience in the field of business finance or accounting. The Advisory Committee will also have a Blair City Official and a representative from Gateway Development Corporation serving as ex-officio members.
2. The Advisory Committee will meet as needed to review applications and provide a project qualification recommendation to the Blair City Council's Finance Committee. The Advisory Committee will also meet on a quarterly basis to review the progress of the Economic Development Program. The committee will present findings and suggestions to the Blair City Council on a semi-annual basis.

#### **Blair City Council's Finance Committee:**

1. The Blair City Council's Finance Committee will review applications and project qualification recommendations received from the Advisory Committee on an "as needed" basis.
2. The Blair City Council's Finance Committee will provide project funding recommendations to the Blair City Council.

#### **Blair City Council**

1. The Blair City Council has final authority on expenditure of funds in support of the Economic Development Program.

2. The Blair City Council will contract with Gateway Development Corporation to act as Program Administrator and will approve the membership of the Advisory Committee.
3. The Blair City Council has ultimate responsibility for the Economic Development Program.

**Confidentiality, Laws and Regulations:**

To ensure applicant confidentiality, the following measures will be instituted and enforced.

1. Each member of the Advisory Committee (including ex-officio members) will sign a "Statement of Confidentiality".
2. Applicant's business and financial information will be available to the Advisory Committee during the approval/disapproval process only. After the approval/disapproval process, Gateway Development Corporation will keep all permanent files and records. Access to these files and records will be limited and on a "need to know" basis only.

Gateway Development Corporation, in conjunction with the Advisory Committee, will establish procedures to ensure that the municipality and the Qualifying Business are meeting all applicable laws, regulations and requirements. These procedures are subject to review and approval by the Blair City Council.

Gateway Development Corporation, the Blair City Council's Finance Committee, and the Advisory Committee may utilize the services of the City Attorney to review contracts, official documents, land transaction procedures or any other official actions as deemed necessary. Separate counsel may also be retained with the permission of the Blair City Council.