

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
JUNE 3, 2014 AGENDA

Subject:	Type:	Submitted By:
ADDITIONAL ½ PERCENT SALES TAX	RESOLUTION ◆ ORDINANCES RECEIVE/FILE	PAM BUETHE CITY CLERK

SYNOPSIS

The official results of the referendum have been received showing voter approval of an additional ½ percent sales and use tax. Ordinances have been prepared authorizing an additional ½ percent sales and use tax to be imposed on October 1, 2014; and to amend the La Vista Municipal Code to reflect the 2 percent total sales and use tax.

FISCAL IMPACT

The ½ percent local option sales and use tax is estimated to generate annual revenue of \$1.1 for the Redevelopment Fund.

RECOMMENDATION

Approval.

BACKGROUND

In December of 1984, the City established a one percent local option sales tax which continues in perpetuity and funds are used for the day to day cost of providing city services, such as police, fire, and public works.

On June 19, 1990, the City Council adopted Ordinance 504 authorizing an additional one-half of one percent (½%) local option sales tax, following a successful referendum. The additional one-half of one percent local option sales tax included a “sunset” or end date of July 31, 2000. Those funds were dedicated by the City Council to be used for street improvements and other capital expenditures.

On January 19, 1999, the City Council adopted Ordinance 759 continuing the additional one-half of one percent (½%) local option sales and use tax following another successful referendum by special election on November 3, 1998, which included a “sunset” date of July 1, 2010. (*Original sunset date of July 31, 2010 was amended in November, 2000 to reflect state regulation that it must sunset on the first day of a calendar quarter.*) On August 19, 2008 the City Council adopted Ordinance 1071 to continue the ½% sales and use tax again based on the successful referendum on the May 2008 primary election ballot. This sunsets on July 1, 2025.

In 2012 the Nebraska Legislature passed LB 357 which would allow La Vista to increase the local option sales and use tax by one-half of one percent if approved by voters to fund public infrastructure projects or voter-approved infrastructure related to an economic development program.

On May 13, 2014 the voters of La Vista approved an additional one-half of one percent (1/2%) local option sales and use tax for use in the redevelopment of 84th Street.

State of Nebraska

County of Sarpy

To: City of La Vista
8116 Park View Blvd.
La Vista, NE 68128

Attn: Pam Buethe

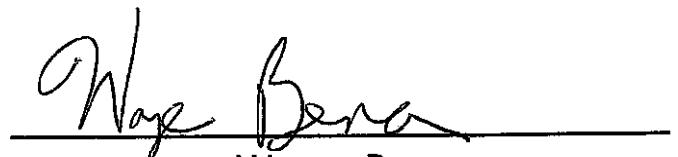
I, the undersigned, being the Election Commissioner of Sarpy County, Nebraska, do hereby certify the following is a true and complete extract or copy of the abstract of the votes cast at the election held May 13, 2014, in this county, as canvassed by the canvassing board of this county, with respect to the candidates, measures, propositions, and issues therein listed; and do further certify that to the best of my knowledge all such ballots, including early voting, and provisional have been voted, counted and canvassed in the manner provided by law.

CITY OF LA VISTA – Increase Sales and Use Tax Issue

CHOICE	VOTES
Yes	1186
No	767

I also certify that the City of La Vista has not had an election to impose a city sales and use tax that has failed within the previous 23 months.

Witness my hand and official seal this 28th day of May 2014.



Wayne Bena
Sarpy County Election Commissioner

ORDINANCE NO. 1215

AN ORDINANCE IMPOSING AN ADDITIONAL CITY SALES AND USE TAX AT THE RATE OF ONE-HALF OF ONE PERCENT (1/2%), INCREASING THE TOTAL CITY SALES AND USE TAX RATE FROM ONE AND ONE-HALF PERCENT (1 ½ %) TO TWO PERCENT (2%) AND APPROVING RELATED ACTIONS; AND TO PROVIDE FOR SEVERABILITY AND EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, SARPY COUNTY, NEBRASKA:

Section 1. Findings. The Mayor and City Council make, adopt and approve the following findings:

1. On November 20, 1984, the governing body of the City of La Vista passed Ordinance No. 363, imposing a perpetual one percent (1%) City sales and use tax on all transactions within the City of La Vista on which the State of Nebraska is authorized to impose a tax, which sales and use tax took effect on April 1, 1985; and
2. On June 19, 1990, the governing body of the City of La Vista passed Ordinance No. 504, imposing an additional sales and use tax of one-half of one percent (½%), effective October 1, 1990 and continuing until July 31, 2000 (July 1, 2000 per Neb. Rev. Stat. §77-27,143); and
3. On January 19, 1999, the governing body of the City of La Vista passed Ordinance No. 759, imposing for another ten year period the additional sales and use tax of one-half of one percent (½%), effective August 1, 2000 and continuing until July 31, 2010 (July 1, 2010 pursuant to Ordinance No. 822B); and
4. The governing body of the City on August 19, 2008 after voter approval passed Ordinance No. 1071 imposing for another fifteen years the additional sales and use tax of one-half of one percent (1/2%), continuing until July 1, 2025 unless an extension is approved by the qualified electors of the City pursuant to the Local Option Revenue Act; and
5. The City, upon the affirmative vote of at least 70% of all of the members of the governing body of the City of La Vista and within the prescribed time and manner, certified and submitted to qualified electors at the primary election held within the City on May 13, 2014 a ballot question in accordance with applicable law proposing to increase the City sales and use tax by an additional one-half of one percent (1/2%), resulting in a rate greater than one and one-half percent (1 ½ %), and specifically increasing the total City sales and use tax rate from one and one-half percent (1 ½ %) to two percent (2%); and
6. A majority of the qualified electors by votes cast upon such question approved and were in favor of such additional tax and increasing the City sales and use tax by an additional one-half of one percent (1/2 %) from one and one-half percent (1 ½ %) to two percent (2%); and consequently the governing body of the City shall be empowered and desires by this Ordinance to forthwith proceed and impose the additional tax and increase the local sales and use tax rate by an additional one-half of one percent (1/2 %) from one and one-half percent (1 ½ %) to two percent (2%) pursuant to the Nebraska Local Option Revenue Act, with all revenues generated by the additional one-half of one percent (1/2 %) to be used for public infrastructure projects within the 84th Street Redevelopment Area; and
7. The City, pursuant to Neb. Rev. Stat. Section 77-27,142(3), is a party to an interlocal agreement pursuant to the Interlocal Cooperation Act with a political subdivision within the municipality or the county in which the municipality is located creating a separate legal or administrative entity relating to a public infrastructure project; specifically being the interlocal cooperation agreement among the Cities of La Vista and Papillion and Papillion Rural Fire Protection District, including benchmarks, for the long term development of unified governance of public infrastructure projects, specifically as relating to the cooperative use of public buildings and capital equipment to provide fire department and emergency medical services for the joint and mutual benefit and protection of said Cities and District. The separate legal or administrative entity was not in existence for one calendar year preceding the submission of the additional sales and use tax ballot question to voters.

Section 2. Imposition of Tax. There is hereby imposed and levied for the benefit of the City of La Vista an additional sales and use tax at the rate of one-half of one percent (1/2 %), thereby increasing the total City sales and use tax rate from one and one-half percent (1 ½ %) to two percent (2%), upon the same transactions that are sourced under the provisions of Neb. Rev. Stat.

Sections 77-2703.01 to 77-2703.04 within the corporate limits of the City, as constituted from time to time, 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.

Section 3. Effective Date. Said rate increase and additional one-half of one percent (1/2 %) sales and use tax adopted, approved and imposed by this Ordinance shall be effective and apply to all taxable transactions within the City, as constituted from time to time, on and after October 1, 2014, or as otherwise required by Neb. Rev. Stat. Section 77-27,143, and continue for a period of ten years after its effective date, unless bonds at any time are issued and some or all of the additional revenues from this additional tax are pledged for payment of said bonds, in which case the increased sales and use tax rate of an additional one-half of one percent (1/2%) shall remain in effect and additional revenues will be collected until payment in full of said bonds and any refunding bonds, whichever date is later.

Section 4. Use of Proceeds. Additional revenues collected from increasing the sales and use tax rate an additional one-half of one percent (1/2 %) pursuant to this Ordinance shall be used to fund in whole or in part and pay costs of "public infrastructure projects," as defined in Nebraska Statutes, Section 77-27,142, within the 84th Street Redevelopment Area.

Section 5. Administration. Administration of the additional sales and use tax imposed by this Ordinance shall be as provided in the Local Option Revenue Act, Sections 77-27,142 through 77-27,148.

Section 6. Preexisting Sales and Use Taxes. The one and one-half percent (1 1/2%) sales and use taxes previously imposed and in effect pursuant to Ordinances No. 363 and No. 1071 each shall remain in effect and governed by said Ordinances, in addition to the additional one-half of one percent (1/2%) imposed and governed by this Ordinance.

Section 7. Further Actions. The City Clerk or other proper person shall be authorized to attest to and furnish a certified copy of this Ordinance and any other documents or instruments to the Tax Commissioner or any other party as required or appropriate. The City Administrator or City Administrator's designee shall be authorized to take any other actions as the City Administrator determines necessary or appropriate to carry out the actions approved in this Ordinance.

Section 8. Severability Clause. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining portions of the Ordinance. The Mayor and City Council of the City of La Vista hereby declare that it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

Section 9. Effective Date. This Ordinance shall take effect and be fully enacted upon passage, approval and publication as provided by law. The additional tax hereby imposed shall take effect as provided in Section 3 hereof.

PASSED AND APPROVED THIS 3RD DAY OF JUNE, 2014.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

ORDINANCE NO. 1216

AN ORDINANCE AMENDING LA VISTA MUNICIPAL CODE SECTION 35.30 TO COINCIDE WITH ORDINANCE NO. 1215 AND THE ADDITIONAL CITY SALES AND USE TAX IMPOSED BY SAID ORDINANCE AT THE RATE OF ONE-HALF OF ONE PERCENT (1/2%), INCREASING THE TOTAL CITY SALES AND USE TAX RATE FROM ONE AND ONE-HALF PERCENT (1 1/2 %) TO TWO PERCENT (2%); TO REPEAL SECTION 35.30 AS PREVIOUSLY ENACTED; TO PROVIDE FOR SEVERABILITY; AND TO PROVIDE FOR THE EFFECTIVE DATE HEREOF.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, SARPY COUNTY, NEBRASKA:

Section 1. Amend Section 35.30. Section 35.30 of the La Vista Municipal Code is hereby amended by deleting and replacing it in its entirety with the following:

"35.30. Imposition. A local option sales and use tax is imposed and levied for the benefit of the City at a total rate of 2% upon the same transactions that are sourced under the provisions of applicable Nebraska statutes within the corporate limits of the City, as constituted from time to time, 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, which 2% tax shall be comprised of the following components:

- (1) One percent (1%) City sales and use tax originally effective on or about April 1, 1985 and continuing in perpetuity;
- (2) Additional one-half of one percent (1/2%) City sales and use tax originally effective on or about October 1, 1990 and continuing in effect until July 1, 2025; and
- (3) Additional one-half of one percent (1/2%) City sales and use tax effective October 1 2014, or as otherwise required by Neb. Rev. Stat. Section 77-27,143, and continuing for a period of 10 years after said effective date, unless bonds at any time are issued and some or all of the additional revenues from this additional tax are pledged for payment of said bonds, in which case the increased sales and use tax rate and additional tax of an additional one-half of one percent (1/2%) shall remain in effect and additional revenues collected until payment in full of said bonds and any refunding bonds, whichever is later.

Additional local option sales and use taxes described in subsections (2) and (3) above each shall be subject to any extensions or other modifications from time to time adopted or approved by the City in accordance with applicable law, without regard to whether or not this Section 35.30 also is revised to incorporate or otherwise reflect said extension or other modification."

Section 2. Repeal 35.30 Previously Enacted. Section 35.30 as previously enacted is hereby repealed.

Section 3. Severability Clause. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining portions of the Ordinance. The Mayor and City Council of the City of La Vista hereby declare that it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

Section 4. Effective Date. This Ordinance shall take effect and be fully enacted upon passage, approval and publication as provided by law.

PASSED AND APPROVED THIS 3RD DAY OF JUNE, 2014.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk