

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE RESOLUTION 566

Introduced by Cornett, 45.

PURPOSE: The purpose of this interim study is to examine a funding mechanism for all cities and villages in the State of Nebraska to assist in the financing of new projects that will address the need for Nebraska residents currently leaving the state to experience retail, dining, tourist, and other destinations that are currently not located in Nebraska. This leakage in sales tax dollars is estimated to exceed more than \$1.15 billion annually from the Omaha metropolitan statistical area alone. These new projects will provide opportunities to attract new-to-market retailers, hoteliers, entertainment, and other industries, as well as assist in the financing of community betterment projects through local philanthropists. The purpose of the redevelopment district is to grow the state and local tax base, promote tourism, create jobs, and stimulate economic development. This can also help retain and recruit young professionals, as identified in the October 2010 Batelle study prepared for the Department of Economic Development. In addition, these new projects will reinvigorate such communities and further attract non-Nebraska residents to the state, thereby creating new tax dollars.

The redevelopment districts will focus on developing outdated or blighted projects that currently experience a declining sales tax base, but, due to their location, have high potential for major redevelopment and economic growth.

The interim study shall, at a minimum, examine the following criteria for a redevelopment district and qualified project: District size; private investment; technology investment; total project cost; new jobs created; retail sales generated from outside the city or village; local support through interested businesses and developers; the city or county governing board and the school district; developer's annual marketing commitment to the redevelopment district; and the impact on community betterment and philanthropy opportunities.

The interim study will also examine the authorization of cities to issue bonds, of which the proceeds will be issued to assist in partially financing the redevelopment project, as well as the ability of the state to "turnback" an increment of new sales tax created by the redevelopment project within that district.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED SECOND LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Revenue Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.