

City Council Introduction: May 4, 2015

BILL NUMBER: 15-61

Public Hearing: May 11, 2015

Date Factsheet Prepared: Steve Hubka

FACTSHEET

Instructions: If a question does not apply, just put "NA". Please try to keep it to **ONE** page only. Submit **one original**, with your Request Form, to City Clerk.

TITLE: 1/4 cent sales tax increase implementation **BOARD/COMMITTEE:**

APPLICANT: Lincoln voters (21,908 for, 14,354 against) **RECOMMENDATION:** Passage without delay

STAFF RECOMMENDATION: For

OTHER DEPARTMENTS AFFECTED: Lincoln Fire and Rescue, Police, 911 Communications, other city departments and users in other local government subdivisions.

SPONSOR: Steve Hubka

OPPONENTS: The people that voted against the increase.

REASON FOR LEGISLATION

On April 7th 2015, Lincoln voters approved a 1/4 cent sales tax increase for three years to pay for a new radio system and the construction of three new fire stations and one joint police/fire station. For the three year period, the local option sales tax rate will go from 1.5% to 1.75%. The State requires an ordinance to be passed by the City Council to implement the tax.

DISCUSSION / FINDINGS OF FACT:

The sales tax increase has been approved by voters for three years. During that time it is estimated to raise approximately \$36 million for the projects approved by the voters. The City needs to provide this ordinance and a certification of election results from the Election Commissioner to the Department of Revenue by June 3, 2015 for implementation on October 1, 2015. If that deadline is missed the rate increase couldn't take effect until January 1, 2016.

POLICY OR PROGRAM CHANGE: Yes No

OPERATIONAL IMPACT ASSESSMENT: This will allow the revenue to be collected to implement the projects.

COST OF TOTAL PROJECT: Estimated at \$34.5 million pending receipt of radio proposals and refinement of estimates for the stations.

RELATED ANNUAL OPERATING COSTS: Users of the radio system will be billed for maintenance and operating costs as they are with the current system and stations will be staffed with existing personnel.

SOURCE OF FUNDS: Additional revenue provided by the increased sales tax rate.

CITY: 100%

NON CITY:

FACTSHEET PREPARED BY: Steve Hubka *SH*

DATE: 4/17/15

REVIEWED BY:

DATE: