

City Council Introduction: 02/01/16
Public Hearing: 02/08/16
Date Factsheet Prepared: 01/28/16

BILL NUMBER: 16R-24

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: SouthPointe Pavilions Development Project
Enhanced Employment Area and 1% Occupation Tax

BOARD/COMMITTEE: NA

APPLICANT: Urban Development Department

RECOMMENDATION: NA

STAFF RECOMMENDATION: Approval

OTHER DEPARTMENTS AFFECTED: Finance

SPONSOR: Urban Development Department

OPPONENTS: NA

REASON FOR LEGISLATION

Nebraska Community Development Law (Section 18-2142.04) requires an "Enhanced Employment Area" (EEA) designated in order to levy an occupation tax. The City of Lincoln is leveraging the economic development provision of the law to facilitate the financing and construction of a 1014-stall parking facility to be located at SouthPointe Pavilions. The 1% Occupation Tax on retail establishments in the EEA (excluding food and beverage sales) is proposed to be implemented in January of 2017 for a term of up to 25 years, depending upon sales volume.

DISCUSSION / FINDINGS OF FACT:

The Scheel's expansion exceeds the statutory threshold for job creation (25 FTE's) and investment (\$2 million).

The City of Lincoln has a unique opportunity to create a retail destination in our community. Scheel's All Sports has approved funding for the construction of a new 220,000 square foot "flag-ship" store in Lincoln. This type of store has the ability to attract shoppers from outside of Lancaster County, increasing the local tax base. The City of Lincoln received a request to implement an occupation tax on retail establishments to finance a public parking structure to secure this project. The parking garage is required to support the additional retail activity at the mall.

POLICY OR PROGRAM CHANGE: ___ Yes No

OPERATIONAL IMPACT ASSESSMENT:

COST OF TOTAL PROJECT: \$100 Million

RELATED ANNUAL OPERATING COSTS: NA

SOURCE OF FUNDS: City - Occupation Tax; Non-City - Private

CITY: \$19.95 Million

NON CITY: \$80 Million

FACTSHEET PREPARED BY: Mike Lang, Mayor's Office

DATE: 01/28/16

REVIEWED BY: David Landis, Urban Development Director

DATE: 01/28/16