

## ORDINANCE NO. 2261

**AN ORDINANCE IMPLEMENTING THE CONTINUED USE OF THE CITY .5% SALES AND USE TAX AND EXTENDING THE ECONOMIC DEVELOPMENT PLAN, AS VOTED UPON AT THE SPECIAL ELECTION HELD ON NOVEMBER 4, 2025, REPEALING ALL OTHER CONFLICTING ORDINANCES; AND PROVIDING FOR AN EFFECTIVE DATE.**

**BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRETE, NEBRASKA:**

**Section 1.** On November 4, 2025, at the Special Election, a majority of the qualified electors of the City voting at the election passed the following propositions which were submitted on the ballot at the election:

**Proposition No. 1:**

Shall the City Adopt and continue to apply the Economic Development Program as described below by appropriating annually from local sources of revenue approximately \$550,000.00 per fiscal year during the time period for which the City Sales and Use Tax provided for in Proposition No. 2 is in existence if Proposition No. 2 passes:

\_\_\_\_\_ Yes (For continuing the Program)

\_\_\_\_\_ No (Against continuing the Program)

**Description of the Economic Development Program:** The Economic Development Program, as amended and approved by the City Council, is summarized as follows:

- a. General Description of the Program: The goal of the Economic Development Program is to provide long range planning and funding to save existing job opportunities and secure future additional jobs for Crete’s residents and to recruit new professionals, businesses and industries to keep the community viable. The program additionally purposes to revitalize the community and encourage the development of affordable workforce housing. Activities included in the Economic Development Program are direct loans or grants to qualifying businesses for fixed assets or working capital or both, loan guarantees for qualifying businesses, grants for job training, real estate purchases and options, the costs of implementing the program, technical assistance, industrial recruitment activities and expenses for locating qualifying businesses into the area. Qualifying businesses include those which derive their principal source of income from (1) manufacturing, (2) conduct of research and development, (3) processing, storage, transport, or sale of goods or commodities in interstate commerce, (4) the sale of services in interstate commerce, (5) headquarters facilities relating to eligible activities, (6) telecommunications activities, (7) development, sale and support of technology, hardware and software for IT and telecommunications, (8) retail business, (9) Construction or rehabilitation of housing, (10) tourism-related activities, (11) production of films, (12) Early childhood care and education programs, or (13) any other business deemed to be qualifying businesses through future amendments to Nebraska law.
- b. Duration of the Program: The Economic Development Program is currently in existence

and shall be extended until October 1, 2041.

- c. Years of Collection of Funds: Collection of funds for the Economic Development Program shall be on all taxable sales beginning on October 1, 2026 and shall end on September 30, 2041.
  - d. Source of Funds: The source for Economic Development Funds shall be the City Sales and Use Tax as provided for in Proposition No. 1. The City may issue bonds pursuant to the Local Option Municipal Economic Development Act.
  - e. Total Amount to be Collected: The total amount to be collected is estimated to be \$550,000 for fiscal year 2025-2026 and shall increase or decrease each year based upon sales and use tax revenues collected.
  - f. Bond Authorization: The City may issue bonds pursuant to LB 840, when recommended by the Advisory Committee and determined appropriate by the Mayor and City Council, as needed from time to time to carry out the Economic Development Program provided the bonds are to be paid in full with funds allocated to the Program so as not to affect the general operating budget.
1. Electors desiring to vote in favor of or against the propositions shall do so in the manner specified in the ballot form as provided by the County Clerk.
  2. The Foregoing notice required by law shall be published in the Crete News, a legal newspaper of general circulation in the City, not more than 30 days nor less than 10 days before the date of the election, the notice shall be in substantially the following form:

**Proposition No. 2:**

Shall the City Council of the City of Crete continue to impose a Sales and Use Tax in the amount of an additional 0.5% upon the same transactions within the City on which the State of Nebraska is authorized to impose a tax, subject to the terms and conditions of the Proposition as set out below?

\_\_\_\_\_ Yes (For continuing the Sales and Use Tax)

\_\_\_\_\_ No (Against continuing the Sales and Use Tax)

**Terms and Conditions:** The terms and conditions of Proposition No. 1 are as follows:

- a. Economic Development Portion: If Proposition No. 1 passes, the City Sales and Use Tax shall be appropriated to the Economic Development Program as provided for in the Plan set out in Proposition No. 1. If Proposition No. 1 fails, the City’s 0.5% Sales and Use Tax shall terminate on October 1, 2026
- b. Termination of Tax: The City Sales and Use Tax shall automatically terminate on September 30, 2041 unless the tax is extended by a vote of the electorate prior to that date.

**Section 2.** As a result of the above propositions being voted upon favorably, on April 1, 2026, 0.5% of the City Sales and Use Tax shall continue to be appropriated to fund the City’s Economic Development Program.

**Section 3.** The City adopts the Economic Development Plan for the City’s Economic Development

Program to be reimplemented April 1, 2026. Funding for the Economic Development Program through the use of the City sales and use tax for the Economic Development program will continue after April 1, 2026 and will automatically terminate on March 31, 2041, unless extended by a prior vote of the electorate.

**Section 4.** The sales and use tax imposed by this Ordinance shall continue to be administered as provided in the Nebraska Local Option Revenue Act.

**Section 5.** The City shall continue to adopt and approve all applications, materials, and regulations necessary to carry out the functions and structure of the City’s Economic Development Program under the Economic Development Plan.

**Section 6.** All other ordinances inconsistent with or in conflict with this Ordinance are hereby repealed as of the effective date of this Ordinance.

**Section 7.** This Ordinance shall become effective upon its passage, approval, and publication as provided by law.

PASSED AND APPROVED the 18<sup>th</sup> day of November, 2025.

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Mayor

ATTEST:

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City Clerk

