

## **Local Incentives**

### **City of North Platte Economic Development Program – Quality Growth Fund**

This is a program created by Nebraska Legislative Bill 840 in 1991, which has been modified several times to allow communities to have a program that is tax supported to assist existing and new business and industry to grow and succeed in the region. The 10-year program has been authorized by North Platte voters from 2001-2011 and again from 2001 to 2021. It is funded through a local sales tax growth initiative.

A five person Citizens Review Committee appointed by the Mayor and City Council consider project applications and make recommendations for approval to the City Council for final determination. The program's applications and meeting format is administered by the President of the North Platte Area Chamber and Development Corporation.

Projects considered for North Platte Quality Growth Funds should include at least one of the following aspects:

- \* Diversification of the local economic base
- \* Broadening of the local tax base
- \* Supporting the retention and expansion of our existing business and industry base
- \* Creation of new quality job opportunities for local residents and our region's youth
- \* Creation of new employment opportunities that offer above average wages and strong benefits packages
- \* Encourages the attraction of new business and industry to the region
- \* Fosters new capital investment in the region
- \* Fosters development that maintains and improves the quality of life for area residents

Copies of the Economic Development Plan and the Quality Growth Fund application are available on the Chamber Development website at [www.nparea.com](http://www.nparea.com) under Economic Development.

### **Tax Increment Financing (TIF)**

This is a method of funding public improvements associated with private developments in designated "blighted or substandard" areas of a community. First class cities in Nebraska like North Platte can designate up to 35 percent of their property, provided the property meets the definition of substandard and blighted as defined by the Community Development Law. Village in Lincoln County can designate up to 100 percent of their city limits to as TIF eligible.

Projects requesting tax increment financing assistance can do so in blight zones. If any area has not been designated a substandard and blighted survey study can be done with consideration of its approval going before the Planning Commission and City Council in two separate public hearings. Once it is approved, projects may be eligible for the TIF assistance, but each project must stand on its own merit with approval steps involved with the Community Redevelopment Authority (CRA), Planning Commission and City Council. Please contact the city administration for applications and the process needed for approval.

The program captures the projected increase in property tax revenue to pay off bonds used to pay for the public infrastructure improvements used to provide developments in blighted areas to help keep the cost of the development down and make the project viable. The private development's maximum capture period is 15 years.

Captured funds may be used to offset a variety of development-related costs, including but not limited to; land acquisition, related infrastructure including roadway and utility investment and, if needed demolition and site preparation.

There is in statute a "but for" clause, meaning that there must be convincing evidence that your project will not move forward without this funding tool. Companies are cautioned to contact our representative early in your project for guidance.

### **Chamber Development Growth Partnership Fund**

To support the development of preferred employers, many member firms of the North Platte Area Chamber & Development Corporation have contributed to our Incentive Fund. These Chamber/Development local incentives may be offered to businesses that will create new qualified jobs, improve the local economic climate and improve the overall quality of life for area residents. These funds are controlled by the Chamber & Development board of directors and is separate from the Quality Growth Fund.

This fund can also be used to enhance economic and community development efforts in North Platte. Smaller projects are more often considered

- \* Qualifying businesses must create new full-time jobs that are eligible for benefits
- \* Wages offered to new employees should be at least average or above for similar type positions in the region
- \* Benefits offered to employees should include health insurance.
- \* Employees should be provided the opportunity for continued training, skill development and advancement opportunities.
- \* A business plan must be presented to the Chamber Development staff. Business planning assistance is offered by the Nebraska Business Development Center located at Mid-Plains Community College in North Platte, or the Rural Enterprise Assistance Program (REAP). The Chamber Development office can put you in touch with each program.

### **Industrial Development Bonds (IDB's)**

- \*Federal/State tax exempt bonds may be utilized for land, plants, equipment, and on-site utilities
- \* May utilize up to \$10 million in any one location, or \$40 million in U.S.
- \* Local government or Nebraska Investment Finance Authority must issue
- \*Interest rates are usually more favorable than traditional sources of financing
- \* Other restrictions may apply