

CHAPTER 5 – BUSINESS REGULATIONS

ARTICLE 1 – ALCOHOLIC BEVERAGES

- SECTION 5-101: DEFINITIONS**
- SECTION 5-102: ACQUISITION AND POSSESSION**
- SECTION 5-103: DRINKING ON PUBLIC PROPERTY; POSSESSION OF OPEN ALCOHOLIC BEVERAGE CONTAINER**
- SECTION 5-104: CONSUMPTION IN PUBLIC PLACES; LICENSE**
- SECTION 5-105: LICENSE REQUIRED**
- SECTION 5-106: CITY POWERS AND DUTIES**
- SECTION 5-107: LICENSEE REQUIREMENTS**
- SECTION 5-108: LOCATION**
- SECTION 5-109: ACCESS TO DWELLINGS**
- SECTION 5-110: SANITARY CONDITIONS**
- SECTION 5-111: CATERING LICENSES**
- SECTION 5-112: DISPLAY OF LICENSE**
- SECTION 5-113: HOURS OF SALE**
- SECTION 5-114: INSPECTIONS**
- SECTION 5-115: OWNER OF PREMISES**
- SECTION 5-116: EMPLOYER**
- SECTION 5-117: HIRING MINORS**
- SECTION 5-118: MINOR'S PRESENCE**
- SECTION 5-119: MINORS AND INCOMPETENTS**
- SECTION 5-120: CREDIT SALES**
- SECTION 5-121: ORIGINAL PACKAGE**
- SECTION 5-122: CONDUCT PROHIBITED ON LICENSED PREMISES**
- SECTION 5-123: AUTOMATIC LICENSE RENEWAL; PROTESTS**
- SECTION 5-124: CITIZENS' COMPLAINT**
- SECTION 5-125: COMPLAINT INITIATED BY COUNCIL**
- SECTION 5-126: REVOCATION OF LICENSE**
- SECTION 5-127: CHANGE OF PREMISES**
- SECTION 5-128: REMOVAL OF INTOXICATED PERSONS FROM PUBLIC OR QUASI-PUBLIC PROPERTY**

ARTICLE 2 – PEDDLERS AND SOLICITORS

- SECTION 5-201: REGISTRATION; ISSUANCE OF PERMIT**
- SECTION 5-202: EXCEPTIONS**
- SECTION 5-203: HOURS**

ARTICLE 3 – OCCUPATION TAXES

- SECTION 5-301: TAXES LEVIED**
- SECTION 5-302: LEVY AUTHORIZED**
- SECTION 5-303: INTERSTATE OR GOVERNMENT BUSINESS**

- SECTION 5-304: COLLECTION DATE**
- SECTION 5-305: DUTIES OF PARTIES LIABLE**
- SECTION 5-306: PAID TO TREASURER; NOT ASSIGNABLE**
- SECTION 5-307: NO REFUND**

ARTICLE 4 – ECONOMIC DEVELOPMENT PROGRAM

- SECTION 5-401: STATEMENT OF PURPOSE, GENERAL INTENT AND GOALS**
- SECTION 5-402: ECONOMIC DEVELOPMENT PROGRAM COMMITTEE**
- SECTION 5-403: CITIZEN ADVISORY REVIEW COMMITTEE**
- SECTION 5-404: OTHER PROGRAM OFFICIALS**
- SECTION 5-405: ECONOMIC DEVELOPMENT FUND**
- SECTION 5-406: ELIGIBLE APPLICANTS**
- SECTION 5-407: ELIGIBLE ACTIVITIES**
- SECTION 5-408: ELIGIBLE BUSINESSES**
- SECTION 5-409: BUDGET**
- SECTION 5-410: FUNDS TO BE COLLECTED; LONGEVITY OF THE PROGRAM**
- SECTION 5-411: PRELIMINARY ANNUAL BUDGET**
- SECTION 5-412: COSTS OF ADMINISTRATION**
- SECTION 5-413: NON-LOAN EXPENDITURES**
- SECTION 5-414: AUTHORITY TO ISSUE BONDS**
- SECTION 5-415: REVOLVING LOAN FUND; REQUIREMENTS**
- SECTION 5-416: REVOLVING LOAN FUND; GENERAL GUIDELINES**
- SECTION 5-417: REVOLVING LOAN FUND; ELIGIBLE APPLICANTS**
- SECTION 5-418: REVOLVING LOAN FUND; APPLICATION REQUIREMENTS**
- SECTION 5-419: REVOLVING LOAN FUND; LOAN REVIEW**
- SECTION 5-420: REVOLVING LOAN FUND; TIMELINE TO MEET GOALS**
- SECTION 5-421: REVOLVING LOAN FUND; LOAN DEFAULT**
- SECTION 5-422: REVOLVING LOAN FUND; LOAN FORGIVENESS**
- SECTION 5-423: CONFIDENTIALITY**
- SECTION 5-424: PURCHASE OF LAND; IDENTIFICATION OF REAL ESTATE**
- SECTION 5-425: INVESTMENT OF ECONOMIC DEVELOPMENT FUNDS**
- SECTION 5-426: CITY ATTORNEY; LEGAL AND REGULATORY COMPLIANCE**

ARTICLE 5 – PENAL PROVISION

- SECTION 5-501: VIOLATION; PENALTY**

CHAPTER 5 – BUSINESS REGULATIONS

Article 1 – Alcoholic Beverages

SECTION 5-101: DEFINITIONS

All words and phrases herein used are to have the definitions applied thereto as defined in the Liquor Control Act of the State of Nebraska. (Neb. Rev. Stat. §53-103)

SECTION 5-102: ACQUISITION AND POSSESSION

It shall be unlawful for any person to purchase, receive, acquire, accept, or possess any alcoholic liquor acquired from any other person other than one duly licensed to handle alcoholic liquor under the Nebraska Liquor Control Act. Nothing in this section shall prevent:

A. The possession of alcoholic liquor for the personal use of the possessor and his or her family and guests, so long as the quantity of alcoholic liquor transported, imported, brought, or shipped into the state does not exceed nine liters in any one calendar month;

B. The making of wine, cider, or other alcoholic liquor by a person from fruits, vegetables, or grains or the products thereof by simple fermentation and without distillation, if made solely for the use of the maker and his or her family and guests;

C. Any duly licensed practicing physician or dentist from possessing or using alcoholic liquor in the strict practice of his or her profession, any hospital or other institution caring for sick and diseased persons from possessing and using alcoholic liquor for the treatment of *bona fide* patients of such hospital or other institution, or any drug store employing a licensed pharmacist from possessing or using alcoholic liquor in compounding of prescriptions of licensed physicians;

D. The possession and dispensation of wine by an authorized representative of any church for the purpose of conducting any *bona fide* rite or religious ceremony conducted by such church;

E. Persons who are 16 years old or older from carrying alcoholic liquor from licensed establishments when they are accompanied by a person not a minor;

F. Persons who are 16 years old or older from handling alcoholic liquor containers and alcoholic liquor in the course of their employment;

G. Persons who are 16 years old or older from removing and disposing of alcoholic liquor containers for the convenience of the employer and customers in the course of their employment; or

H. Persons who are 19 years old or older from serving or selling alcoholic liquor in the course of their employment.

(Neb. Rev. Stat. §§53-168.06, 53-175, 53-194.03) (Ord. No. 241, 6/8/87)

SECTION 5-103: DRINKING ON PUBLIC PROPERTY; POSSESSION OF OPEN ALCOHOLIC BEVERAGE CONTAINER

A. Except when the Nebraska Liquor Control Commission has issued a license as provided in Neb. Rev. Stat. §53-186(2), it is unlawful for any person to consume alcoholic liquor upon property owned or controlled by the state or any governmental subdivision thereof unless authorized by the governing bodies having jurisdiction over such property. (Neb. Rev. Stat. §53-186[1])

B. It is unlawful for any person in the passenger area of a motor vehicle to possess an open alcoholic beverage container while the motor vehicle is located in a public parking area or on any highway in this city.

C. Except as provided in Neb. Rev. Stat. §53-186, it is unlawful for any person to consume an alcoholic beverage (1) in a public parking area or on any highway in this city or (2) inside a motor vehicle while in a public parking area or on any highway in this city.

D. This section does not apply to persons who are passengers of, but not drivers of, a limousine or bus being used in a charter or special party service as defined by rules and regulations adopted and promulgated by the state Public Service Commission and subject to Neb. Rev. Stat. Chapter 75, Article 3. Such passengers may possess open alcoholic beverage containers and may consume alcoholic beverages while such limousine or bus is in a public parking area or on any highway in this city if:

1. The driver of the limousine or bus is prohibited from consuming alcoholic liquor; and
2. Alcoholic liquor is not present in any area that is readily accessible to the driver while in the driver's seat, including any compartments in such area.

E. For purposes of this section:

1. "Alcoholic beverage" means (a) beer, ale porter, stout, and other similar fermented beverages, including sake or similar products, of any name or description containing one-half of one percent or more of alcohol by volume, brewed or produced from malt, wholly or in part, or from any substitute therefor; (b) wine of not less than one-half of one percent of alcohol by volume; or (c) distilled spirits, which is that substance known as ethyl alcohol, ethanol, or spirits of wine in any form, including all dilutions and mixtures thereof from whatever source or by whatever process produced. "Alcoholic beverage" does not include trace amounts not readily consumable as a beverage;

2. "Highway" means a road or street including the entire area within the right of way;
3. "Open alcoholic beverage container" means any bottle, can, or other receptacle that (a) contains any amount of alcoholic beverage; and (b) is open or has a broken seal; or (c) the contents of which are partially removed; and
4. "Passenger area" means the area designed to seat the driver and passengers while the motor vehicle is in operation and any area that is readily accessible to the driver or a passenger while in their seating positions, including any compartments in such area. "Passenger area" does not include the area behind the last upright seat of such motor vehicle if the area is not normally occupied by the driver or a passenger and the motor vehicle is not equipped with a trunk.
5. "Limousine" shall mean a luxury vehicle used to provide prearranged passenger transportation on a dedicated basis at a premium fare that has a seating capacity of at least five and no more than fourteen persons behind the driver with a physical partition separating the driver's seat from the passenger compartment. "Limousine" does not include taxicabs, hotel or airport buses or shuttles, or buses.

(Neb. Rev. Stat. §60-6,211.08) (Ord. No. 241, 6/8/87)

SECTION 5-104: CONSUMPTION IN PUBLIC PLACES; LICENSE

It is unlawful for any person owning, operating, managing, or conducting any dance hall, restaurant, café, club, or any place open to the general public to permit or allow any person to consume alcoholic liquor upon the premises except as permitted by a license issued for such premises pursuant to the Nebraska Liquor Control Act. It is unlawful for any person to consume alcoholic liquor in any dance hall, restaurant, café, club, or any place open to the general public except as permitted by a license issued for such premises pursuant to the act. This division does not apply to a retail licensee while lawfully engaged in the catering of alcoholic beverages or to limousines or buses operated under Neb. Rev. Stat. §60-6,211.08. (Neb. Rev. Stat. §53-186.01)

SECTION 5-105: LICENSE REQUIRED

It shall be unlawful for any person to manufacture for sale, sell, keep for sale, or to barter any alcoholic liquors within the city unless said person shall have in full force and effect a license as provided by the Nebraska Liquor Control Act. (Neb. Rev. Stat. §53-168.06)

SECTION 5-106: CITY POWERS AND DUTIES

A. The City Council is authorized to regulate by ordinance, not inconsistent with the Nebraska Liquor Control Act, the business of all retail, craft brewery, and micro-

distillery licensees carried on within the corporate limits of the city.

B. During the period of 45 days after the date of receiving from the Nebraska Liquor Control Commission an application for a new license to sell alcoholic liquor at retail or a craft brewery or microdistillery license, the City Council may make and submit to the commission recommendations relative to the granting or refusal to grant such license to the applicant.

C. The City Council, with respect to licenses within the corporate limits of the city, has the following powers, functions, and duties with respect to retail, craft brewery, and microdistillery licenses:

1. To cancel or revoke for cause retail, craft brewery, and microdistillery licenses to sell or dispense alcoholic liquor issued to persons for premises within its jurisdiction, subject to the right of appeal to the commission.
2. To enter or authorize any law enforcement officer to enter at any time upon any premises licensed under the Nebraska Liquor Control Act (“the act”) to determine whether any provision of the act, any rule or regulation adopted and promulgated pursuant to the act, or any ordinance, resolution, rule, or regulation adopted by the City Council has been or is being violated and at such time examine the premises of such licensee in connection with such determination. Any law enforcement officer who determines that any provision of the Nebraska Liquor Control Act, any rule or regulation adopted and promulgated pursuant to the act, or any ordinance, resolution, rule, or regulation adopted by the City Council has been or is being violated shall report such violation in writing to the executive director of the commission:
 - a. Within 30 days after determining that such violation has occurred;
 - b. Within 30 days after the conclusion of an ongoing police investigation;
or
 - c. Within 30 days after the verdict in a prosecution related to such an ongoing police investigation if the prosecuting attorney determines that reporting such violation prior to the verdict would jeopardize such prosecution, whichever is later.
3. To receive a signed complaint from any citizen within its jurisdiction that any provision of the act, any rule or regulation adopted and promulgated pursuant to the act, or any ordinance, resolution, rule, or regulation relating to alcoholic liquor has been or is being violated and to act upon such complaints in the manner provided in the act.
4. To receive retail, craft brewery and microdistillery license fees as provided

in Neb. Rev. Stat. §§53-124 and 53-124.01 and pay the same to the city treasurer after the license has been delivered to the applicant.

5. To examine or cause to be examined any applicant or any retail, craft brewery, or microdistillery licensee upon whom notice of cancellation or revocation has been served as provided in the act, to examine or cause to be examined the books and records of any applicant or licensee, and to hear testimony and to take proof for its information in the performance of its duties. For purposes of obtaining any of the information desired, the City Council may authorize its agent or attorney to act on its behalf.
6. To cancel or revoke on its own motion any license if, upon the same notice and hearing as provided in Neb. Rev. Stat. §53-134.04, it determines that the licensee has violated any of the provisions of the act or any valid and subsisting ordinance, resolution, rule, or regulation duly enacted, adopted, and promulgated relating to alcoholic liquor. Such order of cancellation or revocation may be appealed to the commission within 30 days after the date of the order by filing a notice of appeal with the commission, which shall handle the appeal in the manner provided for hearing on an application in Neb. Rev. Stat. §53-133.
7. Upon receipt from the commission of the notice and copy of application as provided in Neb. Rev. Stat. §53-131, to fix a time and place for a hearing at which the City Council shall receive evidence, either orally or by affidavit from the applicant and any other person, bearing upon the propriety of the issuance of a license. Notice of the time and place of such hearing shall be published in a legal newspaper in or of general circulation in the city one time not less than seven and not more than 14 days before the time of the hearing. Such notice shall include but not be limited to a statement that all persons desiring to give evidence before the City Council in support of or in protest against the issuance of such license may do so at the time of the hearing. Said hearing shall be held not more than 45 days after the date of receipt of the notice from the commission. After such hearing the City Council shall cause to be recorded in the minute record of its proceedings a resolution recommending either issuance or refusal of such license. The city clerk shall mail to the commission by first-class mail, postage prepaid, a copy of the resolution, which shall state the cost of the published notice, except that failure to comply with this provision shall not void any license issued by the commission. If the commission refuses to issue such a license, the cost of publication of notice shall be paid by the commission from the security for costs.

D. When the Nebraska Liquor Control Commission mails or delivers to the city clerk a license issued or renewed by it, the clerk shall deliver the license to the licensee upon proof of payment of (1) the license fee if, by the terms of Neb. Rev. Stat. §53-124(5), the fee is payable to the city treasurer; (2) any fee for publication of notice of

hearing before the City Council upon the application for license; (3) the fee for publication of notice of renewal, if applicable, as provided in Neb. Rev. Stat. §53-135.01; and (4) occupation taxes, if any, imposed by the city.

E. Notwithstanding any ordinance or charter power to the contrary, the city shall not impose an occupation tax on the business of any person, firm, or corporation licensed under the Nebraska Liquor Control Act and doing business within the corporate limits of the city in any sum which exceeds two times the amount of the license fee required to be paid under the act to obtain such license.

(Neb. Rev. Stat. §§53-131, 53-132, 53-134)

SECTION 5-107: LICENSEE REQUIREMENTS

No liquor license shall be issued to any person unless he or she: is a resident of Nebraska; is a person of good character and reputation in the community; is a U.S. citizen; has never been convicted of or pled guilty to a felony under the laws of this state, any other state, or the United States; has never been convicted of or pled guilty to any Class I misdemeanor pursuant to Neb. Rev. Stat. §53-125; has never had a liquor license revoked for cause; and meets other requirements as provided in Neb. Rev. Stat. §53-125. (Neb. Rev. Stat. §53-125)

SECTION 5-108: LOCATION

A. Except as otherwise provided in subsection (B) of this section, no license shall be issued for the sale at retail of any alcoholic liquor within 150 feet of any church, school, hospital, or home for indigent persons or for veterans and their wives or children. This prohibition does not apply (1) to any location within such distance of 150 feet for which a license to sell alcoholic liquor at retail has been granted by the commission for two years continuously prior to making of application for license, or (2) to hotels offering restaurant service, to regularly organized clubs, or to restaurants, food shops, or other places where sale of alcoholic liquor is not the principal business carried on, if such place of business so exempted was established for such purposes prior to May 24, 1935.

B. If a proposed location for the sale at retail of any alcoholic liquor is within 150 feet of any church, a license may be issued if the Liquor Control Commission gives notice to the affected church and holds a hearing as prescribed in Neb. Rev. Stat. §53-133 if the affected church submits a written request for a hearing.

(Neb. Rev. Stat. §53-177)

SECTION 5-109: ACCESS TO DWELLINGS

Except in the case of hotels and clubs, no alcoholic liquor shall be sold at retail upon any premises having any access which leads from such premises to any other portion of the same building used for dwelling or lodging purposes and which is permitted to be used or kept accessible for use by the public. Nothing herein shall prevent any connection with such premises and such other portion of the building that is used only

by the licensee, his or her family, or personal guests. (Neb. Rev. Stat. §53-178)

SECTION 5-110: SANITARY CONDITIONS

It shall be unlawful to open for public use any retail liquor establishment that is not in a clean and sanitary condition. Toilet facilities shall be adequate and convenient for customers and patrons and said licensed premises shall be subject to any health inspections the City Council or the city police may make or cause to be made. All applications for liquor licenses shall be viewed in part from the standpoint of the sanitary conditions, and a report concerning the said sanitary conditions shall be made at all hearings concerning the application for or renewal of a liquor license. (Neb. Rev. Stat. §53-118)

SECTION 5-111: CATERING LICENSES

A. The holder of a Class C, Class D, or Class I license issued under Neb. Rev. Stat. §53-124(5) or a craft brewery license may obtain an annual catering license by filing an application and license fee with the Nebraska Liquor Control Commission. (Neb. Rev. Stat. §53-124.12[1])

B. Upon receipt from the commission of the notice and copy of the application as provided in Neb. Rev. Stat. §53-124.12, the City Council shall process the application in the same manner as provided in Section 5-106 (City Powers and Duties). (Neb. Rev. Stat. §53-124.12)

SECTION 5-112: DISPLAY OF LICENSE

Every licensee under the Nebraska Liquor Control Act shall cause his or her license to be framed and hung in plain public view in a conspicuous place on the licensed premises. (Neb. Rev. Stat. §53-148)

SECTION 5-113: HOURS OF SALE

A. For the purposes of this section:

1. "On sale" shall be defined as alcoholic beverages sold by the drink for consumption on the premises of the licensed establishment.
2. "Off sale" shall be defined as alcoholic beverages sold at retail in the original container for consumption off the premises of the licensed establishment.

B. It shall be unlawful for any licensed person or persons or their agents to sell at retail or dispense any alcoholic beverages within the city except during the hours provided herein:

Alcoholic Liquors (except Beer and Wine)	
Monday through Saturday	
On and Off Sale	6:00 a.m. to 1:00 a.m.
Sunday	
On and Off Sale	6:00 a.m. to 12:00 noon
Beer and Wine	
Daily	
On and Off Sale	6:00 a.m. to 1:00 a.m.

C. Such limitations shall not apply after 12:00 noon on Sunday to a licensee which is a nonprofit corporation and the holder of a Class C or Class I license.

D. It shall be unlawful on property licensed to sell alcoholic liquor at retail to allow alcoholic liquor in open containers to remain or be in possession or control of any person for purposes of consumption between fifteen minutes after the closing hour applicable to the licensed premises and 6 a.m. on any day.

E. Nothing in this section shall be construed to prohibit licensed premises from being open for other business on days and hours during which this section prohibits the sale or dispensing of alcoholic beverages.
 (Neb. Rev. Stat. §53-179) (Ord. Nos. 221, 11/5/85; 2001-02, 11/13/01)

SECTION 5-114: INSPECTIONS

The Liquor Control Commission and City Council shall cause frequent inspections to be made on the premises of all retail licensees and if it is found that any such licensee is violating any provision of the Nebraska Liquor Control Act or the rules and regulations of the commission adopted and promulgated under the act or is failing to observe in good faith the purposes of the act, the license may be suspended, canceled, or revoked after the licensee is given an opportunity to be heard in his or her defense.
 (Neb. Rev. Stat. §53-116.01)

SECTION 5-115: OWNER OF PREMISES

The owner of any premises used for the sale at retail of alcoholic beverages shall be deemed guilty of a violation of these laws to the same extent as the said licensee if the owner shall knowingly permit the licensee to use the said licensed premises in violation of any municipal code section or Nebraska statute. (Neb. Rev. Stat. §53-1,101)

SECTION 5-116: EMPLOYER

The employer of any officer, director, manager, or employee working in a retail liquor establishment shall be held to be liable and guilty of any act or omission or violation of any law or ordinance. Each such act or omission shall be deemed and held to be the act of the employer and will be punishable in the same manner as if the said act or omission had been committed by him or her personally. (Neb. Rev. Stat. §53-1,102)

SECTION 5-117: HIRING MINORS

It shall be unlawful for any person to hire minors under the age of 19 years to serve or dispense alcoholic liquors, including beer, in the course of their employment. (Neb. Rev. Stat. §53-168.06)

SECTION 5-118: MINOR'S PRESENCE

It shall be unlawful for any person or persons who own, manage, or lease an establishment selling alcoholic beverages at retail to allow any minor under the age of 18 years to frequent or otherwise remain in the said establishment unless the said minor is accompanied by a parent or legal guardian and unless said minor remains seated with and under the immediate control of the said parent or legal guardian. (Neb. Rev. Stat. §53-134.03)

SECTION 5-119: MINORS AND INCOMPETENTS

It shall be unlawful for any person or persons to sell, give away, dispose of, exchange, permit the sale of, or make a gift of any alcoholic liquors or to procure any such alcoholic liquors to or for any minor or any person who is mentally incompetent. (Neb. Rev. Stat. §53-180)

SECTION 5-120: CREDIT SALES

No person shall sell or furnish alcoholic liquor at retail to any person on credit, on a passbook, on an order on a store, in exchange for any goods, wares, or merchandise, or in payment for any services rendered. If any person extends credit for any such purpose, the debt thereby attempted to be created shall not be recoverable at law. Nothing in this section shall prevent any club holding a Class C license from permitting checks or statements for alcoholic liquor to be signed by members or guests of members and charged to the accounts of the said members or guests in accordance with the bylaws of any such club; and nothing in this section shall prevent (A) any hotel or restaurant holding a retail alcoholic beverage license from permitting checks or statements for liquor to be signed by regular guests residing in the said hotel and charged to the accounts of such guests, or (B) any licensed retailer engaged in the sale of wine or distilled spirits from issuing tasting cards to customers. (Neb. Rev. Stat. §53-183)

SECTION 5-121: ORIGINAL PACKAGE

It shall be unlawful for any person or persons who own, manage, or lease any premises in which the sale of alcoholic beverages is licensed to have in their possession for sale at retail any alcoholic liquors contained in bottles, casks, or other containers except in the original package. Nothing in this section shall prohibit the refilling of original packages of alcoholic liquor for strictly private use and not for resale. (Neb. Rev. Stat. §53-184)

SECTION 5-122: CONDUCT PROHIBITED ON LICENSED PREMISES

No licensee in this city shall engage in, allow, or suffer in or upon the licensed premises any disturbances, lewdness, immoral activities or displays, brawls, or unnecessary noise; or allow, permit or suffer the licensed premises to be used in such a manner as to create public censure or become a nuisance, public or private.

SECTION 5-123: AUTOMATIC LICENSE RENEWAL; PROTESTS

A. An outstanding retail license issued by the commission may be automatically renewed by the commission without formal application upon payment of the renewal fee and license fee if payable to the commission prior to or within 30 days after the expiration of the license. The payment shall be an affirmative representation and certification by the licensee that all answers contained in an application, if submitted, would be the same in all material respects as the answers contained in the last previous application. The commission may at any time require a licensee to submit an application, and the commission shall at any time require a licensee to submit an application if requested in writing to do so by the City Council. If a licensee files an application form in triplicate original upon seeking renewal of his or her license, the application shall be processed as set forth in Neb. Rev. Stat. §53-131.

B. Any licensed retail premises located in an area which is annexed by the city shall file a formal application for a license. While such application is pending, the licensee may continue all license privileges until the original license expires or is canceled or revoked. If such license expires within 60 days following the annexation date of such area, the license may be renewed by order of the commission for not more than one year.

C. The city clerk shall cause to be published in a legal newspaper in or of general circulation in the city one time between January 10 and January 30 each year individual notice of the right of automatic renewal of each retail liquor and beer license within the city in the form prescribed by law; provided, Class C license renewal notices shall be published between July 10 and July 30 each year. Upon the conclusion of any hearing required by this section, the City Council may request a licensee to submit an application as provided in Neb. Rev. Stat. §53-135.

D. Written protests to the issuance of automatic renewal of a license may be filed by any resident of the city on or before February 10, 20...., or August 10, 20...., in the office of the city clerk and that in the event protests are filed by three or more such persons, hearing will be had to determine whether continuation of the license should be allowed.

(Neb. Rev. Stat. §§53-135, 53-135.01)

SECTION 5-124: CITIZENS' COMPLAINT

A. Any five residents of the city shall have the right to file a complaint with the City Council stating that any retail licensee subject to the jurisdiction of the council has

been or is violating any provision of the Nebraska Liquor Control Act or the rules or regulations issued pursuant to the act. Such complaint shall be in writing in the form prescribed by the City Council and shall be signed and sworn by the parties complaining. The complaint shall state the particular provision, rule, or regulation believed to have been violated and the facts in detail upon which belief is based.

B. If the City Council is satisfied that the complaint substantially charges a violation and that from the facts alleged there is reasonable cause for such belief, it shall set the matter for hearing within ten days from the date of the filing of the complaint and shall serve notice upon the licensee of the time and place of such hearing and of the particular charge in the complaint. The complaint must in all cases be disposed of by the City Council within 30 days from the date the complaint was filed by resolution thereof and said resolution shall be deemed the final order for purposes of appeal to the Nebraska Liquor Control Commission as provided in Neb. Rev. Stat. §53-1,115.

C. The following form is hereby prescribed for the use of residents of this city desiring to complain to the mayor and the City Council that any licensee is violating any provision of the Nebraska Liquor Control Act, regulations prescribed by the Nebraska Liquor Control Commission, or any provision of this ordinance:

To the Mayor and City Council of the City of Bassett, Nebraska:

The undersigned respectfully state:

1. That each one is a resident of the City of Bassett, Nebraska.

2. That they believe that _____, the holder of a Class ____ license in the aforesaid city, has violated Section _____ of (check one or more):

_____ the Nebraska Liquor Control Act.

_____ the regulations prescribed by the Nebraska Liquor Control Commission.

_____ the municipal code of the City of Bassett.

3. That the aforesaid belief is based on the following facts, to-wit:

(Name)

(Name)

(Name)

(Name)

(Name)

STATE OF NEBRASKA)
) ss.
COUNTY OF ROCK)

Subscribed in my presence and sworn to before me by _____,
_____, _____, _____ and _____
_____ this _____ day of _____, 20____.

My commission expires _____, 20____.

Notary Public

(Neb. Rev. Stat. §53-134.04)

SECTION 5-125: COMPLAINT INITIATED BY COUNCIL

The City Council may on its own motion by resolution fix the time and place for a hearing on whether a licensee has violated any section of the Nebraska Liquor Control Act, the regulations of the Nebraska Liquor Control Commission, or this code, which resolution shall state the section or sections in question. Said resolution shall be served in the same manner and within the same time as the initial resolution mentioned in Section 5-124 (Citizens' Complaint), and insofar as possible the procedure shall be the same as is provided in that section. (Neb. Rev. Stat. §53-134)

SECTION 5-126: REVOCATION OF LICENSE

Whenever any licensee has been convicted by any court of a violation of the Nebraska Liquor Control Act, the licensee may, in addition to the penalties for such offense, incur a forfeiture of the license and all money that had been paid for the license. The City Council may conditionally revoke the license subject to a final order of the Liquor Control Commission or the commission may revoke the license in an original proceeding brought before it for that purpose. (Neb. Rev. Stat. §53-116.02)

SECTION 5-127: CHANGE OF PREMISES

Any retailer licensee desiring to transfer his or her license from one premises to another shall file a written request for permission to do so with the city clerk and shall also file with said clerk a sworn statement showing that the premises to which removal is to be made comply in all respects with the requirements of the Nebraska Liquor Control Act, as amended. The city clerk shall present said application and statement to the City Council at its next meeting and it shall by resolution approve or disapprove the transfer. If the transfer is approved, the said approval shall be endorsed on the license by the mayor and attested by the city clerk.

SECTION 5-128: REMOVAL OF INTOXICATED PERSONS FROM PUBLIC OR QUASI-PUBLIC PROPERTY

A. City police, county sheriffs, officers of the Nebraska State Patrol, and any other such law enforcement officers with power to arrest for traffic violations may take a person who is intoxicated and in the judgment of the officer dangerous to himself, herself, or others or who is otherwise incapacitated from any public or quasi-public property. An officer removing an intoxicated person from public or quasi-public property shall make a reasonable effort to take such intoxicated person to his or her home or to place such person in any hospital, clinic, alcoholism center, or with a medical doctor as may be necessary to preserve life or to prevent injury. Such effort at placement shall be deemed reasonable if the officer contacts those facilities or doctors which have previously represented a willingness to accept and treat such individuals and which regularly do accept such individuals. If such efforts are unsuccessful or are not feasible, the officer may then place such intoxicated person in civil protective custody, except that civil protective custody shall be used only so long as is necessary to preserve life or to prevent injury and under no circumstances for longer than 24 hours.

B. The placement of such person in civil protective custody shall be recorded at the facility or jail to which he or she is delivered and communicated to his or her family or next of kin, if they can be located, or to such person designated by the person taken into civil protective custody.

C. The law enforcement officer who acts in compliance with this section shall be deemed to be acting in the course of his or her official duty and shall not be criminally or civilly liable for such actions.

D. The taking of an individual into civil protective custody under this section shall not be considered an arrest. No entry or other record shall be made to indicate that the person has been arrested or charged with a crime.

E. For purposes of this section, "public property" shall mean any public right of way, street, highway, alley, park, or other state-, county-, or city-owned property. "Quasi-public property" shall mean and include private or publicly owned property utilized for proprietary or business uses which invites patronage by the public or which invites public ingress and egress.

(Neb. Rev. Stat. §53-1,121)

Article 2 – Peddlers and Solicitors

SECTION 5-201: REGISTRATION; ISSUANCE OF PERMIT

A. To prevent the sale of fraudulent, dangerous, and unhealthful goods and services and to protect the public by maintaining records of the products sold and the persons and companies responsible for such sales, all peddlers and solicitors shall register with the city clerk before doing business within the city. Said registration shall contain all the necessary information and documents required by the City Council.

B. Any person or persons granted a peddlers' and solicitors' permit shall be subject to any fees, occupation taxes, and other rules and regulations which the City Council deems appropriate for the purposes stated herein, as well as any fees set by the council by resolution and placed on file in the office of the city clerk.

C. Any permit so granted shall be subject to revocation for good and sufficient cause. It shall be unlawful for a solicitor, salesperson, or peddler to solicit without a proper permit on his or her person at all times.

(Neb. Rev. Stat. §17-525)

SECTION 5-202: EXCEPTIONS

Nothing herein shall be construed to apply to any person or persons selling produce raised within the county, to wholesale salesmen soliciting merchants directly, or to a representative of a non-profit or charity organization soliciting on behalf of that organization.

SECTION 5-203: HOURS

It shall be unlawful to make calls as a solicitor or peddler to prospective customers before 8:00 a.m. or after 6:00 p.m. any day unless requested to do so by the prospective customer. (Neb. Rev. Stat. §17-134)

Article 3 – Occupation Taxes

SECTION 5-301: TAXES LEVIED

For the purpose of raising revenue, there is hereby levied an occupation tax upon such occupations and businesses carried on within the corporate limits of this city and in such amounts as set by ordinance and placed on file with the city clerk; and every person, firm, association or corporation carrying on the occupation or business specified within the limits of said city shall pay to the city treasury the sum named as a tax upon such occupation or business. All money so collected shall be credited to the general fund, except as provided in Section 5-302(B) as to fire insurance companies. The said money shall be and remain under the control of the City Council for such use and purpose as other monies belonging to the general fund.

SECTION 5-302: LEVY AUTHORIZED

A. The city shall have power to raise revenue by levying and collecting a license tax on any occupation or business within the limits of the city and regulate the same by ordinance. Any occupation tax imposed pursuant to this section shall make a reasonable classification of businesses, users of space, or kinds of transactions for purposes of imposing such tax, except that no occupation tax shall be imposed on any transaction which is subject to tax under Neb. Rev. Stat. §§53-160, 66-489, 66-489.02, 66-4,140, 66-4,145, 66-4,146, 77-2602, or 77-4008 or which is exempt from tax under Neb. Rev. Stat. §77-2704.24. The occupation tax shall be imposed in the manner provided in Neb. Rev. Stat. §18-1208, except that Neb. Rev. Stat. §18-1208 does not apply to an occupation tax subject to Neb. Rev. Stat. §86-704. All such taxes shall be uniform in respect to the classes upon which they are imposed. All scientific and literary lectures and entertainments shall be exempt from such taxation, as well as concerts and other musical entertainments given exclusively by the citizens of the city.

B. The City Council shall have authority, by ordinance, to impose an occupation tax of not more than \$5.00 per annum on each fire insurance corporation, company or association doing business in the city for the use, support and benefit of the volunteer Fire Department. The city clerk shall collect with diligence the occupation tax so imposed. Upon the receipt of the tax, the clerk shall pay over the proceeds thereof to the city treasurer, who shall credit the same to a fund to be known as "special occupation tax fund" for the benefit of the Fire Department. Upon proper claim filed by the fire chief and allowed by the City Council, the treasurer shall pay over the proceeds of the tax in the fund from time to time for the use of the Fire Department as hereinbefore provided.

C. Notwithstanding any ordinance or charter power to the contrary, the city shall not impose an occupation tax on the business of any person, firm, or corporation licensed under the Nebraska Liquor Control Act and doing business within the corporate limits of the city in any sum which exceeds two times the amount of the license fee required to be paid under the act to obtain such license.
(Neb. Rev. Stat. §§17-525, 35-106, 53-132)

SECTION 5-303: INTERSTATE OR GOVERNMENT BUSINESS

The license tax levied by this ordinance is not levied upon any business or occupation which is interstate or which is done or conducted by any department of the government of the United States, the State of Nebraska, this city or the officers thereof, as such in the course of its or their official duties or by any county or subdivision of this state or its officers.

SECTION 5-304: COLLECTION DATE

On all occupations and businesses on which an occupation tax is levied at a yearly rate, the year for such tax shall be deemed to begin May 1 each year and shall end on April 30 following. Said tax for that year shall be due and payable in advance of May 1 of every year and thereafter shall be delinquent; provided, all taxes levied at a yearly rate shall be due and payable for the municipal year on the last Tuesday of April. On all occupations or businesses on which said tax is levied at a daily, monthly, quarterly or other similar rate, the tax shall be due and payable in advance before the business begins for the number of days, months, quarters or other terms, as the case may be, for the occupation or business to be carried on within the taxing year.

SECTION 5-305: DUTIES OF PARTIES LIABLE

It is hereby made the duty of each and every person, firm, association or corporation to pay the tax levied against him, her, them or it at the time the same becomes due.

SECTION 5-306: PAID TO TREASURER; NOT ASSIGNABLE

Upon payment of the tax levied herein, the city treasurer shall issue a receipt to the person, persons, partnership, firm or corporation paying the same, properly dated and specifying on behalf of whom and for what the sum is paid. The treasurer's receipt shall be the warrant and proper authority of any person to carry on and conduct the business specified on said receipt and for which the money has been paid; provided, said receipt shall not be assignable.

SECTION 5-307: NO REFUND

Every occupation tax levied at a daily, yearly, monthly, quarterly or other rate must be paid in one payment in advance before the business is commenced, whether the license is issued at the beginning of the day, year, month, quarter or other term or for any certain time less than the full day, year, month, quarter or other term. No person paying occupation tax shall be entitled to a refund of any part of the tax so paid.

Article 4 – Economic Development Program

(Ord. No. 2014-07, 11/5/14)

SECTION 5-401: STATEMENT OF PURPOSE, GENERAL INTENT AND GOALS

The purpose and goals of the economic development program will be (A) to create jobs and generate employment opportunities, (B) expand labor markets, (C) expand retail opportunities, (D) increase the number of households, (E) attract new capital investment to the community that broadens the tax base, (F) retain jobs and make existing businesses more competitive and profitable, and (G) provide economic diversification to ensure economic stability and vitality for the community of Bassett and the surrounding areas.

SECTION 5-402: ECONOMIC DEVELOPMENT PROGRAM COMMITTEE

A. The Economic Development Program Committee shall consist of five registered voters who are residents of the city, which shall solicit recommendations from community organizations for members to be appointed to the committee. No member shall be an elected or appointed municipal official, employee of the city, or anyone who is an applicant, employee, agent, shareholder, or officer of an applicant for program funds. The members shall be appointed by the mayor with the approval of a majority vote of the City Council. The term of each member shall be four years. All members shall hold office until their successors are appointed. Any member may, after a public hearing before the council, be removed by the mayor by and with the consent of a majority of the council for inefficiency, neglect of duty or malfeasance in office or other good and sufficient cause. Vacancies occurring otherwise and through the expiration of term shall be filled for the unexpired term or the next term by the mayor as provided herein.

B. The committee shall meet at such times as determined by the members to review and evaluate each Economic Development Program application and advise the City Council whether it should be approved or disapproved. The committee shall furthermore set established terms of loans that may be granted through the program and make recommendations regarding the same to the council, and shall have such other responsibilities as set forth in the Economic Development Program plan.

C. Members of the Economic Development Program Committee, in their capacity as members and consistent with the responsibilities as members, may be permitted access to business information received by the city in the course of its administration of the Economic Development Program, which information would otherwise be confidential by law or by agreement with a qualifying business participating the Economic Development Program or under any ordinance of the city providing access to such records to members of the committee and guaranteeing the confidentiality of business information received by reason of its administration of the Economic Development Program. Any member of the committee who discloses or permits the disclosure of any of

such business information that is confidential under Neb. Rev. Stat. §84-712.05 without authorization shall be guilty of a misdemeanor punishable as provided by the municipal code.

SECTION 5-403: CITIZEN ADVISORY REVIEW COMMITTEE

A. The Citizen Advisory Review Committee shall consist of five registered voters who are residents of the city, which shall solicit recommendations from community organizations for members to be appointed to the committee. No member of the committee shall be an elected or appointed city official, an employee of the city, a participant in a decision-making position regarding expenditures of program funds, or an official or employee of any qualifying business receiving financial assistance under the Economic Development Program or of any financial institution participating directly in the program. The members shall be appointed by the mayor with the approval of a majority vote of the Council. At least one member of the committee shall have expertise or experience in the field of business finance or accounting. The term of each member of the committee shall be four years. All members shall hold office until their successors are appointed. Any member may, after a public hearing before the council, be removed by the mayor by and with the consent of a majority of the Council for inefficiency, neglect of duty or malfeasance in office or other good and sufficient cause. Vacancies occurring otherwise and through the expiration of term shall be filled for the unexpired term or the next term by the mayor as provided herein.

B. The committee shall meet regularly, at least quarterly, to review the function and progress of the Economic Development Program and to advise the City Council with regard to the program. At least once in every six-month period after November 12, 2014, the committee shall report to the council on its findings and suggestions at a public hearing called for that purpose.

C. Members of the Citizen Advisory Review Committee, in their capacity as members and consistent with the responsibilities as members, may be permitted access to business information received by the city in the course of its administration of the Economic Development Program, which information would otherwise be confidential by law or by agreement with a qualifying business participating the program or under any ordinance of the city providing access to such records to members of the committee and guaranteeing the confidentiality of business information received by reason of its administration of the Economic Development Program. Any member of the committee who discloses or permits the disclosure of any of such business information that is confidential under Neb. Rev. Stat. §84-712.05 without authorization shall be guilty of a misdemeanor punishable as provided by the municipal code.

SECTION 5-404: OTHER PROGRAM OFFICIALS

A. The mayor shall, with the approval of a majority vote of the City Council, appoint a program administrator who shall be an officer or employee of the city and who shall have responsibility for administration of the Economic Development Program

and such other responsibilities as set forth in the economic development plan. The administrator shall:

1. Be responsible for the day-to-day activities of administering the program.
2. Assist applicants and conduct active recruiting for potential applicants.
3. Review all applications to deem complete with application materials, checklists and loan closing documents.
4. Work with the city clerk to create an annual budget for approval by City Council.
5. Track participating businesses' employment figures for two years if said business employs persons from other Nebraska communities. (Neb. Rev. Stat. §18-2709)
6. Serve as an *ex officio*, non-voting member to the Economic Development Program Committee and the Citizen Advisory Review Committee, providing those committees with necessary advice and information.

B. The City Council shall:

1. At regular or special meetings called for that purpose, review the applications for assistance from the Economic Development Program and, by a majority vote, approve or disapprove of said applications.
2. Have final authority on expenditure of funds in support of the Economic Development Program. Such decisions shall be made after considering the recommendations of the program committee (loan recommendations and non-loan projects).
3. Work with the economic development director to act as program administrator.
4. Have ultimate responsibility for the Economic Development Program.

C. The city clerk shall:

1. Provide the City Council an account of the status of each loan outstanding, program income, and current investments of unexpended funds on a monthly basis. Each month, half a percent of sales tax will be transferred to the economic development fund.
2. Work with program administrator to create an annual budget for approval by the City Council.

SECTION 5-405: ECONOMIC DEVELOPMENT FUND

Funds that shall be deposited into the separate economic development fund as established by the city's Economic Development Program are as follows:

A. All funds derived from local sources of revenue for the Economic Development Program.

B. Any earnings from the investment of such funds.

C. Any loan payments.

D. Any proceeds from the sale of assets purchased by the city under its Economic Development Program.

E. Any other money received by the city by reason of the economic development program.

SECTION 5-406: ELIGIBLE APPLICANTS

A "qualifying business" shall mean any corporation, partnership, limited liability company or sole proprietorship which derives its principal source of income from any of the following:

A. The manufacturer of articles of commerce.

B. The conduct of research and development.

C. The processing, storage, transport or sale of goods or commodities that are sold or traded in interstate commerce.

D. The sale of services in interstate commerce.

E. Headquarters facilities relating to eligible activities as listed in this section.

F. Telecommunications activities.

G. Tourism-related activities.

H. Any business that derives its principal source of income from the construction or rehabilitation of housing.

I. Retail or any other business deemed as a qualifying business through future action of the Legislature.

SECTION 5-407: ELIGIBLE ACTIVITIES

A. Eligible activities under the Economic Development Program may include but shall not be limited to the following:

1. Purchase of real estate, options for such purchases, and the renewal or extension of such options, and public works improvements.
2. Small business recruitment and development including expansion of existing businesses.
3. Grants or agreements for job training programs and workforce development.
4. Expand and promote Bassett through marketing, workforce attraction, and tourism related activities.
5. Development of housing-related programs to foster population growth or residential infrastructure as necessary for successful economic development projects.
6. Activities to revitalize and encourage growth in the downtown area.
7. Demolition of buildings to assist with the future development of commercial, industrial and residential investment.
8. Construction of spec buildings or rehabilitation of commercial or potential commercial buildings.
9. Provision of technical assistance to businesses, such as marketing assistance, management counseling, preparation of financial packages, or potential commercial buildings.
10. Loans to businesses or industries for fixed assets, working capital, public works, essential to expansions, or job training.
11. Payments for salaries and support of municipal staff or the contracting with an outside entity to implement the Economic Development Program.
12. Expenses for the conduct of business recruitment activities.
13. Authority to issue bonds pursuant to the Local Option Municipal Economic Development Act.
14. Recruitment and activities related to recruitment of new businesses.

B. The eligible activities described above are considered priority activities for the use of funds generated under the Local Option Municipal Economic Development Act (LB 840). In order to keep Bassett as competitive as possible in the marketplace and in the creation of new jobs in the area, the city retains the right to include as eligible activities those additional activities allowable by law. In order to stay current with Nebraska statutes, the city retains the right to amend this Economic Development Program when such amendment pertains to changes made to the Local Option Municipal Economic Development Act or to other statutes that affect Bassett's program. Such amendments can only be made after a public hearing and a majority vote of the City Council.

SECTION 5-408: ELIGIBLE BUSINESSES

Any corporation, partnership, limited liability company or sole proprietorship as defined in Neb. Rev. Stat. §18-2709 shall be a qualifying business under the Economic Development Program. A qualifying business need not be located within the territorial boundaries of the city but will need to meet requirements as set out by the local economic development group and the City Council.

SECTION 5-409: BUDGET

The economic development budget shall be presented annually and may be modified from time to time by the Economic Development Program Committee. In the event that the committee ceases to exist, then the city will be responsible for changes in the budget. The city shall maintain the flexibility to respond to specific requirements and opportunities on a short-term basis.

SECTION 5-410: FUNDS TO BE COLLECTED; LONGEVITY OF THE PROGRAM

The city's source of public funds for the Economic Development Program will be a one-half percent local option sales tax. If approved by the voters, such tax will remain in force for a period of 15 years beginning on April 1, 2015. The local sales tax will end on April 1, 2030. The total estimated amount to be collected is \$900,000.00. However, uncommitted funds and revenues including but not limited to repayment of loans, return on investments, fees for activities such as loan guarantees, and sales proceeds from properties may continue to be used for activities contained within the Economic Development Program for an additional 15-year period ending April 1, 2045.

SECTION 5-411: PRELIMINARY ANNUAL BUDGET

A. Expenditures shall be made as authorized by Nebraska law, to include but not be limited to expenditures for land acquisition, building construction, recruitment/development, infrastructure for specific business plans, loans and administration. It is anticipated that the program can be fully administered by the program administrator or contracted loan administrator.

B. The annual amount that will be budgeted for Economic Development is also tied to the city's valuation each year. The amount shall not exceed 0.4 percent of Bassett's annual valuation. Any excess funds above the 0.4 percent amount shall be appropriated to the general fund of the city on an annual basis.

C. The first year's budget was to be completely budgeted for programs under the plan. Each year following, an itemized budget shall be submitted to the city.

SECTION 5-412: COSTS OF ADMINISTRATION

It is the intent of the program that the majority of the funds be used for supporting eligible activities and only the minimum required amount is to be spent to assist the administration of the program. Three separate groups share the administration of the program.

SECTION 5-413: NON-LOAN EXPENDITURES

Non-loan project requests shall be submitted to the program administrator. The Economic Development Program Committee will review each request to determine eligibility in accordance with the plan and budget. If the request is recommended by the committee, it will be forwarded to the City Council for final approval, which must be met before any non-loan project is started. Such non-loan expenditures could include but are not limited to infrastructure, administration expenses, research, studies, industrial and tourism promotion and legal fees. Sales tax funds can also be used as a match for grant applications, as long as the project application meets the Economic Development plan.

SECTION 5-414: AUTHORITY TO ISSUE BONDS

The city may have a business opportunity or other economic development project requiring initial funds that exceed the single-year proceeds of the local option sales tax. In order to take advantage of such an opportunity, the city shall have the ability to issue bonds. Future sales tax receipts then retire the bonds. The City Council may authorize issuance of bonds to carry out the Economic Development Program following a public hearing.

SECTION 5-415: REVOLVING LOAN FUND; REQUIREMENTS

The revolving loan fund can provide loans or loan guarantees to any business eligible for assistance under LB 840. Applications by businesses that meet one or more of the following criteria will be given special priority:

A. Expansion, enhancement or transition of existing businesses in Bassett and the surrounding area.

B. New business starts.

C. Businesses that in the opinion of the loan committee have unusual potential for growth.

D. Businesses that are relocating from outside Nebraska.

E. Businesses that provide for important local and regional needs.

F. Businesses must be located within Rock County.

SECTION 5-416: REVOLVING LOAN FUND; GENERAL GUIDELINES

A. *Loan Amount.* Funds for a single project shall not exceed the amount of funds available under the Economic Development Program during the project term nor shall it exceed more than 50 percent of applicant's total project costs.

B. *Equity.* An applicant must provide participation and evidence of participation through private funding as distinguished from federal, state or local funding in the minimum amount of 10 percent equity investment. The right is reserved to negotiate terms and conditions of the loan with each applicant since terms and conditions may differ substantially from applicant to applicant.

C. *Interest Rate.* The interest rate shall be fixed and negotiated on an individual basis, usually one-half the rate of the lending rate for the project at a traditional banking source. Rates shall not be less than one-half national prime rate as published in the *Wall Street Journal* or never less than 2 percent on the date of the loan approval.

D. *Term.* The term shall not exceed 15 years for loans used for capital assets (real estate) and five years for loans involving any other asset category. Up to 10 years for equipment and fixtures may be possible for transition projects.

E. *Collateral.* Security for loans will include but not be limited to promissory notes, mortgages or deeds of trust, and personal and/or corporate guarantees as appropriate and may be in a subordinate position to the primary lender. Such decisions will be made on an individual basis.

F. *Period of Payment.* A loan repayment schedule providing for monthly, quarterly or annual payments will be approved in conjunction with project approval. Repayments will be held in the revolving loan fund for future projects when approved.

G. *Business Transition.* In cases of business transition projects, the loan committee may choose to modify loan terms listed previously. The changes may include but are not limited to interest-only payments for a period of the loan or other modifications the committee feels are justifiable under the current policies of the sales tax program.

H. *Grants.* If the loan is approved as performance-based, a qualifying business

may be approved to recapture a portion of the loan amount on a grant basis. The recaptured amount will be determined by the Economic Development Program Committee based upon job creation or retention and economic impact of the project to the community.

I. *Oversight.* The hired city auditor will audit the revolving loan fund annually.

J. *Costs.* Administration costs for the loan fund will be defrayed by loan fees and the portion of sales tax revenue directed to administration expenses.

SECTION 5-417: REVOLVING LOAN FUND; ELIGIBLE APPLICANTS

The revolving loan fund can provide loans or loan guarantees to any business eligible for assistance under LB 840.

SECTION 5-418: REVOLVING LOAN FUND; APPLICATION REQUIREMENTS

A. Complete an application obtained from city hall or the program administrator, located at 106 E Legnard Street, Bassett, Nebraska 68714.

B. Submit the completed application to the program administrator who will review documents to make sure the application is complete. The administrator and the Economic Development Program Committee will then review the application. Upon completion of the review, the committee will make a decision on the project.

C. The City Council will then receive a recommendation for or against the proposed project from the Economic Development Program Committee and a decision will be rendered regarding allocation of funds.

D. The program administrator will notify the applicant of the decision.

SECTION 5-419: REVOLVING LOAN FUND; LOAN REVIEW

A. The Economic Development Program Committee will meet to review the loan application and supporting documents. The applicant is welcome to meet with the committee at the scheduled meeting time. The program administrator will also attend the meeting to take minutes and to provide information, especially in the absence of the applicant.

B. The committee will evaluate each application according to the following criteria:

1. Eligibility under LB 840;
2. Soundness and credibility of the business proposal;

3. Track record, credibility, and creditworthiness of applicant;
4. Probability that the business assistance will be repaid; and
5. Other criteria that the committee may establish for application review.

C. The decision of the committee regarding the application evaluation as set forth in subsection (B) herein will be final.

D. The committee will review a checklist of the forms and documents that were reviewed during the loan review. A member of the committee will sign off on the form after the review is complete.

E. The committee may (1) recommend the loan for approval to the City Council, (2) not recommend the request, or (3) request additional information from the applicant. The committee will also provide performance standards that must be met before the loan is closed and a loan check is issued, such as building size, type, timeline, jobs created, etc. If the committee does not recommend a loan application, its decision is final. However, the applicant may apply again at a later date.

F. If there is a conflict of interest of any member of the committee due to a business relationship involving the sales tax application, immediate relation by family or marriage, those member(s) of the committee will abstain from voting on that specific loan application.

SECTION 5-420: REVOLVING LOAN FUND; TIMELINE TO MEET GOALS

A business receiving a loan shall have 18 months from the date of loan approval to meet the employment and/or expansion goals as indicated in the sales tax application on file.

SECTION 5-421: REVOLVING LOAN FUND; LOAN DEFAULT

The city clerk will be responsible for contacting the borrower if a payment is in default. If a payment is more than 30 days in default, a letter will be sent by the clerk to the borrower and the primary lender requesting immediate payment. If payment is not made within ten days of the letter, a committee composed of the city attorney, city clerk, mayor and program administrator will meet to determine appropriate action.

SECTION 5-422: REVOLVING LOAN FUND; LOAN FORGIVENESS

A. Loan forgiveness is an option in the Economic Development Plan. Forgivable, performance-based loans will be considered by the committee with any of the following criteria taken into consideration:

1. The levels of job creation/job retention and duration of those job commit-

ments being proposed as job performance requirements to be met by the benefited business;

2. Level of economic impact to the community;
3. Overall wage levels being paid by the benefited business;
4. Benefited business' commitment to providing a minimum annual wage increase for all employees over a period of time;
5. The level of equity investment by owners; or
6. An assessment of the ability of the benefited business to repay the loan if job performance requirements are not met.

B. Any negation for loan forgiveness must be approved by the Bassett City Council. The applicant must submit a written request for loan forgiveness that outlines the reasons for the request to the program administrator. This must be negotiated prior to closing.

SECTION 5-423: CONFIDENTIALITY

A. In the process of gathering information about a qualifying business, the city may receive information about the business which is confidential and if released could cause harm to the business or give unfair advantage to its competitors. State law authorizes cities and other public entities to maintain the confidentiality of business records that come into their possession. Such information includes business entity, project description, borrower(s), loan amount, length of loan, interest rate, security, repayment, loan closing date and any other pertinent information.

B. To protect the businesses applying for funds and to encourage them to make full and frank disclosure of business information relevant to their applications, the city may take the following steps to ensure the confidentiality of the information it receives:

1. Adoption of an ordinance which makes such information confidential and punishes disclosure.
2. Restriction on the number of people with access to the files, with the program administrator primarily responsible for their safekeeping.
3. Requiring that personnel involved in the program sign statements of confidentiality regarding all personal and private submittals by qualified businesses. The confidentiality statement will have attached the corresponding statute which outlines that disclosure of confidential business information is a Class II misdemeanor.

4. Loan numbers will be issued with the year and the number of applications in that year. Every loan application will be referred to by its assigned loan number.
5. Each committee member will receive a copy of the application materials prior to the loan review meeting. The materials will be in sealed envelopes addressed to each committee member and stamped "Confidential". After the final meeting for a particular application, all committee members are required to return all loan forms and copies to the program administrator for shredding.

SECTION 5-424: PURCHASE OF LAND; IDENTIFICATION OF REAL ESTATE

A. Eligible activities include the purchase directly or indirectly through the city and program administrator or commercial or industrial sites and obtaining options for the purchase of such real estate. Land to be purchased or optioned may be within or outside the corporate limits of the city and will be identified and may then be considered for option or purchase and further development.

B. In addition, the funds may be used to provide the infrastructure to these sites or other sites to make them attractive to new or expanding businesses. Eligible infrastructure improvements will include but not be limited to street, storm drainage, water, sewer, gas and electric. Infrastructure improvements and costs may extend beyond the corporate limits of the city. The funds may be used to construct facilities, structures, and/or appurtenances for new or proposed development or to attract new business or industry.

C. These sites and facilities will improve the attractiveness of Bassett as a location for new business and industry and may be used as an incentive to aid in the location, relocation or expansion of a business. These sites and facilities may be sold or leased at a price at or below current market value. The proceeds from the sale or lease of land purchased and developed with funds generated by LB 840 may be used for the purchase and development of additional land and may be used for all other eligible activities.

D. The attraction of a new business or industry may require an incentive to ensure its location in Bassett or Rock County. Any investment in land and infrastructure can provide that incentive while at the same time providing a benefit that will remain in the community. Developed industrial sites, buildings and infrastructure will be of long-term benefit to the community regardless of future ownership.

SECTION 5-425: INVESTMENT OF ECONOMIC DEVELOPMENT FUNDS

A. The city will establish a separate economic development fund. All funds derived from local sources of revenue for the Bassett Economic Development Program, any earnings from the investment of such funds and loan payments, any proceeds from

the sale of assets purchased by the city under the Economic Development Program or other money received by the city by reason of the economic development fund shall be deposited into the fund.

B. No money in the economic development fund shall be deposited into the general fund of the City of Bassett except as provided by statute.

C. The city shall not transfer or remove funds from the economic development fund other than for the purposes prescribed in the state act and this plan, and the money in the economic development fund shall be invested in the city's pooled investment account with recommendations from the Economic Development Program Committee.

D. In the event the Economic Development Program is terminated, any funds not committed will be transferred as provided by statute to the general fund of the city and will be used on an installment basis to reduce the property tax levy of the city.

E. If there is a conflict between this plan and state statute, the statute will control.

SECTION 5-426: CITY ATTORNEY; LEGAL AND REGULATORY COMPLIANCE

In order to ensure that all laws and regulations are being complied with, the city attorney will review the Economic Development Program annually and all laws and regulations pertaining to it.

Article 5 – Penal Provision

SECTION 5-501: VIOLATION; PENALTY

Any person who shall violate or refuse to comply with the enforcement of any of the provisions of this chapter, set forth at full length herein or incorporated by reference, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$500.00 for each offense. A new violation shall be deemed to have been committed every 24 hours of such failure to comply.