



Community Redevelopment Authority (CRA)

**Wednesday, June 8, 2016
Regular Meeting**

Item H1

TIF Request - East Park on Stuhr

Staff Contact: Chad Nabity



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

Hoppe Homes, LP on behalf of a single project LLC to be determined

Address:

PO Box 6036, Lincoln, NE 68506

Telephone No.: 402-328-8100

Fax No.:

402-328-8104

Contact:

Ward F. (Fred) Hoppe or Carly Davis

Brief Description of Applicant's

Business: Rental Residential Real Estate

Present Ownership Proposed Project Site: Hoppe, Inc.

Proposed Project: Building square footage, size of property, description of
buildings -- materials, etc. Please attach site plan, if
available.

88 units of moderate priced one and two bedroom apartments. Site plan attached.

Land use planning agreements submitted to the City of Grand Island, Approximately 74,360 sq. ft.

in 11 buildings. Site plan attached as Exhibit A and B.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land \$ 88,000

B. Building \$

Construction Costs:

A. Renovation or Building Costs: \$ 6,718,909

B. On-Site Improvements: \$ 1,483,060

Soft Costs:

A. Architectural & Engineering Fees: \$ 142,600

B. Financing Fees: \$ 50,000

C. Legal/Developer/Audit Fees: \$ 100,000

D. Contingency Reserves: \$ 380,000

E. Other (Please Specify) \$

TOTAL \$ 9,050,589

Total Estimated Market Value at Completion: \$ 7,500,000

Source of Financing:

A. Developer Equity: \$ 2,262,000

B. Commercial Bank Loan: \$ 5,635,340

Tax Credits:

1. N.I.F.A. \$ 0

2. Historic Tax Credits \$ 0

D. Industrial Revenue Bonds: \$ 0

E. Tax Increment Assistance:

\$1,495,000

F. Other

\$

Name, Address, Phone & Fax Numbers of Architect, Engineer and General Contractor:

Olsson Associates, 201 E 2nd St, Grand Island, NE 68801, (308) 384-8750 (Engineer)

Studio 951, 800 P Street Suite 203, Lincoln, NE 68508, (402) 477-1666 (Architect)

Hoppe Homes, PO Box 6036, Lincoln, NE 68506, (402)328-8100/fax: (402) 328-8104 (General Contractor)

Estimated Real Estate Taxes on Project Site Upon Completion of Project:

(Please Show Calculations)

\$7,500,000 x .02 = \$150,000

Project Construction Schedule:

Construction Start Date:

8/2016

Construction Completion Date:

12/2017

If Phased Project:

_____ Year _____ %

Complete

_____ Year _____ %

Complete

XII. Please Attach Construction Pro Forma See Exhibit C-1 & C-2

XIII. Please Attach Annual Income & Expense Pro Forma See Exhibit D
(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

Describe Amount and Purpose for Which Tax Increment Financing is Requested:

\$1,495,000

See attached Exhibit E.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing

for Proposed Project: The cost of construction exceeds the advisable rents. Thus, there is a gap without TIF assistance. Without TIF, rents would be 20% higher and we wouldn't be able to use the energy saving geothermal HVAC systems.

Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other Corporations the Applicant has been involved with, or

has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

City of Lincoln, NE - David Landis - 402-441-7864

City of Lexington, NE - Joe Peppitsch - 308-324-3241

IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years.

See Exhibit F.

Post Office Box 1968
Grand Island, Nebraska 68802-1968
Phone: 308 385-5240
Fax: 308 385-5423
Email: cnabity@grand-island.com

UNIT ROOM FINISH SCHEDULE - MAIN FLOOR											
Room			Walls			Ceiling			Floor		
No.	Room	Finish	No.	Room	Finish	No.	Room	Finish	No.	Room	Finish
1	Living Room	101	1	Living Room	101	1	Living Room	101	1	Living Room	101
2	Dining Room	102	2	Dining Room	102	2	Dining Room	102	2	Dining Room	102
3	Kitchen	103	3	Kitchen	103	3	Kitchen	103	3	Kitchen	103
4	Bed Room	104	4	Bed Room	104	4	Bed Room	104	4	Bed Room	104
5	Bath	105	5	Bath	105	5	Bath	105	5	Bath	105
6	W.C.	106	6	W.C.	106	6	W.C.	106	6	W.C.	106
7	Living-Dining Room	107	7	Living-Dining Room	107	7	Living-Dining Room	107	7	Living-Dining Room	107
8	Bed Room	108	8	Bed Room	108	8	Bed Room	108	8	Bed Room	108
9	Bath	109	9	Bath	109	9	Bath	109	9	Bath	109
10	W.C.	110	10	W.C.	110	10	W.C.	110	10	W.C.	110
11	Living Room	111	11	Living Room	111	11	Living Room	111	11	Living Room	111
12	Dining Room	112	12	Dining Room	112	12	Dining Room	112	12	Dining Room	112
13	Kitchen	113	13	Kitchen	113	13	Kitchen	113	13	Kitchen	113
14	Bed Room	114	14	Bed Room	114	14	Bed Room	114	14	Bed Room	114
15	Bath	115	15	Bath	115	15	Bath	115	15	Bath	115
16	W.C.	116	16	W.C.	116	16	W.C.	116	16	W.C.	116
17	Living-Dining Room	117	17	Living-Dining Room	117	17	Living-Dining Room	117	17	Living-Dining Room	117
18	Bed Room	118	18	Bed Room	118	18	Bed Room	118	18	Bed Room	118
19	Bath	119	19	Bath	119	19	Bath	119	19	Bath	119
20	W.C.	120	20	W.C.	120	20	W.C.	120	20	W.C.	120

UNIT DOOR & FRAME SCHEDULE - MAIN FLOOR											
Door			Frame			Threshold			Finish		
No.	Room	Finish	No.	Room	Finish	No.	Room	Finish	No.	Room	Finish
1	Living Room	101	1	Living Room	101	1	Living Room	101	1	Living Room	101
2	Dining Room	102	2	Dining Room	102	2	Dining Room	102	2	Dining Room	102
3	Kitchen	103	3	Kitchen	103	3	Kitchen	103	3	Kitchen	103
4	Bed Room	104	4	Bed Room	104	4	Bed Room	104	4	Bed Room	104
5	Bath	105	5	Bath	105	5	Bath	105	5	Bath	105
6	W.C.	106	6	W.C.	106	6	W.C.	106	6	W.C.	106
7	Living-Dining Room	107	7	Living-Dining Room	107	7	Living-Dining Room	107	7	Living-Dining Room	107
8	Bed Room	108	8	Bed Room	108	8	Bed Room	108	8	Bed Room	108
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10	W.C.	110	10	W.C.	110	10	W.C.	110	10	W.C.	110
11	Living Room	111	11	Living Room	111	11	Living Room	111	11	Living Room	111
12	Dining Room	112	12	Dining Room	112	12	Dining Room	112	12	Dining Room	112
13	Kitchen	113	13	Kitchen	113	13	Kitchen	113	13	Kitchen	113
14	Bed Room	114	14	Bed Room	114	14	Bed Room	114	14	Bed Room	114
15	Bath	115	15	Bath	115	15	Bath	115	15	Bath	115
16	W.C.	116	16	W.C.	116	16	W.C.	116	16	W.C.	116
17	Living-Dining Room	117	17	Living-Dining Room	117	17	Living-Dining Room	117	17	Living-Dining Room	117
18	Bed Room	118	18	Bed Room	118	18	Bed Room	118	18	Bed Room	118
19	Bath	119	19	Bath	119	19	Bath	119	19	Bath	119
20	W.C.	120	20	W.C.	120	20	W.C.	120	20	W.C.	120



NOTES:
 SEE SHEET A3.30 FOR WALL ASSEMBLY TYPES.
 TYPE V-A BUILDING, DENGGLASS ON EXTERIOR WALLS

X 1	MAIN FLOOR PLAN
1/4" = 1'-0"	351287

951

951

Preliminary
not for
construction

EAST PARK ON STONE 8-PLAN

MULTI-FAMILY

GRAND ISLAND NE

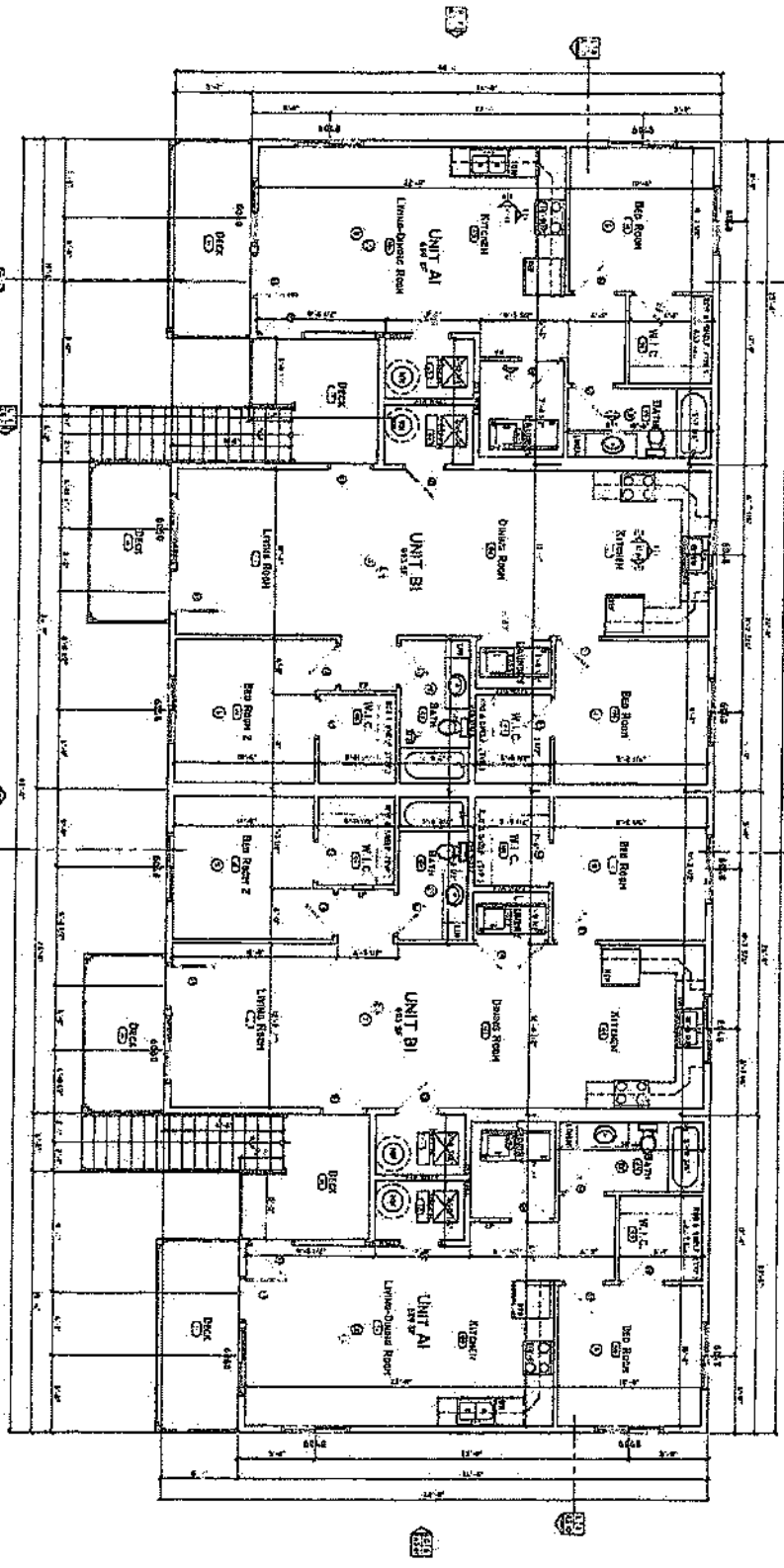
MAIN FLOOR PLAN

A2.01

EXHIBIT B

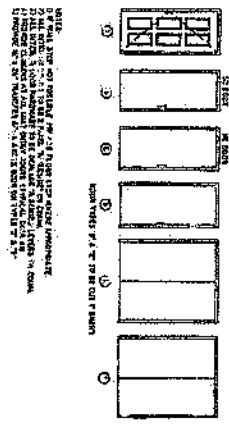
NOTES:
SEE SHEET A2.50 FOR WALL ASSEMBLY TYPES.
TYPE V-A BUILDING, DENSEGLASS ON EXTERIOR WALLS.

3.11 Second Floor Plan
W.A. = 11-01



UNIT ROOM FINISH SCHEDULE - 2ND FLOOR									
Room	Finish	Base	Trim	Walls	Floors	Stairs	Handrails	Shelving	Other
Living Room	1	2	3	4	5	6	7	8	9
Dining Room	1	2	3	4	5	6	7	8	9
Kitchen	1	2	3	4	5	6	7	8	9
Bed Room	1	2	3	4	5	6	7	8	9
Bath	1	2	3	4	5	6	7	8	9
Deck	1	2	3	4	5	6	7	8	9

UNIT DOOR & FRAME SCHEDULE - 2ND FLOOR									
DOOR		FRAME		HARDWARE					
GLASS	GLASS	PRE-CUT		EXCISE					
GLASS		FINISHES		VENGE					
GLASS		MATERIAL		FLAT					
GLASS		FINISH		FORM					
GLASS		TYPE		EAST BRIDGE					
GLASS		MATERIAL		FLOOR STOP					
GLASS		FINISH		WALL STOP					
GLASS		TYPE		WOODBRIDGE					
GLASS		FINISH		FIRE RATING					
GLASS		TYPE							
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GLASS		FINISH							



East Park on Stone & Main

MULTI-FAMILY

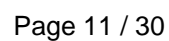
GRAND ISLAND, ME

PERIOD FLOOR PLAN

Preliminary
not for
construction

951

A2.02



EASTPARK ON STUHR

IBR	44	690	30360	41%	\$2,433,500	\$5,960,312
2BR	44	1000	44000	59%	\$3,526,812	\$0.15
total	88		74360			

PROJECT COSTS	HOUSING				COST
LAND ACQUISITION					\$88,000
TIF improvements					
	GRADING AND SITE PREP				\$112,500
	STREET LIGHTS				\$28,000
	STREETS/PARKING/SIDEWALKS/STRIPING				\$377,000
	WATER				\$136,000
	SEWER				\$99,360
	BB Court (1/2), Playground, soccer field				\$25,000
	LANDSCAPING/SODDING/LWN SPRINK/FINE GRADE				\$105,000
	Dog Runs				\$6,000
	Façade improvements				
	Geothermal				\$519,200
	Engineering site + survey				\$90,000
	Architecture & mechanical				\$92,600
	Garbage corrals/GARAGE				\$75,000
			\$1,495,000		
	total TIF improvements	\$23.05		\$1,713,660	
CONSTRUCTION					
	1br per foot	\$80.15			\$2,433,500
	2br per foot	\$80.15			\$3,526,812
	CONST SUB TOTAL		\$5,960,312	\$7,585,972	
	backout total				\$758,597
	O/P				
CONTINGENCY				\$8,344,569	
CONSTRUCTION CONTINGENCY	5%				\$379,299
FUEL CONTINGENCY	0%				\$0
OTHER					
	ENVIRONMENTAL				\$3,000
	RE ATTORNEY				\$0
	OTHER ATTORNEY				\$5,000
LAND AND CONST SUBTOTAL				\$8,819,868	
backout total					
CONST INSURANCE			0.0025		\$20,861
CONST PERIOD INTEREST		4.00% const		\$	210,000.00
CONST LOAN FEES		0.50%		\$7,000,000	\$35,000
CONST LOAN CREDIT ENHANCE		1.00%			\$70,000
TAXES const	2.20% YEAR				\$254
CONST LOAN TITLE INS					\$14,000
APPRAISAL					\$6,500
MARKET SURVEY					
FINANCING FEES/EXP					
FIRST LOAN ORIG	1.00%				\$0
SECOND LOAN COSTS					\$5,000
THIRD LOAN COSTS					
FOURTH LOAN COSTS					
FIFTH LOAN COSTS					
TITLE/RECORDING					\$1,000
DEVELOPMENT					\$100,000
SYNDICATION					
LEGAL					\$0
PRINTING					\$0
ACCNT					\$0
MISC SYND	(ADS AND PROMOTION, DUE DILIGENCE)				\$0
BRIDGE LOAN	0.01				\$0
SALE/FINDER COM#1					\$0
LEASE UP EXPENSES					\$25,000
	subtotal			\$9,307,483	
TIF RESERVE					\$74,750
CASH RESERVE	operating deficit reserve				\$0
lease up reserve					\$10,000
TOTAL			\$120.01	\$9,392,233	\$9,392,233

EXHIBIT C-1

PRELIMINARY CONSTRUCTION BUDGET

Location Description: EASTPARK ON STUHR Apartments
 Address: 415 Cherry, Grand Island Ne
 Legal:

Description	Total to TIF			
	Per Aptmnt.	Per 8plex	per 16plex	
	\$1	3	\$4	7
Appliances Allow	\$2,500	20,000	\$40,000	220,000
Cabinets	\$3,058	24,464	\$48,928	269,104
Clean/Trash	\$340	2,720	\$5,440	29,920
Concrete Flatwork	\$2,500	20,000	\$40,000	220,000
Counter Tops	\$775	6,200	\$12,400	68,200
Deck Material	\$400	3,200	\$6,400	35,200 *
Deck Labor	\$450	3,600	\$7,200	39,600 *
Drywall	\$4,000	32,000	\$64,000	352,000 *
Electrical	\$5,000	40,000	\$80,000	440,000 \$28,000
Environmental	\$150	1,200	\$2,400	13,200
Excavation/Back	\$0	0	\$0	0
Exterior Doors	\$475	3,800	\$7,600	41,800
Fine Grade	\$0	0	\$0	0 \$15,000
Floor covering	\$2,000	16,000	\$32,000	176,000
Foundation Walls	\$1,500	12,000	\$24,000	132,000 *
Framing Labor	\$5,050	40,400	\$80,800	444,400 *
Framing Material	\$7,785	62,280	\$124,560	685,080 *
Garage Door				\$1,000
Gutters	\$200	1,600	\$3,200	17,600
Gypcrete	\$1,000	8,000	\$16,000	88,000
Hardware-(Reg.)	\$250	2,000	\$4,000	22,000
HVAC	\$11,800	94,400	\$188,800	1,038,400 \$519,200
Impact Fee				
Insulation	\$1,461	11,688	\$23,376	128,568 *
Landscape	\$0	0	\$0	0 \$30,000
Lighting Fixtures	\$200	1,600	\$3,200	17,600
Masonry - 25%	\$1,500	12,000	\$24,000	132,000 *
Mirrors	\$45	360	\$720	3,960
Painting	\$1,700	13,600	\$27,200	149,600
Permits & Curb C	\$400	3,200	\$6,400	35,200
Plumbing	\$5,350	42,800	\$85,600	470,800
Portable Toilet	\$50	400	\$800	4,400
Roofing labor	\$360	2,880	\$5,760	31,680
Roofing Material	\$1,300	10,400	\$20,800	114,400
Sealing	\$0	0	\$0	0 \$7,000
Sewer & H2O (pr	\$300	2,400	\$4,800	26,400
Shutters	\$0	0	\$0	0
Siding Labor & M	\$2,500	20,000	\$40,000	220,000
Signage	\$15	120	\$240	1,320

EXHIBIT C-2

Sodding	\$0	0	\$0	0	\$30,000
Sprinkler, lawn	\$0	0	\$0	0	\$30,000
Sprinkler, fire	\$2,200	17,600	\$35,200	193,600	
Structural Steel	\$0	0	\$0	0 *	
Supervision	\$1,250	10,000	\$20,000	110,000	
Trim Labor	\$1,500	12,000	\$24,000	132,000	
Trim Materials	\$1,500	12,000	\$24,000	132,000	
Trusses	\$1,600	12,800	\$25,600	140,800 *	
Utilities	\$160	1,280	\$2,560	14,080	
Waterproofing				0	
Windows (7) / &	\$1,200	9,600	\$19,200	105,600	
Window Treatm	\$35	280	\$560	3,080	
garage/shop/corrals		0	\$0	0	\$75,000
post boxes	\$90	720	\$1,440	7,920	
Total Construction Costs		590,875	\$1,181,748	6,507,512	

EASTPARK ON STUHR

cost est			utilities		
rent 1 br	\$775		75		\$500
rent 2 br	\$925		100		\$585
Solar					
total cost					
first mtg	\$5,635,340	@	4.25%		

ESTIMATED BUDGET, SOURCES AND USES OF FUNDS

INCOME

UNIT RENT			MONTH	YEAR
mgr apt	1	\$0	\$0	\$0
1BR	43	\$775	\$33,325	\$399,900
1BR utility fee	43	\$75	\$3,225	\$38,700
2BR	44	\$925	\$40,700	\$488,400
2BR utility fee	44	\$100	\$4,400	\$52,800
Solar				
total units	88		\$77,250	\$979,800
VACANCY	-7%		(\$5,408)	(\$68,586)
CABLE	0%	\$30	\$0	\$0
TENANT REIMBURSEMENTS		\$25	\$183	\$2,200
NET RENTAL INCOME			\$72,026	\$913,414

EXPENSES

Administrative					
SALARY					
Maintenance					
RESERVE		\$250	\$350	\$1,813	\$21,750
Operating					
Utilities by landlord		80%	\$6,100	\$73,200	
Bulk Cable	\$0.00		\$0	\$0	
INSURANCE	88	0.35%	\$8,819,868	\$2,572	\$30,870
liability			\$250	\$3,000	
flood			\$0	\$0	
Average other operating and maintenance	\$2,579 per unit		\$18,909	\$226,913	
	45%	\$260,782.30			
Taxes					
TAXES--base	2.20%		\$23	\$254	
TAXES--added	less TIF		\$12,500	\$150,000	
SPECIALS	**				
TOTAL EXPENSES	\$252,993.15	4045	\$42,167	\$505,986	
OPERATING INCOME			\$29,858	\$407,428	
DEPRECIATION			\$2,296	\$27,552	
AMORTIZATION			\$6	\$67	
INTEREST	1ST MTG		\$19,805	\$237,666	
	2ND MTG	in taxes	\$0	\$0	
	3RD MTG		\$0	\$0	
NET INCOME (LOSS)	BEFORE TAX			\$142,144	
ADDITIONS:					
	DEPRECIATION			\$27,552	
	AMORTIZATION			\$67	
	CAPITAL CONTRIBUTIONS			\$95,004	
	2ND MTG				
ANNUAL CASH FLOW				\$74,758	

EXHIBIT D

LAND ACQUISITION			\$88,000
TIF improvements			
GRADING AND SITE PREP			\$112,500
STREET LIGHTS			\$28,000
STREETS/PARKING/SIDEWALKS/STRIPING			\$377,000
WATER			\$136,000
SEWER			\$99,360
BB Court (1/2), Playground, soccer field			\$25,000
LANDSCAPING/SODDING/LWN SPRINK/FINE GRADE			\$105,000
Dog Runs			\$6,000
Façade improvements			
Geothermal			\$519,200
Engineering site + survey			\$50,000
Architecture & mechanical			\$92,600
Garbage corrals/GARAGE			\$75,000
		\$1,495,000	
total TIF improvements	\$23.05	\$1,713,660	

EXHIBIT E



Toll Free: 800-641-5046
www.equitableonline.com

June 1, 2016

Ward F. Hoppe
GILI, LLC
5631 So 48th St. #220
Lincoln, NE 68516
Re: Intent to Loan

Dear Mr. Hoppe,

This letter is our indication to you for use with the Community Redevelopment Authority of Grand Island of our intent to provide the financing for 88 units of market rate apartments on what would be GILI 3rd Subdivision. This letter of intent should not be considered a loan commitment which would follow in more detail and customary form.

We anticipate a first mortgage of up to approximately \$5,700,000 and a tax increment financing loan in the neighborhood of up to \$1,500,000. The financing is dependent on the customary due diligence including appraisal as completed.

We would anticipate a loan not to exceed 75% loan to value and a debt coverage ratio of 1.20 or better.

If you have further questions or need something further for purposes of your Tax Increment Financing application please advise.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bill McLellan", is written over a horizontal line.

Bill McLellan
Vice President

NORTH PLATTE
920 South Jeffers Street
Post Office Box 728
North Platte, NE 69103-0728
Phone: 308-532-7200
Fax: 308-532-7202

OMAHA
10855 West Dodge Road
Suite 110
Omaha, NE 68154
Phone: 402-827-8100
Fax: 402-827-8103

GRAND ISLAND
113 North Locust Street
619 North Diers Avenue
Post Office Box 160
Grand Island, NE 68802-0160
Phone: 308-382-3136
Fax: 308 381-0122



Redevelopment Plan Amendment Grand Island CRA Area 1 June 2016

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to adopt a Redevelopment Plan Amendment for Area 1 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific project in Area 1.

Executive Summary:

Project Description

THE REDEVELOPMENT OF PROPERTY LOCATED NORTH OF NORTH BISMARK ROAD AND BETWEEN CHERRY STREET AND STUHR ROAD (IMMEDIATELY EAST OF THE EXISTING CHERRY PARK APARTMENTS) FOR USE THE CONSTRUCTION AND DEVELOPEMNT OF UP TO 88 APARTMENTS IN 7 BUILDINGS INCLUDING NECESSARY INFRASTRUCTURE AND GRADING IMPROVEMENTS.

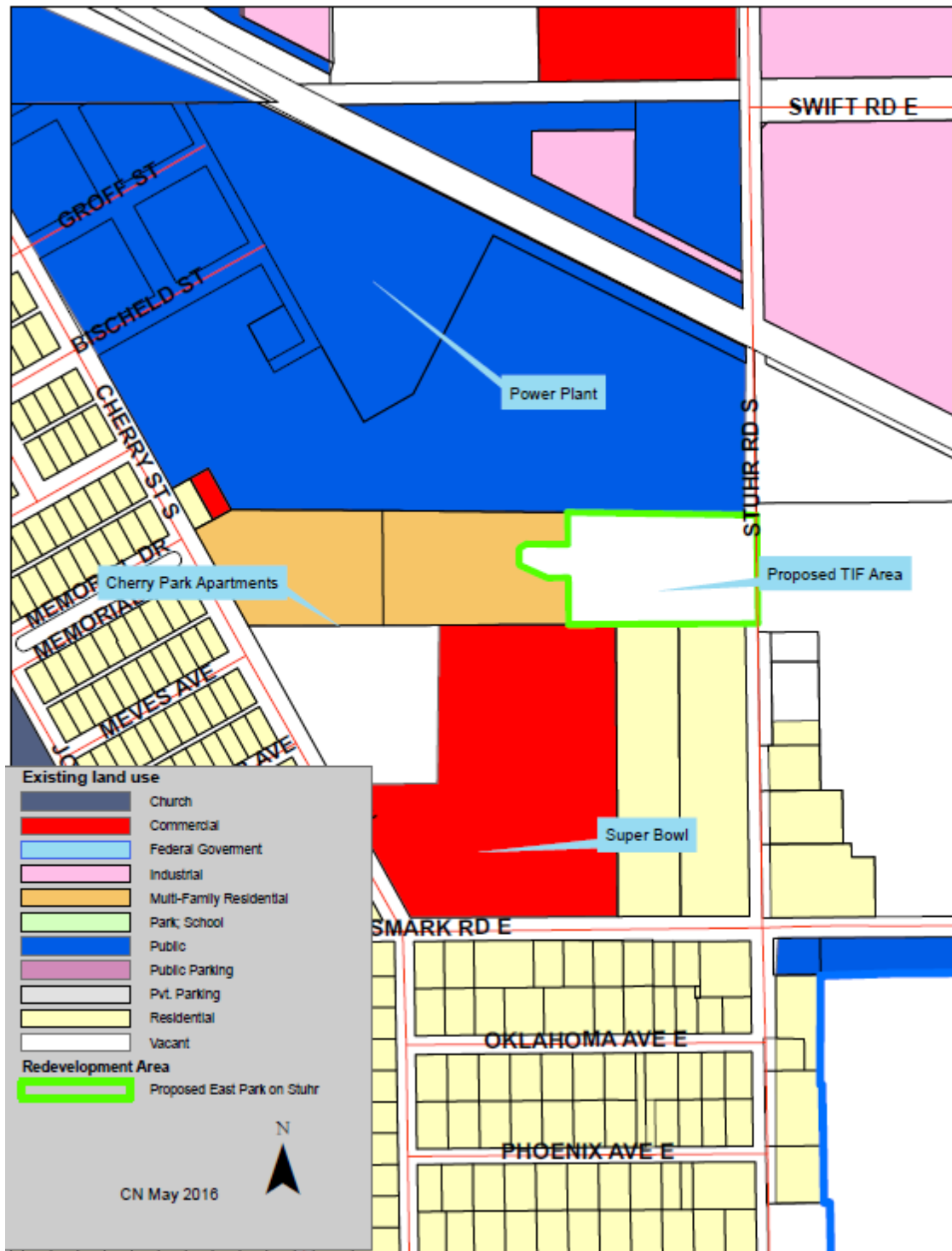
The use of Tax Increment Financing to aid in redevelopment expenses associated with necessary and required infrastructure (sewer, water, storm drainage, paving, landscaping, etc.), grading improvements and site preparation, and planning and legal costs to redevelop the proposed East Park on Stuhr Subdivision in the City of Grand Island. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The project will result in the construction of 88 apartments in southeast Grand Island. Phases 1 and 2 of this project were completed using TIF, TIF; the first two phases are more than 15 years old and fully on the tax rolls.

Hoppe Homes has owned the property for more than 20 years and has had plans to build apartments at this location since that original purchase. This project was originally planned with the expectation that Tax Increment Financing (TIF) would be available to offset the cost of necessary grading and infrastructure improvements to develop the property. The property is currently vacant. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the site work and development if TIF is available to assist with project financing. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period towards the allowable costs and associated financing for the acquisition and site work.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:
Property Description (the “Redevelopment Project Area”)

Legal Descriptions: _

To be provided _____ in Grand Island,
Hall County, Nebraska.



Existing Land Use and Subject Property

This plan amendment provides for the issuance TIF Notes, the proceeds of which will be granted to the Redeveloper. The tax increment will be captured for up to 15 tax years the payments for which become delinquent in years 2018 through 2032 inclusive or as otherwise dictated by the contract.

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from the construction of apartment buildings at this location. Apartments were permitted and anticipated with the rezoning of this property to RD-Residential Development Zone in the mid 1990's. The developers have submitted a request for approval of a revised development plan for the existing RD Residential Development zone.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Authority hereby provides that any ad valorem tax on any Lot or Lots located in the Redevelopment Project Area as for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract related to the Redevelopment Project Area, or the resolution providing for the issuance of the TIF Note, consistent with this Redevelopment Plan Amendment. Said taxes shall be divided as follows:

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of; the interest on, and any premiums due in connection with the bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

Pursuant to Section 18-2150 of the Act, the ad valorem tax so divided is hereby pledged to the repayment of loans or advances of money, or the incurring of any indebtedness, whether funded, refunded, assumed, or otherwise, by the CRA to finance or refinance, in whole or in part, the redevelopment project, including the payment of the principal of, premium, if any, and interest on such bonds, loans, notes, advances, or indebtedness.

Redevelopment Plan Amendment Complies with the Act:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan Amendment meets the statutory qualifications as set forth below.

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on December 19, 2000.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

2. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to extend utilities and infrastructure and appropriately grade the property for uses permitted on this property as defined by the current and effective zoning regulations.

3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]

a. Land Acquisition:

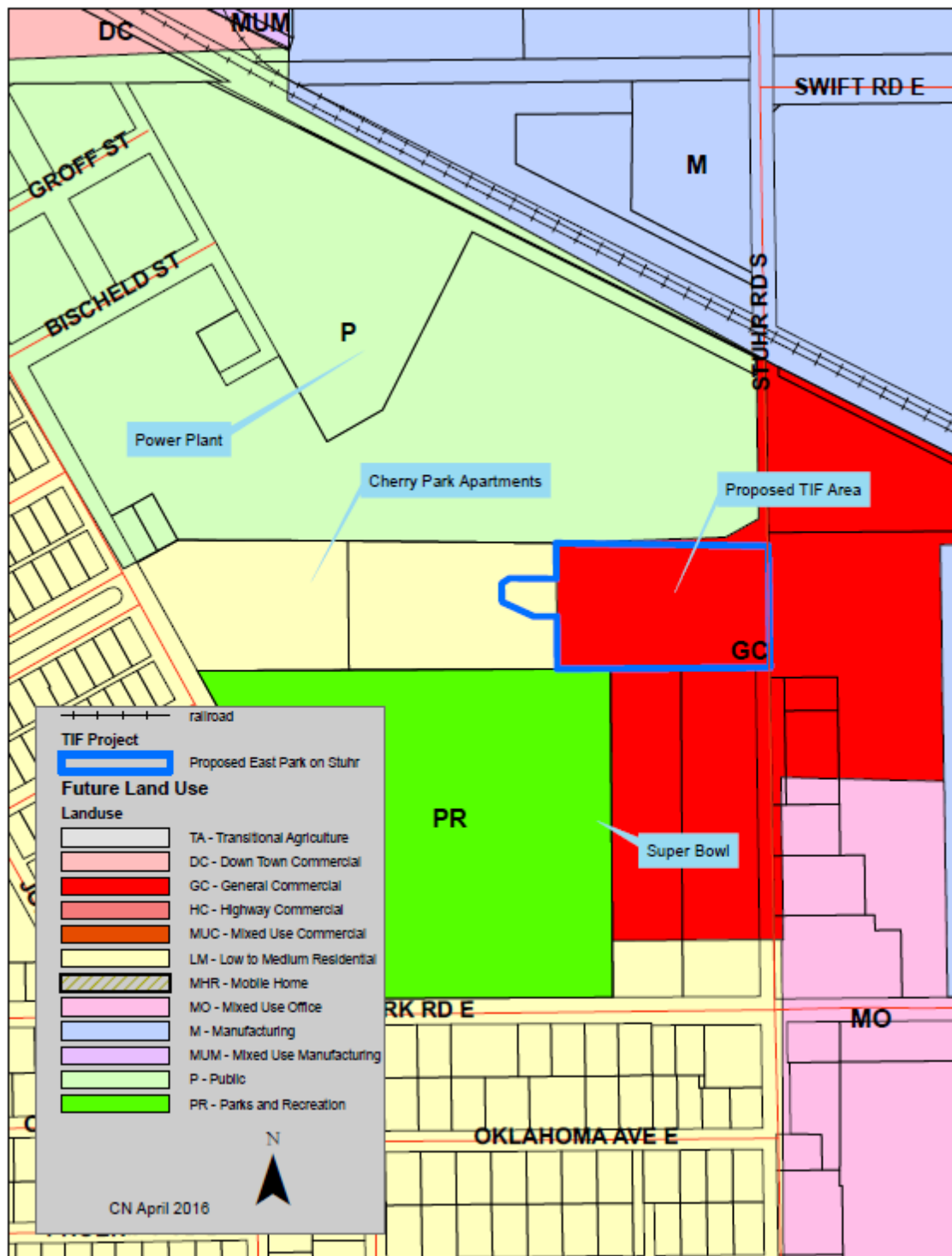
This property is currently owned by the proposed developer. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

There are no structures on this property that need to be demolished or removed.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The area immediately to the north this property is planned for public uses and is owned by the Grand Island Utilities Department. The property to the south is planned and zoned for residential development, commercial development, and recreational development, The Super Bowl fun center is located there along with a couple of single family homes on large lots. The property to the west is the first two phases of this residential development and was developed in the mid to late 1990's. This property is vacant and planned for commercialfor commercial development that would allow a density of 42+ dwelling units per acre. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]



City of Grand Island Future Land Use Map

d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The area is zoned RD-Residential Development Zone. Apartment development at up to 42 dwelling units per acre is permitted within this zoning district. The developers are seeking to change the configuration of the development from what was proposed almost 20 years ago. An application to amend the development plan for this property has been filed. The RD Residential Development zone is a planned development that is commonly used for apartment complexes within the Grand Island Zoning jurisdiction. Internal streets and drives will be constructed to support the development of this property, they will provide a connection between the first phases of this development and Stuhr Road. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The developer is proposing to build on the site within the constraints allowed by both the current and the proposed zoning districts. Estimated building coverage of the 4.92acre site is 42,500square feet well within the 30% coverage allowed in an RD zoning district. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Water and sanitary are available to support this development. The developer will be responsible for extension of water and sanitary sewer necessary to serve this site. Development and extension of this infrastructure is one of the primary challenges for this site. There is currently a dead end main at the east side of the Cherry Park apartments. This proposal would extend that main to Stuhr Road and complete a looped system. Sanitary sewer is proposed to be extended from the existing development. A lift station will be needed to support this development.

Electric utilities will be extended throughout the site to support the proposed development.

No other city utilities would be impacted by the development.

[§18-2103(b) and §18-2111]

4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. This property has been unused for several years, no relocation is contemplated or necessary. [§18-2103.02]

5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106] No members of the authority or staff of the CRA have staff of the CRA has any interest in this property.

6. Section 18-2114 of the Act requires that the Authority consider:

a. Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

Grading, storm water management, utility connections and extensions, publicly required landscaping and similar site improvements are estimated at \$855,860. Planning related expenses for Architecture, Engineering, Planning services of \$142,600 and are included as a TIF eligible expense. Utility upgrades for onsite geothermal systems \$519,200 are included as a TIF eligible utility expense. Public amenities for residents and neighbors including a park, dog runs, basketball court and soccer field \$106,000. Legal, Developer and Audit Fees including a reimbursement to the City and the CRA of \$15,000 are included as TIF eligible expense. The total of eligible expenses for this project is \$1,638,660. Acquisition cost of \$88,000 could also be, but is not, for purposes of this plan amendment, considered an eligible expense bringing the total of eligible expenses to \$1,726,660.

No property will be transferred to redevelopers by the Authority. The developer will provide and secure all necessary financing.

b. Statement of proposed method of financing the redevelopment project.

The developer will provide all necessary financing for the project except the financing provided by the issuance of the TIF Indebtedness. The Authority will assist the project by granting the sum of \$1,495,000 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest according to the approved contract.

c. Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan. The property is vacant.

7. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate

transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring elements of blighted conditions including vacant and underutilized building sites.

8. Time Frame for Development

Development of this project is anticipated to be completed between September 2016 and December of 2017. The developers anticipate building all seven buildings (88 units) in a within 15 months of approval. Excess valuation should be available for this project for 15 years on each phase of this project beginning with the 2018 tax year.

9. Justification of Project

This space has been vacant and underutilized for a number of years and has not sold or redeveloped even with aggressive marketing by the owner. The original 3rd phase of Cherry Park was approved with the initial development in 1995. The 2014 housing market study for the City of Grand Island shows a need of an additional 1700 housing units between 2014 and 2019. These 88 units at this location would help meet that goal and spread the housing developed around the city.

10. Cost Benefit Analysis Section 18-2113 of the Act, further requires the Authority conduct a cost benefit analysis of the plan amendment in the event that Tax Increment Financing will be used. This analysis must address specific statutory issues.

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2012), the City of Grand Island has analyzed the costs and benefits of the proposed Redevelopment Project, including:

Project Sources and Uses. Approximately \$1,495,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$7,897,340 in private sector financing; a private investment of \$5.28 for every TIF and grant dollar investment.¹ See the Attached Source and Uses of Funds Chart

¹ This does not include any investment in personal property at this time.

Use of Funds.			
Description	TIF Funds	Private Funds	Total
Site Acquisition		\$88,000	\$88,000
Site Preparation /Utilities/Streets/Drainage	\$712,200	\$143,660	\$855,860
On Site Utilities	\$519,200		\$519,200
Public Amenities	\$106,000		\$106,000
Legal, Finance and Audit	\$15,000	\$85,000	\$100,000
Building Costs		\$6,718,909	\$6,718,909
Arch/Eng (Planning)	\$142,600		\$142,600
Contingencies		\$380,000	\$380,000
TOTALS	\$1,495,000	\$7,415,569	\$8,910,569

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2016, valuation of approximately \$12,540. Based on the 2015 levy this would result in a real property tax of approximately \$265. It is anticipated that the assessed value will increase by \$7,500,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$165,454 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for the period of the TIF contract or the time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2016 assessed value:	\$ 12,540
Estimated value after completion	\$ 7,512,540
Increment value	\$ 7,500,000
Annual TIF generated (estimated)	\$ 165,454
TIF bond issue (Not to exceed)	\$ 1,495,000

(a) Tax shifts resulting from the approval of the use of Tax Increment Financing;

The redevelopment project area currently has an estimated valuation of \$12,540. The proposed redevelopment will create additional valuation of \$7,500,000. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public service needs have been identified. Existing water and waste water facilities will not be negatively impacted by this development. The proposed waste water lift station would be installed as part of private system owned and maintained by

the apartment complex. The electric utility has sufficient capacity to support the development. This development, since it is housing, may have an impact on Grand Island Public Schools. At this point, the Grand Island public school system has taken a neutral stance on development not advocating for or against housing projects proposing to use TIF. This property is in the Dodge Elementary School area. Fire and police protection are available and should not be negatively impacted by this development. The connection between Stuhr Road and Cherry Street may positively impact response by police and fire.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

This will have minimal impact on employers or employees within the redevelopment project area. Although it will increase housing choices in southeast Grand Island and may positively impact recruitment of employees for businesses located in this part of the community.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

This project will not have a negative impact on other within the Grand Island area.

(e) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This will complete a project that began more than 20 years ago. The connection will be made between Cherry Street and Stuhr Road. This project will provide needed housing in the Grand Island market and spread the housing to parts of the community other than northwest Grand Island.

Time Frame for Development

Development of this project is anticipated to be completed during between July of 2016 and December of 2017. The base tax year should be calculated on the value of the property as of January 1, 2017. Excess valuation should be available for this project for 15 years beginning in 2018 with taxes due in 2019 actual dates will be set within the contract. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$1,495,000. The bonds for this project will be paid off in 10 years or less based on the projected amount of increment the anticipated value of the project and the current tax rate. Based on the estimates of the expenses of the rehabilitation the developer will spend up to \$1,726,660 on TIF eligible expenses as part of this development.

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. 215

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
REDEVELOPMENT PLAN TO THE HALL COUNTY REGIONAL PLANNING
COMMISSION FOR ITS RECOMMENDATION

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to the Nebraska Community Development Law (the "Act"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, for redevelopment of an area within the city limits of the City of Grand Island, Hall County, Nebraska; and

WHEREAS, the Authority is required by Section 18-2112 of the Act to submit said to the planning board having jurisdiction of the area proposed for redevelopment for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Authority submits to the Hall County Regional Planning Commission the proposed Plan attached to this Resolution, for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska.

Passed and approved this ____ day of _____, 2016.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA.

By _____
Chairperson

ATTEST:

Secretary

East Park on Stuhr

**COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. 216

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received an Application for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within Redevelopment Area 1, from Cherry Park Apartments Phase III, (The "Developer") for redevelopment of an area within the city limits of the City of Grand Island as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within Redevelopment Area 1;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. In compliance with section 18-2114 of the Act, the Authority hereby gives the governing body of the City notice that it intends to enter into the Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, after approval of the redevelopment plan amendment related to the redevelopment project described in the Redevelopment Contract, and after the passage of 30 days from the date hereof.

Section 2. The Secretary of the Authority is directed to file a copy of this resolution with the City Clerk of the City of Grand Island, forthwith.

Passed and approved this ____ day of _____, 2016.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA.

By _____
Chairperson

ATTEST:

Secretary

East Park on Stuhr