



Community Redevelopment Authority (CRA)

Wednesday, December 14, 2016
Regular Meeting

Item H1

TIF Request 204. N. Carey

Staff Contact: Chad Nabity



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: [Think Smart Properties LLC](#)
Address: [PO Box 5632, Grand Island, NE 68802-5632](#)
Telephone No.: [308.210.4008](#)
Fax No.: [308.210.4009](#)
Contact: [Heath Reinders](#)

Brief Description of Applicant's Business:

[Think Smart Properties, LLC develops, owns and rents residential property](#)

Present Ownership Proposed Project Site:

[Douglas Luth owns the Property at 204 N Carey or Lot One \(1\), in Block Twenty-Nine \(29\), in Packer & Barr's Second Addition to the City of Grand Island, Hall County, Nebraska](#)

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

[Construct a four-plex. Each unit will have an attached garage. Three of the units will have two bedrooms, two bathrooms and a two car attached garage. The fourth unit which will have three bedrooms, two bathrooms, and a one car attached garage. Please see exhibit A for a site plan.](#)

If Property is to be Subdivided, Show Division Planned:

No subdivision planned

VI. Estimated Project Costs:

Acquisition Costs:

A.	Land	28,000
B.	Building	0

Construction Costs:

A.	Renovation or Building Costs:	0
B.	On-Site Improvements:	6,650

Soft Costs:

A.	Architectural & Engineering Fees:	1,000
B.	Financing Fees:	
C.	Legal/Developer/Audit Fees:	8,500
D.	Contingency Reserves:	4,000
E.	Other (Please Specify)	0

TOTAL	48,150
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Total Estimated Market Value at Completion: 450,000

Source of Financing:

A.	Developer Equity:	150,000
B.	Commercial Bank Loan:	301,850
C.	Tax Credits:	
	1 N.I.F.A.	0
	2 Historic Tax Credits	0
D.	Industrial Revenue Bonds:	0
E.	Tax Increment Assistance:	48,150
F.	Other	0

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

General Contractor & Designer:

Sean O'Connor Construction, Inc
PO Box 5916
Grand Island, NE 68802-5916
308.381.2497
308.381.1285

Estimated Real Estate Taxes on Project Site Upon Completion of Project:
(Please Show Calculations)

\$11,007 (See Exhibit B for Assessor's Calculation)

Project Construction Schedule:

Construction Start Date:

Upon TIF Application Acceptance (weather permitting)

Construction Completion Date:

Six (6) Months after start date

If Phased Project:

Not Phased

XII. Please Attach Construction Pro Forma

See Exhibit C

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

See Exhibit D

TAX INCREMENT FINANCING REQUEST INFORMATION

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

\$48,150 of tax increment financing is requested to assist in the acquisition, site preparation and construction of new residential housing.

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

Tax increment financing makes this project feasible in this area. Developer desires to construct new housing units with garages to assist with the Neighborhood Redevelopment Plan Number 6. Rents in this area will not support new housing units. Other units have been constructed within one block of this site with the assistance of TIF and have been successful in helping to revitalize the area. This parcel has remained undeveloped.

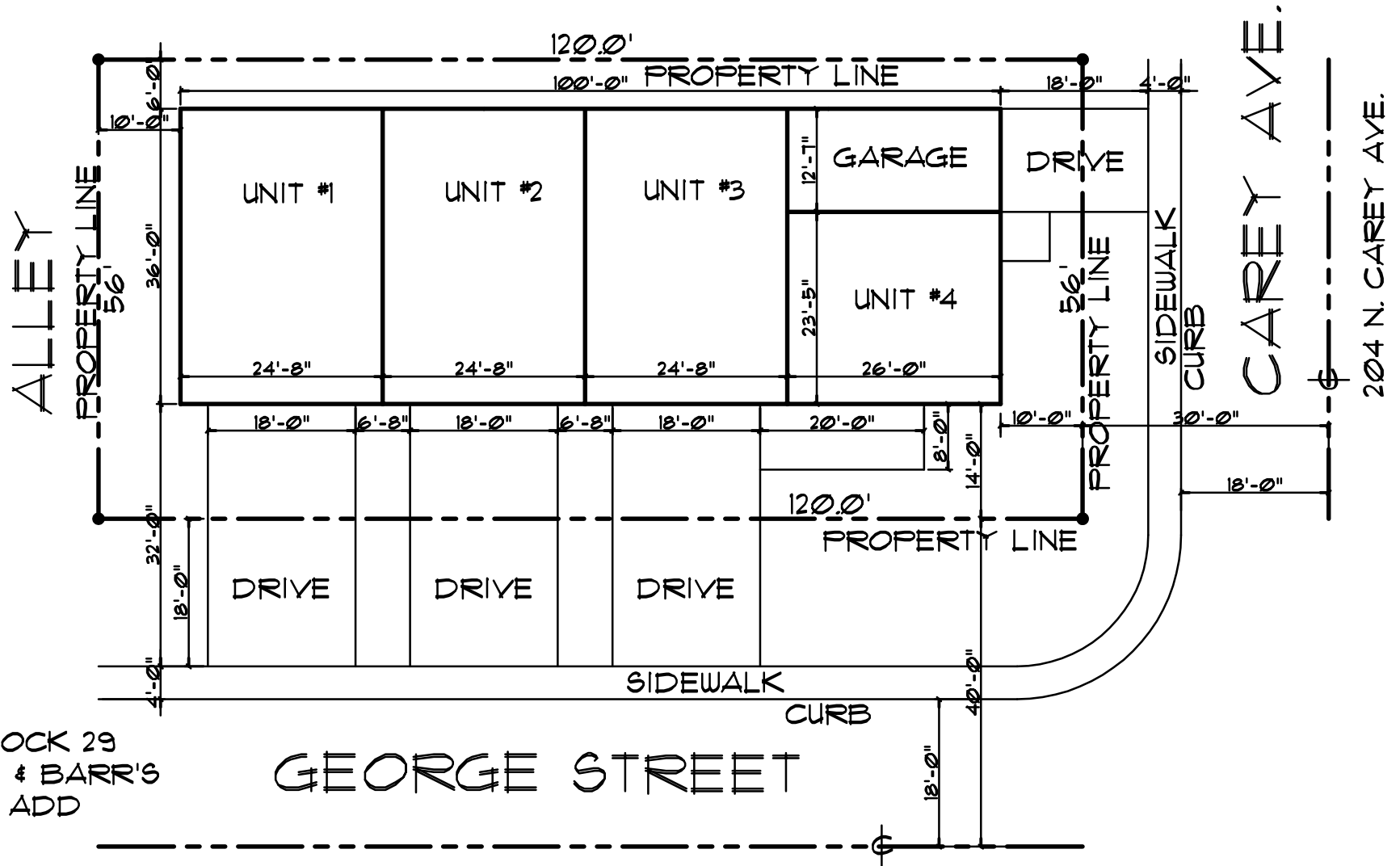
Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other Corporations the Applicant has been involved with, or has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

Roger Heffelfinger, Exchange Bank	308.382.2900
Bruce Schreiner, Schroeder & Schreiner, PC	308.381.1355
Krae Dutoit, Gary Thompson Agency	308.384.0388
Andy Baack, Leininger Smith Law Firm	308.382.0280

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

N/A – Applicant is a new legal entity

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



LEGAL: LOT 1 BLOCK 29
PACKER & BARR'S
SECOND ADD



Think Smart Properties
 204 N Carey Avenue, Grand Island, NE 68803
 Projected Cash Flow

Existing Assessed Value and Real Estate Tax on Project Site

Parcel Number	Assessed Value (2015)			Taxes
	Improvements	Land	Total	
400071142	-	8,400	8,400	178
	-	8,400	8,400	178

Estimated Real Estate Taxes on Project Site Upon Completion of Project

Proposed Assessed Value	519,140
Current Tax Rate	2.1190%
Estimated Annual Real Estate Tax after Project Completion	11,001
Estimated Annual Real Estate Tax per Assesor	11,007
Less: Existing Annual Real Estate Tax	(178)
Estimated Increase in Annual Real Estate Tax	10,829

Exhibit B

HALL COUNTY ASSESSOR'S OFFICE



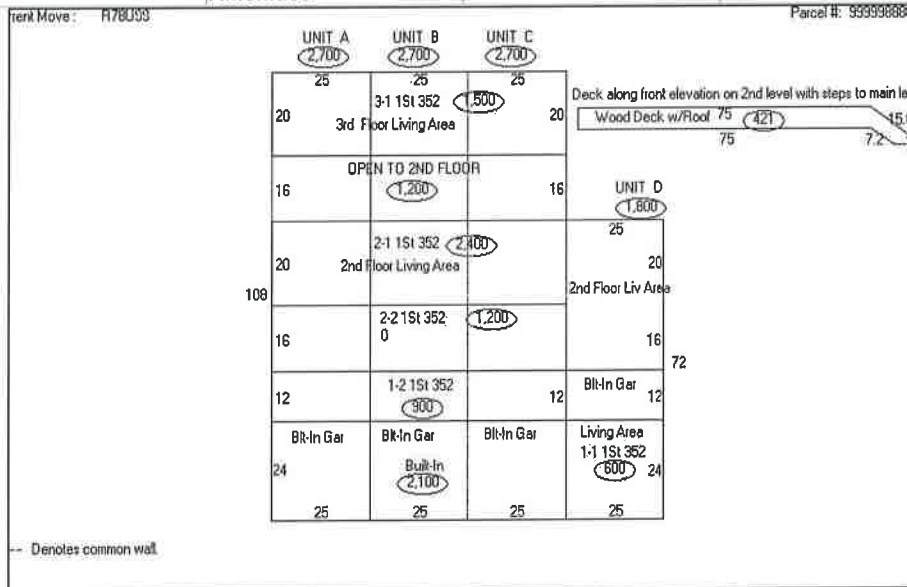
Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 09/29/2016 at 08:38:31A

Parcel Information		Ownership Information	
Parcel Number	999998888	Current Owner	SEAN O'CONNOR
Map Number		Address	422 S GUNBARREL RD
Situs	204 N CAREY	City St. Zip	GRAND ISLAND NE 68801-
Legal	WHAT IF FOR SEAN O'CONNOR (4 PLEX @ CAREY & GEORGE) 400071142	Cadastral #	

Property Data			
Neighborhood	645	Topography	
Lot Width		Street	
Lot Depth		Utilities	
Units Buildable		Amenities 1	
Value Method		Amenities 2	
		Number of Units	
		Unit Value	
		Adjustment	
		Lot Value	



Building Data													
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func. RCNLD
1	1	352	RESIDENCE, MULTIPLE	2016	D		300	40	600	98	1	8	40,566
1			BUILT-IN GARAGE	2016					2,100				34,419
1			WOOD DECK W/ROOF	2016					421				4,328
2	1	352	RESIDENCE, MULTIPLE	2016	D		300	40	1,200	182	1	16	100,656
2	2	352	RESIDENCE, MULTIPLE	2016	D		300	40	2,400	272	1	8	162,264
2	3	352	RESIDENCE, MULTIPLE	2016	D		300	40	900	174	1	16	75,492
3	1	352	RESIDENCE, MULTIPLE	2016	D		300	40	1,500	190	1	8	101,415

Cost Approach From Marshall & Swift				Potential Gross Income			
Total Building Area	6,600			Contract		Market	
Total Building RCN	480,393	Vacancy & Collection Loss					
Total Refinements	38,747	Effective Income					
Total Replacement Cost New	519,140	Total Expenses					
Total Phys. & Func. Depreciation		Net Operating Income					
RCN Less Phys. & Func.	519,140	Capitalization Rate					
Economic Depreciation		Income Approach					
Accrued Economic depreciation		Final Value Reconciliation					519,140
Total RCN Less Depreciation	519,140	<i>Average quality</i> <i>Estimated Tax \$11,006.76</i>					
Additional Lump Sums							
Land Value							
Total Cost Value	519,140						
Value Per Res Unit	129,785.00						
Value Per Sq. Ft.	78.66						

*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.

Exhibit B

HALL COUNTY ASSESSOR'S OFFICE



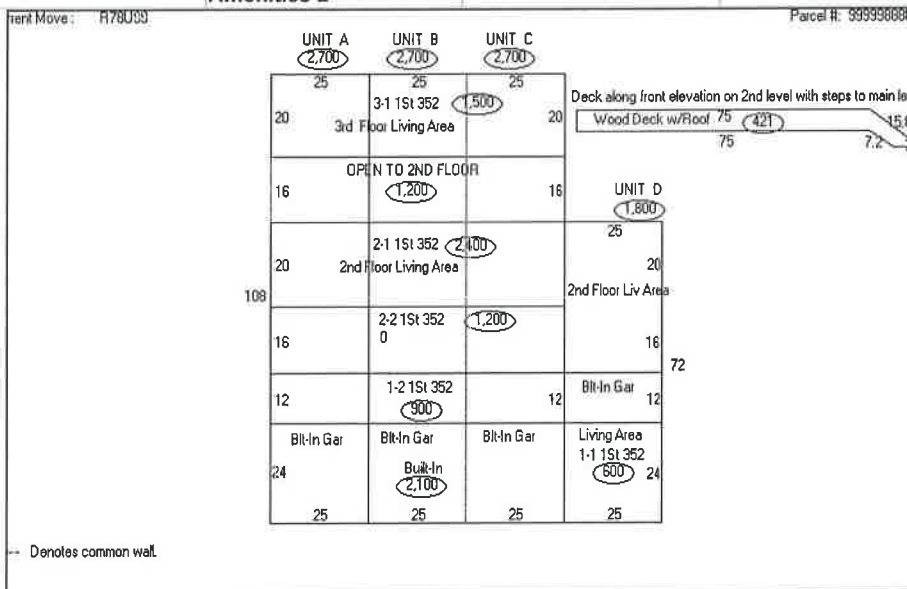
Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 09/20/2016 at 09:51:31A

Parcel Information		Ownership Information	
Parcel Number	999998888	Current Owner	SEAN O'CONNOR
Map Number		Address	422 S GUNBARREL RD
Situs	204 N CAREY	City St. Zip	GRAND ISLAND NE 68801-
Legal	WHAT IF FOR SEAN O'CONNOR (4 PLEX @ CAREY & GEORGE) 400071142	Cadastral #	

Property Data			
Neighborhood	645	Topography	
Lot Width		Street	
Lot Depth		Utilities	
Units Buildable		Amenities 1	
Value Method		Amenities 2	
		Number of Units	
		Unit Value	
		Adjustment	
		Lot Value	



Building Data													
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec RCN	Phys. Func. RCNLD
1	1	352	RESIDENCE, MULTIPLE	2016	D		350	40	600	98	1	8	47,814
1			BUILT-IN GARAGE	2016					2,100				39,900
1			WOOD DECK W/ROOF	2016					421				4,328
2	1	352	RESIDENCE, MULTIPLE	2016	D		350	40	1,200	182	1	16	118,656
2	2	352	RESIDENCE, MULTIPLE	2016	D		350	40	2,400	272	1	8	191,256
2	3	352	RESIDENCE, MULTIPLE	2016	D		350	40	900	174	1	16	88,992
3	1	352	RESIDENCE, MULTIPLE	2016	D		350	40	1,500	190	1	8	119,535

Cost Approach From Marshall & Swift				Potential Gross Income			
Total Building Area	6,600			Contract		Market	
Total Building RCN	566,253	Vacancy & Collection Loss					
Total Refinements	44,228	Effective Income					
Total Replacement Cost New	610,481	Total Expenses					
Total Phys. & Func. Depreciation		Net Operating Income					
RCN Less Phys. & Func.	610,481	Capitalization Rate					
Economic Depreciation		Income Approach					
Accrued Economic depreciation		Final Value Reconciliation					610,481
Total RCN Less Depreciation	610,481	<i>Average + quality</i> <i>Estimated tax \$12,943.38</i>					
Additional Lump Sums							
Land Value							
Total Cost Value	610,481						
Value Per Res Unit	152,620.25						
Value Per Sq. Ft.	92.50						

*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.

Exhibit B

HALL COUNTY ASSESSOR'S OFFICE



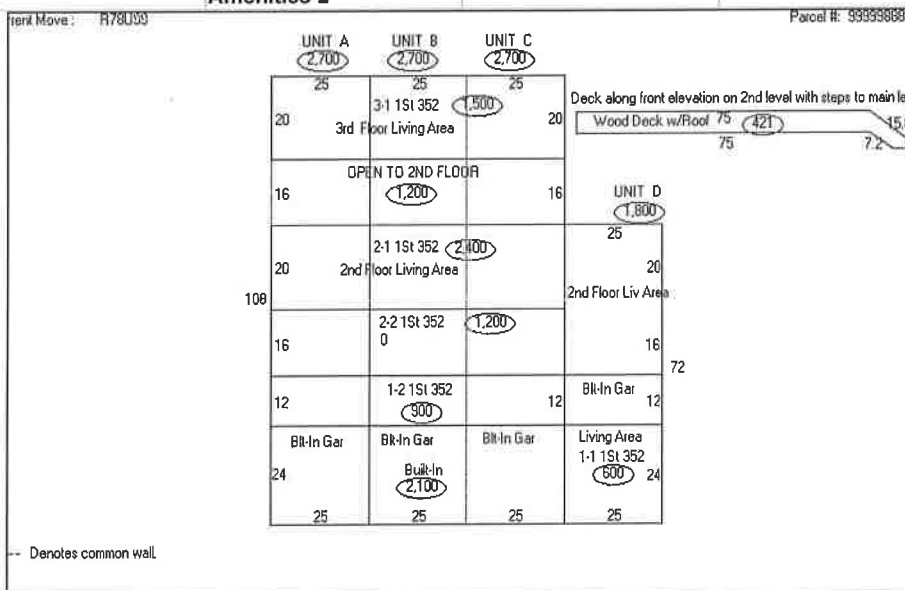
Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 09/20/2016 at 09:47:40A

Parcel Information		Ownership Information	
Parcel Number	999998888	Current Owner	SEAN O'CONNOR
Map Number		Address	422 S GUNBARREL RD
Situs	204 N CAREY	City St. Zip	GRAND ISLAND NE 68801-
Legal	WHAT IF FOR SEAN O'CONNOR (4 PLEX @ CAREY & GEORGE) 400071142	Cadastral #	

Property Data			
Neighborhood	645	Topography	
Lot Width		Street	
Lot Depth		Utilities	
Units Buildable		Amenities 1	
Value Method		Amenities 2	
		Number of Units	
		Unit Value	
		Adjustment	
		Lot Value	



Building Data															
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys.	Func.	RCNLD
1	1	352	RESIDENCE, MULTIPLE	2016	D		400	40	600	98	1	8	54,198		54,198
1			BUILT-IN GARAGE	2016					2,100				39,900		39,900
1			WOOD DECK W/ROOF	2016					421				4,328		4,328
2	1	352	RESIDENCE, MULTIPLE	2016	D		400	40	1,200	182	1	16	134,916		134,916
2	2	352	RESIDENCE, MULTIPLE	2016	D		400	40	2,400	272	1	8	216,792		216,792
2	3	352	RESIDENCE, MULTIPLE	2016	D		400	40	900	174	1	16	101,187		101,187
3	1	352	RESIDENCE, MULTIPLE	2016	D		400	40	1,500	190	1	8	135,495		135,495

Cost Approach From Marshall & Swift				Potential Gross Income			
Total Building Area	6,600					Contract	Market
Total Building RCN	642,588			Vacancy & Collection Loss			
Total Refinements	44,228			Effective Income			
Total Replacement Cost New	686,816			Total Expenses			
Total Phys. & Func. Depreciation				Net Operating Income			
RCN Less Phys. & Func.	686,816			Capitalization Rate			
Economic Depreciation				Income Approach			
Accrued Economic depreciation				Final Value Reconciliation			686,816
Total RCN Less Depreciation	686,816			<i>Good quality</i> <i>Estimated tax \$14,561.82</i>			
Additional Lump Sums							
Land Value							
Total Cost Value	686,816						
Value Per Res Unit	171,704.00						
Value Per Sq. Ft.	104.06						

*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.

Exhibit B

Think Smart Properties, LLC
 204 N Carey Avenue, Grand Island, NE 68803
 Construction Pro Forma

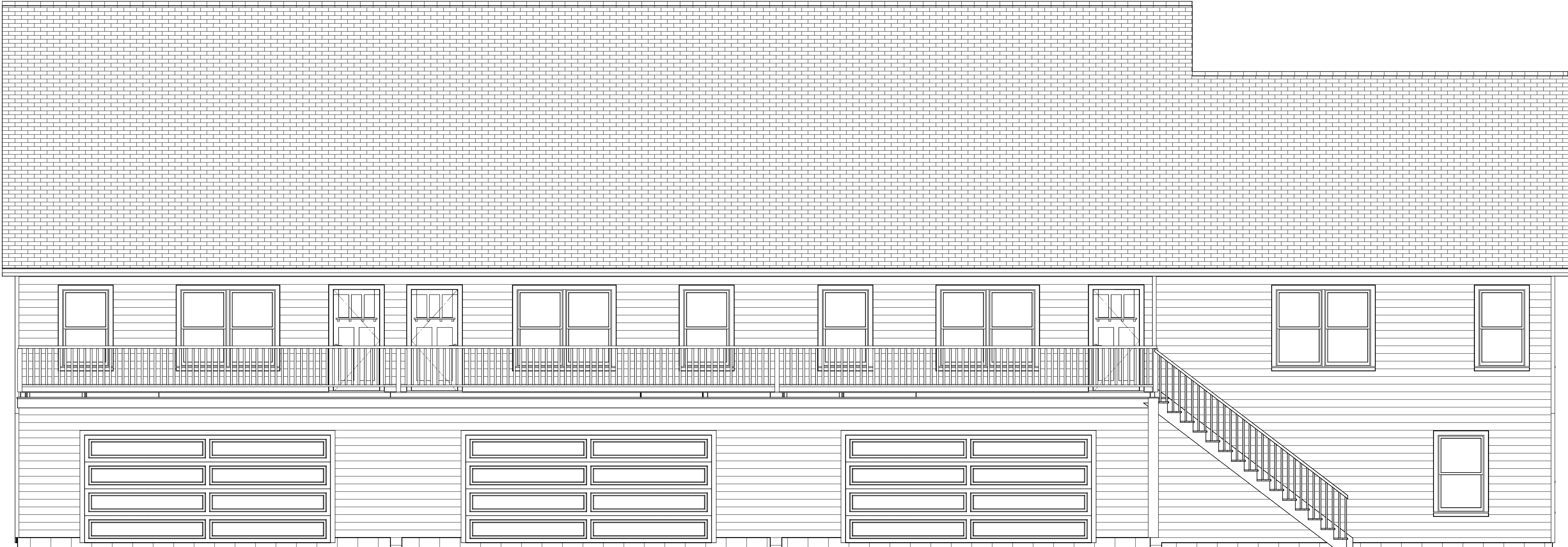
	Total	TIF Qualified
Material	145,138	
Plumbing	21,234	
Electric	33,974	
HVAC	39,708	
Roofing	1,593	
Framing	53,085	
Drywall	26,493	
Finish	21,455	
Siding & Windows	16,775	
Painting	15,926	
Concrete Structural	28,135	
Concrete Flat	10,617	6,650
Site Work	3,000	3,000
Landscaping	10,617	
Appliances	2,654	
Flooring Material	20,172	
Land	28,000	28,000
Flooring Labor	10,924	
Architectural & Engineering Fees	1,000	1,000
Legal/Developer/Audit Fees	8,500	8,500
Contingency Reserves	1,000	1,000
	500,000	48,150

Exhibit C

Think Smart Properties
 204 N Carey Avenue, Grand Island, NE 68803
 Projected Cash Flow

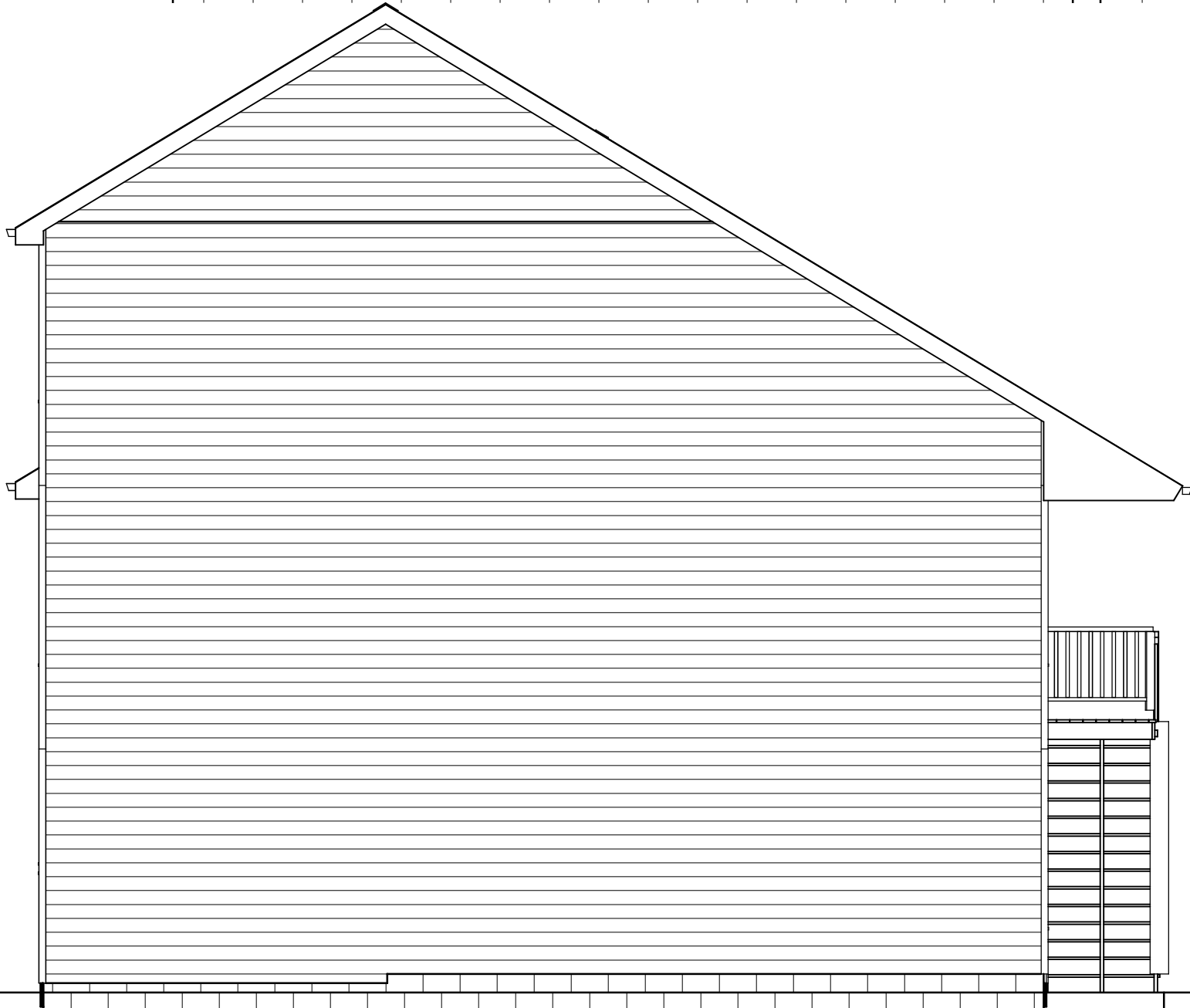
	With Tax Increment Financing	Without Tax Increment Financing
Receipts		
Rent	49,020	49,020
Operating Disbursements		
Utilities	-	-
Repairs	3,600	3,600
Trash	1,800	1,800
Landscaping & Snow	2,400	2,400
Insurance \$2k to \$3k	2,500	2,500
Management 7%	3,431	3,431
Real Estate Taxes - Existing	178	178
Real Estate Taxes - Increment	10,829	10,829
Total Operating Disbursements	24,738	24,738
TIF - Nonshreholder Capital Contribution	10,829	
Annual Debt Service - Non TIF	(24,156)	(27,720)
Annual Debt Service - TIF	(10,829)	-
Net Cash Flow	126	(3,438)

Exhibit D



FRONT ELEVATION

SCALE: 1/4" = 1'-0"



LEFT ELEVATION

SCALE: 3/16" = 1'-0"



RIGHT ELEVATION

SCALE: 3/16" = 1'-0"

8'-1 1/8" FIRST FLOOR HEIGHT
8'-1 1/8" SECOND FLOOR HEIGHT
8'-1 1/8" THIRD FLOOR HEIGHT

REAR ELEVATION

SCALE: 3/16" = 1'-0"

- GENERAL NOTES
1. ALTHOUGH EVERY EFFORT HAS BEEN MADE IN PREPARING THESE PLANS AND CHECKING THEM FOR ACCURACY, IT IS THE PROJECT LEADS RESPONSIBILITY TO VERIFY THE ACCURACY OF ALL DETAILS AND DIMENSIONS.
 2. THESE DRAWINGS ARE INTENDED TO CONFORM TO GENERALLY ACCEPTED BUILDING PRACTICES; HOWEVER, STATE AND LOCAL CODES VARY WIDELY AND ALL FEDERAL, STATE, AND LOCAL CODES, ORDINANCES, REGULATIONS, ETC. SHALL BE CONSIDERED AS PART OF THE SPECIFICATIONS OF THIS BUILDING, AND SHALL TAKE PRECEDENCE OVER ANYTHING SHOWN, DESCRIBED, OR IMPLIED. IT IS THE CONTRACTOR'S RESPONSIBILITY TO VERIFY THAT ALL APPLICABLE BUILDING CODE REQUIREMENTS ARE BEING MET.
 3. DO NOT SCALE DRAWINGS, USE ONLY THE PRINTED DIMENSIONS.
 4. VERIFY WITH THE WINDOW MANUFACTURER ALL WINDOW SIZES AND APPLICABLE EGRESS REQUIREMENTS.
 5. ALL DIMENSIONS ARE TAKEN FROM/TO ROUGH STUDS OF A DIMENSION OF EITHER 5 1/2" (2x6 STUDS), 3 1/2" (2x4 STUDS) OR TO THE OUTSIDE OF MASONRY.
 6. DUE TO COORDINATION WITH FRAMING AND MECHANICAL INSTALLATIONS, FINAL DIMENSIONS MAY VARY SLIGHTLY FROM DIMENSIONS AS SHOWN ON CONSTRUCTION DRAWINGS.
 7. THESE DRAWINGS INDICATE THE GENERAL SCOPE OF THE PROJECT IN TERMS OF ARCHITECTURAL DESIGN CONCEPT, INCLUDING THE DIMENSIONS OF THE BUILDING, THE MAJOR ARCHITECTURAL ELEMENTS AND THE TYPE OF STRUCTURAL SYSTEM. STRUCTURAL INTEGRITY OF THIS BUILDING IS SUBJECT TO REVIEW BY A QUALIFIED STRUCTURAL ENGINEER. AS SCOPE DOCUMENTS, THESE DRAWINGS DO NOT NECESSARILY INDICATE OR DESCRIBE ALL WORK REQUIRED FOR FULL PERFORMANCE AND COMPLETION OF THE REQUIREMENTS FOR CONSTRUCTION.
 8. CONTRACTOR SHALL FURNISH ALL ITEMS REQUIRED FOR THE PROPER EXECUTION AND COMPLETION OF THE WORK, VERIFY ALL EXISTING CONDITIONS PRIOR TO THE START OF CONSTRUCTION, AND NOTIFY THE DESIGNER IMMEDIATELY OF ANY CONFLICTS OR FIELD CONDITIONS WHICH REQUIRE ALTERATION OF THESE PLANS PRIOR TO PROCEEDING WITH THE WORK. IN THE EVENT OF DIMENSIONAL DISCREPANCIES IN THE PLANS, THE FLOOR PLANS SHALL GOVERN.
 9. BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR/CLIENTS SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.

1.	PRELIM FLOOR PLANS	EAH	06-13-16
2.	PRELIM PLANS	EAH	06-21-16
3.	REV. PRELIM PLANS	EAH	06-24-16
6.	REV. PRELIM PLANS	EAH	07-13-16
7.	REV. PRELIM PLANS	EAH	07-15-16
8.	REV. PRELIM PLANS	EAH	07-18-16
9.	REV. PRELIM PLANS	EAH	07-20-16
10.	REV. 2X6 EXT WALLS	EAH	07-20-16

www.erictholtdesign.com
720-555-7385
eric@ericholtdesign.com
PROJECT # 1640
INFORMATION CONTAINED WITHIN THESE PLANS IS THE PROPERTY OF ERIC THOLT DESIGN. NO PART OF THESE PLANS IS TO BE REPRODUCED, COPIED, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, WITHOUT WRITTEN CONSENT OF BUILDERS.

Builders 1-308-382-9656
LUMBER & BUILDING CENTER

PROJECT OWNERS:	HEATH REINDERS
CONTRACTOR:	

SHEET TITLE:	ELEVATION PLAN
PROJECT DESCRIPTION:	4-PLEX APARTMENT

DRAWN BY:	EAH
PLAN DATE:	6/13/16
PLOT DATE:	7/20/2016
PATA #	P112243
SHEET:	1 OF 7