



Community Redevelopment Authority (CRA)

Wednesday, May 17, 2017
Regular Meeting

Item H1

TIF Request-Hedde Building

Staff Contact: Chad Nabity

RECEIVED
3-30-17



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: Hedde Building LLC

Address: 432 South Stuhr Rd, Grand Island NE 68801

Telephone No.: 308-390-2455

Fax No.: NA

Contact: Amos Anson

Brief Description of Applicant's Business:

Historic, mixed use real estate developer

Present Ownership Proposed Project Site: Hedde Building LLC

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

Former Wayne's Pawn Shop building located at 201-205 W 3rd. Approximately 28,000 s.f, three story brick and wood framed structure on a 44'x132' lot in the downtown Railside district. The building is proposed to be renovated into a mixed use, historic property consisting of commercial on the main floor & basement, & sixteen apartments on the second and third floors.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$ -
B. Building	\$ 150,000

Construction Costs:

A. Renovation or Building Costs:	\$ 2,840,322
B. On-Site Improvements: re-platting, demo, asbestos removal, tree removal, etc.	\$ 295,000

Soft Costs:

A. Architectural & Engineering Fees:	\$ 250,400	
B. Financing Fees: Closing costs, filing fees	\$ 88,000	
C. Legal/Developer/Audit Fees:	\$ 124,373	
D. Contingency Reserves:	\$ 198,823	
E. Other (Please Specify) TIF fees	\$ -	
	TOTAL	\$ 3,946,918

Total Estimated Market Value at Completion: \$ 2,380,000

Source of Financing:

A. Developer Equity:	\$ 83,480
B. Commercial Bank Loan:	\$ 1,781,251
Tax Credits:	
1. N.I.F.A.	\$ -
2. Historic Tax Credits	\$ 1,122,186

D. Industrial Revenue Bonds:	\$ -
E. Tax Increment Assistance:	\$ 420,000
F. Other (Life Safety, Façade)	\$ 540,000

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

Architect: **ALLEY POYNER MACCHIETTO, 1516 Cuming Street**

Omaha, NE 68102 402-341-1544 Jennifer Honebrink

Engineer: Olsson Associates, 201 E 2nd Grand Island, NE 68801 308-384-8750 Mike Spilinek

GC: FAmos Construction PO Box 1665 Grand Island, NE 68802 308-390-2455 Amos Anson

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

See Attached

Project Construction Schedule:

Construction Start Date: Q2 2017

Construction Completion Date: Q3 2018

If Phased Project:

_____ Year ___ % Complete

_____ Year ___ % Complete

XII. Please Attach Construction Pro Forma

XIII. Please Attach Annual Income & Expense Pro Forma

(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

Hedde Building LLC is requesting \$603,425 in TIF. The TIF will allow the project to cash flow and therefore be a success. The difference from item E and the amount requested stems from the expenses involved with borrowing money against the TIF note (closing costs, interest, fees, etc.)

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

Without TIF assistance the project will not cash flow and therefore will not be a successful business venture. See attached proforma

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:

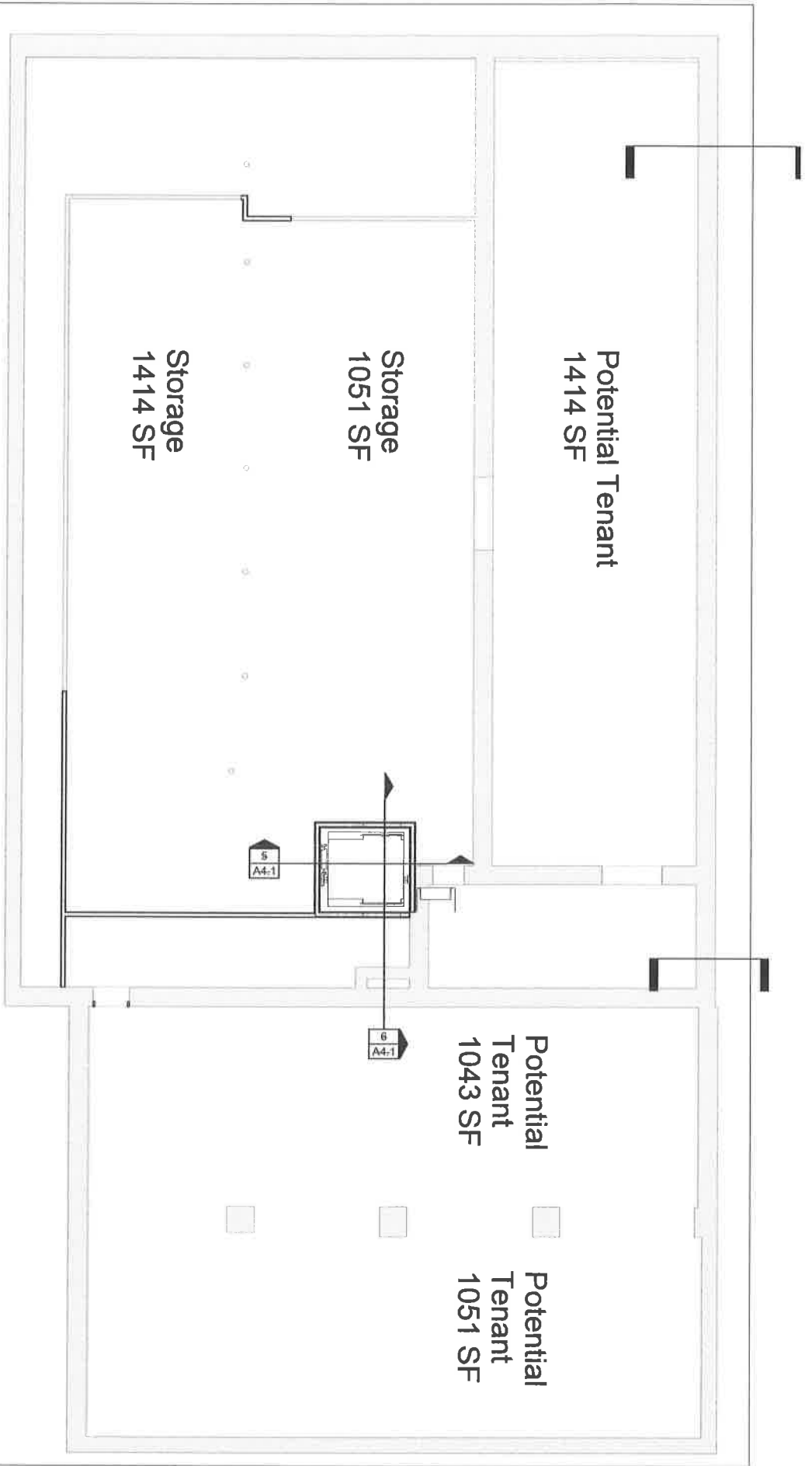
Tower 217 LLC: Charles Anson 308-850-2399

Peaceful Root: John Anson 308-227-2647

Wing Properties: Dean Pegg 308-398-2500

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

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

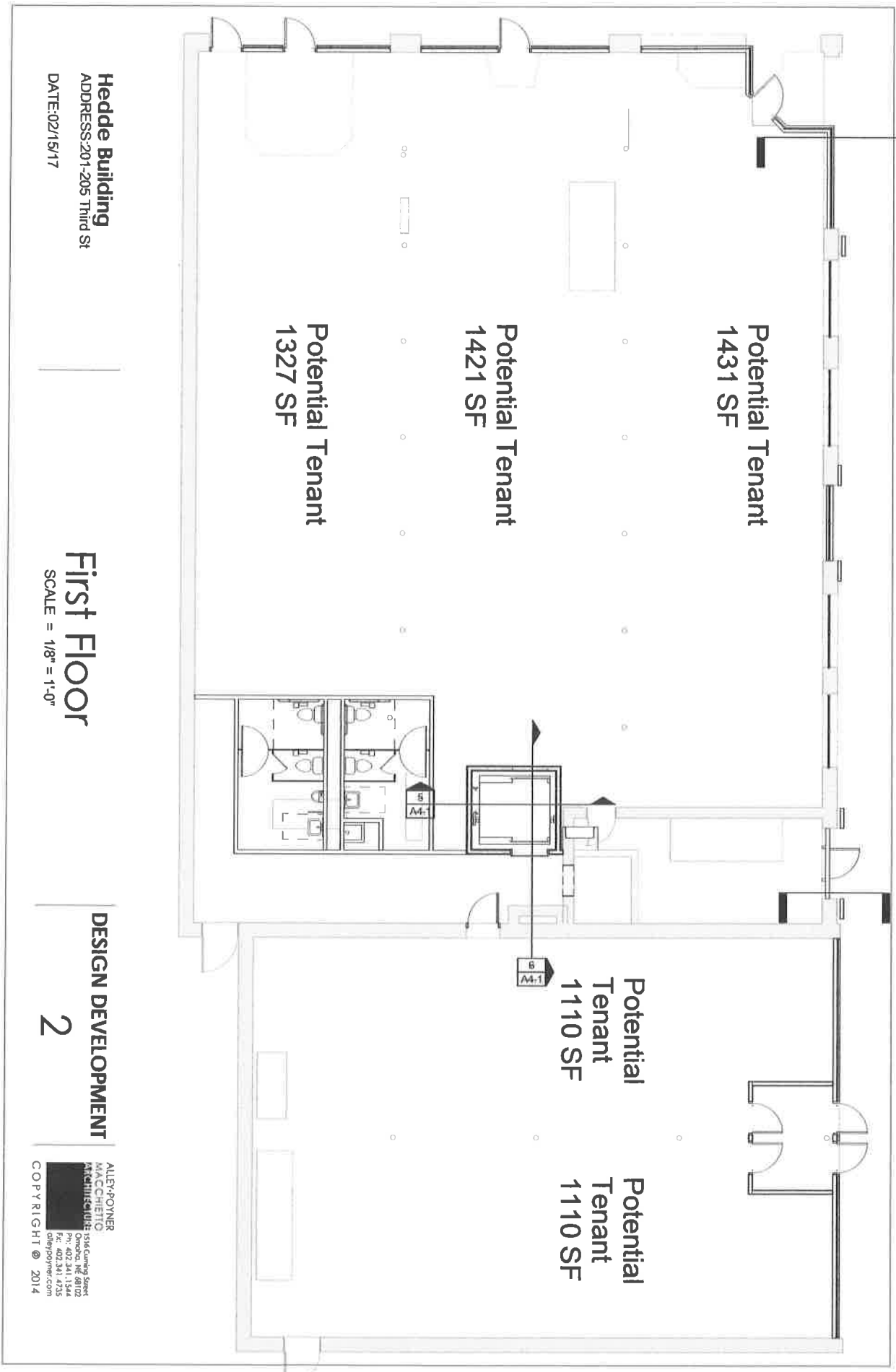


Hedde Building
 ADDRESS: 201-205 Third St
 DATE: 02/15/17

Basement Floor
 SCALE = 1/8" = 1'-0"

DESIGN DEVELOPMENT
 1

AILEY-POYNER
 MACCHIETTO
Architects
 1515 Cumby Street
 Omaha, NE 68102
 P: 402.341.1544
 F: 402.341.4735
 design@apn.com
 COPYRIGHT © 2014

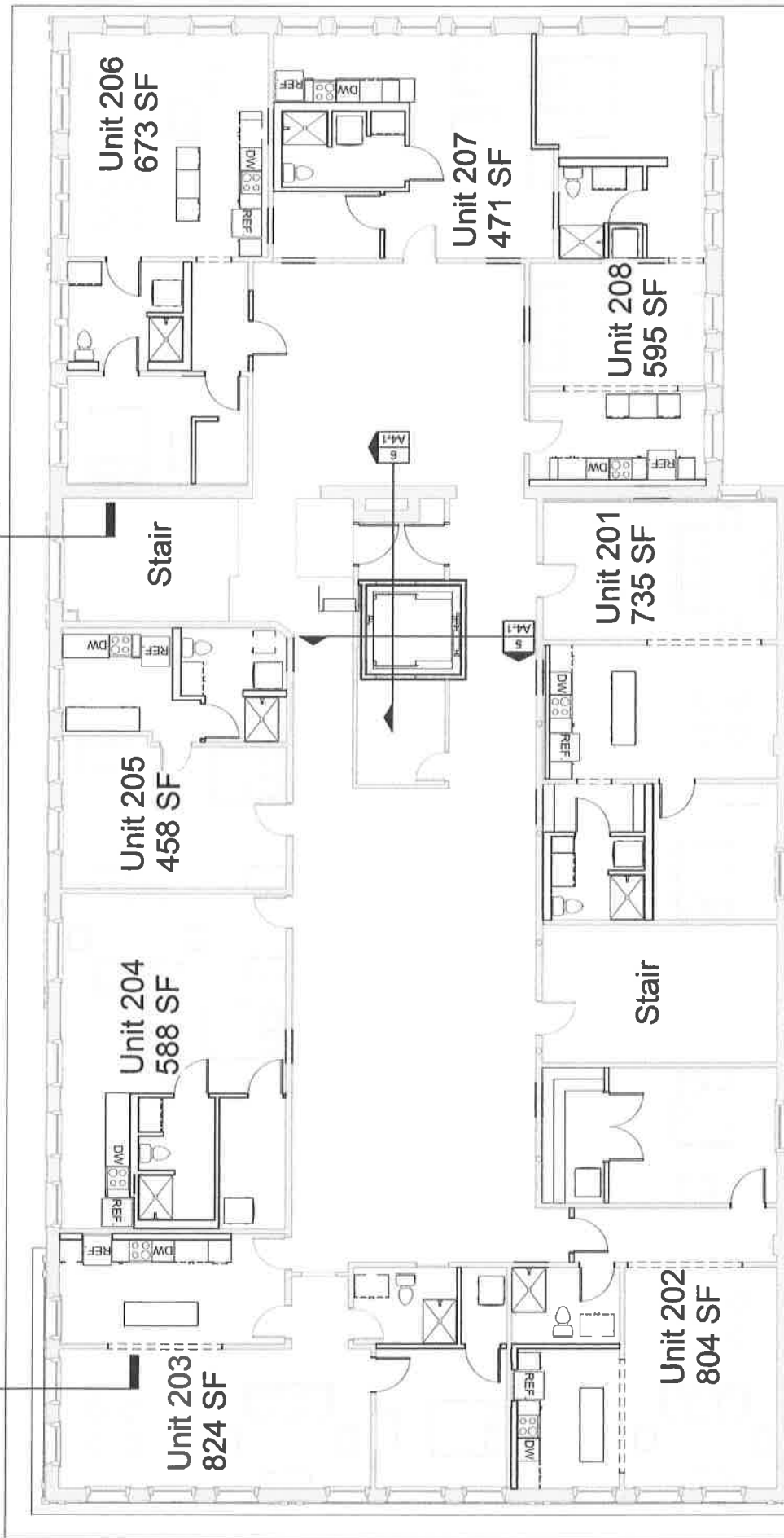


Hedde Building
 ADDRESS: 201-205 Third St
 DATE: 02/15/17

First Floor
 SCALE = 1/8" = 1'-0"

DESIGN DEVELOPMENT
 2

ALLEY-POYNER
 MACCHIETTO
 ARCHITECTS
 1516 Cuming Street
 Omaha, NE 68102
 Ph: 402.341.1544
 Fx: 402.341.4235
 info@apn.com
 COPYRIGHT © 2014



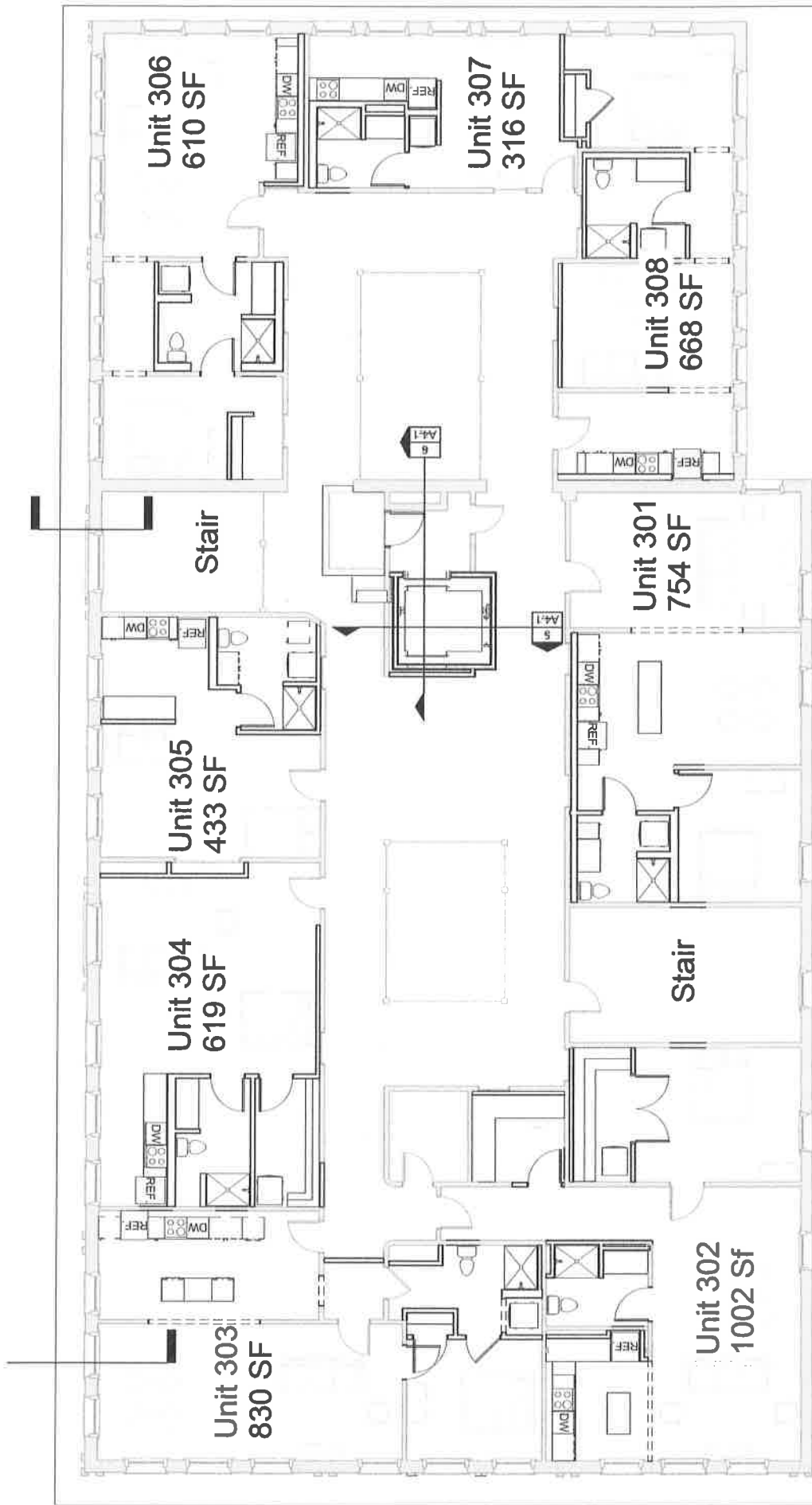
ALLEY-POYNER
 MACCHIETTO
 ARCHITECTURE
 1516 Cumby Street
 Omaha, NE 68102
 PH: 402.341.1344
 FAX: 402.341.4725
 www.apmarch.com
 COPYRIGHT © 2014

DESIGN DEVELOPMENT
 3

Second Floor
 SCALE = 1/8" = 1'-0"

Hedde Building
 ADDRESS: 201-205 Third St
 DATE: 02/15/17

12



ALLEY-POYNER
 MACCHIETTO
 ARCHITECTURE
 1516 Curving Street
 Omaha, NE 68102
 P: 402.341.1214
 F: 402.341.1215
 alleyponer.com
 COPYRIGHT © 2014

DESIGN DEVELOPMENT

4

Third Floor

SCALE = 1/8" = 1'-0"

Hedde Building
 ADDRESS: 201-205 Third St
 DATE: 02/15/17



HEDDE BUILDING FINANCIAL SUMMARY - ALL COSTS

USE OF FUNDS

TOTAL

PURCHASE OF BUILDING		150,000
CONSTRUCTION		2,840,322
CONTINGENCY		198,823
TENANT BUILDOUT		231,000
FURNISHINGS	Construction Costs: C	64,000
SURVEY		2,500
A & E		250,400
LEGAL		25,000
CONSULTING		60,000
ENVIRONMENTAL		2,000
COST CERTIFICATION		12,000
ACCOUNTING	Financing fees	10,000
CONSTRUCTION LOAN INTEREST		46,000
LOAN FEE		20,000
APPRAISAL		5,000
TITLE & RECORDING	Soft Costs: C	3,000
TAX CREDIT APPLICATION FEES		11,873
MARKETING		5,000
INSURANCE		10,000
		TOTAL 3,946,918

SOURCE OF FUNDS

BANK LOAN	1,781,251
TAX INCREMENT FINANCING LOAN	420,000
FEDERAL HISTORIC TAX CREDITS- 20%*	594,508
STATE HISTORIC TAX CREDITS- 20%*	527,678
OTHER GRANTS (FAÇADE, CRA)	540,000
OWNER EQUITY - INCLUDING CURRENT LOAN (\$200K)	83,480
	TOTAL 3,946,918

*NET AFTER SALE



**HEDDE BUILDING
FINANCIAL SUMMARY - ALL COSTS**

USE OF FUNDS	TOTAL
PURCHASE OF BUILDING	150,000
CONSTRUCTION	2,840,322
CONTINGENCY	198,823
TENANT BUILDOUT	231,000
FURNISHINGS	64,000
SURVEY	2,500
A & E	250,400
LEGAL	25,000
CONSULTING	60,000
ENVIRONMENTAL	2,000
COST CERTIFICATION	12,000
ACCOUNTING	10,000
CONSTRUCTION LOAN INTEREST	46,000
LOAN FEE	20,000
APPRAISAL	5,000
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STATE HISTORIC TAX CREDITS- 20%*	527,678
OTHER GRANTS (FAÇADE, CRA)	540,000
OWNER EQUITY - INCLUDING CURRENT LOAN (\$200K)	83,480
	TOTAL 3,946,918

*NET AFTER SALE

Base Value \$ 101,218
 Finished Value 1,952,402.00

Increment \$ 1,851,184

Tax Entity	Bond	2016 Levy	2016 Base Taxes
City Levy	City Bond	0.295283	\$299
CRA		0.0249	\$25
Hall County		0.026	\$26
Rural Fire	Fire Bond*	0.390572	\$395
			\$0
			\$0
GIPS School	2nd Bond	1.066267	\$1,079
	4th Bond	0.069541	\$70
	5th Bond	0.035164	\$36
		0.084434	\$85
ESU 10		0.012743	\$13
CCC		0.095112	\$96
CPNRD		0.035817	\$36
Ag Society		0.002844	\$3
Airport		0.00962	\$10
	Airport Bond	0.024821	\$25
Total Combined		2.173116	\$2,200

Years 15 Total Incr \$603,425.64

Tax Entity	Bond	2016 Levy	2016 Taxes
City Levy	City Bond	0.295283	\$5,466
CRA		0.0249	\$461
Hall County		0.026	\$481
Rural Fire	Fire Bond*	0.390572	\$7,230
			\$0
			\$0
GIPS School	2nd Bond	1.066267	\$19,739
	4th Bond	0.069541	\$1,287
	5th Bond	0.035164	\$651
		0.084434	\$1,563
ESU 10		0.012743	\$236
CCC		0.095112	\$1,761
CPNRD		0.035817	\$663
Ag Society		0.002844	\$53
Airport		0.009618	\$178
	Airport Bond	0.024821	\$459
Total Combined		2.173116	\$40,228

\$42,428
 19.28907902

Construction Proforma

Permit	\$ 5,000.00
Building cost	\$ -
Demo/windows/elevator pit	\$ 200,000.00
Carpentry Labor	\$ 43,680.00
Materials	\$ 316,994.85
Roof	\$ 79,750.00
Plumbing	\$ 275,000.00
HVAC	\$ 225,000.00
Electric	\$ 300,000.00
Insulation	\$ 31,000.00
Drywall Hang	\$ 48,268.80
Drywall Finish	\$ 48,268.80
Paint	\$ 129,600.00
Trim Labor	\$ 49,920.00
Cabinets	\$ 112,000.00
Countertops	\$ 32,000.00
Flooring Allowance	\$ 99,840.00
Lighting Allowance	\$ 32,000.00
Electronics	\$ 150,000.00
Fire Sprinklers	\$ 76,000.00
Concrete	\$ 20,000.00
Cornace- Top	\$ -
Cornace- Mid	\$ 10,000.00
Millwork/Tin ceiling	\$ 50,000.00
Elevator	\$ 160,000.00
Stairs to basement (outdoor)	\$ 26,000.00
Fire Alarm	\$ 20,000.00
Window repair	\$ 50,000.00
Sub Total	\$ 2,590,322.45
O&P, Developer fee	\$ 250,000.00
Total	\$ 2,840,322.45

OPERATING PROFORMA

ANNUAL RENTAL INC AVG/RENT		
1-Beds	\$908	\$54,465
Studios	\$632	\$22,755
1st Floor	14	\$89,586
Basement- full rent	14	\$20,034
Basement	4	\$19,872
		<hr/>
GROSS INCOME		\$206,712

VACANCY	\$12,403
EXPENSES	\$46,303
	<hr/>
	\$58,706

NET OPERATING INCOME	\$148,006
DEBT SERVICE	\$116,150
	<hr/>
CASH FLOW	\$31,856

HALL COUNTY ASSESSOR'S OFFICE



Real Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 03/02/2017 at 10:19:24A

Parcel Information		Ownership Information	
Parcel Number	400005409	Current Owner	HEDDE BUILDING LLC
Map Number	3315-00-0-10001-065-0001		C/O AMOS ANSON
Situs	201-00203-00205 W 3RD	Address	4234 ARIZONA AVE
Legal	ORIGINAL TOWN LT 1 BLK 65	City ST. Zip	GRAND ISLAND NE 68803-
		Cadastral #	0001-0050-0159

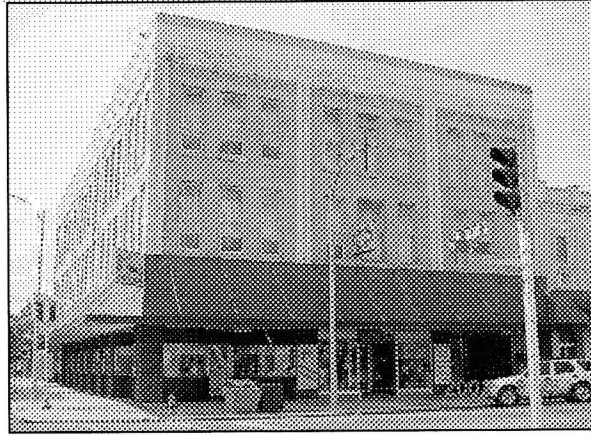
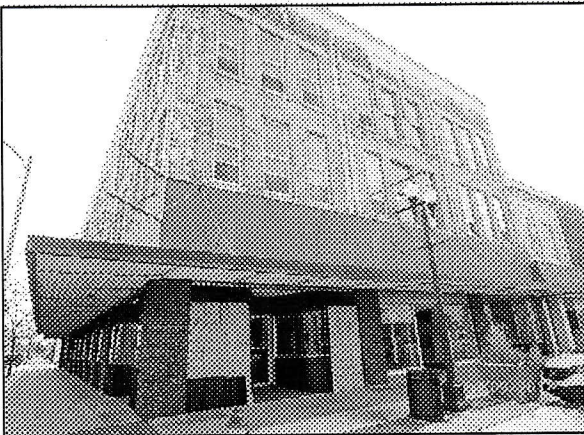
Current Valuation		Assessment Data		Property Classification	
Land Value	23,341	District/TIF Fund	12	Status	01 Improved
Impr. Value		School Base	40-0002 GRAND ISLA	Use	03 Commercial
Outbuildings	77,877	Affiliated Code		Zoning	03 Commercial
Total Value	101,218	Neighborhood	105	Location	01 Urban
Exemptions		Greenbelt Area		City Size	03 12,001-100,000
Taxable Value	101,218	Greenbelt Loss		Lot Size	01 <10,000 sq. ft.

Sales History				Multiple Owner Information		
Date	Book/Page	Grantor	Price	Ownrshp. %	Owner's Name	
12/16/2016	2016-8698	AMOS ANSON				
05/03/2016	2016-2716	EDWARDS BUILDING CORP	150,000			
03/24/2011	2011-2395	WAYNE E & ARDITH C MAY	50,000			

Boe Appeal History				Building Permits			
Appeal #	Year	Appealed By	Status	Permit #	Date	Description	Amount
1566	2005	MAY/WAYNE E & ARDITH	APPEAL REJEC		01/01/2017	DOWNTOWN REVIEW	
719	2002	WAYNE E & ARDITH C M	BOARD VALUE		01/01/2016	COMMERCIAL REVIE	
74	2000	MAY/ARDITH C	BOARD VALUE		01/01/2016	CO BRD = CORRECT	
					01/01/2015	PERMITS NOT STAR	
					01/01/2006	COMMERCIAL UPDAT	

Assessment Milestones								
Year	Description	Class	Ex Code	Land	Impr.	Outbidg.	Total	Taxable
2007	TAX ROLL	2000		23,341		48,977	72,318	72,318
2004	2004 CTL	2000		23,337		40,113	63,450	63,450
2003	2003 CTL	2000		23,337		40,113	63,450	63,450
2002	2002 CTL	2000		23,337		40,113	63,450	63,450
2001	TAXROLL	2000		21,780		57,930	79,710	79,710

Historical Valuation Information								
Year	Billed Owner	Land	Impr.	Outbidg.	Total	Exempt	Taxable	Taxes
2016	HEDDE BUILDING LLC	23,341		77,877	101,218		101,218	2,123.84
2015	EDWARDS BUILDING CORP	23,341		53,875	77,216		77,216	1,647.04
2014	EDWARDS BUILDING CORP	23,341		48,977	72,318		72,318	1,601.28
2013	EDWARDS BUILDING CORP	23,341		48,977	72,318		72,318	1,558.06
2012	EDWARDS BUILDING CORP	23,341		48,977	72,318		72,318	1,572.52
2011	EDWARDS BUILDING CORP	23,341		48,977	72,318		72,318	1,545.14
2010	WAYNE E & ARDITH C MAY	23,341		48,977	72,318		72,318	1,492.22
2009	WAYNE E & ARDITH C MAY	23,341		48,977	72,318		72,318	1,477.62
2008	WAYNE E & ARDITH C MAY	23,341		48,977	72,318		72,318	1,458.36
2007	WAYNE E & ARDITH C MAY	23,341		48,977	72,318		72,318	1,456.98



HALL COUNTY ASSESSOR'S OFFICE



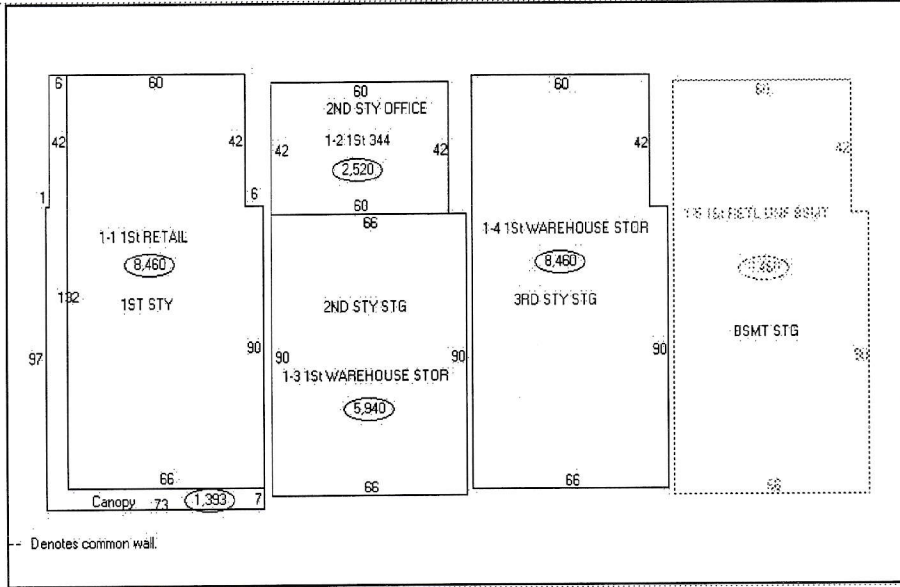
Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 03/02/2017 at 10:19:29A

Parcel Information		Ownership Information	
Parcel Number	400005409	Current Owner	HEDDE BUILDING LLC
Map Number	3315-00-0-10001-065-0001	Address	4234 ARIZONA AVE
Situs	201-00203-00205 W 3RD	City St. Zip	GRAND ISLAND NE 68803-
Legal	ORIGINAL TOWN LT 1 BLK 65	Cadastral #	0001-0050-0159

Property Data			
Neighborhood	105	Topography	Number of Units
Lot Width	66	Street	Unit Value
Lot Depth	132	Utilities	Adjustment
Units Buildable	8712	Amenities 1	Lot Value
Value Method	SF	Amenities 2	



Building Data															
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD	
1	1	353	RETAIL STORE	1886	C		200	30	8,460	396	1	14	516,060	94%	30,964
1	2	344	OFFICE BUILDING	1886	C		200	10	2,520	204	1	14	211,680	94%	12,701
1	3	406	WAREHOUSE, STORAGE	1886	C		200	20	5,940	312	1	7	165,488	94%	9,929
1	4	406	WAREHOUSE, STORAGE	1886	C		200	20	8,460	396	1	7	210,316	94%	12,619
1	5	612	RETAIL UNFIN BSMT	1886	C		200	20	8,460	396	1	7	167,254	94%	10,035
1			CANOPY, ROOF/SLAB	1886					1,393				27,150	94%	1,629

Cost Approach From Marshall & Swift				Potential Gross Income			
Total Building Area	33,840			Contract		Market	
Total Building RCN	1,270,798		Vacancy & Collection Loss			20.00%	3,401
Total Refinements	27,150		Effective Income				13,604
Total Replacement Cost New	1,297,948		Total Expenses			35.00%	4,761
Total Phys. & Func. Depreciation	(1,220,071)		Net Operating Income				8,843
RCN Less Phys. & Func.	77,877		Capitalization Rate				12.00%
Economic Depreciation			Income Approach				73,692
Accrued Economic depreciation			Final Value Reconciliation				101,218
Total RCN Less Depreciation	77,877						
Additional Lump Sums							
Land Value	23,341						
Total Cost Value	101,218						
Value Per Res Unit							
Value Per Sq. Ft.	2.99						

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

HALL COUNTY ASSESSOR'S OFFICE



Real Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 03/02/2017 at 10:21:34A

Parcel Information		Ownership Information	
Parcel Number	999999974	Current Owner	HEDDE BUILDING LLC
Map Number			C/O AMOS ANSON
Situs	201-203-205 W 3RD	Address	4234 ARIZONA AVE
Legal	WHAT IF FOR AMOS ANSON, ORIGINAL TOWN G I, LT 1 BLK 65	City ST. Zip	GRAND ISLAND NE 68803-
		Cadastral #	

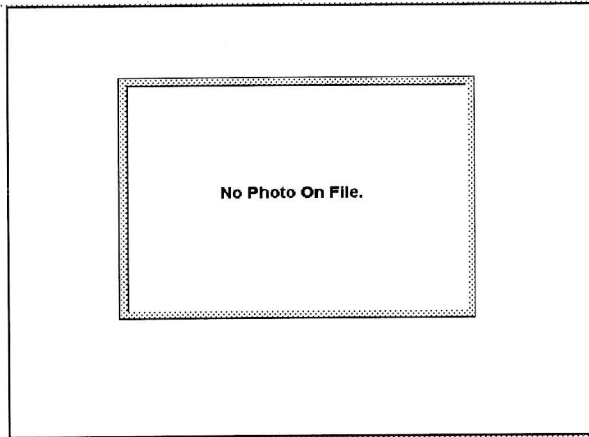
Current Valuation		Assessment Data		Property Classification	
Land Value	23,341	District/TIF Fund	12	Status	01 Improved
Impr. Value	1,828,155	School Base	40-0002 GRAND ISLA	Use	03 Commercial
Outbuildings		Affiliated Code		Zoning	03 Commercial
Total Value	1,851,496	Neighborhood	105	Location	01 Urban
Exemptions		Greenbelt Area		City Size	03 12,001-100,000
Taxable Value	1,851,496	Greenbelt Loss		Lot Size	01 <10,000 sq. ft.

Sales History				Multiple Owner Information		
Date	Book/Page	Grantor	Price	Ownrshp. %	Owner's Name	

Boe Appeal History				Building Permits			
Appeal #	Year	Appealed By	Status	Permit #	Date	Description	Amount

Assessment Milestones							
Year	Description	Class	Ex Code	Land	Impr.	Outbdg.	Taxable

Historical Valuation Information							
Year	Billed Owner	Land	Impr.	Outbdg.	Total	Exempt	Taxes



HALL COUNTY ASSESSOR'S OFFICE



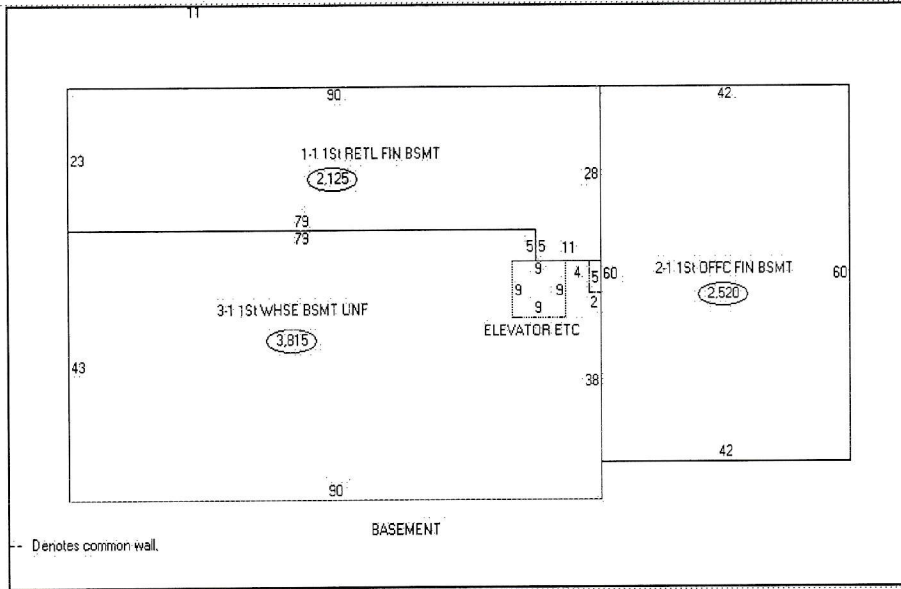
Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 03/02/2017 at 10:21:50A

Parcel Information		Ownership Information	
Parcel Number	999999974	Current Owner	HEDDE BUILDING LLC
Map Number		Address	4234 ARIZONA AVE
Situs	201-203-205 W 3RD	City St. Zip	GRAND ISLAND NE 68803-
Legal	WHAT IF FOR AMOS ANSON, ORIGINAL TOWN G I, LT 1 BLK 65	Cadastral #	

Property Data			
Neighborhood	105	Topography	Number of Units
Lot Width		Street	Unit Value
Lot Depth		Utilities	Adjustment
Units Buildable		Amenities 1	Lot Value
Value Method		Amenities 2	



Building Data															
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD	
			ELEV. SELECTOMATIC	1952				1				210,000	40%	126,000	
1	1	613	RETAIL FIN BSMT	1952	C		200	40	2,125	236	1	8	137,828	40%	82,697
2	1	608	OFFICE BSMT FIN	1952	C		200	40	2,520	204	1	8	117,760	40%	70,656
3	1	626	WHSE BSMT UNF	1952	C		200	40	3,815	266	1	8	111,894	80%	22,379

Cost Approach From Marshall & Swift				Potential Gross Income			
				Contract		Market	
Total Building Area	8,460						
Total Building RCN	367,482			Vacancy & Collection Loss			
Total Refinements	210,000			Effective Income			
Total Replacement Cost New	577,482			Total Expenses			
Total Phys. & Func. Depreciation	(275,750)			Net Operating Income			
RCN Less Phys. & Func.	301,732			Capitalization Rate			
Economic Depreciation				Income Approach			
Accrued Economic depreciation				Final Value Reconciliation			
Total RCN Less Depreciation	301,732			301,732			
Additional Lump Sums							
Land Value							
Total Cost Value	301,732						
Value Per Res Unit							
Value Per Sq. Ft.	35.67						

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

HALL COUNTY ASSESSOR'S OFFICE



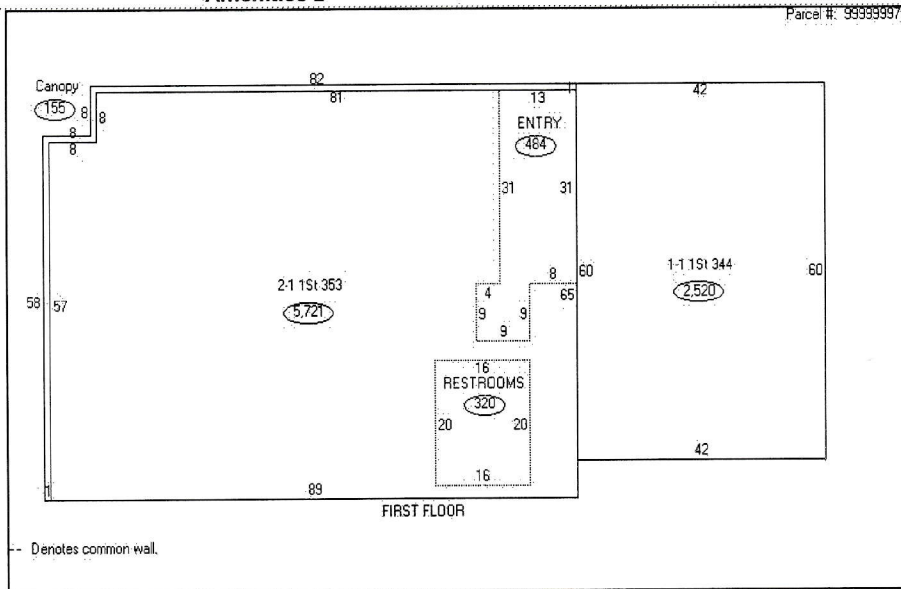
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Parcel Information		Ownership Information	
Parcel Number	999999974	Current Owner	HEDDE BUILDING LLC
Map Number		Address	4234 ARIZONA AVE
Situs	201-203-205 W 3RD	City St. Zip	GRAND ISLAND NE 68803-
Legal	WHAT IF FOR AMOS ANSON, ORIGINAL TOWN G I, LT 1 BLK 65	Cadastral #	

Property Data			
Neighborhood	105	Topography	
Lot Width	66	Street	
Lot Depth	132	Utilities	
Units Buildable	8712	Amenities 1	
Value Method	SF	Amenities 2	
		Number of Units	8712
		Unit Value	2.68
		Adjustment	
		Lot Value	23,341



Building Data															
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD	
			ELEV. SELECTOMATIC	1952				1				210,000	40%	126,000	
			CANOPY, ROOF/SLAB	1952				155				3,021	40%	1,813	
1	1	344	OFFICE BUILDING	1952	C		200	40	2,520	204	1	18	225,868	40%	135,521
2	1	353	RETAIL STORE	1952	C		200	40	5,721	308	1	18	421,008	40%	252,605

Cost Approach From Marshall & Swift			Potential Gross Income		
Total Building Area	8,241				
Total Building RCN	646,876				
Total Refinements	213,021				
Total Replacement Cost New	859,897				
Total Phys. & Func. Depreciation	(343,958)				
RCN Less Phys. & Func.	515,939				
Economic Depreciation					
Accrued Economic depreciation					
Total RCN Less Depreciation	515,939				
Additional Lump Sums					
Land Value	23,341				
Total Cost Value	539,280				
Value Per Res Unit					
Value Per Sq. Ft.	65.44				

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

HALL COUNTY ASSESSOR'S OFFICE



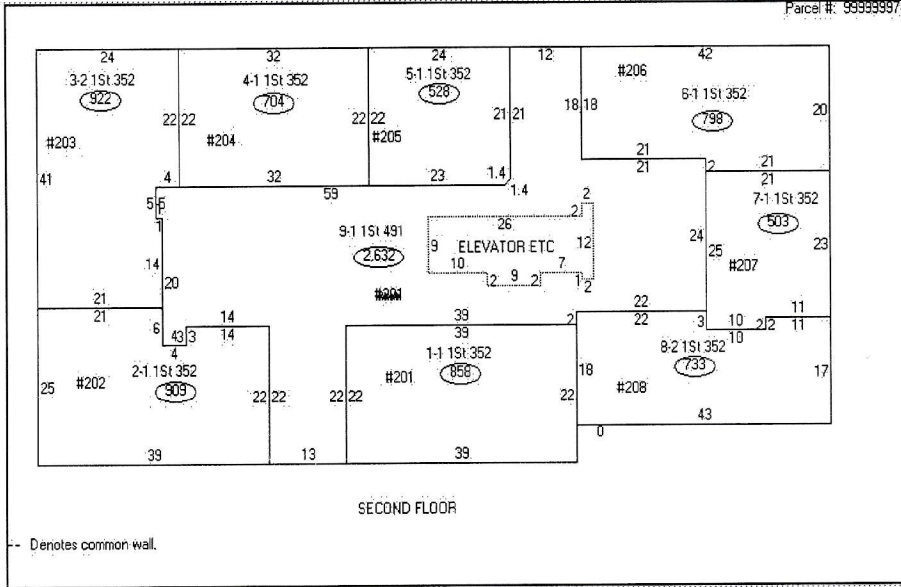
Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 03/02/2017 at 10:21:39A

Parcel Information		Ownership Information	
Parcel Number	999999974	Current Owner	HEDDE BUILDING LLC
Map Number		Address	4234 ARIZONA AVE
Situs	201-203-205 W 3RD	City St. Zip	GRAND ISLAND NE 68803-
Legal	WHAT IF FOR AMOS ANSON, ORIGINAL TOWN G I, LT 1 BLK 65	Cadastral #	

Property Data			
Neighborhood	105	Topography	
Lot Width		Street	
Lot Depth		Utilities	
Units Buildable		Amenities 1	
Value Method		Amenities 2	
		Number of Units	8712
		Unit Value	
		Adjustment	
		Lot Value	



Building Data														
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD
			ELEV. SELECTOMATIC					1				210,000	40%	126,000
1	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	858	122	15	54,835	40%	32,901
2	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	909	134	15	58,094	40%	34,856
3	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	922	132	15	58,925	40%	35,355
4	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	704	108	15	44,993	40%	26,996
5	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	528	91	15	33,744	40%	20,246
6	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	798	124	15	51,000	40%	30,600
7	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	503	92	15	32,147	40%	19,288
8	1	352	RESIDENCE, MULTIPLE	1952	C		200	40	733	126	15	46,846	40%	28,108
9	1	491	COMMUNITY SERVICE-BUILD	1952	C		200	40	2,632	323	15	249,040	40%	149,424

Cost Approach From Marshall & Swift		Potential Gross Income	
		Contract	Market
Total Building Area	8,587		
Total Building RCN	629,624		
Total Refinements	210,000		
Total Replacement Cost New	839,624		
Total Phys. & Func. Depreciation	(335,850)		
RCN Less Phys. & Func. Economic Depreciation	503,774		
Accrued Economic depreciation			
Total RCN Less Depreciation	503,774		
Additional Lump Sums			
Land Value			
Total Cost Value	503,774		
Value Per Res Unit			
Value Per Sq. Ft.	58.67		
			503,774

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

HALL COUNTY ASSESSOR'S OFFICE



Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 03/02/2017 at 10:21:55A

Parcel Information

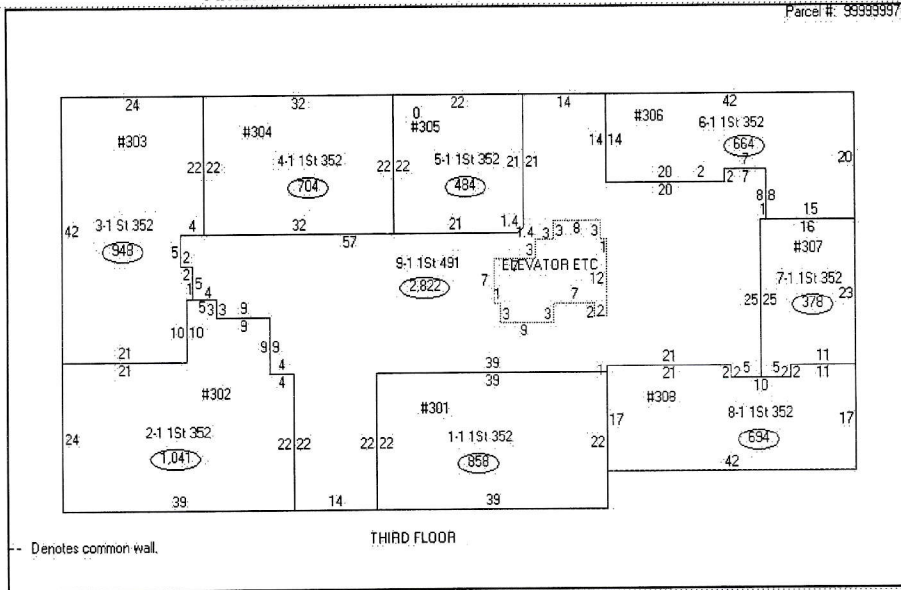
Ownership Information

Parcel Number 999999974
Map Number
Situs 201-203-205 W 3RD
Legal WHAT IF FOR AMOS ANSON, ORIGINAL
 TOWN G I, LT 1 BLK 65

Current Owner HEDDE BUILDING LLC
Address 4234 ARIZONA AVE
City St. Zip GRAND ISLAND NE 68803-
Cadastral #

Property Data

Neighborhood 105	Topography	Number of Units
Lot Width	Street	Unit Value
Lot Depth	Utilities	Adjustment
Units Buildable	Amenities 1	Lot Value
Value Method	Amenities 2	



Building Data

Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD
			ELEV. SELECTOMATIC					1				210,000	40%	126,000
1	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	858	122	1	15	54,835	40%	32,901
2	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	1,041	146	1	15	66,530	40%	39,918
3	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	948	136	1	15	60,587	40%	36,352
4	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	704	108	1	15	44,993	40%	26,996
5	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	484	87	1	15	30,932	40%	18,559
6	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	664	128	1	15	42,436	40%	25,462
7	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	378	82	1	15	24,158	40%	14,495
8	1	352	RESIDENCE, MULTIPLE	1952	C	200	40	694	122	1	15	44,354	40%	26,612
9	1	491	COMMUNITY SERVICE-BUILD	1952	C	200	40	2,822	337	1	15	265,691	40%	159,415

Cost Approach From Marshall & Swift

Potential Gross Income

Total Building Area	8,593	Contract		Market
Total Building RCN	634,516	Vacancy & Collection Loss		
Total Refinements	210,000	Effective Income		
Total Replacement Cost New	844,516	Total Expenses		
Total Phys. & Func. Depreciation	(337,806)	Net Operating Income		
RCN Less Phys. & Func.	506,710	Capitalization Rate		
Economic Depreciation		Income Approach		
Accrued Economic depreciation		Final Value Reconciliation		506,710
Total RCN Less Depreciation	506,710			
Additional Lump Sums				
Land Value				
Total Cost Value	506,710			
Value Per Res Unit				
Value Per Sq. Ft.	58.97			

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

**Redevelopment Plan Amendment
Grand Island CRA Area 1
May 2017**

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

Executive Summary:

Project Description

THE REDEVELOPMENT OF THE BUILDING LOCATED AT 201-205 W 3rd STREET FOR COMMERCIAL AND RESIDENTIAL USES, INCLUDING FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the Hedde Building located at 201-205 W 3rd Street into a mixed use building containing 16 one bedroom apartments on the second and third floors and commercial space on the first floor and the basement. 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 renovating this historic building into a combination of commercial space and market rate residential units. The addition of the residential units is consistent with the downtown redevelopment plan and priorities to add 50 residential units downtown by 2019. With these units, 31 new residential units have been proposed since 2015. This project would not be possible without the use of TIF.

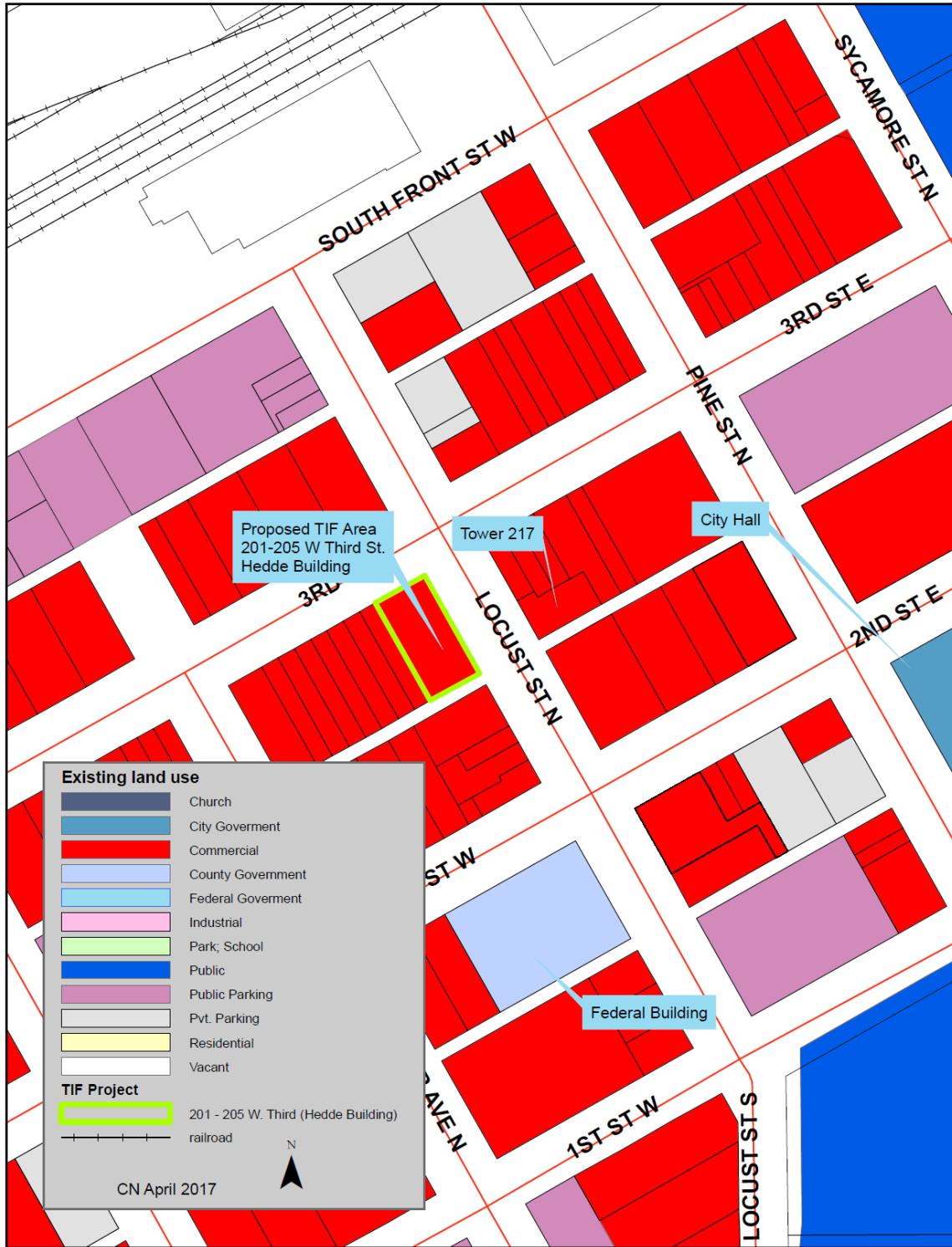
Hedde Building LLC is the owner of the property. Hedde Building LLC purchased this property in 2016. The purchase price is not included as an eligible TIF activity. The building is currently vacant. The developer is responsible for and has provided evidence that they can secure adequate debt-financing to cover the costs associated with the remodeling and rehabilitation of this building. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15- year period beginning January 1, 2019 towards the allowable costs and associated financing for the renovation of this building.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

201-205 W 3rd Street in Grand Island Nebraska (Hedde Building)

Legal Descriptions: Lot One (1) in Block Sixty -Five (65) Original Town, Grand Island, Hall County, Nebraska



Existing Land Use and Subject Property

The tax increment will be captured for the tax years for which the payments become delinquent in years 2019 through 2033 inclusive.

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 rehabilitation of this vacant historic building for commercial and residential uses as permitted in the B3 Heavy Business Zoning District.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution providing for the issuance of the TIF Note, the Authority hereby provides that any ad valorem tax on the Redevelopment Project Area 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, consistent with this Redevelopment Plan. 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 amendment 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 rehabilitate the building for permitted uses on this property as defined by the current and effective zoning regulations. **The Hall County Regional Planning Commission held a public hearing at their meeting on June 7, 2017 and passed resolution _____ confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.**

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

a. Land Acquisition:

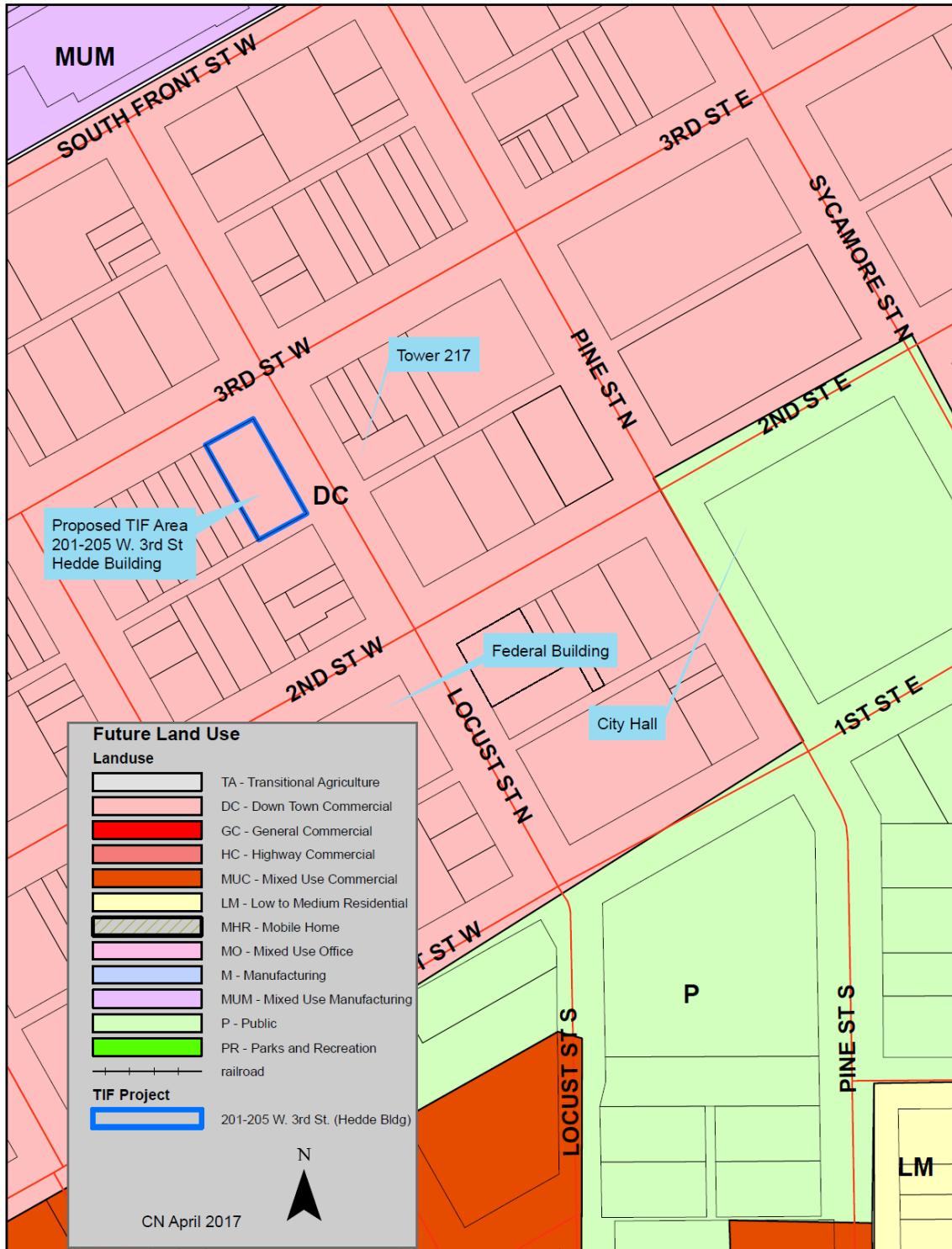
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

The project to be implemented with this plan does not provide for the demolition and removal any structures on this property.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. All of the area around the site in private ownership is planned for Downtown Commercial development; this includes housing and commercial uses within the same structure. This property is in private ownership. [§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 B3-Heavy Business zone. No zoning changes are anticipated with this project. No changes are anticipated in street layouts or grades. 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 rehabilitating the existing building. The developer is not proposing to increase the size of the building and current building meets the applicable regulations regarding site coverage and intensity of use. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. The developer will be required to extend a water line capable of providing sufficient water for the sprinkler system required to convert this building in a multifamily apartment building.

Electric utilities are sufficient for the proposed use of this building.

No other utilities would be impacted by the development.

The developer will be responsible for replacing any sidewalks damaged during construction of the project.

No other 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, owned by the developer, is vacant and has been vacant for more than 1 year; 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] Sue Pirnie a member of the Authority is an investor in Hedde Building LLC. As an investor in the project she will recuse herself from any decisions regarding this project. No other members of the authority or staff of the CRA have 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.

The developer owns this property and acquisition is not part of the request for tax increment financing. The estimated costs of rehabilitation of this property is \$2,840,322 along with \$295,000 for site improvement and planning related expenses for Architectural and Engineering services of \$250,400 and are included as a TIF eligible expense. Legal, Developer and Audit Fees including a reimbursement to the City and the CRA of \$124,373 are included as TIF eligible expense. The total of eligible expenses for this project is \$3,510,095. The CRA has been asked to grant \$240,000 to this project to offset the cost of life safety improvements and \$300,000 for façade improvements. The total eligible expenses for this project less other grant funds by the CRA is \$2,970,095.

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. The Authority will assist the project by granting the sum of \$603,425 from the proceeds of the TIF it is anticipated that this will generate a loan of \$420,000. 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 after January 1, 2019 through December 2033.

c. Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan.

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 unsafe buildings and

blighting conditions. This will accomplish the goal of both the Downtown Business Improvement District and the Grand Island City Council of increasing the number of residential units available in the Downtown area.

8. Time Frame for Development

Development of this project is anticipated to be completed between July 2017 and December of 2018. Excess valuation should be available for this project for 15 years beginning with the 2019 tax year.

9. Justification of Project

This is an historic building in downtown Grand Island that will be preserved with this project. The addition of a new upper story residential unit is consistent with goals to build 50 new residential units in downtown Grand Island by 2019 and with the goals of the 2014 Grand Island housing study and Grow Grand Island. The main floor and basement will be used for commercial tenant space.

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 \$603,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This property has requested a life/safety grant of \$240,000 and an additional façade improvement grant of \$300,000. This investment by the Authority will leverage \$2,803,493 in private sector financing; a private investment of \$2.45 for every TIF and grant dollar investment.

Use of Funds.				
Description	TIF Funds	Other Grants	Private Funds	Total
Site Acquisition			\$150,000	\$150,000
Legal and Plan*			\$124,373	\$124,373
Engineering/Arch			\$250,400	\$250,400
Tenant Buildout/Furnishings			\$295,000	\$295,000
Renovation	\$603,425		\$1,696,897 ¹ⁱ	\$2,300,322
Life Safety		\$240,000		\$240,000
Façade		\$300,000		\$300,000
Financing Fees			\$88,000	\$88,000
Contingency			\$198,823	\$198,823
TOTALS	\$603,425	\$540,000	\$2,803,493	\$3,946,918

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2018, valuation of approximately \$101,218. Based on the 2016 levy this would result in a real property tax of approximately \$2,200. It is anticipated that the assessed value will increase by \$1,851,184 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$40,228 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter 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 2018 assessed value:	\$ 101,218
Estimated taxable value after completion	\$ 1,952,402
Increment value	\$ 1,851,184
Annual TIF generated (estimated)	\$ 40,228
TIF bond issue	\$ 603,425

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

The redevelopment project area currently has an estimated valuation of \$101,218. The proposed redevelopment will create additional valuation of \$1,851,184. 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;

¹ This includes \$1,122,186 of Historic Tax Credits

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this development. The electric utility has sufficient capacity to support the development. It is not anticipated that this will impact schools in any significant way as these are one bedroom units located downtown. Fire and police protection are available and should not be negatively impacted by this development. The addition of life safety elements to this building including fire sprinklers, reduce the chances of negative impacts to the fire department.

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

This will provide additional housing options in the downtown area consistent with the planned development in Downtown Grand Island.

(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 employers in any manner different from any other expanding business within the Grand Island area. This will provide housing options for employees of Downtown businesses that wish to live Downtown.

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

This project is consistent the goals of the Council, the Downtown BID, the CRA, and Grow Grand Island to create additional housing units in downtown Grand Island.

Time Frame for Development

Development of this project is anticipated to be completed during between July of 2017 and December 31 of 2018. The base tax year should be calculated on the value of the property as of January 1, 2018. Excess valuation should be available for this project for 15 years beginning in 2019 with taxes due in 2020. 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 \$603,425 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses of the rehabilitation the developer will spend at least \$2,430,095 on TIF eligible activities in excess of other grants given. The CRA will reserve the right to issue additional debt for this project upon notification by the developer of sufficient expenses and valuation to support such debt in the form of a second or third bond issuance.

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

RESOLUTION NO. 238

**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 Plan 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 17th day of May, 2017.

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

By _____
Chairperson

ATTEST:

Secretary

201-205 W. Third, Hedde Building LLC

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

RESOLUTION NO. 239

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 Hedde Building LLC for 201-205 W. Third St. (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 17th day of May, 2017.

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

By _____
Chairperson

ATTEST:

Secretary

201-205 W. Third St., Hedde Building LLC