



# Community Redevelopment Authority (CRA)

**Wednesday, October 18, 2017**  
**Regular Meeting**

## **Item B1**

**Minutes 9-20-17**

Staff Contact: Chad Nabity

## OFFICIAL PROCEEDINGS

### MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF September 20, 2017

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on September 20, 2017 at City Hall 100 E. First Street. Notice of the meeting was given in the September 13, 2017 Grand Island Independent.

1. CALL TO ORDER. Chairman Tom Gdowski called the meeting to order at 4:02 p.m. The following members were present: Glen Murray, Glenn Wilson and Krae Dutoit. CRA Member Sue Pirnie was absent. Also present were: Director Chad Nabity, Planning Administrative Assistant Tracy Overstreet, Finance Director Renae Jimenez, Billy Clingman and Brian Schultz from the Grand Island Finance Department, City Administrator Marlan Ferguson and Council President Vaughn Minton.

Gdowski stated this was a public meeting subject to the open meeting laws of the State of Nebraska. He noted that the requirements for an open meeting were posted on the wall easily accessible to anyone who would like to read through them.

2. APPROVAL OF MINUTES. A motion for approval of the Minutes for the August 10, 2017 meeting was made by Wilson and seconded by Dutoit. Gdowski asked that his absence from the August 10 meeting be noted in the minutes. Upon roll call vote, all present voted aye. Motion carried 4-0.
3. APPROVAL OF FINANCIAL REPORTS. Clingman reviewed the financials from August 1 to August 31. A motion for approval of the financial reports was made by Murray and seconded by Wilson. Upon roll call vote, all present voted aye. Motion carried 4-0.
4. APPROVAL OF BILLS. The bills, which included a \$100,000 façade grant payout for Bosselman corporate and numerous TIF pass through payments, were reviewed by Gdowski. A motion was made by Murray and seconded by Dutoit to approve the bills in the amount of \$659,022.70 Upon roll call vote, all present voted aye. Motion carried 4-0.
5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY. Nabity provided an overview of the committed projects. He said the South Locust landscaping improvements are set to occur in October or next spring, depending upon the weather, so that payout will be next fiscal year. Other payouts next year include the Labor Temple Apartments, which have not concluded occupancy checks yet;

Othy's Place, which is waiting on Vitrolite installation; and Auto America on its façade. The Bosselman corporate project is complete for façade, he said. The CRA has received two purchase offers on 408 E. Second and is still taking proposals on 3235 S. Locust and the Ron's Transmission lot downtown.

6. TIF CONTRACT APPROVAL – PRATARIA VENTURES. Prataria Ventures LLC has requested \$15.8 million of tax-increment financing assistance for a three-phase development, which includes a hospital, medical office building and hotel. The CRA passed Resolution 221 on July 27, 2016 notifying the city council of its intent to enter into a redevelopment contract. The Regional Planning Commission met on August 10, 2016 and passed Resolution 2016-07 finding that this plan amendment is consistent with the comprehensive plan for the City of Grand Island. The Grand Island City Council passed Resolution 2016-207 at its meeting on August 23, 2016. Nabity said the original tax-increment financing value was estimated at \$27.8 million, but a more conservative number of \$15.9 million is now being used. The eligible TIF expenses include infrastructure and grading. Nabity said three bonds will be issued for the project.

Andrew Willis of Cline Williams law firm said his client is planning the same three-phase project as originally proposed. The total valuation at completion should be around \$75 million. They expect to use the \$15.8 million in TIF for streets, utilities, stormwater and drainage. Willis said construction completion is expected in mid-2019. Nabity said the hospital has a 24-month build time. The medical office building and hotel each have an 18-month build time. Nabity said this area was first considered for retail redevelopment in 2007, but the economy turned and the property has been cornfield since.

A motion was made by Murray and seconded by Wilson to approve Resolution 243 for the Prataria Ventures redevelopment contract and for the bond note. Upon roll call vote, all present voted aye. Motion carried 4-0.

7. REDEVELOPMENT PLAN AMENDMENT – HUSKER HARVEST DAYS. Concerning an amending to the redevelopment plan for CRA Area No. 25 for a Site Specific Redevelopment Plan at a formerly used defense site for Husker Harvest Days by Farm Progress Companies Inc. They have plans to make \$7 million in upgrades to the electrical distribution, drainage and paving to the show site. A proposed \$2 million of public funds from Grand Island's food and beverage occupation tax would aid in the redevelopment. Nabity said the CRA will need a contract with the city for a 20-year contract and bond that will be repaid by food and beverage tax receipts at \$100,000 a year. That contract is still being prepared. Nabity said Farm Progress is committing to put on a three-day show annually for 20 years and if not, will need to repay the balance of the bond, which is forgiven at \$100,000 a year. As an example, Nabity said if Farm Progress does 10 years worth of shows and then ceases, it would need to repay \$1 million of bonds. He said the

land for the show is zone SE-AG Special Events Agriculture and was identified in the Hall County Reuse Plan for the Cornhusker Army Ammunition Plant site.

Matt Jungmann, the national shows coordinator for Farm Progress Companies, detailed the \$7 million of upgrades to the show site that he believes will make the site a state-of-the art facility for corporate shows to continuing exhibiting at Husker Harvest Days.

City Administrator Marlan Ferguson spoke in favor of the redevelopment plan. Also speaking in favor of the plan were Grand Island Area Chamber of Commerce President Cindy Johnson, Grand Island Area Economic Development Corporation President Dave Taylor and former Grand Island Mayor Ken Gnadt.

A motion was made by Dutoit and seconded by Wilson to approve Resolution 244 to forward the plan to the Regional Planning Commission and Resolution 245 to give 30-day intent notice to the Grand Island City Council for a site specific redevelopment plan. Upon roll call vote, all present voted aye. Motion carried 4-0.

8. REDEVELOPMENT PLAN AMENDMENT – O’NEILL WOOD RESOURCES.

Concerning an amending to the redevelopment plan for CRA Area No. 20 for a Site Specific Redevelopment Plan at a formerly used defense site for 58 acres at 7100 W. Old Potash Highway by O’Neill Wood Resources. The request is for \$209,000 in tax-increment financing to assist with site acquisition, grading, site preparation, utility extensions and private roads for development of a construction and demolition landfill and associated buildings. Nabity said the nearest construction and demolition landfill is in Elba. Nabity said the former Cornhusker Army Ammunition Plant is a great location for this type of business because the zoning prohibits home development.

O’Neill said the tax-increment financing would be used toward the development of the recycling center. He said about 10 to 15 jobs are expected to be created with the project.

A motion was made by Murray and seconded by Dutoit to approve Resolution 246 to forward the plan to the Regional Planning Commission and Resolution 247 to give 30-day intent notice to the Grand Island City Council for a site specific redevelopment plan. Upon roll call vote, three present voted aye (Murray, Dutoit, Wilson). Motion carried 3-0. Gdowski abstained.

9. REDEVELOPMENT PLAN AMENDMENT-MENDEZ ENTERPRISES.

Concerning an amending to the redevelopment plan for CRA Area No. 6 for a Site Specific Redevelopment Plan in an area along Old Lincoln Highway between Carey and Waldo avenues. The request from Mendez Enterprises is for \$886,965

in tax-increment financing to assist with the redevelopment of commercial lots, into a trampoline center, an educational facility, a diner and an office.

Architect Ken Fredrick said owner Vince Mendez will be putting \$7.2 million of investment in the area. He's already purchased buildings in that area, done clean up, landscaping and added parking. Mendez said he is a third-generation mechanic and wants to develop the area as a campus for a technology school. He estimated job creation to be 20 to 25 employees in the four to five buildings. Grand Island Area Chamber of Commerce President Cindy Johnson said Mendez has a passion for his work and sharing training skills.

Gdowski said the project is aggressive and has many different directions. He asked if Mendez had a financial commitment letter from a bank. Mendez said he didn't realize one was needed, but he could get one to submit.

A motion was made by Murray and seconded by Dutoit to approve Resolution 248 to forward the plan to the Regional Planning Commission and Resolution 249 to give 30-day intent notice to the Grand Island City Council for a site specific redevelopment plan contingent upon Mendez submitting a financial commitment letter from a bank. Upon roll call vote, three present voted aye (Murray, Dutoit, Wilson) and one voted no (Gdowski). Motion carried 3-1.

10. DEMOLITION GRANT – HABITAT FOR HUMANITY. Habitat for Humanity has requested a demolition and clean-up grant of up to \$14,000 in the event the non-profit can successfully purchase a substandard house at 1812 W. 11<sup>th</sup> Street. The house is located in Redevelopment Area No. 6.

A motion was made by Wilson and seconded by Dutoit to approve a grant of up to \$14,000 to Habitat for Humanity for 1812 W. 11<sup>th</sup> Street. Upon roll call vote, all present voted aye. Motion carried 4-0.

11. APPROVE RESOLUTION TO PURCHASE/SELL REAL ESTATE. Consideration of offer(s) to sell 408 E. Second Street. The CRA bought the property in 2005 for \$6,000 after a fire damaged the home there.

A motion was made by Murray and seconded by Wilson to go into closed session to discuss a possible sale. Upon roll call vote, all present voted aye. Motion carried 4-0. The CRA went into closed session at 5:24 p.m.

The CRA returned to open session at 5:35 p.m. A motion was made by Murray and seconded by Dutoit to accept a \$15,000 purchase offer from Weinrich Developments and authorized the chairman to sign. Upon roll call vote, three present voted aye (Murray, Dutoit, Wilson.) Motion carried 3-0. Gdowski abstained.

12. DIRECTOR'S REPORT. Naby said there are several façade grant requests that will come forward at the upcoming meeting at the start of the fiscal year.
13. RECESS TO TOUR OF TEMPLE LOFT APARTMENTS/ADJOURNMENT. Naby said Temple Lofts owner Tom Ziller was at his property at 210 N. Walnut and could give tours to CRA members and the public who desired to see the project following the meeting. The lofts will also be open from 10 a.m. to 5 p.m. September 30 as part of the Central Nebraska Home Builders tour, which costs \$5. The lofts will also be open free during the Railside tours from 1 to 4 p.m. Oct. 8 and during a Chamber ribbon cutting event at 10 a.m. October 13. Gdowski adjourned the meeting at 5:50 p.m.

The next meeting is scheduled for 4 p.m., Wednesday, October 18, 2017.

Respectfully submitted  
Chad Naby  
Director