



Community Redevelopment Authority (CRA)

**Wednesday, March 21, 2018
Regular Meeting**

Item B1

Minutes of February 14, 2018 Meeting

Staff Contact:

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF February 14th, 2018

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on February 14th, 2018 at City Hall, 100 E. First Street. Notice of the meeting was given in the February 7th, 2018 Grand Island Independent.

1. CALL TO ORDER. Chairman Tom Gdowski called the meeting to order at 4:00 p.m. The following members were present: Gdowski, Krae Dutiot, Glenn Wilson and Glen Murray. CRA Member Sue Pirnie was absent. Also present were: Director Chad Nabity, Planning Technician Rashad Moxey, Brian Schultz from the Grand Island Finance Department, Interim Finance Director Billy Clingman, 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 January 10th, 2018 meeting was made by Wilson and seconded by Dutoit. Upon roll call vote, all present voted aye. Motion carried 4-0.
3. APPROVAL OF FINANCIAL REPORTS. Schultz reviewed the financials from January 1 to January 31. A motion for approval of the financial reports was made by Dutoit and seconded by Murray. Upon roll call vote, all present voted aye. Motion carried 4-0.
4. APPROVAL OF BILLS. The bills were reviewed by Gdowski and Nabity. Nabity explained that there was an addition to the bill of \$ 750.00 for the use the software called MySidewalk, which is jointly used by the CRA, the Regional Planning Department and Community Development. Nabity stated that the cost of the software is \$3,500.00 in total and is divided by the three users by usage. A motion was made by Murray and seconded by Dutoit to approve the bills in the amount of \$84,151.16 an increase from the initial bill of \$83,401.16. Upon roll call vote, all present voted aye. Motion carried 4-0.

5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY. Nabity said that the CRA is expecting a request for funds by the Staab Management for payment. Regarding other projects, Nabity said the Hedde Building project is still on hold. Nabity went on to explain currently there were not any new updates on the Mendez project. Nabity reiterated that both the Heddie Building and Mendez project is still waiting on Vitriolite to be place on both buildings. Nabity then stated Kinkaiders is expected to move forward with the façade and life safety funds. The Hedde building has a hold on funds through Life safety and is contingent on the Historic Tax Credits. Peaceful Root is expected to request funds from the Life Safety. The South Locust/Fonner Park BID landscaping project is waiting for spring. Nabity also, stated all contracts were signed between the CRA and Take Flight and the project is now moving forward. For the remainder of the fiscal year, Nabity express that the CRA has \$75,000 left in the Life Safety Funds, \$78,500 within other projects, \$200,000 for land purchases and \$100,000 for land sales. To date the CRA has not used any of the land purchasing fund nor receive any funds for land sales. The CRA has a total of three properties available. He said the CRA are in the process of reviewing two projects which may affect two out of the three properties owned by the CRA.
6. REDEVELOPMENT PLAN AMENDMENT FOR 408 E 2nd – WEINRICH DEVELOPMENT INC. Nabity said this is a property that The CRA has own for several years and the Weinrich has made an offer of \$15,000 to acquire the property. The CRA has \$12,000 in the property, mowing/cleaning the property along with paying taxes. The Weinrich is proposing to put a triplex on the property. Weinrich Development Inc. is looking to use Tax increment financing for the acquisition of the property, site clearance, tree removal, paving, sidewalk and utilities. The Weinrich's proposing the development to be worth \$300,000 with the approximate cost of \$216,000 along with Tax Increment Financing. Nabity explained most of the equity of this project would be considered sweat equity as the Weinrichs expected to take part in building. Nabity finished by stating that the location of the property is between two houses and the use proposed is permitted in this area. Sonya Weinrich, representing of Weinrich Development Inc. said that each unit is expected to be three bedroom one and a half bath townhouse style structures.

A motion was made by Murray and seconded by Dutoit to approve the Resolution 264 and Resolution 265. Upon roll call vote, three members present voted aye and one member abstained (Gdowski) Motion carried 3-1.

7. DEVELOPMENT PROPOSAL – PRIMUS DENTAL. Nabity said this is a request to enter an agreement of purchase with Primus Dental a company out of Cedar Rapids, Iowa. Primus Dental specializes in building Dental Offices for their respective clientele. There is a local Dentist interested in occupying the potential developed building. The CRA has own the property since 2015 and has not had any offers for this property. The proposed development is expected to fit in with the surrounding buildings being close to the street and using similar materials such

as brick, and EFIS. The proposed development will provide onsite parking for consumers. Primus Dental is offering to purchase the property from the CRA for one dollar and is not asking for help through Tax Increment Financing.

Gdowski stated, he reached out to Primus Dental to further gather information about the company. He found out that it is a family own business and has been operating for roughly 50 years and sounded creditable. Gdowski's concern was if the development fell through what would happen to the property if they acquired it for \$1.00. Primus explained to Gdowski that they would have 15 months to develop the property or the CRA can take the property back due to provisions in the contract. The proposed Dental Office is expected to provide services to the underinsured as well as to individuals with no insurance.

Nabity noted, the Dentist involved with the project chose this location to better serve her current and possible new patients, as they are mostly located near the U-Save Pharmacy on 4th street. Nabity reiterated that Primus is not requesting to use Tax Increment Financing and will have to pay 100% of the property taxes once the land is acquired.

A motion was made by Wilson and seconded by Murray to approve Resolution 266 to authorize the contract. Upon roll call vote all, voted aye. Motion carried 4-0.

8. DIRECTOR'S REPORT.

Nabity said there is a LB 874 is one of the TIF bill that is supported by the League may cause the process to become a little more cumbersome. It appears that provisions of this bill as currently drafted would require the CRA to prove the "but for" clause to the State Auditor's Standard, which does not currently exist. Nabity concern is that bigger companies will not release their rate of return which can affect proving the financial "but for". If this were to occur projects across the state can be heavily affect.

9. ADJOURNMENT.

Gdowski adjourned the meeting at 4:34 p.m.

The next meeting is scheduled for 4 p.m., Wednesday, March 21st, 2018.

Respectfully submitted
Rashad Moxey
Planning Technician