



# Community Redevelopment Authority (CRA)

**Wednesday, October 10, 2018  
Regular Meeting**

## **Item B1**

**Minutes of the September 5, 2018 Meeting**

**Staff Contact:**

## OFFICIAL PROCEEDINGS

### MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF September 12, 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 September 12, 2018 at City Hall, 100 E. First Street. Notice of the meeting was given in the September 5, 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: Tom Gdowski, Glen Murray, Glenn Wilson, and Krae Dutoit . Also present were: Director Chad Nabity, Planning Administrative Assistant Norma Hernandez, Brian Schultz from the Grand Island Finance Department, Assistant Finance Director William Clingman, and Finance Director Patrick Brown.

#### 2. APPROVAL OF MINUTES.

A motion for approval of the Minutes for the *August 8, 2018* meeting was made by Murray and seconded by Dutoit. Upon roll call vote, all present voted aye. Motion carried 4-0.

#### 3. APPROVAL OF FINANCIAL REPORTS.

Billy Clingman reviewed the financials from August 1<sup>st</sup>, 2018 to August 31<sup>th</sup>, 2018. A motion for approval of the financial reports was made by Murray and seconded by Dutoit. Upon roll call vote, all present voted aye. Motion carried 4-0.

#### 4. APPROVAL OF BILLS.

Nabity explained the TIF pass through payments came in on Tuesday before the meeting. They were added to the bills for this month so they could get closed out this fiscal year. Othy's Place is finished. The check for the Hall County Treasure is a TIF refund for Procon. Procon (Old City Hall) was paid off in June and remaining funds was sent back to County Treasure to disperse to the appropriate tax entities. Bruns is paying off about 3 years early. A motion was made by Dutoit and seconded by Wilson to approve the bills in the amount of \$483,080.25. Upon roll call vote, all present voted aye. Motion carried 4-0.

The amount actually paid was \$458,512.34 as the finance department discovered and corrected double entry in the bills as presented.

**5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.**

The committed projects and CRA properties were reviewed by Nabity. Nabity explained that the Hedde Building is moving forward, the contract is ready and an agenda item on this meeting. Nabity reported that he has not heard from anyone from Personal Auto. He sent Mendez an email to let him know what the deadline would be for the meeting and he has not heard back. Othy's Place will be taken off of the committed projects list. South Locust BID, we still have not seen the bills. The work is done. Cindy has been trying to get the bills from the contract. Urban Island/Kinkaiders will come in next month. Neilson building 207 W. 3<sup>rd</sup> should be completed late fall or early spring. The old Sears building the TIF application available at this meeting and will get after the process goes through. Payment for it is anticipated in 2019. Peaceful Root hopefully is still this fall. Take Flight will be either this fall or early next year. Nabity also mentioned still have not closed on 604 & 612. There's a date set for September 21, 2018. A special deed was drafted which included what is to be built.

**6. Redevelopment Contract for Hedde Building LLC. authorizing the use of Tax Increment Financing to aid in the redevelopment property at 201-205 W. 3<sup>rd</sup> Street in downtown Grand Island for commercial and residential purposes.**

A. Consideration of Resolution 280

Nabity explained the project is moving forward with commercial on the first floor and 16 apartments on the upper floors. Mr. Bacon put together a Redevelopment contract. They will not be using the tax credits because of the changes in the tax laws. The expected completion date is in about a year and a half.

A motion was made by Wilson and seconded by Murray to approve Resolution 280. Upon roll call vote all, voted aye. Motion carried 4-0.

**7. Redevelopment Plan Amendment for CRA Area # 2 southwest corner of Locust Street and U.S. Highway 34 – Grand Island Hotel LLC.**

A. Consideration of Resolution 277- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of property located south and west of the intersection of U.S. Highway 34 and Locust Street for a hotel – Grand Island Hotel LLC.

Nabity stated this only impacts one lot. The lot affected is lot one of King's Crossing Subdivision. The development is for a 79 room Comfort Inn Suites. The majority of the tax increment financing

will be used for acquisition of the property and paving of Lake Street. Lake Street is a gravel road located south of the property. This will also cover cost of the private driveways. This is zoned General Business and the hotel is a permitted use. A lender letter is also provided and Chad with Five Points Bank was also present to answer any questions.

Ron Depue went on to ask the CRA to refer this project on to the Regional Planning Commission. Ron also mentioned that Milo Graf brought over 40 years of experience of hotel management. Choice Hotels Franchise took a look at the site and they're on board. Mr. Graff consulted with and relied upon industry standards and resources as far as determining supply and demand on historical occurring projected revenues and occupancy rates feels it's an excellent location for this type of facility at this location.

Mr Graf added that he has been involved with other hotels in Grand Island including the Comfort Inn and Sleep Inn on 281. Comfort Inn was opened in 1993 and Sleep Inn was opened in 1996. They sold both properties. Sleep Inn was sold in 2012 and Comfort Inn was sold in 2016.

A motion was made by Murray and seconded by Dutoit to approve Resolution 277. Upon roll call vote all, voted aye. Motion carried 4-0.

- B. Consideration of Resolution 278- Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for redevelopment of property located south and west of the intersection of U.S. Highway 34 and Locust Street for a hotel – Grand Island Hotel LLC.

A motion was made by Murray and seconded by Dutoit to approve Resolution 278. Upon roll call vote all, voted aye. Motion carried 4-0.

**8. Redevelopment Plan Amendment for CRA Area #1 for the upper floor of the west side of the old Sears building at 411 W. 3<sup>rd</sup> street for residential purposes – Paramount Development LLC.**

- A. Consideration of Resolution 281- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of the upper floor of the west side of the old Sears building at 411 W 3<sup>rd</sup> street for residential purposes – Paramount Development LLC.

Nabity stated the Life Safety Grant was granted for \$80,000 for this project. Ray O'Connor purchased the building and selling a portion of the building to Paramount Development LLC. Paramount Development will develop apartments on the second floor on the west side. This would provide TIF to aide on this project. They are asking for \$169,000 for this project.

- B. Consideration of Resolution 282- Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for redevelopment of the upper floor of the west side of the old Sears building at 411 W 3<sup>rd</sup> street for residential purposes – Paramount Development LLC.

A motion was made by Wilson and seconded by Dutoit to approve Resolution 281 and 282. Upon roll call vote Gdowski abstained, 3 voted aye. Motion carried 3-1.

9. **Consideration approving approving an amendment to an interlocal agreement with the City of Grand Island for the purpose of creating an administrative entity to oversee and manage funds generated with an additional ½ cent sales tax if approved by the voters of Grand Island.**

Nabity mentioned the agreement was approved as it was drafted but City Council did not approve it as it was drafted. Nabity went on to explain the issue in the agreement was agreement to both parties to get out of the agreement. The City Council passed it with an amendment that City Council could choose to end the agreement. If members are ok with it, the agreement could be approved as amended.

A motion was made by Dutoit and seconded by Wilson to approve an amendment to an interlocal agreement with the City Of Grand Island for the purpose of creating an administrative entity to oversee and manage funds generated with an additional ½ cent sales tax if approved by the voters of Grand Island. Upon roll call vote all, voted aye. Motion carried 4-0.

10. **Director's Report.**

Nabity stated budget was approved. There is \$200,000 in the façade improvement line item and we currently have request for more than \$700,000 of aid.

Gdowski adjourned the meeting at 4:36 p.m.

The next meeting is scheduled for 4 p.m., *Wednesday, October 10<sup>th</sup>, 2018.*

Respectfully submitted  
Norma Hernandez  
Administrative Assistant