



City of Grand Island

Tuesday, February 26, 2019

Council Session

Item E-1

**Public Hearing on Amendment to the Redevelopment Plan for
CRA No. 1 located at 112 East 3rd Street (Wing Properties, Inc.)**

Council action will take place under Resolutions item I-1.

Staff Contact: Chad Nabity

Council Agenda Memo

From: Chad Nabity, AICP

Meeting: February 26, 2019

Subject: Site Specific Redevelopment Plan for CRA Area #1

Presenter(s): Chad Nabity, AICP CRA Director

Background

In 2000, the Grand Island City Council declared property referred to as CRA Area #1 as blighted and substandard and approved a generalized redevelopment plan for the property. The generalized redevelopment plan authorized the use of Tax Increment Financing (TIF) for the acquisition of property, redevelopment of property, site preparation including demolition, landscaping and parking. TIF can also be used for improvements to and expansion of existing infrastructure including but not limited to: streets, water, sewer, drainage.

Wing Properties, Inc. has submitted an application for tax increment financing to aid in the redevelopment of property on the 112 E. 3rd Street the center portion of the old Williamsons Interiors Building. The proposal would redevelop commercial space on the main floor and a single apartment on the second floor of the building. Staff has prepared a redevelopment plan for this property consistent with the TIF application.

The CRA reviewed the proposed development plan on January 9, 2019 and forwarded it to the Hall County Regional Planning Commission for recommendation at their meeting on February 6, 2019. The CRA also sent notification to the City Clerk of their intent to enter into a redevelopment contract for this project pending Council approval of the plan amendment.

The Hall County Regional Planning Commission held a public hearing on the plan amendment at a meeting on February 6, 2019. The Planning Commission approved Resolution 2019-05 in support of the proposed amendment, declaring the proposed amendment to be consistent with the Comprehensive Development Plan for the City of Grand Island. The CRA approved Resolution 297 forwarding the redevelopment plan along with the recommendation of the planning commission to the City Council for consideration.

Discussion

Tonight, Council will hold a public hearing to take testimony on the proposed plan (including the cost benefit analysis that was performed regarding this proposed project) and to enter into the record a copy of the plan amendment that would authorize a redevelopment contract under consideration by the CRA.

Council is being asked to approve a resolution approving the cost benefit analysis as presented in the redevelopment plan along with the amended redevelopment plan for CRA Area #1 and authorizes the CRA to execute a contract for TIF based on the plan amendment and to find that this project would not be financially feasible at this location without the use of TIF. The redevelopment plan amendment specifies that the TIF will be used to offset allowed costs for redevelopment for improvements to and rehabilitation of main floor of this building for commercial and residential purposes. The cost benefit analysis included in the plan finds that this project meets the statutory requirements for an eligible TIF project and that it will not negatively impact existing services within the community or shift additional costs onto the current residents of Grand Island and the impacted school districts. The bond for this project will be issued for a period of 15 years. The proposed bond for this project will be issued for the amount of \$105,095.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the resolution
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

The CRA and Hall County Regional Planning Commission recommend that the Council approve the Resolution necessary for the adoption and implementation of this plan.

Sample Motion

Move to approve the resolution as submitted.

**Redevelopment Plan Amendment
Grand Island CRA Area 1
January 2018**

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

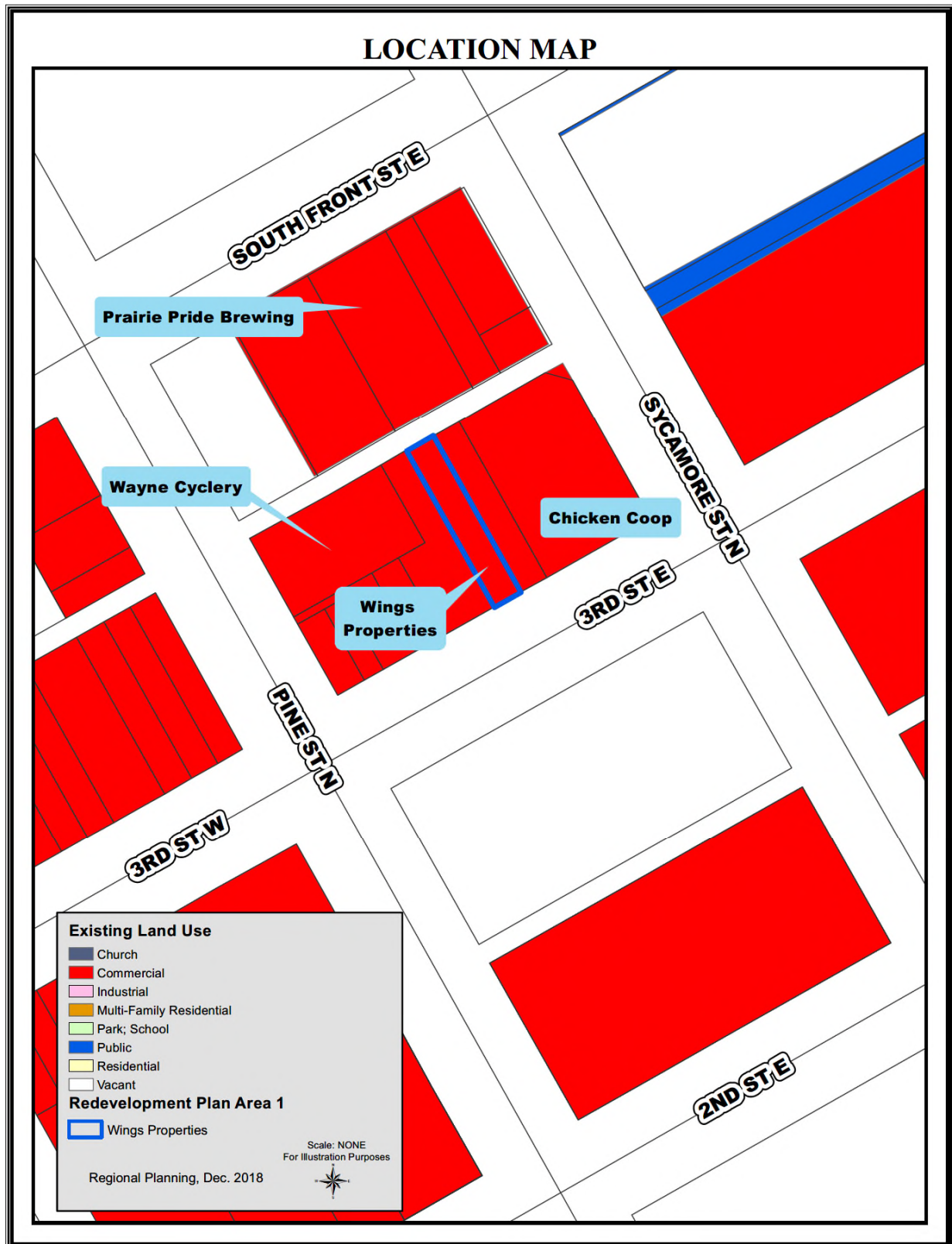
THE REDEVELOPMENT OF A PORTION OF THE OLD WILLIAMSON INTERIORS BUILDING LOCATED AT 112 E. 3RD STREET FOR COMMERCIAL AND RESIDENTIAL USES, INCLUDING ACQUISITION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the first floor the center portion of the Old Williamson Interiors building located at 112 E. 3rd street for 2,650 square foot of commercial space on the main floor and one apartment on the second floor. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project profitable. The project will result in renovating the second floor into a upper story residential unit consistent with the plans approved by the Downtown Business Improvement District and the Grand Island City Council. The first floor will be renovated for street level commercial space. This project would not be feasible without the use of TIF.

Wing Properties purchased this building in 2014 and has been renovating the building in phases since that time. The proportional cost of this building was \$90,000 at the time of purchase. The purchase price is included as an eligible TIF activity. This portion 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, 2020 towards the allowable costs and associated financing for rehabilitation.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:
Property Description (the “Redevelopment Project Area”)

Legal Descriptions: The west third of Lot Seven (7) in Block Fifty Four (54) in the Original Town, now City of Grand Island, Hall County, Nebraska. (Hall County Assessor Parcel Number 400004240)



Existing Land Use and Subject Property

The tax increment will be captured for the tax years the payments for which become delinquent in years 2020 through 2034 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 portion of the 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 February 6, 2019 and passed Resolution 2019-05 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island. The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment at the time it was submitted to the CRA for initial consideration.

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

a. Land Acquisition:

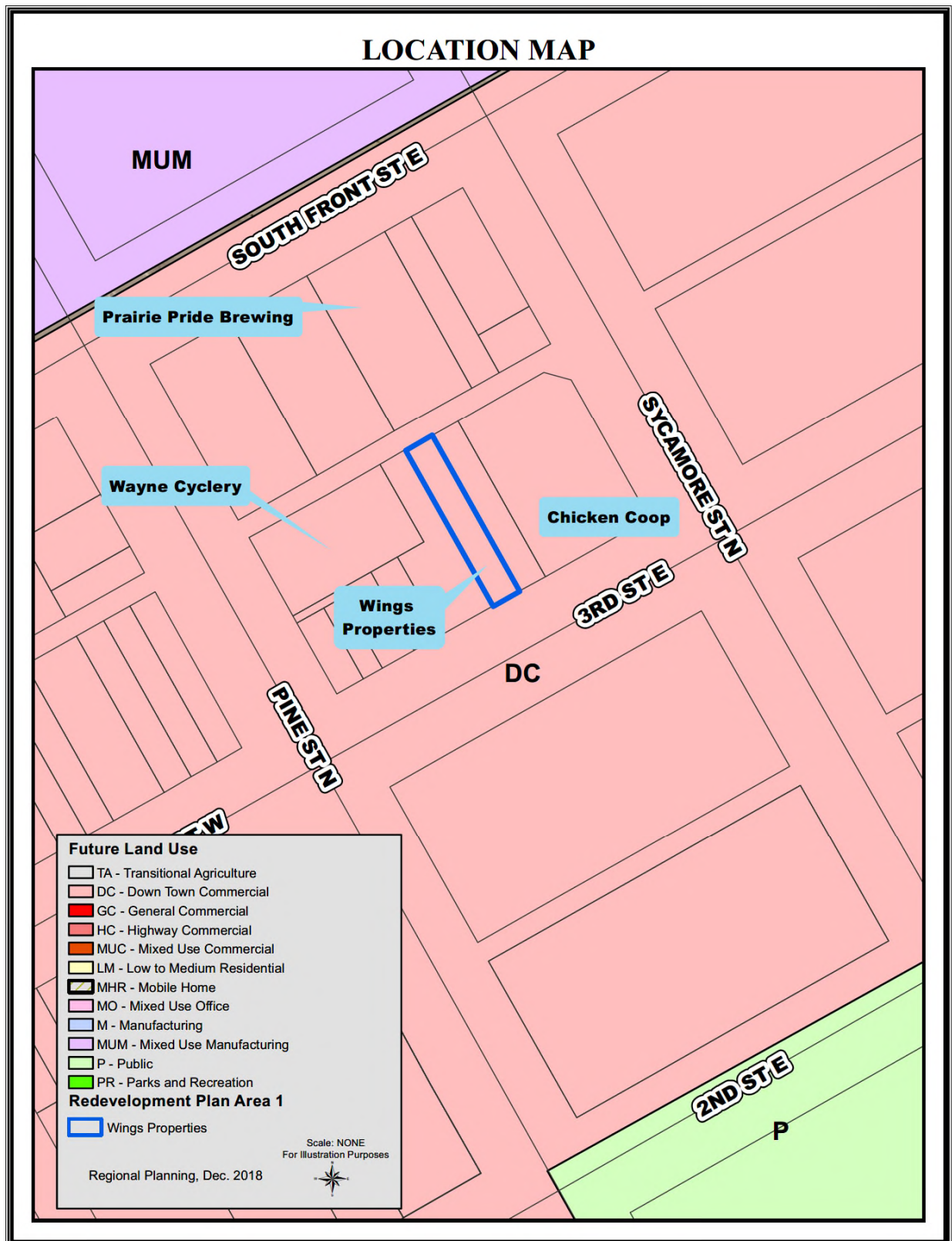
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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. Demotion of internal structures to accommodate the redevelopment is anticipated and permitted.

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. .

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 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] No members of the authority or staff of the CRA have any interest in this property. Tom Gdowski, is President of Equitable bank and most likely will be part of the bank approval of a loan for this project.

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 purchased this property along with adjoining properties for \$275,000 in 2014. The proportional cost for this portion that is eligible for TIF is \$90,000. The

estimated costs of rehabilitation of this property is \$349,790 planning related expenses for Architectural and Engineering services of \$15,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$12,000 including a reimbursement to the City and the CRA of \$5,600 are included as TIF eligible expense. The total of eligible expenses for this project exceeds \$560,000.

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 \$105,095 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. It is anticipated that 80% of the total TIF amount (\$84.076) will be available to the developer at the beginning of this project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2021 through December 2034.

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 and refurbish street level commercial space that has been vacant for several years.

8. Time Frame for Development

Development of this project is anticipated to be completed between March 2019 and December of 2019. Excess valuation should be available for this project for 15 years beginning with the 2020 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 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 primary use of the street level space for commercial development is consistent with the long term development plans for Downtown.

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 \$105,095 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. The CRA has also approved a \$20,000 life safety grant for this property. This property represents 1/3 of the front of the building(s) that received a façade improvement grant in the amount of \$167,016 in 2015 at total of \$55,062 was invested by the CRA in the façade. The total CRA investment in this property including TIF and grants is \$180,757. This investment by the Authority will leverage \$384,769 in private sector financing; a private investment of \$2.14 for every TIF and grant dollar invested.

Use of Funds	Source of Funds.			
Description	TIF Funds	Other Grants	Private Funds	Total
Site Acquisition	\$90,000	—	\$0	\$90,000
Legal and Plan*	\$5,600		\$6,400	\$12,000
Engineering/Arch	\$9,495		\$5,505	\$15,000
Financing			\$6,000	\$6,000
Renovation			\$349,790	\$349,790
Life Safety		\$20,000		\$20,000
Façade		\$55,062		\$55,062
Contingency			\$34,979	\$34,979
TOTALS	\$105,095	\$75,062	\$384,769	\$564,926

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$50,521. Based on the 2017 levy this would result in a real property tax of approximately \$1,138. It is anticipated that the assessed value will increase by \$311,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$7,006 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:	\$ 50,521
Estimated value after completion	\$ 361,569
Increment value	\$ 311,048
Annual TIF generated (estimated)	\$ 7,006
TIF bond issue	\$ 105,095

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

The redevelopment project area currently has an estimated valuation of \$50,521. The proposed redevelopment will create additional valuation of \$311,000. 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;

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. 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 and a second exit actually 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 and commercial space 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 and will refurbish Downtown commercial space.

(e) Impacts on student populations of school districts within the City or Village:

This development will have a minimal impact on the Grand Island School system as it will likely not result in any increased attendance.

The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. One additional household in this unit would be unlike to house more than six people. According to the 2010 census 19.2% of the population of Grand Island was between the ages of 5 and 18. If the averages hold it would be expected that there would be one additional school age children generated by this development. It is highly unlikely that there would be more than four school age children housed at this location. According to the National Center for Educational Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. This project is unlikely to have a significant impact on the school age population within the district or within any specific school in the district..

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

¹ https://nces.ed.gov/ccd/districtsearch/district_detail.asp?ID2=3100016

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 March of 2019 and December of 2019. The base tax year should be calculated on the value of the property as of January 1, 2019. Excess valuation should be available for this project for 15 years beginning in 2020 with taxes due in 2021. 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 \$105,095 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 \$540,000 on TIF eligible activities in excess of other grants given.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: Wing Properties

Address: 120 East 3rd

Telephone No.: 308-398-2500

Fax No.: _____

Contact: Dean Pegg

Brief Description of Applicant's Business:

Wing Properties is a real estate development company.

Present Ownership Proposed Project Site: Wing Properties.

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

2,659 s.f. main floor 2,659 s.f. second floor, wood framed two story mixed use building, formerly part of Williamsons Interior.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$ 0
B. Building	\$ 90,000

Construction Costs:

A. Renovation or Building Costs:	\$ 349,790
B. On-Site Improvements:	\$
re-platting, demo, asbestos removal, tree removal, etc.	

Soft Costs:

A. Architectural & Engineering Fees:	\$15,000
B. Financing Fees:	\$ 6,000
Closing costs, filing fees	
C. Legal/Developer/Audit Fees:	\$ 6,000
D. Contingency Reserves:	\$ 34,979
E. Other (Please Specify)	
TIF fees	\$6,000
TOTAL	\$507,769

Total Estimated Market Value at Completion: \$ 323,277

Source of Financing:

A. Developer Equity:	\$ 90,000
B. Commercial Bank Loan:	\$ 313,693
Tax Credits:	
1. N.I.F.A.	\$
2. Historic Tax Credits	\$
D. Industrial Revenue Bonds:	\$
E. Tax Increment Assistance:	\$ 84,076
F. Other	
Life Safety Grant	\$20,000

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

General Contractor: John Anson, Peaceful Root 217 N Locust ste. 5 Grand Island, NE 68801 308-227-2647

Structural Engineer: Mike Spilinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750

Architect: Toby Gay, Gay and Associates, 1470 31st ave. Columbus Ne 68601

Estimated Real Estate Taxes on Project Site Upon Completion of Project:

(Please Show Calculations)

See attached

Project Construction Schedule:

Construction Start Date: Q1 2019

Construction Completion Date: Q4 2019

If Phased Project:

_____Year 50 % Complete

_____Year 50% 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:

Wing Properties is asking for \$105,095 in TIF. The purpose for the request is to get a loan against the TIF bond for construction. This will allow the project to cash flow and therefore be a success.

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 pro forma.

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:

NA

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

TIF Calculations

2017 Assessed Value
\$ 50,521

Finished Value
\$ 361,569

Increment
\$ 311,048

Tax Entity	Bond	2017 Levy	2017 Base Taxes	Total
City Levy	City Bond	0.349845	\$177	\$190
		0.025768	\$13	
CRA		0.02243	\$11	\$11
Hall County		0.390571	\$197	\$197
Rural Fire	Fire Bond*		\$0	\$0
			\$0	
GIPS School		1.08	\$546	\$652.97
	2nd Bond	0.06834	\$35	
	4th Bond	0.034813	\$18	
	5th Bond	0.109327	\$55	
ESU 10		0.012375	\$6	\$6
CCC		0.094302	\$48	\$48
CPNRD		0.03239	\$16	\$16
Ag Society		0.002828	\$1	\$1
Airport		0.009564	\$5	\$15
	Airport Bond	0.019938	\$10	
Total Combined		2.252491	\$1,138	\$1,138

Tax Entity	Bond	2017 Levy	2017 Taxes
City Levy	City Bond	0.349845	\$1,088
		0.025768	\$80
CRA		0.02243	\$70
Hall County		0.390571	\$1,215
Rural Fire	Fire Bond*		\$0
			\$0
GIPS School		1.08	\$3,359
	2nd Bond	0.06834	\$213
	4th Bond	0.034813	\$108
	5th Bond	0.109327	\$340
ESU 10		0.012375	\$38
CCC		0.094302	\$293
CPNRD		0.03239	\$101
Ag Society		0.002828	\$9
Airport		0.009564	\$30
	Airport Bond	0.019938	\$62
Total Combined		2.252491	\$7,006

Years **15 Total Incr** **\$105,094.92**

PROFORMA WITH TIF			
USE OF FUNDS		TOTAL	
	PURCHASE OF BUILDING		\$90,000
	CONSTRUCTION		\$349,790
	CONTINGENCY		\$34,979
	TENANT ALLOWANCE		\$0
	A&E		\$15,000
	SOFT COSTS		\$18,000
	TOTAL		\$507,769
SOURCE OF FUNDS			
	BANK		\$313,693
	TIF LOAN		\$84,076
	FEDERAL HISTORIC TAX CREDITS		\$0
	STATE HISTORIC TAX CREDITS		\$0
	LIFE SAFETY GRANT		\$20,000
	OWNER EQUITY		\$90,000
	TOTAL		\$507,769
OPERATING PROFORMA			
	ANNUAL RENTAL INC AVG/RENT		
	3 Bed Apt		\$26,400
	Commercial		\$26,400
			\$0
			\$0
			\$0
			\$0
		GROSS INCOME	\$52,800
		VACANCY	\$3,168
DSCR	1.20	EXPENSES	\$20,537
			\$23,705
		NET OPERATING INCOME	\$29,095
		DEBT SERVICE	\$24,326
		CASH FLOW	\$4,769

PROFORMA WITHOUT TIF			
USE OF FUNDS		TOTAL	
	PURCHASE OF BUILDING		\$90,000
	CONSTRUCTION		\$349,790
	CONTINGENCY		\$34,979
	TENANT ALLOWANCE		\$0
	A&E		\$15,000
	SOFT COSTS		\$18,000
	TOTAL		\$507,769
SOURCE OF FUNDS			
	BANK		\$397,769
	TIF LOAN		\$0
	FEDERAL HISTORIC TAX CREDITS		\$0
	STATE HISTORIC TAX CREDITS		\$0
	LIFE SAFETY GRANT		\$20,000
	OWNER EQUITY		\$90,000
	TOTAL		\$507,769
OPERATING PROFORMA			
	ANNUAL RENTAL INC AVG/RENT		
	3 Bed Apt		\$26,400
	Commercial		\$26,400
			\$0
			\$0
			\$0
			\$0
		GROSS INCOME	\$52,800
		VACANCY	\$3,168
DSCR	0.94	EXPENSES	\$20,537
			\$23,705
		NET OPERATING INCOME	\$29,095
		DEBT SERVICE	\$30,846
		CASH FLOW	(\$1,751)

EXPENSES

Property Taxes	\$7,006
BID Taxes	\$133
Parking Taxes	\$202
Insurance	\$2,900
Utilities	\$3,960
Management	\$3,168
Maintnance	\$3,168
 Total	 \$20,537

CONSTRUCTION COSTS

Permit	\$2,817
Demo	\$16,000
Windows	\$8,800
Elevator Pit	\$0
Carpentry	\$17,230
Materials	\$77,777
Roof	\$7,500
Plumbing	\$21,600
HVAC	\$14,400
Electric	\$24,000
Insulation	\$5,401
DW Hang	\$9,309
DW finish	\$10,943
Paint	\$10,338
Trim Labor	\$8,615
Cabinets	\$2,000
Countertops	\$6,000
Flooring allowance	\$29,176
Lighting allowance	\$1,200
Electronics	\$0
Fire sprinklers	\$21,059
Fire service	\$0
Concrete	\$0
Deck	\$0
Millwork/Tin ceiling	\$0
Elevator	\$0
Stairs (outdoor)	\$0
Entry system	\$0
Camera's	\$0
Fire Alarm	\$0
Existing stairway rehab	\$2,000
Misc	\$5,000
Appliances	\$3,000

Sub Total	\$304,165
Overhead & Profit	\$45,625
Total	\$349,790



HALL COUNTY ASSESSOR'S OFFICE



Real Property Record Card



Data Provided By: KRISTI WOLD County Assessor. Printed on 12/12/2018 at 11:10:54A

Parcel Information			Ownership Information	
Parcel Number	400004240		Current Owner	WING PROPERTIES INC
Map Number	3315-00-0-10001-054-0039			
Situs	112-00114 E 3RD		Address	120 E 3RD
Legal	ORIGINAL TOWN W 1/3 LT 7 BLK 54		City ST. Zip	GRAND ISLAND NE 68801-
			Cadastral #	0001-0049-0035A

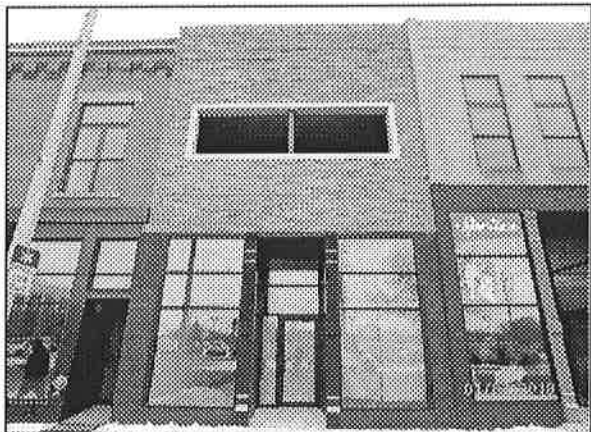
Current Valuation		Assessment Data		Property Classification	
Land Value	7,780	District/TIF Fund	12	Status	01 Improved
Impr. Value		School Base	40-0002 GRAND ISLA	Use	03 Commercial
Outbuildings	42,741	Affiliated Code		Zoning	03 Commercial
Total Value	50,521	Neighborhood	105	Location	01 Urban
Exemptions		Greenbelt Area		City Size	03 12,001-100,000
Taxable Value	50,521	Greenbelt Loss		Lot Size	01 <10,000 sq. ft.

Sales History				Multiple Owner Information	
Date	Book/Page	Grantor	Price	Ownrshp. %	Owner's Name
11/07/2014	2014-7099	R DENNIS & PATRICIA~A NOR	275,000		

Boe Appeal History				Building Permits		
Appeal #	Year	Appealed By	Status	Permit #	Date	Description
007	2015	WING PROPERTIES INC	BOARD VALUE		01/01/2019	ADD REMODELED RE
					01/01/2018	FACADE REMODEL/R
					01/01/2017	DOWNTOWN REVIEW
					01/01/2016	COMMERCIAL REVIE
					01/01/2015	10% MARKET UPDAT

Assessment Milestones								
Year	Description	Class	Ex Code	Land	Impr.	Outbldg.	Total	Taxable
2018	CTL	2000		7,780		42,741	50,521	50,521
2018	2018 ABSTR	2000		7,780		42,741	50,521	50,521
2007	TAX ROLL	2000		7,780		96,403	104,183	104,183
2004	2004 CTL	2000		7,779		79,548	87,327	87,327
2003	2003 CTL	2000		7,779		79,548	87,327	87,327

Historical Valuation Information								
Year	Billed Owner	Land	Impr.	Outbldg.	Total	Exempt	Taxable	Taxes
2018	WING PROPERTIES INC	7,780		42,741	50,521		50,521	1,092.72
2017	WING PROPERTIES INC	7,780		42,741	50,521		50,521	1,100.98
2016	WING PROPERTIES INC	7,780	42,741		50,521		50,521	1,060.06
2015	WING PROPERTIES INC	7,780		41,241	49,021		49,021	1,045.64
2014	WING PROPERTIES INC	7,780		96,403	104,183		104,183	2,306.84
2013	R DENNIS & PATRICIA A	7,780		96,403	104,183		104,183	2,244.58
2012	R DENNIS & PATRICIA A	7,780		96,403	104,183		104,183	2,265.40
2011	R DENNIS & PATRICIA A	7,780		96,403	104,183		104,183	2,225.96
2010	R DENNIS & PATRICIA A	7,780		96,403	104,183		104,183	2,149.70
2009	R DENNIS & PATRICIA A	7,780		96,403	104,183		104,183	2,128.68



HALL COUNTY ASSESSOR'S OFFICE



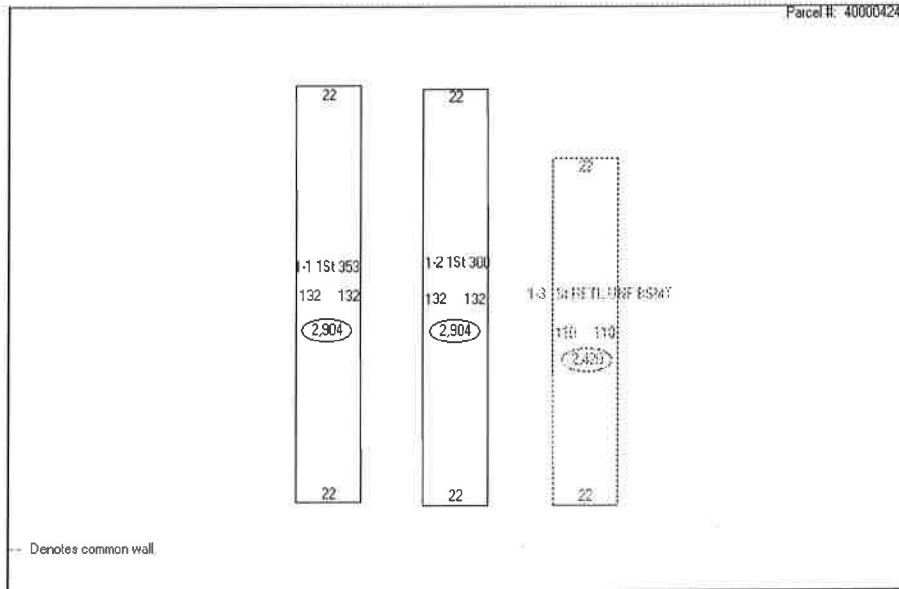
Commercial Property Record Card



Data Provided By: KRISTI WOLD County Assessor. Printed on 12/12/2018 at 11:11:00A

Parcel Information		Ownership Information	
Parcel Number	400004240	Current Owner	WING PROPERTIES INC
Map Number	3315-00-0-10001-054-0039	Address	120 E 3RD
Situs	112-00114 E 3RD	City St. Zip	GRAND ISLAND NE 68801-
Legal	ORIGINAL TOWN W 1/3 LT 7 BLK 54	Cadastral #	0001-0049-0035A

Property Data			
Neighborhood	105	Topography	Number of Units
Lot Width	22	Street	Unit Value
Lot Depth	132	Utilities	Adjustment
Units Buildable	2904	Amenities 1	Lot Value
Value Method	SF	Amenities 2	

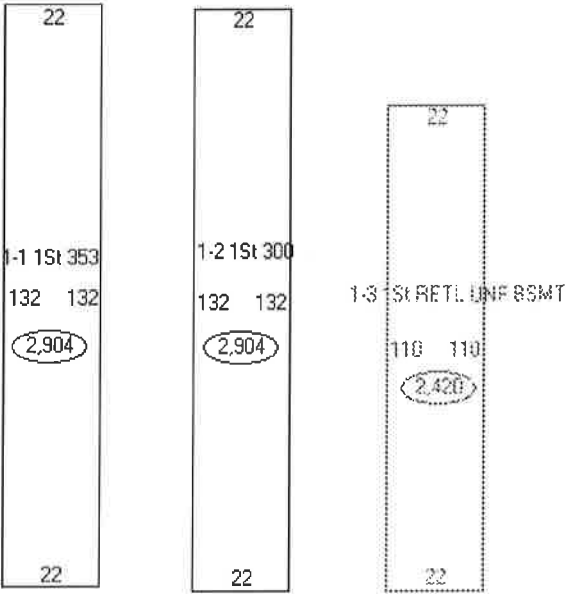


Building Data													
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func. RCNLD
1	1	353	RETAIL STORE	1886	C	200	40	2,904	308	1	14	259,037	35% 168,374
1	2	300	APARTMENT	1886	C	200	40	2,904	308	1	8	206,242	35% 134,057
1	3	612	RETAIL UNFIN BSMT	1886	C	200	20	2,420	264	1	14	95,977	80% 19,195

Cost Approach From Marshall & Swift				Potential Gross Income			
Total Building Area	8,228			Contract		Market	
Total Building RCN	561,256	Vacancy & Collection Loss				10.00%	1,975
Total Refinements		Effective Income					17,772
Total Replacement Cost New	561,256	Total Expenses				30.00%	5,332
Total Phys. & Func. Depreciation	(239,630)	Net Operating Income					12,440
RCN Less Phys. & Func.	321,626	Capitalization Rate					12.00%
Economic Depreciation	-10%	Income Approach					103,667
Accrued Economic depreciation	32,163	Final Value Reconciliation					361,569
Total RCN Less Depreciation	353,789						
Additional Lump Sums							
Land Value	7,780						
Total Cost Value	361,569						
Value Per Res Unit							
Value Per Sq. Ft.	43.94						

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

Parcel #: 400004240



-- Denotes common wall.



December 27, 2018

Virgil D. Harden, RSBA, SFO
Chief Financial Officer
Grand Island Public Schools
123 S. Webb Road
P.O. Box 4904
Grand Island, NE 68802-4904

Dear Virgil,

This letter is to inform you that the Community Redevelopment Authority (CRA) of the City of Grand Island has received an application requesting Tax Increment Financing (TIF) that includes an apartment in downtown Grand Island.

The application seeks \$105,095 in TIF assistance for the development of property located at 112 E. Third Street. This will include approximately 2,650 of commercial space on the first floor and 1 apartment on the second floor. This is part of the old Williamson Interiors building.

At present, the proposed timeline for approval would be as follows:

- CRA receives initial application, 4 p.m., January 9, 2019.
- Regional Planning Commission holds public hearing 6 p.m., February 6.
- CRA reviews Planning Commission recommendation, 4 p.m. February 13.
- Grand Island City Council holds public hearing and takes action, 7 p.m., February 27.
- CRA considers redevelopment contract, 4 p.m. March 20.

Additional notification will be provided to the school board via certified mail prior to the public hearings before both planning commission and council. Should you have any questions or comments, please call me at (308) 385-5240.

Sincerely,

Chad Nabity, AICP
Director

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

RESOLUTION NO. 293

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
REDEVELOPMENT CONTRACT 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 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 9th day of January, 2019

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

By Glen A. Murray
Chairperson

ATTEST:


Secretary

Wing Properties 112 E 3rd Street

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

RESOLUTION NO. 294

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT CONTRACT 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 Wing Properties., (The "Developer") for redevelopment of property located at 112 E. 3rd Street, 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.

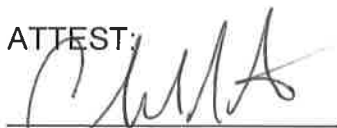
Section 2. The Secretary of the Authority is directed to file a copy of this resolution with the City Clerk of the City of Grand Island, forthwith.

Passed and approved this 9th day of January, 2019.

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

By Glen A. Murray
Chairperson

ATTEST:


Secretary

Wing Properties 112 E 3rd Street

Resolution Number 2019-05

HALL COUNTY REGIONAL PLANNING COMMISSION

A RESOLUTION RECOMMENDING APPROVAL OF AN AMENDMENT TO A REDEVELOPMENT PLAN IN THE CITY OF GRAND ISLAND, NEBRASKA; AND APPROVAL OF RELATED ACTIONS

WHEREAS, the Chairman and Board of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “Authority”), referred **the amendment of the Redevelopment Plan for CRA Area 1 requested by Wing Properties Inc.** to the Hall County Regional Planning Commission, (the “Commission”) for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “Act”); and

WHEREAS, the Commission held a public hearing on the proposed plan on February 6, 2019, and

WHEREAS, the chair or president of Hall County Board, Grand Island School Board, Central Platte Natural Resources District, Educational Service Unit #10 and Central Community College were notified by certified mail of said hearing, and

WHEREAS, the Commission advertised the time, date and location public hearing in the Grand Island Independent on Friday January 18th and Friday January 25th, and

WHEREAS, there are no Neighborhood Associations registered with the City of Grand Island, and

WHEREAS, the Commission has reviewed said Redevelopment Plan as to its conformity with the general plan for the development of the City of Grand Island, Hall County;

NOW, THEREFORE, BE IT RESOLVED BY THE HALL COUNTY REGIONAL PLANNING COMMISSION AS FOLLOWS:

Section 1. The Commission hereby recommends approval of the Redevelopment Plan finding that it is in conformance with the comprehensive development plan (general plan for development) for the City of Grand Island.

Section 2. All prior resolutions of the Commission in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

Section 3. This resolution shall be in full force and effect from and after its passage as provided by law.

DATED: February 6, 2019

HALL COUNTY REGIONAL PLANNING COMMISSION

ATTEST:

By:
Chair



By:


Secretary