



City of Grand Island

Tuesday, January 15, 2019

Study Session

Item -2

Tax Increment Financing (TIF) Processes and Procedures in Grand Island

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Tax Increment Financing Processes and Procedures In Grand Island

January 15, 2019
Chad Nabity, AICP

Tax Increment Financing (TIF)

1. What is it?

🌊 What is the Process for a TIF Application?

🌊 What is the impact of using it?

🌊 How has it been used in Grand Island?

🌊 When should TIF be used?

What is TIF?

It is a method authorized by the Nebraska Constitution that allows cities to use an increase in real estate taxes to rehabilitate **substandard and blighted areas.**

Substandard and Blight

- 🌊 Substandard means generally an area in which there is:
 - ...a predominance of improvements which are dilapidated, deteriorated, old, obsolete overcrowded and which is detrimental to public health, safety, morals or welfare.

Substandard and Blight

2. Blighted means generally an area in which there are:
...deteriorated structures, defective or inadequate street layout, faulty lot layout, insanitary or unsafe conditions, diversity of ownership, improper or obsolete platting, existence of conditions which endanger life or property by fire or other causes, or any combination which substantially impairs the sound growth of the community, retards the provision of housing or constitutes an economic or social liability and is detrimental to public health, safety, morals or welfare;

AND

Substandard and Blight

Continued:

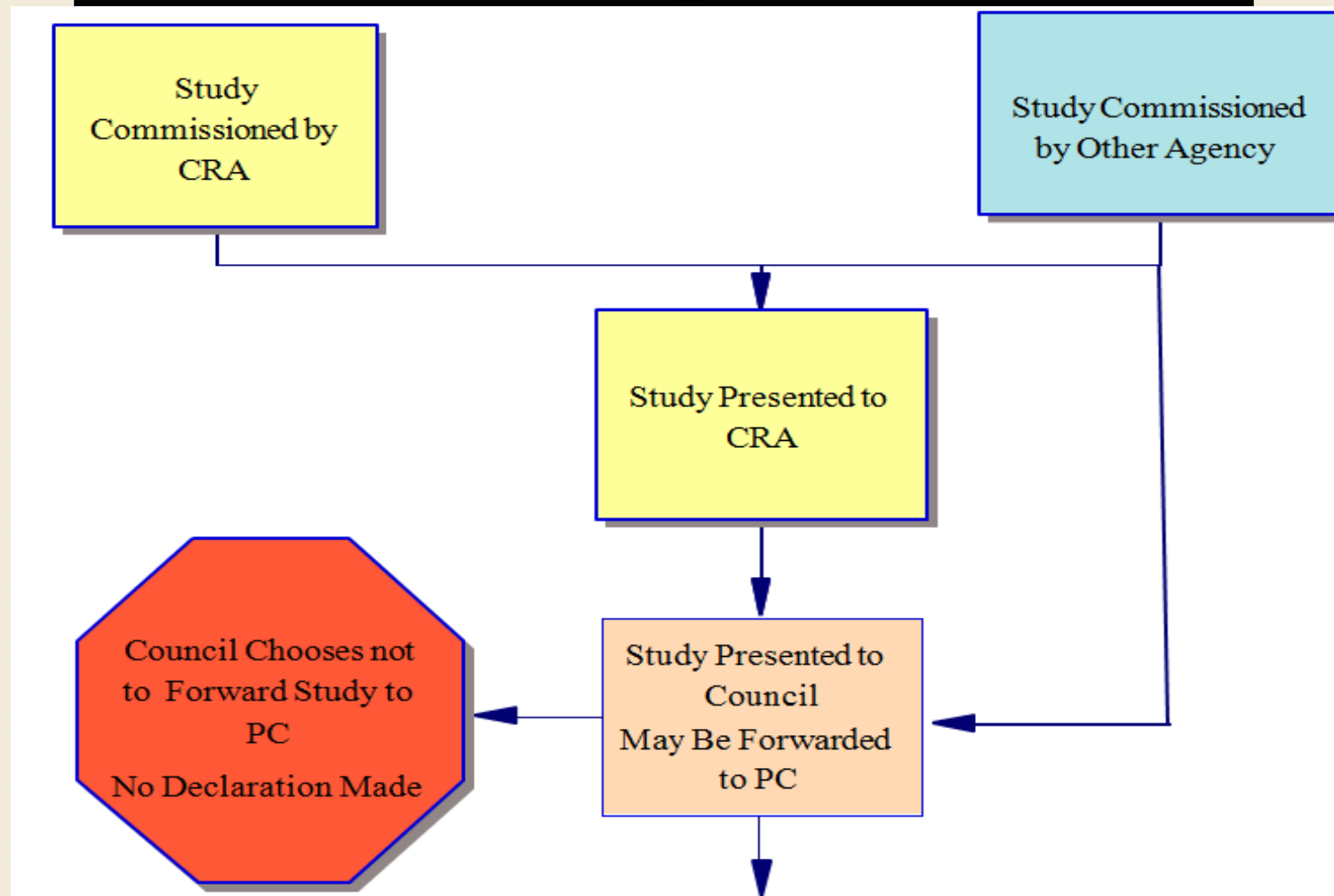
Has one of these:

Average age of structures more than 40 years; unemployment 120% of state average; more than 1/2 of plotted land has been undeveloped and in city limits for 40 years; per capita income is lower than city average; or area has had stable or decreasing population based on census.

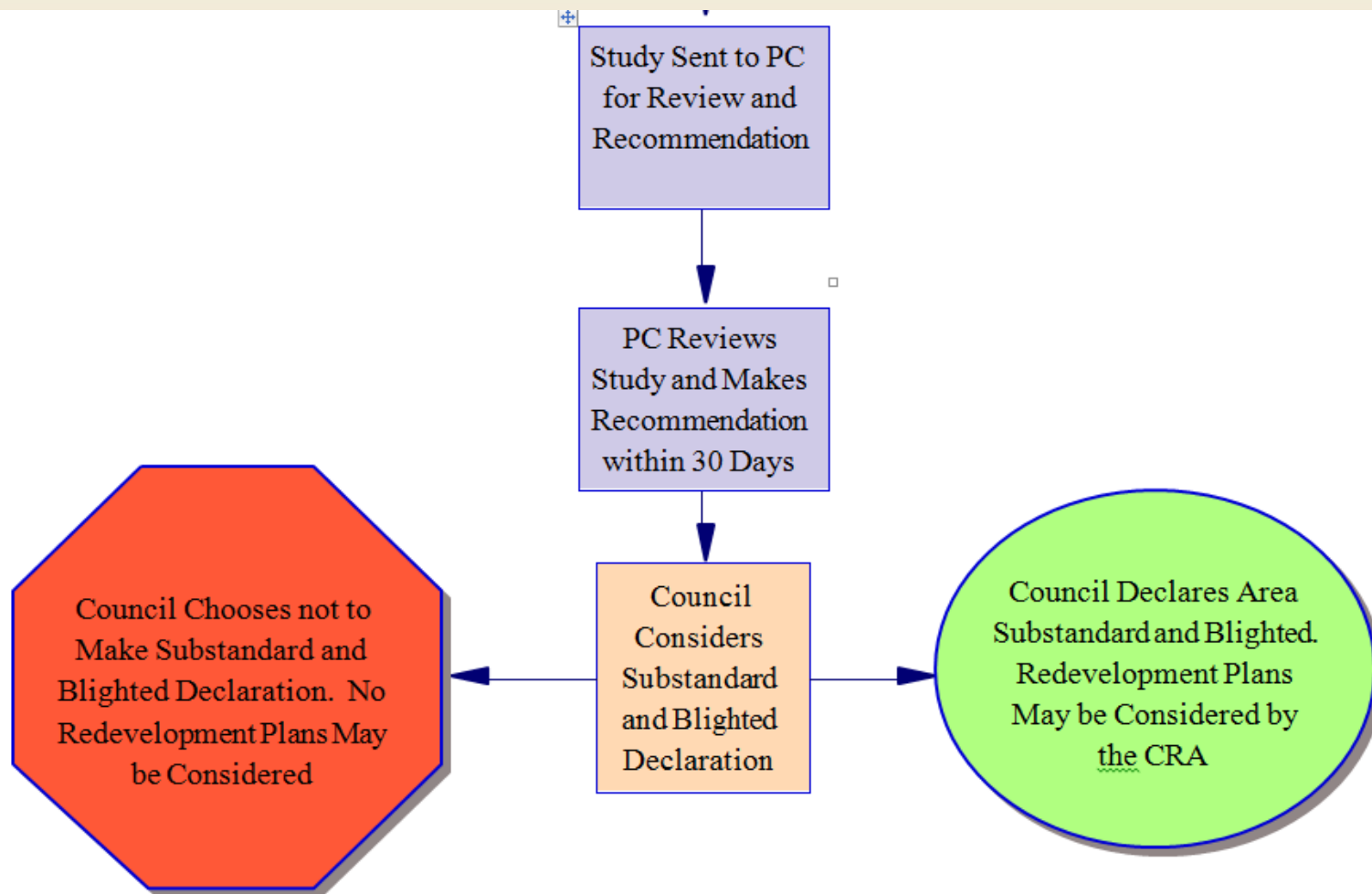
Substandard and Blight

1. Area can include bare property if impacted by other conditions.
2. Does not mean every building is in poor condition.
3. Declaration of substandard and blight is not registered in register of deeds office nor the assessors office.
4. No history of a negative impact on value of property nor sales price.
5. Terms are established in the Nebraska constitution and can only be changed by a vote of the people.
6. Cannot blight more than 35% of geographical limits.

Process for Declaring an area of the City



Process for Declaring an area of the City



Before a TIF Application is Considered

1. Meet with CRA Staff and others if needed to discuss project
2. Has the Area been declared blighted and substandard?
3. Is the proposed project consistent with the comprehensive plan?
4. How much of an increment will be created?
5. What are the eligible expenditures?

TIF Approval Process



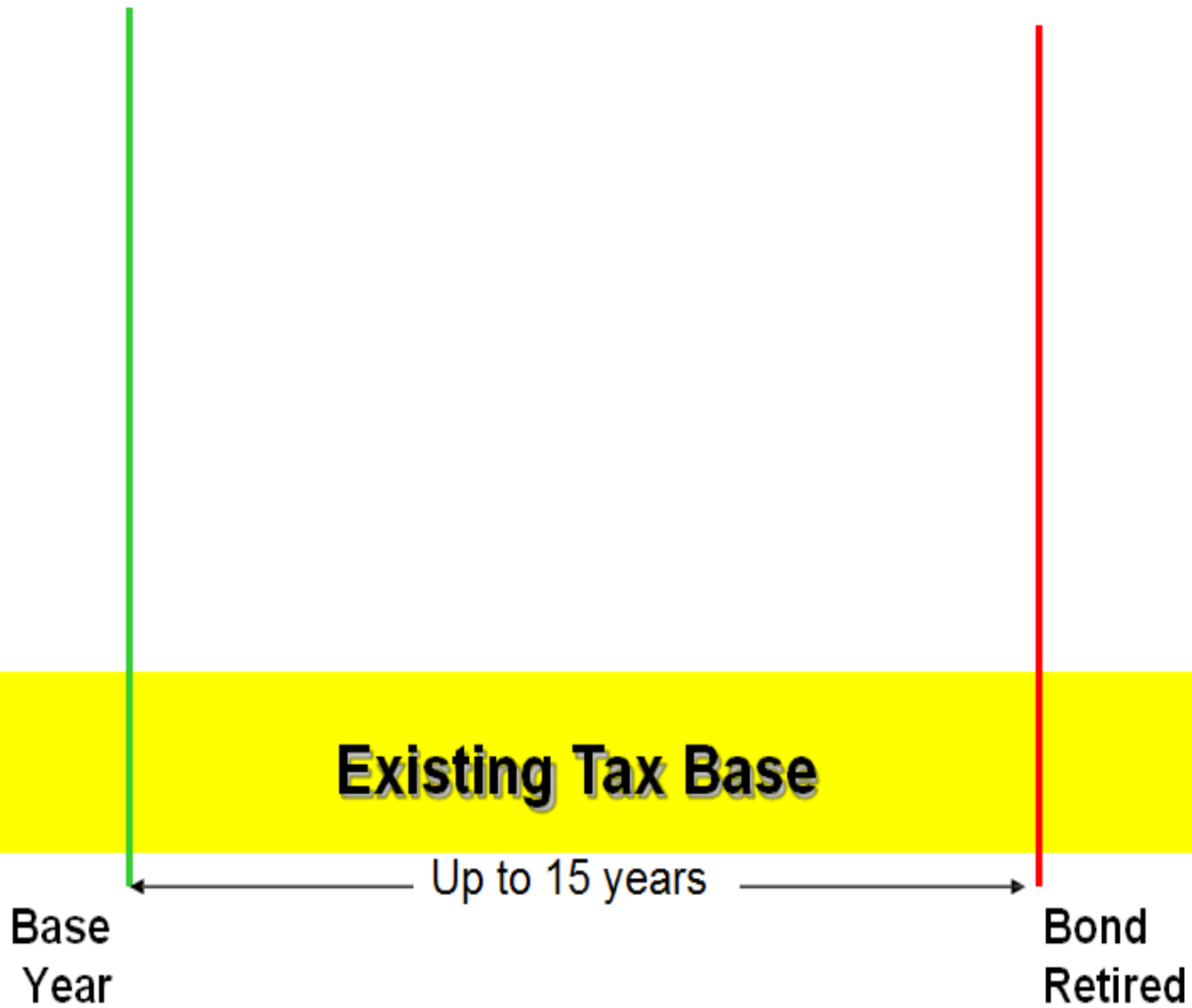
“But for test”

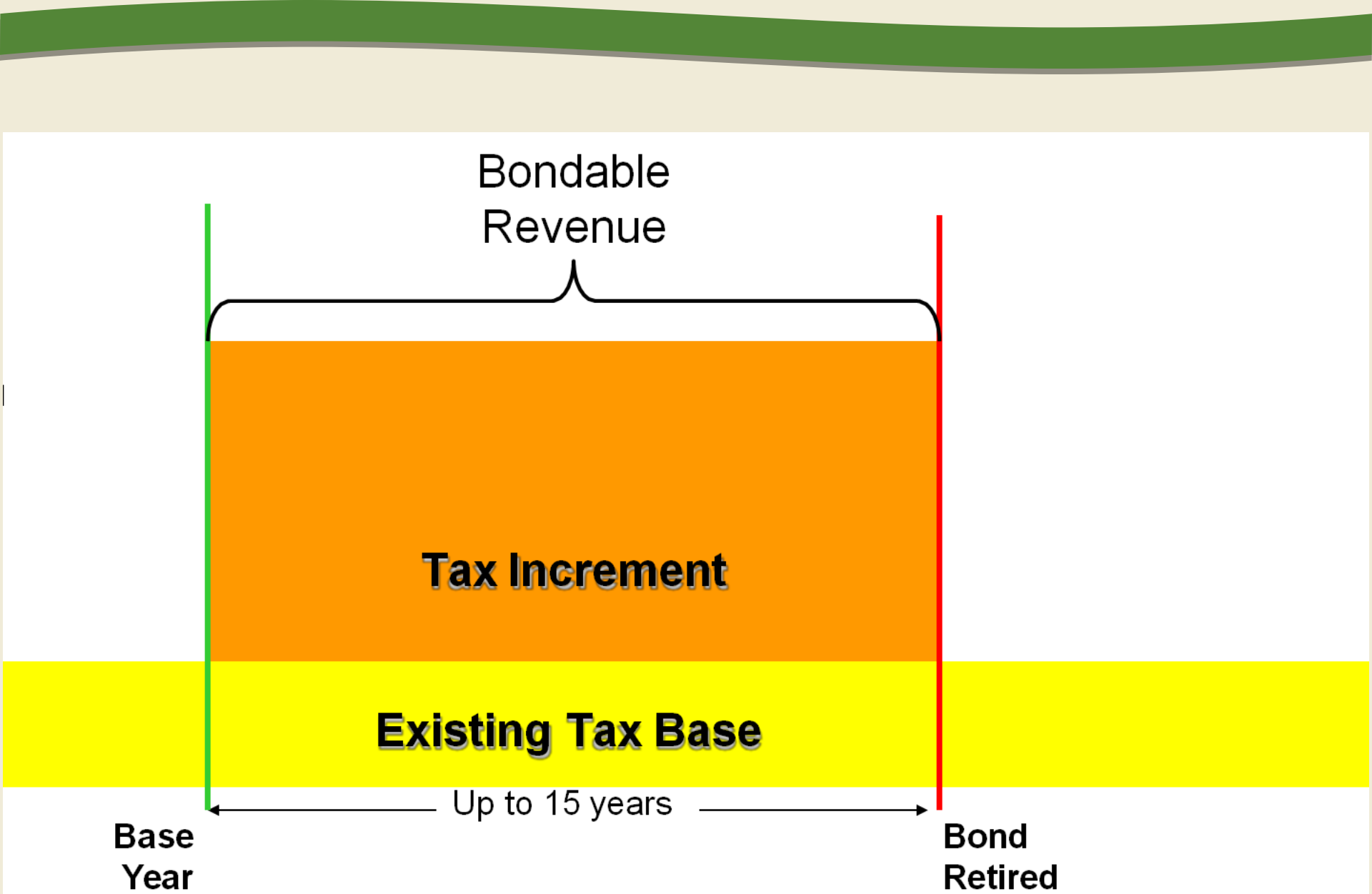
1. TIF is not a matter of right, but a matter of legislative and administrative decision.
2. TIF cannot be authorized unless the project is one which:
 - a. would not occur in the substandard and blighted area without TIF, and
 - b. is not financially feasible without TIF.

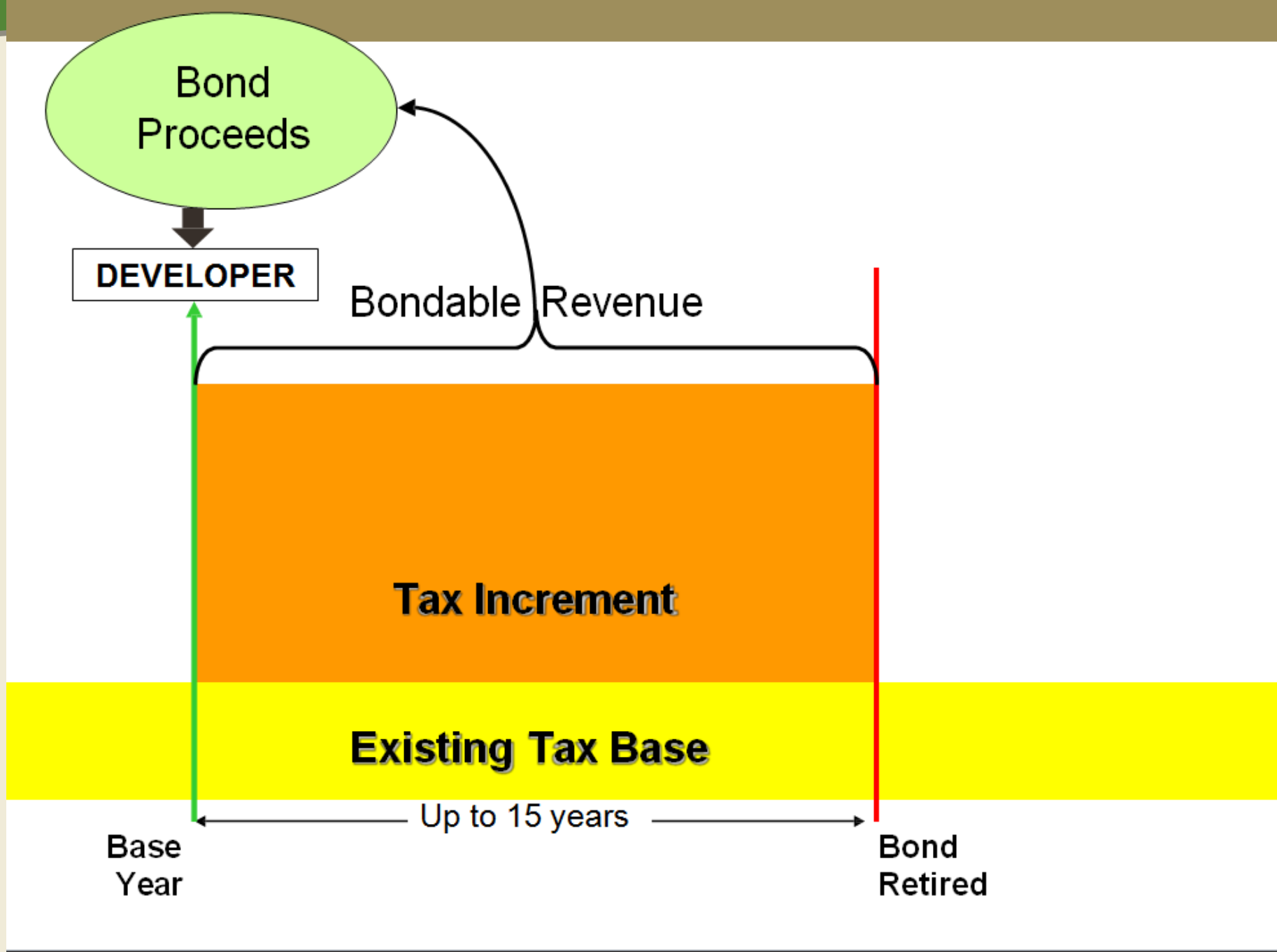
Cost Benefit Analysis

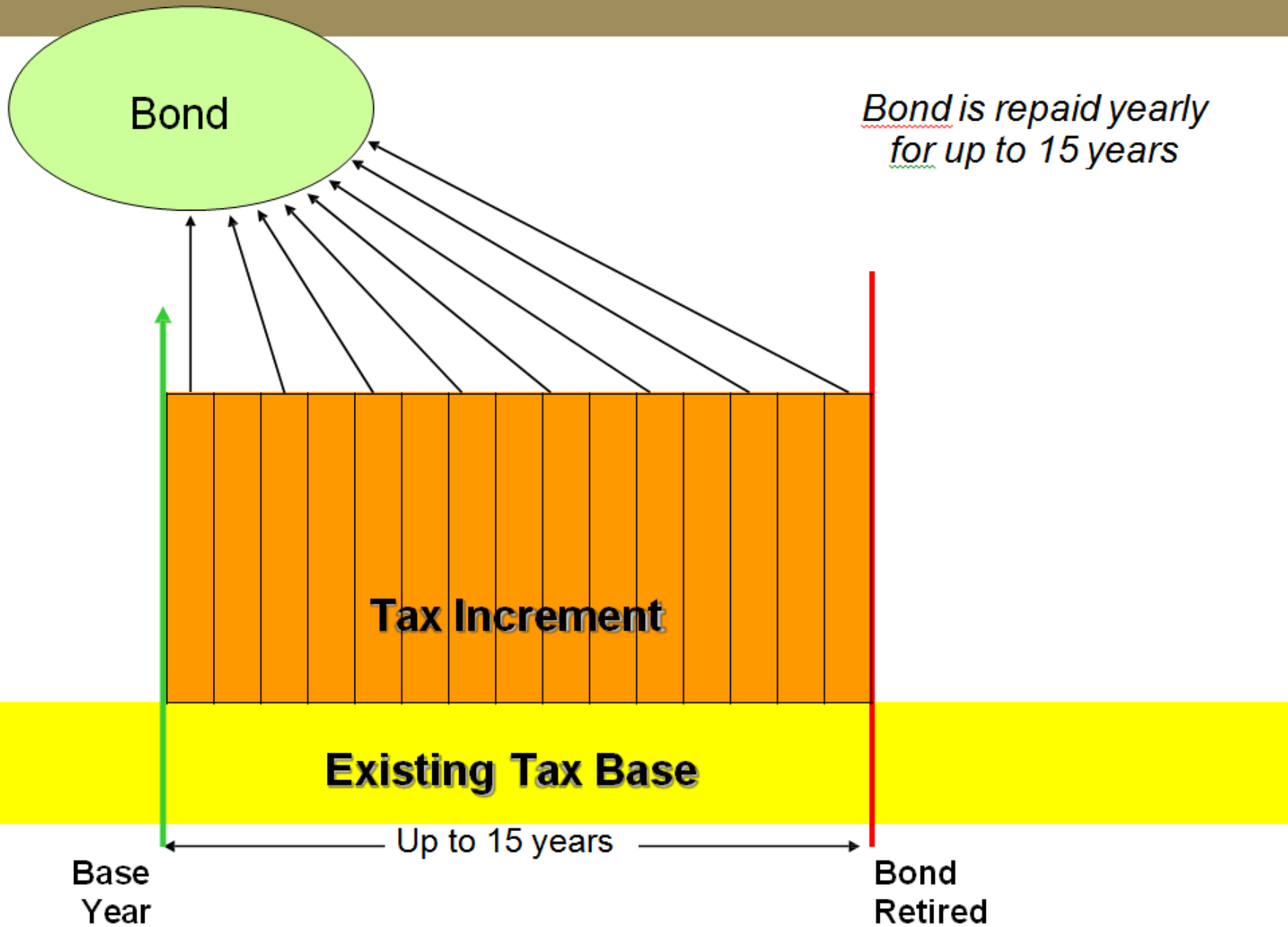
Before recommending approval of a redevelopment plan to the council, the CRA must undertake a cost benefit analysis consisting of the following factors”

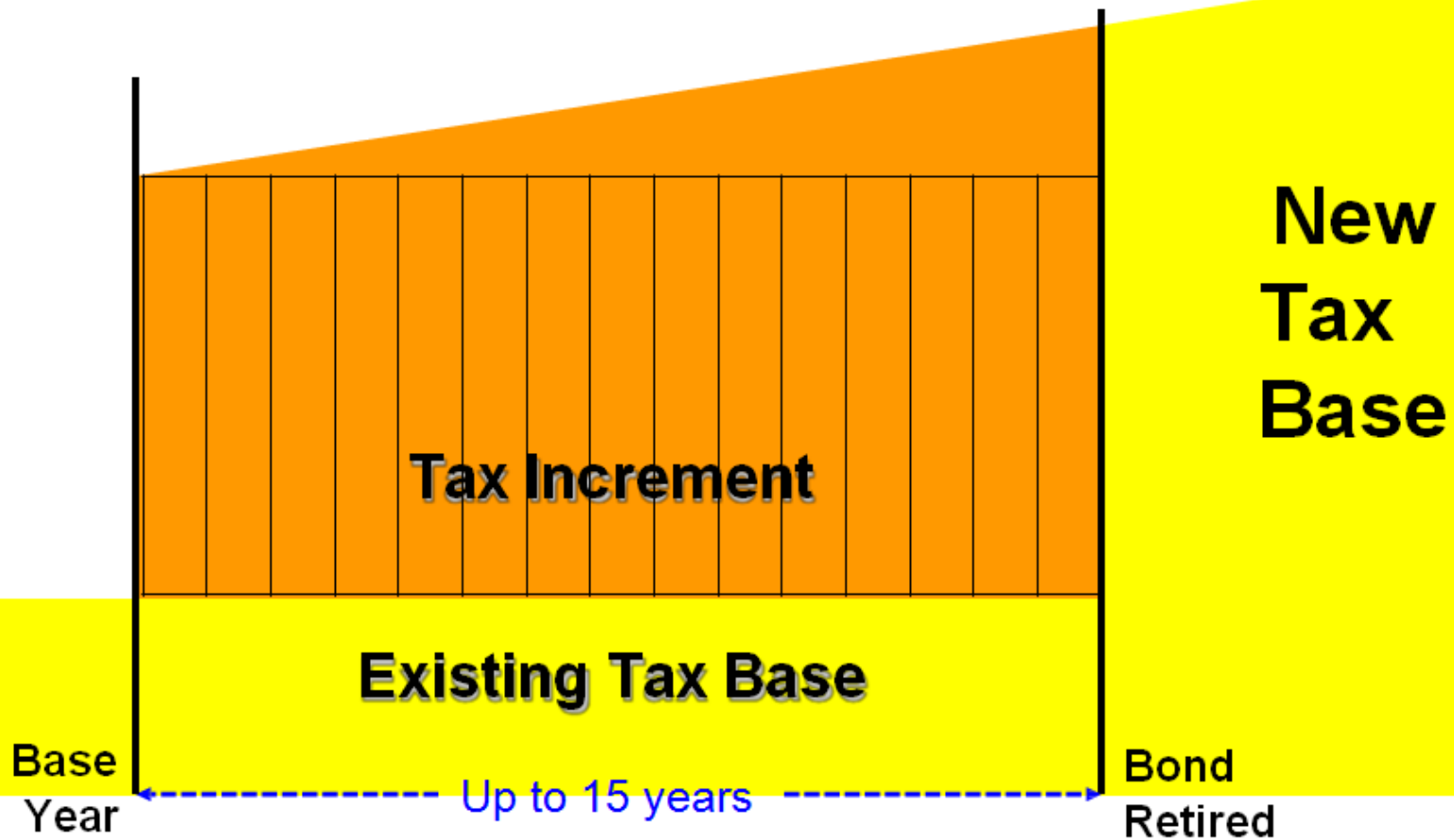
- ☛ Whether the project results in a tax shift.
- ☛ Public infrastructure and public service needs and local tax impacts.
- ☛ Impacts on employers and employees within the project area.
- ☛ Impacts on employers and employees within and outside the city.
- ☛ Impacts on student populations of school districts.
- ☛ Any other impacts determined to be relevant.











About the TIF Bond

1. No liability on City or Tax Payers to pay TIF debt...only payment is from increased taxes on redevelopment project.
2. If increased taxes are insufficient to pay off TIF debt, bond is cancelled at end of 15 years with no further liability.
3. If taxes are higher than expected and TIF debt is paid off prior to 15 years, balance of taxes are returned to treasurer for payment to taxing entities.
4. Generally the developer purchases the TIF debt and takes risk of being paid.
5. Generally interest on TIF debt is taxable.

Limitation of uses of TIF

1. Buy real property.
2. Demolition and site preparation.
3. Install streets, utilities, parks, public spaces, over and under passes.
4. Public parking facilities and convention centers, lighting, shelters and benches.
5. Costs for planning, design and engineering.
6. Costs incurred by city.
7. Rehabilitation of existing structures [Cannot build new buildings].
8. Workforce Housing

Purpose of the CRA

- The CRA is charged with taking action in specified areas of the community to remove, prevent or inhibit physical deterioration (blighted and substandard conditions) that will result in lower property values and create disincentives to private investment.

Possible Goal Statements for the Use of TIF

- Preserve the Downtown Core
- Retain and Attract Retail Development
- Create Base Employment
- Support Infill Development
- Use Micro Blight and Small Projects to Remove and Remediate Problem Properties

How long does it take to use tax-increment financing?



Well . . . It's not exactly fast.



But there's a good reason why.

Public Involvement!

Electeds & General Public



Redevelopment Plan

Includes all **Statutory Requirements** and **Cost Benefit Analysis**



Meetings

- CRA
- Planning Commission
Public hearing
- CRA
- City Council/Village Board
Public hearing
- CRA

Meeting Timeline Walk-Through

(Fast Track example)

1. **CRA:** Receives the initial TIF application and reviews it at a public meeting.

If this application involves any residential uses the CRA Director sends a letter to the Finance Director at GIPS. Prior to the application being presented to the CRA.



2. Planning Commission: Reviews the application for land use and holds a public hearing.

Taxing Entities Invited by Certified Mail and Public Hearing Notice Published 2 times at least 10 days prior to the meeting. This is a public meeting any member of the public may attend and speak.



3. CRA: Reviews the findings from the Planning Commission.



4. City Council/Village Board: Reviews findings from CRA and Planning Commission and decides whether to proceed with project.

Taxing Entities Invited by Certified Mail and Public Hearing Notice Published 2 times at least 10 days prior to the meeting. This is a public meeting any member of the public may attend and speak.

If Council Approves the Redevelopment Plan , The Project is Eligible for TIF



5. CRA: Formalizes agreement with developer at public meeting.



After all the meetings . . .

The developer gets a TIF bond, which is used to secure private financing for the project. Project construction occurs.



Year-end 2019: Developer pays the property taxes on the pre-improvement value as of Jan. 1, 2018. Taxes (\$2,112) are distributed to political subdivisions.



Year-end 2020: Developer pays the property taxes on the post-improvement value as of Jan. 1 2019. Taxes (\$2,112) are paid out to the political subdivisions. The \$10,560 in new taxes on the improvement are paid to the CRA to pay for the bond.



All TIF Projects
January 7, 2019
CRA of Grand Island

Project	Contract Date	Approved Term	Projected Payoff***	Projected Value*	Base	TIF Excess	2018 Valuation	Projected Value vs. Actual Value	TIF Amount	Project Description
1 Yancey Hotel										
2 GIL**	12/15/1996	12/15/2011		\$ 3,000,000	\$ 9,561		\$ 1,770,879		\$548,333	60 units multifamily Low to Moderate income housing
3 GLCherry Park, LTD. Two**	12/15/1998	12/15/2013		\$ 2,700,000	\$ 9,942		\$ 1,423,813		\$479,799	60 units multifamily Low to Moderate income housing
4 RSF LTD PARTNERSHIP (Gentle Dental)**	9/3/2002	12/31/2017	12/31/2017	\$ 355,000	\$ 168,849	\$ 265,541	\$ 434,390		\$37,000	Remodel existing structure into dental office
5 PROCON (City Hall)	9/1/2003	12/31/2018	12/31/2018	\$ 1,063,000	\$ 189,234	\$ 1,227,538	\$ 1,416,772		\$162,967	Acquistion/Demotion and Renovation of Old City Hall
6 Walnut Housing, Inc	7/28/2004	12/31/2019	12/31/2019	\$ 3,500,000	\$ 107,150	\$ 2,200,860	\$ 2,308,010	\$ (1,191,990)	\$668,000	88 Units of affordable housing and 1000 sq ft. of commercial office space
7 Bruns Pet Grooming	3/1/2006	12/31/2021	12/31/2018	\$ 497,960	\$ 61,959	\$ 664,004	\$ 725,963	\$ 228,003	\$133,533	Build a 4704 square foot building for pet boarding and grooming
8 Girard Vet Clinic	9/21/2006	12/31/2021	12/31/2021	\$ 541,163	\$ 78,431	\$ 491,853	\$ 570,284	\$ 29,121	\$142,500	Build a 4700 square foot building for a veterinary office
9 Southeast Crossings	11/15/2006	12/31/2021	12/31/2021	\$ 786,353	\$ 232,690	\$ 729,399	\$ 962,089	\$ 175,736	\$182,560	Incorporate an existing 1500 sq foot building into a 7,780 square foot commercial center
10 PROCON (Geddes St. Appts)	10/18/2007	12/31/2022	12/31/2022	\$ 1,400,000	\$ 27,498	\$ 1,471,256	\$ 1,498,754	\$ 98,754	\$420,000	Build 5 four-plex handicapped accessible apartment buildings
11 South Pointe Development LLC	1/1/2009	12/31/2024	12/31/2024	\$ 5,330,000	\$ 234,722	\$ 3,889,696	\$ 4,124,418	\$ (1,205,582)	\$1,564,409	Build 80+ room Hotel on South Locust
12 Todd Enck	1/1/2009	12/31/2024	6/30/2019	\$ 300,000	\$ 20,467	\$ 290,472	\$ 310,939	\$ 10,939	\$46,870	Build 2 Duplex Buildings at Blake and Darr
13 Casey's Store (Five Points)	3/19/2009	12/31/2024	12/31/2024	\$ 1,400,000	\$ 172,713	\$ 653,121	\$ 825,834	\$ (574,166)	\$383,459	Redevelop existing convenience store with new one at Five Points
14 John Schulte Contruction	3/2/2010	12/31/2025	12/31/2021	\$ 293,582	\$ 63,684	\$ 361,019	\$ 424,703	\$ 131,121	\$55,525	Build 4 unit apt. building at Anna and Lincoln Remove existing single family home
15 Pharmacy Properties, LLC	2/17/2010	12/31/2025	12/31/2021	\$ 387,000	\$ 39,495	\$ 549,595	\$ 589,090	\$ 202,090	\$111,000	Build Pharmacy on 4th street
16 Ken Ray, LLC	7/1/2010	12/21/2025	6/30/2020	\$ 1,800,000	\$ 856,619	\$ 2,148,693	\$ 3,005,312	\$ 1,205,312	\$299,600	Build 17,500 square feet of commercial/office space at Locust and Stolley
17 Poplar Street Water Project	4/21/2010	12/31/2025	12/31/2025	\$ 1,415,071	\$ 1,155,016	\$ 626,310	\$ 1,781,326	\$ 366,255	\$136,000	Install water main on Poplar Street between 9th and 12th Streets (CRA Funded)
18 Skagway**	5/5/2011	12/31/2026		\$ 4,864,666	\$ 2,252,800	\$ 908,937	\$ 3,161,737	\$ (1,702,929)	\$798,654	Redevelop existing grocery store at Five Points
19 Arnold Wenn	2/28/2012	12/21/2027	12/31/2027	\$ 180,193	\$ 19,523	\$ 211,168	\$ 230,691	\$ 50,498	\$46,950	Demolish Existing Structure and Build a Duplex at 13th Street and Huston
20 Token Properties LLC	12/15/2011	12/31/2027	12/31/2027	\$ 150,316	\$ 14,507	\$ 132,112	\$ 146,619	\$ (3,697)	\$43,255	Demolish Existing Structure and Build a Duplex on north Ruby
21 Stratford Plaza LLC (Howard Johnsons)	2/29/2012	12/31/2027	12/31/2027	\$ 3,690,783	\$ 2,095,733	\$ 1,532,860	\$ 3,628,593	\$ (62,190)	\$524,520	Redevelop existing hotel, restaurant and conference center at S. Locust and U.S. Hwy 34
22 EIG Grand Island LLC	6/13/2012	12/31/2027	12/31/2027	\$ 6,872,758	\$ 4,126,165	\$ 3,317,944	\$ 7,444,109	\$ 571,351	\$898,350	Redevelop existing grocery on State Street into 4 tennant spaces
23 Baker Development	8/17/2012	12/31/2027	12/31/2025	\$ 180,000	\$ 20,909	\$ 173,959	\$ 194,868	\$ 14,868	\$42,000	Build a Duplex on two vacant lots purchase property and extend utilities
24 Token Properties LLC (Carey St)	9/19/2012	12/31/2027	12/31/2025	\$ 360,000	\$ 38,645	\$ 363,626	\$ 402,271	\$ 42,271	\$78,000	Demolish existing structure and build 2 duplexes on site
25 Gordman Grand Island LLC	9/19/2012	12/31/2027	12/31/2027	\$ 6,000,000	\$ 2,187,305	\$ 3,284,930	\$ 5,472,235	\$ (527,765)	\$1,072,785	Renovate existing commercial space on U.S. 281
26 Token Properties LLC (Kimball St)	12/19/2012	12/31/2028		\$ 160,000	\$ 17,475	\$ 127,642	\$ 145,117	\$ (14,883)	\$38,372	Acquistion and Demolition of exisiting house and replace with duplex
27 Auto One Inc.	11/14/2012	12/31/2028		\$ 480,000	\$ 90,194	\$ 646,954	\$ 737,148	\$ 257,148	\$159,000	Build tri-plex on Pine St. and renovate commercial space Locust St.
28 Habitat (St Paul Road)	11/19/2012	12/31/2028		\$ 240,000	\$ 46,851	\$ 201,918	\$ 248,769	\$ 8,769	\$66,000	Acquistion and Demolition of existing house and replace with 3 houses
29 Chief	5/29/2013	12/31/2028		\$ 3,869,145	\$ 2,183,323	\$ 175,270	\$ 2,358,593	\$ (1,510,552)	\$579,870	Construction of an addition to the Chief Fabrication Plant on Adams St.
30 Copper Creek (The Guarantee Group)	7/26/2013	12/31/2039		\$ 31,500,000			\$ -	\$ 2,912,195	\$4,000,000	Construction of 200+ single family dwellings
	2013 Base Year Houses	7/1/2014	12/31/2029		\$ 134,194	\$ 3,450,937	\$ 3,585,131		\$4,000,000	
	2014 Base Year Houses	7/1/2015	12/31/2030		\$ 805,379	\$ 13,168,759	\$ 13,974,138			
	2015 Base Year Houses	7/1/2016	12/31/2031		\$ 390,617	\$ 12,363,714	\$ 12,754,331			
	2016 Base Years Houses	7/1/2016	12/31/1932		\$ 170,394	\$ 3,928,201	\$ 4,098,595			
	2017 Base Years Houses	7/1/2017	12/31/1933		\$ 17,377					
							\$ 34,412,195			
31 Habitat (8th and Superior)	4/24/2014	12/31/2029		\$ 455,000	\$ 14,125	\$ 506,102	\$ 520,227	\$ 65,227	\$123,000	Develop lots for and build 7 Habitat Homes
32 Mainstay Suites	4/16/2014	12/31/2029		\$ 3,000,000	\$ 263,105	\$ 2,969,301	\$ 3,232,406	\$ 232,406	\$479,685	Purchase Property, Install Utilities and Build an Extended Stay Hotel
33 Tower 217	6/24/2014	12/31/2029		\$ 750,000	\$ 99,655	\$ 1,225,269	\$ 1,324,924	\$ 574,924	\$236,000	Renovate an existing Downtown Building
34 Pridon LLC	5/7/2015	12/31/2030		\$ 2,400,000	\$ 1	\$ 1,778,183	\$ 1,778,184	\$ (621,816)	\$330,000	Extend utilities to support veteran's housing
35 SMD-AWG Five Points	6/5/2015	12/31/2030		\$ 7,858,000	\$ 915,957	\$ 5,662,281	\$ 6,578,238	\$ (1,279,762)	\$1,600,000	Purchase Property Building New Grocery Store, Extend Utiliies, Remove old Store
36 Grand Island Mall	10/30/2014	12/31/2030		\$ 21,570,000	\$ 2,044,858	\$ 8,936,921	\$ 10,981,779	\$ (10,588,221)	\$5,600,000	Renovate existing commercial space on U.S. 281, Create additional outlots
37 TC Enck Builders, Inc (1616 S Eddy)	6/10/2015	12/31/2030		\$ 160,000	\$ 9,460	\$ 157,891	\$ 167,351	\$ 7,351	\$38,000	Extend utilities and build duplex on vacant lot
38 T & S Development (312 W 3rd)	11/2/2015	12/31/2030		\$ 1,136,841	\$ 353,827	\$ 591,621	\$ 945,448	\$ (191,393)	\$272,788	Finish 2nd floor office space in downton building
39 Bosselman Real Estate (1616 S Locust)	9/29/2015	12/31/2030		\$ 22,778,988	\$ 2,652,701	\$ 4,184,187	\$ 6,836,888	\$ (15,942,100)	\$6,552,000	Renovate Existing Building and build hotel and office space
40 Hatchery Holdings, LLC		12/31/2031		\$ 11,600,000	\$ 123,002	\$ 7,657,364	\$ 7,780,366	\$ (3,819,634)	\$2,675,913	Purchase Land, Extend Utilities, Site work, Engineering for Hatchery Operation

41	Pump & Pantry, Inc.	5/9/2016	12/31/2031		\$ 2,652,085	\$ 393,355		\$ 393,355		\$748,688	Purchase Land, Extend Utilities, Site work, Engineering for Convenience Store
42	Wing Properties Inc.	5/11/2016	12/31/2031		\$ 382,266	\$ 71,384	\$ 128,938	\$ 200,322	\$ (181,944)	\$110,485	Renovate Existing Building for commercial and residential space
43	Talon Apartments	1/1/2017	12/31/2031		\$ 19,484,580	\$ 33,545	\$ 3,470,617	\$ 3,504,162	\$ (15,980,418)	\$4,778,475	Develop 288 Apartments in 8 building on Vanosdal Ball Fields (first 72 units)
	Talon Apartments (2017 Units)	1/1/2018				\$ 10,800	\$ 2,764,659	\$ 2,775,459	\$ 2,775,459		Second 72 Units
44	Hoppe Homes East Park on Stuhr		12/31/2031		\$ 7,500,000	\$ 166,178	\$ 5,045,957	\$ 5,212,135	\$ (2,287,865)	\$1,495,000	Develop 80 apartment in 7 buildings east of Cherry Park Apts (GILI 1 and 2)
45	TW Ziller Labor Temple		12/31/2031		\$ 721,747	\$ 64,628	\$ 46,515	\$ 111,143	\$ (610,604)	\$220,000	Develop 11 apartments in the Federation of Labor Temple Building Downtown
46	Middleton	9/24/2016	12/31/2031		\$ 936,667	\$ 886,524	\$ 659,287	\$ 1,545,811	\$ 609,144	\$247,561	Develop regional warehouse and remodel office space for Middleton Electric
47	Think Smart (204 N. Carey)	3/15/2017	12/31/2032	12/31/2024	\$ 519,140	\$ 8,400	\$ 86,816	\$ 95,216	\$ (423,924)	\$48,140	Develop empty lot into four-plex apartment
48	Peaceful Root (Brown Hotel 112 W. 2nd)	3/15/2017	12/31/2032		\$ 1,014,538	\$ 140,447		\$ 140,447	\$ (874,091)	\$263,000	Develop former hotel into three apartments, yoga studio, retail space and parking garage
49	Weinrich Developments (523 E. Division)	8/9/2017	12/31/2032		\$ 300,000	\$ 39,149	\$ 65,255	\$ 104,404	\$ (195,596)	\$52,768	Demolish substandard single-family house and replace with four-plex apartment
50	Prataria Ventures (Hospital)	9/26/2017	12/31/2032		\$ 63,000,000	\$ 381,000		\$ 381,000	\$ (62,619,000)	\$15,800,000	Build Hospital, Medical Office Building and Hotel
51	O'Neill Wood Resources	11/28/2017	12/31/2032		\$ 1,140,993	\$ 199,650		\$ 199,650	\$ (941,343)	\$209,000	Purchase property and construct Recycling Center
52	Hedde Building LLC (Hedde Building)**	9/12/2018	12/31/2033		\$ 1,952,402	\$ 101,218		\$ 101,218	\$ (1,851,184)	\$603,425	Redevelop Downtown Building for Commercial and Residential Uses
53	Urban Island LLC (320 N Pine)	1/3/2018	12/31/2032		\$ 654,361	\$ 150,688		\$ 150,688	\$ (503,673)	\$164,181	Redevelop Downtown Building for Commercial and Residential Uses
54	Take Flight Development (209 W 3rd)	1/11/2018	12/31/2032		\$ 414,889	\$ 110,564		\$ 110,564	\$ (304,325)	\$99,200	Redevelop Downtown Building for Commercial and Residential Uses
55	Personal Automotive** Mendex Enterprises	Pending			\$ 4,396,629	\$ 717,090		\$ 717,090	\$ (3,679,539)	\$886,695	Redevelop 4 Buildings for Commercial/Industrial Purposes
56	Weinrich Developments (408 E 2nd)				\$ 300,000	\$ 8,712		\$ 8,712	\$ (291,288)	\$40,946	Acquire and clear property and build 3 Plex on a Vacant Lot
57	Copper Creek Phase 2 (The Guarantee Group)**	6/13/2018	12/31/2040		\$ 18,904,382	\$ 504,382		\$ 504,382	\$ (18,400,000)	\$4,754,848	Develop 80 Single Family Homes over a period of up to 10 years
	Copper Creek Phase 2 2017 Lookback					\$ 20,417		\$ 20,417	\$ 20,417		
58	Central NE Truck Wash Inc	8/8/2018	12/31/2033					\$ -	\$ -	\$849,520	Aquire and clear property for a Truck Wash and Trailer Washout Facility
59	Grand Island Hotel LLC	11/14/2018	12/31/2033					\$ -		\$1,824,179	Acquire property install utilities and streets and build a 79 unit hotel
60	Paramount Development LLC (Sears 2nd Floor)	12/12/2018	12/31/2034		\$ 550,000	\$ 77,000		\$ 77,000		\$159,814	Acquire property and renovate the 2nd floor of the old Sears Building for 4 apartments
61	Orchard LLC/Hoppe Homes LP	Pending			\$ 40,000,000	\$ 203,000		\$ 203,000		\$6,000,000	To develop property and build 181 units of work force housing over an estimated 9 years
62	Paramount Development LLC (Sears 1st Floor)	Pending			\$ 640,000	\$ 52,000		\$ 52,000		\$199,000	Acquire property renovate part of the 1st floor of the old Sears Buidling for commercial and residential uses
	Wing Properties Inc. 112 E 3rd St	Pending								\$105,085	Redevelopment downtown property for main floor commercial and upper floor residential
	Rawr Holding LLC. 110 w 2nd St	Pending									Redevelopment downtown property for main floor commercial and upper floor residential
	Amur Financial (Old Wells Fargo Buiding)	Pending									
					Projected			2018			
					Value*	Base	TIF Excess	Valuation		TIF Amount	
					\$301,954,872	\$25,805,152	\$98,235,690	\$155,262,489		\$72,061,289	

* Amount Developer agreed not to protest in contract with CRA

** TIF Contract Completed

*** If project payoff is prior to contract end this project should pay off faster than expected

Note projects listed as pending may be in process

Mixed Use (Commercial and Housing)

Housing

Commercial/Industrial Development

Tax Increment Financing Assessment

The Regional Planning Commission of Hall County

A large, abstract graphic composed of overlapping, semi-transparent geometric shapes in shades of blue and grey, resembling a stylized mountain range or a series of stacked blocks. The number 18 is placed on the right side of this graphic.

18

Tax Increment Financing Assessment

The Regional Planning Commission of Hall County

Introduction

The Community Redevelopment Authority (CRA) is tasked with taking action in specified areas of the community to remove, prevent or inhibit physical deterioration (blighted and substandard conditions) that will result in lower property values and create disincentives to private investment. One of the major components of this is utilizing Tax Increment Financing (TIF) for developments through blighted and substandard areas within the community. The purpose of this survey is to better understand how Tax Increment Financing is used within different communities across the state of Nebraska varying in size. From that, the findings are intended to be used to help educate the general population in the City of Grand Island of TIF usage and how it is established in each project.

Background

Tax Increment Financing was established in the early 1950s in the state of California. Originally TIF was used to generate money for development to secure federal aid for projects. Over the years the usage of TIF has expanded in such a way that municipalities can encourage development within their respective communities¹. To date 49 of 50 states allows the use of TIF. Each state that allows TIF has developed legislation based on its needs.

Nebraska voters approved the use of Tax Increment Financing in 1978, with legislation being passed in 1979 by the State Legislature to allow Tax Increment Financing for developments. TIF was introduced to the City of Grand Island with a major redevelopment of the Yancey Hotel in the mid-1980s. To date the City of Grand Island has approved 60 TIF projects (Commercial, Residential, Mix-use) with the utilization of Tax Increment Financing².

Tax Increment Financing (TIF) in Nebraska

Tax Increment Financing in Nebraska is used to fund the cost of infrastructure associated with new developments located in designated blighted and substandard areas. Community redevelopment laws were put in place to allow for the financing of TIF projects to occur from the increased property tax generated by the improvements of the project. The City of Grand Island has established a Community Redevelopment Authority (CRA) to oversee redevelopment projects within city limits.

Tax Increment Financing process

The process of TIF is established when an area within city limits is declared blighted and substandard. Areas throughout a community can be determined blighted if the following criteria are met:

- has a substantial number of deteriorated or deteriorating structures,
- has defective or inadequate street layout,

¹ Tax-Increment Financing: The Need for Increased Transparency and Accountability in Local Economic Development Subsidies. Retrieved December 10, 2018 from <https://www.smartgrowthamerica.org/app/legacy/documents/Tax-Increment-Financing.pdf>

² The Use of Tax Increment Financing in Nebraska. Retrieved December 6, 2018 from https://www.platteinstitute.org/Library/docLib/20130710_my_Platte-TIF.pdf

Tax Increment Financing Assessment

The Regional Planning Commission of Hall County

- has a faulty lot layout in relation to size, adequacy, accessibility, or usefulness,
- has insanitary or unsafe conditions,
- deterioration of site or other improvements,
- has diversity of ownership,
- has tax or special assessment delinquency exceeding the fair value of the land,
- has defective or unusual conditions of title,
- has improper subdivision or obsolete platting,
- the existence of conditions which endanger life or property by fire and other causes,
- factors that's substantially impairs or arrests the sound growth of the community, hinders the provision of housing accommodations, or constitutes an economic or social liability
- is detrimental to the public health, safety, morals, or welfare in its present condition and
- has at least one of the following conditions:
 - Unemployment in the designated area is at least one hundred twenty percent of the state or national average;
 - the average age of the residential or commercial units in the area is at least forty years;
 - more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time;
 - the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or
 - the area has had either stable or decreasing population based on the last two decennial censuses.

A community can be considered substandard if the following criteria are met:

- has a predominance of buildings that are:
 - dilapidated,
 - deteriorated,
 - age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces,
- has a high density of population and overcrowding,
- has the existence of conditions which endanger life or property by fire and other causes,
- has a combination of factors, that are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime,
- is detrimental to the public health, safety, morals, or welfare"³.

Once a redevelopment plan is submitted and approved for projects in the designated area, a redevelopment contract can be approved for eligible expenses. Eligible expenses include the acquisition of land, site preparation, demolition, public improvements and any planning cost associated with the TIF application. Communities are allowed to "capture" the property tax on the increased valuation of property created by approved, eligible redevelopment projects. This "captured" tax increment then is used to pay off the TIF bond. The base property valuation will then continue to be paid to all taxing

³ Nebraska Revised Statute 18-2103. Retrieved December 6, 2018 from <https://nebraskalegislature.gov/laws/statutes.php?statute=18-2103>

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entities. TIF projects must not exceed a 15 year period. See Appendix A for an example of how TIF works.

Requirements for TIF include, but are not limited to:

- The project is applicable to real property only;
- The property must be within the corporate boundaries of the city (cities of the 2nd class and villages)⁴; however, the city may annex noncontiguous land to develop agricultural processing facilities that will become a TIF project;
- The division of tax for TIF may not exceed 15 years;
- The taxes attributable to the excess value can only be used for the repayment of the debt related to the project; and
- The city/CRA must provide written notice to both the county assessor and county treasurer to cease the division of tax when the debt on the project is paid in full⁵.

Methodology and Selection Criteria

The Hall County and Regional Planning department decided to use the following criteria to review similarities and differences on Tax Increment Financing among Nebraska communities, as shown below:

- Survey three or more communities
- Cities/ towns located in the state of Nebraska
- Total population above 10,000

Five communities, shown in Figure 1, were selected to be surveyed:

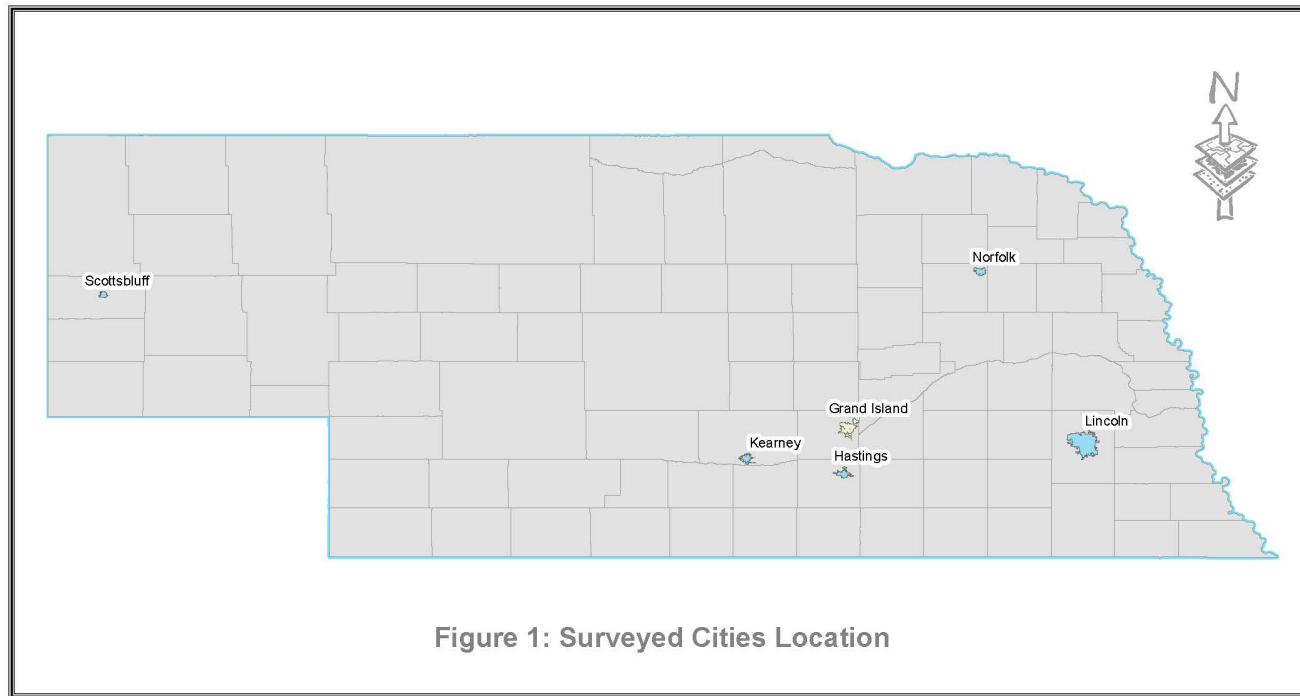
- Scottsbluff, Nebraska
- Hastings, Nebraska
- Kearney, Nebraska
- Norfolk, Nebraska
- Lincoln, Nebraska

⁴ Nebraska Revised Statute 17-405.01. Retrieved January 3, 2018 from <https://nebraskalegislature.gov/laws/statutes.php?statute=17-405.01>

⁵ Report to the Legislature Nebraska Department of Revenue Property Assessment Division Retrieved December 10, 2018 from http://www.revenue.nebraska.gov/PAD/research/TIF_Reports/TIF_REPORT_2016.pdf

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Community Questionnaire

Once the selection process was completed each community was contacted via telephone to take part in the community questionnaire. Survey questionnaires were distributed via email to each community's representative with two weeks to complete. See appendix B for full responses provided by each community.

Tax Increment Financing Survey

1. How long are the TIF bonds being written for?

Four of five communities (Scottsbluff, Hastings, Norfolk, and Lincoln) indicated that TIF bonds were written for 15 years. The City of Norfolk explained, phased projects may extend the length of the bonds. Kearney noted that bonds are not issued for TIF projects.

2. Which types of projects within the community utilize Tax Increment Financing (TIF) the most?

Two of five cities (Hastings, Norfolk) explained that residential projects utilize Tax Increment Financing the most within their community. The Cities of Kearney and Lincoln indicated that commercial development projects are the top user of TIF in their respective community.

3. What types of documentation is needed by developers to acquire Tax Increment Financing (TIF) funds?

- **Scottsbluff**

We have an application form they need to complete, a blight study has to be performed, a cost benefit analysis, redevelopment plan, applicant must show the financial ability to complete the project.

- **Hastings**

An application is required and must include;

A detailed project description, A development financing plan, including the sources of funds and loan terms. A preliminary commitment for financing. A statement and demonstration that the project would not proceed without CRA assistance. A proforma statement indicating the projected costs and revenues. A detailed pro-forma identifying pre-TIF rate of return and gap in project financing. Submit detailed pro-forma identifying project-plus-TIF rate of return and financial structure. Preliminary plans for the project. A list of public improvements to be constructed in conjunction with the project. Evidence that the project meets the evaluation criteria. A project development schedule.

- **Kearney**

Site Development Plan, Project Budget with TIF eligible costs, Cost-Benefit Analysis from the County Assessor.

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- **Norfolk**

The standard documentation of redevelopment plan and agreement that states “but-for” TIF the project wouldn’t be feasible. Cost-benefit analysis. Return on investment calculations both with and without TIF.

- **Lincoln**

When first approaching the City, generally a project description, site plan and pro-forma. Schematics and renderings are included in the Redevelopment Agreement and must be strictly adhered to. Changes must be approved in advance. After a Redevelopment Agreement is approved by City Council, proof of financial ability must be provided and approved by the City’s Finance Director. This is often in the form of a letter from the financial institution funding the project.

4. Are developers required to show documents of various BIDs on the project?

Three of the cities (Kearney, Norfolk, Lincoln) surveyed indicated that developers are not required to show documents pertaining to bids placed on projects utilizing TIF. It is important to note that within the City of Lincoln, if the TIF project includes public improvements, developers are required to show bids along with work alongside the City’s Purchasing Office following city’s guidelines. The City of Scottsbluff noted that upon request developers are asked to show bids within the scope of the project.

5. Does your municipality have a limit on the amount of TIF projects being issued per year? If yes, what is the limit on the amount of TIF projects being issued per year?

All cities indicated that there is no limit to the amount of TIF projects being issued per year.

6. Does your municipality have a competitive application process or is the application process based on the order applicants submits’ their application? Please add additional information if possible.

- **Scottsbluff**

The applications would be reviewed in the order they are received but there aren’t that many that “competition” is created usually. The applications are considered based on the location of the project and whether it is within a blighted and substandard area, the economic feasibility of the project and whether or not the project meets the main principals set form by the City’s comprehensive plan.

- **Hastings**

There is no competitive application process on TIF projects unless the property is owned or controlled by the CRA/City. If the CRA owns/controls the property it will advertise for RFP’s to purchase and rehabilitate the property.

- **Kearney**

Application process is not competitive.

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- **Norfolk**

The process begins when the applicant submits a complete and approvable redevelopment plan.

- **Lincoln**

No, we do not have an application process. Developers approach the Urban Development Department (we are the City's designated Redevelopment Authority).

7. Does your municipality have an amount of funds per year allocated as a cap by the governing body to be used per year for TIF projects? If yes, what is the amount of funds per year allocated as a cap by the governing body?

All cities indicated that there is no set amount of funds allocated of TIF projects being used per year.

8. Does your municipality have a cap on the amount of TIF funds used per project? If yes, what is the amount of TIF funds per project?

All cities indicated that there is no cap on the amount of TIF funds used per project. However Scottsbluff explained that there is a minimum of \$50,000 in TIF eligible costs required for projects to be considered by the Council

9. Does your municipality have a processing and/or administrative fee? If yes, please provide the fee/ cost amounts.

- **Scottsbluff**

The fee structure for TIF projects are as follows:

1. An initial application fee of \$250.00 – due upon submission of the TIF application
2. Upon conceptual approval of TIF application by the CRA, a processing fee based on the schedule below shall be remitted if the applicant wishes a Plan to be created and considered by the Planning Commission, CRA, and City Council. The processing fee is intended to cover the City's costs and expenses in creating and/or reviewing the Plan and running the Plan through the appropriate approval process.

The processing fee shall be paid prior to the City's preparation and/or review of the Plan. If the processing fee has not been paid for a period of six (6) months after notification of conceptual approval, the application shall be deemed abandoned and the application fee forfeited. The processing fee schedule is as follows:

- If the estimated TIF proceeds available for the Project are \$50,000.00 to \$75,000.00, the processing fee shall be equal to 5% of the estimated TIF proceeds, and the processing fee will also cover the administrative fee.

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- If the estimated TIF proceeds available for the Project are \$75,000.01 to \$100,000.00, the processing fee shall be equal to 8% of the estimated TIF proceeds, and the processing fee will also cover the administrative fee.
- If the estimated TIF proceeds available for the Project are over \$100,000.00, the processing fee shall be the greater of (a) \$5,000.00 or (b) 1% of the estimated TIF proceeds. This processing fee will be in addition to the administrative fee set forth below.

Upon approval of the Redevelopment Plan and Redevelopment Agreement, the person or organization receiving the TIF Proceeds estimated to be over \$100,000.00 shall pay an administrative fee of \$5,000. The administrative fee is intended to cover the City's costs and expenses of administering the TIF bond during its life.

Below are examples of the Fees due to the City for particular projects:

Estimated TIF Proceeds	Application Fee	Processing Fee	Administrative Fee	Total
\$50,000.00	\$250.00	\$2,500.00 (5%)	Included in Processing Fee	\$2,750.00
\$75,000.00	\$250.00	\$3,750.00 (5%)	Included in Processing Fee	\$4,000.00
\$80,000.00	\$250.00	\$6,400.00 (8%)	Included in Processing Fee	\$6,650.00
Estimated TIF Proceeds	Application Fee	Processing Fee	Administrative Fee	Total
\$100,000.00	\$250.00	\$8,000.00 (8%)	Included in Processing Fee	\$8,250.00
\$110,000.00	\$250.00	\$5,000.00 (minimum)	\$5,000.00	\$10,250.00
\$350,000.00	\$250.00	\$5,000.00 (minimum)	\$5,000.00	\$10,250.00
\$500,000.00	\$250.00	\$5,000.00 (1%)	\$5,000.00	\$10,250.00
\$600,000.00	\$250.00	\$6,000.00 (1%)	\$5,000.00	\$11,250.00
\$1,000,000.00	\$250.00	\$10,000.00 (1%)	\$5,000.00	\$15,250.00

- **Hastings**

The Hastings CRA recently added a non-refundable \$300 fee for TIF applications and if the project is approved an administrative fee of \$1,500 is charged. This is payable to the CRA. These costs are TIF eligible expenditures. In addition the City of Hastings charges a \$450 administrative fee for modification of the Area Redevelopment Plan.

- **Kearney**

No



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- **Norfolk**

No, except to be reimbursed for the cost of noticing and from the TIF dollars, reimbursement for our TIF attorney. The cost of blight and substandard studies are also charged to the Redeveloper if done specifically for their project.

- **Lincoln**

Yes. Our fee is 1.5% of the first \$2 million of TIF then 1.5% in excess of \$2 million. Fees go into the general fund. We have a biennial City budget. At the end of the budget period, anything over \$200,000 goes into a fund for affordable housing. This is relatively new and we just finished the first biennial budget where this has been in place. It generated about \$175,000 for affordable housing.

10. Does your municipality's Community Redevelopment Authority try to attract specific redevelopment projects through advertisement within the community? If yes, what types of projects are being requested?

Three of the cities (Scottsbluff, Kearney, Norfolk,) surveyed stated that the Community Redevelopment Authority does not solicit specific redevelopment projects through advertisement within the community. The City of Hastings indicated that its CRA advertises requests proposals for redevelopment on the properties that it owns or controls and the project type depends upon the type of property. The City of Lincoln showed does not usually advertise for redevelopment projects, but issues a Request for Redevelopment Proposals (IFRP). IFRP are open-ended and requests that developers bring in projects/ redevelopment plans to consider. Projects are usually not specific in type but occasionally an RFP will be issued for a specific type of project.

Review Findings

The community review compares Tax Increment Financing in Grand Island, Nebraska with other communities around the state based on TIF laws. This section is to assess the usage of TIF among each community surveyed in comparison to how the City of Grand Island uses Tax Increment Financing.

There were similarities found from each city surveyed as to how TIF is being used in the City of Grand Island. Grand Island just like the majority of communities surveyed writes TIF bonds for the full 15 years legally allowed by states statute. Other similarities includes no requirements for bid documents, no limit on the amount of TIF projects per year, no limit on the amount of TIF projects, no cap amount of funds allocated for TIF projects by the governing body, no cap on the amount of TIF funds used per project, and lastly the CRA does not attempt to attract redevelopment projects through advertisement.

It was also found, that though communities documentation varies in the needed information to apply for TIF; overall communities require proof of adequate funding for the project, a cost-benefit analysis, and a redevelopment plan. All consistent with what the City of Grand Island asks of

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developers. The application process was also similar among most communities as they are processed in the order they are received. The City of Lincoln does not have an application process, developers inquire about possible developments to the City's designated Redevelopment Authority (Urban Development Department). It is important to note that the CRA in Hastings allows for a competitive application process on TIF projects only when the property is owned or controlled by the CRA/City.

It is also important to acknowledge that while Grand Island does charge a process/ administrative fee; likewise all communities surveyed except for the City of Kearney and Norfolk has a fee. However, the City of Norfolk does not charge a processing/ administrative fee but requires the developers to reimburse the City for the cost of notifying taxing entities and from the TIF dollars, reimbursement for utilizing the City's TIF attorney.



Appendix A: Quick and Brief Description of TIF

Tax Increment Financing (TIF)

Quick and Brief Description of TIF

Redevelopment site is worth \$100,000 before redevelopment and has taxes annually of \$2000.

Developer makes \$1,000,000 investment in property. Property is now worth \$1,100,000. Annual taxes are \$22,000.

City (CRA) captures increment of \$20,000 (\$22,000 minus \$2,000) to be used for eligible activities for a period of up to 15 years \$300,000 maximum.

CRA can issue TIF Bonds (bonds can be, but do not have to be guaranteed by the full faith and credit of the municipality) to generate the money at the front end of the project or CRA can borrow money secured by the TIF revenues or Developer can borrow money secured by the TIF revenues.

Without the investment and creation of the additional value there is no increment to generate revenue. Improvements to a building such as a new roof or windows or paint are unlikely to generate a substantial increment in valuation.

But For.....

TIF is subject to the “But For” clause. That is “But For” TIF this project would not happen. The “But For” clause does not mean that companies like Wal-Mart, Target, McDonalds or any other large company with strong financial backing are not eligible for TIF. “But For” is a measure of financial backing that encourages more and better investment in areas that might have trouble attracting that investment. It is not simply a measure of the financial backing of a project.

“But For” this financing:

- a company might choose to build in another part of town or another town;
- or might choose to build a smaller or less expensive facility;
- or might choose not to build at this time;
- or might choose not to build at all.

If TIF were used only when financing was the single limiting factor (“But For having financing”) it would be available just to those projects that have a high chance of financial failure.

What can you pay for with Tax Increment Financing?

TIF can be used to pay for a variety of public improvements including:

Streets, Sewer, Water, Drainage (storm sewer), utility upgrades, trails, parks, landscaping, public parking.

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TIF can be used to pay for a variety of private improvements including:

Property acquisition, demolition, renovation, site preparation, studies, plans, engineering, and architecture

Activities with costs that can be incurred prior to approval include:

Preparation of materials and applications; preparation of cost-benefit analysis; preparation of redevelopment contract; preparation of bond/financing instruments; land acquisition and related diligence; and site demolition and preparation.

2017 Assessed Value

\$ 100,000

Tax Entity	Bond	2017 Levy	2017 Base Taxes	Total
City Levy	City Bond	0.349845	\$350	\$376
		0.025768	\$26	
CRA		0.02243	\$22	\$22
Hall County		0.390571	\$391	\$391
Rural Fire	Fire Bond*		\$0	\$0
			\$0	
GIPS School	2nd Bond 4th Bond 5th Bond	1.08	\$1,080	\$1,292.48
		0.06834	\$68	
		0.034813	\$35	
		0.109327	\$109	
ESU 10		0.012375	\$12	\$12
CCC		0.094302	\$94	\$94
CPNRD		0.03239	\$32	\$32
Ag Society		0.002828	\$3	\$3
Airport		0.009564	\$10	\$30
	Airport Bond	0.019938	\$20	
Total Combined		2.252491	\$2,252	\$2,252



Appendix B: Community Survey

Tax Increment Financing Survey City of Scottsbluff, NE

1. How long are the TIF bonds being written for?

Up to 15 years

2. Which types of projects within the community utilize Tax Increment Financing (TIF) the most?

Public improvements, land acquisition costs, site preparation, utility extensions, rehabilitation, renovation, public parking

3. What types of documentation is needed by developers to acquire Tax Increment Financing (TIF) funds?

We have an application form they need to complete, a blight study has to be performed, a cost benefit analysis, redevelopment plan, applicant must show the financial ability to complete the project

4. Are developers required to show documents of various BIDs on the project?

Upon request

5. Does your municipality have a limit on the amount of TIF projects being issued per year? If yes, what is the limit on the amount of TIF projects being issued per year?

No limit, projects and applications reviewed on a case by case basis as they are received

6. Does your municipality have a competitive application process or is the application process based on the order applicants submit their application? Please add additional information if possible.

The applications would be reviewed in the order they are received but there aren't that many that "competition" is created usually. The applications are considered based on the location of the project and whether it is within a blighted and substandard area, the economic feasibility of the project and whether or not the project meets the main principals set form by the City's comprehensive plan.

7. Does your municipality have an amount of funds per year allocated as a cap by the governing body to be used per year for TIF projects? If yes, what is the amount of funds per year allocated as a cap by the governing body?

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Tax Increment Financing Assessment

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No set allocation of funds

8. Does your municipality have a cap on the amount of TIF funds used per project? If yes, what is the amount of TIF funds per project?

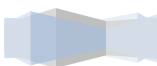
No cap but there is a minimum of \$50,000 in TIF eligible costs required for the project to be considered by the Council

9. Does your municipality have a processing and/or administrative fee? If yes, please provide the fee/ cost amounts.

See attached schedule included in TIF Application (Appendix C)

10. Does your municipality's Community Redevelopment Authority try to attract specific redevelopment projects through advertisement within the community? If yes, what types of projects are being requested?

To date CRA has not done any advertising



Tax Increment Financing Survey City of Hastings CRA

1. How long are the TIF bonds being written for?

Typically, the bonds are written for 15 years and some are paid off early.

2. Which types of projects within the community utilize Tax Increment Financing (TIF) the most?

Housing – 35%

Commercial/Retail/Office – 30%

Industry – 14%

Downtown Mixed Use – 14%

Lodging – 7%

3. What types of documentation is needed by developers to acquire Tax Increment Financing (TIF) funds? –

An application is required and must include;

A detailed project description, A development financing plan, including the sources of funds and loan terms. A preliminary commitment for financing. A statement and demonstration that the project would not proceed without CRA assistance. A proforma statement indicating the projected costs and revenues. A detailed pro-forma identifying pre-TIF rate of return and gap in project financing. Submit detailed pro-forma identifying project-plus-TIF rate of return and financial structure. Preliminary plans for the project. A list of public improvements to be constructed in conjunction with the project. Evidence that the project meets the evaluation criteria. A project development schedule.

4. Are developers required to show documents of various BIDs on the project?

Developers may be required to show bids on the project depending upon the improvements. Developers are required to provide copies of paid bills for TIF eligible costs.

5. Does your municipality have a limit on the amount of TIF projects being issued per year? If yes, what is the limit on the amount of TIF projects being issued per year?

Currently there is no limit on the number of TIF projects issued per year.

6. Does your municipality have a competitive application process or is the application process based on the order applicants submits' their application? Please add additional information if possible.

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There is no competitive application process on TIF projects unless the property is owned or controlled by the CRA/City. If the CRA owns/controls the property it will advertise for RFP's to purchase and rehabilitate the property. The RFP includes a statement of purpose and the proposal must include the following;

DEVELOPER – Indicate the name and phone number of the proposed owner of the project. Provide the names of any others that will be involved in ownership of the project.

OVERVIEW OF THE PROPOSAL – Present a statement that provides a clear identification of the proposal and indicates a clear understanding of the desired results. If the proposal deviates from the desired goals and objectives presented in the Statement of Purpose section, explain the reasons for the deviation.

PRICE – Price to be paid for the real estate.

PREVIOUS EXPERIENCE / QUALIFICATIONS – Present a listing of other previously completed projects. Provide the name and location of each project and provide any details that you feel would assist the Authority in their decision.

PROJECT AND FINANCIAL REFERENCES – Provide the names, addresses, phone numbers and positions of your bank reference. Include any project references for other projects completed.

DETAILED PLAN OF ACTION – Provide a detailed overview of how the proposal will be implemented. Include a step by step plan for all the elements of the project. Include a time schedule for completion of each element and a cost estimate for each element. Provide a site plan and floor plan for all proposed construction.

FINANCING OF PROJECT – Describe how the proposal will be financed. Identify the sources of funds and the amounts from each source. Provide evidence of funding commitment, if available.

IMPACT OF PROPOSAL – Describe the probable economic impact of the proposal, including; the number of construction and permanent jobs to be created; tax revenue to be created by the project; local firms to be utilized in the project; and any regional economic impact of the proposal.

MANAGEMENT PLAN – Present a detailed management plan for the implementation and operation of the finished project. Describe how the project will be promoted and marketed. Identify the individuals and or firms responsible for each element of the plan.

The Community Redevelopment Authority reserves the right to reject any or all proposals received or to negotiate in any manner necessary to accomplish the goals of the Authority.

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7. Does your municipality have an amount of funds per year allocated as a cap by the governing body to be used per year for TIF projects? If yes, what is the amount of funds per year allocated as a cap by the governing body?

Currently there is no cap on TIF projects.

8. Does your municipality have a cap on the amount of TIF funds used per project? If yes, what is the amount of TIF funds per project?

Currently there is no cap on the amount of TIF funds used per project.

9. Does your municipality have a processing and/or administrative fee? If yes, please provide the fee/ cost amounts.

The Hastings CRA recently added a non-refundable \$300 fee for TIF applications and if the project is approved an administrative fee of \$1,500 is charged. This is payable to the CRA. These costs are TIF eligible expenditures. In addition the City of Hastings charges a \$450 administrative fee for modification of the Area Redevelopment Plan.

10. Does your municipality's Community Redevelopment Authority try to attract specific redevelopment projects through advertisement within the community? If yes, what types of projects are being requested?

Currently the Hastings CRA advertises for proposals for redevelopment on the properties that it owns or controls. The project type depends upon the type of property. The CRA owns vacant lots usually residential in nature and commercial or mixed use properties.



Tax Increment Financing Survey City of Kearney, NE

1. How long are the TIF bonds being written for?

The City of Kearney does not issues bonds for TIF projects!

2. Which types of projects within the community utilize Tax Increment Financing (TIF) the most?

Small to midsize commercial projects

3. What types of documentation is needed by developers to acquire Tax Increment Financing (TIF) funds?

Site Development Plan

Project Budget with TIF eligible costs

Cost Benefit Analysis from the County Assessor

4. Are developers required to show documents of various BIDs on the project?

BID's are not traditionally part of TIF projects within the City of Kearney.

5. Does your municipality have a limit on the amount of TIF projects being issued per year? If yes, what is the limit on the amount of TIF projects being issued per year?

No

6. Does your municipality have a competitive application process or is the application process based on the order applicants submits' their application? Please add additional information if possible.

Application process is not competitive.

7. Does your municipality have an amount of funds per year allocated as a cap by the governing body to be used per year for TIF projects? If yes, what is the amount of funds per year allocated as a cap by the governing body?

No

8. Does your municipality have a cap on the amount of TIF funds used per project? If yes, what is the amount of TIF funds per project?

No



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9. Does your municipality have a processing and/or administrative fee? If yes, please provide the fee/ cost amounts.

No

10. Does your municipality's Community Redevelopment Authority try to attract specific redevelopment projects through advertisement within the community? If yes, what types of projects are being requested?

No



Tax Increment Financing Survey City of Norfolk, NE

1. How long are the TIF bonds being written for?

Generally they are written for the full 15 years, but if the project is phased then the bonds for the project as a whole may go beyond 15 years.

2. Which types of projects within the community utilize Tax Increment Financing (TIF) the most?

In the last year or so, a majority of the TIF projects have been residential.

3. What types of documentation is needed by developers to acquire Tax Increment Financing (TIF) funds?

The standard documentation of redevelopment plan and agreement that states “but-for” TIF the project wouldn’t be feasible. Cost benefit analysis. Return on investment calculations both with and without TIF.

4. Are developers required to show documents of various BIDs on the project?

No.

5. Does your municipality have a limit on the amount of TIF projects being issued per year? If yes, what is the limit on the amount of TIF projects being issued per year?

No.

6. Does your municipality have a competitive application process or is the application process based on the order applicants submits’ their application? Please add additional information if possible.

The process begins when the applicant submits a complete and approvable redevelopment plan.

7. Does your municipality have an amount of funds per year allocated as a cap by the governing body to be used per year for TIF projects? If yes, what is the amount of funds per year allocated as a cap by the governing body?

No.

8. Does your municipality have a cap on the amount of TIF funds used per project? If yes, what is the amount of TIF funds per project?

No.

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9. Does your municipality have a processing and/or administrative fee? If yes, please provide the fee/ cost amounts.

No, except to be reimbursed for the cost of noticing and from the TIF dollars, reimbursement for our TIF attorney. The cost of blight and substandard studies are also charged to the Redeveloper if done specifically for their project.

10. Does your municipality's Community Redevelopment Authority try to attract specific redevelopment projects through advertisement within the community? If yes, what types of projects are being requested?

No.



Tax Increment Financing Survey City of Lincoln, Nebraska

Prepared by Wynn Hjermstad, AICP
Community Development Manager
Urban Development Department
402-441-8211; whjermstad@lincoln.ne.gov

1. How long are the TIF bonds being written for?

15 years

2. Which types of projects within the community utilize Tax Increment Financing (TIF) the most?

Commercial, multi-family, mixed use. Some typical projects recently completed or underway now include:

- HUDL corporate headquarters, Haymarket District: private investment \$30,000,000, TIF \$6,000,000 (complete).
- Residential, Haymarket District: 18 market rate residential condos. Private investment \$7,232,126; TIF \$1,179,671 (under construction).
- Lied Place, downtown: 40 units luxury condos: private investment \$25,000,000; TIF \$5,000,000 (Plan amendment to City Council this month, Redevelopment Agreement currently being negotiated).
- Viet Hao ethnic grocery store and office, Antelope Valley area near downtown: private investment \$1,716,000; TIF \$128,200 (construction starting this month).
- Volleyball/Basketball sports facility, West O Street: 95,000 square feet; private investment \$10,000,000; TIF \$1,300,000 (Redevelopment agreement being negotiated).
- Mixed use office/residential, Havelock area: 5,000 square foot office, 4 market rate apartments. Private investment \$1,090,000; TIF \$110,000 (complete).
- Telegraph District Phase 2, Antelope Valley area near downtown: rehab and new construction, office, restaurants, @225 market rate apartments. Private investment \$62,000,000, TIF \$8,907,652 (under construction).
- Nebraska Innovation Campus Phase 2: 80,000 square foot office building. Private investment \$15,300,000; TIF \$3,116,291 (complete).

3. What types of documentation is needed by developers to acquire Tax Increment Financing (TIF) funds?

When first approaching the City, generally a project description, site plan and pro-forma. Schematics and renderings are included in the Redevelopment Agreement and must be strictly adhered to. Changes must be approved in advance. After a Redevelopment Agreement is

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approved by City Council, proof of financial ability must be provided and approved by the City's Finance Director. This is often in the form of a letter from the financial institution funding the project.

4. Are developers required to show documents of various BIDs on the project?

For private improvements, no, for public improvements, yes. Our preference is that they go through the City's Purchasing Office but if they choose to bid themselves, they must follow the City's process. We have prepared a Guide for developer's use that I will attach.

5. Does your municipality have a limit on the amount of TIF projects being issued per year? If yes, what is the limit on the amount of TIF projects being issued per year?

No. Our guide is the percent of the City that can be declared blighted and substandard which, by state statute, is 35%. Lincoln is at about 12%.

6. Does your municipality have a competitive application process or is the application process based on the order applicants submit their application? Please add additional information if possible.

No, we do not have an application process. Developers approach the Urban Development Department (we are the City's designated Redevelopment Authority). Staff does a preliminary review, will review with other relevant City Departments (usually Planning and Public Works, may also include Building & Safety, Health, Parks & Rec depending on the project), then it is taken to the Mayor for approval to go forward. We then usually set up weekly meetings with the developer team and City staff to negotiate the Redevelopment Agreement. Everything is approved by the Mayor. We have weekly Redevelopment Project meetings with the Mayor to go over projects.

7. Does your municipality have an amount of funds per year allocated as a cap by the governing body to be used per year for TIF projects? If yes, what is the amount of funds per year allocated as a cap by the governing body?

No.

8. Does your municipality have a cap on the amount of TIF funds used per project? If yes, what is the amount of TIF funds per project?

No.

9. Does your municipality have a processing and/or administrative fee? If yes, please provide the fee/ cost amounts.

Yes. Our fee is 1.5% of the first \$2 million of TIF then 1.5% in excess of \$2 million. Fees go into the general fund. We have a biennial City budget. At the end of the budget period, anything over \$200,000 goes into a fund for affordable housing. This is relatively new and we just finished the

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first biennial budget where this has been in place. It generated about \$175,000 for affordable housing.

10. Does your municipality's Community Redevelopment Authority try to attract specific redevelopment projects through advertisement within the community? If yes, what types of projects are being requested?

Not usually. We generally issue a Request for Redevelopment Proposals (IFRP) and it is usually open-ended. Basically an IFRP says bring us projects to consider but does not usually get specific as to the type of project. Occasionally we will issue an RFP for a specific type of project.

A final comment about TIF usage in Lincoln: we have done some affordable housing projects, mostly housing for first time homebuyers. We have done a few in partnership with Low Income Housing Tax Credit projects. The lack of affordable quality housing is becoming a significant issue in Lincoln, particularly for low income rental. We are currently exploring the issue of affordable housing in general in Lincoln and use of TIF for that purpose.

Attached is a Guide for the bidding process (discussed in question 4, above). Here is a link to a general policy statement about use of TIF that is on our website:

<https://lincoln.ne.gov/city/urban/redev/pdf/tifpolicy.pdf>

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Appendix C: City of Scottsbluff Tax Increment Financing (TIF) Guidelines and Application



Tax Increment Financing (TIF) Guidelines and Application

City of Scottsbluff, Nebraska

Revised November 2016

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I. INTRODUCTION

The purpose of this guide is to describe the criteria for the use of Tax Increment Financing (TIF) and the procedures which will be used by the City of Scottsbluff City Council, Planning Commission, and Community Redevelopment Authority for evaluating proposals requesting TIF for projects within the City of Scottsbluff, Nebraska. The implementation of TIF is governed by Nebraska's Community Development Law, Sections 18-2101 – 18-2144. The following are guidelines only, TIF applications and plans are always subject to final approval by the City.

What is TIF?

One of the best tools the City has to incentivize the redevelopment of blighted and substandard properties is Tax Increment Financing (TIF). Properties located in blighted and substandard areas can be extremely expensive to demolish, rehabilitate and develop. TIF can make development or redevelopment of these sites financially feasible by providing funding for the acquisition of these sites, demolition of existing structures, and other eligible site improvements.

In 1980, the voters of the State of Nebraska approved a constitutional amendment permitting the use of TIF to help finance redevelopment projects. TIF funds generally allow for acquisition of property, site preparation, and construction of public improvements associated with projects. In 1984, State voters approved an additional constitutional amendment extending the use of TIF to help finance rehabilitation projects as well.

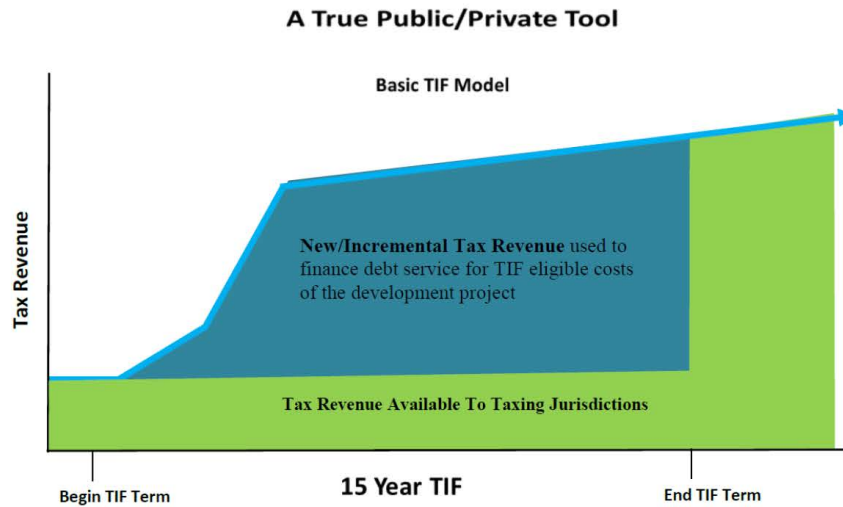
TIF in Nebraska is primarily designed to finance certain eligible costs (further explained below) associated with a private development project. Essentially, the property tax increases resulting from a development are targeted to repay the eligible costs required by a project. TIF provides a means of encouraging private investment in areas in need of redevelopment, especially in deteriorating areas, by allowing city governments to devote, for up to 15 years, increases in specific property tax revenue as a result of the redevelopment to repay the eligible costs. The chart below demonstrates the public and private benefits of TIF.

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NOTE: Typically there is a sharp increase in assessed valuation within the first few years, then a plateau or gradual increase in valuation.

TIF has emerged as one of the City of Scottsbluff's most effective redevelopment and economic development tools, but it is important to remember that there are several restrictions to TIF. TIF can only be utilized in areas that the City has designated as "blighted and substandard." State statute also requires that any project utilizing TIF must pass the "but-for" test, meaning that the project would not be economically feasible without the use of TIF. TIF is an extremely important tool for redevelopment, and when used correctly, is of great benefit to the City and private developers.

II. PROGRAM GOALS

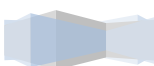
The City's Comprehensive Plan, adopted in 2016, developed a community vision based on the input of a large representation of the City's residents. The following four development principles were identified to guide the implementation of this Community Vision. TIF projects that adhere to these principles will be of highest priority to the City. Please note that the principles listed below are an abbreviated version of the principles listed in the Comprehensive Plan. The Comprehensive Plan can be found on the City's website (Scottsbluff.org) or can be obtained at City Hall and should be referred to for a more complete description of these principles.

Community Vision

Scottsbluff will be a place where current and future generations want to pursue their aspirations- a place of opportunity.

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Interconnection of neighborhoods and amenities

The interconnection of neighborhoods and amenities means where residents live will be connected to the places and things they utilize. It also promotes safe and efficient movement of goods and people to and from other communities and around the City.

Sustainable development

Development should be responsive to the market and social needs of the region and City infrastructure and policies should accommodate development's swift responsiveness. City investments should be fiscally conservative and equitable throughout the City. Growth will not saddle future generations with long term environmental or economic burdens. Development and redevelopment will best respond to the needs of the community if the community is involved in shaping those plans. Included in this strategy are:

- Prioritization of infill development through incentives, residential home rehabilitation, and Brownfields redevelopment.
- Redevelopment in blighted areas that holistically address the economic, social, business, and physical health needs of the community.
- Build a strong community core through place making, mixes of uses, integration of motorized and non-motorized transportation options, and strategic investments for social and economic stability.

Access to culture and recreation

Recreational and entertainment amenities should be woven into the fabric of the community. These amenities include parks and outdoor spaces, playgrounds, sidewalks, walking trails, pools, entertainment venues, restaurants, and plazas. Integrating these amenities into the shared spaces in the community works to promote a community where people want to be and improve the wellness of the community.

Strong neighborhoods and places rooted in our unique character

Communities that make investments to improve quality of life and sense of place are the communities where people and businesses are moving. Scottsbluff will continue to bring energy, stability, and business to the community through place-based development. Enhancing the lived experiences and cultural experiences in the community strengthens the bond residents feel to remain in or return to the community. Scottsbluff also knows strong neighborhoods and housing options help build a strong workforce and healthy families. Together, strong neighborhoods and memorable places help residents grow roots in the community and attract others to live and invest here.



III. PROGRAM CRITERIA

Mandatory Criteria of the TIF Program

Applications for TIF assistance **must meet** the mandatory criteria in order for the project to be considered. The application must demonstrate how the project meets the required criteria.

A project **must meet each of the following** criteria:

1. The project must be located within an area that has been designated as blighted and substandard or within an area eligible for a designation as blighted and substandard as required and set forth by State Statute. See the City of Scottsbluff website (Scottsbluff.org). **(Community Development Law §18-2109)**
 - A.) If the proposed TIF project is not within an area designated as blighted and substandard, the applicant may submit a written request to the City of Scottsbluff requesting a study to determine whether the area meets the statutory definition. The City will then prepare a blighted and substandard study at the cost of the developer. An applicant may also submit to the City a blighted and substandard study for the City's review and use in determining whether an area qualifies as blighted and substandard.
 - B.) The qualification of an area as blighted and substandard does not automatically mean the City will designate the area as blighted and substandard. Making such a designation remains in the sole and absolute discretion of the City Council.
2. The use of TIF for the project will not result in a loss of pre-existing tax revenues to the City and other taxing jurisdictions and the costs and benefits of the project are in the long-term best interest of the community. **(Community Development Law §18-2113 and §18-2116)**
3. The applicant is able to demonstrate that the project would not be **economically feasible** and would not occur in the blighted and substandard area without the use of TIF. Return on investment assists in determining the economic feasibility of the project. **(Community Development Law §18-2113 and §18-2116)**
4. The project must further the objectives of the City's Comprehensive Plan. See Section II, Program Goals, for the main principles set forth by the City of Scottsbluff Comprehensive Plan. **(Community Development Law §18-2112 and §18-2116)**

Other Criteria and Considerations of the TIF Program

1. The applicant must secure financing or be able to show a financial ability to complete the project, including any public improvements, as required. The financial ability can be contingent on TIF being granted. However the applicant must understand that TIF typically only pays for a small portion of a project. The incremental tax allocations paid into Scotts Bluff County are forwarded to the owner/developer, or their assignees, as they are received by the County, to amortize the TIF loan. Except for the incremental tax allocations for the permitted term, the City assumes no responsibility for the repayment of any TIF loan.

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2. The City assumes no responsibility for selling or purchasing any TIF loan or bond.
3. All TIF projects must comply with City codes and zoning ordinances, and will be approved subject to compliance with these codes and zoning ordinances, to include urban design review, when applicable.
 - a) A TIF pre-application meeting must be scheduled for all proposed TIF projects that will include City staff as designated by the City Manager.
 - b) A Site Plan Review is highly encouraged to determine if the site complies with the current ordinance and addresses the required public improvements. To request a Site Plan Review, contact the City of Scottsbluff at (308) 630-6254.
 - c) No Building Permit will be issued based on a site plan that does not comply with the provisions of the City's Zoning Ordinance.
4. The City will not consider applications for projects which will not support at least a \$50,000.00 TIF bond or do not have at least \$50,000.00 in TIF eligible costs.

Uses of TIF

TIF is primarily designed to finance public improvements associated with a project.

The following are considered TIF eligible costs:

- Total amount of public improvements associated with the TIF redevelopment project plan. Public improvements can be located on a redevelopment project site, directly adjacent to the redevelopment project site, or within the general vicinity of the redevelopment project site if those improvements are necessary for or associated with the project.
- Acquisition costs of redevelopment project sites.
- Site preparation, demolition, grading, surcharging, special foundations, and other pre-development work prior to construction of the project such as architectural and engineering services related to the project as well as environmental services and studies.
- Utility extensions and hookups.
- Rehabilitation, major renovations, and retrofitting of structures within the redevelopment project area. TIF **will not cover** normal maintenance and repair costs.
- Public parking.
- Traffic studies, market studies, and appraisals associated with the redevelopment project site.
- TIF fees.

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IV. PROJECT SELECTION

Application Process (See separate TIF Application Form attached to these Guidelines)

The City Manager or designee should be the applicant's primary point of contact for the project. This will help ensure that the TIF application, Redevelopment Plan and Redevelopment Agreement approval process are consistent with the timelines for other project site requirement(s) and approvals.

All applications for TIF must be submitted to the City of Scottsbluff for review before initially presenting the application to the Community Redevelopment Authority (CRA). Submittal of the application generally establishes when the Redevelopment Project Plan will be presented to the CRA. CRA meetings are generally scheduled for the 4th Monday of each month at 5:00pm. This scheduled date may change due to holidays or other circumstances. The applicant will be contacted to give a brief presentation to the CRA regarding the TIF project. The TIF Application Submittal Deadline is fourteen (14) business days prior to the CRA meeting at which the application will be presented.

On the TIF Submittal Deadline Date by noon:

- **Submit one (1) hard copy of the entire, completed TIF Application,**
- **Email an electronic copy of the TIF Application,**
- **Submit the \$250.00 TIF Application Fee.**

The TIF application will be evaluated by City Staff, which may request further information from the applicant or require revisions to the application. After final evaluation of the TIF application that is determined to be ready to move forward, the applicant will be notified to:

- **Submit three (3) hard copies of the *revised (if applicable)*, completed TIF Application,**
- **Email the *revised (if applicable)*, completed TIF Application.**

Also, the applicant will be notified of the appropriate meetings to attend to present the TIF project. Once the CRA has provided its recommendation and approval of the initial application, a Redevelopment Project Plan will be prepared by City Staff, **OR** the applicant can hire a qualified person to prepare the plan. If the City Staff prepares the Redevelopment Project Plan, it will be ready within 30 days after application approval and payment of the processing fees (explained below), absent circumstances beyond the City's control.

V. APPROVAL PROCESS

After approval of the application by the Community Redevelopment Authority, the project goes through the following process:

1. Preparation of a Redevelopment Project Plan: The Redevelopment Plan has certain statutory requirements and will include a definition of the Tax Increment Project Area. It will also contain information about the use of TIF funds. City Staff can prepare the Plan with the assistance of the Developer. **Alternately,** the applicant can hire a qualified person to prepare the Plan and submit that plan to the City for consideration. If the applicant submits a Plan to the City staff, the City staff may



require certain revisions to the Plan prior to submitting the plan to the Planning Commission (see next step).

2. Approval of the Redevelopment Plan: The Plan is first submitted to the Planning Commission for its recommendation as to whether or not the plan is consistent with the goals set out in the Comprehensive Plan. The Planning Commission will also hold a public hearing to allow for public input on the project. Following the Planning Commission recommendation, the Plan is then submitted to the CRA for review. The CRA will make a recommendation regarding the Plan to City Council. The Plan is then forwarded to City Council for a public hearing. Following the public hearing, City Council can approve a resolution adopting the Redevelopment Plan.

3. Approval of the Redevelopment Agreement: Following approval of the Redevelopment Plan, the City and the owner/developer negotiate a Redevelopment Agreement. The Agreement sets forth the mutual responsibilities of both parties and may include the financial terms of the project. As part of the agreement process, the owner/developer will either demonstrate that they can finance the TIF bond or negotiate loan terms with a private lender. The Redevelopment Agreement will then be submitted to the CRA for approval. The CRA may simultaneously authorize the TIF bond. However, a TIF bond will not be issued by the CRA until eligible project costs are incurred. Interest rates on bonds will be determined by the market at the time the bond is issued.

VI. TIF FEE STRUCTURE

The fee structure for TIF projects are as follows:

1. An initial application fee of \$250.00 – due upon submission of the TIF application
2. Upon conceptual approval of TIF application by the CRA, a processing fee based on the schedule below shall be remitted if the applicant wishes a Plan to be created and considered by the Planning Commission, CRA, and City Council. The processing fee is intended to cover the City's costs and expenses in creating and/or reviewing the Plan and running the Plan through the appropriate approval process.

The processing fee shall be paid prior to the City's preparation and/or review of the Plan. If the processing fee has not been paid for a period of six (6) months after notification of conceptual approval, the application shall be deemed abandoned and the application fee forfeited. The processing fee schedule is as follows:

- If the estimated TIF proceeds available for the Project are \$50,000.00 to \$75,000.00, the processing fee shall be equal to 5% of the estimated TIF proceeds, and the processing fee will also cover the administrative fee.
- If the estimated TIF proceeds available for the Project are \$75,000.01 to \$100,000.00, the processing fee shall be equal to 8% of the estimated TIF proceeds, and the processing fee will also cover the administrative fee.

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- If the estimated TIF proceeds available for the Project are over \$100,000.00, the processing fee shall be the greater of (a) \$5,000.00 or (b) 1% of the estimated TIF proceeds. This processing fee will be in addition to the administrative fee set forth below.

3. Upon approval of the Redevelopment Plan and Redevelopment Agreement, the person or organization receiving the TIF Proceeds estimated to be over \$100,000.00 shall pay an administrative fee of \$5,000. The administrative fee is intended to cover the City's costs and expenses of administering the TIF bond during its life.

Below are examples of the Fees due to the City for particular projects:

Estimated TIF Proceeds	Application Fee	Processing Fee	Administrative Fee	Total
\$50,000.00	\$250.00	\$2,500.00 (5%)	Included in Processing Fee	\$2,750.00
\$75,000.00	\$250.00	\$3,750.00 (5%)	Included in Processing Fee	\$4,000.00
\$80,000.00	\$250.00	\$6,400.00 (8%)	Included in Processing Fee	\$6,650.00
\$100,000.00	\$250.00	\$8,000.00 (8%)	Included in Processing Fee	\$8,250.00
\$110,000.00	\$250.00	\$5,000.00 (minimum)	\$5,000.00	\$10,250.00
\$350,000.00	\$250.00	\$5,000.00 (minimum)	\$5,000.00	\$10,250.00
\$500,000.00	\$250.00	\$5,000.00 (1%)	\$5,000.00	\$10,250.00
\$600,000.00	\$250.00	\$6,000.00 (1%)	\$5,000.00	\$11,250.00
\$1,000,000.00	\$250.00	\$10,000.00 (1%)	\$5,000.00	\$15,250.00

VII. POLICY

This policy shall be reviewed and updated as necessary. Any changes shall be approved by the City Manager and submitted to the Mayor and City Council for their approval.

VIII. DISCLAIMER

This Policy contains general guidance only and shall not be deemed a contract or promise by the City or any of its departments to provide TIF proceeds or any services outlined above. All timelines set forth herein are approximations only and while developers may use these timelines for planning purposes, they should not rely on such timelines, nor shall the City, the CRA, the Planning Commission, or any of their respective officers, agents, and employees be liable for not strictly adhering to any deadline set forth or implied herein. The City, by and through the City Manager, reserves the right to reasonably alter these policies or equitably adjust the fee charged in connection with any project if, in the City Manager's discretion such alterations or adjustments are in the best interest of the City. Nothing herein, including the payment of any fees, shall guarantee TIF to any person or entity. The receipt of TIF is subject to the developer meeting all statutory and local requirements of TIF and the approval of the City.



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APPLICATION FOR TAX INCREMENT FINANCING

Please note that the following application must be typed prior to submission to the City of Scottsbluff. You should attach additional pages when necessary. The applicant(s) or a designated representative must be present at the Community Redevelopment Authority (CRA), Planning Commission, and City Council meetings to answer any questions related to the project. Proper notice of both meetings will be given to applicants by City Staff. **Failure to complete any of these application requirements may result in ineligibility for or delay of approval of Tax Increment Financing.**

1. Please state, the name, address, telephone number and email address of the Redeveloper(s) (the applicant). If the Redeveloper is a business entity, please include the name of the designated representative of the business and the position title.

2. Please describe the property to be redeveloped (the "Project Site") by address, legal description, or, if necessary, general location. Please include all parcel numbers included in the Project Site. These can be obtained from the Scotts Bluff County Assessor website: <http://www.scottsbluffcounty.org/assessor/assessor-disclaimer-do.html>. Please attach a map of the Project Site if available.

3. Please describe the existing uses and condition of the Project Site.

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4. If you do not currently own the Project Site, please explain your plan for acquiring the Project Site, including whether you have a current agreement to acquire the Project Site.

5. Please describe the Redevelopment Plan on the Project Site. In your description, please address (please include your answers in an attached document):

- A. Proposed land uses after redevelopment (please attach a land use plan if available).
- B. The necessity of and plan to demolish or remove structures.
- C. Land coverage and building intensities in the Project Site after redevelopment (please attach a site plan if available).
- D. Standards of population densities in the Project Site expected after redevelopment.
- E. A statement of any proposed changes to zoning, street layouts, building codes, or ordinances.
- F. A statement of any planned subdivision to the Project Site.
- G. A statement of additional public facilities and utilities required to support the Project Site after redevelopment.
- H. Employment within the Project Site before and after redevelopment.
- I. Any other information you deem relevant.

6. Please itemize your estimated project costs (please attach copies of bids or estimates to support estimated project costs):

A. Land Acquisition (if applicable):	\$
B. Site Development (itemize):	\$
C. Building Cost:	\$
D. Architectural & Engineering Fees:	\$
E. Legal Fees:	\$
F. Financing Costs:	\$
G. Broker Costs:	\$
H. Contingencies:	\$
I. Other (itemize):	\$

TOTAL \$

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7. Please list the names and addresses of all known architects, engineers, and contractors who will be involved with the Project.

8. Please itemize the following regarding the valuation of the Project Site:

- A. Total estimated assessed valuation of Real Property at completion:
- B. Latest property valuation (from R.E. Tax Statement):

9. Please itemize your projected sources of financing for the Project (please include a construction pro forma if available):

A.	Equity:	\$
B.	Bank Loan:	\$
C.	Tax Increment Financing:	\$
D.	Other (itemize):	\$
TOTAL		\$

10. Please set forth your Project schedule.

- A. Expected acquisition date (if applicable):
- B. Demolition start date (if applicable):
- C. Construction start date:
- D. Construction completion date:
- E. If project is phased:
 - Year _____ % Complete
 - Year _____ % Complete

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11. Please name any other municipality wherein you, or other entities the applicant has been involved with, has completed developments within the last five years.

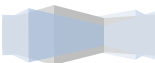
12. Tax Increment Financing Request:

A. Describe amount and purpose for which Tax Increment Financing is required:

B. Statement of necessity for use of Tax Increment Financing:

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C. Have you filed or do you intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act for a project located or to be located within the Project Site?

_____ Yes _____ No

D. If your answer to the previous question 12.C is "Yes," does such application include, or will such application include, as one of the tax incentives, a refund of the City's local option sales tax revenue?

_____ Yes _____ No

E. If your answer to question 12.C is "Yes," has the application been approved under the Nebraska Advantage Act?

_____ Yes _____ No

I certify that the facts and estimates set forth in this application for Tax Increment Financing (TIF) are true and accurate to the best of my knowledge. I understand that false statements on this application shall be considered sufficient cause for ineligibility.

I understand that the City may request additional information it deems relevant and that submitting this application does not guarantee a grant of TIF. All TIF grants are conditional upon (1) approval by the appropriate City authorities and (2) the execution of a contract between you and the CRA.

I agree to maintain all project related receipts for a period of five (5) years beginning at final payment of Tax Increment Financing for audit purposes.

Applicant Name	Signature	Date
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Applicant Name	Signature	Date
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