



Community Redevelopment Authority (CRA)

**Wednesday, January 9, 2019
Regular Meeting**

Item I1

**Redevelopment Plan Amendment CRA #1 Paramount
Development LLC 411 W Third Sears 2**

Staff Contact:

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

RESOLUTION NO. 292

**A RESOLUTION RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN OF
THE CITY OF GRAND ISLAND, NEBRASKA; RECOMMENDING APPROVAL OF A
REDEVELOPMENT PROJECT OF THE CITY OF GRAND ISLAND, NEBRASKA;
APPROVING A COST BENEFIT ANALYSIS FOR SUCH PROJECT; AND APPROVAL OF
RELATED ACTIONS**

WHEREAS, the Mayor and Council of the City of Grand Island, Nebraska (the “**City**”), upon the recommendation of the Planning Commission of the City of Grand Island, Nebraska (the “**Planning Commission**”), and in compliance with all public notice requirements imposed by the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), duly declared the redevelopment area legally described on **Exhibit A** attached hereto (the “**Redevelopment Area**”) to be blighted and substandard and in need of redevelopment; and

WHEREAS, pursuant to and in furtherance of the Act, a Redevelopment Plan (the “**Redevelopment Plan**”), has been prepared by Community Redevelopment Authority of Grand Island, Nebraska, (the “**Authority**”) pursuant to an application by Paramount Development LLC (the “**Redeveloper**”), in the form attached hereto as **Exhibit B**, for the purpose of redeveloping Redevelopment Area legally described on **Exhibit A**, referred to herein as the Project Area (the “**Project Area**”); and

WHEREAS, pursuant to the Redevelopment Plan, the Authority would agree to incur indebtedness and make a grant for the purposes specified in the Redevelopment Plan (the “**Project**”), in accordance with and as permitted by the Act; and

WHEREAS, the Authority has conducted a cost benefit analysis of the Project (the “**Cost Benefit Analysis**”) pursuant to Section 18-2113 of the Act, a which is included in the Redevelopment Plan attached hereto as **Exhibit B**; and

WHEREAS, the Authority has made certain findings and pursuant thereto has determined that it is in the best interests of the Authority and the City to approve the Redevelopment Plan and approve the Redevelopment Project and to approve the transactions contemplated thereby.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA AS FOLLOWS:**

Section 1. The Authority has determined that the proposed land uses and building requirements in the Redevelopment Plan for the Project Area are designed with the general purposes of accomplishing, and in conformance with the general plan of the City, 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 in 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 provisions 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,

Paramount Development LLC (Old Sears Commercial and Residential 2nd Project)

recreational and communitive 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 unsanitary or unsafe dwelling accommodations, or conditions of blight.

Section 2. The Authority has conducted a Cost Benefit Analysis for the Project, included in the Redevelopment Plan attached hereto as Exhibit B, in accordance with the Act, and has found and hereby finds that the Project would not be economically feasible without the use of tax increment financing, the Project would not occur in the Project Area without the use of tax increment financing and the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services, have been analyzed and have been found to be in the long term best interests of the community impacted by the Project.

Section 3. In compliance with section 18-2114 of the Act, the Authority finds and determines as follows: (a) the Redevelopment Area constituting the Redevelopment Project will not be acquired by the Authority and the Authority shall receive no proceeds from disposal to the Redeveloper; (b) the estimated cost of project acquisition and the estimated cost of preparation for redevelopment including site work, onsite utilities and related costs are described in detail in Exhibit B attached hereto; (c) the method of acquisition of the real estate shall be by private contract by the Redeveloper and not by condemnation; and (d) the method of financing the Redevelopment Project shall be by issuance of tax increment revenue bond issued in the approximate amount of \$199,000 which shall be granted to the Redeveloper and from additional funds provided by the Redeveloper. No families will be displaced from the Redevelopment Project Area as a result of the project.

Section 4. The Authority hereby recommends to the City approval of the Redevelopment Plan and the Redevelopment Project described in the Redevelopment Plan.

Section 5. All prior resolutions of the Authority in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

Section 6. This resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED this 9th day of January, 2019.

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

ATTEST:

By: _____
Chair

By: _____
Secretary

Paramount Development LLC (Old Sears Commercial and Residential 2nd Project)

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The main floor of the building on the easterly 44 feet of Lot Three (3) in Block Sixty-Three (63) in the Original Town, now City of Grand Island, Hall County, Nebraska.

Paramount Development LLC (Old Sears Commercial and Residential 2nd Project)

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EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Paramount Development LLC (Old Sears Commercial and Residential 2nd Project)

**Redevelopment Plan Amendment
Grand Island CRA Area 1
December 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 SEARS BUILDING LOCATED AT 411 W. 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 west side of Old Sears located at 411 W. 3rd street for 6,500 square foot of commercial space and one 500 square foot luxury one bedroom accessible apartment. This is the first of the anticipated additional TIF applications will be proposed for commercial uses within the remainder of the building. 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 a portion of this building into a market rate residential unit and 6,500 square feet of first floor commercial space. This project would not be feasible without the use of TIF.

Paramount Development LLC is purchasing the rights to this section of the building through a condominium arrangement. They are purchasing the property for \$52,000. The purchase price is included as an eligible TIF activity. The 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”)**

The second floor and necessary first floor exits and entrances at 411 W. 3rd Street in Grand Island Nebraska. The actual legal will be provided with the master deed for the condominium.

Legal Descriptions: The first floor of the building on the easterly 44 feet of Lot Three (3) in Block Sixty-Three (63) in the Original Town, now City of Grand Island, Hall County, Nebraska.



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 January 2, 2019 and passed Resolution 2019-0? 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:

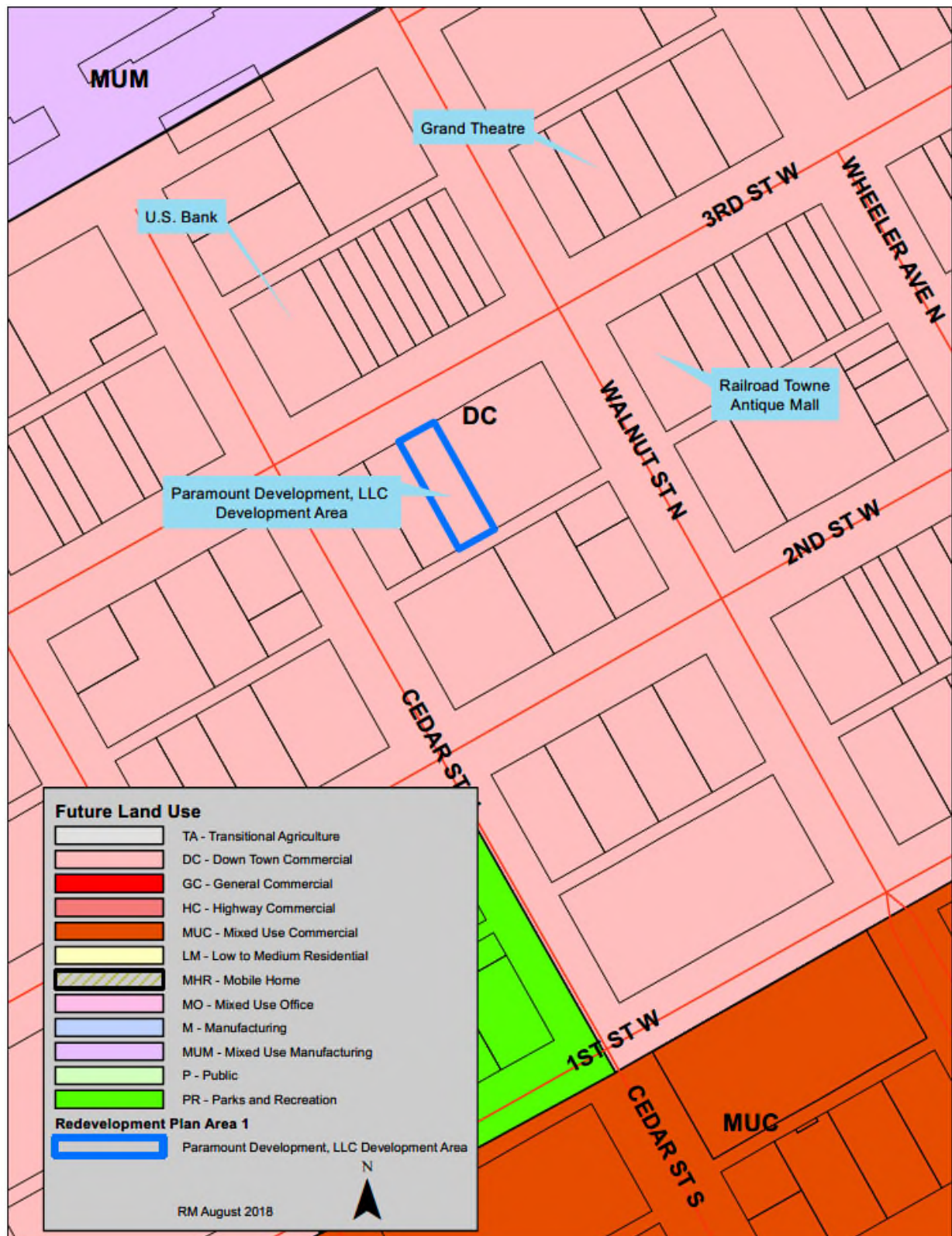
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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 is purchasing the rights to just this portion of the property through a condominium arrangement for \$52,000. The estimated costs of rehabilitation of this

property is \$484,0000, planning related expenses for Architectural and Engineering services of \$8,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$9,600 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 \$540,000.

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 \$199,000 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the 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 February 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 \$199,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$393,600 in private sector financing; a private investment of \$2.03 for every TIF dollar invested.

Use of Funds	Source of Funds.			
Description	TIF Funds	Other Grants	Private Funds	Total
Site Acquisition	\$52,000	—	\$0	\$52,000
Legal and Plan*	\$9,600		\$0	\$9,600
Engineering/Arch	\$8,000		\$0	\$8,000
Renovation	\$129,400		\$354,600	\$484,000
Contingency			\$50,000	\$50,000
TOTALS	\$199,000		\$393,600	\$603,600

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$52,000. Based on the 2017 levy this would result in a real property tax of approximately \$1,171. It is anticipated that the assessed value will increase by \$588,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$13,245 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 2019 assessed value:	\$ 52,000
Estimated value after completion	\$ 640,000
Increment value	\$ 588,000
Annual TIF generated (estimated)	\$ 13,245
TIF bond issue	\$ 199,000

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

The redevelopment project area currently has an estimated valuation of \$52,000. The proposed redevelopment will create additional valuation of \$640,000. 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 unit to be developed with this project is a one bedroom unit and unlikely to be a family unit, especially for families with school age children.

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 a one bedroom unit would likely house a maximum of two 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 no additional school age children generated by this development. 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. It is unlikely that there will be any school age children associated with this project.

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

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 December of 2018 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 \$199,000 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 \$603,000 on TIF eligible activities in excess of other grants given.

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



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

Paramount Development LLC

Address:

1522 S. Gunbarrel Rd, Grand Island, NE 68801

Telephone No.: (308) 218-9497 Fax No.: (308) 381-1697

Contact:

Sonja Weinrich - sonjaweinrich3140@gmail.com

Brief Description of Applicant's

Business: Applicant is a newly formed real estate business, which has
mainly been focused on multi family and single family residential properties.
Gary and Sonja Weinrich currently own several residential rental properties
and are developing more multifamily housing units. Pat O'Neill is a demolition
and earthwork contractor with commercial and agricultural land.

Present Ownership Proposed Project Site: Grand Island Entrepreneurial Inc.- owned by
Ray O'Connor

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

The building will be split off with multiple condo agreements. Paramount
Development will purchase approximately 6500 sq ft of commercial space
on main level. This project would mainly consist of development of commercial
office spaces. Common space would consist of men's and women's restroom
and hallways. Back portion of property will have a handicap accessible 1 bed luxury
apt with approx. 500 sq ft. New windows and doors added on 3rd St and Walnut St.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$
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B. Building	\$ 52,000
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Construction Costs:

A. Renovation or Building Costs:	\$484,000
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B. On-Site Improvements:	\$
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Soft Costs:

A. Architectural & Engineering Fees: \$ 8,000

B. Financing Fees:	\$5,000
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C. Legal/Developer/Audit Fees:	\$ 4,000
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D. Contingency Reserves:	\$ 50,000
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E. Other (Please Specify)	\$
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TOTAL	\$ 603,000
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Total Estimated Market Value at Completion: \$ 640,000

Source of Financing:

A. Developer Equity:	\$ 85,000
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B. Commercial Bank Loan: \$ 340000

Tax Credits:

1. N.I.F.A.	\$
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2. Historic Tax Credits \$

D. Industrial Revenue Bonds: \$

E. Tax Increment Assistance: \$210,000

F. Other \$

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

Architect is Tobias Scott Gay 1470 31st Avenue, Columbus, NE 68601

402-562-6074

Engineer: Michael Spelenik 201 E. 2nd Street, Grand Island, NE 68801

308-384-8750

General Contractor is Paramount Development, 1522 S. Gunbarrel Rd,

Grand Island, NE 68801 308-218-9497

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

(Please Show Calculations)

Based on a market valuation of \$100 per sq foot, we believe the completed building will be worth approx \$640,000. This should generate approximate annual taxes of \$14,000 for a 15 year total of \$210,000. TIF will generate \$178,000 of start up funding after bank interest.

Project Construction Schedule:

Construction Start Date:

Feb 1, 2019

Construction Completion Date:

July 1, 2019

If Phased Project:

NA Year NA %

Complete

NA Year NA %

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:

We are requesting the maximum amount of TIF as permitted based upon
the assumed tax value after construction. We are requesting approximately
\$210,000 in TIF to be allocated to allowable expenses including acquisition,
renovation expenses and new utilities.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing
for Proposed Project: A large financial gap exists on this project after
conventional financing is utilized. A combination of additional owner equity
and TIF funds will be needed to proceed with this project and make a
sufficient return.

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:

Gary and Sonja Weinrich own Weinrich Developments Inc and Pat O'Neill owns O'Neill Wood Resources and O'Neill Transportation. Their companies have all worked on numerous large projects. Weinrich Developments Inc. just completed a TIF project at 206 S. Plum St. Gary & Sonja Weinrich and Pat & Chris O'Neill are owners of Paramount Development LLC.

- IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years. This is a newly formed LLC this year so there are no financial statements available yet.

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

**Sears Building Main Level
411 W. 3rd St**

Estimated Operating Proforma

	W/O TIF	With TIF
Gross Residential and Commercial Rent	\$92,400.00	\$92,400.00
Vacancy 5%	\$4,620.00	\$4,620.00
Revenue	\$87,780.00	\$87,780.00
Total Operating Expenses	\$26,000.00	\$26,000.00
Net Operating Income	\$61,780.00	\$61,780.00
Debt Service (P & I) Equitable Bank	\$49,776.00	\$28,068.00
Estimated Taxes	\$14,000.00	\$14,000.00
Estimated Insurance	\$5,000.00	\$5,000.00
	\$68,776.00	\$47,068.00
Estimated Net Cash Flow	-\$6,996.00	\$14,712.00

Old Sears Building Renovation Estimate			
DESCRIPTION	QTY	UNIT	TOTAL
Acquisition	6400	S.F	\$52,000.00
1 Bedroom Apartment			
Buildout	500	S.F	\$17,000.00
Cabinets, countertops & Hardware			\$4,000.00
Sink, disposal & faucet			\$750.00
Appliances	4 piece		\$2,400.00
Handicap accessible shower			\$5,000.00
Bathroom Tile and Accessories			\$1,000.00
Flooring-Vinyl Plank			\$2,000.00
Light Fixtures & 2 ceiling fans			\$700.00
Doors, Frames and Accessories			\$800.00
Vanity, faucet, hardware and ADA toilet			\$1,200.00
Medicine cabinet			\$100.00
2 windows added			\$3,000.00
Paint and primer			\$600.00
Plumbing			\$5,000.00
Electrical			\$5,000.00
HVAC			\$5,000.00
APARTMENT ESTIMATED TOTAL			\$53,550.00
Commercial Space			
Demolition			\$14,250.00
Buildout various office spaces	5900	S.F.	\$125,000.00
New windows			\$50,000.00
Drop Ceiling	6400	S.F.	\$15,000.00
Lighting			\$17,500.00
Restroom Renovations			\$30,000.00
Flooring & Install			\$27,000.00
Décor			\$3,000.00
Window Coverings			\$2,000.00
INTERIOR TOTAL			\$283,750.00
Break room			
Coffee and snack vending machine			\$6,400.00
2 Tables and chairs			\$1,000.00
Sink, faucet and hardware			\$700.00
Cabinets and hardware			\$2,100.00
Refrigerator and microwave			\$1,500.00
BREAK ROOM TOTAL			\$11,700.00
HVAC			\$20,000.00
Electrical			\$30,000.00
Plumbing			\$10,000.00
Fire Sprinklers	6400	S.F.	\$23,000.00
TOTAL			\$83,000.00
TOTAL CONSTRUCTION COSTS			\$484,000.00

Resolution Number 2019-04

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 Paramount Development LLC.** 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 January 2, 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 December 14th and Friday December 21st, 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: January 2, 2019

HALL COUNTY REGIONAL PLANNING COMMISSION

ATTEST:

By: Leslie E. Ruge
Chair

By: Dean R. F.
Secretary