



Community Redevelopment Authority (CRA)

**Wednesday, February 13, 2019
Regular Meeting**

Item I3

**Redevelopment Plan Amendment for CRA Area #1 - Old Wells
Fargo Building 304 W 3rd Street**

Staff Contact:

Redevelopment Plan Amendment Grand Island CRA Area 1 January 2019

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 304-306 W. 3RD STREET FOR COMMERCIAL OFFICE USES, INCLUDING ACQUISITION AND BUILDING REHABILITATION AND REMODELING.

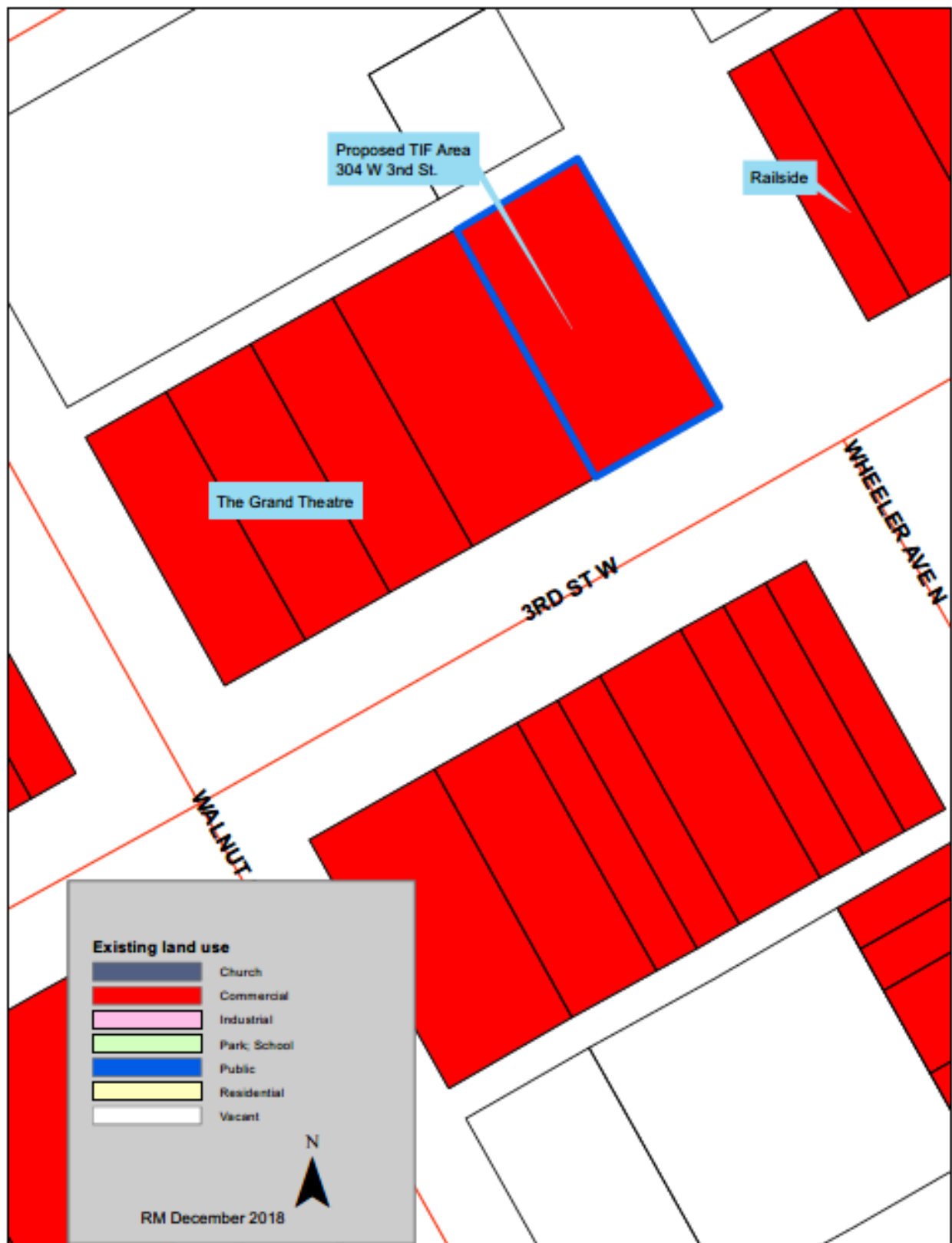
The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the Wells Fargo building located at 304-306 W. 3rd street for commercial office space. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project profitable and affordable in the immediate future. The project will result in renovating and modernizing this building for commercial office space. This project would not be feasible at this time without the use of TIF.

Amur Real Estate I, LLC is purchasing this building for use by Amur Equipment, Inc. (AEF) for commercial office space for employees located in downtown Grand Island. They are purchasing the property for \$675,000. 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 304-306 W. 3rd Street in Grand Island Nebraska.

Legal Descriptions: All of Lot Eight (8) in Block Fifty-Seven (57) 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 2021 through 2035 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 office 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 March 13, 2019 and passed Resolution 2019-07 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.**

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

a. Land Acquisition:

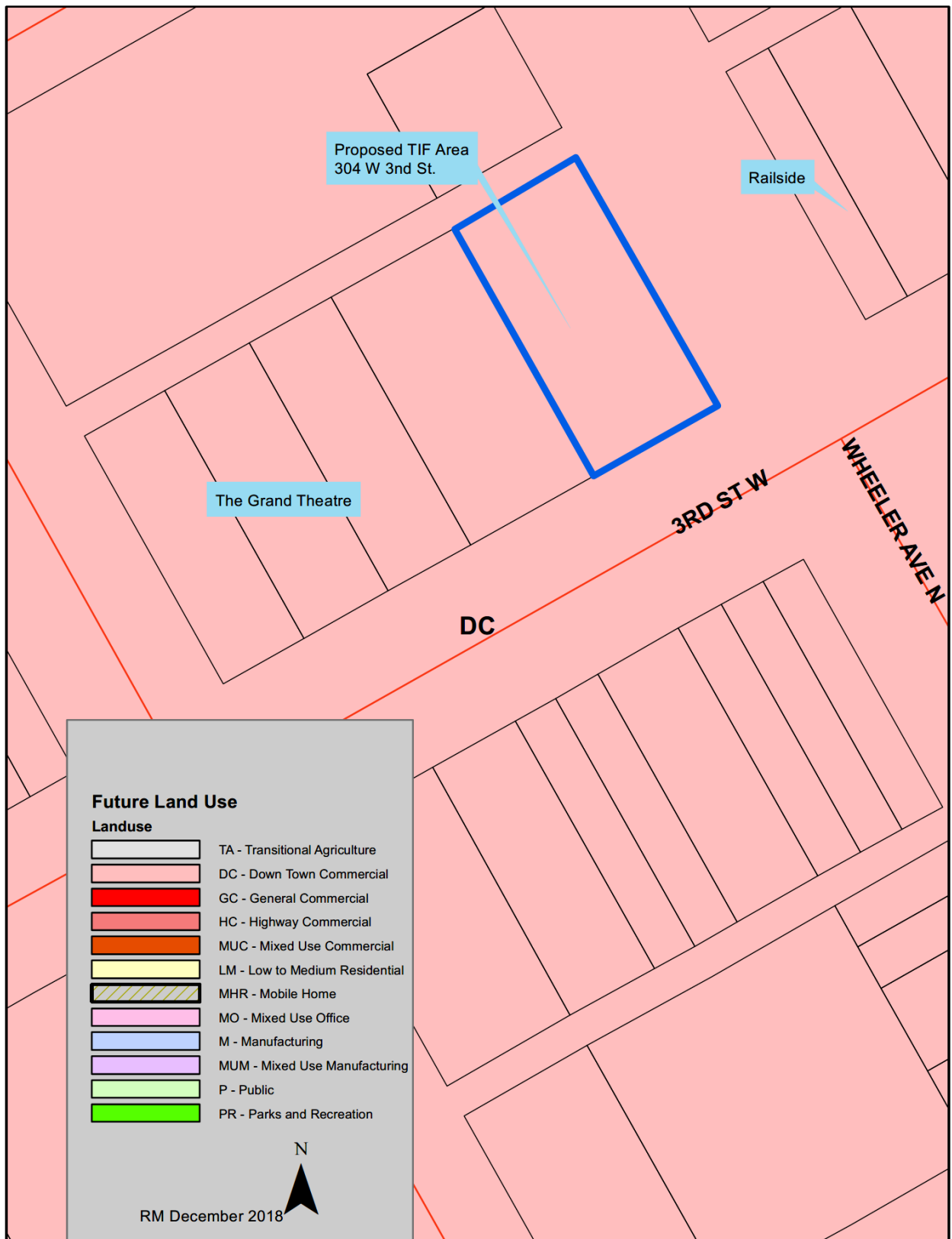
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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.

6. Section 18-2114 of the Act requires that the Authority consider:

a. Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

The developer purchased this property on November 9, 2018 for \$675,000. The estimated costs of rehabilitation of this property is \$1,575,000,, onsite improvements of \$250,000 planning related expenses for Architectural and Engineering services of \$130,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of

\$7,100 including a reimbursement to the City and the CRA of \$7,100 are included as TIF eligible expense. The total of eligible expenses for this project exceeds \$2,637,000.

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 \$360,000 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, 2022 through December 2035.

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 refurbish vacant street level commercial space in a timely manner.

8. Time Frame for Development

Development of this project is anticipated to be completed between January 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 use of this street level space for commercial offices is consistent with the long term development plans for Downtown. This will return a building that has been occupied at the center of Downtown for since its construction in 1960 to full occupancy keeping more than 100 employees in the downtown area.

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 \$360,000 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 \$2,452,100 in private sector financing; a private investment of \$6.81 for every TIF dollar invested.

Use of Funds	Source of Funds.			
Description	TIF Funds	Other Grants	Private Funds	Total
Site Acquisition	\$360,000	—	\$315,000	\$675,000
Legal and Plan*			\$7,100	\$7,100
Engineering/Arch			\$130,000	\$130,000
Renovation			\$1,575,000	\$1,575,000
Site Improvements			\$250,000	\$250,000
Contingency			\$175,000	\$175,000
TOTALS	\$360,000		\$2,452,100	\$2,812,100

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$675,000. Based on the 2017 levy this would result in a real property tax of approximately \$15,204. It is anticipated that the assessed value will increase by \$1,200,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$27,030 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:	\$ 675,000
Estimated value after completion	\$ 1,875,000
Increment value	\$ 1,200,000
Annual TIF generated (estimated)	\$ 27,030
TIF bond issue	\$ 360,000

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

The redevelopment project area currently has an estimated valuation of \$692,000. The proposed redevelopment will create additional valuation of \$1,200,000. 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.

(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 commercial office space options in the downtown area consistent with the planned development in Downtown Grand Island. This will create vacancies within the Downtown Center building. Those spaces are generally well suited for smaller offices.

(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

(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. No additional residential units are anticipated with this project. Amur employees that are in Grand Island are already having an impact on the school district that that is not likely to increase substantially due to 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 support business located in and locating in downtown Grand Island.

Time Frame for Development

Development of this project is anticipated to be completed during between January of 2019 and December of 2019. The base tax year should be calculated on the value of the property as of January 1, 2019. Excess valuation should be available for this project for 15 years beginning in 2020 with taxes due in 2021. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$360,000 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 \$2,700,000 on TIF eligible activities.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

Amur Real Estate I, LLC (including Amur Equipment Finance, Inc.)

Address:

308 N. Locust, Suite 400, Grand Island, NE 68801

Telephone No.: 308-398-4133 Fax No.:

Contact:

Jessica Kort

Brief Description of Applicant's

Business: Lessor of real estate to related party Amur Equipment, Inc. (AEF).

AEF is an independent equipment leasing company, focusing on small to medium ticket transactions ranging from 10k to 2MM. AEF has originated over 1 BN of leases.

AEF provides financing and other leases to a diverse range of industries and offers situation specific underwriting expertise to provide fast, friendly, and flexible financing solutions.

Present Ownership Proposed Project Site: Amur Real Estate I, LLC (purchased 11/9/18)

Address is 304-306 W. 3rd Street, Grand Island, NE

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

Complete remodel and upgrade of commercial office building. Building is
24,466 square feet. All except 3,000 feet of mechanical space in the
basement will be renovated. Renovation will include asbestos removal, demolition,
exterior upgrades, complete interior remodel, and access for future potential
rooftop garden and patio. See attached design plans and construction
quotes for detail.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land \$ 25,000

Approximate based on assessor estimate

B. Building \$ 650,000

Construction Costs:

A. Renovation or Building Costs: \$ 1,575,000

B. On-Site Improvements: \$ 250,000

Soft Costs:

A. Architectural & Engineering Fees:	\$ 130,000

B. Financing Fees:	\$

C. Legal/Developer/Audit Fees:	\$ 0

D. Contingency Reserves:	\$ 175,000

E. Other (Please Specify)	\$

TOTAL	\$ 2,805,000

Total Estimated Market Value at Completion: \$ 2,000,000

Source of Financing:

A. Developer Equity:	\$ 511,000

B. Commercial Bank Loan:	\$ 1,934,000

Tax Credits:	
1. N.I.F.A.	\$ 0

2. Historic Tax Credits	\$ 0

D. Industrial Revenue Bonds:	\$ 0

E. Tax Increment Assistance:

\$ 360,000

F. Other

\$ 0

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

Architect - Davis Design, Inc., 1221 'N' Street, Suite 600, Lincoln, NE 68508

General Contractor - Chief Construction, 3935 Westgate Road,
Grand Island, NE 68803

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

(Please Show Calculations)

Current value - 675,000. Approximate remodel value at cost - 2,675,000

Remodeled value (building cost and remodel at 60%) - 1,875,000

Property tax value @ old - 13,500, Property tax value @ new - 37,500;

Increase in property tax - 24,000 per year (TIF value at 15 years 360,000)

Project Construction Schedule:

Construction Start Date:

January 2019

Construction Completion Date:

December 2019 *For main building remodel. Future rooftop remodel would be by December 2024.

If Phased Project:

_____ Year _____ %

Complete

_____ Year _____ %

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:

Tax increment financing will be used with other funds to complete a 2 million remodel project on the old Overland National Bank building in downtown Grand Island. If awarded TIF, Amur will use funds to pay for remodel options that could be eliminated if not awarded TIF. If Amur starts remodeling the interior, they will be responsible for asbestos removal, estimated to cost \$125,000. TIF helps defray this cost, which enables Amur to proceed with an interior remodel. In addition, TIF will be used to pay for exterior upgrades and improvements, including \$150,000 of metal composite material panels over the existing facade. Long term, Amur would like to add an outdoor rooftop garden and patio. The savings in property tax would allow this project to happen, bringing a unique offering to downtown.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing

for Proposed Project: Amur is making an investment in the people and town of Grand Island by purchasing an empty building in downtown and potentially investing two million dollars in renovation for this key building in downtown Grand Island. Amur has grown at a rapid rate, adding over fifty employment positions in the same area over the past five years. The company purposefully sacrificed higher profitability for the sake of volume growth. With that strategy comes the need to keep overhead costs down. The company is hesitant to commit to the full renovation, knowing it is highly unlikely they would ever be able to gain their investment value back, due to market capacity for the location in a blighted and substandard area. TIF approval would enable Amur to not have the burden of additional property tax for a project that is already not financially profitable. The building is in a prime area of downtown, next to the Railside plaza, where Hear GI concerts and other events are held. Amur would like to do a full renovation, that would allow for the company to complete most desired projects prior to occupancy, enhancing the exterior aesthetic appeal and revitalizing the inside to a modern office with appeal to recruit employees to the downtown area. If not awarded TIF financing, Amur will plan to move into the building as is, not increasing the long-term value to downtown Grand Island.

Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other Corporations the Applicant has been involved with, or

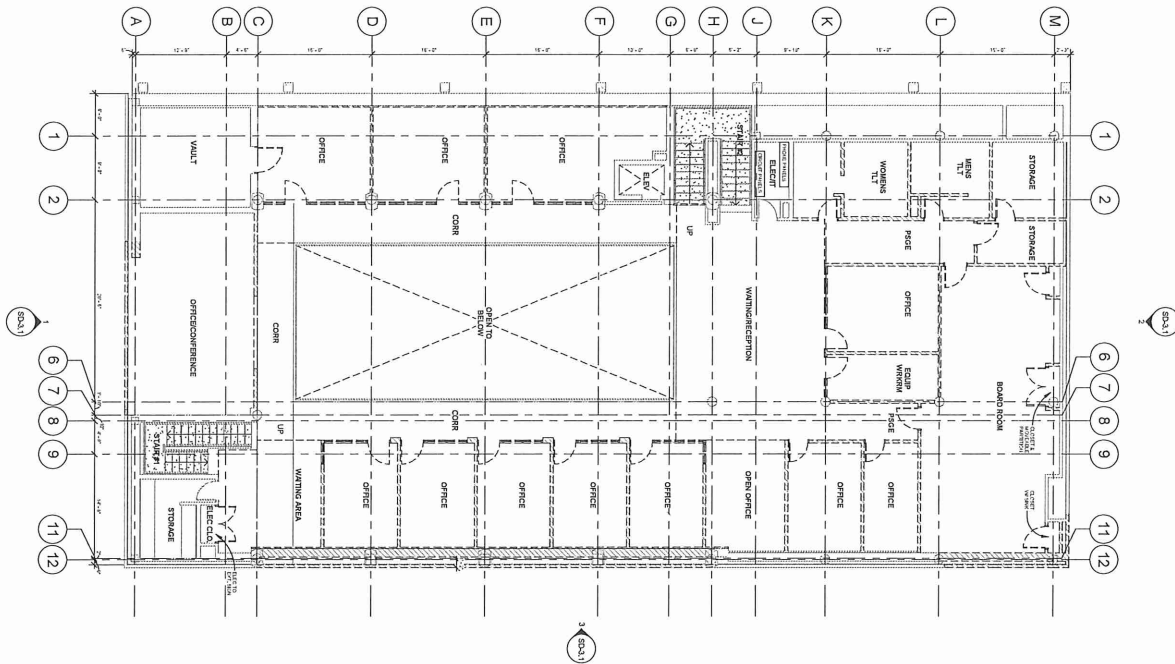
has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

NONE

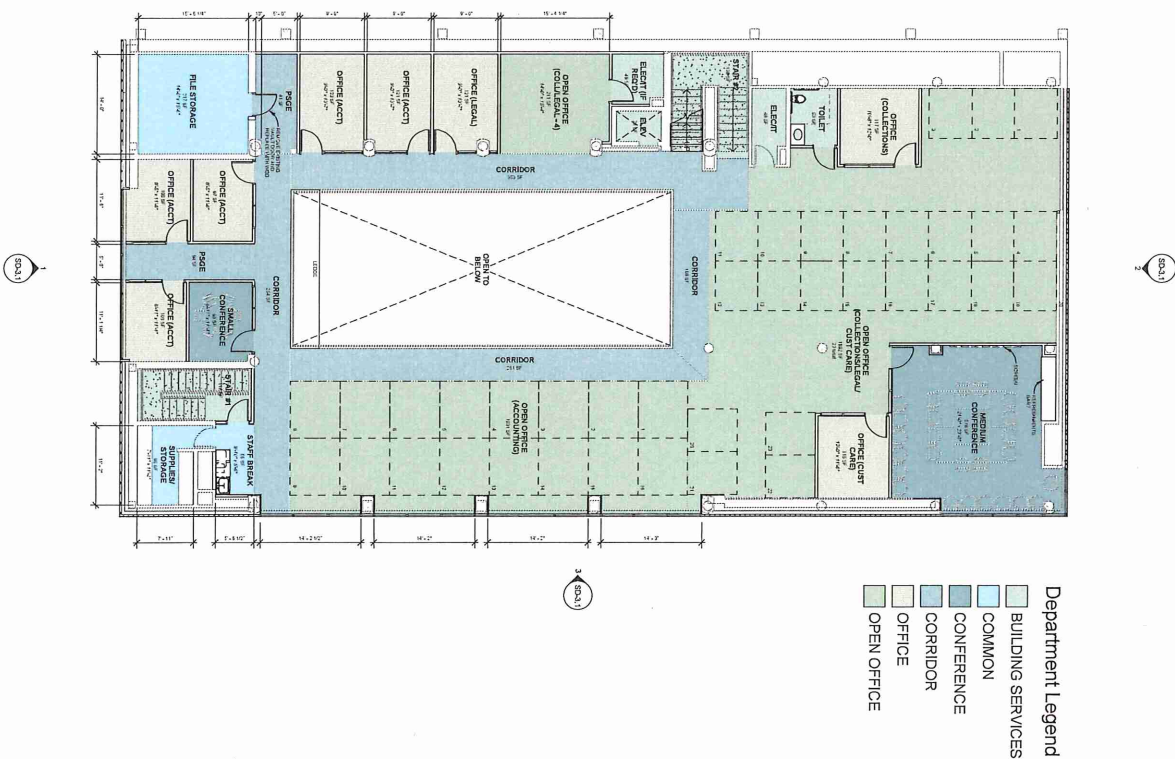
- IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years. Attached

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

1 SECOND LEVEL DEMO PLAN
1/8" = 1'-0"



2 SECOND LEVEL FLOOR PLAN
1/8" = 1'-0"

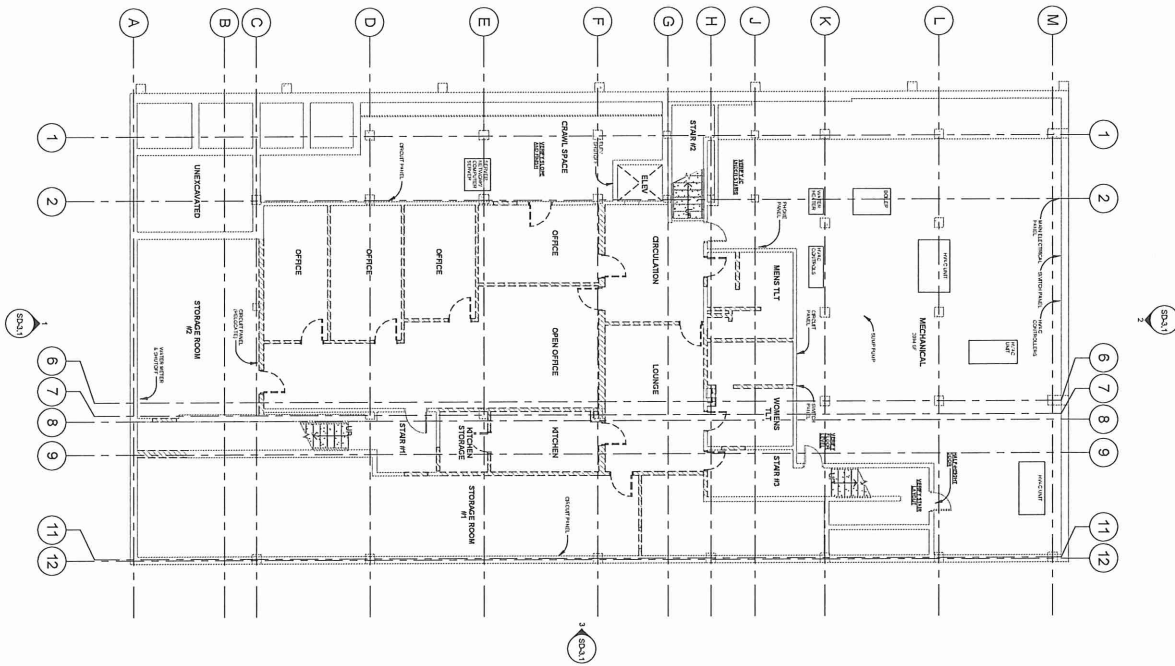


- Department Legend
- BUILDING SERVICES
 - COMMON
 - CONFERENCE
 - CORRIDOR
 - OFFICE
 - OPEN OFFICE

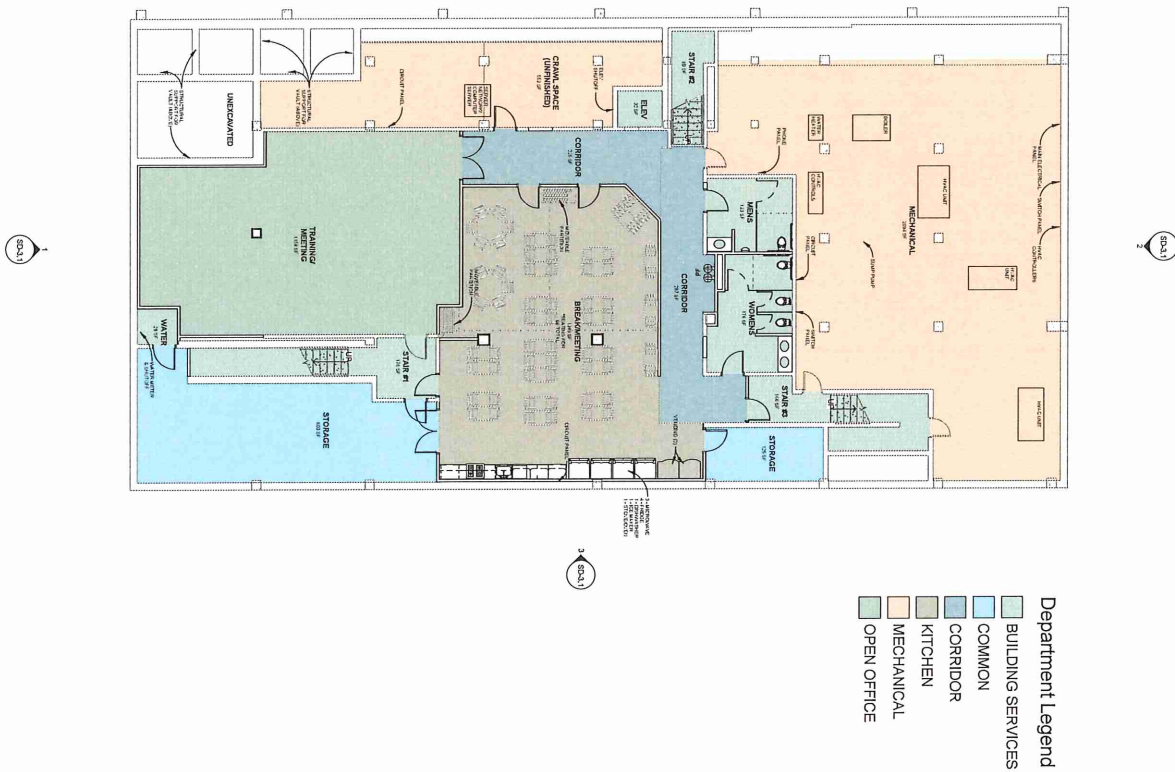
Amur Finance Company

Lincoln
1221 N Street, Suite 600

1 BASEMENT LEVEL DEMO
 1/8" = 1'-0"



2 BASEMENT LEVEL FLOOR PLAN
 1/8" = 1'-0"



Amur Finance Company



3935 Westgate Road
P.O. Box 2078
Grand Island, NE 68802-2078
308.389.7222

November 1, 2018

Mr. James Truran
Amur Equipment Finance
One North Lexington Ave, Ste 1101
White Plains, NY 10601-1712

James:

Upon review of the preliminary plans provided to us by Davis Design we propose the following budgetary estimate for the items listed below.

General Conditions (8%)	\$140,500.00
Project Manager	
Project Superintendent	
Temporary Facilities	
Dumpsters and Cleaning	
Safety, Fuel, Permits, Insurance	
Demolition	\$168,500.00 price increased to cover the cost of the rooftop stair
Asbestos Removal	\$124,000.00 per quote provided to Owner
Masonry	\$5,000.00
Cabinets and Countertops	\$19,000.00
Carpentry	\$56,000.00
Joint Sealants	\$5,000.00
Entrances, Storefronts and Glass	\$93,000.00 eliminated interior aluminum doors and frames
Wood Doors, Hollow Metal Frames and Hardware	\$56,000.00 added interior hollow metal frames and wood doors
Painting and Staining	\$59,000.00
Steel Stud Framing, Sound Insulation and Drywall	\$96,000.00 eliminated framing and substrate on exterior for MCM
Flooring	\$108,000.00
Acoustical Tile Ceilings	\$51,000.00
Building Specialties and Accessories	\$8,000.00
MCM Panels	\$147,000.00 Genwall system per SGH
Plumbing	\$84,000.00
HVAC	\$80,000.00
Electrical	\$200,000.00
Construction Management Fee (5%)	\$75,000.00
	\$1,575,000.00
Owner's Contingency	\$175,000.00 Recommended until rooftop construction scope finalized

This preliminary budget is based on update preliminary plans provided and two site visits. These prices are subject to change based on final design and construction documents.

Respectfully,

Gary Peters
Project Manager
Chief Construction

Amur Equipment Finance, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31,	2017	2016
Assets		
Cash and cash equivalents	\$ 6,527,209	\$ 16,406,662
Cash and cash equivalents, restricted	21,085,651	17,163,381
Investments:		
Trading securities at fair value (at cost of \$5,411,181 and \$14,516,885, respectively)	5,027,801	12,046,373
Due from broker	236,712	9,736,690
Financing receivables, net	319,128,020	285,640,333
Related party notes receivable	480,073	384,623
Equipment (net of accumulated depreciation of \$1,011,395 and \$628,477, respectively)	1,439,554	1,172,139
Deferred tax asset	-	20,729
Other assets	12,106,260	12,308,078
Total Assets	\$ 366,031,280	\$ 354,879,008
Liabilities and Equity		
Liabilities		
Accounts payable	\$ 722,547	\$ 162,473
Contracts in process	7,609,070	4,880,139
Other liabilities	5,033,159	4,571,652
Margin Loan	4,420	3,584,310
Net deferred tax liability	1,503,000	-
Investments:		
Securities sold, not yet purchased, at fair value	287,612	1,603,910
Secured debt:		
Securitized debt	165,805,483	275,634,318
Senior debt	122,321,134	-
Subordinated debt:		
Due to related parties	50,000,000	50,000,000
Redeemable preferred stock	-	236,344
Total liabilities	353,286,425	340,673,146
Equity		
Common stock (\$1 par value; 386 voting; 7,135 non-voting shares issued and outstanding)	7,521	7,521
Preferred stock	8,086,906	10,588,306
Treasury stock - at cost	(37,045)	(37,045)
Additional paid-in capital	9,110,734	9,021,806
Due from shareholder	(1,377,930)	(1,277,215)
Accumulated deficit	(3,045,331)	(4,097,511)
Total Equity	12,744,855	14,205,862
Total Liabilities and Equity	\$ 366,031,280	\$ 354,879,008

See accompanying notes to consolidated financial statements.

Amur Equipment Finance, Inc. and Subsidiaries

Consolidated Statement of Operations

Year ended December 31,	2017	2016
Revenues		
Financing income	\$ 24,527,598	\$ 23,953,826
Fee income	1,747,079	1,425,305
Commission income	54,348	810,130
Other income	4,342,662	3,742,026
Total Revenues	30,671,687	29,931,287
Provision for uncollectible accounts	(5,698,865)	(7,071,027)
Net Revenues	24,972,822	22,860,260
Finance Expenses		
Interest expense	15,174,668	14,408,843
Loan amortization expense	1,628,764	1,686,517
Total Finance Expenses	16,803,432	16,095,360
Finance margin	8,169,390	6,764,900
Expenses		
Salaries and employee benefits	6,055,574	3,402,150
Operating supplies and other expenses	7,837,855	5,942,355
Office rent and occupancy costs	686,951	366,003
Depreciation expense	382,917	156,465
Total Operating Expenses	14,963,297	9,866,973
Investment Income		
Net investment income	2,873	62,898
Investment income from trading securities	9,852,500	(1,422,575)
Net Investment Income (Loss)	9,855,373	(1,359,677)
Gain on termination of subsidiary	-	601,450
Net income (loss) before income tax expense	3,061,466	(3,860,300)
Income Tax Expense (Benefit)	720,798	(1,741,706)
Net Income (Loss)	\$ 2,340,668	\$ (2,118,594)

See accompanying notes to the consolidated financial statements.

Amur Equipment Finance, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31,	2016	2015 Restated
Assets		
Cash and cash equivalents	\$ 16,406,662	\$ 11,485,475
Cash and cash equivalents, restricted	17,163,381	20,585,000
Investments:		
Trading securities at fair value (at cost of \$14,516,885 and \$0, respectively)	12,046,373	-
Due from broker	9,736,690	-
Financing receivables, net	285,640,333	282,759,852
Related party notes receivable	384,623	388,836
Equipment (net of accumulated depreciation of \$628,477 and \$472,012, respectively)	1,172,139	435,016
Deferred tax asset	20,729	-
Other assets	12,308,078	7,206,436
Total Assets	\$ 354,879,008	\$ 322,860,615
Liabilities and Equity		
Liabilities		
Accounts payable	\$ 162,473	\$ 1,169,596
Contracts in process	4,880,139	9,387,620
Other liabilities	4,571,652	4,642,302
Net deferred tax liability	-	2,564,004
Investments:		
Securities sold, not yet purchased, at fair value	1,603,910	-
Due to broker	3,584,310	-
Secured debt:		
Securitized debt	275,634,318	183,570,008
Senior debt	-	59,767,025
Subordinated debt:		
Due to related parties	50,000,000	46,516,536
Redeemable preferred stock	236,344	8,389,426
Total liabilities	340,673,146	316,006,517
Equity		
Common stock (\$1 par value; 386 voting; 7,135 non-voting shares issued and outstanding)	7,521	7,521
Preferred stock	10,588,306	-
Treasury stock - at cost	(37,045)	(37,045)
Additional paid-in capital	9,021,806	8,384,667
Due from shareholder	(1,277,215)	(1,277,215)
Accumulated deficit	(4,097,511)	(895,073)
Total Equity Attributable to Amur Equipment Finance, Inc.	14,205,862	6,182,855
Non-controlling interest	-	671,242
Total Equity	14,205,862	6,854,097
Total Liabilities and Equity	\$ 354,879,008	\$ 322,860,615

See accompanying notes to consolidated financial statements

Amur Equipment Finance, Inc. and Subsidiaries

Consolidated Statements of Operations

<i>Year ended December 31,</i>	2016	2015 Restated
Revenues		
Financing income	\$ 23,953,826	\$ 22,294,397
Fee income	1,425,305	1,197,445
Commission income	810,130	2,866,340
Other income	3,742,026	2,580,944
Total Revenues	29,931,287	28,939,126
Provision for uncollectible accounts	(7,071,027)	(5,575,000)
Net Revenues	22,860,260	23,364,126
Finance Expenses		
Interest expense	14,408,843	11,280,898
Loan amortization expense	1,686,517	1,398,687
Total Finance Expenses	16,095,360	12,679,585
Finance margin	6,764,900	10,984,541
Expenses		
Salaries and employee benefits	3,402,150	2,462,845
Operating supplies and other expenses	5,942,355	4,508,554
Office rent and occupancy costs	366,003	325,842
Depreciation expense	156,465	52,643
Total Operating Expenses	9,866,973	7,349,884
Investment Income		
Net investment income	62,898	-
Net realized trading gain on securities	1,105,507	-
Net unrealized trading loss on securities	(2,528,082)	-
Net Investment Loss	(1,359,677)	-
Gain on termination of subsidiary	601,450	-
Net (loss) income before income tax expense	(3,860,300)	3,634,657
Income Tax (Benefit) Expense	(1,741,706)	1,924,985
Net (Loss) Income	(2,118,594)	1,709,672
Net income attributed to non-controlling interest	-	(438,546)
Net (Loss) Income Attributed to Amur Equipment Finance, Inc.	\$ (2,118,594)	\$ 1,271,126

See accompanying notes to the consolidated financial statements.



Great Western Bank®

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January 31, 2019

Amur Real Estate I, LLC
Mostafizur ShahMohammed
604 Oscawana Lake Road
Putnam Valley, NY 10579

Dear Mr. ShahMohammed,

It is my understanding that the Community Redevelopment Authority of the City of Grand Island is in need of documentation verifying your approval with Great Western Bank on the renovation of real estate located at 304-306 W 3rd St, Grand Island, NE. Therefore, let this letter be proof of your loan approval with our institution.

Also, let this letter also show, that according to our conditions for the loan, that the funding of this credit facility is subject to the receipt of approval of Tax Increment Financing by the Community Redevelopment Authority of the City of Grand Island, and the execution of redevelopment agreement committee such funding to the project by all appropriate parties.

If there is other documentation needed, please feel free to contact me at 308-234-2473 or lee.fritson@greatwesternbank.com.

Yours Truly,

Lee Fritson
Market President

GreatWesternBank.com

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

RESOLUTION NO. 300

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
REDEVELOPMENT CONTRACT TO THE HALL COUNTY REGIONAL PLANNING
COMMISSION FOR ITS RECOMMENDATION

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to the Nebraska Community Development Law (the "Act"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, for redevelopment of an area within the city limits of the City of Grand Island, Hall County, Nebraska; and

WHEREAS, the Authority is required by Section 18-2112 of the Act to submit said to the planning board having jurisdiction of the area proposed for redevelopment for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Authority submits to the Hall County Regional Planning Commission the proposed Plan attached to this Resolution, for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska.

Passed and approved this 13th day of February, 2019

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

By _____
Chairperson

ATTEST:

Secretary

Amur Financial 304 W 3rd

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

RESOLUTION NO. 301

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT CONTRACT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received an Application for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within Redevelopment Area 1, from Amur Real Estate I, LLC., (The "Developer") for redevelopment of property located at 304 W 3rd Street, an area within the city limits of the City of Grand Island, as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within Redevelopment Area 1;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. In compliance with section 18-2114 of the Act, the Authority hereby gives the governing body of the City notice that it intends to enter into the Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, after approval of the redevelopment plan amendment related to the redevelopment project described in the Redevelopment Contract, and after the passage of 30 days from the date hereof.

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

Passed and approved this 13th day of February, 2019.

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

By _____
Chairperson

ATTEST:

Secretary

Amur Real Estate I, LLC 304 W 3rd