



City of Grand Island

Tuesday, August 25, 2020

Council Session

Item E-1

**Public Hearing on Amendment to the Redevelopment Plan for
CRA No. 25 located at 6060 W. Old Potash Highway (J & L
Westward Enterprises)**

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

Staff Contact: Chad Nabity

Council Agenda Memo

From: Chad Nabity, AICP

Meeting: August 25, 2020

Subject: Site Specific Redevelopment Plan for CRA Area #25

Presenter(s): Chad Nabity, AICP CRA Director

Background

In 2017, the Grand Island City Council declared property referred to as CRA Area #25 as blighted and substandard. The enclosed redevelopment plan proposes to authorize the use of Tax Increment Financing (TIF) for the acquisition of property and redevelopment of property within this redevelopment area.

J & L Westward Enterprises LLC, owns property in this area and is proposing to develop within the area and has submitted a site specific redevelopment plan that would provide for acquisition of this property for relocation and expansion of Webb Cutting Tools, a Grand Island Company at the Cornhusker Army Ammunition Plant, a formerly used defense site outside of Grand Island, Nebraska but within Hall County, Nebraska.

The CRA reviewed the proposed development plan on July 8, 2020 and forwarded it to the Hall County Regional Planning Commission for recommendation at its meeting on August 5, 2020. The CRA also sent notification to the City Clerk of its intent to enter into a redevelopment contract for this project pending Council approval of the plan amendment.

The Hall County Regional Planning Commission held a public hearing on the plan amendment at a meeting on August 5, 2020. The Planning Commission approved Resolution 2020-08 in support of the proposed amendment, declaring the proposed amendment to be consistent with the Comprehensive Development Plan for the City of Grand Island. The CRA approved and forwarded the redevelopment plan along with the recommendation of the planning commission to the City Council for consideration at its meeting on August 12, 2020.

Discussion

Tonight, Council will hold a public hearing to take testimony on the proposed plan amendment (including the cost benefit analysis that was performed regarding this

proposed project) and to enter into the record a copy of the plan amendment that would authorize a redevelopment contract under consideration by the CRA.

Council is being asked to approve a resolution approving the cost benefit analysis as presented in the redevelopment plan along with the amended redevelopment plan for CRA Area #25 and authorizes the CRA to execute a contract for TIF based on the redevelopment plan. The redevelopment plan specifies that the TIF will be used to offset allowed costs for acquisition of property. The cost benefit analysis included in the plan finds that this project meets the statutory requirements for an eligible TIF project and that it will not negatively impact existing services within the community or shift additional costs onto the current residents of Grand Island and the impacted school districts. Eligible expenses are estimated at over \$360,000 for identified expenses eligible for tax increment financing associated with the proposed redevelopment plan. The bond for this project will be issued for a period of 15 years and will end upon final payment of the bond principal and any associated interest. The proposed bond for this project will be issued for the expected TIF proceeds for the 15 year period of \$359,625.

Alternatives

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

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

Recommendation

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

Sample Motion

Move to approve the resolution as submitted.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: J & L Westward Enterprises, LLC

Address: 3104 Bison Ct, Grand Island, NE 68803

Telephone No.: 308-381-7090 Fax No.: 308-398-1966

Email: john@sickleservice.com

Contact: John Webb

Brief Description of Applicant's Business: J & L Westward Enterprises, LLC owns the real estate leased by Webb Cutting Components, a Grand Island, NE based world-class supplier manufacturing stamped and heat-treated systems, assemblies, and components used for plant and grain harvesting.

Legal Description/Address of Proposed Project: See attached legal description
6060 W Old Potash

Community Redevelopment Area Number

25

Present Ownership Proposed Project Site: The 10 acres for the project were part of the SPPD land holdings at the Ordinance Plant.

Is purchase of the site contingent on Tax Increment Financing Approval? No

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

The acquisition of 10 acres at the Ordinance Plant and the subsequent site work, engineering, drainage, land improvements necessary for development of this property into a commercial manufacturing facility (see attached plans). In addition, \$900,000 of manufacturing equipment will be added to the facility.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

| | |
|-------------|-----------------|
| A. Land | \$ 108,000 (TE) |
| B. Building | \$ _____ |

Construction Costs:

| | |
|----------------------------------|-------------------|
| A. Renovation or Building Costs: | \$ 1,637,086 |
| B. On-Site Improvements: | |
| Sewer | \$ _____ |
| Water | \$ _____ |
| Electric | \$ _____ |
| Gas | \$ _____ |
| Public Streets/Sidewalks | \$ 16,292 (TE) |
| Private Streets | \$ 95,081 (TE) |
| Trails | \$ _____ |
| Grading/Dirtwork/Fill | \$ 52,700 (TE) |
| Demolition | \$ _____ |
| Other | \$ 39,349 |
| Total | \$ 203,422 |

Soft Costs:

| | |
|--------------------------------------|----------------|
| A. Architectural & Engineering Fees: | \$ 79,375 (TE) |
| B. Financing Fees: | \$ _____ |
| C. Legal | \$ 10,000 (TE) |
| D. Developer Fees: | \$ 2,500 |
| E. Audit Fees | \$ _____ |
| F. Contingency Reserves: | \$ _____ |
| G. Other (Please Specify) City Fees | \$ 2,100 (TE) |
| TOTAL | \$ 2,042,483 |

(TE = TIF eligible expenses)

Total Estimated Market Value at Completion: \$ 1,728,937

Source for Estimated Market Value __Kristi Wold, Hall County Assessor

Source of Financing:

| | |
|--------------------------------|--------------|
| A. Developer Equity: | \$ 250,000 |
| B. Commercial Bank Loan: | \$ 1,432,858 |
| C. Tax Credits: | |
| 1. N.I.F.A. | \$ _____ |
| 2. Historic Tax Credits | \$ _____ |
| 3. New Market Tax Credits | \$ _____ |
| 4. Opportunity Zone | \$ _____ |
| D. Industrial Revenue Bonds: | \$ _____ |
| E. Tax Increment Assistance: | \$ 359,625* |
| F. Enhanced Employment Area | \$ _____ |
| G. Nebraska Housing Trust Fund | \$ _____ |
| H. Other | \$ _____ |

*This will permit the developer to borrow \$252,647 at a rate of 5% over 15 years.

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

Architect – Master Builders Associates Corp – Ken Fredrick, 602 W 6th St, PO Box 433, Doniphan, NE 68837, Phone 402-845-6255, Fax 402-845-6256

Electrical Engineer – PE Group – Mark Jeffer, 225 N Main Ave, Parker, SD 57053, Phone 605-297-3647, Fax 605-297-3681

Mechanical Engineer – Brungardt Engineering, 214 W 42nd St, Suite B, Kearney, NE 68847, Phone 308-236-2166

General Contractor – John Webb

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

(Please Show Calculations)

____ See Exhibit B

Project Construction Schedule: Contingent on TIF approval

Construction Start Date: Spring 2020

Construction Completion Date: Fall 2020

If Phased Project:

| | | | |
|-------|------|-------|------------|
| _____ | Year | _____ | % Complete |
| _____ | Year | _____ | % Complete |
| _____ | Year | _____ | % Complete |
| _____ | Year | _____ | % Complete |
| _____ | Year | _____ | % Complete |
| _____ | Year | _____ | % Complete |

XII. Please Attach Construction Pro Forma (see Exhibit C)

XIII. Please Attach Annual Income & Expense Pro Forma

(With Appropriate Schedules) (See Exhibit D)

TAX INCREMENT FINANCING REQUEST INFORMATION

Describe Amount and Purpose for Which Tax Increment Financing is Requested:

\$359,625 of tax increment financing (based on a 0% lending rate) is being requested to assist in the construction of a 25,000 square foot manufacturing facility located at the Ordinance Plant in Grand Island, Nebraska. The project involves the construction of a new plant along with concrete work for the foundation as well as all necessary roadways for traffic access to the facility.

The new manufacturing plant is expected to create 6 full-time and 3 part-time jobs paying aggregate wages of approximately \$267,000 plus benefits. All said, the TIF funds will enable the project to be undertaken, resulting in vast improvements to the condition of the current location, the creation of new jobs, and an expanded sales tax base from new customers created by increased traffic flow through the area which should also benefit neighboring businesses.

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

Tax increment financing is an integral and essential component to project completion which is contingent upon receipt of the expected tax increment assistance. Feasibility is dependent on TIF funds that will enable the creation of adequate economics in operating the facility at a competitive rate in the specified area (See also Exhibit E for capitalization rate analysis).

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:

See Exhibit F

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

EXHIBIT "A"

A tract of land being a part of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4), Section Seventeen (17), Township Eleven (11) North, Range Ten (10) West of the 6th P.M., Hall County, Nebraska, and more particularly described as follows:

Beginning at a Survey Marker Spike and L.S. Washer at the Southeast Corner of the Southeast Quarter of Section 17 and assuming the South line of said Southeast Quarter as bearing S 89°32'20" W and all bearings contained herein are relative thereto; thence S 89°32'20" W on said South line a distance of 600.00 feet; thence N 00°06'28" E parallel with the East line of said Southeast Quarter a distance of 735.00 feet to a 5/8" rebar w/cap; thence N 89°32'20" E parallel with said South line of the Southeast Quarter a distance of 600.00 feet to the East line of said Southeast Quarter; thence S 00°06'28" W on said East line a distance of 735.00 feet to the Point of Beginning.



204 CLAUDE RD
GRAND ISLAND, NEBRASKA U.S.A.

PH: 308-381-7090 FAX: 308-398-1966

2.24.20

Hello Kristi,

I am re- submitting key features of proposed new building construction located at 6060 W. Old Potash Hwy for the purpose of generating a property tax estimation.

Site 10.331 Acres

Paving 29,529 sq ft

Rock Drive 74,788 sq ft

Sidewalks/Patios 3,968 sq ft

200 x 125 x 18 metal framed building (25,000 sq ft manufacturing space)

30 x 102 attached metal framed building (3070 sq ft office space, with 700 sq ft break room with kitchen, and 5 three fixture restrooms)

25 x 100 x 17 attached metal framed lean too (1250 sq ft enclosed manufacturing space, and 1250 sq ft partially enclosed)

480V 3 phase 2500 amp electrical service

29,320 sq ft geo thermal conditioned air.

High R value bat insulation package

1 floor height truck docks

2- 8 x 8 OH doors

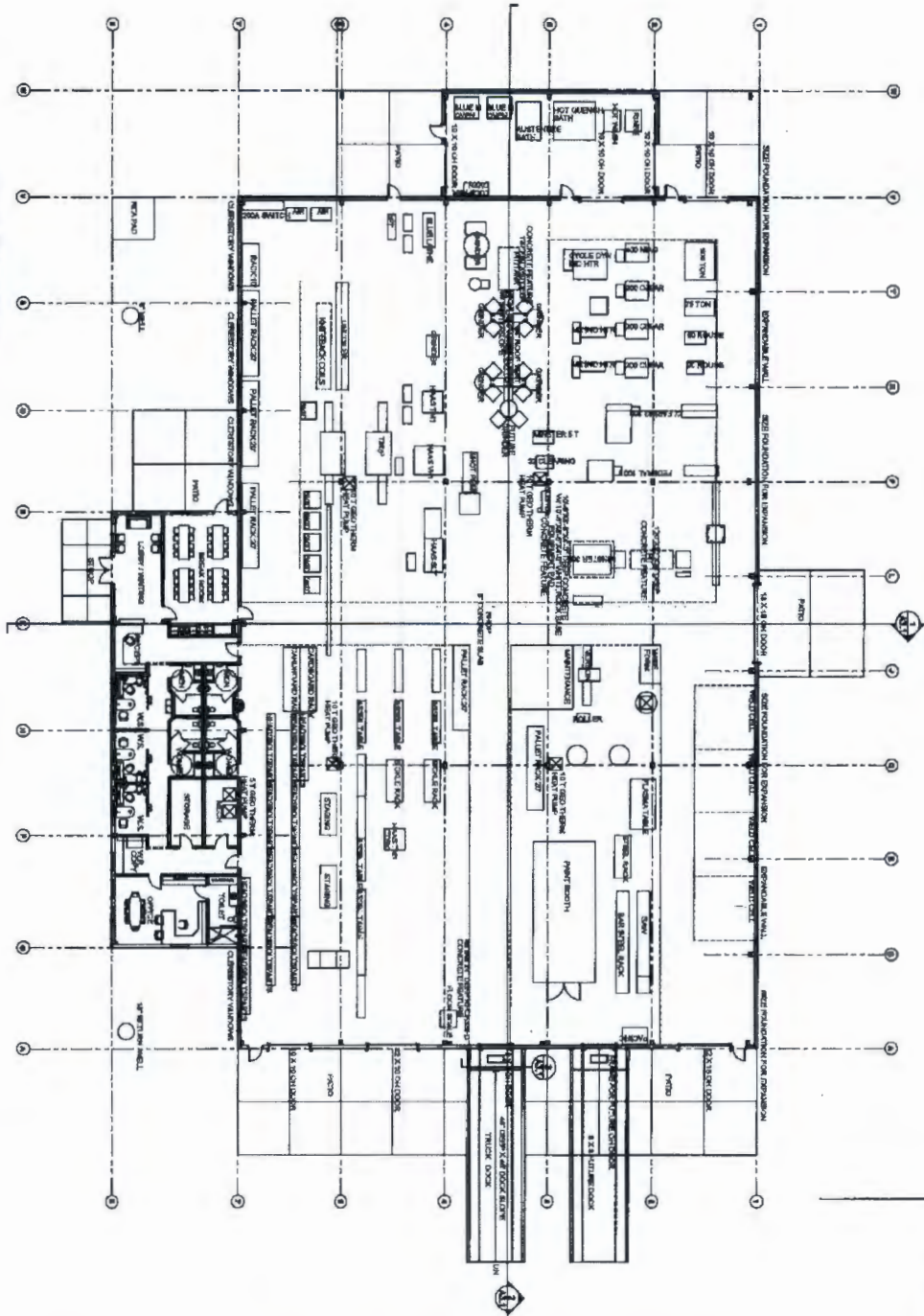
2- 10 x 12 OH doors

1- 12 x 16 OH doors

3- 10 x 10 OH door

1- 18 x 18 OH doors

FLOOR PLAN



GENERAL NOTES

AI.I
 Project Number:
 2818WCC-0210
 Sheet Number:

Date:
 01-30-2020
 Drawn by:
 [Signature]

Webb Cutting Components
6060 W. Old Potash Hwy
Hall County, Nebraska

Master Builder Associates
 1400 W. 4th St. Ste. 200, Omaha, Nebraska 68102
 Tel: (402) 333-4339 Fax: (402) 333-4339

J & L Westward Enterprises, LLC

**Tax Increment Financing Request
Estimated Real Estate Taxes on Project Site Upon Completion of Project**

| | <u>Estimated Valuation</u> | <u>2019 Tax Rate*</u> | <u>Estimated Tax Calc</u> |
|---|--------------------------------|---------------------------|-------------------------------|
| Estimated valuation after project completion | \$ 1,728,967 | 1.433023 | \$ 24,776 |
| 2019 assessed base value on parcel | <u>55,873</u> | 1.433023 | <u>801</u> |
| Estimated excess valuation on TIF project | <u>\$ 1,673,094</u> | 1.433023 | <u>\$ 23,975</u> |
| Estimated increase in annual real estate tax | | | \$ 23,975 |
| | | | <u>15</u> |
| Potential TIF assistance at zero percent lending rate | | | <u>\$ 359,625</u> |
| Requested TIF assistance (limited to qualified project costs) | | | <u>\$ 517,484</u> |
| Principal amount of eligible costs | \$ 363,548 | | |
| Assumed interest rate | 5.0% | | |
| Annual TIF revenue (debt service) | 34,498.92 | | |
| Years to collect TIF | <u>15</u> | | |
| Total required to service debt over 15 years | <u>\$ 517,484</u> | | |

* Tax rate per \$100 of valuation

Exhibit B

Deed: Contract: 3313-17-0-00000-000-0010
 CID#: DBA: MLS: 2000
 Map Area: 1 - Grand Island NBHD 1
 Route: 000-000-000
 Tax Dist: CENTER CAAP 82/3NB GI
 Plat Page: 15
 Subdiv: NONE

Legal: WHAT IF - 5 PLEX TOWNHOME

Neighborhood: Status: 01 - Improved Location: 03 - Rural
 Greenbelt Acres: Use: 03 - Commercial City Size: 00 - N/A
 Greenbelt Loss: Zoning: 05 - Agricultural Lot Size: 07 - 10.01 acres - 20.0 acres

| Sales | | | | | No Land Dimensions Entered | | | | | Values | | | | |
|-------|-----------|------|-----------|------|----------------------------|-----|-----------|--------|--------|-------------|--|--|--|--|
| Date | \$ Amount | NUTC | Recording | Date | Number | Tag | \$ Amount | Reason | Type | Assessed | | | | |
| | | | | | | | | | Land | | | | | |
| | | | | | | | | | Dwlg | | | | | |
| | | | | | | | | | Impr | \$1,728,967 | | | | |
| | | | | | | | | | Exempt | | | | | |
| | | | | | | | | | Total | \$1,728,967 | | | | |

| Verticals | | | | | | | | | | Plumbing | | Ed | |
|-------------------|--|--|--|--|--|--|--|--|--|-------------|--|-------|--|
| Fig & Fdn | | | | | | | | | | | | | |
| Exterior wall | | | | | | | | | | | | | |
| Interior wall | | | | | | | | | | | | | |
| Plasters | | | | | | | | | | | | | |
| Wall facing | | | | | | | | | | | | | |
| Windows | | | | | | | | | | | | | |
| Fronts/Doors | | | | | | | | | | | | | |
| Horizontals | | | | | | | | | | Adjustments | | AVG | |
| Basement | | | | | | | | | | | | | |
| Roof | | | | | | | | | | | | | |
| Ceiling | | | | | | | | | | | | | |
| Struct. Floor | | | | | | | | | | | | | |
| Floor Cover | | | | | | | | | | | | | |
| Partitions | | | | | | | | | | | | | |
| Framing | | | | | | | | | | | | | |
| HVAC | | | | | | | | | | | | | |
| Electrical | | | | | | | | | | | | | |
| Sprinkler | | | | | | | | | | | | | |
| Obsolescence | | | | | | | | | | Economic | | Other | |
| Functional | | | | | | | | | | | | | |
| Base | | | | | | | | | | | | | |
| Basement | | | | | | | | | | | | | |
| 1st Flr Inset Adj | | | | | | | | | | | | | |
| GBA | | | | | | | | | | | | | |

J & L WESTWARD ENTERPRISES, LLC

**PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER
HYPOTHETICAL TAX INCREMENT FINANCING
SCENARIOS DETAILED IN NOTE A – CASH BASIS**

Twelve Months Ending After Project Completion

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| SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS | 4 |

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To Management of J & L Westward Enterprises, LLC
Grand Island, NE

Management is responsible for the accompanying projection of J & L Westward Enterprises, LLC, which comprises the projected statements of receipts and disbursements under hypothetical tax increment financing scenarios detailed in Note A – cash basis for the twelve months ending after project completion, and the related summary of significant projection assumptions in accordance with guidelines for the presentation of a projection established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the projection nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this projection.

The projected results may not be achieved, as there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management has elected to omit substantially all disclosures and the summary of significant accounting policies required by the guidelines for presentation of a projection established by the AICPA other than those related to the significant assumptions. If the omitted disclosures and accounting policies were included in the projection, they might influence the user's conclusions about J & L Westward Enterprises, LLC's net cash receipts and disbursements for the projection period. Accordingly, this projection is not designed for those who are not informed about such matters.

The accompanying projection and this report are intended solely for the information and use of J & L Westward Enterprises, LLC and the Grand Island Community Redevelopment Authority, the Grand Island City Council, and certain individuals and organizations involved in the tax increment financing application process, and are not intended to be and should not be used by anyone other than these specified parties.

AMGL, P.C.

Grand Island, Nebraska
April 28, 2020

Wealth Management, LLC Registered Investment Advisor, is affiliated with AMGL, P.C.
and offers wealth management and investment advisory services.

SHAREHOLDERS:

Robert D. Almquist
Phillip D. Maltzahn
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
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Joseph P. Stump
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A PROFESSIONAL
CORPORATION

J & L WESTWARD ENTERPRISES, LLC

**PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER HYPOTHETICAL
TAX INCREMENT FINANCING SCENARIOS DETAILED IN NOTE A - CASH BASIS**

Twelve Months Ending After Project Completion

| | <u>With Tax Increment Financing</u> | <u>Without Tax Increment Financing</u> |
|---|---|--|
| Projected gross taxable income: | | |
| Rent income | \$ 180,000 | \$ 180,000 |
| Tax increment financing (TIF) revenue | <u>23,975</u> | <u>-</u> |
| | 203,975 | 180,000 |
| Projected tax deductions: | | |
| Interest expense - TIF debt | 12,369 | - |
| Interest expense - Non-TIF debt | 70,972 | 83,341 |
| Real estate tax (base valuation) | 801 | 801 |
| Real estate tax (TIF increment) | 23,975 | 23,975 |
| Professional services | 2,500 | 2,500 |
| Depreciation and amortization | <u>55,710</u> | <u>55,710</u> |
| | 166,327 | 166,327 |
| Projected taxable income | 37,648 | 13,673 |
| Adjustments to arrive at net cash receipts (disbursements): | | |
| Depreciation and amortization | 55,710 | 55,710 |
| Principal debt service - TIF | (11,606) | - |
| Principal debt service - Non-TIF | (29,544) | (41,150) |
| Member contribution (distribution): | | |
| Estimated Federal income tax benefit (expense) | (11,144) | (4,047) |
| Estimated State income tax benefit (expense) | <u>(2,060)</u> | <u>(748)</u> |
| | 1,356 | 9,765 |
| Net cash receipts | <u>\$ 39,004</u> | <u>\$ 23,438</u> |

See summary of significant projection assumptions and independent accountant's compilation report.

J & L WESTWARD ENTERPRISES, LLC

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

Twelve Months Ending After Project Completion

NOTE A – NATURE AND LIMITATIONS OF PROJECTIONS

The accompanying projection presents, to the best of J & L Westward Enterprises, LLC's knowledge and belief, cash receipts and disbursements for the twelve months ending after project completion to be generated by completion of a manufacturing facility (to be leased to a related entity) located in Grand Island, Nebraska. Stated cash receipts and disbursements are intended to convey results of operations after the anticipated 2020 completion of the project assuming funding of the estimated construction and acquisition costs of \$2,042,483 both with, and in the absence of, tax increment financing assistance. The projection reflects their judgment as of April 28, 2020, the date of this projection, of the expected conditions and their expected course of action. Actual results are likely to differ from the projected results because events and circumstances frequently do not occur as expected. Those differences may be material. The assumptions disclosed herein are those that management believes are significant to the projections. The projected information was prepared for use in a tax increment financing request to the Grand Island Community Redevelopment Authority.

NOTE B – BASIS OF ACCOUNTING

The presentations of cash receipts and disbursements for the projection period and the twelve months ending after project completion portray results using the cash basis of accounting. The results of this basis differ from those using generally accepted accounting principles primarily because the cash basis does not recognize assets other than cash and the debt principal outstanding under the tax increment financing or construction or building loan(s).

NOTE C – CASH RECEIPTS

J & L Westward Enterprises, LLC is the owner and leaser of the manufacturing facility. Revenue has been determined based on the historical knowledge and experience of the company (and related parties) in the operation of similar facilities in the same community.

The projection includes two scenarios dependent on whether or not the tax increment financing (TIF) request is approved. In the event of TIF approval, J & L Westward Enterprises, LLC will receive additional TIF revenue from the County based on the anticipated increase in the assessed value generated by the proposed project and the additional real estate tax that increase will generate. Both the TIF financing and real estate taxes are subject to the final determination of assessed value.

J & L WESTWARD ENTERPRISES, LLC

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS, Continued

Twelve Months Ending After Project Completion

NOTE D – CASH DISBURSEMENTS

Interest expense and principal debt service are based on the assumption that with the exception of any TIF financing assistance, the entire construction project will be financed through \$250,000 of capital contributions from the owners with additional debt incurred to cover the remaining anticipated construction and land acquisition costs.

TIF debt is based on an initial \$252,647 principal balance that can be serviced with the anticipated incremental real estate tax generated by the project. The loan is expected to have a 15-year term with scheduled monthly payments of \$1,998 (annual \$23,975) and an interest rate of approximately 5.0%.

The remaining construction and land acquisition costs, not funded through tax increment financing, is expected to be funded with \$250,000 of additional capital contributions and \$1,432,858 bank debt. All remaining non-TIF construction debt will have a 25-year term. All loans will have an annual interest rate of approximately 5.0%. Scenarios contemplating the denial of tax increment financing will assume bank debt replacing TIF financing at the same 15-year term and 5% annual interest rate as the equivalent TIF financing.

Projected real estate tax is expected to equal the current tax (for the 2019 year) plus additional tax generated by applying the current levy rate to the anticipated increase in assessed value to be generated by the construction project.

Projected costs for professional fees are based on the experience of J & L Westward Enterprises, LLC's member. The projection assumes insurance and repair costs will be paid by the manufacturing operating entity (the lessee).

Projected member distributions to cover estimated individual income tax (or contributions to reflect estimated income tax benefits) are based on anticipated taxable pass-through income and the highest marginal Federal and State income tax rates of 37.0% and 6.84% respectively after applying a 20% deduction based on the tax law provisions expected to be in effect during the projection period. Although not a cash expenditure, estimated depreciation has been calculated and included in the projection to arrive at net taxable income used in determining these member distributions. Estimated capitalized costs are depreciated under either the straight line method for 39-year life building components and the straight-line method for 15-year life paving and improvement components and intangible assets.

J & L Westward Enterprises, LLC

**Tax Increment Financing Application
Capitalization Rate Analysis**

| | <u>With Tax Increment Financing</u> | <u>Without Tax Increment Financing</u> |
|--|---|--|
| Projected taxable income (loss) | \$ 37,648 | \$ 13,673 |
| Add back: | | |
| Depreciation | 55,710 | 55,710 |
| Interest expense | 83,341 | 83,341 |
| Less: Member distributions for taxes | <u>(13,204)</u> | <u>(4,795)</u> |
| Net operating income | 163,495 | 147,929 |
| Divided by estimated fair market value | 1,728,967 | 1,728,967 |
| Equals capitalization rate | 9.46% | 8.56% |

Exhibit E

**Site Specific Redevelopment Plan
Grand Island CRA Area 25 (CAAP)
July 2020**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to approve a Redevelopment Plan for a specific project for Area 25 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 25.

Executive Summary:

Project Description

THE REDEVELOPMENT OF THE PROPERTY (10 ACRES LOCATED IN PART OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION (17) SEVENTEEN, TOWNSHIP ELEVEN (11) NORTH, RANGE TEN (10) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA) 6060 W. OLD POTASH HIGHWAY (NORTHWEST CORNER OF 60TH ROAD AND OLD POTASH HIGHWAY) FOR INDUSTRIAL USES, INCLUDING CONSTRUCTION OF A 25,000 SQUARE FOOT BUILDING FOR EXPANSION OF THE J&L WESTWARD ENTERPRISES, LLC SICKLE SHARPENING BUSINESS

The use of Tax Increment Financing to aid in development expenses associated with redevelopment of the property located at 6060 W. Old Potash Highway. The proposed plans would include the development of a 25,000 square foot building and associated private streets and parking to accommodate the business. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The use of this property for industrial non-residential uses is consistent with the Cornhusker Army Ammunition Plant (CAAP) reuse plan as approved and adopted by the CAAP Reuse Committee and the Hall County Board of Supervisors. This project would not be feasible without the use of TIF.

J & L Westward, LLC owns approximately 10 acres in the Southern Public Power Industrial Park. Development of the property and expansion of the business is contingent on Tax Increment Financing. J & L Westward, LLC has been located in Grand Island since 1991 and has 30 full time employees. This is an opportunity for them to expand both their business and their employee base, further supporting the local agricultural community. The \$108,000 purchase price of this property is a TIF eligible activity. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with this project. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15-year period beginning January 1, 2022 towards the allowable costs and associated financing for the acquisition and site work.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

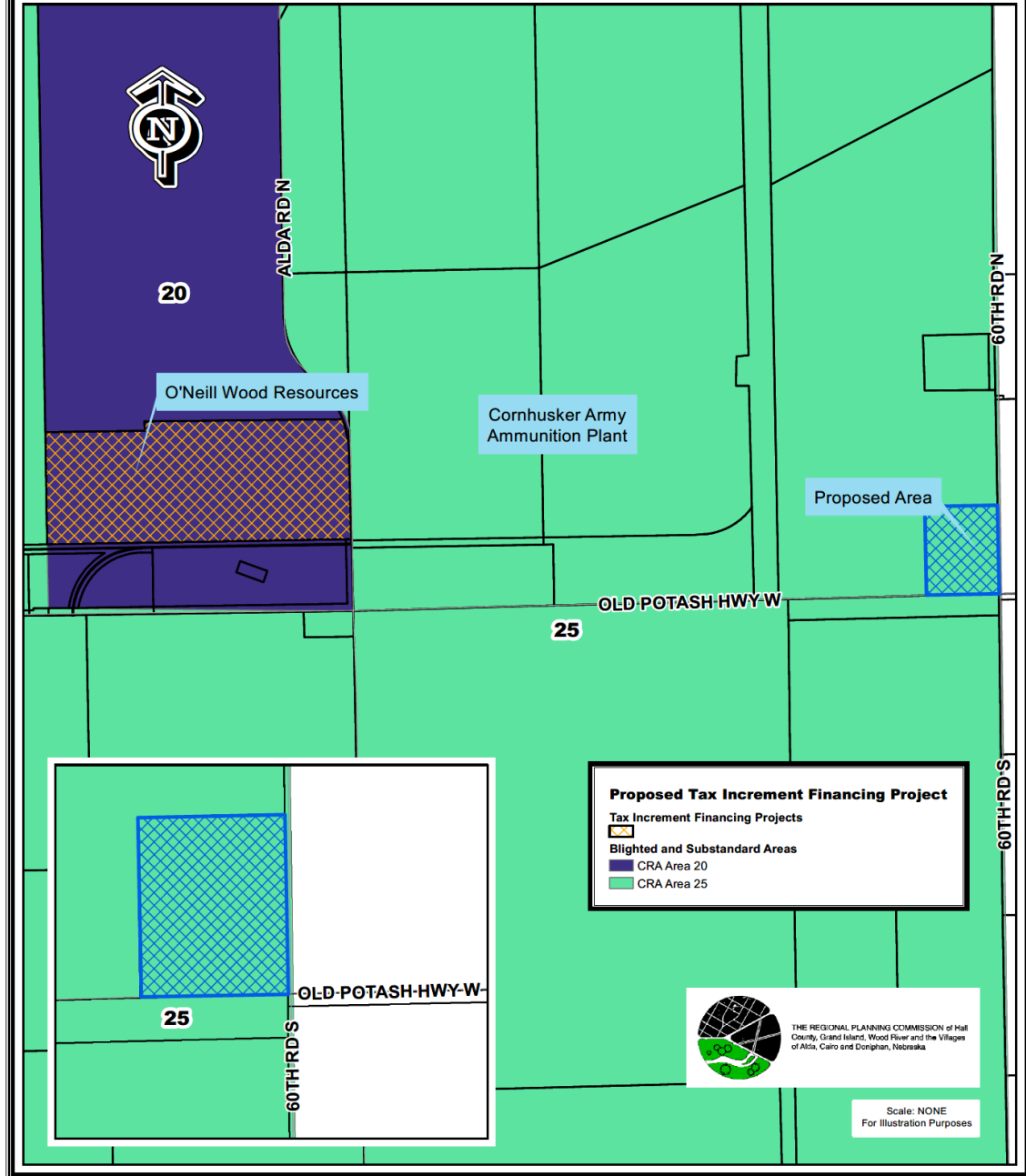
LEGAL DESCRIPTION

A tract of land being a part of the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4), Section Seventeen (17), Township Eleven (11) North, Range Ten (10) West of the 6th P.M. , Hall County, Nebraska, and more particularly described as follows:

Beginning at a Survey Marker Spike and L.S. Washer at the Southeast Corner of the Southeast Quarter of Section 17 and assuming the South line of said Southeast Quarter bearing S 89° 32' 20" W and all bearings contained herein are relative thereto; thence S 89° 32' 20" W on said South line distance of 600.00 feet; thence N 00° 08' 28" E parallel with the East line of said Southeast Quarter a distance of 735.00 feet to a 5/8" rebar w/cap; thence N 89° 32' 20" E parallel with said South line of the Southeast Quarter a distance of 600.00 feet to the East line of said Southeast Quarter; thence S 00° 06' 28" W on said East line a distance of 735.00 feet to the Point of Beginning.

Proposed Tax Increment Financing Project

A tract of land located at 6060 W Old Potash Highway



Location Map

The tax increment will be captured for the tax years the payments for which become delinquent in years 2023 through 2037 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 the construction of a building to house the J & L Westward business. This use is permitted at this location.

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 July 25, 2017.[§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 property is not located within Grand Island or the 2 mile extraterritorial jurisdiction of Grand Island. Hall County adopted their comprehensive plan including the CAAP redevelopment plan on April 20, 2004. This redevelopment plan amendment and project are consistent with the Hall County Comprehensive Plan and the CAAP Reuse Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to develop property with 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 August 5, 2020 and passed Resolution 2020-08 confirming that this project is consistent with the Comprehensive Plan for the Hall County.

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

a. Land Acquisition:

This Redevelopment Plan provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. Property acquisition is an eligible activity for this project.

b. Demolition and Removal of Structures:

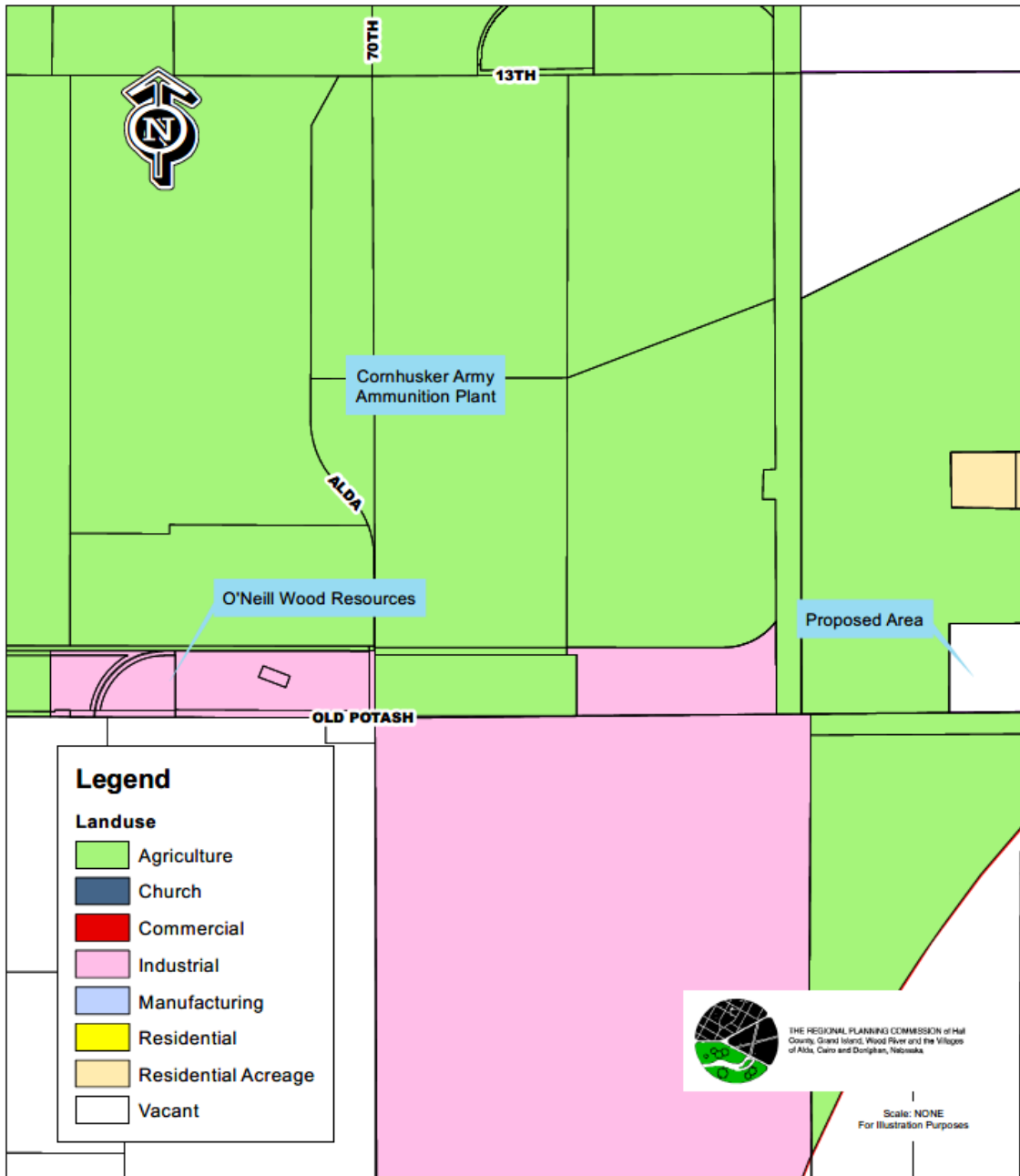
The project to be implemented with this plan does not provide for the demolition and removal any structures on this property.

c. Future Land Use Plan

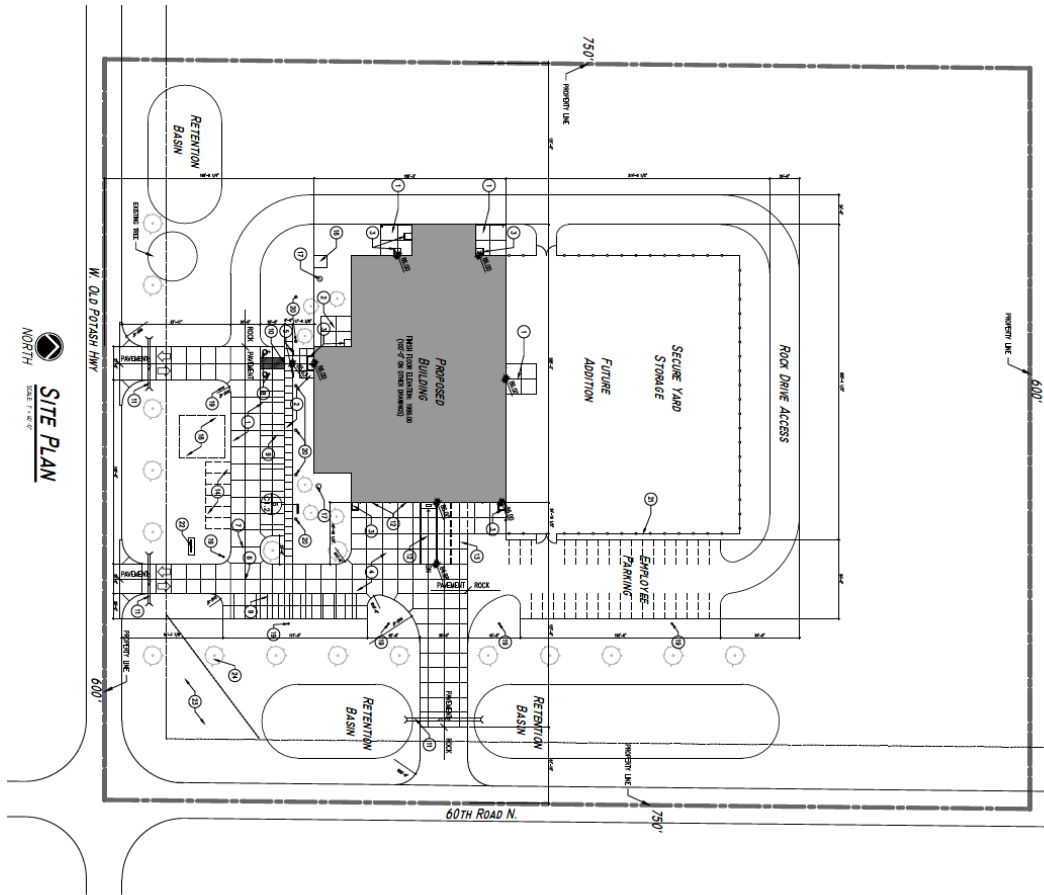
Within the Hall County Comprehensive Plan as adopted and updated since 2004 this area and all of the CAAP grounds are designated as CAAP Reuse Area. According to the CAAP Reuse Plan this particular area is planned for Agriculture and Special Industrial Uses. This property is in private ownership. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]

Hall County Existing Land Use Map

Proposed Tax Increment Financing Project
A tract of land located at 6060 W Old Potash Highway



Site Layout



- PLAN NOTES**
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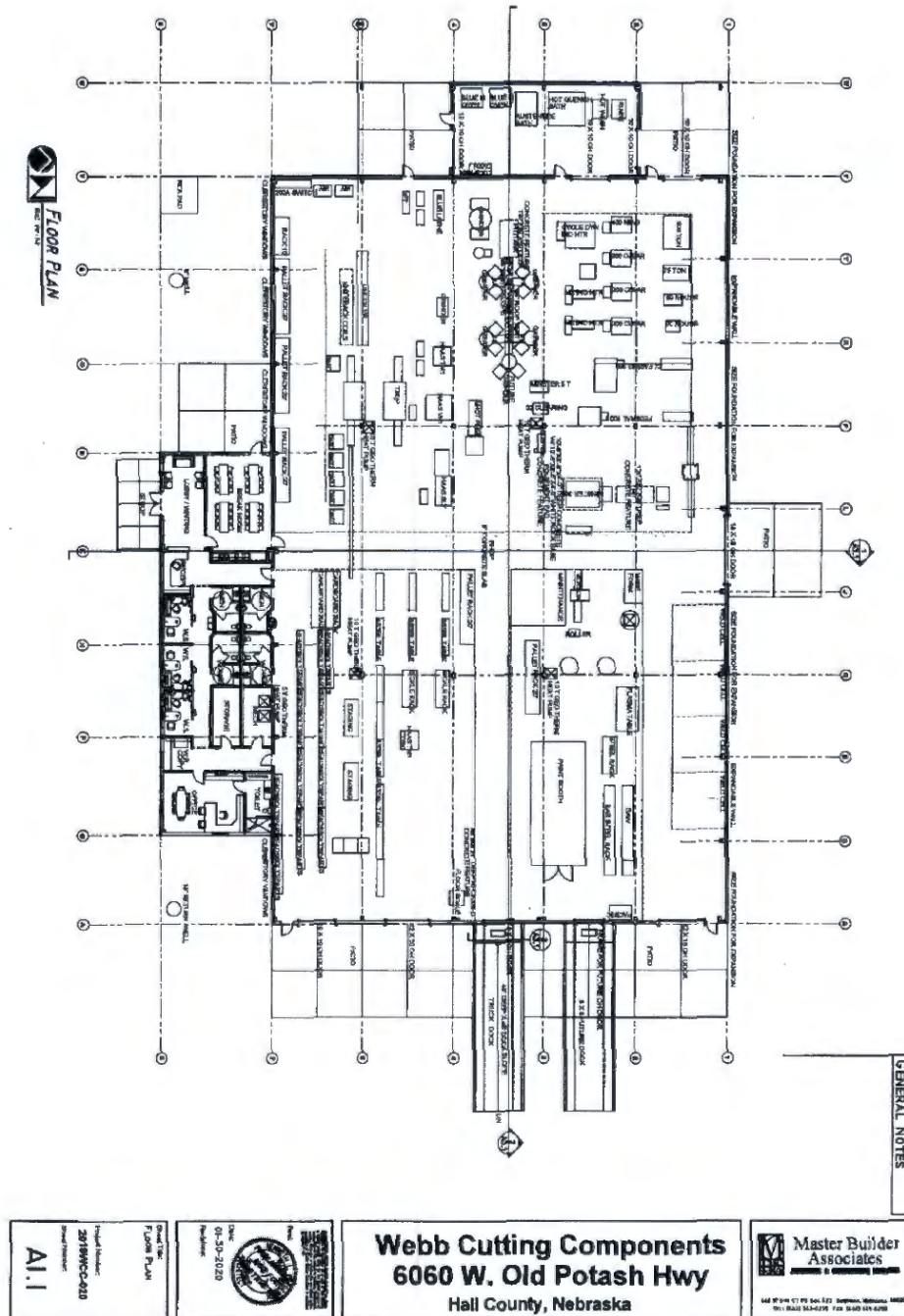
Project Number:
2019WCC-020
Sheet Number:
C1.1

Sheet Title:
SITE PLAN
Date:
6-8-2020
Revision:
A-17/6

Webb Cutting Components
6060 W. Old Potash Hwy
Hall County, Nebraska

Master Builder Associates
ARCHITECTS & CONSTRUCTION MANAGERS
602 W 6TH ST PO BOX 433 DONIPHAN, NEBRASKA 68522
TEL: (402) 845-6255 FAX: (402) 845-6256

Proposed Building



d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The area is zoned AG/SI-Special Agriculture/Industrial 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 proposing to construct a 25,000 square foot manufacturing facility. The proposed development is within the site coverage and intensity of use limits of the district. This is a permitted use at this location. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Municipal sewer and water are not available to this development.

Electric utilities are sufficient for the proposed use of this building.

No other utilities would be impacted by the development.

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, owned by the developer, 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 owns this property and acquisition is not part of the request for tax increment financing. The estimated costs of redevelopment of this property is \$2,042,483 Acquisition of the property was \$108,000 along with site prep cost of \$52,700. A total of \$111,373 will be spent on improvements to street maintained publicly and privately. Planning related expenses for Architectural and Engineering services of \$79,375 and are included as a TIF eligible expense. Legal, Fees including a reimbursement to the City and the CRA of \$12,100 are included as TIF eligible expense.

The total of the TIF eligible expenses is \$363,548. The CRA will issue a zero percent interest bond in the amount of \$359,625 the total TIF requested and expected over the 15 year period. It is anticipated that this will generate \$252,647 of capital at the beginning of this project if the borrower can finance the debt at 5% interest over 15 years.

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 \$359,625 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 2037.

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 encouraging appropriate industrial development at the CAAP.

8. Time Frame for Development

Development of this project is anticipated to be completed between September 2020 and December of 2021. Excess valuation should be available for this project for 15 years beginning with the 2022 tax year.

9. Justification of Project

The property at the Cornhusker Army Ammunition Plant has been touted as one of the premiere industrial sites in the State of Nebraska for more than 20 years. This property has developed slowly because of lack of municipal infrastructure and lack of activity at the site. This new manufacturing facility and the associated new building(s) may be the seeds that will create additional growth in this area. The Nebraska Legislature and Governor in approving the use of TIF within former military sites within the state recognized the challenges with redeveloping this large, mostly abandoned sites.

It is also anticipated that this project will create 6 full and 3 part time jobs with aggregate wages of \$267,000 and benefits.

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 \$359,625 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 \$2,586,781 in private sector financing; a private investment of \$7.19 for every TIF dollar invested.

| Description | Use of Funds | | |
|----------------------------|------------------|--------------------|--------------------|
| | TIF Funds | Private Funds | Total |
| Site Acquisition | \$108,000 | | \$108,000 |
| Legal and Plan* | 12100 | | \$12,100 |
| Engineering/Arch | 79375 | | \$79,375 |
| Public and Private Streets | 107450 | \$3,923 | \$111,373 |
| Site Prep/Grading | 52700 | | |
| New Construction | | \$1,682,858 | \$1,682,858 |
| Equipment | | \$900,000 | \$900,000 |
| TOTALS | \$359,625 | \$2,586,781 | \$2,946,406 |

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of \$94,373. Based on the 2019 levy this would result in a real property tax of approximately \$1,234. It is anticipated that the assessed value will increase by \$1,634,594 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of approximately \$23,600 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as 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: | \$ 94,373 |
| Estimated value after completion | \$ 1,728,967 |
| Increment value | \$ 1,634,594 |
| Annual TIF generated (estimated) | \$ 23,600 |
| TIF bond issue | \$ 359,625 |

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

The redevelopment project area currently has an estimated valuation of \$94,373. The proposed redevelopment will create additional valuation of \$1,634,594. No tax shifts are anticipated from the project. This project will not have a direct negative impact on local schools systems. The school system will gain an immediate bump in personal property taxes from the new equipment purchases and a long-term benefit from the additional tax base created on the property. No new roads will be created for this 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 create some additional employment in the area. Unemployment is low in this area. The impacts on existing employers in the area will be minimal as there are not many new employees.

(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) 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 CAAP Reuse Plan and would be a step forward in creating the industrial district envisioned with that redevelopment. These types of uses that do not mix well with residential uses are ideal for property that is highly restricted for residential development.

Time Frame for Development

Development of this project is anticipated to be completed during between September of 2020 and December 31 of 2021. The base tax year should be calculated on the value of the property as of January 1, 2021. Excess valuation should be available for this project for 15 years beginning in 2022 with taxes due in 2023. 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 \$359,625 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 \$363,548 on TIF eligible activities. The CRA will reserve the right to issue additional debt for this project upon notification by the developer of sufficient expenses and valuation to support such debt in the form of a second or third bond issuance.

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

RESOLUTION NO. 339

**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 8th day of July, 2020

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

By Glen A. Murray
Chairperson

ATTEST:

[Signature]
Secretary

J & L Westward Area 25 CAAP

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

RESOLUTION NO. 340

**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 25, from J & L Westward Enterprises LLC, (The "Developer") for redevelopment of property located at 6060 W Old Potash Highway, an area within the boundaries of the former Cornhusker Army Ammunition Plant and within the jurisdiction of the City of Grand Island for the purposes of the Nebraska Community Redevelopment Act, 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 25;

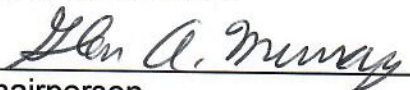
NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

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 8th day of July, 2020.

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

By 
Chairperson

ATTEST:


Secretary

J & L Westward Enterprises CAAP Area 25

Resolution Number 2020-08

HALL COUNTY REGIONAL PLANNING COMMISSION

**A RESOLUTION RECOMMENDING APPROVAL OF A SITE SPECIFIC
REDEVELOPMENT PLAN OF 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 Redevelopment Plan for CRA Area 25 for 10 acres at 6060 W. Old Potash Highway by J & L Westward Enterprises 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"), specifically as it pertains to formerly used defense sites; 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 finding;

The proposed use as described in this plan is in compliance with the Comprehensive Plan for the City of Grand Island.

**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.

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: August 5, 2020

**HALL COUNTY REGIONAL PLANNING
COMMISSION**

ATTEST:

By: 
Chair

By: 
Secretary

J & L Westward Area 25 CAAP

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

RESOLUTION NO. 341

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 **J & L Westward Enterprises 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, 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

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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 private streets 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 \$359,625, 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.

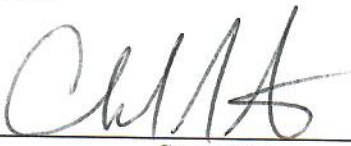
Section 5. All prior resolutions of the Authority in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

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

PASSED AND APPROVED this 12th day of August, 2020.

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

ATTEST:

By: 
Secretary

By: 
Chair

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EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

LEGAL DESCRIPTION

A tract of land being a part of the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4), Section Seventeen (17), Township Eleven (11) North, Range Ten (10) West of the 6th P.M. , Hall County, Nebraska, and more particularly described as follows:

Beginning at a Survey Marker Spike and L.S. Washer at the Southeast Corner of the Southeast Quarter of Section 17 and assuming the South line of said Southeast Quarter bearing S 89° 32' 20" W and all bearings contained herein are relative thereto; thence S 89° 32' 20" W on said South line distance of 600.00 feet; thence N 00° 08' 28" E parallel with the East line of said Southeast Quarter a distance of 735.00 feet to a 5/8" rebar w/cap; thence N 89° 32' 20" E parallel with said South line of the Southeast Quarter a distance of 600.00 feet to the East line of said Southeast Quarter; thence S 00° 06' 28" W on said East line a distance of 735.00 feet to the Point of Beginning.

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EXHIBIT B

FORM OF REDEVELOPMENT PLAN

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