

Community Redevelopment Authority (CRA)

Wednesday, September 8, 2021 Regular Meeting Packet

Board Members:

Tom Gdowski - Chairman

Glen Murray - Vice Chairman

Sue Pirnie

Glenn Wilson

Krae Dutoit

4:00 PM

Call to Order

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

Individuals who have appropriate items for City Council consideration should complete the Request for Future Agenda Items form located at the Information Booth. If the issue can be handled administratively without Council action, notification will be provided. If the item is scheduled for a meeting or study session, notification of the date will be given.

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

This is an opportunity for individuals wishing to provide input on any of tonight's agenda items to reserve time to speak. Please come forward, state your name and address, and the Agenda topic on which you will be speaking.

DIRECTOR COMMUNICATION

This is an opportunity for the Director to comment on current events, activities, and issues of interest to the commission.



Community Redevelopment Authority (CRA)

Wednesday, September 8, 2021 Regular Meeting

Item A1

Agenda - September 8, 2021

Staff Contact:



AGENDA Wednesday, September 8, 2021 4 p.m. Grand Island City Hall

Open Meetings Notifications

- 1. Call to Order
 - This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them. The CRA may vote to go into Closed Session on any Agenda Item as allowed by State Law.
- 2. Approval of Minutes of August 11, 2021, Meeting.
- 3. Review of Financials will be done meeting on September 23.
- 4. Approval of Bills will be done at meeting on September 23.
- 5. Review of Committed Projects and CRA Properties will be done at meeting on September 23.
- 6. Redevelopment Plan Amendment for CRA Area # 5-Procon Flex Industrial.
 - a. Consideration of Resolution 361- Forward a Redevelopment Plan Amendment to the Grand Island City Council for Lots 1 through 6 of Sunny Side Third Subdivision – Procon Properties LLC
- 7. Redevelopment Plan Amendment for CRA Area # 32-3MJRm LLC.
 - a. Consideration of Resolution 362- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for property to be redeveloped as Jaxson Subdivision located west of North Road and south of Old Potash Highway– 3MJR, LLC
 - b. Consideration of Resolution 363 Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for property to be redeveloped as Jaxson Subdivision located west of North Road and south of Old Potash Highway 3MJR, LLC

- 8. Redevelopment Plan Amendment for CRA Area # 33- Innate Development 2, LLC.
 - a. Consideration of Resolution 364- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for property to be redeveloped as Husker Highway Subdivision for property to be redeveloped as Husker Highway Subdivision Innate Development 2LLC Innate Development 2, LLC
 - b. Consideration of Resolution 365 Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for property to be redeveloped as Husker Highway Subdivision located north of Husker Highway and west of Prairieview Street– Innate Development 2, LLC
- 9. Director's Report
- 10. Adjournment

Next Meeting September 23, 2021

COMMUNITY REDEVELOPMENT AUTHORITY AGENDA MEMORANDUM

4 p.m. Wednesday, September 8, 2021

- 2. <u>APPROVAL OF MINUTES.</u> The minutes of the Community Redevelopment Authority meeting August 11, 2021 are submitted for approval. A MOTION is in order.
- 3. <u>APPROVAL OF FINANCIAL REPORTS.</u> Financial reports will be presented at the September 23rd meeting.
- 4. <u>APPROVAL OF BILLS</u>. Payment of bills will occur at the September 23rd meeting.
- 5. <u>REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.</u> Will be presented at the September 23rd meeting.

6. <u>REDEVELOPMENT PLAN AMENDMENT FOR CRA AREA #5 –PROCON</u> FLEX INDUSTRIAL

Concerning an amendment to the redevelopment plan for CRA Area No. 5 for lots 1-6 of Sunny side Third Subdivision located south of Capital Avenue and west of Sky Park Road. The request calls for redevelopment of this property for commercial purposes with Flex Industrial buildings. The plan requests \$1,307,858 in tax increment financing along with associated interest on the TIF bonds. The CRA may forward the plan to the Grand Island City Council for approval. A MOTION to approve Resolution 361 (forward to City Council) is in order.

7. <u>REDEVELOPMENT PLAN FOR CRA AREA #32 – 3MJR, LLC JAXSON</u> SUBDIVISION

Concerning a redevelopment plan for CRA Area No. 32 for property being developed as Jaxson Subdivision located west of North Road and south of Old Potash Highway. The request calls for redevelopment of this property for residential purposes with 192 apartments for persons 55 years and older in 48 buildings. The plan requests \$7,460,038 in tax increment financing along with associated interest on the TIF bonds. The CRA may forward the plan to the Regional Planning Commission for review and to the Grand Island City Council to give 30-day notice of a potential development contract. A MOTION to approve Resolution 362 (forward to Regional Planning Commission) and Resolution 363 (30-day intent notice to city council) is in order.

8. <u>REDEVELOPMENT PLAN FOR CRA AREA #33 –INNATE DEVELOPMENT 2, LLC HUSKER HIGHWAY</u>

Concerning a general redevelopment plan for CRA Area No. 33 for 200 acres located north of Husker Highway and west of Prairieview Street and including site specific plan for the Husker Highway 2022 phase of the project on 27 acres. The request calls for redevelopment of this property for mixed use residential and

commercial purposes. The plan requests \$14,430,226 in tax increment financing along with associated interest on the TIF bonds. The CRA may forward the plan to the Regional Planning Commission for review and to the Grand Island City Council to give 30-day notice of a potential development contract. A MOTION to approve Resolution 364 (forward to Regional Planning Commission) and Resolution 365 (30-day intent notice to city council) is in order.

9. DIRECTOR'S REPORT.

10. <u>ADJOURNMENT</u>

Chad Nabity Director



Community Redevelopment Authority (CRA)

Wednesday, September 8, 2021 Regular Meeting

Item B1

Meeting Minutes August 11, 2021

Staff Contact:

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF August 11, 2021

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on August 11, 2021 at City Hall, 100 E. First Street. Notice of the meeting was given in the August 4, 2021 Grand Island Independent.

1. CALL TO ORDER.

Chairman Gdowski called the meeting to order at 4:15 p.m. The following members were present: Tom Gdowski, Bart Qualsett, and Jim Truell. Also present were: Director Chad Nabity, Planning Administrative Assistant Norma Hernandez, Finance Director Patrick Brown, Assistant Finance Director Brian Schultz and Councilman Vaugh Minton.

2. APPROVAL OF MINUTES.

A motion for approval of the Minutes for the July 14, 2021 was made by Qualsett and second by Truell. Upon roll call vote, all present voted aye. Motion carried 3-0

3. APPROVAL OF FINANCIAL REPORTS.

Brian Schultz reviewed the financial reports. A motion was made by Truell and second by Qualsett to approve the financials from July 1– July 31 30, 2021. Upon roll call vote, all present voted aye. Motion carried 3-0.

4. APPROVAL OF BILLS.

A motion was made by Truell and second by Qualsett to approve the bills for \$24,479.55. Upon roll call vote, all present voted aye. Motion carried 3-0.

5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.

The committed projects and CRA properties were reviewed by Nabity.

1868 Foundation – Invoice will be paid next month. A consulting firm was selected from the top 3 proposals received.

Carnegie Library- Has not started. Running behind. Hopefully will be done by winter.

GI Veterans Home – Other grants - \$45,000 – will propose to pay out in September.

Façade Projects –

South East Commons – is coming along expect to pay for the façade in September

Life Safety Grants –

Hedde Building – no update.

Rawr Holdings - Still moving forward

Azure Investments – Getting started. Will not be done by the end of the year.

6. Redevelopment Plan Amendment for CRA Area #5-Procon Flex Industrial.

- a. Consideration of Resolution 359 Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for Lots 1 through 6 of Sunny Side Third Subdivision – Procon Properties LLC
- b. Consideration of Resolution 360 Resolution of Intent to enter into a
 Site Specific Redevelopment Contract and Approval of related actions
 30-day notice to city council for Commission for Lots 1 through 6 of
 Sunny Side Third Subdivision Procon Properties LLC

Nabity stated PROCON properties are proposing redevelopment plan for CRA Area No. 5 for lots 1-6 located north of the Humane Society. The lots are zoned for manufacturing use. The request calls for redevelopment of this property for commercial use purposes with Flex Industrial buildings. The plan requests \$1,307,858 in tax increment financing along with associated interest on the TIF bonds.

A motion was made by Truell and second by Qualsett to approve resolution 359 and 360. Upon roll call vote, all present voted aye. Motion carried 3-0.

7. <u>2021-22 CRA Budget</u>

Nabity went over the 2021-22 CRA Budget.

A motion was made by Qualsett and second by Truell to approve the 2021-22 CRA Budget asking for the same levy as the 2020-21 fiscal year and capturing the additional growth. Upon roll call vote, all present voted aye. Motion carried 3-0.

8. Director's Report

Adjournment

Adjournment at 4:46 P.M.

Next meeting 4:00 P.M September 8, 2021

Respectfully Submitted, Norma Hernandez Administrative Assistant



Community Redevelopment Authority (CRA)

Wednesday, September 8, 2021 Regular Meeting

Item I1

Redevelopment Plan Amendment for CRA Area #5 - Procon Flex Industrial

Staff Contact:

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 361

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 *Procon Properties LLC representing various interests*. (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 unsanitary or unsafe dwelling

accommodations, or conditions of blight.

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

Section 3. In compliance with section 18-2114 of the Act, the Authority finds and determines as follows: (a) the Redevelopment Area constituting the Redevelopment Project will not be acquired by the Authority and the Authority shall receive no proceeds from disposal to the Redeveloper; (b) the estimated cost of project acquisition and the estimated cost of preparation for redevelopment including site work, onsite utilities and related costs are described in detail in Exhibit B attached hereto; (c) the method of acquisition of the real estate shall be by private contract by the Redeveloper and not by condemnation; and (d) the method of financing the Redevelopment Project shall be by issuance of tax increment revenue bond issued in the approximate amount of \$1,307,858 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 8th day of September 2021.

ISLAND NEBRASKA	

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND

ATTEST:	By:	
	Chair	
By:		
Secretary		

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

Lots One (1) through Six (6) inclusive Sunny Side Third Subdivision, in the City of Grand Island, Hall County, Nebraska.

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Redevelopment Plan Amendment Grand Island CRA Area 5 July 2021

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 5 with in the city, pursuant to the Nebraska Community Development Law (the "Act") and provide for the financing of a specific infrastructure related project in Area 5.

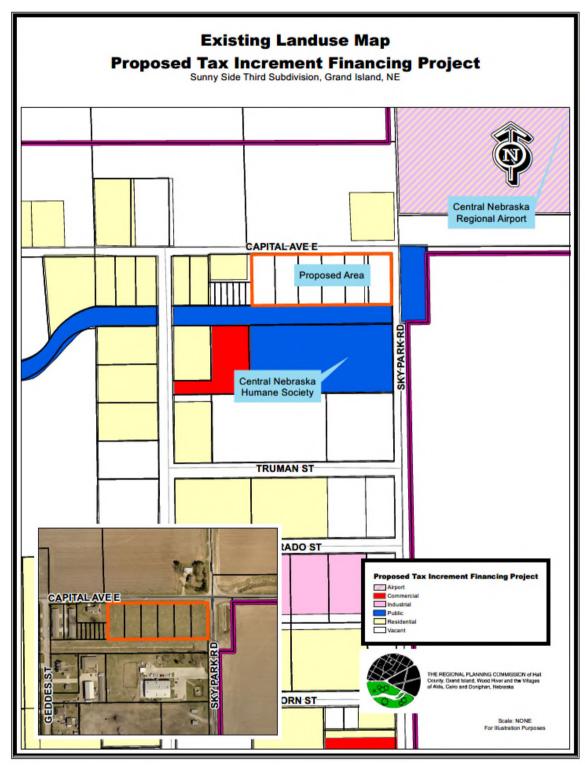
Executive Summary:

Project Description

THE REDEVELOPMENT PROPERTY LOCATED SOUTH OF CAPITAL AVENUE AND WEST OF SKYPARK ROAD FOR COMMERCIAL/INDUSTRIAL, INCLUDING ACQUISITION OF PROPERTY, SITE WORK, SANITARY SEWER, STORM SEWER AND STREETS AND DEMOLITION OF AN EXISTING STRUCTURE AND CONSTRUCTION 4 NEW MULTIUSE INDUSTRIAL STORAGE BUILDINGS (54,000 SQ FT) SUITABLE FOR SMALL COMMERCIAL OPERATIONS/WATERHOUSING AND COMMERCIAL/PERSONAL STORAGE.

The use of Tax Increment Financing to aid in expenses associated with redevelopment of the property located at south of Capital Avenue and west of Skypark Road from its current state as vacant undeveloped underserved property to commercial/industrial property with multiple flex buildings capable of supporting commercial and industrial uses ranging from small commercial trade offices and workspace to commercial warehousing. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The project will result in developing a vacant piece of property that has been subdivided and within the Grand Island city limits for more than 100 years. This property is not currently served by sanitary sewer. Sanitary sewer will be extended to serve the property. The property is zoned for heavy manufacturing. The proposed uses are consistent with the zoning, comprehensive plan and proximity to the airport. This project as proposed would not be possible without the use of TIF.

Procon Properties LLC has acquired the property and adjusted the property lines to accommodate the proposed development. The property has remained vacant and undeveloped since it was platted as Sunny Side Subdivision 1887. 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 for up to 15 years for a period beginning January 1, 2023 towards the allowable costs and associated financing project.



Existing Land Use and Subject Property

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

Property Description (the "Redevelopment Project Area")
Hall County Assessor Parcels 4000095793, 400095769, 400095726, 40095661, 40095645 and 400095145.

Legal Descriptions: All of Lots 1-6 of Sunny Side Third Subdivision in the City of Grand Island, Hall County, Nebraska.

The tax increment will be captured for the tax years for which the payments become delinquent in years 2023 through 2043 inclusive with no property extending beyond the 15 maximum.

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 development and construction of the industrial flex buildings over an anticipated period of five years.

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 up to 15 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 January 11, 2005.[§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 substantially consistent with the Comprehensive Plan. Sunny Side Third Subdivision is zoned for Heavy Manufacturing and the Grand Island City Council has on a previous occasion denied a request to rezone this property for residential use due to its proximity to the Central Nebraska Regional Airport. The Hall County Regional Planning Commission held a public hearing at their meeting on September 1, 2021 and passed Resolution 2021-07 confirming that this project will be consistent with the Comprehensive Plan for the City of Grand Island as amended.

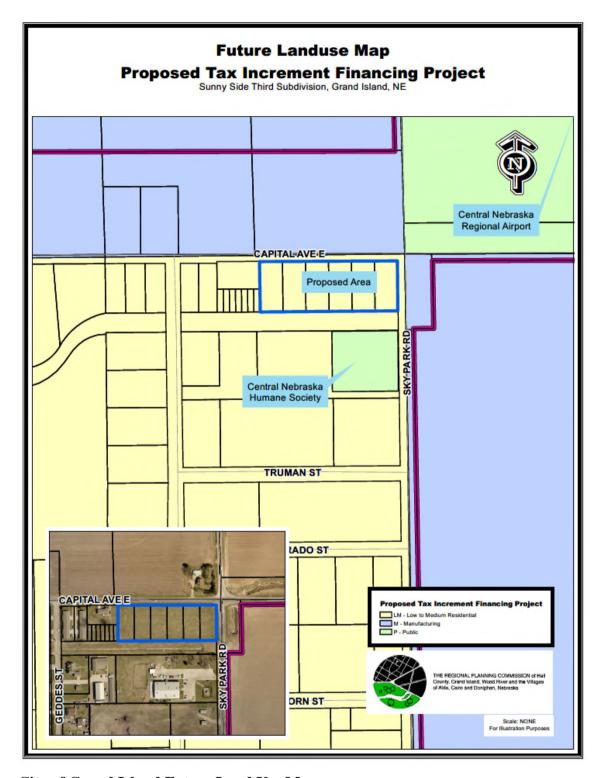
3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]

a. Land Acquisition:

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

b. Demolition and Removal of Structures:

This property is vacant and no structures will be demolished or removed.



City of Grand Island Future Land Use Map

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The Central Nebraska Regional Airport is located to the north and east of this property. All of the properties to the north, east and south are planned for manufacturing development and Council has previously denied a request to change this property to a residential zoning district at the request of Airport management. This property is in private ownership. [§18-2103(b) and §18-2111]

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

The area is zoned M-2 Heavy Manufacturing zone. 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 property is zoned M2 Heavy Manufacturing. Up to 65% of the property can be covered with structures. The proposed plans are consistent with the expected 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. Sewer will be extended through this property with this development. Water is available to the subdivision. and will be extended to all of the lots.

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. The existing house on this property was vacant prior to consideration of this paln. 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. Pinnacle Bank is considering financing of this project if it is approved and CRA Member Bart Qualsett, is President of the local branch of Pinnacle Bank.

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 estimated costs for this project including acquisition are \$4,555,456. Site acquisition was \$135,000. Site improvements including: site work and grading, utility improvements, sidewalks and other flat concrete of \$1,144,984 Architectural and Engineering planning services of \$188,125 and are included as a TIF eligible expense. Legal, Developer and Audit Fees including a reimbursement to the City and the CRA of \$8,150 are included as TIF eligible expense. The total of eligible expenses for this project is \$1,476,259.

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 \$1,307,858 from the proceeds of the TIF. Actual benefit of the TIF after applying an interest rate of 4.5% to the project will be \$949,796. 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, 2023 through December 2043.

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.

8. Time Frame for Development

Development of this project is anticipated to be completed between September 2021 and December of 2023. Excess valuation should be available for this project for up to 15 years on each phase of the development beginning with the 2023 tax year.

9. Justification of Project

This property has been in the Grand Island municipal limits and largely undeveloped for more than 100 years. The proximity to the airport further restricts the development potential of this property. The proposed use for flex industrial buildings is consistent with the current zoning and provides a buffer between the airport and surrounding residential development.

<u>10. Cost Benefit Analysis</u> 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. Public funds from tax increment financing in the amount of \$1,307,858 provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$3,247,598 in private sector financing and equity investment; a private investment of \$2.48 for every TIF dollar invested.

Use of Funds.	Source of Funds				
Description	TIF Funds	Private Funds	Total		
Site Acquisition	\$135,000		\$135,000		
Building Costs		\$2,274,367	\$2,274,367		
Sewer	\$238,027	\$74,734	\$312,761		
Water	\$32,551		\$32,551		
Electric	\$225,535	\$246,906	\$472,441		
Public Streets/Sidewalks	\$282,347	\$490,847	\$773,194		
Site preparation/Dirt	\$198,123	\$16,921	\$215,044		
Work					
Architecture/Engineering	\$188,125		\$188,125		
Financing Fees		\$ 80,000	\$ 80,000		
Legal/TIF Contract	\$ 6,000		\$ 6,000		
other (Landscaping)		\$63,823	\$63,823		
Govt. Fees and Expenses	\$2,150		\$2,150		
TOTALS	\$1,307,858	\$3,247,598	\$4,555,456		

Tax Revenue. The property to be redeveloped has January 1, 2020, valuation of approximately \$86,893. Based on the 2020 levy this would result in a real property tax of approximately \$1,803. It is anticipated that the assessed value will increase by \$4,202,957 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$87,191 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 2021 assessed value:	\$ 1,803
Estimated taxable value after completion	\$ 4,289,940
Increment value	\$ 4,202,957
Annual TIF generated (estimated)	\$ 87,191
TIF bond issue	\$ 1,307858

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

The redevelopment project area currently has an estimated valuation of \$87,191. The proposed redevelopment will create additional valuation of \$4,202,957. 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. The Grand Island Public School system was notified of this application prior to consideration of this plan by the Grand Island CRA, Regional Planning Commission or City Council. Fire and police protection are available and should not be negatively impacted by this development though any additional development and population may impact time of service.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

The initial construction of these units will provide jobs. It is possible that some smaller trade related firms would locate in one of these units.

(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.

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

This development will not have an impact on the Grand Island School system as there is no residential development intended with this proposal.

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

This property was first subdivided in 1887 and there has been no development on it since that time. A review of the aerial photography of the City of Grand Island shows no development in 1937 the earliest photos and none on any photos since that time.

Time Frame for Development

Development of this project is anticipated to be completed during between October of 2021 and December of 2024. 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 2023 with taxes due in 2024. 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 on each phase or an amount not to exceed \$1,307,858. The developer will spend \$1,476,259 on eligible activities based on the estimates presented.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Busine	ess Name: Procon Properties, LLC	
	Address: 1522 Stagecoach Road, Grand Island, NE 68801	
	Telephone No.: (308) 380-6559 Fax No.: (308) 38	31-6557
	Contact: K.C. Hehnke	
	Application Submission Date: 06/30/2021	
compa operat Subdi	n Properties, LLC (the company) is organized as a Nebraska limited any. Subsequent to project completion (pending TIF approval), the oftend lease storage bays located at the project site (Sunny Side The vision). Upon completion of both phases of the proposed project, a fings housing 50 total bays will be available.	company will ird
Legal [Description/Address of Proposed Project	
Sunny Side	Third Subdivision, lots 1-6, Hall County Nebraska (parcels 0400015145, 0400095645, 0400095661, 0400095726, 0400	095769, & 0400095793)
Comm	unity Redevelopment Area Number	5
Form Up	pdated 7-25-2019cn	Page 1

	Ownership Proposed Project Site: roperties, LLC		
Is purcha	se of the site contingent on Tax Increment Financing App	rov	/al? Yes □ No ☑
-	Project: Building square footage, size of property, descriterials, etc. Please attach site plan, if available.	crip	tion of buildings –
infrastructure pre-engir on lots 4 building l	aration at Sunny Side Third Subdivision, including concreture (sewer & electric), landscaping, fencing, etc. and the neered steel buildings intended to contain bays for storage - 6) will consist of one 280' x 54' building housing 14 bays nousing 12 bays and Phase 2 (located on lots 1 - 3) will congs housing 12 bays each for a total of 50 available bays	e co e. s a ons	onstruction of 4 Phase 1 (located and one 240' x 54' sist of two 240' x
If Propert	y is to be Subdivided, Show Division Planned: N/A		
VI. Es	timated Project Costs:		
<u>Ac</u>	quisition Costs:		
A.	Land	\$	135,000
B.	Building	\$	
<u>Co</u>	nstruction Costs:		
A.	Renovation or Building Costs:	\$	2,349,101
B.	On-Site Improvements:		
	Sewer	\$	238,027
	Water	\$	32,551
	Electric	\$	472,441
	Gas	\$	
	Public Streets/Sidewalks	\$	450,748

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Page | 2

	Private Streets		\$ 322,446	_
	Trails		\$	
	Grading/Dirtwork/Fill		\$ 215,044	
	Demolition		\$	
	Other (Landscaping & Fencing)		\$ 63,823	
	Total		\$ 4,144,181	
<u>s</u>	oft Costs:			
А	. Architectural & Engineering Fees:		\$ 188,125	_
В	. Financing Fees:		\$ 80,000	_
С	. Legal		\$ 8,150	_
D	. Developer Fees:		\$	
E	. Audit Fees		\$	Total Costs
F	Contingency Reserves:		\$	4,555,456
G	. Other (Please Specify)		\$	(141,000)
		TOTAL	\$ 276,275	4,414,456
Total Es	timated Market Value at Completion:		\$	
Source f	or Estimated Market Value Market value arrived at using the lessor of con	st or estimated assessed value pro	vided by Hall County Assessor divided by 92%	
Source of	of Financing:			
А	Developer Equity:		\$ 141,000	_
В	. Commercial Bank Loan:		\$ 3,464,660	
С	. Tax Credits:			
	1. N.I.F.A.		\$	
	2. Historic Tax Credits		\$	
	3. New Market Tax Credits		\$	_
	4. Opportunity Zone		\$	
D			\$	
Е	. Tax Increment Assistance: (See Note 1)		\$ 949,796	
F	Enhanced Employment Area		\$	

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Note 1: TIF requested at zero percent lending rate is \$1,307,858. Amount referenced in item E above is principal only portion after applying a 4.5% lending rate on a 15-year term note with monthly payments (interest component is \$358,062).

Page | 3

G.	Nebraska Housing Trust Fu	und	\$_	
H.	Other		\$_	· · · · · · · · · · · · · · · · · · ·
Name, Ad	ddress, Phone & Fax Numbers AGI Sentinel 237 South 4th Street, P.O. Box 348 Albion NE 68620 (402) 395-5076	s of Arc	hitect, Engineer and Gen	eral Contractor:
Engineer:	Olsson Associates 201 East 2nd Street Grand Island, NE 68801 (308) 384-8750			
General Contract	or: Mid Plains Construction Co 1319 West North Front Street Grand Island, NE 68801 (308) 382-2760			
	d Real Estate Taxes on Projec	t Site L	Jpon Completion of Proje	ct:
•	lease Show Calculations)	1.0	,	
\$88,993	(see Exhibit B for detailed cald	culation)	
Project C	onstruction Schedule:			
•	onstruction Start Date:			
00	September 1, 2021			
Co	onstruction Completion Date:			-
	August 31, 2023			
If F	Phased Project:			
	Phase #1 9/1/2021 to 8/31/2022	Year	50.0%	% Complete
	Phase #2 9/1/20200 to 8/31/2023	Year	50.0%	% Complete
		Year		% Complete
		Year		% Complete
		Year		% Complete
		Year		% Complete

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XII. Please Attach Construction Pro Forma (See Exhibit C)XIII. Please Attach Annual Income & Expense Pro Forma (See Exhibit D)(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

\$1,307,858 of tax increment financing (based on a 0% lending rate) is being requested to assist in the construction of four pre-engineered steel buildings to be located in the Sunny Side Third Subdivision of Hall County which are intended to create a total of 50 storage bays upon completion. The two-phase project involves the construction of the buildings, as well as concrete work for the foundation and all necessary access roads, as well as appropriate sewer and electrical hookups to the city water and electrical facilities.

The TIF funds will enable the project to be undertaken, resulting in vast improvements to the current location in the airport "corridor" and the creation of a facility that will help to satisfy an underutilized occupancy demand in Grand Island.

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 the creation of adequate economics in operating the new facility at a competitive rate in the specified area (See Exhibit E for a capitalization rate analysis for the first phase of the project which is expected to be consistent with the second phase)

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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:

CMBA Architects
Brad Kissler

Phone: 308-384-4444

Olsson & Associates

Jeff Palic

Phone: 308-398-2953 Fax: 308-384-8752

Home Federal Bank Steve Kunzman Phone: 308-382-4000

Engineering & Technologies, Inc.

Phone: 402-476-1273

Post Office Box 1968

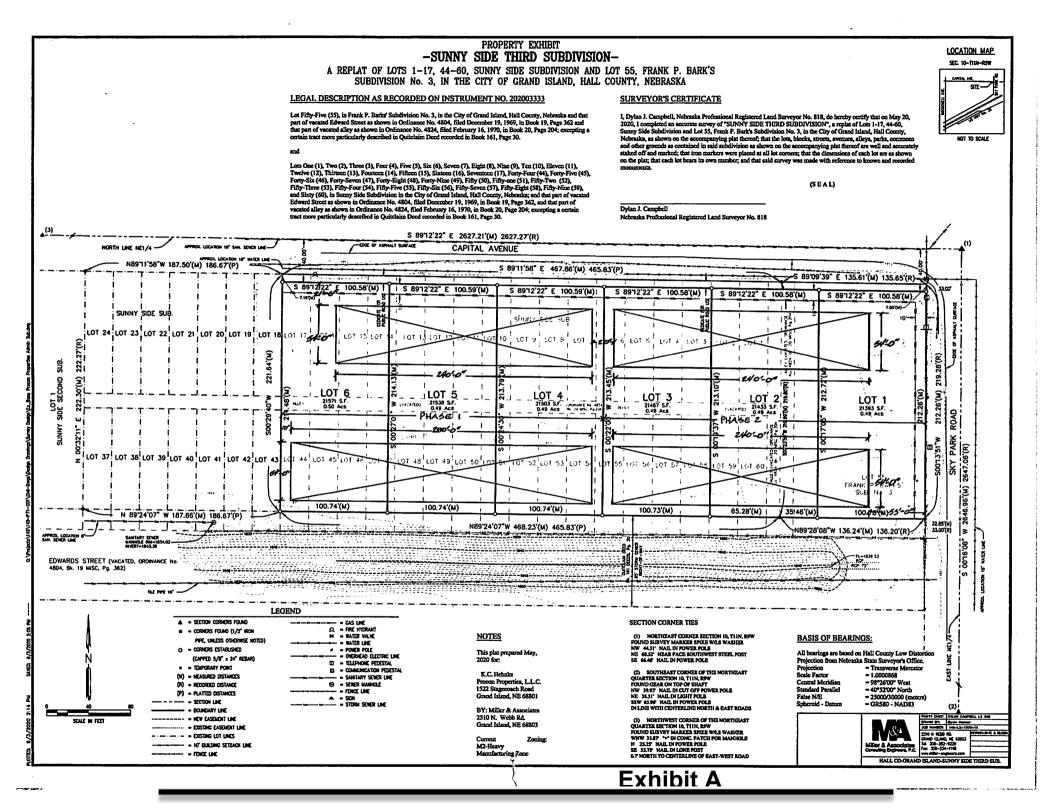
Grand Island, Nebraska 68802-1968

Phone: 308 385-5240

Fax: 308 385-5423

Email: cnabity@grand-island.com

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BUILDING ORDER / QUOTE

QUÔTE DATE: 01/21/21 EXPIRATION DATE: 01/31/21	BUILDING CONSULTANT: TRAVIS REQUESTED DELIVERY DATE: JOB #:
QUOTE# 29210003AR	
COMPANY: MID PLAINS CONSTR.	CUSTOMER: STORAGE UNITS
CONTACT: JOHN GIESENHAGEN	SHIP TO ADDRESS:
ADDD1.	GRAND ISLAND, NE 68803
ADDR1: ADDR2:	UPS ADDRESS:
CITY,ST,ZIP GRAND ISLAND, NE 68803	
PHONE#: 308-382-2760	JOBSITE ZIP: 68803
FAX#:	JOBSITE PHONE:
2nd PHONE#:	LOCATION: CITY RURAL
CELL/PAGE#:	BLDG USE: OCCUPANCY:
E-MAIL:	INSP. NAME: PH.#:
BUILDING SPECIFICATIONS	COLUMN ELEVATION = 0, UNLESS NOTED
BUILDING MODEL: PLAINSMAN	LEFT ENDWALL: 0 inches
WIDTH: 54 ft.	RIGHT ENDWALL: 0 inches
LENGTH: 240 ft. × 3	FRONT SIDEWALL: 0 inches
LT / RT EAVE HEIGHT: 16.5 / 19	BACK SIDEWALL: 0 inches
LT/RT ROOF SLOPE: 0.5556:12 /	NOTES:
DESIGN LOADS & CODES	INSULATION
DEAD LOAD (psf): 2.5	ROOF: inches TYPE:
WIND LOAD: 113 mph	WALLS: inches TYPE:
BUILDING CODE: IBC 18	FACING:
EXPOSURE: C	BASE CONDITION
COLLATERAL: 1	standard base
LIVE LOAD REPUISION 30	FACTORY LOCATED FRAMED OPENINGS
LIVE LOAD REDUCTION: Yes	LEFT ENDWALL: none
ROOF SNOW LOAD: 30 (Min Local)	RIGHT ENDWALL: none
GROUND SNOW: 25	FRONT SIDEWALL: (12) 10 W x 14 H
CLOSURE: Closed	BACK SIDEWALL: none
OCCUPANCY CATEGORY II - Normal	NOTES: (1) 20' LONG SPRING PAD PER FRAMED OPENING SUPPLIED
SEISMIC ZONE/DESIGN CATEGORY: A SEISMIC COEF.: 0.138	(1) 20 LONG SPRING PAD PER FRANCED OPENING SOPPLIED
A STATE OF THE STA	
	ACING TYPE
	ACING TYPE Cable Diagonal Brasing
	LEFT ENDWALL: Cable Diagonal Bracing RIGHT ENDWALL: Cable Diagonal Bracing
ROOF: Cable Diagonal Bracing	Cable Diagonal Diaching
	UGES AND COLORS
ROOF PANEL TYPE: R-Panel	GAUGE: 26 COLOR: Galvalume (CSS)
Management to the second of the control of the cont	Sil-Poly GAUGE: 26 COLOR: To Be Determined
	Sil-Poly GAUGE: 26 COLOR: To Be Determined
U.L. RATING STYLE=	Sarray Sadde 20 Colon. To be betermined
TRIM COLORS	INTERIOR LINER PANELS = NONE UNLESS NOTED
WALL: To Be Determined	LEFT ENDWALL:
GABLE: To Be Determined	RIGHT ENDWALL:
JAMB: To Be Determined	FRONT SIDEWALL:
CORNER: To Be Determined	BACK SIDEWALL:
BASE: To Be Determined	COLOR: GAUGE:

1/22/2021 10:37 AM 1 of 5 **Exhibit A**

29210003AR PARTIAL WALLS = NONE UNLESS NOTED FRAMING TYPE & BAY SPACING MAIN FRAMING: 11 single slope rigid frames, clear span LEFT ENDWALL: LEFT ENDWALL: RIGHT ENDWALL: Bearing SPACING:(FT) 17.0000 20.0000 17.0000 FRONT SIDEWALL: RIGHT ENDWALL: Bearing **BACK SIDEWALL: PURLIN TYPE, SPACING & DEPTH** 17.0000 20.0000 17.0000 SPACING:(FT) SIDEWALL SPACING:(FT) 12 at 20 **GIRT TYPE** LEFT ENDWALL: Bypass RIGHT ENDWALL: Bypass FRONT SIDEWALL: Bypass BACK SIDEWALL: Bypass GABLE AND EAVE EXTENSIONS (NONE, UNLESS NOTED) FRONT SIDEWALL: LEFT ENDWALL: RIGHT ENDWALL: **BACK SIDEWALL:** SOFFIT COLOR: **ADDITIONAL SERVICES** NUMBER OF PLANS: 4 INCLUDES ENGINEER CERTIFIED STRUCTURAL DRAWINGS CERTIFICATION (NE) YES **DESIGN CALCS:** NO QUANTITY: FOUNDATION DESIGN: NO

The following accessory items(s) will be shipped with the building from Sentinel

3	FIELD LOCATED WALK DOOR FRAMED OPENING #1	3	7	\$		103.0
	WALK DOORS BY OTHERS					
Y	3'-8" HIGH GIRT SYSTEM				Included	5.1
,	GUTTERS (incl. Mounting brackets and downspouts)	SN	240 LIN, FT.	\$		47.5
Υ	STANDARD BASE FLASHING	SN		\$		2.6
Υ	ADD FOR GRAY PRIMER ON RIGID FRAMES AND FLANGE BRACES				Included	
	The following accessory items(s) will be sh	ipped separate	from the buildin	g		
Y	ANCHOR BOLT OPTION (Shipping included)			ş		
Y	CERTIFIED BUILDING DRAWINGS	State	NE	\$		
	CERTIFIED BUILDING DRAWINGS WALL INSULATION (VRR+ w/ Adhesive Tabs)	State WMPVR-4.0	NE R13	\$		84.0

Width

Height

NOTES:

SENTINEL'S STANDARD $\underline{\text{WALL}}$ PANEL IS 26 GA SIL-POLY WITH PURLIN-BEARING LEG

GRAY FRAMES

ACCESSORIES INCLUDED WITH THIS BUILDING:

WALK DOORS BY OTHER / SENTINEL TO PROVIDED THE FRAMED OPENINGS

While we strive to provide the best value in all-steel buildings, steel price increases may raise our costs and we may adjust our prices at any time.

WE HEREBY PROPOSE TO FURNISH	THE ABOVE MATERIAL	S COMPLETE IN ACCORDANCE WITH	THE ABOVE	SPECIFIC	CATIONS.	
*Quote Does Not Include Foundation	on or Erection Costs.	BUILDING LIST PRICE:		\$		1065.3
		TOTAL LIST W/ACCESSORIES:		Ś		
		LESS DEALER DISCOUNT	10.00%	\$		
1	FREIGHT TAXABLE:	FREIGHT:		\$		
		NEBRASKA STATE SALES TAX:	7.50%	\$		
EXPIRATION DATE	01/31/21	*TOTAL PRICE:		\$		

Erect

Hours

EST ERECTION HRS BLDG & ACCESSORIES: \$ NOTE: SITE PREF, FOUNDARION & UNIDADING AND REVISIONING ARE BY CUSTOMINE All erection charges are negotiated with and paid directly to contractor according to his terms. SEE ATTACHED TERMS AND CONDITIONS PACCEPTANCE OF PURCHASE ORDER TRAVIS Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. *Total Price Does Not Include Foundation or Erection Costs. Buyer's Name (PLEASE PRINT) Buyer's Signature This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS P.O. BOX 348	NOTE: SALES TAX MAY NOT BE INCLUDED ON QUOTES, ANY APPLIC	ABLE SALES TAX WILL BE ADDED PRIO	CS, ON, 34, IL, KS, MM, NE, NO, SD	
DOWN PAYMENT WITH ORDER: EST ERECTION HRS - ZONE QUALIFIER 1 CASHIER'S CHECK ON BUILDING DELIVERY: S EST ERECTION HRS - SONE QUALIFIER 1 CASHIER'S CHECK ON BUILDING DELIVERY: S EST ERECTION HRS - SONE QUALIFIER 1 CASHIER'S CHECK ON BUILDING DELIVERY: S EST ERECTION HRS - SONE QUALIFIER 1 CASHIER'S CHECK ON BUILDING DELIVERY: S EST ERECTION HRS - SONE QUALIFIER 1 CASHIER'S CHECK ON BUILDING DELIVERY: S EST ERECTION HRS - SONE QUALIFIER 1 CASHIER'S CHECK ON BUILDING DELIVERY: S EST ERECTION HRS - SONE QUALIFIER S ENTINEL BUILDING SYSTEMS P.O. BOX 348	FOR REMAINING STATES, IT IS THE CUSTOMER'S RESPONSIBILITY TO	REPORT SALES/USE TAX TO STATE WE	HERE DELIVERED.	
EST ERECTION HRS - ZONE QUALIFIER 1 1601.1 S EST ERECTION HRS BLIDG & ACCESSORIES: 1601.1 S EST ERECTION COST: S NOTE: SUIT PARP, FOUNDATION & UNICORDING BUILDING ARE BY CUSTOMER All erection charges are negotiated with and paid directly to contractor according to his terms. SEE ATTACHED TERMS AND CONDITIONS Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature Date Signed: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS P.O. BOX 348	PLEASE CHECK YOUR ORDER FOR COMPLETENESS AND ACCURACY:			s -
EST ERECTION HRS BLOG & ACCESSORIES: 1601.1 SET ERECTION COST: S NOTE: INIT PREP, FOUNDATION & UNIQUADING BULLDING, ARE BY CUSTOMER All erection charges are negotiated with and paid directly to contractor according to his terms. SEE ATTACHED TERMS AND CONDITIONS PACCEPTANCE OF PURCHASE ORDER TRAVIS Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	VERIFY THE LOADS & CODES WITH YOUR LOCAL OFFICIALS.		DOWN PAYMENT WITH ORDER:	\$
EST ERECTION COST: \$ NOTE: SITE PREF, FOUNDAMEND & UNICOADING BURLEDING ARE BY CUSTOMER All erection charges are negotiated with and paid directly to contractor according to his terms. SEE ATTACHED TERMS AND CONDITIONS PACCEPTANCE OF PURCHASE ORDER ACCEPTANCE OF PURCHASE ORDER Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of , P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	EST ERECTION HRS - ZONE QUALIFIER	1	CASHIER'S CHECK ON BUILDING DELIVERY:	\$
All erection charges are negotiated with and paid directly to contractor according to his terms. SEE ATTACHED TERMS AND CONDITIONS ACCEPTANCE OF PURCHASE ORDER TRAVIS Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature Date Signed: This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of , Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	EST ERECTION HRS BLDG & ACCESSORIES:	1601.1		\$
SEE ATTACHED TERMS AND CONDITIONS ACCEPTANCE OF PURCHASE ORDER Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	EST ERECTION COST:	\$	NOTE: SITE PREP, FOUNDATION & UNLOADING BUILDING ARE BY CUSTOMER	i)
SEE ATTACHED TERMS AND CONDITIONS ACCEPTANCE OF PURCHASE ORDER Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature Date Signed: P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348				
Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature Date Signed: P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS P.O. BOX 348	All erection charges are negotiated with and paid	directly to contractor accord	ling to his terms.	
Buyer acknowledges receipt of completed copy of this agreement and agrees to all terms hereunder. Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT) Buyer's Signature Date Signed: Date Signed: P.O. #: Requested Delivery Date: Req Date is Flexible SENTINEL BUILDING SYSTEMS P.O. BOX 348		SEE ATTACHED	TERMS AND CONDITIONS	29210003AR
Customer is responsible for verifying codes and loads with local building officials. Buyer's Name (PLEASE PRINT)		ACCEPTANCE C	OF PURCHASE ORDER	TRAVIS
*Total Price Does Not Include Foundation or Erection Costs. Buyer's Signature Date Signed: This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	Buyer acknowledges rece	ipt of completed copy	of this agreement and agrees to all terms hereun	der.
*Total Price Does Not Include Foundation or Erection Costs. Buyer's Signature Date Signed: This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348				
Buyer's Name (PLEASE PRINT) Buyer's Signature This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of , P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348				adation or Fraction Costs
Buyer's Signature Date Signed: This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	D I. N (DI FACE DOINT)			idation of Efection Costs.
This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of , P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	Buyer's Name (PLEASE PRINT)			
This proposal is withdrawn after 10 days. Quote Expires: 1/31/2021 Accepted by SENTINEL this day of , P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348				
Date Signed: Quote Expires: 1/31/2021 Accepted by SENTINEL this day of, P.O. #: Requested Delivery Date: Req Date is Firm SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	Buyer's Signature			
P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS P.O. BOX 348			This proposal is withdrawn after	r 10 days.
P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348	Date Signed:		Quote Expires: 1/31/2	021
P.O. #: Requested Delivery Date: Req Date is Firm Req Date is Flexible SENTINEL BUILDING SYSTEMS Signature SENTINEL BUILDING SYSTEMS P.O. BOX 348			Accepted by SENTINEL this	day of
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P.O. BOX 348				
P.O. BOX 348		CENIT	FINEL BLILL DING SYSTEMS	
		SEIVI		
ALRIAN ME 68620			ALBION, NE 68620	

ITEMS BELOW ARE NOT INCLUDED IN THE ABOVE PRICING

P 402.395.5076 | F 402.395.6369

	ACCESSORIES PRICED BELOW ARE AT LIST ADDITIONAL DISCOUNTS MAY APPLY				Hours
QUANTITY	FRAMED OPENING OPTIONS	WIDTH	HEIGHT	LIST PRICE	TIOUIS
Y	INDEPENDENT UT WELD INSPECTION (REQUIRED BY IBC 2018 CODE)			S	,
1	TRANSVERSE PARTITION-ON FRAMELINE (26 Ga. Brilliant)	SN		\$	29
Y	TOO ADD STANDING SEAM ROOF in 24 Gauge Galvalume Plus			Ś	229

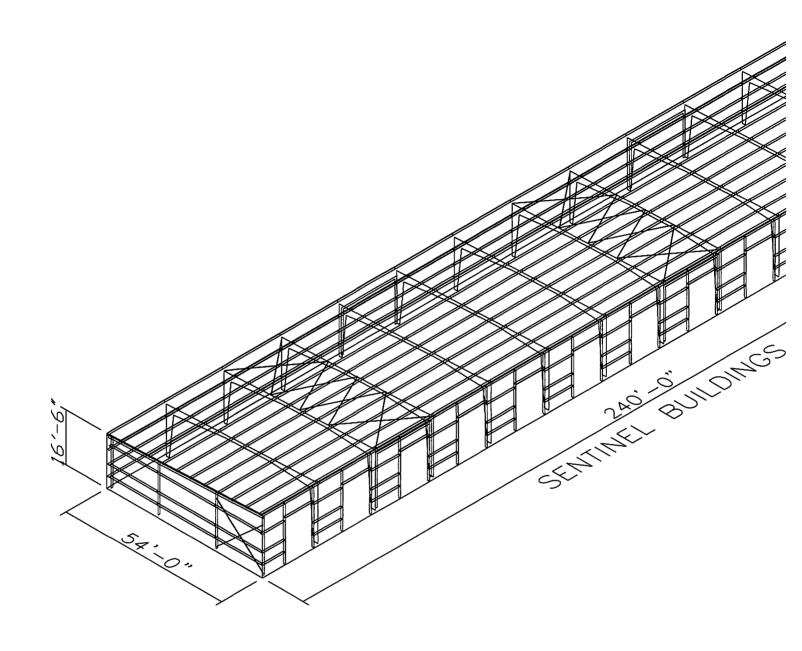
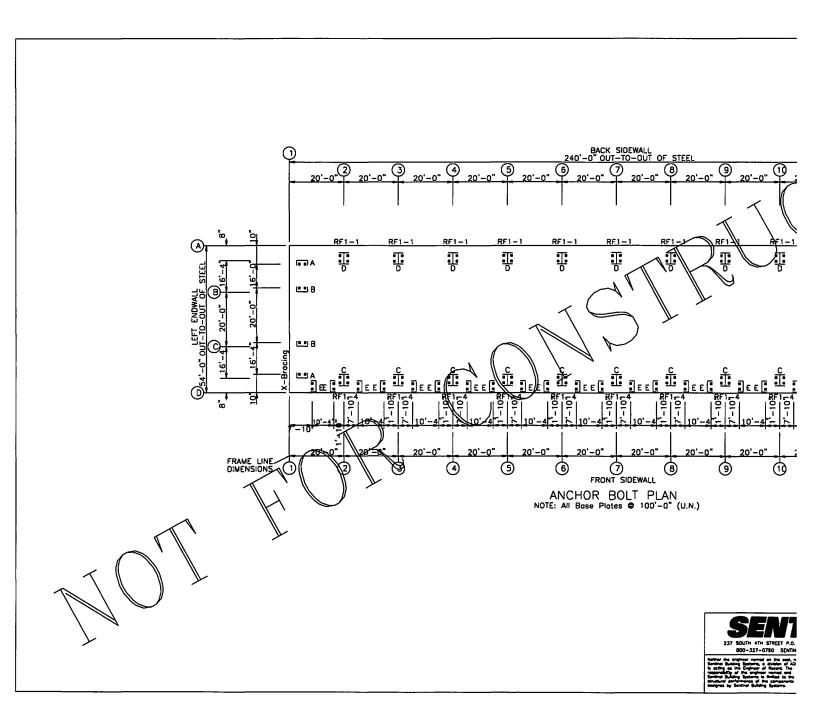
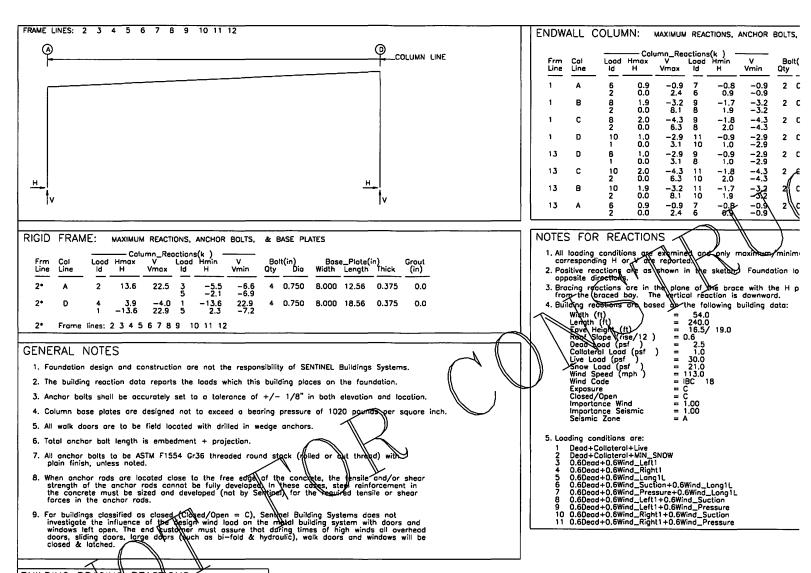
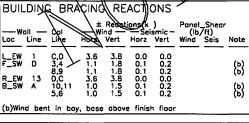


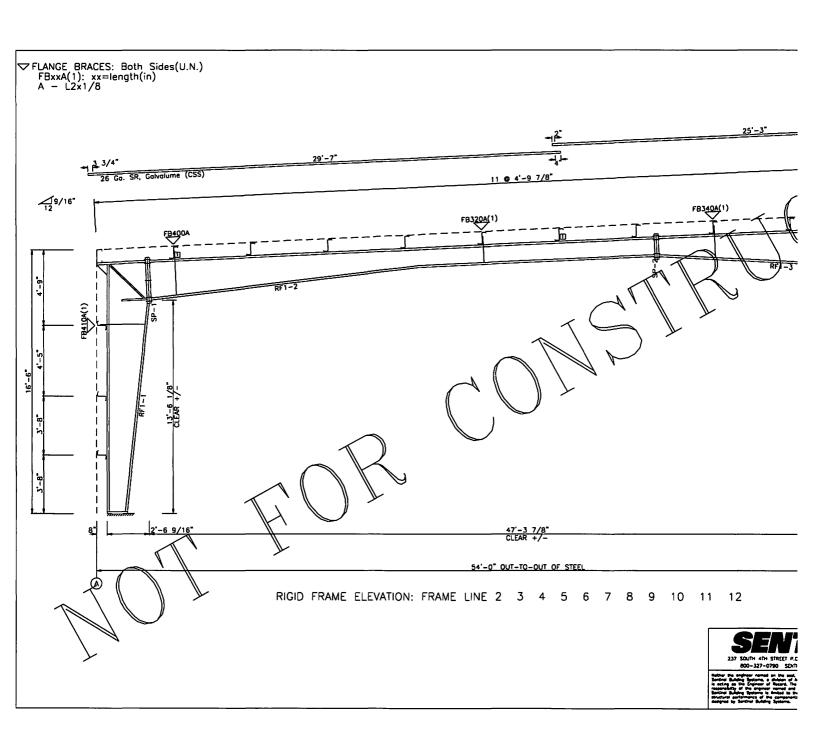
Exhibit A













BUILDING ORDER / QUOTE

QUOTE DATE:	01/22/21				TRAVIS		the Miles
EXPIRATION DATE:	02/01/21	REQUESTED	DELIVERY L	DATE:			
QUOTE# 29210030		JOB #:	-3-A	STORAG	E LINUTS		
COMPANY: MID PLAINS CONSTR.		CUSTOMER:		STORAG	E UNITS		
CONTACT: JOHN GIESENHAGEN		SHIP TO ADD	DRESS:	CDAND	CLAND NE	-0003	
ADDRI.		UPS ADDRES	c.	GRANDI	SLAND, NE	00003	
ADDR1: ADDR2:		UPS ADDRES	13.				
CITY,ST,ZIP GRAND ISLAND, NE 68803		100					
PHONE#: 308-382-2760		JOBSITE ZIP:			68803	3	
FAX #:		JOBSITE PHO					
2nd PHONE#:		LOCATION:	CITY		RURAL		
CELL/PAGE#:		BLDG USE:			OCCUPA	NCY:	
E-MAIL:		INSP. NAME			PH.#:		
BUILDING SPECIFICATIONS	175			TION = 0, I	UNLESS NO	TED	
BUILDING MODEL: PLAINSMAN		LEFT ENDWA	J (788		0 inches		
WIDTH: 54		RIGHT ENDV			0 inches		
	ft. X [FRONT SIDE			0 inches		
LT / RT EAVE HEIGHT: 16.5	/ 19	BACK SIDEW	ALL:		0 inches		
LT/RT ROOF SLOPE: 0.5556:12	/	NOTES:	10 JE OF 6	INICIUA	TION	Martin let a select	- 1-59
DESIGN LOADS & CODES		2005		INSULA	20000000		
DEAD LOAD (psf): 2.5		ROOF:		inches	TYPE:		
WIND LOAD: 113 mph		WALLS:		inches	TYPE:		
BUILDING CODE: IBC 18 EXPOSURE: C		FACING:	RA	SE CONDI	TION	NA TONS	
COLLATERAL: 1		standard bas	300	SE CONDI	IION	CONTRACTOR OF THE PARTY.	·
LIVE LOAD: 30			OCATED FR	AMED OF	ENINGS	WELL TO DELLAY	1 796
LIVE LOAD REDUCTION: Yes		LEFT ENDWA	A CONTRACTOR OF THE STATE OF TH	none	- Hilling		
	Min Local)	RIGHT ENDV		none			
GROUND SNOW: 25	iviiii Localy	FRONT SIDE			W x 14 H	ı	
CLOSURE: Closed		BACK SIDEW		none	*****	,	
OCCUPANCY CATEGORY II - Normal		NOTES:	ALL.	Hone			
SEISMIC ZONE/DESIGN CATEGORY:	Α		LONG SPR	ING PAD P	ER FRAME	OPENING SUPPLIED	
SEISMIC COEF.: 0.138		12723		.,,-,,,,-,,			
IMPORTANCE-SEIS.: 1							
	WALL B	RACING TYPE	A PAR	STATE OF THE STATE OF			
FRONT SIDEWALL: Portal Frames	and the second	LEFT ENDWALL:		Cable Di	agonal Braci	ng	Sec. 1
BACK SIDEWALL: Portal Frames		RIGHT ENDWAL			agonal Braci		
ROOF: Cable Diagonal B	racing					-	
The state of the s		AUGES AND COL	ORS	10 2 30 340	1 9 5	多数有限基本的	
	R-Panel	L	GAUGE:	26	COLOR:	Galvalume (CSS)	
SIDEWALL PANEL TYPE:	R-Panel	Sil-Poly	GAUGE:	26	COLOR:	To Be Determined	
ENDWALL PANEL TYPE:	R-Panel	Sil-Poly	GAUGE:	26	COLOR:	To Be Determined	
U.L. RATING STYLE=		1.70					
TRIM COLORS		INTERIOR	LINER PAN	ELS = NON	IE UNLESS N	IOTED	S SIGN
WALL: To Be Determined		LEFT ENDWA					
GABLE: To Be Determined		RIGHT ENDV					
JAMB: To Be Determined		FRONT SIDE					
CORNER: To Be Determined		BACK SIDEW	ALL:				
BASE: To Be Determined		COLOR:		GAUGE:			

1/22/2021 10:40 AM 1 of 5 **Exhibit A** 1/22/2021 10:40 AM

					2921003		
	E & BAY SPACING			= NONE UNLES	S NOTED		
MAIN FRAMING:	13 single slope rigid frames, clear		ENDWALL:				
EFT ENDWALL:	Bearing		T ENDWALL:				
PACING:(FT)	17.0000 20.0000 17.0000		NT SIDEWALL	:			
IGHT ENDWALL:	Bearing		(SIDEWALL:	011000000	- Andrews - Control	WAS SHOWN THE WAY	256.550
PACING:(FT)	17.0000 20.0000 17.0000	PURI	IN TYPE, SPA	CING & DEPTH	是持续。		
IDEWALL SPACING	i:(FT) 14 at 20						
	GIRTTY	PE					
EFT ENDWALL:	Bypass		C CONTRACTOR				Manage Street
IGHT ENDWALL:	Bypass						
RONT SIDEWALL:	Bypass						
ACK SIDEWALL:	Bypass						
		KTENSIONS (NONE,	UNLESS NOT	ED)			
EFT ENDWALL:		FRONT SIDEWALL:					
IGHT ENDWALL:		BACK SIDEWALL:					
OFFIT COLOR:							
	AD	DITIONAL SERVICES					
NUMBER OF PLANS	: 4			han van de state en de st			
ERTIFICATION (NE		INCLUDES ENGINEE	R CERTIFIED	STRUCTURAL D	RAWING	S	
ESIGN CALCS:	NO	QUANTITY:					
OUNDATION DESI	GN: NO						
	The following accessory items(s D LOCATED WINDOW FRAMED OPENING #1 S DOORS BY OTHERS		h the building	g from Sentine	\$		118
	HIGH GIRT SYSTEM					Included	5
	TERS (incl. Mounting brackets and downspouts)) 5	N	280 LIN, FT.	\$	meiaaea	55
	IDARD BASE FLASHING		N		\$		2
Y ADD	FOR GRAY PRIMER ON RIGID FRAMES AND FLA	NGE BRACES				Included	
	The following accessory items	s(s) will be shipped s	eparate from	the building	\$		
V ANG							
	HOR BOLT OPTION (Shipping included)	St	ate NF				
Y CERT			ate NE VR-4.0	R13	\$		95.
Y CERT	HOR BOLT OPTION (Shipping included) 'IFIED BUILDING DRAWINGS	WMP			\$		
Y CERT Y WAL Y ROO	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS L INSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti	WMP	VR-4.0	R13 R38	\$		95. 342.
Y CERT Y WAL Y ROO IOTES: SEN	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD <u>WALL</u> PANEL IS 26	WMP (on) GA SIL-POLY WITH P	VR-4.0 URLIN-BEARI	R13 R38	\$		
Y CERT Y WAL Y ROO IOTES: SEN Wh	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS L INSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD <u>WALL</u> PANEL IS 26 ile we strive to provide the best value i	WMP (on) GA SIL-POLY WITH P In all-steel buildings,	VR-4.0 URLIN-BEARI steel price	R13 R38	\$		
Y CERT Y WAL Y ROO IOTES: SEN Wh	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD <u>WALL</u> PANEL IS 26	WMP (on) GA SIL-POLY WITH P In all-steel buildings,	VR-4.0 URLIN-BEARI steel price	R13 R38	\$		
Y CERT Y WAL Y ROO JOTES: SEN Wh	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS L INSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD <u>WALL</u> PANEL IS 26 ile we strive to provide the best value i	WMP (on) GA SIL-POLY WITH P In all-steel buildings,	VR-4.0 URLIN-BEARI steel price	R13 R38	\$		
Y CERT Y WAL Y ROO IOTES: SEN Wh incr	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD WALL PANEL IS 26 ile we strive to provide the best value i eases may raise our costs and we may	WMP GA SIL-POLY WITH P In all-steel buildings, adjust our prices at a	VR-4.0 URLIN-BEARI steel price any time.	R13 R38 NG LEG	\$ \$ \$		
Y CERT Y WAL Y ROO HOTES: SEN Wh incr	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS L INSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD <u>WALL</u> PANEL IS 26 ile we strive to provide the best value i	WMP GA SIL-POLY WITH P In all-steel buildings, adjust our prices at a	VR-4.0 URLIN-BEARI steel price any time. RDANCE WIT	R13 R38 NG LEG	\$ \$ \$		342
Y CERT Y WAL Y ROO HOTES: SEN Wh incr	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD WALL PANEL IS 26 ile we strive to provide the best value i eases may raise our costs and we may	GA SIL-POLY WITH P In all-steel buildings, adjust our prices at a	URLIN-BEARI steel price any time. RDANCE WIT	R13 R38 NG LEG	\$ \$ \$		342
Y CERT Y WAL Y ROO OTES: SEN Wh incr	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD WALL PANEL IS 26 ile we strive to provide the best value i eases may raise our costs and we may	GA SIL-POLY WITH P n all-steel buildings, adjust our prices at a COMPLETE IN ACCO BUILDING LIST PRIC	URLIN-BEARI steel price any time. RDANCE WIT	R13 R38 NG LEG	SPECIFICA \$		
Y CERT Y WAL Y ROO HOTES: SEN Wh incr	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD WALL PANEL IS 26 ile we strive to provide the best value i eases may raise our costs and we may USE TO FURNISH THE ABOVE MATERIALS include Foundation or Erection Costs.	GA SIL-POLY WITH P In all-steel buildings, adjust our prices at a COMPLETE IN ACCO BUILDING LIST PRIC TOTAL LIST W/ACCI LESS DEALER DISCO	URLIN-BEARI steel price any time. RDANCE WIT	R13 R38 NG LEG	SPECIFICA \$		342
Y CERT Y WAL Y ROO NOTES: SEN Wh incr	HOR BOLT OPTION (Shipping included) IFIED BUILDING DRAWINGS LINSULATION (VRR+ w/ Adhesive Tabs) F SIMPLE SAVER SYSTEM (w/OSHA Fall Protecti TINEL'S STANDARD WALL PANEL IS 26 ile we strive to provide the best value i eases may raise our costs and we may	GA SIL-POLY WITH P In all-steel buildings, adjust our prices at a COMPLETE IN ACCO BUILDING LIST PRIC TOTAL LIST W/ACCI LESS DEALER DISCO	URLIN-BEARI steel price any time. RDANCE WIT EE: ESSORIES:	R13 R38 NG LEG	SPECIFICA \$ \$ \$ \$		342

*TOTAL PRICE:

02/01/21

EXPIRATION DATE

NOTE: SALES TAX MAY NOT BE INCLUDED ON QUOTES, ANY APPL	CABLE SALES TAX WILL BE ADDED PRIO	R TO DELIVERY FOR AR, IA, IL, KS, MN, NE, NO, SD	
FOR REMAINING STATES, IT IS THE CUSTOMER'S RESPONSIBILITY TO	O REPORT SALES/USE TAX TO STATE WH	ERE DELIVERED	
PLEASE CHECK YOUR ORDER FOR COMPLETENESS AND ACCURACY,			s
VERIFY THE LOADS & CODES WITH YOUR LOCAL OFFICIALS.		DOWN PAYMENT WITH ORDER:	\$
EST ERECTION HRS - ZONE QUALIFIER	1	CASHIER'S CHECK ON BUILDING DELIVERY:	\$
EST ERECTION HRS BLDG & ACCESSORIES:	1845.4		\$
EST ERECTION COST:	\$	NOTE: SITE PREP, FOUNDATION & UNLOADING BUILDING ARE BY CUSTOM	1ER
		Company to the company of the compan	
All erection charges are negotiated with and paid		TERMS AND CONDITIONS	29210030
	ACCEPTANCE O	F PURCHASE ORDER	TRAVIS
Buyer acknowledges reco		of this agreement and agrees to all terms hereu	inder.
1		loads with local building officials.	
		*Total Price Does Not Include For	undation or Erection Costs.
Buyer's Name (PLEASE PRINT)			
buyer straine (Feerbe Frintry			
Buyer's Signature			
		This proposal is withdrawn aft	er 10 days.
Date Signed:		Quote Expires: 2/1/2	2021
		Accepted by SENTINEL this	day of
P.O. #:			_ us, c,
F.O. #.			
la			
Requested Delivery Date:			
Req Date			
Req Date	e is Flexible	SENTINEL BUILDING SYSTEMS	Signature
	SENT	TINEL BUILDING SYSTEMS	
		P.O. BOX 348	
		ALBION, NE 68620	

ITEMS BELOW ARE NOT INCLUDED IN THE ABOVE PRICING

P 402.395.5076 | F 402.395.6369

	ADDITIONAL ACCESSORIES (NOT INCLUDE) ACCESSORIES PRICED BELOW ARE AT LIST ADDITIO				Hours
QUANTITY	FRAMED OPENING OPTIONS	WIDTH	HEIGHT	LIST PRICE	
Y	INDEPENDENT UT WELD INSPECTION (REQUIRED BY IBC 2018 CODE)			\$	
1	TRANSVERSE PARTITION-ON FRAMELINE (26 Ga. Brilliant)	SN		\$	29.4
Y	TOO ADD STANDING SEAM ROOF in 24 Gauge Galvalume Plus			\$ -	267.7

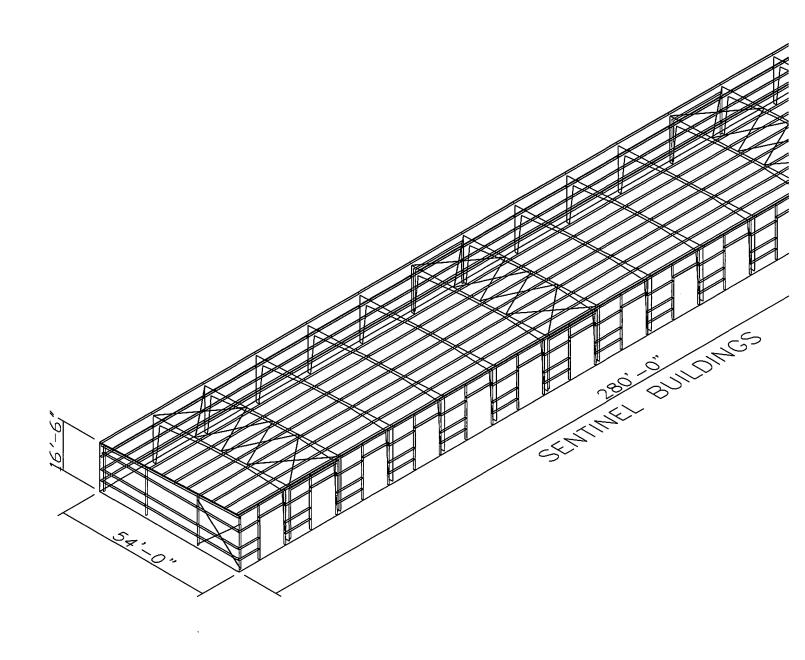
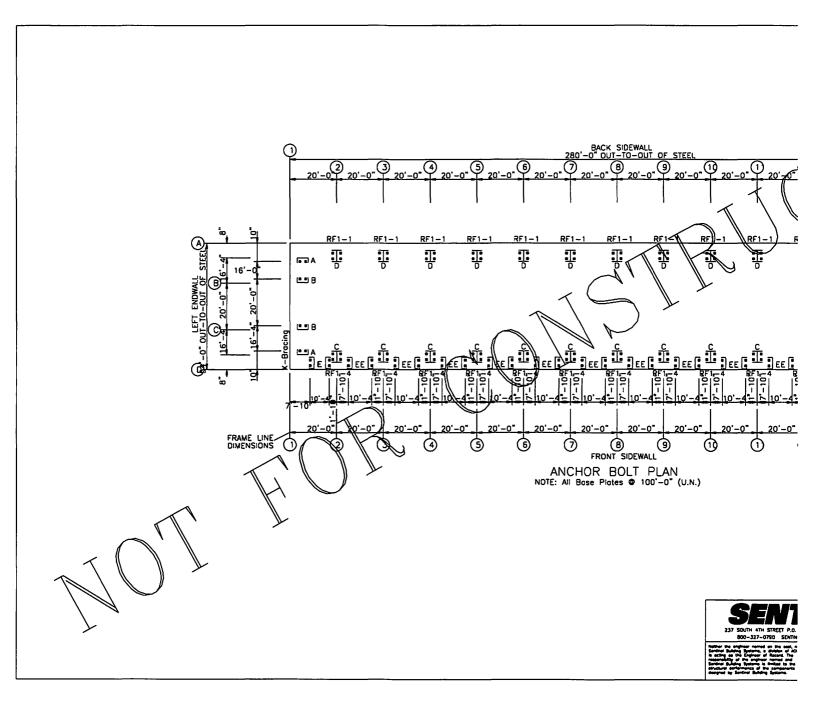
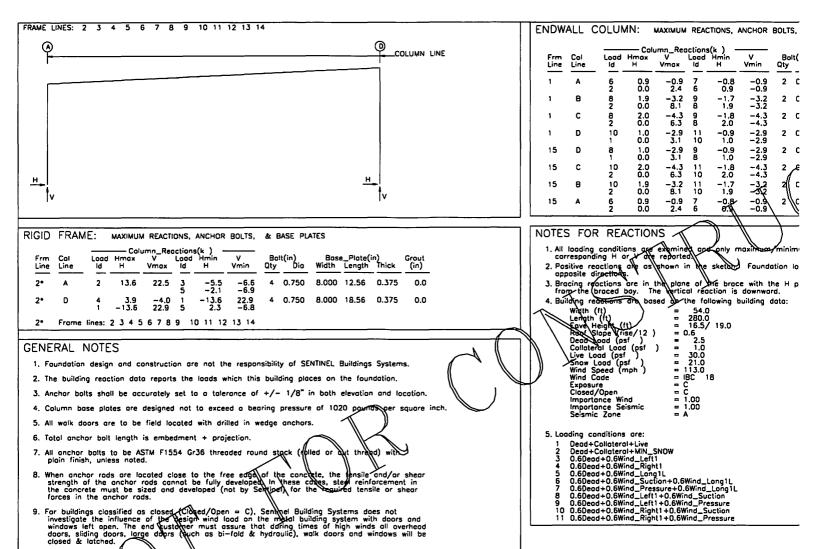
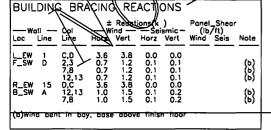


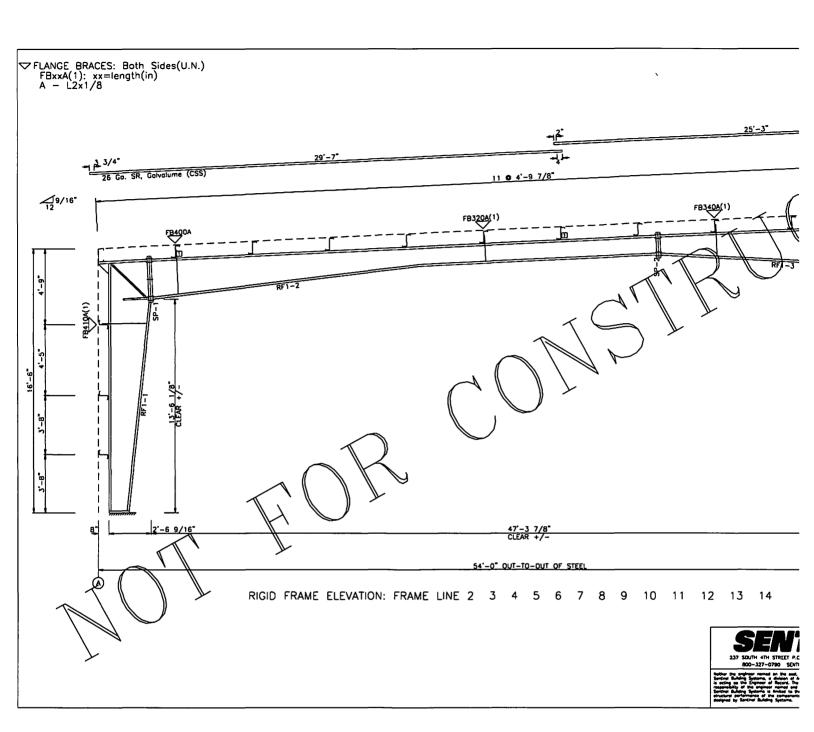
Exhibit A











Procon Properties, LLC Tax Increment Financing Request Estimated Real Estate Taxes on Project Site Upon Completion of Project

Existing Assessed Value and Real Estate Tax on Project Site

	Asses	ssed Value (20)20)			
Parcel Number	Improvements	Land	Total	Taxes	Sq Feet	Mil Rate
0.40004.54.45		4.4.400	4.4.400	000.40	00.404	0.07457000/
0400015145	=	14,483	14,483	300.46	22,101	2.0745702%
0400095645	-	14,482	14,482	300.42	22,148	2.0744372%
0400095661	-	14,482	14,482	300.42	22,184	2.0744372%
0400095726	-	14,482	14,482	300.42	22,220	2.0744372%
0400095769	-	14,482	14,482	300.42	22,256	2.0744372%
0400095793	-	14,482	14,482	300.42	22,291	2.0744372%
Before subdivision	-	86,893	86,893	1,802.56	133,200	
Subdivided Sq Ft	133,200	133,200	133,200	133,200		
Divided by total existing	133,200	133,200	133,200	133,200		
Ratio	1.000000	1.000000	1.000000	1.000000		
Estimated subdivision	-	86,893	86,893	1,803		

Estimated Real Estate Taxes on Project Site Upon Completion of Project

		2020 Ass	essment	Note 1 Limitation
2020 taxes assessed on site prior to project commencement Divided by base assessed value Estimated tax rate	t	2020 7133	1,803 86,893 2.074460%	Limitation
Proposed assessed value			4,289,940	
Estimated annual real estate tax after project completion Less existing annual real estate tax Estimated increase in annual real estate tax			88,993 (1,803) 87,191	98,417
Requested TIF assistance at zero percent lending rate			<u>15</u> 1,307,858	15 1,476,259
Principal debt service at indicated rate With annual note payments With monthly note payments	PVA PVA	Rate 4.50% 4.50%	Principal 936,387 949,796	Principal 1,056,957 1,072,093

Notes:

1.) This column represents requested financing in the event the tax increment over 15 years exceeds actual qualified TIF costs. Requested TIF assistance is limited to qualified costs.

Exhibit B

Procon Properties, LLC Project Cost Summary

	Phase #1	Phase #2		TIF Qualified (Q)
Description	Amount	Amount	Total	Non-Qualified (NQ)
2000				
TF qualified general conditions	87,500.00	100,625.00	188,125.00	Q
TF non-qualified general conditions	54,100.00	62,215.00	116,315.00	NQ
Subtotal	141,600.00	162,840.00	304,440.00	
TF qualified sitework	92,150.00	105,973.00	198,123.00	Q
TIF non-qualified sitework	7,870.00	9,051.00	16,921.00	NQ
Subtotal	100,020.00	115,024.00	215,044.00	
andscaping	11,235.00	12,920.00	24,155.00	NQ
Fencing	18,450.00	21,218.00	39,668.00	NQ
FIF qualified concrete	209,650.00	241,098.00	450,748.00	Q
TIF non-qualified concrete	149,975.00	172,471.00	322,446.00	NQ
Subtotal	359,625.00	413,569.00	773,194.00	
Metals	29,190.00	33,569.00	62,759.00	NQ
Pre-engineered building	771,860.00	887,639.00	1,659,499.00	NQ
Overhead doors	107,595.00	123,734.00	231,329.00	NQ
Hollow metal door	67,155.00	77,228.00	144,383.00	NQ
Drywall	12,535.00	14,415.00	26,950.00	NQ
Painting	6,850.00	7,878.00	14,728.00	NQ
Signage	8,560.00	9,844.00	18,404.00	NQ
TIF qualified plumbing	125,850.00	144,728.00	270,578.00	Q
TIF non-qualified plumbing	34,760.00	39,974.00	74,734.00	NQ
ubtotal	160,610.00	184,702.00	345,312.00	
TF qualified electrical	104,900.00	120,635.00	225,535.00	Q
TF non-qualified electrical	114,840.00	132,066.00	246,906.00	NQ
ubtotal	219,740.00	252,701.00	472,441.00	NO
otal project costs per construction pro-forma	2,015,025.00	2,317,281.00	4,332,306.00	NQ
Other costs:				
Land	67,500.00	67,500.00	135,000.00	Q
Financing	40,000.00	40,000.00	80,000.00	NQ
Legal & accounting	1,000.00	7,150.00	8,150.00	Q
Total project costs	2,123,525.00	2,431,931.00	4,555,456.00	
Total TIF qualified costs (Q)	688,550.00	787,709.00	1,476,259.00	
Fotal TIF non-qualified costs (NQ)	1,434,975.00	1,644,222.00	3,079,197.00	
Total project costs	2,123,525.00	2,431,931.00	4,555,456.00	
Phase 2 (cost increase percentage)		15.00%		

Exhibit C

Procon Properties RV Storage – Capital Avenue June 9, 2021 Revised Pricing since 3/1/2021

	SCHEDULE OF VALUES	Add	REVISED COSTS
General Conditions Sitework	134,600.00 95,260.00	7,000.00 4,760.00	141,600.00 100,020.00
Landscaping	11,235.00	4,760.00	11,235.00
Fencing Concrete	16,050.00	2,400.00	18,450.00
Metals	359,625.00 23,540.00	.00 5,650.00	359,625.00 29,190.00
Pre-Engineered Building	641,860.00	130,000.00	771,860.00
Overhead Doors	88,595.00	19,000.00	107,595.00
Hollow Metal Door	62,755.00	4,400.00	67,155.00
Drywall Painting	12,535.00 6,850.00	.00 .00	12,535.00 6,850.00
Signage	8,560.00	.00	8,560.00
Plumbing	160,610.00	.00	160,610.00
Electrical	219,740.00	<u>.00.</u>	219,740.00
TOTALS	1,841,815.00	173,210.00	2,015,025.00

Above summary only includes phase 1 costs.

Exhibit C



MID PLAINS CONSTRUCTION CO. GENERAL CONTRACTORS

Procon Properties RV Storage – Capital Avenue March 1, 2021

	BREAKOUT ITEMS
Sanitary Sewer	59,090.00
Storm Sewer	51,620.00
Water Service	15,140.00
Electrical Service	104,900.00
Paving	209,650.00
Sitework	92,150.00
Architect	26,500.00
Civil Engineer	22,000.00
Structural Engineer	13,500.00
Mechanical Engineer	9,500.00
Electrical Engineer	<u>16,000.00</u>

Amounts reflected above are included in totals reflected on previous page and include only phase 1 costs.

620,050.00

Exhibit D Annual Income & Expense Pro Forma

PROCON PROPERTIES, LLC PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER VARIOUS TAX INCREMENT FINANCING **SCENARIOS DETAILED IN NOTE A – CASH BASIS Twelve Months Ending After Project Phase 1 Completion**

CONTENTS

	<u>PAGE</u>
INTRODUCTION	3
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT	4
PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER VARIOUS TAX INCREMENT FINANCING SCENARIOS DETAILED IN NOTE A — CASH BASIS	5
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS	6

	INTRODUCTION		
The projection in this illustration presents t disbursements under the hypothetical assumption project phase 1 completion.	the entity's, Procon ons in Note A on the c	Properties, LLC's, eash basis for the tw	projected receipts and elve months ending after



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To Management of Procon Properties, LLC Grand Island, NE

Management is responsible for the accompanying projection of Procon Properties, LLC, which comprise projected statements of receipts and disbursements under various tax increment financing scenarios detailed in Note A – cash basis of Procon Properties, LLC (see introduction), for the twelve months ending after project phase 1 completion, and the related summaries of significant 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.

Even if the tax increment financing (TIF) scenarios outlined occurred, the projected results may not be achieved, as there will usually be differences between the projection and actual results because events and circumstances frequently do not occur as expected, and those 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 Procon Properties, 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.

This accompanying projection and this report are intended solely for the information and use of Procon Properties, LLC, 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.

2535 N. Carleton Ave.

Suite B

Grand Island, NE

68803

P.O. Box 520

Grand Island, NE

68802-0520

PH: 308-381-1355

FAX:308-381-6557

EMAIL:

info@ss-cpas.com

WEBSITE: www.ss-cpas.com Grand Island, NE June 29, 2021

4

Schroeder & believer, P. C.

Procon Properties, LLC

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

Twelve Months Ending After Project Phase 1 Completion

	With Tax Increment Financing		Without Tax Increment Financing	
Gross Taxable Income:				
Rental revenue	\$	156,000	\$	156,000
Tax increment financing (TIF) revenue	*	44,080	*	-
tax marement intained (iii) revenue		200,080		156,000
Tax Deductions:				
Interest expense - TIF debt		21,139		-
Interest expense - Non-TIF debt		69,896		91,035
Real estate tax (existing)		1,803		1,803
Real estate tax (TIF increment)		44,080		44,080
Common area utilities		4,800		4,800
Insurance		12,000		12,000
Repairs and maintenance		10,000		10,000
Professional service		1,000		1,000
Depreciation and amortization		57,174		57,174
		221,892		221,892
Taxable income (loss)		(21,812)		(65,892)
Adjustments to Arrive at Net Cash Receipts (Disbursements)				
Depreciation & amortization		57,174		57,174
Principal debt service - TIF		(22,941)		-
Principal debt service - Non-TIF		(49,739)		(72,680)
		(15,506)		(15,506)
Net cash receipts	\$	(37,318)	\$	(81,398)

PROCON PROPERTIES, LLC

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

Twelve Months Ending After Project Phase 1 Completion

NOTE A - NATURE AND LIMITATION OF PROJECTIONS

The accompanying projection presents, to the best of Procon Properties, LLC's (PP's) knowledge and belief, cash receipts and disbursements for the twelve months ending after project phase 1 completion to be generated by a storage space leasing facility (e.g. "the project") located in Grand Island, Nebraska. Stated cash receipts and disbursements are intended to convey results of operations after the anticipated 2022 completion of phase 1 of the project, assuming funding of the estimated construction and acquisition costs of \$2,123,525 both with, and in the absence of, tax increment financing assistance. The projection reflects their judgment as of June 29, 2021, 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 phase 1 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

Procon Properties, LLC is the owner and operating entity for four pre-engineered steel buildings intended to house 50 bays. This projection considers only expected operating results from the first phase of the project consisting of two buildings housing 26 bays. Revenue has been determined based on the knowledge and experience of the owners of PP (and related parties) in the operation of similar facilities in the same locale. The projection assumes 100% occupancy of the 26 bay buildings at \$500 per month for 12 months per year.

The projection includes two scenarios dependent on whether or not the tax increment financing (TIF) request is approved. In the event of TIF approval, PP 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.

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 Phase 1 will be financed through \$67,500 of capital contributions from the owners of PP with additional debt incurred to cover the remaining anticipated construction and improvement costs.

PROCON PROPERTIES, LLC

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS, Continued

Twelve Months Ending After Project Phase 1 Completion

NOTE D - CASH DISBURSEMENTS, Continued

Phase 1 TIF debt is based on an initial \$480,178 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 \$3,673 (annual \$44,080) and an interest rate of approximately 4.5%. This debt reflects only that incurred to cover the first phase of the project.

The remaining construction and land acquisition costs, not funded through tax increment financing, will be satisfied with \$67,500 of additional capital contributions for land already owned and \$1,575,847 of bank debt for the residual obligation. All remaining non-TIF construction debt will have a 20-year term. All loans will have an annual interest rate of approximately 4.5%. Scenarios contemplating the denial of tax increment financing will assume bank debt replacing TIF financing at the same 15-year term and 4.5% annual interest rate as the equivalent TIF financing.

Projected real estate tax is expected to equal the current tax (for the 2020 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 common area water, sewer and utilities; insurance; repairs and maintenance; professional fees; and other costs are all based on the experience of PP's members and the expected occupancy of the facility.

This projection estimates a taxable loss under all reporting scenarios. Accordingly, in anticipation of passive activity loss limitations restricting the use of said losses, no member distributions to cover estimated individual income tax (or contributions to reflect estimated income tax benefits) based on tax law provisions expected to be in effect during the projection period have been considered. Although not a cash expenditure, estimated depreciation has been calculated and included in the projection to arrive at net taxable income. Estimated capitalized costs are depreciated under either the straight-line method for 39-year life building components or the 150 percent declining balance method for 15-year life paving and improvement components.

Procon Properties, LLC Tax Increment Financing Application Capitalization Rate Analysis

	With Tax Increment Financing	Without Tax Increment Financing
Net operating income	126,397	82,317
Divided by fair market value	2,123,525	2,123,525
Equals capitalization rate	5.95%	3.88%

Exhibit E

Resolution Number 2021-07

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 lots 1-6 of Sunnyside Third Subdivision at Capital Avenue and Skypark Road-Procon Properties LLC to the Hall County Regional Planning Commission, (the "Commission") for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "Act"); and

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

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

Section 1. The Commission hereby recommends approval of the Redevelopment Plan.

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: September 1, 2021.

HALL COUNTY REGIONAL PLANNING COMMISSION

ATTEST:

By: Lesli & Ruge Secretary



Community Redevelopment Authority (CRA)

Wednesday, September 8, 2021 Regular Meeting

Item I2

Redevelopment Plan Amendment Area #32 -3MJRm LLC

Staff Contact:

Redevelopment Plan Amendment Grand Island CRA Area 32 September 2021

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 32 with in the city, pursuant to the Nebraska Community Development Law (the "Act") and provide for the financing of a specific infrastructure related project in Area 32.

Executive Summary:

Project Description

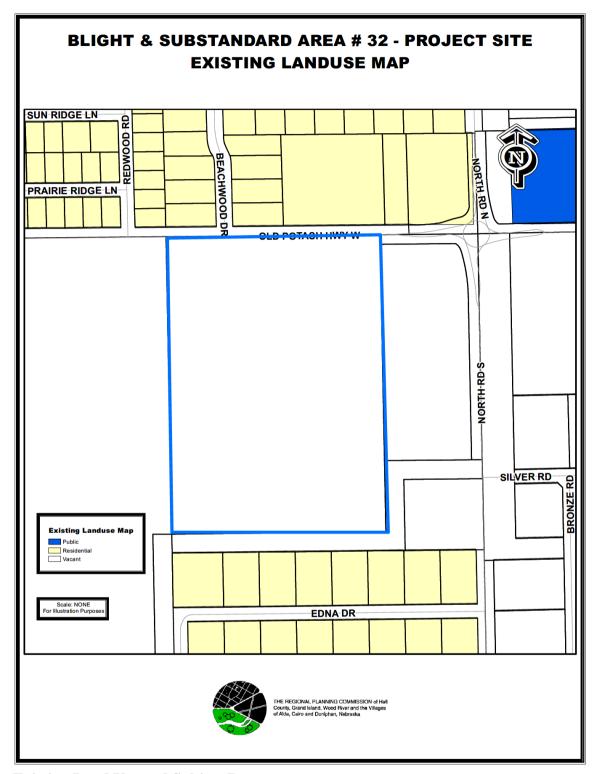
THE REDEVELOPMENT APPROXIMATELY 26 ACRES OF PROPERTY LOCATED BETWEEN WEST OF NORTH ROAD AND SOUTH OF OLD POTASH HIGHWAY NORTHWEST GRAND ISLAND FOR THE DEVELOPMENT OF 192 UNITS OF 55 PLUS AGE RESTRICTED HOUSING IN THREE AND FIVE UNIT BUILDINGS.

The use of Tax Increment Financing to aid in redevelopment expenses associated with platting and installing the necessary infrastructure (streets, sanitary sewer, water, and storm sewer) for the development of 192 units of age restricted housing in 48 three and five unit buildings on property being platted as Jaxson Subdivision in northwest Grand Island. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The 2020 Housing Study for the City of Grand Island identified a need of 222 owner occupied and 237 rental units for the 55+ population by 2024. This project with rents commensurate with market conditions would not be possible without the use of Tax Increment Financing.

3MJR LLC – has an option to purchase this property that will expire in November of 2021 if the project is not approved. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the construction of units. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over multiple 15 year periods beginning January 1, 2022 towards the allowable costs and associated financing for the development of this property.

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

Legal Descriptions: Property being platted as Jaxson Subdivision in the City of Grand Island, Hall County, Nebraska. Parcel Number 400200929



Existing Land Use and Subject Property

The tax increment will be captured for the tax years the payments for which become delinquent in years 2022 through 2049 inclusive. The TIF contract will be structured so it can be amended each year for up to twelve years to add the housing units to be completed during that year. No single property will be eligible for TIF for a period of more than 15 years.

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 development of the property for residential uses and the construction of three and five unit buildings for persons 55 and older.

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 or any amendment to the redevelopment contract, consistent with this Redevelopment Plan. The plan anticipates that each phase of the development will constitute new effective date for the purposes of determining the period of fifteen years. 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 June 22, 2021.[§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 October 6, 2021 and passed Resolution 2021-01 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island. The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment prior to it being submitted to the CRA for initial consideration.

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

a. Land Acquisition:

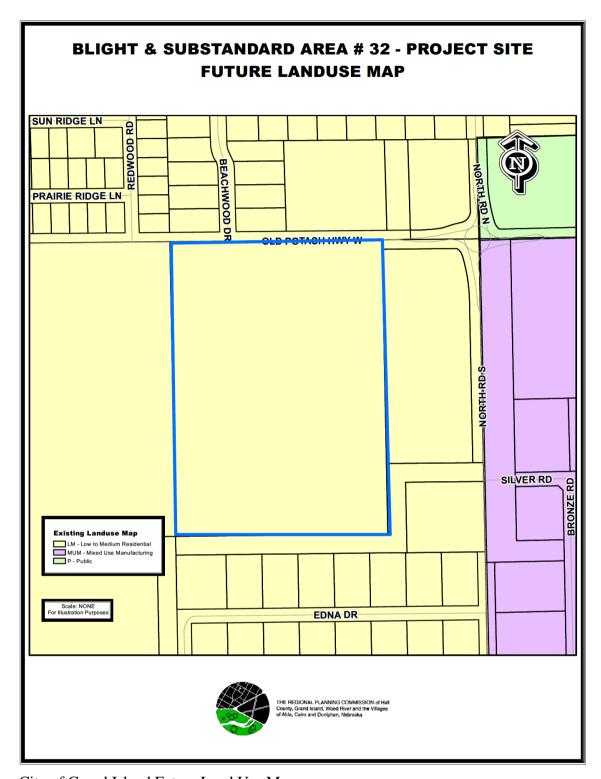
This Redevelopment Plan for Area 32 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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.

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 low to medium density residential development. 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 LLR Large Lot Residential but the future land use map calls for low to medium density residential. The applicant has submitted a plan for a residential development zone that would not exceed the density allowed in the medium density zoning district (14 units per acre on 26 acres would be 364 units). The plan for the residential development zone will be presented to planning commission and council along with the request for TIF. New private streets are anticipated and needed to support this project and it is anticipated that TIF revenues will offset the costs of those improvements. No changes are anticipated in building codes or other ordinances. No other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The proposed zoning as an RD zone allows for up to 42 units per acre if approved. The proposed development will be 7.38 units per acre. The proposed development if approved as submitted will meet those coverage and intensity of use requirements of the RD zone. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sanitary sewer and water are available to support this development. Both sanitary sewer and water will need to be extended throughout the site. TIF revenues will be used to offset the cost of these public utility improvements.

Electric utilities are sufficient for the proposed use of this property. Electric lines, transformers, and conduit will need to be extended throughout the property.

No other publicly owned 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 purchase price of the property is \$780,870 as an eligible expense. The estimated costs of utilities including sewer, water and electric is \$3,054,580. The cost of grading, and streets/trail/sidewalks and drainage is \$4,289,446. Planning activities including engineering, architecture, legal fees and government fees are estimated at \$157,148. The total of the eligible expenses for this project is estimated by the developer at over \$8,280,000.

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 \$7,460,038 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 2047.

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. 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 increasing the number of residential units within the City of Grand Island and encouraging infill development.

8. Time Frame for Development

Development of this project is anticipated to begin in the 2022 year. The subdivision will likely be built in six phases with approximately 8 buildings per phase and two phases at a time. The developer is anticipating construction of 32 units per year though this may be adjusted for market demand. It is anticipated that the units in this development will be built in 2034 with the tax increment on those homes extending to 2049. Excess valuation should be available for the first homes built with this project for 15 years beginning with the 2023 tax year.

9. Justification of Project

The 2020 housing study for the City of Grand Island projected that by 2024 we would need an additional 1361 new housing units, 222 of those should be 55+ owner occupied and 237 should be 55+ rental units. Between January 1 of 2020 and July of 2021 permits for 305 new housing units had bee issued. The current housing market, a combination of the cost of producing housing and the prevailing wages, has not created a situation that gives the markets sufficient incentive to build the number housing units required to meet community needs. This lack of housing options impacts a variety of other areas within the community including work force development, overcrowding, maintenance of residential units and rents. This project will create new housing options for the 55+ citizens of Grand Island and will likely result in the sale of existing homes around the city.

<u>10. Cost Benefit Analysis</u> 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.* (2019), the City of Grand Island has analyzed the costs and benefits of the proposed Redevelopment Project, including:

Project Sources and Uses. Approximately \$7,460,038 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 \$27,654,611 in private sector financing; a private investment of \$3.71 for every TIF dollar invested.

Use of Funds.	S	Source of Fund	s
Description	TIF Funds	Private Funds	Total
Site Acquisition	\$ 780,870		\$780,870
Building Costs		\$23,122,640	\$23,122,640
Sewer	\$1,658,457		\$1,654,457
Water	\$806,794		\$806,794
Electric	\$589,329		\$589,329
Public Streets/Sidewalks	\$1,319,540	\$822,006	\$2,141,546
Private Streets		\$1,596,432	\$1,596,432
Trails	\$87,413		\$87,413
Site preparation/Dirt Work	\$2,060,487		\$2,060487
Architecture/Engineering	\$81,800		\$81,800
Financing Fees/ Audit		\$1,511,980	\$1,511,980
Legal/TIF Contract	\$72,248		\$72,248
other (ROW Landsjacaping/Parks)		\$601,553	\$601,553
Govt. Fees and Expenses	\$3,100		\$3,100
Total	\$7,460,038	\$27,654,611	\$35,114,649

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2020, valuation of approximately \$114,694. Based on the 2020 levy this would result in a real property tax of approximately \$2,263. It is anticipated that the assessed value will increase by \$25,805,306 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$497,000 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for the period of the bonds, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2020 assessed value:	\$ 114,694
Estimated value after completion	\$ 25,920,000
Increment value	\$ 25,805,306
Annual TIF generated (estimated)	\$ 497,336
TIF bond issue	\$ \$7,460,038

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

The redevelopment project area currently has an estimated valuation of \$114,694. The proposed redevelopment will create additional valuation of \$25,805,306 over the course of the next twelve years. The project creates additional valuation that will support taxing entities long after the project is paid off along with providing 192 additional housing for persons 55 and older. The tax shift from this project will be equal to the total of the bond principal of \$7,460,038 if fully funded and any associated interest on the bond to be assigned with contract approval.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

Existing water and waste water facilities will not be negatively impacted by this development. The electric utility has sufficient capacity to support the development. This is infill development with services connecting to existing line with capacity. This development is unlikely to result in a larger number of students in the Shoemaker Elementary School service area since it is restricted to individuals 55 years old and older. Fire and police protection are available and should not be negatively impacted by this development though there will be some increased need for officers and fire fighters as the City continues to grow whether from this project or others.

Housing of the type proposed is unlikely to attract families to the neighborhood. It is unlikely that this housing bring additional school age children to the area.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

This will provide additional housing options for the residents of Grand Island. The National Homebuilders Association estimated in a 2008 study that each unit of multifamily housing resulted in 1.16 full time equivalent jobs so this development at 32 units per year would represent an additional 37 FTE's within the city for the next six years.

(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 different from any other expanding business within the Grand Island area. Grand Island does have tight labor market and part of that is due to the availability and cost of housing. This development may help alleviate some of those pressures.

(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 and will likely not result in additional students at the elementary and secondary school levels.

All of the units in this development will be restricted to persons 55 and over. This housing will not provide housing for any school age children. The Grand Island Public School System was notified on August 24, 2021 that the CRA would be considering this application at their September 8, 2021 meeting.

(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 2020 Housing Study for the City of Grand Island to create more than 1361 new housing units, 222 of those should be 55+ owner occupied and 237 should be 55+ rental units. Between January of 2020 and July of 2021 the City of Grand Island has issue permits for 305 housing units. The local housing market is not capable of producing the number of units needed at market rate given the costs of building and development.

Time Frame for Development

Development of this project is anticipated to be completed during between Spring of 2022 and the end of 2034. The base tax year should be calculated on the value of the property as of January 1, 2022 for the first phase with each phase based on the preceding year's valuation of the property included in the amendment for that year. Excess valuation should be available for this project 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 on each property or an amount not to exceed \$7,460,038 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 \$8,200,000 on TIF eligible activities.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Form Updated 7-25-2019cn

Business Name:	3MJF	R, LLC			
Address:	PO Bo	ox 5616, Grand Is	sland, NE 6	8802	
Telephone Email: ^{rho}		308-391-2959 charter.net		_ Fax No.: 308-3	81-6557
Contact:	Josh	Rhoads			
Applicatio	n Subn	nission Date:			
3MJR, LLC is or (pending TIF ap aged 55+ locate	ganize proval) d at the	olicant's Business: Id as a Nebraska LL(I, the company will o Ie project site (Jaxsor Id project, a total of 4	perate and le n Subdivisior	ease housing uni n). Upon comple	its for those etion of all
Legal Description	n/Addre	ess of Proposed Pro	ject		
Jaxson Subdivisio	n, Hall	County Nebraska (Pa	rcel 40020092	29)	
Community Rede	evelopr	ment Area Number			

Page | 1

Present Ownership Proposed Project Site: Eric & Kenda Pollock Trust	
Is purchase of the site contingent on Tax Increment Financing A	oproval? Yes ☑ No 🗖
Proposed Project: Building square footage, size of property, de materials, etc. Please attach site plan, if available.	escription of buildings –
Site preparation at Jaxson Subdivision, including concrete work, and electric), landscaping, fencing, etc. and the construction of a intended for residential living by those aged 55+. Phases will ear housing units, either 2-bedroom or 3-bedroom floor plans. Once completed over twelve years there will be 192 housing units, 96 and 96 3-bedroom floor plans	18 housing units ach consist of 32 e all six phases are
If Property is to be Subdivided, Show Division Planned: N/A	
VI. Estimated Project Costs:	
Acquisition Costs: A. Land	\$ <u>780,870</u>
B. Building	\$ 0
Construction Costs: A. Renovation or Building Costs:	\$ 23,122,640
B. On-Site Improvements: Sewer	\$
Water	\$ 806,794
Electric	\$ 589,329

Form Updated 7-25-2019cn

Gas

Public Streets/Sidewalks

Page | 2

\$ 2,228,959

	Private Streets	\$ <u>1,596,432</u>
	Trails	\$
	Grading/Dirtwork/Fill	\$ 2,060,487
	Demolition	\$
	Other	\$ <u>601,553</u>
	Total	\$ 33,445,522
<u>Sof</u>	t Costs:	
A.	Architectural & Engineering Fees:	\$ <u>81,800</u>
B.	Financing Fees:	\$ <u>1,511,980</u>
C.	Legal	\$ <u>72,248</u>
D.	Developer Fees:	\$
E.	Audit Fees	\$
F.	Contingency Reserves:	\$
G.	Other (Please Specify)	\$
	TOTAL	\$ <u>1,666,028</u>
Total Estir	nated Market Value at Completion:	\$
	Market value arrive at using the lessor of cost of estimated assessed value	
Source for	Estimated Market Value	re provided by Hall County Assessor divided by 92%
	Estimated Market ValueFinancing:	e provided by Hall County Assessor divided by 92%
	Estimated Market Value	te provided by Hall County Assessor divided by 92% \$ 1,604,661
Source of	Financing:	
Source of A.	Financing: Developer Equity:	\$ <u>1,604,661</u>
Source of A. B.	Financing: Developer Equity: Commercial Bank Loan:	\$ <u>1,604,661</u>
Source of A. B.	Financing: Developer Equity: Commercial Bank Loan: Tax Credits:	\$\frac{1,604,661}{28,089,239}\$
Source of A. B.	Financing: Developer Equity: Commercial Bank Loan: Tax Credits: 1. N.I.F.A.	\$\frac{1,604,661}{28,089,239}\$
Source of A. B.	Financing: Developer Equity: Commercial Bank Loan: Tax Credits: 1. N.I.F.A. 2. Historic Tax Credits	\$\frac{1,604,661}{28,089,239}\$ \$ \$ \$ \$
Source of A. B.	Financing: Developer Equity: Commercial Bank Loan: Tax Credits: 1. N.I.F.A. 2. Historic Tax Credits 3. New Market Tax Credits	\$\frac{1,604,661}{28,089,239}\$ \$\frac{1}{5}\$
Source of A. B. C.	Financing: Developer Equity: Commercial Bank Loan: Tax Credits: 1. N.I.F.A. 2. Historic Tax Credits 3. New Market Tax Credits 4. Opportunity Zone	\$\frac{1,604,661}{28,089,239}\$\$ \$\frac{1}{5}\$\$ \$\fr

Form Updated 7-25-2019cn

Note 1: TIF requested at zero percent lending rate is \$7,460,038. Amount financed in item E above is principal only portion after applying a 4.5% lending rate on a 15-year term note with monthly payments (interest component is \$2,042,389).

Page | 3

G.	Nebraska Housing Trust Fund	Φ			
H.	Other	\$			
Name, Ad Architect:	dress, Phone & Fax Numbers of Architect, En	gineer and General Contractor:			
Engineer					
201 E 2nd St Grand Island, NE 68801 (308)384-8750					
General (Contractor:				
	Real Estate Taxes on Project Site Upon Comease Show Calculations)	pletion of Project:			
,	(see exhibit B for detailed calculation)				
Project Co	nstruction Schedule:				
•	nstruction Start Date:				
	January 1, 2022				
Cor	nstruction Completion Date:				
001	December 31, 2033				
If P	hased Project:				
	Phase 1 - 1/1/2022 - 12/31/2023 Year 16.67	% Complete			
	Phase 2 - 1/1/2024 - 12/31/2025 Year 16.67	% Complete			
	Phase 3 - 1/1/2026 - 12/31/2027 Year 16.67	% Complete			
	Phase 4 - 1/1/2028 - 12/31/2029 Year 16.67	% Complete			
	Phase 5 - 1/1/2030 - 12/31/2031 Year 16.66	% Complete			
	Phase 6 - 1/1/2032 - 12/31/2033 Year 16.66	% Complete			

Form Updated 7-25-2019cn

XII. Please Attach Construction Pro Forma See Exhibit C

XIII. Please Attach Annual Income & Expense Pro Forma See Exhibit D
(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

\$6,689,959 of tax increment financing (based on a 0% lending rate) is being requested to assist in the construction of 48 housing units to be located in the Jaxson Subdivision of Hall County which are intended to create a total of 192 homes for those 55+ upon completion. The six-phase project involves the construction of the housing units, as well concrete work for the foundations and all necessary access roads, as well as appropriate sewer and electrical hookups to the city water and electric facilities.

The TIF funds will enable the project to be undertaken, resulting in vast improvements to the current location with the development of an area the will help to satisfy an underutilized occupancy demand of Grand Island.

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 new development at a competitive rate in the specified area (See Exhibit E for the capitalization rate analysis).

Form Updated 7-25-2019cn

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:

Tony Porter Exchange Bank 1204 Allen Dr Grand Island, NE 68803 (308) 382-2900

Ray O'Connor 2502 N Webb Rd Grand Island, NE 68803 (308) 381-2497

Jeff Vinson 1527 Stagecoach Rd Grand Island, NE 68801 (308) 379-6836

Post Office Box 1968

Grand Island, Nebraska 68802-1968

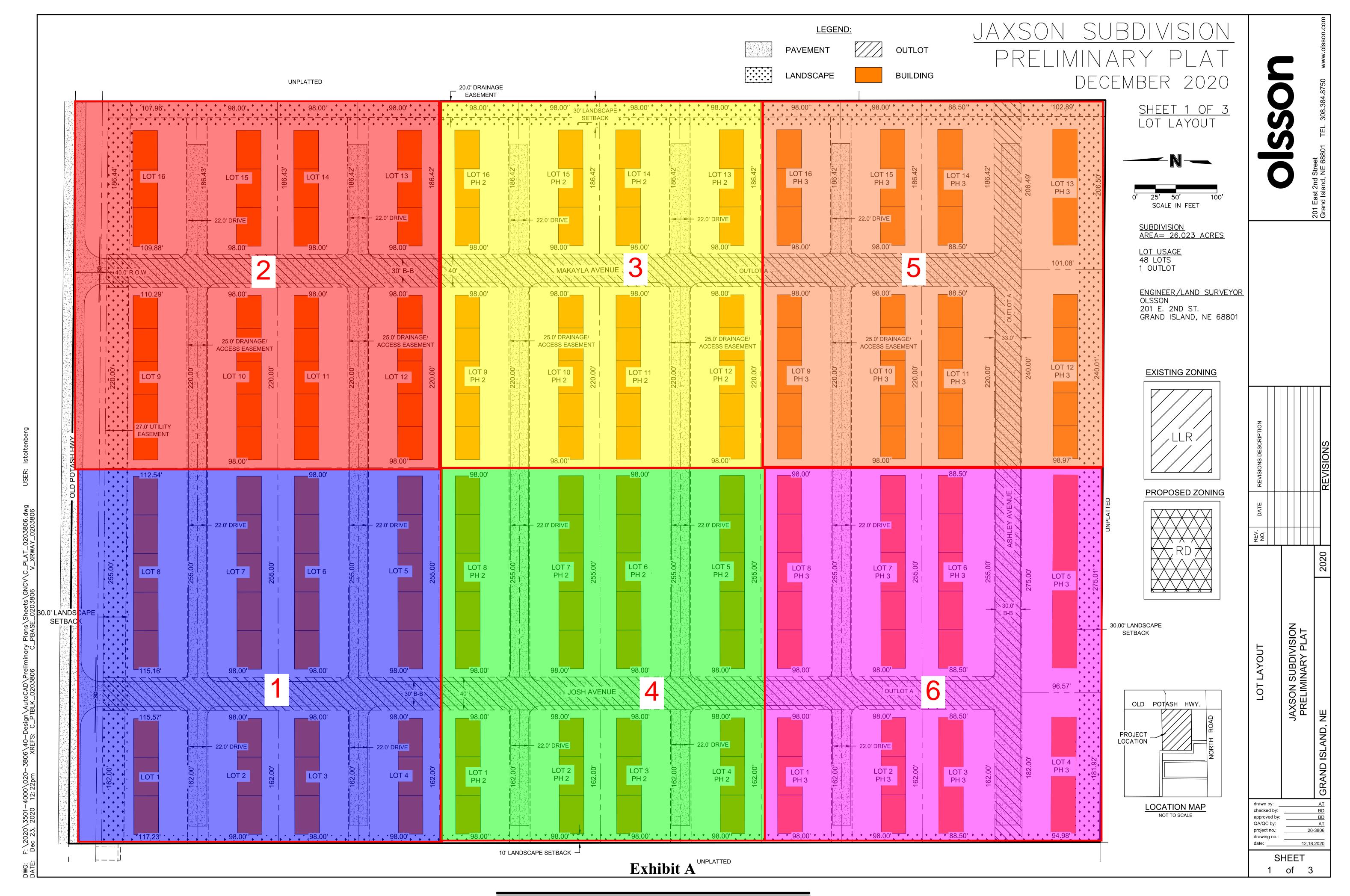
Phone: 308 385-5240

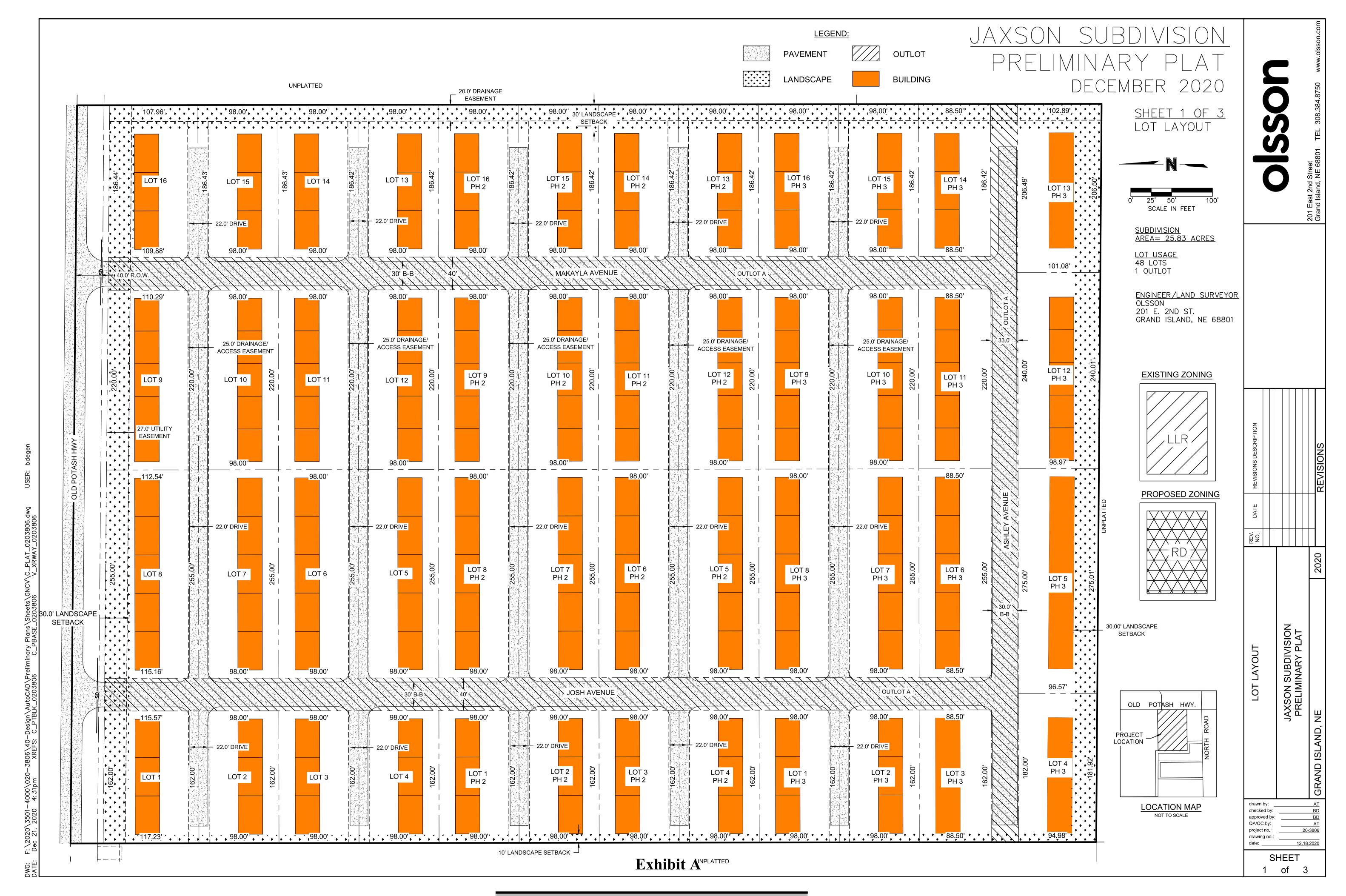
Fax: 308 385-5423

Email: cnabity@grand-island.com

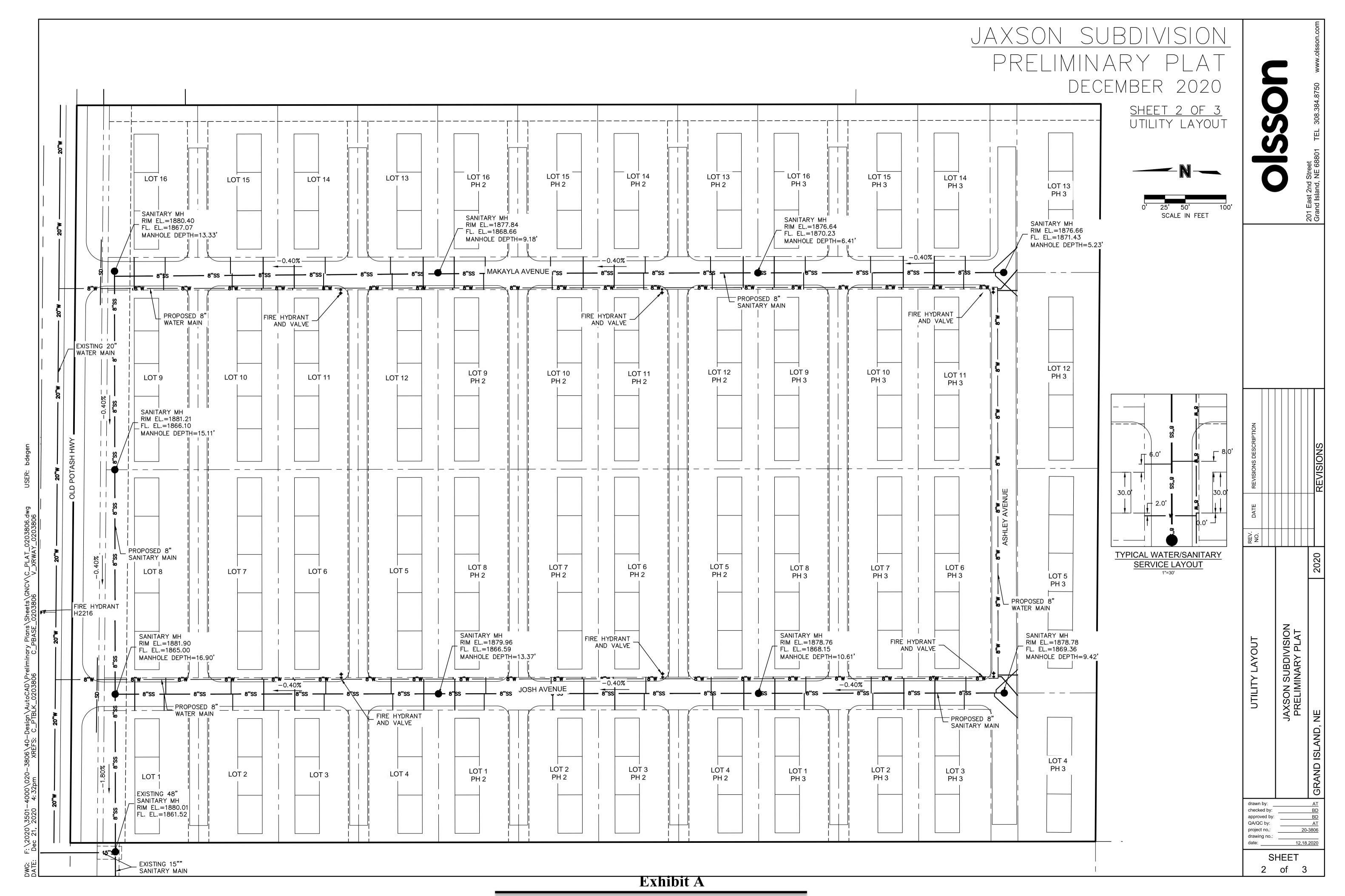
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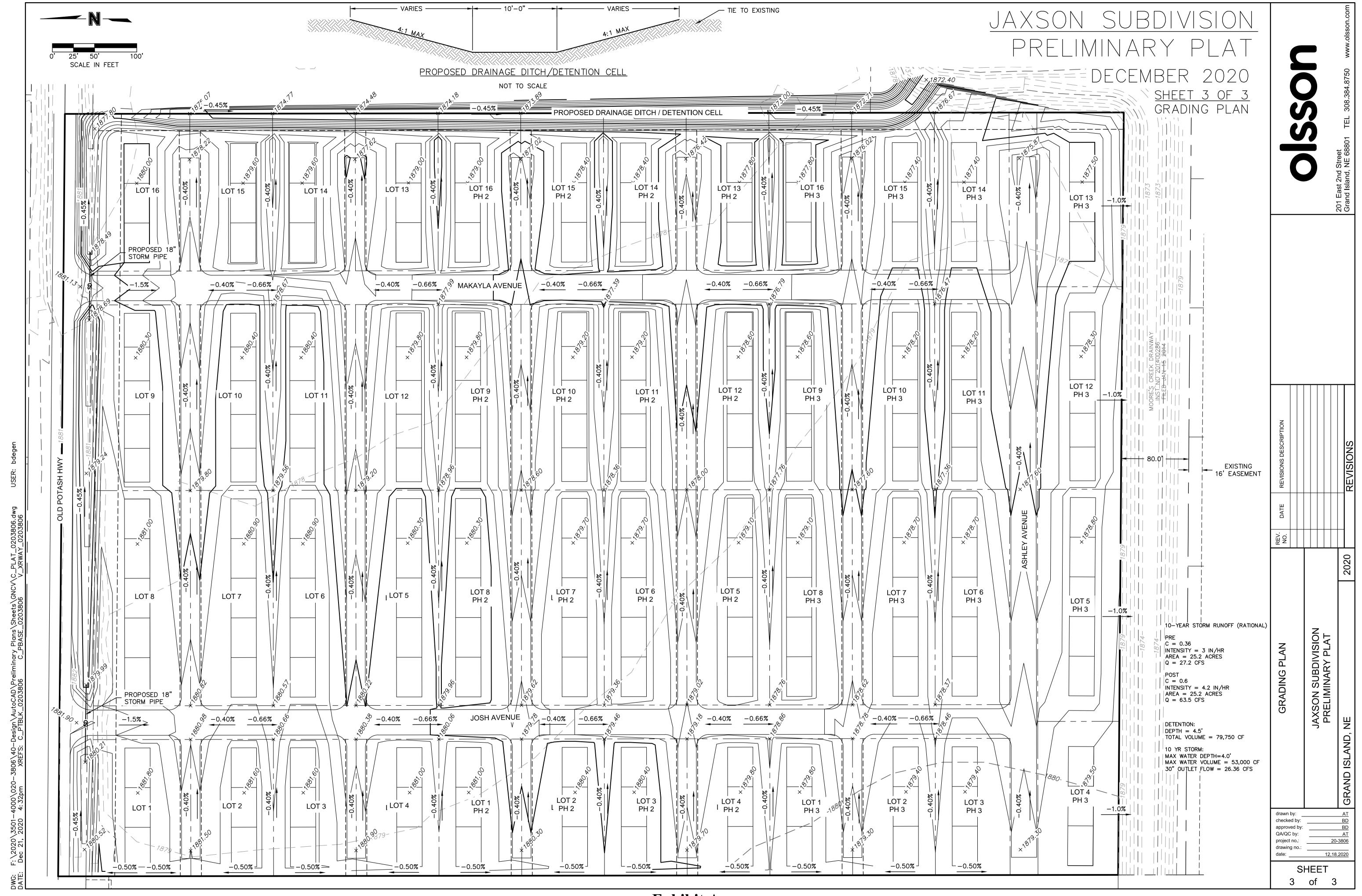
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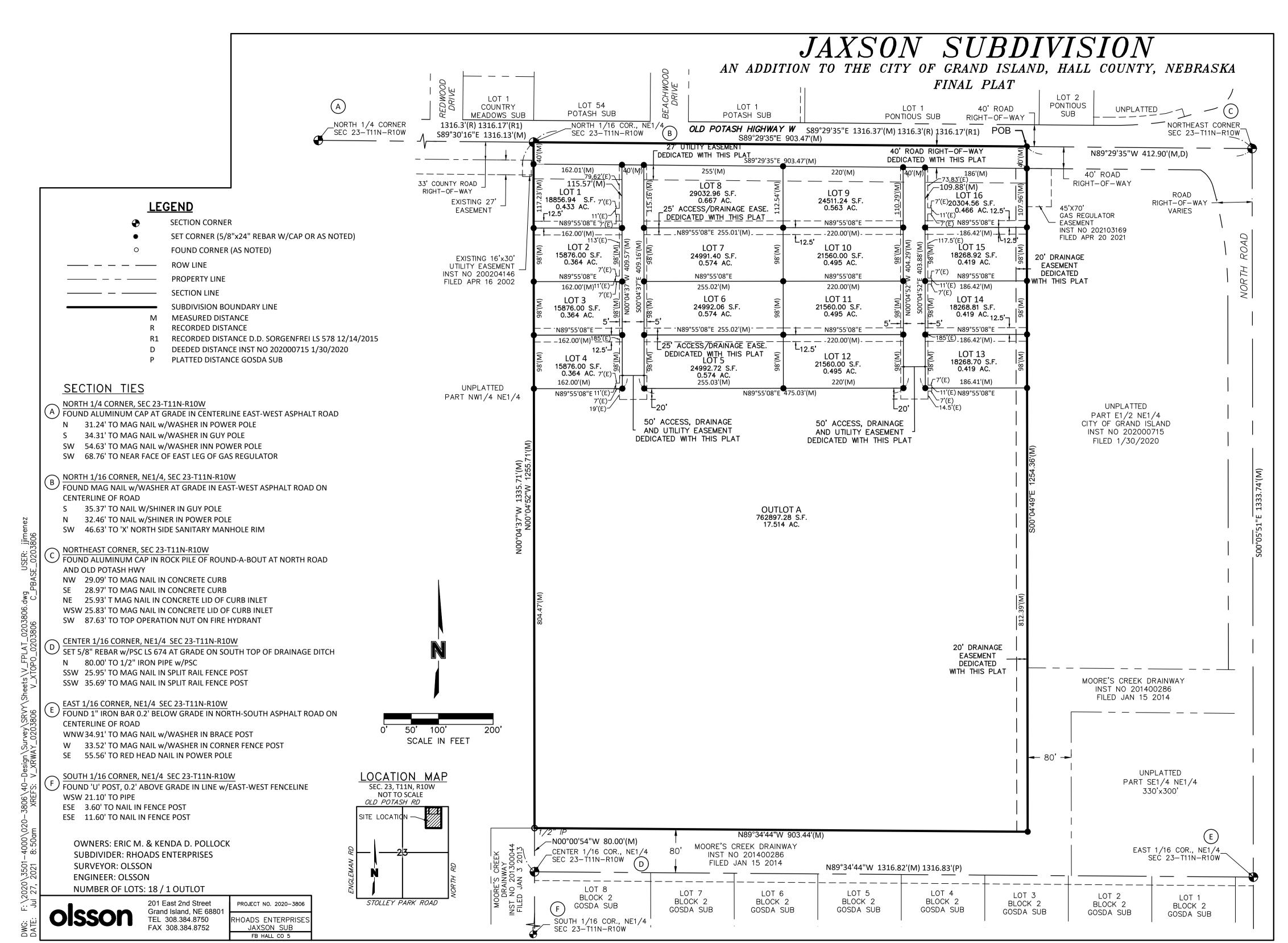


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Regular Meeting - 9/8/2021









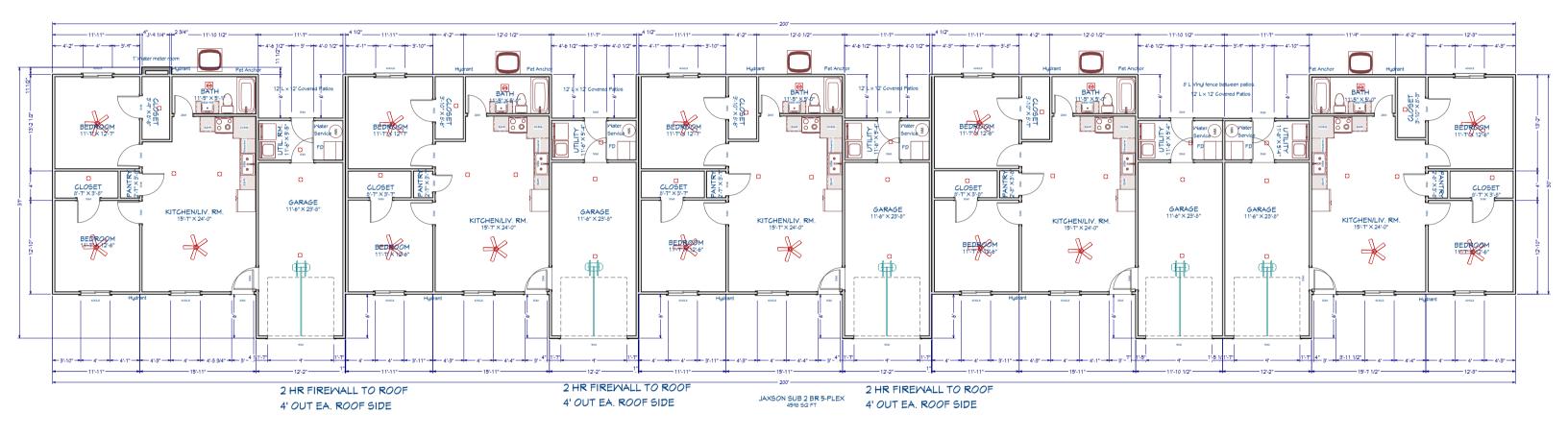


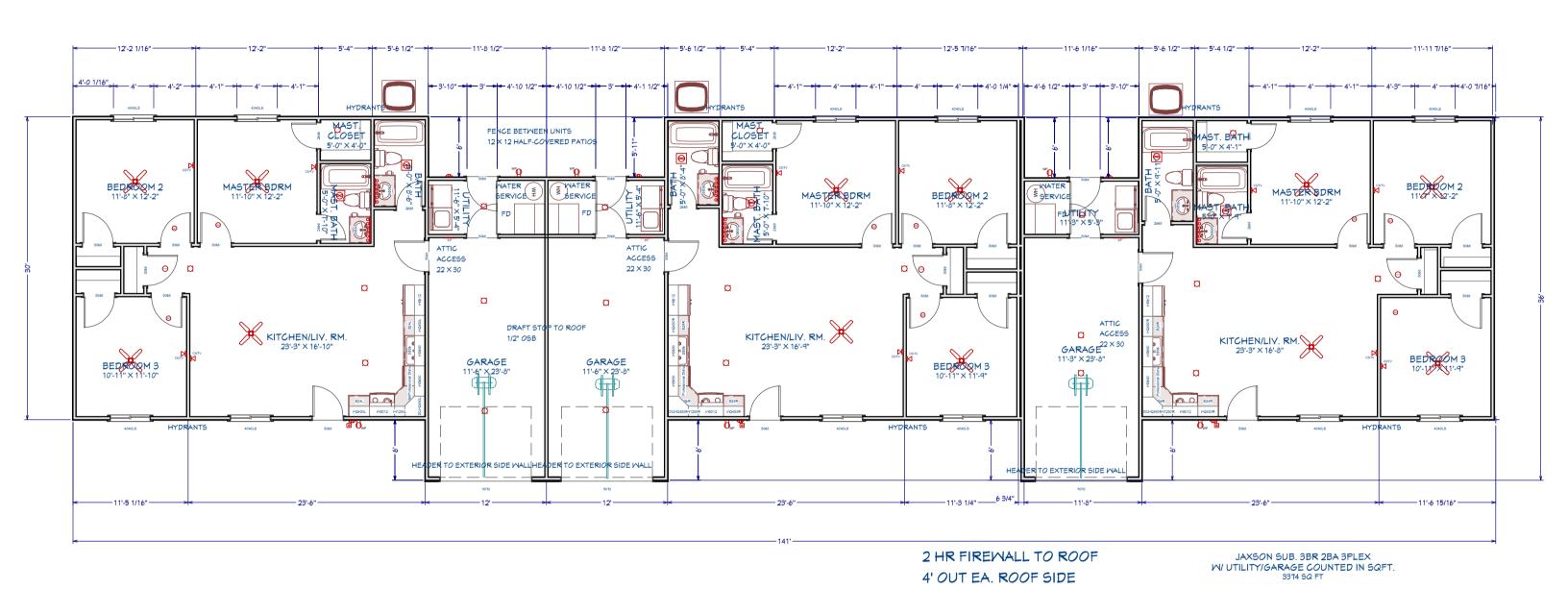


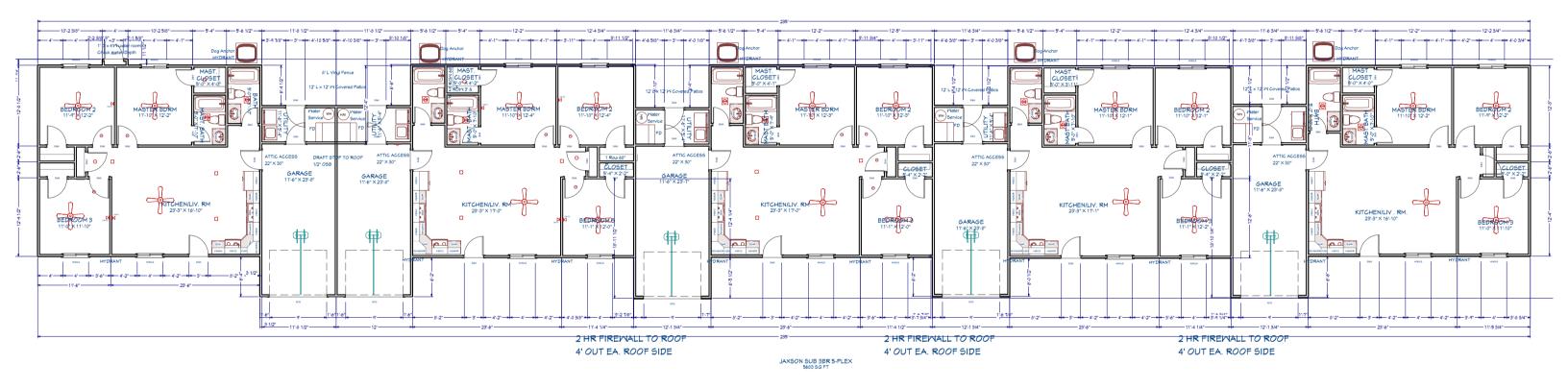












3MJR, LLC Tax Increment Financing Request Estimated Real Estate Taxes on Project Site Upon Completion of Project

Existing Assessed Value and Real Estate Tax on Project Site

	Asse	ssed Value (20	20)					
Parcel Number	Improvements	Land	Total	Taxes	Sq Feet	Mil Rate	Sublot	Phase
400200929	-	114,694	114,694	2,403.60	1,133,431	2.0956632%	Sublot 1	Phase 2
Before subdivision	•	114,694	114,694	2,403.60	1,133,431			
Subdivided Sq Ft	1,133,431	1,133,431	1,133,431	1,133,431				
Divided by total existing	1,133,431	1,133,431	1,133,431	1,133,431				
Ratio	1.000000	1.000000	1.000000	1.000000				
Estimated subdivision	•	114,694	114,694	2,404				

Estimated Real Estate Taxes on Project Site Upon Completion of Project

					2	020 Assessmen	t			Note 1
			Phase 1	Phase 2	Phase 3	Phase 4	Phase5	Phase 6	Total	Limitation
2020 taxes assessed on site prior to project commence	ment		401	401	401	401	401	401	2,404	
Divided by base assessed value			19,116	19,116	19,116	19,116	19,116	19,116	114,694	
Estimated tax rate			2.095660%	2.095660%	2.095660%	2.095660%	2.095660%	2.095660%	2.095660%	
Proposed assessed value			4,121,600	3,827,200	4,121,600	3,827,200	4,121,600	3,827,200	23,846,400	
Estimated annual real estate tax after project completion	n		86,375	80,205	86,375	80,205	86,375	80,205	499,739	
Less existing annual real estate tax			(401)	(401)	(401)	(401)	(401)	(401)	(2,404)	
Estimated increase in annual real estate tax			85,974	79,805	85,974	79,805	85,974	79,805	497,336	
			15	15	15	15	15	15	15	
Requested TIF assistance at zero percent lending rate			1,289,612	1,197,068	1,289,612	1,197,068	1,289,612	1,197,068	7,460,038	8,278,944
						37-5-		7,460,038		
Principal debt service at indicated rate		Rate	Principal	Principal	Principal	Principal	Principal	Principal	Principal	Principal
With annual note payments	PVA	4.50%	923,323	857,064	923,323	857,064	923,323	857,064	5,341,161	-
	No. of the last of									

869,338

936,545

936,545

Notes:

With monthly note payments

 This column represents requested financing in the event the tax increment over 15 years exceeds actual qualified TIF costs. Requested TIF assistance is limited to qualified costs.

PVA

4.50%

869,338

936,545

869,338

5,417,649

3MJR, LLC
Project Cost Summary

Description	Phase #1 Amount	Phase #2 Amount	Phase #3 Amount	Phase #4 Amount	Phase #5 Amount	Phase #6 Amount	Total	TIF Qualified (Q) Non-Qualified (NQ)
TIF non-qualified building construction costs	3,486,057	3,200,241	3,809,309	3,923,588	4,287,411	4,416,034	23,122,640	NQ
TIF qualified sitework	265,594	308,894	341,286	352,802	389,473	402,438	2,060,487	Q
Landscaping	78,080	80,422	85,320	87,880	96,029	98,909	526,640	NQ
Fencing	9,440	9,723	10,315	10,625	11,610	11,959	63,672	NQ
TIF qualified concrete	274,839	321,396	355,310	367,139	404,780	418,082	2,141,546	Q
TIF qualified concrete - Potash Trail	14,568	14,569	14,569	14,569	14,569	14,569	87,413	Q
TIF non-qualified concrete	236,688	243,788	258,635	266,395	291,097	299,829	1,596,432	NQ
Subtotal	526,095	579,753	628,514	648,103	710,446	732,480	3,825,391	
Signage	1,667	1,717	1,821	1,876	2,050	2,110	11,241	NQ
TIF qualified plumbing	317,767	369,573	408,328	422,107	465,981	481,495	2,465,251	Q
TIF qualified electrical	75,964	88,348	97,613	100,906	111,395	115,103	589,329	Q
Total project costs per construction pro-forma	4,760,664	4,638,671	5,382,506	5,547,887	6,074,395	6,260,528	32,664,651	
Other costs:								
Land	130,145	130,145	130,145	130,145	130,145	130,145	780,870	Q
Financing	227,019	214,597	248,069	255,511	279,204	287,580	1,511,980	NQ
Professional Fees	154,048						154,048	Q
Total project costs	5,271,876	4,983,413	5,760,720	5,933,543	6,483,744	6,678,253	35,111,549	
Total TIF qualified costs (Q)	1,232,925	1,232,925	1,347,251	1,387,668	1,516,343	1,561,832	8,278,944	
Total TIF non-qualified costs (NQ)	4,038,951	3,750,488	4,413,469	4,545,875	4,967,401	5,116,421	26,832,605	
Total project costs	5,271,876	4,983,413	5,760,720	5,933,543	6,483,744	6,678,253	35,111,549	
All subsequent phased cost increase percentage	3%	3%	3%	3%	3%	3%		

Exhibit C

Exhibit D Annual Income & Expense Pro Forma

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

Twelve Months Ending After Project Phase 1 Completion

INTRODUCTION

The projection in this illustration presents the entity's, 3MJR, LLC's, projected receipts and disbursements under the hypothetical assumptions in Note A on the cash basis for the twelve months ending after project phase 1 completion.

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PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER VARIOUS TAX INCREMENT FINANCING SCENARIOS DETAILED IN NOTE A – CASH BASIS	5
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS	6



To Management of 3MJR, LLC Grand Island, NE

Management is responsible for the accompanying projection of 3MJR, LLC, which comprise projected statements of receipts and disbursements under various tax increment financing scenarios detailed in Note A – cash basis of 3MJR, LLC (see introduction), for the twelve months ending after project phase 1 completion, and the related summaries of significant 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.

Even if the tax increment financing (TIF) scenarios outlined occurred, the projected results may not be achieved, as there will usually be differences between the projection and actual results because events and circumstances frequently do not occur as expected, and those 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 3MJR, 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.

This accompanying projection and this report are intended solely for the information and use of 3MJR, LLC, 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.

Grand Island, NE August 4, 2021

Schroeder ; Selveiner, A.C.

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

Twelve Months Ending After Project Phase 1 Completion

	Ir	With Tax Without Tax Increment Increment Financing Financing			
Gross Taxable Income:					
Rental revenue	\$	537,600	\$	537,600	
Tax increment financing (TIF) revenue		85,974		-	
<u> </u>		623,574		537,600	
Tax Deductions:					
Interest expense - TIF debt		41,229		•	
Interest expense - Non-TIF debt		186,359		227,588	
Real estate tax (existing)		2,404		2,404	
Real estate tax (TIF increment)		85,974		85,974	
Insurance		20,369		20,369	
Repairs and maintenance		86,016		86,016	
Depreciation and amortization		552,960		552,960	
		975,312		975,312	
Taxable income (loss)		(351,737)		(437,712)	
Adjustments to Arrive at Net Cash Receipts (Disbursements)					
Depreciation & amortization		552,960		552,960	
Principal debt service - TIF		(44,745)		-	
Principal debt service - Non-TIF		(132,618)		(177,363)	
		375,597		375,597	
Net cash receipts	\$	23,860	\$	(62,114)	

See the summary of significant projection assumptions and the independent accountants' compilation report. Schroeder & Schreiner, P.C.

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

Twelve Months Ending After Project Phase 1 Completion

NOTE A - NATURE AND LIMITATION OF PROJECTIONS

The accompanying projection presents, to the best of 3MJR, LLC's knowledge and belief, cash receipts and disbursements for the twelve months ending after project phase 1 completion to be generated by housing units (e.g. "the project") located in Grand Island, Nebraska. Stated cash receipts and disbursements are intended to convey results of operations after the anticipated 2024 completion of phase 1 of the project, assuming funding of the estimated construction and acquisition costs of \$5,271,876 both with, and in the absence of, tax increment financing assistance. The projection reflects their judgment as of August 2, 2021, 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 phase 1 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

3MJR, LLC is the owner and operating entity for forty-eight buildings intended to house 192 housing units. This projection considers only expected operating results from the first phase of the project consisting of eight buildings housing 32 housing units. Revenue has been determined based on the knowledge and experience of the owners of 3MJR, LLC (and related parties) in the operation of similar facilities in the same locale. The projection assumes 100% occupancy of the 32 housing units at \$1,400 per month for 12 months per year.

The projection includes two scenarios dependent on whether or not the tax increment financing (TIF) request is approved. In the event of TIF approval, 3MJR, 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.

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 Phase 1 will be financed through \$133,722 of capital contributions from the owners of 3MJR, LLC with additional debt incurred to cover the remaining anticipated construction and improvement costs.

See independent accountants' compilation report Schroeder & Schreiner, P.C.

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS, Continued

Twelve Months Ending After Project Phase 1 Completion

NOTE D - CASH DISBURSEMENTS, Continued

Phase 1 TIF debt is based on an initial \$936,545 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 \$7,165 (annual \$85,974) and an interest rate of approximately 4.5%. This debt reflects only that incurred to cover the first phase of the project.

The remaining construction and land acquisition costs, not funded through tax increment financing, will be satisfied with \$133,722 of additional capital contributions for land already owned and \$4,201,609 of bank debt for the residual obligation. All remaining non-TIF construction debt will have a 20-year term. All loans will have an annual interest rate of approximately 4.5%. Scenarios contemplating the denial of tax increment financing will assume bank debt replacing TIF financing at the same 15-year term and 4.5% annual interest rate as the equivalent TIF financing.

Projected real estate tax is expected to equal the current tax (for the 2020 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 common area water, sewer and utilities; insurance; repairs and maintenance; professional fees; and other costs are all based on the experience of 3MJR, LLC's members and the expected occupancy of the facility.

This projection estimates a taxable loss under all reporting scenarios. Accordingly, in anticipation of passive activity loss limitations restricting the use of said losses, no member distributions to cover estimated individual income tax (or contributions to reflect estimated income tax benefits) based on tax law provisions expected to be in effect during the projection period have been considered. Although not a cash expenditure, estimated depreciation has been calculated and included in the projection to arrive at net taxable income. Estimated capitalized costs are depreciated under either the straight-line method for 27.5-year life building components or the 150 percent declining balance method for 15-year life paving and improvement components.

See independent accountants' compilation report Schroeder & Schreiner, P.C.

3MJR, LLC Tax Increment Financing Application Capitalization Rate Analysis

	With Tax Increment Financing	Without Tax Increment Financing
Net operating income	365,374	279,400
Divided by fair market value	4,480,000	4,480,000
Equals capitalization rate	8.16%	6.24%

Exhibit E



August 10, 2021

Dr. Ken Schroeder Chief Financial Officer Grand Island Public Schools 123 S. Webb Road P.O. Box 4904 Grand Island, NE 68802-4904

Dear Dr. Schroeder,

This letter is to inform you that the Community Redevelopment Authority (CRA) of the City of Grand Island has received an application requesting Tax Increment Financing (TIF) for senior apartments in northwest Grand Island near Shoemaker elementary school.

The application seeks \$7,480,048 in TIF assistance for the development of the 192 units of rental housing (96 two bedroom units and 96 three bedroom units) for persons 55 years and older. It is estimated that 32 units will be constructed per year for a period of at least six years. The property is located south of Old Potash Highway west of the North Road.

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

- CRA receives initial application, 4 p.m., September 8.
- Regional Planning Commission holds public hearing 6 p.m., October 6.
- CRA reviews Planning Commission recommendation, 4 p.m. October 13.
- Grand Island City Council holds public hearing and takes action, 7 p.m., October26.
- CRA considers redevelopment contract, 4 p.m. on or after November 10.

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

Sincerely,

chad Nabity, AICF

Director

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 362

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 September, 2021

	COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.
ATTEST:	By Chairperson
Secretary	

3MJR, LLC Jaxson Area 32

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 363

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, from 3MJR, LLC, (The "Developer") for redevelopment of property proposed for platting as Jaxson Subdivision located west of North Road and south of Old Potash Highway, 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 5;

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 September, 2021.

	AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.
ATTEST:	By Chairperson
Secretary	

3MJR, LLC Jaxson Area 32

Exhibit 1

Legal	Desc	rip	tion:
_09u:			

Part of the NE ¼ of the NE ¼ of 23-11-10 (26 acres) in Hall County Nebraska (Parcel 400200929) proposed for platting as Jaxson Subdivision, in the City of Grand Island, Hall County, Nebraska.

3MJR, LLC Jaxson Area 32



Community Redevelopment Authority (CRA)

Wednesday, September 8, 2021 Regular Meeting

Item I3

Redevelopment Plan Amendment for CRA Area #33 - Innate Development 2, LLC

Staff Contact:

Redevelopment Plan Amendment Grand Island CRA Area 33 August 2021

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 33 with in the city, pursuant to the Nebraska Community Development Law (the "Act") and provide for the financing of a specific infrastructure related project in Area 33.

Executive Summary:

Project Description

THE REDEVELOPMENT APPROXIMATELY 200 ACRES OF PROPERTY LOCATED WEST OF PRAIRIEVIEW STREET AND NORTH OF HUSKER HIGHWAY IN SOUTHWESTST GRAND ISLAND FOR THE DEVELOPMENT OF A WALKABLE MIXED USE COMMUNITY (DETACHED SINGLE FAMILY RESIDENTIAL, ATTACHED SINGLE FAMILY RESIDENTIAL, MULTIFAMILY RESDENTIAL, NEIGHBORHOOD SCALE COMMERICAL, AND RECREATIONAL USES) WHILE PROTECTING PRESERVING AND ENHANCING THE NATURAL WETLANDS ON THE PROPERTY. THIS WILL BE A MULTI-PHASE DEVELOPMENT WITH A REDEVELOPEMENT PLAN AMENDMENT FOR EACH PHASE OF THE DEVELOPMENT TO BE APPROVED SEPARATELY.

This plan is intended as a general development plan for the entire 200 acre tract included in the legal description below. It is also the site specific redevelopment plan for the first phase (Husker Highway 2022) of this project at the southeast corner of this this property that includes multifamily residential, attached single family residential, neighborhood scale commercial development significant portions of the storm water and drainage infrastructure to support the full development. Amenities for the neighborhood and community including hike bike trail extensions and green space will also be a part of the Husker Highway 2022 phase of this development.

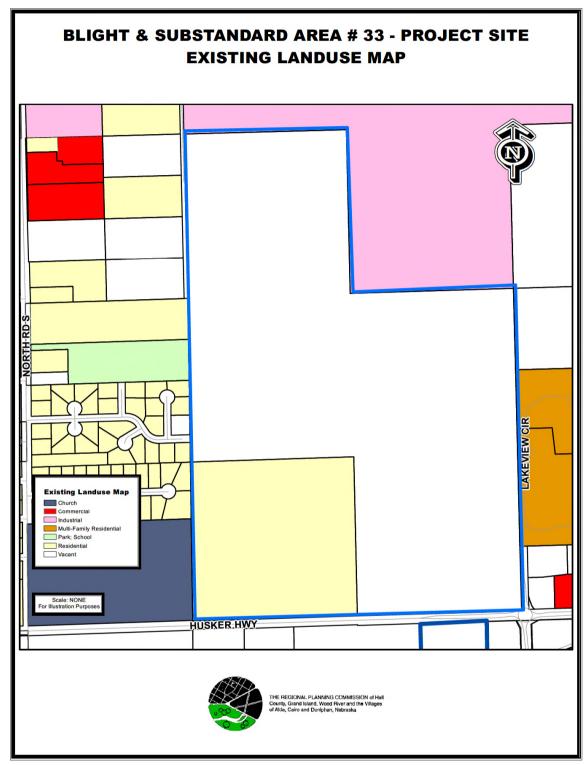
The use of Tax Increment Financing to aid in redevelopment expenses associated with platting and installing the necessary infrastructure (streets, sanitary sewer, water, and storm sewer) for the development of a club house and 140 one and two bedroom apartments in 10 unit buildings, 33 attached single family homes (2 and 3 bedroom townhomes) and 8 two story commercial buildings with 2000 square feet on each floor in the Husker Highway 2022 phase. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project feasible as presented. The proposed development does not maximize the number of units that can be built on the property but maximize the livability of the neighborhood by creating a walkable neighborhood with a mix of housing types and recreation features scattered throughout the development. It is anticipated that the Husker Highway 2022 phase of this development will take up to 5 years to complete and that the next phase will begin as the last of this one is being developed. It is unlikely that full development of this site will be

done in less than 15 years and could easily extend to 30 or more years based on the history of large developments in Grand Island.

Innate Development 2, LLC has an option to purchase the full 200 acres upon approval of the Husker Highway 2022 phase of this project. This is property has an old farm house and farm buildings, wetlands and crop ground. The property was annexed in 2011 and has not had any development prospects make application for development since its annexation. 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 multiple 15 year periods beginning January 1, 2023 towards the allowable costs and associated financing for redevelopment of this property.

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

Legal Descriptions: The SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ and the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ and the W $\frac{1}{2}$ of the SE $\frac{1}{4}$ of 25-11-10 (Parcels 400201089 and 400201097) in the City of Grand Island, Hall County, Nebraska.



Existing Land Use and Subject Property

The tax increment on Husker Highway 2022 will be captured for the tax years the payments for which become delinquent in years 2023 through 2044 inclusive. The TIF contract will be structured so it can be amended each year for up to five years to add the buildings to be completed during that year. No single building will be eligible for TIF for a period of more than 15 years.

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 development of the property for a mix of residential and commercial uses in the project area to be permitted as the project progresses.

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. This plan anticipate that the whole 200 acre project will be developed in several phases with a redevelopment plan amendment specific to each phase of the development. The first phase is included with this general plan and referred to as Husker Highway 2022. The Husker Highway 2022 plan anticipates that buildings constructed each year of the development will constitute new effective date for the purposes of determining the period of fifteen years. Improvements for the overall development may be constructed prior to the development of later phases and eligible expenses from those improvements not covered by early phases may be applied to later phases for reimbursement by TIF funds generated in the later phases. 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 August 26, 2021.[§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. It is anticipated that changes to future land use map in the Grand Island Comprehensive Plan will be necessary to accommodate this development as anticipated. Those changes should be considered with the approval of each site specific development plan or with a complete update to the comprehensive plan. The initial phase of this project including the multifamily and attached single family residential units is consistent with the planned development of housing at up to 14 units per acre. The neighborhood commercial was not anticipated for the particular area but is consistent with the level of service of Husker Highway and the commercial properties developing to the east of this site. The Hall County Regional Planning Commission held a public hearing at their meeting on October 6, 2021 and passed Resolution 2022-02 confirming that this project is consistent with the intent of the Comprehensive Plan for the City of Grand Island, supporting this project and necessary changes to the plan for the development as planned. The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment prior to it being submitted to the CRA for initial consideration.

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

a. Land Acquisition:

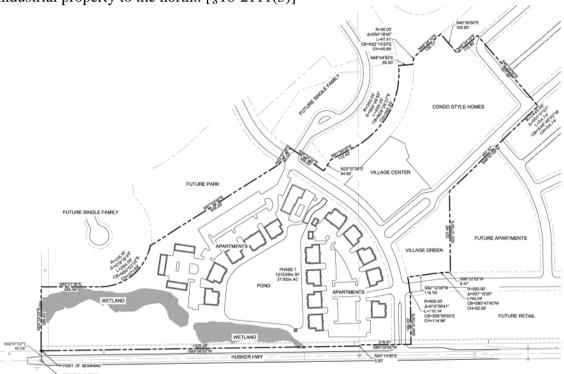
This Redevelopment Plan for Area 33 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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.

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 low to medium density residential development at the south end and manufacturing in the northwest corner. It is anticipated that changes to the plan will be made to accommodate and support this development as proposed. This property is in private ownership. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area as proposed after redevelopment with 278 single family detached lots, 25 duplex lots, 53 townhouse/condo lots, 300 units of apartments and 6.3 acres of retail and 9 acres of light industrial backing on to the industrial property to the north.. [§18-2111(5)]



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

The area is zoned R-2 Low Density Residential zone and M-1 Light Manufacturing Zone. The property has historically been farmed a permitted use in both of those districts. The plan for a mixed use neighborhood at this location will require a mix of zoning changes. New streets and storm drainage are planned throughout the site as part of the development in a manner consistent with the existing development. It is anticipated that TIF revenues will offset the costs of those improvements and that some of these

improvements may be build. No changes are anticipated in building codes or ordinances. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

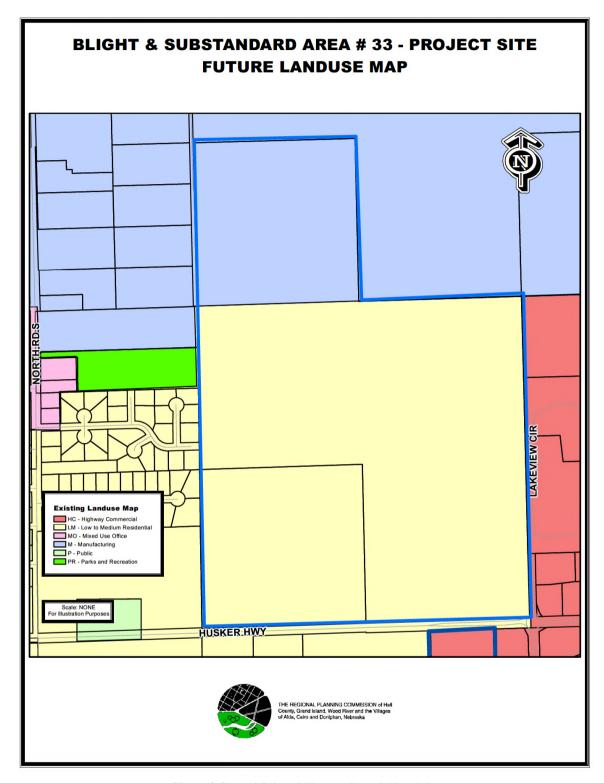
The proposed development will meet the coverage and intensity of use requirements for each phase of the development as it is approved. The overall planned density of the project is less than would be permitted with no changes. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sanitary sewer and water are available to support this development. Both sanitary sewer and water will need to be extended throughout the site. TIF revenues will be used to offset the cost of these public utility improvements.

Electric utilities are sufficient for the proposed use of this property. Electric line will need to be extended throughout the property.

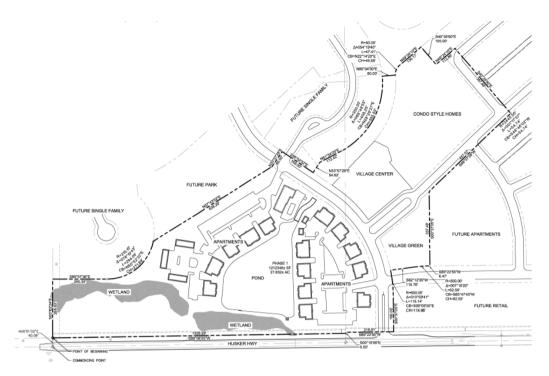
No other publicly owned utilities would be impacted by the development. §18-2103(b) and §18-2111]



City of Grand Island Future Land Use Map



Proposed Development Plan for the 200 acre site with genaral use types and amenenities with the 27.83 acres Husker Highway 2022 project highlighted



Proposed layout for Husker Highway 2022 Phase of the Proposed Development

- 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 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 is proposing to purchase the property for \$3,000,000, this is an eligible expense for the overall project but \$480,000 of this is being attributed to the Husker Highway 2022 phase the remainder will be attributed to future phases. For the Husker Highway 2022 phase the estimated costs of grading, streets, trails, sanitary sewer, water and storm sewer is \$8,370,000. Total costs for parks, and right of way landscaping \$2,530,226. It is anticipated that planning activities including design, engineering and architecture for the site will exceed \$2,700,000 and need to be included in Husker Highway 2022 project costs. Other eligible activities including government fees and expenses (building permits included) and legal and contract expenses are expected to be \$300,000. The total of the eligible expenses for this project is estimated by the developer at \$16,950,226.

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 Husker Highway 2022 project by granting the sum of \$14,430,226 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, 2023 through December 2044.

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. 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 increasing the number of residential units, commercial development and recreational opportunities within the City of Grand Island and encouraging infill development.

8. Time Frame for Development

Development of this project is anticipated to begin in the 2022 year. The Husker Highway 2022 phase will likely be built over a five year period between 2022 and 2026 based on market demand. Excess valuation should be available for the Husker Highway 2022 project for 15 years beginning with the 2023 tax year. Additional phases of development are anticipated for the remainder of the project beginning near the

completion of the Husker Highway 2022 phase. It is anticipated that the developers will be including TIF in the capital stack of future phases but each future phase will evaluated with a site specific redevelopment plan prior to contract approval.

9. Justification of Project

The 2020 housing study for the City of Grand Island projected that by 2024 we would need an additional 1361 new housing units. Between January 1 of 2020 and July of 2021 permits for 305 new housing units had been issued leaving a need for more than 1000 additional units in the next 3 years to meet the anticipated need. The current housing market, a combination of the cost of producing housing and the prevailing wages, has not created a situation that gives the markets sufficient incentive to build the number housing units required to meet community needs. This lack of housing options impacts a variety of other areas within the community including work force development, overcrowding, maintenance of residential units and rents.

<u>10. Cost Benefit Analysis</u> 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.* (2019), the City of Grand Island has analyzed the costs and benefits of the proposed Redevelopment Project, including:

Project Sources and Uses. Approximately \$14,430,226 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 \$46,780,250 in private sector financing; a private investment of \$3.24 for every TIF and grant dollar investment.

Use of Funds.	Source of Funds		
Description	TIF Funds	Private Funds	Total
Site Acquisition	\$480,000	\$2,520,000	\$3,000,000
Building Costs		\$44,210,250	\$44,210,250
Sewer	\$645,000		\$645,000
Water	\$305,000		\$305,000
Electric	\$320,000		\$320,000
Gas	\$100,000		\$100,000
Public Streets/Sidewalks	\$4,900,000		\$4,900,000
Trails	\$300,000		\$300,000
Site preparation/Dirt Work	\$1,800,000		\$1,800,000
Architecture/Engineering	\$2,700,000		\$2,700,000
Financing Fees / Audit	\$50,000	\$50,000	\$100,000
Legal/TIF Contract	\$100,000		\$100,000
other (ROW Landcaping/Parks)	\$2,530,226		\$2,530,226
Govt. Fees and Expenses	\$200,000		\$200,000
Total	\$14,430,226	\$46,780,250	\$61,210,476

Tax Revenue. The 27.83 acres of this site to be redeveloped as Husker Highway 2022 is anticipated to have a January 1, 2022, valuation of approximately \$80,828 based on the per acre valuation of the current parcel. Based on the 2020 levy this would result in a real property tax of approximately \$1,759. It is anticipated that the assessed value will increase by \$44,210,250 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$960,000 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for the period of the bonds, but would be used for eligible private redevelopment costs to enable this project to be realized.

\$ 80,828
\$ 44,291,000
\$ 44,210,000
\$ 962,000
\$ 14,430,226
\$ \$

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

The redevelopment project area currently has an estimated valuation of \$80,828. The proposed redevelopment will create additional valuation of \$44,210,000 over the course

of the next five years. The project creates additional valuation that will support taxing entities long after the project is paid off along with providing 173 additional housing units, neighborhood commercial space and recreational trail connections and opportunities.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

Existing water and waste water facilities will not be negatively impacted by this development. The electric utility has sufficient capacity to support the development. This is infill development with services connecting to existing line with capacity. This development is likely to result in a larger number of students in the Gates Elementary School service area. Fire and police protection are available and should not be negatively impacted by this development though there will be some increased need for officers and fire fighters as the City continues to grow whether from this project or others.

Housing of the type proposed in Husker Highway 2022 (1 and 2 bedroom apartments and 2 bedroom townhomes) is less likely to attract families to the neighborhood than the single family detached housing proposed for later phases of this project. Overall there will be a net increase in the number of students attending the Grand Island Public School system as a result of 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 housing options for the residents of Grand Island. The National Homebuilders Association estimates that each new single family home is the equivalent of 2.5 full time equivalent jobs and each unit of multifamily housing results in an FTE of 1.16 job. An average of 28 apartments and 7 townhomes would produce about 48 FTE's per year for the next 5 years.

(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 different from any other expanding business within the Grand Island area. Grand Island does have tight labor market and part of that is due to the availability and cost of housing. This development may help alleviate some of those pressures.

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

This development will have an impact on the Grand Island School system and will likely result in additional students at both the elementary and secondary school levels.

The average number of persons per household in Grand Island for 2015 to 2019 according the American Community Survey is 2.61. 173 additional households would house 452 people. According to the 2010 census 19.2% of the population of Grand Island was over 4 years old and under 18 years old. 2020 census number for this population cohort are not yet available but 27.6% of the 2021 population is less than 18 years of age this is the same percentage as the under 18 age cohort in 2010. If the averages hold it would be expected that there would be an additional 87 school age children generated by this development. Given the nature of the units (140-1 and 2 bedroom apartments and 33 townhomes) proposed for Husker Highway 2022 these numbers are likely to be significantly less than for detached single family development. If this develops at a rate of 35 unit per year for 5 years approximately 16 children could be added to the school age population every year with this development. These 16 children will likely be spread over the full school age population from elementary to secondary school. According to the National Center for Educational Statistics¹ the 2019-20 enrollment for GIPS was 10,070 students and the cost per student in 2017-18 was \$12,351 of that \$4,653 is generated locally. The Grand Island Public School System was notified on August 24, 2021 that the CRA would be considering this application at their September 8, 2021 meeting.

(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 2020 Housing Study for the City of Grand Island to create more than 1300 new dwelling units by 2024. Based on the permits between January of 2020 and July of 2021 more than 1000 units still need to be built before the end of 2024 to meet the projected need. The local housing market is not capable of producing the number of units needed at market rate given the costs of building and development.

Time Frame for Development

Development of the Husker Highway 2022 project is anticipated to be completed during between the Spring of 2022 and the end of 2026. The base tax year should be calculated on the value of the property as of January 1, 2022 for the first phase with each phase based on the preceding year's valuation of the property included in the amendment for that year. Excess valuation should be available for this project beginning in 2023 with taxes due in 2024. 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 on each property or an amount not to exceed \$14,430,226 the projected amount

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

of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses, the developer will spend at least \$14,430,226 on TIF eligible activities.

It is anticipated that full development of the 200 acre site will take a minimum of 15 years thought it could take as long as 30 or more based on average development in Grand Island. Each additional project will be brought forward as an amendment to this plan.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business	s Name:	
A	ddress:	
Е	elephone No.: mail: contact:	
	pplication Submission Date:	
Brief De	scription of Applicant's Business:	
Legal De	escription/Address of Proposed Project	
Commun	nity Redevelopment Area Number	

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Present Ownership Proposed Project Site:	
Is purchase of the site contingent on Tax Increment Final	ancing Approval? Yes No
Proposed Project: Building square footage, size of promaterials, etc. Please attach site plan, if availab	
If Property is to be Subdivided, Show Division Planned:	
VI. Estimated Project Costs:	
Acquisition Costs:	
A. Land	\$
B. Building	\$
Construction Costs:	
A. Renovation or Building Costs:	\$
B. On-Site Improvements:	
Sewer	\$
Water	\$
Electric	\$
Gas	\$
Public Streets/Sidewalks	\$
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	Private Streets	\$
	Trails	\$
	Grading/Dirtwork/Fill	\$
	Demolition	\$
	Other /ROW Landscaping/Parks	\$
	Total	\$
<u>S</u>	oft Costs:	
A	Architectural & Engineering Fees:	\$
В	Financing Fees:	\$
С	. Legal	\$
D	Developer Fees:	\$
E	Audit Fees	\$
F.	Contingency Reserves:	\$
G	. Other (Please Specify) Govt Fees/Expenses	\$
	TOTAL	\$
Total Est	imated Market Value at Completion:	\$
Source f	or Estimated Market Value	
Course i	5. Zotimatod Mariot Value	
Source o	of Financing:	
A		\$
В		\$ \$
		·
С	. Tax Credits:	
	1. N.I.F.A.	\$
	2. Historic Tax Credits	\$
	3. New Market Tax Credits	\$
	4. Opportunity Zone	\$
D		\$
E.		\$
F.		\$
		т —

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	G.	Nebraska Housing Trust Fu	und	\$
	H.	Other		\$
Name	, Addı	ress, Phone & Fax Numbers	s of Architect, Engineer and (General Contractor:
Estima		Real Estate Taxes on Projectses Show Calculations)	et Site Upon Completion of P	roject:
Projec		struction Schedule: struction Start Date:		
	Cons	struction Completion Date:		
	If Ph	ased Project:		
	_		Year	% Complete
			Year	% Complete
			Year	% Complete
	_		Year	% Complete
	_		Year	 .
			Year	% Complete

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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:

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

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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:

Post Office Box 1968

Grand Island, Nebraska 68802-1968

Phone: 308 385-5240

Fax: 308 385-5423

Email: cnabity @grand-island.com

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But For TIF

The capital stack for a project at this magnitude is not financially feasible without the availbility of Tax Increment Financing. The value generated from the housing units will be used to create roads, infrastructure, and a neighborhood that is well above the required city standard.

Source of Financing	With TIF	Without TIF
Developer Equity	17,034,246	17,034,246
Commercial Bank Loan	35,085,188	35,085,188
TIF Loan*	9,091,042	
Funding Gap		9,091,042
Total	61,210,476	61,210,476

Total	100%	100%
Funding Gap		15%
Tax Increment Finance	15%	
Commercial Bank Loan	57%	57%
Developer Equity	28%	28%
Percentage of Capital	With TIF	Without TIF

*Net Present Value Calculation	ו
Tax Increment Finance	14,430,226
Discount Due to Time Value	
of Money	5,339,184
Principal Loan Amount	9,091,042

Attachment B

Proposed Project Buildings

	,	Value	Total Value	S/F	\$/F	/Unit
Clubhouse	1	600,000	600,000	4,000	150	600,000
10 Unit	14	1,682,875	23,560,250	11,800	142.6165	120,205
3 bed Townhome	3	550,000	1,650,000	4,500	122.2222	183,333
Townhome	30	400,000	12,000,000	2,000	200	13,333
Commercial 2 Floors	8	800,000	6,400,000	4,000	200	100,000
			44,210,250	Est Val		
			0.02176	Est Levy		
			962,015	Est Tax		
			15	Years		
			14,430,226	TIF Available		
base	80,828	1,759				



August 24, 2021

Dr. Ken Schroeder Chief Financial Officer Grand Island Public Schools 123 S. Webb Road P.O. Box 4904 Grand Island, NE 68802-4904

Dear Dr. Schroeder,

This letter is to inform you that the Community Redevelopment Authority (CRA) of the City of Grand Island has received an application requesting Tax Increment Financing (TIF) for residential units in southwest Grand Island near the Grand Island Regional Medical Center.

The application seeks \$14,430,226 in TIF assistance for the development of the 173 units of rental housing (140 one and two bedroom apartments in 10 buildings and 33 townhomes) and 8 two story commercial building with 2000 sq. ft. per floor. The TIF will be used to support development of road, drainage and utility infrastructure for this and future phases of this project. It is estimated that this phase of the project will be completed between 2022 and 2026 as units are absorbed by the market. The property is located north of Husker Highway and west of the Prairieview Street.

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

- CRA receives initial application, 4 p.m., September 8.
- Regional Planning Commission holds public hearing 6 p.m., October 6.
- CRA reviews Planning Commission recommendation, 4 p.m. October 13.
- Grand Island City Council holds public hearing and takes action, 7 p.m., October26.
- CRA considers redevelopment contract, 4 p.m. on or after November 10.

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

Sincerely,

Chad Nabity, AICP

Director

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 364

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 September, 2021

	COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.
ATTEST:	By Chairperson
Secretary	-

Innate 2 LLC, Husker Highway Area 33

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 365

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, from Innate Development 2, LLC, (The "Developer") for redevelopment of property proposed for platting as Husker Highway Subdivision located west of Prairieview Street and north of Husker Highway, 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 5;

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.

COMMUNITY REDEVELOPMENT

Passed and approved this 8th day of September, 2021.

	AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.
ATTEST:	By Chairperson
Secretary	

Innate Development 2, LLC Husker Highway Area 33

Exhibit 1



Part of the W $\frac{1}{2}$ of the SE $\frac{1}{4}$ and the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ of 25-11-10 (Parcels 400201089 and 400201097) proposed for platting as Husker Highway Subdivision, in the City of Grand Island, Hall County, Nebraska.

Innate Development 2, LLC Husker Highway Area 33