



Community Redevelopment Authority (CRA)

**Wednesday, November 10, 2021
Regular Meeting**

Item I3

**Redevelopment Plan Amendment CRA Area 6 - Mesner - 620 W.
State Street**

Staff Contact:

**Redevelopment Plan Amendment
Grand Island CRA Area 6
June 2014 ~~Amended November 2021~~**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 6 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific ~~infrastructure~~ redevelopment ~~related~~ projects in Area 6.

**Executive Summary:
Project Description**

THE ACQUISITION OF PROPERTY AT FIVE POINTS EAST OF BROADWELL AVENUE AND NORTH OF STATE STREET BY THE DEVELOPER AND SUBSEQUENT SITE PREPARATION, DEMOLITION, UTILITY IMPROVEMENTS, LANDSCAPING AND PARKING IMPROVEMENTS NECESSARY FOR BUILDING A NEW GROCERY STORE, ~~INLINE RETAIL SPACE AND RESTAURANT SPACE RESIDENTIAL DEVELOPMENT INCLUDING UP TO 70 TOWNHOUSES IN 2 AND 3 UNIT CONFIGURATIONS AT THIS THE LOCATION IDENTIFIED.~~

The use of Tax Increment Financing (“TIF”) to aid in the acquisition of property, demolition of existing structures, necessary site work and installation of public utilities and street improvements necessary to redevelop this site. The use of TIF makes it feasible to complete all of the phases of the proposed project within the timeline presented. This project could not be completed without the use of TIF.

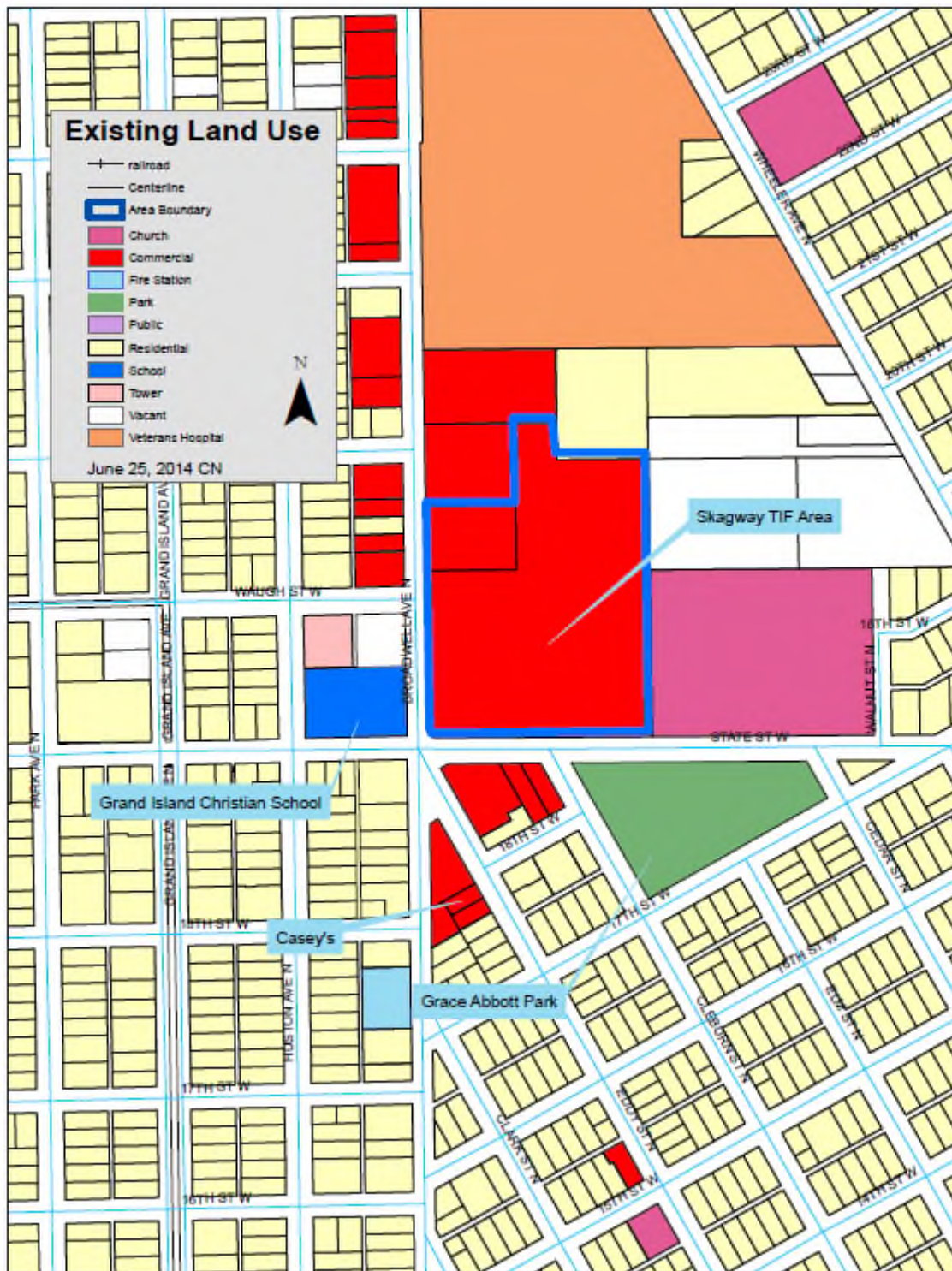
The acquisition, site work and construction of all improvements will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2016 towards the allowable costs and associated financing for the acquisition and site work for the development of the grocery store. ~~The CRA intends to pledge the ad valorem taxes generated up to 15 years for each of the proposed townhomes on the expanded site.~~

TAX INCREMENT FINANCING TO PAY FOR THE ACQUISITION OF THE PROPERTY AND RELATED SITE WORK WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

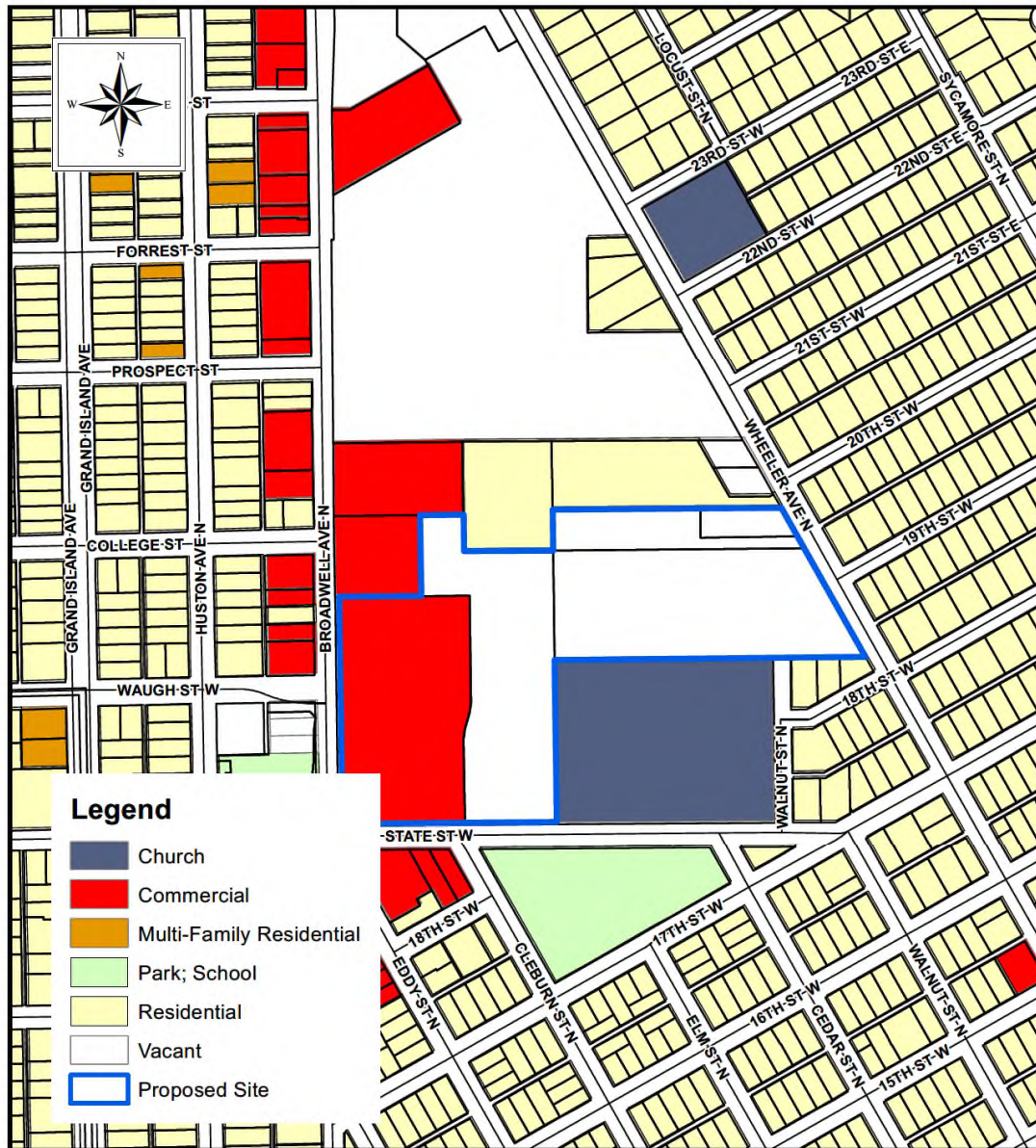
This property is located at the northeast corner of Broadwell Avenue and State Street in northeast Grand Island including the attached map identifies the subject property and the surrounding land uses:

- **Legal Descriptions** ~~Lot 3 of Skag-Way Subdivision and Lot 1 of Skag-Way Second Subdivision.~~ Grocery Store on Lot 1 of Skag-Way Fourth Subdivision, Townhomes to be developed on Lot 2 of Skag-Way Fourth Subdivision, Lots 1 and 2 of Natrass Subdivsion and Lot 9 of Home Subdivision



Original Redevelopment Plan Area

PROPOSED SITE EXISTING LAND USE MAP



THE REGIONAL PLANNING COMMISSION of Hall
County, Grand Island, Wood River and the Villages
of Aldo, Cairo and Doniphan, Nebraska

Scale: NONE
For Illustration Purposes

Existing Land Use Map as Amended November 2021

The tax increment will be captured for the tax years the payments for which become delinquent in years 2017 through 2030 inclusive on the grocery store. It is anticipated that the increment on the townhouses will be capture over a period not to exceed 20 years with no portion extending over 15 years beginning in 2023.

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from the construction of new commercial space on this property.

Statutory Pledge of Taxes.

Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the Redevelopment Project Area shall be divided, for the period not to exceed 15 years after the effective date of the provision, which effective date shall be January 1, 2016 for the grocery store and as determined by the contract for the townhouses.

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 October 9, 2007.[§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 acquire the necessary property and provide the necessary site work for the construction of a permitted use on this property. The Hall County Regional Planning Commission held a public hearing at their meeting on December 1, 2021 and passed Resolution 2022- confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island. The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment at the time it was submitted to the CRA for initial consideration.

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

a. Land Acquisition:

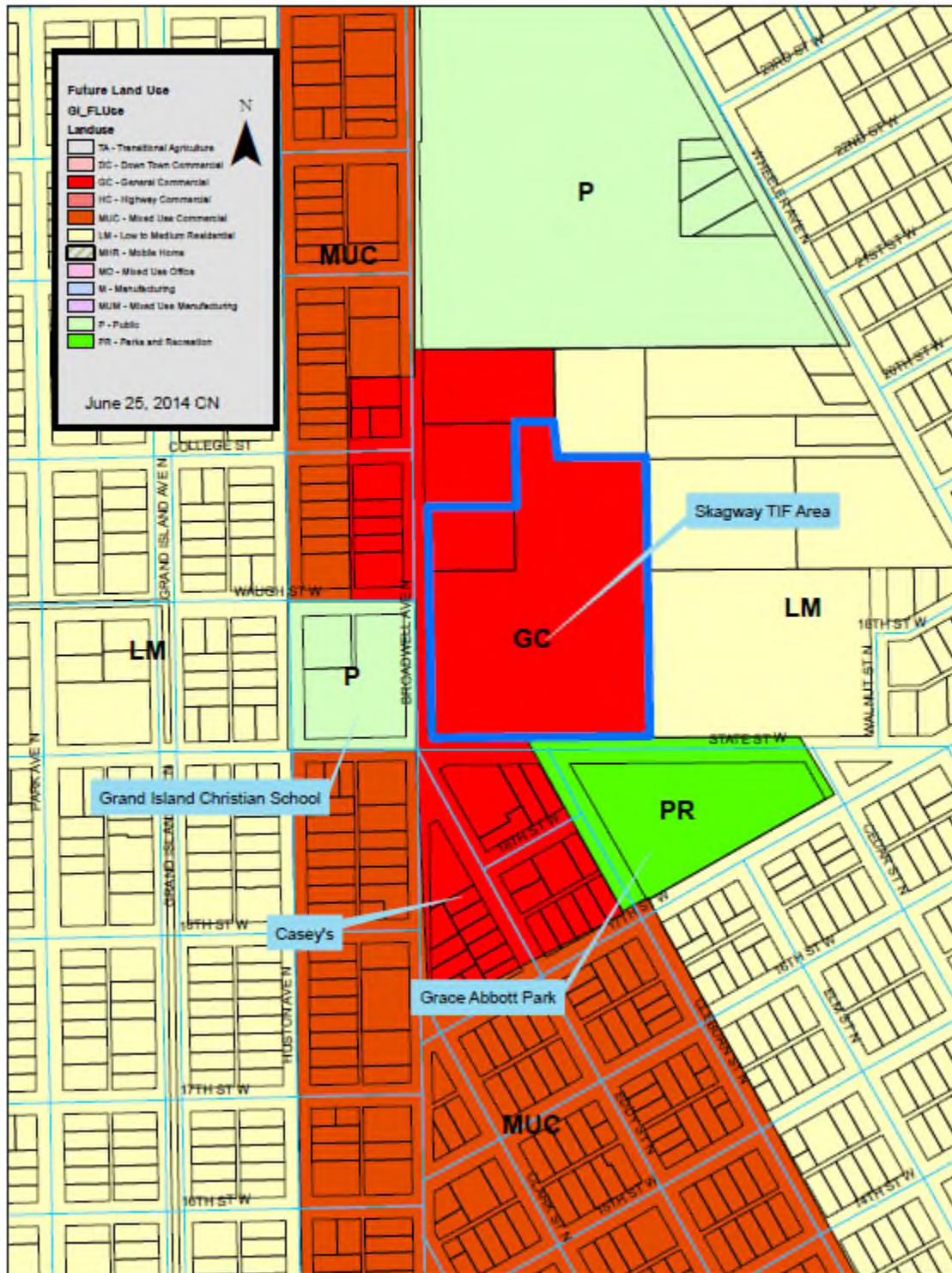
The Redevelopment Plan for Area 6 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The applicant will be acquiring the property from the current owner.

b. Demolition and Removal of Structures:

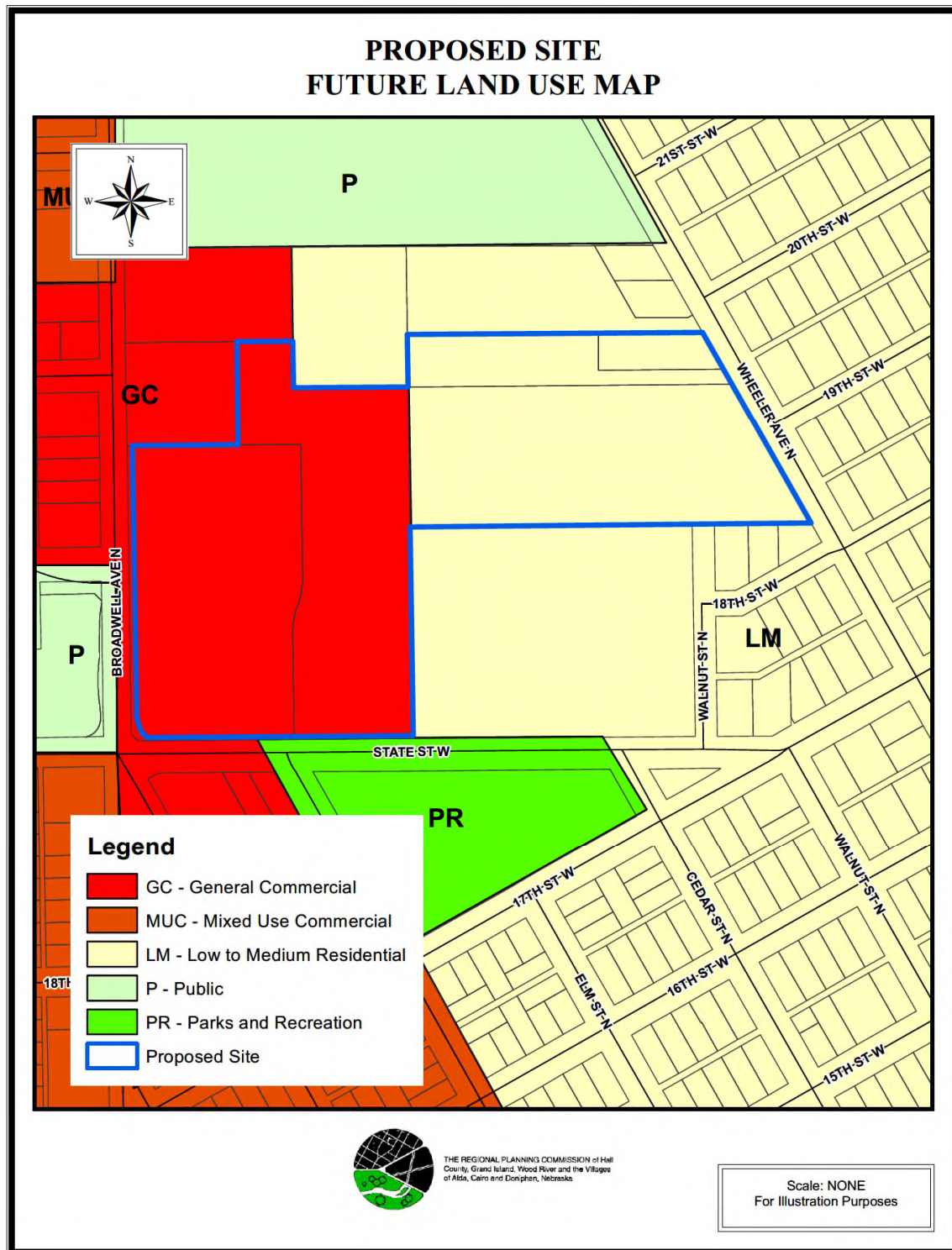
The project to be implemented with this plan does intend several structures along on the subject property to be removed or demolished. The structures to be demolished are all non-residential in nature and use. No additional structures will need to be demolished for the development of the townhouses.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for commercial development. [§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 from Original Plan



City of Grand Island Future Land Use Map for Amended Area

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

The area is zoned B2- General Business zone, R2 Low Density Residential and R3 Medium Density Residential. ~~No zoning changes are anticipated with this project. No changes are anticipated in street layouts or grades.~~ The property identified for the townhouse development will likely be changed to an R3 Medium Density Residential District or R3-SL Medium Density Small Lot District and a street will be extended through the development between State Street and Wheeler Avenue. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The developer is proposing remove all of the structures on the subject property in two phases. The buildings on Lot 3 of Skag-Way Subdivision will be demolished and a new grocery store will be constructed at that location, fuel pumps will be added near Broadwell Avenue and after the construction of the new store the old store will be demolished and the site will be prepared for additional retail and restaurant space to be constructed at a time when the market allows for said construction. The property is zoned B2 and could accommodate a building of up to 100% of the property. ~~The area east of the grocery store identified for townhouse development in this plan would be rezoned to accommodate the development of the townhomes. An R3 or R3-SL zoning district would allow up to 50% of each lot to be developed with buildings.~~ [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. Water mains will have to be extended throughout the site to support the configuration of the proposed development. New water and sewer services may be required for this building. ~~Water mains and sewer mains will need to be extended for the townhouse development. Electric service will also need to be extended through the area.~~

The developer will be responsible for replacing any sidewalks damaged during construction of the project.

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

4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. This amendment does not provide for acquisition of any residences and therefore, no relocation is contemplated. [§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]

Barry Sandstrom, Chairman of the Grand Island Community Redevelopment Authority, is President of Home Federal Bank in Grand Island and Home Federal has a branch office and an ATM on the property. Mr. Sandstrom will recuse himself from action on this

application. As of this amendment, Mr. Sandstrom is no longer a member of the CRA and no members of the CRA or employees hold any interest in this project.

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

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

The developer is proposing to purchase this property for redevelopment for \$2,600,000 in October of 2014 provided that TIF is available for the project as define. The cost of property acquisition is being included as a TIF eligible expense. Costs for site preparation, utility and parking improvements are estimated at \$3,004,953 as related to the demolition and site preparation are included as a TIF eligible expense. It is estimated based on the proposed increased valuation of \$4,416,000 will result in \$1,600,000 of increment generated over a 15 year period, substantially less than the TIF allowable expenses.

Mesner Development will be acquiring the property identified for townhouses as part of the eligible activities for this development. The TIF granted on the first project did not cover the full cost of acquisition so the cost of Lot 2 of Skag-Way Fourth Subdivision can be included as an eligible expense with the other properties that make this project feasible.

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 \$1,600,000 from the proceeds of the TIF Indebtedness issued by the Authority. 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, 2016 through December 2030 for the grocery store phase of this project.

The developer will provide all necessary financing for the townhouse phase of the project as described in this amended plan. The Authority will assist the project by granting the sum of \$1,779,000 from the proceeds of the TIF Indebtedness issued by the Authority. 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, in that it will allow for the utilization of and redevelopment of commercial lots. This will not significantly impact traffic at the Five Points intersection. New commercial development will raise property values and provide a stimulus to keep surrounding properties properly maintained. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions. **New residential construction between the grocery store and Wheeler Avenue north of Blessed Sacrament Church will utilize property that has been in the City Limits and largely vacant for more than 60 years. This is infill development of housing near community services such as banking, groceries, churches and existing parks.**

8. Time Frame for Development

Development of phase one of this project (including construction of the new grocery store) is anticipated to be completed between October of 2014 and October of 2015. Demolition of the existing Skagway store and preparation of the eastern portion of the site for further development will occur after the opening of the new store. Excess valuation should be available for this project for 15 years beginning with the 2016 tax year. **Phase one of the project was completed as expected. Phase two including in line retail and restaurant uses did not materialize as marketability of this property for those purposes was not feasible. This amended plan would allow phase two to include development of up to 70 townhouses and include additional property that was not in the original plan.**

9. Justification of Project

Skagway has been a commercial anchor for the Five Points neighborhood since the 1950's. This redevelopment and reinvestment by AWG at this location represents a great

opportunity to strengthen and sustain this neighborhood commercial development. This is infill development in an area with all city services available. This project does not propose to tear down any buildings with historic value.

Phase two of this project as shown in this amended plan would add up to 70 townhouses some potentially developed with low income housing tax credits. This would transition the commercial node at the Five Points intersection with the residential to the north and east of the site and provide needed housing in the community as infill development using vacant property with the ability to extend services. At this time housing is a critical need in Grand Island and across the state of Nebraska.

10. Cost Benefit Analysis Section 18-2113 of the Act, further requires the Authority conduct a cost benefit analysis of the plan amendment in the event that Tax Increment Financing will be used. This analysis must address specific statutory issues.

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2012), the City of Grand Island has analyzed the costs and benefits of the proposed AWG-Skagway North Redevelopment Project, including:

Project Sources and Uses. Approximately \$1,600,000.00 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 \$14,430,000.00 in private sector financing; a private investment of \$9.02 for every TIF dollar investment.

Use of Funds.			
Description	TIF Funds	Private Funds	Total
Site Acquisition	\$1,600,000	\$1,000,000	\$2,600,000
Site preparation		\$3,004,953	
Legal and Plan			
Building Costs			
Phase 1		\$4,725,000	\$4,725,000
Phase 2		\$3,000,000	\$3,000,000
Fuel Center		\$500,000	\$500,000
Personal Property		\$1,000,000	\$1,000,000
Soft Costs		\$1,200,000	\$1,200,000
TOTALS	\$1,600,000	\$14,429,953	\$16,029,953

Project Sources and Uses Phase 2. Approximately \$1,779,000.00 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 \$14,609,018 in private sector financing; a private investment of \$8.25 for every TIF dollar investment.

Use of Funds.	Source of Funds		
Description	TIF Funds	Private Funds	Total
Site Acquisition	\$ 484,000		\$ 484,000
Building Costs			\$ -
Market Rate Units		\$ 6,080,000	\$ 6,080,000
LIHTC Units		\$ 8,529,018	\$ 8,529,018
Sewer	\$ 361,176		\$ 361,176
Water			\$ -
Electric	\$ 72,000		\$ 72,000
Public Streets/Sidewalks	\$ 488,378		\$ 488,378
Site preparation/Dirt Work	\$ 179,000		\$ 179,000
Architecture/Engineering	\$ 80,000		\$ 80,000
Legal/TIF Contract	\$ -		\$ -
Contingency Reserves	\$ 102,855		\$ 102,855
			\$ -
Total	\$ 1,767,409	\$ 14,609,018	\$ 16,376,427

Tax Revenue Phase 1. The property to be redeveloped is anticipated to have a January 1, 2014, valuation of approximately \$3,442,551. Based on the 2013 levy this would result in a real property tax of approximately \$75,783. It is anticipated that the assessed value will increase by \$4,416,000, upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$97,200.00 annually adjusted with a 2% appreciation in value for 15 years resulting in \$1,600,000 of increment over the 15 year period. 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 2014 assessed value:	\$ 3,442,551.00
Estimated value after completion	\$ 7,858,035.00
Increment value	\$ 4,415,484.00
Annual TIF generated (estimated)	\$ 97,200.00
TIF bond issue	\$ 1,600,000.00

Tax Revenue Phase 2. The property to be redeveloped for townhouses is anticipated to have a January 1, 2021, valuation of approximately \$574,685. Based on the 2020 levy this would result in a real property tax of approximately \$12,508. It is anticipated that the assessed value will increase by \$14,514,333, upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$319,557 annually or an increment of \$4,793,348 over the 15 year period. 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:	\$ 574,685
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Estimated value after completion	\$ 15,089,018
Increment value	\$ 14,514,333*
Annual TIF generated (estimated)	\$ 319,557
TIF bond issue	\$ 1,767,409

*This is a market rate increment value and if LITHC is used for the project the actual annual revenues generated would likely be reduced by as much as half.

Phase 1

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

The redevelopment project area currently has an estimated valuation of \$3,442,591. The proposed demolition, new parking lot and renovations at this location will result in an additional \$4,415,444 of taxable valuation based on an analysis by the Hall County Assessor's office. 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. Fire and police protection are available and should not be impacted by this development.

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

This project will protect and enhance the existing employment within the Project Area by maintaining a grocery store at this location. Additional employment is anticipated with the inline retail and restaurant also proposed at this site. At project stabilization employment is expected to increase to 28 full time equivalent employees. Temporary construction employment will increase during the construction. The construction period is expected to exceed 12 months.

(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 facility could draw employees from other similar facilities within the City. The latest available labor statistics show that the Grand Island labor pool is 27,961 with a 3.3% unemployment rate¹.

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

This will provide appropriate development at a key entrance into the City of Grand Island. Five Points is an iconic location in Grand Island. This redevelopment plan will result in substantial new construction in the neighborhood. Skagway has been a key business at the Five Points location for more than 60 years. This site has had a neighborhood grocery store since before the area to the north and east was developed. Redevelopment of this site will preserve this neighborhood commercial district and strengthen and preserve the surrounding residential values.

Personal property in the project is subject to current property tax rates. Personal property for the Project is estimated at \$1,000,000 resulting in an estimated personal property tax for the first year of operations of \$22,000. Personal property tax is not subject to TIF and will be paid to the normal taxing entities. There will additionally be more city sales taxes paid to the city of Grand Island as a result of new taxable sales at the restaurant and inline stores.

Phase 2

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

The redevelopment project area currently has an estimated valuation of \$574,685. The proposed redevelopment at this location will result in an additional \$14,514,333 of taxable valuation based on an analysis by the Hall County Assessor's office. The project creates additional valuation that will support taxing entities long after the project is paid off and provide housing in the next four years.

(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. This development may have an impact on the schools in the area as further discussed below. Fire and police protection are available and should not be significantly impacted by this development but all new development does create potential issues for staffing and response.

¹ <https://neworks.nebraska.gov> Labor Force, Employment and Unemployment for Grand Island City in May 2014

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

The proposed project will provide either workforce housing for employees in the area or potentially retirement housing for older citizens of Grand Island that would be moving out of existing homes making those available to new residents. Housing is a major concern for all expanding employers in the City of Grand Island.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

The proposed project will provide either workforce housing for employees in the area or potentially retirement housing for older citizens of Grand Island that would be moving out of existing homes making those available to new residents. Housing is a major concern for all expanding employers in the City of Grand Island.

(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 to the American Community Survey is 2.61. 70 additional households would house 182 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 35 school age children generated by this development. Given the nature of the units (a maximum of 70- 2 bedroom townhomes) proposed these numbers are likely to be significantly less than for detached single family development. If this develops as proposed with at a rate of around 16 unit per year for 4 years approximately 9 children could be added to the school age population every year with this development. These 9 children will likely be spread over the full school age population from elementary to secondary school. According to the National Center for Educational Statistics² 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 November 4, 2021 that the CRA would be considering this application at their November 10, 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.

The proposed development will provide workforce housing in the short term. This is infill development that will utilize property within the city limits that has been undeveloped.

Time Frame for Development

Development of phase 1 of this project is anticipated to be completed during between October 2014 and October of 2015. The base tax year should be calculated on the value of the property as of January 1, 2015. Excess valuation should be available for this project for 15 years beginning with the 2016 tax year. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$1,600,000 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the purchase price of the property and estimates of the expenses of renovation activities and associated engineering fees, the developer will spend more than \$5,000,000 on TIF eligible activities.

Development of phase 2 of this project is anticipated to be completed between 2022 and 2025. The base tax year will be set with contract amendments based on the completion of structures. Excess valuation should be available for this project for 15 years beginning with the 2023 tax year. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$1,767,409 based upon the anticipated value of the project and current tax rate.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

Mesner Development Co.

Address:

1415 16th St., Suite 200, PO Box 335, Central City, NE 68826

Telephone No.: 308-946-3826

Fax No.: 308-946-3827

Email: cliff@mesnerlaw.com

Contact:

Clifford Mesner

Application Submission Date:

Brief Description of Applicant's Business:

Mesner Development is a real estate development company, focused on affordable and workforce housing. (See attached business resume.)

Legal Description/Address of Proposed Project

See Attached

Community Redevelopment Area Number

6

Present Ownership Proposed Project Site:

Blessed Sacrament Church, a Nebraska Non-Profit Corporation
and
Ken-Ray LLC

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

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

32 Townhomes in 16 duplexes. Each unit is 1,450 sq. ft. with 2 bedroom, two
bathroom, 2 car garage.

Subject to LIHTC financing, 38 Townhomes in 6 triplexes. Each unit is 1,120 sq. ft. with
2 bedroom, single bath and a single car garage. If LIHTC financing is not available this
will be approximately 24 townhomes in duplex form.

See attached

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$ <u>See Attached</u>
B. Building	\$ _____

Construction Costs:

A. Renovation or Building Costs:	\$ _____
B. On-Site Improvements:	
Sewer	\$ _____
Water	\$ _____
Electric	\$ _____
Gas	\$ _____
Public Streets/Sidewalks	\$ _____

Private Streets	\$ _____
Trails	\$ _____
Grading/Dirtwork/Fill	\$ _____
Demolition	\$ _____
Other	\$ _____
Total	\$ _____

Soft Costs:

A. Architectural & Engineering Fees:	\$ _____
B. Financing Fees:	\$ _____
C. Legal	\$ _____
D. Developer Fees:	\$ _____
E. Audit Fees	\$ _____
F. Contingency Reserves:	\$ _____
G. Other (Please Specify)	\$ _____
TOTAL	\$ _____

Total Estimated Market Value at Completion: \$ _____

Source for Estimated Market Value Comparable sales in Hastings & Norfolk

Source of Financing:

A. Developer Equity:	\$ _____
B. Commercial Bank Loan:	\$ _____
C. Tax Credits:	
1. N.I.F.A.	\$ _____
2. Historic Tax Credits	\$ _____
3. New Market Tax Credits	\$ _____
4. Opportunity Zone	\$ _____
D. Industrial Revenue Bonds:	\$ _____
E. Tax Increment Assistance:	\$ _____
F. Enhanced Employment Area	\$ _____

G. Nebraska Housing Trust Fund \$ _____
H. Other \$ _____

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

Engineer:
Advance Consulting Engineering Services
133 W. Washington St., PO Box 218
West Point, NE 68788
402-372-1923
Contractor:

Estimated Real Estate Taxes on Project Site Upon Completion of Project:
(Please Show Calculations)

With LIHTC

34 units valued at \$180,000 times a tax levy of 2.1766 is \$3,918 per unit or \$133,208 annually.

32 Low Income Housing Tax Units are taxed differently based on income and will likely produce \$20,000 a year in real estate tax. If Tax units are not built, there will be 24 additional market rate units. If valued at \$180,000 which would produce \$94,029 per year.

Project Construction Schedule:

Construction Start Date:
Spring 2022

Construction Completion Date:
2025

If Phased Project:

<u>2022</u>	<u>Year</u>	<u>15</u>	<u>% Complete</u>
<u>2023</u>	<u>Year</u>	<u>45</u>	<u>% Complete</u>
<u>2024</u>	<u>Year</u>	<u>75</u>	<u>% Complete</u>
<u>2025</u>	<u>Year</u>	<u>100</u>	<u>% Complete</u>
<u> </u>	<u>Year</u>	<u> </u>	<u>% Complete</u>
<u> </u>	<u>Year</u>	<u> </u>	<u>% Complete</u>

XII. Please Attach Construction Pro Forma

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

TAX INCREMENT FINANCING REQUEST INFORMATION

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

We are requesting \$1,779,000 for the purchase of land and infrastructure. Total land cost is \$484,000 and the infrastructure costs are estimated at \$1,295,000.

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

We are proposing to build the same duplex units that we have built in Hasting, Norfolk, Schuyler and Holdrege. In Hastings, Norfolk and Holdrege we received TIF to buy the land and install the infrastructure. In Schuyler, the City provided free lots. Without the use of TIF our lot costs in Grand Island would be approximately, \$35,000 per lot estimating interest costs on a four year build out. If we add \$35,000 to the required sale price with today's construction costs, we don't believe we hit the necessary target price point.

Municipal and Corporate References (if applicable). Please identify all other
Municipalities, and other Corporations the Applicant has been involved with, or has
completed developments in, within the last five (5) years, providing contact person,
telephone and fax numbers for each:

See Attached

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

DEVELOPER RESUME

CLIFF & KATHY MESNER are attorneys and real estate developers from Central City, Nebraska. They are the owners of Mesner Development Co., Mesner Law Office and Mesner Solar Development Co.

The Mesners have developed affordable and workforce housing projects in Nebraska and Kansas for thirty years. The Mesners have experience in Low Income Housing Tax Credit developments, subdivision development, affordable and market rate housing, multifamily and single family housing, spec housing, student housing, new neighborhoods programs, the workforce housing initiative pilot program and the Rural Workforce Housing Fund. They have worked with local, state and federal agencies to bring housing investment dollars to communities across Nebraska and Kansas.

The Mesners understand the importance of housing to the survival of all communities. Kathy has served many years on the Nebraska Commission on Housing and Homelessness and recently chaired the Housing Industry Council for Blueprint Nebraska.

Rural Workforce Housing Fund (RWHF)

- Mesner Development completed projects for four communities with the first round of RWHF.
 - Schuyler: 24 unit apartment building and 4 duplex townhomes
 - York: two 24 unit apartment buildings
 - Hastings: development of a subdivision including 20 townhomes
 - Holdrege: development of a subdivision including 6 townhomes
- Mesner Development is doing projects in three other communities with funding from the second round of RWHF. (Schuyler, Aurora, Cozad)

Low Income Housing Tax Credit (LIHTC)

- Mesner Development has developed 70 LIHTC projects in Nebraska and Kansas including seven in Grand Island (see attached list)

Subdivision Development

- Mesner Development Co. often opens new subdivisions in conjunction with its LIHTC projects, but has also developed new subdivisions for general market rate housing. Examples would include:
 - LaRue Subdivision a 200 lot subdivision in Grand Island developed with Ray O'Connor
 - NorPark Subdivision opened in 2019 in Norfolk, Nebraska using TIF
 - Osborne View Subdivision opened in Hastings in 2019 with RWHF & TIF
 - Crew Subdivision opened in Holdrege in 2020 with RWHF & TIF

Other

- Student housing for Central Nebraska Community College in Grand Island, Nebraska.
- Single family residential housing in Central City, Nebraska, using CDBG funds and Tax Increment Financing.

- Single family homes in Sidney, NE and Ord, NE using the Nebraska Department of Economic Development New Neighborhoods Initiative, Sales Tax, Tax Increment Financing and private employers contributions.
- Single family homes in Schuyler, NE using NIFA Workforce Housing Initiative Pilot Program.
- Spec homes in Grand Island, NE; Central City, NE; Gothenburg, NE; Sidney, NE; Ord, NE and Schuyler, NE
- Cornerstone Bank building and law office in Central City.
- Hub46 renovation of 25,000 sq ft facility in Central City, NE
- Motel Development in Central City, NE; Tecumseh, NE; Beloit, KS and Larned, KS

LOW INCOME HOUSING TAX CREDIT PROJECTS DEVELOPED BY MESNER DEVELOPMENT CO.

	# of Units	We Manage xxx	Project Name Location	Total Project Costs	Total Tax Credits Used
1	16		Lone Tree Village, Inc. Central City, Nebraska	\$ 896,000.00	\$ 68,750.00
2	8		St. Paul Apartments, Inc. St Paul, Nebraska	\$ 444,100.00	\$ 33,841.00
3	18		Beloit Tax Credit Housing Beloit, Kansas	\$ 1,753,731.00	\$ 145,490.00
4	8		Downs Rentals, LLC Downs, Kansas	\$ 1,371,600.00	\$ 115,974.00
5	16		Bader North Apts., LP Central City, Nebraska	\$ 1,317,457.00	\$ 106,544.00
6	12		The Oaks, LP. Ellinwood, Kansas	\$ 977,675.00	\$ 77,432.00 HOI
7	18		West Side Apartments, LP. Goodland, Kansas	\$ 1,528,907.00	\$ 119,002.00
8	12		Prairie Villas, LP Larned, Kansas	\$ 1,043,330.00	\$ 82,209.00 HOI
9	8		Albion Manor, LP Albion, Nebraska	\$ 793,250.00	\$ 64,000.00
10	12		Northglenn Apartments, LLC Great Bend, Kansas	\$ 1,277,936.00	\$ 91,624.00 HOI
11	10		North Side Apartments, LLC Phillipsburg, Kansas	\$ 1,053,743.00	\$ 76,890.00
12	10		Meadowview Place, LLC Ellis, Kansas	\$ 1,027,769.00	\$ 79,044.00 HOI
13	12		WheatRidge Apartments, LLC Hoisington, Kansas	\$ 1,201,288.00	\$ 88,806.00 HOI
14	10		Ivory Street Apartments, LLC Oakley, Kansas	\$ 899,000.00	\$ 66,871.00
15	12		Walnut Creek Apartments, LLC Great Bend, Kansas	\$ 1,428,764.00	\$ 108,840.00 HOI
16	12		Walnut Glenn Apartments, LLC Great Bend, Kansas	\$ 1,301,967.00	\$ 101,086.00 HOI

	# of Units	We Manage xxx	Project Name Location	Total Project Costs	Total Tax Credits Used
17	10		Horseshoe Bend Villas Sutton, Nebraska	\$ 1,135,209.00	\$ 68,761.00
18	8 2		CenterView Place, LLC Smith Center, Kansas	\$ 1,281,558.00	\$ 98,167.00
19	10		Street of Dreams, LLC Larned, Kansas	\$ 1,453,420.00	\$ 111,062.00 HOI
20	12		Southeast Villa, LLC Central City, NE	\$ 1,563,903.00	\$ 123,597.00
21	18		Creekside Place, LLC Great Bend, Kansas	\$ 2,241,530.00	\$ 171,675.00 HOI
22	40	xxx 40	Windridge Townhomes, LLC Grand Island, Nebraska	\$ 5,461,555.00	\$ 438,501.00
23	12		Sunrise Ridge Townhomes, LLC Anthony, Kansas	\$ 1,416,262.00	\$ 110,886.00
24	16		Sunrise East, LLC Holdrege, Nebraska	\$ 2,502,159.00	\$ 185,918.00
25	12		Cheyenne Ridge, LLC Hoisington, Kansas	\$ 1,748,165.00	\$ 132,297.00 HOI
26	18	xxx 18	Windridge Townhomes II, LLC Grand Island, NE	\$ 2,849,183.00	\$ 314,920.00
27	6		Larned Dream Homes, LLC Larned, Kansas	\$ 1,359,482.00	\$ 135,273.00
28	21		Legend Oaks, LLC Lexington, NE	\$ 2,915,107.00	\$ 324,331.00
29	13	xxx 13	Jefferson Square, LLC Gothenburg, NE	\$ 1,823,975.00	\$ 108,607.00
30	13	xxx 13	Ridgewood CROWN, LLC Grand Island, NE	\$ 2,918,660.00	\$ 165,205.00
31	16		Tennessee Town II, LLC Topeka, KS	\$ 1,910,141.00	\$ 160,000.00
32	66		Echo Ridge, LLC Topeka, KS	\$ 12,819,000.00	\$ 500,000.00

	# of Units	We Manage xxx	Project Name Location	Total Project Costs	Total Tax Credits Used
33	12		Hearthstone, LLC Larned, KS	\$ 2,035,806.00	\$ 230,367.00 HOI
34	12	xxx 12	Westridge CROWN, LLC Grand Island, NE	\$ 2,799,856.00	\$ 154,959.00
35	12	xxx 12	Rolling Hills Townhomes, LLC Ord, NE	\$ 1,795,909.00	\$ 111,989.00
36	18		Sunrise Lane, LLC Holdrege, NE	\$ 2,761,279.00	\$ 194,084.00
37	4 6		Hampton West, LLC Lyons, KS	\$ 1,996,298.00	\$ 214,531.00 HOI
38	24	xxx 24	Stonewood Townhomes, LLC Grand Island, NE	\$ 3,821,362.00	\$ 373,337.00
39	12		St. Paul Cottages, LLC St. Paul, NE	\$ 1,906,166.00	\$ 194,360.00
40	32	xxx 32	Southwood Estates, LLC Hastings, NE	\$ 4,720,890.00	\$ 521,709.00
41	30	xxx 30	Stonewood Townhomes II, LLC Grand Island, NE	\$ 4,557,252.00	\$ 452,188.00
42	22		Bedford Place, LLC Great Bend, KS	\$ 3,564,885.00	\$ 384,000.00 HOI
43	12		Ark River North, LLC Sterling, KS	\$ 1,959,487.00	\$ 172,959.00 HOI
44	23		House to Home Rv/Escalade Kansas City, KS	\$ 5,669,610.00	\$ 499,346.00
45	18		Legend Oaks II, LLC Lexington, NE	\$ 2,593,935.00	\$ 266,018.00
46	14		River Road Townhomes, LLC Waterloo, NE	\$ 2,294,638.00	\$ 201,115.00
47	20		Shady Bend Villas, LLC Grand Island, NE	\$ 3,768,925.00	\$ 382,193.00
48	12		MeadowBrooks, LLC Larned KS	\$ 2,018,140.00	\$ 173,231.00 HOI

	# of Units	We Manage xxx	Project Name Location		Total Project Costs	Total Tax Credits Used	
49	16	xxx 16	Clary Village, LLC McCook, NE		\$ 2,689,931.00	\$ 247,822.00	
50	24	xxx 24	Emerson Estates, LLC Hastings, NE		\$ 3,876,181.00	\$ 357,167.00	
51	12		Eastwood Apartments, LLC Hoisington, KS		\$ 2,077,712.00	\$ 173,943.00 HOI	
52	16	xxx 16	Quillan Courts, LLC McCook, NE		\$ 3,455,853.00	\$ 309,353.00	
53	16		Windhaven Estates, LLC Holdrege, NE		\$ 3,161,967.00	\$ 268,989.00	
54	14		Kraci Meadows, LLC Schuyler, NE		\$ 2,927,323.00	\$ 220,027.00	
55	28	xxx 28	Eastside Estates, LLC Hastings, NE		\$ 5,019,164.00	\$ 459,190.00	
56	12		Delaware Place, LLC Valley Falls, KS		\$ 2,322,440.00	\$ 179,000.00	
57	20	xxx 20	Southview Estates, LLC Wayne, NE	*	\$ 3,717,795.00	\$ 274,634.00	
58	16		Kensington Square, LLC Great Bend, KS		\$ 2,946,382.00	\$ 283,173.00 HOI	
59	14		Ybarra Place II, LLC Topeka, KS		\$ 3,079,753.00	\$ 326,531.00	
60	20		Eastridge Villas Scott City, KS		\$ 3,982,125.00	\$ 385,521.00 HOI	
61	30	xxx 30	Osborne View Estates, LLC Hastings, NE	*	\$ 5,358,256.00	\$ 374,575.00 \$ 374,575.00	Federal State
62	20	xxx 20	Horizon Estates, LLC Holdrege, NE	*	\$ 3,745,435.00	\$ 253,043.00 \$ 253,043.00	Federal State
63	32	xxx 32	Columbus Cherry Creek, LLC Columbus, NE	*	\$ 4,485,600.00	\$ 321,124.00 \$ 321,124.00	Federal State
64	34	xxx 34	FRC Housing - Hosp Rehab Columbus, NE	*	\$ 7,503,505.00	\$ 480,943.00 \$ 480,943.00	Federal State

	# of Units	We Manage xxx	Project Name Location	Total Project Costs	Total Tax Credits Used	
65	20		Hidden Brook Townhomes Fremont, NE	\$ 4,266,184.00	\$ 247,898.00	Federal State
66	20		Hidden Brook Townhomes II Fremont, NE	\$ 4,649,804.00	\$ 255,899.00	Federal State
67	18	xxx 18	Fremont Northside Townhomes Fremont, NE	\$ 4,264,509.00	\$ 228,175.00	Federal State
68	24		Quail Cove Great Bend, KS	\$ 5,396,880.00	\$ 495,000.00	
69	15	xxx 15	Gatewood Village Cozad, NE	\$ 3,625,021.00	\$ 201,290.00	Federal State
70	28		Cambridge Park Great Bend, KS'			

Legal description:

Lots One (1) And Two (2) Natrass Subdivision Grand Island, Hall County, Nebraska,
and

Lot Nine (9), In Home Subdivision, In The City Of Grand Island, Hall County, **Nebraska.**
and

Lot 2 Skag-way Fourth Subdivision in the City of Grand Island, Hall County, Nebraska

PROPOSED PROJECT

Trinity Heights Subdivision will include two parcels. One parcel is vacant land currently owned by, and North of Blessed Sacrament Church. The other parcel is vacant land currently owned by Ray O'Connor and located west of the Blessed Sacrament Church property and directly East of the Five Points Super Saver store. The whole site (including both parcels) is located East of N. Broadwell Avenue, North of W State Street and West of N Wheeler Avenue, in Grand Island, NE. (See Exhibit A).

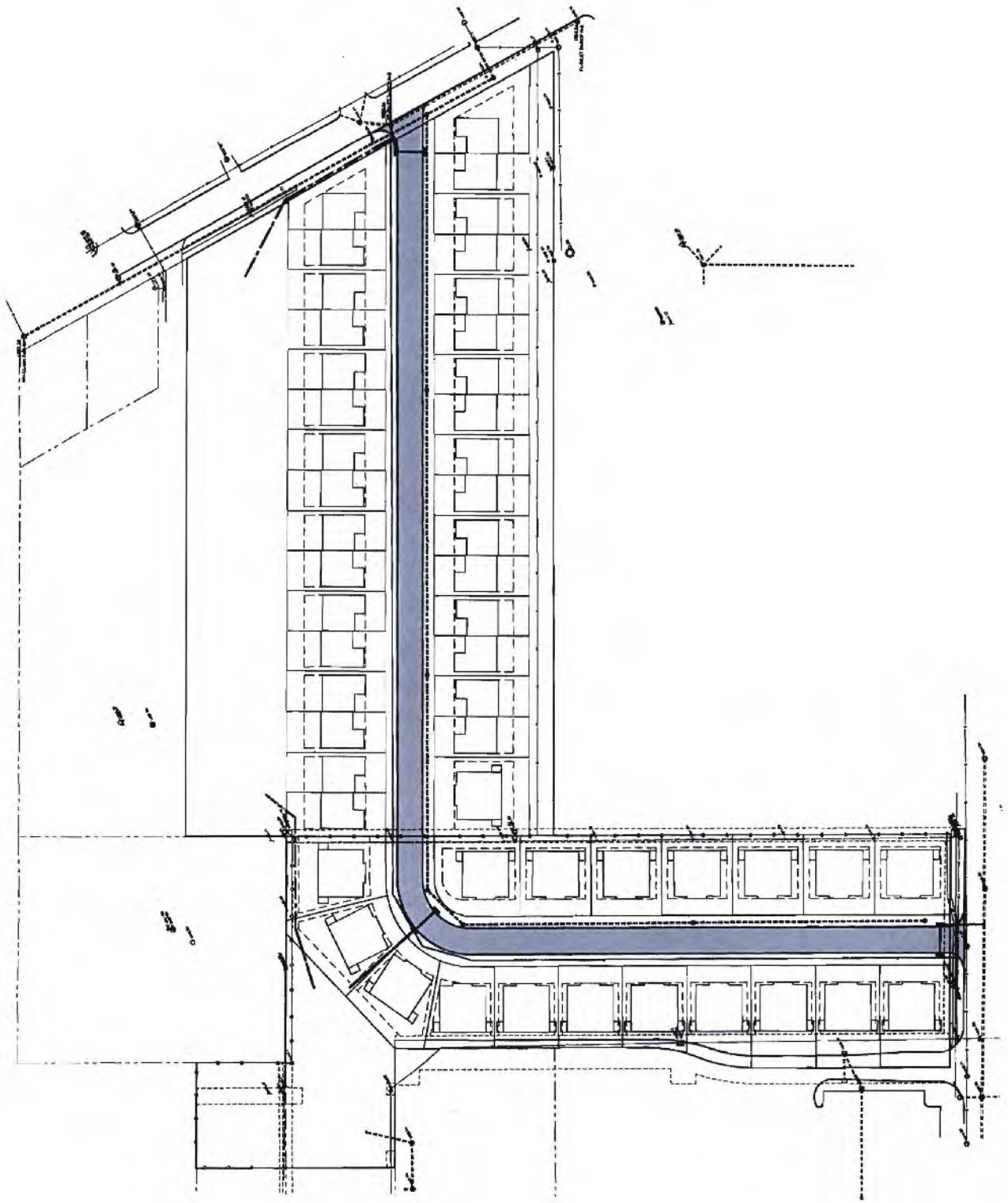
All together there will be between 56 and 66 new housing units constructed in Trinity Heights Subdivision, depending on the configurations. We plan to construct 32 market rate townhomes for sale on the church parcel in the subdivision. If we can get funding, we may build affordable housing on a portion of the subdivision located directly East of the Five Points Super Saver store. (See the attached subdivision layout Exhibit B)

We have worked through this mixture of two types of housing in the same subdivision most recently in Hastings and Holdrege. When we created the Osborne View Subdivision in Hastings and the Crew Subdivision in Holdrege, we sold a portion of the subdivision site to LIHTC projects. We like the arrangement and feel that it builds a strong mixed income subdivision.

The market rate townhomes we are selling will be approximately 1,500 sq ft, units. They will include two-bedrooms, 2 baths, a two-car garage, granite countertops and all appliances. We are currently selling the same townhomes in Hastings for \$204,000. We have also included a 3 bedroom floor plan on the same footprint as an alternative if there is a demand for it. (See floor plans on Exhibit C for the two bedroom and Exhibit D for the three bedroom and photos as Exhibit E).

The LIHTC townhomes will be very similar to what we have developed in LaRue Subdivision. (See photos attached as Exhibit F.) They are approximately 1,100 sq ft with a single car garage. We have more than 150 people on the waiting list for those properties so there is a strong need.





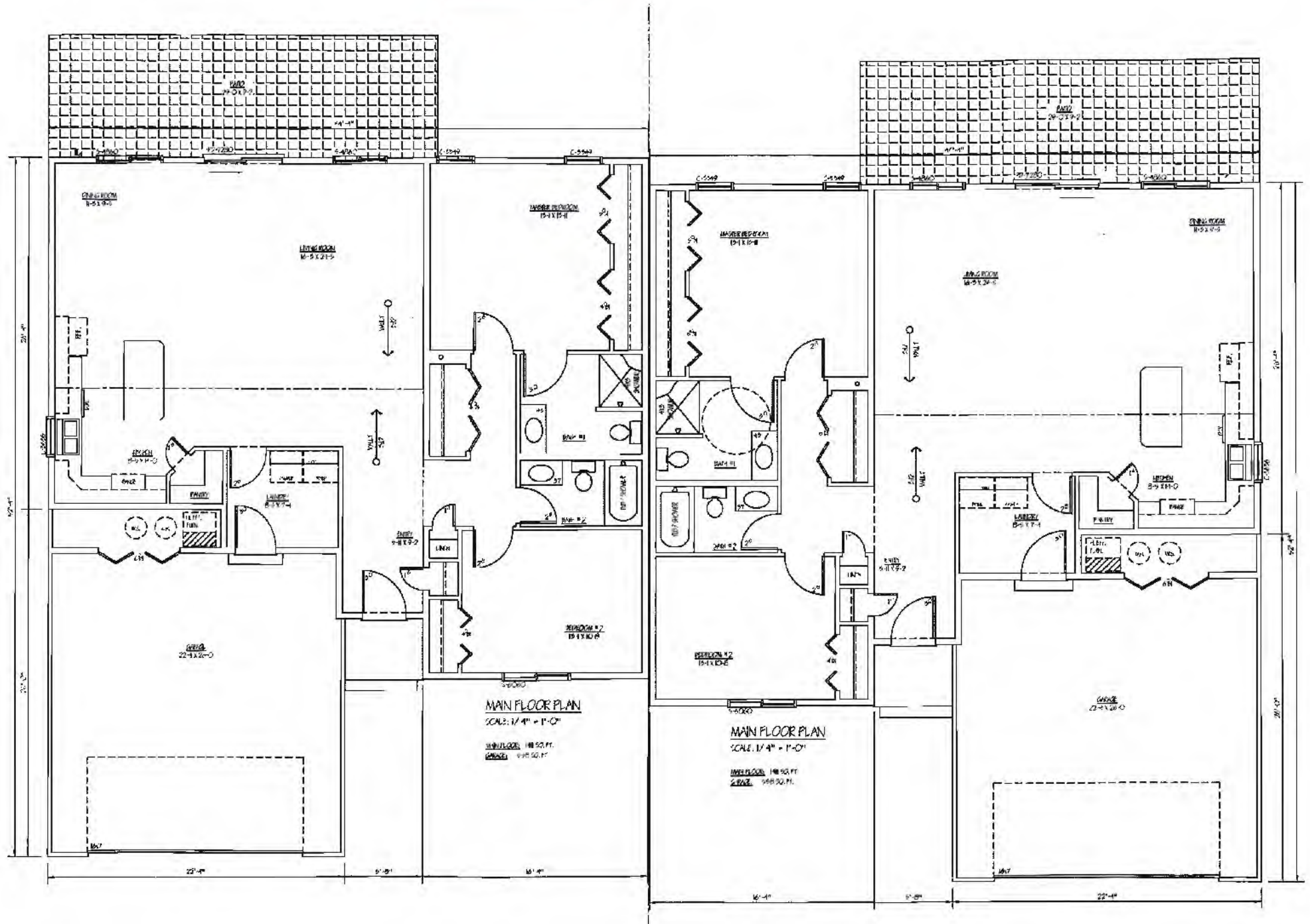


Exhibit D

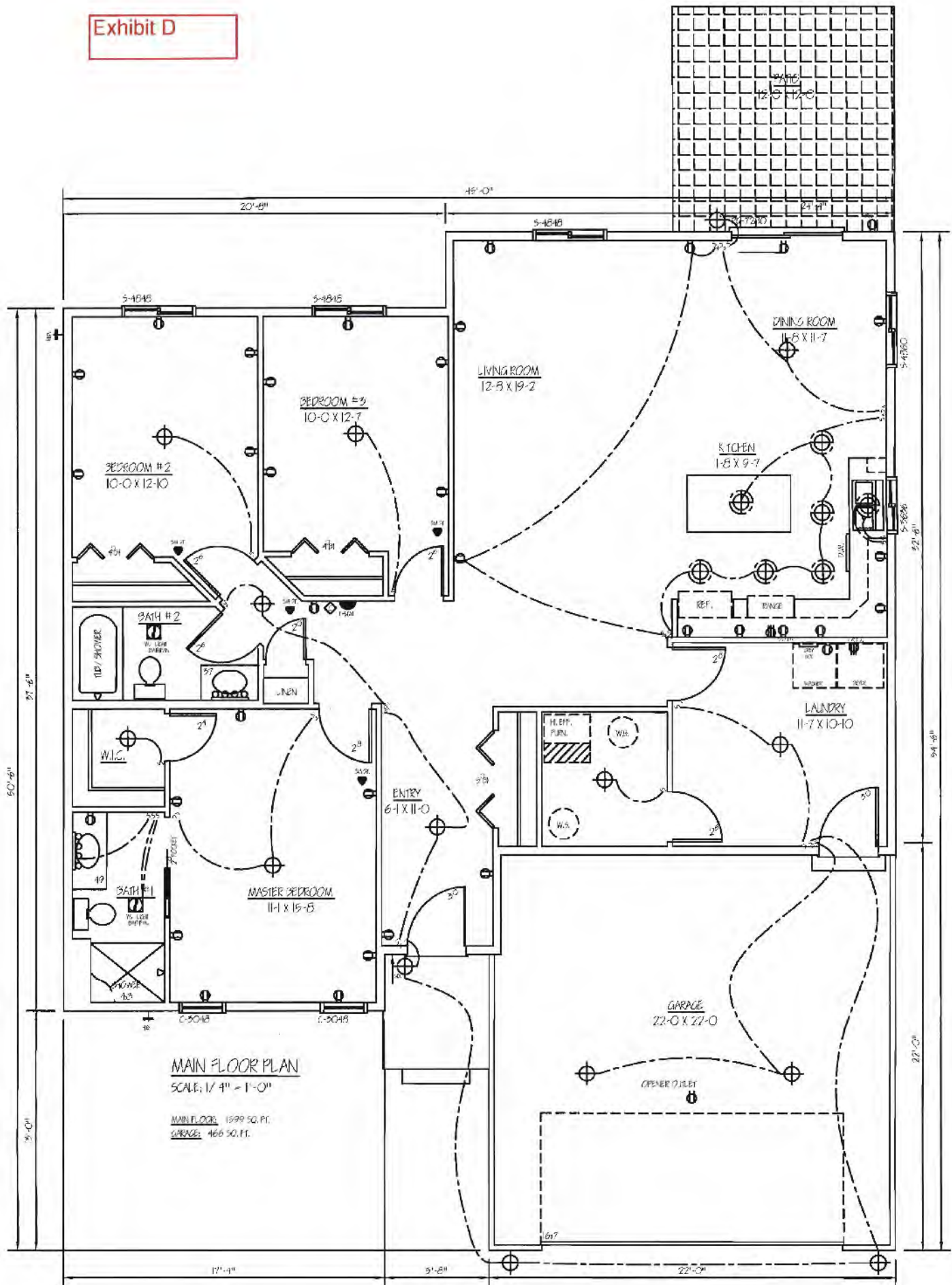


Exhibit E





FLYING TIME





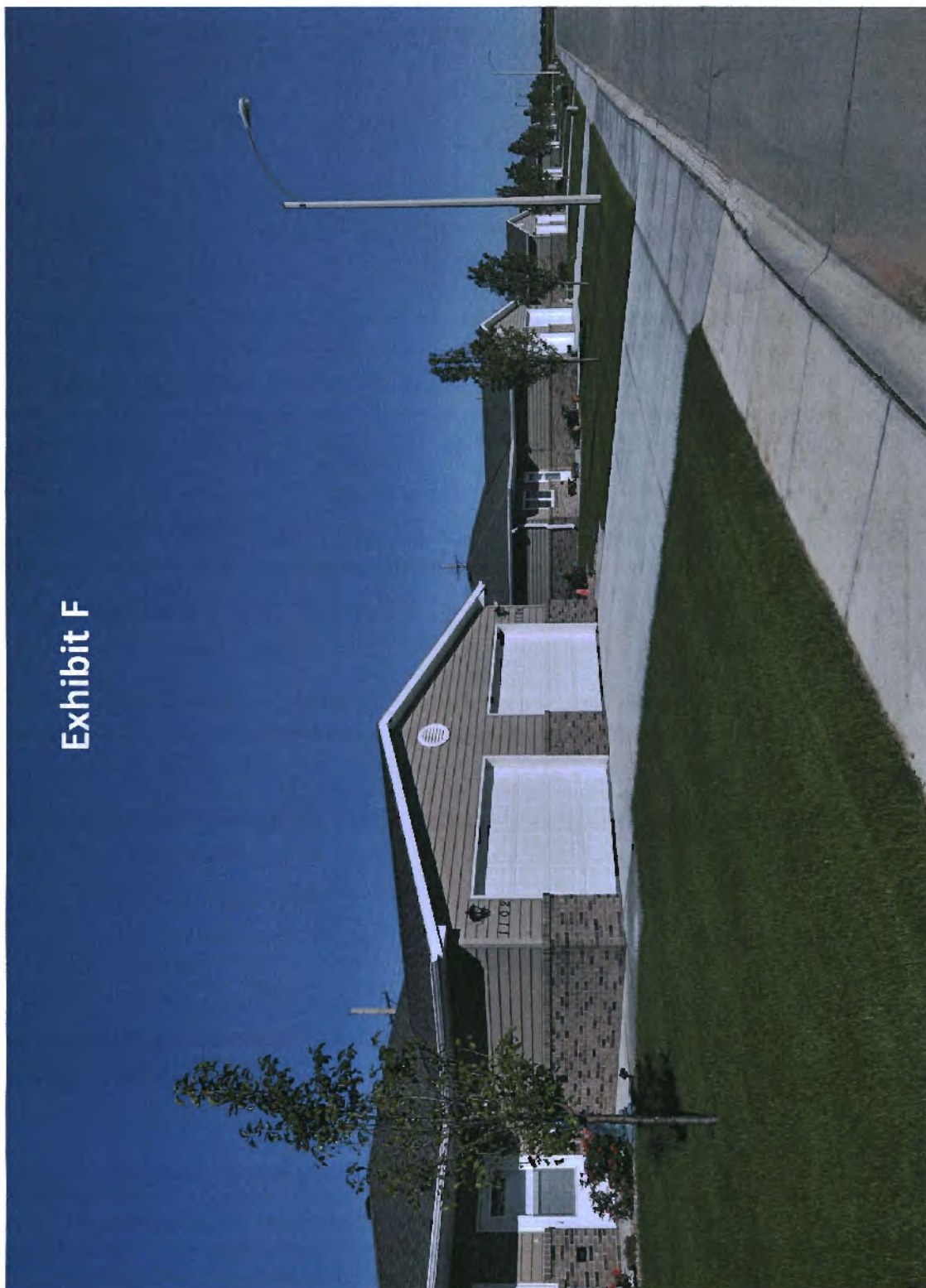


Exhibit F



VI. Estimated Project Costs:

Acquisition Costs:

A.	Land	484,000
B.	Building	

Subdivision Development Costs

A.	Renovation or Building Costs:	
	Market Rate Townhomes	
	LIHTC Project	
B.	On-Site Improvements:	
	Sewer	361,176
	Water	
	Electric	72,000
	Gas	
	Public Streets/Sidewalks	488,378
	Private Streets	
	Trails	
	Grading/Dirtwork/Fill	179,000
	Demolition	
	Other	
	Total	
Soft Costs:		
A.	Architectural & Engineering Fees:	80,000
B.	Financing Fees:	
C.	Legal	
D.	Developer Fees:	
E.	Audit Fees	
F.	Contingency Reserves:	102,855
G.	Other (Please Specify)	
	TOTAL Subdivision Development Cost	1,767,409

Market Rate Townhomes

Building Costs	6,080,000
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LIHTC Properties

Development Costs	8,529,018
-------------------	-----------

TOTAL Project Costs	16,376,427
---------------------	-------------------

Total Estimated Market Value at Completion:

Market Rate Units	6,560,000
LIHTC	8,529,018
TOTAL	15,089,018

Source for Estimated Market Value

Market rate units are based on sales of the same units in Hastings and Norfolk

Tax credit units are based on valuation of similar units in the 70 development projects completed

Source of Financing:

A.	Developer Equity:	
B.	Commercial Bank Loan:	6,083,764
C.	Tax Credits:	
	1. N.I.F.A.	5,695,254
	2. Historic Tax Credits	
	3. New Market Tax Credits	
	4. Opportunity Zone	
D.	Industrial Revenue Bonds:	
E.	Tax Increment Assistance:	1,767,409
F.	Enhanced Employment Area	
G.	Nebraska Housing Trust Fund	830,000
H.	Other - Potentially RWHF	2,000,000

Pro Formas

The construction pro forma is for the market rate units. It shows the infrastructure and townhome build out and sale as anticipated by quarter.

The second set shows a typical LIHTC project. It is anticipated that we would likely have to build in two phases to get funding, so we are showing an 18 unit pro forma. Two pages show anticipated costs including the many program costs required by a LIHTC project. The third page shows the anticipated operating budget.

Trinity Heights Subdivision

		Q4 2021	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Cash Out									
	Land acquisition	-\$484,000							
	Infrastructure		-\$1,283,409						
	Phase I construction			-\$1,560,000	-\$1,560,000				
	Phase II construction					-\$1,560,000	-\$1,560,000		
	Phase III construction N/A								
	Interest Cost		\$0	\$0	\$0	-\$9,750	-\$16,622	-\$15,330	\$0
	RWHF repayment				-\$500,000	-\$1,500,000			
Cash In									
	TIF Bonds			\$1,767,409					
	Phase I sales				\$840,000	\$2,520,000			
	Phase II sales						\$1,680,000	\$1,680,000	
	Phase III N/A								
	RWHF advances	\$484,000	\$1,283,409	\$232,591					
Outstanding (Principal) / Profit		\$0	\$0	\$440,000	-\$780,000	-\$1,329,750	-\$1,226,372	\$438,299	\$438,299

	Actual or Est. Project Costs	(9% Credit) Eligible Basis	Amortized or expended (Non- Eligible)	Allowable 20% limit Dev/Cont
Fremont - Northside				
Land	175,000		175,000	
Existing structures			0	
Demolition (New)	0		0	
Site work		0		0
Other				
Other		0		0
Other		0		0
Other		0		0
Other		0		0
Water/sewer/street/land		0		0
Dirt work, water, sewer, storm	180,364	0	180,364	0
New building hard costs	2,568,556	1,968,556	600,000	1,968,556
On Site Private Drive & Cotingency		0	0	0
Site work/Parking - new site	0	0	0	0
Accessory Building		0		0
General requirements'	137,268	137,268		
Construction contingency	137,268	137,268		137,268
Architect design	60,000	60,000	0	60,000
Architect supervision	10,000	10,000	0	10,000
Survey / Engineer Fees	34,000	34,000	0	34,000
GeoTek Soils report	6,500	6,500	0	6,500
Construction loan interest	40,000	40,000		40,000
Origination fee	19,000	19,000		19,000
Credit enhancement fee		0		0
Construction Period Taxes	3,200	3,200		3,200
#Bridge loan expense		0		0
STATE TAX CREDITS FEES	2,500		2,500	
Property appraisal	5,000	5,000		5,000
		0	0	0
Tax credit fees'	12,000		12,000	
Environmental study	4,000	4,000		4,000
Market study	5,500	5,500		5,500
Other - Internet Installation		0		0
* Fee back in	87,000	0	87,000	
Kelby Fee	0	0	0	
* Contractor overhead	54,907	54,907		
* Contractor profit	137,268	137,268		
* Developer overhead	50,000	0	50,000	
* Developer fee	180,000	130,000	50,000	
Title and recording	5,000	5,000		5,000
Bond premium	0		0	
Credit report	0		0	
Pre-Pay NIFA Compliance .015 & IA .005	67,992		67,992	
Perm. loan enhancement	0		0	
Miscellaneous Costs	20,000		20,000	
Counsel fee			0	
Organizational-Syndication costs	3,491		3,491	
Title and recording	5,000		5,000	
Rent-up reserves	40,000		40,000	
Operating reserves	58,000		58,000	
Other__Cost Certification	10,000		10,000	
Other - Accountant			0	
Other: HOME Reserve	19,000		19,000	

Total residential costs:	4,137,816	2,757,468	1,380,347	2,298,025
		(9% Credit) Eligible Basis		
Total residential costs:		2,757,468		2,757,468
(Deduct from basis:)				STATE TAX C
All grant proceeds used to finance costs in eligible basis		0		0
Non-qualified non-recourse financing		0		0
Non-qualified portion of higher quality units (Section 42(d)(5))		0		0
Historic credits (on residential portion only)		0		0
TOTAL ELIGIBLE BASIS		2,757,468		2,757,468
High cost area adjustment (130%)		1.2		1.2
TOTAL ADJUSTED ELIGIBLE BASIS		3,308,962		3,308,962
Multiplied by the applicable fraction		100%		100%
TOTAL QUALIFIED BASIS		3,308,962		3,308,962
Multiplied by the Applicable Percentage		9.00%		9.00%
TOTAL AMOUNT OF ANNUAL TAX CREDIT REQUESTED	226,641	297,807	226,641	297,807
TOTAL CREDITS		2,978,066		1,786,839
Going rate for credits		86.00%		63.00%
Syndicator Pays for Credit	1,949,113	2,561,136	856,703	1,125,709

Adjusted Eligible Basis	2,298,025
	24%
Maximum allowable for Developer, Contractor overhead & profit; Gen'l Requirements & Consultant fees	
	551,526
general requirements	137,268
* Developer overhead	0
* Consultant	0
* Tax credit consultant fee	0
* Contractor overhead	54,907
* Contractor profit	137,268
* Developer fee	130,000
	459,444
Unclaimed FEE	92,082

2009 change was 20%

2009 change Not included prior to

0

HTF / HOME LINTC

2 bdrm Triplex	0	0	Project Costs	4,137,816	Loan Rate	4.950%	Inc. Inflation	2%
Rent	310	845					Exp Inflation	3%
2 bdrm Triplex	0	0						
Rent	355	475	State Credits	0.63	856,703			
3 bdrm - Triplex	0	0						
Rent	440	625	Sale of Credits	0.860	1,949,113	Term in Months	360	
3 bdrm Triplex	0	7	Disaster/HOME	0.00%		Loan payment	2,642	
Rent	795	745	1st Mortgage		495,000	Annual Credits	100%	297,807
3 bdrm Triplex	0	11	AHP		750,000	3.26	Per unit	
Rent	580	530	MHEG /DDF Loan					
Occupancy	93%		Deferred Fee	79,250	87,000	MDC Deferred Fee	Operating	4,585
	0.10		HTF	0	0.00%	0.00		

Cash Flow

	TOTAL	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
LLC																
Receipts	2,994,947	123,262	125,727	128,242	130,807	133,423	136,091	138,813	141,590	144,421	147,310	150,256	153,261	156,326	159,453	162,642
Interest Income	9,354	385	393	401	409	417	425	434	442	451	460	469	479	488	498	508
Expenses																
Insurance	(401,443)	(14,940)	(15,388)	(15,850)	(16,325)	(16,815)	(17,320)	(17,839)	(18,374)	(18,926)	(19,493)	(20,078)	(20,680)	(21,301)	(21,940)	(22,598)
Compliance Fee	(2,800)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MHEG Fee	(31,128)	(1,800)	(1,836)	(1,873)	(1,910)	(1,948)	(1,987)	(2,027)	(2,068)	(2,109)	(2,151)	(2,194)	(2,238)	(2,283)	(2,328)	(2,375)
Snow, Lawn & Trash	(241,833)	(9,000)	(9,270)	(9,548)	(9,835)	(10,130)	(10,433)	(10,746)	(11,069)	(11,401)	(11,743)	(12,095)	(12,458)	(12,832)	(13,217)	(13,613)
Maintenance & Repairs	(386,933)	(14,400)	(14,832)	(15,277)	(15,735)	(16,207)	(16,694)	(17,194)	(17,710)	(18,241)	(18,789)	(19,352)	(19,933)	(20,531)	(21,147)	(21,781)
Utilities	(84,642)	(3,150)	(3,245)	(3,342)	(3,442)	(3,545)	(3,652)	(3,761)	(3,874)	(3,990)	(4,110)	(4,233)	(4,360)	(4,491)	(4,626)	(4,765)
Transportation	(34,824)	(1,296)	(1,335)	(1,375)	(1,416)	(1,459)	(1,502)	(1,547)	(1,594)	(1,642)	(1,691)	(1,742)	(1,794)	(1,848)	(1,903)	(1,960)
Management Fee	(322,037)	(13,254)	(13,519)	(13,789)	(14,065)	(14,347)	(14,633)	(14,926)	(15,225)	(15,529)	(15,840)	(16,157)	(16,480)	(16,809)	(17,145)	(17,488)
Tenant Certification	(14,510)	(540)	(556)	(573)	(590)	(608)	(626)	(645)	(664)	(684)	(705)	(726)	(747)	(770)	(793)	(817)
Accounting	(78,193)	(2,910)	(2,997)	(3,087)	(3,180)	(3,275)	(3,373)	(3,475)	(3,579)	(3,686)	(3,797)	(3,911)	(4,028)	(4,149)	(4,273)	(4,402)
Advertising	(24,183)	(900)	(927)	(955)	(983)	(1,013)	(1,043)	(1,075)	(1,107)	(1,140)	(1,174)	(1,210)	(1,246)	(1,283)	(1,322)	(1,361)
Taxes	(324,057)	(12,060)	(12,422)	(12,794)	(13,178)	(13,574)	(13,981)	(14,400)	(14,832)	(15,277)	(15,736)	(16,208)	(16,694)	(17,195)	(17,711)	(18,242)
Internet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve	(129,430)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)	(7,812)
Miscellaneous	(31,326)	(468)	(867)	(1,281)	(1,319)	(1,359)	(1,400)	(1,442)	(1,485)	(1,529)	(1,575)	(1,623)	(1,671)	(1,721)	(1,773)	(1,826)
Capture & Reimburse Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	(2,107,340)	(82,530)	(85,006)	(87,556)	(89,792)	(92,091)	(94,457)	(96,890)	(99,393)	(101,967)	(104,616)	(107,340)	(110,142)	(113,025)	(115,990)	(119,041)
Reimbursement surplus to cash flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from Operations	41,117	41,114	41,086	41,424	41,748	42,060	42,357	42,639	42,905	43,154	43,385	43,598	43,790	43,961	44,109	
Loan Payments	(634,119)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)	(31,706)
2nd Loan = 3%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LLC Cash Flow	262,843	9,411	9,408	9,381	9,718	10,042	10,354	10,651	10,933	11,199	11,448	11,680	11,892	12,084	12,255	12,403
Deferred Dev Fee Loan	(109,315)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)	(7,288)
Cash flow after deferred fee	153,528	2,124	2,121	2,093	2,430	2,755	3,066	3,363	3,645	3,911	4,161	4,392	4,604	4,796	4,967	5,115
Taxable Income																
Depreciation	(1,504,074)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)	(100,272)
Debt Retired	159,435	7,368	7,741	8,068	8,542	8,974	9,428	9,846	10,405	10,931	11,485	12,012	12,675	13,317	13,991	14,653
Taxable Income	(1,400,412)	(98,068)	(97,688)	(97,399)	(96,588)	(95,831)	(95,065)	(94,350)	(93,509)	(92,716)	(91,914)	(91,155)	(90,280)	(89,447)	(88,601)	(87,791)
	1.34	1.2968	1.30	1.30	1.31	1.32	1.33	1.34	1.34	1.35	1.36	1.37	1.38	1.38	1.39	1.3912
		1.50	1.48	1.47	1.46	1.45	1.45	1.44	1.43	1.42	1.41	1.40	1.40	1.39	1.38	1.37

References for projects in last five years

City	Contact	Position	Telephone	email
Norfolk	Andy Colvin	City Administrator	402-844-2262	acolvin@ci.norfolk.ne.us
Columbus	Don Heimes	Manager Family Resource Center	402-910-1548	donheimes@yahoo.com
Fremont	Brian Newton	City Administrator	402-727-2610	brian.newton@fremontne.gov
Schuyler	Brian Bywater	City Housing Specialist	402-615-3653	schuylerdevelopment@yahoo.com
York	Lisa Hurley	Executive Director York County Development Corp.	402-362-3333	Lhurley@yorkdevco.com
Hastings	Randy Chick	Executive Director of Hastings CRA	402-469-0733	bidcra@gmail.com
Holdrege	Ron Tillery	Executive Director Phelps County Development Corp.	308-995-4148	pcdc@phelpscountyne.com
Cozad	Jen McKeone	Executive Director Cozad Development Corp.	308-784-8006	jen.cdc@cozadtel.net
Wayne	Wes Blecke	City Administrator	402-375-1733	wblecke@cityofwayne.org

We also worked in the following Kansas communities. Contacts are available if needed.

Valley Falls, KS
Great Bend, KS
Topeka, KS
Great bend, KS
Scott City, KS



COMMUNITY REDEVELOPMENT AUTHORITY

November 4, 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 Northeast Grand Island near the Super Saver at Five Points and Blessed Sacrament Church.

The application seeks \$1,767,409 in TIF assistance for the development of the up to 72 units of townhouse style housing (two bedroom units with 2 or 3 units per building). The TIF will be used to support acquisition of the property and development of road, drainage and utility infrastructure. It is estimated that this phase of the project will be completed between 2022 and 2025 as units are absorbed by the market. The property is located north of State Street and west of the Wheeler Avenue.

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

- CRA receives initial application, 4 p.m., November 10.
- Regional Planning Commission holds public hearing 6 p.m., December 1.
- CRA reviews Planning Commission recommendation, 4 p.m. December 2.
- Grand Island City Council holds public hearing and takes action, 7 p.m., January 11.
- CRA considers redevelopment contract, 4 p.m. on or after January 12.

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. 372

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 10th day of November, 2021

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

By _____
Chairperson

ATTEST:

Secretary

Trinity Heights-Mesner Development Co.-Area 6

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

RESOLUTION NO. 371

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 Mesner Development Co., (The "Developer") for redevelopment property for residential purposes located north of State Street and west of Wheeler Avenue in 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 6;

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 10th day of November, 2021.

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

By _____
Chairperson

ATTEST:

Trinity Heights-Mesner Development Co.-Area 6

Secretary

Exhibit 1

Legal Description:

Lot 2 of Skag-Way Fourth Subdivision, Lots 1 and 2 of Nattrass Subdivision and Lot 9 of Home Subdivision in the City of Grand Island, Hall County, Nebraska.

Trinity Heights-Mesner Development Co.-Area 6