



Community Redevelopment Authority (CRA)

Tuesday, October 14, 2008
Regular Meeting

Item B1

Meeting Minutes

Staff Contact: Chad Nabity

OFFICIAL PROCEEDINGS

MINUTES OF

COMMUNITY REDEVELOPMENT AUTHORITY

MEETING OF

October 14, 2008

Pursuant to due call and notice thereof, a Regular Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on October 14, 2008 at City Hall 100 E First Street. Notice of the meeting was given in the October 7, 2008 Grand Island Independent.

1. CALL TO ORDER Vice Chair Lee Elliot called the meeting to order at 4:00 p.m. The following members were present: Lee Elliot, Tom Gdowski, Sue Pirnie, and Glen Murray. Also present were; Director, Chad Nability; Secretary Rose Woods; CRA Attorney; Duane Burns, Finance Director, Dave Springer, Council Liaison Peg Gilbert, Dee Johnson, Marv Webb, Rev. Philipsen, Marv Wemhoff, Gene McCloud, and Ray O'Conner.

Elliot stated this was a public meeting subject to the open meeting laws of the State of Nebraska. He noted that the requirements for an open meeting were posted on the wall easily accessible to anyone who would like to read through them.

2. APPROVAL OF MINUTES. A motion for approval of the Minutes for the September 22, meeting, Pirnie made the motion seconded by Murray. Upon roll call vote, all present voted aye. Motion carried unanimously.

3. APPROVAL OF FINANCIAL REPORTS. APPROVAL OF FINANCIAL REPORTS. Dave Springer reviewed the financial reports for the period of September 1, 2008 through September 30, 2008. He noted revenue in the amount of \$130,458 and expenses in the amount of \$47,669 for the month. This included payment of the Goodwill Façade that was approved two months ago. Total cash was \$1,236,622. Motion by Murray, second by Gdowski, to approve the financial reports. Upon roll call vote, all present voted aye. Motion carried unanimously.

4. APPROVAL OF BILLS. The bills were reviewed by the Authority. Motion made by Gdowski, second by Pirnie, to approve the bills in the amount of \$5783.00. Upon roll call vote all present voted aye. Motion carried unanimously to approve the payment of bills totaling \$5783.00.

5. CONSIDERATION OF FAÇADE IMPROVEMENT ABBEY CARPETS 'N' MORE. Dee Johnson submitted a request for assistance with the remainder of the Façade improvements for the Abbey Carpets 'N' More building. There was a Façade committee meeting that was held on October 6th, 2008, Elliot and Pirnie were on the committee and both agreed the request submitted by Johnson follows along with criteria the CRA has set forth to help improve the Façade of the building. The Johnson's have already spent \$29,788.70 on improvements to the building and are asking the CRA for the \$9400.00 to help cover the cost for the Architect as well as costs for new canopies for the windows and new signage for the front and the back of the building. Motion was made by Gdowski and second by Murray to approve the request of Façade funds to Johnson in the amount of \$9400.00. Upon roll call vote all present voted aye. Motion carried unanimously to approve the Façade improvement request for Abbey Carpets 'N' More.

6. CONSIDERATION OF GRANT REQUEST FROM BLESSED SACRAMENT CHURCH. Rev. Todd Philipsen submitted a request for funds to replace some sidewalk, new signage for the church as well as parking lot marking. Philipsen explained the church has completed other projects in the amount of \$2,832,403.13; these projects have been completed and paid for by the people of the Blessed Sacrament Parish. He noted his church currently is one of the largest Parishes in Grand Island with over 1400 families active within the church. The funds requested in the amount of \$33, 401.06 would help repair sidewalks out in front of the church, also to replace the outdated signs with ones with more appeal to the area. He is currently concerned about the safety issue and the cosmetic issue. Naby explained this area is now in the blighted area and is similar to a Façade project CRA grants had been previously given out to non profit organizations such as St. Mary Cathedral for lighting, YWCA and YMCA had been also given funds for similar requests. Motion was made by Murray and second by Pirnie to approve the Grant

request in the amount of \$33,401.06. Upon roll call vote all present voted aye. Motion carried unanimously to approve the grant request of \$33, 401.06.

7. REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.
Nabity reported briefly. Total committed projects total \$540,450. Discussion was held on the status of projects. Housing Study is moving forward should have a draft in December. Hall County should be sending a bill soon. Romsa Real Estate Center is still waiting to hear back about permits. BID 6 their final totals were \$55,000 this included \$51,500 for conduit and \$3,500 for the NE Arboretum for the 2nd Street Landscape Plan. Paul Warshauer (Masonic Temple) has turned nothing in at this time however is still moving forward with the process. New Life Community Church Façade is coming along nicely; they may come back with a change to one wall and requesting release of a portion of the allocated funds. The 2008 Wayside horns are moving forward, as is the engineering for the 2009 Wayside horns, there is discussion about the wayside horn for Broadwell; with the possibility of having an underpass at this location in the near future.

8. DISCUSSION OF POSSIBLE PURCHASE/SALE OF PROPERTIES IN CRA DESIGNATED AREA. Nabity explained there has been an interest in the 408 E 2nd Street property at this time however nothing has been offered. Ray O'Connor has submitted a bid of \$50,000 for the CRA property located at 2707 and 2709 South Locust. The selling of the CRA property on South Locust will be contingent upon moving forward with the TIF application process. The TIF contract must be approved by Regional Planning and Council and then all will move forward together, also with the condition of O'Connor installing a Hike and Bike Trail for the area. Motion was made by Gdowski and second by Pirnie to approve the submitted bid of \$50,000 contingent upon the approval of the TIF application and O'Connor installing a Hike and Bike Trail. Upon roll call vote all present voted aye. Motion carried unanimously to approve the submitted bid for the CRA South Locust property.

9. CONSIDERATION OF A RESOLUTION TO FORWARD REDEVELOPMENT PLAN AMENDMENT TO THE HALL COUNTY REGIONAL PLANNING COMMISSION FOR CRA AREA #2 THE FORMER LOCATION OF WONDERFUL GARDEN RESTRAUNT AND THE STAR MOTEL ON SOULT LOCUST. Grand Island developer Ray O'Connor submitted plans for a Best Western Inn and Suites

along South Locust Street. He proposed using the land to build an 80 to 82 room Best Western Inn and Suites in what's called the "Stoneridge" prototype costing approximately \$5.3 million dollars. O'Connor told the CRA members he thinks the community needs new motel rooms to compete with the neighbors to the west. O'Connor said Kearney has effectively used tax-increment financing (TIF) to build several new hotel projects there. The result has been an influx in the conference and convention business in Kearney; something in which O'Connor feels Grand Island can recover its former competitiveness. He also requested up to \$1.5 million in tax-increment financing to help with the cost of the hotel project the bulk of which would go toward relocating a major sewer line across the proposed hotel property. O'Connor bought the former Wonderful Garden restaurant property at 2623 S. Locust St., but said that ground is not wide enough to accommodate a hotel development. The former Star Motel property at 2707 and 2709 S. Locust was also too narrow due to a 20-foot hike-and-bike trail easement required by the city. But by combining the restaurant and Star Motel properties a lot approximately 247 feet wide by 350 feet deep the desired lot size is achieved for development, O'Connor said.

The CRA bought the Star Motel in a dilapidated state in December 2005 for \$155,740. It then spent \$15,339 to demolish the structure. O'Connor proposed Tuesday to buy it from the CRA for \$50,000, but only if he could also obtain TIF for the hotel project. CRA member Tom Gdowski said he had hoped to recoup more of the costs into the Star Motel property, but he felt O'Connor's proposed use; history of successful projects and high integrity in the community were favorable. Grand Island City Councilwoman Peg Gilbert said selling the property for less than the CRA had into it is an easy sell to taxpayers. The new hotel will be a driver for sales tax revenues, she said.

Both properties also have a sewer line problem that dates back to 1979. A sewer main was installed across both properties rendering most of the property unbuildable unless the line is moved. The tax-increment financing would help pay for that relocation. The \$6,600 a year in existing property taxes would continue to be paid to political subdivisions. O'Connor said the new hotel will be owned by South Pointe Development LLC, which is owned by himself, Bill Francis and Gene McCloud. McCloud owns the Super 8 motel immediately north of the proposed Best

Western site.

The Midtown Holiday Inn is just north of Super 8, which prompted CRA members to question how occupancy rates would fare with three hotels right in a row. "It can be a good thing," McCloud said. "We feed off of each other." O'Connor said each hotel also has its own market. The Holiday Inn caters toward conventions, while the Super 8 focuses on lower rates. The Best Western would have some extended-stay rooms. "We are not in the food business, the bar businesses or the meeting room business," O'Connor said of Best Western's franchise. Best Western used to have a hotel in Grand Island and contacted O'Connor, who owns the Kearney franchise, to reintroduce Best Western to Grand Island. Best Western officials have been calling weekly, O'Connor said. "I think the hotel will be a nice addition," Gdowski said. CRA member Glen Murray called it "an excellent project," while CRA member Sue Pirnie commented about the attractiveness of the "Stoneridge" design.

Nabity stated the hotel project advances to the Regional Planning Commission Nov. 5 to decide if a hotel on the property is appropriate land use. It will come back to the CRA on Nov. 12 for a tax-increment financing plan. That plan, the land sale and the redevelopment proposal will then advance to the Grand Island City Council for final action on Nov. 18.

Motion was made by Murray and second by Pirnie to approve Resolution No. 91 to forward the proposed Redevelopment Plan to the Hall County Regional Planning for its recommendation. Upon roll call vote all present voted aye. Motion carried unanimously to approve Resolution 91.

10. CONSIDERATION OF A RESOLUTION OF INTENT TO ENTER INTO A REDEVELOPMENT CONTRACT. No further discussion. Motion was made by Gdowski and second by Murray to approve Resolution No. 92 to provide the Grand Island City Council notice of intent to enter into a redevelopment contract after a passage of thirty days from the adoption of this resolution. Upon roll call vote all present voted aye. Motion carried unanimously to approve Resolution 92.

11. DIRECTOR'S REPORT.

Nabity commented there has been interest in the Façade program. Since O'Connor cleaned up the CRA property on South

Locust there have been a few calls with no one moving forward with offers. Project Armada is also still at a standstill.

12. ADJOURNMENT.

Vice Chairman Elliot adjourned the meeting at 4:55 p.m. The next meeting is scheduled for November 12, 2008.

Respectfully submitted
Chad Nabity
Director