



Community Redevelopment Authority (CRA)

**Tuesday, October 14, 2008
Regular Meeting Packet**

Board Members:

Lee Elliott

Tom Gdowski

Barry Sandstrom

Sue Pirnie

Glen Murray

**4:00 PM
Grand Island City Hall
100 E 1st Street**

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)

Tuesday, October 14, 2008
Regular Meeting

Item A1

Agenda

Staff Contact: Chad Nabity

AGENDA
Tuesday, October 14, 2008
4:00 p.m.
Grand Island City Hall

Open Meetings Notifications

1. Call to Order Lee Elliot
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.
2. Approval of Minutes of September 22, Meeting.
3. Approval of Financial Reports
4. Approval of Bills
5. Consideration of request for façade improvement funds for Abby's Carpets and More located at 208 W 3rd Street.
6. Consideration of grant request from Blessed Sacrament Church for signage and landscaping improvements located at 518 W State Street.
7. Review of Committed Projects and CRA Properties
8. Discussion of Possible Purchase/Sale of Properties in CRA Designated Areas
 - a. Review of proposal to purchase the Star Motel Property at 2709 S. Locust Street.
Proposal to purchase is part of the application for TIF for the next item on the agenda.
9. Consideration of a Resolution to forward a redevelopment plan amendment to the Hall County Regional Planning Commission for CRA Area #2 the former location of the Wonderful Garden Restaurant and the Star Motel on South Locust.
10. Consideration of a Resolution of intent to enter into a redevelopment contract.
11. Directors Report
12. Adjournment

Next Meeting November 12, 2008

The CRA may go into closed session for any agenda item as allowed by state law.



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 Nabity; 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. Nabity 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



Community Redevelopment Authority (CRA)

Tuesday, October 14, 2008
Regular Meeting

Item C1

Financial Reports

Staff Contact: Chad Nabity

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2008

	<u>MONTH ENDED</u> <u>SEPTEMBER 2008</u>	<u>2007 - 2008</u> <u>YEAR TO DATE</u>	<u>2008</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
CONSOLIDATED				
Beginning Cash	1,153,832	952,497	952,497	
REVENUE:				
Property Taxes	128,873	748,243	722,796	(25,447)
Loan Proceeds	-	-	-	-
Interest Income	28	41,041	10,000	(31,041)
Land Sales	-	-	50,000	50,000
Other Revenue	1,557	18,636	-	(18,636)
TOTAL REVENUE	<u>130,458</u>	<u>807,920</u>	<u>782,796</u>	<u>(25,124)</u>
TOTAL RESOURCES	<u>1,284,290</u>	<u>1,760,417</u>	<u>1,735,293</u>	<u>(25,124)</u>
EXPENSES				
Auditing & Accounting	-	5,000	8,000	3,000
Legal Services	180	2,143	10,000	7,858
Consulting Services	-	-	10,000	10,000
Contract Services	4,436	34,362	40,000	5,638
Printing & Binding	-	568	1,000	432
Other Professional Services	-	4,113	6,000	1,887
General Liability Insurance	-	-	250	250
Postage	15	142	250	108
Matching Grant	-	-	-	-
Legal Notices	26	828	800	(28)
Licenses & Fees	-	-	-	-
Travel & Training	-	-	1,500	1,500
Other Expenditures	-	-	500	500
Office Supplies	-	106	500	394
Supplies	-	-	300	300
Land	-	33,090	100,000	66,910
Façade Improvement	36,880	207,871	200,000	(7,871)
South Locust	-	-	-	-
Alleyway Improvement	-	-	-	-
Other Projects	-	-	500,000	500,000
Bond Principal	6,132	142,497	128,002	(14,495)
Bond Interest	-	93,076	94,794	1,718
Interest Expense	-	-	-	-
TOTAL EXPENSES	<u>47,669</u>	<u>523,795</u>	<u>1,101,896</u>	<u>578,101</u>
INCREASE(DECREASE) IN CASH	82,789	284,125	(319,100)	(603,225)
ENDING CASH	1,236,622	1,236,622	633,397	(603,225)
LESS COMMITMENTS	540,450	-		
AVAILABLE CASH	<u>696,172</u>	<u>1,236,622</u>	<u>633,397</u>	<u>(603,225)</u>
CHECKING	739,979			
PETTY CASH	50			
INVESTMENTS	496,593			
Total Cash	<u><u>1,236,622</u></u>			

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2008

	<u>MONTH ENDED</u> <u>SEPTEMBER 2008</u>	<u>2007 - 2008</u> <u>YEAR TO DATE</u>	<u>2008</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
CRA				
GENERAL OPERATIONS:				
Property Taxes	92,662	491,044	500,000	8,956
Interest Income		40,087	10,000	(30,087)
Land Sales		-	50,000	50,000
Other Revenue & Motor Vehicle Tax	1,557	5,332	-	(5,332)
TOTAL	94,220	536,463	560,000	23,537
GILI TRUST				
Property Taxes		66,410	65,780	(630)
Interest Income		548	-	(548)
Other Revenue		560	-	(560)
TOTAL	-	67,518	65,780	(1,738)
CHERRY PARK LTD II				
Property Taxes		62,743	59,180	(3,563)
Interest Income	27	251	-	(251)
Other Revenue		-	-	-
TOTAL	27	62,994	59,180	(3,814)
GENTLE DENTAL				
Property Taxes		3,497	4,202	705
Interest Income	0	3	-	(3)
Other Revenue		947	-	(947)
TOTAL	0	4,447	4,202	(245)
PROCON TIF				
Property Taxes		18,138	19,162	1,024
Interest Income		53	-	(53)
Other Revenue		972	-	(972)
TOTAL	-	19,163	19,162	(1)
WALNUT HOUSING PROJECT				
Property Taxes	30,079	93,632	74,472	(19,160)
Interest Income	0	100	-	(100)
Other Revenue		10,825	-	(10,825)
TOTAL	30,079	104,557	74,472	(30,085)
BRUNS PET GROOMING				
Property Taxes	4,576	9,536	-	(9,536)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	4,576	9,536	-	(9,536)
GIRARD VET CLINIC				
Property Taxes	1,556	3,242	-	(3,242)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	1,556	3,242	-	(3,242)
TOTAL REVENUE	130,458	807,920	782,796	(25,124)

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2008

	<u>MONTH ENDED</u> <u>SEPTEMBER 2008</u>	<u>2007 - 2008</u> <u>YEAR TO DATE</u>	<u>2008</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
EXPENSES				
CRA				
GENERAL OPERATIONS:				
Auditing & Accounting		5,000	8,000	3,000
Legal Services	180	2,143	10,000	7,858
Consulting Services		-	10,000	10,000
Contract Services	4,436	34,362	40,000	5,638
Printing & Binding		568	1,000	432
Other Professional Services		4,113	6,000	1,887
General Liability Insurance		-	250	250
Postage	15	142	250	108
Matching Grant		-	-	-
Legal Notices	26	828	800	(28)
Licenses & Fees		-	-	-
Travel & Training		-	1,500	1,500
Other Expenditures		-	500	500
Office Supplies		106	500	394
Supplies		-	300	300
Land		33,090	100,000	66,910
PROJECTS				
Façade Improvement	36,880	207,871	200,000	(7,871)
South Locust		-	-	-
Alleyway Improvement		-	-	-
Other Projects		-	500,000	500,000
TOTAL CRA EXPENSES	41,537	288,221	879,100	590,879
GILI TRUST				
Bond Principal		47,158	47,158	0
Bond Interest		18,622	18,622	(0)
Other Expenditures		-	-	-
TOTAL GILI EXPENSES	-	65,780	65,780	-
CHERRY PARK LTD II				
Bond Principal		36,824	36,824	0
Bond Interest		22,356	22,356	(0)
TOTAL CHERRY PARK EXPENSES	-	59,180	59,180	-
GENTLE DENTAL				
Bond Principal		2,082	2,127	45
Bond Interest		2,120	2,075	(45)
TOTAL GENTLE DENTAL	-	4,202	4,202	-
PROCON TIF				
Bond Principal		10,601	8,838	(1,763)
Bond Interest		8,560	10,324	1,764
TOTAL PROCON TIF	-	19,162	19,162	0
WALNUT HOUSING PROJECT				
Bond Principal		33,055	33,055	0
Bond Interest		41,417	41,417	(0)
TOTAL WALNUT HOUSING	-	74,472	74,472	0

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2008

	<u>MONTH ENDED</u> <u>SEPTEMBER 2008</u>	<u>2007 - 2008</u> <u>YEAR TO DATE</u>	<u>2008</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
BRUNS PET GROOMING				
Bond Principal	4,576	9,536	-	(9,536)
Bond Interest		-	-	-
TOTAL BRUNS PET GROOMING	<u>4,576</u>	<u>9,536</u>	<u>-</u>	<u>(9,536)</u>
GIRARD VET CLINIC				
Bond Principal	1,556	3,242	-	(3,242)
Bond Interest		-	-	-
TOTAL GIRARD VET CLINIC	<u>1,556</u>	<u>3,242</u>	<u>-</u>	<u>(3,242)</u>
TOTAL EXPENSES	<u>47,669</u>	<u>523,795</u>	<u>1,101,896</u>	<u>578,101</u>



Community Redevelopment Authority (CRA)

Tuesday, October 14, 2008
Regular Meeting

Item D1

Bills

Staff Contact: Chad Nabity

14-Oct-08

TO: Community Redevelopment Authority Board Members
FROM: Chad Nabity, Planning Department Director
RE: Bills Submitted for Payment

The following bills have been submitted to the Community Redevelopment Authority Treasurer for preparation of payment.

City of Grand Island

Administration Fees	Sep	\$1,952.49
Accounting	Oct/Nov	\$375.00
Officenet Inc.		
Postage		\$14.40

Lawn Care

Nebraska Arboretum	BID 6/Justin Evertson	\$2,858.20
Grand Island Independent		\$12.91
Monthly & Redevelopment Plan Notices		
Mayer, Burns, Koenig & Janulewicz	Legal Services	\$570.00

Total:

\$5,783.00



Community Redevelopment Authority (CRA)

Tuesday, October 14, 2008
Regular Meeting

Item E1

Committed Projects & Sale of CRA Property

Staff Contact: Chad Nabity

COMMITTED PROJECTS	AMOUNT	ESTIMATED DUE DATE
Housing Study	\$8,250	Fall 2008
Hall County	\$37,500	Fall 2007
Romsa Real Estate Center	\$75,000	Fall 2007
BID 6	\$55,000	Spring 2009
Paul Warshauer (Masonic Temple)	\$17,700	Fall 2008
New Life Community Church Façade	\$107,000	Fall 2008
2008 Wayside Horns	\$140,000	Fall 2008
2009 Wayside Horns	\$100,000	Fall 2009
Total Committed	\$540,450	

CRA PROPERTIES

Address	Purchase Price	Purchase Date	Demo Cost	Status
203 E 1 st St.	\$68,627	10-09-02	\$23,300	Surplus
217 E 1 st St	\$17,000	03-20-03	\$6,500	Surplus
408 E 2 nd St	\$4,869	11-11-05	\$7,500	Surplus
2707 and 2709 S. Locust	\$155,740	12-30-05	\$15,339.23	Surplus
211 E 1 st	\$34,702	11-13-07	\$8,000	Surplus

September 30, 2008

AGREEMENT FOR SALE AND PURCHASE OF REAL ESTATE

KNOW ALL MEN BY THESE PRESENTS:

The undersigned Seller hereby sells to the undersigned Buyer, the following-described real estate for the price and upon the terms and conditions herein set forth, and the undersigned Buyer hereby accepts said terms and conditions, agrees to pay the purchase price, and to perform the obligations of Buyer hereunder.

1. The Seller is: Community Redevelopment Authority of the City of Grand Island, Nebraska. Its address is City of Grand Island, Planning Director, P.O. Box 1968, Grand Island, Nebraska 68802. Its telephone number is 308-385-5240.

2. The Buyer is: South Pointe Development, LLC. Its address is 2502 N. Webb Road, Ste A., Grand Island, Nebraska. Its telephone number is 308-381-2497.

3. The legal description of the real estate is:

Beginning at a point 377.5 Feet North of and 33 Feet East of the Quarter Section corner between Sections Twenty-Seven (27) and Twenty-Eight (28), in Township Eleven (11) North, Range Nine (9), West of the 6th P.M., and running thence North, along a line parallel to and 33 Feet East of the Section line between said sections Twenty-Seven and Twenty-Eight (28), a distance of 147.5 Feet thence Easterly, at right angles, a distance of 354.65 Feet thence Southerly at right angles, a distance of 147.3 Feet; thence Westerly at right angles, a distance of 355.9 Feet to the place of beginning, and being a part of Lot One (1) Mainland in Section Twenty-Seven (27) in Township Eleven (11) North, Range Nine (9) West of the 6th P.M., excepting therefrom, the property described in the Report of Appraisers recorded in Book T, Page 253, of the Miscellaneous Records in the Office of the Register of Deeds, Hall County, Nebraska

4. The purchase price is FIFTY THOUSAND (\$50,000.00) DOLLARS.

5. The purchase price shall be paid as follows:

A. Earnest money of \$500.00 upon execution of this Agreement;
and

B. The balance of \$49,500.00 in certified funds on closing.

6. Buyer shall be entitled to take possession of the premises upon the closing of this transaction and the closing shall be on or before _____, 2008, which is herein called the closing date. Closing shall take place at the office of Mayer, Burns, Koenig & Janulewicz, Grand Island, Nebraska.

7. Seller shall procure a title insurance commitment issued by Grand Island Abstract Company, which shall show marketable title to the premises to be vested in the Seller subject only to easements, reservations and restrictive covenants of record. If the title insurance commitment shows title defects, Seller shall have a reasonable time to cure the defects if such can be cured. If said defects cannot be cured within a reasonable time, Buyer may elect to rescind this agreement or waive the defects.

The cost of the owner's title insurance policy shall be divided equally between the parties.

8. Real estate taxes for 2007 and all prior year's taxes are paid. Real estate taxes for 2008 shall be prorated to the date of closing. Real estate taxes for 2009 and all following years shall be paid by Buyer.

9. The documentary tax, if any, shall be paid by the Seller.

10. Upon the closing, Seller shall convey the real estate to Buyer by Special Warranty Deed, free and clear of all liens, tenancies and encumbrances except the following:

a. Subject to a Right of Way and Restrictions as shown in Deed recorded in Book 69, Page 627;

b. Subject to a Right of Way as shown in Return of Appraisers recorded in Book T, Page 263;

c. Public Landscape Easement executed by and between Rosetta F. Parker, a single person, and the City of Grand Island, Nebraska, filed September 5, 2000 in the Register of Deeds Office as Document No. 200007287;

d. Public Utilities Easement executed by and between Franklin R. Roy and Rosetta F. Parker, husband and wife, and The City of Grand Island, Nebraska, filed September 5, 2000 in the Register of Deeds Office as Document No. 200007286;

e. Public Utilities Easement executed by Eloy Uribe and Oralia Erives, husband and wife, to the City of Grand Island, Nebraska, filed January 16, 2004, in the Register of Deeds Office as Document No. 200400494.

and except any other easements, reservations and restrictive covenants of record.

11. Sale of this premises to Buyer is conditioned upon the Buyer granting to the City of Grand an easement for a "hike and bike trail" across the Southerly and Easterly portion of the premises pursuant to plans and specifications prepared by the City of Grand Island Parks and Recreation Department or Public Works Department and completed to

the satisfaction of the above referenced departments of the City of Grand Island, Nebraska. Completion of the "hike and bike" trail shall be completed by the time Buyer completes the intended improvements to the premises which is tentatively scheduled to be in 2009.

12. The sale and completion of the closing of this transaction is further contingent upon this premises together with the premises at 2603 S. Locust Street, Grand Island, Nebraska, formally known as the Wonderful Garden property being included within a tax increment financing redevelopment project pending before the Community Redevelopment Authority of the City of Grand Island, Nebraska. If the above TIF redevelopment project is not ultimately approved by the City Council of the City of Grand Island, Nebraska, this agreement shall be rescinded and Buyer shall receive back its earnest money payment.

13. This premises consists of unimproved ground. Buyer acknowledges that its agent has inspected the premises and Buyer accepts the sale of the premises "as is" and does not rely upon any representations made by or on behalf of Seller as to the condition of the real estate. Seller disclaims all warranties with respect to the sale of the real estate to Buyer under the terms of this agreement. Buyer waives the necessity of a survey to determine the boundaries of the premises.

14. Buyer acknowledges that it will have to incur the cost of relocating the sanitary sewer main on the premises as well as the cost of connecting to the City water main located on the West side of Locust Street. Buyer further acknowledges that it will be obligated to pay the cost of the "hike and bike" trail improvements on the premises as required by the plans and specifications for improvement of the trail.

15. Seller and Buyer each agree that time is an essential element of this agreement.

16. If either Seller or Buyer breaches this agreement, then that nonbreaching party shall be entitled to all remedies available at law and in equity for the performance of this agreement or for damages.

17. All covenants and conditions herein contained shall extend to and be obligatory upon the parties hereto and their successors and assigns.

EXECUTED THIS ____ day of _____, 2008.

COMMUNITY REDEVELOPMENT
AUTHORITY OF GRAND ISLAND,
NEBRASKA

By _____
Barry Sandstrom, Chair

SELLER

SOUTH POINTE DEVELOPMENT, LLC

By _____
Member

By _____
Member

BUYER

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by Barry Sandstrom, Chairperson for the Community Redevelopment Authority of Grand Island, Nebraska, on behalf of said Community Redevelopment Authority.

Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by _____, Member and by _____, Member of South Pointe Development, LLC.

Notary Public



Community Redevelopment Authority (CRA)

Tuesday, October 14, 2008
Regular Meeting

Item H1

TIF Request - 2709 S Locust

Staff Contact: Chad Nabity

BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

- I. Business Name: SOUTH POINTE DEVELOPMENT, L.L.C.
Address: PO BOX 139 – GRAND ISLAND NE 68802
Telephone No.: (308) 381-2497
Contact: Raymond J. O'Connor
- II. Brief Description of Applicant's Business:
Real Estate Developer and Hotel Owner
- III. Present Ownership Proposed Project Site:
Raymond and Jennifer O'Connor – 2623 S. Locust St. – Grand Island, NE
Grand Island Community Redevelopment Authority – CRA Property to be
acquired: 2707-2709 South Locust Street – Grand Island, NE
- IV. Proposed Project: Building square footage, size of property, description of
Buildings – materials, etc. Please attach site plan, if available.
Eighty-two (82) room Best Western Inn and Suites
***Please review attached hotel material*
- V. If Property is Subdivided, Show Division Planned:
- VI. Estimated Project Costs:
- Acquisition Costs:
- | | |
|---|-------------------|
| A. Land and Affiliate Cost (2623 S. Locust St.) | \$ <u>225,000</u> |
| B. 2709 – 2709 South Locust | \$ <u>50,000</u> |
- Construction Costs:
- | | |
|----------------------------------|---------------------|
| A. Renovation of Building Costs: | \$ <u>5,247,500</u> |
| B. On-Site Improvements: | \$ <u>Included</u> |

Soft Costs:

A. Architectural & Engineering Fees:	\$ <u>75,000</u>
B. Financing Fees:	\$ <u>5,000</u>
C. Legal / Developer / Audit Fees:	\$ <u>2,500</u>
D. Contingency Reserves:	\$ <u>n/a</u>
E. Other (Please Specify)	\$ <u>n/a</u>
TOTAL	\$ <u>82,500</u>

VII. Total Estimated Market Value at Completion: \$ 5,330,000

VIII. Source of Financing:

A. Developer Equity:	\$ <u>1,200,000</u>
B. Commercial Bank Loan:	\$ <u>4,130,000</u>
C. Tax Credits:	
1. N.I.F.A.	\$ <u>n/a</u>
2. Historic Tax Credits	\$ <u>n/a</u>
D. Industrial Revenue Bonds:	\$ <u>n/a</u>
E. Tax Increment Assistance: <i>**Total over a 15 year time period</i>	\$ <u>1,567,609</u>
F. Other	\$ <u>n/a</u>

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

Narber, Inc., PO Box 1781, Grand Island, NE, 68802-1781
Phone (308) 381-1970, Fax (308) 384-2963

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

\$5,330,000 x 2.074528% = \$110,572.00 Yearly

XI. Project Construction Schedule:

A. Construction Start Date: 90 days after Tax Increment Financing is available
B. Construction Completion Date: 270 days after construction start date

C. If Phased Project:

<u>n/a</u>	Year	<u>n/a</u>	Year
<u>n/a</u>	Year	<u>n/a</u>	Year

XII. Please Attach Construction Pro Forma

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

TAX INCREMENT FINANCING REQUEST INFORMATION

- I. Describe Amount and Purpose for Which Tax Increment Financing is Requested:
The amount of Tax Increment Financing requested is approximately \$1,567,609
for 15 years. These funds will be used to assist in building and operating an 82 room
Best Western Inn and Suites. Real Estate Taxes of Six Thousand and Twenty-Six
Dollars (\$6,026.00) would continue to be paid each year of Tax Increment Financing.
- II. Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing
for Proposed Project:
Tax Increment Financing is an integral and essential component in the overall
Financing of the project development in order to create adequate economics
for the construction and operation of this hospitality product.
- III. 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:
City of Grand Island – Raymond J. O'Connor
City of Kearney – Raymond J. O'Connor
South Pointe Development L.L.C. will be a newly formed Nebraska
Limited Liability Company.
- IV. Please Attach Applicant's Corporate / Business Annual Financial Statements for
the Last Three Years.
South Pointe Development will be a newly formed Nebraska Limited
Liability Company, thus it has no financial history.



MID-SCALE PROTOTYPE: STONERIDGE

© 2007 Best Western International, Inc.



STONERIDGE EXTERIOR & PORTE COCHERE

THE MID-SCALE PROTOTYPE INTERIOR.

Responsive to the needs of guests. Value engineered for investors. Timeless in its appeal.



THE INTERIOR CORRIDOR



THE LOBBY AND REGISTRATION DESK

The Stoneridge interior design featured here fuses Arts & Crafts with Contemporary for a casual luxury that is inviting to guests. Familiar materials of wood, metal and stone, accented by vibrant autumnal colors are timeless and universal in their appeal.

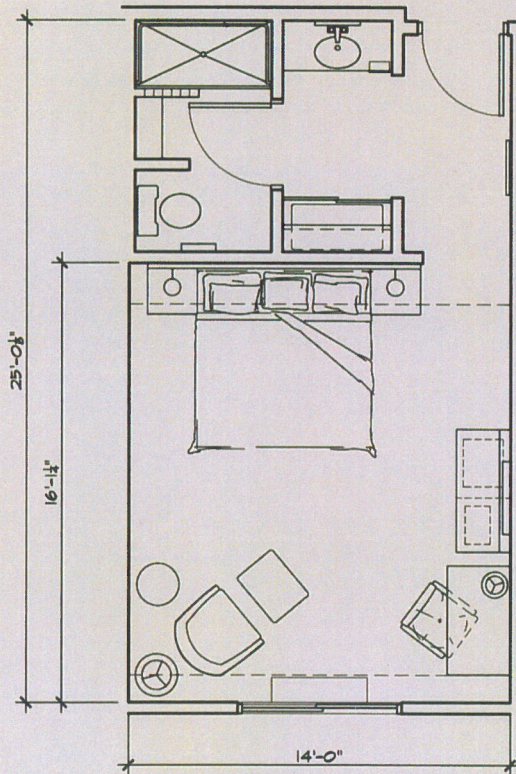


The Stoneridge Prototype Guestroom: A one-of-a-kind headboard created by Best Western designers calls out to guests that this is no cookie-cutter hotel - a point of difference that sets Best Western properties apart from the competition. The smartly designed desk has a built-in power strip for easy port access. Guests can adjust ceiling, tabletop and floor lighting to suit their mood and enjoy every modern amenity from the comfort of plush, overstuffed furniture - all of which comes at the greatest possible value for guests and investors alike.

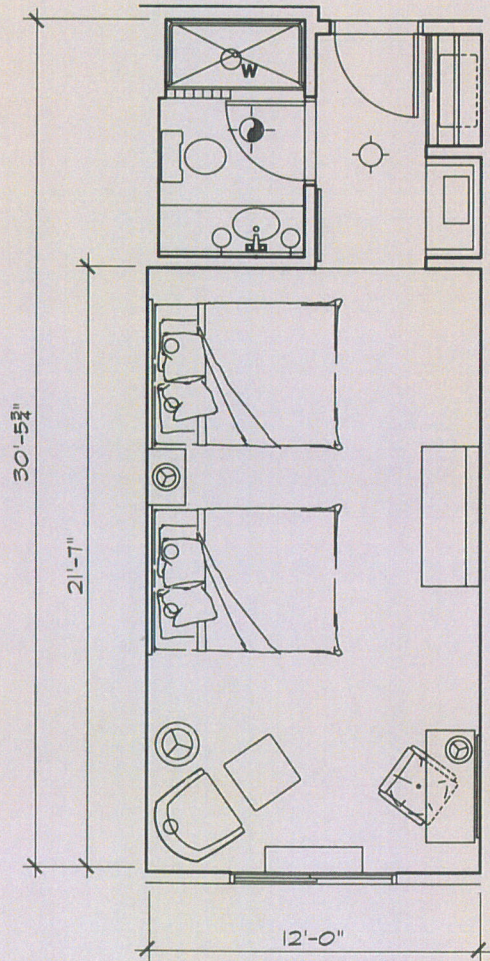
Guestroom designs and room standards are specific to their respective prototype and therefore can only be used as designated.

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14-FOOT WIDTH KING GUEST UNIT



12-FOOT WIDTH DOUBLE QUEEN UNIT



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KING GUEST UNIT 14-foot width

Total room size	14'-0" x 25'-0"
Living area size	14'-0" x 16'-1 1/4"
Net square feet	350
Number of units	20



DOUBLE QUEEN GUEST UNIT 12-foot width

Total room size	12'-0" x 30'-5 3/4"
Living area size	12'-0" x 21'-7"
Net square feet	366
Number of units	30

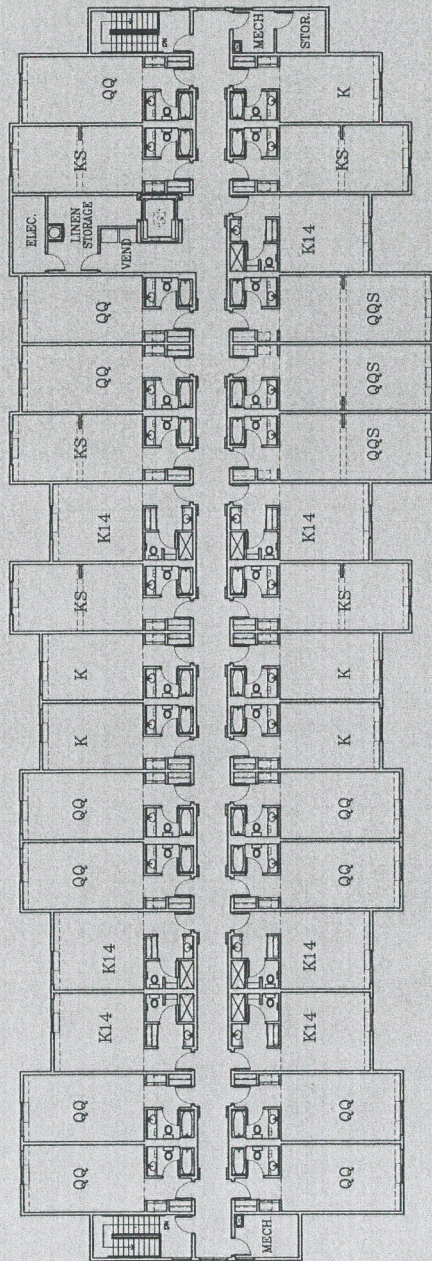
The floor plan is a symmetrical, U-shaped building layout. The central corridor runs vertically, with rooms branching off to the left and right. The left side includes a large 'POOL' at the top, followed by 'FITNESS CENTER', 'MECH. ROOM', 'POOL EQUIP.', 'TERM. ROOM', 'LAUNDRY', 'VENDING', 'OFFICE', 'GENERAL OFFICE', 'REGISTRATION', 'PHONE COMP.', 'STOR.', 'MEETING ROOM', 'K14', 'KS', 'K HCP', 'K', 'QQ', 'QQ', 'K14', 'K14 HCP', 'QQ', 'QQ', 'STOR.'. The right side includes a 'PATIO', 'POOL', 'MECH. ROOM', 'POOL EQUIP.', 'TERM. ROOM', 'LAUNDRY', 'VENDING', 'OFFICE', 'GENERAL OFFICE', 'REGISTRATION', 'PHONE COMP.', 'STOR.', 'MEETING ROOM', 'K14', 'KS', 'K HCP', 'K', 'QQ', 'QQ', 'K14', 'K14 HCP', 'QQ', 'QQ', 'STOR.'. The central area features a 'LOBBY' with a 'VESTIBULE' and 'BUS CNTR.' at the top. The bottom section contains a 'BREAKFAST AREA' with a 'COFFER CEILING' and a 'MECH. EMPLOYER LOUNGE'. The plan also shows various smaller rooms like 'LINEN STOR.', 'ELEV. EQ.', 'DRESSING ROOM', 'W.C.', 'MEN', 'WOMEN', and 'STOR.'.

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Guest room GSF	Public areas	Square feet
King rooms	Lobby area	881
King 14' rooms	Breakfast area	786
Double Queen rooms	Board Room	416
King Mini Suites	Business Center	97
Total rooms	Fitness area	307
		s

MID-SCALE

STONERIDGE PROTOTYPE



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UPPER FLOOR PLAN

Guest room GSF	11,212
King rooms	5
King 14' rooms	7
Double Queen rooms	11
King Mini Suites	5
Double Queen Mini Suites	3
Total rooms	31