



Community Redevelopment Authority (CRA)

Wednesday, April 8, 2009
Regular Meeting

Item B1

Meeting Minutes

Staff Contact: Chad Nabity

OFFICIAL PROCEEDINGS

MINUTES OF

COMMUNITY REDEVELOPMENT AUTHORITY

MEETING OF

March 19, 2009

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 March 20, 2009 at City Hall 100 E First Street. Notice of the meeting was given in the March 12, 2009 Grand Island Independent.

1. CALL TO ORDER Chairman Barry Sandstrom called the meeting to order at 4:00 p.m. The following members were present: Barry Sandstrom, Lee Elliott, Tom Gdowski and Glen Murray. Also present were; Director, Chad Naby; Rose Woods; CRA Attorney; Duane Burns, Finance Director, Dave Springer, Council Liaison, Kirk Ramsey, Linda Addison and Randy Chick.

Sandstrom 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 February 20, 2009 meeting, Ramsey requested a change to the meeting minutes to reflect that he was at the February meeting. Murray made the motion to approve the February 20, meeting minutes with the requested change to add that Ramsey was in attendance, seconded by Gdowski. Upon roll call vote, all present voted aye. Motion carried unanimously.
3. APPROVAL OF FINANCIAL REPORTS. Dave Springer reviewed the financial reports for the period of February 1, 2009 through February 28, 2009. He noted revenue in the amount of \$71,212 and expenses in the amount of \$3,068 for the month. Total cash was \$1,227,857. Motion by Gdowski, second by Elliott, to approve the financial reports. Gdowski also suggested to Springer to look into moving some money to different accounts. 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 Elliott, second by Gdowski, to approve the bills in the amount of \$2967.72 with the addition of \$14.18 for postage. Upon roll call vote all present voted aye. Motion carried unanimously to approve the payment of bills totaling \$2981.90.

5. PRESENTATION BY LINDA ADDISON AND RANDY CHICK.

Nabity explained this is approximately 14 acres near Fonner Park; this is the remaining land from Pleasant View Subdivision. Addison is here to ask the CRA to conduct a study to see if the area could be declared blighted and substandard.

Addison proposed a 38-home affordable housing project to be built just north of Fonner Park in Grand Island with the use of Tax Increment financing. Tax-increment financing (TIF) would have redirected the property taxes on the new homes for up to 15 years to pay for water, sewer and street extensions into the so-called Pleasant View Subdivision.

Addison, director the Housing Development Corp., said TIF was an integral part of the project. The project also hinged on grant support from the Nebraska Department of Economic Development support that had been given preliminarily and a previous loan commitment from the Nebraska Investment Finance Authority.

Addison said the three-bedroom, single-family homes with basements and an attached two-car garage would range in size from 1,080 to 1,290 square feet. The homes would sell for \$115,000 to \$120,000, but have an appraisal price of about \$145,000.

The only comparable affordable housing subdivision in Nebraska outside of Lincoln or Omaha is in Hastings. It's the Southwood Subdivision, which the Housing Development Corp. began in 1998. Southwood was built on a cornfield next to existing older homes, which actually increased in value after the new homes went in, Addison said.

Randy Chick, Director of the Hastings CRA, spoke about how the CRA in Hastings was involved with the HDC and the Southwood development.

The sticking point for the project came from neighbors and concerns raised about the project's impact on their property values.

"It will bring the value of our homes down," said Max Swantek, 916 E. South St. He and six other South Street homeowners attended the CRA meeting in protest of the affordable housing project. "What you sell it for is what will depreciate my home," Swantek said. South Street homeowner Laura Norvell said she built her 1,600-square-foot home at 810 E. South St. new five years ago. It has a value of \$190,000. "I won't be able to get that out of my home" if surrounding homes are not comparable, she told the CRA.

Addison said just because her nonprofit organization doesn't build smaller homes on the 13-acre site, that doesn't stop a private developer from doing the same and potentially lowering the neighborhood values.

"But that's capitalism," Sandstrom said. He did encourage Addison to work

cooperatively with the CRA to find, rehabilitate or demolish and redevelop substandard homes in Grand Island. Other CRA members also supported future work with the Housing Development Corp. "This is a good project and would serve a need," Murray said. "Maybe look at other areas of town that wouldn't have an impact on neighbors that this one would."

Sandstrom looked for a motion to start a blight study for the Pleasant View area. No motion was made by any CRA members.

CRA member Lee Elliott wanted data on what impact the subdivision may have on the surrounding homes. Addison said she had no such data and had no way of getting it. Elliott said without that data, he didn't feel comfortable spending taxpayer money for a blight and substandard study. Neither did CRA members Tom Gdowski, Glen Murray or Barry Sandstrom.

6. REVIEW OF COMMITTED PROJECTS & CRA PROPERTIES.

Nabity stated that the sale of the Star Motel property was final. Also the Hall County building just sent out requests for bids on the remainder of the paving project. The 2009 Wayside horns are also moving forward with August or September to have the first phase complete.

7. ADJOURN TO EXECUTIVE SESSION TO DISCUSS NEGOTIATIONS. There were No negotiations to discuss.

8. DIRECTOR'S REPORT.

9. ADJOURNMENT.

Chairman Sandstrom asked for a motion to adjourn the meeting, motion made by Gdowski and seconded by Murray, Sandstrom adjourned the meeting at 5:35 p.m. The next meeting is scheduled for April 8, 2009.

Respectfully submitted
Chad Nabity
Director