



Community Redevelopment Authority (CRA)

**Wednesday, October 12, 2011
Regular Meeting Packet**

Board Members:

Michelle Fitzke

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)

Wednesday, October 12, 2011
Regular Meeting

Item A1

Agenda

Staff Contact: Chad Nabity

AGENDA
Wednesday October 12, 2011
4:00 p.m.
Grand Island City Hall

Open Meetings Notifications

1. Call to Order.
This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them.
2. Approval of Minutes of September 21, 2011 Meeting.
3. Approval of Financial Reports.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. Discussion concerning Purchase/Sale of Real Estate of property.
 - a. Proposal received on 408 E 2nd Street
7. Approve Resolution or Resolutions to Purchase/Sell Real Estate.
8. Directors Report
9. Adjournment

Next Meeting November 9, 2011

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



Community Redevelopment Authority (CRA)

Wednesday, October 12, 2011
Regular Meeting

Item B1

Meeting Minutes

Staff Contact: Chad Nabity

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF September 21, 2011

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 September 21, 2011 at City Hall 100 E First Street. Notice of the meeting was given in the September 14, 2011 Grand Island Independent.

1. CALL TO ORDER. Barry Sandstrom called the meeting to order at 4:02 p.m. The following members were present: Tom Gdowski, Glen Murray, and Sue Pirnie. Also present were; Director, Chad Nabity; Secretary, Rose Woods and Legal Council Duane Burns, Council Liaison Randy Gard, Arnold Wenn and Todd Enck .

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 correction was made to the meeting minutes on item #6 there was an error, a word was incorrectly spelled. With the correction noted, a motion for approval of the Minutes for the July 27, 2011 meeting was made by Pirnie. Motion was seconded by Murray. Upon roll call vote, all present voted aye. Motion carried unanimously.
3. APPROVAL OF FINANCIAL REPORTS. The financial reports for the period of August 1, 2011 through August 31, 2011. Motion to was made by Gdowski and seconded by Pirnie 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 Sandstrom. Motion made by Murray and seconded by Pirnie to approve the bills in the amount of \$215,634.13. Upon roll call vote all present voted aye. Motion carried unanimously to approve the payment of bills totaling \$215,634.13.
5. CONSIDERATION OF RESOLUTION OF INTENT. Consideration to approve a Resolution of intent to enter into a Redevelopment Contract with Arnold Wenn, for redevelopment of an area within the city limits of the City of Grand Island, at 1822 W 13th Street, Grand Island. The CRA passed Resolution 125 notifying City Council of their intent to enter into a redevelopment contract at their meeting on July 27, 2011. The Hall County Regional Planning Commission met on August 3, 2011 and

passed Resolution 2011-02 finding that this plan amendment is consistent with the comprehensive development plan for the City of Grand Island. The Grand Island City Council passed Resolution 2011-224 approving the redevelopment plan at their meeting on August 23, 2011. Motion made by Murray and seconded by Pirnie to approve the Resolution of intent to enter into a Redevelopment Contract with Arnold Wenn. Upon roll call vote all present voted aye. Motion carried unanimously to approve the Redevelopment Contract.

6. CONSIDERATION OF RESOLUTION OF INTENT. Consideration to approve a Resolution of intent to enter into a Redevelopment Contract with TOKEN, LLC (Todd & Kelly Enck), for redevelopment of an area within the city limits of the City of Grand Island, at 213 N Ruby Street, Grand Island. The CRA passed Resolution 124 notifying City Council of their intent to enter into a redevelopment contract at their meeting on July 27, 2011. The Hall County Regional Planning Commission met on August 3, 2011 and passed Resolution 2011-03 finding that this plan amendment is consistent with the comprehensive development plan for the City of Grand Island. The Grand Island City Council passed Resolution 2011-223 approving the redevelopment plan at their meeting on August 23, 2011.

Grand Island builder Todd Enck spoke at the meeting noting without the availability of tax-increment financing, there's no way he would have pursued constructing a new duplex in an old Grand Island neighborhood. He said with the recent questions raised by the Grand Island City Council about the financing have made him skittish about pursuing such development in the future.

"The council made me nervous," he said Wednesday to the Community Redevelopment Authority (CRA), which finalized a contract extending \$51,000 of tax-increment funding to a \$140,000 duplex Enck plans to build at 213 N. Ruby. The new duplex will replace a \$14,000 substandard house that the assessor has listed as "worn out," which had been red-tagged as a problem property by the city. Despite its poor condition, people were living in the property one month prior to Enck buying it. "If (TIF) didn't get approved, I don't know what I'd do with it," Enck said. "I would definitely try to sell it and it would probably be rented" again in substandard condition.

When the city council reviewed Enck's contract on Aug. 23, several council members raised questions about the 15-year length of time for financing on smaller scale projects like his and the possible depreciation of the improved property when it's a rental. They seemed to imply that city tax revenues were being lost on tax-increment financing projects.

But nothing could be further from the truth, Enck said. Tax-increment financing adds property valuation, creates construction jobs and revitalizes older parts of town, he said. As a tax-increment financing project, Enck is

forbidden from protesting his higher valuation, so depreciation isn't even an issue. The valuation on his property will raise from \$14,000 to \$140,000 of brand new duplex. He'll pay property taxes on the \$140,000, but get the property taxes on the new \$126,000 of value back to help with expenses for the project for up to 15 years.

CRA Director Chad Nabity said you don't have to look much past the cost of buying a bad property and demolishing to understand that such revitalization projects simply wouldn't occur without tax-increment financing. In Enck's case, he spent \$25,000 on the substandard house and another \$15,000 to clear the lot and prepare it for construction. For the same \$40,000, Enck could have purchased a brand new lot in a new development west of town, built a new duplex there and made more money selling it outright or renting it. The \$40,000 lot on north Ruby simply doesn't carry the same value, even though it's the same cost, Nabity said.

"What's the incentive to build on North Ruby?" he asked the CRA. The incentive is tax-increment financing, answered CRA Chairman Barry Sandstrom. It's not a flat-out gift to builders and developers, it's simply a way to leverage the builder's own capital. The builder's capital is what is replacing bad homes with good ones in Grand Island, a mission the CRA and city have been vocal about supporting.

City councilman Randy Gard, a liaison to the CRA, said he was uneasy to hear Enck's comments Wednesday. "I'm concerned there's a wrong message being sent," Gard said. "All of a sudden we're scared of TIF and we've got a bunch of folks who may be willing to do something that aren't because they don't know where the council is going. We need to fix that." Gard said a bunch of smaller-scale projects like Enck's could have the same affect as one large-scale one.

And no larger-scale projects have come forward lately, said CRA member Tom Gdowski. Isn't it wrong to hold out for something that hasn't come?

The smaller projects, like an apartment complex on Lincoln Avenue, a duplex on 13th Street and a water line on Poplar, spread the revitalization across town, Nabity said. Whenever the city conducts a blight and substandard study, it's in essence preparing to invite tax-increment financing applications, he said.

A motion was made by Gdowski and seconded by Murray to approve the Resolution of intent to enter into a Redevelopment Contract with TOKEN, LLC or (Todd & Kelly Enck). Upon roll call vote all present voted aye. Motion carried unanimously to approve the Redevelopment Contract.

7. REVIEW OF COMMITTED PROJECTS & CRA PROPERTIES.

Nabity briefly reviewed the Committed Projects. The first phase of the Wayside horns will be completed this fall. This will be presented to Council at the September 27, 2011. The Grand Island Christian School demo is complete. The bills have been submitted for payment and the checks were just approved for payment. The Façade is nearing completion as well. The check will be sent for the \$80,000 Façade however the demo needs to have the lien wavier signed then the check for the \$129,000 can be released. Meyer and Erives are still working on the 3rd St project. It's still all boarded up. The Grand Façade is still moving forward, they just received there grant from DED. The Wilmar Realty LLC is moving forward as well they should be done this fall as the project is nearing completion. The downtown BID is still moving forward as the first project the POW Memorial is completed and the bills should be coming in next month.

8. DISCUSSION CONCERNING PURCHASE/SALE OF REAL ESTATE.
9. APPROVE RESOLUTION OR RESOLUTIONS TO PURCHASE/SELL PROPERTY.
10. DIRECTORS REPORT.
11. ADJOURNMENT.

Sandstrom adjourned the meeting at 4:58 p.m.

The next meeting is scheduled for October 12, 2011 at 4:00 p.m.

Respectfully submitted
Chad Nabity
Director



Community Redevelopment Authority (CRA)

Wednesday, October 12, 2011
Regular Meeting

Item C1

Financial Reports

Staff Contact: Chad Nabity

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2011

CONSOLIDATED	<u>MONTH ENDED</u> <u>SEPTEMBER 2011</u>	<u>2010 - 2011</u> <u>YEAR TO DATE</u>	<u>2011</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
Beginning Cash	1,038,096	985,902	985,902	
REVENUE:				
Property Taxes	116,926	733,244	653,977	(79,267)
Loan Proceeds	-	-	-	-
Interest Income	93	2,620	12,940	10,320
Land Sales	-	29,906	50,000	20,094
Other Revenue	4,541	24,515	-	(24,515)
TOTAL REVENUE	121,561	790,286	716,917	(73,368)
TOTAL RESOURCES	1,159,656	1,776,187	1,702,819	(73,368)
EXPENSES				
Auditing & Accounting	23	4,998	7,500	2,502
Legal Services	255	2,389	10,000	7,611
Consulting Services	-	-	10,000	10,000
Contract Services	5,923	78,795	40,000	(38,795)
Printing & Binding	-	-	1,000	1,000
Other Professional Services	-	6,393	5,000	(1,393)
General Liability Insurance	-	-	250	250
Postage	31	712	200	(512)
Matching Grant	-	-	-	-
Legal Notices	403	881	800	(81)
Licenses & Fees	-	-	-	-
Travel & Training	-	-	1,000	1,000
Other Expenditures	-	-	500	500
Office Supplies	-	746	500	(246)
Supplies	-	-	300	300
Land	-	2,002	100,000	97,998
Façade Improvement	209,000	442,155	539,950	97,795
South Locust	-	-	-	-
Alleyway Improvement	-	-	-	-
Other Projects	-	-	800,000	800,000
Bond Principal	25,693	255,618	161,611	(94,007)
Bond Interest	-	63,170	81,172	18,002
Interest Expense	-	-	-	-
TOTAL EXPENSES	241,328	857,858	1,759,783	901,925
INCREASE(DECREASE) IN CASH	(119,767)	(67,573)	(56,965)	
ENDING CASH	918,329	918,329	928,937	
LESS COMMITMENTS	356,900	705,900		
AVAILABLE CASH	561,429	212,429	928,937	-
CHECKING	565,896			
INVESTMENTS	352,433			
Total Cash	918,329			

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2011

	<u>MONTH ENDED</u> <u>SEPTEMBER 2011</u>	<u>2010 - 2011</u> <u>YEAR TO DATE</u>	<u>2011</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
CRA				
GENERAL OPERATIONS:				
Property Taxes	91,233	421,109	425,000	3,891
Interest Income	80	2,403	8,000	5,597
Land Sales		29,906	50,000	20,094
Other Revenue & Motor Vehicle Tax	4,541	12,372	-	(12,372)
TOTAL	95,854	465,790	483,000	17,210
GILI TRUST				
Property Taxes		66,223	65,780	(443)
Interest Income		12	-	(12)
Other Revenue		-	-	-
TOTAL	-	66,235	65,780	(455)
CHERRY PARK LTD II				
Property Taxes		63,374	59,180	(4,194)
Interest Income	13	186	-	(186)
Other Revenue		-	-	-
TOTAL	13	63,561	59,180	(4,381)
GENTLE DENTAL				
Property Taxes		4,512	4,202	(310)
Interest Income	0	2	-	(2)
Other Revenue		-	-	-
TOTAL	0	4,514	4,202	(312)
PROCON TIF				
Property Taxes		18,163	19,162	999
Interest Income	0	4	-	(4)
Other Revenue		1,555	-	(1,555)
TOTAL	0	19,722	19,162	(560)
WALNUT HOUSING PROJECT				
Property Taxes		63,871	74,472	10,601
Interest Income		13	-	(13)
Other Revenue		10,588	-	(10,588)
TOTAL	-	74,471	74,472	1
BRUNS PET GROOMING				
Property Taxes		6,727	4,986	(1,741)
Interest Income		-	4,940	4,940
Other Revenue		-	-	-
TOTAL	-	6,727	9,926	3,199
GIRARD VET CLINIC				
Property Taxes		350	-	(350)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	-	350	-	(350)
GEDDES ST APTS-PROCON				
Property Taxes		29,185	1,195	(27,990)
Interest Income		-	-	-
Other Revenue		-	-	-

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2011

	<u>MONTH ENDED</u> <u>SEPTEMBER 2011</u>	<u>2010 - 2011</u> <u>YEAR TO DATE</u>	<u>2011</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
TOTAL	-	29,185	1,195	(27,990)
SOUTHEAST CROSSING				
Property Taxes	4,948	12,200	8,866	(3,334)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	4,948	12,200	8,866	(3,334)
CASEY'S @ FIVE POINTS				
Property Taxes		4,429	-	(4,429)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	-	4,429	-	(4,429)
SOUTH POINTE HOTEL PROJECT				
Property Taxes	19,965	41,479	-	(41,479)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	19,965	41,479	-	(41,479)
TODD ENCK PROJECT				
Property Taxes	781	1,622	-	(1,622)
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	781	1,622	-	(1,622)
SKAGWAY				
Property Taxes		-	-	-
Interest Income		-	-	-
Other Revenue		-	-	-
TOTAL	-	-	-	-
TOTAL REVENUE	121,561	790,286	725,783	(64,503)

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2011

	<u>MONTH ENDED</u> <u>SEPTEMBER 2011</u>	<u>2010 - 2011</u> <u>YEAR TO DATE</u>	<u>2011</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
EXPENSES				
CRA				
GENERAL OPERATIONS:				
Auditing & Accounting	23	3,998	7,500	3,502
Legal Services	255	2,389	10,000	7,611
Consulting Services		-	10,000	10,000
Contract Services	5,923	40,666	40,000	(666)
Printing & Binding		-	1,000	1,000
Other Professional Services		6,393	5,000	(1,393)
General Liability Insurance		-	250	250
Postage	31	712	200	(512)
Matching Grant		-	-	-
Legal Notices	403	881	800	(81)
Licenses & Fees		-	-	-
Travel & Training		-	1,000	1,000
Other Expenditures		-	500	500
Office Supplies		746	500	(246)
Supplies		-	300	300
Land		2,002	100,000	97,998
PROJECTS				
Façade Improvement	209,000	442,155	539,950	97,795
South Locust		-	-	-
Alleyway Improvement		-	-	-
Other Projects		-	800,000	800,000
TOTAL CRA EXPENSES	215,634	499,941	1,517,000	1,017,059
GILI TRUST				
Bond Principal		59,654	51,001	(8,653)
Bond Interest		6,126	14,779	8,653
Other Expenditures		-	-	-
TOTAL GILI EXPENSES	-	65,780	65,780	0
CHERRY PARK LTD II				
Bond Principal		46,245	39,729	(6,516)
Bond Interest		12,935	19,451	6,516
TOTAL CHERRY PARK EXPENSES	-	59,180	59,180	-
GENTLE DENTAL				
Bond Principal		2,566	2,276	(290)
Bond Interest		1,636	1,926	290
TOTAL GENTLE DENTAL	-	4,202	4,202	-
PROCON TIF				
Bond Principal		10,829	9,467	(1,362)
Bond Interest		8,333	9,695	1,362
TOTAL PROCON TIF	-	19,162	19,162	0
WALNUT HOUSING PROJECT				
Bond Principal		40,331	39,151	(1,180)
Bond Interest		34,141	35,321	1,180
TOTAL WALNUT HOUSING	-	74,472	74,472	0

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2011

	<u>MONTH ENDED</u> <u>SEPTEMBER 2011</u>	<u>2010 - 2011</u> <u>YEAR TO DATE</u>	<u>2011</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
BRUNS PET GROOMING				
Bond Principal		6,727	4,986	(1,741)
Bond Interest		-	-	-
TOTAL BRUNS PET GROOMING	-	6,727	4,986	(1,741)
GIRARD VET CLINIC				
Bond Principal		350	4,940	4,590
Bond Interest		-	-	-
TOTAL GIRARD VET CLINIC	-	350	4,940	4,590
GEDDES ST APTS - PROCON				
Bond Principal		29,185	1,195	(27,990)
Bond Interest		-	-	-
TOTAL GEDDES ST APTS - PROCON	-	29,185	1,195	(27,990)
SOUTHEAST CROSSINGS				
Bond Principal	4,948	12,200	8,866	(3,334)
Bond Interest		-	-	-
TOTAL SOUTHEAST CROSSINGS	4,948	12,200	8,866	(3,334)
POPLAR STREET WATER				
Bond Principal		-	-	-
Bond Interest		-	-	-
Auditing & Accounting		-	-	-
Contract Services		38,129	-	(38,129)
TOTAL POPLAR STREET WATER	-	38,129	-	(38,129)
CASEY'S @ FIVE POINTS				
Bond Principal		4,429	-	(4,429)
Bond Interest		-	-	-
TOTAL CASEY'S @ FIVE POINTS	-	4,429	-	(4,429)
SOUTH POINTE HOTEL PROJECT				
Bond Principal	19,965	41,479	-	(41,479)
Bond Interest		-	-	-
TOTAL SOUTH POINTE HOTEL PROJECT	19,965	41,479	-	(41,479)
TODD ENCK PROJECT				
Bond Principal	781	1,622	-	(1,622)
Bond Interest		-	-	-
TOTAL CASEY'S @ FIVE POINTS	781	1,622	-	(1,622)
SKAGWAY				
Bond Principal		-	-	-
Bond Interest		-	-	-
Auditing & Accounting		1,000	-	(1,000)
TOTAL SKAGWAY	-	1,000	-	(1,000)
TOTAL EXPENSES	241,328	857,858	1,759,783	901,925



Community Redevelopment Authority (CRA)

Wednesday, October 12, 2011
Regular Meeting

Item D1

Bills

Staff Contact: Chad

12-Oct-11

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		\$ 3,701.44
Accounting	Acct fees Oct - Dec	\$ 375.00
Officenet Inc.		
Postage		\$ 22.87
Lawnscape	408 E 2nd / September	\$ 128.00
Grand Island Independent	Budget/Final Tax	\$ 896.83
Olsson Associates	Blight Study	\$ 3,000.00
Mayer, Burns, Koenig & Janulewicz	Legal Services	\$ 150.00
BID #7 Assessment	3235 S Locust	\$ 2,566.98
Total:		<u><u>\$ 10,841.12</u></u>



Community Redevelopment Authority (CRA)

**Wednesday, October 12, 2011
Regular Meeting**

Item E1

Committed Projects

Staff Contact: Chad Nabity

COMMITTED PROJECTS	TOTAL AMOUNT	2011 FISCAL YR	2012 FISCAL YR	2013 FISCAL YR	ESTIMATED COMP
2010 Wayside Horns (Oak, Pine, Elm & Walnut)	\$140,000		\$140,000		Winter 2011
2012 Wayside Horns (Custer/Blaine)	\$100,000		\$100,000		
123 W 3 rd St.	\$59,400	\$59,400			Winter 2011
The Grand Façade \$300,000 (\$100 over 3 fiscal yrs)	\$300,000	\$100,000	\$100,000	\$100,000	Spring 2012
Wilmar Realty LLC \$300,000 (\$100 over 3 fiscal yrs)	\$300,000	\$100,000	\$100,000	\$100,000	Fall 2011
Downtown BID	\$97,500	\$97,500			Fall 2011
Total Committed	\$996,900.00	\$356,900.00	\$440,000.00	\$200,000.00	

CRA PROPERTIES

Address	Purchase Price	Purchase Date	Demo Cost	Status
408 E 2 nd St	\$4,869	11/11/2005	\$7,500	Surplus
3235 S Locust	\$450,000	4/2/2010	\$39,764	Surplus

September 30, 2011