



# **Community Redevelopment Authority (CRA)**

**Wednesday, February 15, 2012  
Regular Meeting Packet**

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## **Board Members:**

**Michelle Fitzke**

**Tom Gdowski**

**Barry Sandstrom**

**Sue Pirnie**

**Glen Murray**

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

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## **Call to Order**

## **Roll Call**

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### **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.

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### **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.

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### **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, February 15, 2012**  
**Regular Meeting**

## **Item A1**

### **Agenda**

Staff Contact: Chad Nabity

**AGENDA**  
**Wednesday February 15, 2012**  
**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 January 11, 2012 Meeting.
3. Approval of Financial Reports.
4. Approval of Bills.
5. Consideration of Intent to enter into a Redevelopment contract for 3333 Ramada Road, Grand Island, with Stratford Plaza, LLC.
6. Consideration of a Façade Request from Stratford Plaza, LLC for 3333 Ramada Road, Grand Island.
7. Consideration of Grant Request from Hugh M. Miner Jr. for Fonner Park.
8. Consideration of a Grant Request from YMCA.
9. Blight Study & Generalized Redevelopment Plan for Area #8.
10. CRA Area #1 Lincoln Park Swimming Pool.
11. Review of Committed Projects and CRA Properties.
12. Discussion concerning Purchase/Sale of Real Estate property.
13. Approve Resolution or Resolutions to Purchase/Sell Real Estate.
14. Directors Report
15. Adjournment

Next Meeting March 14, 2012

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



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item B1**

### **Meeting Minutes**

Staff Contact: Chad Nabity

## OFFICIAL PROCEEDINGS

### MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF January 11, 2012

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 January 11, 2012 at City Hall 100 E First Street. Notice of the meeting was given in the January 4, 2012 Grand Island Independent.

1. CALL TO ORDER. Barry Sandstrom called the meeting to order at 4:02 p.m. The following members were present: Glen Murray, Sue Pirnie, Tom Gdowski and Michelle Fitzke. Also present were; Director, Chad Nabity; Secretary, Rose Woods, Interim Finance Director Jaye Monter, Legal Council Duane Burns, Terry Galloway, Zachary Zoul and Chuyen Ngo.

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 December 14, 2011 meeting was made by Pirnie and seconded by Murray. Upon roll call vote, all present voted aye. Motion carried unanimously.
3. APPROVAL OF FINANCIAL REPORTS. Monter reviewed the financial reports for the period of December 1, 2011 through December 31, 2012. Motion was made by Murray and seconded by Fitzke 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 Pirnie and seconded by Murray to approve the bills in the amount of \$16,149.70. Upon roll call vote all present voted aye. Motion carried unanimously to approve the payment of bills totaling \$169,149.70.
5. AUDIT REVIEW WITH TERRY GALLOWAY. Terry Galloway from Almquist Maltzahn Galloway and Luth Certified Public Accountants gave his review of the CRA audit. Galloway said they used a GASB Statement No. 54 that redefined how fund balances are presented in the financial statement. He noted everything looks good and there were no issues with the audit. Motion was made by Gdowski and seconded by Fitzke to accept the audit. Upon roll call vote all present voted aye. Motion carried unanimously to approve the audit as presented.

6. CONSIDERATION OF GRANT REQUEST.

Consideration of Grant Request from Hugh M. Miner Jr. for Fonner Park. This item was pulled from the agenda and will be presented at the February CRA meeting.

7. CONSIDERATION OF A RESOLUTION 126.

Consideration of a Resolution to forward a redevelopment plan to the Hall County Regional Planning Commission for 3333 Ramada Road – Howard Johnson – (Chuyen Ngo). The CRA received a proposed redevelopment plan (the “Plan”), for redevelopment of an area within city limits of the City of Grand Island, Hall County, Nebraska.

Zachary Zoul of Hospitality Advisors Group and hotel owner Chuyen Ngo has proposed a \$1.4 million renovation of the hotel and convention center, which will include the development of a 150-seat Denny's Restaurant. "The decision by Denny's to locate in Grand Island and, in particular, along the South Locust Street corridor, is a significant expression of confidence in the community and the potential for additional business development, growth, and expansion along South Locust," Zoul said.

Ngo and Zoul requested \$524,000 of tax-increment financing and said they plan to request a \$100,000 facade grant next month.

The hotel is more than 40 years old and needs updates on plumbing, mechanical systems, a roof and an updated exterior. In the 10 years that Ngo has owned the hotel, occupancy has dipped. "It has declined in the face of increased competition," Zoul stated. "This property needs the reinvestment to sustain itself."

The hotel at 3333 Ramada Road is located at the intersection of Highway 34 and South Locust Street. It's a key intersection, the duo stated.

"This property is going to make a strong statement at this gateway that will serve as a catalyst for other development," Zoul told the CRA.

That other development could occur across the street to the east of the Howard Johnson where the CRA bought and demolished a substandard building and is now waiting to find a developer. CRA Chairman Barry Sandstrom lightly asked if Ngo would be offended if the CRA found a developer that wanted to build a competing restaurant across from him. "No," Ngo said with a chuckle. New businesses in the area would likely complement one another, he said.

CRA member Glen Murray called the project a good one that will add to South Locust Street and will benefit the entire community. Fellow member Tom Gdowski said he was concerned to learn that the hotel's valuation had dropped from \$3.1 million in 2004 to \$2 million in 2005. The reinvestment is

expected to raise the value up to \$3.6 million. He wondered how it may impact occupancy numbers.

Zoul said a similar hotel and Denny's project that he completed in Ogallala had a 50 percent increase in occupancy in 2010.

The tax-increment financing proposal will have to be reviewed by the Regional Planning Commission Feb. 4 and then must be approved by the Grand Island City Council Feb. 14 before it returns to the CRA for final approval on Feb. 15. It would allow Ngo to divert \$34,000 in new property taxes owed on the project to pay for the project loans. The property taxes on his current \$2 million value would continue to be paid and used by political subdivisions such as the city, county and school district.

Motion made by Pirnie and seconded by Fitzke to approve Resolution 126 to forward a Redevelopment plan amendment to the Hall County Regional Planning Commission for 3333 Ramada Road. Upon roll call vote all present voted aye. Motion carried unanimously to approve Resolution 126.

8. CONSIDERATION OF A RESOLUTION NO 127.

Consideration of a Resolution, giving Notice of Intent to Enter into a Redevelopment Contract, and approval of Related Actions 30 day Notice to City Council, for 3333 Ramada Road.

Motion was made by Murray and seconded by Pirnie to approve Resolution 127 to give notice of intent to enter into a Redevelopment Contract and approval of related Actions 30 day notice to City Council, for 3333 Ramada Road. Upon roll call vote all present voted aye. Motion carried unanimously to approve Resolution 127.

9. REVIEW OF COMMITTED PROJECTS & CRA PROPERTIES.

Nabity briefly reviewed the Committed Projects. The first phase of the Wayside horns will be completed this winter. CRA should expect bills within the next few months. The Grand Façade is still moving forward; they have all their permits and have started the construction they are looking to finish this spring. The downtown BID is still moving forward as the first project the POW Memorial is completed and the bill was paid this month. Primitive Touch Antique Warehouse work is progressing.

10. DISCUSSION CONCERNING PURCHASE/SALE OF REAL ESTATE.

No discussion.

11. APPROVE RESOLUTION OR RESOLUTIONS TO PURCHASE/SELL PROPERTY.



12. DIRECTORS REPORT.

13. ADJOURNMENT.

Sandstrom adjourned the meeting at 5:00 p.m.

The next meeting is scheduled for February 15, 2012 at 4:00 p.m.

Respectfully submitted  
Chad Nabity  
Director



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item C1**

### **Financial Reports**

Staff Contact: Chad Nabity

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<b>MONTH ENDED JANUARY 2012</b>	<b>2011-2012 YEAR TO DATE</b>	<b>2012 BUDGET</b>	<b>REMAINING BALANCE</b>
<b>CONSOLIDATED</b>				
Beginning Cash	713,495	923,823	923,823	
<b>REVENUE:</b>				
Property Taxes	41,676	247,154	957,811	710,657
Loan Proceeds	-	-	-	-
Interest Income	29	721	8,000	7,279
Land Sales	-	-	70,000	63,646
Other Revenue	322	7,050	11,000	3,950
<b>TOTAL REVENUE</b>	<b>42,027</b>	<b>254,926</b>	<b>1,046,811</b>	<b>785,531</b>
<b>TOTAL RESOURCES</b>	<b>755,522</b>	<b>1,178,748</b>	<b>1,970,634</b>	<b>785,531</b>
<b>EXPENSES</b>				
Auditing & Accounting	-	-	5,000	5,000
Legal Services	90	506	10,000	9,495
Consulting Services	-	-	10,000	10,000
Contract Services	1,000	14,197	55,000	40,804
Printing & Binding	-	-	1,000	1,000
Other Professional Services	5,032	7,599	5,000	(2,599)
General Liability Insurance	-	-	250	250
Postage	13	78	200	122
Matching Grant	-	-	-	-
Legal Notices	15	939	800	(139)
Licenses & Fees	-	-	-	-
Travel & Training	-	-	1,000	1,000
Other Expenditures	-	-	500	500
Office Supplies	-	-	500	500
Supplies	-	-	300	300
Land	-	-	100,000	100,000
Bond Principal - Lincoln Pool	-	-	201,787	201,787
Façade Improvement	10,000	269,400	987,500	718,100
South Locust	-	-	-	-
Alleyway Improvement	-	-	-	-
Other Projects	-	-	111,000	111,000
Bond Principal	1,915	121,484	266,659	129,175
Bond Interest	-	27,088	50,747	23,659
Interest Expense	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>18,064</b>	<b>441,291</b>	<b>1,807,243</b>	<b>1,349,952</b>
<b>INCREASE(DECREASE) IN CASH</b>	<b>23,963</b>	<b>(186,365)</b>	<b>(760,432)</b>	
<b>ENDING CASH</b>	<b>737,458</b>	<b>737,458</b>	<b>163,391</b>	
<b>LESS COMMITMENTS</b>	<b>607,943</b>	<b>607,943</b>		
<b>AVAILABLE CASH</b>	<b>129,515</b>	<b>129,515</b>	<b>163,391</b>	<b>-</b>
<b>CHECKING</b>	<b>379,531</b>			
<b>INVESTMENTS</b>	<b>357,927</b>			
<b>Total Cash</b>	<b>737,458</b>			

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<b>MONTH ENDED JANUARY 2012</b>	<b>2011-2012 YEAR TO DATE</b>	<b>2012 BUDGET</b>	<b>REMAINING BALANCE</b>
<b>CRA</b>				
<b>GENERAL OPERATIONS:</b>				
Property Taxes	39,761	109,151	639,405	530,254
Interest Income	13	135	8,000	7,865
Land Sales	-	-	70,000	70,000
Other Revenue & Motor Vehicle Tax	322	463	10,000	9,537
<b>TOTAL</b>	<b>40,096</b>	<b>109,749</b>	<b>727,405</b>	<b>617,656</b>
<b>GILI TRUST</b>				
Property Taxes	-	32,019	32,890	871
Interest Income	-	511	-	(511)
Other Revenue	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>32,530</b>	<b>32,890</b>	<b>360</b>
<b>CHERRY PARK LTD II</b>				
Property Taxes	-	30,642	59,180	28,538
Interest Income	16	68	-	(68)
Other Revenue	-	-	-	-
<b>TOTAL</b>	<b>16</b>	<b>30,710</b>	<b>59,180</b>	<b>28,470</b>
<b>GENTLE DENTAL</b>				
Property Taxes	-	-	4,202	4,202
Interest Income	0	1	-	(1)
Other Revenue	-	-	-	-
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>4,202</b>	<b>4,201</b>
<b>PROCON TIF</b>				
Property Taxes	-	8,787	19,162	10,375
Interest Income	-	2	-	(2)
Other Revenue	-	233	-	(233)
<b>TOTAL</b>	<b>-</b>	<b>9,022</b>	<b>19,162</b>	<b>10,140</b>
<b>WALNUT HOUSING PROJECT</b>				
Property Taxes	-	30,882	74,472	43,590
Interest Income	-	5	-	(5)
Other Revenue	-	6,354	-	(6,354)
<b>TOTAL</b>	<b>-</b>	<b>37,241</b>	<b>74,472</b>	<b>37,231</b>
<b>BRUNS PET GROOMING</b>				
Property Taxes	-	6,243	11,000	4,757
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>6,243</b>	<b>11,000</b>	<b>4,757</b>
<b>GIRARD VET CLINIC</b>				
Property Taxes	-	-	14,000	14,000
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>14,000</b>	<b>14,000</b>
<b>GEDDES ST APTS-PROCON</b>				
Property Taxes	-	23,407	30,000	6,593
Interest Income	-	-	-	-
Other Revenue	-	-	-	-

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<u>MONTH ENDED</u> <u>JANUARY 2012</u>	<u>2011-2012</u> <u>YEAR TO DATE</u>	<u>2012</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
<b>TOTAL</b>	-	23,407	30,000	6,593
<b>SOUTHEAST CROSSING</b>				
Property Taxes	1,915	1,915	14,000	12,085
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	1,915	1,915	14,000	12,085
<b>Poplar Street Water</b>				
Property Taxes	-	-	1,000	1,000
Interest Income	-	-	-	-
Other Revenue	-	-	1,000	1,000
<b>TOTAL</b>	-	-	2,000	2,000
<b>CASEY'S @ FIVE POINTS</b>				
Property Taxes	-	4,110	15,000	10,890
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	-	4,110	15,000	10,890
<b>SOUTH POINTE HOTEL PROJECT</b>				
Property Taxes	-	-	22,000	22,000
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	-	-	22,000	22,000
<b>TODD ENCK PROJECT</b>				
Property Taxes	-	-	5,500	5,500
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	-	-	5,500	5,500
<b>JOHN SCHULTE CONSTRUCTION</b>				
Property Taxes	-	-	3,000	3,000
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	-	-	3,000	3,000
<b>PHARMACY PROPERTIES INC</b>				
Property Taxes	-	-	8,000	8,000
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	-	-	8,000	8,000
<b>KEN-RAY LLC</b>				
Property Taxes	-	-	5,000	5,000
Interest Income	-	-	-	-
Other Revenue	-	-	-	-
<b>TOTAL</b>	-	-	5,000	5,000
<b>SKAGWAY</b>				
Property Taxes	-	-	-	-
Interest Income	-	-	-	-
Other Revenue	-	-	-	-

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<u>MONTH ENDED</u> <u>JANUARY 2012</u>	<u>2011-2012</u> <u>YEAR TO DATE</u>	<u>2012</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
<b>TOTAL</b>	-	-	-	-
<b>TOTAL REVENUE</b>	42,027	254,926	1,046,811	791,885

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<b>MONTH ENDED</b> <b>JANUARY 2012</b>	<b>2011-2012</b> <b>YEAR TO DATE</b>	<b>2012</b> <b>BUDGET</b>	<b>REMAINING</b> <b>BALANCE</b>
<b>EXPENSES</b>				
<b>CRA</b>				
<b>GENERAL OPERATIONS:</b>				
Auditing & Accounting	-	-	5,000	5,000
Legal Services	90	506	10,000	9,495
Consulting Services	-	-	10,000	10,000
Contract Services	1,000	14,197	55,000	40,804
Printing & Binding	-	-	1,000	1,000
Other Professional Services	5,032	7,599	5,000	(2,599)
General Liability Insurance	-	-	250	250
Postage	13	78	200	122
Matching Grant	-	-	-	-
Legal Notices	15	939	800	(139)
Licenses & Fees	-	-	-	-
Travel & Training	-	-	1,000	1,000
Other Expenditures	-	-	500	500
Office Supplies	-	-	500	500
Supplies	-	-	300	300
Land	-	-	100,000	100,000
Bond Principal - Lincoln Pool	-	-	201,787	201,787
<b>PROJECTS</b>				
Façade Improvement	10,000	269,400	987,500	718,100
South Locust	-	-	-	-
Alleyway Improvement	-	-	-	-
Other Projects	-	-	111,000	111,000
<b>TOTAL CRA EXPENSES</b>	<b>16,150</b>	<b>292,718</b>	<b>1,489,837</b>	<b>1,197,119</b>
<b>GILI TRUST</b>				
Bond Principal	-	33,066	31,627	(1,439)
Bond Interest	-	1,325	1,263	(62)
Other Expenditures	-	-	-	-
<b>TOTAL GILI EXPENSES</b>	<b>-</b>	<b>34,390</b>	<b>32,890</b>	<b>(1,500)</b>
<b>CHERRY PARK LTD II</b>				
Bond Principal	-	24,473	49,894	25,421
Bond Interest	-	5,117	9,286	4,169
<b>TOTAL CHERRY PARK EXPENSES</b>	<b>-</b>	<b>29,590</b>	<b>59,180</b>	<b>29,590</b>
<b>GENTLE DENTAL</b>				
Bond Principal	-	1,349	2,760	1,411
Bond Interest	-	752	1,442	690
<b>TOTAL GENTLE DENTAL</b>	<b>-</b>	<b>2,101</b>	<b>4,202</b>	<b>2,101</b>
<b>PROCON TIF</b>				
Bond Principal	-	5,731	11,782	6,051
Bond Interest	-	3,850	7,380	3,530
<b>TOTAL PROCON TIF</b>	<b>-</b>	<b>9,581</b>	<b>19,162</b>	<b>9,581</b>
<b>WALNUT HOUSING PROJECT</b>				
Bond Principal	-	21,191	43,096	21,905
Bond Interest	-	16,045	31,376	15,331
<b>TOTAL WALNUT HOUSING</b>	<b>-</b>	<b>37,236</b>	<b>74,472</b>	<b>37,236</b>

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<u>MONTH ENDED</u> <u>JANUARY 2012</u>	<u>2011-2012</u> <u>YEAR TO DATE</u>	<u>2012</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
<b>BRUNS PET GROOMING</b>				
Bond Principal	-	6,243	11,000	4,757
Bond Interest	-	-	-	-
<b>TOTAL BRUNS PET GROOMING</b>	-	6,243	11,000	4,757
<b>GIRARD VET CLINIC</b>				
Bond Principal	-	9,029	14,000	4,972
Bond Interest	-	-	-	-
<b>TOTAL GIRARD VET CLINIC</b>	-	9,029	14,000	4,972
<b>GEDDES ST APTS - PROCON</b>				
Bond Principal	-	14,378	30,000	15,622
Bond Interest	-	-	-	-
<b>TOTAL GEDDES ST APTS - PROCON</b>	-	14,378	30,000	15,622
<b>SOUTHEAST CROSSINGS</b>				
Bond Principal	1,915	1,915	14,000	12,085
Bond Interest	-	-	-	-
<b>TOTAL SOUTHEAST CROSSINGS</b>	1,915	1,915	14,000	12,085
<b>POPLAR STREET WATER</b>				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Auditing & Accounting	-	-	-	-
Contract Services	-	-	-	-
<b>TOTAL POPLAR STREET WATER</b>	-	-	-	-
<b>CASEY'S @ FIVE POINTS</b>				
Bond Principal	-	4,110	15,000	10,890
Bond Interest	-	-	-	-
<b>TOTAL CASEY'S @ FIVE POINTS</b>	-	4,110	15,000	10,890
<b>SOUTH POINTE HOTEL PROJECT</b>				
Bond Principal	-	-	22,000	22,000
Bond Interest	-	-	-	-
<b>TOTAL SOUTH POINTE HOTEL PROJECT</b>	-	-	22,000	22,000
<b>TODD ENCK PROJECT</b>				
Bond Principal	-	-	5,500	5,500
Bond Interest	-	-	-	-
<b>TOTAL TODD ENCK PROJECT</b>	-	-	5,500	5,500
<b>JOHN SCHULTE CONSTRUCTION</b>				
Bond Principal	-	-	3,000	3,000
Bond Interest	-	-	-	-
Auditing & Accounting	-	-	-	-
<b>TOTAL JOHN SCHULTE CONSTRUCTION</b>	-	-	3,000	3,000
<b>PHARMACY PROPERTIES INC</b>				
Bond Principal	-	-	8,000	8,000
Bond Interest	-	-	-	-
Auditing & Accounting	-	-	-	-



COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF JANUARY 2012

	<u>MONTH ENDED</u> <u>JANUARY 2012</u>	<u>2011-2012</u> <u>YEAR TO DATE</u>	<u>2012</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>
<b>TOTAL PHARMACH PROPERTIES INC</b>	-	-	8,000	8,000
<b>KEN-RAY LLC</b>				
Bond Principal	-	-	5,000	5,000
Bond Interest	-	-	-	-
Auditing & Accounting	-	-	-	-
<b>TOTAL KEN-RAY LLC</b>	-	-	5,000	5,000
<b>SKAGWAY</b>				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Auditing & Accounting	-	-	-	-
<b>TOTAL SKAGWAY</b>	-	-	-	-
<b>TOTAL EXPENSES</b>	18,064	441,291	1,807,243	1,365,952



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item D1**

### **Bills**

Staff Contact: Chad Nabity

15-Feb-12

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	\$ 3,815.01
Accounting	\$ 375.00
Officenet Inc.	
Postage	\$ 20.67

Public Works	Wayside horns	\$ 144,351.52
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Lawnscap	408 E 2nd - snow removal	\$ 20.00
BID 8	Building Evaluations	\$ 35,183.38
Chad Nabity - NIFA Conf	Travel Reimbursement	\$ 160.95

Almquist Maltzahn Galloway & Luth	\$ 4,025.00
Grand Island Independent	
Monthly & Redevelopment Plan Notices	\$ 14.76

Mayer, Burns, Koenig & Janulewicz Legal Services	\$ 165.00
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**Total:**

**\$ 188,131.29**



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**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
<b>Downtown BID</b>					
Grand Generation/YMCA		\$ 7,500.00			
Indv. Building Evaluations		\$ 50,000.00			
Historic Lighting Projects		\$ 30,000.00			
<b>Total Downtown BID</b>	<b>\$ 97,500.00</b>	\$ 97,500.00			Fall 2012
<b>2011 Wayside Horns (Oak, Pine, Elm &amp; Walnut)</b>	<b>\$ 140,000.00</b>		\$ 140,000.00		Winter 2012
<b>2014 Wayside Horns (Custer/Blaine)</b>	<b>\$ 100,000.00</b>		\$ 100,000.00		Winter 2014
<b>Primitive Touch Antique Warehouse</b>	<b>\$ 70,443.00</b>		\$ 70,443.00		Fall 2012
<b>The Grand Façade \$300,000 (\$100 over 3 fiscal yrs)</b>	<b>\$ 300,000.00</b>	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	Spring 2012
<b>Wilmar Realty LLC \$300,000 (\$100k over 3 fiscal yrs) *</b>	<b>\$ 100,000.00</b>			\$ 100,000.00	Fall 2012
<b>Total Committed</b>	<b>\$ 807,943.00</b>	<b>\$ 285,000.00</b>	<b>\$ 410,443.00</b>	<b>\$ 200,000.00</b>	

#### CRA PROPERTIES

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

January 31, 2012

\* Wilmar has been paid \$200,000 for their Façade grant (they have \$100,000 remaining)



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012  
Regular Meeting**

## **Item F1**

### **Facade**

Staff Contact: Chad Nabity



## Facade Improvement Program Application

### Project Redeveloper Information

- I. Applicant Name: HOWARD JOHNSON RIVERSIDE INN & CONFERENCE CENTER  
Address: 3333 RAMADA ROAD, GRAND ISLAND, NE 68801  
Telephone No.: 308-384-5150  
Contact: CHUYEN NGO
- II. Legal Street Address of Project Site: 3333 RAMADA ROAD, GRAND ISLAND
- III. Zoning of Project Site: B2-AC
- IV. Current and Contemplated Use of Project: FULL SERVICE RESTAURANT AND HOTEL CONVENTION CENTER
- V. Present Ownership of Project Site: CHUYEN NGO, STRATFORD PLAZA, LLC
- VI. Proposed Project: Describe in detail; attach plans and specifications:  
PLEASE SEE ATTACHED  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- VII. Estimated Project Costs
- Acquisition Costs:
- A. Land \$ —
- B. Building \$ —

Construction Costs:

A. Renovation or Building Costs Attributable

to Façade Improvements (attach detail):

\$ 287,000.00

B. Other Construction Costs:

\$ 1,090,782.80

1,377,782.80

**VIII. Source of Financing:**

A. Developer Equity:

\$ 100,000.00

B. Commercial Bank Loan:

\$ 877,782.80

C. Historic Tax Credits:

\$ —

D. Tax Increment Assistance:

\$ 524,520.00 \*

E. Other (Describe) FACADE ASSISTANCE

\$ 100,000.00

b) DENNY'S FRANCHISEE FUNDING

300,000.00

\* 15 YEAR - PARTIAL BANK LOAN REPAYMENT.

**IX. Name & Address of Architect, Engineer and General Contractor:**

KILEY REYNOLDS, DESIGNER AND GENERAL CONTRACTOR

IDEAL DIMENSIONS

5455 S. 82<sup>ND</sup> STREET

LINCOLN, NE 68516

ARCHITECT - MARVIN WEBB

GRAND ISLAND, NE

**X. Project Construction Schedule:**

A. Construction Start Date: MARCH 1, 2012

B. Construction Completion Date: JULY 1, 2012

**Financing Request Information**

**I. Describe Amount and Purpose for Which Façade Improvement Program Funds are Requested:**

SEE ATTACHED SUMMARY



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**II. Statement Identifying Financial Gap and Necessity for use of Façade Improvement Program**

Funds or Proposed Project: WITHOUT FACADE FUNDING

ASSISTANCE AS OUTLINED HEREIN, IT WILL NOT BE POSSIBLE TO PROCEED WITH THE IMPROVEMENTS. THE AGE AND CONDITION OF THE BUILDING AND THE MAGNITUDE OF THE RENOVATIONS REQUIRES REDEVELOPMENT ASSISTANCE TO REVITALIZE THE PROPERTY AND CONTRIBUTE TO THE ONGOING REVITALIZATION OF THE SOUTH LOCUST STREET CORRIDOR.

**III. Application of Grant Funds:**

\_\_\_\_\_ Grant to Redeveloper; or  
\_\_\_\_\_ Interest Rate Buy-Down

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



Howard Johnson Riverside Inn and Conference Center  
Grand Island, Nebraska

**Hotel and Convention Center Renovation Project Summary**

**PROPERTY OVERVIEW**

The Howard Johnson Riverside Inn and Convention Center is Grand Island's largest hotel property in terms of rooms, facilities, and area. The property comprises 182 guest rooms, 10,000 square feet of meeting, event, and reception space, a full service restaurant and lounge, and indoor pool and fitness center. Constructed in 1969 with an addition in 1983, the hotel is one of only two full service convention center hotels located within the City limits of Grand Island. It is the first hotel the traveling public encounters when exiting off of Interstate 80 at South Locust Street. As such, it is the "front door" of Grand Island along this increasingly busy corridor.

The property was purchased in December 2000 by Stratford Plaza LLC, a corporation owned by Chuyen and Pam Ngo. Over the course of the 1990's, the property had deteriorated. Since acquiring the property the owners have invested significant funds to repair building systems including plumbing and mechanical elements and have undertaken a substantial renovation of 145 of the guest rooms. Given the age of the facility and the abundance of needs, it has not been possible to address exterior building conditions and interior service elements including the restaurant, lounge, and convention center.

**MARKET**

The Hotel market in Grand Island has become increasingly competitive with the addition of six new hotels in the last five years, four of which have been opened in the last two years. The Fairfield Inn, Holiday Inn, Super 8, and Best Western hotels are all recent additions to the hotel inventory. In the case of Best Western, local assistance was provided in the form of tax increment financing. The addition of this significant rooms inventory has been a challenge for other hoteliers. On a positive note, the relocation of the Nebraska State Fair and the associated future opportunity to draw trade shows, exhibitions, and agricultural events to the new facilities as well as the use of other facilities at Fonner Park will strengthen the local economy by increased tourism and visitor traffic. It is understood, however, that the development of this additional visitor/tourism trade will be a building block process and will grow over a period of years.

**SOUTH LOCUST STREET REVITALIZATION**

After the 1980 tornado, the South Locust Street corridor deteriorated as buildings were shuttered and closed. Instead of rebuilding and reinvesting along South Locust Street,

many businesses in the 1980's and 1990's chose to relocate or otherwise invest along the growing Highway 281 corridor. The extent of the decline of South Locust Street was of increasing concern to local officials and business leaders for decades. In 1992, the City Council acted to request that the Nebraska Department of Roads proceed with the development process for an interchange at Interstate 80 and South Locust Street. At the same time, a Community Redevelopment Authority was formed. In 1997, the Community Redevelopment Authority created the South Locust Street Business Improvement District. The City Council provided for its formation and established a program of streetscaping improvements consisting of sidewalks, lighting, and landscaping. In 2006, the new interchange was opened. In 2010, the highway from the Interstate to Highway 34 was widened to four lanes.

Today, the South Locust Street corridor has been revitalized. Many businesses have renovated their facilities. Various dilapidated properties have been demolished including the former Desert Rose facility across the street from the Hotel. The Community Redevelopment Authority and the City Council has provided infrastructure assistance to a number of businesses along South Locust Street in the form of façade funding and tax increment financing. The corridor is now a significant “front door” for the community. With the addition of the Nebraska State Fair, the corridor is now a major point of entry for the community. It also serves as primary access to downtown Grand Island. The average daily traffic count on South Locust Street has substantially increased over the past ten years and is expected to continue to do so in the future. In 2011, the average daily traffic at South Locust Street and Highway 34 was 8,031.

Aside from the Wal Mart store, the Howard Johnson Riverside Inn and Convention Center is the first development that travelers heading north from Interstate 80 see when they enter Grand Island. The hotel has been a landmark at the corner of Highway 34 and South Locust Street for 42 years. The site is highly visible and as such is a prominent architectural element for the community.

With the demolition of the former Desert Rose facility, the development of Wal Mart, and available property at the northeast and southwest quadrants of the South Locust Street and Highway 34 corridors, there is the opportunity for significant redevelopment at this intersection. The Hotel is well positioned to lead this effort and stimulate other associated development with a renovation project intended to improve the aesthetics of the property, increase the taxable valuation, and create jobs and additional trade and economic growth.

### **HOTEL MARKET NICHE AND SERVICE**

The Howard Johnson Riverside Inn and Convention Center is uniquely positioned to serve the community and its needs for lodging, dining, and meeting/event facilities at this key juncture in the growth of South Locust Street and the associated opportunities with the Nebraska State Fair facilities. The proximity of the Hotel to Fonner Park is important to the community's efforts to grow and develop the events business associated with the new facilities and to grow and develop tourism. Given the size of our hotel and its location, we are able to satisfy what will be a growing demand. The property also addresses the need for diversity in relation to price point. Unlike many of the other hotels, including new properties, our Hotel is positioned in the mid scale rate category and addresses the need of many travelers and groups for an affordable lodging, dining, and meeting/event property. The size and capacity of the property also enables it to serve growing market demands.

## **RENOVATION NEEDS**

Despite the likelihood for continued growth along the South Locust Street corridor and the new commerce associated with the Nebraska State Fair facilities, the Hotel is faced with significant economic challenges given the size and age of the property. During the period of decline of the South Locust Street Corridor, needed reinvestment in the property was not undertaken. The condition of the property deteriorated. The present ownership has reinvested heavily in the property – \$1,000,000 to date - but assistance is needed to fully address important infrastructure needs including parking, drainage, façade, roof, and accessibility. Ownership is prepared to invest an additional \$1,377,782.80 and has secured financing for additional improvements. In order to proceed with the project, however, local assistance to support façade improvements, parking, accessibility, roof replacement in the amount of \$468,078.79, including \$100,000 in façade improvement assistance, is needed in order to proceed.

## **RENOVATION PROJECT SCOPE**

**Denny's Restaurant Seeks to locate on South Locust Street:** The cornerstone of the Renovation Project is the addition of a Denny's Restaurant to the property. The decision by this large national franchise to locate in Grand Island on South Locust Street is a substantial vote of confidence in the corridor. There has not been a major development by a large national franchise on South Locust Street for decades. Over the course of the last 20 years, all major national franchise operators have chosen to locate in western Grand Island along Highway 281. Without some comparable developments on South Locust Street it will be difficult to both sustain recent successes as well as to meet future community needs. The development of a Denny's restaurant will be a major shot in the arm for South Locust Street and will accrue to the benefit of area residents and businesses by strengthening trade and economic activity including traffic, sales volume, tax base, and job creation.

Denny's will be open 24 hours a day, 365 days a year. The Restaurant is expected to employ 50 people, most of which will be full time. Denny's has 1,600 restaurants in the United States and is known for being affordable and family friendly. It serves breakfast, lunch and dinner daily.

The Denny's restaurant is proposed to be located in the current Garden Café restaurant space. Denny's will also, under a separate identity, operate a newly branded lounge. Liquor service will be available in both the Lounge and Restaurant. Full service catering will continue to be offered in the Convention Center.

**Improvements Scope - \$1,377,782.80:** Ownership is prepared to invest heavily in the renovation of the Hotel to consist of the following improvements:

**Denny's Restaurant Improvements - \$495,874.80:** This improvement consist of complete renovation of the existing restaurant and lounge. The interior of the existing space will be largely demolished. A contemporary restaurant and lounge designed in accordance with Denny's interior décor standards will be constructed. A key element of this component of the project will be the construction of a new entrance tower and vestibule along the north elevation of the Hotel building. This will serve as a signature feature of the facility and will create a visible entrance monument from South Locust Street. It will also provide easy access and handicapped accessibility.

Hotel Exterior and Façade - \$187,000.00: Façade improvements will consist of the addition of a decorative molded roofline and exterior elevation improvements in the form of an EFIS (stucco) veneer finish along entrances and porte cochere to provide vertical accents.

Plumbing and Mechanical - \$105,000.00: Plumbing and Mechanical systems serving the restaurant, convention center venues, and common areas will be replaced and/or upgraded.

Lounge Interior Remodel - \$70,758.00: As referenced above with the Restaurant, the Lounge will be renovated including creating a one level floor elevation as opposed to the current sunken multi-level design. This will provide for handicapped accessibility and improved circulation and utilization.

Public Areas/Restroom Renovations - \$44,150.00: The existing public entrance foyer and Lobby restrooms will be renovated to serve the Hotel, restaurant, and lounge and will be improved to enhance handicapped accessibility and increased capacity.

Parking Lot Improvements - \$175,000.00: The existing parking lot will be improved in the form of an asphalt overlay. The repaved and restriped lot will provide parking to serve the new and expanded restaurant and lounge. An additional xx spaces will be created.

Denny's Restaurant Improvements - \$300,000.00: The existing restaurant and kitchen will be essentially gutted with new equipment, furniture, and fixtures. The kitchen will feature kitchen equipment and preparation and cooking areas for both the Restaurant and the convention center. Improvements will include new window, wall, and floor coverings.

**Economic Stimulus to South Locust Street and City:** This property is a prime candidate for the Façade Improvement Program and Tax Increment Financing assistance because:

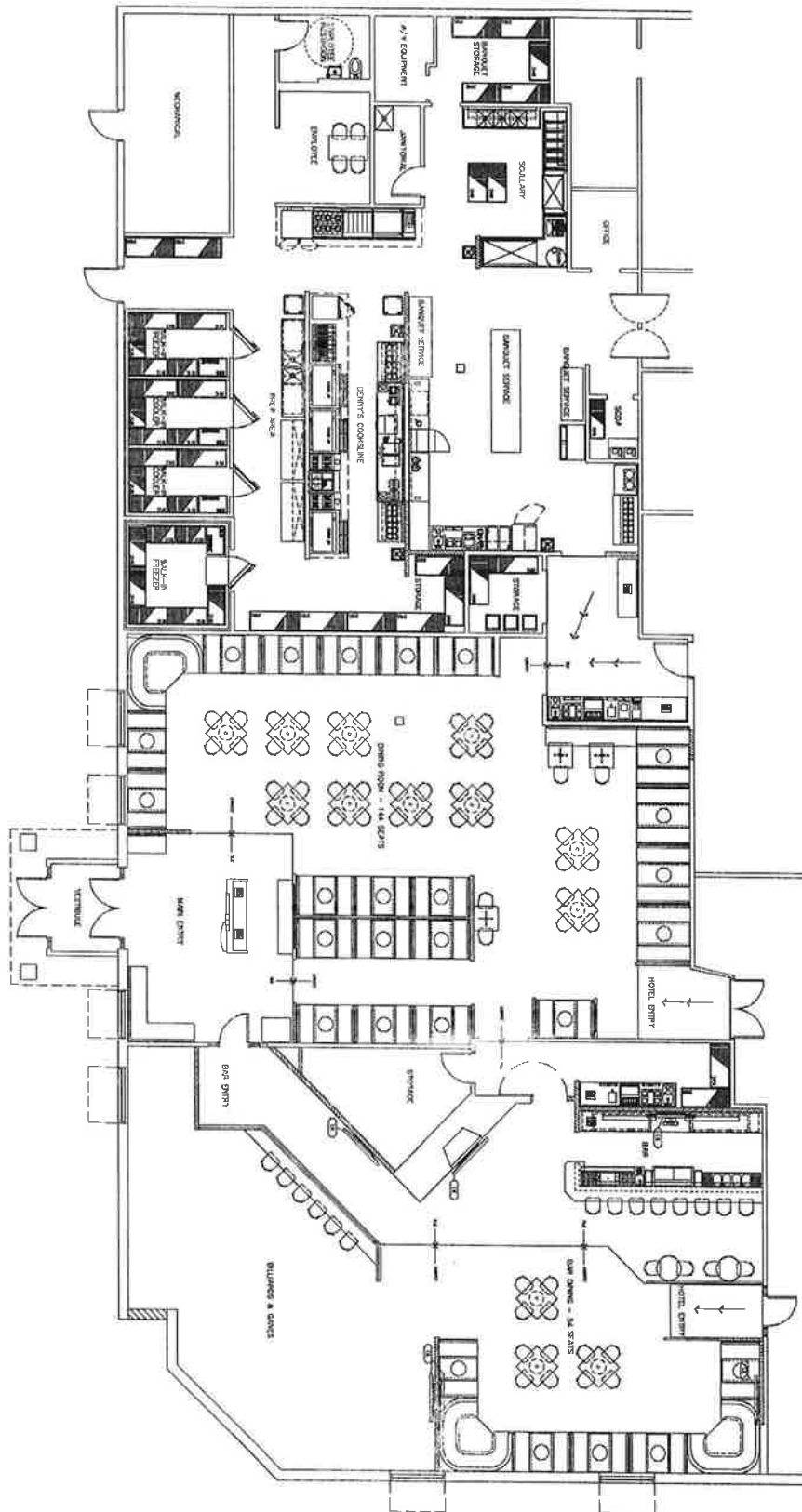
- The strong brand name of Denny's will bring instant name recognition and more stability to the property immediately.
- The South Locust Street corridor's appearance has been enhanced in recent years including the removal of the former Desert Rose. This project will make a bold statement at the southerly entrance to the corridor.
- There is potential for development at the southwest quadrant of the southwest intersection of Highway 34 and South Locust Street.
- The hotel has the largest convention center space in Grand Island.
- There is strong potential to draw more events including those associated with the State Fair and others utilizing the Fairgrounds such as agricultural shows.
- Denny's is a national brand that is well recognized by both local residents and those travelling along Interstate 80.
- The existing restaurant will be completely renovated on the exterior and the interior.
- The roofline of the hotel facility will be completely renovated.
- The addition of a national branded restaurant on South Locust Street will make an important statement for future investment on the corridor at a

time where most of the new development has been on the Highway 281 corridor.

- It is important for the community to have full service hotels with convention center facilities at various price points.
- Other businesses along South Locust Street will benefit from the additional traffic and recognition resulting from Denny's. This will generate economic growth for the entire area.



FOOD SERVICE EQUIPMENT FLOOR PLAN - 198 TOTAL SEATS



FS-1

DATE: 10/1/11  
 DRAWN BY: J. B. BROWN  
 CHECKED BY: J. B. BROWN  
 SCALE: 1/8" = 1'-0"

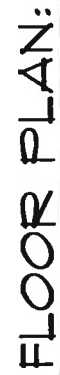
PROJECT:  
 DENNY'S RESTAURANT  
 GRAND ISLAND, NE

RESTAURANT  
 EQUIPMENT  
 FOOD SERVICE  
 EQUIPMENT &  
 FURNISHING  
 DEALER  
 295 SOUTH 250 EAST  
 P.O. BOX 100  
 PHOENIX, AZ 85001  
 PHONE: 602-477-4828  
 FAX: 602-477-4828  
 E-MAIL: info@denney.com

NOTES:  
 1. ALL EQUIPMENT SHALL BE NEW UNLESS OTHERWISE NOTED.  
 2. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL SANITATION FOUNDATION (NSF) STANDARDS.  
 3. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) STANDARDS.  
 4. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL ELECTRICAL ASSOCIATION (NECA) STANDARDS.  
 5. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL PLUMBING AND HEATING EXAMINERS' INSTITUTE (NPHAI) STANDARDS.  
 6. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL MECHANICAL EXAMINERS' INSTITUTE (NMEI) STANDARDS.  
 7. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL ASHRAE STANDARDS.  
 8. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL AIA STANDARDS.  
 9. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL IASME STANDARDS.  
 10. ALL EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL IAQ STANDARDS.



Page 33 / 102



BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR'S CLIENTS' SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.

**I HAVE READ AND AGREE TO THE TERMS**

7933

ROLLEX COIL STOCK FORMED CAP  
MATCH COLOR TO CROWN AS CLOSE  
AS POSSIBLE

3/4" CDX PLYWOOD

SHORT WALL

EXISTING RUBBER ROOF

2'-0"  
8'-1"  
4'-1"

1/2" CDX PLYWOOD  
W/ RUBBER ROOF PATCH

3/4" CDX PLYWOOD

PREFORMED FOAM CROWN  
24" TALL, 2" DEEP BTM SIDE  
10" DEEP TOP SIDE COLOR  
EIFS EXTERIOR TO  
OPTION #1-SW 6655 CAPTIVATING CREAM OR  
OPTION #2-SW 6660 HONEY BLUSH

EXISTING RED BRICK FACE  
EXISTING BRICK PAINTED  
SIMILAR TO LIGHT NAVAJO  
MATCH ALL NEW CONST TO  
MATCH EXISTING PAINT

16'-0"

## DETAIL "A":

SCALE: 1/4" = 1'-0"

# Bûlders

1-308-382-9656

BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL  
FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR/Clients  
SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.

EXTERIOR REMODEL DESIGNED FOR:

FOX CONSTRUCTION:

HOWARD JOHNSON  
3333 RAMADA ROAD  
GRAND ISLAND, NE 68801

DRAWN BY:  
JACQUE

SHEET

2

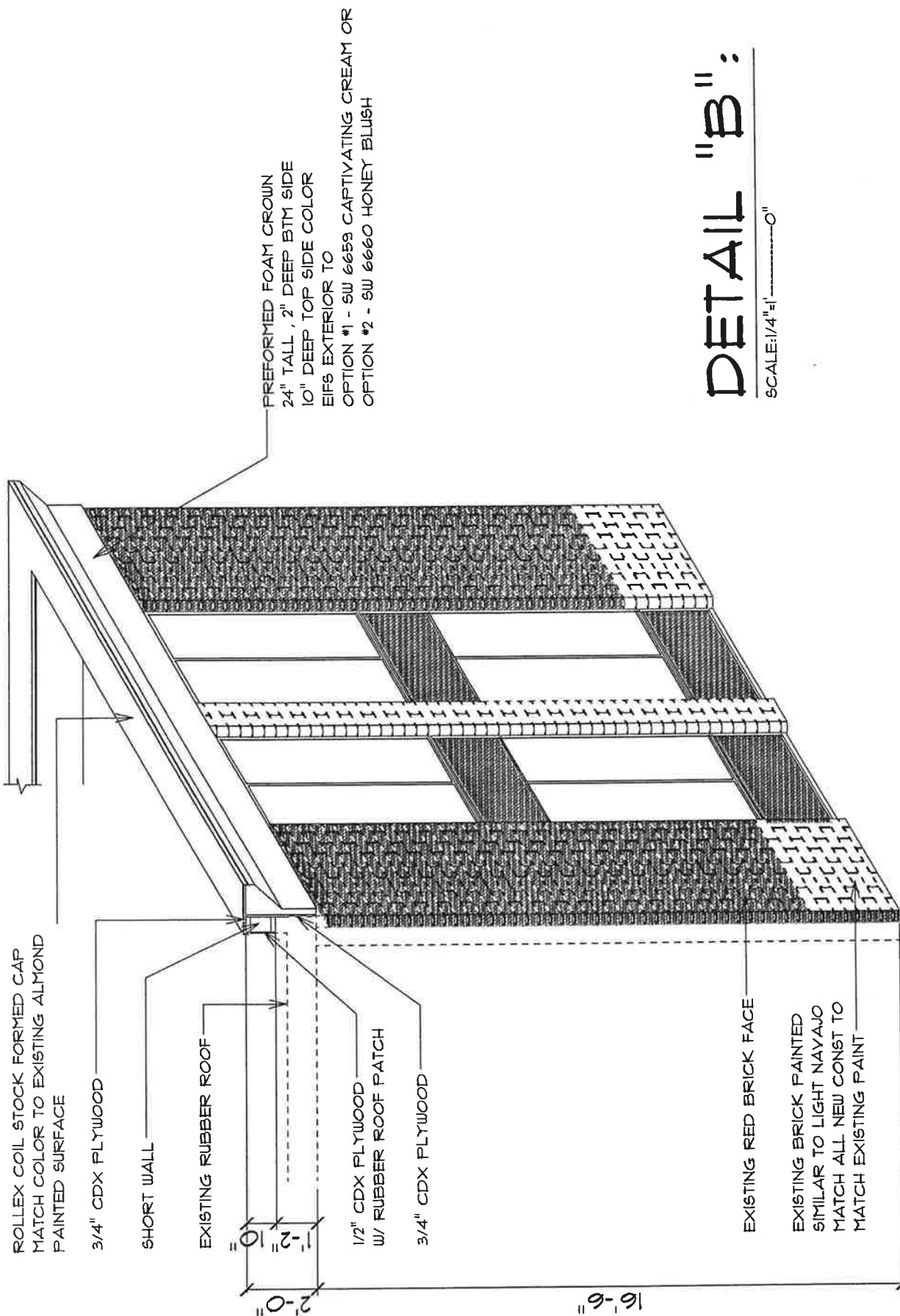
OF

6

DATE

7933

I HAVE READ AND AGREE TO THE TERMS



# DETAIL "B":

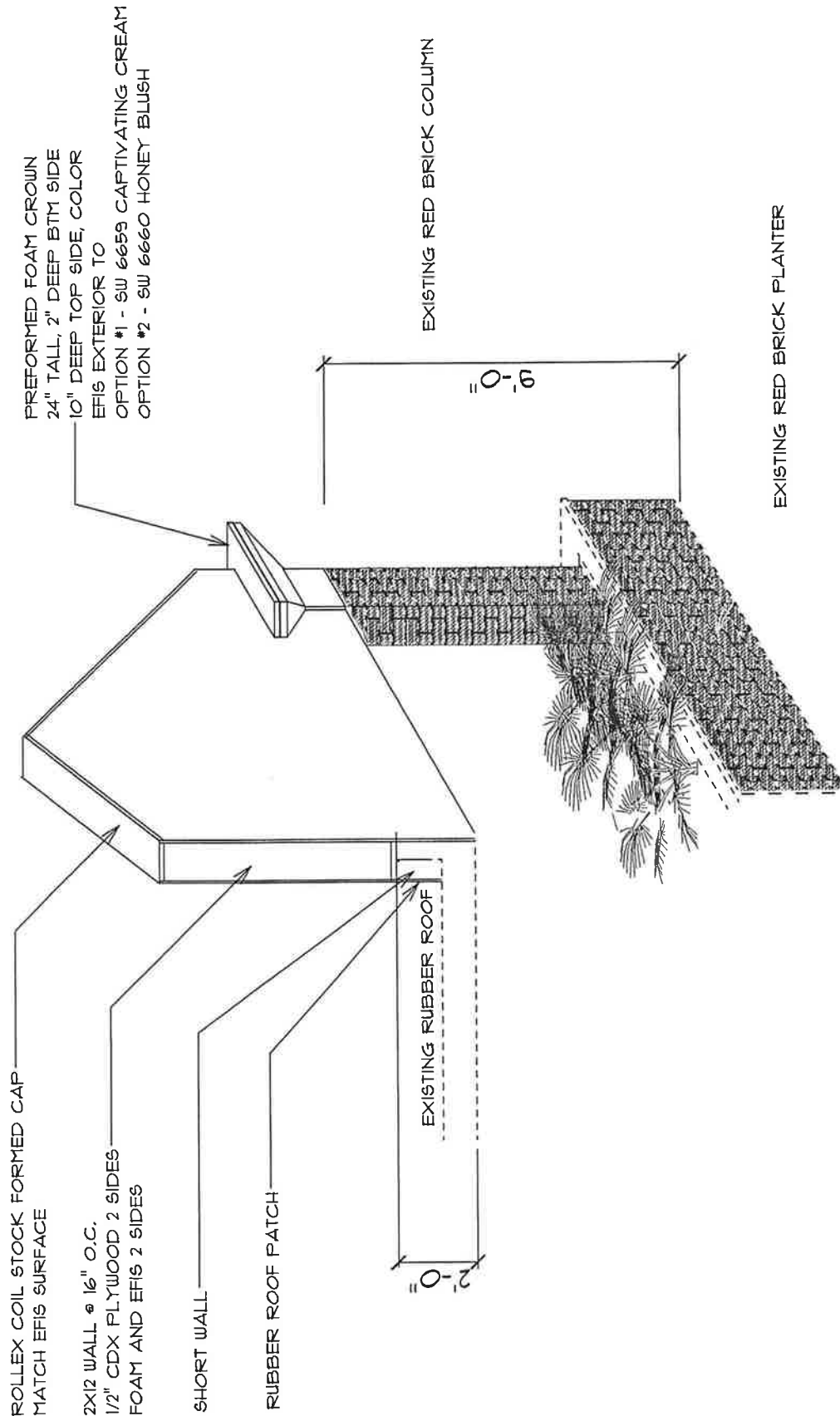
SCALE: 1/4" = 1'-0"

EXTERIOR REMODEL DESIGNED FOR:	JACQUE
FOX CONSTRUCTION:	HOWARD JOHNSON 3333 RAMADA ROAD GRAND ISLAND, NE 68801
I HAVE READ AND AGREE TO THE TERMS	

## Bûlders

1-308-382-9656

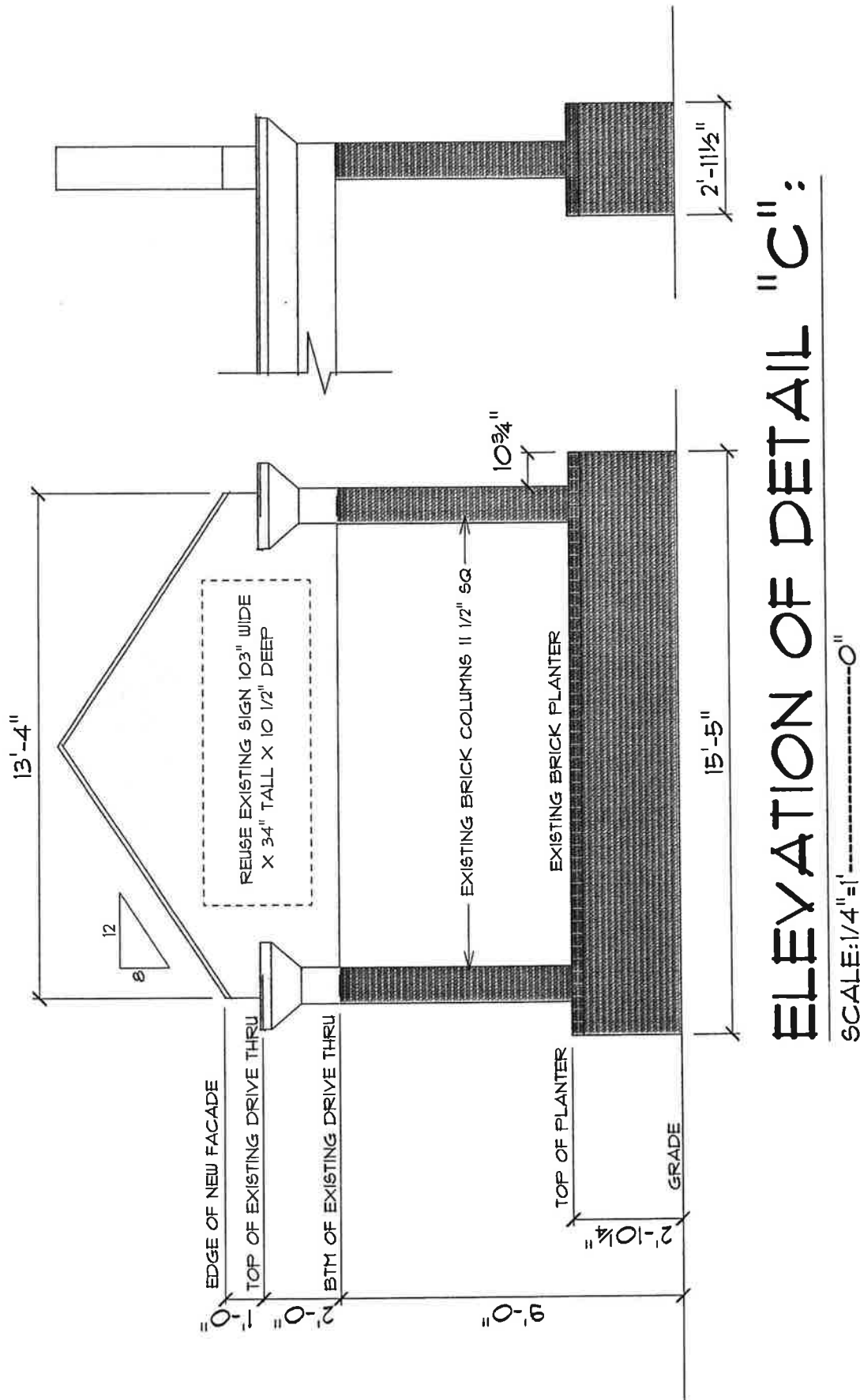
BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR'S SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.



## DETAIL "C":

SCALE: 1/4" = 1' ----- 0"

<b>Builder's</b> 1-308-382-9656		EXTERIOR REMODEL DESIGNED FOR:		DESIGN BY:
BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR'S CLIENT'S SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.		FOX CONSTRUCTION: HOWARD JOHNSON 3333 RAMADA ROAD GRAND ISLAND, NE 68801		JACQUE
		I HAVE READ AND AGREE TO THE TERMS		DATE
				4
				OF
				5
				AGE NO.
				7933



## ELEVATION OF DETAIL "C":

# Bûlders

1-308-382-9656

BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR/CLIENT'S SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.

DESIGN BY: JACQUE

EXTERIOR REMODEL DESIGNED FOR:

FOX CONSTRUCTION:

HOWARD JOHNSON  
3333 RAMADA ROAD  
GRAND ISLAND, NE 68801

PAGE

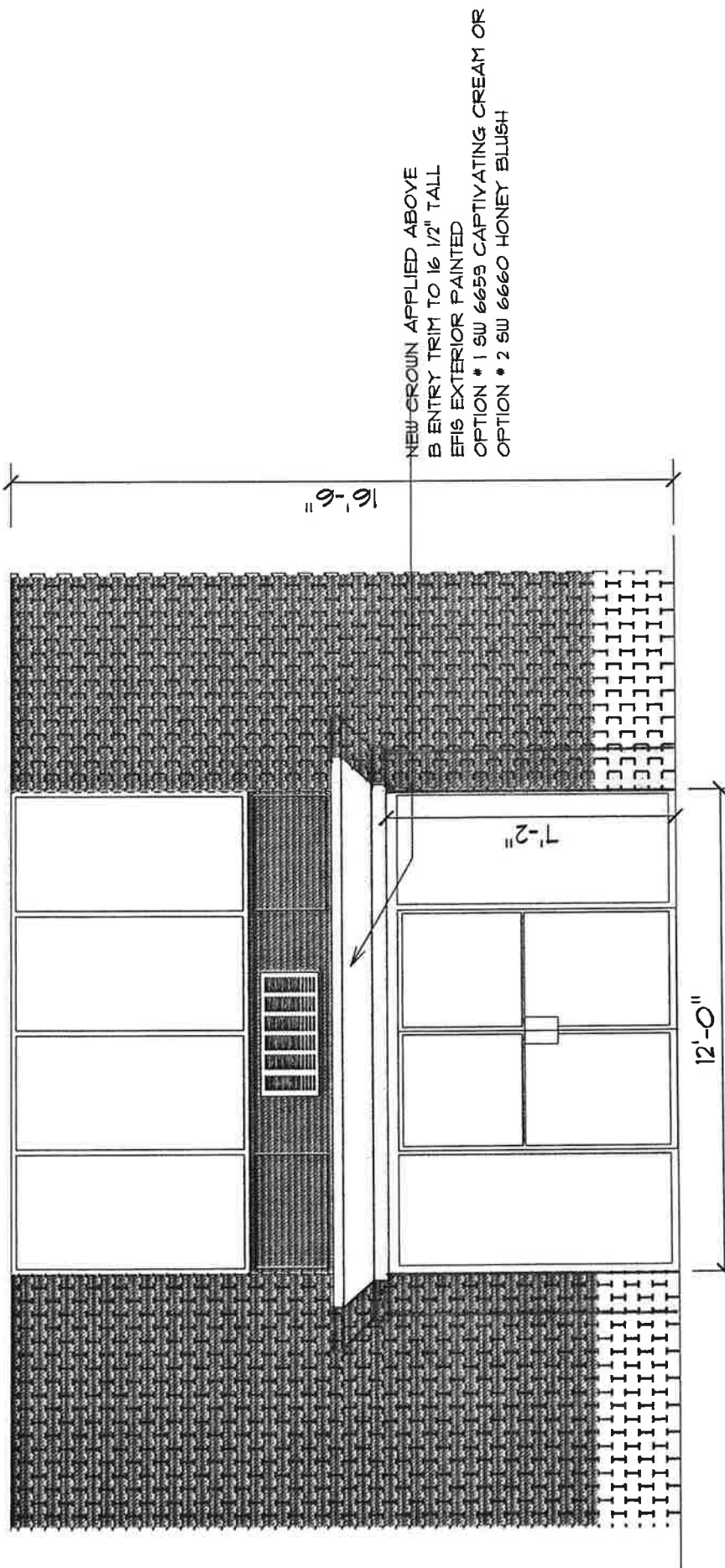
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6

JOB NO.

7933

I HAVE READ AND AGREE TO THE TERMS

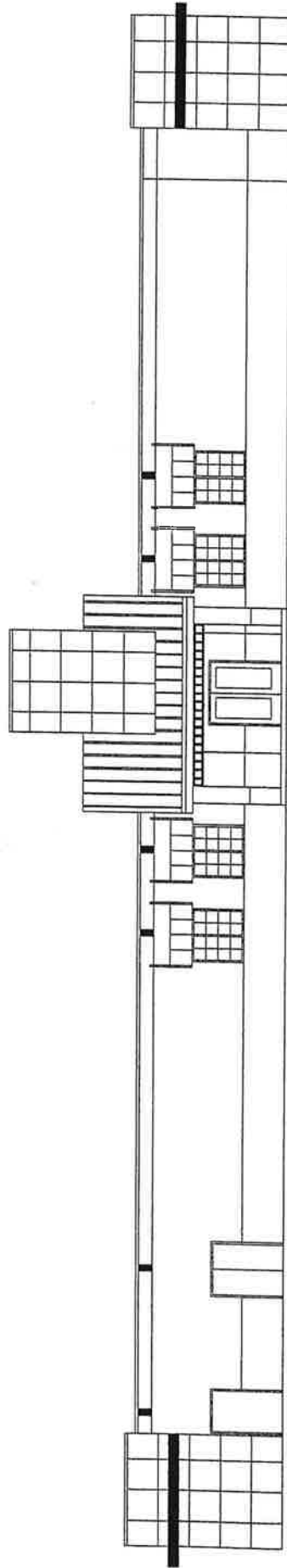
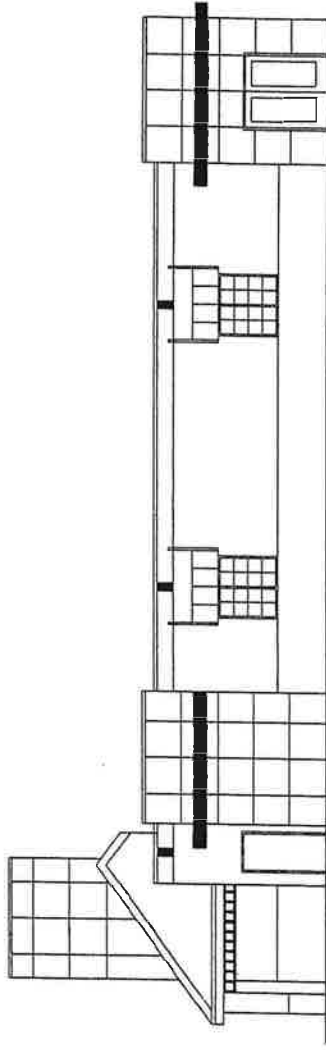


## "B" ENTRY DETAIL:

SCALE: 1/4" = 1' ----- 0"

<b>Bûlders</b> 1-308-382-9656 <small>BUILDERS IS NOT A PROFESSIONAL ENGINEERING OR ARCHITECTURAL FIRM. THESE PLANS ARE DRAWN ACCORDING TO THE CONTRACTOR/CLIENTS SPECIFICATIONS. ALL DIMENSIONS ARE TO BE VERIFIED BY CONTRACTOR.</small>	EXTERIOR REMODEL DESIGNED FOR: <b>FOX CONSTRUCTION:</b> HOWARD JOHNSON 3333 RAMADA ROAD GRAND ISLAND, NE 68801	DRAWN BY: <b>JACQUE</b>
		PAGE <b>6</b>
<small>I HAVE READ AND AGREE TO THE TERMS</small>		JOB NO. <b>7933</b>

Grand Island Denny's Elevation

















# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item G1**

### **Grant Request**

Staff Contact: Chad Nabity

A NON-PROFIT  
PUBLIC SERVICE  
CORPORATION



THOROUGHBRED RACING  
www.fonnerpark.com

Racing Dates February thru May - Glass Enclosed Grandstand

Post Office Box 490 • Grand Island, NE 68802-0490 • PH: 308.382.4515 • FX: 308.384.2753

December 19, 2011

Community Redevelopment Authority  
c/o Chad Nabity, Director  
P.O. Box 1968  
Grand Island, NE 68802-1968

Dear CRA Members Barry Sandstrom, Michele Sitzke, Sue Pirnie, Glen Murray and Tom Gdowski:

Fonner Park is about to embark on the final chapter of the development of the State Fair Buildings that sit on the Fonner Park Campus. The four phases of completion for this project are:

- 1.) Completion of the water project that will provide water to all of the State Fair buildings on a 12 month basis.
- 2.) Heating of the sheep barn which will initiate the process of securing livestock events during the winter months and also be utilized for other events along with HEC & EB 1.
- 3.) Heating of the cattle barn which will increase Fonner Park capacity to enlarge the offering of livestock events.
- 4.) The procurement of portable livestock stalls in order not to be at a competitive disadvantage when competing with other cities in the Midwest, U.S.A.

Fonner Park is excited to announce that Phase 1, completion of the water project is near completed and will be paid for with funds that have been contributed by Fonner Park, Heartland Events Center, Grand Island Area Chamber of Commerce, Economic Development Corporation and the Hall County Convention & Visitor Bureau. Contractor Completion date for Phase 1 is expected in January, 2012.

Fonner Park is thankful for the vision and support that The Community Redevelopment Authority has demonstrated over the years in the building of our Grand Island community. Fonner Park respectfully request that The Community Redevelopment Authority consider funding Phase II of the completion project (The heating of the sheep barn.)

Attached to this request please find a proposal to complete Phase II. Supporters of the completion project firmly believe that the funds spent on this project will be recaptured through the 2% occupation tax collected by The Grand Island Motels and the 1.5 food & beverage tax collected by the Grand Island Restaurants.

Should the CRA require further information or have any questions, please do not hesitate to call or write me.

Your consideration of Fonner Park for redevelopment funds to be utilized on this needed project is appreciated and will go a long way in bringing this project to reality and making Grand Island, Nebraska the destination city for year-round agricultural events.

Thank You.  
Very Truly Yours,

Fonner Park  
Hugh M. Miner Jr. CEO

**JERRY'S**

SHEET METAL - HEATING - COOLING, INC.

PHONE 308-384-2881 P.O. BOX 484  
907 W. OKLAHOMA GRAND ISLAND, NE 68801

December 16, 2011

Nebraska State Fair

**RE: Sheep Barn****Bid Includes:**

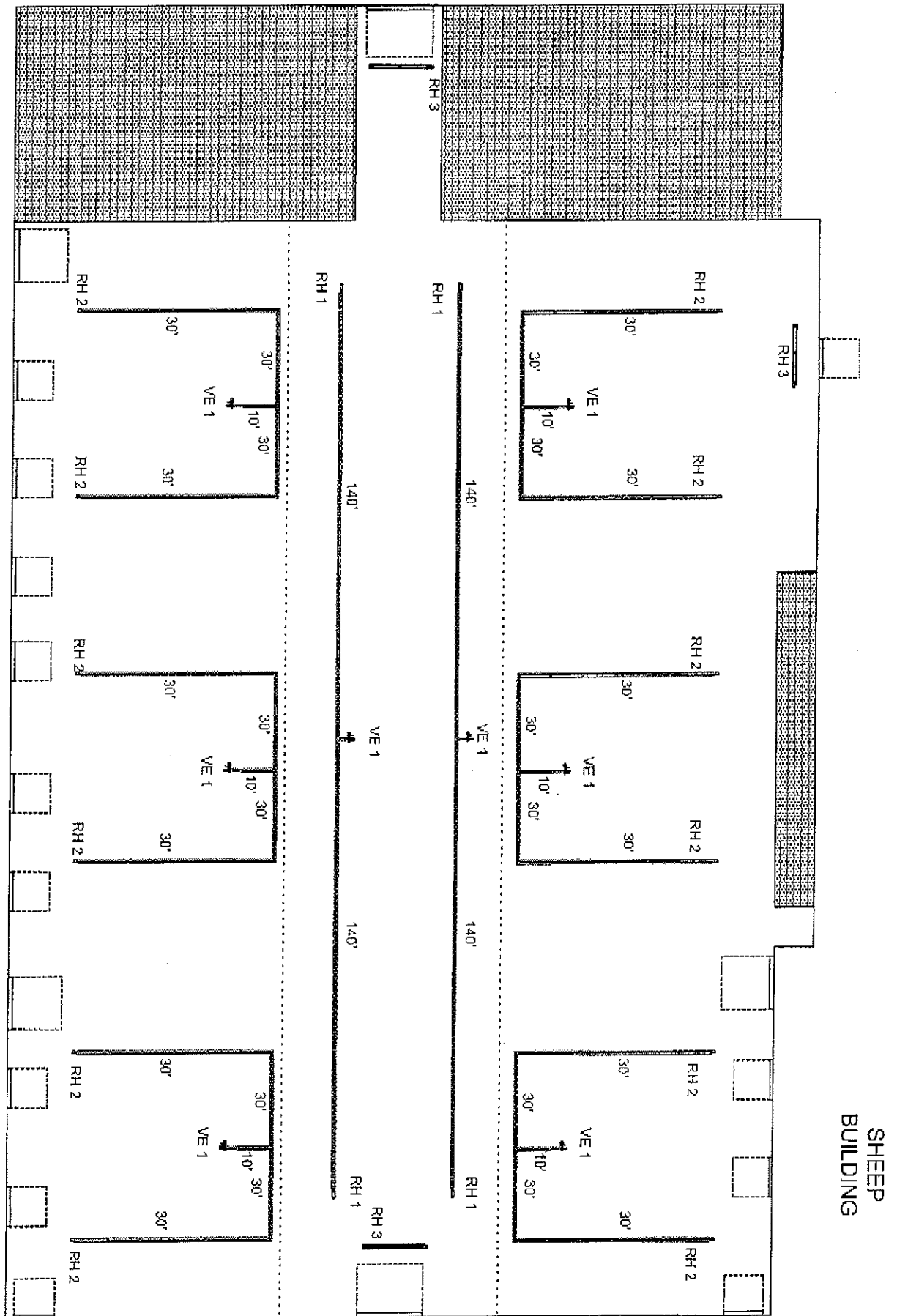
Tube Heat and installation of tube heaters

- 4 RH-1 250,000 BTU Reflect-O-Ray burner with s.s. gas flex and gas cock
- 12 RH-2 160,000 BTU Reflect-O-Ray burner with s.s. gas flex and gas cock
- 1340' Tubing, reflectors, supports, hangers, couplings, elbow fittings, tee fittings, fitting reflector covers, screw and sealer packs. With chain and S-hooks
- 9 VE-1 Vacuum exhauster 1/2 HP with s.s. exhaust flex and square to round
- 2 RH-4 150,000 BTU Omega II 30' U-tube systems with s.s. gas flex and gas cock
- 18 Line voltage thermostats
- 30 Type B vents for fresh air and exhaust thru sidewalls or roof
- Materials to hang tube heaters, burners and exhausters
- Three year parts and 10 year tubing warranty
- One year labor warranty
- Labor

<b>Tube Heat Installed For The Sum Of:</b>	<b>\$114,534.00</b>
<b>Gas connections to exterior of building</b>	<b>\$ 38,526.00</b>
<b>Electrical Connections</b>	<b><u>\$ 39,563.00</u></b>
<b>Total</b>	<b>\$192,623.00</b>

Monte Hehnke

\_\_\_\_\_  
Customer Signature\_\_\_\_\_  
DateHEATING **LENNOX** COOLING

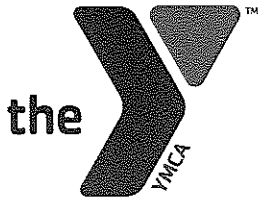




## GAS FIRED RADIANT HEATER

(SHEEP BUILDING)

GENERAL	PLAN TAG	RH 1	RH 2	RH 3	
	MANUFACTURER	REFLECT-D-RAY	REFLECT-D-RAY	OMEGA II	
GENERAL	MODEL NUMBER	08250NG	08160MG	0930NG	
	SERVES				
GENERAL	CONFIGURATION	AS SHOWN	AS SHOWN	20' U-TUBE	
	TUBING CONSTRUCTION	ALUMINIZED STEEL	ALUMINIZED STEEL	HEAT TREATED A. S.	
GENERAL	VENTING TYPE	VACUUM	VACUUM	POSITIVE	
	REMARKS	1,2,3,4,5	1,2,3,4,5	1,2,3,4,5,6	
GAS FIRED	FUEL	NATURAL	NATURAL	NATURAL	
	INPUT (MBH)	250,000	160,000	125,000	
GAS FIRED	-	-	-	-	
	EFFICIENCY	90	90	80	
GAS FIRED	VENT CONNECTION (IN)	6	6	4	
	REMARKS	-	-	-	
ELECTRIC	VOLTS	120	120	120	
	PHASE	1	1	1	
ELECTRIC	CONTROL DEVICE	THERMOSTAT	THERMOSTAT	THERMOSTAT	
	MOTOR (HP)	VE 1 = 1/2 HP	VE 1 = 1/2 HP	1/25	
REMARKS	1. PROVIDE WITH REFLECTOR, POLISHED ALUMINUM 97% MINIMUM REFLECTIVITY, WITH END CAPS. SHAPE TO CONTROL RADIATION FROM TUBING FOR UNIFORM INTENSITY AT FLOOR LEVEL WITH 100% CUTOFF ABOVE CENTER-LINE OF TUBING. PROVIDE FOR ROTATING REFLECTOR A MINIMUM OF 30°. RADIANT TUBING TO BE CONSTRUCTED ENTIRELY OF ALUMINIZED STEEL. 2. BURNER: 24 VOLT POWER GAS BURNER WITH ELECTRONIC SPARK. 3. PROVIDE WITH 110 VOLT THERMOSTAT. 4. PROVIDE WITH STAINLESS STEEL GAS FLEX CONNECTION AND GAS COCK. 5. PROVIDE WITH 3 YEAR WARRANTY ON COMPONENTS, 10 YEAR WARRANTY ON TUBING. 6. OMEGA II SYSTEM WITH HEAT TREATED ALUMINIZED STEEL TUBING.				



January 4, 2012

Dear CRA Board Members,

The YMCA needs to replace a significant section of our facility's roof. The roof covering the original portion of our facility is over 32 years old. It has developed leaks, is unsafe to walk on, and is extremely energy inefficient. The cost of this project is \$401,000.00. We are asking the CRA for \$48,000.00 in financial assistance.

The scope of work for this project entails: installing one layer of expanded polystyrene roof insulation to fill the corrugation pan over the existing metal roof; installing one additional layer of ½" high density wood fiber roof insulation (both layers of insulation to be mechanically fastened into the metal roof every two square feet); over the insulation install a 60 mill non-reinforced LSFR (low slope fire rated) fully adhered EPDM system; flash all vents, pipes exhaust curbs, roof top unit curbs, parapet walls and other penetrations in strict accordance with manufacturer specifications; rework structural steel framing members bracing the current fascia system; prepare corrugated wall panels at the walkway to north building and wall panels at low roof to high roof for conventional roof to wall flashing; furnish and install new 24 gauge ColorKlad gutter and gutter apron; and raise all roof top units in the work area and install new roof curbs underneath. Upon completion and inspection by an authorized technical representative a 10 year system (labor and material) guarantee will be issued.

We are asking for \$48,000.00 which is the cost associated with removing and reinstalling our roof's façade plus removing, replacing and installing new gutters. We understand this type of work may technically not fit into the CRA's façade program, but this is the area of our roof that is most visible to the public from 3<sup>rd</sup> Street and will improve, not only the function of our roof, but the appearance of our facility.

Year to date we have secured the following funding for this project:

- Grants from Foundations	\$157,000.00
- Individual Donor	\$10,000.00
- YMCA Contribution	\$112,070.26
- *Community Redevelopment Authority (Pending)	<u>\$48,000.00</u>
TOTAL	\$327,070.26

For the remaining \$73,929.74 we are soliciting individual donors in the community.

It is our goal to start this project when the weather warms up in the spring of 2012, ideally April. Once the project start date is determined, there will be three payments made: first payment for the cost of material, made prior to the start date; second payment made as subcontractors finish their portions of the project; and third payment made when all work is completed. It is estimated the project will take two months or 50 good weather working days to complete once started.

**YMCA OF GRAND ISLAND**  
221 E South Front Street  
Grand Island NE 68801  
**308-395-9622**  
[www.giymca.org](http://www.giymca.org)



Our facility has been a downtown destination for the community since 1979. We average 14,000 visits per month. We serve nearly 4,000 children annually through our youth programs. In 2011, we provided scholarship assistance to 2,083 individuals so they could experience all the Y has to offer.

We think the Y is a valuable component to Grand Island's Downtown and once this roof project is completed, we'll continue to be a Downtown destination for at least another 10 years.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Thor Larson".

Thor Larson  
YMCA Executive Director/CEO



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item I1**

### **Redevelopment Plan**

Staff Contact: Chad Nabity

**Redevelopment Plan Amendment  
Grand Island CRA Area #2  
December 2011**

**The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area #2 with in the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area #2.**

**Executive Summary:  
Project Description**

THE RENOVATION OF THE HOWARD JOHNOSONS CONVENTION CENTER, HOTEL AND RESTAURANT AT 3333 RAMADA ROAD AND THE SUBSEQUENT SITE WORK, UTILITY, ENGINEERING, LANDSCAPING AND PARKING IMPROVEMENTS NECESSARY FOR THE RENOVATION AT THIS LOCATION.

The developer intends to use Tax Increment Financing to aid in renovation of the convention center, hotel and restaurant at this site. The developer is trying to attract a national chain restaurant as an anchor to the convention center and hotel. This is Grand Island’s largest convention space and in need of substantial renovation. This project would not be possible in an affordable manner without the use of TIF.

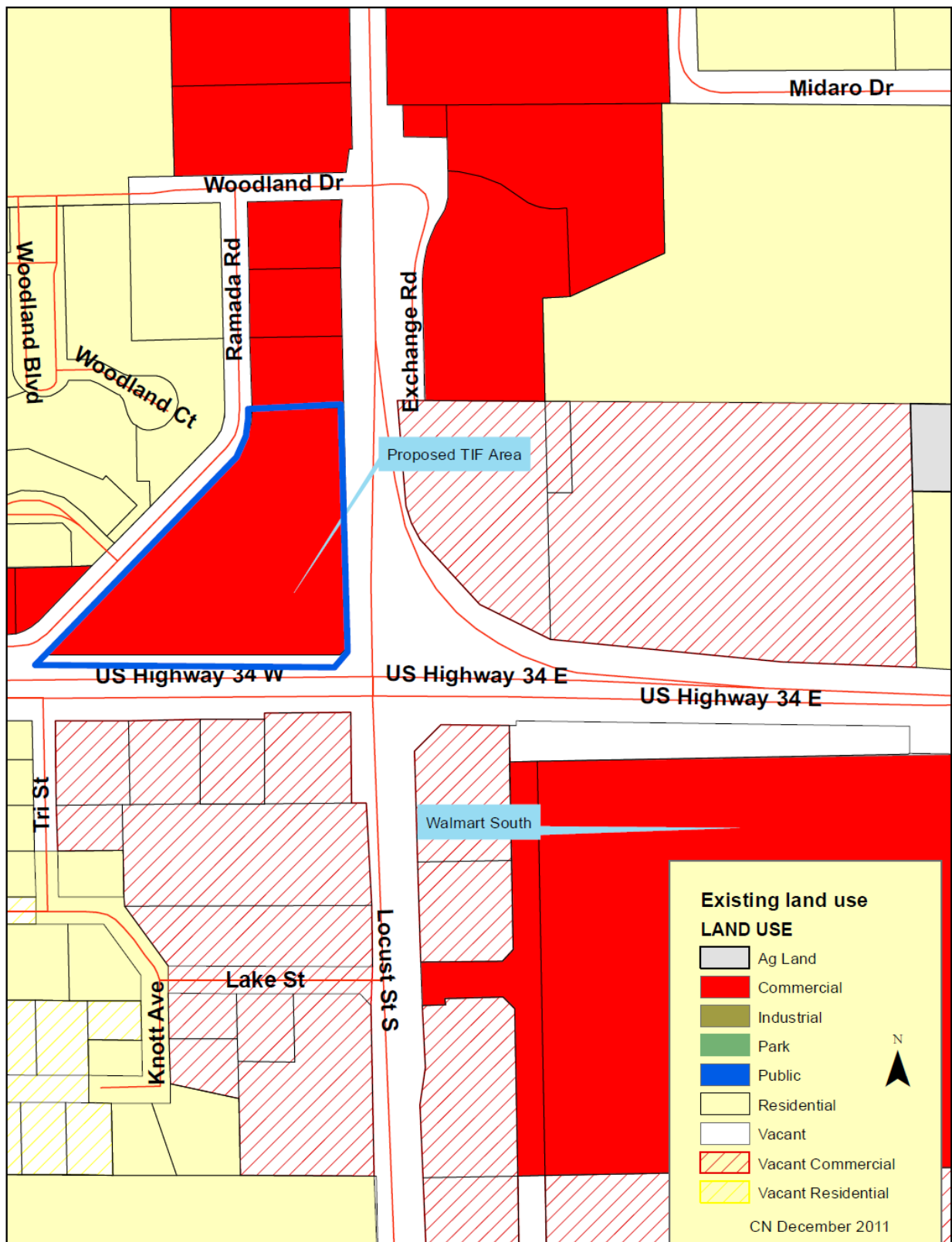
The site is owned by the developer. All site work, demolition and utilities will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2014 towards the allowable costs and associated financing for the acquisition and site work.

**TAX INCREMENT FINANCING TO PAY FOR THE ACQUISTION 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 northwest corner of South Locust Avenue and U.S. Highway 34 (Husker Highway) in southern Grand Island. The attached map identifies the subject property and the surrounding land uses:

- **Legal Descriptions** Lot 11 of Woodland Second Subdivision, An Addition to the City of Grand Island, Hall County Nebraska excepting a therefrom a tract of land more particularly described in Deed recorded as Document No. 200007531.



**The tax increment will be captured for the tax years the payments for which become delinquent in years 2014 through 2028 inclusive.**

**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 rehabilitation of the hotel convention center property and development of a national chain restaurant at this location.**

**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, 2014.

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 September 13, 1999. [§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 rehabilitate an existing conforming use on this property.

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

***a. Land Acquisition:***

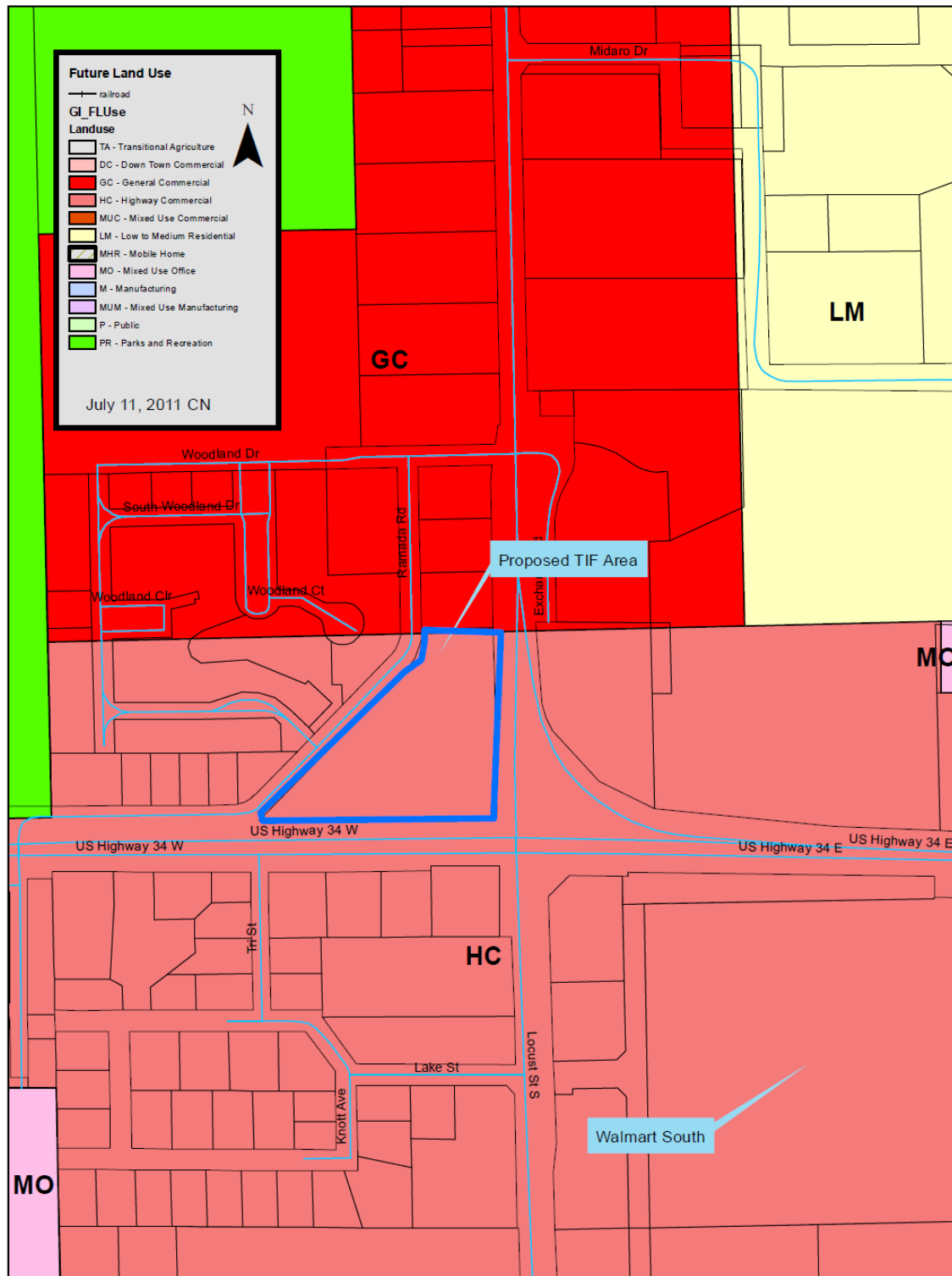
The Redevelopment Plan for Area #2 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority or the developer.

***b. Demolition and Removal of Structures:***

The project to be implemented with this plan amendment does not call for the demolition and removal of any existing structures.

***c. Future Land Use Plan***

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for highway 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

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

The area is zoned B2-AC General Business zone with an Arterial Commercial Overlay. No zoning changes are anticipated with this project. No changes are anticipated in street layouts or grades. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. The proposed uses as a convention center, hotel and restaurant are permitted in the B2-AC zoning district. [§18-2103(b) and §18-2111]

***e. Site Coverage and Intensity of Use***

The developer is proposing rehabilitate the existing structure a conforming structure and use in the B2-AC zoning district. [§18-2103(b) and §18-2111]

***f. Additional Public Facilities or Utilities***

This site has full service to municipal utilities. No utilities would be impacted by the development.

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 property, owned by the developer is maintained as a convention center, hotel and restaurant. The proposed use of this property would continue as a convention center, hotel and restaurant. No individuals or families will be relocated as a result of this project.[§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]**

**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 has owned the property for since 2001. The cost of property acquisition is not being included as a TIF eligible expense. Costs for rehabilitation of the existing



structure and parking improvements are estimated at \$1,077,000. Fees and reimbursement to the City and the CRA of \$6,500 are included as a TIF eligible expense.

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 \$524,520 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Incremental Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2014 through December 31, 2028.

***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 on at the intersection of South Locust and U.S. Highway 34. Renovated 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.

## **8. Time Frame for Development**

Development of this project (including demolition, site preparation and new construction) is anticipated to be completed between March 2012 and March of 2013. Excess valuation should be available for this project for 15 years beginning with the 2014 tax year.

## **9. Justification of Project**

The South Locust Corridor is a major entrance for the City of Grand Island from Interstate 80. The Heartland Events Center, the State Fair Park and associated buildings and other attractions are all located along South Locust. The South Locust Business Improvement District and City of Grand Island have spent a considerable amount of money on landscaping and aesthetic treatments along this corridor. The City has codified those improvements as development occurs south of the U.S. 34 and Locust. The Grand Island CRA has invested more than \$500,000 in the property located on the east side of South Locust across from this project. This is a gateway to the community and for many people from outside the area is what they will use to judge our City. The opportunity to partner with owners of key building along this corridor as they redevelop and reinvest in their properties is important to making those favorable first impressions.

**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.

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

The redevelopment project area currently has an estimated valuation of \$2,095,733. The proposed renovation of this facility will result in an estimated additional \$1,595,050 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;***

The proposed facility will provide jobs for persons employed by the contractors that will be involved with the project. It will result in a new national family restaurant along the South Locust corridor.

***(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 may create additional demand for service employees in the Grand Island area and could impact other hotels and restaurants.

***(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 improve the southern entrance into the City of Grand Island. The updates and upgrades to Grand Island's largest convention space will make Grand Island more competitive for meetings and conferences.

### **Time Frame for Development**

Development of this project is anticipated to be completed during between March 1, 2012 and March 1 of 2013. The base tax year should be calculated on the value of the property as of January 1, 2012. Excess valuation should be available for this project for 15 years beginning in 2013. 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 \$524,520 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses of the cost of renovation, site preparation, engineering, expenses and fees reimbursed to the City and CRA, and financing fees the developer will spend over \$1,000,000 of TIF eligible activities.

### **See Attached Building Plans**

## REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska (“Authority”), and Stratford Plaza, LLC, a Nebraska limited liability company (“Redeveloper”).

### WITNESSETH:

WHEREAS, the City of Grand Island, Nebraska (the “City”), in furtherance of the purposes and pursuant to the provisions of Section 12 of Article VIII of the Nebraska Constitution and Sections 18-2101 to 18-2154, Reissue Revised Statutes of Nebraska, 2007, as amended (collectively the “Act”), has designated an area in the City as blighted and substandard; and

WHEREAS, City and Redeveloper desire to enter into this Redevelopment Contract for acquisition and redevelopment of a parcel in the blighted and substandard area;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, Authority and Redeveloper do hereby covenant, agree and bind themselves as follows:

### ARTICLE I

#### DEFINITIONS AND INTERPRETATION

##### Section 1.01 Terms Defined in this Redevelopment Contract.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Contract, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

“Act” means Section 12 of Article VIII of the Nebraska Constitution, Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 2007, as amended, and acts amendatory thereof and supplemental thereto

“Authority” means the Community Redevelopment Authority of the City of Grand Island, Nebraska.

“City” means the City of Grand Island, Nebraska.

“Governing Body” means the Mayor and City Council of the City.

“Holder” means the holders of TIF indebtedness issued by the Authority from time to time outstanding.

“Liquidated Damages Amount” means the amounts to be repaid to Authority by Redeveloper pursuant to Section 6.02 of this Redevelopment Contract.

“Project” means the improvements to the Redevelopment Area, as further described in Exhibit B attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Area real estate.

“Project Cost Certification” means a statement prepared and signed by the Redeveloper verifying the Redeveloper has been legally obligated for the payment of Project Costs identified on Exhibit D

“Project Costs” means only costs or expenses incurred by Redeveloper for the purposes set forth in §18-2103 (a) through (f), inclusive, of the Act as identified on Exhibit D.

“Redeveloper” means Stratford Plaza, LLC, a Nebraska limited liability company.

“Redevelopment Area” means that certain real property situated in the City of Grand Island, Hall County, Nebraska, which has been declared blighted and substandard by the City pursuant to the Act, and which is more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

“Redevelopment Contract” means this redevelopment contract between the Authority and Redeveloper with respect to the Project.

“Redevelopment Plan” means the Amended Redevelopment Plan for the Redevelopment Area related to the Project, prepared by the Authority and approved by the City pursuant to the Act.

“Resolution” means the Resolution of the Authority, as supplemented from time to time, approving this Redevelopment Contract and the issuance of the TIF Indebtedness.

“TIF Indebtedness” means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premiums, if any, thereon, incurred by the Authority pursuant to Article III hereof and secured in whole or in part by TIF Revenues.

“TIF Revenues” means incremental ad valorem taxes generated by the Project which are allocated to and paid to the Authority pursuant to the Act.

## Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Contract shall be construed and interpreted in accordance with the following provisions:

(a) Wherever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word “may” shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(b) The phrase “at any time” shall be construed as meaning “at any time or from time to time.”

(c) The word “including” shall be construed as meaning “including, but not limited to.”

(d) The words “will” and “shall” shall each be construed as mandatory.

(e) The words “herein,” “hereof,” “hereunder,” “hereinafter” and words of similar import shall refer to the Redevelopment Contract as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(f) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(g) The captions to the sections of this Redevelopment Contract are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

## ARTICLE II

### REPRESENTATIONS

#### Section 2.01 Representations by Authority.

The Authority makes the following representations and findings:

(a) the Authority is a duly organized and validly existing Community Redevelopment Authority under the Act.

(b) The Redevelopment Plan has been duly approved and adopted by the City pursuant to Section 18-2109 through 18-2117 of the Act.

(c) The Authority deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper as specified herein.

(d) The Redevelopment Project will achieve the public purposes of the Act by, among other things, increasing employment, improving public infrastructure, increasing the tax base, and lessening conditions of blight and substandard in the Redevelopment Area.

(e) (1) The Redevelopment Plan is feasible and in conformity with the general plan for the development of the City as a whole and the plan is in conformity with the legislative declarations and determinations set forth in the Act, and

(2) Based on Representations made by the Redeveloper:

(i) the Project would not be economically feasible without the use of tax-increment financing,

(ii) the Project would not occur in the Redevelopment Area without the use of tax-increment financing, and

(iii) the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the Authority and have been found to be in the long-term best interest of the community impacted by the Project.

(f) The Authority has determined that the proposed land uses and building requirements in the Redevelopment 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.

## Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

(a) The Redeveloper is a Nebraska limited liability company, having the power to enter into this Redevelopment Contract and perform all obligations contained herein and by proper action has been duly authorized to execute and deliver this Redevelopment Contract.

(b) The execution and delivery of the Redevelopment Contract and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Contract or, except as disclosed in writing to the Authority, as in any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Any financial statements of the Redeveloper or its Members delivered to the Authority prior to the date hereof are true and correct in all respects and fairly present the financial condition of the Redeveloper and the Project as of the dates thereof; no materially adverse change has occurred in the financial condition reflected therein since the respective dates thereof; and no additional borrowings have been made by the Redeveloper since the date thereof except in the ordinary course of business, other than the borrowing contemplated hereby or borrowings disclosed to or approved by the Authority.

(e) The Project would not be economically feasible without the use of tax increment financing.

(f) The Project would not occur in the Redevelopment Area without the use of tax-increment financing.

(g) The Redeveloper is an accredited investor as that term is defined for purposes Regulation D, issued pursuant to the Securities Act of 1933, as amended.

### ARTICLE III

#### OBLIGATIONS OF THE AUTHORITY

##### Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act, the Authority hereby provides that any ad valorem tax on the following real property in the Project: to wit: the property shown on attached Exhibit A, for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in this section. The effective date of this provision shall be January 1, 2013.

(a) That proportion 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 (as defined in the Act) 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 proportion of the ad valorem tax on real property in the Redevelopment Area in excess of such amount (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged 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 of money to, or indebtedness incurred by whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, such 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 Project shall be paid into the funds of the respective public bodies.

### Section 3.02 Issuance of TIF Indebtedness

Authority shall incur TIF Indebtedness in the form and principal amount and bearing interest and being subject to such terms and conditions as are specified on the attached exhibit C. No TIF Indebtedness will be issued until Redeveloper has (a) acquired fee title to the Redevelopment Area; (b) obtained financing commitments as described in Section 5.01; and (c) entered into a contract for construction of the Project. The Authority shall have no obligation to find a lender or investor to acquire the TIF Indebtedness, but rather shall issue the TIF Indebtedness to the Redeveloper upon payment of the principal amount thereof. The purchase price of the TIF Indebtedness may be offset against the Grant described in Section 3.04 hereof, in the sole discretion of the Authority.

The TIF Indebtedness issued pursuant to the provisions of this contract constitutes a limited obligation of the Authority payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2007, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Redevelopment Area". The TIF Indebtedness shall not constitute a general obligation of the Authority and the Authority shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. The TIF Indebtedness shall not constitute an obligation of the State of Nebraska or of the City or the Authority (except for such receipts as have been pledged pursuant to Section 3.03) and neither the State or Nebraska, the Authority nor the City shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged pursuant to Section 3.03). Neither the members of the Authority's governing body nor any person executing the TIF Indebtedness shall be liable personally on the TIF Indebtedness by reason of the issuance thereof. The Authority's obligation to the holder of the TIF Indebtedness shall terminate, in all events no later than 15 years from the effective date set forth in Section 3.01 hereof.

### Section 3.03 Pledge of TIF Revenues.

The Authority hereby pledges 100% of the annual TIF Revenues as security for the TIF Indebtedness.

### Section 3.04 Grant of Proceeds of TIF Indebtedness.

From the proceeds of the TIF indebtedness incurred as described on Exhibit C, the Authority shall grant the following sums to the following entities, to wit: 100% to the Redeveloper for Project Costs.

Notwithstanding the foregoing, the amount of the grant shall not exceed the amount of Project Costs certified pursuant to Section 4.02. The grants shall be paid to the Redeveloper upon certification that the Redeveloper has incurred or is obligated to incur such Project Costs which include supporting documentation requested by Authority and shall, if requested by Redeveloper, be made in one or more advances.

#### Section 3.05 Creation of Fund.

The Authority will create a special fund to collect and hold the TIF Revenues. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Sections 3.02 above.

### ARTICLE IV

#### OBLIGATIONS OF REDEVELOPER

##### Section 4.01 Construction of Project; Insurance.

(a) Redeveloper will complete the Project and install all infrastructure, improvements, buildings, fixtures, equipment and furnishings necessary to operate the Project. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of Redeveloper with respect to construction of the Project. Promptly after completion by the Redeveloper of the Project, the Redeveloper shall furnish to the Authority a Certificate of Completion. The certification by the Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Contract with respect to the obligations of Redeveloper and its successors and assigns to construct the Project. As used herein, the term "completion" shall mean substantial completion of the Project.

(b) Any general contractor chosen by the Redeveloper or the Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations and a penal bond as required by the Act. The City, the Authority and the Redeveloper shall be named as additional insured. Any contractor chosen by the Redeveloper or the Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor or the Redeveloper, as the case may be, shall furnish the Authority with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies.

(c) Redeveloper shall pay, on execution hereof the sum of \$1,000.00 to the City of Grand Island for administrative expenses related to payment of the tax increment revenue.

#### Section 4.02 Cost Certification.

Redeveloper shall submit to Authority a certification of Project Costs, on or before the issuance of the TIF Indebtedness which shall contain detail and documentation showing the payment or obligation for payment of Project Costs specified on the attached Exhibit D in an amount at least equal to the grant to Redeveloper pursuant to Section 3.05.

#### Section 4.03 Legal Costs.

Redeveloper shall pay the Authority the sum of \$5,000 for the costs incurred by the Authority associated with the issuance of the TIF Indebtedness. Redeveloper understands that the law firm assisting with the issuance of the TIF Indebtedness represents the Authority and not the Redeveloper.

#### Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as any TIF Indebtedness is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

#### Section 4.05 Pay Real Estate Taxes.

Redeveloper intends to create a taxable real property valuation [over and above the valuation thereof as the same existed on January 1, 2012] of the Redevelopment Project Area of One Million Five Hundred Ninety Five Thousand Dollars (\$1,595,000) no later than no later than January 1, 2013. During the period that any TIF Indebtedness is outstanding, neither the Redeveloper, nor its assigns, will (1) file a protest seeking to obtain a real estate property valuation on the Redevelopment Area of less than the sum of: (a) One Million Five Hundred Ninety Five Thousand Dollars (\$1,595,000) and (b) the valuation of the Redevelopment Project Area as the same existed on January 1, 2012; (2) convey the Redevelopment Area or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes; nor (3) allow real estate taxes and assessments levied on the Redevelopment Area and Project to become delinquent during the term that any TIF Indebtedness is outstanding. Redeveloper shall pay the real property ad valorem taxes for the project for the year 2028 prior to January 1, 2028.

#### Section 4.07 Assignment or Conveyance.

Any assignment or conveyance of the any portion of the Redevelopment, the Project or any interest therein prior to the termination of the 15 year period commencing on the effective

date specified in Section 3.01 hereof Area by the Redeveloper shall be subject to the terms and conditions of this Redevelopment Contract.

#### Section 4.08 Purchase of TIF Indebtedness.

The Redeveloper shall purchase the TIF Indebtedness at 100% of the principal amount thereof upon issuance of such debt. The Authority may provide that such purchase be offset against the grant provided in Section 3.04 hereof.

#### Section 4.09 Penal Bond.

The Developer shall execute a penal bond for the Project with good and sufficient surety to be approved by the Authority meeting the requirements of Section 18-2151, Reissue Revised Statutes of Nebraska, as amended, on or prior to its execution of this Contract.

#### Section 4.10 Immigration Status.

The Redeveloper agrees that any contractor for the Project shall be required to agree to use a federal immigration verification system (as defined in §4-114, R.S. Supp. 2009) to determine the work eligibility status of new employees physically performing services on the Project and to comply with all applicable requirements of §4-114, R.S. Supp. 2009.

### ARTICLE V

#### FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

##### Section 5.01 Financing.

Redeveloper shall pay all Project Costs and any and all other costs related to the Redevelopment Area and the Project which are in excess of the amounts paid from the proceeds of the TIF Indebtedness granted to Redeveloper. Prior to issuance of the TIF Indebtedness, Redeveloper shall provide Authority with evidence satisfactory to the Authority that private funds have been committed to the Redevelopment Project in amounts sufficient to complete the Redevelopment Project. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project which shall include such other fees and expenses imposed by the Authority.

### ARTICLE VI

#### DEFAULT, REMEDIES; INDEMNIFICATION

##### Section 6.01 General Remedies of Authority and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or

breach of this Redevelopment Contract or any of its terms or conditions, by any party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Contract shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform on in breach of its obligations.

## Section 6.02 Additional Remedies of Authority

In the event that:

(a) the Redeveloper, on successor in interest, shall fail to complete the construction of the Project on or before January 1, 2013, or shall abandon construction work for any period of 90 days,

(b) the Redeveloper, on successor in interest, shall fail to pay real estate taxes or assessments on the Redevelopment Area on any part thereof or payments in lieu of taxes pursuant to Section 4.07 when due; or

(c) There is, in violation of Section 4.08 of this Redevelopment Contract, and such failure or action by the Redeveloper has not been cured within 30 days following written notice from Authority, then the Redeveloper shall be in default of this Redevelopment Contract.

In the event of such failure to perform, breach or default occurs and is not cured in the period herein provided, the parties agree that the damages caused to the Authority would be difficult to determine with certainty and that a reasonable estimation of the amount of damages that could be incurred is the amount of the grant to Redeveloper pursuant to Section 3.04 of this Redevelopment Contract, less any reductions in the principal amount of the TIF Indebtedness, plus interest on such amounts as provided herein (the "Liquidated Damages Amount"). The Liquidated Damages Amount shall be paid by Redeveloper to Authority within 30 days of demand from Authority.

Interest shall accrue on the Liquidated Damages Amount at the rate of one percent (1%) over the prime rate as published and modified in the Wall Street Journal from time to time and interest shall commence from the date that the Authority gives notice to the Redeveloper demanding payment.

Payment of the Liquidated Damages Amount shall not relieve Redeveloper of its obligation to pay real estate taxes or assessments with respect to the Project.

## Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event the Redeveloper fails to perform any other provisions of this Redevelopment Contract (other than those specific provisions contained in Section 6.02), the Redeveloper shall be in default. In such an instance, the Authority may seek to enforce the terms of this Redevelopment Contract or exercise any other remedies that may be provided in this Redevelopment Contract or by applicable law; provided, however, that the default covered by this Section shall not give rise to a right of rescission on termination of this Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

#### Section 6.04 Forced Delay Beyond Party's Control.

For the purposes of any of the provisions of this Redevelopment Contract, neither the Authority nor the Redeveloper, as the case may be, nor any successor in interest, shall be considered in breach of or default in its obligations with respect to the conveyance or preparation of the Redevelopment Area for redevelopment, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of forced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays in subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such forced delay, the time or times for performance of the obligations of the Authority or of the Redeveloper with respect to construction of the Project, as the case may be, shall be extended for the period of the forced delay: Provided, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such forced delay, have first notified the other party thereto in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

#### Section 6.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary, neither the City, the Authority, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The sole obligation of the Authority under this Redevelopment Contract shall be the issuance of the TIF Indebtedness and granting of a portion of the proceeds thereof to Redeveloper, as specifically set forth in Sections 3.02 and 3.04. The obligation of the City and Authority on any TIF Indebtedness shall be limited solely to the payment of the TIF Revenues on the TIF Indebtedness. Specifically, but without limitation, neither the City or Authority shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. The Redeveloper releases the City and Authority from, agrees that neither the City or Authority shall be liable for, and agrees to indemnify and hold the City and Authority harmless from any liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project.

The Redeveloper will indemnify and hold each of the City and Authority and their directors, officers, agents, employees and member of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, including litigation expenses, attorneys' fees and expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about the Project during the term of this Redevelopment Contract or arising out of any action or inaction of Redeveloper, whether on not related to the Project, or resulting from or in any way connected with specified events,

including the management of the Project, or in any way related to the enforcement of this Redevelopment Contract or any other cause pertaining to the Project.

## ARTICLE VII

### MISCELLANEOUS

#### Section 7.01 Notice Recording.

This Redevelopment Contract or a notice memorandum of this Redevelopment Contract shall be recorded with the County Register of Deeds in which the Redevelopment Area is located.

#### Section 7.02 Governing Law.

This Redevelopment Contract shall be governed by the laws of the State of Nebraska, including but not limited to the Act.

#### Section 7.03 Binding Effect; Amendment.

This Redevelopment Contract shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Contract shall run with the Redevelopment Area. The Redevelopment Contract shall not be amended except by a writing signed by the party to be bound.

#### Section 7.04 Third Party Enforcement,

The provisions of this Redevelopment Contract which obligate the Redeveloper shall inure to the benefit of the holder of the TIF Indebtedness, the Hall County Assessor, the City and the Authority, any of whom may, but are not obligated to enforce the terms of this Redevelopment Contract in a court of law.

IN WITNESS WHEREOF, City and Redeveloper have signed this Redevelopment Contract as of the date and year first above written.

ATTEST:

COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
GRAND ISLAND, NEBRASKA

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Chairman



Stratford Plaza, LLC

By: \_\_\_\_\_  
Manager

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_, Chair and Secretary, respectively, of the  
Community Redevelopment Authority of the City of Grand Island, Nebraska, on behalf of the  
Authority.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by \_\_\_\_\_, Manager of Stratford Plaza, LLC, on behalf of the limited  
liability company.

\_\_\_\_\_  
Notary Public

## EXHIBIT A

Lot 11, Woodland Second Subdivision, an addition to the City of Grand Island, Hall County, Nebraska, excepting therefrom a tract of land more particularly described in a Deed recorded as Document No. 200007531 in the office of the Hall County, Nebraska office of the Register of Deeds.

A-I

## EXHIBIT B

### DESCRIPTION OF PROJECT

Demolition, rehabilitation and construction of a exterior façade and interior remodeling of Howard Johnsons Hotel to provide a renovated restaurant for Denny's together with additional parking lot rehabilitation.

B- 1

## EXHIBIT C

### TIF INDEBTEDNESS

1. Principal Amount: \$524,520.00 [annual payment amounts assumed are \$34968]
2. Payments: Semi-annually or more frequent, with payments limited to annual incremental taxes revenues from the project.
3. Interest Rate: Zero percent (0.00%)
4. Maturity Date: On or before December 31, 2027.

C-1

## EXHIBIT D

### PROJECT COSTS

All Project Costs payable from the proceeds of TIF indebtedness pursuant to the Act including:

1. Redevelopment Area rehabilitation and remodeling cost
2. Site demolition work and site preparation
3. Utility extensions, installation of gas, water, sewer and electrical lines and equipment
4. Façade improvements
5. Interior rehabilitation

D-1



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item I2**

### **Redevelopment Plan**

Staff Contact: Chad Nabity

### **PURPOSE OF THE BLIGHT AND SUBSTANDARD STUDY**

The purpose of completing this Blight and Substandard study is to examine existing conditions within and contiguous to the City of Grand Island. The City of Grand Island has identified a targeted area for consideration of future redevelopment. Portions of the Study Area are currently within the corporate limits of the city and remaining portion is part of a County Industrial Park which is outside of the corporate limits. The area currently within the County Industrial Park will be examined as to its influence on the adjacent areas.

The City of Grand Island, when considering conditions of Blight and Substandard, will be looking at those issues and definitions provided for in the Nebraska Community Redevelopment Law as found in Chapter 18 of the Revised Nebraska State Statutes, as follows:

*"The governing body of a , to the greatest extent it deems to be feasible in carrying out the provisions of Sections 18-2101 to 18-2144, shall afford maximum opportunity, consistent with sound needs of the as a whole, to the rehabilitation or redevelopment of the community redevelopment area by private enterprises. The governing body of a shall give consideration to this objective in exercising its powers under sections 18-2101 to 18-2144, including the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the , the exercise of its zoning powers, the enforcement of other laws, codes, and regulations relating to the use and occupancy of buildings and improvements, the disposition of any property acquired, and providing of necessary public improvements".*

The Nebraska Revised Statutes §18-2105 continues by granting authority to the governing body for formulation of a workable program. The statute reads,

*"The governing body of a or an authority at its direction for the purposes of the Community Development Law may formulate for the entire municipality a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of substandard and blighted areas, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation or conservation of substandard and blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of substandard and blighted areas or portions thereof."*

Blight and Substandard are defined as the following:

*"Substandard areas means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile*



*delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;”*

*“Blighted area means an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a shall not designate an area larger than one hundred percent of the as blighted;”*

This Blight and Substandard Study is intended to give the Grand Island Community Redevelopment Authority and Grand Island City Council the basis for identifying and declaring Blighted and Substandard conditions existing within the City's jurisdiction. Through this process, the City is attempting to address economic and/or social liabilities which are harmful to the well-being of the entire community.

The study area can be seen in Figure 1 of this report. The Redevelopment Plan portion of this report will contain, in accordance with the law, definite local objectives regarding appropriate land uses, improved traffic, public transportation, public utilities and other public improvements, and the proposed land uses and building requirements in the redevelopment area and shall include:

- The boundaries defining the blighted and substandard areas in question (including existing uses and conditions of the property within the area), and
- A list of the conditions present which qualify the area as blighted and substandard.

### **EXISTING LAND USES**

The term “Land Use” refers to the developed uses in place within a building or on a specific parcel of land. The number and type of uses are constantly changing within a community, and produce a number of impacts that either benefit or detract from the community. Because of this, the short and long-term success and sustainability of the community is directly contingent upon available resources utilized in the best manner given the constraints the City faces during the course of the planning period. Existing patterns of land use are often fixed in older communities and neighborhoods, while development in newer areas is often reflective of current development practices.

### Existing Land Use Analysis within Study Area

As part of the planning process, a survey was conducted through both in-field observations, as well as data collection online using the Hall County Assessors website. This survey noted the use of each parcel of land within the study area. These data from the survey are analyzed in the following paragraphs.

Table 1 includes the existing land uses for the entire study area. The table contains the total acres determined per land use from the survey; next is the percentage of those areas compared to the total developed land; and finally, the third set of data compare the all land uses to the total area within the Study Area.

Nearly 28% of the Study Area's developed land is in Industrial uses and another 27% is in Commercial uses. The next largest land area is the land used for streets and rights-of-way which was approximately 20% of the total area. Overall, approximately 75% of the land area in this Study area is non-residential in nature. Overall residential land uses total approximately 18%.

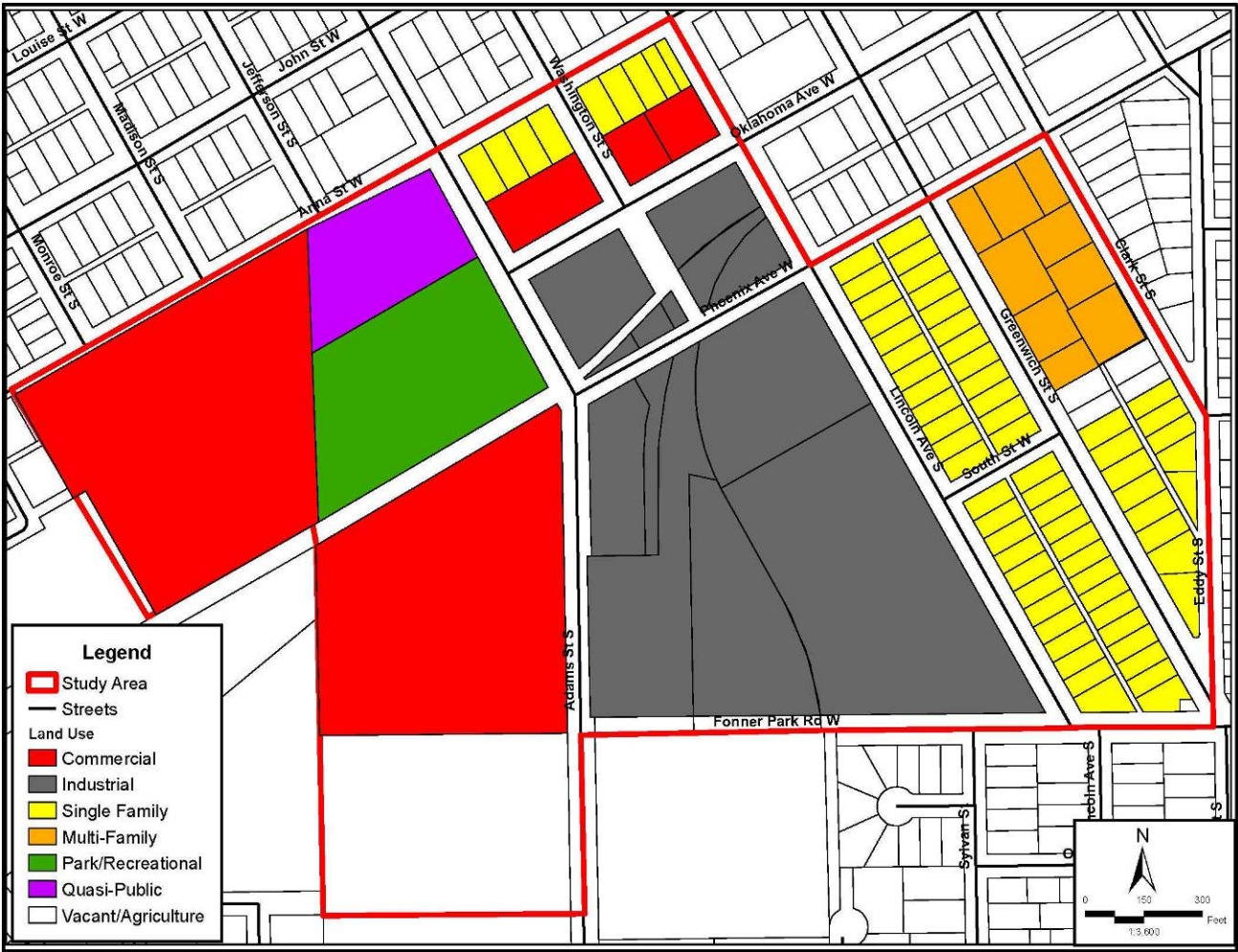
**TABLE 1: EXISTING LAND USE, GRAND ISLAND - 2011**

Type of Use	Acres	Percent of Developed land within the Study Area	Percent of Study Area
Residential	15.09	17.7%	16.3%
Single-family	11.58	13.6%	12.5%
Multi-family	3.51	4.1%	3.8%
Manufactured Housing	0	0.0%	0.0%
Commercial	22.67	26.6%	24.4%
Industrial	23.29	27.3%	25.1%
Quasi-Public/Public	2.6	3.0%	2.8%
Parks/Recreation	5.1	6.0%	5.5%
Transportation	16.63	19.5%	17.9%
Total Developed Land	85.38	100.0%	
Vacant/Agriculture	7.39		8.0%
<b>Total Area</b>	<b>92.77</b>		<b>100.0%</b>

Source: 2011 Grand Island Blight Study, Olsson Associates and Marvin Planning Consultants

**Figure 1**

Existing Land Use Map



Source: Olsson Associates and Marvin Planning Consultants, 2011

## **BLIGHT AND SUBSTANDARD ELIGIBILITY STUDY**

The City of Grand Island has selected a specific target area within an established part of the community for evaluation. The area is indicated in Figure 2 of this report. The existing uses in this area include single-family residential, multi-family residential, commercial, parks/recreation, quasi-public, commercial, and industrial.

Through the redevelopment process the City of Grand Island can guide future development throughout the area. The use of the Community Redevelopment Act by the City of Grand Island is intended to redevelop and improve the area. Using the Community Redevelopment Act, the City of Grand Island can assist in the elimination of negative conditions and implement different programs/projects identified for the City.

The following is the description of the designated area within Grand Island.

### **Study Area**

POINT OF BEGINNING IS THE INTERSECTION OF THE CENTERLINES OF ANNA STREET AND LINCOLN AVENUE S; THENCE SOUTHEASTERLY ALONG SAID CENTERLINE OF LINCOLN AVENUE S TO THE INTERSECTION OF THE CENTERLINES OF LINCOLN AVENUE S AND PHOENIX AVENUE W; THENCE NORTHEASTERLY ALONG SAID CENTERLINE OF PHOENIX AVENUE W TO THE INTERSECTION OF THE CENTERLINES OF PHOENIX AVENUE W AND CLARK STREET S; THENCE, SOUTH EASTERLY ALONG SAID CENTERLINE OF CLARK STREET S TO THE INTERSECTION OF THE CENTERLINES OF CLARK STREET S AND EDDY STREET S; THENCE, SOUTH ALONG THE CENTERLINE OF EDDY STREET S TO THE INTERSECTION OF THE CENTERLINES OF EDDY STREET S AND FONNER PARK ROAD W; THENCE, WEST ALONG THE CENTERLINE OF FONNER PARK ROAD W TO THE INTERSECTION OF THE CENTERLINES OF FONNER PARK ROAD W AND ADAMS STREET S; THENCE, SOUTH ALONG THE CENTERLINE OF ADAMS STREET S TO THE EXTENDED SOUTH PROPERTY LINE OF THE TRACT DESCRIBED IN FILE: 07-2412 OF THE HALL COUNTY REGISTER OF DEEDS; THENCE, WEST ALONG SAID SOUTH PROPERTY LINE TO THE WEST PROPERTY LINE OF SAID PROPERTY; THENCE NORTH ALONG THE WEST PROPERTY LINE OF SAID PROPERTY TO THE NORTHWEST CORNER OF A PORTION OF LOT 21 AS DESCRIBED IN ITEMS 1 AND 2 OF INSTRUMENT NUMBER 200314398; THENCE NORTHEASTERLY TO THE SOUTHEAST CORNER OF WASH TWP PT SE 1/4 NW 1/4 21-11-9 (ALSO KNOWN AS PARCEL NUMBER 400206935 ON THE HALL COUNTY ASSESSORS SITE); THENCE, NORTHWESTERLY ALONG THE WESTERN PROPERTY LINE OF SAID PROPERTY TO THE INTERSECTION OF THE EXTENDED WESTERN PROPERTY LINE AND THE CENTERLINE OF ANNA STREET W; THENCE, NORTHEASTERLY ALONG SAID CENTERLINE TO THE POINT OF BEGINNING.

### **Corporate Limits**

The Corporate Limits is the entire study area excepting:

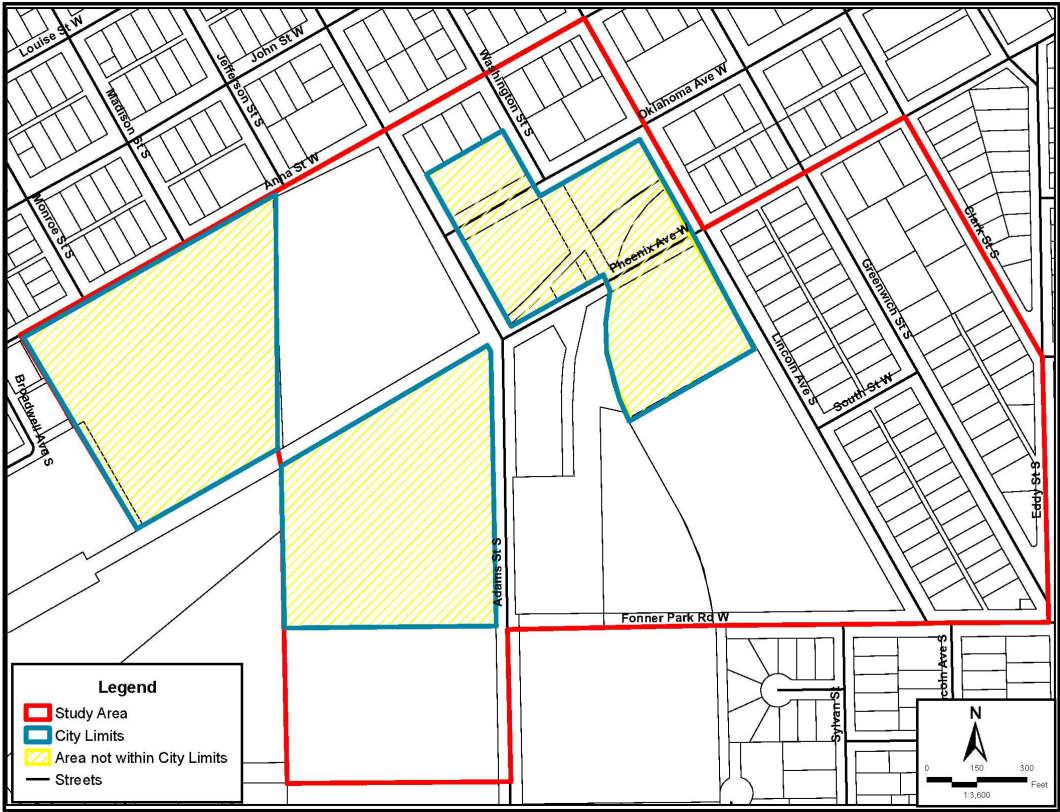
1. THE PARCEL REFERRED TO WASH TWP PT SE 1/4 NW 1/4 21-11-9 (ALSO REFERRED AS PARCEL NUMBER 400206935 ON THE HALL COUNTY ASSESSORS SITE) 10.92 AC
2. WASH TWP PT SW 1/4 NE 1/4 21-11-9 (ALSO REFERRED AS PARCEL NUMBER 400206811 ON THE HALL COUNTY ASSESSORS SITE) 10.33 AC
3. WASHINGTON TWP B. & Y. SUB LT 1 (ALSO REFERRED AS PARCEL NUMBER 400209616 ON THE HALL COUNTY ASSESSORS SITE) 132,422 SF
4. WASH TWP S OF RR PT NE 1/4 21-11-9 (ALSO REFERRED AS PARCEL NUMBER 400206862 ON THE HALL COUNTY ASSESSORS SITE) .44 AC
5. WASH TWP PT NE 1/4 PT FORMER BLKS 7-8-9-10 SOUTH PARK 21-11-9 PT VAC WASHINGTON ST (ALSO REFERRED AS PARCEL NUMBER 400206846 ON THE HALL COUNTY ASSESSORS SITE) 5.69 AC
6. A PIECE OF LAND REFERRED TO AS PARCEL 64
7. WASH TWP 21-11-9 W 1/2 OF VACATED WASHINGTON STREET (ALSO REFERRED AS PARCEL NUMBER 400371391 ON THE HALL COUNTY ASSESSORS SITE) .076 AC
8. WASH TWP PT SW 1/4 NE 1/4 21-11-9 (ALSO REFERRED AS PARCEL NUMBER 400289172 ON THE HALL COUNTY ASSESSORS SITE) .15 AC



Figure 2  
Study

Area

Map



Source: Olsson Associates and Marvin Planning Consultants, 2011

## **FINDINGS OF BLIGHT AND SUBSTANDARD CONDITIONS ELIGIBILITY STUDY**

This section of the Eligibility Report examines the conditions found in the study area. The Findings Section will review the conditions based upon the Statutory definitions and then will explain the reasons contributing to the findings.

### **CONTRIBUTING FACTORS**

There are a number of conditions that were examined and evaluated in the field and online. There are a number of these conditions that will be reviewed in detail, through the next several pages, while some of the Statutory conditions are present, other are not.

Specifics will be discussed from two angles, within the corporate limits and outside the corporate limits and contributing.

### **Structural Conditions**

Where structural conditions were evaluated, structures were either rated as: No problems, Adequate, Deteriorating, or Dilapidated. The following are the definitions of these terms:

#### **No Problem/ Adequate Conditions**

- No structural or aesthetic problems were visible, or
- Slight damage to porches, steps, roofs etc. is present on the structure,
- Slight wearing away of mortar between bricks, stones, or concrete blocks,
- Small cracks in walls or chimneys,
- Cracked windows,
- Lack of paint, and
- Slight wear on steps, doors, and door and window sills and frames.

#### **Deteriorating Conditions**

- Holes, open cracks, rotted, loose, or missing materials in parts of the foundation, walls, or roof (up to 1/4 of wall or roof),
- Shaky, broken, or missing steps or railings,
- Numerous missing and cracked window panes,
- Some rotted or loose windows or doors (no longer wind- or water-proof), and
- Missing bricks, or cracks, in chimney or makeshift (uninsulated) chimney.

#### **Dilapidated Conditions**

- Holes, open cracks, or rotted, loose or missing material (siding, shingles, brick, concrete, tiles, plaster, floorboards) over large areas of foundation,
- Substantial sagging of roof, floors, or walls,
- Extensive damage by fire, flood or storm, and
- Inadequate original construction such as makeshift walls, roofs made of scrap materials, foundations or floors lacking, or converted barns, sheds, and other structures not adequate for housing.

These are criteria used to determine the quality of each structure in the Study Area.

### **Corporate Limits**

In a recent conditions survey, the structures within the corporate limits were rated. Within the corporate limits portion of the study area there are a total of 106 primary structures. Accessory structures were not rated due to the limited number of them visible from the City rights-of-way (the field survey process does not include venturing onto private property). From the limited number of visible accessory structures, the overall conditions typically matched the primary structures.

After reviewing the overall conditions of the structures in the corporate limits portion include:

- 64 (63.4%) structures rated as adequate
- 24 (23.7%) structures rated as deteriorating

- 13 (12.9%) structures rated as dilapidated

Overall, 36.6% of the structures in this portion of the area are in a state of disrepair. One specific site within the corporate limits contains 8 dilapidated structures and is immediately across the street from an older residential neighborhood. Even though there is not a majority of the structures considered deteriorated or dilapidated, it is felt this represents a substantial number, considering that they are concentrated in two primary areas of the neighborhood. The data are available for inspection; however, for purposes of this study, Figure 3 only shows the data on a block level as opposed to structure. However, if there were several structures deemed to be deteriorating or dilapidated then the entire block was downgraded.

For purposes of this study there is approximately 36.8% of the block area within the corporate limits of the Study Area that has deteriorating or dilapidated structures. The remaining 63.2% was considered as "Adequate".

Due to the state of disrepair of a number of properties in the area, the conditions represent conditions which are Dangerous to conditions of life or property due to fire or other causes.

#### ***County Industrial Park area***

The conditions survey identified 18 structures within the county industrial park limits. Within this area the overall conditions of the structures include:

- 7 (38.8%) structures rated as adequate
- 4 (22.4%) structures rated as deteriorating
- 7 (38.8%) structures rated as dilapidated

Overall, 60.2% of the structures in this portion of the study area are in a state of disrepair. Even though these structures are not currently within the corporate limits of Grand Island; they are in close enough proximity to be a contributing factor to those located within the city limits.

One major part of this area contains 7 of the 18 structures that are considered to be deteriorating or dilapidated.

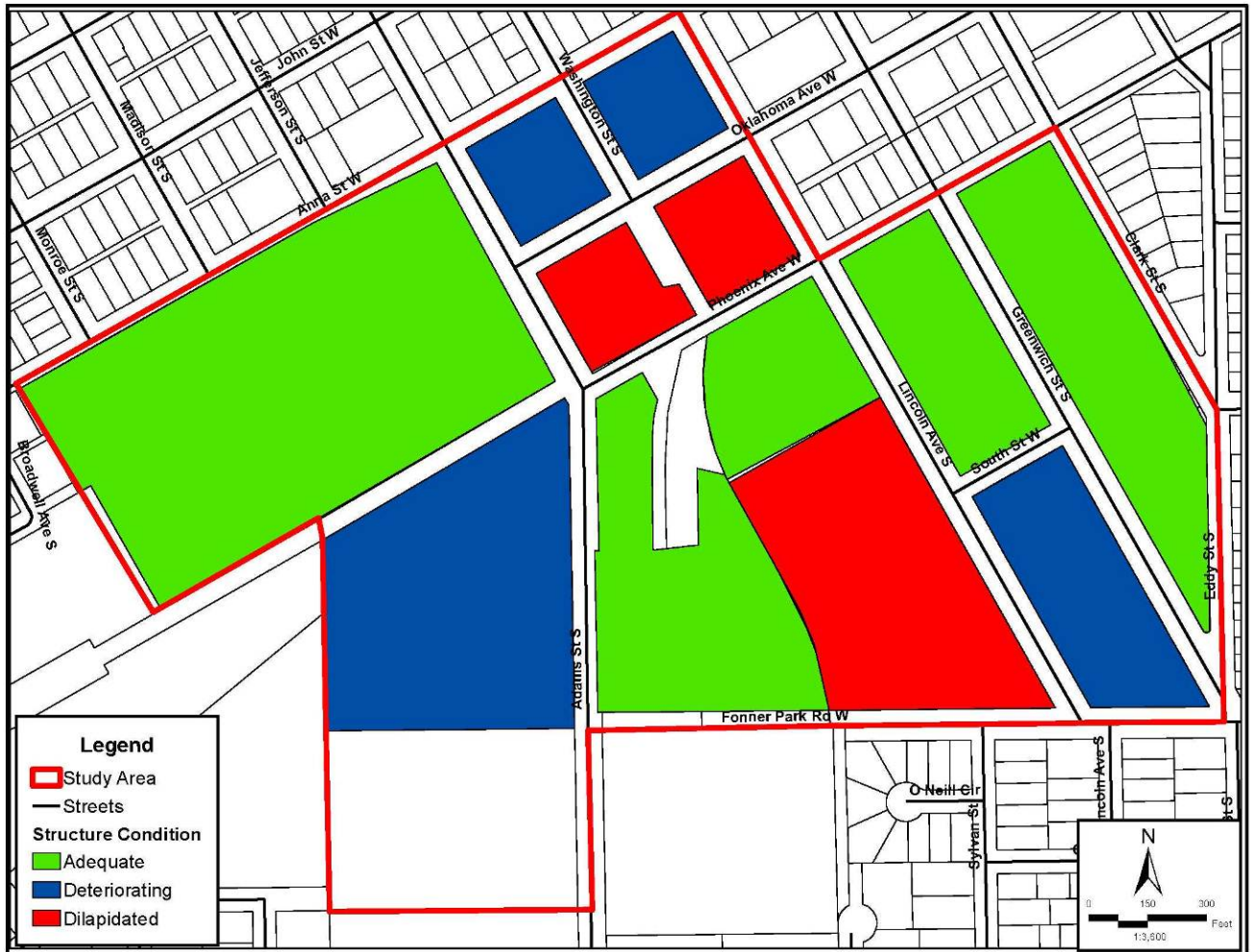


For purposes of this study 52.3% of the area within the county industrial tracts of the Study Area is considered to contain deteriorating or dilapidated structures.

Due to the state of disrepair of a number of properties in the area, the conditions represent conditions which are Dangerous to conditions of life or property due to fire or other causes and are a major contributing factor to the entire study area.

**Figure 3**  
**Structural**

**Conditions**



Source: Olsson Associates and Marvin Planning Consultants, 2011

### Age of Structure

Besides structural conditions of the buildings in the Study Area, age of these structures is another contributing factor to the blighted and substandard conditions in the area. Statutes allow for a predominance of structures that are 40 years of age or older to be a contributing factor regardless of their condition. The following paragraphs document the structural age of the Study Area and again it is broke down into the corporate limits and the county industrial park areas.

#### Corporate Limits

Within the corporate limits portion of the study area there is a total of 101 primary structures. After research structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

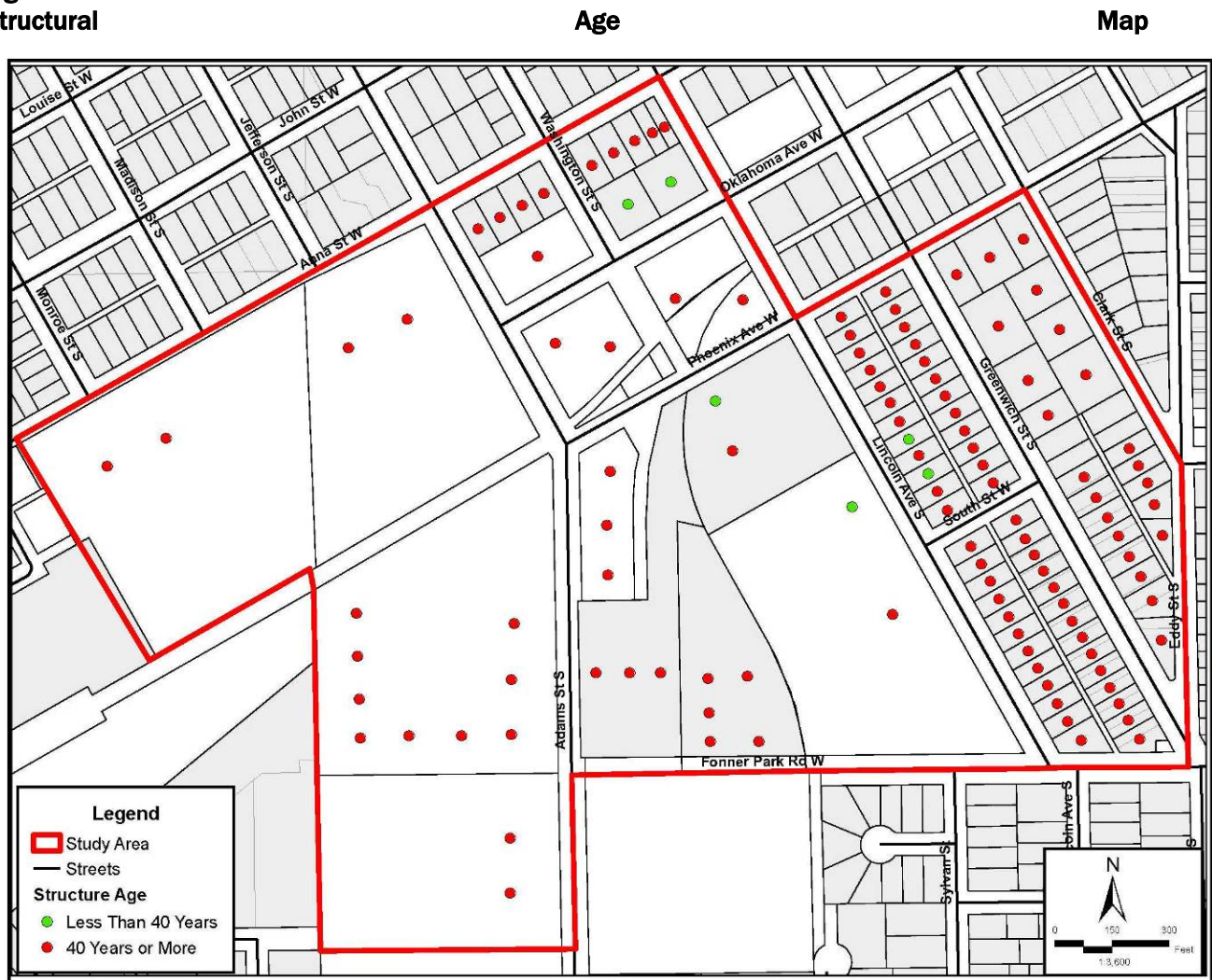
- 5 ( 5.0%) structures were determined to be less than 40 years of age
- 96 (95.0%) structures were determined to be 40 years of age or older

Overall, 95.0% of the structures in this portion of the area are 40 years old or older thus qualifying it as substantial. See Figure 4 for the locations of the structures.

Due to the age of the structures in the corporate limits, age of structures would be a direct contributing factor.



**Figure 4**  
**Structural**



Source: Olsson Associates and Marvin Planning Consultants, 2011

#### **County Industrial Park area**

The conditions survey identified 18 structures within the county industrial park limits. Within this area the overall structural ages include:

- 1 ( 0.8%) structures were determined to be less than 40 years of age
- 17 (99.2%) structures were determined to be 40 years of age or older

Overall, over 99% of the structures in this portion of the area are 40 years old or older thus qualifying it as substantial. Even though this area is not within the corporate limits of Grand Island, the structural age of this area does have an impact on the adjacent properties. See Figure 4 for the locations of the structures.

Due to the age of the structures within the county industrial park, age of structures would be a direct contributing factor.

### Sidewalk Conditions

The sidewalk conditions were analyzed in the Study Area including both the incorporated areas and the unincorporated portions of the area. The sidewalks were rated on four categories; adequate, deteriorating, dilapidated, and missing completely. The following is the breakdown by corporate limits and county industrial park.



### Corporate Limits

Within the corporate limits portion of the study area there is approximately 12,633 lineal feet of sidewalk. After reviewing the conditions in the field, the following is how the sidewalk conditions breakdown within the corporate limits:

- 4,369 (34.6%) lineal feet of adequate sidewalk
- 2,537 (20.1%) lineal feet of deteriorating sidewalk
- 5,727 (45.3%) lineal feet of no sidewalk.
- There was no sidewalk deemed to be dilapidated.

Overall, 65% of the sidewalks are in either a deteriorating state or completely missing. Missing sidewalk is as bad as dilapidated or deteriorating sidewalk since there is no safe place to walk other than across someone else's property or in the street. See Figure 5 for the locations of these sidewalks.

Due to the large amount of deteriorating and missing sidewalk, the sidewalk conditions would be a direct contributing factor.

### County Industrial Park area

The conditions survey identified approximately 4,744 lineal feet of sidewalk or sidewalk potential within the county industrial park limits. Within this area the sidewalk conditions were as follows:

- 416 (8.8%) lineal feet were determined to be adequate
- 1,484 (31.3%) lineal feet were determined to be in a deteriorating condition
- 2,844 (59.9%) lineal feet had no sidewalk at all
- Again, no dilapidated sidewalk was identified in the field work.



Overall, 90% of the lineal feet in this area were either missing sidewalk or the sidewalk was in a deteriorated state. Again, the most critical portion of this review is the amount of missing sidewalk. Within the county industrial park there are several large tracts of land with heavily traveled streets. Some of these parcels are adjacent to a city trail which has limited connectivity to it from these areas. See Figure 5 for the locations of these conditions.

Due to the large amount of missing or deteriorating sidewalk within the county industrial park, sidewalk conditions would be a direct contributing factor and is a contributing factor to adjacent areas within the corporate limits.

### Street Conditions

The street conditions were analyzed in the Study Area including both the incorporated areas and the unincorporated portions of the area. The streets were also rated on four categories; adequate, deteriorating, dilapidating, and missing completely. The following is the breakdown by corporate limits and county industrial park.



Based upon a state statute that requires anytime a city annexes part of a street or road they are required to annex the entire street or road, the analysis assumes that unless a street or road is entirely within the county industrial park it is in the corporate limits. Due to this assumption, of the total 13,139 lineal feet of streets in the study area, all but 270 lineal feet are within the corporate limits.

### Corporate Limits

Within the corporate limits portion of the study area there is approximately 12,899 lineal feet of street. After reviewing the conditions in the field, the following is how the street conditions breakdown within the corporate limits:

- 1,929 (15.0%) lineal feet of adequate street
- 10,608 (82.2%) lineal feet of deteriorating street
- 362 (2.8%) lineal feet of gravel streets.
- There was no street deemed to be dilapidated.



Overall, 85% of the streets are in either a deteriorating state or was paved with gravel, thus an obsolete material for an urban area. See Figure 6 for the locations of these streets.

Due to the large amount of deteriorating and missing street, the street conditions would be a direct contributing factor.

### County Industrial Park area

The conditions survey identified approximately 270 lineal feet of street within the county industrial park limits. Within this area the sidewalk conditions were as follows:

- 270 (100.0%) lineal feet was gravel.
- There were no other conditions.

Overall, 100% of the lineal feet in this area were constructed of gravel. In addition, as shown in the photograph at the right, this portion of street had considerable pot holes throughout. See Figure 5 for the locations of these conditions.



Due to the fact that there is one street section that is all gravel within the county industrial park and the condition of that street is in poor condition, street conditions would be a direct contributing factor and is a contributing factor to adjacent areas within the corporate limits.

### Drainage Conditions

Grand Island has a long history of drainage issue due to the extreme flatness of the area, as well as the high water table. Topography and soils can have a major impact on how a given portion of the city drains. The area designated

City of Grand Island, Nebraska • January 2012





in this Study Area is nearly flat or has an extremely small slope.

The field survey examined the entire area for potential drainage problems. One field survey was completed a couple of days after a rain event and the second trip was the day after a rain event. During both field visits there was standing water throughout the entire area. Water was standing in large potholes, in drainage ditches, along areas that were supposed to drain the water away.

Standing water from poor drainage can be a catalyst for Health issues like West Nile due to the potential mosquito breeding that can occur.

Drainage also can be tied directly to the next issue that was analyzed during the field investigations, curb and gutter conditions.

### **Curb and Gutter**

Curb and Gutters have a number of direct and indirect roles in neighborhoods. Their primary functions is to be a barrier that collects and directs water, drainage. On a secondary level, they can help define where the streets start and stop, and they act as a physical barrier between pedestrian and vehicular traffic.

Curb and gutter for the Study Area will be examined similarly to streets and sidewalks. The curb and gutter will be graded as either adequate, deteriorating, dilapidated, or missing. In addition, curb and gutter will be examined based upon their location, within the incorporated area or within the county industrial park.

### **Corporate Limits**

Within the corporate limits portion of the study area there is approximately 11,357 lineal feet of curb and gutter possible. After reviewing the conditions in the field, the following is how the curb and gutter conditions breakdown within the corporate limits:

- 6,432 (56.6%) lineal feet of adequate curb and gutter
- 2,756 (24.3%) lineal feet of deteriorating curb and gutter
- 2,169 (19.1%) lineal feet of no curb and gutter or rural section.
- There was no street deemed to be dilapidated.

Nearly, 45% of the curb and gutters are in either a deteriorating state or are missing. See Figure 7 for the locations of these streets.

Due to the large amount of deteriorating and missing curb and gutter, the curb and gutter conditions would be a direct contributing factor.

### **County Industrial Park area**

The conditions survey identified approximately 6,200 lineal feet of curb and gutter or possible locations within the county industrial park limits. Within this area the curb and gutter conditions were as follows:

- 416 (6.7%) lineal feet was adequate curb and gutter.



- 1,484 (23.9%) lineal feet was in a deteriorating condition.
- 4,299 (69.3%) had no curb and gutter or was rural section drainage.
- There was no curb and gutter deemed to be in a dilapidated condition.

Overall, 92% of the lineal feet in this area were either deteriorating curb and gutter or there was no curb and gutter. See Figure 7 for the locations of these conditions.

Due to the fact that there is a great deal of deteriorating curb and gutter, as well as the fact there is a large portion of this area that does not have any curb and gutter this area would be contributing negatively to adjacent areas within the corporate limits.

### Unsanitary / Unsafe conditions

The primary issue surrounding Unsanitary/Unsafe conditions is centered on issues within the county industrial park portion of the Study Area. Even though these conditions are not completely present within the corporate limits, they are a major contributing factor on the properties within the corporate limits.

The first contributing factor is the standing water and drainage issues that are found throughout the entire Study Area. This water has the potential to be the breeding grounds for insects, especially mosquitoes and their potential to carry the West Nile Virus.

Secondly, the old Aurora COOP site contains several building that has limited use at present. It appears that a number of these structures may not be secure and the potential for individuals to sneak into the structures and injure themselves is an extreme possibility.

The final contributing factor found within the Study Area is the property along the south side of Oklahoma Avenue. The property not only contains run down structures but it also contains a large area of old machinery and other items. The property is also very weedy. The property is fenced off with a larger chain link fence; however, the fence itself is in disrepair and a potential unsafe condition. All of these conditions are along the Oklahoma Avenue side of the property.

Based upon the field analysis, there are sufficient elements present for there to be unsanitary and unsafe conditions in the Study Area. These conditions are predominately found as being a contributing factor from properties in the county industrial park.

### Deterioration of site or other improvements

Throughout the corporate limits of this Study Area, there is a large portion of sidewalk that is either deteriorating or missing. In addition, a large portion of the curb and gutter has been determined to be either deteriorating or missing.

Finally, the corporate limits also have a large amount of deteriorating streets. The streets have been patched over



and over due to large amounts of cracking that has been occurring in the pavement.

These are major considerations in determining if the area has deteriorated sites or improvements.

There are a number of properties in the county industrial park that lend themselves to this category. Again the old Aurora COOP site contains several structures that have a negative impact on adjacent properties within the corporate limits. In addition, several of the larger ponding locations are located on this property.

The site along the south side of Oklahoma Avenue has a security fence that is in disrepair. In addition there are a large number of overgrown weeds and volunteer trees growing along the Oklahoma Avenue property line.

Based upon the field analysis, there are sufficient elements present to meet the definition of deterioration of site and other improvements in the Study Area. These conditions include conditions found to be contributing from properties in the county industrial park.

### **Dangerous conditions to life or property due to fire or other causes**

A number of the structures within the Study Area deteriorating and appear to be getting worse. The continued deterioration from this point forward will place some of these properties at risk for fire.

In addition, there are a couple of properties that if they go untouched in the future could present a danger to life if someone were to sneak onto the property. This property needs to have a repaired security fence put into place in order to minimize the threat.

Based upon the field analysis, there are sufficient elements present to meet the definition of dangerous conditions within the Study Area. These conditions are predominately found as being a contributing factor from properties in the county industrial park.

### **Combination of factors which are impairing and/or arresting sound growth**

There is one critical element within this Study Area that is presently impairing and/or arresting sound growth, the remaining parcels that are located within the county industrial park. Currently, there is so few properties left within the county industrial park that the benefits that this economic development tool offers is extremely minimized. Therefore, any future development within this portion of the Study Area will likely be minimal thus slowing the ability of the entire area to redevelop.

Based upon the field analysis, there are sufficient elements present to meet the definition of impairing/arresting sound growth within the Study Area. These conditions are predominately found as being a contributing factor from properties in the county industrial park.

### **Blighting Summary**

These conditions are contributing to the blighted conditions of the study area.

- Substantial number of deteriorating structures
  - 30.8% of the structures identified within the corporate limits, of the Study Area, were deemed to be in a state of deterioration or dilapidation
  - 63.6% of the structures in the adjacent county industrial park where deemed to be in a state of deterioration or dilapidation.
  - The deteriorating and dilapidated structures within the county industrial park are a contributing factor on the properties within the corporate limits.
- Unsanitary / Unsafe conditions
  - The presence of standing water through the corporate limits and the county industrial park is a contributing factor due to the potential breeding grounds for insects such as mosquitoes.



- In addition one property within the county industrial park has a large amount of junk and debris. In addition the facility also has a chain link fence that is falling apart.
- Deterioration of site or other improvements
  - A large amount of sidewalk either in a deteriorated state or missing from properties in the corporate limits
  - A large amount of sidewalk either in a deteriorated state or missing within the county industrial park area
  - The existence of two gravel streets within the study area
  - The condition of the streets within the corporate limits and the county industrial park
  - Deteriorating curb and gutter and missing curb and gutter in both the corporate limits and county industrial park.
- Dangerous conditions to life or property due to fire or other causes
  - The number of deteriorating structures, especially within the county industrial park portion of the Study Area.
  - The condition of the property on the south side of Oklahoma Avenue
  - The condition of the security fence along the south side of Oklahoma Avenue
- Combination of factors which are impairing and/or arresting sound growth
  - The continued existence of the county industrial park
- Average age of structures is over 40 years of age
  - Within the corporate limits of the Study Area 97.8% of the structures meet the criteria of 40 years of age or older.
  - Within the county industrial park portion of the Study Area. 90.9% of the structures meet the criteria of 40 years of age or older.

The other criteria for Blight were not present in the area, these included:

- Defective/Inadequate street layouts,
- Faulty lot layout,
- Defective or unusual condition of title,
- Economic or social liability detrimental to health, safety and welfare,
- Conditions provision of housing accommodations,
- One-half of unimproved property is over 40 years old,
- Inadequate provisions for ventilation, light, air, open spaces or sanitation, and
- Diversity of ownership.
- Improper Subdivision or obsolete platting

These issues were either not present or were limited enough as to have little impact on the overall condition of the study area.

### **Substandard Conditions**

#### **Average age of the residential or commercial units in the area is at least forty years**

Besides structural conditions of the buildings in the Study Area, age of these structures is another contributing factor to the substandard conditions in the area. Statutes allow for a predominance of structures that are 40 years of age or older to be a contributing factor regardless of their condition. The following paragraphs document the structural age of the Study Area and again it is broke down into the corporate limits and the county industrial park areas.

#### ***Corporate Limits***

Within the corporate limits portion of the study area there is a total of 91 primary structures. After research structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 2 (2.2%) structures were determined to be less than 40 years of age

- 89 (97.8%) structures were determined to be 40 years of age or older

Overall, 97.8% of the structures in this portion of the area are 40 years old or older thus qualifying it as substantial. See Figure 4 for the locations of the structures.

Due to the age of the structures in the corporate limits, age of structures would be a direct contributing factor.

#### **County Industrial Park area**

The conditions survey identified 22 structures within the county industrial park limits. Within this area the overall structural ages include:

- 2 (9.1%) structures were determined to be less than 40 years of age
- 20 (90.9%) structures were determined to be 40 years of age or older

Overall, 90% of the structures in this portion of the area are 40 years old or older thus qualifying it as substantial. Even though this area is not within the corporate limits of Grand Island, the structural age of this area does have an impact on the adjacent properties. See Figure 4 for the locations of the structures.

Due to the age of the structures within the county industrial park, age of structures would be a direct contributing factor.

#### **Substandard Summary**

Nebraska State Statute requires that at least one of five substandard factors be present in a community. This Study Area in Grand Island has one of the five. The other criteria for Substandard were not present or the data was not readily accessible in the area, these included:

- Unemployment in the designated area is at least one hundred twenty percent of the state or national average;
- more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time;
- the per capita income of the area is lower than the average per capita income of the city or in which the area is designated
- the area has had either stable or decreasing population based on the last two decennial censuses.

#### **FINDINGS FOR GRAND ISLAND**

Study Area #8 has several items contributing to the Blight and Substandard Conditions. These conditions include:

#### **Blighted Conditions**

- Substantial number of deteriorating structures,
- Unsanitary / Unsafe conditions,
- Deterioration of site or other improvements,
- Dangerous conditions to life or property due to fire or other causes,
- Combination of factors which are impairing and/or arresting sound growth,
- Average age of structures is over 40 years of age.

#### **Substandard Conditions**

- Average age of the residential or commercial units in the area is at least forty years

Issues which were not researched due to a lack of data were:

- Tax/special assessment delinquency greater than fair value of land,
- Tax delinquency,



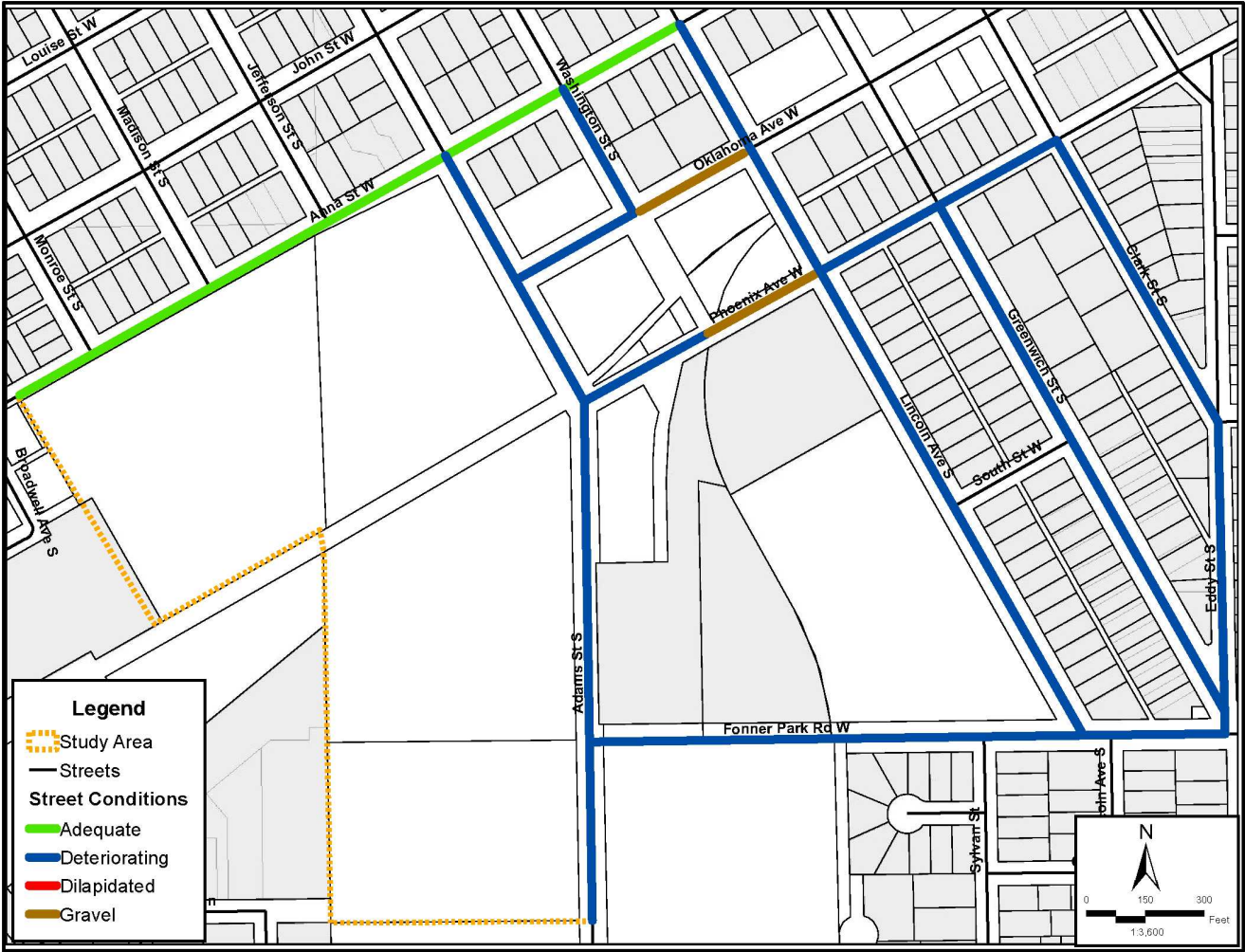
- Underemployment that equals 120% state or national average,
- Per capita income less than city wide average, and
- High Density or population and overcrowding.
- Unemployment in the designated area is at least one hundred twenty percent of the state or national average;
- more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time;
- the per capita income of the area is lower than the average per capita income of the city or in which the area is designated

**Figure 5:  
Sidewalk Conditions**



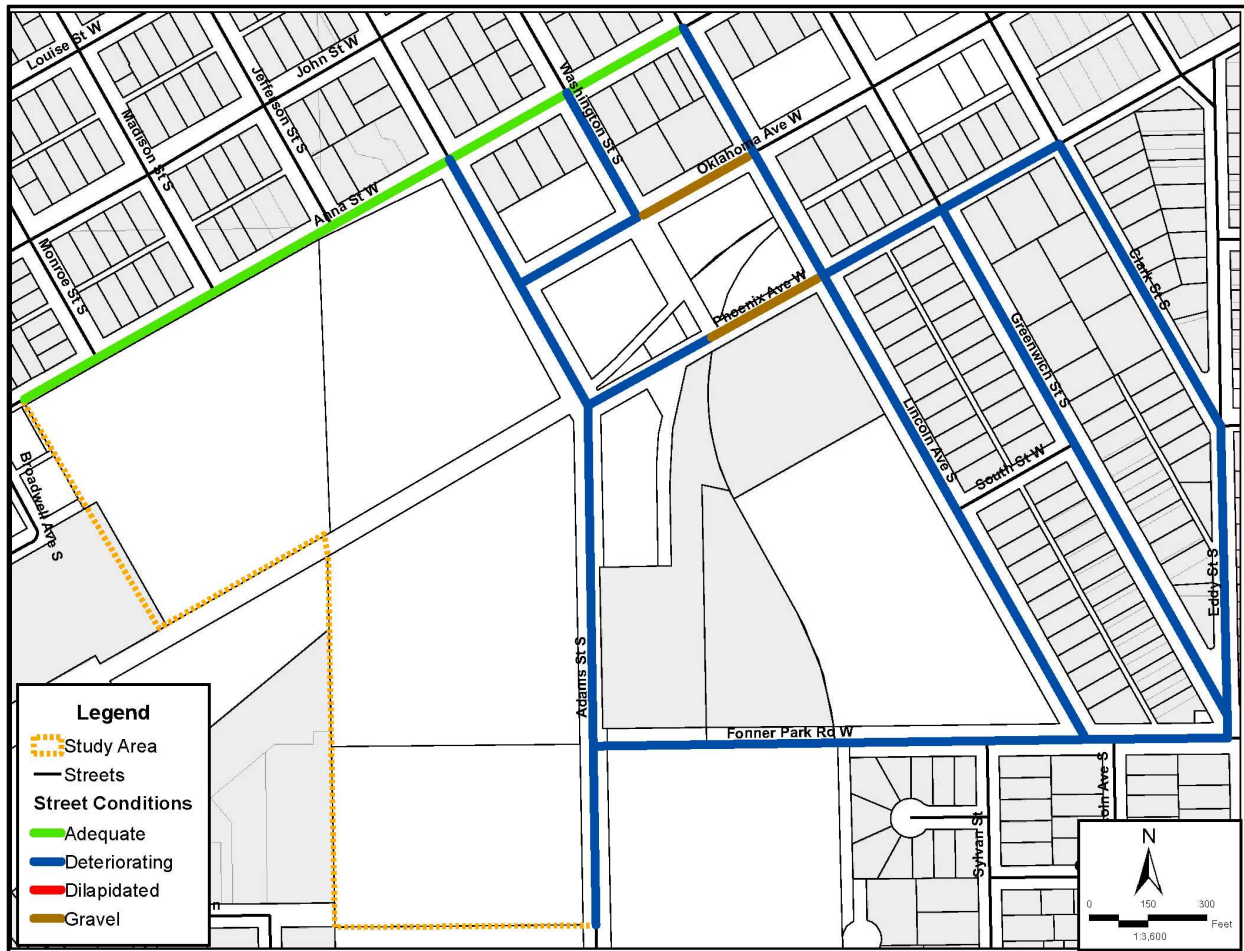
Source: Olsson Associates and Marvin Planning Consultants, 2011

Figure 6:  
Street Conditions



Source: Olsson Associates and Marvin Planning Consultants, 2011

**Figure 7:**  
**Curb and Gutter Conditions**



Source: Olsson Associates and Marvin Planning Consultants, 2011

### **CONCLUSION**

Based upon the issues and conditions indicated from the survey of this area, there are sufficient criteria present to declare Area #8 of Grand Island as Blighted and Substandard as provided for in the Nebraska Revised Statutes. The conditions found throughout the entire area constitute a designation of blighted and substandard.

In addition, the area within the county industrial park is not only a contributing factor to the area within the corporate limits but if this area had its industrial park designation removed, the area would be able to stand on its own as Blighted and Substandard.

The eventual use of Tax Increment Financing would be of great benefit to the entire area; provided the entire area is brought into the corporate limits of the community.



# Community Redevelopment Authority (CRA)

**Wednesday, February 15, 2012**  
**Regular Meeting**

## **Item X1**

### **Lincoln Park Pool**

Staff Contact: Chad Nabity

**Resolution No.**

**MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, APPROVING A PLAN/MODIFICATION ENTITLED “PLAN MODIFICATION FOR CRA AREA #1 (LINCOLN PARK SWIMMING POOL).**

**BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA AS FOLLOWS:**

**Section 1.** The Mayor and Council of the City of Grand Island, Nebraska, (the “**City**”) hereby find and determine: (a) that pursuant to the provisions of Sections 18-2101 to 18-2144, R.R.S. Neb. 2007, as amended (the “**Community Development Law**”), the Mayor and City Council have declared as substandard and blighted that area described in Resolution No. 2000-388 of the Mayor and Council passed and approved on December 19, 2000 (“**CRA Area #1**”); (b) that pursuant to Ordinance No. 8021, the Community Redevelopment Authority of the City of Grand Island (the “**CRA**”) has been organized and exists and exercises the powers of a community redevelopment authority under the Community Development Law; (c) that a general redevelopment plan (the “**Original Plan**”) for all or a portion of CRA Area #1 was adopted by the CRA on November 21, 1995 and approved by the Mayor and Council of the City on December 18, 1995, all under prior existing provisions of the Community Development Law and a prior adopted declaration as to blight and substandard conditions; (c) that the staff of the CRA has prepared a redevelopment plan entitled “Plan Modification for CRA Area #1 (Lincoln Park Swimming Pool) (the “**Plan/Modification**”) to provide for a project for the renovation and redevelopment of CRA Area #1 by the construction of a replacement swimming pool for Lincoln Park and such Plan/Modification represents a modification of the Original Plan and also a separate redevelopment plan to be considered for adoption under the current provisions of the Community Development Law; and (d) that the Plan/Modification was referred and submitted to the Hall County Regional Planning Commission (the “**Planning Commission**”), for review and recommendations and the Planning Commission has approved the Plan/Modification without recommendation for changes from the form submitted.

**Section 2.** The Mayor and Council hereby further find and determine that the CRA has recommended the Plan/Modification and in making such recommendation considered 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 City’s 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.

**Section 3.** The Mayor and Council further find and determine (a) that no cost-benefit analysis has been prepared pursuant to the guidelines set forth in Section 18-2113 of the Community Development



Law, because under the terms of the Plan/Modification, there are not to be any revenues set aside as provided under the terms of Section 18-2147, R.S. Supp., 2011, ("Section 18-2147") and (b) that because all redevelopment project improvements contemplated by the Plan/Modification are to occur on public park property owned by the City, there is to be no taking of title to real estate by the CRA in connection with the Plan/Modification, no requests for redevelopment contract proposals or notice with respect to any such proposals are required under the terms of Section 18-2119 of the Community Development Law.

**Section 4.** The Mayor and Council further find and determine that the CRA has recommended that the Mayor and Council approve and adopt the Plan/Modification. In connection with such recommendation, the CRA reported to the Mayor and Council (a) the proposed method and estimated cost of the acquisition and preparation for redevelopment and the estimated proceeds or revenue from disposal of property to redevelopers, if any; (b) a statement of the proposed method of financing for the redevelopment project as set forth in the Plan/Modification and (c) further that there will be no families displaced under the terms of the Plan/Modification.

**Section 5.** The Mayor and Council further find and determine (a) that there are no registered neighborhood associations whose area of representation is located in whole or in part within a one-mile radius of the area to be redeveloped as described in the Plan/Modification; (b) that the Plan/Modification does not provide for any use of funds authorized by Section 18-2147 and therefore does not directly affect any county, school district, community college, educational service unit or natural resources district; and (c) that a public hearing was held, after notice of such public hearing was provided as required in Section 18-2115 of the Community Development Law, whereby all persons desiring to be heard as to whether the Plan/Modification should be approved have been heard.

**Section 6.** Based upon the recommendation of the CRA and analysis and review of the Plan/Modification, the Mayor and Council hereby find (a) that the Plan/Modification is feasible and in conformity with the general plan for the development of the City as a whole and (c) the Plan/Modification is in conformity with the legislative declarations and determinations set forth in the Community Development Law.

**Section 7.** The Mayor and Council hereby approve and adopt the Plan/Modification.

**PASSED AND APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2012.

(SEAL)

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk