



Community Redevelopment Authority (CRA)

Wednesday, June 10, 2015
Regular Meeting

Item H1

TIF App for 116/118 W 3rd St

Staff Contact: Chad Nabity



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: FAmos Construction Inc.

Address: PO Box 1665

Telephone No.: 308-390-2455

Fax No.: _____

Contact: Amos Anson

Brief Description of Applicant's Business:

FAmos Construction Inc. is a real estate developer specializing in downtown properties.

Present Ownership Proposed Project Site: FAmos Construction Inc.

Proposed Project: Building square footage, size of property, description of buildings – materials, etc. Please attach site plan, if available.

116/118 West 3rd, 9,873 s.f. on the 1st and 2nd floor, will be transformed into a mixed use of commercial and residential tenants. The current building is wood

and brick and the new construction will be the same. See the Chocolate Bar DTR commercial rehab application and attached 2nd floor plans for more detail.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$
B. Building	\$

Construction Costs:

A. Renovation or Building Costs:	\$567,718
B. On-Site Improvements:	\$10,564
re-platting, demo, asbestos removal, tree removal, etc.	

Soft Costs:

A. Architectural & Engineering Fees:	\$ 15,000
B. Financing Fees:	\$ 10,800
Closing costs, filing fees	
C. Legal/Developer/Audit Fees:	\$180,126
D. Contingency Reserves:	\$
E. Other (Please Specify)	\$
TIF fees	
TOTAL	\$784,208

Total Estimated Market Value at Completion: \$

Source of Financing:

A. Developer Equity:	\$ 167,318
B. Commercial Bank Loan:	\$ 277,551
Tax Credits:	

1. N.I.F.A.	\$
2. Historic Tax Credits	\$
D. DTR Loan:	\$159,339
E. Tax Increment Assistance:	\$
F. Other(Private Investor)	\$100,000
G. CRA Grant	\$80,000

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

General Contractor: Amos Anson, Empire Development, PO Box 1665 Grand Island NE 68802 308-390-455

Structural Engineer: Mike Spilinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750

Architect: Marvin Webb, AIA with Webb and Company Architects 387 North Walnut Street Grand Island, NE 68801

Estimated Real Estate Taxes on Project Site Upon Completion of Project:
(Please Show Calculations)

Project Construction Schedule:

Construction Start Date: 2015

Construction Completion Date: 2015-2016

If Phased Project:

_____	Year	___	% Complete
_____	Year	___	% Complete

XII. Please Attach Construction Pro Forma:

XIII. Please Attach Annual Income & Expense Pro Forma:

TAX INCREMENT FINANCING REQUEST INFORMATION

Describe Amount and Purpose for Which Tax Increment Financing is Requested:

FAmos Construction Inc. is asking for \$, in TIF. The reason for the request is to offset the cost of the future taxes in order to have 15 years to pay off the construction loan before the taxes are "increased". This will allow the project to cash flow and therefore be a success.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing for Proposed Project: Without TIF assistance the project will not cash flow and therefore will not be a successful business venture. See attached pro forma and DTR loan application for further information.

Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other Corporations the Applicant has been involved with, or has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

CRA Chad Nabity 308-385-5444

IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years:

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

Units	5	Last Year Actual		Projections		Proforma	
		\$	\$/unit	\$	\$/unit	\$	\$/unit
Income							
Total Projected Market Rents			\$ -		\$ -	\$ 48,741.84	\$ 9,748.37
Below Market Rent Leases		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Rents		\$ -	\$ -	\$ -	\$ -	\$ 48,741.84	\$ 9,748.37
Vacancy/Bad Debt		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Model/Office Units		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Units		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rent Concessions		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Effective Net Rental Income		\$ -	\$ -	\$ -	\$ -	\$ 48,741.84	\$ 9,748.37
Late, Legal, Security Forfeit		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water & Sewer Chargeback's		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone & Cable Income		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storage Unit		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Income		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Income		\$ -	\$ -	\$ -	\$ -	\$ 48,741.84	\$ 9,748.37
Operating Expenses							
Contract Services		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repairs & Maintenance		\$ -	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 500.00
Supplies & Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll & Benefits		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities		\$ -	\$ -	\$ -	\$ -	\$ 2,460.00	\$ 492.00
Total non Fixed		\$ -	\$ -	\$ -	\$ -	\$ 4,960.00	\$ 992.00
Advertising/ Commissions		\$ -	\$ -	\$ -	\$ -	\$ 300.00	\$ 60.00
BID taxes		\$ -	\$ -	\$ -	\$ -	\$ 260.00	\$ 52.00
Real Estate Taxes		\$ -	\$ -	\$ -	\$ -	\$ 2,617.00	\$ 523.40
Insurance		\$ -	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 500.00
Management		\$ -	\$ -	\$ -	\$ -	\$ 4,874.18	\$ 974.84
Total Administrative		\$ -	\$ -	\$ -	\$ -	\$ 10,551.18	\$ 2,110.24
Total Operating Expenses		\$ -	\$ -	\$ -	\$ -	\$ 15,511.18	\$ 3,102.24
Net Operating Income		\$ -	\$ -	\$ -	\$ -	\$ 33,230.66	\$ 6,646.13
Replacement Reserves		\$ 6,649.99	\$ 1,330.00	\$ 6,649.99	\$ 1,330.00	\$ 6,649.99	\$ 1,330.00
Cash Flow		\$ (6,649.99)	\$ (1,330.00)	\$ (6,649.99)	\$ (1,330.00)	\$ 26,580.66	\$ 5,316.13
Dept Payment						\$ 21,215.85	\$ 4,243.17
Profit						\$ 5,364.82	\$ 1,072.96

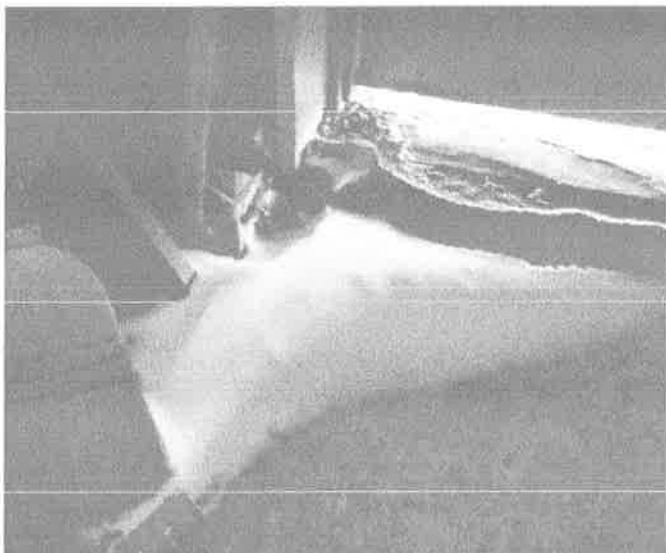
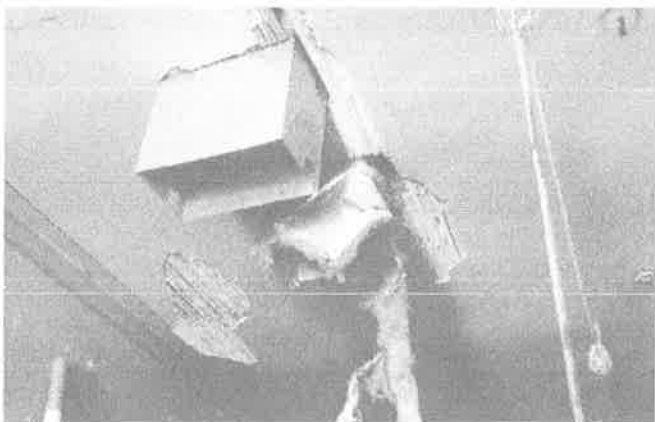
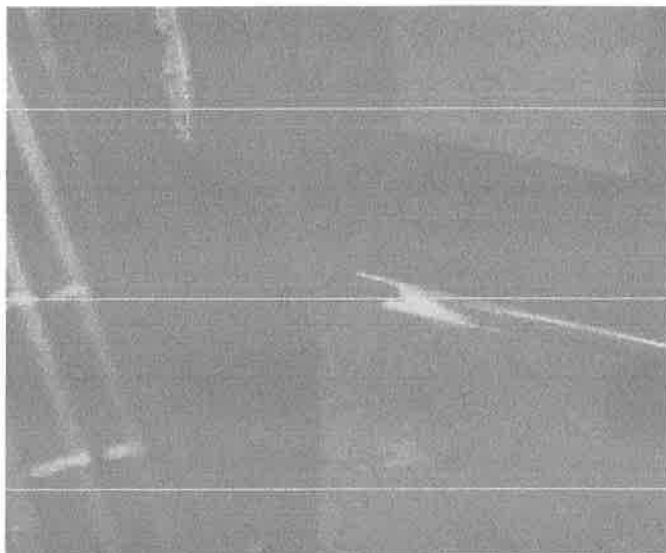
Sales Forecast (3 Years)

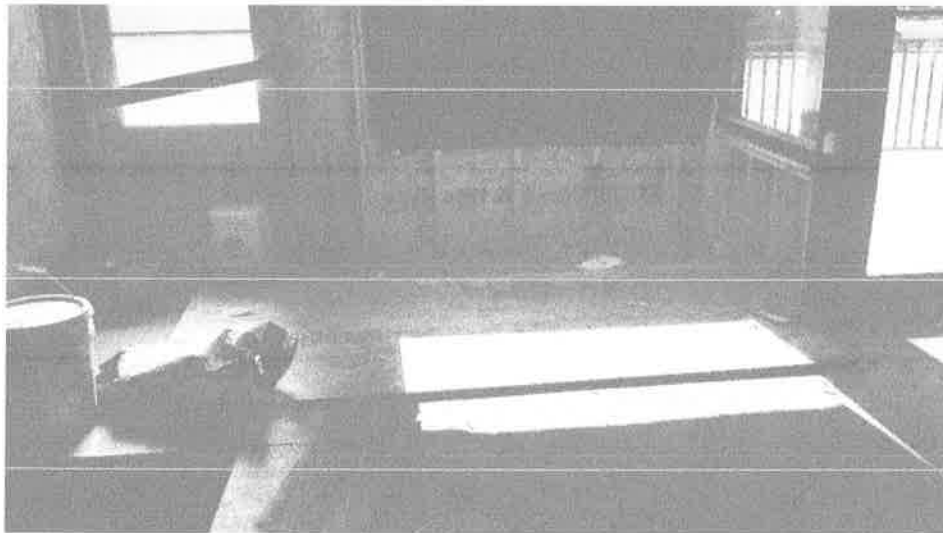
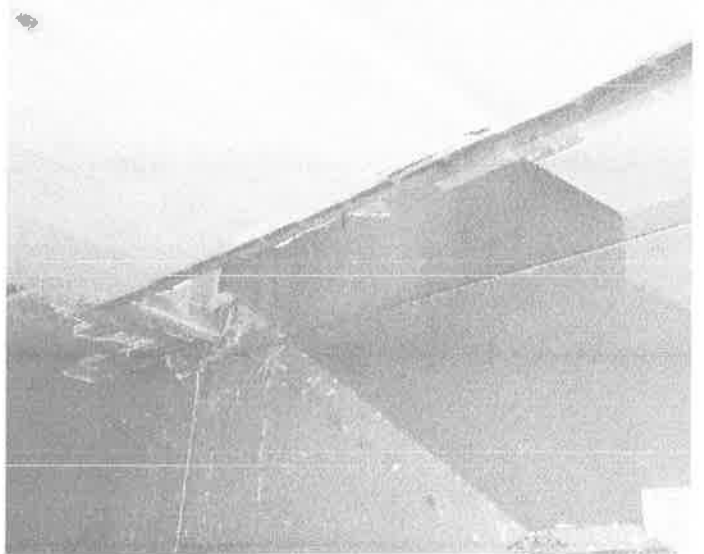
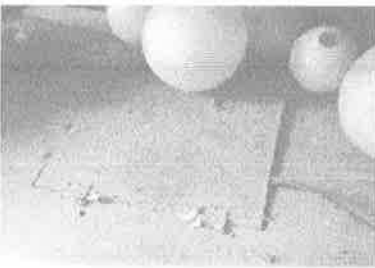
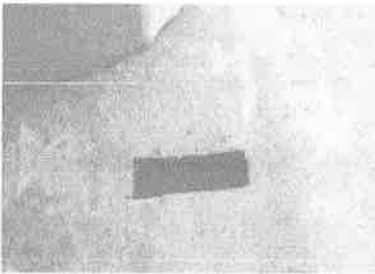
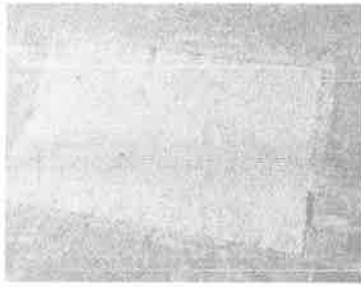
The Chocolate Bar

Fiscal Year Begins Aug-15

Cost	
Custom events	50%
NS Rental	10%
FS Rental	50%

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Annual Totals	Cost	Profit
Custom events	\$ 3,000.00	\$ 250.00	\$ 2,500.00	\$ 500.00	\$ 2,000.00	\$ 500.00	\$ 7,250.00	\$ 250.00	\$ 250.00	\$ 2,500.00	\$ 250.00	\$ 2,500.00	\$ 21,750.00	\$ 10,875.00	\$ 10,875.00
No service rental	\$ 500.00	\$ 250.00	\$ 250.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 1,000.00	\$ 750.00	\$ 250.00	\$ 5,250.00	\$ 525.00	\$ 4,725.00
Full service rental	\$ 900.00	\$ 900.00	\$ 900.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 1,500.00	\$ 900.00	\$ 14,100.00	\$ 7,050.00	\$ 7,050.00
Total	\$ 4,400.00	\$ 1,400.00	\$ 3,650.00	\$ 2,800.00	\$ 4,300.00	\$ 2,800.00	\$ 8,400.00	\$ 1,400.00	\$ 1,400.00	\$ 4,400.00	\$ 2,500.00	\$ 3,650.00	\$ 41,100.00	\$ 18,450.00	\$ 22,650.00
Weekly	\$ 1,016.17	\$ 323.33	\$ 842.96	\$ 646.65	\$ 993.07	\$ 646.65	\$ 1,939.95	\$ 323.33	\$ 323.33	\$ 1,016.17	\$ 577.37	\$ 842.96	\$ 790.38	\$ 354.81	\$ 435.58
Daily	\$ 144.89	\$ 46.04	\$ 120.03	\$ 92.07	\$ 141.40	\$ 92.07	\$ 276.22	\$ 46.04	\$ 46.04	\$ 144.89	\$ 82.21	\$ 120.03	\$ 112.60	\$ 50.55	\$ 62.05
110%															
Food	\$ 3,300.00	\$ 275.00	\$ 2,750.00	\$ 550.00	\$ 2,200.00	\$ 550.00	\$ 7,975.00	\$ 275.00	\$ 275.00	\$ 2,750.00	\$ 275.00	\$ 2,750.00	\$ 23,925.00	\$ 11,962.50	\$ 11,962.50
Beverages	\$ 550.00	\$ 275.00	\$ 275.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 1,100.00	\$ 825.00	\$ 275.00	\$ 5,775.00	\$ 577.50	\$ 5,197.50
Dessert	\$ 990.00	\$ 990.00	\$ 990.00	\$ 1,980.00	\$ 1,980.00	\$ 1,980.00	\$ 990.00	\$ 990.00	\$ 990.00	\$ 990.00	\$ 1,650.00	\$ 990.00	\$ 15,510.00	\$ 7,755.00	\$ 7,755.00
Total	\$ 4,840.00	\$ 1,540.00	\$ 4,015.00	\$ 3,080.00	\$ 4,730.00	\$ 3,080.00	\$ 9,240.00	\$ 1,540.00	\$ 1,540.00	\$ 4,840.00	\$ 2,750.00	\$ 4,015.00	\$ 46,210.00	\$ 20,295.00	\$ 24,915.00
Weekly	\$ 1,117.01	\$ 355.41	\$ 926.61	\$ 710.82	\$ 1,091.62	\$ 710.82	\$ 2,132.47	\$ 355.41	\$ 355.41	\$ 1,117.01	\$ 634.66	\$ 926.61	\$ 869.42	\$ 354.81	\$ 435.58
Daily	\$ 159.16	\$ 50.64	\$ 132.03	\$ 101.28	\$ 155.54	\$ 101.28	\$ 303.85	\$ 50.64	\$ 50.64	\$ 159.16	\$ 90.43	\$ 132.03	\$ 123.86	\$ 50.55	\$ 62.05
110%															
Food	\$ 3,630.00	\$ 302.50	\$ 3,025.00	\$ 605.00	\$ 2,420.00	\$ 605.00	\$ 8,772.50	\$ 302.50	\$ 302.50	\$ 3,025.00	\$ 302.50	\$ 3,025.00	\$ 26,317.50	\$ 13,158.75	\$ 13,158.75
Beverages	\$ 605.00	\$ 302.50	\$ 302.50	\$ 605.00	\$ 605.00	\$ 605.00	\$ 302.50	\$ 302.50	\$ 302.50	\$ 1,210.00	\$ 907.50	\$ 302.50	\$ 6,362.50	\$ 636.25	\$ 5,717.25
Dessert	\$ 1,089.00	\$ 1,089.00	\$ 1,089.00	\$ 2,178.00	\$ 2,178.00	\$ 2,178.00	\$ 1,089.00	\$ 1,089.00	\$ 1,089.00	\$ 1,089.00	\$ 1,815.00	\$ 1,089.00	\$ 17,061.00	\$ 8,530.50	\$ 8,530.50
Total	\$ 5,324.00	\$ 1,694.00	\$ 4,416.50	\$ 3,388.00	\$ 5,203.00	\$ 3,388.00	\$ 10,164.00	\$ 1,694.00	\$ 1,694.00	\$ 5,324.00	\$ 3,025.00	\$ 4,416.50	\$ 49,731.00	\$ 22,324.50	\$ 27,406.50
Weekly	\$ 1,228.71	\$ 390.95	\$ 1,019.27	\$ 781.91	\$ 1,200.78	\$ 781.91	\$ 2,345.72	\$ 390.95	\$ 390.95	\$ 1,228.71	\$ 698.13	\$ 1,019.27	\$ 956.37	\$ 354.81	\$ 435.58
Daily	\$ 175.07	\$ 55.71	\$ 145.23	\$ 111.41	\$ 171.10	\$ 111.41	\$ 334.23	\$ 55.71	\$ 55.71	\$ 175.07	\$ 99.47	\$ 145.23	\$ 136.25	\$ 50.55	\$ 62.05





The Chocolate Bar
116-118 W 3rd Street
Grand Island, NE 68801

Community Development Administrator
City of Grand Island
100 E 1st Street
Grand Island, NE 68801

February 10th, 2015

To Whom It May Concern,

Attached is The Chocolate Bar's application for the Forgivable Loan made available by the Downtown Revitalization Fund.

Thank You,
Sharena Arriola Anson

The Chocolate Bar
116-118 W 3rd Street
Grand Island, NE 68801

Section 4 Project Vision Narrative

The Chocolate Bar Inc. of downtown Grand Island Nebraska is seeking \$159,339 in grant funds from the Downtown Business Improvement District to build out the west side of the current building, 118 W 3rd. The build out plan as it stands is described in detail in the attached "Scope" page. In addition to the scope page, attached is a letter stating the current building and health code violations that would be brought into compliance with the CDBG grant funds. The Chocolate Bar will provide a \$75,685 match (47%) for the non code compliance items (described in detail on the scope page) which brings the total build out cost to \$235,024

The purpose of the expansion is to increase the offerings The Chocolate Bar (TCB) can provide. Currently TCB has enough seats and space for approximately 46 people. We are approached on a weekly basis by potential customers looking to host larger parties, in the 30-200 person range. The current side is simply not large enough and by city code cannot house more than 50 people at a time. We would love to be able to host these events but are unable to due to the limitations of our current space. With the west side open we will be able to host a variety of larger events including: wedding receptions, graduations, bachelorette parties, company meetings and birthday parties as well as TCB hosted events like dance night, game show night, local and national entertainment and acting as an overflow room for TCB during regular business hours.

TCB opened for business on November 21st 2011. We currently offer: light breakfast Monday-Friday; brunch on Saturdays; full coffee bar featuring Intelligentsia coffee daily; full lunch menu carried into the evening; expanded appetizer menu in the evening; daily pastries and cakes; custom wedding and occasion cakes; chocolate truffles in any quantity including corporate gifts and custom creations; full catering service including bar service; a full bar in the evenings. We have also hosted numerous musicians, artists and politicians. Since opening we have gained vast amounts of knowledge about our unique business model. We feel that with the addition of being able to serve larger groups our business will not only be meeting our patron's needs but creating lucrative opportunities for growth.

The reason for the grant request is that due to the current nature of downtown Grand Island, financial institutions and investors consider the capital required to expand as too risky an investment. We have financed over \$250,000 in the building as it stands and are currently at the threshold of their comfort level. With continued investments in downtown there will be a "critical mass" (as stated in the Downtown Revitalization Study page 14) reached. Until that critical mass is realized, outside entities like the Downtown Business Improvement District will be the driver to support projects that bring more customers, and therefore more awareness, of what downtown can be. We feel that with our past and future financial contributions combined with this grant request, Grand Island's downtown will be one step closer to the final vision of greatness we all have for it.

Thank you,

The Chocolate Bar
Sharena Anson, President

116-118 W 3rd St PO Box 1665 Grand Island, NE 68802 308.675.0664

The Chocolate Bar
116-118 W 3rd Street
Grand Island, NE 68801

Project SCOPE

Contractor Scope: \$159,339

Install approximately 259 s.f. of new hardwood flooring to match existing (field verify)
Sand, patch and refinish new and existing hardwood floors
Stain & seal or paint to owner's preference, all millwork
Paint and primer all new drywall
Facilitate purchase, installation and finishing of all new drywall
Facilitate all necessary plumbing, electric and HVAC
Facilitate purchase and install of ceramic tile and tile baseboard in bathrooms
Facilitate purchase and install of automatic fire sprinkler system, including water service
Facilitate purchase and install of alarm system for life safety
Provide all materials for entire project
Drill supply and dump wells for HVAC
Install new interior and exterior steel doors and hardware
Install all interior millwork including bathroom countertops
Install necessary insulation and weather proofing
Build all interior walls and stairs
Build support structure for ceiling per attached letter from Olsson Associates

Owner Scope: \$75,685

Install all speakers, low voltage wiring & misc electronics
Program electronics
Acquire all easements from city for well drilling prior to construction
Acquire all permits from city
Provide builders risk policy for project
Remove all existing plaster walls and ceilings
Provide necessary budget for tables & chairs
Provide specified electronics and 14 gauge speaker wire
Contractor O&P

The Chocolate Bar
116-118 W 3rd Street
Grand Island, NE 68801

Section 5 Applicant Experience

In 2009 TCB was conceptualized and incorporated. A business plan was written and financing was acquired (initially with SBA backing being approved but ultimately the Nebraska Enterprise Fund along with Platte Valley State Bank taking the final step of faith). The building was designed by TCB owner, Sharena Arriola Anson, and built out by FAmos Construction, Inc. It features a kitchen in the basement, with a dining room and all other necessary features to serve food, desserts, chocolates, coffee and cocktails on the main floor. TCB also hosts small receptions and numerous other small events. The Chocolate Bar opened for business on November 21, 2011. It is owned solely by Sharena Arriola Anson. The building received a façade grant to renovate the exterior of the building.

Section 6 Financial Requirements

A. Financial Requirement Narrative

TCB has original loans taken out that they are obligated to continue to repay over the next seven years. Sharena, the owner, has her entire livelihood invested in the business and continues to work at the store on a daily basis. Over the past three years TCB's worth to the community is reinforced by consistent high ratings on popular social sites and growing interest in our services and offerings. The initial budget for the build out is listed below. These are simply preliminary budget numbers until an architect has drawn plans and the bid process is completed.

CONTRACTOR			OWNER	
Carpentry		\$9,176	Program electronics	\$2,000
Materials		\$22,442	Install all speakers	\$1,776
HVAC (ground source)		\$18,649	Acquire all easements	\$150
Plumbing		\$8,584	Acquire all permits	\$1,500
Electric (including lights)		\$20,734	Provide builders risk policy	\$3,000
Drywall		\$5,557	Remove all existing plaster walls and ceilings	\$4,736
Paint		\$8,500	Tables & Chairs	\$19,475
Wells		\$14,000	Electronics	\$9,900
Flooring 2473 s.f.		\$22,311	Bar	\$3,000
Alarm		\$3,000		
Fire Sprinklers		\$15,000		
Architect		\$7,500		
Contingency 2.5%		\$3,886	O&P	\$30,149
Total		\$159,339	Total	\$75,686

Total **\$235,025**

116-118 W 3rd St PO Box 1665 Grand Island, NE 68802 308.675.0664

The Chocolate Bar
116-118 W 3rd Street
Grand Island, NE 68801

Section 6 Financial Requirements cont.

B. Long Term Business Plan

As stated in the project vision narrative, the purpose of the expansion is to increase the offerings The Chocolate Bar (TCB) can provide. Currently TCB has enough seats and space for approximately 46 people. We are approached on a weekly basis by potential customers looking to host larger parties, in the 30-200 person range. The current side is simply not large enough and by city code cannot house more than 50 people at a time. We would love to be able to host these events but are unable to due to the limitations of our current space. With the west side open we will be able to host a variety of larger events including: wedding receptions, graduations, bachelorette parties, company meetings and birthday parties as well as TCB hosted events like dance night, game show night, local and national entertainment and acting as an overflow room for TCB during regular business hours.

City of Grand Island Downtown Revitalization Fund: Application

PREFERENCES

Applications are more likely to be viewed favorably if they are *concise and specific*. All documentation submitted with an application shall be included in a single unbound volume.

ADDITIONAL INFORMATION:

Questions should be directed to the Community Development Administrator (308-385-5444 ext. 179.)

Each complete application shall include the following items in the following order:

1. Cover letter addressed to:

Community Development Administrator
City of Grand Island
100 E. 1st St.
Grand Island, NE 68801

2. Proposal Application Form – Completed and Signed

3. Pre-rehabilitation project report, including narrative and pictures. See Section A in the Program Overview.

4. Project Vision Narrative - This narrative should include appropriate conceptual plans, if they exist. It should also include evidence supporting the applicant's vested interest in the rehabilitation of Downtown Grand Island, citing examples if possible. Lastly, this narrative should prove that the applicant's project would not be possible without loan funds.

5. Applicant Experience - Examples of previously completed projects (up to three projects may be included, but are not required):

- a. Applicant Experience Narrative including:
 - i. Brief Project Description(s)
 - ii. Dates of Project Completion
 - iii. Ownership structure
 - iv. Use of public financing, if applicable
- b. One Project Letter of Reference regarding community impact
- c. One Bank/Financial Letter of Reference on completed project

6. Financial Requirements:

- a. Financial Requirement Narrative including:
 - i. Project's potential to retain ownership for five years following receipt of city investment
 - ii. Estimated project costs, budget
- b. Long term Business Plan demonstrating the sustainability of the project
- c. 3-5 year Pro Forma
- d. Letter of intent to guarantee long term financing
- e. Verification that required matching funds (developer contribution) can be secured

City of Grand Island Downtown Revitalization Fund: Application

7. Miscellaneous

- a. Submit signed Hold Harmless Agreement
- b. Submit signed Attestation of U.S. Citizenship
- c. If applying as a tenant, submit a written authorization from the property owner for the improvements

City of Grand Island Downtown Revitalization Fund: Application

PROPOSAL APPLICATION FORM

CONTACT INFORMATION

Applicant/Entity Name: The Chocolate Bar, Inc.

Type of Organization: Coffee Shop, Restaurant, Bar, Bakery

Address: 116-118 W 3rd St, Grand Island, NE 68801

Contact Person: Sharena Arriola Anson

Phone: 308.227.1155 Email: sharena@thechocolatebargi.com

Legal Street Address of Project Site: 118 W 3rd St, Grand Island, NE 68801

Zoning of Project Site: Commercial

Present Ownership of Project Site: FAmos Construction, Inc

Brief Description of Proposed Project:

To bring 118 W 3rd Street up to A1 code which would enable The Chocolate Bar
to host parties from 50-200 occupants.

Proposed Project Start Date: ASAP

Proposed Project Completion Date: 3-6 month duration

Name & Address of Architect, Engineer and General Contractor:

ARCHITECT Webb & Company Architects

ENGINEER N/A

GENERAL CONTRACTOR FAmos Construction

City of Grand Island Downtown Revitalization Fund: Application

REFERENCES

List three references who may give information about the ability of the Applicant to complete the proposed development.

Name	Address	Phone
<i>Dana Jelinek</i>	<i>GIA Habitat for Humanity</i>	<i>308.385.5510</i>
<i>Brad Melema</i>	<i>Convention & Visitors Bureau</i>	<i>308.382.4400</i>
<i>Mary Berlie</i>	<i>Economic Development Corp</i>	<i>308.381.7500</i>

CERTIFICATIONS

I hereby submit the attached application for the proposed project and understand that these must be reviewed and/or approved by the Design Advisory Committee, Downtown Business Improvement Board of Directors and the City Council of Grand Island, NE. No work should begin until I have received written approval from the City of Grand Island. I further understand that the project must be completed within one (1) year from date of project approval and that loan monies will not be paid until the project is completed. I agree to leave the completed project in its approved design for a period of five (5) years from the date of completion. I understand that a Deed of Trust, in the amount equal to the loan amount will be placed upon the property at the time that the client(s) signs the promissory note. This lien, in favor of the City of Grand Island, will take a subordinate position to all existing liens.

I/We certify that all information included in this application is true and correct.

Signature of Property Owner

Signature of Business Owner (if applicable)

Printed Name & Title of Property Owner

Printed Name & Title of Business Owner (if applicable)

Date: _____

Date: _____

City of Grand Island Downtown Revitalization Fund: Application

Release and Hold Harmless Agreement

Release executed on the 10th day of February, 2015,
by (Property Owner) FAmos Construction, Inc. and
(Tenant if Applicable) The Chocolate Bar, Inc., of (Street
Address) 116 W 3rd Street, City of Grand Island, County of Hall, State of
Nebraska, referred to as Releasor(s). In consideration of being granted monies for restoration,
modifications, signage, or other physical changes to the property located at the above address, the
Releasor(s) understands that they are solely responsible for providing their own contractors, and to assure
that those contractors are fully insured and licensed and have obtained all necessary permits in accordance
with City regulations. The Releasor(s) waives, releases, discharges, and covenants not to sue the
Downtown Business Improvement District Board of Directors or the City of Grand Island for loss or
damage, and claims or damages therefore, on account of any work that has been performed in accordance
with City or State guidelines.

Releasor(s) agrees that this release, waiver, and indemnity agreement is intended to be as broad and
inclusive as permitted by the laws of the State of Nebraska and that if any portion of the agreement is held
invalid, it is agreed that the balance shall; notwithstanding, continue in full legal force and effect.

Releasor(s) further states that it has carefully read the above release and knows the contents of the release
and signs this release as its own free act.

Releasor's obligations and duties hereunder shall in not manner be limited or restricted by the maintaining
of any insurance coverage related to the above referenced event.

This release contains the entire agreement between the parties to this agreement and the terms of this
release are contractual and not a mere recital.

Signature of Property Owner

Signature of Business Owner (if applicable)

Printed Name & Title of Property Owner

Printed Name & Title of Business Owner (if applicable)

Date: _____

Date: _____

City of Grand Island Downtown Revitalization Fund: Application

Attestation of U.S. Citizenship

For the purpose of complying with Neb. Rev. Stat. §§ 4-108 through 4-114, I attest as follows:

X I am a citizen of the United States.

- OR -

___ I am a qualified alien under the federal Immigration and Nationality Act, my immigration status and alien number are as follows: _____, and I agree to provide a copy of my USCIS documentation upon request.

I hereby attest that my response and the information provided on this form and any related application for public benefits are true, complete and accurate and I understand that this information may be used to verify my lawful presence in the United States.

Print Name: _____
First, Middle, Last

Signature: _____

Date

City of Grand Island Downtown Revitalization Fund: Application

Checklist for Submission

Please submit this checklist as part of your final application

Section 1

X Cover Letter

Section 2

X Proposal Application Form

Section 3

X Pre-rehabilitation project report, including narrative and pictures

Section 4

X Project Vision Narrative

Section 5

X Applicant Experience Narrative

X One Project Letter of Reference

X One Bank Letter of Reference

Section 6

X Financial Requirement Narrative

X Long term Business Plan demonstrating the sustainability of the project

X 3 to 5 year pro forma

X Letter of intent to guarantee long term financing

X Verification of required matching funds (developer contribution) secured

Section 7

X Signed Hold Harmless Agreement (see attachment)

X Signed Attestation of U.S. Citizenship (see attached)

X If applying as a tenant, a written authorization from the property owner for the improvements

City of Grand Island Downtown Revitalization Fund: Application

Section 3 Pre-rehabilitation Project Report (narrative and pictures inc.)

In order to conduct the activities mentioned in the attached grant request, the building must comply with Grand Island city code and Nebraska health department guidelines. In the following paragraphs & attached pictures, the items that are currently not in regulation will be spelled out.

In section 8-1 of the city code the International Building Code, 2012 Edition was adopted as law; in addition the Nebraska Department of Agriculture has laid out their guidelines in the "Requirements for Food Establishment Operations". Under "Use and Occupancy" in section 303.1 (IBC) 116 West 3rd would be considered an A-2 Occupancy based on all four of the stated examples; Banquet halls, Night clubs, Restaurants & Taverns and bars. Given the tables in sections 2902.1 & 1004.1.1 (IBC) and based on the layout with an assembly square footage of 2104 s.f. and, the "assembly" area's *allowances per occupant* in this case would be 220 people based on 800 s.f. of dance floor and 1304 s.f. of tables and chairs.

Given the occupancy of 220 and the current lack of restroom facilities, restrooms would need to be built and would have to comply entirely with Chapter 29 of the IBC and the sections titled "Toilet Rooms" and "Non-food contact surfaces" in the health department requirements. Also based off the occupant load of 220, according to section 903.2.1.2 (IBC), the entire west side would require fire sprinklers and an alarm system which are currently not in place. In order to meet Section 803.1.1 (IBC) regarding separations and given the attached letter from Olsson Associates, the existing ceiling needs to be removed and replaced with drywall and the required 2x12's to be brought into compliance. To further comply with section, the doors separating the existing side (116 west 3rd) from the new side (118 West 3rd) would need to have a three hour fire rating which would be achieved by installing new three hour rated doors and all required accessories.

With the understanding that the west side will be used for dancing and other such activities, the health department would consider the floor to be "Exposed to splash, spillage, or other food soiling, or require frequent cleaning". In order to comply with the "corrosion-resistant, non-absorbent, and smooth material" guidelines, the existing wood floor would need patched, sanded smooth and re-sealed. The health department also requires exterior doors to be "solid, self-closing, and tight fitting" which can clearly be seen in the attached pictures in the form of a small snow drift on the interior of the building.

According to 1204.1 (IBC) the building needs to have a space-heating system capable of maintaining a minimum indoor temperature of 68°F. Given the fact that no HVAC system is installed on that side, one needs to be in place and operational. In order to comply with the IBC and also promote energy efficiency, a ground source heat pump and all necessary components would need to be installed. Along with the HVAC, according to the International energy conservation code table 502.2 adopted by the State of Nebraska, the wood framed front wall will need an R-13 insulation value that will be achieved by installing an R-13 bat insulation covered with drywall. In order to comply with sections 1205.3 & 1205.5 (IBC) and to promote energy efficiency, new LED can light need to be installed throughout along with emergency lighting.

Lastly, according to the Nebraska Board of Engineers and Architects, a commercial building with an A1-A5 occupancy over 1,000 sf is required to be designed by a licensed architect.

City Code:

http://city.grand-island.com/City_Code/ref_code_index.htm

§8-1. International Building Code (IBC) Adopted

The International Building Code, 2012 Edition, published by the International Code Council, is hereby adopted, together with any amendments thereto as may be made from time to time, except such portions as are hereinafter deleted, modified, or amended by ordinance and set forth in this chapter of the City Code. The following sections of the Appendix shall also be adopted:

Nebraska Department of Agriculture:

<http://www.nda.nebraska.gov/publications/foods/precopenlist.html>

Use & Occupancy:

http://publicecodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_3_par003.htm

303.1 Assembly Group A. Assembly Group A occupancy includes, among others, the use of a building or structure, or a portion thereof, for the gathering of persons for purposes such as civic, social or religious functions; recreation, food or drink consumption or awaiting transportation.

A-2 Assembly uses intended for food and/or drink consumption including, but not limited to:

Banquet halls

Night clubs

Restaurants

Taverns and bars

http://publicecodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_10_sec004.htm

TABLE 1004.1.1 MAXIMUM FLOOR AREA ALLOWANCES PER OCCUPANT

Assembly without fixed seats	
Concentrated (chairs only-not fixed)	7 net
Standing space	5 net
Unconcentrated (tables and chairs)	15 net

http://publicecodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_29_sec002.htm

TABLE 2902.1 MINIMUM NUMBER OF REQUIRED PLUMBING FIXTURES^a

DESCRIPTION	WATER CLOSETS		LAVATORIES
	Male	Female	Male/female
Nightclubs, bars, taverns, dance halls and buildings for similar purposes	1 per 40	1 per 40	1 per 75

308.390.2455 / amosanson@gmail.com

Requirements for Rest Rooms:

http://publiccodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_29_section.htm

Plumbing Code Compliance

<http://www.nda.nebraska.gov/publications/foods/preopenlist.html>

Toilet rooms: Toilet rooms shall be completely enclosed and provided with a tight fitting and self-closing door. Restrooms will be vented to the outside. The ladies' restroom shall be provided with a covered waste receptacle **Non-food contact surfaces of equipment** that are exposed to splash, spillage, or other food soiling, or that require frequent cleaning shall be constructed of a corrosion-resistant, non-absorbent, and smooth material.

Fire Sprinklers & Alarm:

http://publiccodes.cyberregs.com/icod/ibc/2009/icod_ibc_2009_9_sec003.htm

903.2.1.2 Group A-2. An automatic sprinkler system shall be provided for Group A-2 occupancies where one of the following conditions exists: [F]

1. The *fire area* exceeds 5,000 square feet (464.5 m²);
2. The *fire area* has an *occupant load* of 100 or more; or
3. The *fire area* is located on a floor other than a *level of exit discharge* serving such occupancies.

Ceiling Repair:

http://publiccodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_8_par011.htm

803.1.1 Interior wall and ceiling finish materials. Interior wall and ceiling finish materials shall be classified in accordance with ASTM E 84 or UL 723. Such *interior finish* materials shall be grouped in the following classes in accordance with their flame spread and *smoke-developed indexes*.

Class B: Flame spread index 26-75; smoke-developed index 0-450.

Class C: Flame spread index 76-200; smoke-developed index 0-450.

TABLE 803.9 INTERIOR WALL AND CEILING FINISH REQUIREMENTS BY OCCUPANCY^k

GROUP	SPRINKLERED ^l			NONSPRINKLERED		
	Exit enclosures and exit passageways ^{a,b}	Corridors	Rooms and enclosed spaces ^c	Exit enclosures and exit passageways ^{a,b}	Corridors	Rooms and enclosed spaces ^c
A-1 & A-2	B	B	C	A	A ^d	B ^e
A-3 ^f , A-4, A-5	B	B	C	A	A ^d	C
B, E, M, R-1	B	C	C	A	B	C
R-4	B	C	C	A	B	B

Wood Floor:

<http://www.nda.nebraska.gov/publications/foods/preopenlist.html>

Non-food contact surfaces of equipment that are exposed to splash, spillage, or other food soiling, or that require frequent cleaning shall be constructed of a corrosion-resistant, non-absorbent, and smooth material

Exterior Door Replacement:

<http://www.nda.nebraska.gov/publications/foods/preopenlist.html>

Exterior doors shall be solid, self-closing, and tight fitting.

Temperature Control:

http://publicecodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_12_sec001.htm

1204.1 Equipment and systems. Interior spaces intended for human occupancy shall be provided with active or passive space-heating systems capable of maintaining a minimum indoor temperature of 68°F (20°C) at a point 3 feet (914 mm) above the floor on the design heating day.

Lighting:

http://publicecodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_12_sec005.htm

1205.3 Artificial light. Artificial light shall be provided that is adequate to provide an average illumination of 10 foot-candles (107 lux) over the area of the room at a height of 30 inches (762 mm) above the floor level.

1205.5 Emergency egress lighting. The *means of egress* shall be illuminated in accordance with [Section 1006.1](#).

Insulation:

http://publicecodes.cyberregs.com/icod/ibc/2012/icod_ibc_2012_3_sec001.htm

SECTION 301 CLIMATE ZONES

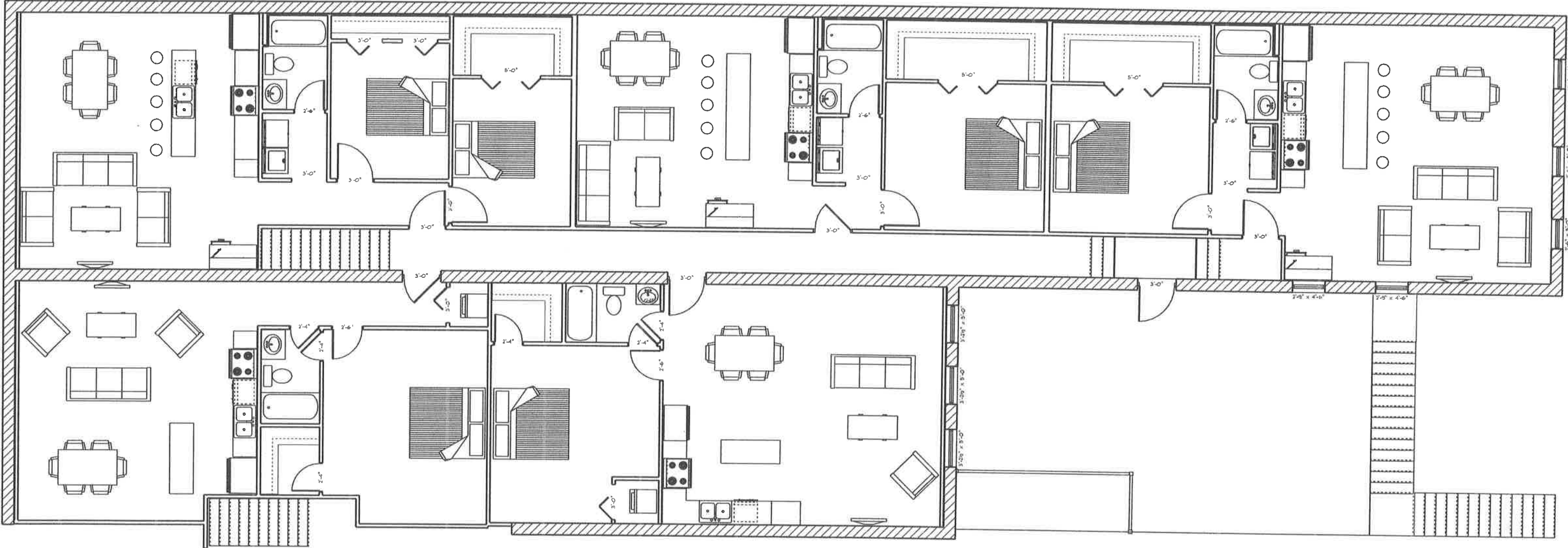
NEBRASKA - 5A (all)

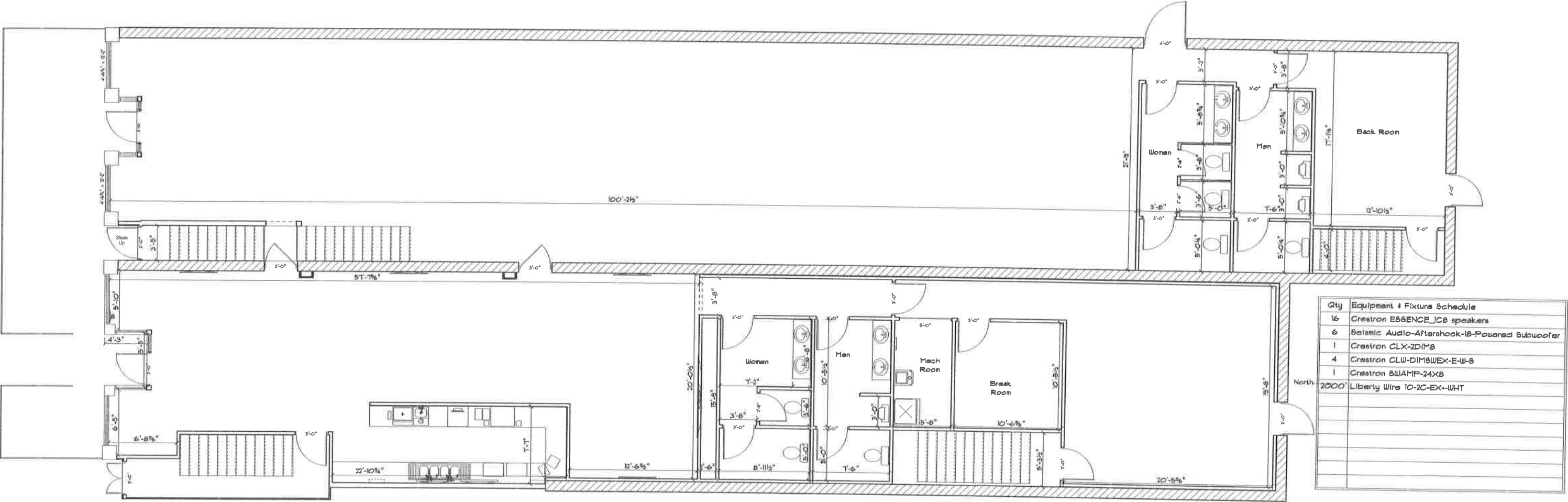
Architect:

http://www.ea.nebraska.gov/when_do_you_need.html

Nebraska state law requires that all commercial structures must be designed by an architect and/or professional engineer, with the following exceptions.

Assembly (A-1 thru A-5) - **Less** than 1,000 sq. ft.





Redevelopment Plan Amendment Grand Island CRA Area #1 May 2015

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area #1 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area #1.

Executive Summary:

Project Description

THE REDEVELOPMENT OF THE 116/118 W 3RD STREET FOR FIRST FLOOR COMMERCIAL AND UPPER STORY RESIDENTIAL USES INCLUDING FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the second side of the Chocolate Bar building and the upper level space above both sides of the building. The use of Tax Increment Finance is an integral part of the development plan and necessary to make this project affordable. The project will result in renovated commercial meeting/restaurant space and an increased number of downtown residential units. This project would not be possible without the use of TIF.

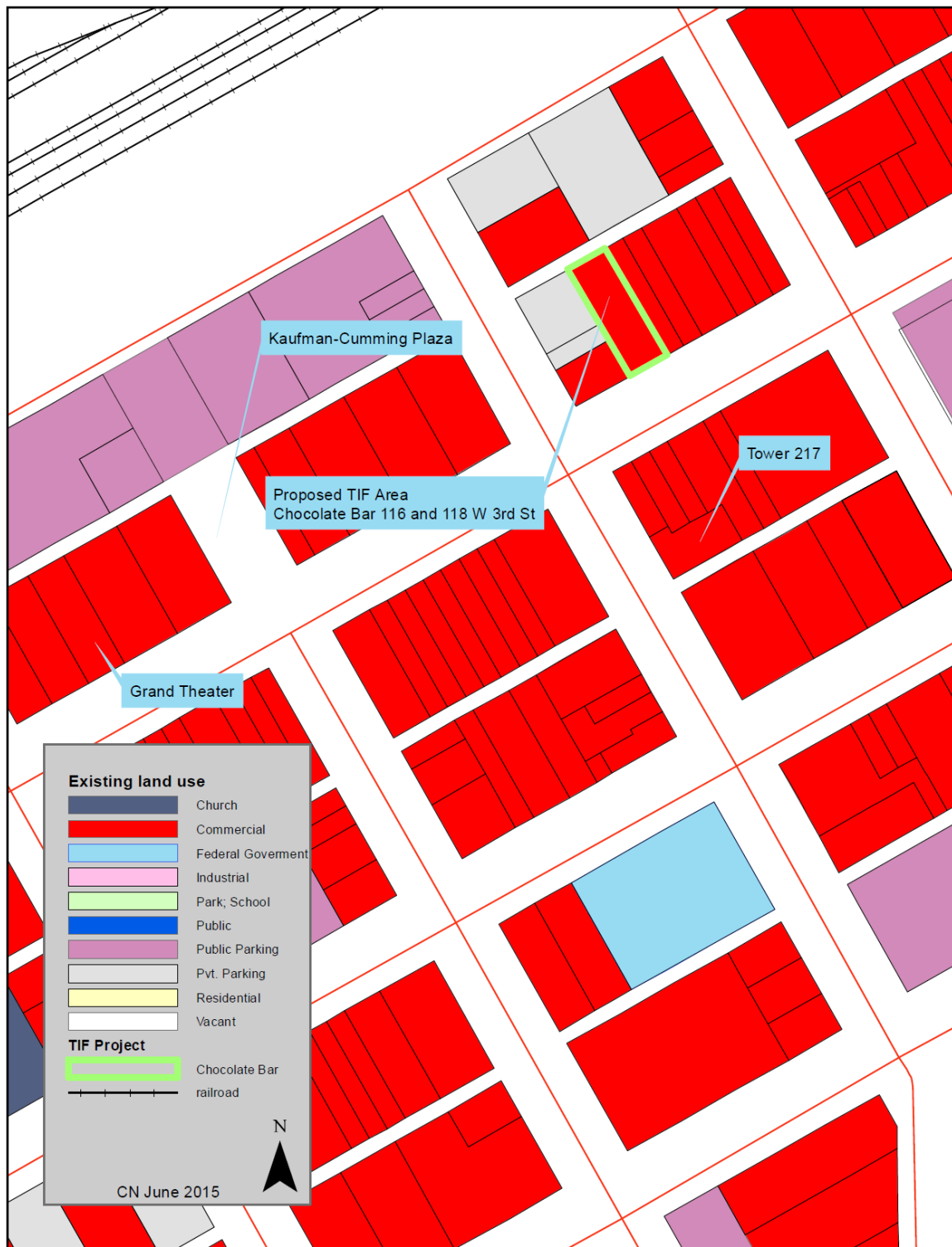
FAMOS Construction Inc. is the owner of the property. They have owned this property since 2006. The purchase price is not included as an eligible TIF activity. The first floor and basement of the east half of the building is currently occupied by The Chocolate Bar. The west half of the building and upper floors are undeveloped and in need of substantial renovation prior to being available to the public or residents. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the site work and remodeling. The owners have received a Community Development Block Grant in the form of a forgivable loan to cover \$159,339 of the costs of renovation of the first floor. The owners will also be seeking \$80,000 from the upper story residential grant program from the CRA. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2017 towards the allowable costs and associated financing for the acquisition and site work.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

116 and 118 W 3rd Street in Grand Island Nebraska

Legal Descriptions: The west 44 feet of Lot 6, Block 56, Original Town of Grand Island, Hall County, Nebraska.



Existing Land Use and Subject Property

The tax increment will be captured for the tax years the payments for which become delinquent in years 2017 through 2031 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 this the vacant portions of this historic building for commercial meeting space and upper story residential uses as permitted in the B3 Heavy Business Zoning District.

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, 2017.

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 December 19, 2000.[§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 the building for permitted uses on this property as defined by the current and effective zoning regulations.

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

a. Land Acquisition:

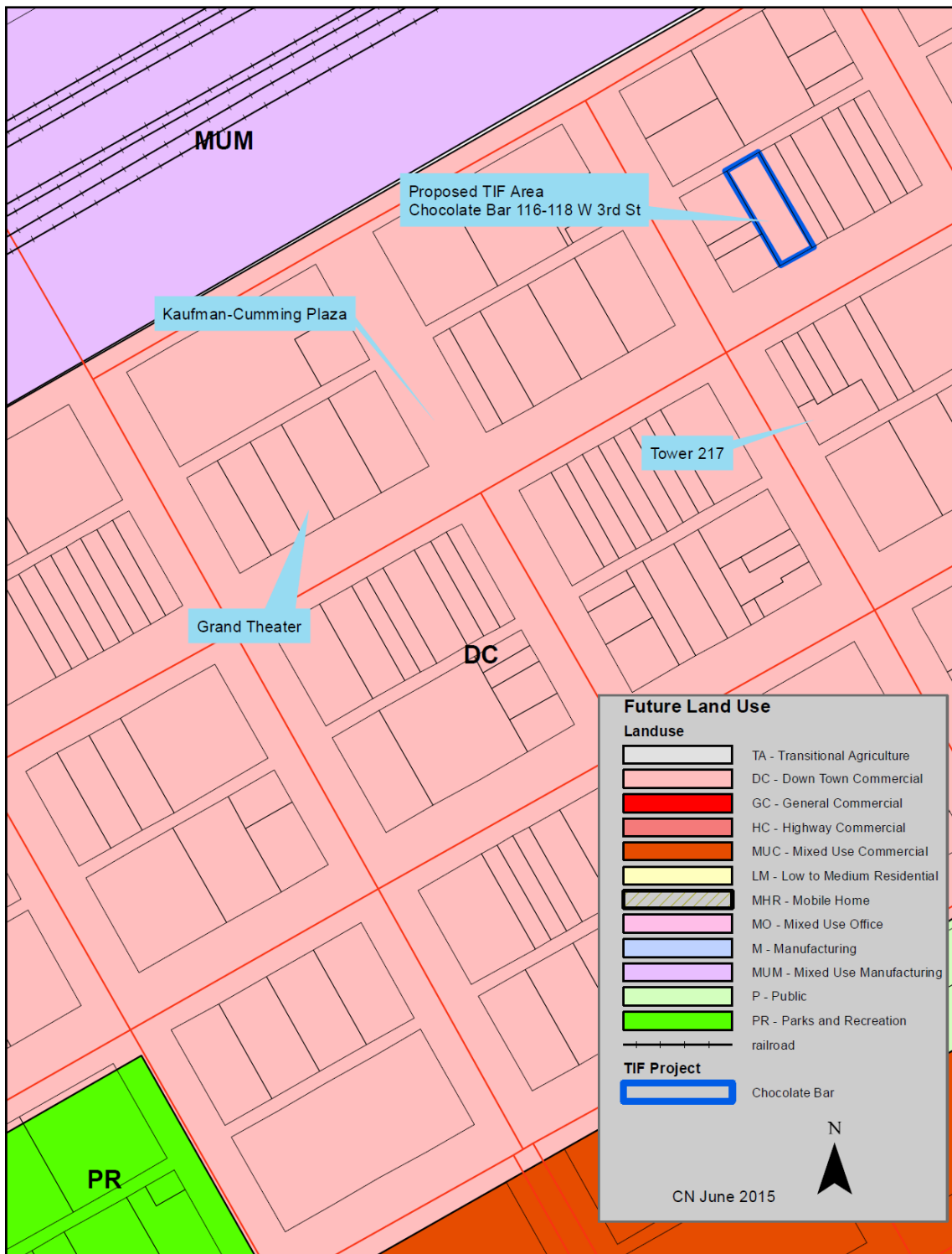
The Redevelopment Plan for Area #1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

The project to be implemented with this plan does not provide for the demolition and removal any structures on this property.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. All of the area around the site in private ownership is planned for Downtown Commercial development; this includes housing and commercial uses within the same structure. This property is in private ownership. [§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 B3-Heavy Business zone. 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. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The developer is rehabilitating the existing building. The developer is not proposing to increase the size of the building and current building meets the applicable regulations regarding site coverage and intensity of use. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. No new services are anticipated with this development.

Electric utilities are sufficient for the proposed use of this building.

No other 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 no relocation is contemplated or necessary. [§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]

No member of the Authority holds any interest in this project.

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 owns this property and acquisition is not part of the request for tax increment financing. The estimated cost of rehabilitation of this property is \$578,000. Planning related expenses for Architectural and Engineering services of \$15,000 and are

included as a TIF eligible expense. Legal, Developer and Audit Fees including a reimbursement to the City and the CRA of \$6,600 are included as TIF eligible expense. The total of eligible expenses for this project is approximately \$600,000.

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 \$317,000 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2017 through December 2032.

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. 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 is anticipated to be completed between September 2015 and December of 2016. Excess valuation should be available for this project for 15 years beginning with the 2017 tax year.

9. Justification of Project

This is an historic building in downtown Grand Island that will be preserved with this project. This project will provide needed gathering space and increase the number of residential units in the downtown. This will allow and encourage greater utilization of the downtown and hopefully will result in increased property values throughout the area.

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.

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2012), the City of Grand Island has analyzed the costs and benefits of the proposed Grand Island Mall Redevelopment Project, including:

Project Sources and Uses. Approximately \$317,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage an additional private sector and grant fund investment of \$467,208 added to the initial investment of \$444,333 for building purchase, equipment purchases and completed renovations; representing an investment of \$2.87 for every TIF dollar investment.¹

Description	Use of Funds.			
	TIF Funds	Grant Funds	Private Funds	Total
Site Acquisition			\$40,000	\$40,000
Site preparation			\$10,564	\$10,564
Completed Improvements			\$200,000	\$200,000
Façade Imp.		\$154,333		\$154,333
Legal and Plan			\$195,126	\$195,126
Building Costs				
Renovation	\$317,000	\$159,339	\$11,379	\$567,718
Life/Safety		\$80,000		\$80,000
Personal Property			\$50,000	\$50,000
Soft Costs			\$10,800	\$10,800
TOTALS	\$317,000	\$393,672	\$517,869	\$1,228,541

¹ This does not include any investment in personal property at this time.

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2016, valuation of approximately \$118,222. Based on the 2013 levy this would result in a real property tax of approximately \$2600. It is anticipated that the assessed value will increase by \$960,855 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$21,160 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2016 assessed value:	\$ 118,222
Estimated value after completion	\$ 1,079,077
Increment value	\$ 960,855
Annual TIF generated (estimated)	\$ 21,160
TIF bond issue	\$ 317,000

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

The redevelopment project area currently has an estimated valuation of \$118,222. The proposed redevelopment will create additional valuation of \$960,855. 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 negatively impacted by this development. The addition of life safety elements to this building including fire sprinklers and a second exit actually reduce the chances of negative impacts to the fire department.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

The proposed project will have no negative impact on other firms locating or expanding in the area. This project may provide housing for young professionals working at businesses that have relocated to downtown in the last few years including Glx Logistics, Cannon Moss Brygger Architects and Dana F. Cole and Company.

(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 project will not have a negative impact on other employers in any manner different from any other expanding business within the Grand Island area. The Grand Island labor market is tight but this will create additional full time jobs in the region. This will allow a local company to expand in our community and create additional housing opportunities.

(e) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This project will increase the available venues for downtown events and provide a size of space that is not currently available within the market. It will also increase the number of downtown residential units consistent with the redevelopment plan adopted by the Grand Island City Council.

Time Frame for Development

Development of this project is anticipated to be completed during between August of 2015 and December 31 of 2016. The base tax year should be calculated on the value of the property as of January 1, 2016. Excess valuation should be available for this project for 15 years beginning in 2017 with taxes due in 2018. 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 \$317,000 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 rehabilitation the developer will spend at least \$560,000 on TIF eligible activities. The CRA will reserve the right to issue additional debt for this project upon notification by the developer of sufficient expenses and valuation to support such debt in the form of a second or third bond issuance.

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. 196

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
REDEVELOPMENT PLAN TO THE HALL COUNTY REGIONAL PLANNING
COMMISSION FOR ITS RECOMMENDATION

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to the Nebraska Community Development Law (the "Act"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, for redevelopment of an area within the city limits of the City of Grand Island, Hall County, Nebraska; and

WHEREAS, the Authority is required by Section 18-2112 of the Act to submit said to the planning board having jurisdiction of the area proposed for redevelopment for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Authority submits to the Hall County Regional Planning Commission the proposed Plan attached to this Resolution, for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska.

Passed and approved this ____ day of _____, 2015.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA.

By _____
Chairperson

ATTEST:

Secretary

116/118 W 3rd St

EXHIBIT 1

REDEVELOPMENT PLAN AMENDMENT

116/118 W 3rd St

**COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. 197

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received an Application for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within Redevelopment Area 1, from FAmos Construction Inc., (The "Developer") for redevelopment of an area within the city limits of the City of Grand Island as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within Redevelopment Area 1;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. In compliance with section 18-2114 of the Act, the Authority hereby gives the governing body of the City notice that it intends to enter into the Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, after approval of the redevelopment plan amendment related to the redevelopment project described in the Redevelopment Contract, and after the passage of 30 days from the date hereof.

Section 2. The Secretary of the Authority is directed to file a copy of this resolution with the City Clerk of the City of Grand Island, forthwith.

Passed and approved this ____ day of _____, 2015.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA.

By _____
Chairperson

ATTEST:

Secretary

116/118 W 3rd St

Exhibit 1

Attach a copy of the Redevelopment Contract

116/118 W 3rd St