



# Community Redevelopment Authority (CRA)

**Wednesday, August 19, 2015**  
**Regular Meeting**

## **Item H1**

### **Tif Application**

**Staff Contact: Chad Nabity**



## **BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST**

### **Project Redeveloper Information**

Business Name: Bosselman Real Estate, LLC  
3123 W. Stolley Park Road, PO Box 4905  
Grand Island, NE 68802-4905

Telephone: 308-381-5501 ext. 147  
Contact: Gus Patsios

### **Brief Description of Applicant's Business:**

Bosselman Real Estate, LLC is a Nebraska limited liability company affiliated with the Bosselman Retail Companies. Founded in 1948, the Bosselman Companies has expanded throughout 24 states with over 1,400 employees. A family company in its third generation, Bosselman is comprised of 49 convenience stores, 44 truck repair shops, 12 hotels, 5 restaurants, 5 quick serve food locations, an indoor professional football team, storage, vending, and truck rental services, and Nebraska's premier travel center. Bosselman corporate headquarters are located in Grand Island, Nebraska.

### **Present Ownership Proposed Project Site:**

Parcel #400130572  
Grand Island Associates LLC  
An Illinois LTD Liability Company  
16619 S. Manchester Rd.  
Tinley IL. 60477

### **Proposed Project:**

The redevelopment of the former Skagway building located at 1607 South Locust Street into to a vibrant corporate office setting with bistro, retail liquor store, hotel and convention center, and commercial professional office plaza. The property is comprised of 10.10 acres with 73,313 square feet under roof. The existing building is brick exterior

with steel internal structure. Bosselman Real Estate, LLC will execute a three phase plan for the renovation of the existing building and development of a new hotel and professional commercial office building.

PHASE ONE: Bosselman Real Estate, LLC proposes a complete renovation of the existing Skagway building including exterior windows, new façade, paint, roof, HVAC, interior demolition, parking lot repair, site beautification construction to convert the structure to a class A, state-of-the-art corporate office facility totaling 42,000 square feet, plus warehouse space. Phase One also includes a 4,000 square foot bistro/catering venture and a 2,500 square foot retail liquor store. The current façade will be completely removed and replaced with new branding to include Bosselman signage, awnings, paint, lighting, windows, and water feature. Exterior amenities will include secure parking with site lighting, new asphalt overlay, and landscaping.

PHASE TWO: Bosselman Real Estate, LLC proposes a ground up build of a branded hotel/convention center with an estimated 100 rooms.

PHASE THREE: Bosselman Real Estate, LLC proposes a professional commercial office building, with (6) 1,500 square foot suites for lease. (See Exhibit A)

Estimated Project Costs: Phase I Skagway Building

Acquisition Costs:

A. Land	\$ 578,000
B. Building	\$ 1,122,000

Construction Costs:

A. Renovation or Building Costs:	\$ 6,000,000
B. On-Site Improvements:	\$ 500,000

Soft Costs:

A. Architectural & Engineering Fees:	\$ 60,000
B. Financing Fees:	\$ 15,000
C. Legal/Developer/Audit Fees:	\$ 5,000
D. Contingency Reserves:	\$ 200,000
E. Personal Property:	<u>\$ 750,000</u>
TOTAL	\$ 9,230,000

**Total Estimated Market Value at Completion: Phase I \$13,908,520**

Estimated Project Costs: Phase II Hotel/Convention Center

Acquisition Costs:

A. Land	\$ 0
B. Building	\$ 0

Construction Costs:

A. Renovation or Building Costs:	\$ 9,000,000
B. On-site improvements:	\$ 250,000

Soft Costs:

A. Architectural & Engineering Fees:	\$ 60,000
B. Financing Fees:	\$ 15,000
C. Legal/Developer/Audit Fees:	\$ 5,000
D. Contingency Reserves:	\$ 200,000
E. Other (Please Specify)	\$ 0
TOTAL	\$ 9,530,000

**Total Estimated Market Value at Completion: Phase II \$ 8,083,434**

Estimated Project Costs: Phase III Office Center

Acquisition Costs:

A. Land	\$ 0
B. Building	\$ 0

Construction Costs:

A. Renovation or Building Costs:	\$ 1,000,000
B. On-Site Improvements:	\$ 100,000

Soft Costs:

A. Architectural & Engineering Fees:	\$ 15,000
B. Financing Fees:	\$ 5,000
C. Legal/Developer/Audit Fees:	\$ 5,000
D. Contingency Reserves:	\$ 25,000
E. Other (Please Specify)	\$ 0
TOTAL	\$1,150,000

**Total Estimated Market Value at Completion: Phase III \$ 787,035**

**Estimated Project Costs: \$19,925,000**

**Total Estimated Market Value at Completion: \$22,778,989**

Source of Financing:

A. Developer Equity:	\$ 2,000,000
B. Commercial Bank Loan:	\$ 17,925,000
Tax Credits:	
1. N.I.F.A.	\$ 0
2. Historic Tax Credits	\$ 0
D. Industrial Revenue Bonds:	\$ 0
E. Tax Increment Assistance:	\$6,552,000
F. Other (Façade Improvement)	\$ 300,000

Architect: Ryan Sterns  
Hewgley and Associates  
702 S. Bailey  
North Platte, NE 69101  
308-534-4983

General Contractor: Matt Krieser  
Bosselman Administrative Services, Inc.  
3123 W. Stolley Park Road, PO Box 4905  
Grand Island Ne. 68802-4905  
308-382-5501 ext. 170

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

Phase I  
Base \$2,290,814  
Expected value \$13,908,520  
Annual Tax Increment \$255,747  
15 year \$3,836,200

Phase II  
Base \$0  
Expected Value \$8,083,434  
Annual Tax Increment \$177,945  
14 year \$2,491,229

Phase III  
Base \$0  
Expected Value \$787,035  
Annual tax Increment \$17,325  
13 year \$225,230

Project Construction Schedule:

Construction Start Date: 10/15/2015  
Construction Completion Date: See phased timeline

Phased Project Timeline:

2015 10% Complete  
2016 100% Phase I Complete  
2017 25% Phase II Complete  
2018 100% Phase II Complete  
2019 100% All Phases Complete

TAX INCREMENT FINANCING REQUEST INFORMATION

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

Bosselman Real Estate, LLC is requesting tax increment financing in the amount of \$6,552,000 over 15 years. The purpose is to purchase, renovate and develop the former Skagway south facility located at 1607 South Locust Street, Grand Island, Nebraska. The location would be converted from a grocery store to corporate office building. Exterior renovations include new façade, paint, windows, signage, roof, HVAC roof units, parking lot improvement. Interior will include demolition of old interior walls, new flooring, office spaces, conference rooms, electrical, IT, lighting, HVAC, plumbing, duct work, and paint. Project also includes a new hotel/convention center and commercial professional office center.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing for Proposed Project: Due to the poor condition of the building and parking lot, financial analysis has determined without TIF, the building acquisition costs, demolition, renovation, and new construction costs are too high to support a reasonable ROI on the project.

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:

2012 Sayre, OK. Boss Truck Shop  
2013 Sullivan, MO. Boss Truck Shop  
2013 Tucumcari, NM. Boss Truck Shop  
2013 LaVista, NE. Pump & Pantry  
2013 Fremont, NE. Pump & Pantry  
2013 370 Omaha, NE. Pump & Pantry  
2013 York, NE. Pump & Pantry  
2013 Gretna, NE. Boss Truck Shop  
2013 Rawlins, NE. Boss Truck Shop  
2014 Bellevue, NE. Pump & Pantry  
2014 Lincoln, NE. Quality Inn  
2014 Bellevue, NE. Comfort Inn  
2014 Grand Island, NE. Quaker Steak & Lube  
2015 Cairo, NE. Pump & Pantry

IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years. Since this is a new LLC set up on June 26, 2015 for the purposes of buying and developing this property there are no financial statements available for the last 3 years.

#### Skagway South



Skagway Front



Northwest Front





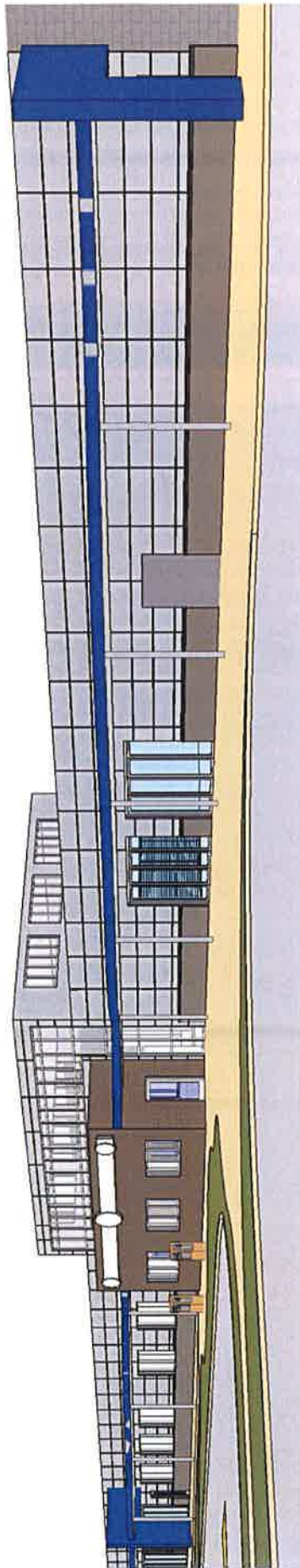
Northwest Corner



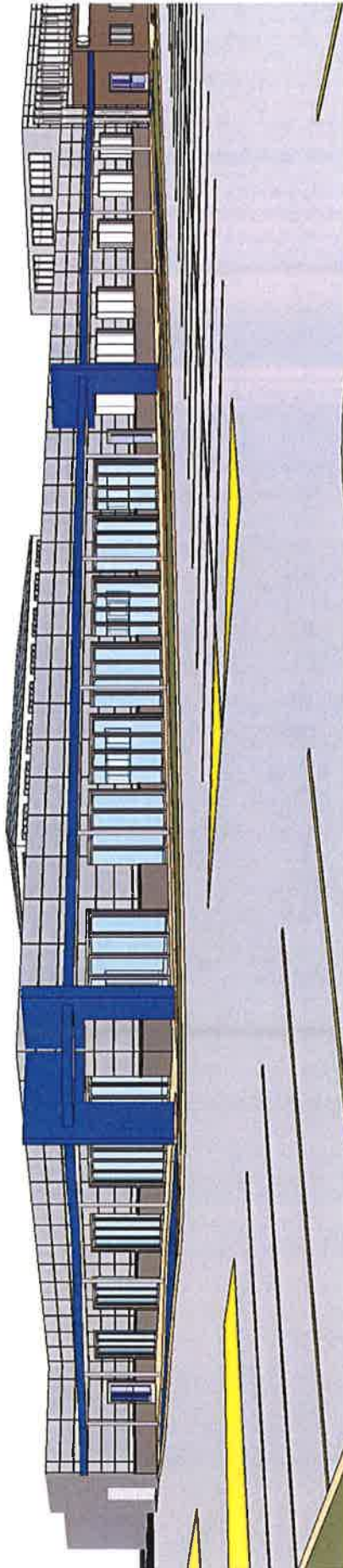
Northeast Corner

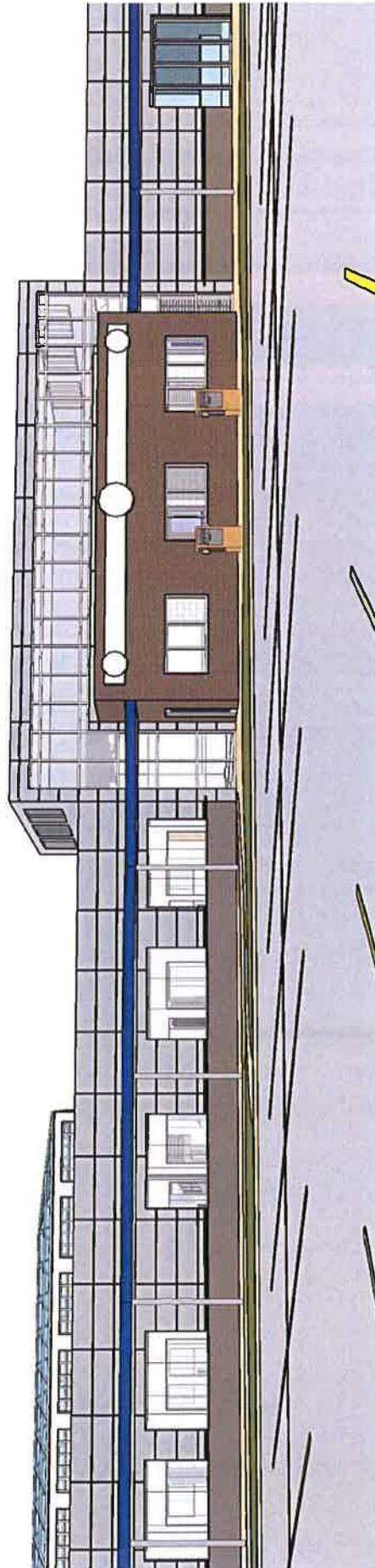


Post Office Box 1968  
Grand Island, Nebraska 68802-1968  
Phone: 308 385-5240  
Fax: 308 385-5423  
Email: [cnabity@grand-island.com](mailto:cnabity@grand-island.com)









# HALL COUNTY ASSESSOR'S OFFICE



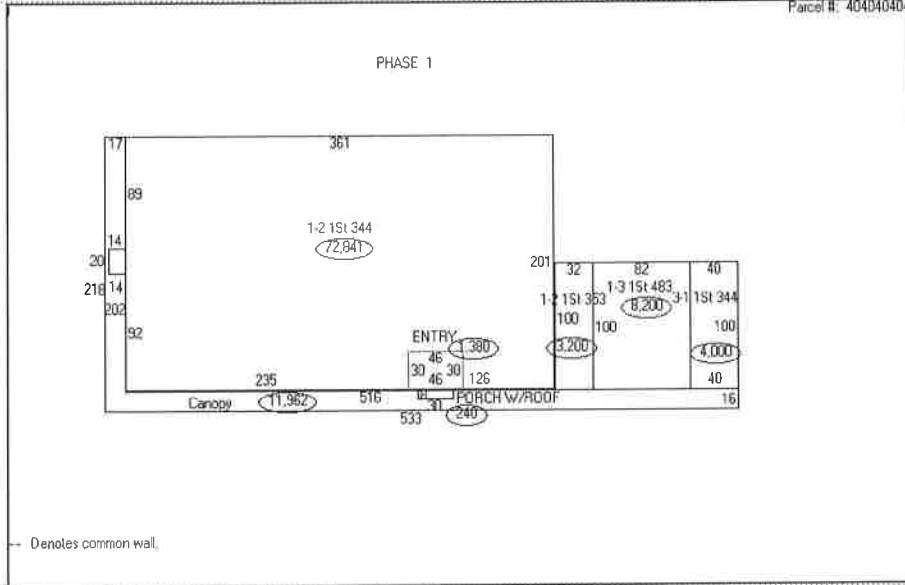
Commercial Property Record Card -Inactive Record



Data Provided By: JANET L. PELLAND County Assessor. Printed on 07/07/2015 at 08:55:04A

Parcel Information		Ownership Information	
Parcel Number	404040404	Current Owner	BOSELMAN REAL ESTATE DEVELOPMENT
Map Number		Address	3123 W STOLLEY PARK RD, STE A
Situs	1607 SOUTH LOCUST	City St. Zip	GRAND ISLAND NE 68802-
Legal	WHAT IF FOR BOSELMAN (OLD SKAGWAY SOUTH LOCATION)	Cadastral #	

Property Data			
Neighborhood	275	Topography	Number of Units
Lot Width		Street	Unit Value
Lot Depth		Utilities	Adjustment
Units Buildable	440178	Amenities 1	Lot Value
Value Method	SF	Amenities 2	



Building Data														
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD
1	2	344	OFFICE BUILDING	1993	C	400	40	72,841	1,152		1	15 10,253,828		10,253,828
1	3	353	RETAIL STORE	1970	C	300	40	3,200	264		1	16 336,928	15%	286,389
1	4	483	FITNESS CENTER	1970	C	300	40	8,200	364		1	16 768,258	15%	653,019
1			PAVING, ASPHALT	2015				440,120				990,270		990,270
1			OPEN PORCH W/ROOF	2015				240				3,302		3,302
1			CANOPY, ROOF/SLAB	2015				11,962				221,297		221,297
3	1	344	OFFICE BUILDING	1970	C	300	40	4,000	280		1	16 430,120	15%	365,602
3	1	344	OFFICE BUILDING	1970	C	300	40	4,000	280		1	16 430,120	15%	365,602

Cost Approach From Marshall & Swift			Potential Gross Income		
				Contract	Market
Total Building Area	92,241				
Total Building RCN	12,219,254	Vacancy & Collection Loss			
Total Refinements	1,214,869	Effective Income			
Total Replacement Cost New	13,434,123	Total Expenses			
Total Phys. & Func. Depreciation	(294,814)	Net Operating Income			
RCN Less Phys. & Func.	13,139,309	Capitalization Rate			
Economic Depreciation		Income Approach			
Accrued Economic depreciation		Final Value Reconciliation			13,908,520
Total RCN Less Depreciation	13,139,309				
Additional Lump Sums					
Land Value	769,211				
Total Cost Value	13,908,520				
Value Per Res Unit					
Value Per Sq. Ft.	150.78				

\*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.

# HALL COUNTY ASSESSOR'S OFFICE



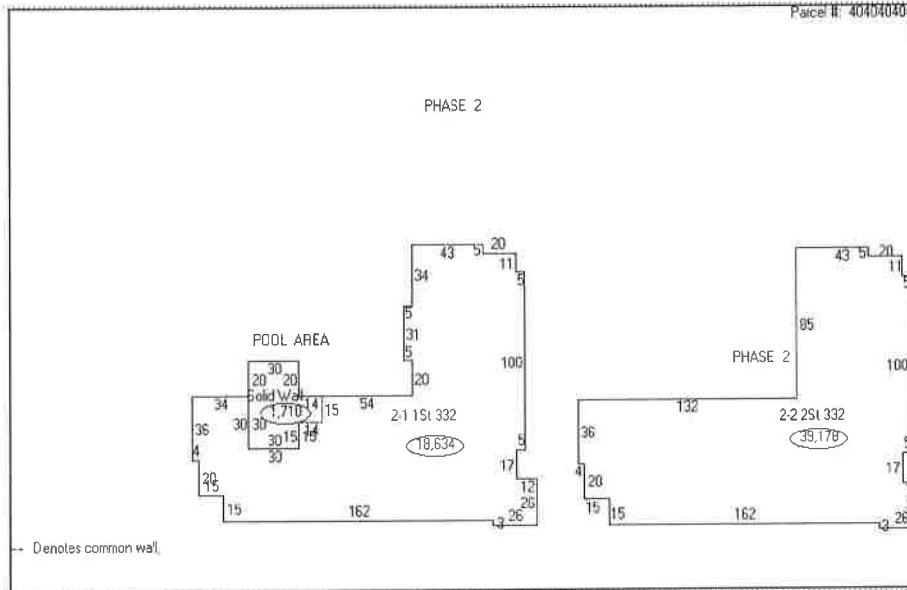
Commercial Property Record Card -Inactive Record



Data Provided By: JANET L. PELLAND County Assessor. Printed on 07/06/2015 at 08:41:48A

Parcel Information		Ownership Information	
Parcel Number	404040404	Current Owner	BOSELMAN REAL ESTATE DEVELOPMENT
Map Number		Address	3123 W STOLLEY PARK RD, STE A
Situs	1607 SOUTH LOCUST	City St. Zip	GRAND ISLAND NE 68802-
Legal	WHAT IF FOR BOSELMAN (OLD SKAGWAY SOUTH LOCATION)	Cadastral #	

Property Data		
Neighborhood	275	Topography
Lot Width		Street
Lot Depth		Utilities
Units Buildable		Amenities 1
Value Method		Amenities 2
		Number of Units
		Unit Value
		Adjustment
		Lot Value



Building Data														
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD
			SWIM POOL, COM	2015				1,841				94,130		94,130
			SPRINK SYS WET PIP	2015				59,653				140,185		140,185
			ELEV, ELEC, PASSNG	2015				2				204,750		204,750
			PAVING, ASPHALT	2015				440,120				990,270	100%	
2	1	343	MOTEL	2015	C		400	40	18,634	812	1	16,249,043		2,493,043
2	2	343	MOTEL	2015	C		400	40	39,178	742	2	15,509,017		5,099,017
2			SOLID WALL PORCH						1,710			52,309		52,309

Cost Approach From Marshall & Swift				Potential Gross Income			
				Contract		Market	
Total Building Area			57,812				
Total Building RCN			7,592,060				
Total Refinements			1,481,644				
Total Replacement Cost New			9,073,704				
Total Phys. & Func. Depreciation			(990,270)				
RCN Less Phys. & Func.			8,083,434				
Economic Depreciation							
Accrued Economic depreciation							
Total RCN Less Depreciation			8,083,434				
Additional Lump Sums							
Land Value							
Total Cost Value			8,083,434				
Value Per Res Unit							
Value Per Sq. Ft.			139.82				
*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.							



# HALL COUNTY ASSESSOR'S OFFICE



Commercial Property Record Card



Data Provided By: JANET L. PELLAND County Assessor. Printed on 07/02/2015 at 04:38:08P

**Parcel Information**

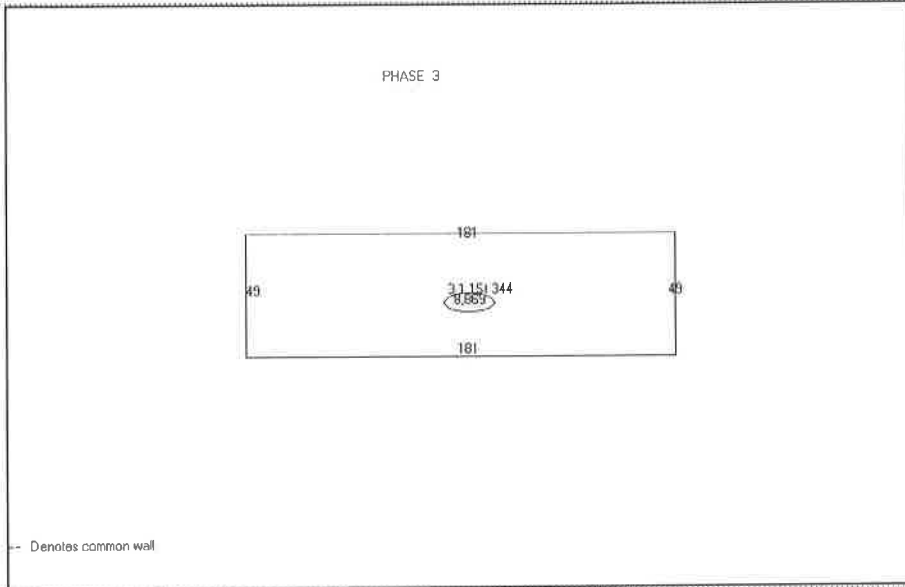
Parcel Number 404040404  
 Map Number  
 Situs 1607 SOUTH LOCUST  
 Legal WHAT IF FOR BOSSELMAN (OLD SKAGWAY SOUTH LOCATION)

**Ownership Information**

Current Owner BOSSELMAN REAL ESTATE DEVELOPMENT  
 Address 3123 W STOLLEY PARK RD, STE A  
 City St. Zip GRAND ISLAND NE 68802-  
 Cadastral #

**Property Data**

Neighborhood 275	Topography	Number of Units
Lot Width	Street	Unit Value
Lot Depth	Utilities	Adjustment
Units Buildable	Amenities 1	Lot Value
Value Method	Amenities 2	



**Building Data**

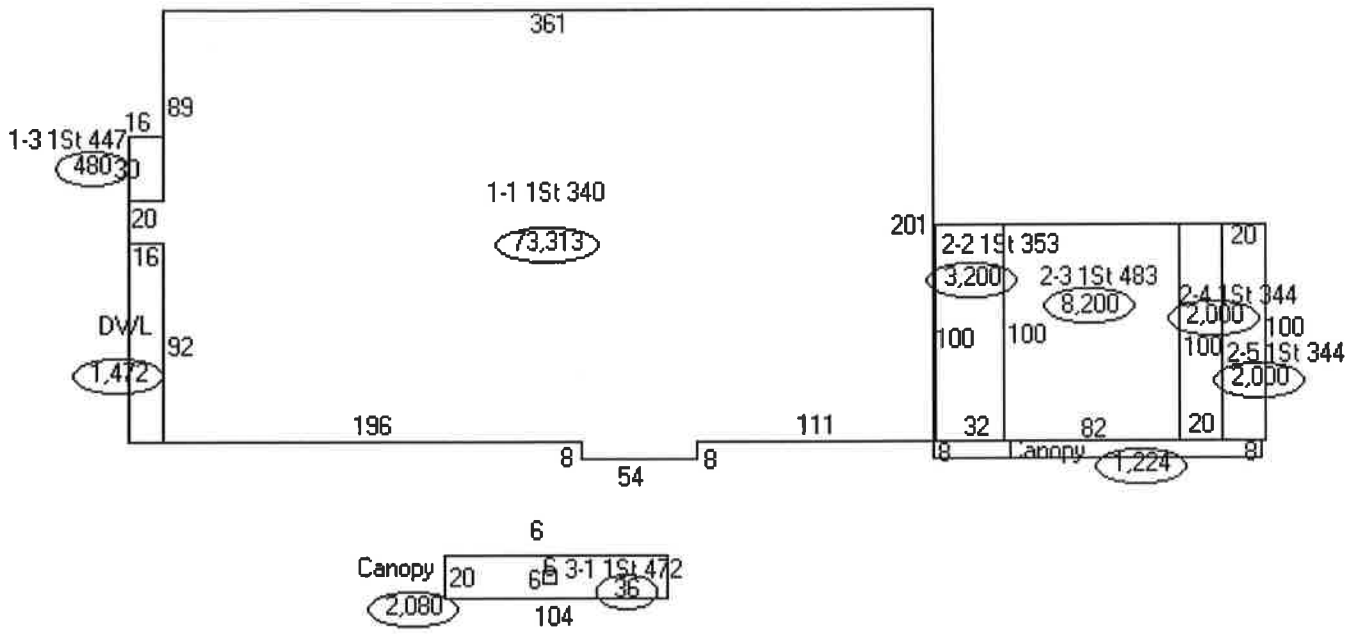
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys. Func.	RCNLD
			SPRINK SYS WET PIP	2015				8,869				20,842		20,842
3	1	344	OFFICE BUILDING	2015	S	300	40	8,869	460	1	12	766,193		766,193

**Cost Approach From Marshall & Swift**

**Potential Gross Income**

<b>Total Building Area</b>	8,869	<b>Contract</b>	
<b>Total Building RCN</b>	766,193	<b>Market</b>	
<b>Total Refinements</b>	20,842		
<b>Total Replacement Cost New</b>	787,035		
<b>Total Phys. &amp; Func. Depreciation</b>			
<b>RCN Less Phys. &amp; Func. Economic Depreciation</b>	787,035		
<b>Accrued Economic Depreciation</b>			
<b>Total RCN Less Depreciation</b>	787,035		
<b>Additional Lump Sums</b>			
<b>Land Value</b>			
<b>Total Cost Value</b>	787,035		
<b>Value Per Res Unit</b>			
<b>Value Per Sq. Ft.</b>	88.74		

\*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.



Denotes common wall.



Janet Pelland  
Assessor

# Hall County Assessor

121 South Pine Street, Suite 1  
Grand Island, NE 68801-6099  
Phone: (308) 385-5050  
Fax: (308) 385-5059  
TDD: (800) 833-7352



Barb Stoddard  
Deputy Assessor

## Property Summary [\(Appraisal Details\)](#)

### Parcel Information

**Parcel Number:** 400130572  
**Map Number:** 3315-00-0-11917-000-0001  
**Situs:** 01607 \S LOCUST  
**Legal:** FONNER FOURTH SUB LT 1  
**Cadastral:** 0003-0036-0034

### Ownership Information

**Current Owner:** GRAND ISLAND ASSOCIATES LLC  
AN ILLINOIS LTD LIABILITY CO  
**Address:** 16619 S MANCHESTER RD  
**City, State:** TINLEY PARK IL  
**Zipcode:** 60477-0000

### Current Valuation

**Land Value:** 769,211  
**Impr. Value:** 0  
**Outbuildings:** 2,063,156  
**Total Value:** 2,832,367  
**Exemptions:** 0  
**Taxable Value:** 2,832,367

### Assessment Data

**District:** 5  
**School Base:** GRAND ISLAND 2  
**Affiliated Code:**  
**Neighborhood:** 275  
**Greenbelt Area:**  
**Greenbelt Loss:** 0

### Property Classification

**Status:** Improved  
**Use:** Commercial  
**Zoning:** 03  
**Location:** Urban  
**City Size:** 12,001-100,000  
**Lot Size:** 06

### Sales History

**NO SALES HISTORY RECORDS FOUND**

### Building Permits

Permit No.	Date	Description	Amount
	1/1/2016	45 DAY SIGN	
	1/1/2015	INTERIOR REMODEL/NEW TENANTS/UPDATES	
	1/1/2014	INTERIOR REMODEL/NO CHANGE IN VALUE FOR 2014	
	1/1/2008	RENOVATION OF DELI AREA COMPLETE	
	1/1/2006	REMODEL COMPLETE/COMMERCIAL UPDATE	
	1/1/2002	ADD 24 HR SELF SERVE GAS STATION/7.15% TAX EQUALIZATION AND REVIEW COMMISSION INCREASE	

### Historical Valuation Information

Year	Billed Owner	Land	Impr.	Outbldg	Total	Exempt	Taxable	Taxes
2014	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	50,291.92
2013	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	48,917.66

2012	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	49,371.64
2011	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	48,497.18
2010	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	46,833.76
2009	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	46,396.00
2008	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,521,603	2,290,814	0	2,290,814	45,743.72
2007	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,436,756	2,205,967	0	2,205,967	43,927.60
2006	GRAND ISLAND ASSOCIATES LLC	769,211	0	1,436,756	2,205,967	0	2,205,967	45,194.40
2005	GRAND ISLAND ASSOCIATES LLC	771,149	0	1,438,384	2,209,533	0	2,209,533	45,120.70
2004	GRAND ISLAND ASSOCIATES LLC	771,149	0	1,438,384	2,209,533	0	2,209,533	44,591.00
2003	GRAND ISLAND ASSOCIATES LLC	771,149	0	1,438,384	2,209,533	0	2,209,533	48,494.72
2002	GRAND ISLAND ASSOCIATES LLC	771,149	0	1,438,384	2,209,533	0	2,209,533	46,958.74
2001	GRAND ISLAND ASSOCIATES LLC	719,691	0	1,295,431	2,015,122	0	2,015,122	42,040.50
2000	GRAND ISLAND ASSOCIATES LLC	719,691	0	1,295,431	2,015,122	0	2,015,122	44,324.12
1999	GRAND ISLAND ASSOCIATES LLC		2,015,122		2,015,122	0	2,015,122	43,742.86
1998	GRAND ISLAND ASSOCIATES LLC		1,886,600		1,886,600	0	1,886,600	41,735.00
1997	SPIRAL REALTY CORP. A DELAWARE CORP		1,886,600		1,886,600	0	1,886,600	44,068.34
1996	SPIRAL REALTY CORP. A DELAWARE CORP		1,886,600		1,886,600	0	1,886,600	43,159.18
1995	SPIRAL REALTY CORP. A DELAWARE CORP		1,886,600		1,886,600	0	1,886,600	41,827.82
1994	SPIRAL REALTY CORP. A DELAWARE CORP		1,414,831		1,414,831	0	1,414,831	34,162.52

### Parcel Comments

#### Number

#### Comment

1/99 PLAT PT LT 1 FONNER 2ND SUB 8/98 \$1800000 COURT

#### Photos/Sketches

Filedate: 7/6/2015 11:00:05 PM



THOMSON REUTERS

# Hall County Treasurer



Peg Pesek  
Treasurer

121 South Pine Street, Suite 2  
Grand Island, NE 68801-6099  
Phone: (308) 385-5025  
Fax: (308) 385-5043  
TDD: (800) 833-7352



Alaina Verplank  
Deputy Treasurer

### Parcel Information

**Parcel Number:** 400130572  
**Map Number:** 3315-00-0-11917-000-0001  
**Situs:** 01607 1S LOCUST  
**Legal:** FONNER FOURTH SUB LT 1  
**Cadastral:** 0003-0036-0034

### Ownership Information

**Current Owner:** GRAND ISLAND ASSOCIATES LLC  
AN ILLINOIS LTD LIABILITY CO  
**Address:** 16619 S MANCHESTER RD  
**City, State:** TINLEY PARK IL  
**Zipcode:** 60477-0000

### Current Tax Year 2014

Type	Statement #	Gross Tax	Tax Amount Exempt	Net Tax	Misc Amnts	Total Tax	Balance
REAL	2014-400130572RP	50,291.92	0	50,291.92	0.00	50,291.92	25,145.96

### Current Tax Year Interest as of 7/7/2015

Type	Statement #	Balance	Interest	Fees	Total
REAL	2014-400130572RP	25,145.96	0.00	0.00	25,145.96

### 5 Year Tax History

Type	Statement No.	Payment Date	Receipt No.	Tax Amount	Interest	Total Payment
REAL	2014-400130572RP	04-09-2015	2014-1504614	25,145.96	0.00	25,145.96
REAL	2013-400130572RP	04-02-2014	2013-1403849	24,458.83	0.00	24,458.83
REAL	2013-400130572RP	08-11-2014	2013-1425856	24,458.83	0.00	24,458.83
REAL	2012-400130572RP	08-08-2013	2012-1326369	24,685.82	0.00	24,685.82
REAL	2012-400130572RP	04-05-2013	2012-1304304	24,685.82	0.00	24,685.82
REAL	2011-0020916RP	08-10-2012	2011-1227690	24,248.59	0.00	24,248.59
REAL	2011-0020916RP	04-19-2012	2011-1207785	24,248.59	0.00	24,248.59
REAL	2010-0020974RP	04-18-2011	2010-1106513	23,416.88	0.00	23,416.88
REAL	2010-0020974RP	08-12-2011	2010-1128044	23,416.88	0.00	23,416.88

### Prior Tax Years Interest as of 7/7/2015

**NO INFORMATION FOUND FOR THIS PARCEL**

Filedate: 7/6/2015 11:00:05 PM





Janet Pelland  
Assessor

# Hall County Assessor

121 South Pine Street, Suite 1  
Grand Island, NE 68801-6099  
Phone: (308) 385-5050  
Fax: (308) 385-5059  
TDD: (800) 833-7352



Barb Stoddard  
Deputy Assessor

## Commercial Data Sheet

### Parcel Information

**Parcel Number:** 400130572  
**Map Number:** 3315-00-0-11917-000-0001  
**Situs:** 01607 \S LOCUST  
**Legal:** FONNER FOURTH SUB LT 1

### Ownership Information

**Business Name:** SKAGWAY/JOANN FABRICS  
**Current Owner:** GRAND ISLAND ASSOCIATES LLC  
AN ILLINOIS LTD LIABILITY CO  
**Address:** 16619 S MANCHESTER RD  
**City, State:** TINLEY PARK IL  
**Zipcode:** 60477-0000

### Lot Information

**Neighborhood:** 275  
**Topography:**  
**Amenities:** LAND VALUE

**Value Method:** SF  
**No. Units:** 440178  
**Unit Value:**  
**Adjustments:** 1  
**Lot Value:**

**Lot Width:**  
**Lot Depth:**  
**Street Access:**  
**Utilities:**

### Building Cost Approach Data

Year	Class	Area	Perlm.	Story/Height
1970	C	73313	1172	1 / 20
MARKET	<b>Quality:</b> Average	<b>Condition:</b> Average	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b> Reverse Heat Pump with own Ducts (13)
2000	S	480	92	1 / 12
COLD STORAGE~FACILITIES	<b>Quality:</b> Low	<b>Condition:</b> Average	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b>
2001	C	36	24	1 / 8
EQUIPMENT SHED	<b>Quality:</b> Average	<b>Condition:</b> Average	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b> Reverse Heat Pump with own Ducts (13)
1970	C	3200	264	1 / 16
RETAIL STORE	<b>Quality:</b> Average	<b>Condition:</b> Good	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b> Reverse Heat Pump with own Ducts (13)
1970	C	8200	364	1 / 16
FITNESS CENTER	<b>Quality:</b> Average	<b>Condition:</b> Good	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b> Reverse Heat Pump with own Ducts (13)
1970	C	2000	240	1 / 16
OFFICE BUILDING	<b>Quality:</b> Average	<b>Condition:</b> Good	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b> Reverse Heat Pump with own Ducts (13)
1970	C	2000	240	1 / 16
OFFICE BUILDING	<b>Quality:</b> Average	<b>Condition:</b> Good	<b>Ext. Wall:</b> N/A	<b>Heat/Cool:</b> Reverse Heat Pump with own Ducts (13)

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

**RESOLUTION NO. 201**

**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

1607 S Locust St

EXHIBIT 1  
REDEVELOPMENT PLAN AMENDMENT

1607 S Locust St



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

**RESOLUTION NO. 202**

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 2, from Bosselman Real Estate LLC, (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 2;

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

1607 S Locust St

Exhibit 1

Attach a copy of the Redevelopment Contract

1607 S Locust St

**Redevelopment Plan Amendment  
Grand Island CRA Area 2  
July 2015**

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

**Executive Summary:  
Project Description**

THE ACQUISITION OF PROPERTY AT 1607 SOUTH LOCUST STREET AND THE SUBSEQUENT SITE WORK, RENOVATIONS, UTILITY IMPROVEMENTS, ENGINEERING, LANDSCAPING AND PARKING IMPROVEMENTS NECESSARY FOR REBUILDING CORPORATE OFFICE FOR BOSSELMAN COMPANIES ALONG WITH A MOTEL AND SEPARATE PROFESSIONAL OFFICE SPACE AT THIS LOCATION.

The use of Tax Increment Financing (TIF) to aid in the acquisition of property, rehabilitation of the existing building, necessary site work and installation of public utilities and utility connections necessary to develop this site. The use of TIF makes it feasible to complete the proposed project within the timeline presented. This project developer has stated that the project will not be completed at this location without the use of TIF.

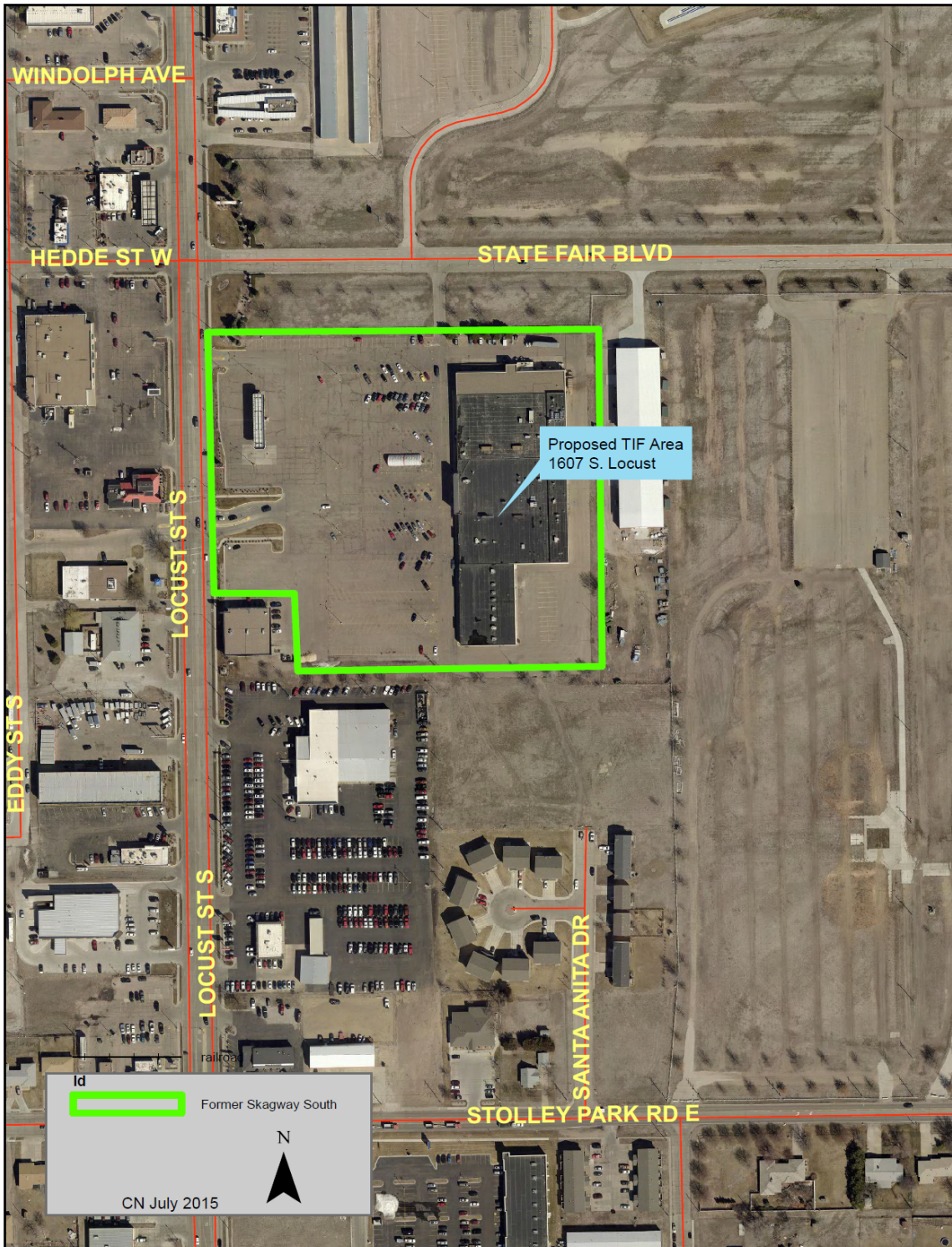
The acquisition, rehabilitation, site work and construction of all improvements will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2017 towards the allowable costs and associated financing for the acquisition and site work.

**TAX INCREMENT FINANCING TO PAY FOR THE ACQUISITION OF THE PROPERTY AND RELATED SITE WORK WILL COME FROM THE FOLLOWING REAL PROPERTY:**

**Property Description (the “Redevelopment Project Area”)**

This property is located east of Locust Street south of State Fair Boulevard and west of Fonner Park in south central Grand Island, the attached map identifies the subject property and the surrounding land uses:

- **Legal Description** Lot 1 of Fonner Fourth Subdivision (It is anticipated this property will be re-subdivided to accommodate phases 2 and 3 of this proposal.



**The tax increment will be captured for the tax years the payments for which become delinquent in years 2018 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 the construction of new commercial space on this property.**

**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. Said taxes shall be divided as follows:

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 acquire the necessary property and provide the necessary site work for the construction of a permitted use on this property.

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

***a. Land Acquisition:***

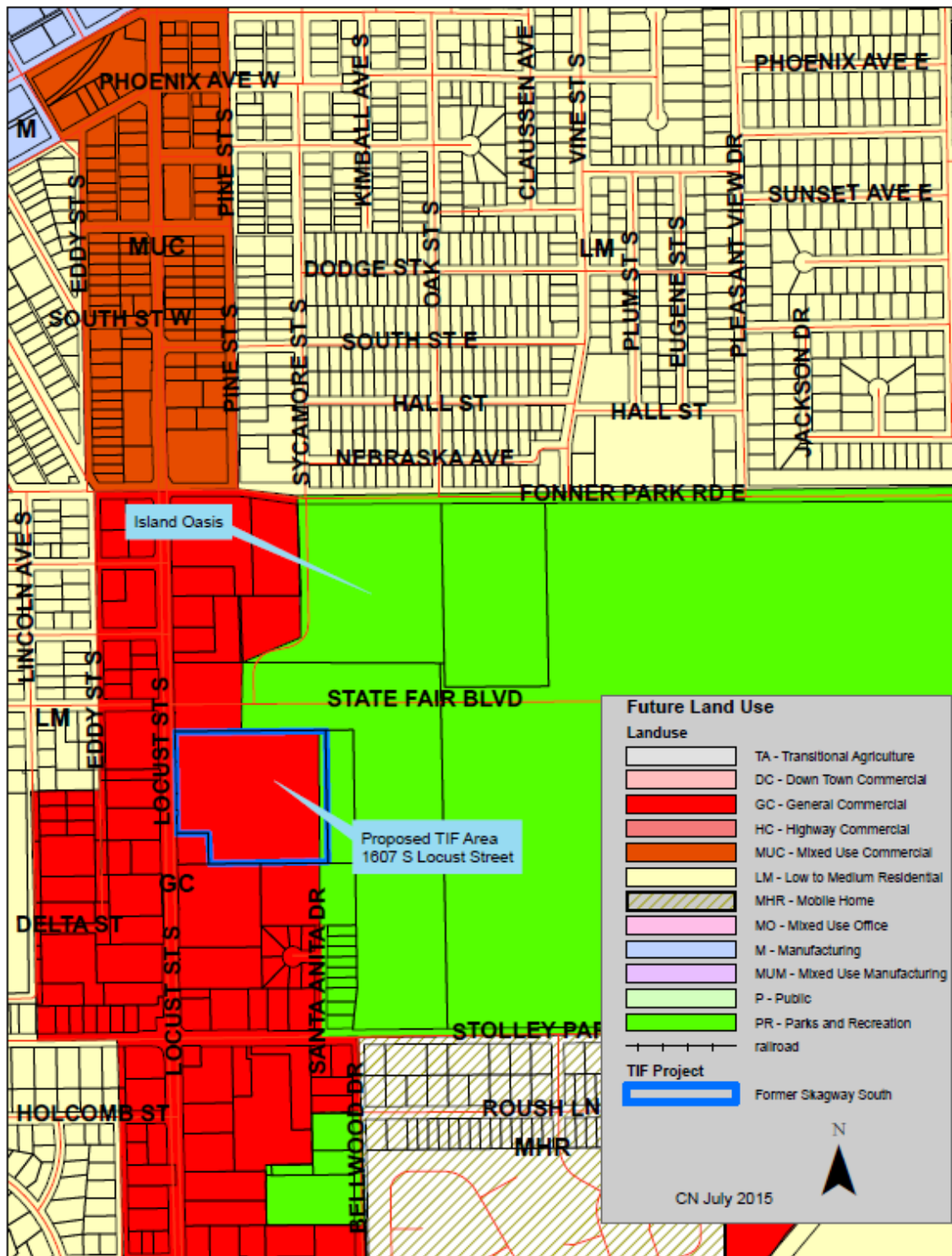
The Redevelopment Plan for Area 2 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The applicant will be acquiring the property from the current owner.

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

The project to be implemented with this plan will not require demolition 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 commercial development within this arterial corridor allowing for maximum exposure. Residential and hotel uses are also permitted in this area [§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 District. 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 proposing to remodel the existing retail building for a combination of retail uses, office uses and residential dormitories. In addition there are future phases that anticipate the development of a 100 room motel at the northwest corner of the site and additional in-line professional office space along the southern property line. [§18-2103(b) and §18-2111]

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

Sewer and water are available to support this development. Connections for water and sewer will have to be extended to serve the proposed future development.

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 amendment does not provide for acquisition of any residences and therefore, no relocation is contemplated. [§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 is proposing to purchase this property for redevelopment for \$1,700,000 provided that TIF is available for the project as defined. The cost of property acquisition is being included as a TIF eligible expense. Costs for site preparation, utility extensions, building plans, and renovation of the existing building \$6,591,600 and are included as TIF eligible expenses for phase 1. Phase 2 eligible expenses include sitework/utility extensions, architecture and legal fees of \$315,000. Phase 3 eligible expenses include architecture and legal fees of \$120,000. The total amount of the TIF eligible expenses in this request is over \$8,700,000 It is estimated based on the proposed increased valuation for Phase 1 of the project of \$11,617,706 will result in \$3,836,200 of increment generated over a 15 year period. Phase 2 would generate an increase in value of \$8,083,00 with \$1,491,229 generated over a 14 year period. Phase 3 would generate an increase of \$787,000 with \$225,230 generated over a 13 year period. A total of \$6,552,000 of TIF would be available to cover \$8,726,600 worth of TIF eligible expenses. It is anticipated that the developer will spend almost \$2,175,000 more on eligible expenses than will be generated by the tax increment.

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 \$6,552,000 for the project 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 after January 1, 2018 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, in that it will allow for the utilization of the existing building and development of additional commercial facilities at this location. This lot is surrounded by similar commercial uses. This will not increase traffic in the area. New 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 Phase 1 of this project is anticipated to be completed between January of 2016 and December of 2016. Excess valuation should be available for this project for 15 years beginning with the 2017 tax year. It is anticipated that Phases 2 and 3 will be completed within 5 years of the beginning of the project depending on market conditions.

## **9. Justification of Project**

The property is located at the entrance to the Fonner Park and the Nebraska State Fair Grounds. These facilities are enjoyed and visited by hundreds of thousands of people each year. This commercial property was vacated in May of 2015 and this is an excellent chance to redevelop the property as the corporate headquarters for a Grand Island based company that does business all over the United States. The proposed project will be highly visible and complement the image of both the Community and the Bosselman Companies. The potential addition of a hotel at this location increases the synergy between Fonner Park and the Bosselman Conference center and South Locust. This will provide hotel rooms within close walking distance to these facilities. This project does not propose to tear down or substantially alter any buildings with historic value.

**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 AWG-Skagway North Redevelopment Project, including:

**Project Sources and Uses.** Approximately \$6,552,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This project has \$8,726,600 worth of TIF eligible expenses. The developer will be responsible for funding the additional \$2,174,600 as private investment. The total private investment on this project is the total of the costs not eligible for TIF \$11,215,000 plus the \$2,174,600 of TIF eligible costs that will not be covered by the Tax Increment for a total private investment of \$13,389,600. This \$6,552,000 investment by the Authority and the people of Grand Island will leverage \$13,389,600 in private sector financing; a private investment of \$2.04 for every TIF dollar investment.

<b>Use of Funds. Phase 1</b>			
<b>Description</b>	<b>Eligible for TIF Funds</b>	<b>Private Funds</b>	<b>Total</b>
Site Acquisition	\$1,700,000		\$1,700,000
Utilities/On Site Improvements	\$500,000		\$500,000
Legal Private	\$5,000		\$5,000
Legal CRA Cost <sup>1</sup>	\$35,000		\$35,000
Fees <sup>1</sup>	\$1,600		\$1,600
Architecture	\$60,000		\$60,000
Building Rehabilitation Costs	\$6,000,000		\$6,000,000
Soft Costs		\$215,000	\$215,000
Personal Property		\$750,000	\$750,000
<b>TOTALS</b>	<b>\$8,301,600</b>	<b>\$965,000</b>	<b>\$9,266,600</b>

<sup>1</sup> Not included on application but shown as an eligible expense to be paid by the developer.

<b>Use of Funds. Phase 2</b>			
<b>Description</b>	<b>Eligible for TIF Funds</b>	<b>Private Funds</b>	<b>Total</b>
Site Acquisition	\$0		\$0
Utilities/On Site Improvements	\$0		\$0
Legal Private Fees	\$5,000	\$	\$5,000
Architecture	\$60,000	\$	\$60,000
Building Costs		\$9,000,000	\$9,000,000
Soft Costs		\$205,000	\$205,000
Personal Property		\$	\$
<b>TOTALS</b>	<b>\$315,000</b>	<b>\$9,215,000</b>	<b>\$9,530,000</b>

<b>Use of Funds. Phase 3</b>			
<b>Description</b>	<b>Eligible for TIF Funds</b>	<b>Private Funds</b>	<b>Total</b>
Site Acquisition	0		0
Utilities/On Site Improvements	\$100,000		\$100,000
Legal Private Fees	\$5,000		\$5,000
Architecture	\$15,000		\$15,000
Building Costs	\$	1,000,000	\$1,000,000
Soft Costs		\$30,000	\$30,000
Personal Property		\$	\$
<b>TOTALS</b>	<b>\$120,000</b>	<b>\$1,030,000</b>	<b>\$1,150,000</b>

**Tax Revenue.** The property to be redeveloped is has a January 1, 2015, valuation of approximately \$2,290,814. Based on the 2014 levy this would result in a real property tax of approximately \$50,292. It is anticipated that the assessed value will increase by almost \$20,500,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$451,000 annually resulting in \$6,552,000 of increment over the 15 year period. 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 2014 assessed value:	\$ 2,290,814
Estimated value after completion	\$ 22,778,988
Increment value	\$ 20,488,175
Annual TIF generated (estimated)	\$ 451,017
TIF bond issue	\$ 6,552,000

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

The redevelopment project area currently has an estimated valuation of \$2,290,814. The proposed redevelopment and commercial construction at this location will result in an additional \$20,488,175 of taxable valuation based on valuations of similar properties. 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. The project will not add any tax burdens to taxing entities. Therefore no tax shifts will occur.

***(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;***

This project will not negatively impact employers or employees in the area directly. Bosselman Companies will be able to continue employing people within the City of Grand Island.

***(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***

No impacts are anticipated outside of the city or immediate area to total employment from this project other than the incremental increase due to the construction.

***(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 utilize a piece of property in the Grand Island City Limits that is at the entrance to the Fonner Park and the Nebraska State Fair grounds. This property has been the home of Skagway South for more than 20 years. Skagway closed this past May leaving the building mostly vacant. This project will change this entrance in to the fairgrounds in a positive way, rehabilitate and reutilize the existing building and provide hotel rooms within walking distance of the fairgrounds.

**Time Frame for Development**

Development of this project is anticipated to be completed during between October 2015 and December of 2018, depending on the market demand for the buildings in phases 2

and 3. 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 with the 2017 tax year. 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 \$6,552,000 the projected amount of the eligible expenses for this project. Based on the purchase price of the property and estimates of the expenses of renovation activities and associated engineering fees, the developer will spend more than \$8,700,000 on TIF eligible activities.

**See Attached Site Plan**