



City of Grand Island

Tuesday, July 25, 2006

Council Session

Item G28

#2006-214 - Approving Funding of Economic Development Corporation Request for Heartland Events Center (NWPS Rate Agreement Funds)

Staff Contact: David Springer

Council Agenda Memo

From: David Springer, Finance Director

Meeting: July 25, 2006

Subject: Approving Funding of Economic Development Corporation Request for Heartland Events Center Gas Equipment (NWPS Rate Agreement Funds)

Item #'s: G-28

Presenter(s): David Springer, Finance Director

Background

On September 26, 2000, the City Council approved Resolution #2000-291 establishing an Economic Development Policy for the annual contribution from Northwestern Public Service (NWPS). A request has been received for funding and recommended for approval by the NWPS Funds Review Committee.

Discussion

The Grand Island Area Economic Development Corporation (GIAEDC) requests \$50,000 to be used towards the purchase of natural gas equipment consisting of a high efficiency boiler, water heaters, piping, and vent material. The total cost of the gas equipment is expected to exceed \$249,500. The request is for a payment of \$25,000 this quarter and for the balance of \$25,000 to be paid in the fourth quarter of this calendar year. These funds represent direct cash contributions previously made by NWPS to the City of Grand Island and the usage of these funds for this purpose falls within the guidelines of the economic development policy set forth in the rate agreement. There are adequate funds in Account #10011102-85454.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the request for funds
2. Disapprove or /Deny the request for funds

3. Table the issue

Recommendation

City Administration recommends that the Council approve the request for funds.

Sample Motion

Approve the request for funds to allow payment to the Heartland Events Center.



GRAND ISLAND AREA
ECONOMIC
DEVELOPMENT CORPORATION

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P.O. Box 1151

GRAND ISLAND, NE 68802-1151

July 17, 2006

Gary Greer, City Administrator
City of Grand Island
100 E 1st St
PO Box 1968
Grand Island, NE 68802-1968


JUL 2006
RECEIVED
City Clerk's
Office

RE: Applications for NWPS Economic Development Rate Agreement Funds

Dear Gary,

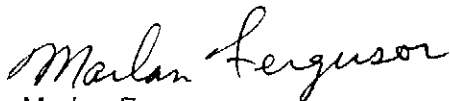
Our local review committee made up of the GIAEDC Executive Committee and Jim Hartman of NorthWestern Energy as spelled out in the rate agreement policy have reviewed the following project and recommends to the City Council for their review and approval.

Project: Heartland Events Center is requesting funds from the NorthWestern account to help offset the high gas usage and equipment purchased.

After review by the committee, the committee unanimously approved to obligate \$25,000 now and an additional \$25,000 in the 4th quarter of this year. No further requests shall be considered.

Attached is the request letter for your reference. If you have any questions, or would need any additional information, please give me a call.

Sincerely,



Marlan Ferguson
President

Enclosure



July 7, 2006

Grand Island Area Economic Development Corp.
Executive Committee & Mr. Jim Hartman
Acting as Northwestern Energy Review Committee
The Downtown Center
308 N. Locust Street, Ste. 400
Grand Island, NE 68801

Re: Request for Funding

Dear Review Committee Members:

On behalf of the Heartland Events Center, I am requesting funds from the Northwestern Public Service rate agreement to assist the Events Center with the natural gas equipment purchased and the proposed usage to exceed 2,200 ncf annually. The natural gas equipment consists of five high efficiency boiler and water heaters, piping, and vent material with costs exceeding \$249,500.00.

The Heartland Events Center is a \$35 million facility that is multipurpose in nature and scheduled to open this fall serving over 500,000 people in Central and Western Nebraska and surrounding regions. The project is the culmination of many years of planning, developing, fundraising, and hard work by a core group of community-minded citizens who never lost sight of the vision and dared to achieve this goal. Over 1,100 contributors supported the project's fundraising efforts over the past six years. This facility truly is a shining example of what can be accomplished with cooperation, dedication, focus and determination. The Heartland Events Center will have a positive economic impact on this region of Nebraska and provide many opportunities to the business sector, the citizens, organizations, and others through its array of offerings that are enumerated on the attached flyer.

I believe this request is consistent with and falls within the guidelines of the economic development policy set forth in the rate agreement and would prove to be a prudent use of the funds, as this newly developing center should directly benefit Northwestern Energy.

Thank you for your consideration. Please give me a call if you have any questions or need any additional information. Also, if it would be helpful to your committee, we can arrange a walk-through tour of the facility some lunch hour or after 4:30 p.m.

Sincerely,

FONNER PARK EXPOSITION AND EVENTS CENTER, INC.
d/b/a HEARTLAND EVENTS CENTER

A handwritten signature in black ink, appearing to read "Hugh M. Miner, Jr.", is written over the typed name.

HUGH M. MINER, JR.
Executive Vice President & CEO

HMM/dss/enc.



