



City of Grand Island

Tuesday, August 08, 2006

Council Session

Item C1

**Presentation of the Community Redevelopment Authority (CRA)
Budget**

Staff Contact: Chad Nabity

COMMUNITY REDEVELOPMENT AUTHORITY
2006-2007 ANNUAL BUDGET

The CRA budget for 2006-2007 is offered to you with a review of the responsibilities of the CRA. Those responsibilities and abilities are outlined in State Statutes and are summarized, in part, as follows:

The creation of Redevelopment Authorities was authorized by the Nebraska Legislature in order to provide communities with the ability to address certain areas of a city in need of improvement and development. Powers granted to Community Redevelopment Authorities are outlined in Chapter 18 of the Statutes and include the ability to expend funds to acquire substandard or blighted areas, make public improvements, and assist with development and redevelopment projects in specified areas. The Authority has virtually the same powers as any political subdivision, including borrowing money, issuing bonds, undertaking surveys and appraisals and asking for a levy of taxes.

A five-member board, appointed by the Mayor with the approval of the City Council, governs the CRA. The CRA is administered by a Director and devotes the overwhelming share of its resources to highly visible and effective programs: including commercial façade improvements, removal of deteriorated structures, partnering with non-profit and government community centers for improvements. The CRA funds its programs primarily through assessments on taxable properties within the Grand Island city limits.

BLIGHTED AND SUBSTANDARD AREAS

There are five (5) designated Blighted and Substandard Areas within the Grand Island City Limits. These are contiguous areas that range from the southern city limits along S. Locust Street to Capital Avenue and Sky Park Road near the Central Nebraska Regional Airport. A sixth area including Five Points, Eddy Street, Broadwell Avenue and 2nd Street West is currently being studied.

FISCAL RESOURCES

General Revenues for 2006-2007,

The CRA is requesting property tax revenues of \$492,540. Historically, the levies and tax asking have been:

2005-2006	2004-2005	2003-2004	2002-2003	2001-2002
\$0.023625	\$0.024287	\$0.025325	\$0.024721	\$0.024721
\$492,540	\$457,391	\$402,431	\$388,713	\$367,384

At the July 20, 2006 meeting, the Community Redevelopment Authority approved the proposed budget establishing a preliminary request of \$0.022824 for each hundred dollars

of valuation for an anticipated \$492,540 based on an estimated taxable valuation of \$2,158,000,000.

Program Funding

The Community Redevelopment Authority has the ability to assist private developers and governmental entities with the commercial, residential or mixed-use redevelopment projects throughout the City. Specific detail on projects is as follows:

- Purchase of Dilapidated Properties/Infrastructure. The 2006-2007 budget includes \$115,000 for the acquisition of substandard properties in the blighted and substandard areas and for the provision of infrastructure.
- Facade Development \$100,000 has been budgeted for the façade development program, including grants and interest buy down these projects are unidentified at this time. This program is available to all blighted and substandard areas. For the next year, \$244,000 is already committed for façade improvements in the Downtown area
- Other Committed Projects: \$725,000 has been committed to projects including the Heartland Events Center, Central Nebraska Humane Society and Hall County.
- Other Projects: \$100,000 has been reserved for other projects in the blight and substandard areas. This funding can be assigned to specific projects including but not limited to infrastructure improvements in the blighted and substandard areas that would support larger redevelopment plans.

CONCLUSION

Grand Island has one of the most efficient and progressive Community Redevelopment Authorities across the state. A continued aggressive approach toward redevelopment will be the focus for the CRA in 2006-2007. The investments this community has made in housing, redevelopment efforts, infrastructure and economic development, bode well for the future of the community.

This budget reflects the continued and changing needs of the community. The Community Redevelopment Authority is to be commended for the difference their dedication and vision is making in this community.

COMMUNITY REDEVELOPMENT AUTHORITY
FY 2006 - 2007 BUDGET

	2004 Actual	2005 ACTUAL	2006 Revised Budget	2006 Projected	2007 Budget
CONSOLIDATED					
Beginning Cash	1,159,196	1,110,533	1,139,803	601,250	786,055
REVENUE:					
Property Taxes	576,254	590,228	640,864	678,100	715,336
Loan Proceeds	-				
Interest Income	14,416	15,926	9,000	17,320	10,000
Land Sales	-	13,434	50,000	-	100,000
Other Revenue	-	21,872	-	1,938	-
TOTAL REVENUE	590,670	641,460	699,864	697,358	825,336
TOTAL RESOURCES	1,749,866	1,751,993	1,839,667	1,298,608	1,611,391
EXPENSES					
Auditing & Accounting	12,750	4,700	8,000	7,000	8,000
Legal Services	7,599	5,907	10,000	6,000	10,000
Consulting Services	1,250	8,000	15,000	5,000	15,000
Contract Services	26,323	22,716	50,000	40,000	50,000
Printing & Binding	984	555	1,500	800	1,500
Other Professional Services	3,250	-	5,000	2,000	5,000
General Liability Insurance	-	-	-	-	-
Legal Notices	314	474	1,000	600	1,000
Licenses & Fees	62	-	-	-	-
Travel & Training	-	-	1,500	-	1,500
Other Expenditures	149,008	-	500	100	500
Office Supplies	292	246	750	250	750
Supplies	-	-	500	-	500
Land	-	17,521	200,000	165,000	115,000
Committed Façade Improvements					245,000
New Façade Improvement	221,655	195,699	150,000	100,000	100,000
South Locust	12,000	150,000	150,000	3,900	-
Alleyway Improvement	7,674	-	-	-	-
Other Projects	59,276	61,948	500,000	-	100,000
Committed Other Projects					725,000
Property Taxes BID Fees					4,000
Property Management					2,000
Bond Principal	62,450	72,009	71,993	86,707	118,906
Bond Interest	74,446	72,415	72,674	95,196	103,890
TOTAL EXPENSES	639,333	612,190	1,238,417	512,553	1,607,546
INCREASE(DECREASE) IN CASH	(48,663)	29,270	(538,553)	184,805	(782,210)
ENDING CASH	1,110,533	1,139,803	601,250	786,055	3,845
LESS COMMITMENTS			-	-	-
AVAILABLE CASH	1,110,533	1,139,803	601,250	786,055	3,845
CHECKING	639,382	1,139,803	(78,750)	786,055	3,845
INVESTMENTS	471,151	-	680,000	-	-
Total Cash	1,110,533	1,139,803	601,250	786,055	3,845

COMMUNITY REDEVELOPMENT AUTHORITY
FY 2006 - 2007 BUDGET

	2004 Actual	2005 ACTUAL	2006 Revised Budget	2006 Projected	2007 Budget
CRA					
GENERAL OPERATIONS:					
Property Taxes	440,206	456,540	492,540	492,540	492,540
Interest Income	14,173	15,695	9,000	17,000	10,000
Land Sales	-	13,434	50,000	-	100,000
Other Revenue	-	975		1,938	
TOTAL	454,379	486,644	551,540	511,478	602,540
GILI TRUST					
Property Taxes	68,189	66,498	65,780	65,780	65,780
Interest Income	-		-		
Other Revenue	-				
TOTAL	68,189	66,498	65,780	65,780	65,780
CHERRY PARK LTD II					
Property Taxes	64,425	66,094	59,180	59,180	59,180
Interest Income	216	141		180	-
Other Revenue					
TOTAL	64,641	66,235	59,180	59,360	59,180
GENTLE DENTAL					
Property Taxes	3,433		4,202	4,202	4,202
Interest Income	28	13		5	-
Other Revenue		1,734			
TOTAL	3,461	1,747	4,202	4,207	4,202
PROCON TIF					
Property Taxes			19,162	19,162	19,162
Loan Proceeds	-			95	
Interest Income		72			
Other Revenue		19,162			
TOTAL	-	19,234	19,162	19,257	19,162
WALNUT HOUSING PROJECT					
Property Taxes		1,096		37,236	74,472
Loan Proceeds	-	6		40	
Interest Income					
Other Revenue					
TOTAL	-	1,102	-	37,276	74,472
TOTAL REVENUE	590,670	641,460	699,864	697,358	825,336

COMMUNITY REDEVELOPMENT AUTHORITY
FY 2006 - 2007 BUDGET

	2004 Actual	2005 ACTUAL	2006 Revised Budget	2006 Projected	2007 Budget
EXPENSES					
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting	12,750	4,700	8,000	7,000	8,000
Legal Services	2,599	5,907	10,000	6,000	10,000
Consulting Services	1,250	8,000	15,000	5,000	15,000
Contract Services	26,323	22,716	50,000	40,000	50,000
Printing & Binding	984	555	1,500	800	1,500
Other Professional Services	3,250	-	5,000	2,000	5,000
General Liability Insurance		-		-	250
Legal Notices	314	474	1,000	600	1,000
Licenses & Fees					
Travel & Training	-	-	1,500	-	1,500
Other Expenditures	25	-	500	100	500
Office Supplies	292	246	750	250	750
Supplies		-	500	-	500
Land		17,521	200,000	165,000	115,000
PROJECTS					
Façade Improvement	221,655	195,699	150,000	100,000	445,000
South Locust	12,000	150,000	150,000	3,900	-
Alleyway Improvement	7,674	-	0		
Other Projects	59,276	61,948	500,000	-	725,000
Property Taxes BID Fees					4,000
Property Management					2,000
TOTAL CRA OPERATING EXPENSES	348,392	467,766	1,093,750	330,650	1,385,000
GILI TRUST					
Bond Principal	34,470	37,279	37,279	37,279	37,279
Bond Interest	31,310	28,501	28,501	28,501	28,501
TOTAL GILI EXPENSES	65,780	65,780	65,780	65,780	65,780
CHERRY PARK LTD II					
Bond Principal	27,177	29,322	29,322	29,322	34,131
Bond Interest	32,003	29,858	29,858	29,858	25,049
TOTAL CHERRY PARK EXPENSES	59,180	59,180	59,180	59,180	59,180
GENTLE DENTAL					
Legal Services	-	-			
Bond Principal	803	1,735	1,735	1,735	1,987
Bond Interest	2,596	2,467	2,467	2,467	2,215
TOTAL GENTLE DENTAL	3,399	4,202	4,202	4,202	4,202
PROCON TIF					
Legal Services	5,000		-		
Licenses & Fees	61		-		
Other Expenditures	148,983		-		
Bond Principal		3,673	3,657	3,657	8,250
Bond Interest	8,538	11,589	11,848	11,848	10,912
TOTAL PROCON TIF	162,582	15,262	15,505	15,505	19,162
WALNUT HOUSING PROJECT					
Other Expenditures					
Bond Principal				14,714	30,934
Bond Interest				22,522	43,538
TOTAL WALNUT HOUSING PROJECT	-	-	-	37,236	74,472
TOTAL EXPENSES	639,333	612,190	1,238,417	512,553	1,607,796