

City of Scottsbluff, Nebraska

Monday, May 2, 2016

Regular Meeting

Item Pub. Hear.2

Council to conduct a Public Hearing as scheduled for this date at 6:05 p.m. to consider the Resolution and Redevelopment Plan for Owen Oral Surgery, Lot 1, Blk 10, Five Oaks Subdivision, located on the SW corner of 42nd Street and Ave. G.

Staff Contact: Nathan Johnson, City Manager

Kovarik, Ellison & Mathis, PC

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April 28, 2016

Sent via Email (njohnson@scottsbuff.org)

Nathan Johnson
Acting City Manager/City of Scottsbuff
225 Circle Drive
Scottsbuff, NE 69361

RE: Owen Oral Surgery Center Redevelopment Plan

Dear Nathan:

I have reviewed all of the materials sent to me concerning this Redevelopment Plan. This opinion is being provided after the Planning Commission and C.R.A have met before the next City Council Meeting. I will address some issues and potential concerns.

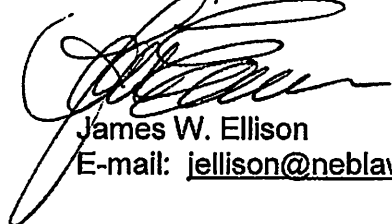
- 1. TIF Proceeds Projection May Be High.** The TIF projection estimates that the evaluation after land/building Improvements would provide an increment at \$842,853.00. This could be aggressive, but it is difficult to estimate how the assessor will look at the evaluation when complete. However, as long as the City is not the bondholder and the redeveloper and its lender are bonding the project, there will be no risk to the City of Scottsbuff. In the event that the City would consider being the bondholder that could create a problem. Based on past experiences in these types of projects, the County Assessor's assessed value is not necessarily equal to the total building improvements. I bring this to your attention only because it is possible that the assessed value after improvements may not provide the increment. A 20-30% reduction is an alternate consideration in the event there are less than anticipated tax valuations in the future.
- 2. Uses And Sources Of Funds.** In paragraph 6 A., I note that the site acquisition and site preparation (\$67,500.00 and \$10,000.00 respectfully) are included in the TIF. I do

not necessarily believe that these acquisitions qualify for TIF, unless they are considered "public" infrastructure improvements. Are these infrastructure improvements that will only benefit the clinic (i.e., private)? I also note that the parking lot/landscaping/sidewalk in the amount of \$85,000.00 is part of the TIF. Therefore, it appears the redeveloper proposes using TIF to fund the private parking lot work and improvements. This is possible as long as the public has the right to park in the parking lot. Is a "public" parking lot acceptable to the redeveloper? If not, the landscaping and sidewalk should be separated from the parking lot for compliance with TIF requirements.

3. **Notice.** It appears that the City complied with the community development law's notification requirements for the redevelopment plan, including the notice to Neighborhood Associations, County, School District, Community College, Educational Service Unit and Natural Resources District under Section 18-2115.
4. **Public Funds.** The cost benefit analysis provides a description for "TIF funds" and "private funds." However, it appears that the project site includes the completion of various streets. It may be prudent to consider adding a breakdown of "public sources" if those sources are part of the project. It is a little unclear what public sources are being provided by the City of Scottsbluff for this redevelopment project. Those can include downtown sales tax funds, LB840 economic development funds, and, of course, TIF.
5. **Preliminary Requirements.** I have not seen the original blight study and do not address the question of whether the project qualifies as a Redevelopment project and TIF. It appears from representations and statements made in the Plan that proper procedures have been followed.

Please advise if you have any questions. Thank you.

Very truly yours,
KOVARIK, ELLISON & MATHIS, P.C.



James W. Ellison
E-mail: jellison@neblawyer.com

JWE/bn
Client #: 16-5579

Page 2 of 2
N. Johnson ltr 04-28-16

CITY OF SCOTTSBLUFF
Owen Oral Surgery Center Redevelopment Plan Modification

Owen Development, LLC (the “Redeveloper”) submits this Redevelopment Plan Modification (“Modification”) based on the direction and authority given by the Scottsbluff Community Redevelopment Authority to submit the Redevelopment Plan to the City Council subject to the changes agreed upon by the Redeveloper and City Staff after review of the Redevelopment Plan by special counsel for the City.

Except as specifically modified in this Modification, the Redevelopment Plan shall remain unchanged.

This Modification does not substantially change the scope of the Redevelopment Plan. Rather, it only changes which project costs tax increment financing will be used for. Particularly, instead of using tax increment financing for costs associated with the parking lot and other miscellaneous site improvements, the Redeveloper proposes to use tax increment financing proceeds toward a portion of the Avenue G street, curb, and gutter costs (collectively “Street Costs”). The Redeveloper proposes to use tax increment financing for approximately 30% of the Street Costs, which is the portion of the street which fronts Lot 1, Block 10, Five Oaks Subdivision and will be assessed to the Redeveloper as the owner of Lot 1.

Modification 1: The table on page 7 of the Redevelopment Plan, which shows the portions of the project, and estimated costs, which the Redeveloper proposes to be paid for with tax increment financing, is modified as follows:

<u>Description</u>	<u>Estimated Cost</u>
Site Acquisition	\$ 67,500.00
Site Preparation	\$ 10,000.00
Water Connection/Improv.	\$ 9,050.00
Sewer Connection/Improv.	\$ 16,100.00
Water Line along Ave. G	\$ 16,000.00
Landscaping	\$ 16,000.00
Site Paving - Public Sidewalk	\$ 10,000.00
Avenue G Paving/Curb/Gutter	
(w/ Engineering) along Lot 1	\$ 43,821.00
Civil Engineering/Site Design	\$ 8,400.00
<u>Plan Preparation/Legal</u>	<u>\$ 15,000.00</u>
TOTAL	\$211,871.00

Modification 2: Section 6.A. *Project Sources/Use of Funds* on page 8 of the Redevelopment Plan shall be modified as follows:

Project Sources/Use of Funds: An estimated \$204,000.00 from tax increment financing is available for this Project. This public investment will leverage approximately \$1,538,720.00 in private sector investment; a private investment of almost \$7.54 for every TIF dollar invested.

Below is a breakdown of estimated costs and expenses of the Project and the use of funds for each:

<u>Description</u>	<u>TIF Funds</u>	<u>Private Funds</u>	<u>Total</u>
Site Acquisition	\$ 67,500.00		\$ 67,500.00
Site Preparation	\$ 10,000.00		\$ 10,000.00
Avenue G Paving/Curb/ Gutter (w/ Engineering)	\$ 43,821.00**	\$ 102,249.00***	\$ 146,070.00
Water Connection/Improv.	\$ 9,050.00*		\$ 9,050.00
Sewer Connection/Improv.	\$ 16,100.00*		\$ 16,100.00
Water Line along Ave. G	\$ 16,000.00*		\$ 16,000.00
Site Paving-Parking Lot		\$ 45,000.00****	\$ 45,000.00
Landscaping	\$ 16,000.00****		\$ 16,000.00
Site Paving-Public Sidewalk	\$ 10,000.00****		\$ 10,000.00
Misc. Site Improvements		\$ 6,000.00****	\$ 6,000.00
Signage		\$ 8,000.00****	\$ 8,000.00
Building		\$ 800,000.00	\$ 800,000.00
Architect-Structural Design		\$ 19,800.00	\$ 19,800.00
Architect-Floor Plan		\$ 30,000.00	\$ 30,000.00
Architect-Construction Admin		\$ 2,200.00	\$ 2,200.00
Engineering-Mechanical/ Electrical/Plumbing		\$ 17,600.00	\$ 17,600.00
Civil Engineering/Site Design	\$ 8,400.00		\$ 8,400.00
Plan Preparation/Legal	\$ 15,000.00		\$ 15,000.00
Personal Property		\$ 500,000.00	\$ 500,000.00
Subtotal	\$211,871.00	\$1,530,849.00	\$1,742,720.00
Adj. for shortfall in TIF Funds:	\$ (7,871.00)	\$ 7,871.00	\$ 0.00
Total	\$ 204,000.00	\$1,538,720.00	\$1,742,720.00

* See Attachment 10—Development Estimates

**Assessed to the Redeveloper as the owner of Lot 1 (approx. 30% frontage) through Improvement District; See Attachment 10

***Assessed to owner of Lot 2 (approx. 70% frontage) through Improvement District; See Attachment 10

****See Attachment 12—Site Work Estimates

Attachment 12: *Site Work Estimates*

April 28, 2016

John L. Selzer
Simmons Olsen Law Firm, P.C.
1502 2nd Avenue
Scottsbluff, NE 69361

RE: Owen Property Site Work

Mr. Selzer,

Per your request, we have prepared an estimate of site development costs for the Proposed Owen Property including site paving, landscaping, signage and other improvements. Please see the estimate below and contact us with any questions.

Site Paving – Parking Lot	\$45,000
Site Paving – Public Sidewalk	\$10,000
Landscaping	\$16,000
Misc. Site Improvements	\$6,000
<u>Signage</u>	<u>\$8,000</u>
TOTAL	\$85,000

Sincerely,

Baker & Associates, Inc.



Jack Baker, P.E.

CITY OF SCOTTSBLUFF

Owen Oral Surgery Center Redevelopment Plan

***Submitted by Owen Development, L.L.C.
April 1, 2016***

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Introduction/Executive Summary	1
Blighted and Substandard Condition of Project Site	2
Statutory Elements.....	3
Conformity to General Plan of the City.....	5
Proposed Financing.....	6
Cost-Benefit Analysis.....	8

<u>Attachments</u>	<u>Page Reference</u>
Attachment 1: Resolution 15-05-03; Blight Study	2
Attachment 2: Aerial Map of Project Site	3
Attachment 3: Plat of Project Site	3
Attachment 4: Aerial Map of Project Site and Surroundings	3
Attachment 5: Site Plan	3
Attachment 6: Building Floor Plan	3
Attachment 7: Connection to Existing Sanitary Sewer 42 nd Street and Avenue G	3, 4
Attachment 8: Typical Street Cross Section—Avenue G	4
Attachment 9: Conceptual Picture of Office Building	5
Attachment 10: Development Estimates	4, 8
Attachment 11: Department of Labor Statistics	9

CITY OF SCOTTSBLUFF
Owen Oral Surgery Center Redevelopment Plan

1. Introduction/Executive Summary

Owen Development, LLC (the “Redeveloper”) submits this Redevelopment Plan (“Plan”) to the City of Scottsbluff City Council (the “City”), the City of Scottsbluff Planning Commission (“Planning Commission”), and the City of Scottsbluff Community Redevelopment Authority (the “CRA”), pursuant to the Nebraska Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*

The City has declared blighted and substandard the area southeast of the intersection of Highway 71 and 42nd Street. Full development of this area will require the joint effort and cooperation of the City and private developers.

Under this Plan, the Redeveloper proposes to acquire and develop Lot 1, Block 10, Five Oaks Subdivision to the City of Scottsbluff. On the Project Site (as defined later in this Plan) an oral surgery office building will be constructed to be used by Owen Oral & Implant Surgery, LLC (the “Project”). Owen Oral & Implant Surgery, LLC, is a Nebraska Professional Limited Liability Company owned by Zachary Owen, DDS who recently relocated his oral and implant surgery practice to Scottsbluff from Loveland, Colorado.

The Project will also consist of several public infrastructure improvements including completion of Avenue G between 42nd Street and 40th Street and water and sewer system improvements. The Project requires a significant investment with the cost being estimated at \$1,742,720.00. Thus, the Redeveloper is requesting tax increment financing for certain eligible costs and expenses related to the Project.

2. Blighted and Substandard Condition of Project Site (NEB. REV. STAT. §§ 18-2103(10) and (11) and 18-2109)

On May 18, 2015, after a recommendation from the Planning Commission and a public hearing, the City passed Resolution 15-05-03 to declare the Project Site and nearby property blighted and substandard in accordance with NEB. REV. STAT. §§ 18-2103(10) and (11) and 18-2109. This declaration was based upon a Blight Study dated May 1, 2015 by Charles K. Bunger. Resolution 15-05-03 and the Blight Study are attached as Attachment 1.

Of particular relevance to this Project, the Blight Study states:

The site conditions retard the development of [the Project Site] which will continue to result in lower property and sales tax for the jurisdictions. New investment will not reasonably occur unless there is significant public assistance through the redevelopment authority. Considering its prominent location, a successful redevelopment effort is critical. Without redevelopment assistance, it is likely that the site will remain in its substandard or undeveloped condition. (Attachment 1; Blight Study at pg. 6).

The City has started to address the concerns raised in the Blight Study by granting tax increment financing for the Elite Health Development. This Plan is an offshoot of the Elite Health Development project and a continuance of the overall redevelopment of the blighted and substandard area—showing the “snowball effect” of public/private development efforts.

Moreover, the Blight Study refers to the inadequacy of the internal street system around the Project Site and specifically to the one-half street (Avenue G) to serve additional development (Attachment 1; Blight Study at pgs. 3-4 and 7).

This Plan will cure the inadequacy of Avenue G, which will be completed between 42nd Street and 40th Street. This momentum could continue the “snowball effect” of development to the south of the Project Site, which could lead to further improvements to and development of 40th Street and other public infrastructure improvements.

3. **Statutory Elements (NEB. REV. STAT. §§ 18-2103(13) and 18-2111)**

A. ***Boundaries of the Project Site:*** An aerial map of the “Project Site” is attached as Attachment 2. A plat of the Project Site is attached as Attachment 3. The Project Site entails Lot 1, Block 10, Five Oaks Subdivision (“Lot 1”) and portions of the adjacent public right of way including Avenue G (Tract C shown in the plat attached as Attachment 3).

B. ***Existing Uses and Condition:*** Lot 1 is currently undeveloped, vacant land.

- *East:* Avenue G, which is currently a half street, runs along the east side of Lot 1. A residential area is across Avenue G to the east of Lot 1.
- *South:* Lot 2, Block 10, Five Oaks Subdivision (“Lot 2”) is south of Lot 1. Lot 2 consists approximately 1.6 acres of undeveloped, vacant land which stretches to 40th Street. Lot 2 has been platted and is available for future development. See Attachment 3.
- *West:* The site of the Elite Health Development project adjoins Lot 1 to the west.
- *North:* Forty-second Street runs along the north side of Lot 1.

An aerial map of the Project Site and its surroundings is attached as Attachment 4.

C. ***Land Acquisition:*** The Redeveloper will acquire Lot 1 prior to the development of the Project Site.

D. ***Demolition and Removal of Structures:*** The Project Site is currently undeveloped, vacant land, and thus no demolition or removal of structures is required under the Plan.

E. ***Land Uses, Land Coverage, and Building Intensities:*** The Redeveloper intends to construct an oral surgery office building on the Project Site. This will include a 2,762 square foot building, including a 363 square foot garage; an 8,500 square foot off-street parking lot, to include 18-20 parking spaces; and 18,000 square feet of landscaping (including sidewalks and walkways). (All numbers are estimates.) Please also see the Site Plan attached as Attachment 5 and the Building Floor Plan attached as Attachment 6. The office will be leased by Owen Oral & Implant Surgery, LLC.

F. ***Site Plan:*** See Attachment 5 Site Plan and Attachment 7—“Connection to Existing Sanitary Sewer, 42nd Street and Avenue G.”

G. ***Population Densities:*** The Plan does not contemplate a change in population densities around the Project Site. Redeveloper expects an increase in use of the area by employees and patients of the oral surgery center. However, Owen Oral & Implant Surgery, LLC is a solo practice which is open regular business hours. It will employ approximately 5 to 6 employees. It expects to average about 15 patients per day (4-5 days per week). Thus, the increased volume of traffic is expected to be minimal—certainly much less than a larger

commercial development. This will provide a “buffer” between the residential areas to the east and the larger Elite Health Development to the west.

H. Zoning Changes: The Project Site was recently rezoned from Agricultural to O-P (Office and Professional). No further zoning changes are contemplated by the Plan.

I. Additional Public Facilities and Utilities:

- **Water:**
 - Lot 1 will connect to the City water line that runs along 42nd Street.
 - A fire hydrant will be placed near the southwest corner of the intersection of Avenue G and 42nd Street.
 - PVC pipe for a water line will also be installed along Avenue G between 40th Street and 42nd Street, so that at the time Lot 2 is developed, the City water lines that run along 40th Street and 42nd Street can be connected with minimal disturbance to Avenue G. (See Attachment 10, pg. 2.)
- **Sewer:** Sewer connections for Lot 1 will be made by extending the existing City sewer main from the east side of Avenue G. This will include a new sanitary sewer manhole on the west side of Avenue G. See Attachment 7

J. Street Layouts, Street Levels, and Grades: Avenue G is currently only a half street between 42nd Street and 40th Street. Under the Plan, the remaining half of Avenue G between 42nd Street and 40th Street will be constructed according to Attachment 8—“Typical Street Cross Section—Avenue G.” Curb and gutter improvements will be constructed adjacent to the street. This portion of the Project will be constructed by an improvement district created by the City and funded by assessing Lots 1 and 2.

The above public utilities and street layouts are in accordance with the Contract for Public Improvements (“Improvement Contract”), dated February 1, 2016 between the City and the Zachary and Karyn Owen Family Trust. The Improvement Contract obligates the owners of Lot 1 to make these public improvements only in the event of development of the Lot 1. (The Improvement Contract does not require the construction of Avenue G adjacent to Lot 2 until Lot 2 is developed. However, the Redeveloper feels it will be more efficient to finish Avenue G between 42nd and 40th now, which should make Lot 2 more attractive for future development. Including this in the Project now is possible due to tax increment financing covering other eligible expenses.)

K. Ordinance and Building Code Changes: No building code changes are contemplated by the Plan. An improvement district for the completion of Avenue G and adjoining curb and gutter will be created by ordinance; no other ordinance changes are contemplated.

4. Conformity to General Plan of the City (NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a)).

The Planning Commission, City, and CRA are all tasked with determining whether this Plan conforms to the general plan for the development of the City as a whole. NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a).

At a joint meeting of the City, Planning Commission, and CRA on March 14, 2016, the 2016 Scottsbluff Comprehensive Plan (the “Comprehensive Plan”) was adopted.

The Project Site falls in the “North of Highway 26 District” on the Future Land Use Map (pg. 23 of the Comprehensive Plan). The Comprehensive Plan (at pgs. 30-31) includes the following principles for the North of Highway 26 District:

- Encourage multi-family residential development adjacent to low-intensity commercial areas (Principle 5.d).
- Coordinate land improvements and expansion of road capacity (Principle 5.e).
- Plan for continuity of street patterns in development (Principle 6.d).
- Encourage new development to be contiguous with existing development with planned linkages between roads and utilities (Principle 6.f).
- Direct higher intensity commercial uses toward Avenue I and at major intersections (Principle 8.f).

This Plan conforms to and furthers the above principles by:

- Creating a low intensity, professional, single practice office building adjacent to the residential areas in the North of Highway 26 District; this provides a buffer between the residential areas and the higher intensity commercial area to the west. Please see Attachment 9 which is a conceptual picture of the office building. As shown, the building will blend more with residential areas than would a typical commercial building.
- Completion of Avenue G from 40th Street to 42nd Street; this could encourage development to the south and the completion of 40th Street from Avenue G to Avenue I.
- Laying a water line under the newly constructed portion of Avenue G; this will allow efficient connectivity of the City water lines running along 40th Street and 42nd Street once Lot 2 is developed and/or 40th Street is extended.

5. Proposed Financing

▪ *Tax Increment Financing.*

The Redeveloper is requesting tax increment financing to pay for statutorily eligible expenses, to the extent such funds are available. The tax increment financing will be generated from the increased property taxes to be paid on Lot 1 after development. The amount of the available proceeds from tax increment financing is estimated at approximately \$255,000.00, (including capitalized interest), calculated as follows:

2016 Assessed Value:		
Land:	\$ 24,647.00	
Building/Improvements	<u>\$ 0.00</u>	
Total		\$ 24,647.00
Estimated Value after Completion		
Land:	\$ 67,500.00	
Building:	<u>\$800,000.00</u>	
Total		<u>\$867,500.00</u>
Increment Value:		\$842,853.00
Multiplied by approximate 2% levy	x 0.02	
Annual TIF Generated (Rounded)		\$ 17,000.00
Multiplied by 15 years (Maximum Duration of TIF)	x <u>15</u>	
Estimated Tax Increment Financing Available:		<u>\$255,000.00</u>

This estimated amount, reduced to present value, will support a tax increment financing bond of approximately \$204,000.00 based on an interest rate of 3%.

Because the Plan proposes the use of tax increment financing, the City must find: the Plan would not be economically feasible without the use of tax increment financing; the Project would not occur in the blighted and substandard area without the use of tax increment financing; and the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed and been found to be in the long term best interest of the community. NEB. REV. STAT. § 18-2116(1)(b).

Zachary Owen, DDS, by and through Owen Oral & Implant Surgery, LLC has three options for locating his dental practice: (1) rent; (2) buy an existing building; or (3) build. Option 3 has many benefits, but is the most expensive. Moreover, acquiring and building on vacant land with no infrastructure would not be economically feasible without the use of the tax-increment financing. Thus, if not for tax increment financing, the more feasible options would have been to

rent, buy, or at the most, build on developed land. However, the blighted/substandard designation of the Project Site and the availability of tax increment financing to pay for a portion of the eligible costs has made the development of the oral surgery center in the blighted/substandard area a viable option and provided an incentive to carry out this Plan and Project as proposed. Many of these eligible costs are for mandatory public improvements under the Improvement Contract including the water and sewer infrastructure improvements. However, without tax increment financing, only the bare minimum infrastructure improvements under the Improvement Contract would be completed at this time, thus leaving out Avenue G south of Lot 1 and placing the water line under Avenue G. The enhanced off-street parking and landscaping as planned are also made possible with tax increment financing.

Below are the portions of the project, and estimated costs, which the Redeveloper proposes to be paid for with increment financing:

<u>Description</u>	<u>Estimated Cost</u>
Site Acquisition	\$ 67,500.00
Site Preparation	\$ 10,000.00
Water Connection/Improv.	\$ 9,050.00
Sewer Connection/Improv.	\$ 16,100.00
Water Line along Ave. G	\$ 16,000.00
Parking Lot/Landscaping/ Sidewalk	\$ 85,000.00
Civil Engineering/Site Design	\$ 8,400.00
<u>Plan Preparation/Legal</u>	<u>\$ 15,000.00</u>
TOTAL	\$227,050.00

▪ ***Private Investment***

Funds from tax increment financing will not be sufficient to cover the entire amount of the eligible expenses set forth above and thus the excess will be paid by the Redeveloper. Moreover, the Redeveloper will make a substantial private investment in the private improvements such as the building and personal property. Please see the cost-benefit analysis in the next section for a breakdown of the source and use of Project funds, as well as the other costs and benefits of the Project.

▪ ***Improvement District***

To amortize a portion of the Redeveloper's private investment, the costs and expenses for the completion of Avenue G and adjoining curb and gutter will be constructed by improvement district created by the City and funded by assessing the owners of Lots 1 and 2. This amount is estimated to be \$146,070.00 (including engineering fees).

*Please note that all of the figures in this Plan are estimates.

6. Cost-Benefit Analysis (NEB. REV. STAT. §§ 18-2113(2); NEB. REV. STAT. § 18-2116(1)(b)).

The CRA and City are required to conduct a cost-benefit analysis for redevelopment plans including the use of tax increment financing. NEB. REV. STAT. §§ 18-2113(2) and 18-2116(1)(b). Below is the Redeveloper's analysis proposed to the CRA and City.

A. *Project Sources/Use of Funds:* As shown in the previous section, an estimated \$204,000.00 from tax increment financing is available for this Project. This public investment will leverage approximately \$1,538,720.00 in private sector investment; a private investment of almost \$7.54 for every TIF dollar invested.

Below is a breakdown of estimated costs and expenses of the Project and the use of funds for each:

<u>Description</u>	<u>TIF Funds</u>	<u>Private Funds</u>	<u>Total</u>
Site Acquisition	\$ 67,500.00		\$ 67,500.00
Site Preparation	\$ 10,000.00		\$ 10,000.00
Avenue G Paving/Curb/ Gutter (w/ Engineering)		\$ 146,070.00**	\$ 146,070.00
Water Connection/Improv.	\$ 9,050.00*		\$ 9,050.00
Sewer Connection/Improv.	\$ 16,100.00*		\$ 16,100.00
Water Line along Ave. G	\$ 16,000.00*		\$ 16,000.00
Parking Lot/Landscaping/ Sidewalk	\$ 85,000.00		\$ 85,000.00
Building		\$ 800,000.00	\$ 800,000.00
Architect-Structural Design		\$ 19,800.00	\$ 19,800.00
Architect-Floor Plan		\$ 30,000.00	\$ 30,000.00
Architect-Construction Admin		\$ 2,200.00	\$ 2,200.00
Engineering-Mechanical/ Electrical/Plumbing		\$ 17,600.00	\$ 17,600.00
Civil Engineering/Site Design	\$ 8,400.00		\$ 8,400.00
Plan Preparation/Legal	\$ 15,000.00		\$ 15,000.00
Personal Property		\$ 500,000.00	\$ 500,000.00
Subtotal	\$227,050.00	\$1,515,670.00	\$1,742,720.00
Adj. for shortfall in TIF Funds:	\$ (23,050.00)	\$ 23,050.00	\$ 0.00
Total	\$204,000.00	\$1,538,720.00	\$1,742,720.00

* See Attachment 10—Development Estimates

** Assessed to owners of Lots 1 and 2 through Improvement District; See Attachment 10

- B. Tax Revenues and Tax Shifts.** As shown in the previous section, Lot 1 has a January 1, 2016 value of \$24,647.00. This will result in an annual real property tax of approximately \$500.00. This will be available to the local taxing jurisdictions regardless of the tax increment financing. The local taxing jurisdictions are the City, Scotts Bluff County, Scottsbluff Public Schools, WNCC, ESU 13, and North Platte NRD. It is anticipated that the assessed value will increase by \$842,853.00 as a result of the redevelopment. This development will result in an estimated tax increase of approximately \$17,000.00 annually. This tax increment will not be available to local taxing jurisdictions the tax years of 2017 through 2031, but will be used to reimburse the redeveloper for the eligible development costs (with capitalized interest) necessary for the Project, as set forth above. This Plan includes approximately \$500,000.00 of personal property, which will generate additional personal property taxes for the local taxing jurisdictions.
- C. Public Infrastructure and Community Public Service Needs.** The development of the Project Site will include the completion of Avenue G from 40th Street to 42nd Street and could have the effect of encouraging development to the south and the completion of 40th Street from Avenue G to Avenue I. A water line will be laid under the newly constructed portion of Avenue G, which will allow efficient connectivity of the City water lines running along 40th Street and 42nd Street once the lot south of the Project Site is developed.
- D. Employment Within the Project Area.** Employment on the Project Site was previously zero. Employment is expected to increase to 5-6 employees.
- E. Employment in the City Outside the Project Area.** The most recent labor summary available from the Nebraska Department of Labor for the Scottsbluff area (including Scotts Bluff, Banner, and Sioux Counties) is attached as Attachment 11. This shows a local labor force of 19,908 and unemployment of 666 (3.3%). The summary shows 426 employees (2.1%) in the area of professional scientific and technical services and 3,019 (15.2%) in the area of health care and social assistance. Thus, this Project is suited for the area. No negative impacts on other employers and employees in the area are expected.
- F. Other Impacts.** This development will be the only oral surgery center in the area, which will serve not only customers of Scottsbluff, but the entire region. This will result in an increase in the use of local business and sales taxes.

Attachment 1: *Resolution 15-05-03; Blight Study*

RESOLUTION 15-05-03

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SCOTTSBLUFF, NEBRASKA:


Recitals:

- a. It is necessary, desirable, advisable, and in the best interests of the City of Scottsbluff, Nebraska (the "City"), for the City to undertake and carry out redevelopment projects in certain areas of the City that are determined to be blighted and substandard and in need of redevelopment;
- b. The Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "Act"), prescribes the requirements and procedures for the planning and implementation of redevelopment projects;
- c. Section 18-2109 of the Act requires that, prior to the preparation of a redevelopment plan for a redevelopment project, the Mayor and City Council shall, by resolution, declare the area to be blighted and substandard;
- d. At its regular City Council meeting on May 18, 2015, the Mayor and City Council of the City held a public hearing (the "Public Hearing") to determine whether the area more fully described on Attachment 1 (the "Redevelopment Area") should be declared blighted and substandard, and in need of redevelopment, as required by the Act;
- e. The City published and mailed notices of the Public Hearing regarding the consideration of declaring property to be blighted and substandard pursuant to Section 18-2115 of the Act;
- f. The Public Hearing was conducted and all interested parties were afforded a reasonable opportunity to express their views respecting the declaration of the Redevelopment Area as blighted and substandard and in need of redevelopment, and the Mayor and City Council reviewed and discussed a blight and substandard determination analysis as per Attachment 2 (the "Blight Study") prepared by Charles K. Bunger, Attorney at Law;
- g. The Blight Study was forwarded to the Planning Commission of the City for its review and recommendation and the Mayor and City Council reviewed the recommendations received from the Planning Commission; and
- h. The Mayor and City Council desire to determine whether the Redevelopment Area is blighted and substandard and in need of redevelopment in accordance with the Act.

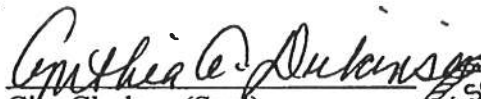
Resolved that:

1. The Redevelopment Area is declared to be substandard and in need of redevelopment pursuant to the Act, in that conditions now exist in the Redevelopment Area for meeting the criteria set forth in Section 18-2103(10) of the Act, as described and set forth in the Blight Study. The Redevelopment Area is more particularly described on Attachment 1.
2. The Redevelopment Area is further declared to be blighted and in need of redevelopment pursuant to the Act, in that conditions now exist in the Redevelopment Area meeting the criteria set forth in Section 18-2103(11) of the Act, as described and set forth in the Blight Study.
3. The blighted and substandard conditions existing in the Redevelopment Area are beyond remedy and control solely through the regulatory process and the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided by the Act, and the elimination of the blighted and substandard conditions under the authority of the Act is found to be a public purpose and declared to be in the public interest.
4. The Redevelopment Area is in need of redevelopment and is or will be an eligible site for a redevelopment project under the provisions of the Act at the time of the adoption of any redevelopment plan with respect to the Redevelopment Area.
5. This Resolution shall become effective immediately upon its adoption.

PASSED and APPROVED on May 18, 2015.


Mayor

ATTEST:


City Clerk (Seal)





STUDY OF BLIGHT AND SUBSTANDARD CONDITIONS

City of Scottsbluff, Nebraska

May 1, 2015

This report documents the existence of blighted and substandard conditions for an area in Scottsbluff, Nebraska (the “Study Area”) located on the southeast corner of HWY 71 and 42nd Street. This Study Area includes single family residences, commercial buildings, several undeveloped lots and abutting street rights of way. This study is intended to review the Study Area for eligibility (as blighted and substandard) pursuant to Section 18-2103 of Nebraska Revised Statutes, as contained in the Nebraska Community Development Law (the “Act”). The Adler Tracts Subdivision is included in this Study Area, as the condition of both its buildings and infrastructure significantly contribute to the blighted and substandard conditions of the specific area within the City of Scottsbluff (the “City”) that is proposed for the blighted and substandard designation. This discussed in more detail below.

Legal Description

The Study Area is described on Exhibit A1, attached hereto and made a part hereof by this reference. The area within the City to be designated as blighted and substandard is described on Exhibit A2, attached hereto and made a part hereof.

Relevant Nebraska Statutes

The constitutional terms, “Substandard” and “Blighted” are statutorily defined in §18-2103, which are set out below:

(10) **Substandard areas** means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;

(11) **Blighted area** means an area, which

(a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in

relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use; and,

(b) in which there is at least one of the following conditions:

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

Analysis of Study Area

This section reviews the land use, infrastructure, building and economic conditions found within the Study Area. A field survey was completed on July 26, 2014, and a review of conditions on April 12, 2015. The following section identifies such existing conditions and additional factors which contribute to a determination of a blighted and substandard condition. This analysis is based upon the observations during the field survey, available public records and interviews with the owners' representatives.

The inclusion of the Adler Tracts in this Study Area is appropriate as it impacts the adjacent undeveloped area that is within the City of Scottsbluff and should not be ignored. The development potential of property is determined not only by the condition of the property itself, but the condition of the adjacent land. This inclusion finds additional support in the Act. The Act provides that a redevelopment authority has redevelopment powers within its "Area of Operation" in a blighted and substandard area. The city, not the redevelopment authority, determines the boundaries of the blighted and substandard area, pursuant to Section 18-2109 of

the Act. This determination is not specifically limited to areas totally within the city. Section 18-2123 of the Act provides in relevant part “that the development of land outside the city, but within a radius of three miles thereof,... or is a necessary adjunct to the general community redevelopment program of the city, the acquisition, planning, preparation for the development or disposal of such land shall constitute a redevelopment project which may be undertaken by the authority in the manner provided in the foregoing sections.” Section 18-2153 of the Act further provides in relevant part that the Act “and all grants of power, authority, rights, or discretion to a city or village and to an authority created under the Community Development Law shall be liberally construed, and all incidental powers necessary to carry into effect such sections are hereby expressly granted to and conferred upon a city, village or authority created pursuant to the Community Development Law.” Therefore the inclusion of the area outside but adjacent to the City is both necessary and appropriate for the sound redevelopment planning and program of the City.

Substandard Area Analysis

As previously set forth in Section 18-2103 (10), the factors which define a **substandard area** include a “preponderance of buildings or improvements, whether nonresidential or residential in character, which, by reason of” the following circumstances:

1. *Dilapidation or Deterioration*

This subsection considers the building and improvements within the Study Area. The main infrastructure components may include water, sewer, sidewalks, streets, curb and gutter, and accessibility. Public utilities can directly influence a community’s capacity for growth. If infrastructure improvements are outdated or unavailable, land development must await their installation or updating.

While all the above mentioned criteria were evaluated, only some of those determined to contribute to the blight and substandard conditions for the Study Area need be considered here, as follows:

(a) The Adler Tracts is internally served solely by substandard streets known as West Adler Drive. These streets are passable by vehicles, but without curb and gutter drainage and are completely inadequate for the future development of the site. See photo _____. The undeveloped

Study of Blight and Substandard Conditions

area within the City has no internal street system except two streets which are only one-half the required width of normal and are inadequate to serve additional development.

(b) The buildings in the Adler Tracts are primarily residential. All of the lots externally exhibit conditions of dilapidation and deterioration. These include out buildings and trailers. A majority of the buildings either appear or are assessed by the county as badly worn. See photos _____. The undeveloped area within the City has no structures.

Conclusion:

The results of the field survey of building conditions and a review of public records indicate that a majority of the structures have major deficiencies, are deteriorating and need rehabilitation. Due to this fact, a majority of all structures within the Study Area can be classified pursuant to the Act as being substandard. The existence of this level of substandard structures and improvements constitutes a reasonable presence of substandard conditions in this Study Area which inhibits the sound growth of the area within the City.

2. ***Age or Obsolescence***

A structure, whether it is a building or part of an infrastructure system, may be considered substandard even though it is not currently in such a dilapidated condition as to be unusable in its present circumstances. The age of a structure may indicate that its useful economic life is limited before expensive repairs or replacement become necessary. A structure may also be well suited for a past purpose, but be economically or functionally obsolete to support a modern use. As discussed above there are both permanent and temporary structures located in the Study Area. The infrastructure, while barely adequate to serve the Adler Tracts, is unsuited to any modern commercial or residential development. This inadequacy indicates both functional and economic obsolescence.

Conclusion:

The Act specifies that one of the elements of substandard condition is a predominance of older or obsolete structures. Therefore with a majority of the infrastructure and buildings meeting these criteria, the Study Area can be considered to be substandard by reasons of structure age and obsolescence.

3. Inadequate Provisions for Ventilation, Light, Air, Sanitation or Open Space

During the field survey conducted to determine building conditions, building and grounds conditions were also evaluated with regard to factors that present on-going negative conditions or impacts and thus contribute to the physical decline of any developed urban area. The lack of adequate ventilation, sun light, clean air, proper sanitation facilities and open space can be a contributing factor to the decline of any urban area and the presence of any or all of these in reasonable numbers or intensity is considered, under Act, to contribute to the substandard character of any urban area.

The survey did not reveal any appreciable problems with ventilation of structures or where the size of the building on the lot and / or the small lot size itself did contribute to situations where there is a lack of sunlight and lack of open space.

Conclusion:

The field investigation documented that there are no properties within the Study Area where the lack of adequate provisions for sunlight and open space contribute to the substandard factors of the Study Area.

4. Existence of Conditions which Endanger Life or Property by Fire or other Causes

The field survey indicated that there are conditions which endanger life or property to varying degrees within the Study Area. These include the deteriorating condition of many of the buildings and debris in the lots. This combination of old, and potentially or probable abandoned structures, presents a substantial potential for endangerment of life and property.

Conclusion:

A number of conditions which endanger life or property values (as further discussed in paragraph below) do now exist in this Study Area, and these conditions are sufficient in number and distribution to qualify as a substandard factor.

5. Any Combination of Factors which are conducive to Ill Health, Transmission of Disease, Infant Mortality, Juvenile Delinquency and Crime, and is Detrimental to the Public Health, Safety, Morals or Welfare

The above listed factors indicate substandard conditions that do exist in the Study Area. These conditions also present a real potential for detrimental effects on the safety and health of the citizens residing in or near the Study Area when two or more of the substandard conditions occur in the Area. An evaluation of the various combinations of substandard conditions listed above produced the following findings.

Conclusion:

The combination of these types of substandard factors in the Study Area significantly and negatively affects the population working and residing both in and outside the City. This impact on the population is sufficient to conclude that this combination of negative factors is in and of itself a substandard factor in this Study Area. The site conditions retard the development of the undeveloped portion of the Study Area which will continue to result in lower property and sales tax for the jurisdictions. New investment will not reasonably occur unless there is significant public assistance through the redevelopment authority. Considering its prominent location, a successful redevelopment effort is critical. Without redevelopment assistance, it is likely that the site will remain in its substandard or undeveloped condition.

Blighted Area Analysis

As previously set forth in Section 18-2103 (11), the factors which define a **blighted area** include:

(a) Any combination of the following factors which “substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability”, to wit:

1. Presence of a Substantial Number of Deteriorated or Deteriorating Structures

Study of Blight and Substandard Conditions

As discussed in the previous analysis of the substandard factors, most of the structures in the Study Area are judged to be deteriorating. The deteriorated and inadequate road and drainage improvements described as substandard above also clearly fit within this definition. These continuing conditions and under-use of the property will lead to further deterioration and the consequent emergence of conditions that constitute an economic liability, which both endanger property and are detrimental to the public welfare.

Conclusion:

The presence of these substandard structures is a strong factor contributing to the conditions of blight.

2. Existence of Defective or Inadequate Street Layout

The deteriorated and inadequate road/drives discussed in the prior analysis as substandard do not provide adequate infrastructure for development. West Adler Drive consists as two distinct dead-ended drives separated by a drainage ditch. The drives do not have a publically dedicated turn around or connection that a public street or cul-de-sac is required to have. The undeveloped portion of the Study Area has no internal street system, but is served by two streets which are only one-half the required width, and are therefore substandard to serve additional development.

Conclusion:

The internal street layout is defective and inadequate for further development of the property.

3. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness

The Study Area is platted.

Conclusion:

Redevelopment of the Adler Tracts may require some platting into urban commercial or residential lots, with additional internal rights-of-way.

4. Unsanitary and Unsafe Conditions

Study of Blight and Substandard Conditions

As discussed previously in the analysis of substandard factors, there are several instances within the Study Area where unsanitary and unsafe conditions exist. These include both attractive nuisances such as the open or abandoned structures.

Conclusion:

There are significant unsanitary and unsafe conditions that do, or reasonably will, exist to constitute a condition of blight.

(b) the following conditions (from five objective criteria listed in the statute) are present, to wit:

The average age of the residential or commercial units in the area is at least forty years

The majority of the buildings in the Study Area appear to exceed forty (40) years in age. However a further inquiry of public records would be required to validate this observation.

Decreasing or Stable Population

The Study Area has displayed a stable or decreasing population between the last two decennial censuses. The portion of the Study Area within the City has had no population between the last two decennial censuses.

Income Level

The median income of the census tract is lower than the average median income of Scotts Bluff County and the average of the census tracts within the City.

Conclusion of Blighted and Substandard Analysis

Based on this analysis, the property within the Study Area meets the subjective criteria of both blighted and substandard conditions and displays the presence of at least two, and perhaps three, of the objective criteria required for a finding of blighted condition. The requirement of the Act is that at least one of these needs to be present.

Conformance with the Comprehensive Plan

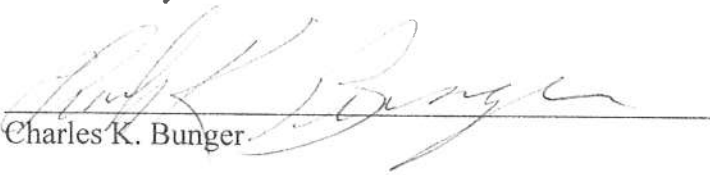
A declaration of blighted and substandard conditions in the Study Area conforms with the City of Scottsbluff Comprehensive Plan because it:

- Is located in an area eligible for such declaration.
- Allows for incentives to keep the employment base and supporting commercial activity in an area currently served by major infrastructure. .
- Is located along an existing major arterial.
- Provides a financing tool for the development of a variety of additional housing units.

Blighted and Substandard Area Declaration

By virtue of the findings of this study, the Study Area (as amended) may retain the blighted and substandard designation, pursuant to the requirements of the Nebraska Community Development Law.

Submitted by:


Charles K. Bunger

Attachment 2: *Aerial Map of Project Site*



Baker & Associates
Inc.
Engineers • Architects • Surveyors
COPYRIGHT 2016

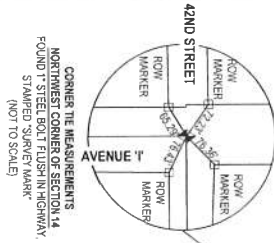
1300 EAST 18TH STREET
SCOTTSBLUFF, NE 69301
308-432-3123
www.baker-and-a.com

Attachment 3: *Plat of Project Site*

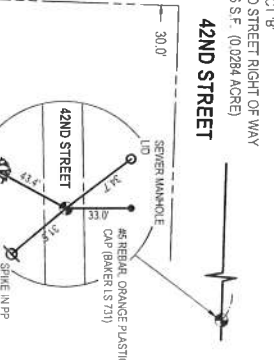
**FINAL PLAT OF
LOTS 1 AND 2, TRACTS B AND C, BLOCK 10, FIVE OAKS SUBDIVISION,
CITY OF SCOTTSBLUFF, SCOTTS BLUFF COUNTY, NEBRASKA**
SITUATED IN THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 22 NORTH, RANGE 55 WEST OF
THE 6TH PRINCIPAL MERIDIAN, CITY OF SCOTTSBLUFF, SCOTTS BLUFF COUNTY, NEBRASKA

Sheet Revisions	
NO. 1	REVISION
NO. 2	REVISION
NO. 3	REVISION
NO. 4	REVISION
NO. 5	REVISION
NO. 6	REVISION
NO. 7	REVISION
NO. 8	REVISION
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NO. 100	REVISION

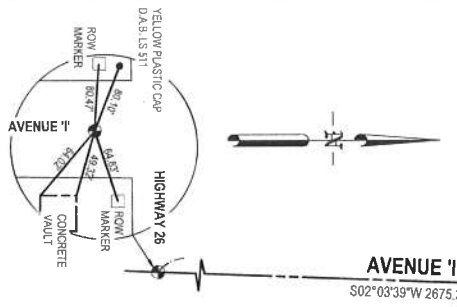
Final Plat of Block 10, Five Oaks Subdivision	
Project Number	022-005-15
Project Location	City of Scottsbluff, Nebraska
Owner	C & T Holdings, L.L.C.
Surveyor	Scotts Bluff County, Nebraska
Recorder	Scotts Bluff County, Nebraska
Effective Date	10/1/2013
Expiration Date	10/1/2018
Surveyor's Seal	
Recorder's Seal	



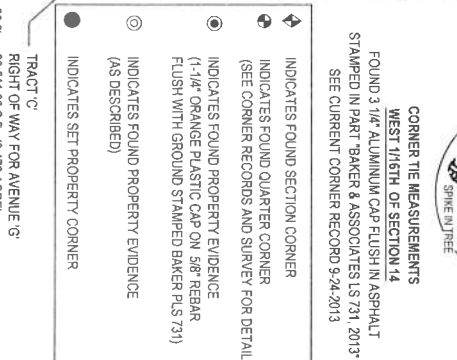
CORNER TIE MEASUREMENTS
NORTHWEST CORNER OF SECTION 14
FOUND 1" STEEL BOLT FLUSH IN HIGHWAY,
STAMPED SURVEY MARK
(NOT TO SCALE)



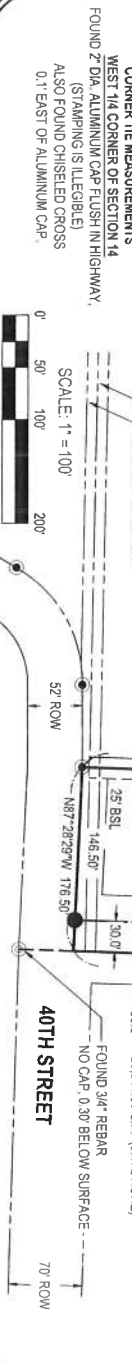
CORNER TIE MEASUREMENTS
WEST 1/4TH OF SECTION 14
FOUND 3 1/4" ALUMINUM CAP FLUSH IN ASPHALT
STAMPED IN PART "BAKER & ASSOCIATES, L.S. 7/31/2013"
SEE CURRENT CORNER RECORD 9-24-2013



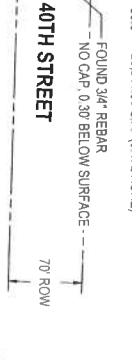
CORNER TIE MEASUREMENTS
WEST 1/4TH CORNER OF SECTION 14
FOUND 2" DIA. ALUMINUM CAP FLUSH IN HIGHWAY,
(STAMPING IS ILLEGIBLE)
ALSO FOUND CHISELED CROSS
0.1' EAST OF ALUMINUM CAP



CORNER TIE MEASUREMENTS
WEST 1/4TH OF SECTION 14
FOUND 3 1/4" ALUMINUM CAP FLUSH IN ASPHALT
STAMPED IN PART "BAKER & ASSOCIATES, L.S. 7/31/2013"
SEE CURRENT CORNER RECORD 9-24-2013



CORNER TIE MEASUREMENTS
WEST 1/4TH CORNER OF SECTION 14
FOUND 2" DIA. ALUMINUM CAP FLUSH IN HIGHWAY,
(STAMPING IS ILLEGIBLE)
ALSO FOUND CHISELED CROSS
0.1' EAST OF ALUMINUM CAP



CORNER TIE MEASUREMENTS
WEST 1/4TH OF SECTION 14
FOUND 3 1/4" ALUMINUM CAP FLUSH IN ASPHALT
STAMPED IN PART "BAKER & ASSOCIATES, L.S. 7/31/2013"
SEE CURRENT CORNER RECORD 9-24-2013

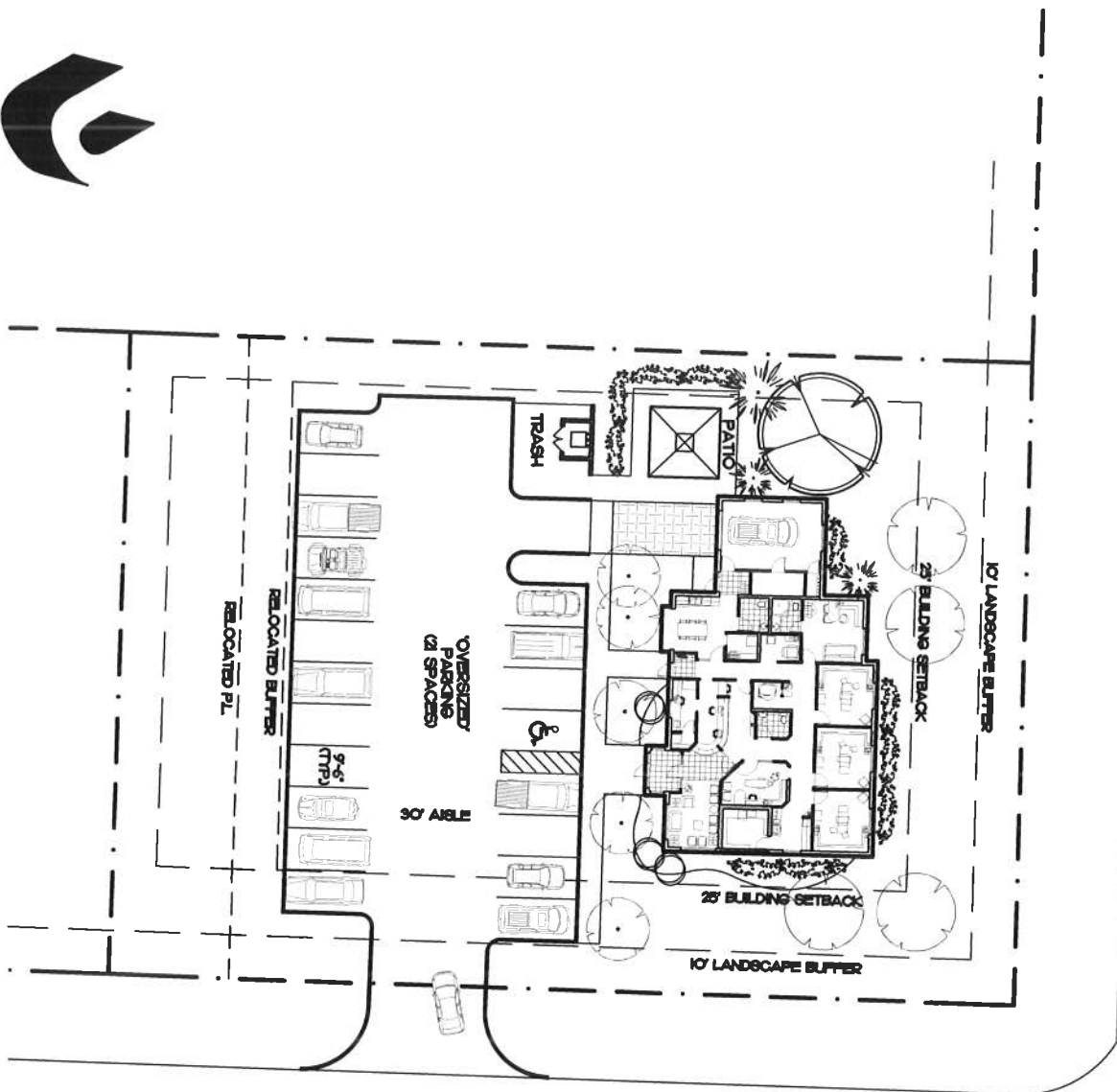
Attachment 4: *Aerial Map of Project Site and Surroundings*

Project Site-Aerial

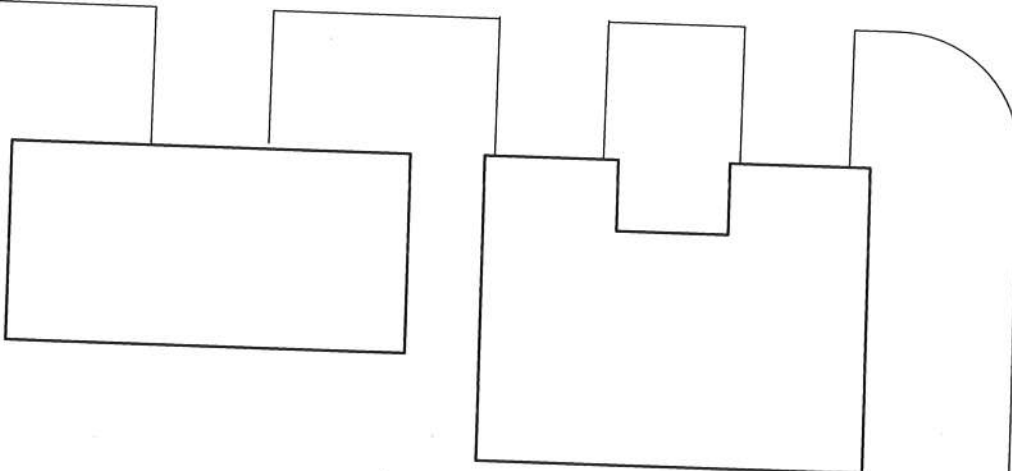


Attachment 5: *Site Plan*

42ND STREET



AVENUE 'G'



**UNTHANK
DESIGN GROUP**
5930 Vandemoort Drive
Lincoln, Nebraska 68516
ph 402.423.3300 fax 402.423.3377

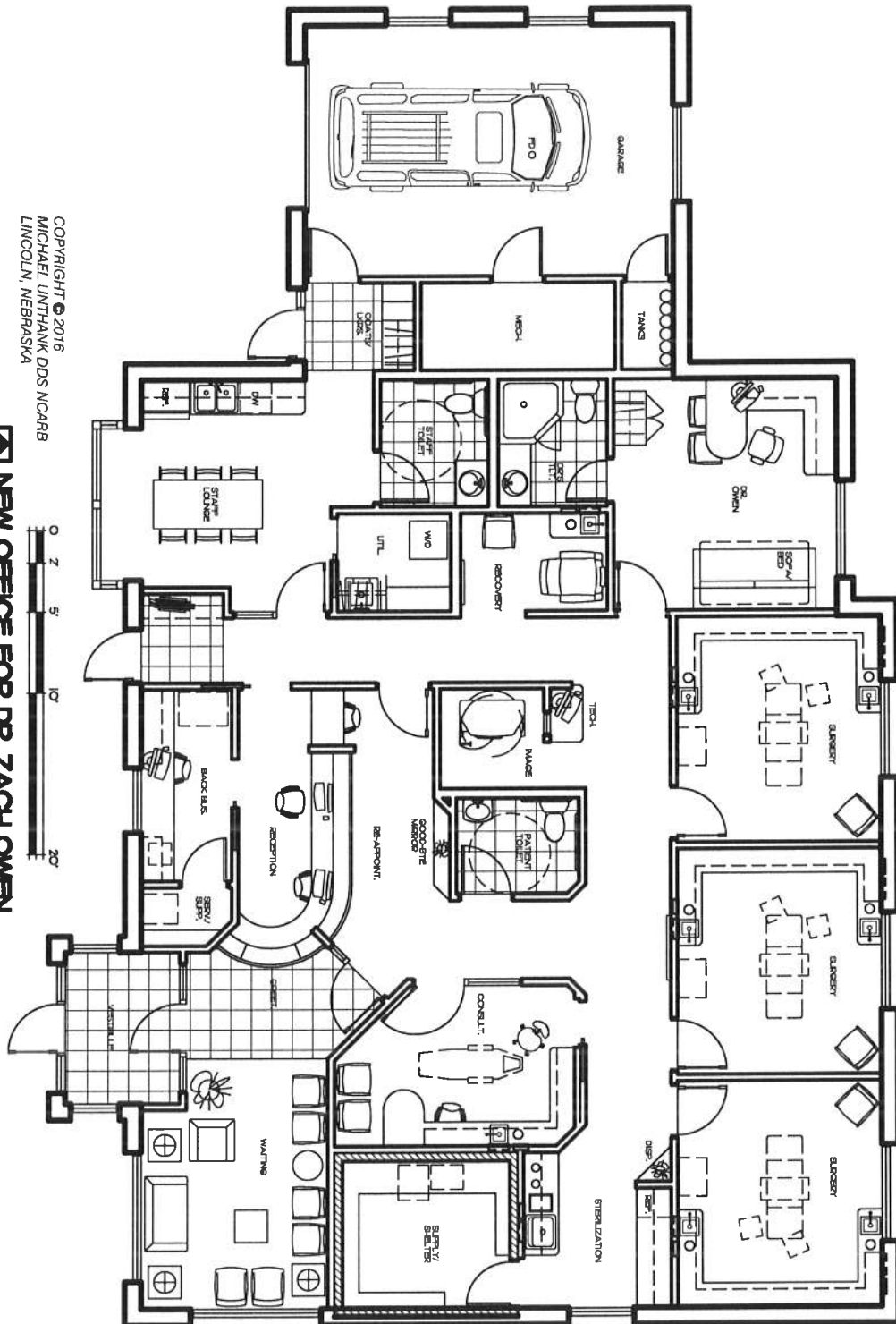
**NEW OFFICE FOR DR. ZACH OWEN
SCOTTSBLUFF, NEBRASKA**
Date: January 21, 2016



SITE PLAN

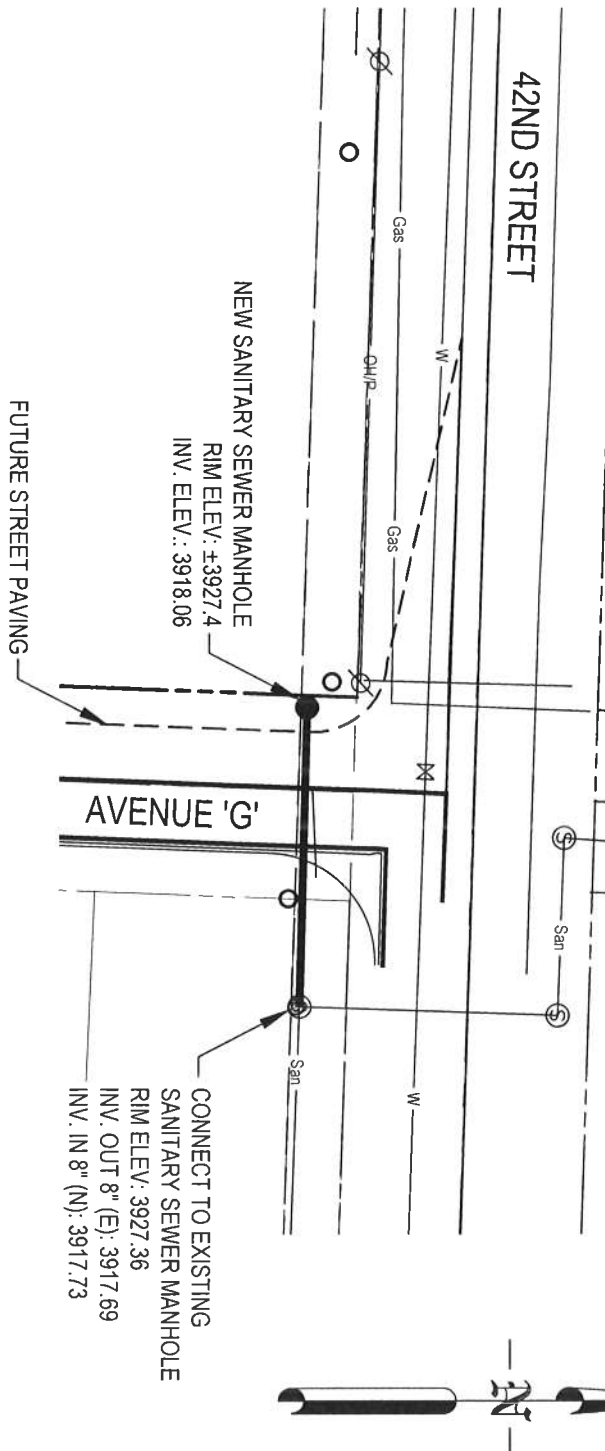
1" = 40' ——— 0'

Attachment 6: *Building Floor Plan*



COPYRIGHT © 2016
 MICHAEL, UNTHANK DDS NCARB
 LINCOLN, NEBRASKA
 0 2 5 10 20'
 NEW OFFICE FOR DR. ZACH OWEN
 2762 SQ. FT. - NET
 363 SQ. FT. - NET - GARAGE
 REVISION DATE 1-2-16

Attachment 7: *Connection to Existing Sanitary Sewer 42nd Street and
Avenue G*



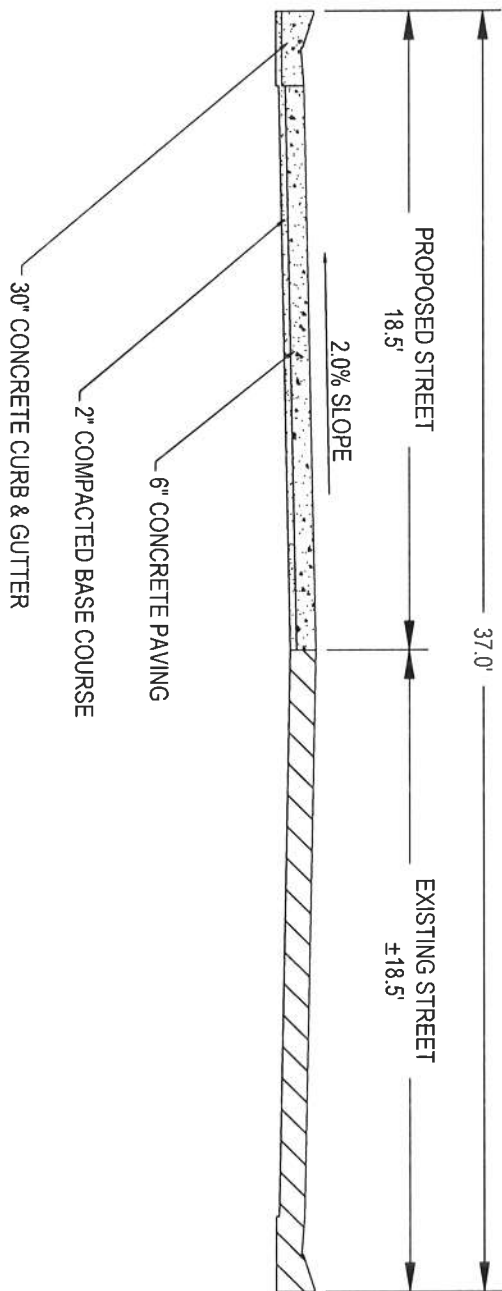
CONNECTION TO EXISTING SANITARY SEWER
42ND STREET AND AVENUE 'G'

SCALE: 1" = 50'



Baker
& A associates
Inc.
ENGINEERS • ARCHITECTS • SURVEYORS

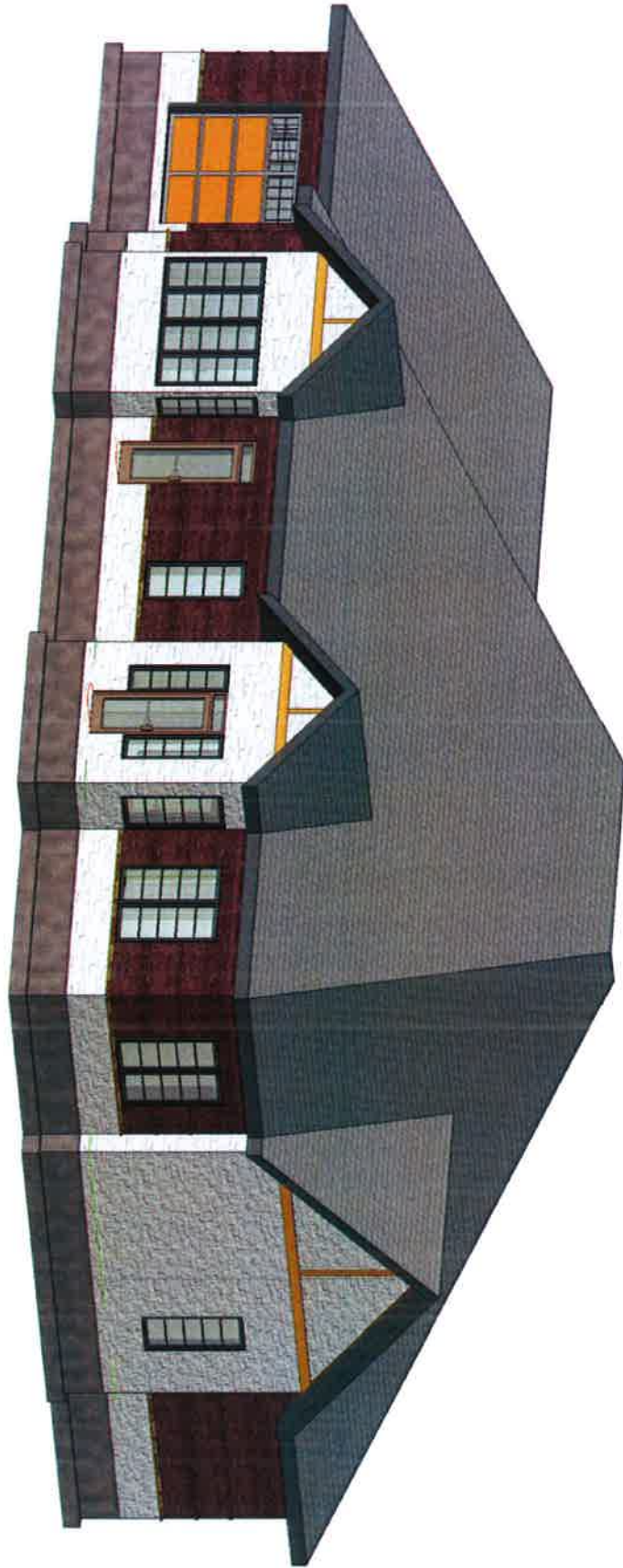
Attachment 8: *Typical Street Cross Section—Avenue G*



TYPICAL STREET CROSS SECTION - AVENUE 'G'

NOT TO SCALE

Attachment 9: *Conceptual Picture of Office Building*



Attachment 10: *Development Estimates*



Engineers*Architects*Surveyors
120 E. 16th St., Suite A
Scottsbluff, NE 69361

Project: FIVE OAKS
Owner: Zach Owen
Contract No:
Date: 2/10/2016

				Engineers Probable Costs	
Item #	Description/ Units	Unit	Total Quantity		
Schedule A - Street Paving					
A-1	Mobilization	LS	1.0	\$ 5,000.00	\$ 5,000.00
A-2	Pavement - 6" PCC	SY	1265.0	\$ 60.00	\$ 75,900.00
A-3	Curb & Gutter - 30" PCC	LF	725.0	\$ 28.00	\$ 20,300.00
A-4	Grading & Subgrade Preparation	SY	1470.0	\$ 5.00	\$ 7,350.00
A-5	Cross Pans - 6" PCC	SY	20.0	\$ 60.00	\$ 1,200.00
A-6	Base Course - 2"	SY	1470.0	\$ 6.00	\$ 8,820.00
A-7	Curb Returns - 6" PCC	EA	3.0	\$ 3,000.00	\$ 9,000.00
Total - Schedule A					\$ 127,570.00
Schedule B - Water Service					
B-1	Connect to Existing Water Line	EA	1.0	\$ 1,000.00	\$ 1,000.00
B-2	1" Water Service, Polyethylene	LF	100.0	\$ 20.00	\$ 2,000.00
B-3	1" Curb Stop	EA	1.0	\$ 750.00	\$ 750.00
B-4	Fire Hydrant Assembly - 6"	EA	1.0	\$ 4,500.00	\$ 4,500.00
B-5	1" Water Service Connection	EA	1.0	\$ 800.00	\$ 800.00
Total - Schedule B					\$ 9,050.00
Schedule C - Sanitary Sewer					
C-1	Mobilization	LS	1.0	\$ 2,000.00	\$ 2,000.00
C-2	Sanitary Sewer - 8" PVC	LF	80.0	\$ 50.00	\$ 4,000.00
C-3	Sanitary Sewer - 4" PVC	LF	40.0	\$ 40.00	\$ 1,600.00
C-4	Manhole - 4' Diameter	EA	1.0	\$ 5,000.00	\$ 5,000.00
C-5	Concrete R&R, 6" PCC	LF	25.0	\$ 80.00	\$ 2,000.00
C-6	Connect to Existing Sanitary Sewer	EA	1.0	\$ 1,500.00	\$ 1,500.00
Total - Schedule C					\$ 16,100.00

Assumptions: Street paving the full length of street.
Sanitary sewer connection to existing manhole east of G and 42nd
Water tap connection to line in 42nd Street
No costs figured for site work including sidewalk, grading, etc.

April 1, 2016

John L. Selzer
Simmons Olsen Law Firm, P.C.
1502 2nd Avenue
Scottsbluff, NE 69361

RE: Owen Property Water Line

Mr. Selzer,

Per our meeting and discussion, as part of the Owen property development the intent is to install a 6" PVC waterline within the ROW of avenue G with the understanding that this pipe will be capped and buried for future connection to the City system if and when the adjacent land to the south is developed. This would allow for future connection of the line without the need to remove concrete or site work that will be part of this current development.

At that time, the pipe would be exposed on each end, flushed, chlorinated, and pressure tested before being connected to the City system. We would also install connections for fire hydrants water services or other appurtenances necessary for functional use and acceptance by the City of Scottsbluff.

The total estimated costs for this installation are approximately \$20.00 per lineal foot for approximately 800 feet or a total of \$16,000.

Please contact our office with any questions.

Sincerely,

Baker & Associates, Inc.



Jack Baker, P.E.

Attachment 11: *Department of Labor Statistics*

Scottsbluff MC (Scotts Bluff, Banner and Sioux Counties)

2016	FEB-16 (Preliminary)	JAN-16 (Revised)	Month Change	FEB-15	Year Ago Change
Labor Force Total	19,908	19,733	175	NA	NA
Employment	19,242	19,051	191	NA	NA
Unemployment	666	682	-16	NA	NA
Unemployment Rate	3.3	3.5	-0.2	NA	NA
Nonfarm Employment	18,032	17,907	125	NA	NA
Agriculture Forestry Fishing and Hunting	*****	*****	*****	NA	NA
Mining Quarrying and Oil and Gas Extraction	*****	*****	*****	NA	NA
Utilities	35	35	0	NA	NA
Construction	907	882	25	NA	NA
Manufacturing	1,056	1,075	-19	NA	NA
Wholesale Trade	901	902	-1	NA	NA
Retail Trade	2,347	2,337	10	NA	NA
Transportation and Warehousing	1,089	1,087	2	NA	NA
Information	296	295	1	NA	NA
Finance and Insurance	699	708	-9	NA	NA
Real Estate and Rental and Leasing	90	90	0	NA	NA
Professional Scientific and Technical Services	426	419	7	NA	NA
Management of Companies and Enterprises	71	71	0	NA	NA
Administrative and Support and Waste Management and Remediation Services	1,109	1,084	25	NA	NA
Educational Services	338	338	0	NA	NA
Health Care and Social Assistance	3,019	3,018	1	NA	NA
Arts Entertainment and Recreation	189	178	11	NA	NA
Accommodation and Food Services	1,463	1,467	-4	NA	NA
Other Services (except Public Administration)	589	589	0	NA	NA
Federal Government	174	175	-1	NA	NA
State Government	614	609	5	NA	NA
Local Government	2,616	2,544	72	NA	NA

Note: Due to benchmarking, revised data for February 2015 is not available at this time. All benchmarked data will be published on April 15.

***** Data is not available due to disclosure suppression.

RESOLUTION 16-__

**BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF
SCOTTSBLUFF, NEBRASKA:**

Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan titled *Owen Oral Surgery Center Redevelopment Plan*, prepared by Owen Development, L.L.C. (the "Redevelopment Plan") has been submitted to the Planning Commission.

b. The Planning Commission has reviewed the Redevelopment Plan as to its conformity with the 2016 Scottsbluff Comprehensive Plan (the "Comprehensive Plan").

Resolved:

1. The Planning Commission finds that Redevelopment Plan conforms to the Comprehensive Plan and recommends approval of the Redevelopment Plan to the Scottsbluff Community Redevelopment Authority and City Council.

2. All prior resolutions of the Commission in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

3. This Resolution shall become effective immediately upon its adoption.

PASSED and APPROVED on April 11, 2016.

**PLANNING COMMISSION OF THE CITY
OF SCOTTSBLUFF, NEBRASKA**

By: Becky Estrada
Chair

ATTEST:

By: Annie Urdiales
Recording Secretary

RESOLUTION NO. ~~16~~-CRA-16-4-1

BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA:

Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan titled *Owen Oral Surgery Center Redevelopment Plan*, prepared by Owen Development, L.L.C. (the "Redevelopment Plan") has been submitted to the Scottsbluff Community Redevelopment Authority ("CRA"). The Redevelopment Plan proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.

b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2016 Scottsbluff Comprehensive Plan (the "Comprehensive Plan"). The Planning Commission recommended approval of the Redevelopment Plan to the CRA and City Council.

c. The CRA has reviewed and conducted a cost-benefit analysis of the Redevelopment Plan and makes the findings and recommendations as set forth in this Resolution.

Resolved:

1. The proposed land uses and building requirements in the Redevelopment Plan are designed with the general purposes of accomplishing, in conformance with the Comprehensive 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 provision of adequate transportation, water, sewerage, and other public utilities, 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 conditions of blight.

2. The CRA has conducted a cost benefit analysis for the project in accordance with the Community Redevelopment Law, and finds that the project as proposed in the Redevelopment Plan would not be economically feasible or occur in the project area without tax increment financing and the costs and benefits of the project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services, are in the long term best interests of the community.

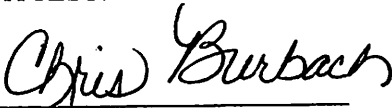
3. The CRA states: (a) the Redeveloper will acquire the project area by private sale at the estimated cost of \$67,500.00; (b) the estimated cost of preparing the project area for redevelopment is \$10,000.00; (c) the Redevelopment Plan does not propose that either the CRA or City will acquire the project area and neither the CRA nor City will receive proceeds or revenue from disposal of the project area to the Redeveloper; (d) the proposed methods of financing of the project are (i) the use of an improvement district which will assess the project area and an adjoining lot for street improvements in the estimated cost of \$146,070.00; (ii) tax increment financing for other eligible costs in the estimated amount of \$204,000.00; and (iii) private investment and borrowing for the remainder of the project costs; and (e) no families or businesses will be displaced as a result of the project.

4. The CRA recommends approval of the Redevelopment Plan to the City Council.
5. This Resolution along with the recommendation of the Planning Commission shall be forwarded to the City Council for its consideration when reviewing the Redevelopment Plan.
6. All prior resolutions of the CRA in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.
7. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED on April 25, 2016.

**COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SCOTTSBLUFF**

ATTEST:



Recording Secretary



Vice Chair

RESOLUTION NO. 16-__

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SCOTTSBLUFF, NEBRASKA:

Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.* (the “Act”) a redevelopment plan titled *Owen Oral Surgery Center Redevelopment Plan*, prepared by Owen Development, L.L.C. (the “Redevelopment Plan”) has been submitted to the Scottsbluff Community Redevelopment Authority (“CRA”). The Redevelopment Plan, as modified by the direction and authority of the CRA (which modification shall be included in the term “Redevelopment Plan” herein) proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.

b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2016 Scottsbluff Comprehensive Plan (the “Comprehensive Plan”). The Planning Commission recommended approval of the Redevelopment Plan to the CRA and City Council.

c. The Redevelopment Plan has been reviewed by the CRA, which found that the Redevelopment Plan conforms to the Comprehensive Plan, that the project as proposed in the Redevelopment Plan would not be economically feasible or occur in the project area without tax increment financing, and that the costs and benefits of the project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services, having been analyzed by the CRA, are in the long term best interests of the community.

d. The CRA recommended approval of the Redevelopment Plan to the City Council.

e. On May 2, 2016, the City Council held a public hearing on the proposal to approve the Redevelopment Plan.

f. The City Council has reviewed and conducted a cost-benefit analysis of the Redevelopment Plan and makes the findings and recommendations as set forth in this Resolution.

Resolved:

1. The Redevelopment Plan is determined to be feasible and in conformity Comprehensive Plan and with the legislative declarations and determinations set forth in the Act.

2. The project as proposed in the Redevelopment Plan would not be economically feasible or occur in the project area without tax increment financing and the costs and benefits of the project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services, having been analyzed by the City Council, are in the long term best interests of the community.

3. The City Council approves the Redevelopment Plan.

4. In accordance with NEB. REV. STAT. § 18-2147, and as proposed in the Redevelopment Plan, the City Council provides that any ad valorem tax on Lot 1, Block 10, Five Oaks Subdivision to the City of Scottsbluff, Scotts Bluff County, Nebraska, for the benefit of any public body be divided for a

period of 15 years after the effective date as provided in § 18-2147, which effective date shall be determined in a Redevelopment Contract entered into between the Redeveloper and the CRA. Said tax shall be divided as follows:

(a) That proportion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation (as defined in the Act) shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and

(b) That proportion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the CRA to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the CRA for financing or refinancing, in whole or in part, the project set forth in the Redevelopment Plan. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due have been paid, the CRA shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon taxable real property in the redevelopment project shall be paid into the funds of the respective public bodies.

5. The Mayor and Clerk are authorized and directed to execute such documents and take such further actions as are necessary to carry out the purposes and intent of this Resolution and the Redevelopment Plan.

6. This Resolution shall become effective immediately upon its adoption.

PASSED and APPROVED on May 2, 2016

Mayor

ATTEST:

City Clerk (Seal)