

# **City of Scottsbluff, Nebraska**

**Thursday, June 2, 2016**

**Regular Meeting**

## **Item 2**

**Consider and ratify the Owen Oral Surgery Redevelopment Plan, as modified, which was approved by the City Council.**

**Staff Contact: Nathan Johnson, City Manager**

**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
<b>Total</b>	<b>\$ 204,000.00</b>	<b>\$1,538,720.00</b>	<b>\$1,742,720.00</b>

\* 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.