

CITY OF SCOTTSBLUFF
Scottsbluff City Hall Council Chambers
2525 Circle Drive, Scottsbluff, NE 69361
COMMUNITY REDEVELOPMENT AUTHORITY

Regular Meeting
February 20, 2019
12:00 PM

1. Roll Call
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the north wall.**
3. Notice of changes in the agenda by the city manager (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. Citizens with business not scheduled on the agenda (As required by state law, no matter may be considered under this item unless the committee determines that the matter requires emergency action.)
5. Minutes
 - a) Approve Minutes of the December 12, 2018 Meeting.
6. 26 Group LLC
 - a) Review of TIF Application from 26 Group LLC and preliminary redevelopment plan and consider submitting redevelopment plan to Planning Commission.
 - b) Conduct preliminary Cost-Benefit Analysis of redevelopment plan from 26 Group LLC.
 - c) Schedule March meeting.
7. East Overland Facade Improvement Program
 - a) Update on application received.
 - b) Discuss application review process.
 - c) Set date to review applications.
8. Staff Reports
 - a) Reports from Staff.
9. Other Business
 - a) Other Business
10. Closed Session (to consider any of the above matters, where a Closed Session is appropriate.)
 - a) Following passage of motion to enter into executive session, presiding officer must state purpose of executive session.
11. Adjournment.

City of Scottsbluff, Nebraska
Wednesday, February 20, 2019
Regular Meeting

Item Min1

Approve Minutes of the December 12, 2018 Meeting.

Staff Contact: Starr Lehl

City of Scottsbluff
Community Redevelopment Authority
December 12, 2018

A meeting of the Community Redevelopment Authority (CRA) was held on Wednesday, December 12th at 12:00p.m. at City Hall, 2525 Circle Drive, Scottsbluff, NE.

Notice of the meeting was published in the Star-Herald on December 7, 2018.

The meeting convened at 12:04 p.m. by Chairman Trumbull. Roll call was taken. The following committee members were present: William Knapper, Joanne Phillips, and Cathy Eastman. Absent were: Bill Trumbull and Robert Franco. In attendance on behalf of the city were City Manager, Nathan Johnson, Economic Development Director, Starr Lehl and legal counsel, John Selzer.

Vice-Chairman Phillips informed those in attendance that a copy of the Nebraska Open meetings Act is available for the public's review.

Vice-Chairman Phillips asked if there were changes to the agenda and there were no changes.

Motion by Knapper, second by Eastman to approve the minutes from the November 21, 2018 meeting. "Yeas" Knapper, Phillips, Eastman, Nays", none, absent Franco, Trumbull.

Vice-Chairman Phillips asked who would like to speak about the HPB Expansion and Redevelopment Plan and Selzer stated the CRA had reviewed the preliminary plans for the project at an earlier meeting and this would be a more thorough review of the plan, Cost-Benefit Analysis and also review and approve the resolution. The CRA was reminded of the City's Comprehensive Plan and how this project is in line with the plan and also that the project fits within the zoning regulations of the city. Selzer asked if there were any general questions regarding HPB plan. Knapper asked if there were any changes from the original plan and Selzer answered there were just some date changes made to more generalize the project and keep it on track. Representative from HPB updated the committee on the work they were trying to get done this winter demolishing an existing structure and working with the city's engineer regarding the storm drain pipe crossing the property. The committee reviewed the Cost Benefit Analysis and the consequence of the project on taxing entities for the next 15 years, shifting the taxes from the taxing entities to pay for the cost of the project. The project will also rectify the water main issue and drainage problems on the property, other than the tax shift, there are no other tax issues to the project and completion of the project will help the business to grow and potentially create additional jobs to the community. Knapper asked if a separate motion for and four items and Selzer stated there is a resolution that includes the items and asked the committee to consider the "but for" test which is if the project would happen "but for" TIF and referred to page 4 of the plan. Selzer then explained the contents of the resolution and the planning commission recommendation.

Motion by Knapper, Second by Eastman to approve the HPB Resolution and allow the Vice-Chairman to sign the Cost Benefit Analysis. "Yeas" Phillips, Eastman, Knapper, Absent Trumbull, Franco.

Selzer introduced the Auto Spa TIF project and explained the location and plans for the Auto Spa TIF project and that Casey York was there to answer any questions the committee may have regarding the project. The process is the same as the HPB project including the approval of a resolution to approve the Redevelopment Plan, confirm the Cost-Benefit Analysis, forwarding the Planning Commission recommendation to the City Council and forward and recommend approval of the Redevelopment Plan to the City Council. There were a few minor changes to the plan including the current zoning and date the area was declared blighted and substandard and that the project still conforms to the city's Comprehensive Plan. Casey York updated the committee about the work he has done to get the utility access to the property and how TIF funds will help pay for the improvements. Very low to no impact will be done to employment or any of the taxing entities, local contractors will be used for the project and capital investment will be made to complete the project. Committee was again asked to apply the "but for" test on the TIF project for Auto Spa. Knapper asked although the system is automated, would there be someone there to monitor if something were to go wrong and the answer by Casey York was there would be someone there and also a security system in place to monitor activity. Selzer reviewed the contents of the resolution

Motion by Eastman, Second by Phillips to approve the resolution as presented. “Yeas” Phillips, Eastman, Knapper, Absent Trumbull, Franco.

Lehl then reviewed the final draft of the East Overland Façade Improvement Grant Program and asked the committee to approve and send on to city council for review and passage. Lehl informed the committee the East Overland Steering Committee has been meeting and may come to the CRA for funding for beautification and bike racks on East Overland. Other possibilities to increase traffic and shopping on East Overland were discussed. Motion by Eastman, Second by Knapper to approve the guidelines and application as presented.

Motion by Phillips, second by Knapper to adjourn the meeting at 1:12 p.m. “Yeas” Eastman, Knapper, Phillips, “Nays”, none, Absent, Trumbull, Franco.

Nathan Johnson

Starr Lehl

City of Scottsbluff, Nebraska

Wednesday, February 20, 2019

Regular Meeting

Item 26 Group1

Review of TIF Application from 26 Group LLC and preliminary redevelopment plan and consider submitting redevelopment plan to Planning Commission.

Staff Contact: Starr Lehl

Tax Increment Financing Application

By



**To Build A New Branded Fuel Station
And Convenience Store
In The Scottsbluff Community**

APPLICATION FOR TAX INCREMENT FINANCING

Please note that the following application must be typed prior to submission to the City of Scottsbluff. You should attach additional pages when necessary. The applicant(s) or a designated representative must be present at the Community Redevelopment Authority (CRA), Planning Commission, and City Council meetings to answer any questions related to the project. Proper notice of both meetings will be given to applicants by City Staff. **Failure to complete any of these application requirements may result in ineligibility for or delay of approval of Tax Increment Financing.**

1. Please state, the name, address, telephone number and email address of the Redeveloper(s) (the applicant). If the Redeveloper is a business entity, please include the name of the designated representative of the business and the position title.

26 Group, LLC (Eric Reichert, President)

1502 19th Ave Scottsbluff, NE 69361

(308)633-3595

ereichert@eric-inc.com

2. Please describe the property to be redeveloped (the "Project Site") by address, legal description, or, if necessary, general location. Please include all parcel numbers included in the Project Site. These can be obtained from the Scotts Bluff County Assessor website: <http://www.scottsbluffcounty.org/assessor/assessor-disclaimer-do.html>. Please attach a map of the Project Site if available.

Lot 1 Block 1 of the Western Addition, or

The Southeast corner of the property is at:

Southeast corner of the west half of the southwest quarter of

Section19T22N-R54W

3. Please describe the existing uses and condition of the Project Site.

Currently the site is an old alfalfa field.

4. If you do not currently own the Project Site, please explain your plan for acquiring the Project Site, including whether you have a current agreement to acquire the Project Site.

26 Group, LLC has as already purchased the property.

5. Please describe the Redevelopment Plan on the Project Site. In your description, please address (please include your answers in an attached document):

- A. Proposed land uses after redevelopment (please attach a land use plan if available).
- B. The necessity of and plan to demolish or remove structures.
- C. Land coverage and building intensities in the Project Site after redevelopment (please attach a site plan if available).
- D. Standards of population densities in the Project Site expected after redevelopment.
- E. A statement of any proposed changes to zoning, street layouts, building codes, or ordinances.
- F. A statement of any planned subdivision to the Project Site.
- G. A statement of additional public facilities and utilities required to support the Project Site after redevelopment.
- H. Employment within the Project Site before and after redevelopment.
- I. Any other information you deem relevant.

6. Please itemize your estimated project costs (please attach copies of bids or estimates to support estimated project costs):

A. Land Acquisition (if applicable):	\$ 514,000
B. Site Development (itemize):	\$ 2,080,000
C. Building Cost:	\$ 1,050,000
D. Architectural & Engineering Fees:	\$ 86,000
E. Legal Fees:	\$ 15,000
F. Financing Costs:	\$ 2,280,000 (over 25 yrs)
G. Broker Costs:	\$ 0.00
H. Contingencies:	\$ 0.00
I. Other (itemize):	\$ 0.00
TOTAL	\$ 6,025,000.00 (See Attached Document)

7. Please list the names and addresses of all known architects, engineers, and contractors who will be involved with the Project.

Joseph R. Hewgley & Associates, Inc. 702 South Bailey, North Platte, NE 69101

Eric Reichert Insulation & Construction, Inc 1502 19th Ave, Scottsbluff, NE 69361

M.C. Schaff, 818 S Beltline Hwy E, Scottsbluff, NE 69361

8. Please itemize the following regarding the valuation of the Project Site:

A. Total estimated assessed valuation of Real Property at completion: \$4,500,000

B. Latest property valuation (from R.E. Tax Statement): \$100,895

9. Please itemize your projected sources of financing for the Project (please include a construction pro forma if available):

A. Equity:	\$ 700,000
B. Bank Loan:	\$ 2,300,000
C. Tax Increment Financing:	\$ 1,500,000
D. Other (itemize):	\$ 0.00
TOTAL	\$ 4,500,000

10. Please set forth your Project schedule.

A. Expected acquisition date (if applicable): September 2018

B. Demolition start date (if applicable): N/A

C. Construction start date: March 2019

D. Construction completion date: October 2019

E. If project is phased: N/A

Year _____ % Complete

Year _____ % Complete

11. Please name any other municipality wherein you, or other entities the applicant has been involved with, has completed developments within the last five years.

Scottsbluff will be the only municipality 26 Group, LLC will have worked
in the last 5 years.

12. Tax Increment Financing Request:

A. Describe amount and purpose for which Tax Increment Financing is required:

We are requesting TIF funds of \$1,500,000. The purpose of the funds is to offset the
costs of the acquisition of the land, getting water and sewer utilities to the site, move a
gas line running through the property, raising the elevation of the building site, paving
of the building site. The approximate costs of all the above items is \$1,550,000.

B. Statement of necessity for use of Tax Increment Financing:

It is necessary to receive these funds in order to complete the project. Our bank is
requesting 26 Group to get extra funding from another source other than just them.

(Attached Document)

C. Have you filed or do you intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act for a project located or to be located within the Project Site?

_____ Yes X No

D. If your answer to the previous question 12.C is "Yes," does such application include, or will such application include, as one of the tax incentives, a refund of the City's local option sales tax revenue?

_____ Yes X No

E. If your answer to question 12.C is "Yes," has the application been approved under the Nebraska Advantage Act?

_____ Yes X No

I certify that the facts and estimates set forth in this application for Tax Increment Financing (TIF) are true and accurate to the best of my knowledge. I understand that false statements on this application shall be considered sufficient cause for ineligibility.

I understand that the City may request additional information it deems relevant and that submitting this application does not guarantee a grant of TIF. All TIF grants are conditional upon (1) approval by the appropriate City authorities and (2) the execution of a contract between you and the CRA.

I agree to maintain all project related receipts for a period of five (5) years beginning at final payment of Tax Increment Financing for audit purposes.

26 Group, LLC

Eric Reichert

1-31-2019

Applicant Name

Signature

Date

Applicant Name

Signature

Date

Fuel Station

TAX STATEMENT

Property Description

BLK 1, WESTERN ADD (5)

1007 E HWY 26

S-T-R 19-22-54

REICHERT/ERIC & BRANDY
1502 19TH AVE
SCOTTSBLUFF, NE 69361

SCOTTS BLUFF COUNTY

TAX YEAR : 2018
STATEMENT : 14592
TAX TYPE : Real Estate
PARCEL ID : 0010000446

Date Taxes Are Due : 12/31/2018
1st Half Delinquent: 05/01/2019
2nd Half Delinquent: 09/01/2019

Net Amount Due : 1,918.90
1st Half Payment : 959.45
2nd Half Payment : 959.45

Total Value : 100,895
Homestead Value : 0
Taxable Value : 100,895

Total Tax : 2,006.18
Homestead Credit : 0.00
Non-Ag Tax Credit : -87.28
Ag-Land Tax Credit : 0.00
Unused Tax Credit : 0.00
Penalty : 0.00

NET AMOUNT DUE 1,918.90

Taxes payable on the Internet at www.nton.us

Description	Tax Rate	Prior Tax	Current Tax
COUNTY	0.42252000	0.00	426.30
WEST NE REGIONAL	0.04025000	0.00	40.61
SD #32 (SCOTTSBLU	1.10193000	0.00	1,111.80
SB SCHOOL BOND #3	0.21335000	0.00	215.26
ESU #13	0.01399000	0.00	14.12
WEST NE COMM COLL	0.09890000	0.00	99.79
N P NATURAL RES D	0.04838000	0.00	48.81
SCOTTSBLUFF RURAL	0.04000000	0.00	40.36
SB RURAL FIRE BON	0.00000000	0.00	0.00
SB CO AG SOCIETY	0.00905000	0.00	9.13
Tax Credit		0.00	-87.28
Totals	1.98837000	0.00	1,918.90



Parcel ID : 0010000446
District ID : 68
District Name: 32F

MESSAGES

Homestead Credits and State Tax Credits are
Reimbursed by the State of Nebraska

IMPORTANT: Examine the notice before payment. The treasurer is not responsible for payments on the wrong property.

1ST HALF PAYMENT

2018 Real Estate Statement



REICHERT/ERIC & BRANDY
1502 19TH AVE
SCOTTSBLUFF, NE 69361

Statement : 14592
District ID: 68
Parcel ID : 0010000446

Delinquent on 05/01/2019
Total Due : 1,918.90
1st Half : 959.45
Call (308) 436-6617 For Current Interest

Make Checks Payable To:
HEATHER HAUSCHILD, SCOTTS BLUFF COUNTY TREASURER
(308) 436-6617 Payable Online at www.nton.us 1825 10th St Gering, NE 69341



REMIT THIS PORTION WITH 1ST HALF PAYMENT

2ND HALF PAYMENT

2018 Real Estate Statement



REICHERT/ERIC & BRANDY
1502 19TH AVE
SCOTTSBLUFF, NE 69361

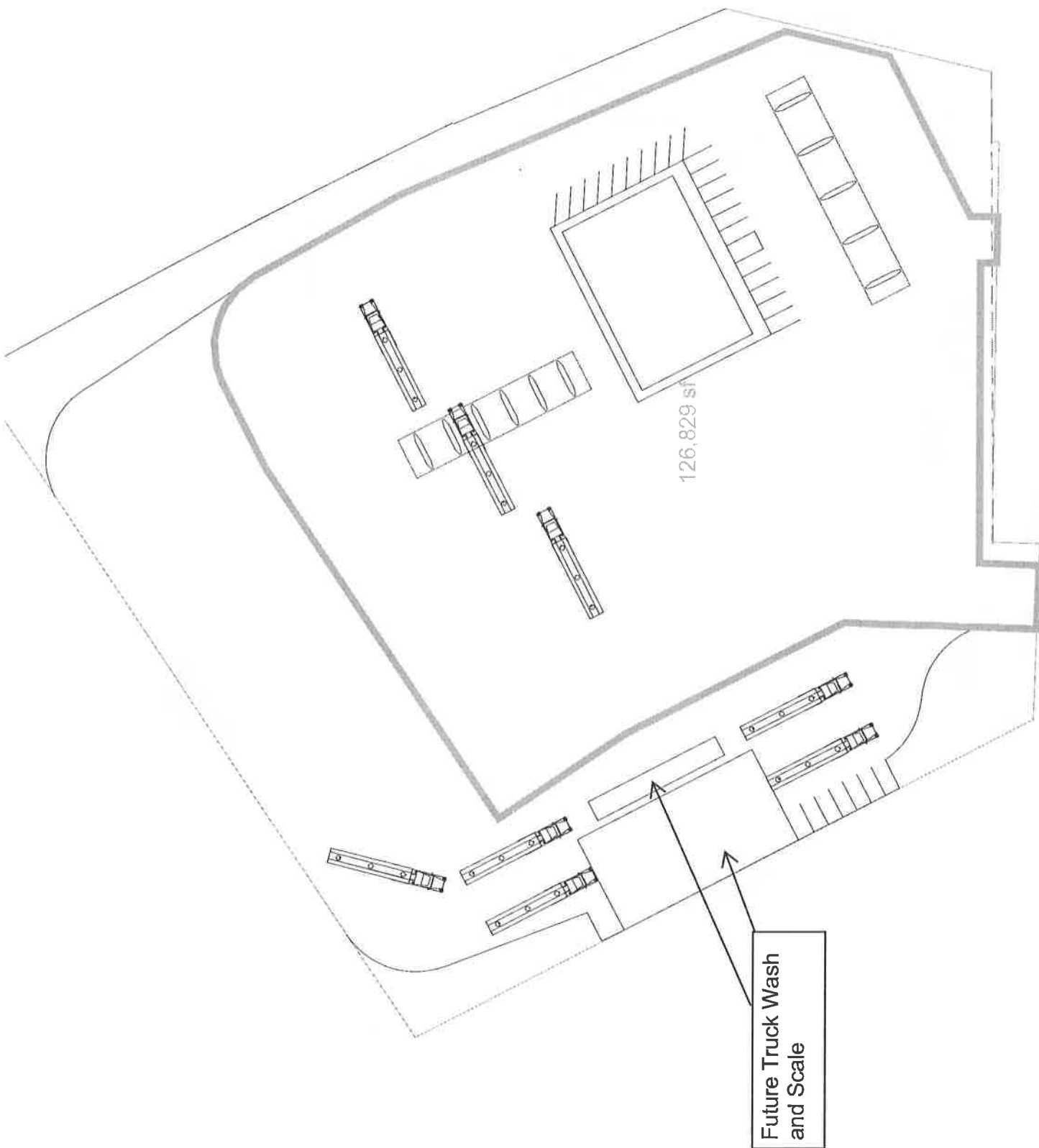
Statement : 14592
District ID: 68
Parcel ID : 0010000446

Delinquent on 09/01/2019
Total Due : 1,918.90
2nd Half : 959.45
Call (308) 436-6617 For Current Interest

Make Checks Payable To:
HEATHER HAUSCHILD, SCOTTS BLUFF COUNTY TREASURER
(308) 436-6617 Payable Online at www.nton.us 1825 10th St Gering, NE 69341



REMIT THIS PORTION WITH 2ND HALF PAYMENT



Question #5 Attachment

5. Please describe the Redevelopment Plan on the Project Site. In your description, please address (please include your answers in an attached document):

A. Proposed land uses after redevelopment (please attach a land use plan if available).

- Our intent is to build a new fuel station to accommodate cars, pickups, Rvs, and trucks for both diesel fuel and gas. There will be a new imaged convenience store
-
- 5 Multiple Pump Dispensers featuring both "pure gas" and a 10% ethanol blend with diesel hoses on the outside islands in a dive-in configuration with 27' centers on at least two outside islands for RVs.
- 5 High Speed diesel islands with slaves & DEF dispensers and 1 Off Road dispenser under a separate ±24' x 144' canopy.
- ±24' x 132' canopy over gas dispensers
- ±7,000 sf bldg. to include beer/wine cave, liquor license, 500 sf truckers' merchandise, 1,000 sf co-branded fast food area with trucker seating, 500 sf restrooms, 250 sf office area.
- Paved truck parking for at least 25 "heavy" trucks, which would require roughly an acre of parking.
- Master site plan will include additional truck parking, weigh scale, truck wash (3-5 years)

B. The necessity of and plan to demolish or remove structures.

- There is currently no structures on the property

C. Land coverage and building intensities in the Project Site after redevelopment (please attach a site plan if available).

- Lot Size – 5 acres
- Convenience Store – 7,000 Sqft
- Canopy's – 24'x132' and 24'x144'
- Paving – 100,000 Sqft
- Truck Wash – 5,500 Sqft (Future Building)
- Truck Scale – 1,000 Sqft (Future Structure)

D. Standards of population densities in the Project Site expected after redevelopment.

- None

E. A statement of any proposed changes to zoning, street layouts, building codes, or ordinances.

- We are not planning on changing the current zoning.

- We would like to get an extra curb cut off of East Overland to help support large flows of traffic.

F. A statement of any planned subdivision to the Project Site.

- We have no plans to subdivide this property.

G. A statement of additional public facilities and utilities required to support the Project Site after redevelopment.

- Public Restrooms
- WiFi
- ATM
- Possible Fax machine
- Electric
- Natural Gas
- City Water
- City Sewer
- City Storm Water

H. Employment within the Project Site before and after redevelopment.

- Currently there is no employment available on the site
- Our plan is to employ
 - 2-Full time Managers
 - 2-Full time Assistant Managers
 - 5-Part time Cashiers
 - 2-Part time Cooks
 - 3-Full time Cooks

I. Any other information you deem relevant.

- None

Question 6 Attachment;

Omitted; Proprietary



Great Western Bank®

Making Life Great™

Member FDIC

Question #12b Attachment

January 15, 2019

26 Group, LLC
C/O Eric and Brandy Reichert
5415 Oriole Dr
Scottsbluff, NE 69361

RE: Tax Increment Financing

To Whom It May Concern;

Great Western Bank has reviewed the proposed project and is willing to finance the project with the assistance of tax increment financing. In our financial analysis the project is not cost feasible to build without tax increment financing and Great Western Bank would not be able to fund the project without it.

Sincerely,

Troy Brandt
Business Banker
Great Western Bank

GreatWesternBank.com

City of Scottsbluff, Nebraska

Wednesday, February 20, 2019

Regular Meeting

Item 26 Group2

Conduct preliminary Cost-Benefit Analysis of redevelopment plan from 26 Group LLC.

Staff Contact: Starr Lehl

City of Scottsbluff, Nebraska

Wednesday, February 20, 2019

Regular Meeting

Item 26 Group3

Schedule March meeting.

Staff Contact: Starr Lehl

City of Scottsbluff, Nebraska
Wednesday, February 20, 2019
Regular Meeting

Item E Over1

Update on application received.

Staff Contact: Starr Lehl

City of Scottsbluff, Nebraska
Wednesday, February 20, 2019
Regular Meeting

Item E Over2

Discuss application review process.

Staff Contact: Starr Lehl

City of Scottsbluff, Nebraska
Wednesday, February 20, 2019
Regular Meeting

Item E Over3

Set date to review applications.

Staff Contact: Starr Lehl

City of Scottsbluff, Nebraska

Wednesday, February 20, 2019

Regular Meeting

Item Reports1

Reports from Staff.

Staff Contact:

City of Scottsbluff, Nebraska
Wednesday, February 20, 2019
Regular Meeting

Item 1

Other Business

Staff Contact:

City of Scottsbluff, Nebraska
Wednesday, February 20, 2019
Regular Meeting

Item 1

**Following passage of motion to enter into executive session,
presiding officer must state purpose of executive session.**

Staff Contact: