

**CITY OF SCOTTSBLUFF**  
**Scottsbluff City Hall Council Chambers**  
**2525 Circle Drive, Scottsbluff, NE 69361**  
**LB 840 Citizen Review Committee**

**Regular Meeting**  
**April 8, 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 Program Administrator (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. Approval of Minutes
  - a) Approval of minutes for meeting of April 12, 2018
6. Review Items
  - a) Review 9/30/18 Spreadsheet
  - b) Review 6/30/18 Spreadsheet
  - c) Review 12/31/18 Spreadsheet
7. Action Items
  - a) Approve Applicant Reports and Job Credit Spreadsheets
  - b) Review and consider action on M R Housing LB840 EDA Agreement.
  - c) Review and consider the addition of Retail Trade to the LB840 Plan and Application.
  - d) Review and consider the addition of Workforce Housing Guidelines and Application to the LB840 Plan.
    - i) Review Option #1
    - ii) Review Option #2
    - iii) Review Developer Application checklist
  - e) Authorize Report to City Council
8. Program Review
  - a) Discussion regarding the functioning and progress of the City's Economic Development Program.

- b) Economic Development Director Comments or Reports.
- 9. Closed Session (to consider any of the above matters, where an Executive Session is appropriate.)
  - a) Following passage of motion to enter into executive session, presiding officer must state purpose of executive session.
- 10. Adjournment.

**City of Scottsbluff, Nebraska**  
**Monday, April 8, 2019**  
**Regular Meeting**

**Item 1**

**Approval of minutes for meeting of April 12, 2018**

Staff Contact: Starr Lehl, Economic Development Director

## **CITIZEN'S ADVISORY COMMITTEE MINUTES**

**April 12, 2018  
Scottsbluff City Hall**

A meeting of the City of Scottsbluff Economic Development Citizen's Advisory Committee was held on April 12, 2018, at Noon, at City Hall, 2525 Circle Drive, Scottsbluff, NE.

Committee members in attendance were Mark Harris, Diane Vandenberg, Marci Meyer and Scott Philips. Also in attendance were Nathan Johnson (City Manager/Program Administrator), Liz Hilyard (City Finance Director) and Rick Ediger (Deputy City Attorney).

Chairman Harris opened the meeting. It was noted that a copy of the Nebraska Open Meetings Act is posted on the south wall of the Council chambers. There were no changes in the agenda or citizens with unscheduled business.

The first order of business was to approve the minutes of the January 26, 2018 meeting. It was moved by Meyer and seconded by Vandenberg that the minutes of that meeting be approved. Voting yes: Harris, Vandenberg, Meyer and Philips. Voting no: None.

The next order of business was to review Job Credit Reports from Economic Development Program participants. Due to the fact that confidential information would be presented, it was necessary for the Committee to go into executive session for the purpose of reviewing Job Credit Reports. It was moved by Philips and seconded by Meyer that the Committee go into executive session and include all City staff currently present at the meeting. Voting yes: Harris, Vandenberg, Meyer, and Philips. Voting no: None. The executive session began at 12:06 p.m.

At the conclusion of the executive session, the meeting was reconvened in open session at 12:28 p.m. The Chairman indicated the Committee had received information concerning various program recipients during the executive session, but no action had been taken during the executive session. Reports were received and reviewed from the following representing job credits earned as of December 31, 2017:

Vertex  
Aulick Manufacturing  
Fusion Ranch  
EagleMed  
Regional West Medical Center

The next order of business concerned an update concerning Flyover Brewing. Due to the recent roof collapse, its opening date will likely be pushed back. Work is still progressing on the building. The first Note payment due from Flyover was to be July 1, 2018, but the City expects that a request for extension may be made.

It was indicated that LB768 would authorize grants and loans for early childhood care and education programs. The City would need to go through the process of deciding whether a business engaged in this activity could be added as a Qualifying Business. However, this bill is not likely to be passed this session.

With respect to action items, it was moved by Vandenberg and seconded by Philips that the Job Credit Reports from the businesses listed above be accepted. Voting yes: Harris, Vandenberg, Meyer, and Philips. Voting no: None. Notification of this action by the Committee will be given to all of the above businesses.

Chairman Harris commented on the increased number of recent grants and loans. While he is in favor of helping local businesses, he was concerned about whether there would be sufficient amounts in the Economic Development Fund in the event there was an opportunity to bring in a large outside business. City Manager Johnson indicated that the City Council had committed \$1,000,000 to qualifying businesses that may locate in the Gering Industrial Park. Any such businesses would have to go through the normal City application process. In addition, \$588,000 had been committed to housing in order to support the LB518 grant applied for by Panhandle Regional Development, Inc.

It was moved by Philips and seconded by Meyer that staff prepare report to City Council indicating that the reporting businesses were in substantial compliance with their Agreements under the Program. Voting yes: Harris, Vandenberg, Meyer and Philips. Voting no: None.

There being no further business, it was moved by Mark and seconded by Vandenberg to adjourn the meeting. Voting yes: Harris, Vandenberg, Mark, Meyer and Philips; Voting no: None. The meeting was adjourned at 12:56 p.m.

---

Nathan Johnson, Program Administrator

**City of Scottsbluff, Nebraska**  
**Monday, April 8, 2019**  
**Regular Meeting**

**Item 1**

**Review 9/30/18 Spreadsheet**

**Staff Contact: Starr Lehl, Economic Development Director**

**City of Scottsbluff, Nebraska**  
**Monday, April 8, 2019**  
**Regular Meeting**

**Item 2**

**Review 6/30/18 Spreadsheet**

**Staff Contact: Starr Lehl Economic Development Director**

**City of Scottsbluff, Nebraska**  
**Monday, April 8, 2019**  
**Regular Meeting**

**Item 3**

**Review 12/31/18 Spreadsheet**

**Staff Contact: Starr Lehl, Economic Development Director**



# **City of Scottsbluff, Nebraska**

**Monday, April 8, 2019**

**Regular Meeting**

## **Item 1**

### **Approve Applicant Reports and Job Credit Spreadsheets**

**Staff Contact: Starr Lehl Economic Development Director**

# **City of Scottsbluff, Nebraska**

**Monday, April 8, 2019**

**Regular Meeting**

## **Item 2**

**Review and consider action on M R Housing LB840 EDA Agreement.**

**Staff Contact: Starr Lehl, Economic Development Director**

## **ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT**

This Agreement is made on August \_\_\_, 2017, between the City of Scottsbluff, Nebraska (the “City”) and Millennium Resilient International, Inc. (the “Applicant”).

### **Recitals:**

a. The City has adopted an Economic Development Plan pursuant to the Nebraska Local Option Municipal Economic Development Act (the “Plan”). Pursuant to the Plan, the City has implemented an Economic Development Program (the “Program”).

b. The Applicant has made application for assistance from the Program (the “Application”);

c. The Administrator of the Program (the “Administrator”) and the City Economic Development Application Review Committee (the “Committee”) have reviewed the Application and recommended to the City Council (the “Council”) that a loan (the “Loan”) be made to the Applicant from the City of Scottsbluff Economic Development Fund (the “Fund”) as provided for in this Agreement. The City Council has approved the Committee’s recommendation.

d. The parties now desire to enter into this Agreement for the purpose of setting out the terms and conditions of the Loan.

### **Agreement:**

#### **1. Purpose of Assistance:**

The Applicant has started a business which is or will be engaged in (i) the manufacturing of building components for domestic and international sales, and (ii) local development and construction of work force affordable housing (the “Business”). The proceeds of the Loan will be used for the purchase of equipment and working capital. The initial location of the Business is 3500 North 10<sup>th</sup> Street, Gering, Nebraska.

#### **2. Amount of Assistance:**

The Loan shall be in the amount of \$310,000 and shall be disbursed from the City’s Economic Development Fund (the “Fund”) to the Applicant as provided for below. The Loan shall be represented by a promissory note (the “Note”) to be signed at the Loan Closing in the form of the attached “Exhibit A”. The terms of the Note are as follows:

a. The Note shall carry interest from January 1, 2018 (the “Note Interest Date”) at the Applicable Federal Mid-Term rate for the month of the Loan Closing.

b. Interest payments shall be made on a quarterly basis, with the interest for each quarter due on the first day of a calendar quarter. The first interest payment shall be due on April 1, 2018.

c. Principal payments may be required if the Annual Job Credit for a year does not equal at least \$30,000, in which case, a principal payment shall be payable in an amount equal to the difference between that Maximum Annual Credit and the actual Annual Job Credit for the year. Any such principal payment shall be due on or before April 1 of the Year following the Year for which the Job Credits were deficient. If not sooner paid, the entire remaining balance of the Note shall be payable on or before March 31, 2023.

### **3. Loan Disbursement and Loan Closing:**

As soon as the Applicant has satisfied the conditions to the Loan Closing, the amount of the Loan shall be scheduled as a claim at the next Council meeting for which the matter may be reasonably scheduled. Disbursement of the Loan proceeds shall be made within 10 business days after the Council has approved a claim for the Loan. The disbursement of the Loan proceeds shall constitute the "Loan Closing".

### **4. Job Credits:**

As long as the Applicant is not in default of the Note, this Agreement, or any other document entered into pursuant to this Agreement, the Applicant shall receive a credit against the balance due under the Note for Job Credits earned during a Year. A "Year" shall mean the 12-month period ending on each December 31, with the first Year beginning January 1, 2018. "Annual Job Credits" shall be calculated as follows:

a. The Applicant is eligible to receive a "Base Annual Job Credit" during a Year equal to the FTE's for a Year multiplied by \$1000.

b. If at the end of a Year, (1) the Annual Report (as provided for below) indicates that the Applicant has any FTE's that have average earnings for the Year of at least (i) \$14 per hour in the case of hourly employees, or (ii) \$29,120 in the case of salaried employees, and (2) such employees are eligible for the Applicant's fringe benefit plan, then the Applicant may earn additional job credits (the "Additional Annual Credits") as calculated on a per employee basis based on the following table:

<u>Additional Credit</u>	<u>Hourly Rate (Based on 2080 hours)</u>	<u>Annual Salary</u>
\$200	\$14.00 to \$17.99	\$29,120 to \$37,439
\$400	\$18.00 to \$21.99	\$37,440 to \$45,759

\$600	\$22.00 to \$25.99	\$45,760 to \$54,079
\$800	\$26.00 to \$29.99	\$54,080 to \$62,399
\$1,000	\$30.00 and above	\$62,400 and above

In calculating the hourly rate or salary rate for purposes of the above table, the Applicant is entitled to add the hourly equivalent or annual cost of the following fringe benefits provided to the applicable employee by the Applicant: 401k Plan, profit sharing or equivalent retirement benefits, health insurance, and life and disability insurance.

c. For purposes of this Agreement, Annual Job Credit shall mean the total of the Base Annual Job Credits and the Additional Annual Credit.

d. The amount of the Annual Job Credit may not exceed \$62,000 per Year (the “Maximum Annual Credit”). If the Applicant earns credits in excess of the Maximum Annual Credit in any one Year, the excess credits may be carried back to one or more prior Years where the Maximum Annual Credit was not earned, as long as the Maximum Annual Credit is not exceeded for any one Year. Excess credits may not be carried forward.

d. In order to receive Annual Job Credits, the Applicant must file an Annual Report as provided for below. Annual Job Credits shall be applied against the principal balance of the Note.

## 5. Employee Definitions:

a. “Full Time Employee” shall mean a bona fide employee of the Applicant who (1) is classified by the Applicant as full time; and (2) subject to normal and reasonable waiting periods, is eligible for the employer’s normal fringe benefit package.

b. “Eligible Full Time Employee” shall mean a Full Time Employee who: (1) primarily works within Scotts Bluff County, Nebraska, and (2) resides within 60 miles of the City; provided, however any Full Time Employee who does not reside within 60 miles of the City at the time that the Full Time Employee is hired, shall nevertheless be considered an Eligible Full Time Employee if the Full Time Employee moves to a residence within the required geographic area within 6 months of the hiring of the Eligible Full Time Employee.

c. “Full Time Equivalent” Employees (the “FTE’s”) shall be the number arrived at by dividing the total hours paid by the Applicant to their Eligible Full Time Employees during a Year divided by 2080 hours, and then rounded down to the nearest tenth; provided, however, the maximum hours paid that can be counted for any one Eligible Full Time Employee shall not exceed 40 hours per week. Salaried employees shall be presumed to have been paid on the basis of 40 hours per week.

## **6. Representations and Warranties of the Applicant:**

The Applicant represents and warrants the following, all of which shall survive the Closing:

a. The Applicant is a limited liability company organized, existing, and in good standing under the laws of Delaware and is authorized to do business in Nebraska. The Applicant has full power and authority to enter into this Agreement and carry out the transactions contemplated by this Agreement. The Applicant's execution, delivery and performance of this Agreement have been authorized by all necessary action on the part of the Applicant. This Agreement, and each agreement and instrument delivered by the Applicant pursuant to it, is the legal and binding obligation of the Applicant, enforceable against the Applicant in accordance with its terms.

b. No representation or warranty made by the Applicant in this Agreement contains or will contain any untrue statement of any material fact, or omits or will fail to state any material fact known to the Applicant that are required to make the statements not misleading.

c. The execution and performance of this Agreement will not violate any provision of law, or conflict with or result in any breach of any of the terms or conditions of, or constitute a default under any indenture, mortgage, agreement or other instrument to which the Applicant is a party or by which they are bound.

All representations and warranties made by the Applicant shall survive the Loan Closing.

## **7. Representations and Warranties of the City:**

The City represents and warrants the following, all of which shall survive the Loan Closing:

a. The City is a municipal corporation organized and existing under the laws of Nebraska, and has full power and authority to enter into this Agreement and carry out the transactions contemplated by this Agreement. The City's execution, delivery and performance of this Agreement has been authorized by all necessary action on the part of the City. This Agreement, and each agreement and instrument delivered by the City pursuant to it, is the legal and binding obligation of the City, enforceable against the City in accordance with its terms.

b. No representation or warranty made by the City in this Agreement contains or will contain any untrue statement of any material fact, or omits or will fail to state any material fact known to the City that is required to make the statements not misleading.

**8. Certification of the Applicant:**

The Applicant certifies to the City that it has not filed nor does it intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for the Business.

**9. Conditions to Loan Closing:**

The City's obligation to proceed with the Loan Closing is subject to the Applicant's fulfillment of each of the following conditions at or prior to the Loan Closing:

- a. All representations and warranties of the Applicant shall be true as of the Loan Closing.
- b. The Applicant shall have delivered to the City:
  - (1) Evidence of Good Standing of the Applicant from the Nebraska Secretary of State.
  - (2) A copy of the current and correct Articles of Incorporation and Bylaws certified by an officer of the Applicant to be correct;
  - (3) Certified resolutions of the Directors of the Applicant authorizing this Agreement and providing for signature authority.
- c. In order to secure the Loan and the Repayment, the Applicant shall have delivered to the City the following:
  - (1) a Security Agreement (the "Security Agreement") covering the Applicant's inventory, equipment and accounts. The Security Agreement shall be in the form of the attached "Exhibit B".
  - (2) a guaranty (the "Guaranty") of the Amy Westphal, Mark Westphal and Rod Russell. The Guaranty shall be in the form of the attached "Exhibit C".
- d. The Applicant shall in all material respects have performed its obligations, agreements, and covenants contained in this Agreement to be performed by them, on, or before the Loan Closing.
- e. There shall have been no material adverse change in the operation or financial status of the Applicant and the Loan Closing shall constitute the Applicant's representations that there has been no such material adverse change.

f. In requesting the disbursement of the Loan, the Applicant is considered to have represented that the above conditions have been satisfied and are continuing to be satisfied.

#### **10. Annual Reports:**

The Applicant shall annually, within 60 days of the end of each Year, provide to the Administrator a report in form and substance acceptable to the Administrator which calculates the Annual Job Credit for the Year (the "Annual Report"). The Administrator shall have the right at any time to (i) require that the Annual Reports be reviewed at the Applicant's expense by a Certified Public Accountant reasonably acceptable to the Administrator, or (ii) hire, at the Administrator's own expense, an independent Certified Public Accountant or other business or financial expert, to review the books and records of the Applicant pertaining to the Annual Report and any other terms and conditions as provided for in this Agreement. If after a review or audit of the Applicant's records it is discovered that the Annual Job Credit claimed on the Annual Job Credit Report exceeds 10% of the Annual Job Credit as determined by the Administrator, then the Administrator may require the Applicant to reimburse the Fund for the actual cost of the audit.

#### **11. Default:**

The Applicant shall be in default in this Agreement and the Note if any of the following happen:

- a. Failure to comply with any of the terms of this Agreement, the Note or the Security Agreement, to include an assignment not permitted under this Agreement.
- b. Any warranty, representation or statement made or given to the City by the Applicant proves to have been false in any material respect when made or given.
- c. Dissolution or liquidation of any of the Applicant, the termination of existence, insolvency, business failure, appointment of a receiver, assignment for the benefit of creditors, or bankruptcy of the Applicant.
- d. The Applicant ceases to conduct its business or moves the Business outside of Scotts Bluff County.

#### **12. Assignability:**

The Administrator may assign his interest in this Agreement to any successor administrator designated by the City Council. The Applicant may not assign or transfer its interest in this Agreement without the consent of the Administrator. Assignment shall include a transfer of ownership of the Applicant which results in the Members owning less than 51% of the ownership interests of the Applicant.



**13. Confidentiality:**

It is agreed that this Agreement and its terms are public record and are not confidential. However, the City agrees to take reasonable steps to insure that any financial and proprietary information provided in connection with this Agreement by the Applicant shall remain confidential and shall not be revealed or disclosed to outside sources unless the information is public knowledge, is independently developed, or is required to be disclosed by law or legal process.

**14. Notices:**

Any notices or other communications between the parties shall be personally delivered, sent by certified or registered mail, return receipt requested, by Federal Express or similar service that records delivery, to the addresses set out below, or to such other address as a party may designate, from time to time, by written notice to the other. A notice shall be deemed effective upon receipt.

a. If to the City:

City of Scottsbluff  
2525 Circle Drive  
Scottsbluff, NE 69361  
Fax: (308) 632-2916  
Attention: City Manager

b. If to the Applicant:

Millennium Resilient International, Inc.  
3500 North 10<sup>th</sup> Street  
PO Box 567  
Scottsbluff, NE 69361  
Attention: Amy Westphal, President

**15. Miscellaneous:**

a. This Agreement constitutes the entire agreement of the parties with respect to its subject matter, and may only be modified by a writing signed by both of the parties.

b. The City's waiver of any one default shall not be a waiver of the same or any other default in the future. In addition, the City's failure to exercise any right given to it by this Agreement shall not be a waiver of any later exercise of that right.

c. The provisions of this Agreement are severable and if any provision is held to be invalid, the remainder of the Agreement shall remain in effect.

d. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but which together shall constitute a single instrument.

e. This Agreement shall be governed by the laws of Nebraska.

f. This Agreement shall be binding on the successors and assigns of the parties.

*[Signature page to follow]*

**Signature Page to Economic Development Assistance Agreement between  
the City of Scottsbluff, Nebraska and Walther Investment, LLC**

City of Scottsbluff, Nebraska

Millennium Resilient International, Inc.

By: \_\_\_\_\_  
Economic Development  
Program Administrator

By: \_\_\_\_\_  
Amy Westphal, President

# **City of Scottsbluff, Nebraska**

**Monday, April 8, 2019**

**Regular Meeting**

## **Item 3**

**Review and consider the addition of Retail Trade to the LB840 Plan and Application.**

**Staff Contact: Starr Lehl, Economic Development Director**

**City of Scottsbluff, Nebraska  
Economic Development Plan  
(as Amended and Renewed)  
Effective October 1, 2015  
(with amendments through March 19, 2018)**

**1. General Community and Economic Development Strategy:**

a. The voters of the city of Scottsbluff, Nebraska (the “City”) approved an Economic Development Plan (the “Plan”) for the City in 1995, pursuant to the Local Option Municipal Economic Development Act (the “Act”), Neb. Rev. Stat. §§ 18-2701, *et. seq.* The Plan was subsequently amended and renewed by the voters in 1999 and 2004. Under the Plan, and its subsequent amendments and renewals, the City has implemented its Economic Development Program (the “Program”).

b. The City’s intent for the Program is to enhance business and commercial investment in the Scottsbluff area through direct and indirect financial assistance to prospective or current businesses. The Program has enhanced, and will continue to enhance, the City’s ability to compete for new businesses and to promote and expand the City’s existing businesses. Primarily, the Program’s assistance strategy has been the extension of job credits to those businesses that can expand or create jobs in the local area. This strategy required the creation and retention of full-time jobs, along with health insurance and other benefits for those jobs. Thus the projects funded through the Program have generally been connected to businesses where growth is expected.

c. Other Program strategies have been utilized. The most notable strategies, other than job creation, have been job training and public works improvements. The City participated in providing funding to Western Nebraska Community College when it established its Center for Business and Individual Training (the “CBIT”). The CBIT trains employees of Qualifying Businesses (as provided for in this Plan), and has, since its inception, been instrumental to the local area for quality job training and for recruiting new businesses to the local area. In addition, the City has awarded grants for water line extensions to Qualifying Businesses located near Western Nebraska Regional Airport. Other strategies will be considered for activities which are eligible for funding under the Plan.

d. Due to the success of the Program to date, the City now desires to extend funding of the Program and to amend the Plan in total as provided for in this Amendment. Reference to the Plan in the remainder of this document shall include the Plan as amended by the terms of this document.

**2. General Intent and Proposed Goals of the Program:**

The goal of the Program is to provide quality jobs for the citizens of the City and the local area. Funds from the Program will be used to encourage and assist existing and new Qualifying Businesses to create and retain jobs, through direct or indirect financial assistance. This may include direct grants to Qualifying Businesses or indirect assistance through eligible

activities under this Plan. The success of the Program will be measured by a combination of (a) jobs created and retained in the City and the local area for the length of the Program, and/or (b) the total payroll provided or increased by Qualifying Businesses participating in the Program.

**3. Businesses Eligible for Financial Assistance under the Program:**

a. A business shall be considered eligible for financial assistance under the Program, and shall be referred to as a “Qualifying Business,” if it is any corporation, partnership, limited liability company, or sole proprietorship that derives its principal source of income from any of the following trades:

- (1) Manufacturing articles of commerce.
- (2) Conducting research and development.
- (3) Processing, storing, transporting, or selling goods or commodities sold or traded in interstate commerce.
- (4) Selling services in interstate commerce.
- (5) Headquarters facilities related to Qualifying Businesses as listed in this paragraph.
- (6) Telecommunications activities.
- (7) Tourism-related activities.
- (8) Any other activities deemed sufficient to establish eligibility for a Qualifying Business through future amendments to the Act, and incorporated into this Plan and the Program by ordinance of the City Council after amendment to the Act.
- (9) Construction and rehabilitation of housing pursuant to a Workforce Housing Plan, as provided for below.
- (10) Retail trade, but only if the principal source of income is from retail sales of product(s) manufactured on the premises from which the sales take place; provided, the total amount of incentives devoted to retail trade shall not exceed the limits provided for by Nebraska law.
- (11) Production of films, including feature, independent and documentary films, commercials, and television programs.
- (12) A business that derives its principal source of income from retail trade, except that no more than 40% of the total revenue generated pursuant to the Local Option Municipal Economic Development Act for an economic development program in any 12 month period and no more than 20% of the total revenue generated pursuant to the act for an economic development program in any 5 year period,

commencing from the date of municipal approval of an economic development program, shall be used by the city for or devoted to the use of retail trade businesses. For purposes of this subdivision, retail trade means a business which is principally engaged in the sale of goods or commodities to ultimate consumers for their own use or consumption and not for resale; and

b. If a Qualifying Business employs people and carries on activities in more than one city in Nebraska, or will do so at any time during the first year after its application for participation in the Program, it shall only be a Qualifying Business if, in each such city, it maintains employment for the first two years after the date on which the business begins operations in the City as a participant in the Program at a level not less than its average employment level in the other city during the twelve months before participation in the Program.

c. A Qualifying Businesses need not be located within the territorial boundaries of the City.

#### **4. Eligible Economic Activities:**

a. Funds allocated to the Program shall be expended primarily for the purpose of providing direct and indirect financial assistance for Qualifying Businesses. Activities eligible for the Program may include, but are not limited to, the following:

- (1) Direct loans or grants to Qualifying Businesses for fixed assets or working capital, or both.
- (2) Loan guaranties for Qualifying Businesses.
- (3) Grants for public works improvements essential to the location or expansion of, or the provision of new services by, a Qualifying Business.
- (4) Grants or loans for job training.
- (5) The purchase or real estate, options for real estate purchases, and the renewal or extension of such options. If and when real estate is to be purchased or optioned by the City under the Program, the real estate will be indentified based upon the need of a particular Qualifying Business or based upon potential needs of Qualifying Businesses not yet identified. All such real estate should be properly zoned with no excessive easements, covenants, or other encumbrances. Any proceeds received by the City from the future sale of such real estate shall be returned to the City's Economic Development Fund for reuse under the Program.
- (6) Issuing bonds as provided for in the Act.
- (7) Paying salaries and support of City staff to implement the Program, or paying expenses of contracting the administration of the Program to an outside entity.

- (8) Providing technical assistance to Qualifying Businesses, such as marketing assistance, management counseling, preparing financial packages, engineering assistance, etc.
- (9) Expenses for locating a Qualifying Business to the local area.
- (10) Equity investment in a Qualifying Business.
- (11) Grants or loans for the construction or rehabilitation for sale or lease of housing as part of a Workforce Housing Plan, as provided for below.

## **5. Workforce Housing Plan:**

“Workforce Housing Plan” means a program to construct or rehabilitate single-family housing or market rate multi-family housing which is designed to address a housing shortage that impairs the ability of the City to attract new businesses or impairs the ability of existing businesses to recruit new employees. In connection with the Workforce Housing Plan:

a. The City has participated in a Multi-County Regional Housing Study (the “Housing Study”) conducted by Hanna:Keelan Associates, P.C. for Western Nebraska Economic Development Interlocal Group. The Housing Study covered Scotts Bluff, Morrill and Kimball Counties, and communities within those Counties, to include the City. The Housing Study found that the current housing stock in the City and Scotts Bluff County, including both single-family and market rate multi-family housing, was deficient in numbers and quality, and that the City has a housing shortage.

b. The Workforce Housing Plan is intended to include all single-family housing and market rate multi-family housing. No special provisions for housing for persons of low or moderate income are provided for.

c. Due to the lack of available housing within the City and Scotts Bluff County, existing businesses have difficulty in recruiting new employees; and

d. Construction costs, and the cost of providing infrastructure for housing (to include streets and utilities) are adversely impacting the ability to find housing for persons seeking new or rehabilitated housing in the City.

## **6. Funding and Preliminary Budget:**

a. The Program will primarily be funded by a portion of the City Sales Tax equal to  $\frac{1}{4}$  of 1%. The sales tax collections to fund the Program will be collected from October 1, 2015 to September 30, 2025. The Program can also accept funding from grants, or from state or federal funds, or from donations.



b. Notwithstanding the actual amount collected by the City for the benefit of the Program, the City shall not appropriate funds derived directly from City sources of revenue in an amount in excess of the maximum permitted by Nebraska law in effect at the time of appropriation. By way of reference, the current limits as provided by Section 18-2717 of the Act prohibit the City from appropriating funds from local sources in excess of:

- (1) four-tenths of one percent of the taxable valuation of the City in the year in which the funds are collected;
- (2) \$4,000,000 per year; and
- (3) the amount approved by voters at elections approving the Program and the extension of the Program.

c. The above restrictions shall not apply to the re-appropriation of funds which were appropriated but not expended during the previous fiscal years, nor shall they apply to appropriation of funds received from other sources.

d. The total amount proposed to be directly collected from local sources is estimated to be as follows (amounts shown are in addition to amounts shown in the existing Plan which have not yet been collected):

<u>Fiscal Year Ending:</u>	<u>Estimated Collections</u>
September 30, 2016	\$1,000,000
September 30, 2017	\$1,025,000
September 30, 2018	\$1,050,000
September 30, 2019	\$1,075,000
September 30, 2020	\$1,100,000
September 30, 2021	\$1,125,000
September 30, 2022	\$1,150,000
September 30, 2023	\$1,175,000
September 30, 2024	\$1,200,000
September 30, 2025	<u>\$1,225,000</u>
Total:	\$11,125,000

e. The Basic Preliminary Budget is (October 1, 2015 through September 30, 2025):

Administration (2%):	\$222,500
Grants for eligible activities:	<u>\$10,902,500</u>
Total:	\$11,125,000

f. The City may issue bonds pursuant to the Act to fund and carry out the Program. The total amount of bonds that may be outstanding at any time shall be set by resolution of the City Council and shall not exceed the anticipated collections and resources which will be available to the Program during its existence.

g. The Program is currently in existence and shall continue in existence through September 30, 2040.

## **7. Application Process for Financial Assistance:**

a. For a Qualifying Business to be considered for Program benefits, the Qualifying Business shall first become an “Applicant” by applying to the City for assistance. The application shall contain information as required by this Plan and any additional information as requested by the Administrator and/or Application Review Committee (as explained below).

b. Upon Receipt of an application, the Program Administrator shall make a preliminary determination as to whether: (1) the Applicant is eligible as a Qualifying Business; (2) the proposed activities are eligible; (3) the Applicant has no legal actions underway that may significantly impact its capacity; and (4) the Applicant’s business complies with the provisions of the application guidelines.

c. Once the Administrator makes the preliminary determinations above, the application is referred to the Application Review Committee. The Application Review Committee shall review the application, including any financial information furnished, and shall provide recommendations to the Administrator concerning negotiations with the Applicant. Once the Application Review Committee has completed its review, and following any negotiations conducted by the Administrator, the Application Review Committee shall make a recommendation that: (1) the application be approved; (2) the application be disapproved; (3) the Application Review Committee is not able to make a recommendation on the Applicant due to lack of information or other factors cited by the Application Review Committee; or (4) the application be referred to the City Council for a determination of funding as set forth below.

d. Approval or disapproval will be based on whether the Applicant is able to show: (1) eligibility for funding; and (2) that the type of level of assistance will not unduly enrich the business or be unreasonable in relation to the public benefit to be achieved from the funding. If the recommendation is for disapproval or if the Application Review Committee is unable to make a recommendation, it shall provide reasons for its decision.

e. All approval recommendations from the Application Review Committee shall be submitted to the City Council for consideration of funding. The Application Review Committee may also refer to the City Council certain applications, in its sole discretion, where it is unable to make a recommendation. In making its determination, the City Council shall generally not be presented with any information which has been determined by the Administrator or Application Review Committee as confidential.

f. An Applicant which has been awarded funding under the Program shall thereafter be referred to as a “Funded Business.”

g. There shall be no limit on the number of times a Qualifying Business may apply for assistance. Applications shall be received until all funds anticipated for the Program have

been committed. The decision of whether or not Program funds shall be granted, including the timing and amount and the allocation of funds where there are not sufficient funds to fulfill the requests of all qualified Applicants, is at the sole discretion of the City.

## **8. Information Required from Applicants:**

a. Applications for assistance submitted by an Applicant shall include the following information:

- (1) Application in a form prescribed and provided by the Administrator;
- (2) Business Plan which includes financial projections for the next 3 years where appropriate;
- (3) Signed copies of the most recent 2 years' fiscal tax returns, or copies of all years where the applicant has been in existence for less than 2 years.
- (4) Signed copies of financial statements of the Applicant for the 2 most recent fiscal years, or copies for all fiscal years where the applicant has been in existence for less than 2 years.
- (5) Where the applicant is a closely held entity, signed balance sheets from holders of more than 25% of the ownership interests in the entity; and
- (6) Other information as requested by the Administrator or the Application Review Committee.

b. The Administrator may waive the furnishing of all or any portion of the above items where the Administrator is able to obtain reasonable assurances as to the stability of the Applicant from other reliable sources or information to include audited financial statements and filing with regulatory agencies (i.e., SEC filings).

c. The Administrator may also waive the furnishing of all or any portion of the above items where the Applicant agrees that no funds shall be paid to the Applicant until the Applicant has performed according to agreed-upon criteria.

d. The Administrator may use any reasonable methods to verify the information provided by the Applicant.

## **9. Confidentiality:**

a. In the process of gathering information about an Applicant or Qualifying Business, the City may receive information about the business which is confidential and, if released, could cause harm to the business or give unfair advantage to competitors. Nebraska law authorizes the City to maintain confidentiality of business and project records which come into its possession.

b. In order to protect the Applicants, and to encourage them to make full and frank disclosures of information relevant and necessary for the application, the City may take the following steps to ensure the confidentiality of the information it receives:

- (1) The continuation of any resolution or ordinance which makes such information confidential and punished disclosure;
- (2) A restriction on the number of people with access to confidential information, with the Administrator primarily responsible for their safekeeping and any distribution of confidential information; and
- (3) Requiring personnel reviewing the applications and other Program review to sign statements of confidentiality regarding all confidential information submitted by Applicants and Qualified Businesses.

#### **10. Administration:**

a. The Program Administrator shall be the City Manager unless (1) another city official is appointed by the City Council to serve as Administrator, or (2) the City by action of the City Council enters into a contract with a third party to administer the Program.

b. The Administrator shall be responsible for (1) generally administering the Program, (2) monitoring any and all reports required of Funded Businesses, and (3) assisting the Application Review Committee and the Citizen Advisory Committee (as provided below) by providing necessary information.

c. The Application Review Committee will be composed of 5 members to be appointed by the Mayor, subject to the approval of the City Council. At least 3 members of this Committee shall be residents of the City. At least one member must have experience in banking or lending and at least one member must be a Certified Public Accountant. The Program Administrator shall serve as an ex-officio, but non-voting member of the Application Review Committee. The Mayor, subject to the approval of the City Council, may also appoint up to 2 alternate members to the Application Review Committee, at least one of whom shall be a resident of the City. In the event that a Committee member is not available, or has a conflict of interest, with respect to a matter before the Committee, the Program Administrator may designate one of the alternates to act in the place of that Committee member.

d. In the event that the City has contracted with a third party for the administration of the Program, then the City Council shall designate a City employee as "Program Liaison Officer" to serve as an ex-officio, but non-voting member of the Application Review Committee and the Citizen Advisory Committee, and to keep the Council generally informed concerning the Program.

## **11. Review Process:**

a. In order to provide assurance that all applicable laws, regulation, and requirements are met by the City and all Funded Businesses, the City shall require annual reports, in the form to be prescribed by the Administrator, from all Funded Businesses unless the circumstances of the grant are such that annual reports are not appropriate and the City determines that annual reports will not be necessary at the time of the grant. In addition, the Administrator may conduct reviews of Funded Businesses as the Administrator deems appropriate.

b. A Citizen Advisory Committee shall be established which shall:

- (1) Review the functioning and progress of the Program at regular meetings, and advise the City Council with regard to the Program; and
- (2) Report to the City Council on its findings and suggestions at a public hearing called for that purpose, at least once every six months.

c. The Citizen Advisory Committee shall consist of not less than 5 or more than 10 registered voters of the City who shall be appointed by the Mayor subject to the approval of the City Council. At least one member of this Committee shall have expertise or experience in business finance or accounting. Except for ex-officio members, no member shall be an elected or appointed City official, an employee of the City, a participant in a decision-making position regarding expenditures of the Program funds, an official or employee of any Funded Business under the Program, or an official or employee of any financial institution participating directly in the Program.

d. At least once per year, the City shall provide for an outside, independent audit of the Program by a qualified private auditing businesses. The auditing business shall not, at the time of the audit or for any period of the term subject to the audit, have a contractual or business relationship with any Qualifying Business receiving assistance from the Program or any financial institution directly involved with a Qualifying Business receiving assistance from the Program. The results of the audit shall be filed with the City Clerk and made available to the public during normal business hours.

## **12. Amendment:**

This Plan shall be amended only to (1) conform to the provisions of any existing or future state or federal law, or (2) when necessary to accomplish the purposes of this amended Plan as presented to the voters of the City. Any amendment shall first require notice and a public hearing and shall be approved by a 2/3 vote of the members of the City Council. No amendment shall fundamentally alter the Plan's basic structure or goals, either with regard to eligible Qualifying Businesses, the use of the funds collected, or the basic terms set out in the amended Plans as presented to the voters of the City, without submitting the proposed changes to a new vote of the registered voters of the City, except as otherwise permitted by law.

**City of Scottsbluff  
Economic Development Grant Application**

**1. Applicant Information:**

Business Name:

Address:

Applicant Contact:

Business Phone:

E-mail address:

**2. Business Information:**

Structure of Business (proprietorship, partnership, LLC, corporation, etc.):

Ownership breakdown (include percentages for each Owner):

General Description of Business:

Products/Services:

Number of years in Business (or if a new Business, describe Owners experience in this type of business):

Proposed Location Address:

Current Zoning Classification:

**3. Employment:**

Base (current) number of full-time positions:

Full-time positions to be created:

Salary/Wage Range:

Benefits provided to employees (include any contribution required by Employees):

**4. Financial Need:**

Total project cost estimate:

Breakdown of use of funds:

Date funds are needed:

Investment to be made by Applicant (Amount & Source):

Loan(s) to be obtained (Amount & Bank Name):

LB840 financial assistance amount requested for the Project:

**\*\*The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.**

Other Loans/Grants (CDBG, TIF, Re-Use, etc.):

**5. Security Available:**

Guarantor(s):

Real Estate:

Existing Liens:

Personal Property:

Existing Liens:

Stock / LLC Interests:

Other:

**6. Eligibility:**

Principal Source of Income from (circle one):

- a. Manufacturing
- b. Research & development

- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing
- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required).
- k. Retail trade

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program:

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s):

**7. Additional Information to be submitted:**

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history).
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.
- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request.
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included.
- e. Business Plan, to include:
  - Total project costs to include itemized use of funds
  - Lender Commitments
  - Investor Commitments
  - Financial projections for the next 3 years.
  - Employment projections for the next 3 years
  - Identification of jobs to be created by description, number, average wage, benefits, etc.
  - Information as to suppliers, and in particular, those in the Scottsbluff area
- f. References, to include name, position, address and phone number:



- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.
- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.
- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.
- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.

#### **8. Small Business Assistance**

Small Business Assistance loans/grants up to a maximum amount of \$25,000; and not to exceed 25% of the total project will be available to qualifying businesses. A "Small Business" is defined as a retail business with 10 (ten) employees or fewer. Some, part, or all of the assistance may be forgiven. However, the business must provide annual reports to the city and remain operational for a minimum three years in order for the loan to be forgiven.

Stronger consideration will be given to businesses using the funds for capital improvements to their business.

#### **9. Nebraska Advantage Act:**

The Applicant certifies to the city as follows (select one):

- \_\_\_\_\_ The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.
- \_\_\_\_\_ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: \_\_\_\_\_; and whether such application has been approved under the Nebraska Advantage Act: \_\_\_\_\_.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated:

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

# **City of Scottsbluff, Nebraska**

**Monday, April 8, 2019**

**Regular Meeting**

## **Item 4**

**Review and consider the addition of Workforce Housing Guidelines and Application to the LB840 Plan.**

*Review Option #1*

*Review Option #2*

*Review Developer Application checklist*

Staff Contact: Starr Lehl, Economic Development Director

City of Scottsbluff  
LB840 Workforce Housing Plan

**Purpose**

The purpose of the LB840 Workforce Housing Plan is to provide “gap” financing to developers of workforce housing projects consistent with the Nebraska Rural Workforce Housing Investment Act (the Act).

Applicants are developers creating workforce housing in Scottsbluff and the surrounding area. Qualifying applicants will be those unable to fulfill 100% of the workforce housing financing needs with a combination of their own resources and those from a financial institution.

The LB840 fund (the Fund) will provide assistance to eligible borrowers and applicants for the provision of workforce housing in the City of Scottsbluff (the City) and surrounding area and be operated by the LB840 Application Review Committee (The Committee) with oversight by the Scottsbluff City Council (City Council) and comply with the Fair Housing Act.

Fund assistance may be provided in the form of fully performing loans, deferred loans, loan guarantees, loan participations, purchase and rental guarantees, equity investments, other credit enhancements or any form of assistance designed to reduce the cost of workforce housing related to the Fund. In some circumstances, Fund assistance may be provided in the form of a deferred forgivable loan or conditional grant.

Fund assistance is provided for “Projects” which may include land and infrastructure directly associated with workforce housing.

The Fund guidelines for loan amount are as follows: minimum \$5,000 and maximum \$1,000,000.

**Background**

Housing was added as an “eligible activity” under the LB840 Economic Development Act and approved by the Governor on March 30, 2016 under Legislative Bill 1059 (Nebraska Law 18-2701-18-2739).

**1.0 APPLICANT ELIGIBILITY**

**1.1 General (Conflict of Interest)**

No member of the governing body, official employee, agent or member of their immediate family of the City, who exercise policy, decision-making functions or responsibilities in connection with the planning and implementation of the Fund shall directly or indirectly benefit from this Fund. This prohibition shall continue for one year after an individual’s relationship with the City ends. Any other employee, elected official, committee member may be eligible, but will be treated no differently in the determination of applications accepted for funding. Enclosed with this person’s application shall be a statement of disclosure which outlines the nature of the possible conflict and a description of how the public disclosure was made. Included will also be verification that the affected person has withdrawn from the active involvement in any Fund assistance related issues associated with the project that is the subject of the Fund application.

**1.2 Project Eligibility**

All determinations for assistance will be based upon the proposed project's: direct impact on meeting the workforce housing needs of western Nebraska, likelihood and expediency of loan repayment (including borrower credit worthiness), and estimated expediency of occupancy. The proposed project must be for Workforce Housing. Workforce Housing is housing that meets the needs of today's working families; housing that is attractive to new residents considering relocation to western Nebraska, owner-occupied housing units that cost not more than two hundred seventy-five thousand dollars (\$275,000) (land and infrastructure costs included), or rental housing that cost not more than two hundred thousand dollars (\$200,000) per unit (land and infrastructure costs included); owner-occupied and rental housing units for which the cost to substantially rehabilitate exceeds fifty percent (50%) of a unit's assessed value; upper story housing; and housing that does not receive National Housing Trust Funds, Federal Low Income Housing Tax Credits, Community Development Block Grants, HOME funds, or funds from the Nebraska Affordable Housing Trust Fund.

### **1.3 Borrower Eligibility (Developer)**

In order to qualify for a developer loan from the Fund, the applicant (or applicant's affiliated party) must have ownership interest (risk) at some phase of the proposed project. The developer must demonstrate the following:

1. Financial strength necessary to mitigate risk for the Fund.
2. Reasonable developer financial contribution to the project development costs.
3. Site control or evidence that site control can reasonably be obtained in 30 days or less of loan approval.
4. Proven track record or other evidence of capacity to complete the proposed project.
5. Project budgets and pro-formas that support the requested loan amount and ability to repay.
6. Nebraska tax identification number and Certificate of Good Standing from the Nebraska Secretary of State.

## **2.0 PROPERTY ELIGIBILITY**

### **2.1 Location**

Projects to be financed with the Fund will be located within the extraterritorial zoning jurisdiction of a community in western Nebraska.

### **2.2 Cost Limitations**

For owner occupied housing units, costs cannot exceed \$275,000 per unit. For rental units, costs cannot exceed \$200,000 per unit. These limits include land and infrastructure costs.

For substantial repair or rehabilitation of dilapidated housing stock, the cost to rehabilitate must exceed 50% of the unit's assessed value.

Infrastructure development associated with workforce housing is eligible in association with eligible renter or owner occupied housing, proportionate to the number of workforce housing units and subject to the renter and owner occupied housing per unit cost limits.

Proportionality shall be determined by

1. Determining the amount of total project development costs (TPDC), including land and Infrastructure costs. Calculating the adjusted TPDC, which shall be the TPDC less the total of non-Scottsbluff LB840 Fund financing that is specifically designated for infrastructure costs (such as Tax Increment Financing loan proceeds).
3. Dividing the Fund financing amount for project development costs, including infrastructure (numerator) by adjusted TPDC (denominator).
4. Applying the ratio derived in 3. to the total proposed housing units serviced by the infrastructure to determine the minimum number (rounding up to a whole number) of units that must meet the housing unit eligibility requirements (including cost limitations) based on Fund contribution to infrastructure costs. *Housing units directly financed with the Fund are attributed to meeting the minimum number of eligible unit requirement in this calculation.*

### **2.3 Other Financing**

*Housing units to be financed with the Fund may not also be financed in any form or manner by National Housing Trust Funds, Federal Low Income Housing Tax Credits, State Low Income Housing Tax Credits, Community Development Block Grants, HOME Funds, or funds from the Nebraska Affordable Housing Trust Fund.*

### **2.4 Additional Ineligible Properties and Costs**

Fund assistance shall not be available in any form or manner for:

- Housing units located within a Special Flood Hazard area (SFHA);
- Furnishings and personal property not an integral structural fixture including purchase of equipment, fixtures, and motor vehicles;
- Mobile homes as defined by DED; Mobile homes means a movable or portable dwelling constructed to be towed on its own chassis, connected to utilities, and designed with or without a permanent foundation for year-round living. It may consist of one or more units that can be telescoped when towed and expanded later for additional capacity, or two or more units, separately towable but designed to be joined into one integral unit.

## **3.0 FINANCIAL ASSISTANCE – DEVELOPER LOAN PROGRAM**

### **3.1 Eligible Uses and Forms of Assistance**

Borrowers may draw upon the Fund's proceeds for any of the following uses, based upon specifics outlined in the loan application and the executed loan documents. All of these uses described below assume fundamental use is constructing, rehabilitating or operating workforce housing:

- Acquisition of land and buildings;
- Predevelopment expenses such as:
  - site control (options or purchase) and expenses associated with purchase (e.g. title work)
  - engineering
  - architectural
  - site plans
  - preliminary budgets and feasibility analyses
  - financing application fees

- permit fees
  - market studies
  - surveying
  - environmental site assessments
  - tax credit application fees
  - grant application fees to government entities, FHL Bank Affordable Housing Program, or foundations
  - Appraisal
  - Organizational (Partnership/LLC) expenses
- Construction or renovation of real estate either leased or owned for residential purposes;
  - Equity investment
  - Public and Private Infrastructure (streets, water, sewer, electrical) necessary to accommodate the eligible workforce housing project
  - Gap financing loan (permanent loans repaid with annual net operating income of the rental project or other sources as approved)
  - Permanent loan (primary or subordinated loans that with regular, periodic principal and interest payments)
  - Capitalization of reserves
  - Rent or sale (construction take-out) guarantees
  - Loan guarantee
  - Other forms of assistance and costs that are allowed in the Act and approved by the Scottsbluff LB840 Application Review Committee

### **3.2 Additional Risk Mitigation**

The Fund will target assistance to developers that demonstrate:

- Need for the assistance for the project to be feasible
- Likelihood of success in development of the project
- Experienced, qualified development team (including property management in the case of rental housing and sales strategy for for-sale homes)
- Strong market for the type of housing proposed
- Local support, particularly support of employers in western Nebraska
- Developer financial ability and willingness to guarantee the Fund loan

Portfolio Standards of the Fund investments in Developer Loans are as follows:

- Generally, the Fund may not represent more than 40% of the total (predevelopment and construction costs (including carrying costs in a for-sale housing project) or (b) permanent financing needs.
- Fund financing amount and form must be necessary and appropriate based upon review of other possible financial assistance
- Fund financing amount and form is reasonable in relation to the number and type of workforce housing units to be developed

- Incentive loans can be greater than \$250,000 and have more favorable terms for projects addressing a Fund priority:
  - Substantial number of eligible units
  - Portion or all of the eligible units will be located in western Nebraska communities
  - Projected full occupancy of housing units no later than April 1, 2020
  - Expedient loan deployment and repayment schedule OR substantial regular, periodic payments (for example monthly or semi-annual principal and interest)

## **4.0 APPLICATION PROCESS**

### **4.1 Application**

In order to obtain an application form the applicant must call or visit the City of Scottsbluff's office located at 2525 Circle Drive. City staff will explain the assistance available and will be responsible for processing the application, verifying income and determining the applicant's eligibility for participation in the Fund. During the application review, city staff may make recommendations and referral to other programs available for financing.

- The loan application for Developer Loans includes:
  - Proposed loan uses, amount, repayment source
  - Development pro forma
  - Operating pro forma (rental projects)
  - List of all sources of funds
  - Predevelopment/construction budget and monthly draw schedule
  - Developer personal tax returns and financial statements for the past two years
  - Development team biographies/resumes
  - Borrower/development team development history
  - Preliminary plans and specifications
  - Site description, location, zoning, current use, amenities
  - Timeline for development and occupancy
  - Developer/project sponsor management and governance information
  - Credit history authorization

City staff will review information submitted to ensure it is complete. The city may charge a \$250 developer loan application fee. Rate, terms, collateral and equity requirements will be finalized as negotiated between the applicant and staff as approved by the LB840 Application Review Committee.

### **5.2 Underwriting Criteria**

City staff will take into consideration underwriting criteria of the primary lender, when applicable, and the following mitigating factors in making a credit recommendation to the LB840 Application Review Committee (criteria is intended as a guide and not as absolute determinants)

A. Credit Guidelines: Borrower credit payment history, revolving accounts, any collections, judgments, liens, bankruptcy, foreclosures, repossessions, and credit depth.



- B. 1. For Developers – Net worth and other measures of financial strength based on recent Financial Statements.
- B. 2. For rental projects permanent financing – total debt service coverage ratio (DSCR) that does not fall below 1.15 beginning in the second full year of operation and throughout the loan period.
- C. Loan to Value ratio: for construction and permanent financing total loan to value ratio of all debt no greater than 95%.
- D. Compensating Factors: Any of the following may be considered as compensating factors providing they are strong: ratios, equity, assets, credit scores, track record (developers), and character references from reputable sources such as local lenders.

### **5.3 Procedure for Approval or Denial**

Applications will be reviewed on a first-ready, first-served basis. Only complete, original, and signed applications containing all information and documentation that are delivered to the City of Scottsbluff offices at 2525 Circle Drive, Scottsbluff, NE 69361 will be processed. Electronic copies received via e-mail or fax will not be processed until the original application is received via postal mail or delivery in person to the city office. First-ready means that the following items have been completed in order to present the application to the LB840 Application Review Committee : (1) applicant has completed application/initial interview, (2) Project eligibility has been determined, (3) Borrower eligibility has been determined (4) Developer: site control verified, experienced development team verified, relevant financial information reasonable and sufficient (development and operating pro formas, project budget, financial strength of guarantors, and other information as requested), (5) board loan summary prepared by city staff, presented to the LB840 Application Review Committee and recommended to the LB840 Application Review Committee for approval.

The LB840 Application Review Committee will meet as needed to review Loan Applications. Applications will be presented to the Committee ONLY if all of the above-mentioned items are completed.

The application will be reviewed by the Committee and then a recommendation provided to the Scottsbluff City Council based upon the recommendations of the Committee and City Staff.

The application will be reviewed and approved/denied by the City Council based upon the recommendation of the Committee. Approved applicants will be notified in writing and/or via e-mail, if available. Denied applicants will be notified in writing stating the reason for not being selected.

### **5.4 LB840 Loan Committee packet for Developer Loans:**

The loan packet presented to the LB840 Application Review Committee and the Scottsbluff City Council for Loans to Developers includes:

- Summary
- Development pro forma
- Operating pro forma (rental projects)
- List of all sources of funds
- Predevelopment/construction budget

- Developer personal tax returns and financial statements for the past two years
- Development team resumes and real estate schedule (information on previous developments)
- Preliminary plans and specifications
- Details of the proposed Fund assistance including
  - Terms
  - Interest rate
  - Source of repayment
  - Collateral, developer guarantees, and other loan security
  - Loan loss reserve allocation (Fund risk mitigation)
- **Proposed loan payment schedule**

Special circumstances regarding Developer loans may require a different repayment plan and will be structured accordingly. Some projects require special financing techniques to meet a borrower's needs. Recognizing that, a subordinate position to other lenders of record at time of the project may be taken. If a subordinate position is required, additional considerations will be taken so as to not jeopardize the loan portfolio. Other special financing techniques may include quarterly or semiannual payments, interest only payments during the first year, or some other method agreed upon by The Committee and the applicant.

Generally, loan payments on loans with regular, periodic payment schedules will start no more than 60 days after loan closing. During the loan payment period, The committee, at their discretion, may authorize a one-time, 3-month payment deferral or 3-month interest only payment.

## **6.0 Loan Closing – Developer**

The City will schedule the loan closing with the borrower. The loan closing may be conducted electronically via e-mail including scanned signatures and documents as allowable. The developer must submit original signed and notarized documents within 5 days after an electronic closing to The City.

The borrower will provide evidence of the following prior to or at loan closing, as applicable:

- Equity requirements have been met
- Other financing has been secured
- Proof of insurance appropriate for the type of project and Fund loan timing
- Appraisals
- Wiring instructions for loan advances

The City will prepare and have the borrower execute the following items at closing, as appropriate:

- Promissory Note
- Authorization and Loan Agreement
- Security Agreement
- Deed of Trust
- Guaranty

The City will provide loan advance request requirements to the borrower at or before loan closing. No funds will be disbursed until the borrower has satisfied all conditions established by The Committee, City

Council and staff as prerequisites for disbursement of funds and has signed all loan documents, as well as other documents necessary to protect the city's security interest in the collateral. The Committee will have final approval of loan advances. The City may charge an origination fee of \$250 for any loan of \$25,000 or less. If the loan amount is greater than \$25,000, the loan origination fee shall be equal to 1% of the loan amount.

The loan origination fee may be included in the loan request and deducted from the loan proceeds prior to disbursement to the borrower. At its discretion, city staff may substitute a commitment fee for the origination fee or waive or modify the origination fee.

## **6.1 Other Loan Conditions**

In addition to the above, and to the application requirements, all LB840 Fund borrowers must comply with certain requirements including the following:

- Signed statement that there are no outstanding judgments pending against the loan applicant and a current "Certificate of Good Standing" from the Nebraska Secretary of State.
- Agreement to acknowledge the participation or inclusion of LB840 Fund financing in marketing and other promotional efforts which cite financial supporters of their project.
- Valid title insurance policy whenever a lien on the property is being used as collateral.

## **6.2 Loan Payments**

The City will require annual financial statements, annual insurance renewals, conducting regular site visits to project and/or the borrower, review of annual project status reporting, and other reports that are specific to each loan. If requested documents necessary for loan monitoring are not received within 60 days as required by written communication, a monthly assessment of not less than \$100 may be assessed to the borrower and will be automatically withdrawn from the client's bank account electronically each month until received.

In the event of a late payment or loans over 90 days in arrears, city staff or city legal counsel will attempt to establish a workout arrangement with the borrower. Every effort will be made to assist the borrower but protect the Fund as well. Workout arrangements must be approved by the Committee after being reviewed by city staff. Substantial changes to the loan agreement will be approved by the Committee or City Council. All action taken on any give loan will be documented and reported to the City Council.

If payment is not honored from the bank, city staff documents contact with the client (either by phone or letter) – notifying the client of Non-sufficient Funds (NSF) charge and payment must be sent to the office by the 10th of the month to avoid a late payment fee of \$50. If bank financing is also involved, the bank is contacted to verify if their payments are also in jeopardy.

If the first payment is not received and the second payment is not made, a certified letter is sent explaining the NSF charge and the late payment fee again if not received by the 10th and the bank is contacted.

If the first two payments are not made and the third payment is not made, city staff will recommend to the Committee that legal remedies be sought. The Committee will decide whether to use legal remedies to resolve the matter. This may include a Default Notice being sent and filed.

In most instances, if a bank is involved as primary lender, the City will follow the actions of the bank as not to incur the cost of a Trustee's sale. If there is no bank involved the city will proceed with a Trustee's Sale if applicable.

## **6.6 Collateral Change Requests**

From time to time collateral change requests may be necessary. Loan subordination requests for refinancing of existing debt with no "cash out" will be approved by the Committee in the event it does not diminish our lien position. Any other requests must be approved by the Committee or City Council. All fees associated with any collateral change requests, will be the clients responsibility.

## **6.7 Loan Write-Off Collections**

The city may pursue bad debt any way possible to collect loans that have been written off. This may include, but is not limited to, wage garnishment and repossession of collateral.

## **6.8 Close-Out**

The City shall maintain and keep all applications as well as all other required document, records, and other evidence in conformance with the Rural Workforce Housing Act.

## **7.0 PROPERTY MAINTENANCE**

All properties permanently financed (developer borrowers) with the Fund shall be maintained in compliance with local ordinances and subdivision covenants.

## **8.0 CONSTRUCTION SUPERVISION, APPRAISAL, and COST CERTIFICATION**

All development is subject to review and inspection. All housing units built under this Fund shall be subject to appraisal to verify completed value. All housing units constructed or rehabilitated with this Fund shall be subject to a cost certification to verify the project meets the cost to build/rehabilitate per unit limitations of the Act. City staff and the Committee will determine the appropriate cost certification method on a per project basis.

## **9.0 DEVELOPER/CONTRACTOR DISPUTES**

Construction-related developer/contractor disputes or deficiencies and/or any disagreements regarding the construction of the homes shall be resolved prior to permanent loan assistance closing in a manner acceptable to all parties. Informal resolution of disagreements is recommended. Acceptance of the home and delivery of the deed at loan closing shall constitute the homebuyer's waiver of any rights concerning known defects or existing disputes or disagreements between the homebuyer and seller, subject only to such special warranty given by the seller on the home and as set forth in the documents delivered and accepted at the time of closing. The foregoing shall not limit warranty-express or implied-as may otherwise exist as a matter of law.

## **10.0 GRIEVANCE PROCEDURES**

In the event that any applicant feels he or she has been unfairly treated or discriminated against during the process of selections of projects to be funded, excluding the determination of ability to secure a mortgage loan from a financial institution (as applicable), or within any other segment of the Nebraska Workforce Housing Investment Act, he or she may appeal the decision of city staff to the Committee for their consideration. The appeal must be submitted in writing to the Chairman of the LB840 Application Review Committee and postmarked within 14 calendar days of the decision. The Committee will act to support or overturn the action within 30 days of the receipt of the appeal. The Committee will have final authority in the decision. City Council will be notified of any grievances that the City receives which are not resolved by the Committee's standard grievance procedures. In some cases it may be necessary to use a neutral third party as mediator between the city, the committee and the contractor.

Appeals regarding other loan eligibility (excluding the Fund) shall be made to the financial institution in accordance with their procedures.

#### **11.0 OFFICIAL CONTACT OFFICE**

The places of contact for this Fund shall be City of Scottsbluff, 2525 Circle Drive, Scottsbluff, NE 69361. Any grievances, suggestions or requests for information shall be directed to this office. This in no way shall be construed to limit other interested parties from distributing information about the Fund or receiving suggestions for amendments to the Fund. All grievances shall be directed to the City in writing.

**City of Scottsbluff LB840**  
**Workforce Housing**  
**Developer Loan Application**

THE CITY OF SCOTTSBLUFF LB840 WORKFORCE HOUSING FUND PROVIDES NON-TRADITIONAL LOANS TO ASSIST WITH THE PRODUCTION OF WORKFORCE HOUSING. NO APPLICANT SHALL, ON THE GROUNDS OF RACE, COLOR, OR NATIONAL ORIGIN, BE EXCLUDED FROM PARTICIPATION IN, BE DENIED THE BENEFITS OF, OR BE SUBJECTED TO DISCRIMINATION IN ACCORDANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 AS AMENDED. THE CITY ALSO COMPLIES WITH TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, SECTION 504 OF THE REHABILITATION ACT OF 1973, THE AGE DISCRIMINATION ACT OF 1975, THE DRUG ABUSE OFFICE AND TREATMENT ACT OF 1972, THE COMPREHENSIVE ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT AND REHABILITATION ACT OF 1970, SECTION 523 AND 527 OF THE PUBLIC HEALTH SERVICE ACT OF 1912 AND TITLE VIII OF THE CIVIL RIGHTS ACT OF 1968.

**A. BORROWER INFORMATION [Cannot be an individual]:**

Name of Borrower/Business \_\_\_\_\_

Name and Title of Borrower's Representative \_\_\_\_\_

Address of Borrower \_\_\_\_\_

City State Zip  
Business Phone \_\_\_\_\_ FAX No: \_\_\_\_\_

E-mail: \_\_\_\_\_ Cell No. \_\_\_\_\_

Outstanding litigation against borrower \_\_\_\_\_

Federal ID #: \_\_\_\_\_ Nebr. Tax ID #: \_\_\_\_\_

**B. DEVELOPER INFORMATION:**

Name of Developer/Sponsor \_\_\_\_\_

Length of time in development field \_\_\_\_\_ Number of projects developed \_\_\_\_\_

Development History \_\_\_\_\_

Outstanding litigation against developer \_\_\_\_\_

**C. GUARANTOR/COLLATERAL\*:**

Name of **Guarantor(s)** \_\_\_\_\_

[Must be financially able to repay loan, may be individuals and/or multiple parties.]

Outstanding litigation against guarantor(s) \_\_\_\_\_

Collateral for loan (e.g. lien on real estate) \_\_\_\_\_

*\*Please note that any federal or state low-income housing tax credits, Community Development Block Grants, HOME funds or funds from the Affordable Housing Trust Fund are not permissible and can NOT be used as a funding source to this fund.*

**D. PROJECT INFORMATION:**

**Project Location cost limits (all must be checked to qualify for funding):**

- ☐ Within the extraterritorial zoning jurisdiction of a community in western Nebraska
- ☐ New owner-occupied housing costing no more than \$275,000 to construct
- ☐ New rental housing units costing no more than \$200,000 per unit to construct
- ☐ Owner-occupied or rental housing units for which the cost to substantially rehabilitate exceeds 50% of a unit's assessed value
- ☐ Upstairs housing – plans must be submitted and fund cannot exceed 50% of total project cost

Owner of project (typically a LP or LLC) \_\_\_\_\_

Address of project \_\_\_\_\_

Description of project (include amenities) \_\_\_\_\_

Market for project \_\_\_\_\_

Employer(s) support of project \_\_\_\_\_

Status of project \_\_\_\_\_

Timeline of project \_\_\_\_\_

Site description (include current use of site) \_\_\_\_\_

Current zoning of site \_\_\_\_\_

Current ownership of site \_\_\_\_\_

Site control by project (Y/N) \_\_\_\_\_

Availability of utilities to site (Y/N) \_\_\_\_\_

Environmental issues on site \_\_\_\_\_

Anticipated project lenders \_\_\_\_\_

Anticipated project architect \_\_\_\_\_

Anticipated project general contractor \_\_\_\_\_

Anticipated project property manager \_\_\_\_\_

Other project team members \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**E. LOAN INFORMATION:**

Type of loan requested \_\_\_\_\_

Loan amount requested \_\_\_\_\_

Term/maturity requested \_\_\_\_\_

Loan will be used to pay for \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Source of repayment for this loan will be \_\_\_\_\_

**ATTACH FOLLOWING DOCUMENTS AS APPLICABLE TO THIS APPLICATION:**

- Organization documents of the borrower and all guarantors (formation documents such as Articles and Bylaws & 501c status, if applicable)
- Current Certificate of Good Standing for the borrower and all guarantors
- Developer personal tax returns and financial statements for the past two years
- Signed statement that there are no outstanding judgments pending against loan applicant and for Borrowers that are not individuals; or detail of outstanding litigation against borrower, developer or any guarantor
- List all sources of funds
- Bios/resumes for development team
- Borrower/Development team development history
- Development pro forma
- Operating pro forma (15 yr. operating income and expenses)
- Predevelopment construction budget and monthly draw schedule
- Preliminary plans and specifications
- Timeline for development and occupancy



- Developer/project sponsor management and governance information
- Evidence of site control
- Copy of a Credit report from Financial Institution **OR** Credit History Authorization (attached)

Once all documents have been received the City will review the application to determine if it meets the eligibility requirements to be considered by the LB840 Application Review Committee. If eligible, a meeting will be scheduled with you and the items on the Full Application Checklist will be requested. An origination fee of \$250 for any loan of \$25,000 or less will be collected. If the loan amount is greater than \$25,000, the loan origination fee shall be equal to 1% of the loan amount. The loan origination fee may be included in the loan request and deducted from the loan proceeds prior to disbursement to the borrower. If this loan is approved and the applicant chooses not to close the loan, the applicant agrees to pay GFDC a 1% loan application fee.

**The above information is accurate to the best of my knowledge and belief. The above information is provided to help you evaluate the feasibility of obtaining public financial assistance. It is further understood that the submission of this form does not constitute a formal loan application and that the form will be used for analysis and assessment purposes only.**

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

☐ I have received and read the City of Scottsbluff LB840 Workforce Housing Plan and will adhere to all requirements.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

### Credit History Search Authorization

By signing this agreement, I hereby give full authorization to the City of Scottsbluff to perform a credit history search on my past and current credit history. Also, I hereby give full authorization to utilize the information that I have supplied on this form for the purpose of performing a credit history search.

Applicants Full Name: \_\_\_\_\_

dba: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_

FAX: \_\_\_\_\_

E-mail: \_\_\_\_\_

Social Security #: \_\_\_\_\_

Fed I.D. #: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_



## City of Scottsbluff LB840 Workforce Housing Plan and Application

**Purpose:** To stimulate additional single family, townhouse/duplex, and multi-family development to meet a critical shortage of workforce housing in the Scottsbluff area.

**Goal:** Add new housing units in the Scottsbluff area.

**Incentive:** \$12,000 per new qualified single family housing unit or duplex/townhouse (note: for Townhouse/duplex, the housing unit incentive is \$12,000 per side). The program incentive for imported "Modular" homes is \$6,000. For multi-family units, "up to" \$6,000 per unit can be granted at Application Review Team discretion. The funding will be advanced after qualified units reach the ready for paint stage of construction, that is, "drywall is complete".

**Governance and Oversight:** The LB840 Application Review Committee will review all applications for participation in this initiative. It will be at the discretion of the Review Team how many housing units will be awarded to each respective developer/contractor depending on qualifications, experience, financial stability, plan of action and ability to perform within the restricted time line.

**Financial Wherewithal:** Applicant must include banking or investor's letter of reference that supports the company's ability to perform the construction requirements under this initiative.

**Failure to Perform Penalty:** Applications for housing units that are approved for funding under this program, but are not constructed as agreed upon, will receive no funds from this program and will incur a \$1,000.00 non-performance penalty payable to the City of Scottsbluff.

**Program Requirements:** Applicants must commit to building at least two (2) housing structures within program guidelines.

- Construction must be "drywall complete" on each and every awarded unit two years after date of application approval. This program may not be combined with other state funding incentives, but may use additional local incentives (e.g. Tax Increment Financing)
- Homes must be located within the Scottsbluff zoning jurisdiction or in the Cities of Gering, Terrytown, Kimball, Bayard, Bridgeport, Mitchell, Morrill
- For sale or for lease (rent) are both eligible

- The **maximum sales price per home is \$275,000**. Multi-unit apartments cannot cost more than \$200,000 per unit to construct (price levels are state requirements).
- Single family houses can qualify for \$12,000 in incentives (see Housing Minimum Requirements Below)
- Townhomes/duplexes can qualify for \$12,000 (see Housing Minimum Requirements below)
- Multi-unit structures (over 2 units) can qualify for "up to" \$6,000 per unit upon certificate of occupancy
- Modular Homes (as defined by State) can qualify for \$6,000 per unit upon certificate of occupancy
- Applicants must provide proof of credit/bank reference letter from a reputable financial institution.
- Communities other than Scottsbluff are required to provide a lot at no charge as part of the matching local commitment. This can be from any entity (city, village, non-profit, private citizen, etc.)
- Final decision of eligibility lies with the LB840 Application Review Committee. Individual housing projects must be approved in advance.

### **Housing Minimum Requirements**

#### **Single Family Home:**

1,400 square feet of living space,  
2 car garage and 1 ¾ bath

#### **Duplex/Townhouse (each side)**

1,400 square feet of living space  
each side, 2 car garage and 1 ¾  
bath

#### **Multi-Unit Complex (2+ units)**

Must meet city standards.

\*Maximum number of units

Awarded will be determined by the  
Application Review Committee

## LB840 Workforce Housing Application

Applicant (Company) Name: \_\_\_\_\_

Company Owner/Manager Name: \_\_\_\_\_

Federal EIN or Social Security Number: \_\_\_\_\_

Address: \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Company CEO Name: \_\_\_\_\_

Office Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Cell Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ email: \_\_\_\_\_

Number of qualified units that will be completed within this program \_\_\_\_\_ (minimum is two)

Number of Single Family: \_\_\_\_\_ Number of townhouses/duplexes: \_\_\_\_\_

Number of Multi-Units \_\_\_\_\_ Number of Upstairs Apartments \_\_\_\_\_

I, \_\_\_\_\_ (Authorized Signor), acting on behalf of \_\_\_\_\_  
(Builder) hereby attest and state as follows:

1. I have the authority to bind the Builder to this application and any future agreements;
2. If Builder's application(s) is/are approved for funding, Builder will abide by the terms and conditions of this application specifically, but not exclusively with regard to the dates, square footage, and other specifications as set forth in this application;
3. If Builder's application(s) is/are approved for funding, Builder will comply with all local, state, and national building codes applicable to this project.
4. I understand that there will be a non-performance penalty of \$1,000.00 per approved housing unit, should a unit not be "drywall complete" within the allotted time and meet the minimum specifications stated in the application and that such penalty shall be applied jointly and severally to Builder and Authorized Signor;
5. I understand and agree to the terms of this application and understand that if this application is approved for funding, Authorized Signor and Builder will be bound by the terms as they are set forth in this application;
6. I understand that there is no guarantee that all or any of this application will be approved and that it is possible for a portion of my application to be approved, and a portion of it to be denied;

Authorized Signor: \_\_\_\_\_ Date: \_\_\_\_\_

Witness: \_\_\_\_\_ Representing the City of Scottsbluff

**Please complete the following form for each structure in your application; noting the minimum number of qualifying structures is two (reproduce as needed):**

**Structure 1 details:**

**Location address or legal description:**

**Scheduled start date:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Scheduled Completion Date:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Check one:** Single Family: \_\_\_\_ Duplex/townhouse: \_\_\_\_ Modular \_\_\_\_ Multi-Unit \_\_\_\_

Square feet of living space: \_\_\_\_\_

Number of rooms: \_\_\_\_\_

Garage Double car (minimum for single family structures and duplex/townhouse): \_\_\_\_

Single Family Baths (single family minimum is 1 ¾ baths): \_\_\_\_

Duplex Baths (duplex units minimum of 1 ¾ baths): \_\_\_\_

Modular (single family minimum is 1 ¾ baths): \_\_\_\_

Foundation (Check One): Basement \_\_\_\_ Crawl Space \_\_\_\_ Slab on grade \_\_\_\_

**(Please attach plans with application)**

**For City of Scottsbluff use:**

Building permit or Land Use permit number: \_\_\_\_\_ Date Issued:

\_\_\_\_/\_\_\_\_/\_\_\_\_

Committee reviewed on \_\_\_\_/\_\_\_\_/\_\_\_\_ Recommendation: Favorable \_\_\_\_ Denied \_\_\_\_

Board Reviewed on \_\_\_\_/\_\_\_\_/\_\_\_\_ Approved \_\_\_\_ Denied \_\_\_\_ If Multi-Unit,

#Units \_\_\_\_

Notification Letter sent to applicant: \_\_\_\_/\_\_\_\_/\_\_\_\_

Site Inspection:

\_\_\_\_/\_\_\_\_/\_\_\_\_; by \_\_\_\_\_ comment:

Payment Awarded: \_\_\_\_/\_\_\_\_/\_\_\_\_

Sale Price (if applicable) \$ \_\_\_\_\_

**Structure 2 details:**

**Location address or legal description:**

**Scheduled start date:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Scheduled Completion Date:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Check one:** Single Family: \_\_\_\_ Duplex/townhouse: \_\_\_\_ Modular \_\_\_\_ Multi-Unit \_\_\_\_

Square feet of living space: \_\_\_\_\_

Number of rooms: \_\_\_\_\_

Garage Double car (minimum for single family structures and duplex/townhouse): \_\_\_\_

Single Family Baths (single family minimum is 1 ¾ baths): \_\_\_\_

Duplex Baths (duplex units minimum of 1 ¾ baths): \_\_\_\_

Modular (single family minimum is 1 ¾ baths): \_\_\_\_

Foundation (Check One): Basement \_\_\_\_ Crawl Space \_\_\_\_ Slab on grade \_\_\_\_

(Please attach plans with application)

**For City of Scottsbluff use:**

Building permit or Land Use permit number: \_\_\_\_\_ Date Issued:

\_\_\_\_/\_\_\_\_/\_\_\_\_

Committee reviewed on \_\_\_\_/\_\_\_\_/\_\_\_\_ Recommendation: Favorable \_\_\_\_ Denied \_\_\_\_

Board Reviewed on \_\_\_\_/\_\_\_\_/\_\_\_\_ Approved \_\_\_\_ Denied \_\_\_\_ If Multi-Unit,

#Units \_\_\_\_

Notification Letter sent to applicant: \_\_\_\_/\_\_\_\_/\_\_\_\_

Site Inspection:

\_\_\_\_/\_\_\_\_/\_\_\_\_; by \_\_\_\_\_ comment:

Payment Awarded: \_\_\_\_/\_\_\_\_/\_\_\_\_

Sale Price (if applicable) \$ \_\_\_\_\_





# City of Scottsbluff LB840

## Workforce Housing

### Developer Application Checklist

THE FOLLOWING MUST BE DELIVERED TO THE CITY OF SCOTTSBLUFF PRIOR TO CLOSING (unless otherwise indicated)	Received
1. Borrower & Guarantor Articles of Incorporation, By Laws and/or 501c status if applicable	
2. Current Certificate of Good Standing for borrower and guarantors	
3. Developer personal tax returns & financial statements for the past two years.	
4. Signed statement that there are no outstanding judgments pending against loan applicant and for Borrowers that are not individuals; or detail of outstanding litigation against borrower, developer or any guarantor	
5. List all sources of funds	
6. Bios/Resumes for development team	
7. Borrower/Development team development history	
8. Development pro forma	
9. Operating pro forma (15 yr. operating income and expenses)	
10. Predevelopment/construction budget and monthly draw schedule	
11. Preliminary Plans and Specifications	
12. Timeline for development and occupancy	
13. Developer/project sponsor management and governance information	
14. Evidence of site control	
15. Credit History Authorization (on application)	

**City of Scottsbluff, Nebraska**  
**Monday, April 8, 2019**  
**Regular Meeting**

**Item 5**

**Authorize Report to City Council**

**Staff Contact: Starr Lehl Economic Development Director**

# **City of Scottsbluff, Nebraska**

**Monday, April 8, 2019**

**Regular Meeting**

## **Item 1**

**Discussion regarding the functioning and progress of the City's  
Economic Development Program.**

**Staff Contact: Starr Lehl Economic Development Director**

**City of Scottsbluff, Nebraska**  
**Monday, April 8, 2019**  
**Regular Meeting**

**Item 2**

**Economic Development Director Comments or Reports.**

Staff Contact: Starr Lehl Economic Development Director

# **City of Scottsbluff, Nebraska**

**Monday, April 8, 2019**

**Regular Meeting**

## **Item 1**

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

**Staff Contact: Starr Lehl, Economic Development Director**