

City of Scottsbluff, Nebraska

Wednesday, April 10, 2019

Regular Meeting

Item Aulick2

Conduct Cost-Benefit Analysis of Redevelopment Plan.

Staff Contact: Starr Lehl

CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN
Aulick Industries Office and Truck Shop
By: HVS, LLP and Original Equipment Co. d/b/a Aulick Industries

Cost Benefit Analysis

A. *Tax Revenues and Tax Shifts Resulting from the Division of Taxes.* Real estate taxes from the base value of the Project Site will be available to the local taxing jurisdictions regardless of the tax increment financing. The base value of the Project Site is \$210,784.00 which produces an annual real estate tax of approximately \$4,379.00. The tax increment revenues created by the Project are estimated at approximately \$77,527.00 per year. The local taxing jurisdictions are the City, Scotts Bluff County, Scottsbluff Public Schools, WNCC, ESU 13, and North Platte NRD. The tax increment revenues will not be available to local taxing jurisdictions for up to 15 years after the effective date of the division of taxes, or earlier if the TIF Revenues pay off the TIF Indebtedness early. During those times, the tax increment revenues from the Project Site will be used to reimburse the Redeveloper for the eligible development costs (with interest) necessary for the Project, as set forth in the Redevelopment Plan.

B. *Public Infrastructure and Community Public Service Needs Impacts and Local Tax Impacts Arising from Project Approval.* This Project will require demolishing and reconstructing the existing storm drain on and serving the Project Site. Tax increment financing will pay for these improvements, and thus, no additional local tax impacts, except those identified in section A above will result from the Project.

C. *Impacts on Employers and Employees of Firms Locating or Expanding Within the Boundaries of the Redevelopment Project Area.* Currently the Project Site is used for storage and there is not employment on the Project Site. After redevelopment under the Plan, employment is expected to grow to 30 to 50 employees on the Project Site over the next five years. Approximately 20 of these employees will come from adjacent locations operated by the Redeveloper, but the remaining employees will be new hires.

D. *Impacts on other Employers and Employees within the City and immediate area located outside the Redevelopment Project Area.* No negative impacts on other employers and employees in the area are expected.

E. *Impacts on Student Populations of School Districts within the City.* No negative impacts on the student population at Scottsbluff Public Schools are expected.

F. *Other Impacts.*

- The Redeveloper estimates a substantial amount of personal property to be added as a result of this Project. Personal property taxes are not included in tax increment financing and are immediately available to the local taxing jurisdictions.
- Local contractors will be used for the redevelopment under the Plan.
- The Redeveloper has applied for and received approval of tax incentives under the Nebraska Advantage Act which includes a refund of City sales tax.

Approved by the Scottsbluff Redevelopment Authority on April ___, 2019.

Chair

Attest:

Secretary