

City of Scottsbluff, Nebraska

Monday, May 13, 2019

Regular Meeting

Item Pub Hear1

Conduct public hearing the purpose of reviewing and obtaining comment on a Redevelopment Plan submitted by Platte Valley Bank for the Platte Valley Addition Improvements Project.

The area to be redeveloped under the Redevelopment Plan is described as all of Block 1, Platte Valley Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska. This Redevelopment Plan includes a request for tax increment financing.

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Please Direct All Correspondence
To Scottsbluff Office

To: City of Scottsbluff Planning Commission
From: John L. Selzer, Deputy City Attorney
Date: May 9, 2019
Re: Platte Valley Addition Improvements Redevelopment Plan

Introduction: At your May 13, 2019 meeting you will conduct a public hearing regarding the Redevelopment Plan for the Platte Valley Addition Improvements Project (the “Plan” and the “Project”). The Plan in your meeting packet is a preliminary plan and there may be updates to the Plan by the time of your meeting. However, there are no updates expected which would change the issues addressed in this memo. The proposed Project is in an area that has been designated as blighted and substandard and in need of redevelopment. After the public hearing, you will make a recommendation regarding the Plan and Project to the Scottsbluff Community Redevelopment Authority (“CRA”) and City Council.

Standard of Review: The Planning Commission is tasked with reviewing and recommending whether the Project and Plan conform to the general plan for development of the City as a whole. Thus, you must analyze whether the Project and Plan conform to the 2016 Scottsbluff Comprehensive Plan (the “Comprehensive Plan”).

Issues Relevant to Your Review: The Project Site is legally described as follows: Lots 1, 2, and 4, Block 1 Platte Valley Addition and Lots A and B, Subdivision of Lot 3, Block 1, Platte Valley Addition, in the City of Scottsbluff, Scotts Bluff County, Nebraska.

According to the Comprehensive Plan, the Project Site is in the Northeast District and in the Highway 26 Commercial neighborhood. Themes of the Northeast District include major office opportunities in major arterials, strong civic groups, available resources, and civic events. A principle of interconnection includes enhanced employment centers set back from the highway and accessible from residential areas and main thoroughfares. The Highway 26 Commercial neighborhood contemplates daytime and nighttime activities, both personal and commercial vehicle use, formalized pedestrian facilities, and enforced aesthetic and landscaping standards.

The Project Site is zoned as C-2 (Neighborhood Commercial), which includes banks and office and professional services as permitted uses. Thus, no zoning changes are necessary.

Conclusion: If at the conclusion of the public hearing, the Planning Commission feels that the proposed Project and Plan conform to the Comprehensive Plan, it may recommend approval of the Plan and Project to the CRA and City Council. A proposed resolution has been provided.

CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN

Platte Valley Addition Improvements Project

By: Platte Valley Bank

1. Introduction/Executive Summary

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

Platte Valley Bank, as Redeveloper, owns the “Project Site” which is generally described as the Platte Valley Addition located between 11th Avenue to the west, 13th Avenue to the east, Circle Drive to the north, and E. 20th Street to the south. Platte Valley Bank is a subsidiary of Platte Valley Financial Service Companies, Inc. (“PVC”). The Project Site is PVC’s main campus.

PVC previously used a portion of the “Professional Center” on the corner of 11th Avenue and Circle Drive as a community room, but that space is now needed for PVC operations due to PVC’s increased local employment. The Redeveloper is constructing a new building on the Project Site to serve as PVC’s Community Center which will be available for a wide variety of community events, organization meetings, trainings, and other functions.

The improvements under this Plan are proposed to address the safety of employees, customers, and other pedestrians walking across and around Platte Valley Drive, which is a public street, due to increased use. The improvements under this Plan will also enhance drainage of the Project Site and provide for demolition of an existing substandard parking area outside of the new Community Center to prepare the site for improved parking.

The Project Site has been declared to be blighted and substandard. The Redeveloper is requesting tax increment financing for certain eligible costs and expenses related to the Project.

2. Blighted and Substandard Condition of Project Site (NEB. REV. STAT. §§ 18-2103 (3) and (31) and 18-2109)

The City has declared the Project Site and surrounding areas as blighted and substandard as defined in the Nebraska Community Development Law.

3. Statutory Elements (NEB. REV. STAT. §§ 18-2103(27) and 18-2111)

A. *Boundaries of the Project Site:* The Project Site is legally described as follows:

Lots 1, 2, and 4, Block 1 Platte Valley Addition and Lots A and B, Subdivision of Lot 3, Block 1, Platte Valley Addition, in the City of Scottsbluff, Scotts Bluff County, Nebraska.

Aerial maps of the Project Site are found in Attachment 1. Plats of the Project Site are found in Attachment 2.

B. *Land Acquisition:* The Redeveloper owns the Project Site, so no land acquisition is contemplated under this Plan.

C. Uses, Condition, Land Coverage, and Building Intensities: The Project Site is PVC's main campus. Land uses, condition, land coverage, and building intensities are as follows:

1. Lot 1 contains the Platte Valley Professional Center, which is a 14,082 square foot office building. Platte Valley Bank recently acquired the Professional Center. Previously, a portion of the Professional Center was used as offices of an accounting firm, a portion was used as a community room for PVC, and a portion was used as offices for PVC. In 2018, the Professional Center was renovated and 2,157 square feet of building space was added. Now, JG Elliott Insurance Company (a Platte Valley Company) and Platte Valley Bank's trust and brokerage services are located in the Professional Center.
2. Lot 2 contains Platte Valley Bank's main bank, which covers approximately 14,000 square feet of land.
3. Lot A contains a newly constructed building of approximately 4,000 square feet. The building is near completion and will be used as a Community Center for a wide variety of community events, organization meetings, trainings, and other functions. There is currently substandard asphalt parking south of the building which will be demolished and resurfaced as part of this Plan. See Attachment 3. (The substandard asphalt parking mentioned above is located on Lot B, described below.)
4. Lot B contains an office building, which was previously JG Elliott Insurance Company's offices. The building is now used as PVC's Operations Center, which includes data processing, loan and deposit operations, the credit card department, the audit and compliance department, and other operational departments of the entire Platte Valley Companies. Platte Valley Bank's acquisition and expansion of the Professional Center (on Lot 1) and the construction of the Community Center (on Lot A) created the possibility for PVC to use of the building on Lot B as PVC's Operations Center. This was an important element in keeping these jobs in the community and accommodating further growth.
5. Lot 4 is currently gravel parking for PVC's employees. This lot will be paved and lighted as part of this Plan.
6. Platte Valley Drive is a public street which runs east/west through the Platte Valley Addition. 13th Avenue is a public street which runs north/south, along the east side of Lot 2. Storm water drainage on the Project Site is a current problem. Rain showers and other wet conditions create streams and standing water on Platte Valley Drive. This Plan will address the drainage problem. This Plan also contemplates raised crosswalks across and public sidewalks along Platte Valley Drive to enhance the safety of the increased number of employees, customers, and pedestrians crossing Platte Valley Drive.

D. Site Plan: See Attachment 4.

E. Demolition and Removal of Structures: No structures will be demolished as part of this Plan.

- F. Population Densities:* The Plan does not contemplate a change in population densities around the Project Site. The Plan contemplates, and seeks to address, issues related to the increased use of the Project Site by PVC employees and customers and the general public's use of the Community Room.
 - G. Zoning Changes:* The Project Site is zoned as C-2 (Neighborhood Commercial), which includes banks and office and professional services as permitted uses. Thus, no zoning changes are necessary.
 - H. Additional Public Facilities and Utilities:* The Project will require storm water drainage improvements, sidewalk improvements, and public street improvements as explained above. The Project also includes improved parking for PVC's Community Room which will be available for a wide variety of community events, organization meetings, trainings, and other functions.
 - I. Street Layouts, Street Levels, and Grades:* No changes in street layouts and grades are contemplated under this Plan. Raised sidewalks will be added to Platte Valley Drive as explained above.
 - J. Ordinance and Building Code Changes:* No ordinance or building code changes are contemplated by the Plan.
4. Conformity to General Plan of the City (NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a)).

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

According to the 2016 Scottsbluff Comprehensive Plan, the Project Site is in the Northeast District and in the Highway 26 Commercial neighborhood. Themes of the Northeast District include major office opportunities in major arterials, strong civic groups, available resources, and civic events. A principle of interconnection includes enhanced employment centers set back from the highway and accessible from residential areas and main thoroughfares. The Highway 26 Commercial neighborhood contemplates daytime and nighttime activities, both personal and commercial vehicle use, formalized pedestrian facilities, and enforced aesthetic and landscaping standards. The Redeveloper's current use and improvement of the Project Site is consistent with the Comprehensive Plan.

5. Proposed Financing

A. Tax Increment Financing. The Redeveloper is requesting tax increment financing to pay for statutorily eligible expenses, to the extent such funds are available. The tax increment financing will be generated from the increased property taxes to be paid on the Project Site after development all in accordance with NEB. REV. STAT. § 18-2147. The amount of the available proceeds from tax increment financing ("TIF Revenues") is estimated at approximately \$592,346.00, calculated as follows:

2018 Assessed Value (Base)	\$7,135,402.00	
2019 Assessed Value (Yr 1)	\$7,984,767.00	
Year 1 Increment	\$ 849,365.00	
Multiplied by approximate 2.16% levy	x .0216	
Year 1 TIF Revenue (Rounded)		\$ 18,346.00
Estimated Value after Completion	\$9,040,415.00	
Year 2-15 Increment	\$1,905,013.00	
Multiplied by approximate 2.16% levy	x .0216	
Yr 2-15 Annual TIF Revenue (Rounded)	\$ 41,000.00	
Multiplied by 14 years	x 14	
Year 2-15 Total TIF Revenue (Rounded)		\$ 574,000.00
Estimated TIF Revenues Available:		\$ 592,346.00

Note: The above figures are based on estimated values and levy rates. Actual values and rates may vary materially from the estimated amounts.

The TIF Revenues will be used to make principal and interest payments toward a tax increment financing bond ("TIF Indebtedness") to be held or sold by the Redeveloper.

Because the Plan proposes the use of tax increment financing, the City must find that the Plan would not be economically feasible without the use of tax increment financing and the Project would not occur in the blighted and substandard area without the use of tax increment financing. The City and the CRA must also find that the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed and been found to be in the long-term best interest of the community. NEB. REV. STAT. §§ 18-2113(2) and 18-2116(1)(b).

The Redeveloper certifies that this Plan would not be economically feasible and would not occur in the blighted and substandard area without the use of tax increment financing. Tax increment financing is critical in the Redeveloper's decision to proceed with the drainage, public street improvements, raised sidewalks, and parking lot improvements contemplated by this Plan. These elements of the Plan would not be economically feasible without tax increment financing. The availability of tax increment financing to pay for these improvements has incentivized Redeveloper to proceed with these elements of the Project.

Notwithstanding the foregoing, the Redeveloper understands the liability of the CRA and City is limited to the TIF Revenues received by the CRA related to the Project to pay the TIF Indebtedness. The Redeveloper shall look exclusively to the TIF Revenues related to this Project for the payment of any TIF Indebtedness. The Redeveloper acknowledges that the above figures are, and any TIF Indebtedness will be set, based on estimates and assumptions, including expectations as to the completion of construction and property valuations suggested by the Redeveloper which may alter substantially and materially, and/or certain project costs incurred by the Redeveloper, and that tax increment revenues may be altered or eliminated entirely based on future decision of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

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

<u>Description</u>	<u>Estimated Cost</u>
Asphalt Demolition (Community Center Parking)	\$ 18,967.00
Concrete Demolition (Drainage Improvements Prep)	\$ 18,500.00
Drainage Improvements	\$ 79,000.00
Raised Crosswalk (Platte Valley Drive)	\$ 65,250.00
Sidewalk/Curb & Gutter/Handicap Ramp (Platte Valley Drive)	\$ 47,500.00
Lighting	\$ 48,000.00
Engineering	\$ 17,135.00
<u>Plan Preparation/Legal</u>	<u>\$ 10,000.00</u>
TOTAL	\$ 304,352.00

A proposed statutory Cost-Benefit Analysis of the Project is attached as Attachment 5.

B. Private Investment/Financing. The Redeveloper has made and is making a substantial private investment in and obtained private financing related to the Plan, estimated in the amount of \$3,300,000.00.

Please note that all the figures in this Plan are estimates and tax increment financing granted will be based on actual costs incurred for eligible expenses.

6. Implementation of the Plan.

Upon approval of this Plan, the Redeveloper will enter into a Redevelopment Contract with the CRA which shall govern the implementation of this Plan. All public improvements related to this Plan shall be according to (a) plans and specifications approved in writing by the City in advance of commencement of construction, (b) all ordinances and codes adopted by the City, as in effect at the time that the public improvements are constructed, and (c) any other agreement related to the public improvements between the Redeveloper and the City. The Redevelopment Contract between the Redeveloper and the CRA shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, or licenses from the City related to the public improvements or other improvements as may be required by the City for the type of work to be performed on the Project Site.

Dated: _____

Platte Valley Bank

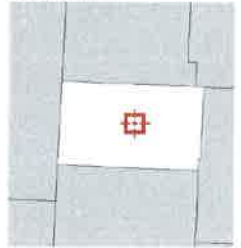
By: _____
**Jody Miles, Chief Financial
Officer/Senior Vice President**

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**Platte Valley Addition Improvements Redevelopment Plan
Attachment 1
Aerial Maps of Project Site**



Overview



Legend

-  Subdivisions
-  Roads

Date created: 4/29/2019

Developed by  **Schneider**
GEOSPATIAL



**Platte Valley Addition Improvements Redevelopment Plan
Attachment 2
Plats of Project Site**

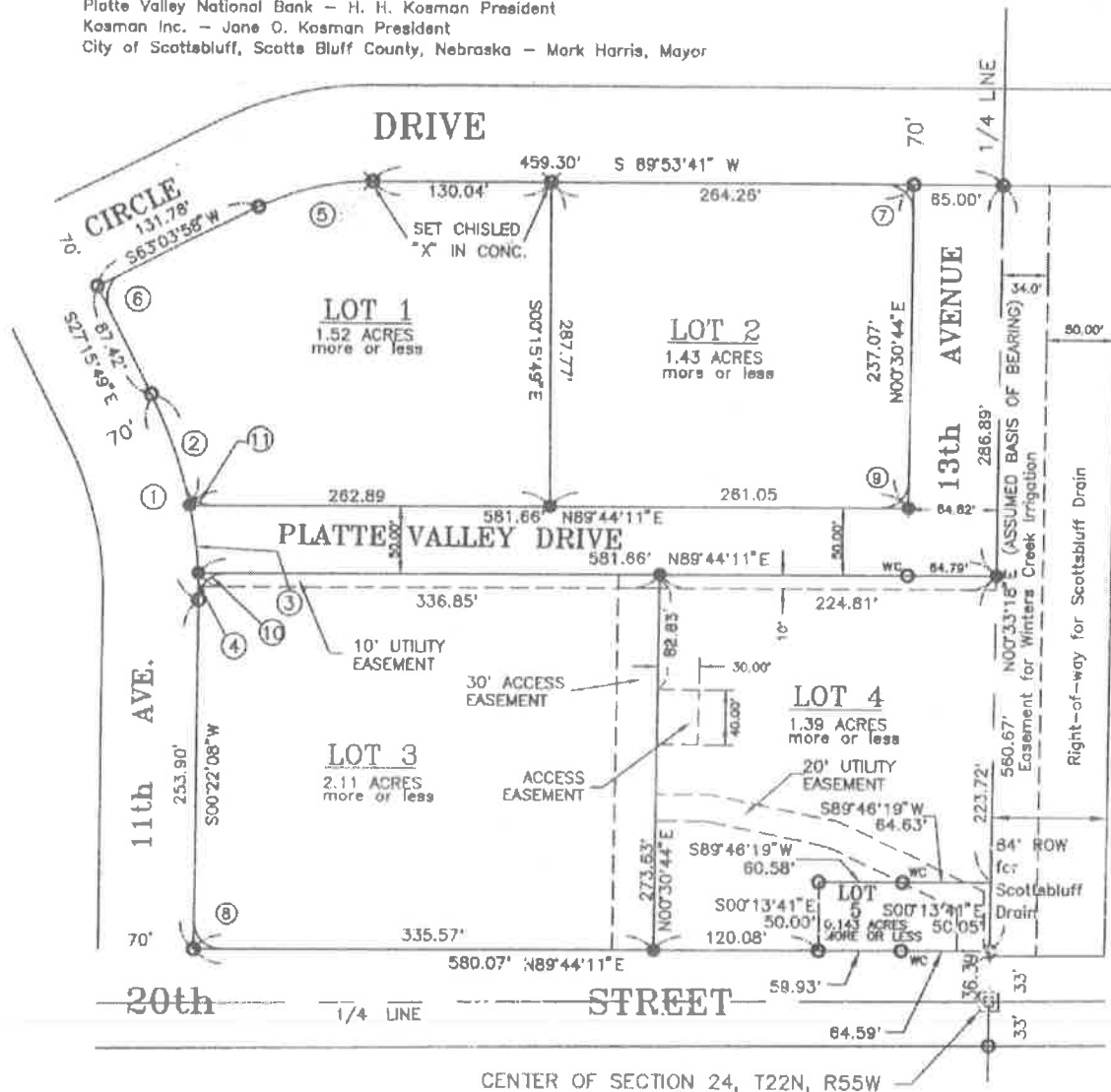
FINAL PLAT OF LOTS 1, 2, 3, 4 & 5 BLOCK 1, PLATTE VALLEY ADDITON

3904

TO THE CITY OF SCOTTSBLUFF, SCOTTS BLUFF COUNTY, NEBRASKA

Owners:

Mr. Scobie I. Amott,
Platte Valley National Bank - H. H. Kosman President
Kosman Inc. - Jane O. Kosman President
City of Scottsbluff, Scotts Bluff County, Nebraska - Mark Harris, Mayor



NUM PAGES 2
 DOC TAX PD CHG RET
 FEES 11.50 PD CHG RET
 TOTAL ck 19.50 BY
 CK NUM ck 19.50 BY
 REC'D Baker & Associates - Survey

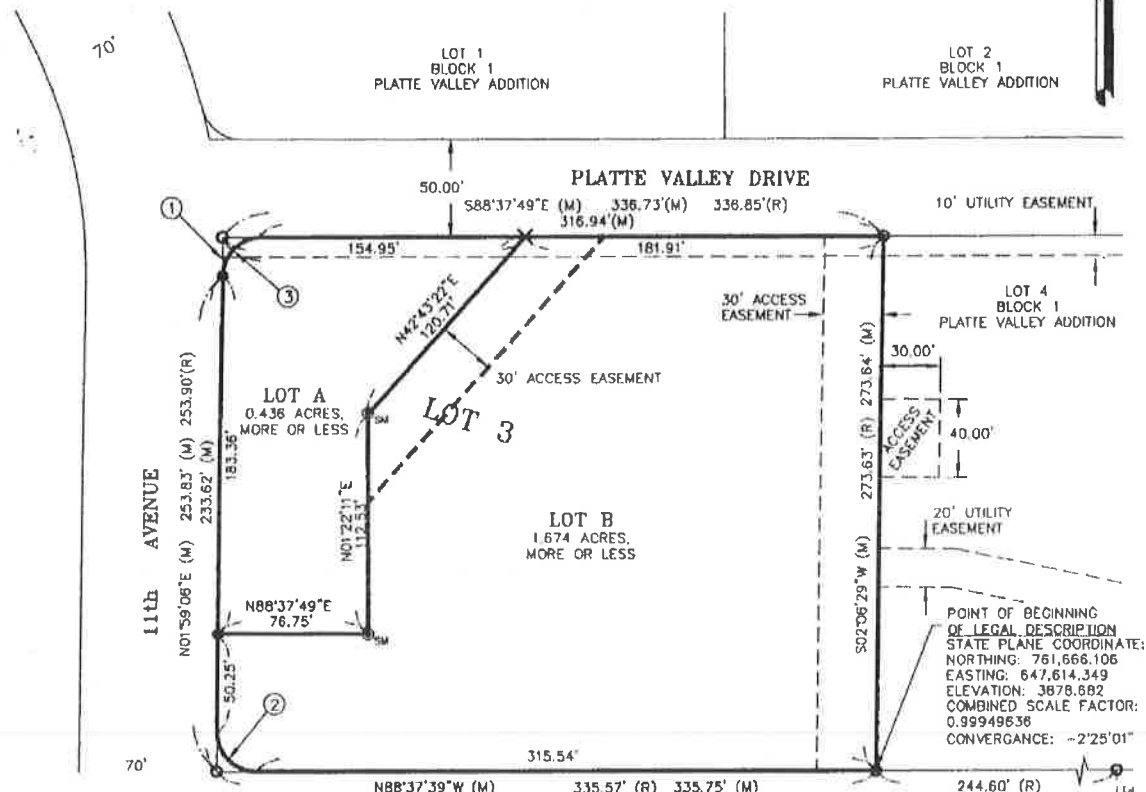
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 SCOTTS BLUFF COUNTY, NE
 '03 FEB 26 PM 1:44

INDEXED
 COMPUTER
 PICTURED
 IMAGED

RECORD NUMBER

PAGE 1 OF 2

FINAL PLAT
 OF
 LOTS A AND B,
 SUBDIVISION OF LOT 3,
 BLOCK 1, PLATTE VALLEY ADDITION
 TO THE CITY OF SCOTTSBLUFF, SCOTTS BLUFF COUNTY, NEBRASKA



LEGEND:

- FOUND 5/8" REBAR
- SET 3/4" X 36" REBAR
- ⊙ SET "SURVEY MARK" NAIL
- ✕ SET CHISELED 'X' IN CONCRETE

Owner:
 Platte Valley National Bank - H. H. Kosman President

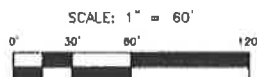
Legal Description:

Lots A and B, Subdivision of Lot 3, Block 1, Platte Valley Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska, more particularly described as follows:

Beginning at the Southwest corner of Lot 4, Block 1, Platte Valley Addition, said point being the POINT OF BEGINNING of this description and being on the Northerly Right-of-way (ROW) line of 20th Street; thence N88°37'39"W on the said Northerly ROW line a distance of 315.54 feet; thence continuing on said Northerly ROW line 31.63 feet on a curve to the right, said curve having a radius of 20.00 feet, on included angle of 90°36'45", with a long chord bearing of N43°19'17"W for a distance of 28.44 feet, to a point on the Easterly ROW line of 11th Avenue; thence N01°59'06"E on said Easterly ROW line a distance of 233.62 feet; thence continuing on said Easterly ROW line 31.20 feet on a curve to the right, said curve having a radius of 20.00 feet, on included angle of 89°23'05", with a long chord bearing of N46°40'38"E for a distance of 28.13 feet, to a point on the Southerly ROW line of Platte Valley Drive; thence on said Southerly ROW line S88°37'49"E a distance of 316.94 feet to the Northwest corner of said Lot 4; thence on the Westerly line of said Lot 4 S02°06'29"W a distance of 273.64 feet to the point of beginning, containing 2.110 acres more or less.

CURVE DATA:

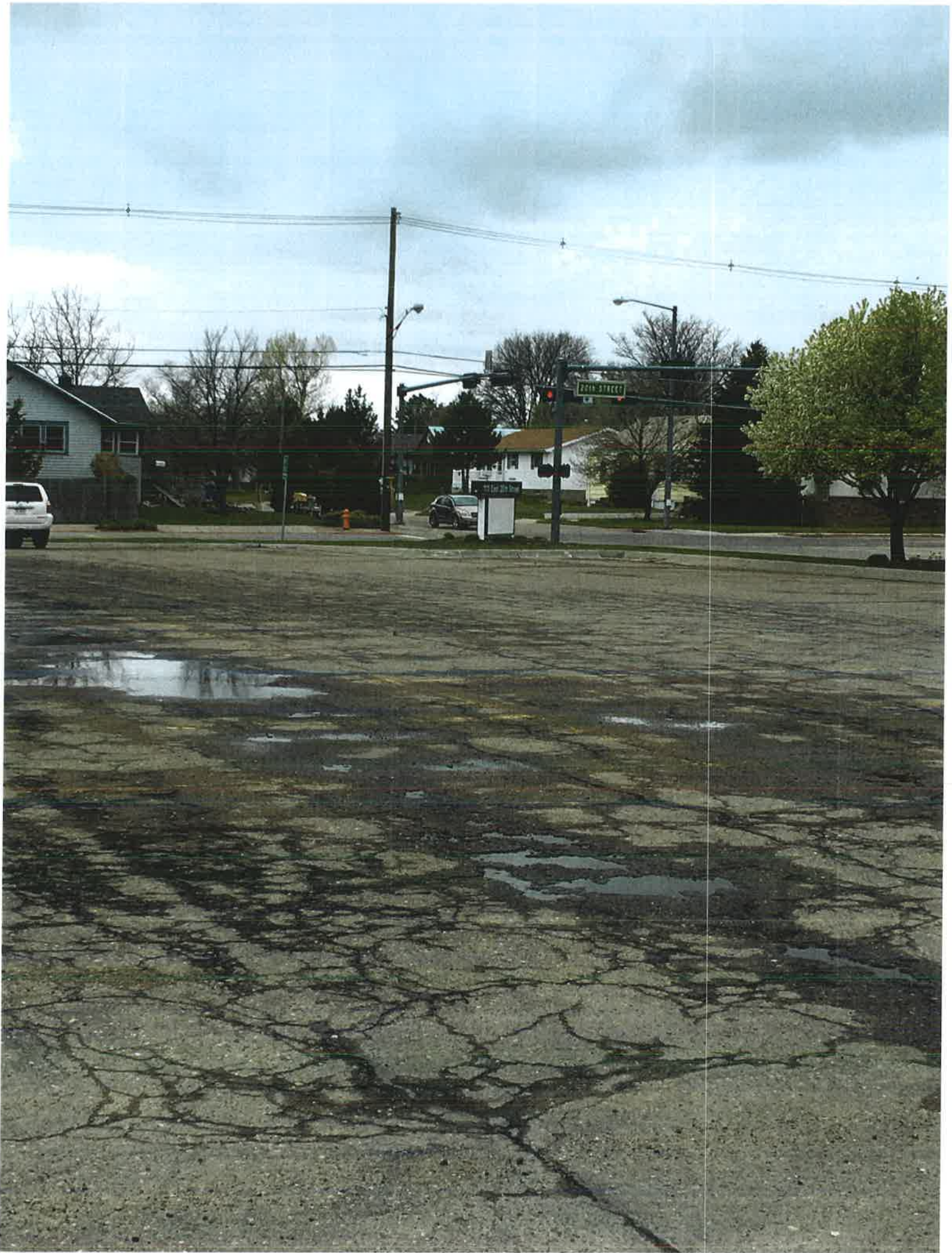
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 $T = 9.90'$
 $L = 19.79'$
 Long Chord Bearing = N00°31'48"W
 Long Chord Distance = 19.79'
- ② $\Delta = 90°36'45"$
 $R = 20.00'$
 $T = 20.21'$
 $L = 31.63'$
 Long Chord Bearing = N43°19'17"W
 Long Chord Distance = 28.44'
- ③ $\Delta = 89°23'05"$
 $R = 20.00'$
 $T = 19.79'$
 $L = 31.20'$
 Long Chord Bearing = N46°40'38"E
 Long Chord Distance = 28.13'



Prepared by
Baker & Associates, Inc.
 Engineers Planners Consultants
 Scottsbluff, Nebraska
 January, 2003

AutoCAD File: 204-012 REPLAT.DWG

**Platte Valley Addition Improvements Redevelopment Plan
Attachment 3
Community Room Parking Lot**



**Platte Valley Addition Improvements Redevelopment Plan
Attachment 4
Site Plans**



REMOVED

DATE

REVISION

REMOVED

PROJECT NUMBER:
RM180333-00
PROJECT DATE:
03/26/19
PROJECT MGR:
D.M.
PROJECT TEAM:
A.V./C.S.

PROJECT: PLATTE VALLEY BANK
MAIN CAMPUS PARKING
LOT IMPROVEMENTS
REMOVAL PLAN


CLIENT: PLATTE VALLEY BANK



M. C. SCHAFF & ASSOCIATES, INC.
818 SOUTH BELTLINE HIGHWAY EAST
SCOTTSBLUFF, NEBRASKA 69361

ENGINEERS ♦ PLANNERS ♦ DESIGNERS ♦ LAND SURVEYORS
PH: 308-635-1926 FAX: 308-635-7907 INTERNET: WWW.MCSCHAFF.COM



C-1 SHEET 2 OF 2	DATE	REVISION	PROJECT: PLATTE VALLEY BANK MAIN CAMPUS PARKING LOT IMPROVEMENTS CONSTRUCTION PLAN CLIENT: PLATTE VALLEY BANK	 M. C. SCHAFF & ASSOCIATES, INC. 818 SOUTH BELTLINE HIGHWAY EAST SCOTTSBLUFF, NEBRASKA 69361 ENGINEERS ♦ PLANNERS ♦ DESIGNERS ♦ LAND SURVEYORS PH: 308-636-1926 FAX: 308-636-7807 INTERNET: WWW.MCSCHAFF.COM
	DATE	REVISION		

**Platte Valley Addition Improvements Redevelopment Plan
Attachment 5
Cost Benefit Analysis**

CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN

Platte Valley Addition Improvements Project

By: Platte Valley Bank

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 \$7,135,402.00 which produces an annual real estate tax of approximately \$148,264.38. The tax increment revenues created by the Project after final completion are estimated at approximately \$41,000.00 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.* The Project includes storm water drainage improvements, sidewalk improvements, and public street improvements on and around Platte Valley Drive. The Project also includes improved parking for PVC's Community Room which will be available for a wide variety of community events, organization meetings, trainings, and other functions. 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.* The Redeveloper's improvements on the Project Site have assisted Platte Valley Companies in retaining locally its jobs in its Operations Center. Current employment on the Project Site is 139 employees and the improvements will allow for 10-15% growth.

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 Plan will result in a Community Center for use by community organizations.
- The Redeveloper has used and is using local contractors for the redevelopment.
- The improvements will enhance pedestrian safety around the Project Site.