

City of Scottsbluff, Nebraska
Thursday, September 17, 2020
Regular Meeting

Item 2

Conduct Cost-Benefit Analysis of Redevelopment Plan.

Staff Contact: Starr Lehl

COMMUNITY REDEVELOPMENT AUTHORITY, CITY OF SCOTTSBLUFF, NEBRASKA
MTL Commodity Laundromat Project
COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)

A. Project Sources/Use of Funds: An estimated \$124,815.00 of TIF Revenues are available for this Project. This public investment will leverage approximately \$388,185.00 in private sector investment; a private investment of approximately \$3.11 for every TIF dollar invested. Below is a breakdown of estimated costs and expenses of the Project and the use of funds for each. A “TIF Adjustment” is made to show the TIF eligible expenses that will not be covered by TIF, but rather private investment. This breakdown does not account for interest to be paid out of TIF funds.

Description	TIF Funds (eligible)	Private Funds	Totals
Land Acquisition	\$ 117,500.00		
Site Preparation	\$ 7,500.00		
Water Service	\$ 4,500.00		
Modifications to Sewer Main	\$ 3,750.00		
Concrete		\$ 68,000.00	
Building		\$ 301,500.00	
Plan Preparation/Legal	\$ 10,250.00		
Subtotals	\$ 143,500.00	\$ 369,500.00	
TIF Adjustment	\$ (18,685.00)	\$ 18,685.00	
Totals	\$ 124,815.00	\$ 388,185.00	\$ 513,000.00

B. Tax Revenues and Tax Shifts Resulting from the Division of Taxes.

Taxes from base value of the Project Site will be available to the local taxing jurisdictions regardless of the tax increment financing. The current value of the Project Site is \$116,012. Taxes from the current value of the Project Site are approximately \$2,395.00 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 from this Project will not be available to local taxing jurisdictions for up to 15 years after the effective date of the division of taxes. 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. The estimated average annual tax increment revenues are calculated as follows:

a. Base Value:	\$116,012.00
b. Project Completion Value:	\$501,262.00
c. Tax Increment (b minus a):	\$385,250.00
d. Estimated Levy:	2.16%
e. Annual Projected Shift (rounded):	\$ 8,321.00
f. Total TIF Available (e multiplied by 15)	\$124,815.00

Note: The above figures are based on estimated values, project completion/phasing timelines, and levy rates. Actual values and rates may vary materially from the estimated amounts.

C. Public Infrastructure and Community Public Service Needs Impacts and Local Tax Impacts Arising from Project Approval.

A sewer main under the property will need to be relocated. There are no additional local tax impacts for this sewer relocation.

D. Impacts on Employers and Employees of Firms Locating or Expanding Within the Boundaries of the Redevelopment Project Area.

There is currently one employee working at the Redeveloper's laundromat adjacent to the Project Site. This will remain the same after the Project is completed.

E. Impacts on other Employers and Employees within the City and immediate area located outside the Redevelopment Project Area.

None anticipated.

F. Impacts on Student Populations of School Districts within the City.

None anticipated.

G. Other Impacts.

Local contractor will perform the work.

Adopted by the Scottsbluff Community Redevelopment Authority on September ____, 2020

Chairperson