

City of Scottsbluff, Nebraska
Wednesday, October 13, 2021
Regular Meeting

Item Min1

Approve Minutes of September 15, 2021 Meeting.

Staff Contact: Zachary Glaubius, Planning Administrator

Community Redevelopment Authority Minutes
Regular Scheduled Meeting
September 15, 2021
Scottsbluff, Nebraska

The Community Redevelopment Authority for the City of Scottsbluff met in a regular scheduled meeting on Wednesday September 15, 2021 at 12:00 p.m. in the Scottsbluff City Council Chambers at 2525 Circle Drive, Scottsbluff, Nebraska. A notice of the meeting had been published in the Star-Herald, a newspaper of general circulation in the City, on September 12, 2021. The notice stated the date, time, and location of the meeting, and that the meeting was open to the public, that anyone with a disability desiring reasonable accommodation to attend should contact City Hall. An agenda is kept current and available for public inspection at the Development Services office; provided, the Community Redevelopment Authority could modify the agenda at the meeting if the business was determined that an emergency so required. A copy of the agenda, was delivered to each Community Redevelopment Authority member. An agenda was kept continuously available for public inspection at the office of the Development Services Department at all times from publication to the time of the meeting. A copy of the agenda packet was delivered to each Community Redevelopment Authority member.

ITEM 1: Chairman Bill Trumbull called the meeting to order at 12:00 PM. Roll call consisted of the following members being present: Bill Trumbull, Robert Franco, Bill Knapper, Mary Skiles, Katie Camacho. In attendance on behalf of the city were, Planning Administrator/Secretary Zachary Glaubius, Economic Development Director Starr Lehl, and Deputy City Attorney John Selzer.

ITEM 2: Chairman Trumbull informed all of those in attendance of the Nebraska Open Meetings Act and a copy of such is posted above the bookcase in the back area of the City Council Chambers, for those interested parties.

ITEM 3: Acknowledgment of any changes in the agenda: No changes.

ITEM 4: Citizens with items not scheduled on regular agenda: None

ITEM 7B: Chairman Trumbull and the CRA decided to move Item 7B ahead of Item 6.

ITEM 5: The minutes of July 14, 2021 were reviewed. **Conclusion:** Motion made by Camacho to accept the minutes, seconded by Knapper. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

ITEM 7B: Item 7B related to granting extensions to existing façade grants which were unable to complete the project prior to the September 10, 2021 deadline. Trumbull asked Glaubius for any comments. Glaubius stated that most of the applicants were present at the meeting. Glaubius stated Diamond Vogel and Ace Body Shop were unable to attend, but all applicants requesting extensions were dealing with material shortages and contractor delays. Glaubius stated he had received invoices on September 14 and 15 for two of the grants. Trumbull asked if any of the applicants present at the

meeting had any comments. Ralph Paez stated he was concerned with the current prices of materials. David Thiele stated the job at Arthur's Pizza was completed yesterday. Jared Whiting stated he was running behind because of contractor delays. Whiting inquired if he could add the installation of a driveway to the allotted grant. Trumbull stated the CRA can only include work done on the approved application, however Whiting could apply for another grant. Skiles spoke on behalf of her business partner at Tossed and Found Antiques that they had issues with material being ordered and equipment malfunctions. Trumbull asked for a motion to grant the extension requests. Skiles asked if a date needed to be set, and Trumbull stated it would be the December 31, 2021 deadline. Conclusion: Motion made by Knapper, seconded by Franco to approve the Façade Grant deadline extension requests for Whiting Signs, Arthur's Pizza, Tossed and Found, Alarm Security Technicians, High Plains Spa and Recreation, Action Communications, Diamond Vogel, Jessie Martinez, Ace Body Shop, Superior Construction, and RP Empire Holdings. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

ITEM 6A: Trumbull introduced Item 6 regarding the Kersch Powerhouse Renovation Project and asked Deputy City Attorney Selzer for a presentation. Selzer disclosed that Simmons Olsen Law Firm represents the applicants, however for TIF applications, the firm represents the city. Selzer stated the project plans for a restaurant on the ground floor, offices on the second floor, and apartments on the third and fourth floors. Selzer stated the first step in reviewing a redevelopment plan is for compliance with the city's Comprehensive Plan. Selzer states the plan for the building is to renovate it for a restaurant, office space, and apartments. Selzer stated the area the building is located is referred to as the Central Business District in the comprehensive plan. The goal of the district is to grow it as a regional commercial center. Selzer stated furthermore the intent of the district is to foster businesses such as restaurants and above ground floor residences. Selzer stated the Planning Commission made a positive recommendation to City Council on the Kersch Powerhouse Renovation Project on September 13, 2021 and found it in compliance with the comprehensive plan.

Selzer stated the second part of the redevelopment plan to review is the Cost-Benefit Analysis. Selzer stated there were a few changes from this Cost-Benefit Analysis compared to the Preliminary Cost-Benefit Analysis. The changes were from the fire suppression system were higher than originally thought. Selzer stated that the costs for architectural and engineering design has been removed. Selzer stated that with renovations of existing buildings, nearly all costs are TIF eligible. However, for recording keeping and audit purposes, the costs are identified. Selzer stated that the tax shift for the building would be from \$274,294 as assessed today and after the improvements the project will increase to approximately \$3,000,000 assessed. Selzer stated that the project will increase the utilization of an underutilized building downtown. Selzer stated there are no negative impacts on public infrastructure costs, and the restaurant would increase employment in the area. Selzer stated no negative impacts on the school district are expected. Trumbull asked for clarity if much had changed from the preliminary application, which Selzer stated no. Franco stated that this is one of the better TIF applications and plans he has seen while on the CRA. Conclusion: Motion by Franco to approve the redevelopment plan, seconded by Skiles. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

Selzer stated the second part of the approval for the CRA to review and approve the redevelopment contract and authorize the issuance of tax increment financing note conditional upon the City Council's approval of the Redevelopment Plan. Conclusion: Motion by Camacho to approve the redevelopment contract and issuance of tax increment financing conditional upon the City Council's approval of the Redevelopment Plan, seconded by Knapper. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

ITEM 6B: Chairman Trumbull introduced Item 6B which was an application for TIF by BDS3C, LLC. Trumbull stated the application was sent out on Monday to the CRA. Applicant Andrea Margheim spoke and stated the application for the building south of the existing Flyover Brewing Company. The building would be used as a private dining room, storage, and production space. Selzer stated for the TIF process that the CRA is to review the preliminary cost-benefit analysis. Selzer stated this a smaller TIF project although the costs to applicant are quite high. Selzer stated the project will produce approximately \$48,000 and is utilizing private investment and LB840. Selzer stated that while private property is not eligible for TIF and not assessed towards the property, the amount of necessary private property will lead to additional taxes. Selzer stated the property is currently assessed at \$57,410 and the estimated project completion value is \$195,925. The project will lead to the utilization of an underutilized building in the downtown corridor. Selzer stated Flyover Brewing Company intends to add 5 additional workers in the next five years and no negative tax impacts are expected to the taxing authorities. Franco asked if the existing buildings were to be combined or separate. Selzer stated that during the TIF period, the buildings would likely remain separate tax parcels. Franco asked if there would be any complications if the buildings are combined in the future, and Selzer stated there would not be any complications. Conclusion: Motion by Camacho, seconded by Franco for a positive recommendation to the Planning Commission for the TIF application by BDS3C, LLC. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

ITEM 7A: Chairman Trumbull introduced Item 7A which was to review and consider the funding of Façade Improvement Grants. The first application reviewed was by Clemens Carpet at 1018 East Overland Drive. Mark Clemens stated he wants to install new gutters on the north side of the building as well as replace the concrete, install a garage door, and remove old signage. Mark stated he also intends on residing the building and redoing the existing parking lot. Mark stated the estimated cost is \$25,000. Conclusion: Motion by Knapper, seconded by Franco to approve the \$10,000 façade grant to Clemens Carpet. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

The next façade grant applications were for Midwest Theater at 1705 and 1707 Broadway. Applicant Billy Estes stated the theater is looking to renovate the façade coating and historical replication of the sidewalk. Estes stated the timeline for the project start date is September 15, 2022. Trumbull stated the current deadline is December 31, 2021, and his initial thought is to take the applications under advisement. Selzer stated that could be done, but was not sure how long the funds could last. Glaubius stated the fiscal year for the city is October 1 to September 30. Skiles asked if Midwest Theater had any insurance reimbursement. Estes stated that insurance will not cover the fixes, but the theater has several other funding sources including grants from the State of Nebraska. Camacho asked Glaubius how many funds are available. Glaubius stated if everything were approved today there would be \$75,000 in

funds left. Camacho asked if the funds are rolling. Trumbull stated that the remaining funds are rolling into the 2021-2022 fiscal year. Camacho suggested waiting until the October meeting to take action on the grant. Trumbull stated that if the CRA desired to change the guidelines, it could be done after the December 31, 2021 deadline. Trumbull stated the remaining funds from this year are rolling into next year. Trumbull stated the grants should be readdressed in December 2021, and the CRA can determine whether the project would be completed by the end of the 2021-2022 fiscal year. Franco asked if the Midwest will need to reapply. Trumbull stated that the application would be kept until then. Estes stated that if the estimates were to change, it would only be an increase in costs.

The next façade grant application was for the building owned by Flyover Brewery at 1824 Broadway. Applicant Andrea Margheim stated the proposed door would not be installed until the other work is completed, however asked if it would be possible to submit invoices for the materials if the door is not installed by December 31, 2021. Franco asked Selzer if this is separate from the TIF application. Selzer stated that while it is the same project, the grant would be used for aspects of the building not covered by TIF. Franco stated he was concerned about the different buildings owned by the same owner. Lehl and Trumbull stated it was not different than the applications by Midwest Theater. Selzer stated there would be no complication for the building to have both TIF financing and Façade Improvement Grant. Camacho asked what the timeline for the project completion is. Margheim stated the goal is to be finished by Christmas 2021, and they will push to get the door installed by then. Knapper stated he was not in favor of pre-billing for labor, however he finds pre-billing for material is acceptable. Conclusion: Motion by Franco, seconded by Knapper to approve the \$10,000 Façade Grant to Flyover Brewing Company for a new door, patio, lighting, and signage. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

The next façade grant application was for a building located at 1204 3rd Avenue. Applicant David Martin stated he was wanting to clean up his building and found out about the program from a painter. Martin stated he wants to paint the building, install a door in a former doorway and install new concrete. Camacho asked if the project could be completed by December 31, 2021. Martin stated he would. Knapper asked if a business operated out of the building, and Martin stated it is used predominately for storage. Conclusion: Motion by Skiles, seconded by Franco to approve the \$10,000 Façade Grant to David Martin for the property at 1204 3rd Avenue. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

The final façade grant application was for a building located at 1200 3rd Avenue. The applicant, Sal Munoz, was not present. Trumbull opened discussion on the grant as the addition is to the rear of the building. Camacho requested the applicants fill out the proposed project section of the application as the previous applications did not have it filled out. Camacho stated the CRA did approve the back garage door at Fireworks Unlimited. Selzer stated the application states eligible projects must be visible not necessarily visible from the street. The CRA reviewed the site and determined the rear of 1200 3rd Avenue is visible from the dead end of 2nd Avenue and the project to be eligible. Conclusion: Motion by Camacho, seconded Skiles to table the application by Sal Munoz until the October CRA Meeting. "Yeas": Franco, Trumbull, Camacho, Knapper, Skiles "Nays": None

ITEM 8: For the staff report, Glaubius stated that \$105,000 approximately is left for grant funds. Glaubius stated Action Communications relinquished the remainder of their grant which equals \$8,995 as their concrete contractor will be unable to complete work by December 31, 2021. Glaubius stated Action Communications would be interested in reapplying if the program continues. Skiles asked if there will be another grant for the East Overland corridor. Lehl stated the East Overland corridor is included in the community façade grant program. Selzer stated the 27th Street & Avenue I gas station TIF project is expected to be on the agenda for the October CRA meeting. Trumbull asked if Selzer knew of any impact to the Shaggy Buffalo Car Wash project with the announcement of another car wash in front of Walmart. Selzer stated he had not heard of any new news regarding the Shaggy Buffalo Car Wash. Selzer stated there will be another TIF application for the former Wards building. Camacho asked what was the developer's intentions for the building. Selzer stated he does not know what the plan is specifically or when they intend to apply. Lehl stated the proposed plans for the former Wards building is commercial on the main floor and residential on the upper floor.

ITEM 9: Other Business: None

ITEM 10: Closed Session: None

ITEM 11: The next Community Redevelopment Authority regular meeting was confirmed to be held on October 13, 2021 at noon.

ITEM 12: Chairman Trumbull asked for a motion to adjourn the meeting at 1:08 PM. Motion to adjourn made by Franco, seconded by Knapper "Yeas": Franco, Skiles, Knapper, Trumbull, Camacho "Nays": None

Bill Trumbull, Chairman

Zachary Glaubius, Secretary