

City of Scottsbluff, Nebraska

Monday, October 18, 2021

Regular Meeting

Item Pub. Hear.2

Council to conduct a public hearing set for this date at 6:00 p.m. for the purpose of reviewing and obtaining comment on a Redevelopment Plan submitted by BDS3C, LLC for the Flyover Brewing Company Expansion Project.

Staff Contact: Zachary Glaubius, Planning Administrator

CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN
Flyover Brewing Company Expansion

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Attachments

Attachment 1: *Blighted and Substandard Maps*

Attachment 2: *Maps of Project Site*

Attachment 3: *Site Plan*

Attachment 4: *Excerpts from Comprehensive Plan*

Attachment 5: *Proposed Cost-Benefit Analysis*

CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN
Flyover Brewing Company Expansion

1. Introduction/Executive Summary

BDS3C, LLC (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”), according to the Nebraska Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*

Under this Plan, the Redeveloper proposes to rehabilitate and renovate the “Project Site” to expand Flyover Brewing Company (the “Project”). 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. *See* Attachment 1.

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

- A. *Boundaries of the Project Site:*** The Project Site is described as Lot 22, Main Street Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska (Scotts Bluff County Parcel ID No. 010132600), commonly known as 1820 Broadway, Scottsbluff, Nebraska. Aerial maps of the Project Site are attached as Attachment 2.
- B. *Land Acquisition:*** The Redeveloper owns the Project Site.
- C. *Land Uses:*** The Redeveloper proposes to rehabilitate and renovate the “Project Site” to provide additional seating, special event space, and expanded brewing distributing capacity for Flyover Brewing Company.
- D. *Land Coverage and Building Intensities:*** The Project Site is approximately 3,500 square feet. The footprint of the building on the Project Site is approximately 3,250 square feet.
- E. *Site Plan:*** See Attachment 3.
- F. *Existing Uses and Condition:*** The Project Site is currently a vacant building, which needs system wide upgrades.
- G. *Demolition and Removal of Structures:*** Interior demolition is necessary to prepare the building for new improvements. No structures will be removed from the Project Site.
- H. *Population Densities:*** The Plan does not contemplate a change in population densities around the Project Site. Increased traffic to and use on the Project Site will likely result due to the increased employment, occupancy, and customers on the Project Site.

- I. Zoning Changes:** The Project Site is zoned as C-1 (Central Business District) which includes restaurants, bars, taverns, and brew pubs as principal permitted uses. A micro-brewery is a special permitted use. Thus, no zoning changes are necessary.
- J. Additional Public Facilities and Utilities:** No additional public facilities and utilities are anticipated. The Redeveloper plans on expanding its outside seating in front of the Project Site (See Attachment 3).
- K. Street Layouts, Street Levels, and Grades:** No changes to street layouts, street levels, and grades are needed for this Plan.
- L. 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 Downtown District and in the Central Business District Neighborhood. A theme for the Downtown District is to grow as a regional leader of commerce and economic activity. The Redeveloper's expansion of its current popular restaurant and brewery will enhance the downtown area. The Central Business District Neighborhood contemplates active daytime, evening, and nighttime activities and C-1 as the appropriate zone. The Redeveloper's development of the Project Site is consistent with the Comprehensive Plan. Relevant excerpts from the Comprehensive Plan are attached as Attachment 4.

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 according to NEB. REV. STAT. § 18-2147. The amount of the available proceeds from tax increment financing ("TIF Revenues") is estimated at approximately \$48,600.00 calculated as follows:

a. Estimated Base Value:	\$ 57,410.00
b. Estimated Project Completion Value:	\$195,925.00
c. Tax Increment (b minus a):	\$138,515.00
d. Estimated Levy:	2.339%
e. Annual Projected Shift (rounded):	\$ 3,240.00
f. Total TIF Available (e multiplied by 15)	\$ 48,600.00

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.

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. The principal amount of the TIF Indebtedness will be based on the eligible expenses actually incurred. The interest rate will be established as set forth in the Redevelopment Contract.

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 the Plan would not be economically feasible and would not occur in the blighted and substandard area without the use of tax increment financing. Because of the high renovation costs, tax-increment financing is a necessary source of funding for the Project.

Notwithstanding the foregoing, the Redeveloper understands the liability of the CRA and City shall be limited to the TIF Revenues received by the CRA with respect to the Project available to pay the TIF Indebtedness issued for this Project and the Redeveloper shall look exclusively thereto for the payment on 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 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 decisions 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 cost that the Redeveloper proposes to be paid for with TIF Revenues, to the extent available:

Description	Estimated Costs
Interior Demo	\$ 27,450.00
Fire Suppression	\$ 13,153.00
Roof Repair	\$ 24,595.00
Exterior Concrete	\$ 4,815.00
Structural Engineering	\$ 2,400.00
Plan Preparation/Legal	\$ 2,680.00
Total	\$ 75,093.00

B. Private Investment/Financing. The estimated TIF Revenues available will not be sufficient to cover the eligible costs. The Redeveloper will make a substantial private investment in and obtain private financing for the Project estimated at almost \$802,045.58.

C. LB 840/Façade Improvement Grants. Approximately \$260,000.00 in LB 840 and façade improvement grants may be available for the Project.

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 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	Private Funds	
Land Acquisition		\$ 72,000.00	
Interior Demo	\$ 27,450.00		
Fire Suppression	\$ 13,153.00		
Roof Repair	\$ 24,595.00		
Exterior Concrete	\$ 4,815.00		
Structural Engineering	\$ 2,400.00		
Mechanical Engineering		\$ 14,110.00	
Architectural		\$ 24,290.00	
General Renovation Costs		\$ 573,053.00	
Pizza Oven		\$ 15,999.58	
Brewing Equipment		\$ 148,983.00	
Ampco DH45 Pump		\$ 13,000.00	
Transfer/CIP Hoses		\$ 2,515.00	
Washdown Stations		\$ 2,577.00	
Bulk CO2		\$ 5,000.00	
RO Filter		\$ 8,500.00	
Draft Expansion Needs		\$ 2,540.00	
Brewery Office/Lab		\$ 2,000.00	
Electromagnetic Flow Meter		\$ 5,000.00	
Lenticular Filter		\$ 7,200.00	
Chemical Station		\$ 500.00	
Gehaltemeter CO2/DO		\$ 28,000.00	
Beer Walk-in		\$ 20,000.00	
Furniture		\$ 20,000.00	
Glasswasher		\$ 7,366.00	
Pizza Line		\$ 4,919.00	
Kitchen Walk-in		\$ 8,000.00	
Ancillary Furnishings		\$ 50,000.00	
			Total FF&E Costs
			\$ 352,099.58
Subtotals	\$ 72,413.00	\$ 1,035,552.58	\$ 1,107,965.58
Plan Preparation/Legal	\$ 2,680.00		
TIF Adjustment*	\$ (26,493.00)	\$ 26,493.00	Total Project Cost
Totals	\$ 48,600.00	\$ 1,062,045.58	\$ 1,110,645.58
LB 840/Façade Improvement Grant**		\$ (260,000.00)	
		\$ 802,045.58	
*Adjustment showing certain TIF costs estimated to not be covered by TIF proceeds			
**Shown for purposes of analyzing private investment			

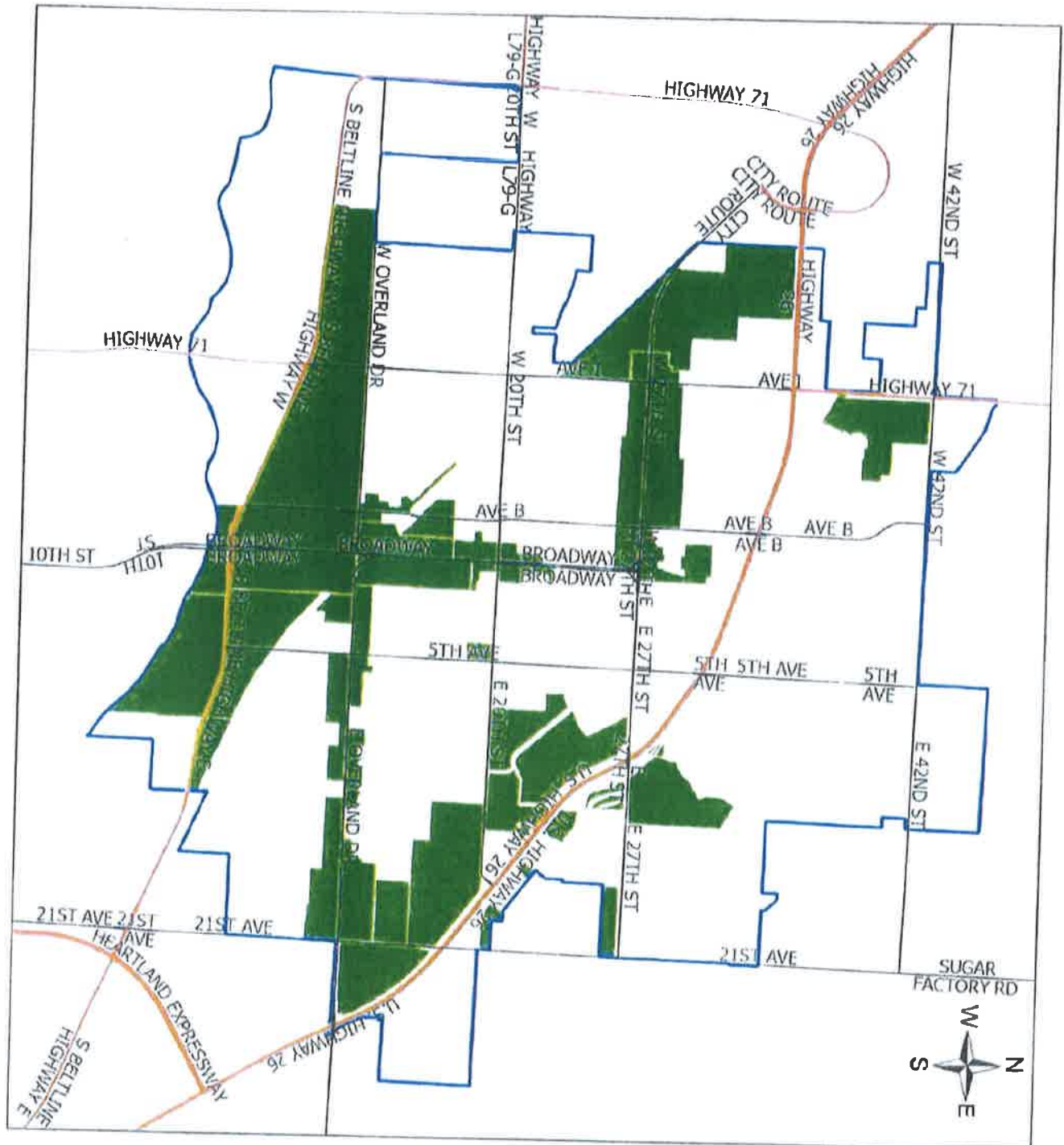
Please note that all the figures in this Plan are estimates and tax increment financing granted will be based on actual costs incurred for eligible expenses, as limited by tax increment revenues received.

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

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.

**Flyover Brewing Company Expansion Redevelopment Plan
Attachment 1
Blighted and Substandard Maps**



City of Scottsbluff Blight Areas

- Highway
- Main Road
- Residential
- Corporate Limits
- Blight Areas

Taylor Stephens
City of Scottsbluff GIS
Created on April 19, 2021
Updated on June 23, 2021
Coordinate System:
NAD 1983 State Plane Nebraska
FIPS 2600 Feet
Lambert Conformal Conic

Blighted and Substandard Area Closeup



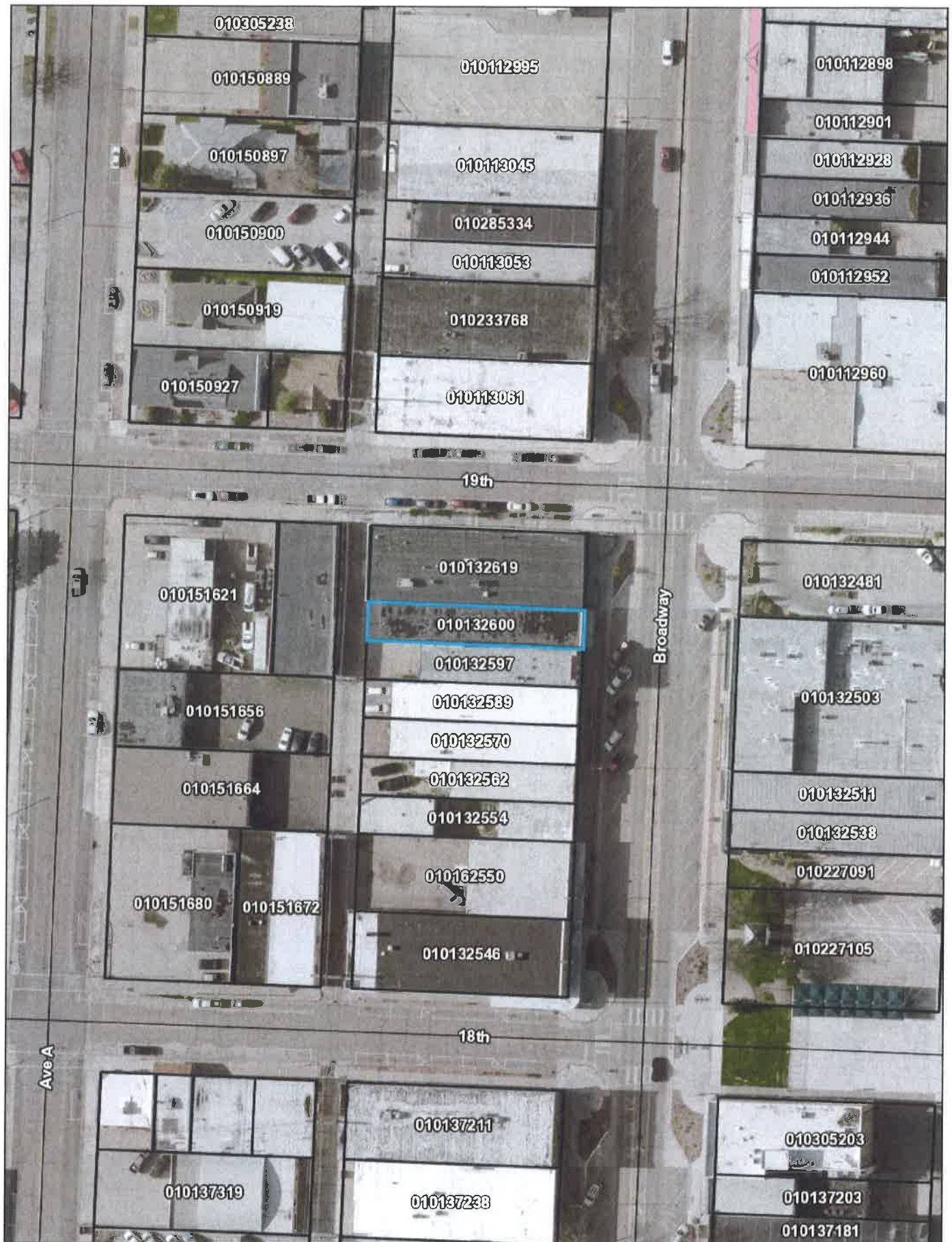
October 4, 2021

**Flyover Brewing Company Expansion Redevelopment Plan
Attachment 2
Maps of Project Site**

Project Site



05/09/2020

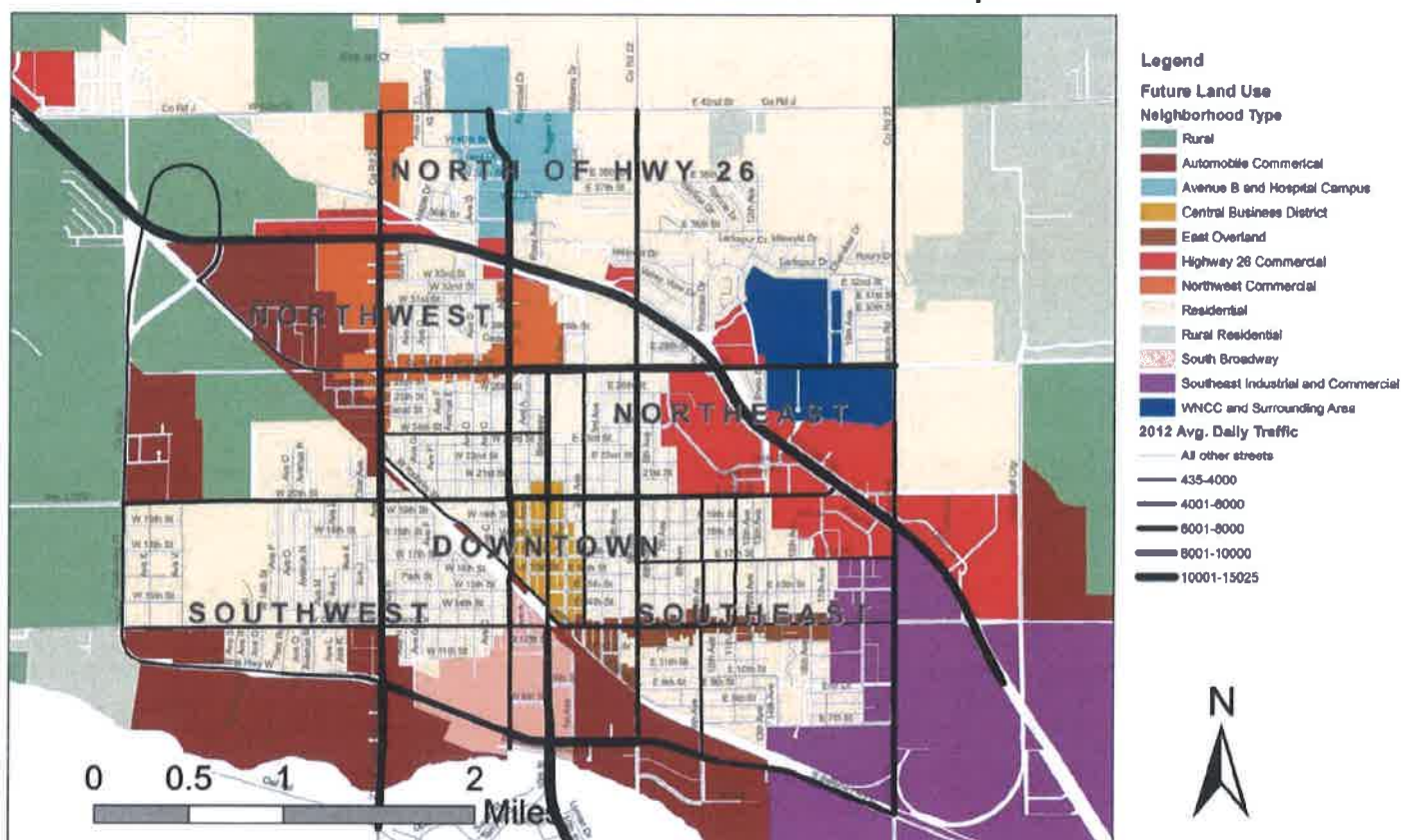


**Flyover Brewing Company Expansion Redevelopment Plan
Attachment 3
Site Plan**



**Flyover Brewing Company Expansion Redevelopment Plan
Attachment 4
Excerpts from Comprehensive Plan**

Scottsbluff Future Land Use Map



Downtown

Themes:

1. **Growing as a regional leader of commerce and economic opportunity**
 - Key area for light commercial (primarily retail) businesses.
2. **Living into our unique character of a city in the country**
 - Historic district with unique features. Cultural hub of the city with a focus on the arts.
3. **Promoting the health and happiness of all citizens**
 - Social, mental, physical well-being through prosperity, care, and physical environment conducive to activity.
4. **Inclusive Opportunities for participation in civic life**
 - Centralized gathering place for community events.

Principles:

5. **Interconnection of Neighborhoods and amenities**
 - a. Transportation amenities should prioritize pedestrians. Encourage residents to park and walk.
 - b. Connection to other services and areas of the city through multiple modes of safe transportation; bike lanes could connect to other pathways throughout the City.
6. **Sustainable development**
 - a. Reduce impervious cover- decrease stormwater runoff while providing aesthetically pleasing landscaped areas.
 - b. Focus on tree planting to help moderate temperatures and beautify public spaces.
 - c. Continue making public improvements in landscaping and other public facilities to encourage additional private investment.
 - d. Maintain landscaped areas to keep them attractive long-term.
7. **Access to culture and recreation**
 - a. Partner with Midwest Theater, Western Nebraska Arts Center to provide cultural opportunities downtown.
 - b. Access to walking paths; signage to encourage more walking downtown.
8. **Strong neighborhoods and places, rooted in our unique character**
 - a. Promote cultural hub of the community through built design of buildings
 - b. Retain historical value of existing buildings
 - c. Encourage upper-story housing to increase vitality of the district

Downtown Neighborhoods

Central Business District

Appropriate Zones: C-1

- **Hours:** Active daytime, evening, and nighttime activities
- **Auto:** Formalized bicycle and pedestrian accommodations. Pedestrian oriented along Broadway
- **Mass:** Allowable height up to 70 feet, zero setbacks. Buildings should take up entire lot-green space provided in public facilities.

- **Emissions:** High activity during the day, evening, and late night. Lights that reflect historical character of district.

**Flyover Brewing Company Expansion Redevelopment Plan
Attachment 5
Proposed Cost-Benefit Analysis**

COMMUNITY REDEVELOPMENT AUTHORITY, CITY OF SCOTTSBLUFF, NEBRASKA
Flyover Brewing Company Expansion
COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)

A. Project Sources/Use of Funds: An estimated \$48,600.00 of TIF Revenues are available for this Project. This public investment will leverage approximately \$802,045.58 in private sector investment; a private investment of approximately \$16.50 for every TIF dollar invested, plus potentially an additional \$260,000.00 in LB840 and façade improvement grants. 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 certain 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	Private Funds	
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Totals	\$ 48,600.00	\$ 1,062,045.58	\$ 1,110,645.58
LB 840/Façade Improvement Grant**		\$ (260,000.00)	
		\$ 802,045.58	
*Adjustment showing certain TIF costs estimated to not be covered by TIF proceeds			
**Shown for purposes of analyzing private investment			

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 estimated current value of the Project Site is \$57,410.00. Taxes from the current value of the Project Site are approximately \$1,285.00 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. Estimated Base Value:	\$ 57,410.00
b. Estimated Project Completion Value:	\$195,925.00
c. Tax Increment (b minus a):	\$138,515.00
d. Estimated Levy:	2.339%
e. Annual Projected Shift (rounded):	\$ 3,240.00
f. Total TIF Available (e multiplied by 15)	\$ 48,600.00

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.

The Project will rehabilitate and increase utilization of an underutilized building in the Downtown area of the City. The space will meet the demand for private events at Flyover Brewing Company, such as class reunions, wedding rehearsal dinners, holiday parties, and work and network functions. No negative tax impacts from public infrastructure costs are anticipated.

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

Flyover Brewing Company employs approximately 35-40 people. Redeveloper intends to add up to 5 employees over the next five years.

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 contractors and consultants will perform the work.
Increase in personal property taxes due equipment and other personal property.

Simmons Olsen Law Firm, P.C., L.L.O.

Attorneys at Law

Rick L. Ediger
Steven W. Olsen
Kent A. Hadenfeldt
John L. Selzer
Adam A. Hoelsing
Elizabeth A. Stobel
Megan A. Dockery
Amy N. Leininger*
*Also Licensed in Wyoming

1502 Second Avenue
Scottsbluff, Nebraska 69361-3174
(308) 632-3811
Fax (308) 635-0907

Website: www.simmonsolsen.com
E-mail: jlselzer@simmonsolsen.com

Howard P. Olsen, Jr., Of Counsel
John A. Selzer, Of Counsel
Steven C. Smith, Of Counsel

Robert G. Simmons, Jr. (1918-1998)

ALLIANCE OFFICE
129 East 5th Street
Alliance, NE 69301
(308) 761-047

Please Direct All
Correspondence
To Scottsbluff Office

To: City of Scottsbluff City Council
From: John L. Selzer, Deputy City Attorney
Date: October 14, 2021
Re: Flyover Brewing Company Expansion Redevelopment Plan

Introduction: At your October 18, 2021 meeting, you will consider a resolution regarding the Redevelopment Plan for the Flyover Brewing Company Expansion project (the “Plan” and the “Project”).

Standards of Review:

1. Conformity with Comprehensive Plan and Community Development Law.

The Project Site is described as Lot 22, Main Street Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska (Scotts Bluff County Parcel ID No. 010132600), commonly known as 1820 Broadway, Scottsbluff, Nebraska.

According to the 2016 Scottsbluff Comprehensive Plan, the Project Site is in the Downtown District and in the Central Business District Neighborhood. A theme for the Downtown District is to grow as a regional leader of commerce and economic activity. The Redeveloper’s expansion of its current popular restaurant and brewery will enhance the downtown area. The Central Business District Neighborhood contemplates active daytime, evening, and nighttime activities and C-1 as the appropriate zone. The Redeveloper’s development of the Project Site is consistent with the Comprehensive Plan.

The Project Site is zoned as C-1 (Central Business District) which includes restaurants, bars, taverns, and brew pubs as principal permitted uses. A micro-brewery is a special permitted use. Thus, no zoning changes are necessary.

Both the Planning Commission and CRA have conducted this same review and recommended approval of the Plan.

You must also consider whether the Plan is in conformity with the legislative declarations and determinations set forth in the Community Development Law. Those declarations include, among other things, that:

[Blighted and substandard] conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided. The elimination of such conditions and the acquisition and preparation of land in or necessary to the renewal of substandard and blighted areas and its sale or lease for development or redevelopment in accordance with general plans and redevelopment plans of communities and any assistance which may be given by any state public body in connection therewith are public uses and purposes for which public money may be expended and private property acquired. The necessity in the public interest for the provisions of the Community Development Law is hereby declared to be a matter of legislative determination. NEB. REV. STAT. § 18-2102.

The proposed Project is in an area that the City Council has designated as blighted and substandard and in need of redevelopment.

2. The “But For” Test.

Because this Plan proposes the use of tax-increment financing (“TIF”), in order to approve the Plan you must determine that the Plan would not be economically feasible or occur in the blighted and substandard area without the use of TIF. The Redeveloper has certified these requirements on Page 3 of the Plan.

3. Cost-Benefit Analysis.

You must also analyze and, in order to approve the Plan, make a finding 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, having been analyzed by the City Council, are in the long-term best interests of the community. The CRA adopted a cost-benefit analysis which is in your packet.

Conclusion: The above findings must be documented in writing. To that end, a proposed resolution for Plan approval is in your packet. Please don’t hesitate to contact us with any questions or concerns prior to the Council meeting.

Attachments:

- Redevelopment Plan
- Planning Commission Plan Resolution
- CRA Plan Resolution
- CRA Cost Benefit Analysis
- Proposed City Council Resolution

Sincerely,
SIMMONS OLSEN LAW FIRM, P.C., L.L.O.
/s/ John L. Selzer
John L. Selzer

RESOLUTION 10-11-21-2

**BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF
SCOTTSDLUFF, NEBRASKA:**

Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan titled *Flyover Brewing Company Expansion* by BDS3C, LLC (the "Redevelopment Plan") has been submitted to the Planning Commission.

b. The Planning Commission has reviewed the Redevelopment Plan as to its conformity with the 2016 Scottsbluff Comprehensive Plan (the "Comprehensive Plan").

Resolved:

1. The Planning Commission finds that Redevelopment Plan conforms to the Comprehensive Plan and recommends approval of the Redevelopment Plan to the Scottsbluff Community Redevelopment Authority and City Council.

2. All prior resolutions of the Commission in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

3. This Resolution shall become effective immediately upon its adoption.

PASSED and APPROVED on October 11, 2021

PLANNING COMMISSION OF THE CITY
OF SCOTTSDLUFF, NEBRASKA

ATTEST:

By:

Chair

By:

Recording Secretary

RESOLUTION NO. 10-13-1

**BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE
CITY OF SCOTTSBLUFF, NEBRASKA:**

Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan for the *Flyover Brewing Company Expansion* project submitted by BDS3C, LLC (the "Redevelopment Plan") has been submitted to the Scottsbluff Community Redevelopment Authority ("CRA"). The Redevelopment Plan proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.

b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2016 Scottsbluff Comprehensive Plan (the "Comprehensive Plan"). The Planning Commission recommended approval of the Redevelopment Plan to the CRA and City Council.

c. The CRA has reviewed and conducted a cost-benefit analysis of the Redevelopment Plan and makes the findings and recommendations as set forth in this Resolution.

Resolved:

1. The proposed land uses and building requirements in the Redevelopment Plan are designed with the general purposes of accomplishing, in conformance with the Comprehensive Plan, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, including, among other things, the promotion of safety from fire, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of conditions of blight.

2. The CRA has conducted a cost benefit analysis for the project according to the Community Redevelopment Law, and finds that the project as proposed in the Redevelopment Plan would not be economically feasible or occur in the project area without tax increment financing and 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, are in the long term best interests of the community. The CRA Chair is authorized to execute the cost benefit analysis to show the CRA's review and discussion thereof.

3. The CRA states: (a) the Redeveloper acquired the Project Site (as defined in the Redevelopment Plan) for \$72,000.00 in contemplation of developing the Project Site; (b) the estimated cost of preparing the project area for redevelopment is \$27,450.00, which entails interior demolition; (c) the Redevelopment Plan does not propose that either the CRA or City will acquire the project area and neither the CRA nor City will receive proceeds or revenue from disposal of the project area to the Redeveloper; (d) the proposed methods of financing of the project are (i) tax increment financing for eligible costs; (ii) LB 840 and façade grants; and (iii) private investment and financing for the remainder of the project costs; and (e) no families or businesses will be displaced as a result of the project.

4. The CRA recommends approval of the Redevelopment Plan to the City Council.

5. This Resolution along with the recommendation of the Planning Commission shall be forwarded to the City Council for its consideration when reviewing the Redevelopment Plan.

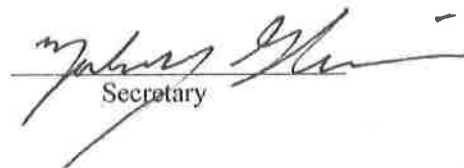
6. All prior resolutions of the CRA in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

7. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED on October 13, 2021

**COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SCOTTSBLUFF**

ATTEST:


Secretary


Chair

COMMUNITY REDEVELOPMENT AUTHORITY, CITY OF SCOTTSDLUFF, NEBRASKA
Flyover Brewing Company Expansion
COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)

A. Project Sources/Use of Funds: An estimated \$48,600.00 of TIF Revenues are available for this Project. This public investment will leverage approximately \$802,045.58 in private sector investment; a private investment of approximately \$16.50 for every TIF dollar invested, plus potentially an additional \$260,000.00 in LB840 and façade improvement grants. 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 certain 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	Private Funds	
Land Acquisition		\$ 72,000.00	
Interior Demo	\$ 27,450.00		
Fire Suppression	\$ 13,153.00		
Roof Repair	\$ 24,595.00		
Exterior Concrete	\$ 4,815.00		
Structural Engineering	\$ 2,400.00		
Mechanical Engineering		\$ 14,110.00	
Architectural		\$ 24,290.00	
General Renovation Costs		\$ 573,053.00	
Pizza Oven		\$ 15,999.58	
Brewing Equipment		\$ 148,983.00	
Ampco DH45 Pump		\$ 13,000.00	
Transfer/CIP Hoses		\$ 2,515.00	
Washdown Stations		\$ 2,577.00	
Bulk CO2		\$ 5,000.00	
RO Filter		\$ 8,500.00	
Draft Expansion Needs		\$ 2,540.00	
Brewery Office/Lab		\$ 2,000.00	
Electromagnetic Flow Meter		\$ 5,000.00	
Lenticular Filter		\$ 7,200.00	
Chemical Station		\$ 500.00	
Gehaltemeter CO2/DO		\$ 28,000.00	
Beer Walk-In		\$ 20,000.00	
Furniture		\$ 20,000.00	
Glasswasher		\$ 7,366.00	
Pizza Line		\$ 4,919.00	
Kitchen Walk-In		\$ 8,000.00	
Ancillary Furnishings		\$ 50,000.00	
			Total FF&E Costs
			\$ 352,099.58
Subtotals	\$ 72,413.00	\$ 1,035,552.58	\$ 1,107,965.58
Plan Preparation/Legal	\$ 2,680.00		
TIF Adjustment*	\$ (26,493.00)	\$ 26,493.00	Total Project Cost
Totals	\$ 48,600.00	\$ 1,062,045.58	\$ 1,110,645.58
LB 840/Façade Improvement Grant**		\$ (260,000.00)	
		\$ 802,045.58	

*Adjustment showing certain TIF costs estimated to not be covered by TIF proceeds

**Shown for purposes of analyzing private investment

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 estimated current value of the Project Site is \$57,410.00. Taxes from the current value of the Project Site are approximately \$1,285.00 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. Estimated Base Value:	\$ 57,410.00
b. Estimated Project Completion Value:	\$195,925.00
c. Tax Increment (b minus a):	\$138,515.00
d. Estimated Levy:	2.339%
e. Annual Projected Shift (rounded):	\$ 3,240.00
f. Total TIF Available (e multiplied by 15)	\$ 48,600.00

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.

The Project will rehabilitate and increase utilization of an underutilized building in the Downtown area of the City. The space will meet the demand for private events at Flyover Brewing Company, such as class reunions, wedding rehearsal dinners, holiday parties, and work and network functions. No negative tax impacts from public infrastructure costs are anticipated.

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

Flyover Brewing Company employs approximately 35-40 people. Redeveloper intends to add up to 5 employees over the next five years.

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 contractors and consultants will perform the work.

Increase in personal property taxes due equipment and other personal property.

Adopted by the Community Redevelopment Authority of the City of Scottsbluff on October 13, 2021.


Chair