



**CITY OF SCOTTSBLUFF
Scottsbluff City Hall Council Chambers
2525 Circle Drive, Scottsbluff, NE 69361
LB 840 Application Review Committee**

**Regular Meeting
November 17, 2021
1:00 PM**

1. **Roll Call**
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the south wall.**
3. **Notice of changes in the agenda by the city manager** (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. **Citizens with business not scheduled on the agenda** (As required by state law, no matter may be considered under this item unless the committee determines that the matter requires emergency action.)
5. **Approval of Minutes**
 - a) for meeting of September 21, 2021.
6. **Factory Crimp Services Inc.**
 - a) Receive Information and Consider Action on the Extension Request from Factory Crimp Services.
7. **Consideration of Applications for Economic Development Assistance**
 - a) Receive Information and Consider Approval of the Inventive Media Application.
8. **Reports from Staff, Boards & Commissions**
 - a) Receive Information and Discuss the Addition of Retail as an Eligible Business Activity to Scottsbluff's LB840 Economic Development Plan and Set Parameters per Request from LB840 Citizen Oversight Committee.
9. **Closed Session (to consider any of the above matters, where an Executive Session is appropriate).**
 - a) Following passage of motion to enter into executive session, presiding officer must state purpose of executive session.
10. **Adjournment.**

City of Scottsbluff, Nebraska
Wednesday, November 17, 2021
Regular Meeting

Item 1

for meeting of September 21, 2021.

Staff Contact: Starr Lehl

CITY OF SCOTTSBLUFF
ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE
September 21, 2021

A meeting of the Economic Development Application Review Committee was held September 21, 2021 at 2:00 p.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Present were Committee members Dave Schaff, Nate Merrigan, Dennis Hadden, and Jim Trumbull. Also present were Starr Lehl, Economic Development Director, and Adam Hoelsing, Deputy City Attorney.

The meeting was called to order by Chairman Merrigan at 2:00 p.m.

It was moved by Member Hadden and seconded Member Schaff to approve the Minutes of the August 17 2021 Application Review Committee Meeting. Voting yes: Merrigan, Schaff, Hadden, and Trumbull. Voting no: None.

The next item on the agenda was the consideration of an application submitted by Rodriguez Brothers Processing, LLC DBA Robinson Meats. Edgar Rodriguez, Luis Rodriguez, and Rigoberto Rodriguez are current employees of Robinson Meat Packing in Mitchell Nebraska, and the employees are looking to purchase the business from the current owner. All three owners presented on behalf of the applicant, stating that they were looking to purchase the existing business which would retain six or seven employees, including themselves, which would continue to provide many meat processing and packaging services in the panhandle of Nebraska as well as in Wyoming and Colorado. Discussion was had regarding possible expansion opportunities for the business after they purchase it, and the applicants stated that they were considering a possible capacity expansion as well a possible delivery service in the nearby area to accommodate those customers that cannot easily transport the product that is purchased. Currently, the owners stated there is a back-log of the business in processing orders until 2023, and that accordingly business is solid and will continue to be solid in the continuing future. The owners have worked in the business for several years, and the owners stated that they have had a good opportunity to learn about the business, to manage the finances and business side of the operation, and to build relationships with current vendors of the business. The applicants stated that current certifications or licenses are in place for the business to continue processing and packaging without a stoppage of business.

Following presentation from the Rodriguez Brothers Processing, LLC, next item on the agenda was the application from BDS3C, LLC DBA Flyover Brewery.

Present on behalf of that applicant was Joe Margheim, Andrea Marghein, and Peter Meyer. The business is currently a brew pub in Scottsbluff Nebraska which is engaged in the business of manufacturing its own brewery product for the front-side of the operation, which functions as a restaurant. Some distribution of canned product is occurring.

Currently, the business does not have room for a more expansive canning and shipping operation, and the applicant desires to purchase an adjacent building and expand the canning and

packaging operation for delivery across the state of Nebraska. The applicant stated that current capacity issues are preventing and expanding brewery manufacturing operation. Those issues include space as well as canning and brewing equipment, and also include the structure of distribution in Nebraska where larger volume is needed to cover expenses related to canning and distribution. The applicant was also questioned upon and discussed their employment, which currently involves approximately 40 employees both full-time and part-time in the front end and back end of the operation. The applicants stated that they generate approximately \$25,000 a year in sales tax as well as contribute to the community for a number of charitable and beneficial organizations. The applicants stated full-time current positions for manufacturing will increase to five or six, which include a brewer, an assistant brewer, and three possible production or distribution employees. As part of the application, the applicants provided a breakdown of funds needed to purchase and operate the expanded brewing and manufacturing operation. Total cost of the expansion project was quoted to be \$1,107,965.58. Of that, the applicant had earmarked \$602,317.00 as manufacturing expansion. However, of that \$602,317.00, \$356,502.00 was the prorated share of all of the expenses associated with the expansion, which included building purchase, construction, and architectural fees. In total, anticipated cost of all equipment and manufacturing expansion specific needs was \$245,815.00.

After discussion with the applicants, it was moved by Chairman Merrigan, and seconded by Member Trumbull to enter close session to protect the public interest associated with the financial materials presented by the Applicant. In particular the brewery had presented tax returns as well as secured debt financials that were confidential. Voted in favor: Merrigan, Schaff, Trumbull, and Hadden. Voting no: None.

The Committee then entered a close session at approximately 3:00 p.m.

The Committee exited closed session around 3:10 p.m. After closed session, the following motions were made:

It was moved by Member Trumbull and seconded Member Schaff to recommend \$50,000 of assistance to Rodriguez Brothers Processing, LLC DBA Robinson Meats. It was anticipated that the \$50,000.00 assistance would be forgiven through job credits through the retention of full-time positions at Robinson Meat Packing. The assistance would be secured by a Deed of Trust on the primary real estate of the business, by a security agreement of all assets of the business, and by personal guarantees of the three owners of the applicant. Voting in favor: Trumbull, Merrigan, Schaff, and Hadden. Voting no: None.

It was then moved by Member Trumbull and seconded by Member Schaff to recommend \$550,000.00 of assistance to the expansion project for BDS3C, LLC DBA Flyover Brewery. The \$550,000.00 represented approximately half the cost of the expansion project, and the Committee did not feel comfortable providing greater than 50% of the cost. Of the \$550,000.00, \$250,000.00 would be provided as a grant to the applicant for the purposes of purchasing and installing its expanding manufacturing line, as that was the amount associated specifically with the manufacturing operation. The grant would be earnable over five years at \$50,000.00 a year, and each year the applicant stayed in business any liability on the grant would decrease by \$50,000.00. The remaining \$300,000.00 assistance would be refinanced in a form of a loan with the applicant

in addition the current outstanding assistance package between the City and the applicant. As part of the refinance, any job credits earned from manufacturing jobs would be separated from the balance of the loan and would be earned as a jobs base grant for the manufacturing positions. The assistance would be secured by continuing a Deed of Trust on the original real estate of the business as well as the new real estate of the business, by a security agreement continuing in all personal property assets of the business, and by personal guarantees of all three owners of the applicant. Voting in favor: Schaff, Merrigan, and Trumbull. Voting no: None. Abstaining Hadden.

Thereafter, the Meeting was adjourned at approximately 3:19 p.m.



Starr Lehl, Economic Development Director

City of Scottsbluff, Nebraska

Wednesday, November 17, 2021

Regular Meeting

Item Factory1

**Receive Information and Consider Action on the Extension
Request from Factory Crimp Services.**

Staff Contact: Starr Lehl



October 15, 2021

To Whom It May Concern,

I am writing this letter to request an extension on the requirement to fulfill the Economic Development Plan agreement. Due to COVID and the manufacturing lead times, we have been unable to get product.

We are kindly requesting an extension to fulfill the requirements until 2023. Your consideration on this matter is greatly appreciated.

Respectfully,



Scott James
President

City of Scottsbluff, Nebraska

Wednesday, November 17, 2021

Regular Meeting

Item 1

Receive Information and Consider Approval of the Inventive Media Application.

Staff Contact: Starr Lehl

**City of Scottsbluff
Economic Development Grant Application**

1. Applicant Information:

Business Name: **Inventive Wireless of Nebraska, LLC dba Vistabeam**

Address: **1225 Sage Street, Gering, NE 69341**

Applicant Contact: **Matt Larsen, CEO**

Business Phone: **308-635-9434**

E-mail address: **mlarsen@vistabeam.com**

2. Business Information:

Structure of Business (proprietorship, partnership, LLC, corporation, etc): **LLC**

Ownership breakdown (include percentages for each Owner):

Matt Larsen	80%
Larsen Family Trust	10%
Lance Lewis	5%
Dave Giles	5%

General Description of Business: **Vistabeam is a broadband provider serving a 45,000 square mile area of Western Nebraska, Eastern Wyoming and Northeastern Colorado**

Products/Services: **Fixed wireless broadband, fiber broadband, cable broadband, VOIP telephone service, managed router, wireless infrastructure solutions and ISP management consulting and software.**

Number of years in Business (or if a new Business, describe Owners experience in this type of business): **17 years**

Proposed Location Address: **1925 East 15th Street, Scottsbluff, NE 69361 & 1225 Sage Street, Gering, NE 69341**

Current Zoning Classification: **Industrial**

3. Employment:

Base (current) number of full-time positions: **40**

Full-time positions to be created: **10**

Salary/Wage Range: **\$12 to \$28/hour**

Benefits provided to employees (include any contribution required by Employees):

Free Vistabeam Internet, Health Insurance (approx. 35% of premium employee contribution), Dental/Vision group plan available (employee contribution 100% of premium), Cell phone stipend of \$25/month, 15 days/year PTO, 3% IRA Match, Paid holidays

4. Financial Need:

Total project cost estimate: **\$263,000**

Breakdown of use of funds: **Funds will be used to cover building maintenance & expansion needs at the Scottsbluff, Mitchell & Gering locations.**

Date funds are needed: **12/01/2021**

Investment to be made by Applicant (Amount & Source): **Vistabeam will cover all remaining cost of the project. (approx. \$63,000)**

Loan(s) to be obtained (Amount & Bank Name): **none**

LB840 financial assistance amount requested for the Project: **\$200,000 (\$100,000 grant for ten jobs created, \$100,000 low-interest loan)**

****The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.**

Other Loans/Grants (CDBG, TIF, Re-Use, etc.): **No other loans or grants in place for this project**

5. Security Available:

Guarantor(s): **Inventive Wireless of Nebraska, LLC**

Real Estate: **Building at 1925 East 15th Street, Scottsbluff**

Existing Liens: **Platte Valley National Bank**

Personal Property:

Existing Liens:

Stock / LLC Interests:

Other:

6. Eligibility:

Principal Source of Income from (circle one):

- a. Manufacturing
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- >>> f. **Telecommunications activities** <<<
- g. Tourism-related activities
- h. Retail sales

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program:

This project will allow Vistabeam to move forward with some much-needed repairs to their Scottsbluff, Mitchell and Gering properties, providing their employees with a safe, comfortable working environment. It will also allow us to purchase the vehicles & other equipment needed to add field staff. The job creation grant will assist us in adding 10 members to our staff within the next 5 years.

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s): **none**

7. Additional Information to be submitted:

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history).
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.
- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request.
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable, and the most recent year's return must be included.
- e. Business Plan, to include:
 - Total project costs to include itemized use of funds
 - Lender Commitments
 - Investor Commitments
 - Financial projections for the next 3 years.
 - Employment projections for the next 3 years
 - Identification of jobs to be created by description, number, average wage, benefits, etc.
 - Information as to suppliers, and in particular, those in the Scottsbluff area
- f. References, to include name, position, address and phone number:
- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.
- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.
- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.
- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.

8. Nebraska Advantage Act:

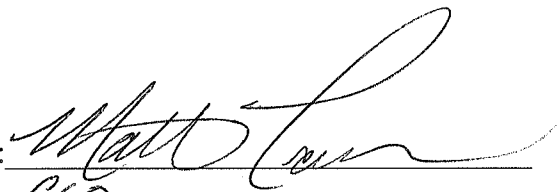
The Applicant certifies to the city as follows (select one):

☒ The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.

☐ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: _____; and whether such application has been approved under the Nebraska Advantage Act: _____.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated: 11/10/2021

Signed: 
Title: CEO

City of Scottsbluff, Nebraska

Wednesday, November 17, 2021

Regular Meeting

Item Reports1

Receive Information and Discuss the Addition of Retail as an Eligible Business Activity to Scottsbluff's LB840 Economic Development Plan and Set Parameters per Request from LB840 Citizen Oversight Committee.

Staff Contact: Starr Lehl

CITY OF SCOTTSBLUFF
CITIZENS ADVISORY REVIEW COMMITTEE MINUTES
September 28, 2021

The meeting of the City of Scottsbluff Economic Development Program Citizens Review Committee was held on September 28, 2021 at 12:00 noon, at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Committee members in attendance were Diane Vandenberg, Sam Mark, and Mark Harris. Also in attendance were Dustin Rief (City Manager/Program Administrator), Adam Hoelsing (Deputy City Attorney), Liz Loutzenhiser, (City Finance Director), and Starr Lehl (City Economic Development Director).

Chairman Harris presided over the meeting. It was noted that a copy of the Nebraska Open Meetings Act was located on the south wall of the Council Chamber. There were no changes to the agenda and no citizens were present with business not scheduled on the agenda.

First item of business was to approve the minutes of the September 26, 2020 meeting. It was moved by member Mark and seconded by member Vandenberg to approve the minutes of the September 16, 2020 meeting. Voting yes: Vandenberg, Mark, and Harris. Voting no: None.

The next item on the agenda was a review of the annual reports received by the Committee for year ending September 30, 2020, December 31, 2020, March 31, 2021, and June 30, 2021. All business reports except two (discussed below) were in compliance assistance agreements under the Program.

Following the reports provided by Finance Director Loutzenhiser, it was moved by member Mark and seconded by member Vandenberg to approve the annual reports. Voting yes: Vandenberg, Harris, and Mark. Voting no: None.

The next item on the agenda was a discussion regarding default or delinquent loans for EagleMed and Elite Urgent Care. Both matters were the same as previously discussed, and no motion was needed on their collection efforts. Staff was directed to continue activities on previous motions.

The next item on the agenda was discussion regarding addition of retail to the City of Scottsbluff Economic Development Plan. The City Council can expand retail as a qualifying business upon a positive recommendation of the Committee. Presented to the Committee was an amendment to the Plan that expanded retail as a qualifying business for business not greater than 20 employees. Discussion was had regarding parameters and guidelines of the Application Review Committee, as well as potential applicants, as the Committee was concerned that opening to a greater number of qualifying business with a higher failure rate would divert a large amount of the Program funding away from the more-desired manufacturing and processing applicants. The Committee was presented with possible avenues for assistance that other communities utilized, in order to provide a framework for such assistance. Following discussion,

it was moved by member Mark and seconded by member Harris to recommend approval of the proposed amendment to the Plan for businesses that drive their principal source of income from retail so long as the business does not have greater than 20 employees, subject to a review and consideration by the Committee of parameters and guidelines that reasonably limited and defined the scope of assistance to the new qualifying businesses. Voting yes: Vandenberg, Harris, and Mark. Voting no: None.

No further discussion occurred. The meeting was then adjourned at approximately 1:10 p.m.

Starr Lehl, Economic Development Director

**City of Scottsbluff, Nebraska
Economic Development Plan
(As Amended and Renewed)
Effective October 1, 2015
(With amendments through March 19, 2018)**

1. General Community and Economic Development Strategy:

a. The voters of the city of Scottsbluff, Nebraska (the “City”) approved an Economic Development Plan (the “Plan”) for the City in 1995, pursuant to the Local Option Municipal Economic Development Act (the “Act”), Neb. Rev. Stat. §§ 18-2701, *et. seq.* The Plan was subsequently amended and renewed by the voters in 1999 and 2004. Under the Plan, and its subsequent amendments and renewals, the City has implemented its Economic Development Program (the “Program”).

b. The City’s intent for the Program is to enhance business and commercial investment in the Scottsbluff area through direct and indirect financial assistance to prospective or current businesses. The Program has enhanced, and will continue to enhance, the City’s ability to compete for new businesses and to promote and expand the City’s existing businesses. Primarily, the Program’s assistance strategy has been the extension of job credits to those businesses that can expand or create jobs in the local area. This strategy required the creation and retention of full-time jobs, along with health insurance and other benefits for those jobs. Thus the projects funded through the Program have generally been connected to businesses where growth is expected.

c. Other Program strategies have been utilized. The most notable strategies, other than job creation, have been job training and public works improvements. The City participated in providing funding to Western Nebraska Community College when it established its Center for Business and Individual Training (the “CBIT”). The CBIT trains employees of Qualifying Businesses (as provided for in this Plan), and has, since its inception, been instrumental to the local area for quality job training and for recruiting new businesses to the local area. In addition, the City has awarded grants for water line extensions to Qualifying Businesses located near Western Nebraska Regional Airport. Other strategies will be considered for activities which are eligible for funding under the Plan.

d. Due to the success of the Program to date, the City now desires to extend funding of the Program and to amend the Plan in total as provided for in this Amendment. Reference to the Plan in the remainder of this document shall include the Plan as amended by the terms of this document.

2. General Intent and Proposed Goals of the Program:

The goal of the Program is to provide quality jobs for the citizens of the City and the local area. Funds from the Program will be used to encourage and assist existing and new Qualifying Businesses to create and retain jobs, through direct or indirect financial assistance. This may include direct grants to Qualifying Businesses or indirect assistance through eligible

activities under this Plan. The success of the Program will be measured by a combination of (a) jobs created and retained in the City and the local area for the length of the Program, and/or (b) the total payroll provided or increased by Qualifying Businesses participating in the Program.

3. Businesses Eligible for Financial Assistance under the Program:

a. A business shall be considered eligible for financial assistance under the Program, and shall be referred to as a “Qualifying Business,” if it is any corporation, partnership, limited liability company, or sole proprietorship that derives its principal source of income from any of the following trades:

- (1) Manufacturing articles of commerce.
- (2) Conducting research and development.
- (3) Processing, storing, transporting, or selling goods or commodities sold or traded in interstate commerce.
- (4) Selling services in interstate commerce.
- (5) Headquarters facilities related to Qualifying Businesses as listed in this paragraph.
- (6) Telecommunications activities.
- (7) Tourism-related activities.
- (8) Any other activities deemed sufficient to establish eligibility for a Qualifying Business through future amendments to the Act, and incorporated into this Plan and the Program by ordinance of the City Council after amendment to the Act.
- (9) Construction and rehabilitation of housing pursuant to a Workforce Housing Plan, as provided for below.
- (10) Retail trade, but only if the principal source of income is from retail sales of product(s) manufactured on the premises from which the sales take place; provided, the total amount of incentives devoted to retail trade shall not exceed the limits provided for by Nebraska law.
- (11) Production of films, including feature, independent and documentary films, commercials, and television programs.
- (12) Retail sales limited to \$10,000 per applicant with funds used towards rent or lease and/or payment of utilities.

b. If a Qualifying Business employs people and carries on activities in more than one city in Nebraska, or will do so at any time during the first year after its application for

participation in the Program, it shall only be a Qualifying Business if, in each such city, it maintains employment for the first two years after the date on which the business begins operations in the City as a participant in the Program at a level not less than its average employment level in the other city during the twelve months before participation in the Program.

c. A Qualifying Businesses need not be located within the territorial boundaries of the City.

4. Eligible Economic Activities:

a. Funds allocated to the Program shall be expended primarily for the purpose of providing direct and indirect financial assistance for Qualifying Businesses. Activities eligible for the Program may include, but are not limited to, the following:

- (1) Direct loans or grants to Qualifying Businesses for fixed assets or working capital, or both.
- (2) Loan guaranties for Qualifying Businesses.
- (3) Grants for public works improvements essential to the location or expansion of, or the provision of new services by, a Qualifying Business.
- (4) Grants or loans for job training.
- (5) The purchase or real estate, options for real estate purchases, and the renewal or extension of such options. If and when real estate is to be purchased or optioned by the City under the Program, the real estate will be identified based upon the need of a particular Qualifying Business or based upon potential needs of Qualifying Businesses not yet identified. All such real estate should be properly zoned with no excessive easements, covenants, or other encumbrances. Any proceeds received by the City from the future sale of such real estate shall be returned to the City's Economic Development Fund for reuse under the Program.
- (6) Issuing bonds as provided for in the Act.
- (7) Paying salaries and support of City staff to implement the Program, or paying expenses of contracting the administration of the Program to an outside entity.
- (8) Providing technical assistance to Qualifying Businesses, such as marketing assistance, management counseling, preparing financial packages, engineering assistance, etc.
- (9) Expenses for locating a Qualifying Business to the local area.
- (10) Equity investment in a Qualifying Business.

- (11) Grants or loans for the construction or rehabilitation for sale or lease of housing as part of a Workforce Housing Plan, as provided for below.

5. Workforce Housing Plan:

“Workforce Housing Plan” means a program to construct or rehabilitate single-family housing or market rate multi-family housing which is designed to address a housing shortage that impairs the ability of the City to attract new businesses or impairs the ability of existing businesses to recruit new employees. In connection with the Workforce Housing Plan:

- a. The City has participated in a Multi-County Regional Housing Study (the “Housing Study”) conducted by Hanna-Keelan Associates, P.C. for Western Nebraska Economic Development Interlocal Group. The Housing Study covered Scotts Bluff, Morrill and Kimball Counties, and communities within those Counties, to include the City. The Housing Study found that the current housing stock in the City and Scotts Bluff County, including both single-family and market rate multi-family housing, was deficient in numbers and quality, and that the City has a housing shortage.

- b. The Workforce Housing Plan is intended to include all single-family housing and market rate multi-family housing. No special provisions for housing for persons of low or moderate income are provided for.

- c. Due to the lack of available housing within the City and Scotts Bluff County, existing businesses have difficulty in recruiting new employees; and

- d. Construction costs, and the cost of providing infrastructure for housing (to include streets and utilities) are adversely impacting the ability to find housing for persons seeking new or rehabilitated housing in the City.

6. Funding and Preliminary Budget:

- a. The Program will primarily be funded by a portion of the City Sales Tax equal to $\frac{1}{4}$ of 1%. The sales tax collections to fund the Program will be collected from October 1, 2015 to September 30, 2025. The Program can also accept funding from grants, or from state or federal funds, or from donations.

- b. Notwithstanding the actual amount collected by the City for the benefit of the Program, the City shall not appropriate funds derived directly from City sources of revenue in an amount in excess of the maximum permitted by Nebraska law in effect at the time of appropriation. By way of reference, the current limits as provided by Section 18-2717 of the Act prohibit the City from appropriating funds from local sources in excess of:

- (1) four-tenths of one percent of the taxable valuation of the City in the year in which the funds are collected;

- (2) \$4,000,000 per year; and
- (3) the amount approved by voters at elections approving the Program and the extension of the Program.

c. The above restrictions shall not apply to the re-appropriation of funds which were appropriated but not expended during the previous fiscal years, nor shall they apply to appropriation of funds received from other sources.

d. The total amount proposed to be directly collected from local sources is estimated to be as follows (amounts shown are in addition to amounts shown in the existing Plan which have not yet been collected):

<u>Fiscal Year Ending:</u>	<u>Estimated Collections</u>
September 30, 2016	\$1,000,000
September 30, 2017	\$1,025,000
September 30, 2018	\$1,050,000
September 30, 2019	\$1,075,000
September 30, 2020	\$1,100,000
September 30, 2021	\$1,125,000
September 30, 2022	\$1,150,000
September 30, 2023	\$1,175,000
September 30, 2024	\$1,200,000
September 30, 2025	<u>\$1,225,000</u>
Total:	\$11,125,000

- e. The Basic Preliminary Budget is (October 1, 2015 through September 30, 2025):

Administration (2%):	\$222,500
Grants for eligible activities:	<u>\$10,902,500</u>
Total:	\$11,125,000

f. The City may issue bonds pursuant to the Act to fund and carry out the Program. The total amount of bonds that may be outstanding at any time shall be set by resolution of the City Council and shall not exceed the anticipated collections and resources which will be available to the Program during its existence.

g. The Program is currently in existence and shall continue in existence through September 30, 2040.

7. Application Process for Financial Assistance:

a. For a Qualifying Business to be considered for Program benefits, the Qualifying Business shall first become an “Applicant” by applying to the City for assistance. The application shall contain information as required by this Plan and any additional information as requested by the Administrator and/or Application Review Committee (as explained below).

b. Upon Receipt of an application, the Program Administrator shall make a preliminary determination as to whether: (1) the Applicant is eligible as a Qualifying Business; (2) the proposed activities are eligible; (3) the Applicant has no legal actions underway that may significantly impact its capacity; and (4) the Applicant’s business complies with the provisions of the application guidelines.

c. Once the Administrator makes the preliminary determinations above, the application is referred to the Application Review Committee. The Application Review Committee shall review the application, including any financial information furnished, and shall provide recommendations to the Administrator concerning negotiations with the Applicant. Once the Application Review Committee has completed its review, and following any negotiations conducted by the Administrator, the Application Review Committee shall make a recommendation that: (1) the application be approved; (2) the application be disapproved; (3) the Application Review Committee is not able to make a recommendation on the Applicant due to lack of information or other factors cited by the Application Review Committee; or (4) the application be referred to the City Council for a determination of funding as set forth below.

d. Approval or disapproval will be based on whether the Applicant is able to show: (1) eligibility for funding; and (2) that the type of level of assistance will not unduly enrich the business or be unreasonable in relation to the public benefit to be achieved from the funding. If the recommendation is for disapproval or if the Application Review Committee is unable to make a recommendation, it shall provide reasons for its decision.

e. All approval recommendations from the Application Review Committee shall be submitted to the City Council for consideration of funding. The Application Review Committee may also refer to the City Council certain applications, in its sole discretion, where it is unable to make a recommendation. In making its determination, the City Council shall generally not be presented with any information which has been determined by the Administrator or Application Review Committee as confidential.

f. An Applicant which has been awarded funding under the Program shall thereafter be referred to as a “Funded Business.”

g. There shall be no limit on the number of times a Qualifying Business may apply for assistance. Applications shall be received until all funds anticipated for the Program have been committed. The decision of whether or not Program funds shall be granted, including the timing and amount and the allocation of funds where there are not sufficient funds to fulfill the requests of all qualified Applicants, is at the sole discretion of the City.

8. Information Required from Applicants:

a. Applications for assistance submitted by an Applicant shall include the following information:

- (1) Application in a form prescribed and provided by the Administrator;
- (2) Business Plan which includes financial projections for the next 3 years where appropriate;
- (3) Signed copies of the most recent 2 years' fiscal tax returns, or copies of all years where the applicant has been in existence for less than 2 years.
- (4) Signed copies of financial statements of the Applicant for the 2 most recent fiscal years, or copies for all fiscal years where the applicant has been in existence for less than 2 years.
- (5) Where the applicant is a closely held entity, signed balance sheets from holders of more than 25% of the ownership interests in the entity; and
- (6) Other information as requested by the Administrator or the Application Review Committee.

b. The Administrator may waive the furnishing of all or any portion of the above items where the Administrator is able to obtain reasonable assurances as to the stability of the Applicant from other reliable sources or information to include audited financial statements and filing with regulatory agencies (i.e., SEC filings).

c. The Administrator may also waive the furnishing of all or any portion of the above items where the Applicant agrees that no funds shall be paid to the Applicant until the Applicant has performed according to agreed-upon criteria.

d. The Administrator may use any reasonable methods to verify the information provided by the Applicant.

9. Confidentiality:

a. In the process of gathering information about an Applicant or Qualifying Business, the City may receive information about the business which is confidential and, if released, could cause harm to the business or give unfair advantage to competitors. Nebraska law authorizes the City to maintain confidentiality of business and project records which come into its possession.

b. In order to protect the Applicants, and to encourage them to make full and frank disclosures of information relevant and necessary for the application, the City may take the following steps to ensure the confidentiality of the information it receives:

- (1) The continuation of any resolution or ordinance which makes such information confidential and punished disclosure;
- (2) A restriction on the number of people with access to confidential information, with the Administrator primarily responsible for their safekeeping and any distribution of confidential information; and
- (3) Requiring personnel reviewing the applications and other Program review to sign statements of confidentiality regarding all confidential information submitted by Applicants and Qualified Businesses.

10. Administration:

a. The Program Administrator shall be the City Manager unless (1) another city official is appointed by the City Council to serve as Administrator, or (2) the City by action of the City Council enters into a contract with a third party to administer the Program.

b. The Administrator shall be responsible for (1) generally administering the Program, (2) monitoring any and all reports required of Funded Businesses, and (3) assisting the Application Review Committee and the Citizen Advisory Committee (as provided below) by providing necessary information.

c. The Application Review Committee will be composed of 5 members to be appointed by the Mayor, subject to the approval of the City Council. At least 3 members of this Committee shall be residents of the City. At least one member must have experience in banking or lending and at least one member must be a Certified Public Accountant. The Program Administrator shall serve as an ex-officio, but non-voting member of the Application Review Committee. The Mayor, subject to the approval of the City Council, may also appoint up to 2 alternate members to the Application Review Committee, at least one of whom shall be a resident of the City. In the event that a Committee member is not available, or has a conflict of interest, with respect to a matter before the Committee, the Program Administrator may designate one of the alternates to act in the place of that Committee member.

d. In the event that the City has contracted with a third party for the administration of the Program, then the City Council shall designate a City employee as "Program Liaison Officer" to serve as an ex-officio, but non-voting member of the Application Review Committee and the Citizen Advisory Committee, and to keep the Council generally informed concerning the Program.

11. Review Process:

a. In order to provide assurance that all applicable laws, regulation, and requirements are met by the City and all Funded Businesses, the City shall require annual reports, in the form to be prescribed by the Administrator, from all Funded Businesses unless the circumstances of the grant are such that annual reports are not appropriate and the City determines that annual reports will not be necessary at the time of the grant. In addition, the Administrator may conduct reviews of Funded Businesses as the Administrator deems appropriate.

b. A Citizen Advisory Committee shall be established which shall:

- (1) Review the functioning and progress of the Program at regular meetings, and advise the City Council with regard to the Program; and
- (2) Report to the City Council on its findings and suggestions at a public hearing called for that purpose, at least once every six months.

c. The Citizen Advisory Committee shall consist of not less than 5 or more than 10 registered voters of the City who shall be appointed by the Mayor subject to the approval of the City Council. At least one member of this Committee shall have expertise or experience in business finance or accounting. Except for ex-officio members, no member shall be an elected or appointed City official, an employee of the City, a participant in a decision-making position regarding expenditures of the Program funds, an official or employee of any Funded Business under the Program, or an official or employee of any financial institution participating directly in the Program.

d. At least once per year, the City shall provide for an outside, independent audit of the Program by a qualified private auditing businesses. The auditing business shall not, at the time of the audit or for any period of the term subject to the audit, have a contractual or business relationship with any Qualifying Business receiving assistance from the Program or any financial institution directly involved with a Qualifying Business receiving assistance from the Program. The results of the audit shall be filed with the City Clerk and made available to the public during normal business hours.

12. Amendment:

This Plan shall be amended only to (1) conform to the provisions of any existing or future state or federal law, or (2) when necessary to accomplish the purposes of this amended Plan as presented to the voters of the City. Any amendment shall first require notice and a public hearing and shall be approved by a 2/3 vote of the members of the City Council. No amendment shall fundamentally alter the Plan's basic structure or goals, either with regard to eligible Qualifying Businesses, the use of the funds collected, or the basic terms set out in the amended Plans as presented to the voters of the City, without submitting the proposed changes to a new vote of the registered voters of the City, except as otherwise permitted by law.

City of Scottsbluff
Economic Development Grant Application

1. Applicant Information:

Business Name:

Address:

Applicant Contact:

Business Phone:

E-mail address:

2. Business Information:

Structure of Business (proprietorship, partnership, LLC, corporation, etc.):

Ownership breakdown (include percentages for each Owner):

General Description of Business:

Products/Services:

Number of years in Business (or if a new Business, describe Owners experience in this type of business):

Proposed Location Address:

Current Zoning Classification:

3. Employment:

Base (current) number of full-time positions:

Full-time positions to be created:

Salary/Wage Range:

Benefits provided to employees (include any contribution required by Employees):

4. Financial Need:

Total project cost estimate:

Breakdown of use of funds:

Date funds are needed:

Investment to be made by Applicant (Amount & Source):

Loan(s) to be obtained (Amount & Bank Name):

LB840 financial assistance amount requested for the Project:

****The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.**

Other Loans/Grants (CDBG, TIF, Re-Use, etc.):

5. The Small Business Assistance program is designed to inspire entrepreneurship and bring specialty retail, restaurants, and other complementary business that add to the growing business climate of Scottsbluff.

Small Business Assistance: loans should not exceed \$10,000 or 25% of the project, whichever is greater. 10% owner equity is required. (Forms of equity could include cash investment, remodeling expenses, equipment expenses, façade and signage.

The Small Business Assistance grants will be distributed to the landlord of the property and/or utility provider only for a period of up to 6 months.

6. Security Available:

Guarantor(s):

Real Estate:

Existing Liens:

Personal Property:

Existing Liens:

Stock / LLC Interests:

Other:

7. Eligibility:

Principal Source of Income from (circle one):

- a. Manufacturing
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing
- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required)
- k. Retail (see #5 above)

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program:

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s):

8. Additional Information to be submitted:

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history).
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.
- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request.
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included.
- e. Business Plan, to include:
 - Total project costs to include itemized use of funds

- Lender Commitments
- Investor Commitments
- Financial projections for the next 3 years.
- Employment projections for the next 3 years
- Identification of jobs to be created by description, number, average wage, benefits, etc.
- Information as to suppliers, and in particular, those in the Scottsbluff area

- f. References, to include name, position, address and phone number:
- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.
- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.
- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.
- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.

9. Nebraska Advantage Act:

The Applicant certifies to the city as follows (select one):

- _____ The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.
- _____ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: _____; and whether such application has been approved under the Nebraska Advantage Act: _____.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated:

Signed:

Title: _____

City of Scottsbluff, Nebraska
Wednesday, November 17, 2021
Regular Meeting

Item 1

**Following passage of motion to enter into executive session,
presiding officer must state purpose of executive session.**

Staff Contact: