

City of Scottsbluff, Nebraska

Tuesday, October 11, 2022

Regular Meeting

Item 1

Receive Information and Consider Action on the Mesner Development LB840 Application

Staff Contact: Starr Lehl

**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. Security Available:

Guarantor(s):

Real Estate:

Existing Liens:

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. 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).

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):

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. ImagiNE Nebraska 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 Economic Development to receive tax incentives under the ImagiNE Nebraska Act with respect to this project.
- _____ The Applicant has filed or intends to file an application with the Nebraska Department of Economic Development to receive tax incentives under the ImagiNE Nebraska 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 ImagiNE Nebraska 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: _____



Clifford F. Mesner
Kathryn L. Mesner

1415 16th Street, Suite 200 – P O Box 335
Central City, Nebraska 68826
P: (308) 946-3826 – F: (308) 946-3827

cliff@mesnerlaw.com
kathy@mesnerlaw.com
lenz@mesnerlaw.com
www.mesnerdevelopment.com

September 27, 2022

To whom it may concern,

Mesner Development Co. is applying for the LB 840 funds to buy down the cost of real estate for a Rural Workforce Housing Fund project in Scottsbluff.

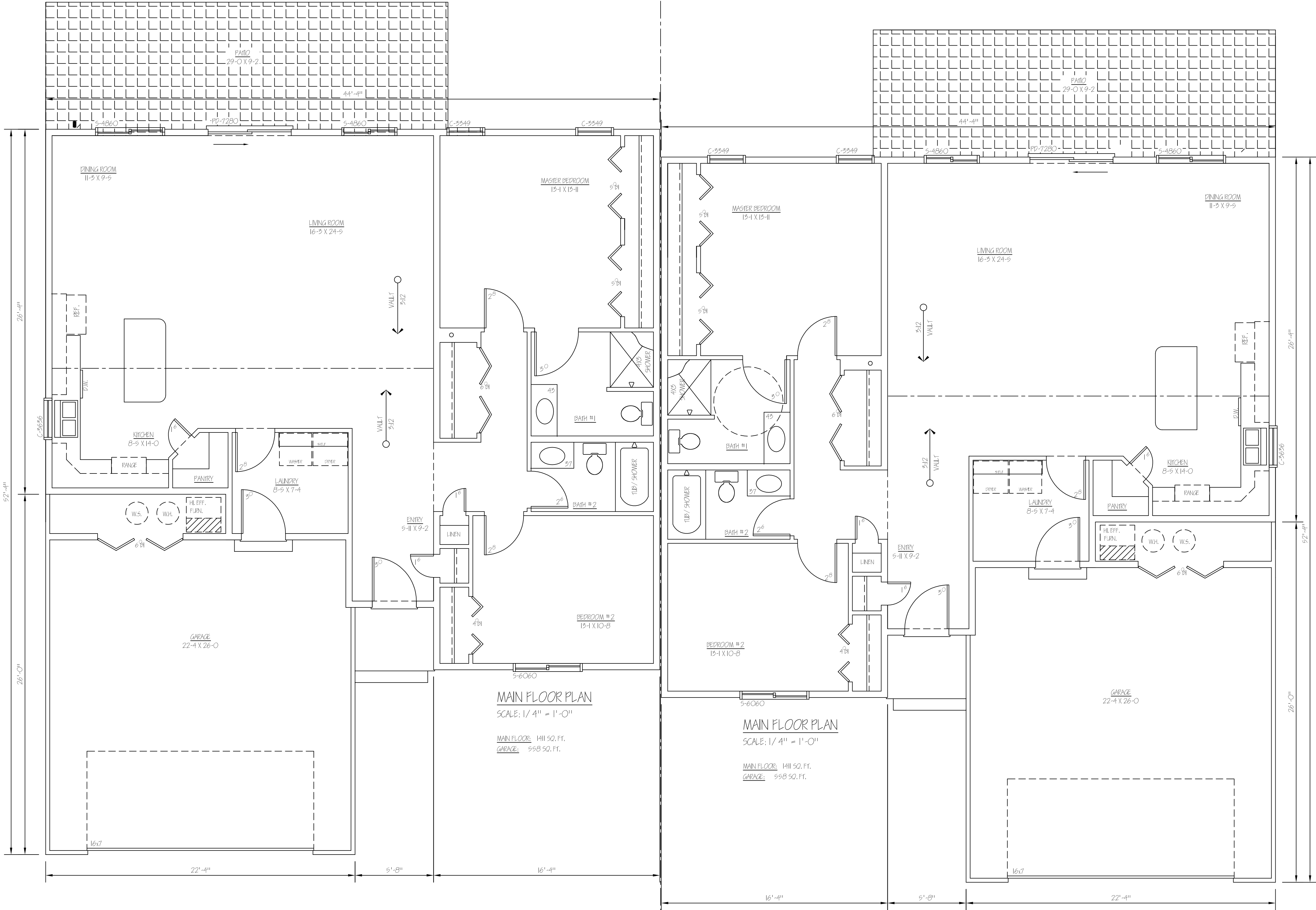
Mesner Development Co., a real estate development and property/asset management firm located in Central City, Nebraska owned by Cliff and Kathy Mesner. The company specializes in Low Income Housing Tax Credit (LIHTC) and workforce housing. Mesner Development Co. has developed 80 LIHTC housing projects all across Nebraska and Kansas. The company has developed Rural Workforce Housing (RWHF) projects in Schuyler, York, Hasting, and Holdrege. It currently has RWHF projects under development in Schuyler, Aurora, Grand Island, Cozad and now Scottsbluff.

Mesner Development is borrowing \$480,000 of the Rural Workforce Housing Funds from Twin City Development as a nonrecourse loan. Mesner Development has agreed to build 4 duplexes (8 townhomes). The requirements of the Rural Workforce Housing Fund require the money to be spent within a specified time frame.

There are numerous options for real estate in the Scottsbluff / Gering area but the ability to move forward quickly is a concern. The properties located in TIF eligible areas would ultimately be cheaper to develop but all need some infrastructure development which will slow down the process. The decision was made to buy the lots across from City Hall in Scottsbluff and ask for some LB 840 money to buy down the cost rather than applying for TIF and slowing down the process. This should allow us to get started quickly and meet the timeline requirements.

We are requesting \$50,000 in LB840 funds to buy down the cost of the lots to be purchased for a total price of \$145,000. This still makes the lots more expensive than TIFable lots but the need to move more quickly is driving the decision.

We have built the same units in multiple other communities with good success.



THESE PLANS HAVE BEEN
DESIGNED ACCORDING TO OWNER
SPECIFICATIONS AND DEFER ALL
ENGINEERING TO THE OWNER. A
STRUCTURAL ARCHITECT WAS NOT
USED IN ENGINEERING THIS PLAN,
THEREFORE ALL STRUCTURAL
SUPPORT AND WARRANTIES REFER
TO THE CONTRACTOR AND OWNER.

NAME: **OSBORNE
ESTATES**
LOCATION: **HASTINGS, NE**

MAIN

5/23/19

2
OF
5



Amanda A. Koeller
55431 Highway 20
Nebraska, NE 68147
402.369.4636



Townhomes for Sale

Zero Entry

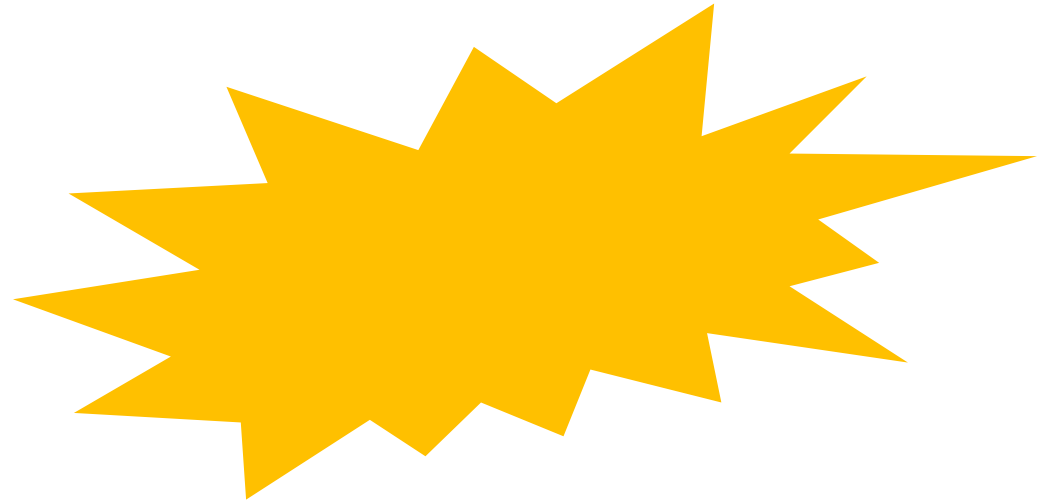
1,500 sq. ft.

2 bedroom

2 bath

2 car garage

Open floor design with vaulted ceilings









HANGTIME
PRODUCTIONS







