



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

**Regular Meeting  
October 28, 2022  
10:00 AM**

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) Approval of minutes for meeting of October 11, 2022
6. **Receive Information for Early Release of Funds**
  - a) Receive Information and Consider a Request from Prime Metal Products for Early Release of Funds
7. **Consideration of Applications for Economic Development Assistance**
  - a) Receive Information and Consider Action on the Brandon Rajewich LB840 Application
8. **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.
9. **Reports from Staff, Boards & Commissions**
  - a) (information only):
10. **Adjournment.**

**City of Scottsbluff, Nebraska**  
**Friday, October 28, 2022**  
**Regular Meeting**

**Item 1**

**Approval of minutes for meeting of October 11, 2022**

**Staff Contact: Starr Lehl**

**CITY OF SCOTTSBLUFF**  
**ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE**  
**October 11, 2022**

A meeting of the Economic Development Application Review Committee was advertised for October 11, 2022 at 9:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska. A quorum of the Committee was not available and no actions were taken.

Present were Committee members Jim Trumbull and Dennis Hadden. Also present were Adam Hoelsing, Deputy City Attorney, Sharaya Toof, Small Business Outreach/Public Relations Coordinator for the City, Kevin Spencer, co-City Manager, and Elizabeth Loutzenhiser, co-City Manager. Member Trumbull presided over the discussion.

The first item of the agenda discussed was the presentation by Mesner Development Co. for its application for assistance. The Applicant has a principal source of income being the construction of housing for sale or lease. The Applicant desires to purchase real estate, construct, and sell four residential duplexes (eight units) in the City of Scottsbluff on Circle Drive between 24<sup>th</sup> and 26<sup>th</sup> Streets, currently Lots 1 through 5, Block 6, Northeast Second Addition (the "Project"), and the Applicant desires assistance from the Program to offset the purchase price of the real estate for the Project in lieu of other TIF incentives that may be available for other real estate. Mr. Cliff Mesner and Mr. Cliff Lenz presented on behalf of the Applicant. The Applicant desires a \$50,000 grant, which will be payable in prorated payments for 8 duplex units once each unit obtains a certificate of occupancy. The Applicant is also ready to obtain loan financing from Twin Cities Development for the project, which financing is part of the rural workforce housing fund that the City of Scottsbluff previously contributed \$350,000 as a match. The Applicant further requested this grant would allow the purchase of the real estate at competitive market rates that would incentivize the project without the use of TIF financing. The Applicant desires to close the real estate purchase in October of 2022 and begin concrete work shortly thereafter. A timeframe for the project is expected to be completed units by the end of 2023, and a deadline for the rural workforce housing fund is the end of 2023. It was important that the Applicant close on the real estate in October 2022 to begin concrete work before winter.

The Committee, due to lack of quorum, was unable to make a recommendation to the City Council on the application. Members of the committee present were generally in favor of the application. Due to the time sensitive nature of the Applicant's desires, the members of the Committee that were present forwarded the application and economic development agreement approval directly to the City council without Committee recommendation, per the terms of the City's economic development plan.

Thereafter, annual program reports for year ending March 31, 2022 and June 30, 2022 were provided to the members of the Committee present. Discussion was had regarding the size and success of the program portfolio and the program in general. The members of the Committee present then ended discussion at approximately 9:34 AM.

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Starr Lehl, Economic Development Director

# **City of Scottsbluff, Nebraska**

**Friday, October 28, 2022**

**Regular Meeting**

## **Item 1**

**Receive Information and Consider a Request from Prime Metal Products for Early Release of Funds**

**Staff Contact: Starr Lehl**



October 14, 2022

Starr Lehl

City of Scottsbluff

2525 Circle Drive

Scottsbluff, NE 69361

Dear Starr;

Thank you again for the partnership opportunity that you have given life to in Scottsbluff and Gering. Our journey to create a market leading HVAC manufacturer in Scottsbluff would not be possible without the incredible ongoing support and backing this community has given to Prime Metal Products.

We are pleased to report that Prime Metal Products has been over 50 employees for some time now. Our sales growth has been well ahead of our expectations and our continued prospects point to an extraordinarily strong 2023. The HVAC industry faces incredible growth as American buildings retool the ventilation systems to meet the clean air requirement that the pandemic has brought on. In addition, our early efforts to start our residential sales division have been met with very positive results. Our sales are currently tracking at a \$18 Million annual level. However, sales growth can be very consuming with regards to increased receivables and inventory, which leads to this invocation.

Prime Metal Products Inc. 1321 Broadway Scottsbluff, NE 69341  
308-633-0025 [www.primemetalproducts.com](http://www.primemetalproducts.com)

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We would like to request the City of Scottsbluff release the LB840 funds in the amount of \$250,000 currently scheduled for distribution on January 1<sup>st</sup>, 2023, to Prime Metal Products in October, 2022.

This will assist us in our continued path of increasing sales in our existing business and working toward the implementation of the residential manufacturing that is still waiting for the release of the CDBG funds from the State.

Please let us know at your earliest convenience if you can accommodate our request.

Regards,

Herb Gibson  
President

CC: Ladd Harrison – PV Bank

Prime Metal Products Inc. 1321 Broadway Scottsbluff, NE 69341  
308-633-0025 [www.primemetalproducts.com](http://www.primemetalproducts.com)

# **City of Scottsbluff, Nebraska**

**Friday, October 28, 2022**

**Regular Meeting**

## **Item 1**

### **Receive Information and Consider Action on the Brandon Rajewich 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. 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**

**Friday, October 28, 2022**

**Regular Meeting**

## **Item 1**

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

**Staff Contact:**

# **City of Scottsbluff, Nebraska**

**Friday, October 28, 2022**

**Regular Meeting**

## **Item Reports<sup>1</sup>**

**(information only):**

**Staff Contact: Starr Lehl**