

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

Regular Meeting November 8, 2022 9:00 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) for meeting of October 28, 2022
- 6. **Consideration of Applications for Economic Development Assistance**
 - a) Remove Brandon Rajewich LB840 Application From the Table
 - b) Receive Information and Consider Action on the Brandon Rajewich LB840 Application
- 7. 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.

8. **Reports from Staff, Boards & Commissions**

- a) (informational only):
- 9. Adjournment.

Item 1

for meeting of October 28, 2022

CITY OF SCOTTSBLUFF ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE October 28, 2022

A meeting of the Economic Development Application Review Committee was advertised for October 28, 2022 at 10:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska. A quorum of the Committee was available.

Present at the meeting were Committee members Dennis Hadden, Marla Marks, Dave Schaff and Nate Merrigan. Also present were Kent Hadenfeldt, City Attorney, Sharaya Toof, Small Business Outreach/Public Relations Coordinator for the City, Zach Glaubius, Planning Administrator for the City, and Starr Lehl, Economic Development Director for the City. Member Nate Merrigan presided over the meeting.

The meeting was called to order at 10:02. Roll call was completed. Committee Member Merrigan pointed out the Open Meetings Act poster on the west wall of the meeting room.

There were no changes to the agenda.

There were no citizens with business other than what was on the agenda.

The next order of business was the approval of the minutes for the October 11, 2022 meeting. It was moved by Committee member Marks and seconded by Committee member Schaff to approve the minutes. Voting yes: Hadden, Marks, Merrigan and Schaff. Voting no: none.

The next order of business was the request by Prime Metals Products, Inc. for early release of funds. This would require an amendment of their current Economic Development Assistance Agreement. Herb Gibson, President of Prime Metal Products, Inc. was present to discuss the reasons for the early release of funds. The Economic Development Assistance Agreement currently states the City will provide an additional \$250,000.00 of funds on or after January 1, 2023. Mr. Gibson is asking that the funds be released earlier, and as early as possible. There was discussion between the Committee members as to the reasons for the early funding and Mr. Gibson explained the need for the current influx of cash. Committee member Schaff asked about the CDBG funding from the City of Gering. Mr. Gibson explained those funds would certainly help at this point, and all the paperwork has been submitted but they have not received word from the State and thus no funds have been provided. Motion was made by Committee member Hadden and seconded by Committee member Marks to amend the current Economic Development Assistance Agreement to reflect a request for funding on or after November 7, 2022 and recommend to the City Council to amend the Agreement and fund the final phase of the Economic Assistance Agreement. Voting yes: Hadden, Marks, Merrigan and Schaff. Voting no: None.

The next item on the agenda was the Application of Economic Development Assistance for Brandon Rajewich related to his purchase of Anderson-Shaw Construction. Mr. Rajewich was present and explained the need for the Economic Development Assistance. It would increase the bonding capacity and assist with cash flow, employee retention. The Committee asked questions of Mr. Rajewich who responded to each question. The Committee members questioned Economic Development Director Lehl about the financial records for Anderson-Shaw Construction. After a conversation it was determined the Committee members did not have all of the financial information. A motion was made by Schaff to table the discussion and consideration of the Economic Development Assistance Agreement for Mr. Rajewich until all of the financial information has been reviewed by the Committee. The motion was seconded by Marks. Voting yes: Marks, Merrigan, Schaff, Hadden. Voting no: None.

The next item on the agenda were staff reports, Ms. Toof reported they have extended the time to purchase a brick for the plaza to December 16th. In addition, she discussed the formation of a Business Improvement District for East Overland which is in the beginning stages. Finally, during staff reports it was discussed when the next meeting of the Committee could be held to accommodate the Committee member's schedules. It was decided the next meeting will be held on November 8, 2022 at 9:00 a.m. at City Hall.

Following that discussion, the meeting was adjourned at 10:26 a.m.

Starr Lehl, Economic Development Director

Item 1

Remove Brandon Rajewich LB840 Application From the Table

Item 2

Receive Information and Consider Action on the Brandon Rajewich LB840 Application

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

2

- 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:			

Item 1

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

Staff Contact:

Item Reports1

(informational only):