

City of Scottsbluff, Nebraska

Monday, March 20, 2023

Regular Meeting

Item Resolut.1

Council to discuss and consider action on a Resolution for the purpose of committing LB840 funds as a match for the Nebraska Department of Economic Development Regional Workforce Housing Grant.

Staff Contact: Sharaya Toof, Economic Development Director

Resolution No 23-_____

WHEREAS, the City of Scottsbluff, Nebraska (“Scottsbluff”) operates its Economic Development Program (the “Program”) through the use of its Economic Development Program Funds (the “Funds”); and

WHEREAS, the Program is able—under its Economic Development Plan (the “Plan”) and the Nebraska Local Option Municipal Economic Development Act (NEB. REV. STAT. § 18-2701 *et. seq.*)—to provide assistance from the Funds in the form of grants to businesses that derive their principal source of income from the construction or rehabilitation for sale or lease of housing as part of a workforce housing plan; and

WHEREAS, the Plan includes a workforce housing plan, and the Rural Workforce Housing Fund (RWHF) with the Nebraska Department of Economic Development is accepting applications for a match-grant to eligible non-profit organizations for rural workforce housing projects; and

WHEREAS, projects eligible under the RWHF program may likewise qualify for assistance under the Program, and Twin Cities Development, Inc. (“TCD”) is an eligible non-profit organization interested in submitting a two-to-one match-grant application to the RWHF program; and

WHEREAS, the RWHF program requires a two-to-one match of funds from the applicant or from the surrounding communities of the applicant, and TCD has submitted an application under the Program for Scottsbluff to provide matching funds from Funds of the Program for TCD’s RWHF program application; and

WHEREAS, TCD’s application for assistance under the Program has been reviewed and recommended for approval by the Program’s Application Review Committee (the “Committee”) in an amount of \$200,000, subject to (1) such Funds being spent directly on contractors or businesses that derive their principal source of income from the construction or rehabilitation for sale or lease of housing; (2) such funds being expended for housing projects located in the municipal limits of Scottsbluff; (3) such funds being repaid to the City if the Nebraska Department of Economic Development recaptures any matching funds of the RWHF due to non-use; (4) TCD developing a long-term plan acceptable to Scottsbluff for TCD’s RWHF program, including the continued use of revolving funds from the Funds supplied by Scottsbluff; and (5) an economic development assistance agreement between Scottsbluff and TCD, satisfactory to Scottsbluff, being executed to that effect.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the City Council of the City of Scottsbluff, Nebraska, that the following is committed:

1. Scottsbluff commits and earmarks up to \$200,000 from the Funds to TCD as a local match to the match-grant requirements of TCD’s anticipated second application to the RWHF program, subject to the following:

A. The commitment of \$200,000 is conditional upon (1) such Funds being spent directly on contractors or businesses that derive their principal source of income from the construction or rehabilitation for sale or lease of housing; (2) such funds being expended for housing projects located in the municipal limits of Scottsbluff; (3) such funds being repaid to the City if the Nebraska Department of Economic Development recaptures any matching funds of the RWHF due to non-use; (4) TCD developing a long-term plan acceptable to Scottsbluff for TCD's RWHF program, including the continued use of revolving funds from the Funds supplied by Scottsbluff; and (5) an economic development assistance agreement between Scottsbluff and TCD, satisfactory to Scottsbluff, being executed to that effect; provided, however, that Scottsbluff's commitment of the Funds may be reduced proportionally to the amount awarded by the Nebraska Department of Economic Development under the RWHF program.

B. The commitment of Funds shall expire if (i) TCD declines to submit the RWHF program application in March 2023, or (ii) TCD's RWHF program application submitted in March 2023 is not funded by the Nebraska Department of Economic Development.

PASSED AND APPROVED this _____ day of March, 2023.

Mayor

Attest:

City Clerk

(Seal)

CITY OF SCOTTSBLUFF
ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE
March 10, 2023

A meeting of the Economic Development Application Review Committee was advertised for March 10, 2023 at 9:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska. A quorum of the Committee was available.

Present at the meeting were Committee members Nate Merrigan, Dave Schaff, Marla Marx, and Jim Trumbull. Also present were Adam Hoelsing, Deputy City Attorney, Sharaya Toof, Economic Development Director for the City, Zach Glaubius, Planning Administrator for the City, Kevin Spencer, City Manager, and Elizabeth Loutzenhiser, City Treasurer. Chairman Nate Merrigan presided over the meeting.

The meeting was called to order at 9:00. 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 November 8, 2023 meeting. It was moved by Committee member Marx and seconded by Committee member Schaff to approve the minutes. Voting yes: Merrigan, Schaff, Marx, and Trumbull Voting no: none.

The next order of business was to discuss and consider an economic development application from Twin Cities Development Association, Inc. for rural workforce housing matching funds. Present on behalf of the applicant was Jordan Diedrich, Executive Director. The applicant had previously received \$350,000 from the City's program for a previous rural workforce housing match fund. The applicant presented the projects development in the City with that funding, including approximately \$1,400,000 of state and local funds contributed to housing rehabilitation or construction projects in the City. The applicant seeks to make another application to the rural workforce housing fund for \$200,000, on a two-to-one state-to-local match ratio and to manage the additional funding (if approved) in accordance with the rural workforce housing fund guidelines and the applicant's investment plan for the rural workforce housing fund, which was included in the application materials.

Members of the committee discussed the recent projects and status of the current fund with the applicant. Members of the committee also discussed the lack of any definitive goal or termination point for the rural workforce housing fund. The applicant presented that the investment plan is intended to be perpetual, with reuse of the funds be to used perpetually if possible. Members of the committee then discussed some concern regarding the ability of the applicant to amend its investment plan upon state approval, or without state approval if the time-frame of the rural workforce housing grant had passed. The committee members felt that the funds contributed (even if reuse status) should continue to be used for the intended purpose of the

application, which was for housing rehabilitation or construction projects of local contractors in the City

After discussion with the applicant and deputy city council, it was moved by committee member Trumbull and seconded by committee member Marx as follows:

Recommend to Council local match funding from the program for the applicant's second rural workforce housing application in an amount of \$200,000, subject to an agreement being reached that is acceptable to the City along the same or similar terms of the current agreement for the \$350,000 matching funds, subject to the applicant further defining the long-term goals and intent of the rural workforce housing fund investment plan to ensure compliance with the City's intended use of the funds, including if necessary a five-year term or return of the local funding unless extended, and subject to return of the funding if a recapture of the rural workforce housing funds occurs from the State of Nebraska.

There were no other items of business and the meeting was adjourned at 10:00 a.m.

Sharaya Toof, Economic Development Director