

# **City of Scottsbluff, Nebraska**

**Monday, April 3, 2023**

**Regular Meeting**

## **Item Consent1**

**Council to approve the minutes of the March 20, 2023 Regular Meeting.**

**Staff Contact: City Council**

Regular Meeting  
March 20, 2023

The Scottsbluff City Council met in a regular meeting on March 20, 2023 at 6:00 p.m. in the Council Chambers of City Hall, 2525 Circle Drive, Scottsbluff. A notice of the meeting had been published on March 17, 2023, in the Star Herald, a newspaper published and of general circulation in the City. The notice stated the date, hour and place of the meeting; that the meeting would be open to the public, that anyone with a disability desiring reasonable accommodations to attend the Council meeting should contact the City Clerk's Office, and that an agenda of the meeting kept continuously current was available for public inspection at the office of the City Clerk in City Hall; provided, the City Council could modify the agenda at the meeting if it determined that an emergency so required. A similar notice had been emailed to each council member, made available to radio stations KNEB, KMOR, KOAQ, television station NBC Nebraska, and the Star Herald. The notice was also available on the city's website on March 16, 2023. Mayor McKerrigan presided and City Clerk Wright recorded the proceedings. The meeting was called to order and the Pledge of Allegiance was recited. Mayor McKerrigan welcomed everyone and informed those in attendance that a copy of the Nebraska Open Meetings Act is posted in the back of the room on the west wall for the public's review. The following Council Members were present: Jeanne McKerrigan, Jordan Colwell, Angela Scanlan, Matt Salomon, and Betsy Vidlak. Also present were City Attorney Kent Hadenfeldt and City Manager Kevin Spencer. Absent: None. Mayor McKerrigan asked if there were any changes to the agenda. There was none. Mayor McKerrigan then asked if any citizens with business not scheduled on the agenda wished to include an item providing the City Council determines the item requires emergency action. There was none.

Moved by Council Member Scanlan, seconded by Council Member Salomon,

- a) The minutes of the March 6, 2023 Regular Meeting be approved,
- b) A public hearing be set for April 3, 2023 at 6:00 p.m. to receive information to add a catering endorsement to the Class C liquor license held by BR Entertainment, LLC d/b/a Hight's Tavern, 20 W. 18<sup>th</sup> St., Scottsbluff, NE,
- c) To acknowledge receipt of and take no action on a liability claim from Eric Dorn, 3103 17<sup>th</sup> Ave., Scottsbluff, NE. The claim will be withdrawn and forwarded to the City's insurance carrier,
- d) The claims, be approved and paid as provided by law out of the respective funds designated in the list of claims dated March 20, 2023, as on file with the City Clerk and submitted to the City Council, "YEAS," Colwell, Salomon, Vidlak, Scanlan and McKerrigan. "NAYS," None. Absent: None.

CLAIMS

ACTIONCOMMUNICATIONSINC.,CIPPATROLCARS,4461.7;ADVANCEAUTOPARTS,BATTERY AND WINDSHIELD WIPERS - UNIT 2,206.5;ALLO COMMUNICATIONS,LLC,LOCAL TELEPHONECHARGES,4078.46;AMERICANPUBLICWORKSASSOCIATION,MEMBERSHIPS,764 ;AUTOZONE STORES, INC,VEH MAINT ADM CHEV IMPALA,308.7;B&C STEEL CORPORATION,WHITE PANELS FOR HANGER BUILDING,114.48;BLUFFS FACILITY SOLUTIONS,DEPT/JANIT SUPPL-PD,711.13;BROWN'S SHOE FIT, CO.,UNIFORM & CLOTHING-SAN,199.75;CAPITAL BUSINESS SYSTEMS INC.,COPIER SERVICE,28.08;CELLCO PARTNERSHIP,TABLETS, IPADS, CELL PHONE, GRIDSMART FOR TRANS.,1152.42;

CITIBANK, N.A.,SNOW SHOVELS - STATION 1,84.58;CITY OF GERING,DISPOSALFEES-SAN,32401.97; CITY OF SCB,POSTAGE/LEGAL FEES-PD,73.62;CLARK PRINTING LLC,DEPT SUPP PARK,832.4; COLONIAL LIFE & ACCIDENT INSURANCE COMPANY,INSURANCE,22.75;COMPUTER CONNECTION INC,CONTRACTUAL-PD,44; CONTRACTORS MATERIALS INC.,SUPP - BUCKLE & BANDING FOR SIGNS,894.74;CORE & MAIN LP,METERS,3408.86;CORNHUSKER MARRIOTT HOTEL,SCHOOL & CONF K SPENCER,330;CREDIT BUREAU OF COUNCIL BLUFFS,FEES & EMPL.SCREEN - JAN & FEB 2023,176.5;CRESCENT ELECT. SUPPLY COMP INC,SUPP - GEL LAMPS,135.09;CROELL INC,DEPT SUP,411.96;CROWNE PLAZA,DS - LODGING FOR NEBRASKA PLANNING CONFERENCE,134.95;DOOLEY OIL INC,EQUIP MAINT,368.13; EAKES INC,DEPT SUPP CC,314.62;ELLIOTT EQUIPMENT COMPANY INC.,EQUIPMENT-SAN,159306.8; ENGINEERED EQUIPMENT SOLUTIONS INC,EQUIP MAINT,588; ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE INC,CONTRACTUAL SVC,300; ESSENTIAL FUEL LLC STORE #003,VEH MAINT-PD,389;FAT BOYS TIRE AND AUTO,VEHICLE MAINT,36.08;FEDERAL EXPRESS CORPORATION,POSTAGE,172.5;FLOYD'S TRUCK CENTER SCOTTSBLUFF,ADJ/ARM AND FITTING FOR D. TRUCK,334.51;FRANCISCO'S BUMPER TO BUMPER INC,TOW SERVICE-PD,1390;FUN EXPRESS, LLC,SPECIAL EVENTS-REC,2520.92;GALLS PARENT HOLDINGS, LLC,UNIFORMS-PD,305.56;GRAY TELEVISION GROUP INC,TRI-CITY STORMWATER - NBC NEBRASKA PSAs,2095;HOWMEDICA OSTEONICS CORP,AED PEDIATRIC PADS,412.77;HQ COMPOST HOLDINGS LLC,DEPT SUP,9100;HULLINGER GLASS & LOCKS INC.,EQUIP. MAIN.,118.75;IDEAL LAUNDRY AND CLEANERS, INC.,DEPARTMENT SUPPLIES-SAN,449.25; INDEPENDENT PLUMBING AND HEATING, INC,GROUND MAINT PARK,19.81;INGRAM LIBRARY SERVICES INC,COLL.,783.1;INLAND TRUCK PARTS & SERVICE,SERVICE AND REPAIR LEAK - ENGINE 1,2070.59; INTERNAL REVENUE SERVICE,WITHHOLDINGS,65108.37; INTRALINKS, INC,CONTR. SERV. - FEB. 2023,6730;INVENTIVE WIRELESS OF NE, LLC,CONTRACTUAL SVC,139.8;J G ELLIOTT CO.INC.,NOTARY BOND-PD,70;KNOW HOW LLC,DEPARTMENT SUPPLIES-SAN,3073.43;KRIZ DAVIS,ELECTRICALMAINT,104.18; LEAGUE OF NEBRASKA MUNICIPALITIES,2023 MIDWINTER CONF. - SPENCER & COLWELL,1089; LEEBHMCORP,PUBLISHING,1129.06;LEXISNEXIS RISK DATA MANAGEMENT,CONSULTING-PD,100;LOPEZ STEVE,SCHOOLS & CONF-PD,237.48;LOU'S GLOVES INC,DEPT SUP,262; MARKETING CONSULTANTS,CLOTHING ALLOWANCE - ENV.SERV.,85;MENARDS, INC,DEPT SUPP PARK,1612.65;MIDWEST CONNECT, LLC,DEPT SUPPL-PD,223;MOTOROLA SOLUTIONS, INC,CONTRACTUAL-PD,6610;MUNIMETRIX SYSTEMS CORP,IMAGESILO - FEB. 2023,39.99;NECHILDSUPPORTPAYMENTCENTER,NECHILDSUPPORTPYBLE,1267.1;NEBRASKA A FIRE CHIEFS' ASSOCIATION,ANNUAL DUES,503;NEBRASKA INTERACTIVE, LLC,DRIVERS LIC. REQ. - FEB. 2023,30;NEBRASKA MACHINERY CO,GROUND MAINT PARK,507.5; NEBRASKA PUBLIC POWER DISTRICT,ELECTRIC,43432.5;NEBRASKA RURAL RADIO ASSOCIATION,TRI-CITY STORMWATER KNEB PSAs,475;NEBRASKA SAFETY & FIRE EQUIPEMENT INC.,BLDG MAINT CEM,230;NEBRASKA SALT AND GRAIN CO,1 LOAD ICE SLICER,4431.48; NEBRASKALAND TIRE, INC,VEH MAINT-PD,21;NORTHERN TRUCK EQUIPMENT CORPORATION,CYLINDER FOR SNOW PLOW,1669.74;NORTHWEST PIPE FITTINGS, INC. OF SCOTTSBLUFF,GROUND MAINT PARK,441.67; OCLC ONLINE COMPUTER LIBRARYCENTER,INC,CONT.SRVCS.,404.05;ONECALLCONCEPTS,INC,CONTRACTUAL,62.7;P ANHANDLE COOPERATIVE ASSOCIATION,FUEL,3220.36;PANHANDLE ENVIRONMENTAL SERVICES INC,SAMPLES,175;PARADISE PUMPERS LLC,CONTRACTUAL PARK,620;PAUL

REED CONSTRUCTION & SUPPLY, INC,GROUND MAINT PARK,394.24;PLATTE VALLEY BANK,HEALTH SAVINGS ACCOUNT,9839.72;POMPS TIRE SERVICE INC,VEHICLE MAINTENANCE SAN, 3926.01; POWERPLAN, VEHICLE MAINTENANCE SAN, 1099.28; PRECISSION AIR,NEW FURNACE W/CENTRAL AIR FOR TRANS. OFFICE,8862.12; QUADIENT INC,POSTAGE,1000;QUILLCORPORATION,DEPTSUPPLPD,458.85;RAYALLENMANUFACTURING, LLC,K9 SUPPLIES-PD,193.92; REGIONAL CARE INC,CLAIMS,44092.22; REGIONAL WEST MEDICAL CENTER,NASOPHARYNGEAL AIRWAYS,41.55; REGISTER OF DEEDS,LEGAL CEM,74;ROBERTAJBOYD,COLL.,28.54;RUSSEL'SAUTOMOTIVE,VEHMAINTPD,914.45;RUTTE R TRENT,SEWER BACKUP CLAIMS,270; S M E C,SMEC,101.15; SANDBERG IMPLEMENT, INC,EQUIP MAINT PARK,1177.76;SCB FIREFIGHTERS UNION LOCAL 1454,FIRE EE DUES,300;SCB IBEW 1597 UNION DUES,SCB IBEW 1597 UNION DUES,457.34; SCB TENT & AWNING,VEH MAINT PARK,165;SCOTTS BLUFF COUNTY COURT,LEGAL FEES-PD,309; SCOTTSBLUFF MOTOR CO, INC,VEH MAINT CEM,5.49;SCOTTSBLUFF POLICE OFFICERS ASSOCIATION,POLICE EE DUES,858;SCOTTSBLUFF SCREENPRINTING & EMBROIDERY, LLC,UNIFORM SHIRTS AND JACKETS SCREENPRINTING,233;SECRETARY OF STATE,NONPROFIT CORP BIENNIAL REPORT 2023,30;SHERIFF'S OFFICE,LEGAL FEES-PD,147.84;SHERWIN WILLIAMS,YELLOW, WHITE, BLUE & RED LATEX PAINT,26999.05; SIMMONS OLSEN LAW FIRM, P.C.,CONTRACTUAL,13898.29;SIMON CONTRACTORS,ICE SAND FOR ICE SLICER,144.78;SOUNDSLEEPER SECURITY INC.,CONTRACTUAL-PD,14.95; SOUTHERN UNIFORM AND TACTICAL INC,UNIFORM CLASS B AND JOB SHIRTS,1561.87; THE PEAVEY CORP,INVEST SUPPL-PD,173.07; THOMPSON GLASS, INC,VEH MAINT PARK,230; TWIN CITY ROOFING & SHEETMETAL, INC,HAIL 2019 AIRPORT BOOSTER PUMP,4681.98; TYLER TECHNOLOGIES, INC,ANNUAL MAINTENANCE INCODE (3/1/23 - 2/29/24),56270.88; UNION BANK & TRUST,RETIREMENT,21060.88;VERIZON CONNECT FLEET USA LLC,GPS SERVICE,244.66;WESTERN COOPERATIVE COMPANY,VEHICLE MAINTENANCE-SAN,1423.3; WESTERN NE COMMUNITY COLLEGE,EMT TUITION - HARSH,1064; WEX BANK,DIESEL FUEL-SAN,21653.03;WILSON T RONALD,SCHOOLS & CONF-PD,237.48;WYOMING CHILD SUPPORT ENFORCEMENT,CHILD SUPPORT,738.08; WYOMING FIRST AID & SAFETY SUPPLY, LLC,DEPARTMENT SUPPLIES-SAN,279.52;

Due to technological issues, the agenda item of receiving the 2022 Annual Audit Report from Contryman Associates, P.C. was tabled until the next item.

Finance Director Loutzenhiser came forward to present the February 2023 Financial Report. Ms. Loutzenhiser explained this is the monthly budget report received due to the status of the treasury and lists all of our fund balances for the first five months of the year. The first page shows the net cash inflow/outflow for the year, adding everything is budgeted for and we are spending funds collected through tax revenues and utility user fees. The second page includes checking account balance by fund showing prior year and month, adding we operate by saving and then paying cash for capital improvement projects. The rest is a line-item budget report that shows activity for the current month, fiscal activity (five months Oct-Feb) and the variance.

Ms. Loutzenhiser also commented our revenues are doing really well and she does not have any concerns at this point.

Ms. Jada Thompson with Contryman Associates, P.C. was present via Zoom to give the 2022 Annual Audit Report. Ms. Thompson explained the audit went very well, commenting this was the first

year there was not an audit adjustment. In addition, the City received an unmodified opinion which is the best opinion possible.

She also described one big change from last year, GASB 87, which aims to increase the usefulness of governments' financial statements by reporting of certain lease liabilities that currently are not reported. Ms. Thompson explained the water fund did have some water tower leases, which were required to be recognized on the financial statements as a line-item lease receivable, coming to around \$250,000 for the life of the leases. In addition, the NPPD lease, which is classified as a regulated lease through the State of Nebraska, is also shown as a table for the life of the lease in the report, revealing the total payment of that lease to be greater than \$63M.

Ms. Thompson concluded by reminding Council and staff that restricted ARPA funding of approximately 2.5M needs to be allocated by 2024 and spent by 2026 or it has to be returned.

After the audit report, Council and City Manager Spencer thanked Finance Director Loutzenhiser and her staff for all the hard work and commended them for a great audit.

Mayor McKerrigan opened the public hearing at 6:20 p.m. to receive information regarding a Class I Liquor License for Hector's, LLC d/b/a El Rancho Viejo Mexican Restaurant, 23 W. 27<sup>th</sup> St., Scottsbluff, NE.

Mr. Hector Manriquez, owner and manager applicant, approached Council to explain his experience in the industry, stating he and his family have operated restaurants for many years. About four years ago he decided to take a management role in the business, leading him to open the El Rancho Viejo Restaurant in Scottsbluff. He added they are currently open and operating under a Temporary Operators Permit which allows them to sell alcohol.

Police Chief Spencer came forward and explained he does an extensive background check to make sure the applicant is fit, willing, and able to hold a liquor license. Mr. Manriquez showed nothing to disqualify him from obtaining a license, he also has a great plan and has taken the TIPS training offered by the State Patrol. In addition to this, he did appear before the Liquor License Investigatory Board and received a positive recommendation for Council.

The following exhibits were then presented on behalf of City Council and entered into record: 1) Hector's, LLC d/b/a El Rancho Viejo Mexican Restaurant Liquor License Application; 2) City Council Check List for section §53-132 cum supp. 2022; 3) written statement of Police Chief Kevin Spencer dated March 13, 2023; 4) written statement of City Clerk dated March 16, 2023; 5) written statement of Development Services dated February 13, 2023.

There were no comments from the public. Mayor McKerrigan closed the public hearing at 6:24 p.m.

Council Member Colwell moved, seconded by Council Member Scanlan to send positive recommendations to the Nebraska Liquor Control Commission regarding the Class I Liquor License for Hector's LLC d/b/a El Rancho Viejo Mexican Restaurant and naming Hector Manriquez as Liquor License Manager, "YEAS," Salomon, Vidlak, Scanlan, McKerrigan, and Colwell. "NAYS," None. Absent: None.

#### **RESOLUTION NO. 23-03-01**

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SCOTTSBLUFF, NEBRASKA:**

1. On March 20, 2023 the matter of the application of a Class I liquor license for Hector's LLC, d/b/a El Rancho Viejo Mexican Restaurant, 23 W. 27<sup>th</sup> St., Scottsbluff, NE 69361 came on for consideration by the Council. The following exhibits were offered and received:

Exhibit 1 - Application of Class I liquor license for Hector's LLC, d/b/a El Rancho Viejo Mexican Restaurant, 23 W. 27<sup>th</sup> St., Scottsbluff, NE 69361

Exhibit 2 - City Council Check List for Section 53-132 (Reissue 2022)

Exhibit 3 - Written statement of Police Chief dated March 13, 2023

Exhibit 4 - Written statement of City Clerk dated March 16, 2023

Exhibit 5 - Written statement of Development Services Department dated February 13, 2023

2. Witnesses were sworn and testimony was received in support of the application at the public hearing on this date from Hector Manriquez, Manager; Police Chief Kevin Spencer spoke on behalf of the City.
3. Upon consideration of the evidence and the criterion to be considered by the City Council pursuant to law, the City Council finds as follows:
  - a. Applicant has demonstrated a fitness, willingness, and ability to properly serve or sell liquor in conformance to the rules and regulations of the Nebraska Liquor Control Act.
  - b. Applicant has met its burden with regard to the check list provided by Section 53-132 R.R.S. (2022) and demonstrates a willingness and ability to properly serve or sell liquor in conformance to the rules and regulations of the Nebraska Liquor Control Act and its management and control appears to be sufficient to insure compliance with such rules and regulations.
4. By reason of the above, the Applicant has met the burden of proof and persuasion in producing evidence pertaining to the criterion prescribed in the Nebraska Statutes.  
Based on the above findings, the City Council approves the application and recommends to the Nebraska Liquor Control Commission that a Retail Class I liquor license for Hector's, LLC d/b/a El Rancho Viejo Mexican Restaurant at the premises described in the application.
5. The City Clerk shall transmit a copy of this Resolution to the Commission.
6. Cost of publication: \$16.54.

Passed and approved this 20th day of March, 2023.

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Mayor

ATTEST:

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City Clerk

“seal”

Mayor McKerrigan opened the public hearing at 6:25 p.m. to receive information regarding a Class C Liquor License for Frank Eats, LLC d/b/a Taco De Oro, 2601 Ave. I, Scottsbluff, NE.

Ms. Jennifer Heinold came forward and explained she is co-owner and manager of Taco De Oro, adding her experience is vast in the liquor industry as she was general manager of the Holiday Inn for 15 years, being the manager of that license. She explained when they opened TDO they just wanted to survive the first year; now since that time has gone by, they want to apply for the liquor license. She added all the front staff who will be serving the alcohol have taken the TIPS training from the State Patrol as well as herself and restaurant manager.

Police Chief Spencer approached stating he also ran an extensive background check on Ms. Heinold to make sure she is fit, willing, and able to hold a liquor license. He explained nothing came back to disqualify her; she did come before the Liquor License Investigatory Board as well and was given a positive recommendation for Council.

The following exhibits were then presented on behalf of City Council and entered into record: 1) Frank Eats, LLC d/b/a Taco De Oro Liquor License Application; 2) City Council Check List for section §53-132 cum supp. 2022; 3) written statement of Police Chief Kevin Spencer dated March 13, 2023; 4) written statement of City Clerk dated March 16, 2023; 5) written statement of Development Services dated February 28, 2023.

There were no comments from the public. Mayor McKerrigan closed the public hearing at 6:27 p.m.

Council Member Scanlan moved to approve the Liquor License Application for Frank Eats, LLC d/b/a Taco De Oro, 2601 Ave. I, Scottsbluff, NE and approve naming Jennifer Heinold as Liquor License Manager. The motion was seconded by Council Member Vidlak, "YEAS," Scanlan, McKerrigan, Salomon, Colwell, and Vidlak. "NAYS," None. Absent: None.

#### **RESOLUTION NO. 23-03-02**

#### **BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SCOTTSBLUFF, NEBRASKA:**

1. On March 20, 2023 the matter of the application of a Class C liquor license for Frank Eats, LLC d/b/a Taco De Oro, 2601 Avenue I, Scottsbluff, NE 69361 came on for consideration by the Council. The following exhibits were offered and received:

Exhibit 1 - Application of Class C liquor license for Frank Eats, LLC d/b/a Taco De Oro. 2601 Ave. I, Scottsbluff, NE 69361

Exhibit 2 - City Council Check List for Section 53-132 (Reissue 2022)

Exhibit 3 - Written statement of Police Chief dated March 13, 2023

Exhibit 4 - Written statement of City Clerk dated March 16, 2023

Exhibit 5 - Written statement of Development Services Department dated February 28, 2023

2. Witnesses were sworn and testimony was received in support of the application at the public hearing on this date from Jennifer S. Heinold, Manager; Police Chief Kevin Spencer spoke on behalf of the City.
3. Upon consideration of the evidence and the criterion to be considered by the City Council pursuant to law, the City Council finds as follows:

- a. Applicant has demonstrated a fitness, willingness, and ability to properly serve or sell liquor in conformance to the rules and regulations of the Nebraska Liquor Control Act.
  - c. Applicant has met its burden with regard to the check list provided by Section 53-132 R.R.S. (2022) and demonstrates a willingness and ability to properly serve or sell liquor in conformance to the rules and regulations of the Nebraska Liquor Control Act and its management and control appears to be sufficient to insure compliance with such rules and regulations.
4. By reason of the above, the Applicant has met the burden of proof and persuasion in producing evidence pertaining to the criterion prescribed in the Nebraska Statutes.  
Based on the above findings, the City Council approves the application and recommends to the Nebraska Liquor Control Commission that a Retail Class C liquor license for Frank Eats, LLC d/b/a Taco De Oro at the premises described in the application.
  5. The City Clerk shall transmit a copy of this Resolution to the Commission.
  6. Cost of publication: \$18.62.

Passed and approved this 20th day of March, 2023.

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Mayor

ATTEST:

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City Clerk

“seal”

Ms. Sharaya Toof, Economic Development Director, approached Council regarding committing LB840 funds as a match for the Nebraska Department of Economic Development Regional Workforce Housing Grant. Ms. Toof explained the Western Nebraska Rural Workforce Housing Grant is a perpetual revolving loan fund that encompasses Scotts Bluff, Morrill, and Kimball Counties in Western Nebraska. According to a study conducted by Hanna Keelan Associates in 2022, 589 homes will be needed in Scotts Bluff County within the next five years, 277 in the City of Scottsbluff alone. The Rural Workforce Housing fund allows us to invest in our housing initiatives, as was done prior in 2020 where the City allocated \$350,000. This round of funding Twin Cities Development is requesting \$200,000 from the Scottsbluff LB840 fund which includes a 2:1 match; the amount matched by the State would be \$400,000 added to our portion, with the final amount to be \$1.5M with the other participating City’s allocations.

Mr. Jordan Diedrich, Executive Director with Twin Cities Development, came forward and explained with the initial round in 2020, \$1.8M was committed and of those funds all but \$12,000 was used, satisfying the requirement of spending at least the State’s contribution after two years. Regarding the loan, the minimum is \$20,000 for each project; new construction is assessed a 0% interest rate with a 1% loan origination fee. Rehabilitation projects are assessed a fixed 2% interest rate with a 1% loan



origination fee. In addition, the maximum for owner-occupied construction on a new home is \$325,000; for rehab or rental units it is \$250,000, keeping it low enough for affordable housing.

In conclusion, Mr. Diedrich did add if the housing market becomes saturated or the funds are not used, the money received from LB840 could go back the City.

Council Member Colwell moved, seconded by Council Member Scanlan to approve Resolution No. 23-03-03 for the purpose of committing \$200,000 in LB840 funds as a match for the Nebraska Department of Economic Development Regional Workforce Housing Grant, “YEAS,” Scanlan, McKerrigan, Salomon, Colwell, and Vidlak. “NAYS,” None. Absent: None.

#### Resolution No 23-03-03

*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 20<sup>th</sup> day of March, 2023.

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Mayor

Attest:

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City Clerk

(Seal)

Regarding discussion and considering action on releasing the CDBG Reuse Grant for the Lincoln Hotel Project, conditional on the Department of Economic Development's consent, Legal Counsel Hadenfeldt explained the project for the Lincoln House began in 1998; they became operational in 2000.

Part of the project was financed through grants with the Nebraska Department of Economic Development. One was a construction grant of \$100,000 that was given to the City with no expectation for repayment and another was a reuse grant of \$25,000. The Lincoln House owners contacted us last fall and asked if we would be willing to forgive the debt because the tax credit agreement they entered into for low income housing had expired due to having it in operation for such a long period of time.

Mr. Hadenfeldt added, that during correspondence with the owners, it was brought up there are people interested in buying the Lincoln House to refurbish and enhance it if the City would consider releasing the loan of \$100,000 and also the loan of \$25,000, which is a reuse grant with principal and interest; the payment for that to be made on September 25, 2030, when the loan matures.

After contacting the DED, Mr. Hadenfeldt stated he was told if there is a letter of closeout in the file, they don't care what happens, because the loan is closed. Unfortunately, no one can find the letter of closeout. The Agreement that we have with the DED says if there is reuse money, principal and interest payments are considered program income and have to be used for similar projects unless the DED can send in writing a modification of the Agreement. Mr. Hadenfeldt added he has asked them to send a letter, email, or note card saying they agree to modify the original agreement from 1998, but currently has not heard anything back.

After discussion Council gave direction to Mr. Hadenfeldt to contact the owners of the Lincoln House and ask them if they have someone that is serious about purchasing the property and when/if they do, Council will further discuss the request and possibly take action.

Under Council Reports, Council Member Scanlan updated that the Leadership Scottsbluff Class had their Hoops for Heroes event and it went very well raising around \$30,000 to donate to the Kyle's Day Foundation. Mr. Spencer added there is a 911 Advisory meeting tomorrow (March 21<sup>st</sup>), he met with the aquatics group and attended a Heartland Expressway meeting. Council Member Colwell asked for information concerning the meeting with Global Site Location Industries.

Council Member Colwell moved to adjourn the meeting at 6:52 p.m. The motion was seconded by Council Member Salomon, "YEAS," Vidlak, Colwell, McKerrigan, Salomon, and Scanlan. "NAYS," None. Absent: None.

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Mayor

ATTEST:

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City Clerk