

City of Scottsbluff, Nebraska

Wednesday, June 14, 2023

Regular Meeting

Item 1

**Review and Approve Resolution _____ authorizing Tax
Increment Financing Note for the Prime Fifteen Professional
Studio Suites Project**

Staff Contact:

RESOLUTION NO. CRA _____

BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA:

Recitals:

a. Tom and Becky Horne (the “Redevelopers”) have submitted an Application for Expedited Review of Community Redevelopment Plan (the “Plan”) for the *Prime Fifteen Professional Studio Suites Project* (the “Project”), dated April 21, 2023, according to Section 18-2155 of the Community Development Law (NEB. REV. STAT. § 18-2101 *et seq.*) (the “Act”).

b. The Plan proposes to redevelop an area of the City that the City Council has declared to be blighted and substandard and in need of redevelopment. The Plan includes the use of tax increment financing.

c. The Redevelopment Project Area (the “Site”) of the Plan is described as:

The West 50 feet of the East 100 feet (Except the N16’) of Lots Five (5) and Six (6), Block Ten (10), Original Town of Scottsbluff, Scotts Bluff County, Nebraska (commonly known as 19 E. 15th Street, Scottsbluff, Nebraska; Scotts Bluff County Parcel Identification Number: 010138196).

d. The City Council determined that the Plan meets the requirements of Section 18-2155(2) of the Act and approved the Plan and the Project.

Resolved:

1. According to Section 18-2155(6)(a) of the Act, a tax increment financing note is ordered issued by the Authority and shall be designated as “Tax Increment Financing Note (Prime Fifteen Professional Studio Suites)” (the “Note”).

2. The Note shall be in the principal amount of \$76,065.00, which is calculated as follows:

a. Estimated Project Completion Value:	\$269,400.00
b. Base Value:	\$ 66,560.00
c. Tax Increment (a minus b):	\$202,840.00
d. Estimated Levy:	2.50%
e. Annual Projected Shift:	\$ 5,071.00
f. Estimated TIF Available (e multiplied by 15)	\$ 76,065.00

No interest shall accrue on the principal balance of the Note.

3. According to Sections 18-2147 and 18-2155 of the Act, the ad valorem taxes on real property located within the Site shall be divided for a period of 15 years after the Effective Date (as defined below). Such tax increment revenues generated on the Site are pledged to pay the Note.

4. The “Effective Date” for dividing the ad valorem real estate taxes on the Site shall be January 1, 2024 and the taxable base value shall be January 1, 2023. Provided, however, if there is no substantial increase in valuation between the 2023 and 2024 tax years, then, if allowed by law and upon the written request of the Redeveloper, the Effective Date shall be January 1, 2025 and the taxable base value shall be January 1, 2024. The City Treasurer (the “Agent”) as Agent of the Authority is authorized to give notice, upon the request of the Redeveloper, to the County Assessor of the Effective Date for dividing ad valorem real estate taxes according to the Act.

5. The Note shall be executed by the Chair and Secretary of the Authority and the official seal of the City shall be placed thereon.

6. The Note shall be in substantially the form of the attached Exhibit A and shall be subject to the terms and conditions as set forth in this Resolution (including those in Exhibit A).

7. The Note shall be issued to such owner as agreed between the Redeveloper and the Authority. The Note shall be issued in fully registered form. As a condition of issuing the Note, the Authority may require the owner to provide an investor’s letter in a form satisfactory to the Authority. A transfer or assignment of the Note may be registered only upon the records, and with consent, of the Authority, upon receipt of transfer or assignment documents satisfactory to the Authority. Prior to any transfer or assignment, the transferee or assignee shall deposit with the Authority an amount to cover all reasonable costs incurred by the Authority, including legal fees, related to such transfer or assignment. The Authority may impose any additional restrictions on the transfer or assignment of any Note as may be required to ensure compliance with applicable laws.

8. The Agent is authorized to determine any other terms of the Note not specified in this Resolution, but all subject to the terms of the Act.

9. The Chair, City Manager, the Agent and their designees are authorized to take any and all actions, and to execute any and all documents deemed by them necessary to affect the transactions contemplated in this Resolution.

10. All prior resolutions of the Authority in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

11. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED on June 14, 2023

**COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SCOTTSBLUFF**

Chair

ATTEST:

Secretary

EXHIBIT A
(FORM OF NOTE)
TAX INCREMENT FINANCING NOTE (Prime Fifteen Professional Studio Suites)
ISSUED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF
SCOTTSBLUFF, NEBRASKA

Date of Issue: _____
Original Amount of Indebtedness: **\$76,065.00**

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA** (the “**Authority**”) promises to pay to the Holder, the Indebtedness from the TIF Revenues, subject to the terms and conditions of this Note.

Terms and Conditions:

Interest. No interest shall accrue on the Indebtedness.

Payments. Within 90 days after receiving TIF Revenues, the Authority shall remit such TIF Revenues to the Holder, until the Indebtedness is paid in full. Payments will be mailed by the Authority to the Holder at the address provided in the Provision for Registration of this Note.

Records. The records maintained by the Authority and the City shall be the official records of the Note for all purposes, including without limitation for determining the balance of the Indebtedness.

Limitations of Note. The Note is a special, limited obligation of the Authority and is not secured by any obligation or pledge of any monies received or to be received from taxation, other than the TIF Revenues.

The Note does not create a general obligation on behalf of the Authority or the City in the event the amount generated over a 15 year period according to Section 18-2147(1)(b) of the Act does not equal the costs of the agreed-upon work as provided in the Plan or the amount of the Indebtedness.

The Note shall not in any event be a debt of the Authority (except to the extent of the TIF Revenues received by the Authority), the City, the State, nor any of its political subdivisions, and neither the Authority, the City, the State nor any of its political subdivisions are liable for this Note (except to the extent of the TIF Revenues received by the Authority). The Note does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority or the City and does not impose any general liability upon the Authority or City.

No member or official of the Authority nor any person executing the Note shall be liable personally on the Note by reason of its issuance.

Purpose and Intent. This Note has been authorized and issued by the Authority to aid in financing a redevelopment project as defined in the Nebraska Community Development Law.

Definitions. The following definitions apply in this Note:

“**Act**” means the Nebraska Community Development Law.

“**City**” means the City of Scottsbluff, Nebraska.

“**Effective Date**” means the “Effective Date” as defined in the Resolution and as certified to the Scotts Bluff County Assessor.

“**Holder**” means the Registered Owner provided in the Provision for Registration of this Note.

“**Indebtedness**” means the dollar amount specified as “Original Amount of Indebtedness” at the top of this Note, as adjusted from time to time based on payments made by the Authority.

“**Plan**” means the Application for Expedited Review of Community Redevelopment Plan submitted by Tom and Becky Horne related to the Site, dated April 21, 2023, and approved by the City Council on May 15, 2023.

“**Project**” means the Prime Fifteen Professional Studio Suites Project as set forth in the Plan.

“**Resolution**” means the Resolution of the Authority authorizing the issuance of this Note, dated June 14, 2023.

“**Site**” means the West 50 feet of the East 100 feet (Except the N16’) of Lots Five (5) and Six (6), Block Ten (10), Original Town of Scottsbluff, Scotts Bluff County, Nebraska (commonly known as 19 E. 15th Street, Scottsbluff, Nebraska; Scotts Bluff County Parcel Identification Number: 010138196).

“**TIF Revenues**” mean the tax increment revenues generated from the Site related to the Project for up to 15 years after the Effective Date, according to 18-2147 and 18-2155 of the Act.

**COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SCOTTSBLUFF, NEBRASKA**

[S E A L]

By: _____
Chair

By: _____
Secretary

PROVISION FOR REGISTRATION

Date of Registration	Name and Address of Registered Owner	Signature of Agent