

Williams' Ag Services Professional Buildings Redevelopment Plan

The Community Redevelopment Authority (CRA) of the City of Holdrege intends to adopt this Redevelopment Plan for an area within the City, pursuant to the Nebraska Community Development Law (the "Act") and provide for the financing for a commercial insurance office and other professional office buildings.

Executive Summary:

Project Description

John and Michelle Williams wish to enhance their Agricultural Insurance Business by constructing an office building to serve current and future customers and provide professional office space for other local businesses.

The proposed project location is on US Highway 183 (Burlington Street) and bounded on the west by Hill Street and on the south by Burlington Car Wash. Exhibit "A", attached hereto, shows the location.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the "Redevelopment Project Area")

Lot One (1), Block Three (3), Harder Addition to Holdrege, Phelps County, Nebraska, except the South 150' of the said Lot One (1), Block Three (3) and also excepting a tract of land deeded to the State of Nebraska, known as Tract 48, recorded in Deed Book 73, Page 774 in the Phelps County Clerk's Office.

Statutory Pledge of Taxes.

Any ad valorem tax on the Lots located in the Redevelopment Project Area as identified in a Redevelopment Contract for the benefit of any public body be divided for a period of fifteen years after the effective date (the "Effective Date"), as described in Section 18-2147 (1) of the Act. Said taxes shall be divided as follows:

- (a) That portion of the ad valorem tax on real property in each Phase which is produced by levy at the rate fixed each year by or for each public body upon the "redevelopment project valuation" (as defined in the Act) of the Lots within such Phase shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies and;

- (b) That portion of tax on real property in each Phase in excess of such amount (the "Incremental Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority (designated in the Resolution as the "Bond Fund") to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due, has been paid, the Authority shall notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such Phase shall be paid into the funds of the respective public bodies.

Pursuant to Section 18-2150 of the Act, the Incremental Tax so divided is hereby pledged to the repayment of loans or advances of money or the incurring of any indebtedness, whether funded, refunded, assumed, or otherwise, by the CRA to finance or refinance, in whole or in part, the redevelopment project, including the payment of the principal of, premium, if any, and interest on such bonds, loans, notes, advances, or indebtedness.

Redevelopment Plan Complies with the Act:

The Community Development Law (the "Act") requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan meets the statutory qualifications as set forth below.

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Holdrege City Council.[§18-2109]

Such declaration was made after a public hearing on June 18th, 1996, in full compliance with the Act.

2. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]

Following Nebraska's statutory process, the City of Holdrege adopted its current Comprehensive Plan (the "Comp Plan") on August 21st, 2018. The Comp Plan and the City Zoning Ordinance designate the Redevelopment Project area as a C-1 Neighborhood Commercial District. The Zoning Administrator has determined that the project fits within the zoning parameters of the C-1 district, and the Planning Commission is required to hold a public hearing pursuant to the Act to confirm that this project is consistent with the Comprehensive Plan for the City of Holdrege.

3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) {b}]

a. Land Acquisition:

The redeveloper currently owns the property to be redeveloped.

b. Demolition and Removal of Structures:

This project will not require the demolition of other structures.

c. Future Land Use Plan:

Exhibit #B, attached hereto, shows the proposed land use as commercial and professional office buildings.

d. Changes to zoning, street layouts and grades, building codes, ordinances, or other aspects of the Comprehensive Plan:

No significant changes to the City's Comprehensive Plan for Development, streets, grades, or zoning ordinances will be required for this project's development.

e. Site Coverage and Intensity of Use:

The primary building coverage is 4,345 square feet with two secondary office buildings covering an additional 6,035 square feet. Fifty-two planned parking spaces meet Holdrege Municipal Code Off-Street Parking Requirements for Office and Service Establishments. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities:

The development would not impact city utilities or public facilities. [§18-2103(b) and §18-2111]

4. The Act requires a Redevelopment Plan to provide for relocation of individuals and families displaced as a result of plan implementation.

This property is vacant, and no relocation is contemplated or necessary. [§18-2103.02]

5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106].

No members of the authority or staff of the CRA have any interest in this property.

6. Section 18-2114 of the Act requires that the Authority consider:

(a) Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

The Redeveloper has invested \$250,000 to date in land purchase. Site preparation is estimated to cost \$450,000, and the total project cost is anticipated to be \$4,380,000. The Authority will not transfer any property to the Redeveloper.

(b) Statement of proposed method of financing the redevelopment project.

Exhibit "C" shows the proposed Project cost of \$4,380,000. The Redeveloper anticipates a grant from the Authority of approximately \$1,050,000 from tax increment financing. The increased assessed valuation is estimated to be approximately \$3,850,000. The balance of the funding will come from a commercial loan.

(c) Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan.

7. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and

economy in the process of development, including , among other things , adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers , adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities , schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan. This Plan, in and of itself, will promote consistency with the Comprehensive Plan. The Project will rehabilitate and improve an underutilized area of town to provide businesses and services to the general public.

8. Time Frame for Development

The buildings will be constructed in phases and the Redevelopment Project should be completed by the end of 2025.

9. Cost Benefit Analysis Section 18-2113 of the Act further requires the Authority to conduct a cost-benefit analysis of this Plan if Tax Increment Financing is used. This analysis must address specific statutory issues.

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2012), the City of Holdrege has analyzed the costs and benefits of the proposed Redevelopment Project, including:

Project Sources and Uses. Approximately \$1,050,000 in public funds from tax increment financing provided by the Holdrege Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage an additional \$3,050,000 in private sector financing, a private investment of \$4.18 for every TIF and grant dollar investment.

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2026, valuation of approximately \$3,850,000. Based on the 2024 levy this would result in a real property tax of approximately \$65,090.90. The assessed value is anticipated to increase by \$3,761,126 (estimated assessed value) upon full completion due to the site redevelopment. This development will result in an estimated property tax increase of \$63,687 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues for a period of 15 years or such shorter time as may be required to amortize the TIF bond or reach the certified project costs but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2024 assessed value:	\$ 88,874
Estimated value after completion:	\$3,850,000
Increment value:	\$3,761,126
Annual TIF generated (estimated):	\$63,687
Initial TIF bond issue:	\$1,050,000

(a) Tax shifts resulting from the approval of the use of Tax Increment Financing:

The redevelopment project area has an estimated valuation of \$88,874. The proposed redevelopment will create an estimated additional valuation of \$3,761,126. Tax shifts of \$955,305 are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public infrastructure or community service needs are anticipated. Fire and police protection are available and should not be negatively impacted by this development.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

The Project may generate opportunities for new employees but should not impact other employers or employees.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

(e) Impacts on student populations of school districts within the City;

This development will not impact the Holdrege School system as it will likely not result in any increased attendance.

(f) Other impacts determined by the authority to be relevant to determining the costs and benefits arising from the redevelopment project.

No other negative impacts have been identified. The Project will generate additional local sales tax on all materials incorporated in its construction. The new buildings will allow several local businesses to expand, increasing local employment opportunities.

Williams' Ag

Redevelopment Area

Legend

Exhibit "A"

W 14th Ave

14th Ave

Hy-Vee Grocery Store

Williams' Ag Services Redevelopment Area

Fulmer U-Save Pharmacy

Car wash

Google Earth

Image © 2024 Airbus

Burlington St

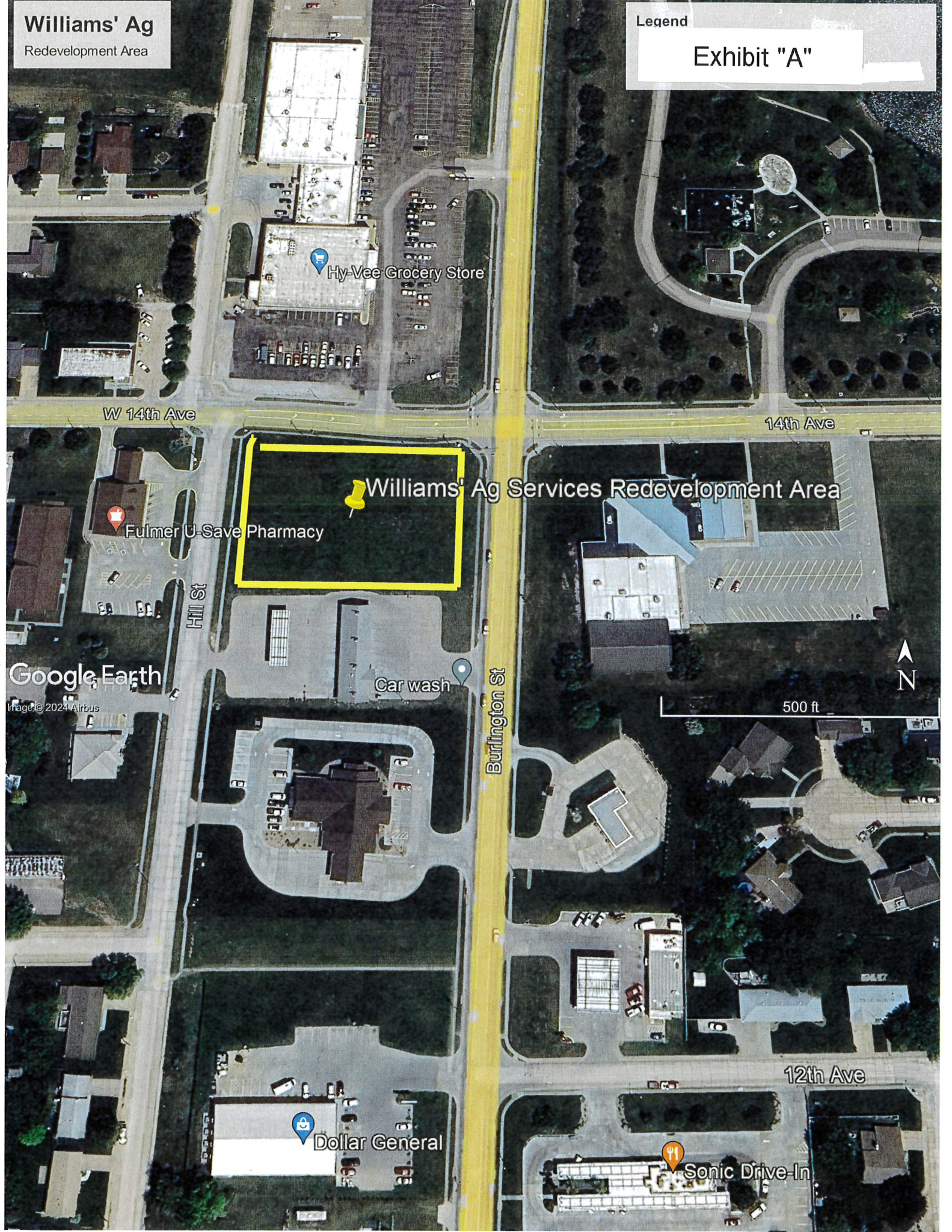
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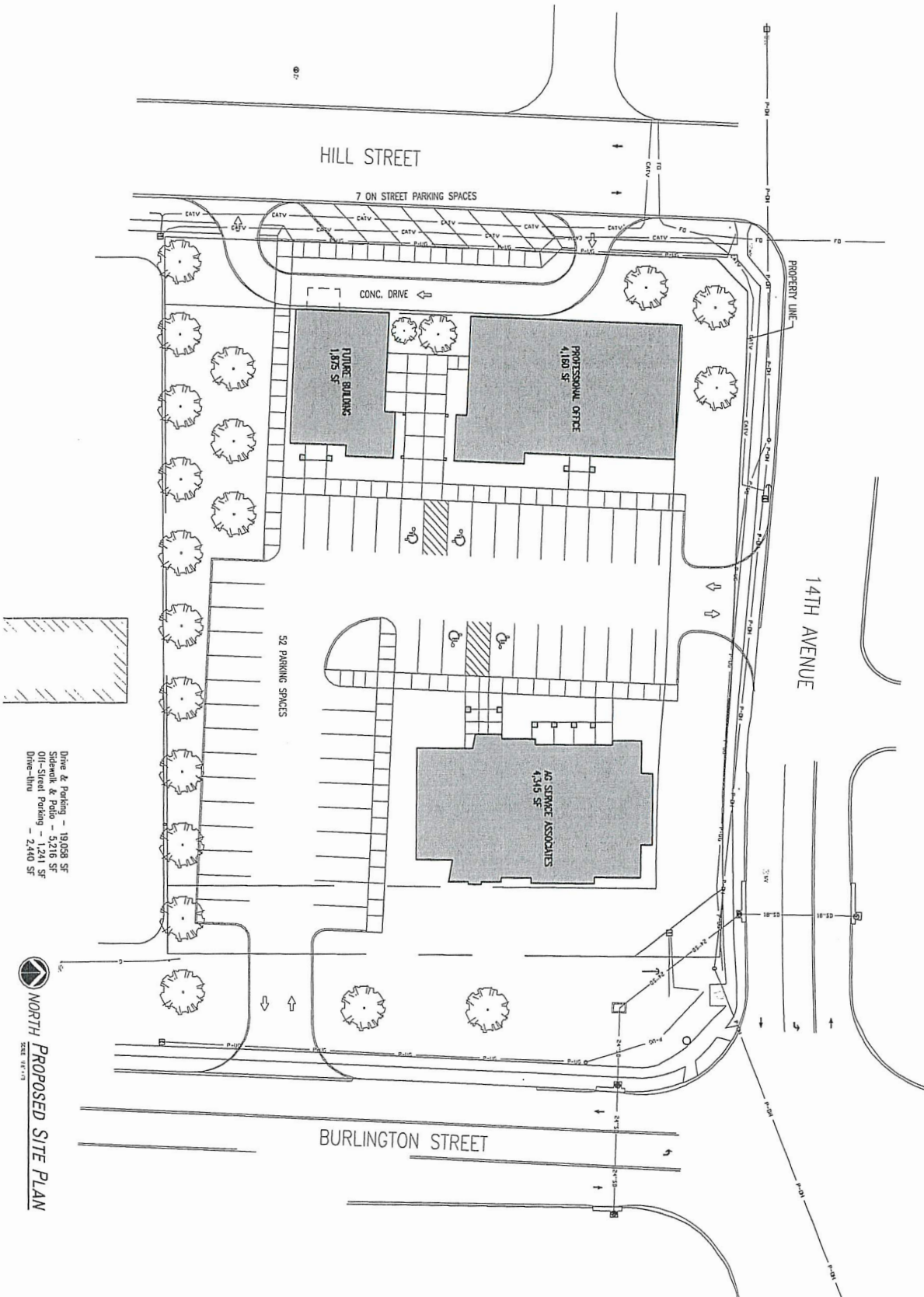


12th Ave

Dollar General

Sonic Drive-In





Project Number:
2023-013ASA

Sheet Title:
PROPOSED
SITE PLAN

Sheet Number:
A1.1

Date:
2/28/24

Revision:
None

Scale:
As Shown

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 100 W 14th Ave
 Holdrege, Nebraska

Master Builder Associates
 ARCHITECTS & CONSTRUCTION MANAGERS

602 W 6TH ST PO BOX 423 HOLDREGE NEBRASKA 68527
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Williams' Professional Building Redevelopment Project

Estimated project costs:

A. Land Acquisition (if applicable):	\$ 250,000	
B. Site Development (itemize):	\$ 450,000	
C. Building Cost:	\$ 3,150,000	
D. Architectural & Engineering Fees:	\$ 350,000	
E. Legal Fees:	\$ 10,000	
F. Financing Costs:	\$ 170,000	--- Loan
G. Broker Costs:	\$ N/A	
H. Contingencies:	\$ N/A	
I. Other (itemize):	\$ N/A	
Total	\$ 4,380,000	

Project Financing:

A. Equity:	\$ 800,000	
B. Bank Loan:	\$ 3,050,000	
C. Tax Increment Financing:	\$ 1,050,000	
D. Other (itemize):	\$ N/A	
Total	\$ 3,850,000	

Valuation of the Project Site:

- A. Latest property valuation (from R.E. Tax Statement)
- B. \$88,874 Total estimated assessed valuation of Real Property at completion: \$3,850,000