

PLANNING COMMISSION
MAY 17, 2022
5:00 P.M.

Chairman Jim Masek opened the meeting at 5:00 p.m. in the meeting room of the City Office Building, 557 4th Street, David City, Nebraska, and notified the public of the "Open Meetings Act" posted on the east wall of the meeting room. Chairman Jim Masek also notified the public that if you wish to speak to the Commission to please state your name and address for the record.

Present: Planning Commission members Jim Vandenberg, Jim Masek, Pam Kabourek, Keith Marvin, Greg Aschoff, and Alternate Brian Small. Also present were City Clerk Tami Comte, Deputy City Clerk Lori Matchett and Special Projects Coordinator Dana Trowbridge.

Planning Commission member Jim Vandenberg made a motion to approve the minutes of the May 14, 2022, meeting as corrected. Jim Masek seconded the motion. The motion carried. Greg Aschoff: Yea, Pam Kabourek: Yea, Keith Marvin: Abstain (Without Conflict), Jim Masek: Yea, Jim Vandenberg: Yea. Yea: 4, Nay: 0, Abstain (Without Conflict): 1.

Planning Commission member Jim Masek made a motion to open the public hearing at 5:01 p.m. for the review and acceptance of the redevelopment plan for the Northland Subdivision Redevelopment Project described below, pursuant to the Nebraska Community Development Law. Keith Marvin seconded the motion. The motion carried. Greg Aschoff: Yea, Pam Kabourek: Yea, Keith Marvin: Yea, Jim Masek: Yea, Jim Vandenberg: Yea. Yea: 5, Nay: 0.

The property affected by this notice is described as follows:

A tract of land located in Lots 6 and 7, David City Land and Lot Company's Suburban Lots, located in the SW1/4 SE1/4 of Section 18, Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, described as follows: Beginning at a point on the South line of said Lot 7, said point being 130.74 feet East of the Southwest corner of said Lot 7, and assuming the West line of said Lot 7 to have a bearing of N00°23'53"E: thence N00°32'08"E, 449.25 feet; thence N89°35'57"W, 131.54 feet, to a point on the West line of said Lot 7; thence N00°23'53"E, 788.63 feet, to the Northwest corner of said Lot 7; thence N89°43'00"E, 638.12 feet, to the Northeast corner of said Lot 6; thence S00°20'16"W, 796.95 feet, on the East line of said Lot 6, to a point on the North line of Sypal East Addition to David City; thence N89°30'38"W, 447.27 feet, to the Northwest corner of said Sypal East Addition; thence S00°33'20"W, 449.37 feet, to the Southwest corner of said Sypal East Addition; thence N89°27'18"W, 60.00 feet, to the Point of Beginning

AND

All that part of the W1/2 SW1/4 of Section 19, Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, known as Outlot 3, in the City Clerk's West Addition to David City, Nebraska, described as follows: Beginning at a point on the West line of Oak Street in Miles 4th Addition to David City, Nebraska, 320 feet South of the South line of Right-of-Way of Fremont, Elkhorn, and Missouri Valley Railroad Company across said W1/2 SW1/4 of Section 19, thence running West in a direct line 637 feet more or less to the West Section line of said Section 19, thence running South on said Section

line 187 feet more or less, thence running East 637 feet to the West line of Oak Street, thence running North on said West line of Oak Street 187 feet more or less, to the place of beginning, Less that portion of Real Estate Deeded in Book 82, Page 238 described as follows: Beginning at the Northeast corner of Lot 5, Block 1, Hall's Addition to David City, Nebraska; running thence North at right angles to said Block 1, a distance of 20 feet; running thence West in a line parallel to the North line of said Block 1, a distance of 75 feet; running thence South, a distance of 20 feet to the Northwest corner of the E1/2 of Lot 6, in said Block 1, Hall's Addition to David City, Nebraska, running thence East along the North line of said Block 1, a distance of 75 feet to the point of beginning.

AND

That part of the W1/2 SW1/4 of Section 19, Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, described as follows: Beginning at a point on the West line of Oak Street in Miles 4th Addition to David City, Nebraska, 320 feet South of the South line of right-of-way of the F. E. and M.V.R.R., thence running North 320 feet to said South line of the right-of-way; thence running West along said South line of right-of-way 659 1/2 feet to the Section line; thence running South along said Section line 323 3/4 feet; thence running East on direct line to the point of beginning. A strip of land 100 feet wide located South of and adjoining the right-of-way of the Union Pacific Railroad Company and extending across that part of the NW1/4 SW1/4 of Section 19, Township 15 North, Range 3 East, which lies West of the Westerly line of Lot 2, in Block 1, of Miles 4th Addition to David City, Nebraska, said strip of land being 50 feet in width on each side of the center line of the railroad (now removed) of the party of the first part, as said railroad center line was originally surveyed and established over and across the above described premises; EXCEPT the following described real estate, to wit A tract of land located in the W1/2 SW1/4 of Section 19, Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, described as follows: Beginning at a point on the West line of Oak Street in Miles 4th Addition to David City, Nebraska, said point being 393.92 feet South of the South line of the Union Pacific Railroad; thence Southerly, 26.08 feet, on the West line of said Oak Street; thence Westerly 649 feet, more or less, to a point on the West line of said Section 19, said point being 423.75 feet South of the South line of said Union Pacific Railroad; thence Northerly 32 feet on the West line of said Section 19; thence Easterly, 649.86 feet to the Point of Beginning.

EXCEPT

A tract of land located in West Addition to David City, and in the SW1/4 of Section 19, Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, described as follows: Commencing at the Southeast corner of Outlot 3 in said West Addition to David City, said point also being the Northeast corner of Hall's Addition to David City; thence N0°00'00" E on an assumed bearing on the east line of said Outlot 3, 187 feet, to the Point of Beginning; thence N89°30'30" W, parallel with the North line of said Hall's Addition, 564.37 feet thence N48°52'50" E, 95.79 feet: thence N86°42'30" E, 205.70 feet; thence N40°57'50" E, 128.00 feet; thence S46°04'59" E, 149.02 feet; thence S0°33'15" W, 14.83 feet; thence S89°59'30" E, 96.15 feet: thence S0°00'00" W, 58.07 feet, to the Point of Beginning.

AND EXCEPT

A tract of land located in West Addition to David City, and in the SW1/4 of Section 19,

Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, described as follows: Commencing at the Southeast corner of Outlot 3 in said West Addition to David City, said point also being the Northeast corner of Hall's Addition to David City; thence N0°00'00" E on an assumed bearing on the east line of said Outlot 3, 140 feet to the Point of Beginning, said Point being the Northeast corner of a parcel of land conveyed by Deed recorded in Microfilm Book 16 Page 485; thence N89°31'10" W, 170 feet, to the northwest corner of said conveyed parcel; thence S0°00'00" W, 140 feet, to the southwest corner of said conveyed parcel; thence N89°31'10" W, on the North line of said Hall's Addition, 30.16 feet; thence N0°31'45" E, 19.85 feet: thence N89°38'10" W, 75.00 feet; thence S0°12'00" W, 20.00 feet. to a point on the North line of said Hall's Addition; thence N89°29'55" W, on the North line of said Hall's Addition, 368.77 feet, to a point on the West line of said Section 19; thence N1°45'20" W, on the West line of said Section 19, 142.70 feet: thence S89°29'55" E, 33.03 feet; thence N48°52'50" E, 67.31 feet; thence S89°30'30" E, parallel with the North line of said Hall's Addition, 564.37 feet, to a point on the East line of said West Addition; thence S0°00'00" W, 47 feet, to the Point of Beginning.

AND EXCEPT

A tract of land out of and a part of Outlot 3, West Addition to David City, located in the West Half of the Southwest Quarter of Section 19, Township 15 North, Range 3 East of the 6th P.M., more particularly described as follows: Beginning at the Southeast corner of said Outlot 3; thence N89°47'45" W, along and with the South line of said Outlot, a distance of 200.00 feet; thence N00°00'00" E, a distance of 170.00 feet; thence S89°47'45" E, parallel with the South line of said Outlot, a distance of 200.00 feet, to a point on the East line of said Outlot 3; thence S0°00'00" W, along and with the East line of said Outlot 3, a distance of 170.00 feet, to the point of beginning.

AND EXCEPT

A tract of land out of and a part of Outlot 2, West Addition to David City located in the West Half of the Southwest Quarter of Section 19, Township 15 North, Range 3 East of the 6th P.M., David City, Butler County, Nebraska, more particularly described as follows: Commencing at the Northeast corner of said Outlot 2; thence S00°00'00" E, along and with the East line of said Outlot 2, a distance of 119.64 feet to the point of beginning; thence continuing S00°00'00" E, continuing along and with the East line of said Outlot 2, a distance of 176.19 feet; thence N43°38'08" W, a distance of 202.37 feet; thence N59°33'44" E, a distance of 58.68 feet; thence S90°00'00" E, a distance of 89.05 to the point of beginning.

AND EXCEPT

A tract of land out of and a part of Outlot 2, West Addition to David City located in the West Half of the Southwest Quarter of Section 19, Township 15 North, Range 3 East of the 6th P.M., David City, Butler County, Nebraska, more particularly described as follows: Commencing at the Northeast corner of said Outlot 2; thence S00°00'00" E, along and with the East line of said Outlot 2, a distance of 295.83 feet. to the point of beginning; thence continuing S00°00'00" E, continuing along and with the East line of said Outlot 2, a distance of 20.00 feet; thence N90°00'00" W, a distance of 30.98 feet; thence N43°38'08" W, a distance of 195.52 feet; thence N40°48'34" E, a distance of 25.56 feet,

thence N59°33'44" E, a distance 11.08 feet; thence S43°38'08" W, a distance of 202.37 feet to the point of beginning.

AND EXCEPT

A tract of land out of and a part of Outlot 2, West Addition to David City located in the West Half of the Southwest Quarter of Section 19, Township 15 North, Range 3 East of the 6th P.M., David City, Butler County, Nebraska, more particularly described as follows: Commencing at the Northeast Corner of said Outlot 2; thence S00°00'00" E, along and with the East line of said Outlot 2, a distance of 315.83 to the point of beginning; thence continuing S00°00'00" E, continuing along and with the East line of said Outlot 2, a distance of 20.00 feet; thence N90°00'00" W, a distance of 96.01 feet thence N46°04'59" W, a distance of 149.02 feet; thence N40°48'34" E, a distance of 57.23 feet; thence S43°38'08" W, a distance of 195.52 feet; thence S90°00'00" E, a distance of 30.98 feet to the point of beginning.

Planning Commission member Jim Vandenberg asked, "I have one question, on the plat on exhibit B, it's got up towards the top the page it says sixty feet for the street. Now would that be all the way to "O" Street? Because I think that's what that is."

Planning Commission member Keith Marvin said, "I think it will be. It's either sixty foot or sixty-six foot through there."

Special Projects Coordinator Dana Trowbridge introduced himself and said, "Sixty would be the most."

Planning Commission member Jim Vandenberg said, "Okay, at one time there was discussion about that."

Special Projects Coordinator Dana Trowbridge said, "I was just there today. Sixty is enough. Gary Meister told me that Timpler Parkway is forty feet, which surprised me. I thought it would be wider than that. He measured it today."

Planning Commission member Jim Vandenberg said, "Well, I was just questioning that because at one time we had communications with the lady that we are going to take her property to make the road. Sixty feet that is part of this is sufficient so."

Chairman Jim Masek asked, "Does the street have a name then? It doesn't line up with 5th or 6th."

City Clerk Tami Comte said, "Not yet. That will have to come later. This is just the redevelopment plan."

Planning Commission member Keith Marvin said, "That will come when we plat it."

Special Projects Coordinator Dana Trowbridge said, "I would like to make a comment, Jim, if I may. It mentioned in here the revenue streams being TIF, real estate taxes over fifteen years and the sales of the lots at an average of \$28,000 a lot. Once upon a time, that was a number that got kicked around and twenty-eight is too low and gets us too close to what it is going to cost us to do this. Bob Kobza tells me that twenty-eight is a give away price. I think thirty-four will be closer, which will bring us two hundred and some thousand dollars above what

the revenue stream shows in the redevelopment plan. So, if anything, the redevelopment plan is extremely conservative on the revenue of the sale of the lots.”

Planning Commission member Keith Marvin made a motion to close the public hearing at 5:06 p.m. Pam Kabourek seconded the motion. The motion carried. Greg Aschoff: Yea, Pam Kabourek: Yea, Keith Marvin: Yea, Jim Masek: Yea, Jim Vandenberg: Yea, Yea: 5, Nay: 0.

Planning Commission member Keith Marvin made a motion to recommend passage of Resolution No. 1-2022PC for the redevelopment area and the redevelopment plan for the Northland Redevelopment Subdivision. Pam Kabourek seconded the motion. The motion carried. Greg Aschoff: Yea, Pam Kabourek: Yea, Keith Marvin: Yea, Jim Masek: Yea, Jim Vandenberg: Yea. Yea: 5, Nay: 0.

RESOLUTION NO. 1-2022 PC

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF DAVID CITY, NEBRASKA, RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN ENTITLED "REDEVELOPMENT PLAN FOR THE NORTHLAND SUBDIVISION REDEVELOPMENT PROJECT", TO THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA.

WHEREAS, pursuant to section 18-2112 of Chapter 18, Article 21, Nebraska Reissue Revised Statutes, as amended, known as the Community Development Law (the "Act"), a redevelopment plan entitled "Redevelopment Plan for the Northland Subdivision Redevelopment Project" (the "Plan"), attached hereto and incorporated herein as Exhibit 1, setting forth certain redevelopment activities in the City of David City, Nebraska (the "City"), was submitted to the Planning Commission of the City for its review and recommendation; and

WHEREAS, on May 17, 2022, the Planning Commission held a duly noticed public hearing on the Plan; and

WHEREAS, pursuant to the Act, the Planning Commission reviewed the Plan for its conformity to the City's comprehensive plan for land use and development (the "Comprehensive Plan"); and

WHEREAS, after reviewing the Plan and conducting a public hearing, the Planning Commission determined that the Plan is in conformance with the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF DAVID CITY, NEBRASKA:

Section 1. Based upon the foregoing and the substantial evidence presented to the Planning Commission at the public hearing, the Planning Commission determines that the Plan conforms to and meets the objectives of the Comprehensive Plan of the City.

Section 2. The Planning Commission recommends approval and adoption of the Plan to the Mayor and City Council of the City.

INTRODUCED BY KEITH MARVIN

PASSED AND ADOPTED THIS 17TH DAY OF MAY, 2022.

CHAIRPERSON

ATTEST:

SECRETARY

EXHIBIT 1
Plan
(See attached)

DOCS/2804039.1

**REDEVELOPMENT PLAN FOR
THE NORTHLAND SUBDIVISION
REDEVELOPMENT PROJECT**

DAVID CITY, NEBRASKA

PREPARED APRIL, 2022

**BY THE COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF DAVID CITY, NEBRASKA**

A. Introduction

This Redevelopment Plan for a blighted and substandard area of the City of David City, Nebraska ("**Redevelopment Plan**") is a guide for redevelopment activities to remove or eliminate blighted and substandard conditions within the City of David City, Nebraska ("**City**"). The Mayor and City Council of the City (the "**Council**"), recognizing that blighted and substandard conditions are a threat to the continued stability and vitality of the City, designated certain areas of the City to be blighted and substandard and in need of redevelopment pursuant to the requirements of the Nebraska Community Development Law, sections 18-2101 et. seq., as amended (the "**Act**").

This Redevelopment Plan was prepared by the Community Development Agency of the City of David City, Nebraska (the "**CDA**"), and submits the implementation of a redevelopment project in the blighted and substandard community redevelopment area, commonly referred to as "Area 5" (referred to herein as the "**Redevelopment Area**") to optimize the tax increment financing ("**TIF**") resources available for site acquisition, construction of eligible public improvements, and removal of existing and avoidance of future blighted and substandard conditions. This Redevelopment Plan contemplates the construction of infrastructure improvements to support the development of a residential subdivision within the Redevelopment Area, as further detailed herein (referred to herein as the "**Redevelopment Project**").

B. Redevelopment Area; Project Site; Existing Conditions

The boundaries and existing conditions of the Redevelopment Area are shown in **Exhibit A-1**, attached hereto and incorporated herein. The boundaries and existing conditions of the area to be developed as part of the Redevelopment Project (the "**Project Site**") are shown in **Exhibit A-2**, attached hereto and incorporated herein. The Project Site is located to the northeast of the intersection of O Street and North 5th Street in the City, and is completely engrossed within the Redevelopment Area and is in need of redevelopment. The Project Site currently consists of vacant agricultural land.

C. Conformance with the Comprehensive Plan

This Redevelopment Plan was developed on the basis of the goals, policies and actions adopted by the City for the community as a whole, for the Redevelopment Area and Project Site. In accordance with the Act, this Redevelopment Plan has been designed to conform to the City's adopted comprehensive plan for land use and development (the "**Comprehensive Plan**").

The Comprehensive Plan sets forth the following guidance and objectives with respect to the Project Site and City as a whole:

- The City will need to grow between 226 and 452 acres to accommodate 500 new residents by 2030.

- The City should implement policies and strategies to encourage and implement housing growth.
- The City should first evaluate vacant land for future land use growth.
- Development of new housing should be incentivized.
- The City should take proactive measures to encourage economic development.

In accordance with the foregoing, the Redevelopment Project and this Redevelopment Plan is feasible and in conformity with the Comprehensive Plan as a whole, and conforms to the legislative declarations and determinations set forth in the Act.

D. Redevelopment Project Overview

The Project Site is located on approximately 12.24 acres of undeveloped land located to the northeast of the intersection of O Street and North 5th Street in the City. The Redevelopment Project consists of the necessary site preparation and construction of infrastructure to support the private development of a residential subdivision. At completion of the Redevelopment Project, it is anticipated the Project Site will have the capability to support approximately thirty-six (36) buildable residential lots, which could consist of both single-family attached and detached dwellings. Additionally, it is anticipated that a strip of land in the center of the Project Site will be left vacant for use as a public space or for storm water management. Because the Project Site is currently vacant, no families or businesses will be displaced as a result of the Redevelopment Project. The Redevelopment Project does not require public acquisition other than the dedication of public rights-of-way and the public space/park detailed above.

The Project Site is owned by the CDA. Hereinafter, the term “**Redeveloper**” shall apply to the CDA and/or the City, as applicable (each, in their capacity as the developer(s) of the Redevelopment Project and not as a governing body). After completing construction of the infrastructure (with respect to a lot), Redeveloper will market the lots for private development of homes. Such private improvements (i.e., the buildout of the structures on the lots) are not a part of the Redevelopment Project undertaken by Redeveloper, but will affect the anticipated future valuation of the Project Site via the subsequent development of residences on the Project Site.

Redeveloper anticipates the Redevelopment Project will consist of the following improvements, the cost of which shall be eligible for reimbursement from TIF:

- Construction of internal public roadways (both temporary and permanent) providing access to the lots, and connecting to the existing streets/highways that are adjacent to the Project Site;
- Site preparation, grading, landscaping and detention of the lots;

- Construction or extension of all water, sanitary sewer, electrical, natural gas, and other utility infrastructure necessary to service the lots;
- Construction of sidewalks within the Project Site; and
- All other public improvements contemplated in this Redevelopment Plan, its exhibits, or contemplated under the Act that are necessary to carry out the Redevelopment Project.

Phasing of the incremental ad valorem real estate taxes generated by the Redevelopment Project (the “**TIF Revenues**”) used to reimburse the eligible costs incurred by Redeveloper will occur on a lot-by-lot basis over the course of multiple years (referred to herein as a “**Sub-Phase**”). The timing for each Sub-Phase will be based upon the rate of construction of the private improvements on the buildable lots created by the Redevelopment Project, such that the "effective date" (as provided under section 18-2147 of the Act) of each Sub-Phase for purposes of TIF will be determined on a lot by lot basis in order to maximize the TIF proceeds available to help finance the eligible costs of the Redevelopment Project. Economic conditions and market demands will determine the progression of construction for the private improvements and number of Sub-Phases needed for the same. The Redevelopment Project requires flexibility and will require a number of Sub-Phases over the course of multiple years. New Sub-Phases will occur until the buildout of structures on all lots within the Project Site is complete.

Exhibit "B" sets forth the proposed site plan for the Redevelopment Project. Any changes to the site plan that do not constitute a “substantial modification” under the Act, which are necessitated by governmental, economic, market, or environmental factors/conditions, or other extraneous factors affecting the Project Site or viability of the Redevelopment Project, are specifically contemplated by this Redevelopment Plan and are in conformance herewith. Such changes to the site plan shall be automatically incorporated and made a part of this Redevelopment Plan. The foregoing permitted modifications shall include, but not be limited to, changes to lot layout, number, or design.

E. Existing Conditions

1. Existing Land Use

The Project Site consists of vacant, undeveloped agricultural land.

2. Existing Zoning

The Project Site is currently zoned as R-1.

3. Existing Public Improvements

O Street borders the southern-most boundary of the Project Site. The Project Site is without internal paving, sewer, water, storm sewer, electrical and gas services, sidewalks, and related infrastructure.

F. Proposed Redevelopment

1. Public Improvements

The Redevelopment Project will require significant infrastructure improvements and other public improvements. These improvements will include, but are not limited to:

a. Public Access; Traffic Flow, Street Layouts and Street Grades

The Project Site will require additional public roadways providing access to the lots within the Project Site. Such improvements will provide access from O Street. The public improvements for the Redevelopment Project will address any traffic and street infrastructure concerns that are created by the Redevelopment Project. All streets and other public infrastructure constructed will be subject to review and approval by the appropriate governing authorities.

b. Construction of Water and Sewer Improvements.

Redeveloper will construct or extend water and sewer systems/infrastructure to service the Project Site.

c. Other incidental improvements

The Project Site is currently undeveloped and will require grading to provide effective drainage throughout the area. The Project Site requires filling and grading to properly drain the ground water runoff and provide appropriate grading levels to erect the residences thereon. The Redevelopment Project also requires the extension of electrical, communications, and natural gas facilities to the Project Site. Additionally, the Redevelopment Project may include dedication of a portion of the Project Site to the City for use as a public space/park and storm water management. The anticipated public improvements (and related costs) for the Redevelopment Project are listed under Paragraph D of this Redevelopment Plan and in **Exhibit "D"**, attached hereto and incorporated herein.

d. Additional public facilities or utilities

Other than the construction or extension of the utilities and infrastructure detailed above, Redeveloper and the City anticipate that the existing public facilities and utilities will adequately meet the demands of the Redevelopment Project.

e. Property Acquisition, Demolition and Disposal

No public acquisition of private property is necessary to accomplish the Redevelopment Project, other than the potential dedication of public rights-of-way and the public space/park

detailed above. No relocation of families or businesses is necessary to accomplish the Redevelopment Project.

f. Population Density

The Project Site currently sits undeveloped and vacant. The Redevelopment Project will result in an increase of population density. In consideration of the low-density (i.e., single family) use and size of the lots comprising Redevelopment Project, such increase in population density is desirable and will conform with the City's zoning code and Comprehensive Plan.

g. Land Coverage

Land coverage for the Project Site includes approximately 12.24 acres of undeveloped land. The Redevelopment Project will consist of the construction of necessary infrastructure to support the future development of approximately thirty-six (36) lots for the buildout of both single-family detached and attached dwellings thereon, with the potential footprint thereof shown on the site plan in Exhibit "B". The Redevelopment Project and subsequent build-out of private improvements on the finished lots will comply with all applicable land coverage ratios required by the City.

h. Parking

Because the Redevelopment Project does not include construction of private improvements, the City's parking requirements are not applicable/relevant to the Redevelopment Project. However, private developers seeking building permits on the completed lots within the Project Site will be required to follow all relevant parking requirements.

i. Zoning, Building Code and Ordinance

The Project Site is currently zoned as R-1, which allows for single-family detached dwellings. It is anticipated that some of the lots may be utilized for single-family attached dwellings. Accordingly, a zoning change to R-2 will be necessary, which allows for both detached and attached dwellings. Additionally, in conjunction with the buildout of the private improvements, it is possible that further zoning changes may be necessary or desired. This Redevelopment Plan contemplates and authorizes the same; provided that such changes comply with the intent of this Redevelopment Plan and the Comprehensive Plan. To the extent different or further zoning changes are necessary for buildout of the private improvements, the developers/owners undertaking such construction will be responsible for all necessary zoning, building code, or ordinance changes.

2. Private Improvements

Redeveloper will not construct the private improvements on the Project Site. Accordingly, such private improvements are not included in this Redevelopment Plan.

However, Redeveloper anticipates the Redevelopment Project will support post-completion development of approximately thirty-six (36) buildable lots for the buildout of residential dwellings (both attached and detached) thereon.

G. Project Costs

Not inclusive of acquisition, the estimated cost of the Redevelopment Project is \$3,087,570. A breakdown of such costs is attached and incorporated herein as **Exhibit "C"**.

H. Implementation

Redeveloper intends to initiate construction of the Redevelopment Project upon the approval of this Redevelopment Plan. Redeveloper intends to complete the Redevelopment Project by the end of 2023.

Notwithstanding the foregoing, the anticipated start date and completion dates, and the anticipated timeframes for buildout of the developed lots, are preliminary and subject to change based upon market conditions, availability of materials, workforce availability and other extraneous factors, including Redeveloper's lack of control over the timeframe for subsequent private development on the completed lots. Additional time spanning a number of years beyond the anticipated completion dates (or an expedited schedule) may be necessary as a result of such extraneous conditions or factors, and will be necessary to allow for the subsequent buildout of the private improvements on the Project Site.

Development of the private improvements on the improved lots is anticipated to occur over the course of multiple years following the completion of the respective buildable lots, and the construction of such private improvements will trigger the "effective date" (as defined in the Act) for each Sub-Phase. Upon the completion of each Sub-Phase, Redeveloper shall identify the lot(s) and set forth the effective date for the pertinent Sub-Phase, in a timely manner to facilitate filing of a notice to divide for such Sub-Phase (as set forth in Section 18-2147(5) of the Act) on or before August 1 of the year in which taxes are to be divided for such Sub-Phase. It is anticipated that the identification and establishment of each Sub-Phase will occur on a yearly basis, as necessary, determined by the valuation increases that occur from the private development on specific lots during that year.

I. Financing

This Redevelopment Plan contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of bonds pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("**Base Tax Amount**"); and
- (b) That portion of the TIF Revenues, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for each Sub-Phase will be determined in the manner set forth in Section H, above. The effective dates will be different for each Sub-Phase; and therefore the increment period for each Sub-Phase will be different. Notwithstanding any provision herein to the contrary, the tax revenues derived from the real property included in each Sub-Phase shall only be divided and allocated over the applicable 15-year increment period or until full payment of the TIF Indebtedness, whichever occurs first.

1. Necessity of TIF

Development of the Redevelopment Project would not be economically feasible without TIF. Redeveloper is a municipal subdivision and is undertaking the Redevelopment Project to further the City's economic development objectives. The objective of the Redevelopment Project is to encourage needed residential development in the City. Because Redeveloper is a political subdivision without sufficient funds to construct the Redevelopment Project, the use of TIF for the same is necessary.

Additionally, the Project Site's complete lack of infrastructure makes the area too costly to attract private developers. Thus, Redeveloper is undertaking the Redevelopment Project with the assistance of TIF to offset such costs and make the Project Site a viable area for private development. As such, in the absence of Redeveloper and the Redevelopment Project, development of the Project Site by private developers would be economically infeasible due to the substantial infrastructure costs that are offset by the Redevelopment Project.

Except for the sale of the lots, neither the City nor Redeveloper will derive a direct source of revenue as a result of the Redevelopment Project. Rather, the private developers and lot owners will capture such beneficial interests as part of the buildout of the private improvements.

In accordance with the above findings, the Redevelopment Project would not be economically feasible without the use of TIF, and the Redevelopment Project would not occur in the Redevelopment Area without the use of TIF.

2. Sources and Uses of Financing

Based upon the projections provided in Exhibit "D", this Redevelopment Plan contemplates the issuance of one or more TIF bonds or notes (the "**TIF Indebtedness**") in an aggregate principal amount not to exceed \$2,113,558, at an interest rate to be determined by the CDA. Notwithstanding the foregoing, if actual valuations exceed the initial estimated valuations of the private improvements built upon the completed lots provided herein, the City and CDA, in their discretion, may amend this Redevelopment Plan to increase the amount of TIF Indebtedness authorized hereunder and proceed to issue additional bonds/notes in accordance therewith.

The total estimated cost of the Redevelopment Project is \$3,087,570. Because the Redevelopment Project consists only of public improvements constructed for the sole benefit of the City's economic development and housing objectives, TIF will make up a significant portion of the financing for the Redevelopment Project. Redeveloper anticipates that the costs exceeding the TIF Revenues will be covered by the proceeds from the sales of the lots to developers/owners to construct the private improvements, at an average sale price of \$28,000 (\$1,008,000 total for all 36 lots). The City (on behalf of Redeveloper) intends to issue a bond anticipation note to cover the initial costs of construction during the construction period. It is the intent that such bond anticipation note will be replaced with permanent financing serviced by the TIF Revenues once the TIF Revenues can adequately service such debt. Based upon estimated TIF Revenues in the amount of \$2,113,558 and proceeds from the sale of the lots in the amount of \$1,008,000 (i.e., \$3,121,558 total), such sources are estimated to cover the total cost of the Redevelopment Project (i.e., \$3,087,570).

J. Cost-Benefit Analysis

A cost-benefit analysis for the Redevelopment Project is attached as Exhibit "E" and incorporated herein.

Exhibits:

- Exhibit A-1: Redevelopment Area
- Exhibit A-2: Project Site and Existing Land Use
- Exhibit B: Site Plan and Future Land Use
- Exhibit C: Estimated Construction Cost of the Redevelopment Project
- Exhibit D: Sources and Uses of TIF
- Exhibit E: Cost-Benefit Analysis

EXHIBIT "A-1"

Redevelopment Area

Boundaries and Existing Conditions:





EXHIBIT "A-2"

Project Site and Existing Land Use

Legal Description:

A tract of land located in Lots 6 and 7, David City Land and Lot Company's Suburban Lots, located in the SW1/4 SE1/4 of Section 18, Township 15 North, Range 3 East of the 6th P.M., Butler County, Nebraska, described as follows: Beginning at a point on the South line of said Lot 7, said point being 130.74 feet East of the Southwest corner of said Lot 7, and assuming the West line of said Lot 7 to have a bearing of N00°23'53"E; thence N00°32'08"E, 449.25 feet; thence N89°35'57"W, 131.54 feet, to a point on the West line of said Lot 7; thence N00°23'53"E, 788.63 feet, to the Northwest corner of said Lot 7; thence N89°43'00"E, 638.12 feet, to the Northeast corner of said Lot 6; thence S00°20'16"W, 796.95 feet, on the East line of said Lot 6, to a point on the North line of Sypal East Addition to David City; thence N89°30'38"W, 447.27 feet, to the Northwest corner of said Sypal East Addition; thence S00°33'20"W, 449.37 feet, to the Southwest corner of said Sypal East Addition; thence N89°27'18"W, 60.00 feet, to the Point of Beginning

* The Project Site will be subdivided and replatted as part of the Redevelopment Project. Any changes to the legal description as a result of such subdivision or replat shall automatically supersede and replace the above legal description.

(Space Intentionally left blank)



* Project Site outlined in red.

EXHIBIT "B"

Site Plan and Future Land Use



* The above is a preliminary site plan and is subject to change.

EXHIBIT "C"

Estimate of Construction Costs

Site Work:	\$225,500
Dewatering for Utilities:	\$140,000
Sewer:	\$222,100
Water:	\$320,700
Paving:	\$651,000
Gas:	\$37,000
Electrical & Street Lighting:	\$291,355
Engineering:	\$212,895
Legal:	\$20,000
Financing:	\$756,965
Contingencies (10%):	\$210,055
TOTAL:	\$3,087,570

* The attached estimates are preliminary estimates and subject to change.

EXHIBIT "D"

Sources and Uses of TIF

USES

Acquisition:	\$285,092
Site Work:	\$225,500
Dewatering for Utilities:	\$140,000
Sewer:	\$222,100
Water:	\$320,700
Paving:	\$651,000
Gas:	\$37,000
Electrical & Street Lighting:	\$291,355
Engineering:	\$212,895
Legal:	\$20,000
Financing:	\$756,965
Contingencies (10%):	\$210,055
TOTAL:	\$3,372,662

* The above figures are preliminary estimates and are subject to change.

Assumptions:

Aggregate Base Value (after construction of infrastructure):	\$360,000
Aggregate Final Value (after construction of improvements):	\$9,000,000
Aggregate Incremental Value:	\$8,640,000
Tax Levy (2021):	1.647305%
Total Increment Available (less 1% assessor's fee):	\$2,113,558
Interest Rate:	TBD

* The above "sources" for the Redevelopment Project are estimates based upon the assumptions contained herein.

** Based upon the development of 36 lots, at a base value of \$10,000 per buildable lot and a final value of \$250,000 per constructed lot/improvement, and the full 15-year TIF period for each Sub-Phase.

EXHIBIT "E"

**Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Redevelopment Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the base value of the Project Site will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Project will be captured to pay for the project's eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Redevelopment Project, the true tax shift of the Redevelopment Project is a positive shift in taxes after 15 years (from when first divided). However, for the purposes of illustrating the incremental taxes used for TIF, the estimated tax shift for the Redevelopment Project is set forth in Exhibit "E" of the Redevelopment Plan.

Notes:

1. *The assessed value of the re-platted and improved (i.e., post-completion of public improvements and prior to completion of private improvements) lots as the base value is assumed.*
2. *The projected TIF Revenues are based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2021 levy rate. There has been no accounting for incremental growth over the TIF period.*

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the Redevelopment Project:

a. Public infrastructure improvements and impacts:

The Redevelopment Project requires extensive public infrastructure installation. The Project Site will require additional public roadways to provide access to the lots within the Project Site. The Redevelopment Project will include the construction of roadways providing access to O Street to the south of the Project Site. The public improvements for the Redevelopment Project will address any traffic and street infrastructure concerns that would otherwise be created by the Redevelopment Project.

Redeveloper will construct or extend water, sanitary sewer, natural gas, and electrical infrastructure to provide appropriate service to the Project Site; and the Project Site will be filled and graded to provide for effective surface water runoff, including the construction of appropriate detention. It is the intent of the Redevelopment Plan that such infrastructure and site preparation be paid for by the Redeveloper with such cost to be reimbursed by TIF. The CDA does not anticipate that the Redevelopment Project will have a negative impact on City infrastructure or services.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Redevelopment Project should create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of TIF will defer receipt of a majority of new ad valorem real property taxes generated by the Redevelopment Project for up to 15 years, the Redevelopment Project should generate immediate tax growth for the City. The Redevelopment Project and the new residential activity therein will require and pay for City services. Additionally, the City will collect sales tax on a portion of the materials used for the Redevelopment Project. It is not anticipated that the Redevelopment Project will have any material adverse impact on such City services, but will generate revenue providing support for those services. Additionally, except for the public improvements detailed in subsection (a), above, the CDA anticipates that the current City infrastructure and services can adequately support the Redevelopment Project and private improvements stemming therefrom.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the Redevelopment Project:

The construction of new housing resulting from the Redevelopment Project should attract new workforce talent to the City, as well as help retain the current workforce – benefitting both employees and employers locating within the Project Site. Accordingly, the Redevelopment Project is expected to have a positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the Redevelopment Project.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the Redevelopment Project:

The Redevelopment Project should have a material positive impact on private sector businesses and citizens outside the boundaries of the Project Site. The Redevelopment Project will involve installation of public utilities, and the use of TIF should defray the costs of these and other public improvements that would otherwise be paid through taxes or special assessments that would burden adjacent property owners. The construction of new housing resulting from the Redevelopment Project should attract new workforce talent to the City, as well as help retain the current workforce – benefitting both employees and employers throughout the City. Accordingly, the Redevelopment Project is anticipated to have a positive impact on surrounding employers and employees.

5. Impacts on student populations of school districts within the City:

The Redevelopment Project may result in a modest increase of the student population if the homes constructed as a result thereof are sold to families with school-aged children that did not previously reside within the boundaries of the school district. However, any such increase is expected to be minimal and is offset by the City's desire for healthy population growth. Additionally, while the school district will not receive taxes from the improvements built during the TIF period, the school district has received state aid to education in the past. Part of the school aid formula involves assessed valuation in the school district. The valuation that generates the TIF Revenues is not included in the formula and does not count against the state aid that the school district would receive. Taxes on any increase in the base value of the land will benefit the school district. After the TIF Indebtedness is paid, or at the end of the respective 15 years (per Sub-Phase) of division of taxes, whichever is sooner, the increased valuation from the Redevelopment Project will be available to the school district. As such, the CDA does not anticipate a negative impact on school districts located within the boundaries of the area of the Redevelopment Project.

6. Other impacts determined by the CDA to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project Site is blighted and contains substandard conditions that are a detriment to the City as a whole. The Redevelopment Project will revitalize and occupy a vacant space without negatively impacting the surrounding businesses, residents or straining the public infrastructure. There are no other material impacts determined by the CDA relevant to the consideration of the cost or benefits arising from the Redevelopment Project. As such, the costs and benefits of the Redevelopment Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services, have been analyzed and have been found to be in the long-term best interest of the community impacted by the Redevelopment Project.

(Space Intentionally left blank)

There being no further business to come before the Planning Commission, Planning Commission member Keith Marvin made a motion to adjourn. Chairman Jim Masek declared the meeting adjourned at 5:08 p.m.

Minutes by Lori Matchett, Deputy City Clerk