

**AGENDA**  
**COMMUNITY REDEVELOPMENT AUTHORITY**  
**CITY COUNCIL CHAMBERS**  
**306 PEARL STREET**  
**April 26, 2022**

1. 4:00 p.m. - Call the meeting to order

Anyone desiring to view the Open Meetings Act may do so. The document is available for public inspection and is located on the southwest wall of the City Council Chambers as well as on the City of Wayne website.

The Community Redevelopment Authority may go into closed session to discuss certain agenda items to protect the public interest or to prevent the needless injury to the reputation of an individual and if such individual has not requested a public hearing.

2. Action to approve the Minutes of March 29, 2022
3. Action to approve the Claims
4. Presentation by Mike Bacon, Attorney, on Tax Increment Financing
5. Review Redevelopment Plan for the R. Perry Construction, Inc., Project for sufficient completeness with regard to Section 18-2111 and other relevant sections of the Community Development Law
6. CRA Resolution 2022-2: Forwarding a Redevelopment Plan of the City of Wayne, Nebraska, to the Planning Commission of the City of Wayne for purposes of its review and recommendation regarding said Plan's conformity with the Comprehensive Plan of the City of Wayne — R. Perry Construction, Inc., Project
7. Update and discussion and/or action on the following properties:
  - Lot 4, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street)
  - Lot 5 and Part of Lot 6, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (106 E. 7<sup>th</sup> Street)
  - Part of Lot 5 and all of Lot 6, Block 14, Original Town of Wayne, and Lots 7 and 8, Block 14, Original Town of Wayne (located at 2<sup>nd</sup> and Logan/Nebraska Streets)
8. Discussion and possible action on awarding a contract on putting in a foundation for the house to be moved onto Lot 23, Southview Addition
9. Discussion regarding other potential properties of interest
10. Adjourn

**NEXT MEETING IS SCHEDULED FOR MAY 31, 2022**

March 29, 2022

The Wayne Community Redevelopment Authority (CRA) met in regular session in the Council Chambers of City Hall on Tuesday, March 29, 2022, at 4:00 o'clock p.m. Chair Jill Brodersen called the meeting to order with the following in attendance: Members Mark Lenihan, Jon Meyer, Cale Giese, and Terry Sievers; City Attorney Amy Miller; City Administrator Wes Blecke; and City Clerk Betty McGuire. Absent: Members Greg Ptacek and Mike Powicki.

Notice of the convening meeting was given in advance thereof by publication in the Wayne Herald, Wayne, Nebraska, the designated method of giving notice, as shown by Affidavit of Publication. In addition, notice was given to the Chair and all members of the Community Redevelopment Authority, and a copy of their acknowledgement of receipt of notice and agenda is on file with the City Clerk. Availability of the agenda was communicated in the advance notice and in the notice to the Chair and Members of this meeting. All proceedings hereafter shown were taken while the Community Redevelopment Authority convened in open session.

Chair Brodersen advised the public that a copy of the Open Meetings Act was located on the southwest wall of the Council Chambers and was available for public inspection as well as on the City of Wayne website. In addition, she advised the public that the Community Redevelopment Authority may go into closed session to discuss certain agenda items to protect the public interest or to prevent the needless injury to the reputation of an individual and if such individual has not requested a public hearing.

Member Meyer made a motion, which was seconded by Member Sievers, to approve the minutes of the February 22, 2022, meeting. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Members Ptacek and Powicki who were absent, the Chair declared the motion carried.

Member Giese made a motion, which was seconded by Member Lenihan, to approve the following CRA Claims:

City of Wayne	
Attorney Fees	\$800.00
Utilities – 106 E. 7 <sup>th</sup>	37.00
Utilities – 711 Main	.12

Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Members Ptacek and Powicki who were absent, the Chair declared the motion carried.

Member Ptacek arrived at 4:02 p.m.

Member Powicki arrived at 4:08 p.m.

The CRA reviewed the tax increment financing application of R. Perry Construction, Inc., for completeness and to make a determination as to whether or not the project is not financially feasible without tax increment financing.

Wes Blecke, City Administrator, stated this is the initial step in the process to prove that this project would not happen without tax increment financing.

Beth Porter, Finance Director, reviewed the steps in this process. When she received the application, she sent the same off to Attorney Mike Bacon for a preliminary review. He did not have any issues with the application, but noted this is a big project and, as with all TIF projects, they will have to prove the “but for test.” For a project this big, Mr. Bacon will require a lender requirement letter and also a return on investment analysis in addition to the cost benefit analysis. R. Perry Construction does have their own TIF attorney, Michael Sands with Baird Holm. Mr. Bacon has worked with him before. Their eligible costs exceed the bond amount they are requesting. As it is now, they are not asking for workforce housing TIF.

Cory Christensen, representing R. Perry Construction, Inc., was present via zoom to answer questions.

BJ Woehler, representing several people, had questions regarding the process. He requested the CRA to vote “no” on this application because he did not feel it was accurate and complete or that they at least table it until the CRA gets the proper information.

Member Giese made a motion, which was seconded by Member Meyer, to forward the Tax Increment Financing Application of R. Perry Construction, Inc., to the City’s Tax Increment Financing Attorney for preparation of a Redevelopment Plan, Cost Benefit Analysis and Redevelopment Contract.

Member Lenihan shared concerns from the School’s point of view on the project and tax increment financing request and how it could potentially affect the school’s enrollment, staffing concerns, and tax situation, etc.

Staff was directed to contact Attorney Bacon to see if he would come to Wayne to give a presentation to the CRA on tax increment financing.

Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Lenihan who voted Nay, the Chair declared the motion carried.

Administrator Blecke updated the CRA on the following properties:

- Lot 4, Block 5, John Lake’s Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street).

A proposal was received from Morrow’s Housemoving, Inc., for \$20,880. This includes moving the house and digging a basement after the house is on site. He then reached out to a contractor (Pinkelman) to put in the basement. This contractor could do it for a cost of \$12-15,000, depending upon whether or not the basement would have an 8’ ceiling or a 9’ ceiling. Another company, Scribbs, had interest in moving the house, but the soonest they could do it would be in June or July.

Consensus was to get a survey on the lot to figure out where the house will be placed. Administrator Blecke recommended having Todd Hoemann of the Street Department act as the general contractor on this project.

After discussion, it was the consensus to move the house onto a basement/foundation and try to sell it “as is.” If it does not sell, the CRA can consider making some improvements to the house and then selling it.

Member Meyer made a motion, which was seconded by Member Giese, to accept the bid of Morrow’s Housemoving, Inc., for \$20,880 to move the house located at 711 Main Street. Chair Brodersen stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Administrator Blecke stated he will contact a couple of contractors (Pinkelman and Walker Foundation) for a price on a foundation and bring the same forward for consideration at the next meeting.

The next item up for discussion/action was on the following property:

- Lot 5 and Part of Lot 6, Block 5, John Lake’s Addition to the City of Wayne, Wayne County, Nebraska (106 E. 7<sup>th</sup> Street).

The CRA is going to have to hire a contractor at some point to do some of the work (e.g. dirt work and retaining wall). As soon as the CRA has the architectural design/plans, this can be done.

The next item up for discussion/action was on the following property:

- Part of Lot 5 and all of Lot 6, Block 14, Original Town of Wayne, and Lots 7 and 8, Block 14, Original Town of Wayne (located at 2<sup>nd</sup> and Logan/Nebraska Streets)

Greg Mosely was present and stated he and his brother have some interest in this property. He would raze both buildings and put other structures there. He did not know if it would be housing or commercial property. He asked if the CRA would consider subdividing that property. He would take the lot where the wood structure is and demolish it ASAP. He offered the CRA \$1.00 for the property.

Member Giese stated the CRA consensus for this property was to work towards getting it to bare ground, and then go out for proposals to see what would or could be constructed. He wanted to see what another person’s vision might be for that property.

Mr. Mosely was encouraged to come to the CRA meetings for updates.

In regard to an update on Lot 23, Southview II Addition, the same has not been closed on at this time. It is still in the remonstrance period.

Discussion took place on the CRA requesting an additional lot or lots from the City. Consensus was not to ask for more property at this time.

There were no other potential properties of interest to be discussed.

There being no further business to come before the CRA, Chair Brodersen declared the meeting adjourned at 5:05 p.m.

**City of Wayne  
CRA Claims List**

**April 26, 2022**

4/26/2022	#1474	City of Wayne		
		Attorney fees \$800.00		
		Ads/notices \$66.82		
		Utilites 106 E 7th St \$37.48		
		Utilites 711 Main St \$0.12	\$	904.42
		<b>Total</b>	\$	<b>904.42</b>

CRA  
BANK SUMMARY  
CHECKING ACCOUNT  
April 26, 2022

BALANCE 3/29/22 23,988.62

DEPOSITS:

Interest	5.25
Rent 2 <sup>nd</sup> & Nebr.	250.00
DPA payment	100.00
	355.25

SUBTOTAL: 24,343.87

CLAIMS:

Claims Paid	904.42
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BOOK BALANCE as of 4/26/22 23,439.45

**CRA RESOLUTION NO. 2022-2**

**A RESOLUTION FORWARDING A REDEVELOPMENT PLAN OF THE CITY OF WAYNE, NEBRASKA, TO THE PLANNING COMMISSION OF THE CITY OF WAYNE, NEBRASKA, FOR PURPOSES OF ITS REVIEW AND RECOMMENDATION REGARDING SAID PLAN'S CONFORMITY WITH THE COMPREHENSIVE PLAN OF THE CITY OF WAYNE.**

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

**Recitals:**

- a. The Mayor and Council of the City of Wayne, Nebraska (the "**City**"), upon the recommendation of the Planning Commission of the City of Wayne, Nebraska (the "**Planning Commission**"), and in compliance with all public notice requirements imposed by the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "**Act**"), duly declared the redevelopment area legally described on **Exhibit "A"** attached hereto (the "**Redevelopment Project Area**") to be blighted and substandard and in need of redevelopment; and
- b. Pursuant to and in furtherance of the Act, a Redevelopment Plan (the "**Redevelopment Plan**") has been prepared and submitted to the Authority by R. Perry Construction, Inc., (the "**Redeveloper**"), in the form attached hereto as **Exhibit "B"** for the purpose of redeveloping the Redevelopment Project Area; and
- c. Pursuant to §18-2112 of the Act, the Authority, prior to recommending the Redevelopment Plan to the City, must refer the Redevelopment Plan to the Planning Commission of the City for its review and recommendations as to its conformity to the general plan for the development of the City as a whole.

**Resolved that:**

- 1. The Authority hereby refers the Redevelopment Plan, attached hereto as **Exhibit "B"** to the Planning Commission of the City for its review, public hearing, and recommendations as to the Redevelopment Plan's conformity to the general plan for the development of the City as a whole.
- 2. All prior Resolutions of the Authority in conflict with the terms and provisions of this Resolution are hereby expressly repealed to the extent of such conflicts.

**PASSED AND APPROVED** on April 26, 2022.

COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
WAYNE, NEBRASKA.

By \_\_\_\_\_  
Chairperson

ATTESTED:

\_\_\_\_\_  
Secretary

**Exhibit A**  
**Legal Description of Redevelopment Project Area**

**Apartment Site:** Lot Three (3), Southeast Addition to the City of Wayne, Wayne County, Nebraska. Parcel 0080238.00

**Lake Site:** Lot Five (5), Southeast Addition to the City of Wayne, Wayne County, Nebraska. Parcel 0080235.00

**Exhibit B**  
**Redevelopment Plan**

**CITY OF WAYNE  
REDEVELOPMENT PLAN FOR THE  
PERRY APARTMENT DEVELOPMENT**

I. INTRODUCTION.

This Redevelopment Plan for a blighted and substandard area of the City of Wayne, Nebraska ("Redevelopment Plan") is a guide for redevelopment activities to remove or eliminate blight and substandard conditions within the City of Wayne, Nebraska ("City"). The City recognizes that blight is a threat to the continued stability and vitality of the City as it relates to affordable housing.

This Redevelopment Plan sets forth a redevelopment project consisting of a 144-apartment multifamily housing development and creation of a recreational lake (collectively, the "Redevelopment Project"). The site of the Redevelopment Project, is described on Exhibit "1" and incorporated herein, consists of two parcels owned by the city of Wayne (the "Redevelopment Area"). The apartments are to be constructed on approximately 7.84 acres (the "Apartment Site") to be purchased by R. Perry Construction, Inc., (the "Redeveloper"). The recreational lake is to be constructed on a portion of the 73.23 acres adjoining the Apartment Site (the "Lake Site").

The City is the current owner of the Redevelopment Area. Current market rental rates are insufficient to allow for recovery of development costs, maintenance and operational costs without the assistance provided by tax increment financing. It is not reasonably anticipated that the area would be developed without public action. To encourage private investment in the Redevelopment Area, this Redevelopment Plan has been prepared to set forth the Redevelopment Project, which is considered to be of the highest priority in accomplishing the goal of revitalizing and strengthening the Redevelopment Area.

The Redevelopment Project consists of two development activities all being a part of the overall Project. The separate activities are designated as "Project One" and "Project Two". "Project One" of the Redevelopment Project is the development of an apartment complex on the Apartment Site by R. Perry Construction, Inc. ("Redeveloper"), consisting of 144 apartments in 4 apartment buildings with 36 apartments each. The development will include a clubhouse of 4,000 square feet and a pool area. A site plan for Project One is attached hereto as Exhibit "2". The Redevelopment Project provides for acquisition of the Apartment Site from the City pursuant to a purchase agreement.

"Project Two" of the Redevelopment Project is the creation of an approximately four acre lake on the Lake Site. Project Two is to be constructed by Redeveloper based on a design and in a location to be determined by the City of Wayne.

This Plan intends that that construction for Project One and Project Two concurrently in the spring of 2022.

This Plan provides that the Redeveloper incur costs on the Lake Site of approximately \$2,200,000. Project Two is entirely for the benefit of the public. Although Project One will benefit from the development of the lake, the cost to create the lake cannot be amortized a part of the rental rates for the apartments on Project One. The Redeveloper requires assistance from a tax increment financing ("TIF") grant in order to offset the lake development costs and provide apartments at marketable rental rates. The need for a TIF grant for Project One exists without the burden of Project Two costs. The Redeveloper seeks tax increment financing from the Wayne Community Redevelopment Authority pursuant to the Nebraska Community Development Law sections 18-2101 et. seq., as amended (the "Act"), as part of the development project.

Redeveloper estimates \$6,810,096 in TIF-eligible costs for the Redevelopment Project. Redeveloper seeks a TIF grant in an amount of \$4,880,000 for the TIF-eligible costs that include, but are not limited to, site acquisition, site preparation, engineering and architecture, legal fees, infrastructure, utilities, lake development and capitalized interest. From the TIF grant of \$4,880,000, the sum of \$2,200,000 will be utilized for the recreational lake development.

Redeveloper will be required to purchase a Tax Increment Revenue Bond ("TIF Bond") from the Authority in the principal amount of \$4,880,000. Redeveloper will be required to obtain a bank loan in order to purchase the TIF Bond. Redeveloper will use the TIF Bond proceeds to pay for the TIF-eligible costs. The TIF Bond will be a limited obligation of the Authority, solely repayable from the incremental (increased) ad valorem real property taxes from Project One. Redeveloper and the Authority anticipate that the Authority will issue one TIF Bond for the TIF-eligible expenses for both Project One and Project Two. The Authority and Redeveloper will provide a more detailed overview of the TIF Bond and its issuance in the redevelopment contract or the resolution authorizing issuance of the TIF Bond.

The Apartment Site is owned by the City of Wayne and has no current assessed value. It is estimated that the County Assessor will assign a base value for that site of \$100,000 pursuant to section 18-2147 (a) of the Act. Real estate taxes that result from such assessment on the real property, prior to the division of taxes to pay the TIF Bond, will be paid to the normal taxing entities during the TIF Bond repayment period as prescribed by the Act. Upon the earlier of repayment of the TIF Bond or expiration of fifteen years after the effective date provided in the redevelopment contract, all increased taxes will be paid to the normal taxing entities.

## II. EXISTING CONDITIONS.

This section of the Redevelopment Plan examines the existing conditions within the Redevelopment Area. This section is divided into the following subsections: existing land use, existing zoning, existing public improvements, and existing building condition/blighting influences.

- A. Existing Land Use. The existing land use is shown on Exhibit "3".
- B. Existing Zoning. The Apartment Site Redevelopment Area is zoned R-4, multi-family residential. The Lake Site is zoned for parks and recreational use.
- C. Existing Public Improvements. East 4<sup>th</sup> Street abuts the Apartment Site to the North.
- D. Existing Building Conditions/Blighting Influences. Northeast Nebraska Economic Development District conducted a study entitled "Blight and Substandard Study, East Wayne Redevelopment Project Area" for the City of Wayne (the "Blight Study"). The evaluation and subsequent findings of the Blight Study were based upon the criteria outlined in the Act. The Blight Study determined that the study area (i.e., the Redevelopment Area) exhibited a number of deficiencies applicable to the consideration of a "substandard and blight" designation including the existence of conditions which endanger life or property by fire or other causes and dilapidation/deterioration. City Council held a public hearing pursuant to the Act and declared the Redevelopment Area substandard and blighted pursuant to the Act on March 29, 2005.

### III. POST-REDEVELOPMENT CONDITIONS.

This section of the Redevelopment Plan examines the future conditions within the Redevelopment Area subsequent to completion of the Redevelopment Project. This section is divided into the following subsections:

- A. Proposed Land Use Plan
  - B. Conformance with the Comprehensive Plan; Conformance with the Community Development Law Declarations
  - C. Relationship to Local Objectives
  - D. Building Requirements and Standards after Redevelopment
  - E. Proposed Changes and Actions
  - F. Cost-Benefit Analysis
  - G. Proposed Cost and Financing
  - H. Procedure for Changes in the Approved Redevelopment Plan
  - I. Relocation Plan
- A. Proposed Land Use Plan. The Redevelopment Area will transition to a multifamily residential complex with an adjacent recreational lake development. The proposed land use for the Apartment Site portion of the Redevelopment Area is conceptually shown on Exhibit "2". The City has yet to determine the precise location and design of the recreational lake on the Lake Site.
  - B. Conformance with the Comprehensive Plan; Conformance with the Community Development Law Declarations. In accordance with the Act, this Redevelopment Plan has been designed to conform to the City's adopted Comprehensive Plan 2017-2027 (the "Comprehensive Plan"). The Comprehensive Plan designates the Apartment Site as multi-family on the Future Land Use Map. The Lake Site is designated for parks and recreational use

on that Map. The City Council finds and hereby documents that this Redevelopment Plan is feasible, entirely consistent and in conformity with the Comprehensive Plan as a whole and conforms to the legislative declarations and determinations set forth in the Act. The Redevelopment Area has had inadequate planning and remained undeveloped since it was annexed as part of the City.

C. Relationship to Local Objectives. This Redevelopment Plan was developed on the basis of the goals, policies and actions adopted by the City for the community as a whole and for the Redevelopment Area. General goals, policies and actions relating to the community as a whole and for the Redevelopment Area are contained in the Comprehensive Plan. If implemented, this Redevelopment Plan will result in improvements to the City entirely in line with the standards of the Comprehensive Plan.

D. Building Requirements and Redevelopment Standards. The redevelopment of the Redevelopment Area should generally achieve the following requirements and standards:

1. Population Density. There are currently no residential buildings located within the Redevelopment Area. With respect to Project One, population density within the Redevelopment Area will increase by construction of four apartment buildings with 36 apartment units each. Current housing occupancy in the City is 2 persons per household.

With respect to Project Two, the recreational lake will not impact population density.

2. Land Coverage and Building Density. There are currently no residential buildings within the Redevelopment Area. With respect to Project One, Exhibit 2 shows projected land coverage for the apartment buildings and the community building.

With respect to Project Two, it is projected that the lake will encompass four acres. Land coverage will comply with all applicable zoning and land coverage requirements for the area.

3. Building Heights and Massing. Building heights and massing will comply with the proposed R-4 zoning district for the Apartment Site.

E. Proposed Changes and Actions. This section describes the proposed changes needed, if any, to the zoning ordinances or maps, street layouts, street levels or grades, and building codes and ordinances, and actions to be taken to implement this Redevelopment Plan.

1. Zoning, Building Codes and Ordinances. With respect to both Project One and Project Two, this Redevelopment Plan will require no zoning ordinance change.

2. Traffic Flow, Street Layout and Street Grades. Access to the Redevelopment Area will be from East 4<sup>th</sup> Street for Project One. No changes are

contemplated for the street layout or grade. Local traffic will increase significantly as new residents enter and exit the apartment complex.

3. Public Redevelopments, Improvements, Facilities, Utilities and Rehabilitations. In order to support the new land uses in Apartment Site of the Redevelopment Area, Redeveloper anticipates construction of the following (1) extension of water mains from the city water main; (2) extension of a sanitary sewer main as needed; (3) installation of storm sewer; all as shown on Exhibit "2". The Lake Site will require excavation and shoreline development.

4. Site Preparation and Demolition. The Apartment Site will require grading and fill. The Lake Site will require extensive excavation. This plan contemplates that the Redeveloper may use excavated material from the Lake Site to develop the Apartment Site, if needed.

5. Private Redevelopment, Improvements, Facilities and Rehabilitation. The private improvements anticipated within the Redevelopment Area include the construction of 4 multi-family apartment buildings with 36 units each, a clubhouse and a pool area.

6. Parking. Exhibit "2" shows the proposed parking to be provided for Project One of the Development.

F. Cost-Benefit Analysis. A cost-benefit analysis for the Redevelopment Project is incorporated herein by this reference ("Cost-Benefit Analysis") and is shown on Exhibit "4". The Cost-Benefit Analysis complies with the requirements of the Act in analyzing the costs and benefits of the Redevelopment Project, including costs and benefits to the economy of the community and the demand for public and private services.

G. Proposed Costs and Financing; Statements. The Authority intends to negotiate a specific redevelopment contract with Redeveloper, outlining the proposed Redevelopment Project, and contributions from TIF which are necessary from the Authority. The redevelopment contract will include the Redevelopment Project description, specific funding arrangements, and specific covenants and responsibilities of the City, Authority and Redeveloper to implement the Redevelopment Project.

Estimated TIF-eligible Redevelopment Project costs are shown below:

Site Acquisition, Survey and Title	\$ 100,000
Site Preparation & Infrastructure	\$ 1,770,113
Lake construction	\$ 2,200,000
Architecture, Engineering & Legal	\$ 803,000
Contingencies	\$ 487,311
Financing	\$ 1,432,172
City legal costs	\$ 17,500
<b>TOTAL</b>	<b>\$ 6,810,096</b>

The above figures are estimates and are subject to change. Final figures are subject to a specific site plan, design specifications, City approval and public regulations. A breakdown of all estimated sources and uses (including the TIF-eligible costs) is attached hereto and incorporated herein as Exhibit "5".

Construction of the apartment complex and commercial structure will require an estimated private investment of over \$23,000,000. Total TIF-eligible costs will exceed the amount of funds available from the TIF grant that the Authority may elect to issue generated by improvements to the Redevelopment Area.

The Authority will not fund improvements that exceed the amount of funds available from TIF revenues for the Redevelopment Project. The Authority and Redeveloper estimate the amount of the available TIF revenues from the Redevelopment Project at approximately \$6,600,000, assuming the Redevelopment Project will generate a property valuation of approximately \$23,500,000 for Project One over the estimated redevelopment project valuation of the Apartment Site portion of the Redevelopment Area.

The TIF revenues are to be allocated under the terms of Section 18-2147(1)(b) of the Act for those tax years set forth in the redevelopment contract. The real property ad valorem taxes on the taxable valuation of the Redevelopment Area for the year prior to redevelopment, as established by the assessor, will continue to be paid to the applicable taxing bodies in accordance with the terms of Section 18-2147 of the Act.

Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property on the lots within the Redevelopment Area shall be divided, for a period not to exceed 15 years after the effective date of the provision as determined pursuant to a redevelopment contract, or amendment thereof, between Redeveloper and the Authority, or in the resolution authorizing the TIF Bond.

Said taxes shall be divided as follows:

a. That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the "redevelopment project valuation" (as defined in the Act) 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; and

b. That portion of the ad valorem tax on real property in the Redevelopment Area in excess of such amount, if any, 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, the Authority for financing or refinancing, in whole or in part, the Redevelopment Project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the Authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such Redevelopment Project shall be paid into the funds of the respective public bodies.

Because the redevelopment plan proposes to use tax-increment financing funds as authorized in § 18-2147 of the Act, the Authority, finds as follows based upon the representations of Redeveloper:

a. the Redevelopment Project in the plan would not be economically feasible without the use of tax-increment financing as documented by correspondence from the Redeveloper's lender;

b. the Redevelopment Project would not occur in the Redevelopment Area without the use of tax-increment financing; and

c. 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 by the governing body and been found to be in the long term best interest of the community impacted by the Redevelopment Project.

H. Procedure for Changes in the Approved Redevelopment Plan. If the City or Redeveloper desires to substantially modify this Redevelopment Plan, it may do so after public hearing(s) on the proposed change in accordance with the Act.

I. Relocation Plan. No persons or businesses will require relocation as a result of this Redevelopment Plan or the Redevelopment Project.

J. Authority's Special Attorney's Fees. Redeveloper shall reimburse the Authority, or pay directly to the Authority's special counsel, the legal costs and fees incurred by the Authority in relation to the Redevelopment Project as follows: (1) upon the approval of this Redevelopment Plan, Redeveloper shall reimburse the Authority, or pay directly to the Authority's special counsel, a sum of \$8,750; and (2) upon the Authority's issuance of the TIF Bond, Redeveloper shall reimburse the Authority, or pay directly to the Authority's special counsel, a sum of \$8,750.

**Exhibit "1"**  
**Redevelopment Area**

Legal Description:

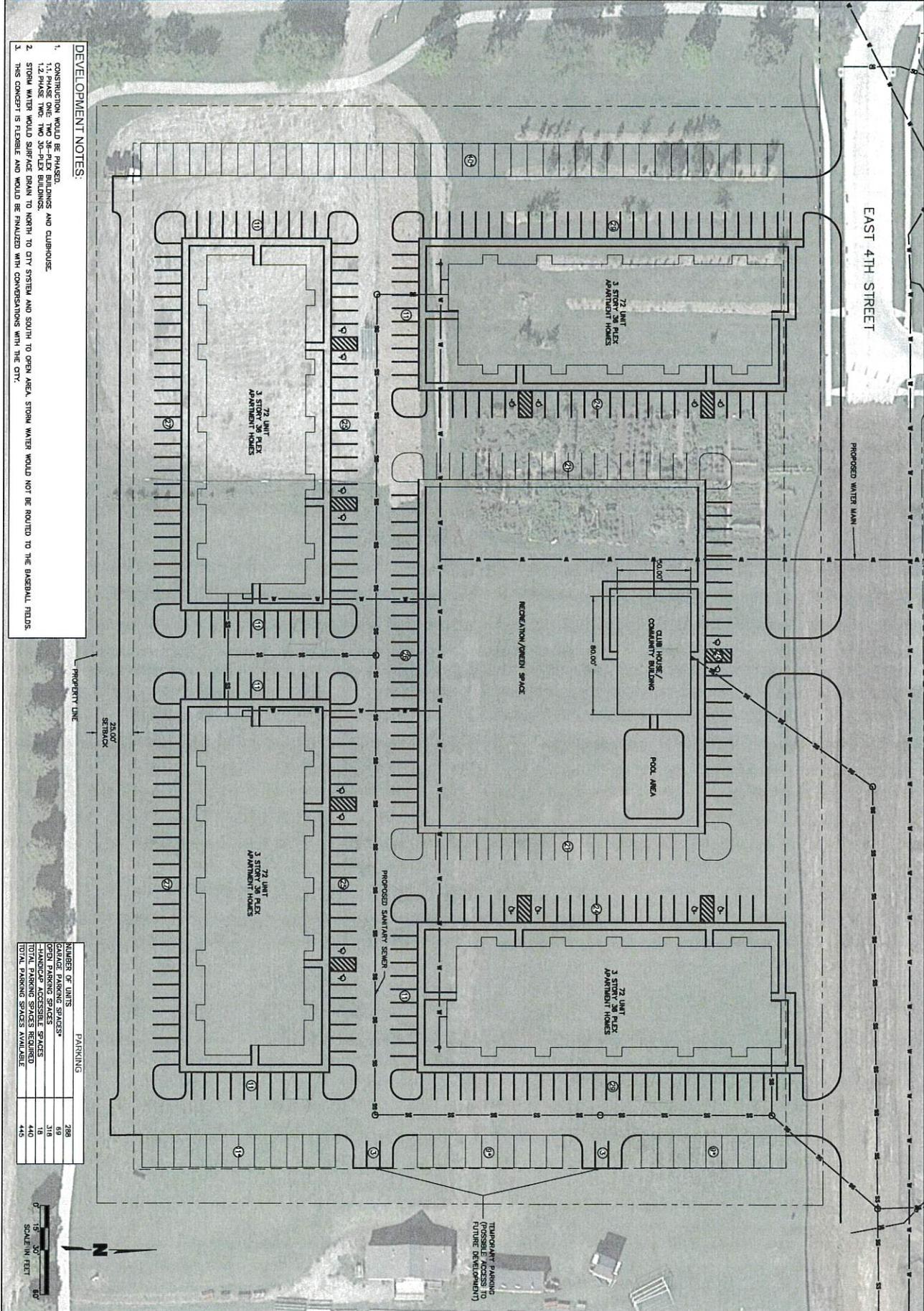
Apartment Site: Lot Three (3), Southeast Addition to the City of Wayne, Wayne County, Nebraska. Parcel 0080238.00

Lake Site: Lot Five (5), Southeast Addition to the City of Wayne, Wayne County, Nebraska. Parcel 0080235.00

Exhibit "2"  
Conceptual Apartment Site Plan

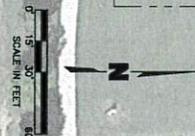
# ADDENDUM 1

DWG: C:\SSC\Admin\OPPORTUNITIES\Roy Perry\Wayne Development\Proposed\Development Exhibit\Wayne-R.Perry Development U Layout.dwg USER: dmckee  
 DATE: Feb 03, 2022 9:55am XREFS: 21-11-03\_GNCV\_PBASE Linework



- DEVELOPMENT NOTES:**
- CONSTRUCTION WOULD BE PHASED.
    - PHASE ONE: TWO 36-FLX BUILDINGS AND CLUBHOUSE.
    - PHASE TWO: TWO 36-FLX BUILDINGS.
  - STORM WATER WOULD SURFACE DRAIN TO NORTH TO CITY SYSTEM AND SOUTH TO OPEN AREA. STORM WATER WOULD NOT BE ROUTED TO THE BASEBALL FIELDS.
  - THIS CONCEPT IS FLEXIBLE AND WOULD BE FINALIZED WITH CONVERSATIONS WITH THE CITY.

PARKING	
NUMBER OF UNITS	288
GARAGE PARKING SPACES*	69
OPEN PARKING SPACES	318
THIN PARKING SPACES	176
TOTAL PARKING SPACES REQUIRED	384
TOTAL PARKING SPACES AVAILABLE	446



Proposed To: _____ Prepared By: _____ Checked By: _____ Date: _____ Title: _____ Scale: _____		2021
PROPOSED LAYOUT  ROY PERRY DEVELOPMENT		WAYNE, NEBRASKA
REV. NO. DATE REVISIONS DESCRIPTION	NO. DATE DESCR.	REVISIONS

**PRELIMINARY**  
 NOT TO BE USED FOR CONSTRUCTION  
 February 03, 2022  
 DATE PRINTED  
 OLSSON

**olsson**

1707 Dakota Avenue  
 South Sioux City, NE 68776-2356 TEL 402.494.3059 www.olsson.com

Exhibit "3"  
Existing Condition:



**Exhibit "4"**  
**Statutory Cost-Benefit Analysis**

As under section 18-2147 of the Act, the Authority has analyzed the costs and benefits of the proposed Redevelopment Project, including:

**Redevelopment Project Sources and Uses.** Approximately \$6,621,336 in property tax receipts from TIF provided by the Authority is required to complete the proposed redevelopment. (\$4,880,000 in principal and \$1,741,336 in interest) Such a TIF grant by the Authority will leverage an estimated \$ 26,546,724 (Project One and Project Two) in other investment and financing; an investment of \$4.01 for every dollar of tax increment financing.

**Use of Funds.** A full schedule of proposed sources and uses of funds is attached as Exhibit "5" to the Redevelopment Plan.

**Tax Shifts.** The property to be redeveloped is anticipated to have a January 1, 2022, valuation of approximately \$100,000. Based on the 2021 levy this would result in a real property tax of approximately \$1,931. It is anticipated that the assessed value will increase by a minimum of \$23,500,000 when the Redevelopment Project is completed. This will result in an overall tax of approximately \$453,785 annually based on the 2021 levy rate of 1.931% for property inside the city limits. Of this increased annual amount, approximately \$440,000 represents the estimated tax increment that could be used to pay the TIF Bond issue. The tax increment gained from the Redevelopment Project would not be available for use by the taxing entities as general tax revenues, but would be used to pay the TIF Bond issued to pay for eligible improvements to enable this Redevelopment Project to be realized. To the extent a Redevelopment Project phase has not reached full value at the time taxes are divided, the amount of the annual tax increment will be less.

Estimated 2021 assessed value:	\$ 104,000
Estimated 2022 assessed value:	\$ 23,500,000
Increment value	\$ 20,500,000
Annual Increment	\$ 440,000
Total Increment	\$ 6,600,000
TIF Bond issue	\$ 4,880,000

**Public Infrastructure and Community Public Service Impacts.** The Redevelopment Project requires extensive investment in public park improvement to establish the recreational lake. Investment in the lake is estimated at \$2,200,000. Sewer and water main extension to the site is included as an eligible TIF expense. Fire and police protection are considered adequate and no additional personnel or equipment is contemplated.

**Employment Within the Project Area.** Employment within the Project Area is expected to increase during infrastructure installation and apartment construction. These jobs will be

temporary. After completion of the Redevelopment Project, maintenance and management positions will be created at the Project One portion of the project.

**Employment in the City Outside the Project Area.** The construction of 144 apartments over the build-out period will provide incremental local sales to support construction workers during that time. This will result in modest upward pressure for jobs in the service and retail sector. The latest census data shows that the City's population per household is two persons. At this rate, the population could expand by 288 persons as a result of the full implementation of the project.

**Local Tax Impacts.** This Project will require substantial purchases of materials during the apartment construction. With respect to Project One, assuming that actual apartment construction cost is \$21,247,000, approximately 40 percent of the cost will be allocated toward materials. Construction materials delivered to the construction site in the City is subject to local sales tax of 1.5%. At 40 percent for materials, local tax could be as high as \$127,000 to the general fund of the City.

**Impacts on student populations.** The addition of school age children as a result of this redevelopment project will have an impact on the Wayne School District. The average size of families in Wayne that are married is 2.83 persons per household. There are 2143 households in Wayne with 937 married households or approximately 44 percent. Assuming 44 percent of the apartments are rented to married couples with traditional families with .83 occupants of school age, a Wayne School District student population increase of 54 children is possible. Single parents with multiple school age children will skew this number higher. However, it is anticipated that that this calculation does not reflect the likely occupants of Project One. Wayne is home to a state college that creates a significant renter population. Most of this population is unmarried and without school age children. The district will not receive taxes from the apartments during the time the increased taxes are utilized to pay the TIF Bond. The district has received state aid to education in the past. Part of the school aid formula involves assessed valuation in the district. The valuation that generates the TIF Bond payments is not included in the formula and does not count against the state aid that the district would receive. Taxes on any increase in the base value of the land will benefit the school district. After the TIF Bond is paid, or at the end of the 15 years of division of taxes, whichever is sooner, the increased valuation from the residential construction will be available to all taxing entities.

**Other Impacts.** The Redevelopment Area 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 or straining the public infrastructure. There are no other material impacts determined by the Authority relevant to the consideration of the cost or benefits arising from the Redevelopment Project. As such, the costs of the Redevelopment Project are outweighed by its benefits.

**Exhibit "5"**  
**Sources and Uses of Funds**

Sources

Commercial loan	\$25,931,724
TIF Grant	\$ 4,880,000
Equity	\$ 615,000
Total Sources	\$31,426,724

Uses

Site Acquisition, Survey and Title	\$ 100,000
Site Preparation & Infrastructure	\$ 1,770,113
Lake construction	\$ 2,200,000
Construction Hard Costs	\$21,247,000
Architecture, Engineering & Legal	\$ 803,000
Contingencies	\$ 2,855,611
Construction Soft Costs	\$ 250,000
Financing	\$ 2,186,000
City legal costs	\$ 15,000
<b>TOTAL</b>	<b>\$31,426,724</b>

PRO FORMA

Applicant:

DATE	Total Taxable Valuation	Less Pre-Development Base	TIF Taxable Valuation	Tax Levy	Tax Revenues	Treasurer's 1% Collection Fee	Revenues Available For TIF Loan	Principal	Interest at 3.50%	Total	Loan Balance	Capitalized Interest	Interest at 3.50%
0	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 211,445	\$ 2,114	\$ 209,331	\$123,931	\$85,400	\$209,331	\$4,880,000	0	85,400
0.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$127,293	\$83,231	\$210,524	\$4,756,069	0	83,231
1.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$129,520	\$81,004	\$210,524	\$4,628,776	0	81,004
2	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$131,787	\$78,737	\$210,524	\$4,499,256	0	78,737
2.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$134,093	\$76,431	\$210,524	\$4,367,469	0	76,431
3	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$136,440	\$74,084	\$210,524	\$4,233,376	0	74,084
3.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$138,828	\$71,696	\$210,524	\$4,096,936	0	71,696
4	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$141,257	\$69,267	\$210,524	\$3,958,108	0	69,267
4.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$143,729	\$66,795	\$210,524	\$3,816,851	0	66,795
5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$146,244	\$64,280	\$210,524	\$3,673,122	0	64,280
5.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$148,804	\$61,720	\$210,524	\$3,526,878	0	61,720
6	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$151,408	\$59,116	\$210,524	\$3,378,074	0	59,116
6.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$154,057	\$56,467	\$210,524	\$3,226,666	0	56,467
7	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$156,753	\$53,771	\$210,524	\$3,072,609	0	53,771
7.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$159,497	\$51,027	\$210,524	\$2,915,856	0	51,027
8	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$162,288	\$48,236	\$210,524	\$2,756,359	0	48,236
8.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$165,128	\$45,396	\$210,524	\$2,594,071	0	45,396
9	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$168,017	\$42,507	\$210,524	\$2,428,943	0	42,507
9.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$170,958	\$39,566	\$210,524	\$2,260,926	0	39,566
10	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$173,950	\$36,574	\$210,524	\$2,089,968	0	36,574
10.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$176,994	\$33,530	\$210,524	\$1,916,018	0	33,530
11	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$180,091	\$30,433	\$210,524	\$1,739,024	0	30,433
11.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$183,243	\$27,281	\$210,524	\$1,558,933	0	27,281
12	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$186,449	\$24,075	\$210,524	\$1,375,690	0	24,075
12.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$189,712	\$20,812	\$210,524	\$1,189,241	0	20,812
13	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$193,032	\$17,492	\$210,524	\$999,529	0	17,492
13.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$196,410	\$14,114	\$210,524	\$806,497	0	14,114
14	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$199,847	\$10,677	\$210,524	\$610,087	0	10,677
14.5	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$203,345	\$7,179	\$210,524	\$410,240	0	7,179
15	\$ 22,025,000	0	\$ 22,025,000	1.93100	\$ 212,651	\$ 2,127	\$ 210,524	\$206,903	\$3,621	\$210,524	\$206,895	0	3,621
					\$6,378,324	\$63,797	\$6,314,527	\$4,880,008	\$1,434,519	\$6,314,527	\$0	\$0	

Original Loan Amount Capitalized Interest Loan Balance Remaining

ASSUMPTIONS:  
 1. Loan Amount: \$4,880,000  
 2. Interest Rate: 3.50%  
 3. Increment Base: \$22,025,000

(F9 = calculate)

\* Base Value of \$100,000 and Final Value of \$22,125,000



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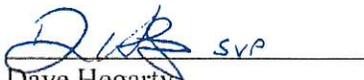
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March 31, 2022

To whom it may concern:

This letter is in relation to the multi-family housing and lake development project proposed by R. Perry Construction in Wayne, NE. For this project, TIF financing is needed for the project to be financially feasible. Without this, Primebank would not finance the project due to its high cost and low return on investment, and cash flow to service the debt. As such, TIF financing will be necessary for the project to receive the financing necessary to proceed. Thanks.

  
Dave Hegarty  
Sr. Vice President