

**CITY OF GERING PLANNING COMMISSION MEETING
August 6, 2024**

A regular meeting of the City of Gering Planning Commission was held in open session on August 6, 2024, at 6:00 p.m. in the Gering City Hall Council Chambers at 1025 P Street, Gering, NE. Present were Commissioners Taylor, Crews, Shimic, Miles, Kaufman, Hauck and Alvizar. Absent were Commissioners Palm and Keener. Also present were TIF Attorney John Selzer, Engineering Technician Sergio Rodriguez, and Secretary Carol Martin. Notice of the meeting was given in advance by publication in the Star-Herald, the designated method of giving notice. All proceedings hereafter were taken while the meeting was open to the attendance of the public.

Call to Order and Roll Call:

Chairman Miles called the meeting to order at 6:00 p.m. and noted that a quorum of the Planning Commission was present and business could be conducted.

1. Pledge of Allegiance

2. Open Meetings Act - Neb. Rev. Stat. Chapter 84, Article 14

Chairman Miles stated: As required by State Law, public bodies shall make available at least one current copy of the Open Meetings Act posted in the meeting room. Agenda items may be moved up or down on the agenda at the discretion of the Chairperson. Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless they are considered under this section of the agenda and the Planning Commission determines that the matter requires emergency action.

3. Approval of Minutes of the July 16, 2024, regular Planning Commission meeting

Motion by Commissioner Taylor to approve the minutes of the July 16 2024 regular Planning Commission meeting. Second by Commissioner Shimic. There was no discussion. The Clerk called the roll. "AYES": Taylor, Crews, Shimic, Miles, Kaufman, Hauck and Alvizar. "NAYS": None. Abstaining: None. Absent: Palm and Keener. Motion carried.

4. Current Business:

- A. Public hearing for the purpose of reviewing and obtaining comments on a Redevelopment Plan submitted by Integrity Developments LLC for the Integrity Developments Housing Project**

Chairman Miles opened a public hearing for the purpose of reviewing and obtaining comments on a Redevelopment Plan submitted by Integrity Developments LLC for the Integrity Developments Housing Project at 6:03 P.M.

**CITY OF GERING
PLANNING COMMISSION RECOMMENDATION AND REPORT**

To:	Planning Commission	Date:	7/26/24
From:	Planning & Community Development	Zoning:	RM

Subject:	Public Hearing to consider Redevelopment Plan for Integrity Developments Housing Project	Property Size:	2.67 Acres
Location:	Along 13 St, North of K St, and South of M St	#Lots/Parcels:	7
Owner:	Integrity Developments, LLC	City Council Public Hearing:	

Public Notice: This Public Hearing was noticed according to Nebraska State Statutes.

Public Hearing

The City has received a TIF application and has had a redevelopment plan drafted for the development of twenty-two residential duplex units. The project is approximately 2.67 acres and is located on 13th Street, North of K Street, and South of M Street. A map of the project area is included in Attachment 1 of the Redevelopment Plan.

In order to develop the properties, the project will require significant investment with the cost estimate at around \$3,660,000.00. To make the project economically feasible, the redeveloper is seeking tax increment financing to be used for eligible expenses, which include land acquisition, site development, utility infrastructure, and engineering. The proposed project is in an area that has been designated by the City Council as blighted and substandard and in need of redevelopment.

The attached memo describes the Planning Commission’s standard of review. By statute, the Planning Commission is to determine whether or not the project as proposed conforms to the general plan for development of the City as a whole. This includes ensuring that zoning is appropriate and that the project is in line with the stated goals and policies of the City’s Comprehensive Plan. This is outlined on Section 4 of the Redevelopment Plan. The Project Site is in the Southwest Gering Neighborhood District, which the Comprehensive Plan recommends should be developed to include a variety of housing types and densities, including duplexes, tri-plexes, and multifamily housing. It goes on to state that new development should maintain a gridded pattern with alleys to shift garage and parking access away from the street.

Staff recommends that the project meets the stated goals of the district. Additionally, there are numerous principles and policies in the Comprehensive Plan that address this type of development. Policy 3.1.A is to increase housing choices and diversity for all lifestyles, Policy 3.1.C is to promote the integration on multifamily units into neighborhoods with mixes of housing types, Policy 3.2.D is to encourage infill development on vacant and underutilized sites, and Policy 3.2.E is to promote compatible infill and redevelopment that fits Gering’s neighborhoods and is consistent with the desired future character of the area. This project meets all of those objectives.

Staff recommends that the project and the plan conform to the City’s general plan for development.

Recommendation

Approve

Approve Resolution PC8-24-1 stating that the Redevelopment Plan conforms to the Comprehensive Plan and recommending approval to the Gering Community Development Agency

Deny

Deny Resolution PC8-24-1 stating that the Redevelopment Plan conforms to the Comprehensive Plan and recommending approval to the Gering Community Development Agency.

Table

Table Resolution PC8-24-1 stating that the Redevelopment Plan conforms to the Comprehensive Plan and recommending approval to the Gering Community Development Agency

TIF Attorney, John Selzer with Simmons Olsen Law Firm, gave an overview of the TIF process. The applicant makes an application for the project, the Council then reviews it preliminarily and gives staff the okay to move forward with preparing a Redevelopment Plan (in the packet). The first stop for the Redevelopment Plan is the Planning Commission for a public hearing to determine whether the plan conforms to the City's Comprehensive Plan and then forward a recommendation to Council. Then it will go back to the Council. The Council will then make several other assessments of the project and decide whether they will approve it. Today, Planning Commission is reviewing the plan to determine whether it conforms to the City's Comprehensive Plan and make a recommendation to Council on that basis.

Mr. Selzer showed on the overhead screens the area where this project is. It is approximately 2.67 acres and is located at 13th Street, north of K Street and south of M Street. The general plan is for the developer to build duplexes on that property. TIF is being applied for in this case for land acquisition, site preparation and the main items are utilities, water, sewer, storm retention, sidewalk curb and gutter and alley on the east side of the project and also for civil engineering, survey and plat. He said this area of town is zoned as RM, Residential Medium Density District, which includes two family dwellings or duplexes as a permitted use. It does comply with the zoning and according to the City's Comprehensive Plan, the project sited is in the Southwest Gering Neighborhood District; it is a future design characteristic for the Southwest Gering Neighborhood District. The Comprehensive Plan states that an important goal within the district will be to develop a variety of housing types and densities, including duplexes, triplexes, and multi-family housing and new development should maintain a gridded pattern with alleys to shift garage and parking access away from the street, which this project does.

He stated other policies in the comprehensive plan are to *increase housing choices and diversity for all lifestyles and to promote integration of multi-family units into neighborhoods in mixes of housing types, to encourage infill development on vacant and underutilized sites, to promote compatible infill and redevelopment that fits Gering's neighborhoods and is consistent with the desired future character of the area.* Which in this case, all of this complies with that. Staff and his firm recommend that this does comply with the City's Comprehensive Plan. The developers were present to answer questions about the project.

Commissioner Taylor stated that he would like to learn more about how TIF funding works and what the future process is. Attorney Selzer replied that after the recommendation is made today from the Planning Commission, it will go to the City Council. The City Council has different

standards of review than the Planning Commission. Once a project is approved, then the City and the redeveloper enter into a Redevelopment Agreement, and essentially the City agrees to provide tax increment financing to the developer. The developer then completes the project. The increased taxes from their development (it doesn't affect anybody else's taxes), from their development only, the amount that the project increases, they pay those taxes (the increased amount), but then the increased amount comes back to the City. The City then pays a bond holder or note holder that amount and that goes to reimburse the developer's eligible expenses for the project. There is a way to monetize that by selling it to a third party so they can get the money up front, otherwise they get paid back over 15 years through the increased taxes.

Chairman Miles stated that usually this is a guesstimate of the value, that can change, and it does change with the final project and the final assessed value. The amount to them could be altered based on the value. Attorney Selzer replied, that is right. The numbers in this plan are all for purposes of analysis. The numbers that are used are the actual numbers that come in. If the tax increment financing is approved, the developer does the project then they have to bring proof of their actual costs to the City. That's how they create the value of the note, that's what they can be paid back for. The value of the increase in the property, that's all a guesstimate at this point as well. The County Assessor decides that and estimates are based on that. They ask the developer to make those estimates - if it will be more or less. They can't ever get more than what they actually spend on the project. A lot of times they'll actually get less. The ceiling of what they can get is their actual expenses.

Commissioner Hauck asked of the proposed financing, it has a total TIF available multiplied by 15; what is 15? Attorney Selzer replied the taxes are shifted for a maximum of 15 years. He said that property is valued at \$118,505.00 and the taxes off that is called the base value, and they don't receive the taxes off that value. The increased amount is predicted to increase by \$3.4 million with all the houses on there. The levy on that, based on the current levy (and that will change), right now that is 2.215%. On the increased amount of taxes created by their project, by their improvements, is going to be about \$75,000.00 per year. Take that times 15 years, by statute that is the longest that the taxes can be divided for TIF purposes for this type of project. That is \$75,000.00 times 15 years to get the estimated amount of TIF that will be available for this project. Again, it's an estimate. Time will tell what is really available.

Commissioner Hauck asked if that's tax payer money. Attorney Selzer replied no, that is the money that they pay for real estate taxes on this property only; nobody else's taxes. Right now, the owner of this property is paying \$2,600.00 per year for taxes. Once it's improved, taxes will jump up to about \$75,000.00 per year, it's that money - just in taxes paid on this project, nobody else's taxes. It's not the City's money either, the mechanism is that the taxes get paid by the landowner, the developer, to the County. The County actually does pay that to the City, but the City then looks to see who's holding that TIF bond (and it's usually the developer) to pay that amount. The City is a conduit; it's money in and money out for the City. Commissioner Hauck clarified that it doesn't affect his property taxes. Attorney Selzer replied, no. Commissioner Hauck said according to the paper, he doesn't think they'll go down. Attorney Selzer said if taxes decrease, that is a risk to the developer; it's not the City's risk.

Commissioner Crews asked if there are two garage units for each unit and is that the only parking designated off-street for that unit. Byron Heddal, owner of Integrity Developments, replied yes. There is a two-car garage per unit. He said there will be a total of 22 units and each one will have a two-car garage. If someone comes over, they can park on the street; as John stated, they are trying to move the driveways to the back. Commissioner Crews said he understood that, but there is no driveway, basically it is just the garage, so if the tenants fill the garage and don't use it for

parking, there would potentially be parking on the street. Mr. Hedal said they do have an HOA going into place to make sure the alleys stay clear and people can park; they will have snow removal for that. They have a common area lawn maintenance. When someone purchases the house, every unit will be fenced and they will have their own backyard that they can do whatever they want with. The common areas will all be upkept by the HOA, that way they will always stay green and always stay nice. He said in the HOA, there will be a clause that they can't park on the street. They can have guest parking, but that's why they have a garage. Commissioner Crews stated he just wanted to clarify that because it is pretty common for people that have a garage to not park in the garage. He said in terms of making sure that they (the Planning Commission) are addressing that, he just wanted to clarify that was taken care of.

Commissioner Taylor asked if these units are planned to be sold at some point or all rentals. Mr. Hedal said they would be sold individually. Commissioner Taylor asked if there was an idea how long they might be sitting because there are a lot of newer houses that are currently sitting all over the place, in Scottsbluff. Mr. Hedal replied that the realtor was present and could address that more appropriately.

Cinda Munoz, with Nebraska Realty, stated that she has been working with these developers for several months and has listings in Scottsbluff. The price points will be a little bit lower in Gering. The location will be a lot more favorable and these will all be sold as owner-occupied, not rentals. The design is a lot better and they have a lot of character with them. She has some interest in them already and they are anxious to see the full plan of it. They are very affordable for that second home or downsizing. They have had some singles and couples looking at the other townhomes, and one of their biggest concerns was the traffic on Circle Drive across from a commercial location; it's possible they're not showing because they're not family friendly. These feel like they will fit more into the neighborhood. These (in Gering) will be a lot more inviting.

Commissioner Taylor asked if there was any idea of the estimated cost right now. Mr. Hedal replied it's on page 16 of the plan.

Commissioner Shimic asked if there were basements in these houses. Mr. Hedal said there would be one basement area for a tornado/shelter but it will not be a full basement. Commissioner Shimic asked if each individual unit would have a shelter. Mr. Hedal replied, yes. It will be in the back under the master bedroom (on the back area). That whole area will be down for a basement shelter and there will be access to that in case of an emergency.

Chairman Miles reminded the Planning Commission they are here to look at the recommendation for TIF financing and that it meets all of the support for that, and to keep their minds on what they're actually looking at for approval today.

Chairman Miles asked if there was anyone in the Council Chambers wishing to speak regarding this application and noted the five-minute time limit. With no further comments, the public hearing closed at 6:22 p.m.

Commissioner Kaufman said all of this TIF stuff they're talking about, which really is not their purview, Annie is not here to have said that this is all according to our Comprehensive Plan. She asked if everyone had made sure that this all meets the Comprehensive Plan. Chairman Miles replied he believes there were comments from the administration that it met all of their requirements. Attorney Selzer said one of the things he does when he creates a plan is he goes through the Comprehensive Plan and pulls out all of the relevant portions and again, this is the

Southwest Gering Neighborhood and it meets that, which one of the future design characteristics is multi-family housing. He sent it to Annie and she did an assessment of it as well and he believes her assessment is the same as theirs, and that was in the packet in the staff recommendation; basically, the same thing, that it does comply to the Comprehensive Plan. Commissioner Kaufman said she did read that, it's just nice to have somebody assure them that that is their purview of what they're supposed to be making sure is addressed. She said all this TIF stuff is not their thing and she wanted to make sure what they are supposed to be looking at, that all of that is correct. Commissioner Crews said on page 2, item number 4 of the plan lists the compatibility with the general plan. There are three main items addressing specifically to the plan. That's why he asked about the parking specifically, because it is listed as one of the items.

Chairman Miles asked if there was anyone in the Council Chambers wishing to speak regarding the public hearing and noted the five-minute time limit. With no further comments, the public hearing was closed (again) at 6:25 p.m.

i. Review and take action on Resolution PC8-24-1 regarding a recommendation on the Redevelopment Plan for the Integrity Developments Housing Project

RESOLUTION PC8-24-1

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF GERING, NEBRASKA:

Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan titled *Integrity Developments Housing Project* (the "Redevelopment Plan") has been submitted to the Planning Commission.

b. The Planning Commission has reviewed the Redevelopment Plan as to its conformity with the City's Comprehensive Plan (the "Comprehensive Plan").

Resolved:

1. The Planning Commission finds that Redevelopment Plan conforms to the Comprehensive Plan and recommends approval of the Redevelopment Plan to the Gering Community Development Agency and City Council.

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

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

PASSED and APPROVED on August ____, 2024.

**PLANNING COMMISSION OF THE CITY
OF GERING, NEBRASKA**

ATTEST:

By: _____

Chair

By: _____

Recording Secretary

Motion by Commissioner Shimic to approve Resolution PC8-24-1 regarding a recommendation on the Redevelopment Plan for the Integrity Developments Housing Project. Seconded by Commissioner Crews. There was no discussion. The Clerk called the roll. "AYES": Taylor, Crews, Shimic, Miles, Kaufman, Hauck

and Alvizar. "NAYS": None. Abstaining: None. Absent: Palm and Keener. Motion carried.

5. City Engineer Report

Engineering Technician Rodriguez stated there will be another meeting on August 20; it is for a CUP, Conditional Use Permit, that will need to be considered. So far, that is all staff has and Annie should be back for that one.

6. **OPEN COMMENT:** Discussion or action by the Planning Commission regarding unscheduled business will not take place. This section is for citizen comment only. None.

7. Adjourn

Commissioner Alvizar moved to adjourn. Commissioner Kaufman seconded the motion.

Discussion: Commissioner Crews asked if there was a vote on the recommendation for Council, or was that combined or was this just a vote to close the public. Chairman Miles said they voted on Resolution PC8-24-1 pertaining to the Redevelopment Plan. Commissioner Crews said he just misunderstood that and thought they had to back up and then go forward.

The Clerk called the roll. "AYES": Taylor, Crews, Shimic, Miles, Kaufman, Hauck and Alvizar. "NAYS": None. Abstaining: None. Absent: Palm and Keener. Motion carried.

The meeting adjourned at 6:28 p.m.



Jody Miles, Chairman

ATTEST:



Carol Martin, Secretary