

CITY OF GERING REDEVELOPMENT PLAN

Midwest Farm Service Office Building

By: James and Rebecca McAllister d/b/a Midwest Farm Service

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CITY OF GERING REDEVELOPMENT PLAN

Midwest Farm Service Office Building

By: James and Rebecca McAllister d/b/a Midwest Farm Service

1. Introduction/Executive Summary

James and Rebecca McAllister d/b/a Midwest Farm Service. (the “Redeveloper”) submits this Redevelopment Plan (“Plan”) to the City of Gering City Council (the “City”), the City of Gering Planning Commission (“Planning Commission”), and the City of Gering Community Development Agency (the “CDA”), according to the Nebraska Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*

Under this Plan, the Redeveloper proposes to develop the Project Site (described below) with a new commercial building with offices.

The “Project” as described in this Plan, requires a significant investment with the cost being estimated at around \$4,322,500.00. To make the Project economically feasible, the Redeveloper is seeking tax increment financing for certain eligible costs and expenses related to the Project.

2. Blighted and Substandard Condition of Project Site (NEB. REV. STAT. §§ 18-2103 (3) and (31) and 18-2109)

The Project Site is in an area which the City has declared as blighted and substandard according to the Community Development Law.

3. Statutory Elements (NEB. REV. STAT. §§ 18-2103(27) and 18-2111)

A. *Boundaries of the Project Site:* The “Project Site” is described as:

All of Site Tract Number 1, except the west 7 feet thereof, which was deeded to the State of Nebraska, and except the south 75 feet thereof, in Union Industrial Sites, a subdivision to the City of Gering, Scotts Bluff County, Nebraska (Scotts Bluff County Parcel Nos. 010065210 and 010065229).

A Map of the Project Site is attached as Attachment 1. The Project may also include improvements made on adjacent public right of way.

B. *Land Acquisition:* The Redeveloper purchased the Project Site on December 31, 2019 in contemplation of redevelopment.

C. *Existing Uses and Condition:* The Project Site currently contains old buildings. The north building near 10th Street is vacant. The south building near 10th Street is used as the current office for Midwest Farm Services. The building in the northeast portion of the Project Site is used as a shed. The lots are also being used for lay down storage. Old footings for tank storage currently exist on the Project Site.

D. *Proposed Land Uses, Land Coverage, and Building Intensities:* The Redeveloper proposes to develop the Project Site with a new commercial building with offices. See Site Plan attached as Attachment 2.

E. *Site Plan:* See Attachment 2.

F. *Demolition and Removal of Structures:* The current buildings and footings will be demolished.

- G. **Population Densities:** The Project will not affect population densities around the Project Site. An increase in employment is anticipated on the Project Site. Midwest Farm Services currently has 11 full time employees. Midwest Farm Services anticipates having 15 full time employees after completion of the Project.
 - H. **Zoning Changes:** The Project Site is zoned as ML-Light Industrial. Farm equipment sales/display, with repair services, and offices are permitted uses in ML zones. No changes to zoning, planning, ordinances, or building codes or maps are contemplated under this Plan.
 - I. **Additional Public Facilities and Utilities:** No additional public facilities and utilities are required to support the Project. Onsite utilities such as water and sewer, as well as stormwater drainage and retention, will be improved according to this Plan.
 - J. **Street Layouts, Street Levels, and Grades:** No changes in street layouts and grades are contemplated under this Plan.
 - K. **Ordinance and Building Code Changes:** No ordinance or building code changes are contemplated by the Plan.
4. **Conformity to General Plan of the City (NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a)).**

The Planning Commission, City, and CDA are all tasked with determining whether this Plan conforms to the general plan for the development of the City as a whole. NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a).

According to the City’s Comprehensive Plan, the Project Site is in the 10th Street Commerce and Industry District. Excerpts from the Comprehensive Plan related to the 10th Street Commerce and Industry District are attached as Attachment 3. Under the heading “Future Desired Characteristics” for the 10th Street Commerce and Industry District, the Comprehensive Plan states, “Efforts to enhance the appearance of the district as part of the northern gateway into Gering should be encouraged.” The Comprehensive Plan also provides the following land use for this area: “Commercial services and other uses . . . that help transition commercial and industrial uses to the existing residential units in District 2.”

Policy 2.1.F of the Comprehensive Plan is to support the creation and growth of local businesses.

Policy 3.2.B of the Comprehensive Plan is to focus commercial development in areas that have good transportation access and support the development of multiple uses.

Policy 3.2.E of the Comprehensive Plan is to promote compatible infill and redevelopment that fits Gering’s neighborhoods and is consistent with the desired future character of the area.

Policy 3.2.F of the Comprehensive Plan is to enhance Gering’s gateways and create a common vision for these areas.

This Plan conforms to and furthers the above principles set forth in the Comprehensive Plan by:

- Supporting the growth of a local business.
- Focusing commercial development in an area that has good transportation access.
- Promoting compatible infill development in the 10th Street Corridor.
- Enhancing the 10th Street Corridor, a gateway to Gering.

5. **Proposed Financing**

A. ***Tax Increment Financing.*** The Redeveloper is requesting tax increment financing to pay for statutorily eligible expenses, to the extent such funds are available. The tax increment financing will be generated from the increased property taxes to be paid on the Project Site after development, all according to NEB. REV. STAT. § 18-2147. The amount of the available proceeds from tax increment financing (“TIF Revenues”) is estimated at approximately \$963,255, calculated as follows:

a. Estimated Base Value:	\$ 171,051.00
b. Estimated Value at Completion:	\$3,000,000.00
c. Tax Increment (b minus a):	\$2,828,949.00
d. Estimated Levy:	2.27%
e. Average Annual Projected Shift (rounded):	\$ 64,217.00
f. Total TIF Available (e multiplied by 15)	\$ 963,255.00

Note: The above figures are based on estimated values, project completion/phasing timelines, and levy rates. Actual values and rates may vary materially from the estimated amounts.

The TIF Revenues will be used to make principal and interest payments toward a tax increment financing bond (“TIF Indebtedness”) to be held or sold by the Redeveloper. The principal amount of the TIF Indebtedness will be based upon eligible expenses actually incurred. The interest rate will be established as set forth in the Redevelopment Contract.

Because the Plan proposes the use of tax increment financing, the City must find that the Plan would not be economically feasible without the use of tax increment financing and the Project would not occur in the blighted and substandard area without the use of tax increment financing. The City and the CDA must also find that the costs and benefits of the 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 been found to be in the long-term best interest of the community. NEB. REV. STAT. §§ 18-2113(2) and 18-2116(1)(b).

The Redeveloper certifies that this Plan would not be economically feasible and would not occur in the blighted and substandard area without the use of tax increment financing. Redeveloper’s lender has requested that Redeveloper obtain additional funding for the Project.

Notwithstanding the foregoing, the Redeveloper understands the liability of the CDA and City is limited to the TIF Revenues received by the CDA related to the Project to pay the TIF Indebtedness. The Redeveloper shall look exclusively to the TIF Revenues related to this Project for the payment of any TIF Indebtedness. The Redeveloper acknowledges that the TIF Indebtedness will be set based on estimates and assumptions, including expectations as to the completion of construction and property valuations, suggested by the Redeveloper which may alter substantially and materially, and/or certain project costs incurred by the Redeveloper, and that tax increment revenues may be altered or eliminated entirely based on future decision of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

Below are the portions of the project, and estimated costs, which the Redeveloper proposes to be paid for with TIF Revenues:

Land Acquisition	\$ 150,000.00
SWMP	\$ 12,000.00
Testing	\$ 8,000.00
Civil Engineering/Surveying	\$ 26,500.00
Building Demo	\$ 50,000.00
Import Fill	\$ 49,000.00
Concrete/Stormwater Drainage	\$ 22,000.00
Stormwater Retention	\$ 109,102.54
Water Main	\$ 63,893.00
Sanitary Sewer	\$ 32,750.00
Plan Preparation/Legal (City Application, Processing, and Administrative Fees)	\$ 10,482.00
Estimated TIF Eligible Expenses	\$ 533,727.54

A proposed statutory Cost-Benefit Analysis of the Project is attached as Attachment 4.

C. Private Investment/Financing. The Redeveloper has made and is making a substantial private investment related to the Plan, estimated in the amount of \$3,788,744.50.

Below is a breakdown of the estimated costs and expenses of the Project and the use of funds for each.

Description	TIF Funds	Private Funds	
Land Acquisition	\$ 150,000.00		
SWMP	\$ 12,000.00		
Testing	\$ 8,000.00		
Civil Engineering/Surveying	\$ 26,500.00		
Building Demo	\$ 50,000.00		
Import Fill	\$ 49,000.00		
Roof Drains		\$ 54,869.50	
Concrete/Stormwater Drainage	\$ 22,000.00		
Stormwater Retention	\$ 109,102.54		
Water Main	\$ 63,893.00		
Sanitary Sewer	\$ 32,750.00		
Building		\$ 3,570,155.00	
A/E (other than Civil/Surveying)		\$ 137,500.00	
Legal (non TIF)		\$ 11,250.00	
Contingencies		\$ 15,000.00	
Sub Totals	\$ 523,245.54	\$ 3,788,774.50	\$ 4,312,020.04
Plan Preparation/Legal (City Application, Processing, and Administrative Fees)	\$ 10,482.00		
			Total Project Costs
Totals	\$ 533,727.54	\$ 3,788,774.50	\$ 4,322,502.04

Please note that all the figures in this Plan are estimates and tax increment financing granted will be based on actual costs incurred for eligible expenses.

6. **Implementation of the Plan.**

Upon approval of this Plan, the Redeveloper will enter into a Redevelopment Contract with the CDA which shall govern the implementation of this Plan. All public improvements related to this Plan shall be according to (a) plans and specifications approved in writing by the City in advance of commencement of construction, (b) all ordinances and codes adopted by the City, as in effect at the time that the public improvements are constructed, and (c) any other agreement related to the public improvements between the Redeveloper and the City. The Redevelopment Contract between the Redeveloper and the CDA shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, or licenses from the City related to the public improvements or other improvements as may be required by the City for the type of work to be performed on the Project Site.

**Midwest Farm Service Office Building Redevelopment Plan
Attachment 1
Map of Project Site**



010053638

010053514

Lockwood

010065245

010065253

010268545

010065261

010105646

010053662

10th

010065210

010065296

010065229

010065288

010065237

010294759

010357254

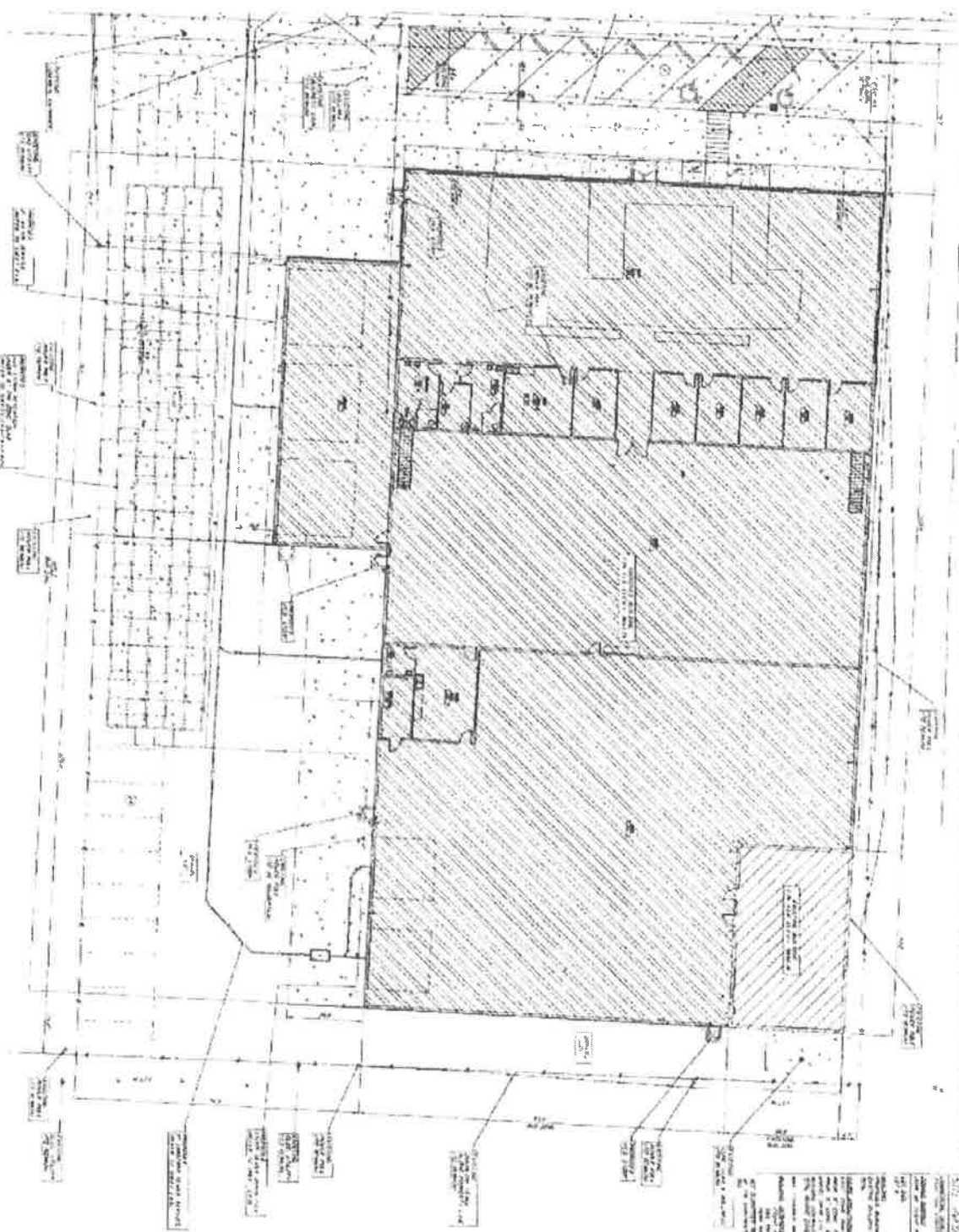
010250638

010053492

010053697

**Midwest Farm Service Office Building Redevelopment Plan
Attachment 2
Site Plan**

**MIDWEST FARM SERVICES
1550 N. STATE ST.
OVERALL SITE PLAN**



LEGEND
 Hatched Area: Building Addition
 Dashed Line: Property Boundary
 Solid Line: Existing Building Footprint
 Dotted Line: Proposed Parking Area
 Double Line: Easement

DATE: 10/15/2010	BY: J. A. JAMES
SCALE: AS SHOWN	PROJECT: 1550 N. STATE ST.
PROJECT: 1550 N. STATE ST.	CITY: CHICAGO, ILL.
OWNER: MIDWEST FARM SERVICES	NO. OF SHEETS: 1
DATE: 10/15/2010	BY: J. A. JAMES

BE BRUNINGARDT ENGINEERING, P.C.
 ALL ILL. REG. ENGINEERS

DATE: 10/15/2010
 BY: J. A. JAMES
 PROJECT: 1550 N. STATE ST.
 CITY: CHICAGO, ILL.

BUILDING ADDITION
 for
MIDWEST FARM SERVICES

CONSTRUCTION DOCUMENT



010

**Midwest Farm Service Office Building Redevelopment Plan
Attachment 3
Excerpts from Comprehensive Plan**

District 9

10th Street Commerce & Industry District

Existing Characteristics

This commerce and industry district is the northern gateway into the community from Scottsbluff and serves as a transition area between two downtown areas. The district is and will continue to be defined by its civic, commercial and lighter industrial functions and character. The district is largely built out and consists of lots accommodating a variety of uses along 10th Street. The remainder of the district is influenced by increases in industrial use intensity that requires more land for equipment and material storage.



Future Desired Characteristics

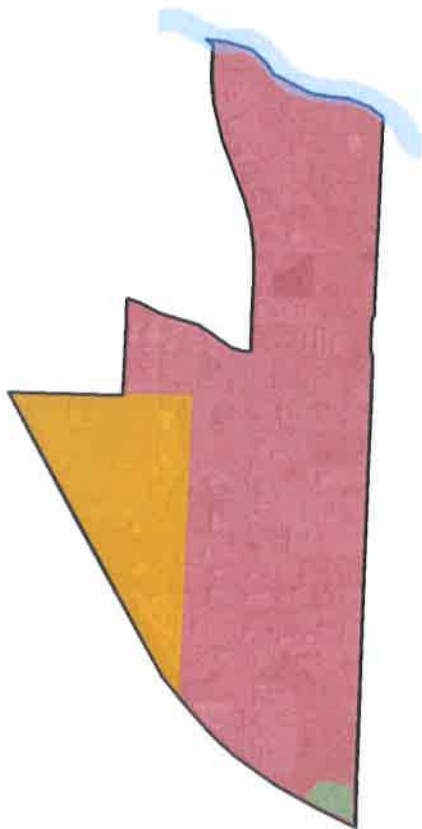
Efforts to enhance the appearance of the district as a part of the northern gateway into Gering should be encouraged. While industrial development is suitable throughout the district, individual lots should have landscaping to mitigate impacts to adjacent uses of lower intensity and provide appropriate buffering along highly travelled roadways.

Streetscape features within the right-of-way will be minimal with an emphasis on reinforcing safety and functional elements related to both motorized and non-motorized movement in the area. Defined streetscape elements such as street lighting, traffic signalization lights, medians, transit furnishings, wide sidewalks with connections to adjacent uses will help create a district 'feel' by improving the functions of facilities in the right-of-way and complementing landscape buffering enhancements along the frontage of property in the district.

As large vacant parcels accommodate industrial and commercial service uses, landscape and distance buffering should be used to separate such uses from adjacent residential uses.

District 9: 10th Street Commerce & Industry District

Future Places



Land Use

-  Commercial
-  Mixed Use

Land Use Scale & Form

Commercial: Auto-oriented commercial businesses and restaurants. Municipal uses. Light industrial manufacturing, warehousing distribution uses.

Mixed Use: Commercial services and other uses such as multifamily that help transition the commercial and industrial uses to the existing residential uses in District 2.

Primary Zoning

C3 Regional Commercial

M1 Light Industrial

**Midwest Farm Service Office Building Redevelopment Plan
Attachment 4
Cost Benefit Analysis**

CITY OF GERING, NEBRASKA
Midwest Farm Service Office Building
COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)

A. Project Sources/Use of Funds: An estimated \$533,727.54 of TIF Revenues are anticipated to be used for this Project. The public investment from TIF will leverage approximately \$3,788,774.50 in private sector investment; a private investment of approximately \$7.10 for every TIF dollar invested. Below is a breakdown of estimated costs and expenses of the Project and the use of funds for each. (This breakdown does not account for interest to be paid out of TIF Revenues).

Description	TIF Funds	Private Funds	
Land Acquisition	\$ 150,000.00		
SWMP	\$ 12,000.00		
Testing	\$ 8,000.00		
Civil Engineering/Surveying	\$ 26,500.00		
Building Demo	\$ 50,000.00		
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Sub Totals	\$ 523,245.54	\$ 3,788,774.50	\$ 4,312,020.04
Plan Preparation/Legal (City Application, Processing, and Administrative Fees)	\$ 10,482.00		
			Total Project Costs
Totals	\$ 533,727.54	\$ 3,788,774.50	\$ 4,322,502.04

B. Tax Revenues and Tax Shifts Resulting from the Division of Taxes.

Taxes from base value of the Project Site will be available to the local taxing jurisdictions regardless of the tax increment financing. The current value of the Project Site is approximately \$171,051.00 (which is the assessed values of Parcel ID Nos 010065210 and 010065229). Taxes from the current value of the Project Site are approximately \$3,685.00 per year. The local taxing jurisdictions are the City, Scotts Bluff County, Gering Public Schools, WNCC, ESU 13, and North Platte NRD. The tax increment revenues from this Project will not be available to local taxing jurisdictions for up to 15 years after the effective date of the division of taxes. During those times, the tax increment revenues from the Project Site will be used to reimburse the Redeveloper for the eligible development costs (with interest) necessary for the Project. The estimated tax increment revenues are calculated as follows:

a. Estimated Base Value:	\$ 171,051.00
b. Estimated Value at Completion:	\$3,000,000.00
c. Tax Increment (b minus a):	\$2,828,949.00
d. Estimated Levy:	2.27%
e. Average Annual Projected Shift (rounded):	\$ 64,217.00
f. Total TIF Available (e multiplied by 15)	\$ 963,255.00

Note: The above figures are based on estimated values, project completion/phasing timelines, and levy rates. Actual values and rates may vary materially from the estimated amounts.

C. Public Infrastructure and Community Public Service Needs Impacts and Local Tax Impacts Arising from Project Approval.

No additional public infrastructure is needed for the Project. Onsite utilities including water and sewer, as well as stormwater drainage and retention, will be improved according to this Plan. No additional tax impacts, other than from the use of tax increment financing, will result from these improvements.

D. Impacts on Employers and Employees of Firms Locating or Expanding Within the Boundaries of the Redevelopment Project Area.

There are currently 11 full time employees working on the Project Site. After completion of the Project, the Redeveloper anticipates 15 full time employees working on the Project Site.

E. Impacts on other Employers and Employees within the City and immediate area located outside the Redevelopment Project Area.

No negative impacts on employers and employees within and surrounding the City are anticipated.

F. Impacts on Student Populations of Gering Public Schools.

No negative impacts on Gering Public Schools are anticipated.

G. Other Impacts

- Infill development/redevelopment on 10th Street Corridor
- Use of local contractors for construction

