

**COMMUNITY REDEVELOPMENT AUTHORITY  
OF THE CITY OF FRIEND, NEBRASKA**

**RESOLUTION NO. 08-18**

**A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF FRIEND, NEBRASKA, RECOMMENDING AN AMENDMENT TO THE GENERAL REDEVELOPMENT PLAN FOR REDEVELOPMENT AREA #1, INCLUDING A REDEVELOPMENT CONTRACT; APPROVING CERTAIN REDEVELOPMENT PROJECTS WITHIN REDEVELOPMENT AREA #1; APPROVING A COST BENEFIT ANALYSIS FOR SUCH PROJECTS; AND APPROVING RELATED MATTERS.**

**WHEREAS**, the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), prescribes the requirements and procedures for the planning and implementation of redevelopment projects;

**WHEREAS**, the Mayor and Council of the City of Friend, Nebraska (the “**City**”), pursuant to Resolution No. 07-34, previously declared the area described in **Attachment 1** (the “**Redevelopment Area**”) to be blighted and substandard and in need of redevelopment pursuant to the Act;

**WHEREAS**, the City previously adopted and has in place a comprehensive plan, which includes a general plan for development of the City within the meaning of Section 18-2110 of the Act;

**WHEREAS**, upon the recommendation of the Community Redevelopment Authority of the City (the “**Authority**”) and of the Planning Commission of the City (the “**Planning Commission**”), the City, pursuant to Resolution No. 08-08, approved a general redevelopment plan in the form attached as **Attachment 2** (the “**Redevelopment Plan**”) for the Redevelopment Area;

**WHEREAS**, the Authority received a proposal from Mark Stutzman (the “**Redeveloper**”), in the form of the redevelopment contract attached as **Attachment 3** (the “**Plan Amendment**”), the terms and conditions of which are incorporated herein, to construct certain community redevelopment projects (collectively, the “**Project**”), and to redevelop that portion of the Redevelopment Area described in **Attachment 4** (the “**Project Area**”) in conformance with the Redevelopment Plan, which Plan Amendment would serve as an amendment to the Redevelopment Plan;

**WHEREAS**, pursuant to the Plan Amendment, the Authority would agree to incur indebtedness and make a grant for the Project, in accordance with and as permitted by the Act;

**WHEREAS**, the Authority conducted a cost-benefit analysis for the Project (the “**Cost-Benefit Analysis**”) in accordance with Section 18-2113 of the Act, a copy of which is attached as **Attachment 5**; and

**WHEREAS**, the Authority has determined that it is in the best interests of the City to approve the Plan Amendment, to carry out the Project, and to take certain actions to adopt and implement the Plan Amendment.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF FRIEND, NEBRASKA AS FOLLOWS:**

**Section 1.** The Authority finds that the proposed land uses and building requirements in the Redevelopment Area, including the Project Area, are in conformance with the general plan of the City and designed with the general purposes of accomplishing a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency in economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provisions for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and communitive facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight.

**Section 2.** The Redevelopment Area on the whole was declared blighted and substandard pursuant to Resolution No. 07-34. The Redevelopment Area includes the Project Area, the blighted and substandard conditions have not yet been cured in the Project Area, and therefore the Project Area remains blighted and substandard under the Redevelopment Plan.

**Section 3.** The Authority approves the Cost-Benefit Analysis and finds that (a) the Plan Amendment is feasible and in conformity with the general plan for the development of the City as a whole and the plan is in conformity with the legislative declarations and determinations set forth in the Act, and the Plan Amendment provides for the use of funds authorized in section 18-2147 because (b)(i) the Project would not be economically feasible without the use of tax-increment financing, (ii) the Project would not occur in the Amended Project Area without the use of tax-increment financing, and (iii) 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 analysed and are in the long-term best interest of the City.

**Section 4.** As required by Section 18-2114 of the Act, the Authority finds as follows: the Redeveloper will acquire the real property situated in the Project Area at the estimated cost of \$50,000, prepare the same for redevelopment at the estimated cost of \$231,150, and retain title to such real property during the term of the Plan Amendment; the Project is proposed to be financed with the revenues received pursuant to Section 18-2147 of the Act in the amount of \$56,150, developer equity in the amount of \$75,000, a commercial loan in the amount of \$75,000, and a community development block grant in the amount of \$75,000; and no families are to be displaced from the Project Area.

**Section 5.** The Authority recommends to the City approval of the Plan Amendment as an amendment to the Redevelopment Plan.

**Section 6.** Subject to approval of the Plan Amendment by the City, the Authority hereby authorizes and approves the Plan Amendment between the Authority and the Redeveloper for the redevelopment of the Project Area as an amendment to the Redevelopment Plan, and hereby authorizes and approves the execution, delivery, and performance of the documents and transactions contemplated by the Plan Amendment and the Project, including, without limitation, promissory notes and other documents evidencing indebtedness to be incurred pursuant to the Plan Amendment, all with such changes, additions and deletions as are deemed necessary or advisable by the Chair and Secretary of the Authority in their sole and absolute discretion, the approval of such changes to be evidenced by the signatures of the Chair and Secretary on the Plan Amendment.

**Section 7.** The Chair, Secretary, the Authority's special legal counsel, and any other Authority officials are hereby authorized and directed to execute such documents and take such further actions as are necessary to carry out the intent of this resolution.

**Section 8.** 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.

**Section 9.** This resolution shall be in full force and effect from and after its passage and approval.

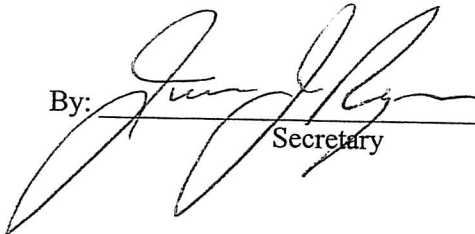
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**PASSED AND APPROVED** this 14th day of October, 2008.

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF FRIEND,  
NEBRASKA**

ATTEST:

By:

  
Secretary

By:

  
Chair

## ATTACHMENT 1

### BOUNDARY DESCRIPTION OF THE REDEVELOPMENT AREA

An area that begins at the intersection of "A" Street and the west line of State Street, thence eastward along the north line of "A" Street, to its intersection with the extended west line of Cedar Street, southwest corner of the southwest quarter (SW ¼) of Section 14-8-1, thence north to the northern line of the Burlington Northern Railroad right of way line, thence easterly along the right of way to the intersection of the west line of Cedar Street, thence north along the extended west line of Cedar Street to the extended north line of "C" Street (also the north Corporate Limit Line), thence continuing generally east along the north line of "C" Street, and including all real property between the north Corporate Limit Line and "C" Street, to its intersection with the east line of the J.K. Friend Addition (also known as the east Corporate Limit Line), thence south along said Corporate Limit Line to its intersection with the north line of the Burlington Northern Railroad corridor (which is also the north Corporate Limit Line), thence east along said north line to its intersection with the west line of Page Street, thence south along said west line to its intersection with the south line of 2<sup>nd</sup> Street, thence west along said south line to its intersection with the east line of Race Street, thence south along said east line to its intersection with the south line of 3<sup>rd</sup> Street, thence west along said south line to its intersection with the west line of Sycamore Street, thence north along said west line to its intersection with the south line of 2<sup>nd</sup> Street, thence west along said south line to the intersection with the east line of Chestnut Street, thence south along said east line to its intersection with the south line of 4<sup>th</sup> Street, thence west along said south line to its intersection with the west line of Main Street, thence north along said west line to its intersection with the south line of 2<sup>nd</sup> Street, thence west along said south line to its intersection with the east line of State Street, thence south along said east line to its intersection with the south line of 3<sup>rd</sup> Street, thence west along said south line to its intersection with the west line of the Street located on the western boundary of McLean's Addition, thence north along the west line of McLean's Addition to the intersection with the south line of the Highway 6 right of way, thence eastwardly to the east line of the northeast quarter (NE ¼) of Section 22-8-1, thence north along the east line of section 22-8-1 to the point of beginning, also known as the southwest quarter corner of Section 14-8-1.

**ATTACHMENT 2**  
**GENERAL REDEVELOPMENT PLAN**

**ATTACHMENT 3**

**AMENDMENT TO GENERAL REDEVELOPMENT PLAN  
(Redevelopment Contract)**

## **ATTACHMENT 4**

### **BOUNDARY DESCRIPTION OF THE PROJECT AREA**

The Project Area shall include all real property that is (1) within the boundaries described as follows and (2) also situated within the corporate limits of the City, and no other real property:

Lots 36, 37, 38, 39, 40, 41, and 42, E. Whitcombs First Addition to the City of Friend, Saline County, Nebraska.



**ATTACHMENT 5**

**COST-BENEFIT ANALYSIS**

**COMMUNITY REDEVELOPMENT AUTHORITY  
CITY OF FRIEND, NEBRASKA  
(STUTZMAN PROJECT)**

October 14, 2008

**COST-BENEFIT ANALYSIS  
(PURSUANT TO NEB. REV. STAT. SECTION 18-2113)**

The cost-benefit analysis for the above referenced project, which will utilize funds authorized by Neb. Rev. Stat. §18-2147, can be summarized as follows:

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

|    |   |           |
|----|---|-----------|
| a. | Estimated Redevelopment Project Valuation (2008):     | \$38,535  |
| b. | Projected Completed Project Assessed Valuation:       | \$210,000 |
| c. | Projected Tax Increment Base (b. minus a.):           | \$171,465 |
| d. | City Tax Levy (2007):                                 | \$0.58178 |
| e. | County Tax Levy (2007):                               | \$0.41332 |
| f. | School District Tax Levy (2007):                      | \$1.28254 |
| g. | Community College Tax Levy (2007):                    | \$0.06890 |
| h. | Educational Service Unit Tax Levy (2007):             | \$0.01500 |
| I. | Natural Resource District Tax Levy (2007):            | \$0.03368 |
| j. | Other applicable Real Estate Tax Levies (2007):       | \$0.00922 |
| k. | Total levy (all jurisdictions including City) (2007): | \$2.40444 |
| l. | Total Projected Tax Shift                             |           |
|    | (k. divided by 100) times c. x maximum of 14 years):  | \$57,719  |

*Note: The Projected Tax shift is 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.*

2. Public infrastructure and community public service impacts and local tax impacts arising from the approval of the redevelopment project:

- a. Public infrastructure improvements and impacts:  
none identified
- b. Community public service needs impacts:  
none identified

- c. Local Tax impacts (in addition to impacts of tax shifts described above):  
none identified

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

Describe: Unknown at this time. The properties identified in the Plan Amendment may be acquired and resold to commercial developers that would have an impact on other firms located in the redevelopment area.

Estimated Benefit (Cost): \$N/A

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:

Describe: Unknown at this time. The properties identified in the Plan Amendment may be acquired and resold to commercial developers that would have an impact on other firms located in the City.

Estimated Benefit (Cost): \$N/A

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

Describe: Certain of the properties identified in the Plan Amendment are being purchased, cleared, and prepared for development to encourage the future development of such sites by third parties.

Estimated Benefit (Cost): \$N/A

6. Summary of Findings:

The defined area is experiencing significant conditions of blight and substandard. The use of tax increment financing will provide funds to eliminate or reduce many of those conditions which will also encourage the use of private funds to further eliminate or reduce those conditions. The uses of property in the area and valuation of property in the area and surrounding areas will be enhanced and additional jobs are projected to be added as a result of the Project identified in the Plan Amendment.