

AGENDA
COMMUNITY REDEVELOPMENT AUTHORITY
COUNCIL CHAMBERS, CITY HALL
306 PEARL STREET
October 26, 2021

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 September 28, 2021
3. Action to approve the Claims
4. Action on the request of Robert Woehler & Sons Construction to extend the completion date on Lot 2 Piersanti Subdivision from April 2021 to April 2024 — B J Woehler
5. Review of the Tax Increment Financing Application of Sanctuary Apartments, LLC, for completeness and to make a determination as to whether or not the project is not financially feasible without tax increment financing
6. Action to forward the Tax Increment Financing Application of Sanctuary Apartments, LLC, to the City's Tax Increment Financing Attorney for preparation of a Redevelopment Plan, Cost Benefit Analysis and Redevelopment Contract
7. Update on the following properties:
 - West 90' of Lots 1 and 2, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (721 Main Street)
 - Lot 3, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (717 Main Street)
 - Lot 4, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska, and Lot 5 and Part of Lot 6, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street and 106 E. 7th 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 2nd and Logan/Nebraska Streets)
8. Discussion regarding other potential properties of interest
9. Adjourn

NEXT MEETING IS SCHEDULED FOR NOVEMBER 30, 2021

September 28, 2021

The Wayne Community Redevelopment Authority (CRA) met in regular session at City Hall on Tuesday, September 28, 2021, at 4:00 o'clock p.m. Chair Jill Brodersen called the meeting to order with the following in attendance: Members Mark Lenihan, Greg Ptacek, Jon Meyer, Cale Giese, and Terry Sievers; City Attorney Amy Miller; City Administrator Wes Blecke; and City Clerk Betty McGuire. Absent: Member Mike Powicki.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on September 16, 2021, and a copy of the meeting notice and agenda were simultaneously given to the Chair and all members of the Community Redevelopment Authority. All proceedings hereafter shown were taken while the 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. 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 requested a public hearing.

Member Giese made a motion, which was seconded by Member Sievers, to approve the minutes of the August 31, 2021, meeting. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Powicki who was absent, the Chair declared the motion carried.

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

City of Wayne	
Attorney Fees	\$800.00
Ads/notices	236.08
Utilities – 717 Main Street (8/16/21 – 8/31/21 Final)	63.51
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Talesha Conner, Tanner Hopkins, Elkhorn Valley Bank	
Down Payment Assistance	\$10,000.00

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

The next item on the agenda was to consider the request of BJ Woehler to purchase Lot 56, Amended Plat Western Ridge II Addition. Lacking a formal offer, Mr. Woehler advised the CRA that he would make a verbal offer of \$7,500, if the offer on the next item on the agenda is not a legitimate offer.

It was noted that Mr. McManigal who has a first right of refusal on this lot has signed the necessary release, so the CRA is in a position to sell it.

Attorney Miller stated that the next agenda item is an offer, in writing, from Josefina Moreno Chavez to purchase Lot 56, Amended Plat Western Ridge II Addition. The offer made by Ms. Chavez is for \$13,500. This is \$1,500 over the original asking price. They will have two construction seasons to build a home on the lot.

Member Powicki arrived at 4:04 p.m.

Member Meyer made a motion, which was seconded by Member Sievers, accepting the offer of Josefina Moreno Chavez to purchase Lot 56, Amended Plat Western Ridge II Addition for the sum of \$13,500.00. Chair Brodersen stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Administrator Blecke updated the CRA on the property legally described as Lot 3, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (717 Main Street). The house has been demolished.

Attorney Miller recommended going into closed session to be updated on the property legally described as Lot 4, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska, and Lot 5 and Part of Lot 6, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street and 106 E. 7th Street).

Member Lenihan made a motion, which was seconded by Member Powicki, to enter into executive session to protect the public interest in regard to being updated on the property legally

described as Lot 4, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street) and Lot 5 and part of Lot 6, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (106 E. 7th Street), and to allow Attorney Miller, Administrator Blecke, City Clerk McGuire, Joel Hansen, Street and Planning Director, Beth Porter, Finance Director, and Luke Virgil, Executive Director of Wayne Area Economic Development, to be in attendance.

Chair Brodersen stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried, and executive session began at 4:09 p.m.

The matter again to be discussed in executive session pertained to being updated on the property legally described as Lot 4, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street) and Lot 5 and part of Lot 6, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (106 E. 7th Street), with the purpose being to protect the public interest.

Member Giese made a motion, which was seconded by Member Ptacek, to resume open session. Chair Brodersen stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried, and open session resumed at 4:43 p.m.

Member Giese made a motion, which was seconded by Member Ptacek, to make an offer on the agreed upon price on the property legally described as Lot 4, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (711 Main Street) and Lot 5 and part of Lot 6, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (106 E. 7th Street). Chair Brodersen stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Administrator Blecke updated the CRA on the property legally described as the West 90' of Lots 1 and 2, Block 5, John Lake's Addition to the City of Wayne, Wayne County, Nebraska (721 Main Street).

Tom Jacobsen advised the CRA that he was not going to purchase the property until he knows the CRA is going to purchase it from him. It was noted that at this time, you cannot get clear title to the property. The goal is for Mr. Jacobsen to own the property for a year until things can get cleared up, with the CRA then purchasing it with clear title from Mr. Jacobsen. Mr. Jacobsen is purchasing the property for \$43,000. He would sell it to the CRA for \$43,000.

Attorney Miller stated the purchase would be contingent upon the CRA being able to obtain a warranty deed or clear title on the property.

After further discussion, Member Meyer made a motion, which was seconded by Member Powicki, to make a formal offer of \$43,000, subject to the taxing contingencies and resolution thereof on or before June 1, 2023. Chair Brodersen stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Administrator Blecke updated the CRA on the property legally described as 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 2nd and Logan/Nebraska Streets). The property owners are asking if the CRA is still interested in the property. Their (the property owners') offer on the table right now is \$70,000, as is.

Attorney Miller left the meeting at 4:58 p.m.

After discussion, Member Powicki made a motion, which was seconded by Member Ptacek, to make an offer of \$70,000 on the property legally described as 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 2nd and Logan/Nebraska Streets). Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who abstained, the Chair declared the motion carried.

Discussion took place regarding the \$300,000 loan the CRA has with the City of Wayne.

In 2012, the City applied for \$300,000 in funds from LB 840 to start a down payment assistance program for new housing construction. Ultimately, the City could not use those LB

840 funds with the flexibility they wanted or needed, so the City used Electric Funds to fund the program. This was a 12-year, 0 percent interest loan. This loan is to be paid back in 2024 or renegotiated at that time. This is tentatively being placed on the Council Agenda for discussion/action on October 5, 2021.

It was noted the CRA could ask the City to include a property tax asking, which is the same way the airport operates. State Statute allows the CRA to ask up to \$.026 on every \$100 of valuation. With the 2021 valuation, that would have generated about \$68,000 this year.

It was noted that the CRA can also do traditional or conventional financing.

The CRA is currently funded by lot sales in Western Ridge, and only a few are left, as well as through an annual contribution from the excess economic development funds generated by the 1.85% charged to electric customers. This year, that amount will be around \$28,000.

Member Ptacek suggested charging an admin fee on the tax increment financing projects to help generate some income.

Member Lenihan left the meeting at 5:10 p.m.

After discussion, Member Giese made a motion, which was seconded by Member Sievers, to ask the City to consider forgiving the current loan of \$300,000 and discuss or negotiate a line of credit with the City. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Lenihan who left the meeting, the Chair declared the motion carried.

Discussion took place regarding other potential properties of interest.

There being no further business to come before the CRA, Chair Brodersen declared the meeting adjourned at 5:33 p.m.

**City of Wayne
CRA Claims List**

October 19, 2021

10/19/2021	Certified Check	Miller Law Trust Account Ozenci closing	\$ 401,079.95
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October 26, 2021

10/26/2021	#1461	City of Wayne Attorney fees \$800.00 Ads/notices \$193.58	\$ 993.58
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10/26/2021	#1462	Kay Contracting Demolition 717 Main	\$ 13,070.00
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10/26/2021	#1463	Wayne County Clerk FROR release	\$ 10.00
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Total			\$ 415,153.53
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CRA
BANK SUMMARY
CHECKING ACCOUNT
October 26, 2021

BALANCE 9/30/21		409,709.24
DEPOSITS:		
DPA payment	100.00	
Draw on line of credit	25,000.00	
	25,100.00	
SUBTOTAL:		434,809.24
CLAIMS:		
Claims Paid	415,153.53	
BOOK BALANCE as of October 26, 2021		19,655.71

CITY OF WAYNE, NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY (CRA)
306 PEARL STREET, PO BOX 8 – WAYNE, NE 68787-0008

PRELIMINARY APPLICATION FOR TAX INCREMENT FINANCING
\$5,000 application fee

PROJECT SCOPE:

1. Name of Developer: SANCTUARY APARTMENTS, LLC
If developer is a corporation, partnership, Limited Liability Company or other entity, please attach first page of articles showing exact business name.

Street Address: 400 MAIN STREET WAYNE, 68787

Mailing Address: 219 FAIRWAY CIRCLE, WAYNE, 68787

Contact Person: MATT LEY, MNG. MGR.

Telephone No.: 402.369.3790 Cell No. 402.369.3790

Fax No.: N/A

Email: mley92@live.com

Business structure: LLC

Owners: 6 INVESTORS

2. Briefly describe your proposed project: (description of business, number of employees, housing units, etc) (Attach information if necessary)

CONVERT 1st BAPTIST CHURCH INTO SIX MARKET-RATE APARTMENTS FOR DOWNTOWN LIVING.

3. Present ownership of the site and the legal description of the property you intend to improve? (Plat map if available)

OWNED BY CHURCH UNTIL 10/1/21, LEGAL ATTACHED (ADDRESS 400 MAIN STREET).

OWNED AS OF 10/1/21 BY SANCTUARY APARTMENTS, LLC.

4. Physical description: (Attach: drawings showing building layouts on the lots and the square footage for each structure.)

ATTACHED PRELIMINARY DRAWINGS. MORE DETAILED IN PROCESS.

5. **Estimated Project Costs:**

Include Construction Proforma Statement

A) Land Acquisition Costs

\$175,000 -

B) Site Development (itemize) (SEPARATION)

\$857,000 -

C) Building Cost

ABOVE LANDS

D) Equipment

-

E) Architectural & Engineering Fees

85,000 - + 25,000 -

F) Legal Fees

3,000 -

G) Financing Costs

5,000 -

H) Broker Costs

5,000 -

I) Demolition

115,000 -

J) Contingencies \$90,000 CONST.
+ 40,000 START-UP

130,000 -

Estimated total project Costs

\$ 1,400,000 -

6. Current Property Valuation

\$ 54,000 - (NAUSE + ? (NON-PROFIT))

7. Estimated Assessed Valuation at Completion

\$ 1,000,000 -

8. Itemized Source of Financing (Sources and Uses spreadsheet):

a. Equity

\$ 450,000 -

b. Bank Loans

\$ 225,000 -

c. Tax Increment Financing

\$ 300,000 -

d. Other Sources

\$ 525,000 -

LEASING
SOME NAME

9. Name and address of architect, engineer, and general contractor:
GENERAL OTIZ CONSTRUCTION - 521 CENTENNIAL RD. WAHNE, NE 68787
ARCHITECT = INDICE-LET ARCH. DESIGN - 832 PENNSYLVANIA ST.
VARIOUS FIRM. LAWRENCE, KS 66044

10. Has this property been declared blighted and substandard?
YES.

11. Are zoning changes required? If zoning is needed, expected approval date.
POSSIBLY. IN PROCESS.

12. Project Construction Schedule:

a. Construction start Date: FEBRUARY 2022

b. Completion Date: FALL 2022

c. If Phased Construction (which lots will be built on in which year):

N/A Year _____ / _____ % complete

Year _____ / _____ % complete

13. Municipal Reference (if applicable). Please name any other municipality wherein the applicant, or other corporations the applicant has been involved with, has completed developments within the last five years.

N/A

14. Have you received any other incentives from the State of Nebraska for this project? If yes, please explain.

REQUESTING LB840 FUNDS FROM WAHNE
LB840 COMMITTEE. NOT STATE OF NEBRASKA

INCENTIVE.



**COST BREAKDOWN SHEET
Baptist Church Remodel Budget**

COST BREAKDOWN	SUBTOTAL M/L/S	SUBTOTAL M/L/S
Scope of Work		
Unit #1 - Garden Level		
Demolition & Rework	10,000.00	
Living	25,000.00	
Kitchen	30,000.00	
Bathroom	15,000.00	
Bedroom #1	12,000.00	
		92,000.00
Unit #2 - First Level		
Demolition & Rework	10,000.00	
Living & Dining	25,000.00	
Kitchen	30,000.00	
Bathroom	15,000.00	
Bedroom #1	12,000.00	
		92,000.00
Unit #3 - Second Level		
Demolition & Rework	10,000.00	
Living & Dining	25,000.00	
Kitchen	30,000.00	
Bathroom	15,000.00	
Bedroom #1	12,000.00	
		92,000.00
Unit #4 - Garden Level		
Demolition & Rework	30,000.00	
Entry	10,000.00	
Living/Dining	25,000.00	
Kitchen	35,000.00	
Bathroom #1	10,000.00	
Bedroom #1	10,000.00	
Bathroom #2	10,000.00	
Bedroom #2	10,000.00	
		140,000.00
Unit #5 - First/Second Level		
Demolition & Rework	25,000.00	
Stairs	10,000.00	
Laundry	8,000.00	
Living/Dining	30,000.00	
Kitchen	35,000.00	
Bathroom #1	20,000.00	
Bedroom #1	30,000.00	
Bedroom #2	30,000.00	
		188,000.00
Unit #6 - First/Second Level		
Demolition & Rework	30,000.00	
Stairs	10,000.00	
Laundry	8,000.00	
Living/Dining	30,000.00	
Kitchen	35,000.00	
Bathroom #1	10,000.00	
Bedroom #1	20,000.00	
Bathroom #2	15,000.00	
Bedroom #2	35,000.00	
		193,000.00
Exterior Finishes		
Brick Tuckpointing	40,000.00	
Window/Door Work (New/Existing)	50,000.00	
Parking Lot	70,000.00	
Landscaping	15,000.00	
		175,000.00
Remodel Contingency (10%)		90,000.00
FINAL TOTAL		1,062,000.00