

January 28, 2014

The Wayne Community Development Agency met in regular session at City Hall on Tuesday, January 28, 2014, at 4:00 o'clock P.M. Ken Chamberlain called the meeting to order with the following in attendance: Members Mark Lenihan, Corby Schweers, Randy Larson, Nick Muir, and Jon Meyer; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Member Cale Giese.

Notice of the convening meeting was given in advance by posting in three places – City Hall, Wayne Public Library, and City Auditorium, on January 24, 2014, and a copy of the meeting notice and agenda were simultaneously given to the members of the Community Development Agency. All proceedings hereafter shown were taken while the Agency convened in open session.

Member Chamberlain advised the public that a copy of the Open Meetings Act was located on the south wall of the Council Chambers and was available for public inspection. In addition, he advised the public that the Community Development Agency 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.

The first item of business was to select a Chair person for the Community Development Agency.

Member Schweers made a motion, which was seconded by Member Lenihan, to nominate Ken Chamberlain as Chair of the Community Development Agency. Member Chamberlain stated the motion, and the result of roll call being all Yeas, with the

exception of Member Giese who was absent, Member Chamberlain declared the motion carried.

The next item of business was to select a Secretary or Official Recorder to keep the minutes of the meeting. Betty McGuire, City Clerk, or Lowell Johnson, City Administrator, will serve as Secretary or Official Recorder for the Community Development Agency.

Member Chamberlain made a motion, which was seconded by Member Muir, to approve the minutes of the November 19, 2013, meeting. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who was absent, the Chair declared the motion carried.

Nancy Braden, Finance Director, explained the financial status of the Community Development Agency (CDA). The CDA does have a loan that is owed to the Electric Fund for the property that the CDA purchased from the Kardells. All of that land has been sold, and Council will need to forgive that loan to the CDA. The CDA also had a loan on the Western Ridge Subdivision, which has been completed. The CDA also owns the lots on 10th Street (939 Main Street and 109 E. 10th Street - \$112,000). Members were advised that the CDA can purchase property without having to go through a 30-day remonstrance period like the City Council does; however, the CDA does get taxed. Another debt the CDA has is through a housing incentive program, which is \$300,000.

Member Schweers asked to see balance sheets for the CDA and also explanations of some of these programs so they have a better understanding of what they are supposed to be dealing with.

It was noted that there are no more income restrictions or house size restrictions on the lots in Western Ridge. The houses must have a basement and a two car garage, etc., (normal covenants). In addition, you cannot build a house on two lots.

Member Muir made a motion, which was seconded by Member Schweers, to approve the following CDA Claims:

- Pieper & Miller – Legal Services \$1,299.00
- Kelby Herman – Housing Incentive \$20,000.00
- First Source Title & Escrow – Title Insurance \$100.00

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

Member Giese arrived at the meeting 4:27 p.m.

Chair Chamberlain explained that the following Memorandum of Understanding is what is known as a “fast start” document so a developer can start on a project before all of the tax increment financing documents are finalized. This allows them to break ground, build, etc., but at their own risk. This memorandum of understanding is on behalf of Robert Woehler & Sons, Inc. Mr. Woehler has asked to be annexed; however, the City Council has not approved that ordinance as of this date. In addition, the property must be declared blighted and substandard, which has not yet been passed by the City Council either. In order to receive tax increment financing, the property not only must be in a blighted and substandard area, but it also must be annexed.

Administrator Johnson advised the CDA that at this time, 34% of the City has been declared blighted and substandard. We are limited to 35%, and unless the City annexes more property, this project cannot be approved for tax increment financing.

BJ Woehler was present to answer questions.

Member Schweers made a motion, which was seconded by Member Muir, approving the Memorandum of Understanding between Robert Woehler & Sons, LLC, and the Community Development Agency of Wayne to complete a tax increment financing agreement for new construction. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Chair Chamberlain stated the following CDA Resolution would recommend approval of a Redevelopment Contract for the following real estate:

A tract of land located in the Northwest Quarter of Section 18, Township 26 North, Range 4 East of the 6th P.M., Wayne County, Nebraska, more particularly described as follows: Beginning at the northwest corner of the Fletcher and Feeder's Subdivision to the City of Wayne; thence N02°28'24"W (assumed bearing) a distance of 23.76 feet; thence N30°54'38"W, a distance of 203.87 feet; thence N16°52'34"W, a distance of 44.67 feet; thence N57°26'41"E, a distance of 635.09 feet; thence S02°21'32"E, a distance of 551.38 feet to the northeast corner of Block 2 of Fletcher and Feeder's Subdivision; thence S85°48'12"W on the north line of said subdivision, a distance of 440.46 feet to the point of beginning, containing 4.73 acres, more or less; and

Block 2, Fletcher and Feeder's Subdivision to the City of Wayne, Wayne County, Nebraska.

Breck Giese was present to answer questions. It was noted that the size of the grain bins have been changed from 260,000 to 305,000 bushels each, which must be corrected in the Redevelopment Contract.

The estimated amount of the TIF value that will be generated off of this new development will be approximately \$200,000.

Member Muir introduced CDA Resolution 2014-1 and moved for its approval, subject to changing the bushel bins in Sec. 4.01 and in Exhibit "B" of the Redevelopment Contract from 260,000 to 305,000; Member Chamberlain seconded the motion.

CDA RESOLUTION NO. 2014-1

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF WAYNE, NEBRASKA, RECOMMENDING APPROVAL OF A REDEVELOPMENT CONTRACT.

Chair Chamberlain 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.

Member Giese made a motion, which was seconded by Member Muir, to enter into executive session to protect the public interest to discuss the offer of sale by Pacific Coast Feather to sell the property where their former production plant was located, and to allow Attorney Miller, City Administrator Johnson, City Clerk McGuire, Finance Director Braden, and Wes Blecke, Executive Director of Wayne Area Economic Development, to be in attendance. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried, and executive session began at 4:50 p.m.

Chair Chamberlain again stated that the matter to be discussed in executive session, which is to protect the public interest, concerns the offer of sale by Pacific Coast Feather to sell property where their former production plant was located.

Member Lenihan made a motion, which was seconded by Member Larson, to resume open session. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried, and open session resumed at 5:17 p.m.

A motion was made by Member Giese and seconded by Member Meyer authorizing Chair Chamberlain and Wes Blecke to contact Pacific Coast Feather to start

negotiations on the sale of their property. Chair Chamberlain stated the motion and the result of roll call being all Yeas, the Chair declared the motion carried.

Member Muir left the meeting at 5:19 p.m.

Mayor Chamberlain requested consideration be given for the CDA to make a request to the City of Wayne for funding to be used to make future property purchases. At this time, there is \$114,759 remaining in the electric reserve economic development fund. This is the remainder of the 1.85% of the gross revenues from the sale of electricity that has been set aside each year to be used for economic development. The annual request from WAED is less than the amount collected each year, and the difference goes into this reserve fund. In addition, there is \$259,000 remaining in unused LB840 funds that were to be used for tornado relief.

After discussion, a motion was made by Member Schweers and seconded by Member Lenihan for the CDA to make a request to the City of Wayne for funding in the amount of \$114,759 (which represents the remaining funds in the electric reserve economic development fund) to be used for future property acquisitions. Chair Chamberlain stated the motion and the result of roll call being all Yeas, with the exception of Member Muir who had left the meeting, the Chair declared the motion carried.

Wes Blecke, Executive Director of Wayne Area Economic Development, reviewed with the CDA members properties that could be potentially available for sale in and around Wayne.

Discussion took place in regard to setting a regular meeting date and time.

Member Giese made a motion, which was seconded by Member Meyer, setting the regular meeting date and time of the CDA for the last Tuesday of the month at 4:00 p.m. Chair Chamberlain stated the motion, and the result of roll all being all Yeas, with the exception of Member Muir who had left he meeting, the Chair declared the motion carried.

Member Giese made a motion, which was seconded by Member Schweers to adjourn the meeting. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Member Muir who had left the meeting, the Chair declared the motion carried, and the meeting adjourned at 5:35 p.m.