

Tentative Agenda for the WAVERLY COMMUNITY REDEVELOPMENT AUTHORITY MEETING to be held on January 18, 2024 at 4:00 PM. This meeting will be held at the Waverly City Office Building located at 14130 Lancashire Street, Waverly, Nebraska. A current Agenda shall be readily available for public inspection at the office of the City Clerk during normal business hours.

1. **Call to Order**
 - 1.a) Roll Call
 - 1.b) Acknowledgement of the "Open Meetings Act" poster that is posted by the south entrance.
2. **Public Hearings**
3. **Introduction of members**
4. **Election of Officers**
 - 4.a) Chairperson
 - 4.b) Vice Chairperson
5. **Presentation**
6. **Approval of Minutes**
 - 6.a) Minutes of the October 10, 2023 Community Development Agency Meeting.
7. **Treasurer's Report**
 - 7.a) Approval of Waverly Community Redevelopment Authority Treasurer's Report.
8. **Discussion of TIF Projects.**
9. **Next Meeting**
 - 9.a) Discussion of next Community Redevelopment Agency Meeting date and time.
10. **Adjournment**

The Governing Body reserves the right to go into Executive Session at any time for the reasons outlined in State Statute 84-1410.

The following rules are established for audience members and participants at a Council meeting:

- (1) Any person wishing to address the Council shall first state their name and address.
- (2) Public comments are for non-agenda items only.
- (3) Remarks shall be limited to five (5) minutes.

A Brief Introduction to Tax-Increment Financing

**The Basics of the Community
Development Law**



What is TIF?

TIF is short for Tax-Increment Financing

The process for using TIF is outlined in the Community Development Law, Neb. Rev. Stat. 18-2101 to 18-2155

TIF is an infrastructure finance tool used by municipalities to finance redevelopment in areas designated as blighted and substandard

Who Gets to Use TIF?

Only cities and villages are authorized to use TIF

And generally, TIF can only be used within the corporate boundaries of a city or village, except formerly used defense sites

How TIF Revenue is Generated

Base year: single parcel
Total value = \$100,000

15-year term for single parcel
Total value = \$1,100,000

\$100,000	\$2,000
Base Assessed Value	Base Tax Revenue at 2%

\$1,000,000 Value of Improvements	\$20,000 Tax increment	X 15 years = \$300,000 Max. amount of TIF Revenue going to project
\$100,000 Base Assessed Value	\$2,000 Base Tax Revenue At 2%	This amount goes to taxing entities throughout project

Safe Harbor Uses of TIF

1. Acquisition and site preparation of redevelopment sites including demolition, grading, special foundations, environmental remediation and related work prior to construction of the project.
2. Public improvements associated with a redevelopment project, including the design and construction of public streets, utilities, parks, and public parking, and enhancements to structures that exceed minimum building standards to prevent the recurrence of substandard and blighted conditions.
3. Repair or rehabilitation of structures within the redevelopment project area.
4. Architectural and engineering service fees related to the project, as well as the municipality's attorney's fees.

Steps to Start TIF Project

One of the first steps is for a municipality to create a Community Redevelopment Authority (CRA) or Community Development Agency (CDA)

CRA has extensive powers to eliminate and prevent urban decay, including authority to prepare redevelopment plans, make grants and loans, and issue bonds to be repaid from TIF funds

Substandard and Blighted Designation

A CRA cannot prepare a redevelopment plan and a city or village cannot approve a plan, until property is declared blighted and substandard

TIF can only be used to redevelop substandard and blighted areas

The Community Redevelopment Law outlines the criteria used to determine if the area is substandard and blighted

Substandard and Blighted Definitions

Substandard means: area conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime and is detrimental to the public health, safety, morals, or welfare

Blighted means: area with deteriorating structures, inadequate street layout, unsafe conditions, diversity of ownership, improper platting, conditions that endanger life or property by fire, combination of factors what impairs sound growth in community and at least one of the following (1) unemployment is at least 120% of state or national average (2) average age of residential or commercial property is at least 40 years, (3) more than half the property has been unimproved for 40 years, (4) per capital income is lower than average income of the municipality, or (5) area has stable or decreasing population

Substandard and Blighted Designation

Municipalities generally hire a community planner to study the area

Municipality submits the study to the planning commission which holds public hearing then makes a recommendation whether the area is substandard and blighted

After holding public hearing, municipality decides

Study information and map of area is included in public notices for the hearings

Copies of the study posted on website or made available

Neighborhood associations and political subdivisions are notified

Extremely Blighted

- Applies to any redevelopment plan when 50% or more of property is declared extremely blighted
- Project can last up to 20 years
- Extremely blighted means rate of unemployment in area is at least 200% of the average rate and average poverty rate exceeds 20% for the total federal census tract
- To declare area extremely blighted, follow the same process as declaring area substandard and blighted
- Extremely blighted process can be conducted in conjunction with substandard and blighted process

Redevelopment Plan

A CRA cannot prepare redevelopment plan until the substandard and blighted designation

A CRA may prepare a redevelopment plan, or a developer may submit a redevelopment plan to a CRA

Redevelopment Plan

Basic requirements of redevelopment plan:

1. **Governing body must adopt a general plan for redevelopment for the municipality**
2. **The redevelopment plan must clearly outline the relationship between its objectives and the local objectives which may include appropriate land uses, improved traffic, public utilities etc.**

Redevelopment Plan

3. The CRA must engage in a cost-benefit analysis for the redevelopment project

4. Redevelopment plan needs to include certain criteria including: maps showing proposed land uses, information on population and building intensities after redevelopment, needed changes in zoning ordinances, a site plan of the area, and whether new public facilities will be required

Redevelopment Plan

A CRA submits the proposed redevelopment plan to the planning commission which holds a public hearing

The CRA may recommend redevelopment plan to the municipality for approval

The CRA needs to consider whether the proposed land uses and building requirements in the plan are consistent with accomplishing the goals of the general plan

Redevelopment Plan

Duties of the City Council or Village Board:

After the planning commission hearing, city or village holds a public hearing on the redevelopment plan after public notice

Notice must include map and cost-benefit analysis

Municipality must also provide notice to neighborhood associations and political subdivisions

Redevelopment Plan

A city or village may approve a redevelopment plan after the public hearing:

- If it finds the plan is feasible and in conformity with the general plan for the development of the municipality, and
- If TIF is used, the “but-for” test must be met

The “but-for” test includes: whether the project would be economically feasible without the use of TIF, whether the redevelopment project would occur in the community redevelopment area without the use of TIF; and if it is in best interest of the community.

Hearings Required

2 public hearings on substandard and blighted and 2 public hearings on approving the redevelopment plan

Notices are deemed given after their being sent

Notices of public hearings to political subdivisions are sent by certified mail, return receipt requested

Neighborhood associations designate how to receive notice by email, 1st class mail, or certified mail

TIF Revenue

If the municipality approves the redevelopment plan, TIF revenue can then be made available to the redeveloper to finance certain costs of the project

TIF revenue is generated for a maximum term of 15 years or 20 years for extremely blighted areas

Financing may include use of bonds, notes, an advance of money, or other commonly-used financing structure where debt is purchased by a third party

Redevelopment Agreement

Redevelopment Agreement is the agreement between the redeveloper and the CRA

It should provide for the:

- Division of taxes
- Pledging of TIF revenues and granting proceeds from the indebtedness to the redeveloper
- Setting forth obligations of the redeveloper including construction of the project, payment of taxes, etc
- Remedies for the CRA in the event of default

Reports Required

Report to Property Tax Administrator filed every year on or before December 1.

Report includes:

- A copy of the redevelopment plan and any amendments; and
- A short narrative description of the type of development undertaken by the city or village

Reports Required

Report to Governing Body on or before May 1

Report includes:

- (1) The total number of *active* redevelopment projects using TIF;
- (2) The total estimated project costs for all redevelopment projects;
- (3) The estimated amount of outstanding indebtedness related to each such redevelopment project and an estimated date by which such indebtedness is expected to be paid in full;
- (4) A comparison between the initial projected valuation of property included in each such redevelopment project and the assessed value of the property as of January 1 of the year of the report;
- (5) The number of redevelopment projects for which financing has been paid in full during the previous calendar year;
- (6) The number of redevelopment projects approved by the governing body in the previous calendar year;
- (7) Information specific to each redevelopment project approved by the governing body in the previous calendar year; and
- (8) The percentage of the city that has been designated as blighted.

- Report is also sent to political subdivisions

Expedited Review (Micro-TIF)

City council or village may allow for expedited review of certain projects

Expedited because it is exempted from several requirements of “regular TIF”

Limits on type of project, how old the structure is, the assessed value of property

Expedited Review (Micro-TIF)

Redeveloper uses a standard form developed by DED

City or village determines whether to approve or deny the application within 30 days

The holder of indebtedness is given a promissory note not to exceed 15 years

County assessor determines whether work has been completed and whether there was an increase in value



Thank you!

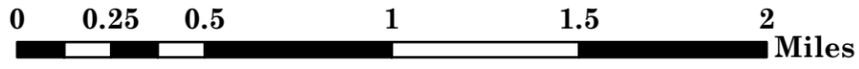
Questions?

CITY OF WAVERLY - REDEVELOPMENT AREA PROJECTS

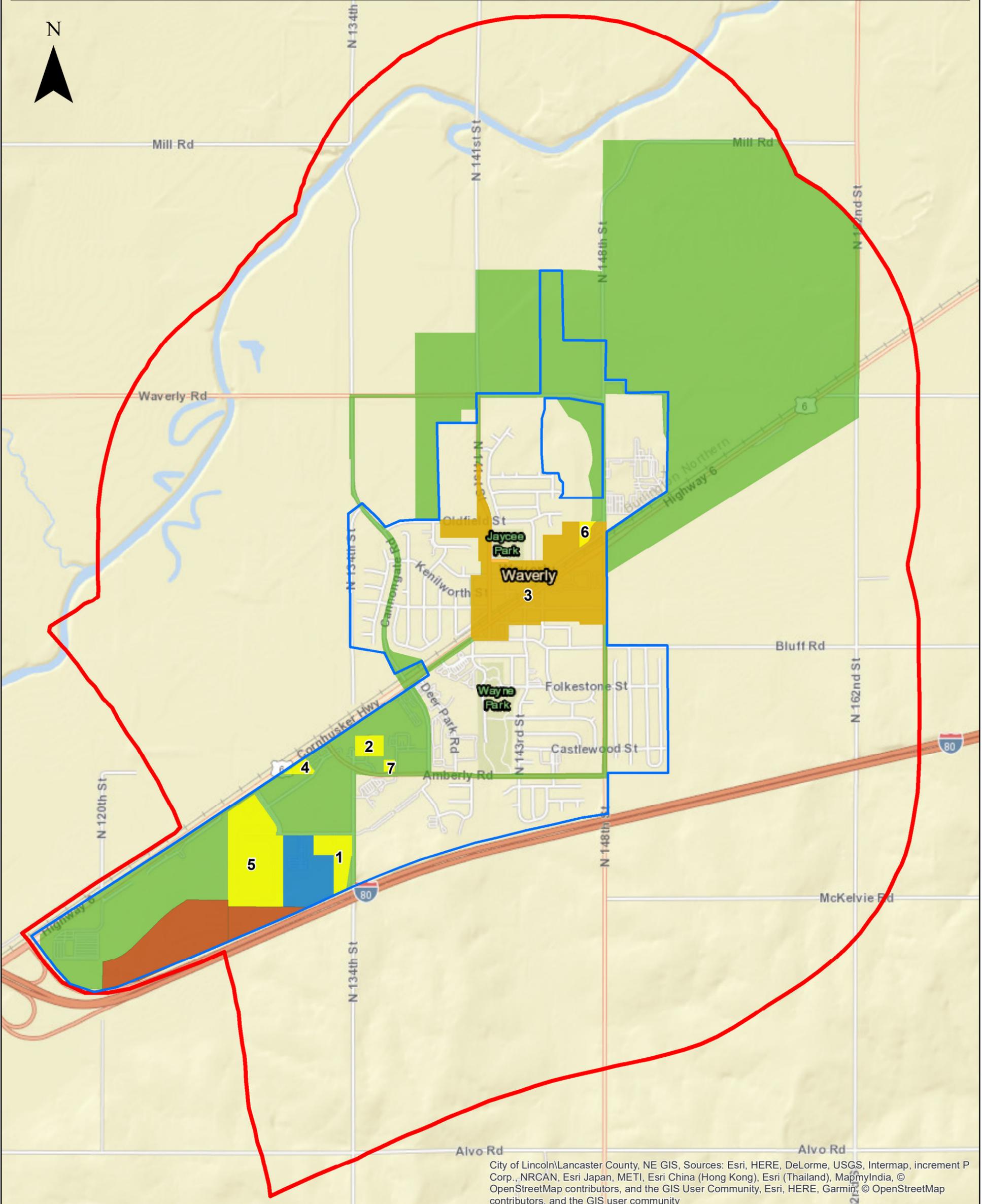
Active TIF Projects (Oldest to Newest)

- 1** 2010 - WATTS ELECTRIC 9805
- 2** 2011 - KAMTERTER 9807
- 3** 2013 - AREA "B" BUCKET TIF 9809
- 4** 2017 - VACEK ENTERPRISES 9811
- 5** 2018 - TRACTOR SUPPLY DISTRIBUTION 9813
2018 - TRACTOR SUPPLY RETAIL 9815
- 6** 2019 - WOODSTOCK HOLDINGS 9817
- 7** 2020 - NORTHWEST ELECTRIC 9819

- Waverly Corporate Limits
- Waverly Extraterritorial Jurisdiction
- Smart Chicken (Completed TIF Project)
- Redevelopment Area - No Active TIF Projects
- Owned by Lancaster County



HANNA:KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH



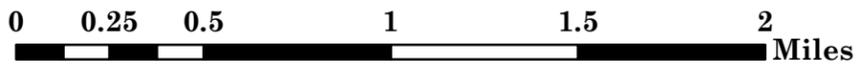
CITY OF WAVERLY - REDEVELOPMENT AREA

 Waverly Corporate Limits  Waverly Extraterritorial Jurisdiction  Waverly Redevelopment Area

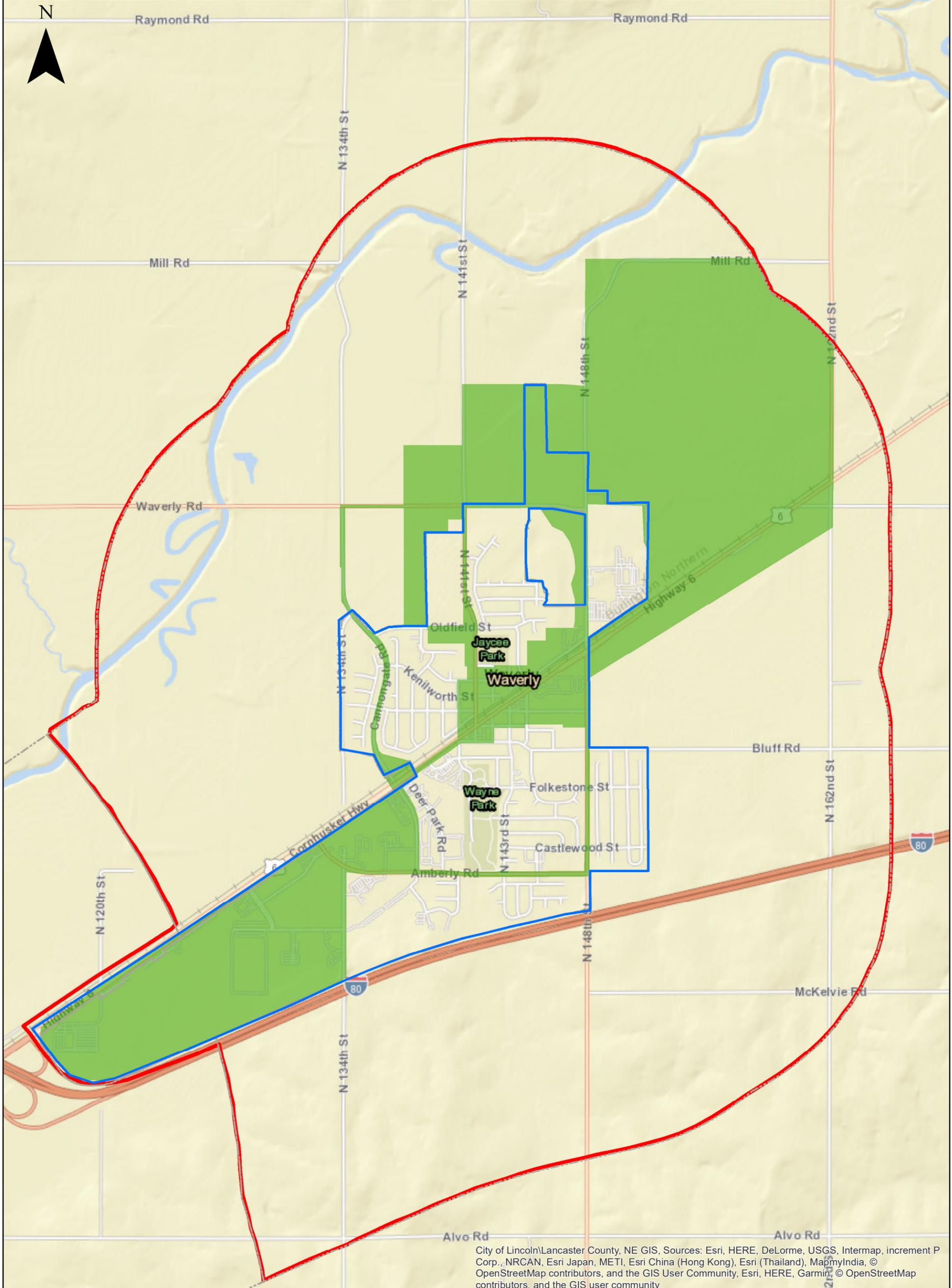
Est. 1,546.6 Acres Total

Est. 1,697.1 Acres Total

Est. 674.5 Acres within the Corporate Limits (43.6%)



HANNA:KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH



City of Lincoln/Lancaster County, NE GIS, Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), MapmyIndia, © OpenStreetMap contributors, and the GIS User Community, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

MINUTES OF A WAVERLY COMMUNITY DEVELOPMENT AGENCY MEETING HELD ON OCTOBER 10, 2023

Acting Agency Chairperson Abbey Pascoe called the meeting to order at 5:31 p.m. and referenced the Open Meetings Act poster located near the south entrance. Agency Members Abbey Pascoe, Dave Nielson, and Aaron Hummel were in attendance. Bill Gerdes and David Jespersen were absent. Other City Officials present were City Administrator Stephanie Fisher and City Clerk Megan Frye. Notice of the Meeting and Agenda were given to the Agency Members prior to the Meeting. Notice of the Meeting was posted at Russ's Market Express, the US Post Office, the City Office, and the City website (citywaverly.com).

PUBLIC HEARINGS

None.

APPROVAL OF MINUTES

Minutes of the August 8, 2023 Community Development Agency Meeting.

Agency Member Nielson moved to approve the Minutes of the August 8, 2023 Community Development Agency Meeting. Agency Member Hummel seconded the motion.

The following Agency Members voted "YEA": Pascoe, Nielson, and Hummel. The following Agency Members voted "NAY": None. Motion carried. 3-0.

TREASURER'S REPORT

Approval of Waverly Community Development Agency Treasurer's Report.

Agency Member Nielson moved to approve the Waverly Community Development Agency Treasurer's Report. Agency Member Hummel seconded the motion.

The following Agency Members voted "YEA": Nielson, Hummel, and Pascoe. The following Agency Members voted "NAY": None. Motion carried. 3-0.

DISCUSSION OF TIF PROJECTS

City Administrator Fisher and CDA members discussed a potential new TIF application that was received and impact of the water emergency. Discussion of next steps of the Community Redevelopment Authority.

NEXT MEETING

The next regularly scheduled Community Development Agency Meeting will be held on December 12, 2023 at 5:30 p.m.

ADJOURNMENT

Agency Member Nielson moved to adjourn the meeting at 5:50 p.m. Agency Member Hummel seconded the motion.

The following Agency Members voted "YEA": Pascoe, Nielson, and Hummel. The following Agency Members voted "NAY": None. Motion carried. 3-0.

William D. Gerdes, Chairperson

Megan K. Frye, City Clerk/Deputy Treasurer

TIF balances as of 12-31-2023

Description	Name	Ending	Balance
TIF Note G	Area B Bucket	12/15/2027	\$ 840,231.35
TIF Note H	TSC (Distr. Center)	12/15/2032	\$ 10.68
TIF Note I	TSC (Retail Store)	12/15/2032	\$ 0.01
TIF Note J	Amberly Dental	12/15/2032	\$ 0.07
TIF Note K	Empire Fence	12/15/2034	\$ 0.24
TIF Note L	NW Electric	12/15/2035	\$ 0.64
Admin Funds	CDA Retainage:		\$ 147,432.11
TOTALS			\$ 987,675.10