CITY OF YORK PLANNING COMMISSION September 10, 2024 5:15 O'CLOCK P.M.

PRESENT Craig Heskett, Michael Runge, Lisa Riley, Bre Egr, Ben Northrop, Kim Stephens, Richard McDougall, Jeff Beins, Cindi Nickel

ABSENT None

OTHER CITY OFFICIALS Amanda Ring, Dan Aude, Sue Crawford, Charley Campbell

Chairperson Stephens presided and advised that the Open Meetings Act is on the east wall of the Council Chambers. Notice of this meeting was published in the York News Times on September 3, 2024.

MINUTES

McDougall moved and Runge seconded that the Minutes of the August, 2024 meeting be approved.

Roll Call Vote: Ayes: Heskett, Runge, Riley, Egr, Northrop, Stephens, McDougall, Beins and Nickel. Nays: none. Absent and not voting: none. Motion Carried.

COMMERCIAL DISTRICTS ZONING HEIGHT INCREASE

A public hearing was held to consider amending the 'C-2' Business District, 'C-3' and 'C-4' Highway Commercial Districts to increase maximum height for buildings and structures. Dan Aude informed the Commission that this will allow for more future developments within those areas.

Nickel moved and Heskett seconded to recommend approval of Ordinance No. 2373 to amend the 'C-2' Business District of the zoning code to increase the maximum height for buildings and structures to sixty feet to the City Council.

Roll Call Vote: Ayes: Heskett, Runge, Riley, Egr, Northrop, Stephens, McDougall, Beins and Nickel. Nays: none. Absent and not voting: none. Motion Carried.

Riley moved and Beins seconded to recommend approval of Ordinance No. 2374 to amend the 'C-3' Highway Commercial District of the zoning code to increase the maximum height for buildings and structures to sixty feet to the City Council.

Roll Call Vote: Ayes: Heskett, Runge, Riley, Egr, Northrop, Stephens, McDougall, Beins and Nickel. Nays: none. Absent and not voting: none. Motion Carried.

Runge moved and Nickel seconded to recommend approval of Ordinance No. 2375 to amend the 'C-4' Highway Commercial District of the zoning code to increase the maximum height for buildings and structures to sixty feet to the City Council.

Roll Call Vote: Ayes: Heskett, Runge, Riley, Egr, Northrop, Stephens, McDougall, Beins and Nickel. Nays: none. Absent and not voting: none. Motion Carried.

FAIRFIELD INN TIF REDEVELOPMENT

A public hearing was held on the Fairfield Inn TIF Redevelopment Project. Dr. Sue Crawford shared this TIF project was the second project located in the new redevelopment area #10 that was approved last year. The TIF Committee met, reviewed and recommend this project as required by the City of York Municipal Code. After the Planning Commission it will go to the Community Development Agency and City Council for approval. Interactive discussion was had about the TIF process regarding this project. It was stated this project was first discussed two years ago. Conversations were had about the process starting from initial point of contact to the current approval process. Andrew Willis, 233 S. 13th Street, Lincoln, Nebraska, presented the Fairfield redevelopment plan to the Planning Commission. This is for the redevelopment of Lot 3, Block 1 H & R Addition. He stated this is a permitted use under the current zoning. This development will have 79 rooms. It is a 14-million-dollar project, with an equity investment of 2.79 million dollars. With the funding source of TIF, the return on investment will be 12%, whereas without TIF funding, the return on investment will be 8%. In this industry, a return on investment under 10% is not acceptable. TIF funds will be used for the paving of Grand Ave, site acquisition, site development, building and equipment costs, architectural and engineering, redeveloper legal fees and parking lot expense. Construction is anticipated to start in October. Questions were asked about the infrastructure that is necessary under the street and there only be one entrance/exit currently. He stated that all of the infrastructure under the street will be completed and that one entrance/exit is the current plan but another will be added when the street south of the hotel is complete. Lisa Hurely, with York County Development Corporation, thanked the planning commission for their consideration on this project. She shared that efforts to redevelop this area have been ongoing for five or more years. The updated blight and substandard that was approved made a big difference for being able to redevelop this area.

McDougall moved and Beins seconded to recommend approval of Resolution 2024-20 recommending approval of a redevelopment plan of the City of York, Nebraska; and approval of related actions to the City Council.

Roll Call Vote: Ayes: Heskett, Runge, Riley, Egr, Northrop, Stephens, McDougall, Beins and Nickel. Nays: none. Absent and not voting: none. Motion Carried.

PRELIMINARY AND FINAL PLAT FOR NEW FIRE STATION

A public hearing was for the preliminary and final plat for Lot 1, Replat of Lots 3-12, Block 18, New York Addition, City of York, York County, Nebraska. Dan Aude spoke and stated that it's the old Road 6 Custom lots and the City is wanting to combine them all into one, to be able to build the new fire station. Chairperson Stephens pointed out two items she would like to see changed on the plat. In the heading of the plat 'Southwest Quarter Section 31, Township 11 North, Range 2 West, of the 6th PM' needs to be removed. Also, in the legal description within the document, 'City of York' needs to be added.

Nickel moved and Runge seconded to recommend approval of the preliminary and final plat with the corrections of plat 'Southwest Quarter Section 31, Township 11 North, Range 2 West, of the 6th PM' needs to be removed in the title of the plat and 'City of York' needs to be added in the legal description to the City Council.

Roll Call Vote: Ayes: Heskett, Runge, Riley, Egr, Northrop, Stephens, McDougall, Beins and Nickel. Nays: none. Absent and not voting: none. Motion Carried.

ADJOURNMENT

There being no further business to come before the Planning Commission, Chairperson Stephens adjourned the meeting, the time being 5:44 o'clock p.m.

Amanda Ring Amanda Ring, City Clerk

PLANNING COMMISSION OF THE CITY OF YORK

RESOLUTION 2024-20

RESOLUTION RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN OF THE CITY OF YORK, NEBRASKA; AND APPROVAL OF RELATED ACTIONS

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF YORK, NEBRASKA:

Recitals:

- a. Pursuant to and in furtherance of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "Act"), a Redevelopment Plan Amendment (the "Redevelopment Plan"), has been prepared and submitted to the Planning Commission (the "Commission") for the purpose of redeveloping the Redevelopment Area legally described in Exhibit A and in the form attached hereto as Exhibit B; and
- b. The City has 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; and
- c. This Commission has reviewed the Redevelopment Plan as to its conformity with the Comprehensive Plan for the development of the City.
- d. On the date of this resolution, the Commission held a public hearing and received public comment on the Redevelopment Plan. Public notice of the hearing was provided in strict accordance with the provisions of the Act.

Resolved that:

- 1. The Commission hereby recommends approval of the Redevelopment Plan.
- 2. All prior resolutions of the Commission in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.
- 3. This resolution shall be in full force and effect from and after its passage as provided by law.

DATED: 09/10/2024

PLANNING COMMISSION OF THE CITY OF YORK, NEBRASKA

tephen Bv: 9

ATTEST:

Recording Secretary

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT AREA

Lot 3, Block 1, H&R Addition to the City of York, York County, Nebraska, and Grand Avenue adjacent thereto.

EXHIBIT B

REDEVELOPMENT PLAN [Attach Copy of Fairfield Inn Redevelopment Plan]

City of York, Nebraska, Community Development Agency Fairfield Inn Redevelopment Plan

The Community Development Agency (CDA) of York, Nebraska, intends to adopt a site specific Redevelopment Plan for CDA Area #10 within the city, pursuant to the Nebraska Community Development Law (the "Act") and provide for the financing to assist in site rehabilitation and infrastructure extension for a new Fairfield Inn.

Executive Summary:

Project Description:

THE REHABILITATION OF AN UNDEVELOPED PLATTED LOT IN CDA AREA #10 REQUIRING SIGNIFICANT SITE PREPARATION AND PAVEMENT OF THE A PORTION OF GRAND AVENUE AND THE CONSTRUCTION OF A NEW FAIRFIELD INN WITH UP TO 79 ROOMS WITH PARKING AND OTHER AMENITIES

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of Lot 3, Block 1, H&R Addition and Grand Avenue adjoining said lot in to the city of York, York County, Nebraska, will incent a significant development near the Interstate 80 interchange. The total project is estimated to cost \$13,989,314. The investment will allow for the paved extension of Grand Avenue, construction of a new hotel attracting additional travelers to stay in the city, provide new jobs and generate an increase in tax revenue to support the community. Without the grant of funds from tax increment financing developer cannot generate a sufficient return to justify this level of investment. This project would not be feasible without the use of TIF and will not be financed without a grant funded by tax increment financing. The CDA has documentation from the Redeveloper showing that the level of project investment yields a rate of return less than is standard for this development.

Anarba, LLC, is the owner and Redeveloper of the site. The Redeveloper is responsible for and has provided evidence that it can secure adequate debt financing to cover the costs associated with the rehabilitation of this property, subject to receipt of tax increment financing. The CDA is requested to pledge the ad valorem taxes generated over the 15 year period, beginning with an effective date determined by a redevelopment contract and contract amendment, towards the allowable costs and associated financing for rehabilitation.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY: Property Description (the "Redevelopment Project Area")

Legal Description: Lot 3, Block 1, H&R Addition to the City of York, York County, Nebraska, and Grand Avenue adjacent thereto.

Existing Land Use is shown below.



The current assessed valuation of the real estate is \$267,000 ("base value") and is taxed at \$4,784. During a 15 year period of division of taxes for tax increment financing taxes on the base value will continue to be paid to the normal taxing entities. The assessed property valuation above the base value is estimated to be \$6,320,000 as a result of the rehabilitation.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution providing for the issuance of the TIF Note, the CDA hereby provides that any ad valorem tax on the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract and Redevelopment Contract Amendment, consistent with this Redevelopment Plan. Said taxes shall be divided as follows:

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property, as provided in the redevelopment contract, bond resolution, or redevelopment plan, as applicable, in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the CDA to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, of the CDA for financing or refinancing, in whole or in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the CDA shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies.

Pursuant to Section 18-2150 of the Act, the ad valorem tax so divided is hereby pledged to the repayment of loans or advances of money, or the incurring of any indebtedness, whether funded, refunded, assumed, or otherwise, by the CDA to finance or refinance, in whole or in part, the redevelopment project, including the payment of the principal of, premium, if any, and interest on such bonds, loans, notes, advances, or indebtedness.

Redevelopment Plan Complies with the Act:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan meets the statutory qualifications as set forth below.

<u>1. The Redevelopment Project Area has been declared blighted and substandard by</u> action of the York City Council.

The York City Council received a substandard and blight analysis for the Redevelopment Project Area and declared it substandard and blighted and in need of redevelopment after compliance with the requirements of the Act.

2. Conformation to the General Plan for the Municipality as a whole.

York adopted a Comprehensive Plan in 2019. This redevelopment plan and project are consistent with the Comprehensive Plan, in that the proposed project is implement a consistent use as designated in the Comprehensive Plan. This plan merely provides funding for the Redeveloper to rehabilitate the Redevelopment Project Area for permitted uses on this property as defined by the current and effective zoning regulations, subject to revision of height restrictions.

3. The Redevelopment Plan must be sufficiently complete to address the following items:

a. Land Acquisition:

The Redevelopment Plan does not require site acquisition There is no proposed

acquisition by the CDA.

b. Demolition and Removal of Structures:

The project to be implemented with this plan does not require demolition but does require for extensive earth work and site development for street and project development.

c. Future Land Use Plan

Exhibit "A", attached hereto is a map showing the Future Land Use Plan for the Redevelopment Area after rehabilitation.

d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The area is zoned C-3 Highway Commercial. A zoning change will be required to allow the anticipated structure height of 60 feet. It is anticipated that such change will be made by the City for all of the C-3 zone. Grand Avenue will be paved and extended to the southern end of Lot 3, Block 1, H&R Addition to the city. No other planning changes contemplated.

The Redevelopment Plan provides that the Redeveloper will pay for the paved extension of Grand Avenue to the west of the site to standards established by the City.

The proposed site plan for the development shows a driveway exit onto a dedicated but unopened street south of site. In order to prevent the public from traveling on the unopened roadway, the Redeveloper will be required to install an unmovable barricade preventing vehicles exiting the site to the south. The city will not be required to open or otherwise improve the unopened street.

e. Site Coverage and Intensity of Use

<u>Exhibit "A"</u> shows the site as fully developed. The site contains 1.78 acres. The structure will contain 4 stories with the development to provide 79 parking spaces, six of which will be ADA compliant. It is currently intended that the parking will be public as provided in a redevelopment contract between the CDA and the Redeveloper.

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. Electric utilities are sufficient for the proposed use of this building. No other utilities would be impacted by the development.

<u>4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation.</u>

The Redeveloper will not be required to relocate individuals or families as part of the site redevelopment.

5. No member of the CDA, nor any employee thereof holds any interest in any property in this Redevelopment Project Area.

No members of the CDA have any interest in this property.

6. The Act requires that the CDA consider:

a. Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to Redevelopers.

The Redeveloper is the owner of the property. The Request for Tax Increment Financing shows estimated costs for site preparation is included in the project construction cost. Since the site is owned by the Redeveloper there will be no proceeds from site disposal.

b. Statement of proposed method of financing the redevelopment project.

Project financing includes \$1,857,044 in equity, a commercial loan of \$11,191,451 and a TIF grant of \$937,804. The TIF grant from the CDA is anticipated to be repaid from the Tax Increment Revenues generated from the project over a period of fifteen years.

c. Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan.

7. The Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, the CDA shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 and 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 provision 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 community 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 insanitary or unsafe dwelling accommodations or conditions of blight.

The CDA has considered these elements in proposing this Plan. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring blighting conditions due to site obsolescence.

8. Time Frame for Development

Development of this project is anticipated to begin in late fall of 2024.

9. Cost Benefit Analysis

Section 18-2113 of the Act further requires the CDA conduct a cost benefit analysis of the Plan in the event that Tax Increment Financing will be used. This analysis must address specific statutory issues.

As authorized in the Act, §18-2147, *Neb. Rev. Stat.* (2022), the CDA has analyzed the costs and benefits of the proposed Redevelopment Project, including:

Project Sources and Uses. Based on Redeveloper's estimate of annual TIF revenues, \$1,627,000 (total of principal and interest) in public funds from tax increment financing over 15 years, provided by the York Community Development Agency, will be required to complete the project. This investment by the CDA will leverage an estimated \$13,048,495 in private sector financing; a private investment of \$8.19 for every tax dollar invested.

The grant from TIF funds of \$937,804 will reimburse the Redeveloper for a portion of the TIF eligible costs of the project expenditures below:

	Land Acquisition: Site Development: (to be separated from construction cost)	78,000 \$TBD
С.	Building Costs:	\$10,974,124
D.	Equipment	\$342,900
E.	Architectural & Engineering	\$260,000
F.	Redeveloper Legal Fees	\$10,000
G.	Paving of Grand Avenue	\$373,568
Η.	Financing Costs	\$724,127
I.	Parking (to be separated from	TBD
	construction cost)	
J.	Other	\$1,226,595

TOTAL

\$13,989,314

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2024, valuation of approximately \$267,000. Based on the 2023 levy this would result in a real property tax of approximately \$4,875. It is anticipated that the assessed value will increase by \$6,053,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$108,467_annually. The tax increment gained from this Redevelopment Project Area would not be available for use as general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF note, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2024 assessed value:	\$ 267,000
Estimated value after completion	\$6,320,000
Increment value	\$6,053,000
Annual TIF generated (estimated)	\$ 108,467
TIF bond issue	\$ 937,804

(a) Tax shifts resulting from the approval of the use of Tax Increment Financing;

Tax shifts will are anticipated to be equal to \$1,627,000 total of principal and interest, over 15 years, on the TIF Note.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this development. The electric utility has sufficient capacity to support the development. Fire and police protection are available and should not be negatively impacted by this development.

The Project will require paving a portion of Grand Avenue. The Redeveloper will be responsible for that cost.

This redevelopment project will generate significant lodging tax and generate approximately \$57,000 in local city sales tax.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

This project is project to incur approximately \$500,000 in payroll cost at full operation, with the number of employees yet to be determined.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

This project should not have a negative impact on other employers in any manner different from any other expanding business within the York area.

(e) Impacts on student populations of school districts within the City or Village:

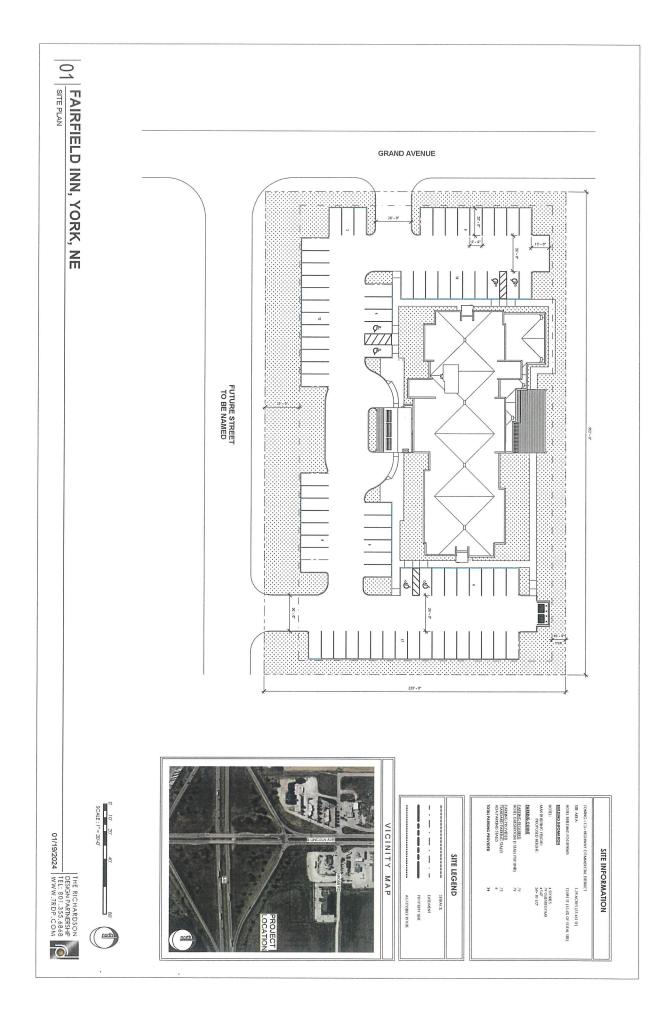
This development will have little to no impact on the York School system as it will likely not result in any increased attendance.

(f) Any other impacts determined by the CDA to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This project will provide the pavement of Grand Avenue along the western edge of the site without cost to the York taxpayer.

<u>Exhibit A</u>

Future Land Use After Rehabilitation



AGENDA PLANNING COMMISSION, YORK, NEBRASKA Tuesday, September 10, 2024 5:15 PM

THE OPEN MEETINGS ACT IS POSTED ON THE EAST WALL OF THE COUNCIL CHAMBERS

Public participation in City Council meetings follows the rules established in the City of York Ordinances and the state Open Meetings Act. Pursuant to section 2-32(a) of the City Code and the Open Meetings Act, the presiding officer allows public comments during council meetings on matters designated as public hearings and on matters on the agenda that require passage or other action by the Council. Public comment is not allowed after a motion is made by a council member to pass or act on an agenda item. Comments are not allowed on any item that is not on the agenda to ensure full transparency of discussion items to the public before the meeting as required by the Open Meetings Act.

1. The Open Meetings Act is posted on the East Wall of the Council Chambers

2. Notice of this meeting was published in the York News Times on September 3, 2024

3. Roll Call

4. Minutes of the August 6, 2024 meeting

5. Public hearing to consider amending the 'C-2' Business District, 'C-3' and 'C-4' Highway Commercial Districts to increase maximum height for buildings and structures; discuss and make recommendation to the City Council:

5.1. Ordinance No. 2373 - to amend the 'C-2' Business District of the zoning code to increase the maximum height for buildings and structures to sixty feet

5.2. Ordinance No. 2374 - to amend the 'C-3' Highway Commercial District of the zoning code to increase the maximum height for buildings and structures to sixty feet

5.3. Ordinance No. 2375 - to amend the 'C-4' Highway Commercial District of the zoning code to increase the maximum height for buildings and structures to sixty feet

6. Public hearing on TIF Redevelopment Project; discuss and make recommendations to City Council:

6.1. Fairfield Inn - Site Specific Redevelopment Plan for City of York CRA Area#10- Resolution 2024-20

7. Public hearing on preliminary and final plats; discuss and make recommendations to City Council:

7.1. Lot 1, Replat of Lots 3-12, Block 18, New York Addition, City of York, York County, Nebraska

8. Adjournment