

**AMENDMENT TO THE REDEVELOPMENT PLAN  
OF THE CITY OF CRETE, NEBRASKA**

**(CRETE SENIOR VILLAS REDEVELOPMENT PROJECT)**

The City of Crete, Nebraska (“City”) has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for a certain redevelopment area identified as Redevelopment Area #1 (the “Redevelopment Area”) in the City of Crete, as amended (the “Redevelopment Plan”). The Redevelopment Plan was approved by the City Council of the City on December 3, 2013, pursuant to Resolution No. 2013-35. The Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City, as set forth in the Redevelopment Plan.

Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2155 (the “Act”), the City created the Community Development Agency of the City of Crete (“CDA”), which has administered the Redevelopment Plan for the City.

The purpose of this Plan Amendment is to identify specific property within the Redevelopment Area that is in need of redevelopment to cause the removal of blight and substandard conditions, which property is identified and legally described on the attached and incorporated Exhibit “A” (the “Project Site”), and to identify a proposed redevelopment project on the Project Site.

**Project Site**

The Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CDA finds that such a redevelopment of the Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight.

The Project Site is currently vacant and underdeveloped. The Project Site requires significant up-front costs, including site preparation and grading, and the extension of water, sewer, and electrical utility improvements, in order to be developed. Because of these additional upfront costs to prepare the Project Site, the Project is not feasible without the use of tax increment financing.

The Project Site was annexed into the corporate limits of the City in 2022. Most of the Project Site is currently zoned R-3 Multi-Family Residential District, and a small portion of the Project Site is currently zoned C-1 Central Commercial District. The entire Project Site is designated as Single Family Residential on the

Future Land Use Map in the Comprehensive Plan. The portion of the Project Site currently zoned C-1 will need to be rezoned to R-3.

### **Project**

CSV, LP (“Redeveloper”) has submitted a proposal for the redevelopment of the Project Site. The project under consideration will consist of the construction of an approximately 36,000 square foot, three-story apartment building with thirty (30) 2-bedroom, 1-bathroom units, and associated improvements on the Project Site (the “Project”). A preliminary site plan is attached as Exhibit “B” and incorporated by this reference. The CDA acknowledges that the site plan is preliminary in nature and subject to change.

The Project will create affordable housing for seniors in the City. All of the units will be restricted to senior households (55+) with income levels at or below 60% Area Median Income (AMI), with 9 units at or below 50% AMI and 7 units at or below 30% AMI. The Project is anticipated to be partially funded with Low Income Housing Tax Credits (LIHTC), and other available state and federal programs to support affordable housing.

Pursuant to this Project, Redeveloper will pay the costs of the private improvements and the public improvements. As part of the Project, the CDA shall utilize tax increment financing (“TIF”) on the Project Site to assist in payment of the public improvements, but Redeveloper shall pay all the costs of the public improvements not covered by TIF.

Construction on the Project is anticipated to commence in October, 2023, and construction is anticipated to be completed in December, 2024. The base year for the Project is anticipated to be 2024, and the effective date for the division of taxes would be January 1, 2025.

The base value of the Project Site is anticipated to be \$64,000 after subdivision. The final value of the Project Site is anticipated to be \$1,300,000. Therefore, the anticipated increase in valuation from this Project will be approximately \$1,236,000 and the projected annual tax increment will be approximately \$25,756. Based upon the anticipated final valuation of \$1,300,000 and an 8.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$223,000.<sup>1</sup>

Redeveloper estimates that the total Project costs shall be approximately \$8,700,000. The TIF-eligible expenditures included in these costs are more than \$840,000. The current projected TIF Uses for the Project are set forth below:

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<sup>1</sup> For the purpose of the TIF Projections for this Project, the CDA: (1) has assumed the project will capture the full 15 years of tax increment and there will not be a partial valuation in the first year; (2) has not accounted for any increase in the assessed value of the Project Site during the 15 year tax increment financing period; and (3) has not utilized any assumed state property tax credit. All of these assumptions will change the actual amount of the tax increment generated by the Project.

Site Acquisition	\$250,000
Site Preparation/Grading	\$240,088
Water	\$28,156
Sanitary Sewer	\$28,156
Storm Sewer	\$55,208
Electrical	\$30,000
Street	\$20,000
Sidewalk	\$21,830
Architectural Fees	\$128,000
Engineering Fees	\$40,000
Total:	\$841,438

The list of TIF Uses is preliminary and subject to change, and the costs are estimates. The actual cost of all TIF Uses must be certified to the CDA to be eligible for reimbursement. In addition, TIF-eligible expenditures will include, and Redeveloper shall pay, the CDA's cost of issuance, including attorney fees, the CDA's 1% administrative fee, and the CDA's 6% designated sum for City improvements.

The use of TIF to assist with the costs of the public improvements will make the Project as designed feasible. The private improvements cannot be constructed without the site work and public infrastructure improvements, and the public improvements require the use of TIF to assist with the costs. The redevelopment of the Project Site pursuant to the Project identified in this Plan Amendment will eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan. As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to assist with payment for those eligible expenditures as set forth in the Act. The additional costs of the public improvements and all the costs of the private improvements shall be paid by Redeveloper; the City and/or CDA shall not be required to incur any costs or expenses with respect to this Project other than the issuance of the TIF Indebtedness. Redeveloper shall arrange all financing necessary for the Project, including any financing relating to the TIF Indebtedness.

### **Statutory Elements**

This section includes a consideration of the statutory elements identified under the Act.

#### **A. Property Acquisition, Demolition and Disposal**

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. The Project Site is under contract for purchase by Redeveloper.

B. Population Density

The proposed development at the Project Site is the construction of thirty (30) rental units. Accordingly, an increase in population density is anticipated within the Project Site. The purpose of the Project is to create additional housing, specifically affordable housing for seniors, to meet the demand in the City.

C. Land Coverage

The Project Site will be approximately 3 acres after subdivision. The land coverage footprint of the apartment building shall be approximately 12,000 square feet. The Project will be required to meet the applicable land-coverage ratios and zoning requirements as required by the City of Crete.

D. Traffic Flow, Street Layouts, and Street Grades

It is anticipated that the Project will increase traffic flow in and to the Project Site and the Redevelopment Area. The Project is located along E 29th Street, but is without direct access to the same. Redeveloper will construct paving for ingress and egress therefrom. No further street improvement should be required based on the Project.

E. Parking

The Crete Municipal Code requires 2 off-street parking spaces per multiple-family dwelling unit. The Project includes thirty (30) units, so at least sixty (60) spaces would be required. There will be a surface parking lot for the apartment building. The Project will be required to meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned R-3 Multi-Family Residential District and C-1 Central Commercial District. Redeveloper will need to seek a change of zone for the portion of the Project Site currently zoned C-1 to R-3. In addition, the Project Site will need to be subdivided from the larger parcels. Redeveloper shall be responsible for compliance with the City of Crete zoning regulations, subdivision regulations, building regulations, and all other applicable laws and codes.

**Cost-Benefit Analysis**

Pursuant to section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit "C" and incorporated by this reference.

## **Comprehensive Plan**

Several goals set forth in the City of Crete Comprehensive Plan dated December, 2014 (the “Comprehensive Plan”) will be furthered by this Project, including, but not limited to:

### **HOUSING & NEIGHBORHOOD DEVELOPMENT**

**Goal 1: Community Housing Initiative.** The City of Crete should implement a Housing Initiative as a primary economic development activity. This Community Housing Initiative should include the development of up to 314 new housing units by 2024, including an estimated 184 owner housing units and 130 new rental units. The development of up to 314 new housing units would add an estimated \$61 Million to the Crete property tax base. This Housing Initiative would provide current and future residents of the Community with access to a variety of safe, decent and affordable housing types for families and individuals of all age, household size and income sectors.

**Goal 2: New Housing Developments.** New housing developments in the City of Crete should address the needs of both owner- and renter households, of all age and income sectors, of varied price products. Citizen Survey participants identified housing for low- to moderate income families, existing/new employees and first-time homebuyers, consisting of three+-bedroom, single family housing as a great need for the Community.

- **Action Step 1:** Identify up to 185 acres of land for new residential development to meet the estimated need for 314 additional housing units by 2024. The City should develop housing in both new and developed areas of the Community.
- **Action Step 3:** Build an estimated 70 rental housing units for persons and families of very-low- to moderate-income and an estimated 58 rental units for households of moderate- to upper-income. The elderly household population should be targeted for both the upper-income and very-low income rental units ... Rental housing price products in Crete should range in monthly rents from \$545 to \$795, depending on the size, number of bedrooms and the household income sector being served. Rental units of all types should be constructed in Crete ...
- **Action Step 5:** Provide a variety of new retirement and elderly housing types in order to retain these groups in the City ...
- **Action Step 6:** Future housing development programs in Crete should be concentrated in the eastern portion of City, between Iris Avenue and County Road 2400 ...

**Goal 4: Financing Housing Development.** The City of Crete and housing developers should consider both public and private funding sources to both construct new housing and maintain the existing housing stock.

- **Action Step 2:** The City of Crete should utilize Tax Increment Financing (TIF) to assist in the financing of new housing developments, specifically public facility and utility requirements ...
- **Action Step 3:** Housing developers in Crete should be encouraged to pursue the securement of any and all available tools of financing assistance in the development of new housing projects in the Community. This assistance is available with the Nebraska Investment Finance Authority, Nebraska Department of Economic Development, USDA-Rural Development, Federal Home Loan Bank and the Department of Housing and Urban Development, in the form of grants, tax credits and mortgage insurance.

The Project meets and furthers the goals set forth in the Comprehensive Plan and is thus in conformance with the Comprehensive Plan.

*Note: This section does not constitute a comprehensive analysis of the Project's conformance with the Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.*

#### **Additional Project Information from Redeveloper**

Redeveloper has represented that: (i) without the use of TIF, this Project would not be feasible and the Redeveloper could not develop this Project on the Project Site; (ii) no families will be displaced or relocated from the Project Site based upon this Project, and (iii) Redeveloper does not intend to file an application with the Department of Revenue to receive tax incentives under the ImagiNE Nebraska Act.

**EXHIBIT "A"**  
**Legal Description of the Project Site**

The Project Site is an approximately 3 acre portion of the parcels identified as PIDs 760049874, 760147708, and 760050201, and legally described as follows:

**PID 760049874**

A parcel of land located in the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East of the 6th P.M., Saline County, Nebraska, said tract shall be fully described by metes and bounds as follows:

Commencing at the North Quarter (N $\frac{1}{4}$ ) corner of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East, and the point of beginning; thence North 88°23'54" East (an assumed bearing) on the North line of the Northwest Quarter of Section 26, a distance of 800.24 feet; thence South 01°36'06" East, a distance of 45.00 feet; thence North 88°23'54" East, on the South right of way of Country Road "E", a distance of 750.00 feet; thence South 01°36'06" East, a distance of 1278.33 feet, to a point on the South line of the North One Half of the Northeast Quarter of Section 26; thence South 88°12'05" West, on said South line, a distance of 1539.82 feet, to the W 1/16 Corner of the Northeast Quarter of Section 26; thence North 02°03'06" West, on said West line, a distance of 1328.66 feet, to the point of beginning.

**PID 760147708**

A parcel of land located in the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East of the 6th P.M., Saline County, Nebraska, said tract shall be fully described by metes and bounds as follows:

Commencing at the North Quarter (N $\frac{1}{4}$ ) corner of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East; thence North 88 degrees 23 minutes 54 seconds East, (an assumed bearing) on the North line of the Northwest Quarter (NW $\frac{1}{4}$ ) of Section Twenty-Six (26), a distance of 800.24 feet; thence South 01 degrees 36 minutes 06 seconds East, a distance of 45.00 feet; thence North 88 degrees 23 minutes 54 seconds East, on the South right of way of County Road "E", a distance of 750.00 feet; thence South 01 degrees 36 minutes 06 seconds East, a distance of 15.00 feet to the point of beginning; thence South 01 degrees 36 minutes 06 seconds East, a distance of 1,263.33 feet, to a point on the South line of the North One Half of the Northeast Quarter (N $\frac{1}{2}$  NE $\frac{1}{4}$ ) of Section Twenty-Six (26); thence North 88 degrees 12 minutes 05 seconds East on said South line a distance of 1,056.74 feet to a point on the West right of way of County Road 2400; thence

North 01 degrees 50 minutes 32 seconds East, on said West right of way, a distance of 239.40 feet; thence North 88 degrees 09 minutes 28 seconds East, on said right of way, a distance of 30.00 feet; thence North 01 degrees 50 minutes 32 seconds East, on said right of way, a distance of 799.34 feet; thence South 88 degrees 23 minutes 54 seconds West, on said Westerly right of way, a distance of 30.00 feet; thence North 01 degrees 50 minutes 32 seconds East, on said West right of way, a distance of 220.85 feet, to the intersection of the West right of way of County Road 2400, and the South right of way of County Road "E"; thence South 88 degrees 23 minutes 54 seconds West, on said South right of way, a distance of 1,051.44 feet to the point of beginning.

**PID 760050201**

A tract of land located in the North Half of the Northeast Quarter (N $\frac{1}{2}$  NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4), East of the 6th Principal Meridian, Saline County, Nebraska, more particularly described as follows:

Beginning at the Northeast corner of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East; thence west, along the north section line of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East, a distance of 1876.19 feet; thence south perpendicular, a distance of 45.00 feet; thence east, perpendicular, a distance of 750.00 feet; thence south, perpendicular, a distance of 15.00 feet; thence east, perpendicular, a distance of 1126.19 feet to the east line of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East; thence north along the east line of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Eight (8) North, Range Four (4) East, a distance of 60.00 feet to the point of beginning, EXCEPT that portion thereof, which is assumed to be County Road Right-of-Way.

Note: The Project Site will be subdivided and replatted following approval of this Plan Amendment. Upon subdivision approval, the legal description of the Project Site created thereby shall replace and supersede the above legal description.



The parcels in questions are depicted on the following map:

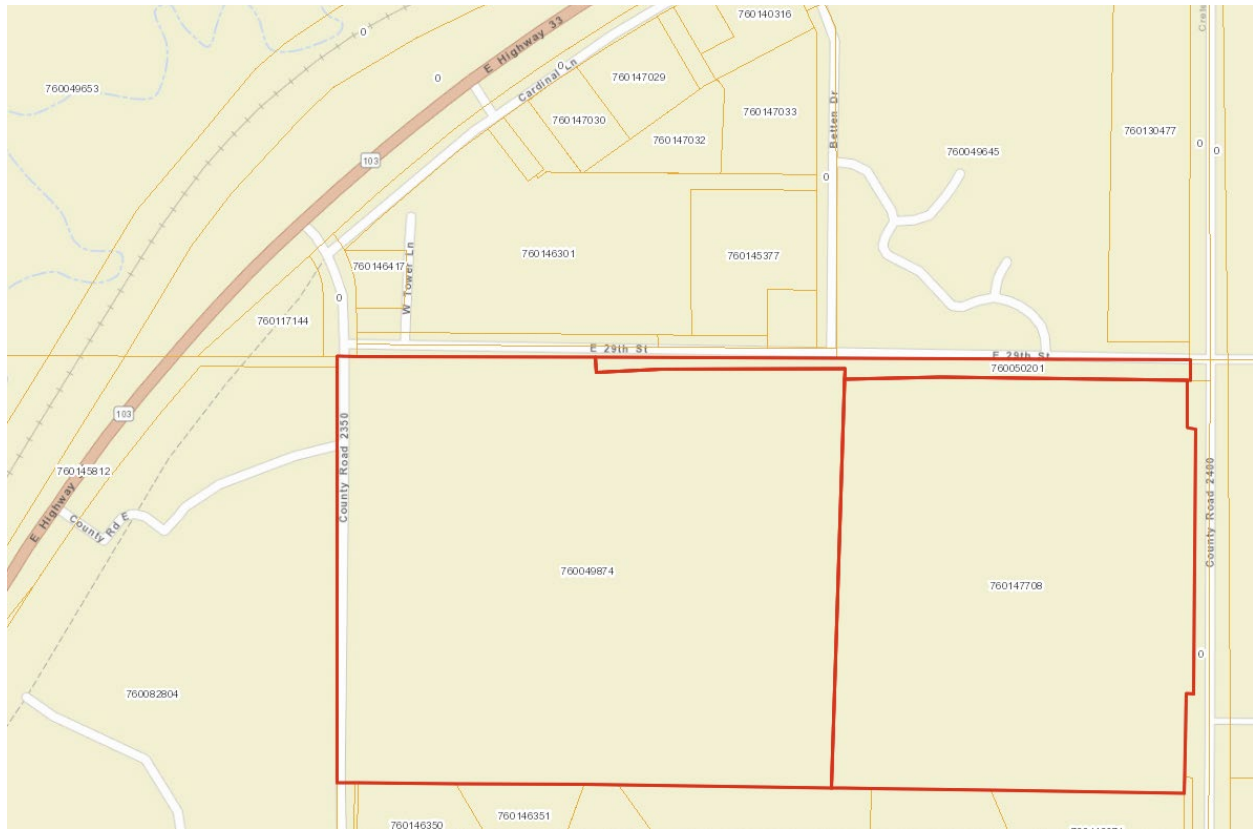


Exhibit "A"

**EXHIBIT "B"**  
**Preliminary Site Plan**

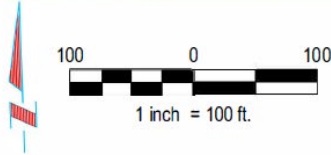


**CONCEPTUAL SITE PLAN**

**ACTUAL SITE PLAN MAY CHANGE**

CRETE PROJECT  
SITE PLAN

CRETE, NEBRASKA  
04-May-23



**EXHIBIT “C”**  
**Cost Benefit Analysis**  
**(Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Crete Senior Villas Redevelopment Project, as described in the Plan Amendment to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing funds authorized by Neb. Rev. Stat. § 18-2147.

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

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

a.	Base Valuation:	\$64,000
b.	Projected Completed Project Assessed Valuation:	\$1,300,000
c.	Projected Tax Increment Base (b. minus a.):	\$1,236,000
d.	Estimated Tax Levy:	2.083792
e.	Annual Projected Tax Shift:	\$25,756

*Note: The Projected Tax Increment 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. The levy rate is assumed to be the 2022 levy rate. There has been no accounting for a partial valuation in the first year of the TIF period. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period. There has been no accounting for any annual state property tax credit.*

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

a. Public infrastructure improvements and impacts:

The Project requires public infrastructure improvements. The Project Site will require the construction of vehicular access from E 29th Street, along with the construction and/or extension of utilities to serve the improvements constructed thereon. The public improvements for the Project will address any traffic and street infrastructure concerns that would otherwise be created by the Project. The Project Site will be filled and graded to provide for effective surface water runoff. The CDA and Redeveloper do not anticipate that the Project will have a negative impact on now-existing City infrastructure or any community public services.

- b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. It is anticipated that the residents of the apartment building will pay sales tax on goods bought in the City and will require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

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

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create additional housing in the City. This is viewed as a positive impact for employers, as additional housing is needed in the City for employees. Without an adequate housing stock, businesses are unlikely to expand or relocate to the area.

**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:**

Similar to the item number 3, above, the Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers, but should increase the need for services and products from existing businesses.

**5. Impacts on the student populations of school districts within the City:**

It is not anticipated that the Project will have a material impact on the student populations of the school district within the City. The housing development is targeted to seniors. Therefore, the CDA and Redeveloper do not anticipate that the Project will result in a material increase in the number of school-aged children within the school district.

**6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:**

There is a need for additional housing, specifically affordable housing, to retain seniors in the City, and this Project will fill that need. There are no other

material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

## **7. Summary of Findings:**

The Project will increase the City's tax base, without material adverse effect on either public or private entities. The Project will increase property tax revenue in the long-term. The Project will facilitate the development of a blighted and substandard area of the City without the incurrence of significant public cost. The benefits outweigh the costs of the proposed Project.