

MCCOOK CITY COUNCIL

REGULAR MEETING

**Monday, September 11, 2023
5:15 PM - City Council Chambers**

Open Meetings Act Announcement.

Items

1. Approve the minutes of the August 14, 2023 regular Planning Commission meeting.
2. Public Hearings and Regular Agenda.
 - A. Public Hearing - Regarding the Amendment to the Redevelopment Plan for the Elevate Wellness Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.
 1. Adjourn the Public Hearing.
 - B. Approve Resolution No. PC 2023-06 making a recommendation to the Community Development Agency and the City Council of the City of McCook, Nebraska, with respect to the Redevelopment Plan Amendment for the City of McCook, Nebraska, including the Elevate Wellness Redevelopment Project.

Adjournment.

**CITY MANAGER'S REPORT
SEPTEMBER 11, 2023 PLANNING COMMISSION MEETING**

ITEM: **1.**

RECOMMENDATION:

Approve the minutes of the August 14, 2023 regular meeting.

BACKGROUND:

Receive and approve the minutes.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

September 7, 2023

McCook Planning Commission
August 14, 2023
5:15 P.M. Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:15 o'clock P.M. in the City Council Chambers.

Present: Chair Vosburg; Vice Chair Hilker; Commissioners Bradley, Davidson, Dueland, Friehe, Lyons, McDowell, Stevens, Mockry.

Absent: None.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Public Works Director Potthoff.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on August 10, 2023, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to all members of the Planning Commission. Availability of the agenda was communicated in the advance notice. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Chair Vosburg announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.

1. Approve the minutes of the July 10, 2023 regular Planning Commission meeting.

Motion to approve the minutes of the July 10, 2023 regular Planning Commission meeting. This motion, made by Vosburg and seconded by Hilker, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: YEA, Hilker: YEA, Lyons: YEA, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA

YEA: 10, NAY: 0

2. Discussion regarding a Land Use Action Request application from McCook Solar, LLC for consideration of a special exception designation to allow for an alternative solar energy system to be located within McCook's extraterritorial jurisdiction, said district zoned as an Agricultural District (AG).

City Manager Schneider reviewed the following information contained in his City Manager's Report dated August 14, 2023: "McCook Solar, LLC has submitted a Land Action Request application, requesting permission to locate an alternative solar energy system within McCook's extraterritorial zoning jurisdiction. The solar project would be located northwest of McCook. The area is currently zoned as an Agricultural District (AG). Per Article 7, Section 703 of the McCook Zoning Ordinance, alternative solar energy systems may be permitted if the provisions relating to a special exception have been fulfilled. Article 24, Section 2402 of the McCook Zoning Ordinance, establishes the

criteria that must be complied with in order to receive such a special exception designation. Article 7, Section 703 and Article 24, Section 2402, are included with this report for review.”

“Attached to this report is the Land Action Request application. The purpose of the application is to request the construction and continued maintenance of a 65 megawatt AC solar electric generating facility to be located on approximately 551 acres of land. The project would include, but not be limited to, solar panels, racking, trackers, inverters, a short overhead transmission line from the project substation to the McCook Substation, battery energy storage system, access roads, laydown yard, transformer, junction boxes, substation, operations and maintenance building, and the AC electrical current collection system. The application includes signatures from potential leaseholders as consenting stakeholders.”

“The City of McCook has contracted with Marvin Consulting to assist with our review of the application and to help apply the findings to McCook's special exception criteria. Keith Marvin will be present via Zoom at Monday's meeting. The City of McCook has also contacted NPPD and MPPD to provide input with respect to the application. Brice Barton of 39North will be present to speak on behalf of the application.”

“This item is a discussion item and no action will be taken at the meeting.”

City Attorney Mustion stated that discussion needs to stay on the Special Exception Considerations A - I and comments from the public will be limited to five minutes.

Representatives present via zoom for the City were Marvin Consulting representatives Keith Marvin and John Shepherd. Representatives present for McCook Solar, LLC, 39North, and Birch Creek Development, LLC were Brice Barton, Thadd Barker, and Jennifer Dean. Those present via zoom were John Arb, David Levy, and Christi Thomas.

Brice Barton, 39North, reviewed the Land Use Application with the Commission.

Commissioner discussion included if the development was contingent to having buyers (Power Purchase Agreement - PPA) for the power, would they start construction without the buyer (PPA); if it was an assignable lease; how the Nameplate Capacity Tax and the Real Property Tax works; how is the stormwater runoff handled - a NPDES permit is required; how is decommissioning of the project handled - they recycle as much as can be and dispose of according to Federal Law; how are damaged panels, such as those in western Nebraska destroyed by hail, disposed of - they recycle as much as can be and dispose of according to Federal Law, a majority of those panels destroyed by hail are still operable; the length of the contract is 40 years; the type of fencing is used for buffering; where will their domestic water come from; will there be any power storage - does not contemplate any at this time, Mr. Arb added that Battery Energy Storage (BES) could be done as expansion of the project; is there any special fire training required; what amount of noise will there be - the panels make little noise, will have a main transmission/substation similar to the current NPPD substation; and do they have any locations in Nebraska - none at this time, but there are others located in Nebraska.

Mr. Marvin noted that the Future Land Use map included in the City's Comprehensive Plan might need to be amended to remove the portion designated as residential development.

Todd Cappel expressed concerns approving the request before they have a purchase power agreement, could that be a condition of the conditional use permit; his discussions with NPPD indicate that there is a lot more to the process than they are alluding to, to get approval with the Southwest Power Pool.

Tim Walters questioned if the County has any ruling on what is included in the City's extraterritorial jurisdiction; this area appears to be where the growth of McCook will be and expressed concerns with putting a project of this size for 40 years, it will kill McCook's growth.

Brian Loeker questioned the process for taking care of the equipment when damaged.

Chris Flaska questioned the demand for the power produced by something of this size.

Greg Wolford, representative the Masonic Temple, one of the landowners, spoke in support of the project. They are a charitable organization that has donated to various projects, one of them being their recent donation to the swimming pool project. The \$50,000 a year into their budget would be a benefit. They too did have the same questions presented and are now comfortable with the project.

City Manager Schneider noted that the request will be on the Council agenda for discussion at their August 21 meeting.

Adjournment.

With no further questions of the applicant, Chair Vosburg declared the Planning Commission meeting adjourned at 7:00 P.M.

Lea Ann Doak, City Clerk-Treasurer
Recording Secretary

**CITY MANAGER'S REPORT
SEPTEMBER 11, 2023 PLANNING COMMISSION MEETING**

ITEM NO. 2.A Public Hearing - Regarding the Amendment to the Redevelopment Plan for the Elevate Wellness Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.

ITEM NO. 2.B Approve Resolution No. PC2023 -~~06~~ making a recommendation to the Community Development Agency and the City Council of the City of McCook, Nebraska, with respect to the Redevelopment Plan Amendment for the City of McCook, Nebraska, including the Elevate Wellness Redevelopment Project.

BACKGROUND:

A Redevelopment Plan Amendment has been requested by Emily and Jeremy Young, who own property located in the Southeast Quarter (SE1/4) of Section 24, Township 3, Range 30, West of the 6th P.M., in McCook, Red Willow County, Nebraska. The parcel of property owned by the Youngs was recently subdivided by the McCook City Council. The parcel is situated within Redevelopment Area #3, which was established in 2013. The Youngs have requested that their property be identified as a specific region in the Redevelopment Area that is in need of redevelopment to cause the removal of blight and substandard conditions.

Per Nebraska State law, redevelopment is encouraged in areas determined to be blighted and substandard. The Redeveloper's intend to improve the area by constructing a health and wellness facility that will expand the current services and outreach that the Redeveloper's business is able to provide at its current location. As part of the project, public infrastructure will have to be constructed. In order to help pay for some of the public improvements, the Redeveloper desires to utilize the tax increment generated by the private improvements constructed on the site. In order to do so, the attached Amendment to the Redevelopment Plan must be approved by the Community Development Agency and the City Council.

To this end, estimates show that the total cost of the project will be \$1,443,000. The total cost includes an estimated \$261,500 of TIF eligible public costs. The breakdown of eligible costs can be found on page 3 of the Plan. Based upon an anticipated completed valuation of \$1,367,506 and a 6.0% interest rate for the TIF Note, approximately \$239,000 in TIF indebtedness can be supported through the payment of future property tax.

The Plan recites how it complies with the State's statutory requirements (pg. 5). The Plan recites how it correlates to McCook's Comprehensive Plan (pg. 5 and 6). A Cost-Benefit Analysis is included with the Plan (Exhibit "D").

The Redevelopers assert, that without the use of TIF, the project would not be feasible and could not be developed on the project site. Additionally, the Redevelopers assert that no families will be displaced or relocated from the project site based upon the project.

EXHIBIT #1

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APPROVALS:



Nathan A. Schneider, City Manager

September 6, 2023



Lea Ann Doak, City Clerk

September 6, 2023

NOTICE OF PUBLIC HEARING

Public notice is hereby given by the Planning Commission of the City of McCook, Nebraska, that a public hearing will be held at 5:15 p.m. on Monday, September 11, 2023, in the City Council Chambers at the McCook Municipal Center, 505 West "C" Street, McCook, Nebraska.

The purpose of the hearing is to obtain public comment prior to the review and consideration of a proposed redevelopment plan for certain property within the City of McCook, which plan shall include a redevelopment project that will utilize tax increment financing.

The property which is the subject of this Notice and of the public hearing is legally described as follows:

Lot 1 of Heritage Pointe Addition No. 2 to the City of McCook, Red Willow County Nebraska, according to the recorded Plat thereof as Instrument No. 2022-01677 of the records of Red Willow County, Nebraska.

All interested parties shall be afforded at such public hearing a reasonable opportunity to express their views regarding the proposed redevelopment plan. A map of the redevelopment area and a copy of the redevelopment plan and cost-benefit analysis for the project shall be maintained at the office of the City Clerk.

/s/Lea Ann Doak, City Clerk

Publish: August 25, 2023 and September 1, 2023

EXHIBIT #2

PAGE(S) - 1

COPY OF NOTICE MAILED TO:

McCook Community College
President
1205 East 3rd
McCook, NE 69001

Chairman of the Board
Educational Service Unit No 15
344 Main
PO Box 398
Trenton, NE 69044

Chairman of the Board
Middle Republican NRD
208 Center Ave
PO Box 81
Curtis, NE 69025

Chairman of the Board
Red Willow County Commissioners
502 Norris Avenue
McCook, NE 69001

Board President
McCook School District
600 West 7th
McCook, NE 69001

EXHIBIT #3

PAGE(S) - 1



P.O. BOX 1059 · 505 West C Street · McCOOK, NE 69001 · PHONE (308) 345-2022 · FAX (308) 345-1461

CERTIFIED MAIL

Date: August 31, 2023

To: McCook Community College
President
1205 East 3rd
McCook, NE 69001

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Lea Ann Doak, City Clerk

EXHIBIT #4

PAGE(S) - 5



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CERTIFIED MAIL

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Chairman of the Board
Educational Service Unit No 15
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PO Box 398
Trenton, NE 69044

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Lea Ann Doak, City Clerk



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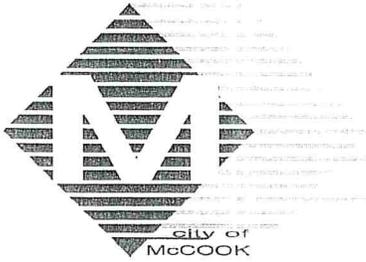
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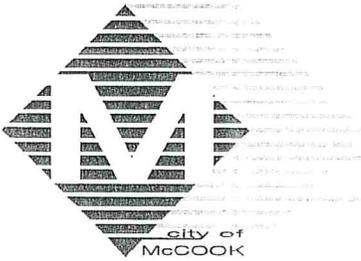
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Lea Ann Doak, City Clerk

**AMENDMENT TO THE REDEVELOPMENT PLAN
OF THE CITY OF MCCOOK, NEBRASKA
(ELEVATE WELLNESS REDEVELOPMENT PROJECT)**

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for the City of McCook, as amended (the "Redevelopment Plan"). The Redevelopment Plan was approved by the McCook City Council in January 2013. 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"), McCook created the Community Development Agency of the City of McCook ("CDA"), which has administered the Redevelopment Plan for the City. The Redevelopment Plan describes Redevelopment Area #3 (the "Redevelopment Area"), which includes the Project Site, as defined below. The purpose of this Plan Amendment is to identify a specific region in the Redevelopment Area that is in need of redevelopment to cause the removal of blight and substandard conditions. The project site for this project is legally described on the attached Exhibit "A", which is incorporated herein by this reference (the "Project Site").

The Project Site

The Project Site is generally located in the Southeast Quarter (SE 1/4) of Section 24, Township 3, Range 30, West of the 6th P.M., in McCook, Red Willow County, Nebraska, as depicted below:



The Project Site is located in the Redevelopment Area that was declared blighted and substandard by the City in 2013 pursuant to a Blight and Substandard Study prepared by Hanna:Keelan Associates, P.C. The Project Site consists of approximately 1.07 acres of vacant property within the corporate limits of the City. The Project Site has been identified in the Future Land Use Map of the Comprehensive Plan (defined below) as a target area for commercial development. The Project Site is located within the Business Commercial (BC) Zoning District. Personal and professional offices or services, and business offices and services are permitted uses in the BC District.

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 Project 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 conditions of blight.

The Redevelopment Project

Emily Young and Jeremy Young (“Redeveloper”) currently own the Project Site. Pending approval of this Plan Amendment, Redeveloper intends to construct a health and wellness facility that will expand the current services and outreach that Redeveloper’s business, Elevate Wellness and Physical Therapy, is able to provide at its current location. More specifically, construction will include a larger waiting area for increased patient and client demand, several private treatment rooms for individual practitioners, an open concept gym with exercise equipment for patient/client use as well as public membership, an enclosed large area for group yoga/pilates exercise, and a shared workspace and conference room for all providers located on the Project Site.

Redeveloper shall construct and install all the public and private improvements for the Project. The Project Site does not have sufficient public infrastructure to support any development at this point. Redeveloper intends to construct the required utility infrastructure to support the Project, including but not limited to: sidewalks, water, sewer, and electrical improvements, among other things. However, Redeveloper does not have sufficient funds to pay for the necessary public infrastructure improvements. Redeveloper desires to utilize the tax increment generated by the private improvements constructed on the Project Site to repay the costs of installing the public improvements and associated expenses.

Construction on the public improvements is anticipated to commence in fall of 2023 and be completed in summer of 2024, depending on contractor scheduling and Redeveloper’s ability to obtain initial financing. Once the improvements and renovations have been completed, Redeveloper intends to operate a portion of the building for her business, Elevate Wellness and Physical Therapy. Redeveloper also intends to lease additional space to third-party health and wellness providers. The Project will allow services to be brought to Southwest Nebraska that are not currently available outside of a 1-2 hour drive.

The Project Site does not have sufficient infrastructure or amenities to support the health and wellness facilities at this point. Redeveloper is willing to construct the required infrastructure and complete the required renovations to support the Project, but the Redeveloper does not have sufficient funds to pay for the necessary infrastructure improvements or renovations. Redeveloper desires to utilize the tax increment generated by the private improvements constructed on the Project Site to repay the cost of completing the improvements as well as the associated expenses.

The preliminary estimated total cost of the Project is \$1,443,000. The total cost includes an estimated \$261,500 of TIF-eligible public costs needed to develop the Project Site and support the private improvements. The breakdown of preliminary estimated TIF-eligible costs is set forth below:

Site Acquisition	\$	74,000.00
Site Preparation/Grading	\$	5,000.00
Site Development	\$	4,500.00
Public Spaces	\$	6,000.00
Public Parking	\$	127,000.00
Energy Efficiency	\$	15,000.00
Arch., Eng., & Legal Fees	\$	30,000.00
Total Eligible Costs	\$	261,500.00

The TIF-eligible costs are estimates, and the actual costs shall be certified upon completion of the work, as further detailed in the Redevelopment Agreement. The Redeveloper is willing to construct the public and private improvements subject to receiving the TIF generated by the Project up to the total cost of the public improvements.

Without TIF, construction of the improvements and renovations on the Project Site would be cost prohibitive and the Redeveloper could not complete the Project, enabling business expansion and additional health and wellness services to be provided to the City.

Tax Increment Financing

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible

expenditures under the Act in the Redevelopment Area. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces 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 are all other taxes collected by or for the body ("Base Tax Amount"); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority 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, such authority for financing or refinancing, in whole or in part, the redevelopment project.

The Project will support approximately \$239,000 in TIF Indebtedness based upon the projected base value of \$37,237, an anticipated completed valuation of \$1,367,506, and a 6.0% interest rate for the TIF Note. The TIF-eligible uses identified by the Redeveloper, together with the 3% CDA administration fee and costs of issuance, which are additional TIF-eligible uses that Redeveloper shall be required to pay, exceed the anticipated TIF amount of \$239,351. The projected TIF Uses and Sources are set forth in more detail on the attached and incorporated Exhibit "B". The final, actual cost of all TIF-eligible expenses shall be certified by Redeveloper upon completion of construction.

The first year that the tax increment is anticipated to be captured will be either 2024 or 2025, depending on the construction schedule and any partial valuation in 2024 during construction. The real property ad valorem taxes on the base valuation will continue to be paid to the appropriate taxing jurisdictions. The increase will come from development of the Project Site for operation as a health and wellness facility as previously described. The costs of the eligible improvements are estimates, and more detail shall be set forth in the Redevelopment Agreement for the Project.

Statutory Elements

A. Property Acquisition, Demolition and Disposal

No public acquisition or disposal of private property or relocation of families or businesses is necessary to accomplish the Project. Redeveloper owns the Project Site.

B. Population Density

The proposed development of the Project Site is the construction of a commercial health and wellness facility and associated street and parking improvements. As such, the Project will not materially increase the population density in the Redevelopment Area.

C. Land Coverage

The Project will comply with all land coverage requirements in the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

The Project is anticipated to increase traffic to and from the Project Site. Nonetheless, the existing public streets are sufficient to support the Project. The Project Site is located near Highway 83, which is classified as a major arterial. Redeveloper will address any traffic and street concerns created by the Project.

E. Parking

Redeveloper will construct parking stalls that will be available to the health and wellness facility as well as the general public, as set forth in the Redevelopment Agreement. The constructed parking lot will meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is located within the corporate boundaries of the City of McCook in the Business Commercial (BC) Zoning District. Personal and Professional offices or services, and business offices and services are permitted uses. No additional zoning, building code, or ordinance changes should be necessary for the Project, but Redeveloper shall be responsible for any further zoning changes that are necessary.

Comprehensive Plan

The McCook, Nebraska Comprehensive Plan 2013-2023 was prepared by Hanna:Keelan Associates, P.C. and adopted as the comprehensive plan for the City (the "Comprehensive Plan"). The Project conforms to the Comprehensive Plan. Of

particular note are the community goals and action steps identified in Section 2 of the Comprehensive Plan, including:

- Create up to 200 new jobs in McCook by 2023. This should be achieved by expanding existing and adding commercial businesses and industrial companies.
- Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. Maintain and improve both public and private services, businesses and industries in McCook, in an effort to increase and diversify employment opportunities.

The following statements provided in Section 6 of the Comprehensive Plan, relating to community and economic development profile and plans, also provide support for the Project:

- Support successful home-based businesses that have outgrown the “home,” and/or incubator mall, and are in need of permanent commercial or industrial locations.
- McCook needs to continue to pursue the service, commercial and industrial businesses needed to serve both the Community and Red Willow County. The local health, educational and recreational facilities should play a major role in attracting new business.
- The retention and expansion of existing businesses should have equal priority to that of new developments.
- McCook must also create job opportunities by helping existing businesses in the City to expand their markets and compete more successfully.

The Comprehensive Plan supports the use of TIF:

- Expand efforts to utilize Federal, State and Local Governmental Incentives for promoting economic development in McCook and recruit and retain job/business opportunities.
- Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments. McCook has three designated Redevelopment Areas where TIF can be utilized, including the Downtown and surrounding residential neighborhoods, Highway 6/34 and Highway 83 Corridors and the Industrial Park and residential neighborhood in southeast McCook.

- McCook will need to consider the use of Tax Increment Financing for Community development activities involving the improvement of public utilities, facilities, public utilities, streets, sidewalks and trails.

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.

Additional Project Information from the Redeveloper

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

EXHIBIT "A"

Legal Description/Final Plat of the Project Site

The Project Site is legally described as follows:

Lot One (1) of Heritage Pointe Addition No. 2 to the City of McCook, Nebraska according to the recorded Plat thereof at Instrument No. 2022-1677 of the records of Red Willow County, Nebraska.

The Final Plat of the Project Site is depicted below:

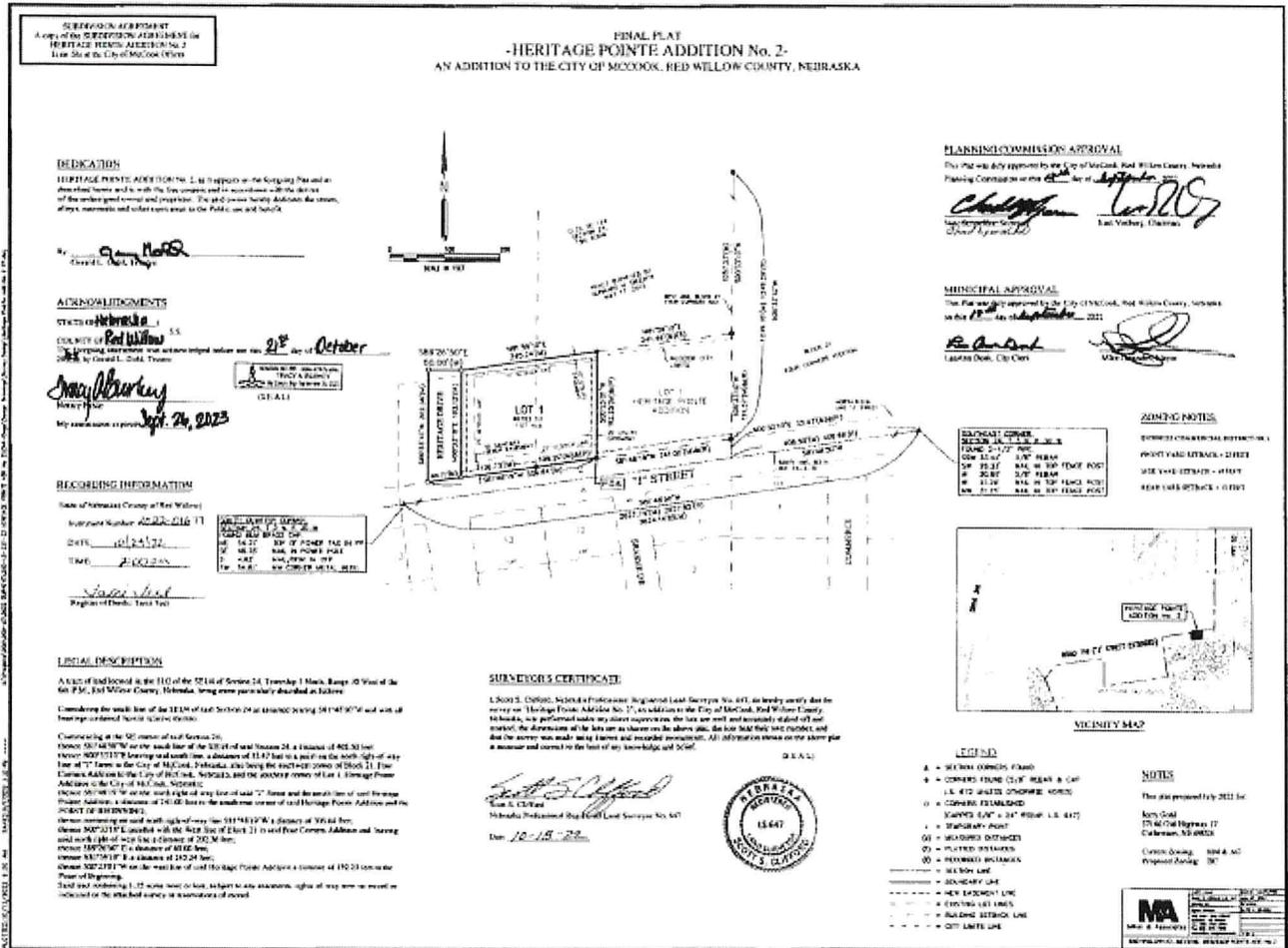


Exhibit "A"

EXHIBIT "B"
Projected TIF Sources and Uses

TIF SOURCES: TIF authorized up to the amount of \$239,000, based upon the anticipated cost of the eligible TIF uses described below.

Assumptions:

Tax Levy:	1.854491
Project Site Base Value	\$37,237
Interest Rate	6.0%

TIF Calculation:

	Value	Taxes
Base Year	\$37,237	\$691
Completed	\$1,367,506	\$25,360
Increment	\$1,330,269	\$24,670

Annual TIF	\$24,670
Total TIF (15 yrs)	\$366,345
Present Value	\$239,000

TIF USES: The cost of the TIF Uses shown below are based upon preliminary bids.

Site Acquisition	\$ 74,000.00
Site Preparation/Grading	\$ 5,000.00
Site Development	\$ 4,500.00
Public Spaces	\$ 6,000.00
Public Parking	\$ 127,000.00
Energy Efficiency	\$ 15,000.00
Arch., Eng., & Legal Fees	\$ 30,000.00
Total Eligible Costs	\$ 261,500.00

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

The cost-benefit analysis for the Project, as described in the Amendment to the Redevelopment Plan 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. The costs and benefits of the Project are identified as follows:

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 tax shift is as follows:

a.	Estimated Base Project Area Valuation:	\$37,237
b.	Max. Projected Completed Project Assessed Valuation:	\$1,367,506
c.	Projected Tax Increment Base (b. minus a.):	\$1,330,269
d.	Estimated Tax Levy:	1.854491
e.	Annual Projected Tax Shift:	\$24,670

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 an assumed levy rate that will vary from year to year. The completed values will depend on the county assessor's yearly assessment of the Project Site. There has been no accounting for incremental growth or change in the tax levy over the 15-year TIF period.

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:

No substantial adverse effects are anticipated on the public infrastructure and community public service needs. The Redeveloper anticipates expenditures of approximately \$1,443,000 for the Project, and approximately \$261,770 in eligible public improvements. The public improvements include the construction of parking lot that will be utilized both for private and public purposes, as set forth in the Redevelopment

Agreement. The Project improvements will have a material beneficial impact on the City, and the Project will not have a material adverse effect on any community public services.

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

The redevelopment of the Project Site 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 redevelopment of the Project Site, the Project should generate immediate tax growth for the City. The Project will include an amount of personal property that will be on the property tax rolls. Elevate Wellness and the other health and wellness facilities will also require and pay for City services. It is not anticipated that the redevelopment of the Project Site will have any material adverse impact on such City services, and the City will generate revenue providing support for those services. The City has determined that the redevelopment of the Property and the City service requirements generated by said redevelopment are a desired, positive result and will not overburden or negatively impact the City.

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

The Project is not anticipated to have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the Redevelopment Area. In general, the overall redevelopment of the Property will have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the Property or the Redevelopment Area. The Project will fulfill a need for physical therapy and related health and wellness services in the community, which will help to attract new employees and maintain current employees within the City. Further, the addition of public parking spaces on the Project Site will promote increased traffic in the area, supporting other employers in 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:

The Project is not anticipated to impose a burden or have a negative impact on other local area employers. In addition to the general benefits of the Project enhancements already mentioned, the eligible improvements for this Project shall enhance the aesthetics and decrease the blighted and substandard conditions of the Redevelopment Area, all of which will benefit all employers in the area.

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

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project will result in the creation of a health and wellness facility in the City, which is intended to increase employment. The Project will provide employment for approximately 10-12 healthcare and wellness professions. The increase in employment because of the project is not anticipated to substantially affect the school population. The Project is intended to create desired growth in the community and provide additional health and wellness facilities to address the existing health services gap.

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

The project is not economically feasible as designed without tax increment financing. Redeveloper does not have the capacity to pay for the public improvements without the use of TIF. The construction of the public infrastructure, public parking, and energy enhancements would not occur in the Redevelopment Area without TIF. This project will provide services to Southwest Nebraska that are not currently available. The Project will promote the local economy by keeping services local, as well as encouraging individuals located outside of the area to travel to McCook to receive health and wellness services.

There are no other material impacts determined by the CDA that are immediately 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 effects 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 and the use of TIF will help reduce public cost and City obligations for the cost of public infrastructure improvements. The benefits outweigh the costs of the proposed Project.

**PLANNING COMMISSION
CITY OF MCCOOK, NEBRASKA**

RESOLUTION NO. PC 2023-06

(Redevelopment Plan Amendment–Elevate Wellness Redevelopment Project)

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA, MAKING A RECOMMENDATION TO THE COMMUNITY DEVELOPMENT AGENCY AND THE CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA, WITH RESPECT TO THE REDEVELOPMENT PLAN AMENDMENT FOR THE CITY OF MCCOOK, NEBRASKA, INCLUDING THE ELEVATE WELLNESS REDEVELOPMENT PROJECT.

RECITALS

A. The Community Development Agency of the City of McCook, Nebraska (“CDA”) has submitted the question of whether an amendment to the Redevelopment Plan for the City of McCook, should be approved for the redevelopment of certain real property within the Redevelopment Area #3 identified in said plan (the “Project Site”). A copy of the proposed Redevelopment Plan Amendment is on file and available for public inspection with the McCook City Clerk (the “Redevelopment Plan Amendment”).

B. Notice of public hearing regarding the question of whether the Redevelopment Plan Amendment should be recommended to the City Council and ultimately be adopted and approved by the City was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

C. On September 11, 2023, the Planning Commission held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be recommended to the City Council and ultimately be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

D. The Planning Commission has reviewed the Redevelopment Plan Amendment and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, BE IT RESOLVED, by the Planning Commission of the City of McCook, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 to 18-2155 (the “Act”), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of McCook, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.

EXHIBIT #6

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3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of McCook as a whole, as set forth in the City of McCook Comprehensive Plan, as amended.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Planning Commission does hereby recommend: (i) recommendation of the Redevelopment Plan Amendment by the CDA to the City Council; and (ii) approval of the Redevelopment Plan Amendment by the City Council as the governing body for the City of McCook.

Passed and approved by the Planning Commission on this 11th day of September, 2023.

PLANNING COMMISSION OF THE
CITY OF MCCOOK, NEBRASKA

By: _____
Kurt Vosburg, Chairman

ATTEST:

By: _____
Chad Lyons, Secretary