

**VILLAGE OF WATERLOO
RESOLUTION NO. 06-11-19-05**

WHEREAS, the Village of Waterloo has received the Harvest Heights Redevelopment Plan (the "Redevelopment Plan") pursuant to the Nebraska Community Development Law (the "Act"); and,

WHEREAS, the Authority desires that the Redevelopment Plan be adopted to redevelop the unimproved redevelopment area into a residential subdivision and to include a provision for dividing *ad valorem* real estate taxes pursuant to § 18-2147 of the Revised Statutes of Nebraska pursuant to the fulfillment of certain conditions; and,

WHEREAS, the Project is located in an area designated by the Village of Waterloo, and remains, as blighted and substandard pursuant to the provisions of the Act.

WHEREAS, this proposed Redevelopment Plan has been recommended by the Village of Waterloo Planning Board after public hearing, notice of which has been duly published and given pursuant to the provisions of the Act.

WHEREAS, this Resolution has been considered at a public hearing, notice of which has been duly published and given pursuant to the provisions of the Act.

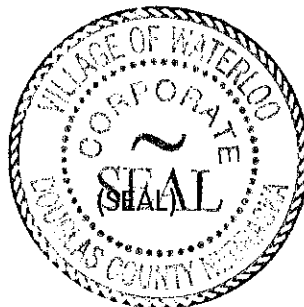
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF WATERLOO, NEBRASKA, AS FOLLOWS:

THAT, the Harvest Heights Redevelopment Plan is hereby approved.

PASSED THIS 11 DAY OF June, 2019

ATTEST:

Melissa Johnson
Melissa Johnson
Clerk



Bill Rotert
Bill Rotert
Vice Chairperson

**HARVEST HEIGHTS
REDEVELOPMENT PLAN
VILLAGE OF WATERLOO,
NEBRASKA**

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HARVEST HEIGHTS REDEVELOPMENT PLAN

I. INTRODUCTION

This Redevelopment Plan is prepared pursuant to the authority granted by the Nebraska Community Development Law. The Village Council of the Village of Waterloo (the "Village"), has declared this Redevelopment Plan Area to be blighted and substandard pursuant to Section 18-2103 of the Nebraska Revised Statutes. The Redevelopment Plan Area is within the area generally described as Harvest Heights Waterloo Subdivision, a copy of which is attached as Exhibit "B", southwest of the intersection of 5th and Madison Streets in the Village of Waterloo, Nebraska.

A site plan showing the boundaries and proposed future development of the Redevelopment Plan Area is attached as Exhibit "A". The Redevelopment Plan Area is generally vacant or used by temporary uses. The redevelopment of this property will allow new residential inventory of the Village. This Redevelopment Plan is proposed to encourage private investment in this blighted and substandard area and to provide an economic benefit to the Village as a whole.

The proposed Redeveloper will initially own all of the real estate located within the Redevelopment Plan Area except certain public rights-of-way.

This Redevelopment Plan authorizes the Village, as a Community Redevelopment Authority (the "Authority"), to negotiate a redevelopment agreement consistent with the provisions herein. The Redeveloper and the Authority shall enter into a redevelopment contract with such terms and conditions that the Authority deems appropriate to carry out the purposes of this Redevelopment Plan. The cost of the proposed redevelopment will be considerable. Unless the Redeveloper receives some assistance from the Authority through the allocation of excess *ad valorem* real estate taxes (which hereinafter may be referred to as "tax increment financing" or "TIF") for the both the construction of public infrastructure and other eligible costs, the proposed redevelopment will not be economically feasible. A provision is included authorizing the Authority to negotiate contracts providing for a division of the *ad valorem* real estate taxes.

I. EXISTING CONDITIONS

A. Existing Land Use

The Redevelopment Plan Area is currently used for both growing crops and as vacant ground.

B. Existing Zoning

The Redevelopment Plan Area upon which the proposed residences would be constructed is currently zoned A (Agricultural).

C. Existing Public Improvements

The Redevelopment Plan Area has primary access from the abutting Madison Street. Gas, water, electrical and sewer services generally suitable to the proposed use are either available at the site or able to be extended and improved pursuant to the Redevelopment Plan.

D. Existing Building Conditions

The Redevelopment Plan Area has no existing structures.

II. THE PROPOSED REDEVELOPMENT PROJECT

The initial Redevelopment Project within the Redevelopment Plan Area takes advantage of a unique opportunity to bring about an important expansion of the Village's housing inventory by encouraging the construction and financing of a high-end residential subdivision. If the Village is to continue to grow and compete in a highly competitive market, retention of existing businesses is a high priority. Attracting new business development to the Village of Waterloo is also critical. One of the factors in making the Village an attractive business environment is the provision of new and desirable housing. There is a significant need in the Village, in common with many other Nebraska communities, for new housing development. This proposed residential development will put the Village in a stronger position to maximize its growth potential. The proposed acquisition and construction of both public and private infrastructure improvements are estimated to be between \$1,700,000 and \$2,100,000.

A. Public Improvements

The following public improvements will be constructed by the Redeveloper in the initial Redevelopment Project.

1. Public Access

Harvest Heights Circle will be constructed to provide primary public access to the redevelopment. Additional access within the redevelopment will be provided by ingress and egress easements.

2. Electrical Service System

The redevelopment will be served from the existing electrical service system serving the Village.

3. Other Utilities

The extension from existing public facilities of water and sewer (sanitary and storm) lines will be necessary. Storm water detention facilities will be privately constructed.

4. Other Public Improvements

There will be no other changes in public facilities necessary for this redevelopment.

B. Zoning and Platting

The Redevelopment Plan Area is zoned and subdivided to allow for the proposed residential redevelopment. Each Redevelopment Project may require zoning and subdivision waivers to be done contemporaneously with the proposed redevelopment approvals.

C. Comprehensive Plan—Village of Waterloo

The public and private improvements proposed in the Redevelopment Project are consistent with the Comprehensive Plan of the Village of Waterloo.

D. Private Improvements

The initial Redevelopment Project will consist of the construction of one 24-unit apartment building on Lot 19 of the Harvest Heights Waterloo Subdivision and the construction of public and private infrastructure serving the entire Redevelopment Plan Area. The Redeveloper will construct both the private and public portions of the Redevelopment Project. The estimated development cost of the first of the two apartment buildings is \$2,900,000. Exhibit "A" shows the site plan of the Redevelopment Area after the proposed subdivision. Only Lot 19, and the public improvements, is included in this initial Redevelopment Project. As each lot or lots within the Redevelopment Plan Area develops, a subsequent Redevelopment Project must be approved. The single family/duplex development on the remaining lots is estimated to be between \$200,000 and \$350,000 for each lot after construction.

E. Financing

The following funding sources are contemplated for the Redevelopment Project Plan:

Tax Increment Financing. The excess *ad valorem* real property taxes (the "TIF") may be utilized to assist with the cost of public improvements, demolition, site preparation, site improvements (excluding building construction), platting, land assembly and all soft costs associated with these activities. New real estate valuation within the Redevelopment Plan Area after full redevelopment is estimated to be between \$8,600,000 and \$11,150,000. The estimated valuation of the initial Redevelopment Project is \$2,900,000. The excess *ad valorem* taxes will be computed from the total new *ad valorem* valuation less the real property base tax value assessed on each site for the year prior to the effective dates determined by each subsequent redevelopment contract to initiate this TIF provision. The Redevelopment Plan anticipates the allocation of excess *ad valorem* real property taxes for a period up to 15 years after each effective date to assist in financing each project. This analysis suggests a principal amount of proceeds available for the initial Redevelopment Project to be approximately \$600,000. This Redevelopment Plan authorizes the capture of TIF from the initial Redevelopment Project (Lot 19), and subsequently approved amendments. Each subsequent redevelopment project (as new homes are constructed) will cause a new "effective date" to be determined by contract for each such amendment. Any subsequent "effective date" shall only apply to the new lot or lots being developed by such amendment. The policy of the Village is to allow the amendment of the Redevelopment Plan in order to add

additional redevelopment projects (homes) providing additional TIF to assist in funding the TIF eligible expenses in the Redevelopment Plan Area, including the initial infrastructure costs. Such amendments are deemed to consistent with this Redevelopment Plan and are not to be considered significant in nature.

Private Funding. It is expected that it will not be economically feasible to develop the Redevelopment Project without the use of TIF. The other funds for this project will come from the Redeveloper's borrowed money or equity. The estimated total cost of the initial Redevelopment Project is between \$4,600,000 and \$5,000,000.

F. Cost Benefit Analysis

1) The use of TIF will not result in tax shifts. During the TIF amortization period, the underlying real property will continue to be taxed based upon its original assessed value at the time the TIF provision is approved, and the tax revenues from that base valuation will be distributed to the various taxing jurisdictions. As such there will be no loss of current tax revenues. The Redevelopment Project will actually improve the tax base in the area, in that it will result in the development of a large parcel of property that is not presently being utilized.

2) No significant public service needs will be generated as a result of this project. The capacity of the improved infrastructure is more than adequate to serve any increased demands.

3) The Redevelopment Plan will have a direct, but small, impact on public schools as the single and duplex family units develop. The new housing inventory will assist in retaining existing families in the community as well as attracting new families. The number of school age children in the 48 apartment units is not expected to have a significant impact on the public schools based on the projected tenant market.

4) The area where the Redevelopment Project will be located is in a designated blighted and substandard area.

5) The Redevelopment Project will further objectives of the Comprehensive Plan in that it further develops vacant land for residential uses. This will improve the tax base, assist in business retention or development, and increase housing opportunities in the Village.

6) Each of the approximate 82 to 125 new residents has a multiplier effect on money spent within the Village which adds to the sales tax and the number of employees supported by additional commercial activity within the Village.



Surveyors, Engineers & Cartographers
 10836 Old Mill Rd
 Omaha, NE 68154
 P-402-390-8890 www.td2co.com

Waterloo
Apartments

TDH Home
 Building, Inc.

No.	Description	REVISION

Drawn By: JUD Reviewed By: JUD
 Job No.: 2015-115 Date: 02-26-15

