

City of Kearney
Community Redevelopment Authority
Annual Estimated Assessed Valuation and Real Estate Tax Capture
REAC, LP
Redevelopment Area No 10
Parcel 603745050

Assessed value/taxes - base value year (actual)											
Year	Assessed Value (Base)	Base Value	Kearney Public School	Buffalo County	City of Kearney	Central Community College	Central Platte NRD	ESU 10	Ag Society	CRA	Base Value Taxes
			1.195309	0.33681	0.14887	0.091824	0.022196	0.014876	0.017385	0.004975	1.832245
1	0	0	0	0	0	0	0	0	0	0	0
2	0	0	0	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0	0	0
7	0	0	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0
Total property taxes - base value year			0	0	0	0	0	0	0	0	0

Assessed value/taxes - base value year plus increment (estimated)											
Year	Assessed Value (with increment)	Increment Value	Kearney Public School	Buffalo County	City of Kearney	Central Community College	Central Platte NRD	ESU 10	Ag Society	CRA	Increment Value Taxes
TIF percent abated		100%	1.195309	0.33681	0.14887	0.091824	0.022196	0.014876	0.017385	0.004975	1.832245
Annual valuation Increase		0.00%									
1	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
2	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
3	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
4	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
5	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
6	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
7	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
8	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
9	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
10	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
11	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
12	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
13	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
14	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
15	7,057,476	7,057,476	84,359	23,770	10,506	6,480	1,566	1,050	1,227	351	129,310
Total property taxes - base & improvements			1,265,380	356,554	167,597	97,207	23,497	15,748	18,404	5,267	1,939,654

Assessed value/taxes - base value year plus increment (estimated)											
Year	Assessed Value (with increment)	Increment Value	Kearney Public School	Buffalo County	City of Kearney	Central Community College	Central Platte NRD	ESU 10	Ag Society	CRA	Increment Value Taxes
TIF percent abated		90.00%	1.195309	0.33681	0.14887	0.091824	0.022196	0.014876	0.017385	0.004975	1.832245
Annual valuation Increase		0.00%									
1	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
2	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
3	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
4	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
5	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
6	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
7	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
8	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
9	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
10	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
11	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
12	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
13	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
14	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
15	7,057,476	6,351,728	75,923	21,393	9,456	5,832	1,410	945	1,104	316	116,379
Total property taxes - base & improvements			1,138,842	320,899	141,837	87,486	21,147	14,173	16,564	4,740	1,745,688

City of Kearney
Community Redevelopment Authority
Cost-Benefit Analysis
REAC, LP
Redevelopment Area No. 10
(Required by State Statute 18-2113(2))

(A) Tax shifts resulting from the approval of the use of funds pursuant to section 18-2147:

The ad valorem real property taxes (“taxes”) generated by the current value of the Project Site will continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Additional, or incremental taxes generated from new real property value created from this Redevelopment Project (“Project”) is estimated at \$129,310 per year assuming no annual increase in valuation. This would produce approximately \$1,939,654 of additional taxes over a fifteen-year period. Ninety percent of the additional taxes, not to exceed the eligible estimated project costs, will be rebated to the Redeveloper (\$1,745,688) for eligible Project Costs. The remaining ten percent of the additional taxes will be returned to the Buffalo County Treasurer for further distribution to affected taxing jurisdictions. An estimated ninety percent rebate to the Redeveloper will be \$116,379 per year assuming no annual increase in valuation or changes in property tax levies. This will produce a total rebate of approximately \$1,745,688. These taxes will be intercepted for fifteen years from their normal distribution to the affected taxing jurisdictions which includes Kearney School District #7 (\$1,138,842), Buffalo County (\$320,899), City of Kearney (\$141,837), Central Community College (\$87,486), Central Platte NRD (\$21,147), ESU #10 (\$14,173), Ag Society (\$16,564), and the City of Kearney Community Redevelopment Authority (\$4,740). Attachment A provides details of the estimated tax shift.

The estimated public investment of \$1,745,688 in TIF funds will leverage approximately \$18,403,941 in private sector financing, resulting in a private investment of more than \$10.55 for every City TIF dollar spent.

Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of the Project is a positive shift in taxes after fifteen years. Additionally, because of the need for significant additional public infrastructure to develop the parcel, it is not anticipated that there will be any valuation increase on the Project Site without approval of a redevelopment project utilizing TIF. Accordingly, any valuation increase is deemed to be a benefit to the City, even considering the fifteen-year period.

(B) 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:

There are no anticipated negative public infrastructure impacts from the Project.

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

The CRA and Redeveloper anticipate that the Project may provide additional sales tax revenues to the City. Overall, the Project should have a positive impact on local taxes.

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

Currently, there are no employers or employees within the Project Site. As such, the CRA expects that the public and private improvements associated with the Project will attract businesses and employees to the area.

Construction of the Project will require a number of construction employees and managers. Redeveloper intends to use as many local construction trades as possible during construction. Those contractors, if any, that come from outside the City will use other hotels, apartments, restaurants, gas stations and other services and facilities in the City during the construction time frame.

The Project will bring additional jobs to the Project Site as the business grows. Most of the individuals that will fill these jobs already live in or around the City. In light of the above, Redeveloper and the CRA anticipate that the Project will have a positive impact on employers and employees of firms locating or expanding within the boundaries of the Project Site.

This new professional services office will provide new opportunities for Kearney based companies to expand and for new professional services companies to enter the Kearney market. The developer estimates that approximately 70 full-time employee positions will be located in this building.

(D) Impacts on other employers and employees within the city and the immediate area that are located outside of the boundaries of the area of the redevelopment project:

The CRA and Redeveloper anticipate that the Project will have a positive impact on the other employers and employees within the City or surrounding area.

This new development complies with the University Village strategy and goals for growth in this area.

(E) Impacts on student populations of school districts within the City:

The Project will have minimal impact on the student populations of school districts within the City. The building tenants' goals are to hire new graduates and interns from UNK.

(F) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project:

Redeveloper and the CRA anticipate the following relevant impacts on the City:

- The Project will occupy and develop land that is vacant, has been determined to be blighted and substandard, and has limited assessed tax value in its current state.
- The Project should help promote the development of future projects around the Project Site.

(G) Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost-benefit analysis, the benefits outweigh the costs of the proposed Project.