

*WHEREAS*, Notice of such hearing was given as provided by law; and

*WHEREAS*, At such hearing, evidence was received by the Council bearing upon the propriety of the issuance of such license.

*NOW, THEREFORE, BE IT RESOLVED*, by the Mayor and City Council of Alliance, Nebraska, that the Application for catering endorsement to their current Class C Liquor License of MRC, Inc. dba Sandhillier Bar is hereby approved, and the City Clerk shall inform the Nebraska Liquor Control Commission of the approval of the application, and the Clerk shall deliver the license issued by said Commission to the permittee.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

- The next agenda item was a Public Hearing on the Conditional Use Permit Application of Steven King to operate and auto body shop at 520 Burlington Avenue. Following the Public Hearing, Resolution No. 17-19 was presented, which will approve the Conditional Use Permit. Council was provided with the following information:

[The City of Alliance is in receipt of an application for a Conditional Use Permit from Steven King. The Conditional Use Permit application is to allow an auto body repair shop at 520 Burlington Avenue. The proposed location is an existing steel structure.

The property is zoned M-2, Heavy Industrial and is currently vacant. Auto body repair shops are not a Permitted Use in M-2 districts but may be allowed with the approval of a Conditional Use Permit by the Alliance City Council. The property is bordered to the north, south, and west by M-2 Heavy Industrial and to the east by R-1, Single Family Residential zoning.

The City mailed Notification Petitions to the owners within a 300' radius of the property. As of February 15<sup>th</sup>, the City had received one of the petitions back which was in favor of the Conditional Use Permit.

Staff believes that the land use would not be any more intense than other uses allowed by right in the same district such as machine shops and manufacturing facilities and that the CUP would be consistent with the City of Alliance Comprehensive Plan for reasons listed below.

The City of Alliance Planning Commission met at their regular meeting February 14, 2017 and voted to recommend that the City Council approve a Conditional Use Permit for All of Lot 9 and the North 14' of Lot 10, Block 9, Burlington Addition to the City of Alliance addressed 520 Burlington Avenue after making the following findings of fact:

1. That the issuance will not create any new nonconforming structures as the existing structure will be used, as such preserving the existing setback and yard regulations
2. Off street parking will be provided reducing the impact to local traffic in the area
3. The property is served by existing utilities
4. The CUP is consistent with the City of Alliance Comprehensive Plan in that its issuance would allow stabilization within the "Core Neighborhood" by allowing the reuse of existing structures and is consistent with the land use type of light industrial as identified by the Plan

The recommendation to approve the CUP is issued with the condition that the property be kept clear of debris, clutter, junk and litter and that any such degradation of the on-site conditions be cause for review and possible revocation of the CUP.]

Mayor Yeager stated "now is the date, time, and place to conduct a Public Hearing to hear support, opposition, criticism, suggestions, or observations of the taxpayers relating to the Conditional Use Permit Application of Steven King and opened the public hearing at 7:59 p.m.

Steven King, was in attendance to answer questions of Council regarding the plans for the auto body shop at 520 Burlington Avenue.

No additional testimony was offered, the Public Hearing closed at 8:00 p.m.

Mayor Yeager made a motion to approve Resolution No. 17-19, which was seconded by Councilman Mischnick. The resolution follows in its entirety:

#### RESOLUTION NO. 17-19

*WHEREAS*, The City of Alliance, through its Community Development Department regulates building and zoning within the City of Alliance and the two mile jurisdiction; and

*WHEREAS*, Steve King has requested a Conditional Use Permit for All of Lot 9 and the North 14' of Lot 10, Block 9, Burlington Addition to the City of Alliance, Box Butte County, Nebraska (520 Burlington Avenue) to allow for an auto body shop; and

*WHEREAS*, The Community Development office has examined the request and finds that the request to allow for an auto body shop in a M-2, Heavy Industrial Zoning District is appropriate for the granting of a conditional use; and

*WHEREAS*, The Community Development Director has recommended the granting of the Conditional Use Permit; and

*WHEREAS*, On the 14<sup>th</sup> day of February, 2017, the Planning Commission for the City of Alliance held a public hearing on behalf of the Conditional Use Permit for Steven King; and

*WHEREAS*, The Planning Commission voted to approve the Conditional Use Permit and forward Mr. King's request for the Conditional Use Permit to the City Council for their review and consideration.

*WHEREAS*, The City Council has reviewed the request and determined that it is in the best interest of the City of Alliance and consistent with the zoning rules and regulations to grant a Conditional Use Permit for Steven King.

*NOW, THEREFORE, BE IT RESOLVED* that the Conditional Use Permit of Steven King to allow for an auto body shop on All of Lot 9 and the North 14' of Lot 10, Block 9, Burlington Addition to the City of Alliance, Box Butte County, Nebraska (520 Burlington Avenue), is hereby authorized and approved with the following conditions:

- (1) The property be kept clear of debris and clutter and not allow the accumulation of junk and litter.
- (3) A review the operation will be required annually to ensure conditions are continuing to be met.

*BE IT FURTHER RESOLVED*, that the Conditional Use Permit shall be presumed inactive if the conditional use is not commenced within twelve months of February 21, 2017.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

- A Public Hearing on the Redevelopment Plan of the Block 10 Hotel Redevelopment Project was the next matter before Council. Following the Public Hearing, Resolution No. 17-20 has been prepared which will approve the Redevelopment Plan. Council was provided with the following background information:

[Nebraska State Statutes provide for cities to designate areas as blighted and substandard. Once an area is designated as such, Tax Increment Financing (TIF) may be used within that area to incentivize redevelopment. TIF financing allows

a developer to use the additional real estate tax money generated by its development (the “tax increment”) to finance certain improvements, site preparation, and site purchase. The tax increment generated by the development is pledged to a TIF bond held or sold by the redeveloper for a period of not to exceed 15 years. After 15 years (or a shorter period if the bond is paid off early) the increased taxes from the redevelopment site are paid to the regular political subdivisions.

Alliance Lodging, LLC has submitted a Redevelopment Plan to the City that includes a request for TIF. The project would redevelop the current blighted area on Highway 385 between Westco (Terry’s Corner) and Pepsi with the construction of a Holiday Inn Express. The developer has represented that the project would not be feasible and would not occur in the blighted area without TIF.

The Planning Commission reviewed the Redevelopment Plan for its conformity to the City’s Comprehensive Plan and recommended approval of the Redevelopment Plan by Resolution 17-01PC on February 14, 2017. The CRA reviewed the Redevelopment Plan for its conformity with the City’s Comprehensive Plan and conducted a cost benefit analysis of the Plan. The CRA recommended approval of the Redevelopment Plan by Resolution 17-01 on February 16, 2017. Enclosed in your packet are the Resolutions from the Planning Commission and CRA.

The City Council’s Standard of Review of the Plan is as follows:

*Conformity to Comprehensive Plan and Community Development Law:* The Council must find that the plan is feasible and in conformity with the general plan for the development of the City as a whole and the plan is in conformity with the legislative declarations and determinations set forth in the Community Development Law. Enclosed in your packet is memo a memo regarding the Plan’s conformity to the Comprehensive Plan and the legislative declarations set forth in the Community Development Law.

*But For Test:* The Council must find that the redevelopment project in the plan would not be economically feasible or occur in the community redevelopment area without the use of tax-increment financing. Enclosed in your packet is a letter from the Developer certifying that the project would not be economically feasible or occur in the blighted area without TIF.

*Cost Benefit Analysis:* Council must analyze and find that the costs and benefits of the redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services are in the long-term best interest of the community. Enclosed in your packet is a Cost-Benefit Analysis adopted by the CRA.]

City Attorney Selzer reviewed with Council the standards of review there are responsible to conduct in considering this project.

Mayor Yeager stated “now is the date, time, and place to conduct a Public Hearing to hear support, opposition, criticism, suggestions, or observations of the taxpayers relating to the Redevelopment Plan of the Block 10 Hotel Redevelopment Project and opened the public hearing at 8:01 p.m.

Mike Works, Lincoln, NE, was in attendance on behalf of Alliance Lodging, LLC to discuss with Council the plans for the Block 10 Hotel Redevelopment Project. Mr. Works described the project involves two phases. The first phase will be the motel and the second phase will be apartment with a potential for a retail business. He reported similar facilities were currently in progress at Chadron with a planned opening date of May, 2017 and Ogallala with an opening date of June, 2017. Both of these projects are being completed with tax increment financing. Their new facilities in Lincoln and Omaha did not have the use of tax increment financing. Mr. Works informed Council that if the project was able to be started by the end of April, 2017 that could anticipate a late Spring opening in 2018, if construction does not begin at that time the opening would be in 2019.

No additional testimony was offered, the Public Hearing closed at 8:12 p.m.

Councilman Jones made a motion to approve Resolution No. 17-20, which was seconded by Councilman Mischnick. The resolution follows in its entirety:

#### RESOLUTION NO. 17-20

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA:

#### Recitals:

a. Pursuant to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan titled *Block 10 Hotel Redevelopment Project*, submitted by Alliance Lodging, LLC (the “Redevelopment Plan”) has been submitted to the Alliance Community Redevelopment Authority (“CRA”). The Redevelopment Plan proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.

b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2009 Alliance Comprehensive & Long Range Transportation Plan (the “Comprehensive Plan”). The Planning Commission recommended approval of the Redevelopment Plan to the CRA and City Council.

c. The Redevelopment Plan has been reviewed by the CRA, which found that the Redevelopment Plan conforms to the Comprehensive Plan, that the project as proposed in the Redevelopment Plan would not be economically feasible or occur in the project area without tax increment financing, and that the costs and benefits of the project, including costs and benefits to

other affected political subdivisions, the economy of the community, and the demand for public and private services, having been analyzed by the CRA, are in the long term best interests of the community.

- d. The CRA recommended approval of the Redevelopment Plan to the City Council.
- e. On February 21, 2017, the City Council held a public hearing on the proposal to approve the Redevelopment Plan.
- f. The City Council has reviewed and conducted a cost-benefit analysis of the Redevelopment Plan and makes the findings and recommendations as set forth in this Resolution.

Resolved:

1. The Redevelopment Plan is determined to be feasible and in conformity with the Comprehensive Plan and with the legislative declarations and determinations set forth in the Act.

2. The project as proposed in the Redevelopment Plan would not be economically feasible or occur in the project area without tax increment financing and the costs and benefits of the project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services, having been analyzed by the City Council, are in the long term best interests of the community.

3. The City Council approves the Redevelopment Plan.

4. In accordance with NEB. REV. STAT. § 18-2147, and as proposed in the Redevelopment Plan, the City Council provides that any ad valorem tax on the Project Site as set forth in the Redevelopment Plan, for the benefit of any public body be divided for a period of 15 years after the effective date as provided in § 18-2147, which effective date shall be determined in a Redevelopment Contract entered into between the Redeveloper and the CRA. Said tax shall be divided as follows:

- (a) That proportion 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 (as defined in the Act) 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 proportion of the ad valorem tax on real property 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 CRA 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, the CRA for financing or refinancing, in whole or in part, the project set forth in the Redevelopment Plan. When such bonds, loans, notes, advances of money, or indebtedness, including interest and

premiums due have been paid, the CRA shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon taxable real property in the redevelopment project shall be paid into the funds of the respective public bodies.

5. The Mayor and Clerk are authorized and directed to execute such documents and take such further actions as are necessary to carry out the purposes and intent of this Resolution and the Redevelopment Plan.

6. This Resolution shall become effective immediately upon its adoption.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

In addition to the Redevelopment Plan, Resolution No. 17-22 which will approve the LB840 Funding Application of Alliance Lodging, LLC for the hotel, was reviewed by Council. The following background information was provided:

[At its most recent meeting on February 16, 2017, the City's Economic Development Plan Application Review Committee (EDPARC) voted unanimously to recommend to City Council approval of the LB840 application of Alliance Lodging, LLC (owners Mike Works 50% and Justin Hernandez 50%). The application is for the Holiday Inn Express & Suites to be built on approximately two acres on the northeast corner of Highway 385 and Holsten Drive.

**PROJECT OVERVIEW:**

- Total Project: \$7,875,000
- Equity Investment: \$1,575,000
- Other Source Funding: \$6,300,000 (loans)
- Employment Positions: 15
- LB840 Assistance Requested: \$200,000 (\$150,000 Forgivable Loan and \$50,000 Non-forgivable Loans)

**STAFF FINDINGS:**

In reviewing the application, staff found that Alliance Lodging:

- Is a qualifying business
- Business activities are plan-eligible (jobs created)
- Financial Assistance sought is within limits (no more than \$200,000)
- 10% equity investment is demonstrated

The EDPARC has suggested the following package totaling \$200,000:

- Forgivable Loan (\$150,000 forgiven over ten years by maintaining fifteen positions)
- Non-forgivable Loan (\$50,000 repayable over five years at a 1.5% interest rate)

Legal documents have been prepared based on this recommendation for the Council's consideration.]

Councilman Mischnick made a motion to approve Resolution No. 17-22, which was seconded by Councilman Reynolds. The resolution follows in its entirety:

#### RESOLUTION NO. 17-22

*WHEREAS*, The voters of the City of Alliance approved an Economic Development Plan which had been adopted by the City Council in 2001 and in 2010, pursuant to the authority of Nebraska Revised Statutes 18-2701 through 18-2738;

*WHEREAS*, An Application Review Committee has been appointed by the City Council pursuant to law to review applications for assistance under the Economic Development Plan;

*WHEREAS*, The Economic Development Plan is funded by a portion of City sales tax which was also approved by the voters in 2001 and in 2007;

*WHEREAS*, The application of Alliance Lodging, LLC has been received for assistance pursuant to the Economic Development Plan, and it is a qualifying business pursuant to the requirements of the Economic Development Plan;

*WHEREAS*, The Application Review Committee has approved the application of Alliance Lodging, LLC and recommended to the Program Administrator that the project be approved;

*WHEREAS*, The Program Administrator has accepted the recommendation of the Application Review Committee, and recommends that the City Council approve the project;

*WHEREAS*, The Economic Development funds in the project requesting assistance are not the sole or primary funding source; and

*WHEREAS*, The City Council finds that Alliance Lodging, LLC is a qualifying business and that this allocation of funds does not exceed the limitations of Section 18-2717 of the Nebraska Revised Statutes.

*NOW, THEREFORE, BE IT RESOLVED*, by the Mayor and City Council of Alliance, Nebraska, that the application of Alliance Lodging, LLC for assistance from the Economic Development Fund pursuant to the Local Option Municipal Economic Development Act is hereby approved. Funding will be provided in the amount of \$200,000.00; of which \$150,000.00 is an interest free Forgivable Loan for the first ten year period of maintaining fifteen positions as

defined in the Economic Development Assistance Agreement, and \$50,000 in a Non-Forgivable Loan at a rate of 1.5% per annum and shall be payable in 60 monthly payments.

*BE IT FURTHER RESOLVED*, that the Mayor is hereby authorized to execute on behalf of the City the Economic Development Assistance Agreement between the City of Alliance and Alliance Lodging, LLC.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

- The next agenda item was the street closure request of the Alliance Y.M.C.A. for the 200 Block of Box Butte Avenue. Council was provided with the following background information:

[The Alliance Area Family YMCA has requested the closure of the 200 block of Box Butte Avenue on Saturday, March 11, 2017 between the hours of 10:00 a.m. and 2:00 p.m. They would like to provide entertainment, kids' games and activities in this area following the Shamrock Shuffle 5K and 10K. The YMCA has been asked to contact all businesses in the block which are open on Saturdays to be sure they had no objections to the street closure. Of the thirteen businesses in the block, eight were in favor of the event another two are not open on Saturdays.]

The YMCA will be required to provide a Certificate of Insurance naming the City of Alliance as an additional insured in the minimum amount of \$1,000,000 per occurrence and/or aggregate, combined single limit for Bodily Injury and Property Damage.]

Mara Andersen, Alliance YMCA Director, discussed with Council the intent for the street closure during their annual Shamrock Shuffle event.

Councilman Jones made a motion to approve Resolution No. 17-21, which was seconded by Councilman Mischnick. The resolution follows in its entirety:

#### RESOLUTION NO. 17-21

*WHEREAS*, The City of Alliance has received a request from the Alliance Area Family YMCA for the closure of the 200 block of Box Butte Avenue on Saturday, March 11, 2017 between the hours of 10:00 a.m. and 2:00 p.m.; and

*WHEREAS*, The purpose of the closure is to provide entertainment and kids games and activities following their Shamrock Shuffle 5K and 10K; and

*WHEREAS*, The Alliance Area Family YMCA has contacted all of the businesses in the 200 block of Box Butte Avenue that are open on Saturdays to see if there were any objections to the street closure; and

*WHEREAS*, The majority of the affected businesses were in favor of the event.

*NOW, THEREFORE, BE IT RESOLVED* by the Mayor and Council of the City of Alliance, Nebraska, that the street closure request of the Alliance Area Family YMCA on March 11, 2017 between the hours of 10:00 a.m. and 2:00 p.m. is hereby approved.

*BE IT FURTHER RESOLVED* that the Alliance Area Family YMCA will provide liability insurance in the amount of \$1,000,000 per occurrence and/or aggregate, combined single limit for Bodily Injury and Property Damage naming the City of Alliance as an additional insured.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

- Board appointments and vacancy announcements were now before Council.

The City currently has available vacancies on the Board of Adjustment (3), A-2 Downtown Improvement Board (1), Library Board (1), Park and Tree Board (2) and Police Advisory Board (School Representative).

A motion was made by Councilman Reynolds to appointment Allen Pannell to Board of Adjustment with a term expiring December 31, 2019. Councilman Mischnick seconded the motion.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

A motion was made by Councilman Reynolds to appoint George Clear to serve on the Police Advisory Board as the School Representative with a term expiring December 31, 2019. Councilman Jones seconded the motion.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

Councilman Reynolds made a motion to reappoint Beth Bourn to the Senior Facility Advisory Board with a term expiring February 28, 2020. The motion was seconded by Councilman Mischnick.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

Councilman Reynolds made a motion to reappoint Leah King to the Senior Facility Advisory Board with a term expiring February 28, 2020. The motion was seconded by Councilman Mischnick.

Roll call vote with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

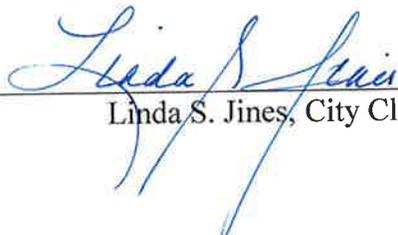
Voting Nay: None.

Motion carried.

- Mayor Yeager stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 8:26 p.m."

  
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 Ralph Yeager, Mayor

(SEAL)

  
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 Linda S. Jines, City Clerk

