

## **RESOLUTION NO. 2025-9**

### **RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GOTHENBURG, NEBRASKA, APPROVING THE CITY OF GOTHENBURG REDEVELOPMENT PLAN FOR PONY EXPRESS SHELTER AND SITE DRAINAGE REDEVELOPMENT PROJECT; APPROVAL OF A REDEVELOPMENT PROJECT OF THE CITY OF GOTHENBURG; AND APPROVAL OF RELATED ACTIONS**

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

#### **Recitals:**

a. The Mayor and Council of the City of Gothenburg, Nebraska (the "City"), upon the recommendation of the City Planning Commission (the "Planning Commission"), and in compliance with all public notice requirements imposed by the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as (the "Act"), has previously declared an area, including an area legally described on the attached Exhibit "A" (the "Redevelopment Area"), to be blighted and substandard and in need of redevelopment; and

b. Pursuant to and in furtherance of the Act, the City of Gothenburg Redevelopment Plan For The Pony Express Shelter And Site Drainage Redevelopment Project (the "Redevelopment Plan") has been prepared and submitted to the Gothenburg Community Redevelopment Authority (the "Authority") by Kezcorm, LLC (the "Redeveloper"), a copy of which is Attached hereto as Exhibit "B", for the purpose of redeveloping the Redevelopment Area; and

c. The Authority submitted the Redevelopment Plan to the Planning Commission for its recommendation on the Redevelopment Plan after holding a public hearing in compliance with the provisions of the Act; and

d. The Planning Commission has reviewed the Redevelopment Plan and recommended its approval by the Mayor and Council of the City;

e. Pursuant to Section 18-2113 of the Act, the Authority has conducted a cost benefit analysis of the project set forth in the Redevelopment Plan (the "Redevelopment Project"), reviewed the Redevelopment Plan, and recommended approval of the Redevelopment Plan by the Mayor and Council of the City;

f. The City, in compliance with all public notice requirements imposed by the Act, published and mailed notices of a public hearing regarding the consideration of the approval of the Redevelopment Plan pursuant to the Act, and has on the date of this Resolution held a public hearing on the proposal to approve the Redevelopment Plan and received extensive public comment thereon; and

g. The City Council has reviewed the Redevelopment Plan and determined that the proposed land uses and building requirements described in it are designed with the general purpose of accomplishing a coordinated, adjusted, and harmonious development of the City and its

environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency in economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provisions for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight.

**Resolved that:**

1. The Redevelopment Plan is determined to be feasible and in conformity with the general plan for the development of the City as a whole, and the Redevelopment Plan is in conformity with the legislative declarations and determinations set forth in the Act. Section 18-2102 of the Act establishes the legislative declarations and determinations for the Act. The Redevelopment Plan clearly demonstrates that the criteria declarations have been satisfied. The Redevelopment Area (the "Site") constitutes an economically and socially undesirable land use in its current state. The Site is not designed for proper utilization, is undesirable for economic and social purposes and constitutes a barrier to the sound growth of the City. Given the foregoing, the conditions of the Site are beyond the remedy and control of normal regulatory processes and police power and due to the high cost of development and cannot be dealt with effectively by the ordinary operations of private enterprise. Further documentation of these findings is set forth in the Blight and Substandard Determination Study for the Site on file in the office of the Gothenburg City Clerk.

The City Council further finds and documents that: the Redevelopment Project described in the Redevelopment Plan would not be economically feasible without the use of funds from tax-increment financing and would not occur in the Redevelopment Area without the use of funds from tax-increment financing; 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 have been analyzed by the City and have been found to be in the long-term best interest of the community impacted by the redevelopment project. The Cost Benefit Analysis incorporated into the Redevelopment Plan and adopted by the Authority provides significant documentation of the benefit to the City. Documentation of the fact that the Redevelopment Project is not financially feasible and would not occur at the Site, without tax increment financing, is provided by correspondence from the Redeveloper's lender indicating that capital for financing the redevelopment project would not be made available without the provision of tax increment financing. The Plan is necessary to prevent the spread of blight and substandard conditions within the municipality, will promote additional safe and suitable housing for individuals and families employed in the municipality, and will not result in the unjust enrichment of any individual or company. The City Council acknowledges receipt of the recommendations of the Authority and the Planning Commission with respect to the Redevelopment Plan.

2. In accordance with Section 18-2147 of the Act, the City provides that any ad valorem tax on real property in the City of Gothenburg, Nebraska, more fully described on

Exhibit A, attached hereto, for the benefit of any public body be divided for a period of 15 years after the effective date as provided in Section 18-2147 of the Act, which effective date shall be determined in a Redevelopment Contract and a Redevelopment Contract Amendment entered into between the Redeveloper and the Authority. 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 Project Area in excess of such amount (the Redevelopment Project Valuation), if any, shall be allocated to, is pledged to, and, when collected, shall be paid into a special fund of the Authority to pay the principal of, the interest on, and any premiums due in connection with the bonds, 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. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in the Redevelopment Project Area shall be paid into the funds of the respective public bodies.

3. The Redevelopment Plan is approved in the form attached as Exhibit "B". 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.

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

**PASSED and APPROVED** on May \_\_\_\_, 2025.

City of Gothenburg, Nebraska

*Verlin Janssen*

\_\_\_\_\_  
Mayor

ATTEST:

*Mindy Burns*  
\_\_\_\_\_  
City Clerk

(SEAL)



**EXHIBIT "A"**  
**LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA**

Lots One through Six, inclusive, except:  
the North 70 feet of the West 28 feet of Lot Five;  
the North 70 feet of Lot Six;  
and such parts of Lots One and Two, thereof deeded to the State of Nebraska by deed recorded in  
Book 138, Page 101 of the Deed Records of Dawson County, Nebraska,  
All in Block Fifty Two, First Addition to the City of Gothenburg, Dawson County, Nebraska.

**EXHIBIT "B"**  
**REDEVELOPMENT PLAN**  
[Attach Copy]

**CITY OF GOTHENBURG  
REDEVELOPMENT PLAN FOR THE  
PONY EXPRESS SHELTER AND SITE DRAINAGE REDEVELOPMENT PROJECT**

**I. INTRODUCTION.**

The City of Gothenburg, Nebraska, recognizes that blight is a threat to the continued stability and vitality of the City as a focal point of business, financial, social, cultural and civic activity and a focus of community pride and achievement. Therefore, the City has initiated a program of revitalization with the goal of enhancing the City of Gothenburg as the center of industry for the region.

This Redevelopment Plan (the "Plan") seeks to rehabilitate property in the Redevelopment Area by providing for necessary site drainage for the current gravel lot east of Lake Avenue (the "Site"). Additionally this Plan provides for site preparation, paving and construction of a 150 foot by 120 foot metal protective roof over the Site. The protective roof will reduce hail damage to vehicle inventory.

Storm water drainage on the east side of the Site will be improved to benefit not only the Site, but also the Beck Seed building adjacent to that lot.

The Site consists of the one parcel and is legally described on Exhibit "A". The Site is graveled and will require excavation and soil preparation prior to site paving and shelter construction. The total cost of the project is estimated to be \$340,500. This investment does not generate revenue but does significantly improve the site and may reduce business expenditures. Lender funding is conditioned on receipt of Tax Increment Financing.

The Redevelopment Area was declared blighted and substandard by the Gothenburg City Council pursuant to the Nebraska Community Development Law (the "Act"). The Redevelopment Area has been determined, through the blight and substandard resolution, to be in need of revitalization and strengthening to ensure that it will contribute to the economic and social wellbeing of the City.

To encourage private investment in the Redevelopment Area, this Plan has been prepared to set forth the **CITY OF GOTHENBURG REDEVELOPMENT PLAN FOR THE PONY EXPRESS SHELTER AND SITE DRAINAGE REDEVELOPMENT PROJECT** ("Redevelopment Project"), which is considered to be of the highest priority in accomplishing the goal of revitalizing and strengthening the Redevelopment Area.

## II. EXISTING SITUATION.

This section of the Redevelopment Plan examines the existing conditions within the designated Redevelopment Area. This section is divided into the following subsections: existing land use, existing zoning, existing public improvements, and existing building condition/blighting influences.

A. Existing Land Use. The existing land use is shown on Exhibit "B" which is also a map showing the location of the proposed improvement and constitutes a Future Land Use map.

B. Existing Zoning. The Community Redevelopment Area is zoned C-2, Highway Commercial District.

C. Existing Public Improvements. The Redevelopment Area is accessed by Lake Avenue and is adjacent to necessary public improvements including potable water mains and sanitary sewer mains.

D. Existing Building Conditions. The Site was declared blighted and substandard as part of a larger area pursuant to the Act.

## III. FUTURE SITUATION.

This section of the Redevelopment Plan examines the future conditions within the Community Redevelopment Area. This section is divided into the following subsections:

- A. Proposed Land Use Plan
- B. Conformance with the Comprehensive Plan; Conformance with the Community Development Law Declarations
- C. Relationship to Local Objectives
- D. Building Requirements and Standards after Redevelopment
- E. Proposed Changes and Actions
- F. Cost-Benefit Analysis
- G. Proposed Cost and Financing
- H. Procedure for Changes in the Approved Redevelopment Plan
- I. Relocation Expenditures

A. Proposed Land Use Plan. The land use plan for the Redevelopment Area as it relates to Redevelopment Area is conceptually shown on Exhibit "B".

The Redevelopment Authority intends to negotiate a specific redevelopment contract with the Redeveloper outlining the proposed Redevelopment Project. The written redevelopment contract will include a Redevelopment Project description, specific funding arrangements, and specific covenants and responsibilities of the Community Redevelopment Authority and the Redeveloper to implement the Redevelopment Project.

B. Conformance with the Comprehensive Plan; Conformance with the Community Development Law Declarations. In accordance with the Act, the Plan described in this document has been designed to conform to the May 2007 Comprehensive Development Plan for the City of Gothenburg ("Comp Plan"). By approval of this Plan, the City Council finds that this 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. This finding is documented by a determination that the Comp Plan specifically designates the future land use for the Redevelopment Area as "Highway Commercial" and such use is consistent with the zoning for that area.

C. Relationship to Local Objectives. The proposed Redevelopment Area lies within the boundary described on attached Exhibit "A". The Plan has been developed on the basis of the goals, policies and actions adopted by the City for the community as a whole and for the Redevelopment Area. General goals, policies and actions relating to the community as a whole and for the Redevelopment Area are contained in the Comp Plan.

D. Building Requirements and Redevelopment Standards. The redevelopment of the Redevelopment Area should generally achieve the following requirements and standards:

1. Population Density. There are no dwelling units currently located within the Redevelopment Area, and none are proposed under this Redevelopment Plan. Consequently, there is no change proposed for the population density within the Redevelopment Area.

2. Land Coverage and Building Density. This Plan contemplates construction of an open protective metal covering 120 feet by 150 feet on the Site.

3. General Environment. Rehabilitate the Redevelopment Area with the installation of storm water drainage on the Site and the installation of a protective metal roof and paving.

4. Building Heights and Massing. Building heights and massing will comply with the C-2, Highway Commercial District zone.

5. Circulation, Access and Parking. Provide for vehicular circulation through and access to the Redevelopment Area in a manner consistent with the needs of the development and the community.

E. Proposed Changes and Actions. This section describes the proposed changes needed, if any, to the zoning ordinances or maps, street layouts, street levels or grades, building codes and ordinances, and actions to be taken to implement this Plan.

1. Zoning, Building Codes and Ordinances. The entire Site is zoned C-2, Highway Commercial District. No additional changes to the City's Zoning Ordinances, Building Codes, or other local ordinances are contemplated to implement this Redevelopment Plan.

2. Traffic Flow, Street Layout and Street Grades. No changes are required related to streets or traffic flow.

3. Public Redevelopments, Improvements, Facilities, Utilities and Rehabilitations. No public improvements are contemplated.

4. Site Preparation and Demolition. The Site will require earth work prior to paving and construction.

5. Private Redevelopment, Improvements, Facilities and Rehabilitation. The private improvements anticipated within the Redevelopment Area will result in improved storm water drainage and installation of a paved covered vehicle display area.

6. Open Spaces, Pedestrian ways, Landscaping, Lighting, Parking. The proposed site plan may include outdoor lighting.

F. Cost-Benefit Analysis. A Redevelopment Project TIF Statutory Cost Benefit Analysis ("Cost-Benefit Analysis") is required to be prepared by the Redevelopment Authority prior to submission of this Plan to the City Council. The Cost-Benefit Analysis must comply with the requirements of the Act in analyzing the costs and benefits of the Redevelopment Project, including costs and benefits to the economy of the community and the demand for public and private services. The Cost-Benefit Analysis is set forth on Exhibit "C".

G. Proposed Costs and Financing; Statements. The City will negotiate with the Redeveloper on a specific written redevelopment contract. The written redevelopment contract would include a site plan, project description, and specific Tax Increment Financing arrangements. The Redeveloper seeks the issuance of a tax increment revenue bond in the amount of \$42,000 the proceeds of which will be granted to the Redeveloper. The agreement will further provide specific covenants and responsibilities of the Redevelopment Authority and the Redeveloper to implement the Redevelopment Project.

Estimated Eligible Redevelopment Project costs are shown below:

#### **POTENTIAL ELIGIBLE PRIVATE IMPROVEMENTS**

Site preparation:	\$54,000
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The cost of Eligible Private Improvements for TIF reimbursements significantly exceed the estimated TIF funding. The figures above are estimates. Final figures are subject to a specific site plan, design specifications, City approval and public regulations.

The public will fund as much of the above Eligible Improvements as needed to the extent necessary to meet the public purpose and community goals, policies and standards. The City will not fund improvements that exceed the amount of funds available from tax-increment financing indebtedness. The amount of the available proceeds for tax-increment financing is estimated at



approximately \$42,000. This assumes an increased valuation as a result of the Project of approximately \$300,000. Provided, however, in all events, utilization of the tax increment proceeds shall be limited to the Redevelopment Area described on Exhibit "A".

Any ad valorem tax levied upon the real property on the Project Site for the benefit of any public body shall be divided, for a period not to exceed fifteen (15) years after the effective date established in the redevelopment agreement. Said taxes shall be divided as follows:

a. That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such 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; and

b. That portion 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 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, a Redevelopment Project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a Redevelopment Project shall be paid into the funds of the respective public bodies.

The Redevelopment Project is within the corporate boundaries of the City.

Because the Plan proposes to use tax-increment financing funds as authorized in § 18-2147 of the Act, the Authority and City Council, in approving this Plan find as follows:

a. the Redevelopment Project in the Plan would not be economically feasible without the use of tax-increment financing documented by correspondence of the Redeveloper's lender;

b. the Redevelopment Project would not occur in the Redevelopment Area without the use of tax-increment financing; and

c. 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 have been analyzed by the governing body and been found to be in the long term best interest of the community impacted by the Redevelopment Project.

H. Procedure for Changes in the Approved Redevelopment Plan. If the City of Gothenburg desires to significantly modify this Plan, it may do so after holding a public hearing on the proposed change in accordance with applicable state and local laws. A redevelopment plan which has not been approved by the governing body when recommended by the authority may

again be recommended to it with any modifications deemed advisable. A redevelopment plan may be modified at any time by the authority, provided, that if modified after the lease or sale of real property in the Redevelopment Area, the modification must be consented to by the redeveloper or redevelopers of such property or his successor, or their successors, in interest affected by the proposed modification. Where the proposed modification will substantially change the redevelopment plan as previously approved by the governing body the modification must similarly be approved by the governing body.

I. Relocation Expenditures. In the event that The Community Redevelopment Authority is required to relocate current tenants of the existing structures, the Authority will adopt rules and regulations pursuant to the Act. This Plan will not be implemented unless the Authority is reimbursed, by the redeveloper, in advance, for all estimated and actual costs incurred by the Authority, including professional fees required as a result of such relocation undertaking.

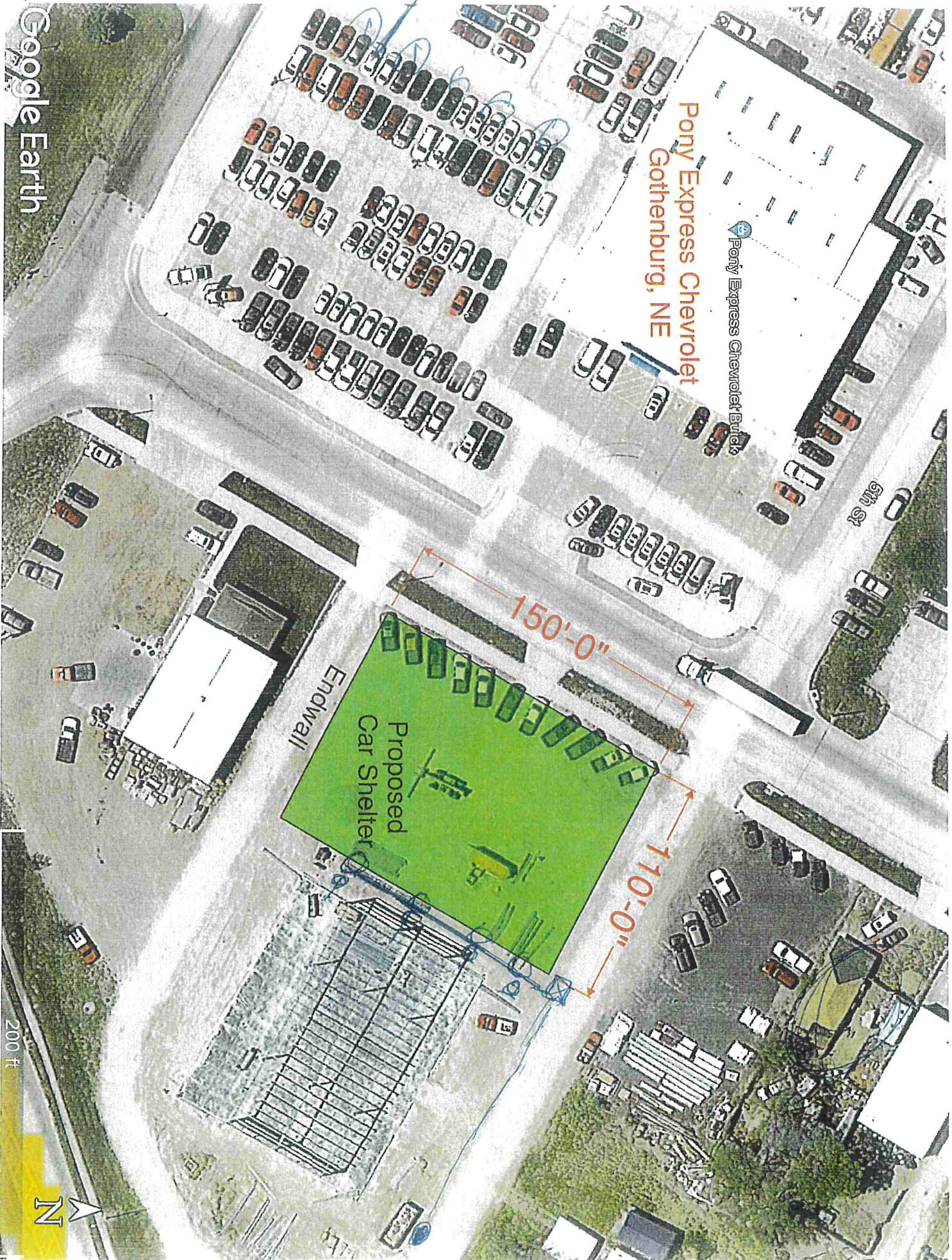
EXHIBIT "A"

Lots One through Six, inclusive, except:  
the North 70 feet of the West 28 feet of Lot Five;  
the North 70 feet of Lot Six;  
and such parts of Lots One and Two, thereof deeded to the State of Nebraska by deed  
recorded in Book 138, Page 101 of the Deed Records of Dawson County, Nebraska,  
All in Block Fifty Two, First Addition to the City of Gothenburg, Dawson County,  
Nebraska.

EXHIBIT "B"

[attach copy of map showing current land use]





Pony Express Chevrolet  
Gothenburg, NE

Pony Express Chevrolet Buick

Proposed  
Car Shelter

Endwall

5th St

Google Earth

200 ft





EXHIBIT "C"

STATUTORY COST BENEFIT ANALYSIS  
PONY EXPRESS SHELTER AND SITE DRAINAGE REDEVELOPMENT PROJECT

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2022), the City of Gothenburg has analyzed the costs and benefits of the proposed **CITY OF GOTHENBURG PONY EXPRESS SHELTER AND SITE DRAINAGE REDEVELOPMENT PLAN FOR THE PONY WASH REDEVELOPMENT PROJECT**, including:

**Project Sources and Uses.** Approximately \$75,000 (\$42,000 principal plus \$33,000 in interest) in public funds from tax increment financing provided by the City of Gothenburg will be required to prepare the site for redevelopment and install site drainage. The Redeveloper will have to pay out an additional \$336,300 in funds to complete the project.

**Tax Shifts.** The property to be redeveloped is estimated to have a January 1, 2024, valuation of \$8,000, resulting in a 2024 real property tax of approximately \$138.00. It is anticipated that the assessed value on full build out will increase by \$342,000 as a result of constructing the improvements. This construction could result in a tax increase of over \$5,000 annually. The tax increment gained from this Redevelopment Project area would not be available for use as city or other taxing entities general tax revenues but would be used for eligible private improvements to enable this project to be realized.

2024 Assessed Value	\$8,000.00
Estimated Value after Completion	\$308,000.00
Increment Value	\$300,000.00
Estimated Annual Tax Increment	\$5,000.00

**Impact on public infrastructure and community service needs impact:** A project financed in part by tax increment financing should be analyzed to determine if any taxing entity would have to raise its tax levy as a direct result of the redevelopment project. The construction of the improvements will have no impact on the taxing entities. The public infrastructure necessary to provide service to the new construction is in place. Fire and police services are deemed adequate and additional equipment or manpower will not be required.

**Impact on the student population:** A review has been made of the impact on the school district by the proposed Project. Construction of the improvements will have no increase in local jobs and no additional students.

**Employment Within the Project Area.** There are no employees in the Redevelopment Area. Employment within the Redevelopment Area is expected to increase due to site preparation and construction. Construction employment will be temporary. The Redevelopment Project, once complete, will add no new jobs.

**Employment in the City Outside the Project Area.** The latest available labor statistics show an estimated 3.2% unemployment rate in Dawson County, Nebraska, as of January, 2025. The Redevelopment Project will have no impact on employment outside the city of Gothenburg.

**Other Impacts.**

**Increased valuation:** This Project will increase the assessed valuation of the school district and the City of Gothenburg after the applicable period of the tax increment financing is completed. It is not unreasonable to project an increase in assessed value of \$300,000.

**Sales tax:** Materials incorporated into the new buildings as well as the equipment to operate the wash are subject to state and city sales tax. Assuming a \$340,00 building construction cost and assuming 40% of that cost is for materials subject to city sales tax at the rate of 1.5%, \$2,040.00 in city sales tax could be subject to capture.