

**City of Kearney**  
**Community Redevelopment Authority**  
**Cost-Benefit Analysis**  
**TSB Enterprises, LLC – Kearney Storage**  
**Redevelopment Area No. 5**  
(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 \$19,015 in year assuming no annual increase in valuation. This would produce approximately \$285,228 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 (\$256,705) 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 \$17,114 per year assuming no annual increase in valuation or changes in property tax levies. This will produce a total rebate of approximately \$256,705. These taxes will be intercepted for fifteen years from their normal distribution to the affected taxing jurisdictions which includes Kearney School District #7 (\$169,562), Buffalo County (\$44,959), City of Kearney (\$20,863), Central Community College (\$12,892), Central Platte NRD (\$3,221), ESU #10 (\$2,102), Ag Society (\$2,403), and the City of Kearney Community Redevelopment Authority (\$703). Attachment A provides details of the estimated tax shift.

The estimated public investment of \$256,705 in TIF funds will leverage approximately \$1,061,456 in private sector financing, resulting in a private investment of more than \$4.13 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 vacant lot, 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.

**(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.

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

The Project will not impact student populations of school districts within the City.

**(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.

**City of Kearney  
Community Redevelopment Authority  
Annual Estimated Assessed Valuation and Real Estate Tax Capture  
TSB Enterprises, LLC - Kearney Storage  
Redevelopment Area No 5  
Parcel 600047300**

<b>Assessed value/taxes - base value year (actual)</b>											
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
			1.210001	0.320831	0.14887	0.092	0.022982	0.015	0.017151	0.005017	1.831852
1	78,560	78,560	951	252	117	72	18	12	13	4	1,439
2	78,560	78,560	951	252	117	72	18	12	13	4	1,439
3	78,560	78,560	951	252	117	72	18	12	13	4	1,439
4	78,560	78,560	951	252	117	72	18	12	13	4	1,439
5	78,560	78,560	951	252	117	72	18	12	13	4	1,439
6	78,560	78,560	951	252	117	72	18	12	13	4	1,439
7	78,560	78,560	951	252	117	72	18	12	13	4	1,439
8	78,560	78,560	951	252	117	72	18	12	13	4	1,439
9	78,560	78,560	951	252	117	72	18	12	13	4	1,439
10	78,560	78,560	951	252	117	72	18	12	13	4	1,439
11	78,560	78,560	951	252	117	72	18	12	13	4	1,439
12	78,560	78,560	951	252	117	72	18	12	13	4	1,439
13	78,560	78,560	951	252	117	72	18	12	13	4	1,439
14	78,560	78,560	951	252	117	72	18	12	13	4	1,439
15	78,560	78,560	951	252	117	72	18	12	13	4	1,439
<b>Total property taxes - base value year</b>			14,259	3,781	1,754	1,084	271	177	202	59	21,587

<b>Assessed value/taxes - base value year plus increment (estimated)</b>											
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
<b>TIF percent abated</b>		100%	1.210001	0.320831	0.14887	0.092	0.022982	0.015	0.017151	0.005017	1.831852
<b>Annual valuation Increase</b>		0.00%									
1	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
2	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
3	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
4	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
5	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
6	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
7	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
8	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
9	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
10	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
11	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
12	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
13	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
14	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
15	1,116,590	1,038,030	12,560	3,330	1,545	955	239	156	178	52	19,015
<b>Total property taxes - base &amp; improvements</b>			188,403	49,955	23,180	14,325	3,578	2,336	2,670	781	285,228

<b>Assessed value/taxes - base value year plus increment (estimated)</b>											
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
<b>TIF percent abated</b>		90.00%	1.210001	0.320831	0.14887	0.092	0.022982	0.015	0.017151	0.005017	1.831852
<b>Annual valuation Increase</b>		0.00%									
1	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
2	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
3	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
4	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
5	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
6	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
7	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
8	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
9	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
10	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
11	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
12	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
13	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
14	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
15	1,116,590	934,227	11,304	2,997	1,391	859	215	140	160	47	17,114
<b>Total property taxes - base &amp; improvements</b>			169,562	44,959	20,862	12,892	3,221	2,102	2,403	703	256,705