

WHAT IS A BLIGHT AND SUBSTANDARD AREA?

An area that has been declared blighted and substandard, in accordance with Nebraska state statues, is defined as one where conditions are present that may have a detrimental effect on public health, safety, morals, or welfare of the neighborhood. The statues point to conditions such as inadequate infrastructure, conditions which endanger life and property by fire or other causes, dilapidated buildings, inadequate parking, congestion, and economically or socially unacceptable land uses.

The Redevelopment Area was defined in a study prepared for the City of Falls City by the Community Planning & Research firm Hanna: Keelan Associates, P.C. It contains an estimated 62 acres. This equals an estimated 38 percent of the incorporated area of the City.



HANNA:KEELAN ASSOCIATES, P.C., 2003
Falls City, Nebraska
Eligible/Redevelopment Determination Study

A map illustrating the Redevelopment Area may be found at the back of this brochure.

Projects must be in an area that has been declared blighted to be eligible for Tax Increment Financing.

Current members of the CRA are the following:

Charlie Radatz, Chairman
(402) 245-5096
cradatz@sentco.net

Kevin Malone, Secretary
(402) 245-2491

Adam Morris, Member
(402) 245-4447

Duane Dixon, Member
(402) 245-2269

Ex-officio members include the following:

Shawna Bindle, Mayor
(402) 245-5379

Gary Jorn, City Administrator
(402) 245-2851
clerktreasurer@sentco.net

Beckie Cromer, Executive Director EDGE
(402) 245-2105
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Website Addresses:

Falls City Economic Growth & Enterprise
Development (EDGE)
www.fallscityedge.com

City of Falls City, NE
www.fallscitynebraska.org



TAX INCREMENTAL FINANCING (TIF)

**A POWERFUL TOOL
TO ASSIST
ECONOMIC DEVELOPMENT**

Tax Increment Financing (TIF) is the use of new real property tax dollars created as the result of a commercial project to help support the financing of that project. TIF allows use of the new property taxes generated by the increased value of the property to be paid to the Falls City Community Redevelopment Authority (CRA) to be invested into public improvements that are part of the project. These taxes are redirected for the benefit of the project for a period of up to 15 years. Property taxes on the original value of the property continue to be paid to local taxing entities.

Here's how it works. Suppose the present value of a property is \$100,000. Following completion of a redevelopment project, the new value of the property is \$600,000. Following City Council approval of a Redevelopment Plan and Redevelopment Contract between the CRA and the developer, property taxes generated by the improvement (\$500,000) flow to the CRA for a period of up to 15 years. These tax monies are used to finance a bond, the proceeds of which are granted to the developer for public improvements that are part of the project and for the legal and other expenses associated with TIF. Local taxing entities receive taxes based on the original value of the property (\$100,000) until the bond is retired and on the entire value of the property thereafter.

WHAT TYPES OF PROJECTS ARE ELIGIBLE?

Across Nebraska, tax increment financing has been used to provide public improvements for rental housing projects, economic development incentives for industrial and manufacturing entities, upgrades of buildings and public facilities in downtown areas, purchase of land for redevelopment activities, update of business and recreational facilities, and other development enhancing activities. Falls City's CRA encourages and evaluates projects based upon their positive impacts on neighborhoods and the community in general.

To qualify for TIF, developers must complete an application to and receive a recommendation for approval from the CRA. Qualifying projects are those that "but for TIF" would not be economically feasible, "but for TIF" would not occur in the Blight and Substandard Area of the City of Falls City, and whose costs and benefits are found to be in the long-term best interests of the City and its economic vitality.



Application forms are available from Falls City Economic Development & Growth Enterprise (EDGE), the City Administrator, and/or their respective websites.

WHAT IS THE COMMUNITY REDEVELOPMENT AUTHORITY (CRA)?

Nebraska's Community Development Law empowers the governing body of any Nebraska city to create a special political subdivision for the purpose of determining and designating certain areas of the city in need of improvement and development.

This body can determine the types of improvements or developments needed and recommend appropriate means for funding such improvements or developments for the maximum benefit to the city's taxpayers.

The CRA can borrow money, issue bonds, conduct public hearings, undertake investigations, surveys, appraisals, and ask for a levy of taxes.

The Falls City City Council established the CRA on November 2, 2009.