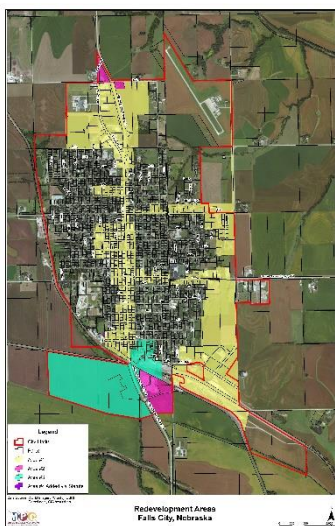


## What is a Blight and Substandard Area?

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 statutes 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 original 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 contained an estimated 62 acres, which equals an estimated 38% of the incorporated area of the City. Since then, a few more acres have been added.

Projects must be in a declared blighted area to be eligible for Tax Increment Financing.



Map of declared blighted areas.

## Current CRA Members

Trent Scheitel, Chairman  
tscheitel@frontier.bank

Kevin Malone  
kmalone@frontier.bank

Adam Morris  
adam.morris@edwardjones.com

Brian Poppe  
bpoppe@popperealty.com

Rod Rowland  
rrowland@fmbankfc.com

## Ex-Officio CRA Member

Anthony Nussbaum, City Administrator  
a.nussbaum@fallscityne.us  
402-245-2851

## Other Contact

Lucas Froeschl, Falls City EDGE  
director@fallscityedge.com  
402-245-2105



# TAX INCREMENT FINANCING (TIF)

*A Powerful Tool to Assist Economic Development*

City Hall  
2307 Barada St.  
Falls City, NE 68355  
(402) 245-2851  
www.fallscitynebraska.org

**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 project's financing. TIF allows use of new property taxes generated by the increased property value, paid to the Falls City Community Redevelopment Authority (CRA) and 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 on the entire value of the property.

### **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 receive a recommendation for approval from the CRA. Qualifying projects are those that may not be economically feasible without TIF nor occur in the blight and substandard areas of Falls City. TIF project costs and benefits are found to be in the long-term best interests of the City and its economic vitality.



### **What is Falls City Community Redevelopment Authority (CRA)?**

Nebraska's Community Development Law empowers the governing body of any Nebraska municipality 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.

Application forms are available from Falls City Economic Development & Growth Enterprise, Inc. (EDGE) and the City Administrator. More information can be viewed, or their websites.

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

