



CITIZENS ADVISORY REVIEW COMMITTEE

**Tuesday, November 29, 2022 – 12:00 p.m.
400 East Military, Fremont, Nebraska**

1. Call to Order
2. Approval of minutes from October 25, 2022 meeting
3. Review Fund Balance
4. Quarterly Update
5. Plan Administrator Updates
 - a) Local Option Sales Tax Update
6. Adjourn

This agenda was posted at the Municipal Building and was distributed to the members of the Citizens Advisory Review Committee on November 23, 2022. The official current copy is available at City Hall, 400 East Military Avenue. A copy of the Open Meeting Law is posted for review by the public.

CITY OF FREMONT CITIZENS ADVISORY REVIEW COMMITTEE
October 25, 2022 – 12:00 p.m.

A meeting of the Citizens Advisory Review Committee was held on October 25, 2022 at 12:00 p.m. at 400 East Military Avenue, Fremont, Nebraska. The meeting was preceded by publicized notice in the Fremont Tribune and the agenda displayed in the Municipal Building. The meeting was open to the public. A continually current copy of the agenda was available for public inspection at the office of the City Administrator, 400 East Military Avenue. The agenda was distributed to the Citizens Advisory Review Committee on October 21, 2022 and posted, along with the supporting documents on the City's website. A copy of the open meeting law is posted continually for public inspection.

ROLL CALL

Roll call showed Members Johannsen, Schulz and Martinez present. Proskovec and Wiese absent. 3 present, 2 absent. Others in attendance included Angie Olson, Ex. Asst.; Jody Sanders, City Administrator; Dan Goebel, Dir. of Finance; Mark Jensen, Council Member; and Mayor Joey Spellerberg.

APPROVAL OF MINUTES FROM AUGUST 30, 2022 MEETING.

Moved by Member Martinez and seconded by Member Schulz to approve the minutes of the August 30, 2022 meeting. Ayes: Martinez, Schulz, and Johannsen. Motion carried 3-0.

REVIEW FUND BALANCE.

Olson gave overview. No motion received.

CONSIDER APPLICATION FROM I AM A MAN THE FILM, LLC. FOR LOCAL OPTION ECONOMIC DEVELOPMENT FILM INCENTIVE REBATE

Olson gave update and answered questions. The group discussed the request. Moved by Member Schulz and seconded by Member Martinez to recommend City Council approve the Local Option Economic Development Film Incentive Rebate of 30% of eligible local expenditures, in an amount not to exceed \$265,692. Ayes: Schulz, Martinez, and Johannsen. Motion carried 3-0.

PLAN ADMINISTRATOR UPDATE.

Olson gave update on Local Option Sales Tax. The group discussed.

ADJOURNMENT

Moved by Member Schulz and seconded by Member Martinez to adjourn at 12:28 p.m. Ayes: Schulz, Johannsen, and Martinez. Motion carried 3-0.

City of Fremont Nebraska
Status of LB 840 Funds
10/31/2022
Preliminary Estimate

Assets:

Checking	492,104.12	
Money Market	1,096,082.18	
Investments	<u>1,997,890.62</u>	
		3,586,076.92

Capital Transfers	<u>(1,264,955.54)</u>	
		<u>(1,264,955.54)</u>
		2,321,121.38

Known Committed Funds:

Morningside Business Park Res 2013-095	0.00	
505 Main Street Group, LLC Res 2021-021	155,000.00	
Wheelhouse Solutions, LLC Res 2022-012	0.00	
Tech/Bus Park Resolution 2011-047	975,392.00	
Tech Park Infrastructure Improvements Res 2022-172	<u>1,617,044.46</u>	
		<u>2,747,436.46</u>

Uncommitted Funds		<u><u>(426,315.08)</u></u>
--------------------------	--	----------------------------

**SUMMARY OF LB840 SALES TAX REVENUE
ECONOMIC DEVELOPMENT PROJECTS**

Business Name / Project	Date	LB 840 Loan to Business	LB 840 Investment-- Land, Infrastructure & Other	Jobs Created	\$\$ Per Job Created	Jobs Retained	Minimum Wage Amt. per Contract	Real Estate Values (per assessor records 2015)	Real Estate Values (per assessor records March 2021)	Local Sales Tax Generated (1.5%)	Notes	Defaulted
Christensen Business Park--purchase 112 acres & infrastructure	2000		\$2,661,256								Complete.	
Natura, 2779 West Rademakers Way	2002	\$570,000		25			\$8.25	\$14,137,265	\$19,023,506		\$570,000 Performance-Based Infrastructure included with Christensen Business Park. Complete.	
Spec Building at Christensen Business Park, 2639 West 23 Av.	2002		\$283,000					\$821,830	\$1,114,291		Sold building to Charleston's. Complete.	
Utility extensions on North Lincoln Street, 2400 North Lincoln (Holiday Inn Express & Steenblock)	2002		\$70,000			45		\$3,399,795	\$3,471,257		Made access to Steenblock and Holiday Inn Express. Complete.	
Sewer extension on North Yager Road to serve Burlington Northern Industrial tract	2003		\$50,000								Complete.	
Southwark, 2073 West Rademakers Way	2004	\$100,000		30	\$3,333.33		\$8.50	\$2,586,245	\$6,336,058		\$50,000 Performance-Based. Infrastructure included with Christensen Buisness Park. Complete.	
Nelson Business Park: Fremont Contract Carriers, 865 South Bud Blvd (Eagle Dist. also located here)	2004		\$776,161	35		145		\$8,874,010	\$13,602,888		Complete.	
Ready Tech-Go, Inc. (RTG Medical)	2007	\$155,000		10	\$15,500.00		\$8.50				\$145,000 0% RP & \$10,000 PB, create 10 jobs & retain for 1 year. (LM) Complete.	
Overland Products, 1577 & 1687 North Airport Road	2007	\$600,000		20	\$30,000.00	20	\$9.00	\$1,190,525	\$1,573,176		0% RP, create 20 jobs & retain for 5 years (LM) Complete.	
RK Aerials (Rosenbauer), 840 South Broad	2004	\$150,000		20	\$7,500.00	20	\$8.25	\$1,300,175	\$3,525,405		\$50,000 0% RP & \$100,000 PB, create 20 jobs & retain for 4 years, maintain Fremont location for 15 years (LM). Complete.	

**SUMMARY OF LB840 SALES TAX REVENUE
ECONOMIC DEVELOPMENT PROJECTS**

Business Name / Project	Date	LB 840 Loan to Business	LB 840 Investment-- Land, Infrastructure & Other	Jobs Created	\$\$ Per Job Created	Jobs Retained	Minimum Wage Amt. per Contract	Real Estate Values (per assessor records 2015)	Real Estate Values (per assessor records March 2021)	Local Sales Tax Generated (1.5%)	Notes	Defaulted
Best Cobb, LLC, 731 South Platte	2007	\$600,000		12	\$50,000.00		not defined				\$200,000 0% RP & \$300,000 6% RP, create 12 jobs & retain for 4 years, maintain Fremont facility for 10 years. \$100,000 PB, clean up property w/in 9 months. (LM). Complete.	*Defaulted May 2010, remaining loan balances re-amortized and repaid at 8% interest
Christensen Lumber LTD, 714 N Main	2007	\$175,000		10	\$17,500.00		\$11.00		\$4,637,436		\$50,000 0% RP & \$125,000 PB, create 10 jobs & retain for 5 years (LM). Complete.	
International Spices, 1040 South Lucius	2007	\$60,000		10	\$6,000.00		\$10.00	\$1,601,235	\$3,231,785		PB, create 10 jobs & retain for 5 years (LM). Complete.	
Merritt Equipment, 4650 North Broad	2008	\$150,000		10	\$15,000.00		\$14.00	\$798,320	\$1,095,343		PB, create 10 jobs & retain for 5 years (LM). Complete.	
Mid America Truck Wash	2008	\$50,000				12		\$450,125	\$632,128		Single Payment Loan, term 8 months (LM). Complete.	
Christensen Bus. Park--purch. 23 acres (Izaak Walton Range)	2009		\$200,767								Complete.	
Morningside North Business Park--purchase of 42 acres	2009		\$803,471					\$0	\$5,002,968		Complete.	
Sycamore Leaf Solutions, 321 East Military	2011	\$40,000		2	\$20,000.00	2	\$15.00	\$100,940	\$155,474		\$40,000 Performance-Based. Complete.	
Fremont Techology Park--purchase of 81 acres	2011		\$654,392								Complete.	
Fremont Technology Park CDBG loan guarantee, 2011-047	2011		\$975,392									
Fremont Techology Park--infrastructure, 2011-047	2011		\$420,000								Complete.	
Airport Infrastructure	2012		\$132,631								Complete.	
Fremont Techology Park--infrastructure, 2013-095	2013		\$1,635,040								Complete.	
Morningside North Business Park--infrastructure, 2013-095	2013		\$444,000								Complete.	

**SUMMARY OF LB840 SALES TAX REVENUE
ECONOMIC DEVELOPMENT PROJECTS**

Business Name / Project	Date	LB 840 Loan to Business	LB 840 Investment-- Land, Infrastructure & Other	Jobs Created	\$\$ Per Job Created	Jobs Retained	Minimum Wage Amt. per Contract	Real Estate Values (per assessor records 2015)	Real Estate Values (per assessor records March 2021)	Local Sales Tax Generated (1.5%)	Notes	Defaulted
McGinn Holdings, LLC	2014	\$10,000						\$174,895	\$464,000		PB, Maintain location for 3 years. Complete.	
Sycamore Leaf	2015	\$100,000		3	\$33,333.33	8	\$15.00				PB, create 3 jobs & retain 8 for 5 years. Complete.	
Structural Components	2015	\$600,000		35	\$17,142.86		\$15.00	\$1,462,905	\$1,959,845		\$200k RP; \$400k PB 20 jobs in yr 1, 10 jobs in yr 2, 5 jobs in yr 3; retain all jobs for 5 years. Base = 209 jobs. Complete.	
Fremont Beef	2015	\$300,000		25	\$12,000.00		\$15.00	\$7,233,340	\$9,590,981		\$300,000 PB - 25 new jobs, retain for 5 yrs. Base = 315 jobs. Monitoring began 12/2015. Complete.	
Heartland Area Accessories	2016	\$150,000				10		\$81,300	\$2,665,086		PB, retain 10 jobs for 5 years and voluntary annex. Complete.	
Costco	2016	\$1,000,000		800	\$1,250.00		\$15.00	\$2,616,334	\$156,412,824		PB, 800 by year 5 and at least \$150M invested in property by year 2.	
12 Days of Christmas - Film	2017	\$19,719								\$975**	Rebate of 30%, not to exceed \$25,000, on qualified expenditures. Complete.	
Legacy Post and Beam	2017	\$60,000		12	\$5,000.00		\$18.00	\$0	\$1,393,893		PB, 12 new jobs in Fremont, retain for 5 years	
Greater Fremont Development Council	2018		\$500,000								Matching funds for Rural Workforce Housing Fund Grant	
Pearl Academy	2018	\$71,121		7	\$10,160.14		\$10.00				50% RP, 50% PB, 7 jobs, retain for 5 years	
0.402	2018		\$250,000								PB, Maintain team in Fremont for 5 years, first season = 2019	

**SUMMARY OF LB840 SALES TAX REVENUE
ECONOMIC DEVELOPMENT PROJECTS**

Business Name / Project	Date	LB 840 Loan to Business	LB 840 Investment-- Land, Infrastructure & Other	Jobs Created	\$\$ Per Job Created	Jobs Retained	Minimum Wage Amt. per Contract	Real Estate Values (per assessor records 2015)	Real Estate Values (per assessor records March 2021)	Local Sales Tax Generated (1.5%)	Notes	Defaulted
Infinite 8 Institute	2018	\$200,000		8			\$19.00				RP over 5 years	In default.
WLG Fremont, LLC (RTG Medical)	2019	\$600,000		50	\$12,000.00	80	\$45,000.00	\$0	\$229,000		PB, 50 new jobs, retain for 5 years	
Greater Fremont Development Council	2019		\$1,000,000								Funds for Low-Moderate Income Housing	
La Flamme Rouge, LLC - Film	2019	\$14,134								\$707**	Rebate of 30%, not to exceed \$35,000, on qualified expenditures. Complete.	
Morningside Business Park - Johnson Road Paving,2019-186	2019		\$1,000,000								Morningside Business Park Infrastructure Improvements. Complete.	
505 Brewing Company	2019	\$165,000		5	\$33,000.00		\$15.00				PB, 5 new jobs, retain for 5 years	
WholeStone Farms, LLC	2020	\$1,300,000		600	\$2,166.67	1300	\$17.00	\$9,833,770	\$16,570,025		PB, 600 new jobs, retain for 5 years	
Summit Medical Staffing, LLC	2020	\$50,000		10	\$5,000.00	5	\$21.63				Amended - PB. See below for amended agreement	
Tech Partners, LLC	2020	\$32,250		2	\$16,125.00	4	\$18 & \$25	\$128,740	\$289,240		75/25, 2 new jobs, retain for 5 years	
Fabrication Holdings, LLC DBA Elemetal	2020	\$200,000		4	\$50,000.00	16	\$21.63	\$650,705	\$806,910		PB, 4 new jobs, retain for 5 yrs	
Compound Holdings, LLC	2021	\$500,000		51	\$9,803.92	0	\$20.19	\$262,565	\$263,011		PB, 51 new jobs, retain for 5 yrs.	
Summit Medical Staffing, LLC	2021	\$450,000		55	\$8,181.82	12	\$21.63	\$0	\$12,085		PB, 55 new jobs, retain for 5 yrs, relocate to Tech Park	
505 Main Street Group	2021	\$465,000						\$157,435	\$277,487		Renovate 505 N Main Street into apartments / received 3rd forgiveness letter	

**SUMMARY OF LB840 SALES TAX REVENUE
ECONOMIC DEVELOPMENT PROJECTS**

Business Name / Project	Date	LB 840 Loan to Business	LB 840 Investment-- Land, Infrastructure & Other	Jobs Created	\$\$ Per Job Created	Jobs Retained	Minimum Wage Amt. per Contract	Real Estate Values (per assessor records 2015)	Real Estate Values (per assessor records March 2021)	Local Sales Tax Generated (1.5%)	Notes	Defaulted
Maiz - Film	2021	\$486								24.32**	Rebate of 30%, not to exceed \$1,000, on qualified expenditures. Complete.	
My Central Supply (MCS)	2022	\$200,000		8	\$25,000.00	4	\$21.63				PB, 8 new jobs, retain for 5 yrs	
Fremont Technology Park - Infrsastructure, 2022-172	2022		\$2,882,000								Paving, water, sewer, streetlights at 29th St and N Lincoln Ave	
I Am A Man, LLC - Film	2022										Rebate of 30%, not to exceed \$265,692, on qualified expenditures.	
				50								
Totals		\$9,137,710	\$14,738,110	1859		1683		\$57,862,454	\$254,336,102			
	Total LB840 Funds		\$23,875,820									

PB = Performance Base

RP = Repayable

**Sales tax generated is singular event

City of Fremont LB840- Local Option Economic Development Fund

Eligibility Guidelines

	Tier One	Tier Two	Tier Three	Tier Four	Tier Five	Tier Six
Wages*	140% (or greater) of Dodge County Average Hourly Wage					
Job Creation	1 to 5	6 to 25	26 to 50	51 to 100	101 to 500	501 and up
Capital Investment**	\$50,000 and up		\$1 million and up		Over \$10 million	
Sales Tax	Gross sales of \$50,000 to \$499,999		Gross sales of \$500,000 to \$999,999		Gross sales over \$1 million	
	<i>Project must meet at least two of the four criteria to be eligible for that tier. For each criteria met, 25% of the loan will be considered for forgiveness.</i>					

Program Features

	Tier One	Tier Two	Tier Three	Tier Four	Tier Five	Tier Six
Interest Rate	0 to 6 %					
Assistance Caps	Up to 25% of annual payroll of new jobs or \$50,000, whichever is least	Up to 25 % of annual payroll of new jobs or \$200,000, whichever is least	Up to 20% of annual payroll of new jobs or \$350,000, whichever is least	Up to 20% of annual payroll of new jobs or \$500,000, whichever is least	Up to 15% of annual payroll of new jobs or \$750,000, whichever is least	Up to 15% of annual payroll of new jobs or \$1,000,000, whichever is least
Forgiveness	Additional portions of loan forgiveness may be considered in certain circumstances where the job creation requirement has been met and the applicant has demonstrated significant benefit to the community.					
	<i>Recommendations of contract terms will be made by City staff based on application information, credit analysis, and available funds.</i>					

Additional Items

*Positions must receive health insurance and other benefits. The Dodge County "annual average weekly wage" is found here: http://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables (NAICS Industries by Geography, All Industry Levels, One Area, Dodge County, Nebraska, Prior Year/Quarter Annual Averages, All Establishment Sizes; Source: Quarterly Census of Employment and Wages – Bureau of Labor Statistics) and divided by 40 hours to determine hourly wage.)

**Participation in other local programs like tax increment financing or Economic Enhancement Fund will be taken into consideration.

Impact Analysis of Sales Tax Revenue for Economic Development
The following options are for presentation purposes

2000 – November 2022

Impact Analysis of the Expenditure of \$20,993,820 in Sales Tax Revenue for Economic Development	
2000 - 2022	
Land/Infrastructure Projects	\$13,238,110
Workforce Housing Projects	\$ 1,500,000
Loans to Businesses	<u>\$ 9,137,710</u>
Total	\$23,875,820
Jobs Created	1,859
Jobs Retained	<u>1,683</u>
Total Jobs	3,542
2015 Real Estate Values	\$ 57,862,454
2021 Real Estate Values	<u>\$254,336,102</u>
Increase in Real Estate Values	\$196,473,648
Business Projects Assisted	30
Films Projects Assisted	3
Infrastructure Projects	18
Housing (GFDC)	<u>2</u>
Total Projects Assisted	53
Pending Projects	
Film	1

2015 – November 2022

Impact Analysis of the Expenditure of \$9,227,710 in Sales Tax Revenue for Economic Development	
2015 - 2022	
Land/Infrastructure Projects	\$ 4,132,000
Workforce Housing Projects	\$ 1,500,000
Loans to Businesses	<u>\$ 6,477,710</u>
Total	\$12,109,710
Jobs Created	1,675
Jobs Retained	<u>1,439</u>
Total Jobs	3,114
2015 Real Estate Values	\$ 22,427,094
2021 Real Estate Values	<u>\$190,470,387</u>
Increase in Real Estate Values	\$168,043,293
Businesses Projects Assisted	17
Films Projects Assisted	3
Infrastructure Projects	4
Housing (GFDC)	<u>2</u>
Total Projects Assisted	26
Pending Projects	
Film	1

LB840 Impact Analysis 2015 – November 2022
For Discussion Purposes

Infrastructure Projects		
2018	0.402	\$250,000
	Greater Fremont Development Council	\$500,000
2019	Greater Fremont Development Council	\$1,000,000
	Morningside Business Park - Johnson Road Paving, 2019-186	\$1,000,000
2022	Fremont Technology Park – Infrastructure	\$2,882,000

Loans to Businesses						
2015	Sycamore Leaf	\$100,000.00	Jobs Created	3	Jobs Retained	8
2015	Structural Components	\$600,000.00	Jobs Created	35		
2015	Fremont Beef	\$300,000.00	Jobs Created	25		
2016	Heartland Area Accessories	\$150,000.00			Jobs Retained	10
2016	Costco	\$1,000,000.00	Jobs Created	800		
2017	12 Days of Christmas	\$19,719.00	Sales Tax Generated	\$975		
2017	Legacy Post and Beam	\$60,000.00	Jobs Created	12		
2018	Pearl Academy	\$71,121.00	Jobs Created	7		
2018	Infinite 8 Institute *	\$200,000.00	Jobs Created	0		
2019	WLG Fremont (RTG Med.)	\$600,000.00	Jobs Created	50	Jobs Retained	80
2019	La Flamme Rouge, LLC	\$14,134.00	Sales Tax Generated	\$707		
2019	505 Brewing Company	\$165,000.00	Jobs Created	5		
2020	WholeStone Farms, LLC	\$1,300,000.00	Jobs Created	600	Jobs Retained	1300
2020	Summit Medical Staffing, LLC	\$50,000.00	Jobs Created	10	Jobs Retained	5
2020	Tech Partners, LLC	\$32,250.00	Jobs Created	2	Jobs Retained	4
2020	Fabrication Holdings, LLC DBA Elemetal	\$200,000.00	Jobs Created	4	Jobs Retained	16
2021	Compound Holdings, LLC	\$500,000.00	Jobs Created	51		0
2021	Summit Medical Staffing, LLC	\$450,000.00	Jobs Created	55	Jobs Retained	12
2021	505 Main Street Group	\$465,000.00	Creation of Housing Units	28		
2021	Maiz - Film	\$486.00	Sales Tax Generated	\$24.32		
2022	My Central Supply (MCS)	\$200,000.00	Jobs Created	8	Jobs Retained	4
2022	I Am A Man (film)	pending	pending			

* Company Defaulted. The City received judgment against company. As a result, the City revised loan advance process.