

EXHIBIT "F"

Cost-Benefit Analysis (Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the Redevelopment Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the base value of the Project Site will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Project will be captured to pay for the project's eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Redevelopment Project, the true tax shift of the Redevelopment Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the estimated 15 year tax shift for each phase and sub-phase of the Redevelopment Project is set forth in Exhibit "E" of the Redevelopment Plan.

Notes:

- 1. The assessed value of the three parcels from which the site will be comprised for January 1, 2019 was as follows:*
 - *Lots 1-4: \$5,965*
 - *Parcel No. 590045091: \$5,419*
 - *Parcel No. 590044996: \$5,338 (portion of 10 acre parcel)*
- 2. The land acquired by the Redeveloper within these three parcels will be re-platted prior to the effective date. It is anticipated that, upon platting, the approximate base value for that portion of the project site included in each phase shall be as follows:*
 - *Phase One: \$80,000*
 - *Phase Two: \$80,000*
 - *Phase Three: \$100,000*
 - *Total: \$260,000*
- 3. All phases assume the assessed value of the replatted lots as the base value.*
- 4. The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the*

actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2018 levy rate. There has been no accounting for incremental growth over the 15 year TIF period.

2. 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:

The Project requires extensive public infrastructure installation. The Project Site will require additional public roadways to access and serve the Project Site. The Redevelopment Project will include the extension of East Bluff Avenue, installation of water and sanitary sewer main-lines and service lines, electrical infrastructure, sidewalks, storm sewer, grading, site clearing and disposal, import of structural fill material, and extension of related utilities. The public improvements for the Redevelopment Project will address any traffic and street infrastructure concerns that would otherwise be created by the Redevelopment Project. The current owner of the Project Site intends to undertake construction of the water and sewer infrastructure under Ferguson Avenue prior to the sale of the Project Site to Redeveloper. It is the intent of this Redevelopment Plan that such infrastructure and site preparation be paid for by the Redeveloper with such cost to be reimbursed by TIF. The Agency and Redeveloper do not anticipate that the Redevelopment Project will have a negative impact on City infrastructure or services due to its relatively small size.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Redevelopment Project should create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of TIF will defer receipt of a majority of new ad valorem real property taxes generated by the Redevelopment Project, the Redevelopment Project should generate immediate tax growth for the City. The Redevelopment Project and new residences therein will require and pay for City services. Additionally, the City will collect sales tax on a portion of the materials used for the Redevelopment Project. It is not anticipated that the Redevelopment Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that any employers will be located within the Project Site. However, the Redevelopment Project is anticipated to provide needed additional housing for employees of businesses in the area. The construction of approximately 13 additional housing units should

generate a new pool of employees for employers of such businesses. TIF will allow these houses to be reasonably priced. Accordingly, the Redevelopment Project is not anticipated to have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Redevelopment Project should have a material positive impact on private sector businesses and citizens outside the boundaries of the Project Site. The Redevelopment Project will involve installation of public utilities, and the use of TIF should defray the costs of these and other public improvements that would otherwise be paid through tax revenue or special assessments that would burden adjacent property owners. The Redevelopment Project will provide much needed housing in the community, which will benefit employers, employees, and the City in general. Further, the housing units constructed as part of the project should increase the need for services and products from existing businesses, such as household products and general consumer services. Accordingly, the Redevelopment Project is anticipated to have a positive impact on surrounding employers and employees.

5. Impacts on student populations of school districts within the City:

The increase of population density within the Project Site will naturally result in an increase in school-aged children within the school district. However, there is no indication that the schools within the district are unable to withstand an increase in enrollment proportionate to the relatively small size of the Redevelopment Project. The school district will not receive taxes from the residences built during the time the increased taxes are utilized to pay the TIF indebtedness. The school district has received state aid for education in the past. Part of the school aid formula involves assessed valuation in the school district. The valuation that generates the TIF payments is not included in the formula and does not count against the state aid that the school district would receive. Taxes on any increase in the base value of the land will benefit the school district. After the TIF indebtedness is paid, or at the end of the respective 15 years of division of taxes, whichever is sooner, the increased valuation from the residential construction will be available to the school district. As such, Redeveloper and the Agency do not anticipate a negative impact on the school district.

6. Other impacts determined by the Agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project Site is blighted and contains substandard conditions that are a detriment to the City as a whole. The Redevelopment Project will revitalize and occupy a vacant space without negatively impacting the surrounding businesses, residents or straining the public infrastructure. There are no other material impacts determined by the Agency relevant to the consideration of the cost or benefits arising from the Redevelopment Project. As such, the costs of the Redevelopment Project are outweighed by its benefits.