

**HASTINGS CITY COUNCIL
WORKSESSION AGENDA**

**Hastings Municipal Airport
3300 W. 12th Street
February 17, 2025
5:30 PM**

ROLL CALL:

PLEDGE OF ALLEGIANCE:

MOTION TO ADOPT CURRENT AGENDA for February 17, 2025 Worksession.

PUBLIC NOTICE - Official Notice of the Worksession was published in the Hastings Tribune on Friday, February 14, 2025. Pursuant to Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is available for public review and a current copy of the Nebraska Open Meetings Act is posted and accessible to members of the public.

CITIZEN COMMUNICATIONS: (Only for agenda items.)

DISCUSSION ITEMS

1. Discussion of the proposed Entertainment District.
2. Discussion of Tax Increment Financing (TIF).

ADJOURN:

The Mayor and City Council reserve the right to enter into an executive session at any time during the meeting, in accordance with the Nebraska Open Meetings Act, even though the closed session may not be indicated on the agenda.

It is the intention of the Mayor and City Council to take up the items on the agenda in sequential order. However, the Mayor and City Council reserve the right to take up matters in a different order to accommodate the schedules of the city council members, person having items on the agenda, and the public.

Worksession meetings are intended to allow for communication and discussion amongst the elected officials. At the prerogative of the presiding officer of the worksession, city staff, consultants or citizens may be requested or allowed to address specific items on the worksession agenda.

Downtown Entertainment District

Nebraska Revised Statute 53-123.17 allows the City Council to designate an entertainment district, by ordinance, which provides for common areas to be used by retail (bars & restaurants), craft brewery, and microdistillery licensees and holders of a manufacturer's license, within the Entertainment District to obtain an entertainment district license. The entertainment district license allows businesses to sell beer, wine, and spirits, to be served and consumed within the district's common areas, which are typically public right-of-way.

The state statute dictates certain requirements, such as special cups being used for consuming alcohol in the common areas, and that if the common area includes the use of streets, the consumption of alcohol can only occur when the street is closed. With the designation, requirements for securing an event space are lowered and/or allowed for the community to determine the need for barriers. A city can also impose additional restrictions that meet the needs of the community and business owners.

Downtown Hastings has become a vibrant center for community events and businesses. This opportunity could enhance some community events and also assist businesses in consistently creating a more vibrant downtown and community.

The following is a proposal to create the Downtown Entertainment District, which would allow for a path toward sidewalk dining that would allow for the consumption of beer, wine, and spirits, and also for community events to provide alcohol consumption in an environment that does not require temporary chain link fences or count towards an licensed establishment's special designated license.

Hastings Community Event Liquor License

As part of the Entertainment District Ordinance, Hastings would create a common area for community events that includes public streets on W. 1st Street, from N. Burlington Ave. to N. Colorado Ave, and the “side streets” between W. 1st Street and W. 2nd Street between N. Burlington Ave. and N. Colorado Ave. This will include N. Colorado Ave., N. Kansas Ave., N. Saint Joseph Ave., N. Denver Ave., N. Hastings Ave., and N. Lincoln Ave. See the attached map.

The Community Event License will only apply when a street closure to vehicular traffic for a community event is approved by the City Council. A business that holds a liquor license for the “brick and mortar” business can apply for a State Entertainment District license and a yearly Hastings Community Event License to allow for the consumption of alcohol on the public street and adjacent sidewalks in the right-of-way (ROW). The following conditions will apply for the Community Event License.

1. All state and local liquor licenses must remain in good standing.
2. The community event must occur adjacent to the Community Event Liquor License holder’s place of business. When the community event occurs over several blocks within the common area, multiple Community Event Liquor License holders may participate.
3. The Community Event Liquor License holder must verify that they are coordinating with the event organizer requesting the street closure.
4. As required by the Nebraska Liquor Control Commission, glassware specific to the business and the Downtown Entertainment District must be used in the common area.
5. Adequate signage to designate the boundary of the common area for serving alcohol must be displayed during the event hours. The signs should be placed at natural access points of the common area, such as at intersections and sidewalks. It is suggested that trash cans be placed in these general areas to avoid litter as people are leaving the common area.
6. The community event must be **HOURS OF OPERATION?**
7. The Community Event Liquor License holder must provide Liquor Liability insurance in the amount of \$1,000,000. This is in addition to any general liability insurance required for the street closure. The City of Hastings must be named as Additional Insured on Primary and Non-Contributory basis.
8. As part of the application process for the street closure, the applicant must provide a written estimation of the crowd size. The Community Event Liquor License holder must provide information on its intends to assure that alcohol will not be served to minors or intoxicated people.
9. The Community Event Liquor License holder must provide one trained crowd manager for every 250 persons or fraction thereof attending the event.
10. If the event is estimated to be more than 100 people, including minors unaccompanied by a parent (excluding minors acting as service personnel and minors attending as program or entertainment participants, there must be a minimum of two security personnel for each increment of 100 people, or fraction thereof (i.e. 100 people, 2 security personnel must be present; 200 people, 4 security personnel must be present, etc.).

Hastings Sidewalk Dining License

As part of the Entertainment District Ordinance, Hastings would create a common area that includes all public sidewalks and any approved “parklets” within the Downtown area. A parklet is a mini-park created by replacing 1 or more on-street parking stalls with a deck, planters, café tables, chairs, benches, and/or artwork. The term Sidewalk Dining License will include both areas on sidewalks and parklets, unless otherwise noted. The boundaries of this area would be W. 4th Street, N. Minnesota Ave, W. 1st Street, N. Lincoln Ave. The sidewalks west of N. Lincoln Ave. along W. 1st Street, W. 2nd Street, W. 3rd Street, and W. 4th Street would be included up to the intersection of N. Burlington Ave. See the attached map.

A business that holds a liquor license for the “brick and mortar” business can apply for a State Entertainment District license and a yearly Hastings Sidewalk Dining License to allow for the consumption of alcohol on the public sidewalk in the right-of-way (ROW). Likewise, a restaurant that does not have a liquor license can apply for the same permit to allow for dining on a public sidewalk. The following conditions will apply for both a sidewalk dining area that allows the consumption of alcohol or not.

1. All state and local liquor licenses must remain in good standing.
2. The permitted sidewalk dining area must be immediately adjacent to the licensed business and within the property lines extended to the curb line, or in an approved parklet.
3. The sidewalk dining operation will be allowed between the dates of April 1st and November 15th and daily between the hours of 7:00 am AND 11:00 pm. Before April 1st and after November 15th, all furniture and required perimeter fencing, etc. must be removed. Snow removal of the public sidewalk is always the responsibility of the adjacent business owner/property owner.
4. Commercial liability insurance for the sidewalk dining area that lists the City of Hastings as part of the coverage.
5. A five-foot-wide pedestrian zone between the sidewalk dining area and the back of the curb or from any fixture (trees, lights, bike rack, etc.) must remain clear of obstruction at all times. The permitted sidewalk dining area may move in and/or out around street fixtures.
6. For buildings at the corner of street intersections or street/alley intersections, at least 10 feet from the intersections must remain clear of obstructions to ensure adequate pedestrian space for crossing of the intersection, as well as adequate visibility for vehicles at the intersection.
7. The sidewalk dining area must not be located in front of a required Fire Code egress.
8. A fence, rope thicker than 0.5 inches in diameter, chain, or other durable material must be used to designate the perimeter of the sidewalk dining area. This is to help the business owner provide control of the area and to alert pedestrians, including those with sight impairments that an obstruction exists in the sidewalk.
9. The enclosure must be a minimum of 36 inches tall.
10. No fencing or attachment points may be permanently attached to the concrete sidewalk. Flat bases with a square or rectangular shape are permitted as long as they are big enough to avoid tipping over.

11. All furniture for the sidewalk dining area must be durable and of enough weight to prevent being blown out of the outdoor dining area. The furniture must remain in the designated area.
12. The licensed business is required to pick up debris, sweep, and wash the designated sidewalk dining area on a regular basis.
13. As required by the Nebraska Liquor Control Commission, glassware specific to the business and the Downtown Entertainment District must be used in the sidewalk dining area.
14. To help minimize unintentional littering, no paper or plastic cups, plates, or dinnerware will be allowed in the permitted sidewalk dining area.
15. The licensed business must use its own trash and recycling receptacles.

Application requirements

An application form created by the City will include:

- Business name & contact information
- Proof of state liquor license (if applicable for liquor consumption in the dining area).
- Proof of liability insurance for the outdoor dining area, listing the City of Hastings as being covered.
- Description of the outdoor seating to be used, including the number of tables, chairs, and materials of the furniture.
- Description of the materials of the outdoor dining area perimeter enclosure, including how the enclosure will be supported to prevent falling over.
- A detailed site plan, drawn to scale, to show the following:
 - o Property lines of the business, extending to the curb line
 - o Location of the outdoor dining area, including detailed depth and width dimensions.
 - o Location of the closest business entrance to be used for access to the outdoor dining area.
 - o Location of all permanent sidewalk fixtured, landscaping, and intersections within the business property line, extended to the curb line, and within five of the business property lines.

Application process

- Applicant submits application materials of the City Clerk's Office via Iworqs.
- Application materials will be distributed to Development Services, Fire Department, Street Department, Police Department, and Engineering for review and conformance with applicable requirements.
- The City Council will approve the permit, similar to that for a liquor license.
- Development Services will inspect the completed project for conformance with the approved permit conditions and ordinance.
- The Police Department will enforce any complaints for violation of the liquor license or permit.

DRAFT

CRA TIF Report Writeup

The Hastings Community Redevelopment Authority received a request for detailed information on the use of Tax Increment Financing (TIF) within the community. This document summarizes over 30 years of data into a comprehensive report that highlights the positive impacts that TIF has had on Hasting's development, property valuation, and tax revenue growth.

Overview of Questions and Findings

The following questions were asked to better understand the long-term outcomes of TIF-supported projects in our community:

1. **List of Businesses/Properties that Received TIF**
2. **Operational Status**
3. **Ownership**
4. **Total TIF Amounts Awarded**
5. **Base and Current Property Valuation**
6. **Average Duration of TIF Loans**
7. **Additional Grant Funding**

Summary of TIF Project Outcomes

Completed Projects

These projects have repaid their TIF loans in full, and the Community Redevelopment Authority (CRA) is no longer collecting tax increments from these properties.

- **Number of Projects:** 57
- **Housing Units Created:** 458
- **Operational Status:** All properties, except for the Convention Center, are still in operation.
- **Ownership:** 30 projects are still owned by the original entities, and 10 projects were development of single-family homes that were sold to individuals.
- **Financial Summary:**
 - Total TIF Awarded: \$7,202,740
 - Base Property Valuation: \$7,646,345
 - Current Property Valuation: \$68,460,584
 - Increase in Valuation: \$60,814,239
 - Average TIF Loan Duration: 12 years

Active Projects

These projects are still under the TIF loan repayment period, with the CRA continuing to collect tax increments.

- **Number of Projects:** 42
- **Housing Units Created:** 376
- **Operational Status:** All properties are still active.
- **Ownership:** 29 projects remain with their original owners, and 8 projects were development of single-family homes that were sold to individuals
- **Financial Summary:**
 - Total TIF Awarded: \$15,423,338
 - Base Property Valuation: \$4,844,894
 - Current Property Valuation: \$69,967,948
 - Increase in Valuation: \$64,832,054

Financial Impact: New Tax Revenue for Local Subdivisions

The TIF program has significantly boosted tax revenues for local political subdivisions:

- **New Taxes Created and Collected in 2023:** \$1,279,139.84
- **Total New Taxes Collected Since 2003:** \$14,976,652.86

Conclusion

This comprehensive analysis of Tax Increment Financing (TIF) in our community demonstrates the lasting positive impact of TIF on local economic growth, property development, and tax revenue generation over the past 30 years. The data reveals several key takeaways that underscore TIF's value as a catalyst for sustainable economic development.

Economic Growth and Stability: By supporting a wide range of commercial, residential, and mixed-use projects, TIF has helped stimulate business activity and job creation across our community. The fact that nearly all businesses supported by TIF remain operational highlights the program's role in fostering long-term stability. The significant increase in property valuations also points to a lasting enhancement of economic assets within the community, turning blighted or substandard areas into vibrant centers of commerce, housing, and services.

Increased Property Valuation: The cumulative increase in property valuations for both completed and active TIF projects is substantial—over \$125 million in growth from base

to current valuation across all projects. This rise in property values has generated a ripple effect that benefits the entire community. Higher property values strengthen the local tax base. The valuation growth also signals to potential investors that the community is a viable, attractive location for future development, further bolstering local economic prospects.

Enhanced Tax Revenue for Public Services: Since 2003, TIF projects have contributed nearly \$15 million in additional tax revenue, providing critical funds for public services such as schools, infrastructure improvements, and public safety. The \$1.28 million in new taxes collected in 2023 alone is a testament to the ongoing value TIF projects bring to public finances. This revenue allows the community to fund essential services without raising tax rates, enhancing quality of life for residents and supporting a sustainable fiscal outlook.

Community Development and Housing: TIF funding has been instrumental in helping to address local housing needs, with 834 housing units created across completed and active projects. This expansion has helped meet increasing demand for diverse housing options, supporting workforce growth and making the community more attractive to families and professionals. The creation of new housing has also revitalized areas that were previously underutilized, contributing to neighborhood renewal and enhancing community pride.

Leveraging Additional Funding: For several TIF-supported projects, additional grant funds were secured for supplemental needs, such as CDBG and Facade grants that help with the beautification of properties and offer an additional incentive to developers. By leveraging TIF to attract further funding, the community maximizes the impact of each dollar invested, ensuring comprehensive project development.

In summary, TIF has proven to be a powerful tool for driving economic growth, enhancing property values, increasing tax revenue, and expanding housing options. The program has enabled the community to grow strategically, target areas in need of development, and build a solid economic foundation for future generations. These results showcase the value of continued support for TIF, affirming its role for sustainable, community-focused development.