

COMMUNITY TOWN HALL MEETING FOLLOW-UP

# Vision and Planning for New Facilities

Auburn, Nebraska

May 9, 2016



Copyright ©  
2016 JEO Consulting Group, Inc.  
and JEO Architecture, Inc.  
a wholly-owned subsidiary

## Contact

JEO Consulting Group, Inc.

Corey E. Brodersen, AIA, NCARB, LEED AP

2700 Fletcher Avenue

Lincoln, Nebraska 68504

p. 402.474.8746

m. 402.560.7955

e. [cbrodersen@jeo.com](mailto:cbrodersen@jeo.com)

# PROJECT UNDERSTANDING

— Auburn Vision and Planning for New Facilities —

## WHAT WE HEARD...

The relationship between JEO and Auburn, NE is one that goes beyond the typical relationship between firm and client. The prospect of helping the town of Auburn flourish is a mission rooted in collaboration. JEO had the pleasure of facilitating conversations revolving around a number of project ideas on March 1, 2016. The interest shown by the Auburn community is just one of the many driving forces behind JEO's excitement to aid Auburn as it forges a path to future prosperity.



JEO was asked to promote conversations with community members in an effort to shed light on the projects that the residents of Auburn not only want for the present, but the projects that might serve the community well as it continues to prosper in the years to come. What follows are the conversations that were had regarding each potential project. There were five primary project types discussed and they are as follows: Performing Arts Facility, Gymnasium/Sports Facility, Community/Convention Center, Rec Center/YMCA, and Aquatic Facility (Indoor Pool) Natatorium.

---

### Performing Arts Facility:

This multi-functional space proposes to include the capabilities to host vocal, instrumental, and theatrical performances. In addition, this space would allow Auburn to host large private meetings, recognition dinners, interdenominational services, town hall meetings, community theater groups, graduation, surrounding area school performance competitions, and external performances. This professional space would require green rooms, adequate storage and backstage spaces, areas for stage effects, shop space for building stage props, ample dressing room space, restrooms for both performers and audience members, a large lobby, appropriate lighting, performance grade sound equipment, and seating for roughly 500 to 1,000 people. Those who support this idea referenced the investment this would be in the education and experience of students not only in Auburn, but of other small communities in the area. Supporters also mentioned that this project would contribute to the future image of Auburn. With this idea in mind, the community would prefer if this facility were pleasing to the eye, preserved the historic nature of Auburn, and were open to surrounding communities, which could potentially be profitable if Auburn were to host events in the facility.

### Gymnasium/Sports Facility:

For Auburn, the proposed gymnasium/sports facility would include a number of amenities for residents to enjoy. The ideas for this facility include bleachers, a full size competitive court, two full-court indoor practice facilities, a concession areas and locker rooms. Community members also mentioned amenities such as an indoor pool, wave therapy pools, an indoor walking track, cardio and weight areas, racket ball and squash courts, climbing walls, a play center for younger children, and a daycare center while parents use the facility. These latter ideas start to fit with a full Recreation Center/YMCA Facility so for the purposes of this exercise we will consider a Gymnasium/Sports Facility as a project focused primarily on sports courts.

## **Community/Convention Center:**

The idea for an Auburn convention and community center would encompass numerous functionalities. This space would allow for weddings, receptions, holiday parties, large community gatherings, graduation parties, prom, post prom, and activities hosted by Peru State College. Community members discussed having a variety of meeting room sizes, locker rooms, kitchen/prep spaces, technology spaces for presentations with screens, and having a multipurpose floor for multiple events. Community members requested that this space not have drop down basketball hoops and that the space be equipped with its own separate parking. The prospect of attaching a hotel onto this space was also mentioned to attract outside visitors. Community members mentioned that this space should be able to hold around 500 people.

## **Rec Center/YMCA Facility:**

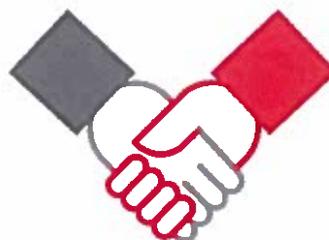
The proposed recreation center/YMCA facility would be a multipurpose facility for a variety of activities. Comments at the town hall meeting included space for therapy pools, a lap pool, cardio and weights areas, an indoor walking track, classroom and instruction spaces, yoga rooms, a 24-hour access key system, daycare space while parents are working out, and a miniature golf course outside of the facility. For the purpose of this exercise, we will examine a typical YMCA constructed within the last 10 years that has many of the same amenities and services identified.

## **Aquatic Facility (Indoor Pool) Natatorium:**

The aquatic facility project would include a number of spaces for community members to enjoy. Ideas mentioned for this project included an indoor pool, a 10 lap Olympic sized pool, a resistance pool, hot tubs, saunas, children's pools, locker rooms, a swim up bar, lounge areas on the pool deck, and bleachers on the sides. This space could be used for recreation, therapy, or competitions. In the Aquatic Facility (Indoor Pool) Natatorium project example to follow, we reviewed a facility in Texas that has many of the same amenities.

---

The town hall meeting and the comments of the community were captured, JEO then began searching for similar projects to give Auburn references for what these projects might look like, how they function, and roughly how much they might cost. This section is referred to as a precedent study, which allows a community such as Auburn to look at existing facilities as they decide which project is best or most obtainable to the community when considering factors such as use/function, cost/funding, and overall community support. As the City of Auburn and its residents arrive at the conclusion that meets the needs of the city's future, JEO will be poised to provide you with the tools necessary to optimize your vision and success and assist with developing the project design.



# PRECEDENT STUDY

A precedent study is the process of researching an architectural building project that has been designed and possibly constructed and serves as an example or basis for programming and design in an effort to understanding a similar project's square footage size, amenities, and construction cost. What follows are projects that JEO has identified as having a similar basis for design from what was shared and discussed at the public meeting held on March 1, 2016.

## **Performing Arts Facility**

- Tassel Performing Art Center – Holdrege, NE

## **Gymnasium/Sports Facility**

- Penner Athletic Courts (PAC) – Aurora, NE

## **Community/Convention Center**

- Stastny Community Center – Hebron, NE  
(designed by JEO)
- Hickman Community Center – Hickman, NE  
(designed by JEO)
- Nielsen Community (Convention) Center – West Point, NE

## **Rec Center/YMCA Facility**

- Norm Waitt Sr. YMCA – South Sioux City, NE

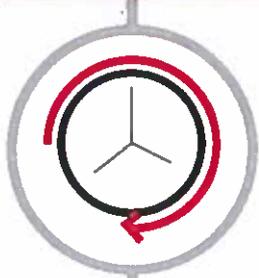
## **Aquatic Facility (Indoor Pool) Natatorium**

- Margaret Young Natatorium – Farmers Branch, TX

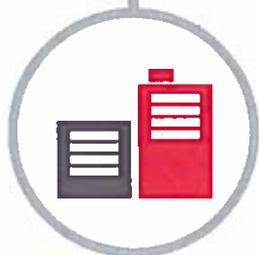
# PERFORMING ARTS FACILITY

— Project Example —  
**Tassel Performing Arts Center — Holdrege, NE**

— Completion Date —  
**August 1999**



— Building Size —  
**22,000 sq. ft.**



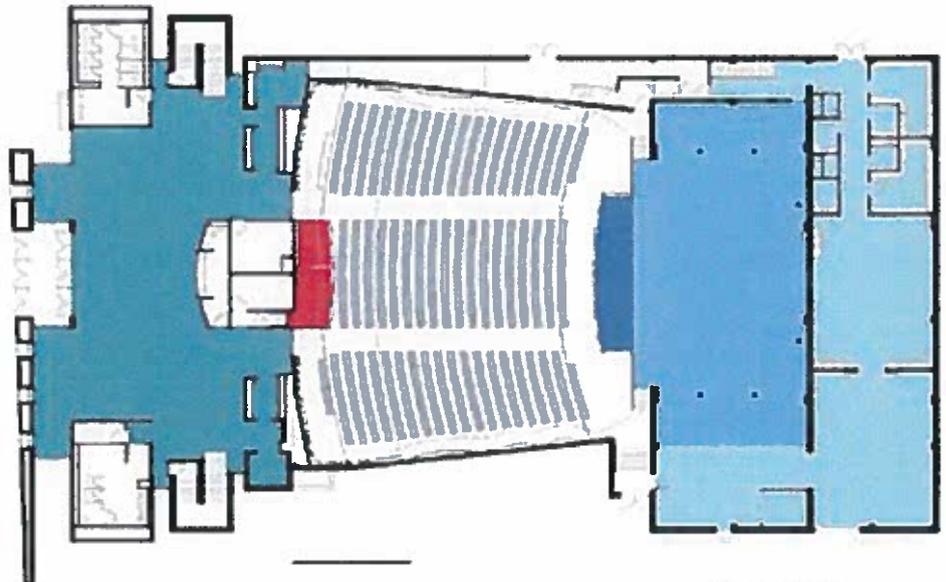
— Project Cost —  
**\$4.5M (1999)**

— 2016 Estimated Project Cost —  
**\$6M - \$7.2M**  
**\$275 - \$325/sq. ft.**



## — Program Spaces —

- Lobby
- Coat Room
- Restrooms
- Stair and Elevator to Balcony
- Auditorium – Seating for 818 (644 on the main floor and 174 in the balcony)
- Orchestra Pit
- Stage – 1,700 sq. ft. (50'x34')
- Dressing Rooms (large dressing rooms for 15-18 performers/small dressing rooms for 1-2 performers)
- 2 Shower Rooms
- Green Room – 920 sq. ft. (27'x34')
- Scene Shop Area
- Loading Dock



[www.thetassel.org](http://www.thetassel.org)

# GYMNASIUM/SPORTS FACILITY

— Project Example —  
**Penner Athletic Courts (PAC) — Aurora, NE**

— Completion Date —  
**Summer 2010**



— Building Size —  
**22,000 sq. ft.**



— Project Cost —  
**\$2.5M (2010)**

— 2016 Estimated Project Cost —  
**\$3.3M - \$4M**  
**\$150 - \$180/sq. ft.**



## — Program Spaces —

- 2 Main Basketball Courts (4 cross courts), 4 Volleyball Courts (maple flooring)
- 12 Basketball Hoops
- Drop Down Volleyball Nets
- Locker Rooms
- Loft Viewing Area
- Concessions Area
- Retractable Bleachers

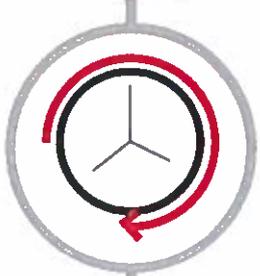


[www.pennerathletics.com](http://www.pennerathletics.com)

# COMMUNITY/CONVENTION CENTER

— Project Example —  
**Stastny Community Center — Hebron, NE**

— Completion Date —  
**November 2015**



— Building Size —  
**12,000 sq. ft.**



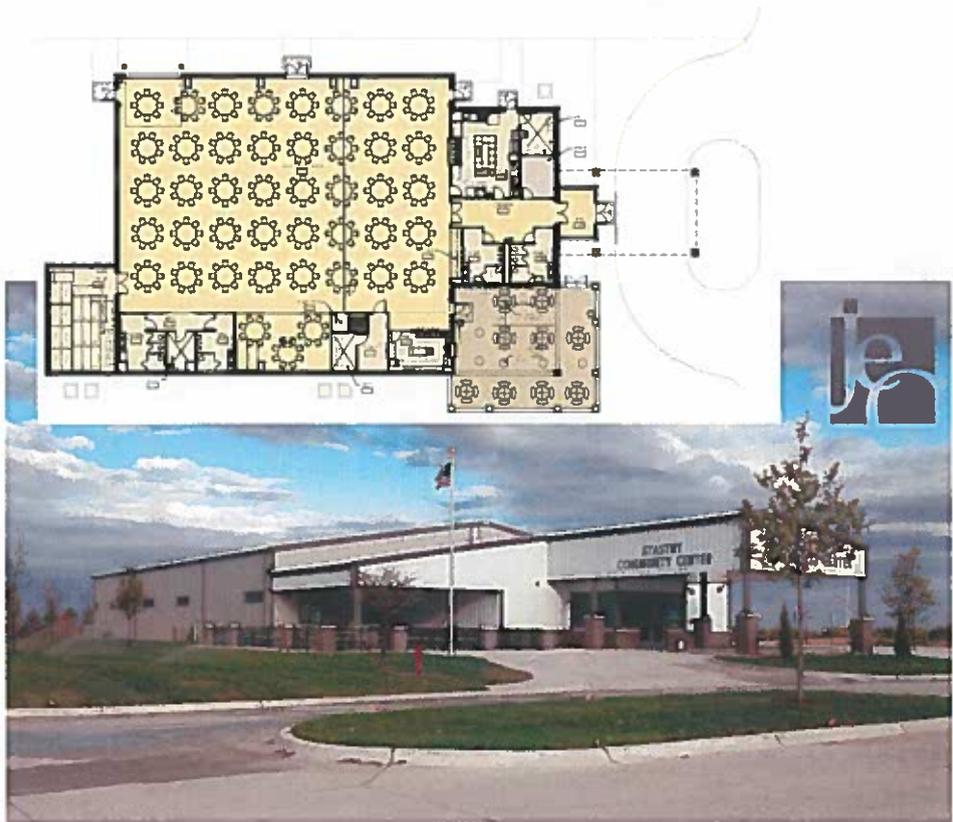
— Project Cost —  
**\$2M (2015)**

— 2016 Estimated Project Cost —  
**\$2.1M**  
**\$175/sq. ft.**



## — Program Spaces —

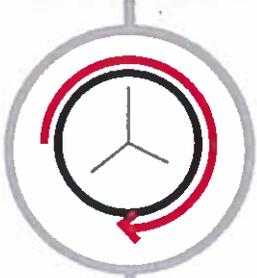
- Multi-Purpose Room (68'x98' seating for 400-450) – Not designed for athletics
- Stage/Recess (17'x27')
- Full Commercial Kitchen
- Bar
- Office
- Restrooms
- Outdoor Patio (36'x40')
- Storage



# COMMUNITY/CONVENTION CENTER

— Project Example —  
**Hickman Community Center — Hickman, NE**

— Completion Date —  
**January 2017 (est.)**



— Building Size —  
**19,200 sq. ft.**



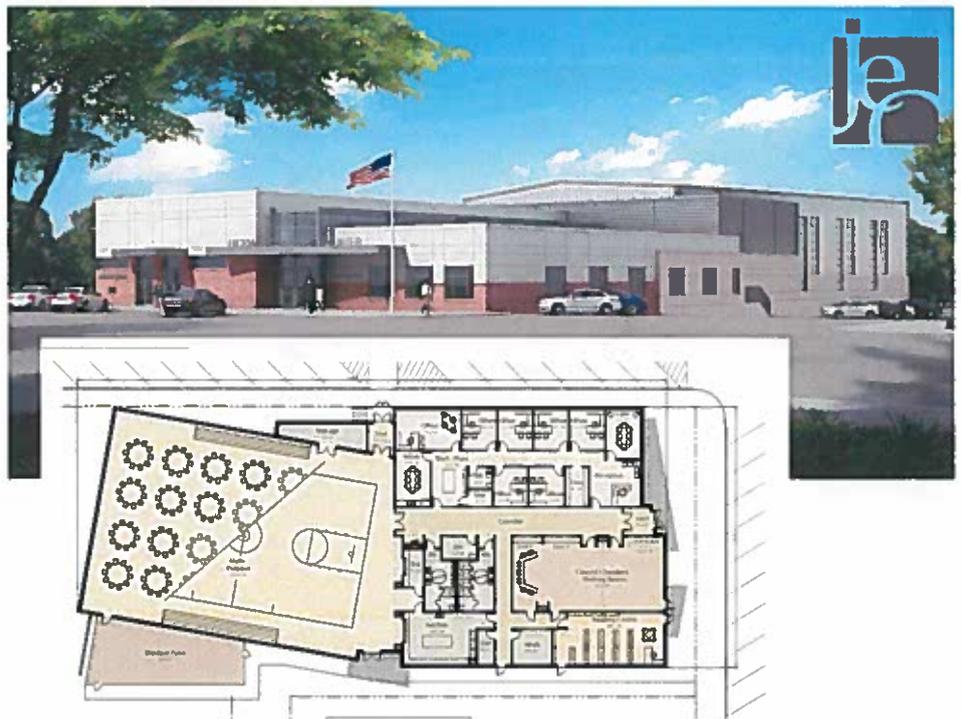
— Project Cost —  
**\$3.5M (2015)**

— 2016 Estimated  
Project Cost —  
**\$3.55M**  
**\$185/sq. ft.**



## — Program Spaces —

- Multi-Purpose Room (70'x100' seating for 400-450) – Designed for athletics (basketball & volleyball)
- Full Commercial Kitchen
- Bar
- Offices
- Reading Centre/Library Space
- Restrooms
- Meeting room (25'x50' Dividable)
- Outdoor Patio
- Storage

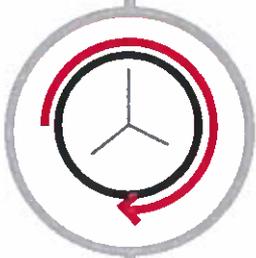


# COMMUNITY/CONVENTION CENTER

— Project Example —

## Nielsen Community Center — West Point, NE

— Completion Date —  
2008



— Building Size —  
44,000 sq. ft.



— Project Cost —  
\$5.4M (2006)  
\$123/sq. ft.

— 2016 Estimated  
Project Cost —  
\$7.26M  
\$165/sq. ft.



### — Program Spaces —

- Foyer
- Multi-Purpose Room/Ballroom (12,760 sq. ft.; seating for 1,000, dividable into 5 smaller rooms)
- Stage (Performing Arts)
- Dressing Rooms
- Full Commercial Kitchen
- Bar
- Offices
- Restrooms
- Covered Portico (Drop-off area)
- Storage

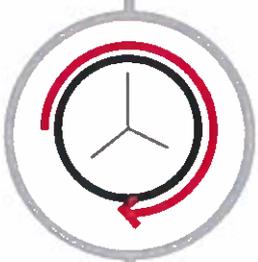


[www.ci.west-point.ne.us/Nielsen.htm](http://www.ci.west-point.ne.us/Nielsen.htm)

# REC CENTER/YMCA FACILITY

— Project Example —  
**Norm Waitt Sr. YMCA — South Sioux City, NE**

— Completion Date —  
**January 2008**



— Building Size —  
**62,000 sq. ft.**



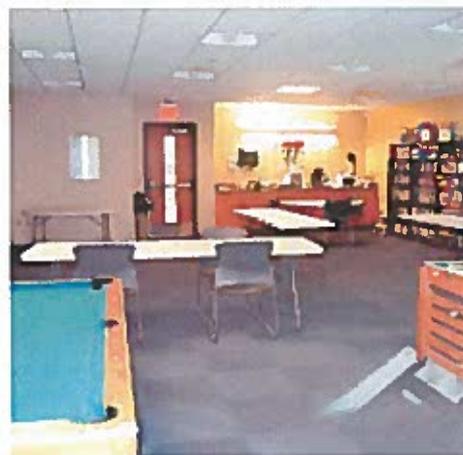
— Project Cost —  
**\$12M (2008)**

— 2016 Estimated Project Cost —  
**\$13.6M - \$14.9M**  
**\$220 - \$240/sq. ft.**



## — Program Spaces —

- Wellness Center
- Gymnasium (two court gym)
- Fitness Pool
- Family Fun Pool
- Fitness Studios
- Youth Center
- Child Watch
- Locker Rooms
- Restrooms
- Storage



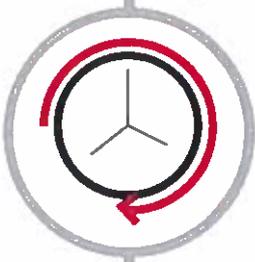
<http://nwsymca.org/about-us/facilities/>

# AQUATIC FACILITY (INDOOR POOL)/NATATORIUM

— Project Example —

## Margaret Young Natatorium — Farmers Branch, TX

— Completion Date —  
2015



— Building Size —  
13,000 sq. ft.



— Project Cost —  
Part of a larger aquatic  
project.

— 2016 Estimated  
Project Cost —  
\$3.25M - \$3.64M  
\$250 - \$280/sq. ft.



### — Program Spaces —

- Lap Pool (4 Lanes, 25 Yards)
- Therapy Pool ( 767 Sq. Ft.)
- Handicap Ramp Access to Pool
- Mens and Womens - Locker Rooms with 3 Shower Cells in Each
- Family Changing Room
- Office/Administration Area (2 Offices and Workroom)
- Party Room
- Storage

The natatorium features aquatic fitness classes, water therapy, swim lessons for all ages and abilities, and American Red Cross certification courses. The natatorium also features open swim times for the general public, party room rentals, and after hours facility rentals.



<http://fbh2o.com/158/Margaret-Young-Natatorium>

# PROJECT INFORMATION SUMMARY

## Performing Arts Facility

For this project we are utilizing the precedent study information from the Tassel Performing Arts Center located in Holdrege, NE.

If this project or a similar performing arts facility were to be built in Auburn in the year 2016, one could expect the cost of the project to be in the range of \$275-\$325/sq. ft. depending on size and building materials. Thus, if Auburn were to build a facility similar to the size of Tassel Performing Arts Center located in Holdrege, NE (22,000 sq. ft.) then in general you could expect a current building construction cost of approximately \$6 million to \$7 million. If this project is built in the future we would recommend utilizing a 3% escalation factor for every year up to the time of project construction.

The known Operational and Maintenance (O&M) costs for the Tassel Performing Arts Center are as follows:

- Programming and operations = \$80,000 - \$100,000 per year
  - This includes performing artist fees & associated costs (travel & the like), technician subcontractors for lighting and sound, a part-time director, advertising, printing and publishing, office and computer supply costs, etc.
- Utility costs = \$45,000 per year (Electric, Gas, Water)
- Building custodial costs = \$5,000 per year
- Annual site maintenance costs = \$3,000 per year
- Building maintenance and repair = varies from a few thousand a year to tens of thousands depending on necessary repairs (e.g. roof leaks etc.).

*NOTE: there are many variables when considering O&M costs. The information presented was received from the current Executive Director of the Phelps County Community Foundation. Offsets to the O&M costs for this type of facility would typically include revenues from ticket sales, rental fees, etc.*

The primary funding options for this project can be found in the matrix on page 17. From the perspective of funding a project of this nature for the community of Auburn, we envision this project would likely require a partnership between the public school district, the city of Auburn, a non-profit organization and/or a performing arts steering committee.

## Gymnasium/Sport Facility

For this project we are utilizing the precedent study information from the Penner Athletic Courts (PAC) located in Aurora, NE.

If this project or a similar gymnasium/sport facility were to be built in Auburn in the year 2016, one could expect the cost of the project to be in the range of \$150-\$180/sq. ft. depending on size and building materials. Thus, if Auburn were to build a facility similar to the size of the PAC (22,000 sq. ft.) then in general you could expect a building construction cost of approximately \$3.3 million to \$4 million. If the project were to be constructed utilizing a pre-engineered metal building (PEMB) structure with exterior metal wall panels the facility construction cost would be less than the concrete panels utilized on the PAC facility. If this project is built in the future we would recommend utilizing a 3% escalation factor for every year up to the time of project construction.

The known O&M cost for the Penner Athletic Courts facility are as follows:

- Programming and operations = n/a
- Utility costs (Electric, Water, Gas) = \$2,100 per month or \$25,200 per year
- Building insurance cost = unavailable (est. \$5,000-\$6,000 per year)
- Miscellaneous cost (Telephone/internet, fire alarm monitoring) = \$1,000 per year
- Salaries = n/a

*NOTE: there are many variables when considering O&M costs. The information presented was received from the current operations manager at the PAC. Offsets to the O&M costs for this type of facility would typically include revenues from memberships, rental fees etc.*

The primary funding options for this project can be found in the matrix on page 17. From the perspective of funding a project of this nature for the community of Auburn, we envision this project would likely require a partnership between the public school district, the city of Auburn and/or a non-profit organization.

### **Community/Convention Center**

For this project we are utilizing the precedent study information from the Stastny Community Center located in Hebron, NE; the Hickman Community Center located in Hickman, NE (currently under construction); and the Nielsen Community Center located in West Point, NE.

If these project were to be built in 2016, one could expect the cost of the project to be in the range of \$165-\$185/sq. ft. depending on size and building materials. The facility amenities along with the construction type will be the primary factors in determining costs. The Hebron-Stastny Community Center (12,000 sq. ft.) and the Hickman Community Center (19,200 sq. ft.) projects are community centers that have a multi-purpose space for receptions and other similar events that would host 300-500 people. The Nielsen Community Center (44,000 sq. ft.) is a much larger facility, often considered it a Convention Center due to the capacity of the primary Multi-Purpose/Ballroom, which accommodates seating for 1,000 people. A facility like this could potentially hold performing arts events in a similar space with a performance stage.

The known O&M cost for the Hebron-Stastny Community Center facility are as follows:

Month	Electric	Sewer	Water	Trash	Linen	Manager	TOTAL
October	\$ 415.43	\$ 17.23	\$ 378.93	\$ 118.46	\$ 60.00	\$ 600.00	\$ 1,590.05
November	\$ 571.16	\$ 17.23	\$ 69.85	\$ 118.46	\$ 60.00	\$ 1,704.00	\$ 2,540.70
December	\$ 993.88	\$ 17.23	\$ 10.00	\$ 118.46	\$ 60.00	\$ 600.00	\$ 1,799.57
January	\$ 1,268.27	\$ 17.23	\$ 19.13	\$ 118.46	\$ 60.00	\$ 600.00	\$ 2,083.09
February	\$ 1,411.64	\$ 17.23	\$ 26.25	\$ 118.46	\$ 60.00	\$ 1,000.00	\$ 2,633.58
March	\$ 746.68	\$ 17.23	\$ 17.65	\$ 118.46	\$ 60.00	\$ 1,000.00	\$ 1,960.02
April	\$ 791.00	\$ 17.23	\$ 115.11	\$ 118.46	\$ 60.00	\$ 1,000.00	\$ 2,101.80

*NOTE: there are many variables when considering O&M costs. What is included here is information JEO received from the current Manager of the Stastny Community Center facility. Offsets to the O&M costs for this type of facility would typically include revenues from rental fees, food/drink sales, etc.*

The primary funding options for this project can be found in the matrix on page 17. From the perspective of funding a project of this nature for the community of Auburn, we envision this project would likely require a partnership between the public school district, the city of Auburn, a non-profit organization and/or project steering committee.

### **Rec Center/YMCA Facility**

For this project we are utilizing the precedent study information for the Norm Waitt Sr. YMCA located in South Sioux City, NE.

The Norm Waitt Sr. YMCA was constructed in 2008. This facility is 62,000 sq. ft. in size and the cost of construction in 2008 was \$12 million. If this project were to be built in 2016, one could expect the cost of the project to be approximately \$15 million. If this project is built in the future we would recommend utilizing a 3% escalation factor for every year up to the time of project construction. If the YMCA were to be involved in this type of project they would likely look at the population base of Auburn along with the size of the facility when considering the operation of such a facility. If an indoor pool were to be considered in this type of facility we would need to look at the classification which would likely be a "Class F" facility. Class F facilities do not necessarily require, but often have lifeguards as an operating expense.

The known O&M cost for this project are as follows:

- Annual expenses = \$2.7 million, includes:
  - \$240,000 in depreciation
  - \$250,000 in utilities
  - Operations and maintenance
  - Building grounds
  - Building Insurance
  - Salaries
  - Etc.

*NOTE: there are many variables when considering O&M costs. The information presented was received from the current CFO of the Norm Waitt Sr. YMCA facility. Offsets to the O&M costs for this type of facility would typically include revenues such as memberships, capital campaigns, etc.*

The primary funding options for this project can be found in the matrix on page 17. From the perspective of funding a project of this nature for the community of Auburn, we envision this project would likely require a partnership between the public school district, the city of Auburn, a non-profit organization (YMCA) and/or project steering committee.

### **Aquatic Facility (Indoor Pool) Natatorium**

For this project we searched outside of the state of Nebraska to find a facility that houses the primary function of an indoor pool/natatorium and amenities discussed at the Auburn community open house. We researched the Margaret Young Natatorium in Farmers Branch, TX.

If this project or a similar aquatic facility were to be built in Auburn in the year 2016, one could expect the cost of the 13,000 sq. ft. project to be in the range of \$3 million-\$4 million. If this project is built in the future we would recommend utilizing a 3% escalation factor for every year up to the time of project construction. It should be noted that this natatorium facility was

constructed in conjunction with a larger water park complex. In this part of the country these type of standalone natatorium facilities are somewhat rare. Most indoor pools are part of a larger facility such as a YMCA recreation facility or attached to a local hotel. Therapy pools can be found as part of a medical facility used for rehab purposes, etc. A local stand-alone facility that we also looked at is Swimtastic Swim School located at 7911 Pioneers Blvd. Lincoln, NE. This facility is primarily utilized for swim lessons, private pool parties, etc.

There are a couple of cost factors that should be realized if this project is to be pursued. The factors are operational costs related to mechanical systems for indoor pools as well as costs for staffing public safety lifeguards. All "Class A" facilities required lifeguards which include governmental agencies, political subdivision or a municipality. Health club fitness or community fitness centers are often classified as a "Class F" facility which are not required to have lifeguards. Note, hotels are classified as a "Class B" facility in which life guards are not typically required.

The known O&M cost for the Margaret Young Natatorium facility were not available due to the fact that this facility is part of a larger water park complex. JEO did however receive O&M information related to the Swimtastic Swim School facility and the O&M costs for this facility are as follows:

- Utility costs (Electric, Water, Gas) = \$30,000 per year
- Facility, Grounds, Equipment & Pool Maintenance: \$40,000 per year

*NOTE: there are many variables when considering O&M costs. The information presented was received from the current General Manager of the Swintastic Swim School facility. Offsets to the O&M costs for this type of facility would typically include revenues from memberships, rental fees, etc.*

The primary funding options for this project can be found in the matrix on page 17. From the perspective of funding a project of this nature for the community of Auburn, we envision this project would likely require a partnership between the public school district, the city of Auburn, a non-profit organization and/or project steering committee.

## NEW REVENUES FOR PROJECTS

New revenues for projects identified above could come from private foundations/donations, public grants, local option sales tax, property tax increases and partnerships with another public agency (School District). Below is a summary of new revenue streams to help fund projects for the community of Auburn:

- **Auburn's Sales Tax Summary:**

The city of Auburn currently has a 1¢ voter enacted local option sales tax. According to city records, Auburn has generated the following proceeds from their 1¢ sales tax:

Year	Sales Tax Generated
2013 - 2014	\$ 420,000
2014 - 2015	\$ 440,000
<b>Average</b>	<b>\$ 430,000</b>

Pursuant to LB357, municipalities may enact, with voter approval, a sales and use tax equal to 1.75¢ or 2.0¢. The proceeds from the rate in excess of 1.5¢ shall be used for public infrastructure projects or voter-approved infrastructure related to an economic development program as defined in section 18-2705. Public infrastructure project means and includes, but is not limited to, any of the following projects,

or any combination thereof: Public highways and bridges and municipal roads, streets, bridges, and sidewalks; solid waste management facilities; wastewater, storm water, and water treatment works and systems, water distribution facilities, and water resources projects, including, but not limited to, pumping stations, transmission lines, and mains and their appurtenances; hazardous waste disposal systems; resource recovery systems; airports; port facilities; buildings and capital equipment used in the operation of municipal government; convention and tourism facilities; redevelopment projects as defined in section 18-2103; mass transit and other transportation systems, including parking facilities; and equipment necessary for the provision of municipal services.

No municipal sales and use tax shall be imposed at a rate greater than 1.5¢ or increased to a rate greater than 1.5¢ unless the municipality is a party to an interlocal agreement pursuant to the Interlocal Cooperation Act, or a joint public agency agreement pursuant to the Joint Public Agency Act with a political subdivision within the municipality or the county in which the municipality is located creating a separate legal or administrative entity relating to a public infrastructure project.

Using the average sales tax receipts for 2013-2015 (\$430,000), the city could reasonable expect to generate the following amounts from a new, voter enacted local option sales tax.

Additional Sales Tax Rate	Sales Tax Generated
0.5¢	\$ 215,000
0.75¢	\$ 322,500
1.0¢	\$ 430,000

If 100% of these sales tax proceeds were used to pay debt service on a loan or bond, the city could repay the following principal amounts, assuming 3.5% interest rate for 15 years\*:

Additional Sales Tax Rate	Amount
0.5¢	\$ 2,476,000
0.75¢	\$ 3,714,000
1.0¢	\$ 4,952,000

*\*JEO Consulting Group, Inc., is not a Municipal Advisor. The terms identified are for discussion purposes only. The city is encouraged to consult its fiscal agent for current rates, conditions, and marketability of municipal bonds.*

- **Auburn's Property Tax Summary:**

The Actual Valuation of Auburn in 2016 was \$131,079,598. Auburn's municipal levy was 44¢/\$100 of valuation which generated \$576,750 in property tax receipts. Therefore every 1¢/\$100 property tax levied by the city generates \$13,100 in property tax receipts.

State statutes (LB1114, effective 2000) requires that municipalities within the State of Nebraska operate within 45¢/\$100 of valuation. Since the city is currently at 44¢/\$100, that means it has 1¢ remaining under their levy lid. This levy increase of 1¢/\$100 would generate \$13,100 in new property tax receipts.

Likewise, LB1114 allows communities to levy a 5¢/\$100 property tax for interlocal agreements, or cooperative efforts. Currently, the city levies 3.5377¢/\$100 for these initiatives leaving Auburn with 1.4623¢/\$100 under the interlocal lid. Since every 1¢/\$100 of valuation levied by the city generates \$13,100, an increase of 1.4623¢/\$100 will generate \$19,156.13 in new property tax receipts.

To summarize, the city has room for a 1¢/\$100 of valuation property tax increase for operations (maximum 45¢/\$100 valuation) pursuant to LB1114, and 1.4623¢/\$100 of valuation in property tax for cooperative efforts by use of an interlocal agreement. If the city were to maximize both levy lids, it will generate a total of \$32,256.13 in new property tax receipts.

Excluded from this LB1114 limitation is bonded indebtedness.

Debt service is the cash that is required for a particular time period to cover the repayment of interest and principal on a debt. For every \$1.0M borrowed, assuming a 3.5% interest rate for 15 years, the city will need to generate \$86,825 in new revenues (from a local option sales tax, property taxes, or a combination thereof) to meet this debt service obligation. Specific to Auburn, to generate the \$86,825 exclusively via property tax, the city would need to raise property taxes by 6.6¢ per \$100 of valuation.

- **Auburn's Public School Property Tax Summary:**

The Actual Valuation of the Auburn School District #29 in 2016 was \$607,875,068. The School District levy is \$1.049841/\$100 of valuation which generates an estimated \$6.38 million in property tax receipts. For every 1¢/\$100 of valuation levied by the School District, it generates \$60,787.52 in property tax receipts.

State statutes (LB1114, effective 2000) requires that School Districts within the State of Nebraska operate within \$1.05/\$100 of valuation. Since the School District is currently at \$1.049841/\$100, that means it has \$0.000159/\$100 of valuation remaining under the levy lid. This additional levy will only generate \$966.52.

Excluded from this LB1114 limitation are bonded indebtedness.

For every \$1.0M borrowed, assuming a 3.5% interest rate for 15 years, the School District will need to generate \$86,825 in new property tax receipts to meet this debt service obligation. Specific to the Auburn Public School District, to generate the \$86,825 exclusively via property tax, the District would need to raise property taxes by 1.4283363¢/\$100 of valuation.

# POTENTIAL FUNDING OPTIONS

Developing and implementing critical community facilities in Auburn is full of challenges. Finding the necessary resources to implement the plan can be, literally, a taxing process. Resources to help offset the enormous cost of these facilities are available from many sources. For instance, cities can use statutorily authorized programs to raise the revenues needed to complete the entire project, or to provide the local matching funds required by most public grant programs and/or private or charitable giving.

Structuring resources is a complex process; some programs may not be appropriate for a privately-owned initiative since there may be restrictions on how the funds can be used. The key to developing a successful financial package begins with an accurate identification of potential resources that can assist the city in turning its vision into a reality; not just at the outset, but for various programs that may be offered over the life of the project.

The overall goal of the planning process was to evaluate the capital and programmatic needs of these facilities to ensure the facility meets the physical, spatial, and operational needs of the community. Ultimately, the success or failure of this project will depend on the community's ability to identify, access, and leverage limited local resources.

The following table shows potential resources that may be available for implementation of these new facilities and which can be accessed for these facilities, assuming public ownership.

POTENTIAL PROJECT	FUNDING TYPE													
	Capital Improvements Planning	Civic and Community Center Financing Fund	Community Development Assistance Act	Community Development Block Grant – Tourism Development Initiative	General Obligation Bonds/ Bond Issue	Joint Public Agency Act	Lease Purchase Agreement	Local Capital Campaign	Local Option Sales Tax	Municipal Borrowing	Non-Profit Organization – Municipal Bonds	Private Foundations/ Donations	Revenue Bonds	USDA Rural Development Programs
Performing Arts Facility	■		■	■	■	■	■	■	■	■	■	■		■
Gymnasium/Sports Facility	■		■		■	■	■	■	■	■	■			■
Community/ Convention Center	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Rec Center/YMCA Facility	■	■	■		■	■	■	■	■	■	■	■	■	■
Aquatic Facility (Indoor Pool) Natatorium	■	■	■	■	■	■	■	■	■		■			■

The following pages provide information about each potential resource identified above. The format for each program is the same, that is, the name of the resource, a brief summary of the resource, applicable deadlines/match requirements/funding ranges, and a link where the reader can find more information.

# CAPITAL IMPROVEMENTS PLANNING

---

One of the most vital functions of a local government is to construct and maintain the public works infrastructure. Without a network of roadways, sanitary sewer, water mains, and other essential public facilities, a wide range of negative impacts are likely to be felt by residents and commercial enterprises which rely on local governments for their physical well-being and economic prosperity.

The 1990s saw the advent of two important and parallel trends. The first involved an increasing awareness on the part of local officials of the continuing deterioration of our nation's network of public facilities. The second involved a perhaps belated understanding on the part of these same public officials that an expanding economy requires an adequate infrastructure to sustain growth, especially within the fringe of expanding metropolitan areas.

Unfortunately, many local governments have failed to evaluate their capital facility repair and expansion needs, or to allocate sufficient resources to correct deficiencies. Recent experience has clearly demonstrated that this casual, short-sighted approach to capital project decision-making is likely to result in a funding crisis and an accelerated rate of deterioration of capital assets.

Those local governments which have sought to address these problems have often turned to Capital Improvements Programming. The plan is a tool used to allocate scarce resources in an efficient manner. Rather than allow capital improvement decisions to be made on an ill-defined, haphazard basis, the Capital Improvements Program and annual capital budget identifies the needs, the prioritization of the various project, and provides for the funding and an implementation strategy on an annual basis.

Nebraska State Statutes recognize the intrinsic relationship between the comprehensive development plan and the capital improvement plan. The authorizing statutes (Section 19-929) read, the planning commission shall (a) make and adopt plans for the physical development of the municipality; including any areas outside its boundaries which the commission's judgment bear a relation to the planning of such municipality and including comprehensive development plan as defined in 19-903, (b) prepare and adopt such implementable means as a capital improvements program, subdivision regulations, building codes, and zoning ordinances in cooperation with other interested municipal departments, and (c) consult with and advise public officials and agencies, public utilities, civic organizations, educational institutions, and citizens with relation to promulgation and implementation of the comprehensive development plans and its implementable programs.

A Capital Improvements Program can assist the community in achieving sound financial management practices by planning ahead for the financing of construction, major rehabilitation, and other capital projects which are consistent with the goals and objectives of the comprehensive development plan. By applying a planned schedule of expenditures for capital improvements, the community can assure taxpayers that long-term expenditures can be averaged out so that major debt is not incurred all at once and that maintenance, renewal, and replacement requirements of public infrastructure are adequately addressed to protect the community's investment and maximize the useful life of facilities.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-19/statute-19-929/>

Potential Funding Option

# LOCAL CIVIC, CULTURAL, AND CONVENTION CENTER FUND

The Local Civic, Cultural, and Convention Center Fund helps finance the construction of new civic centers and recreation centers or renovate or expand existing civic centers or recreation centers, to assist in the conservation, rehabilitation or reuse of historic buildings, to upgrade community centers, and for assistance for engineering and technical studies directly related to the above projects.

The fund may be used for site and infrastructure improvements directly related to the construction, renovation, or expansion of a center. It also may be used for the purchase and installation of fixed seating, lighting, carpeting, and other fixtures at a center, but not for temporary and/or portable furniture or equipment.

Evaluations of grant applications are based on a project's potential for long-term positive impacts on the local and regional economies, attraction impact, readiness, and financial support. The municipality must own and operate the center for which grant assistance is sought.

All municipalities in the state of Nebraska are eligible to apply for assistance, except Omaha. Any municipality receiving a grant will not be awarded more than one grant in any five-year period.

— Application Due Date —

**Preapplications due in May. — Full application due in June.**

— Maximum Grant Amount —

**see the below table**

— Minimum Grant Amount —

**\$2,000 - \$10,000 for studies**

— Local Match Required —

**50%, 50% of which must be a cash match.**

### GRANT MAXIMUM SCHEDULE A

*Until the balance of the Fund reaches \$2,500,000*

Population of Municipality	Maximum Grant Amount
100,000 - 299,999 persons	\$1,500,000
40,000 - 99,999 persons	\$750,000
20,000 - 39,999 persons	\$500,000
10,000 - 19,999 persons	\$400,000
less than 10,000 persons	\$250,000

### GRANT MAXIMUM SCHEDULE B

*After the balance of the Fund reaches \$2,500,000 and until it falls below \$1,000,000.*

Population of Municipality	Maximum Grant Amount
100,000 - 299,999 persons	\$2,500,000
40,000 - 99,999 persons	\$1,125,000
20,000 - 39,999 persons	\$750,000
10,000 - 19,999 persons	\$600,000
less than 10,000 persons	\$375,000

**For more information, go to:**

<http://www.neded.org/community/grants/applications/cccff?highlight=WyJjaXZpYyIsImNvbniZlbnRpb24iXQ==>

# COMMUNITY DEVELOPMENT ASSISTANCE ACT

The Community Development Assistance Act (CDAA) was created in 1985 by the Nebraska Legislature to encourage financial support by businesses to community betterment organizations in their efforts to implement community service and development projects in chronic economically distressed areas.

CDAA empowers the Department of Economic Development to distribute a 40 percent state tax credit to businesses, corporations, insurance firms, financial institutions, or individuals that make eligible contributions of cash, services, or materials to approved community betterment projects.

Five types of projects may qualify through the program. Eligible projects include, employment training, human and medical services, physical facility and neighborhood development services, recreational and educational activities, and crime prevention.

— Application Due Date —

**Open cycle until tax credits are full obligated.**

— Maximum Assistance —

**Up to \$25,000 per year, per project (generate \$62,500 in private donations).**

— Matching Requirement —

**N/A**

**For more information, go to:**

<http://neded.org/community/community-info/financial-assistance/community-development-assistance-act-cdaa>

# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Small Cities Community Development Block Grant (CDBG) Program, administered through the Nebraska Department of Economic Development, helps smaller local governments fund community projects that might not otherwise be financially feasible. Through funding from the United States Department of Housing and Urban Development, the program allows each community to determine which projects are most needed, with a focus on Housing, Neighborhood Revitalization, Commercial Revitalization, and Economic Development.

— Application Due Date —  
**May**

— Grant Award —  
**\$50,000 - \$225,000**

— Matching Requirement —  
**25%**

The national objectives of the program are to benefit low- and moderate-income persons, eliminate slum or blight, and address urgent community development needs.

- **Community Development Block Grant – Tourism Development Initiative**

The objective of the CDBG Tourism Development Initiative is to provide financing to offset the cost of projects that are, or will be, a tourism attraction. Tourism attractions (for profit or non-profit, public, or private) are sites that are expected to annually draw 2,500 or more visits from origins of at least 100 miles away. Tourism attractions are sites and facilities that draw visitors because of their scenic, historic, cultural, scientific, and/or recreational attributes. Examples of eligible attractions are: historic restorations, museums, participatory sports facilities, and convention centers. Examples of ineligible businesses are those that more often serve as tourism-support facilities than attractions, such as eating and drinking establishments, commercial sleeping accommodations, gasoline service stations, and gift shops.

**For more information, go to:**

[http://neded.org/files/crd/cdbg\\_guidelines/2016/Chapter\\_8\\_Tourism\\_Development.pdf](http://neded.org/files/crd/cdbg_guidelines/2016/Chapter_8_Tourism_Development.pdf)

Potential Funding Option

## GENERAL OBLIGATION BONDS

---

General Obligation Bonds are backed by the full faith and credit (property taxes) of the community and are issued by the governing body for a wide array of community betterment projects. GO Bonds often require a vote of the electorate before they can be issued.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-18/statute-18-506/>

Potential Funding Option

## JOINT PUBLIC AGENCY ACT

---

The Joint Public Agency Act allows local governmental units to make the most efficient use of their taxing authority and other powers by enabling them to cooperate with other governmental units on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities.

Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the Joint Public Agency Act. Any combination of two or more public agencies may create one or more joint public agencies to exercise the powers and authority prescribed by the Joint Public Agency Act.

Notwithstanding any restrictions contained in a city charter, any power, privilege, or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state and jointly with any public agency of any other state or of the United States.

A joint public agency shall have only those powers of taxation as one or more of the participating public agencies has and only as specifically provided in the agreement proposing creation of the joint public agency, except that a joint public agency shall not levy a local option sales tax. Participating public agencies may agree to allow the joint public agency to levy a property tax rate not to exceed a limit as provided in the agreement, if the agreement also limits the levy authority of the overlapping participating public agencies collectively to the same amount. The levy authority of a joint public agency shall be allocated by the city or county as provided in section 77-3443; and the agreement may require allocation of levy authority by the city or county.

Any joint public agency may issue such types of bonds as its board may determine subject only to any agreement with the holders of outstanding bonds, including revenue or general obligation bonds.

The Joint Public Agency Act is necessary for the welfare of the state and its inhabitants and shall be construed liberally to affect its purposes.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-13/statute-13-2025.01/>

Potential Funding Option

## LEASE PURCHASE AGREEMENT

The mayor and council of any city of the first or second class and the chairman and board of trustees of any village, in addition to other powers granted by law, may enter into contracts for lease of real or personal property for any purpose for which the city or village is authorized by law to purchase property or construct improvements.

In order to utilize a Lease Purchase Agreement for most projects, the municipality must first create a "Facilities Corporation" which is a 501(c)(3) non-profit organization. The Facilities Corporation is a separate "agency" of the community, governed by a Board of Directors appointed by the chief elected. The Board is comprised of three, five, or seven members and cannot be the governing body itself.

A lease purchase agreement allows the municipality to purchase and use an item while making payments. These

items include pieces of equipment, such as fire trucks or real estate, such as land or buildings. The Facilities Corporation purchases the item and then leases it back to the community. The Facilities Corporation issues bonds for the cost of the item. The municipality then levies a tax (property or sales tax) which is used to repay the Lease Purchase Agreement, pursuant to the contract terms. The lease payments match the corporation's bond payments.

Capital expenditures (land and buildings) are subject to the municipal levy lid (LB1114), but not the spending lid (LB989). In contract, equipment purchases are subject to both lids.

Such agreements shall not be restricted to a single year; and may provide for the purchase of the property in installment payments.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-19/statute-19-2421/>

Potential Funding Option

## LOCAL CAPITAL CAMPAIGN

A capital campaign is a time-limited effort by a community or non-profit organization to raise significant dollars for a specific project. Often the money raised is to fund the acquisition, construction, or renovation of a building. Sometimes, capital campaigns are used to build an endowment for the future. In other cases, capital campaigns fund an extraordinary expenditure such as an expensive piece of equipment. Whatever the case, capital campaigns have a beginning and an end, but often span several years. They employ all the usual means of raising funds such as direct mail and direct solicitation, and require extraordinary preparation and skillful execution.

These capital campaigns must be viewed as large-giver campaigns. National fundraising statistics show that 10%-15% of the fundraising goal will be given by the lead donor and 97% of the fundraising goal will be given by 3% of all donors. The balance will be given by the rest of donors.

Because they rely heavily on large gifts to raise a substantial amount of money, capital campaigns draw their volunteer leadership and solicitors from the upper end of a community's business and civic leadership. The high visibility of a capital campaign ups the ante considerably. Few situations are more damaging to the image of an organization than announcing the planned construction of a new facility and then failing to raise the money to build.

Potential Funding Option

## LOCAL OPTION SALES TAX

---

Any Nebraska county or incorporated municipality may impose a local sales and use tax upon approval by a majority of their voters in a regular election. The local tax applies to the identical transactions subject to the state sales and use tax, with the exception of direct-to-home satellite programming. Local option taxes of 0.5¢, 1¢, and 1.5¢ may be approved by city or county voters. The tax is collected and remitted to the state and is then allocated back to the municipalities after deducting the amount of refunds made and a three percent administrative fee.

Effective July 19, 2012, and pursuant to LB357, municipalities may, with voter approval enact a sales and use tax equal to 1.75¢ to 2.0¢. The proceeds from the rate in excess of 1.5¢ shall be used for public infrastructure projects or voter-approved infrastructure related to an economic development program as defined in section 18-2705. Public infrastructure project means and includes, but is not limited to, any of the following projects, or any combination thereof: public highways and bridges and municipal roads, streets, bridges, and sidewalks; solid waste management facilities; wastewater, storm water, and water treatment works, and

systems, water distribution facilities, and water resources projects, including, but not limited to, pumping stations, transmission lines, and mains and their appurtenances; hazardous waste disposal systems; resource recovery systems; airports; port facilities; buildings and capital equipment used in the operation of municipal government; convention and tourism facilities; redevelopment projects as defined in section 18-2103; mass transit and other transportation systems, including parking facilities; and equipment necessary for the provision of municipal services.

No municipal sales and use tax shall be imposed at a rate greater than one and one-half percent or increased to a rate greater than one and one-half percent unless the municipality is a party to an interlocal agreement pursuant to the Interlocal Cooperation Act or a joint public agency agreement pursuant to the Joint Public Agency Act with a political subdivision within the municipality or the county in which the municipality is located creating a separate legal or administrative entity relating to a public infrastructure project.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-77/statute-77-27-142/>

Potential Funding Option

## MUNICIPAL BORROWING

---

The mayor and council of any city, in addition to other powers granted by law, may borrow from a state-chartered or federally chartered bank, savings bank, building and loan association, or savings and loan association, for purchase of real or personal property for any purpose for which the city is authorized by law to purchase property or construct improvements. Such loans shall not be restricted to a single year and may be repaid in installment payments.

**For more information, go to:**

<http://nebraskalegislature.gov/FloorDocs/104/PDF/Intro/LB152.pdf>

Potential Funding Option

## NON-PROFIT ORGANIZATION - MUNICIPAL BOND FINANCING

---

Non-profits are authorized to issue tax exempt bond financing through a local government, at no risk to the local government. The non-profit must have a lead lender (bank) for the project who agrees to purchase the municipal bonds, once issued. The municipality issues the bonds and the bank buys them, using the new building/addition as collateral.

The maximum amount of bond that can be issued by a municipal government under this program is \$10 million.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-13/statute-13-1101/>

Potential Funding Option

## PRIVATE FOUNDATIONS

---

Private/charitable foundations are legal entities set up by an individual, a family, or corporations for a purpose such as philanthropy.

Potential Funding Option

## REVENUE BONDS

---

All municipal bonds fall into one of two categories—general obligation or revenue bonds—based on how the interest and principal repayment will be funded. Within each category, municipal bonds can be structured a number of different ways, each with different benefits and tax treatment.

Principal and interest payments for revenue bonds are secured by revenues generated by the particular project being financed. In some cases, revenue bonds can be backed by sales taxes, fuel taxes, or hotel occupancy taxes. Some financiers refer to revenue bonds as “self-liquidated debt”. Revenue bonds do not count against the general obligation of the community.

**For more information, go to:**

<http://law.justia.com/codes/nebraska/2015/chapter-18/statute-18-506.01/>

# UNITED STATES DEPARTMENT OF AGRICULTURE - RURAL DEVELOPMENT

- **Community Facility Loan Program**

This program provides grants to assist in the development of essential community facilities in rural areas and towns of up to 20,000 people. Grants are awarded on a graduated scale; small communities with low population and income will receive a higher percentage of grants.

Program monies can be used to assist in the development of essential community facilities, such as constructing, enlarging, or improving community facilities for healthcare, public safety, or public and community services (such as the physical construction of a new building to house and display museum items and artifacts). Requests can include the purchase of equipment required for a facility's operation.

**For more information, go to:**

[http://www.rurdev.usda.gov/HAD-CF\\_Loans.html](http://www.rurdev.usda.gov/HAD-CF_Loans.html)

- **Guaranteed Community Facility Loan Program**

The purpose of the Guaranteed Community Facilities Loan Program is to work with local lenders - including banks, savings and loan associations, mortgage companies, and Farm Credit System banks to offer loan guarantees to help build essential community facilities and purchase equipment in rural areas. Community service facilities include: fire and rescue buildings and/or equipment, streets, utilities, community buildings, libraries, senior citizen centers, day care centers, airports, industrial parks, hospitals, clinics, nursing homes, assisted living facilities, etc.

**For more information, go to:**

[http://www.rurdev.usda.gov/HAD-CF\\_Loans.html](http://www.rurdev.usda.gov/HAD-CF_Loans.html)

- **Rural Economic Development Loan and Grant**

The REDLG program provides funding to rural projects through local utility organizations. Under the REDLoan program, USDA provides zero interest loans to local

utilities which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The ultimate recipients repay the lending utility directly. The utility is responsible for repayment to the Agency. Under the REDGrant program, USDA provides grant funds to local utility organizations which use the funding to establish revolving loan funds. Loans are made from the revolving loan fund to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to the Agency.

To receive funding under the REDLG program (which will be forwarded to selected eligible projects) an entity must:

- Have borrowed and repaid or pre-paid an insured, direct, or guaranteed loan received under the Rural Electrification Act or
- Be a not-for-profit utility that is eligible to receive assistance from the Rural Development Electric or Telecommunication Program
- Be a current Rural Development Electric or Telecommunication Programs Borrower

REDLG grantees and borrowers pass the funding on to eligible projects. Examples of eligible projects include:

- Capitalization of revolving loan funds
- Technical assistance in conjunction with projects funded under a zero interest REDLoan
- Business Incubators
- Community Development Assistance to non-profits and public bodies (particularly job creation or enhancement)
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Facilities and equipment for medical care to rural residents
- Telecommunications/computer networks for distance learning or long distance medical care

**For more information, go to:**

<http://www.rd.usda.gov/programs-services/rural-economic-development-loan-grant-program>