Dahlman Rows TIF Redevelopment Project Plan

Cost – Benefit Analysis – from the TIF application

1. Tax Shifts resulting from the approval of the use of funds pursuant to section 18-2147 (of the Community Development Law):

   The use of TIF will result in a large gain of tax revenue for Omaha, and no public service needs will be generated as a result of this project. Currently, the property is taxed at a value of $57,100.00, for tax income of $1,276.00 annually. After development, the collective properties will be valued conservatively at approximately $9,270,000.00, with estimated annual taxes of over $200,000.00/year.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from projects receiving incentives:

   The proposed TIF will be used to offset site acquisition, site development, renovation and public improvement cost, all of which are eligible expenses. The current property tax system can accommodate the development. Furthermore, the long-term benefit resulting from an increase in the tax base from the development is another valid reason to approve TIF assistance for this project. The project will not expand the use of public fire and police. This project will additionally improve public infrastructure by fully paving a current gravel road with no sidewalks in a residential neighborhood.

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

   Dahlman Rows will create new infill housing close to downtown, allowing more families to live near their jobs downtown. Currently there are few affordable new construction housing options in the core of the city, and this will give both employees and employers better options to live closer to where they work, in quality new construction homes.

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

   It can be expected that Dahlman Rows will impact employees and employers outside of the redevelopment project because the creation of the new housing option will bring new home owners to an established neighborhood, where current housing stock is low, and allow for more near downtown living for employees who work and play downtown.

5. Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the development project:

   The current site use is not the best and highest use economically, further the site is vastly underutilized given its location in the city. There has been no increase to the site’s assessed value recently and the redevelopment of the site will provide an economic boost to the aging Dahlman neighborhood. The project can be deemed a prototype of what urban infill projects should be, and one that justifies the use of TIF due to the natural increase in tax revenue that will be generated by the project, along with improving needed public infrastructure in the neighborhood.

   Based on the IMPLAN methodology, where it is estimated that for every million dollars of construction spending equates to 8.34 jobs, this project will generate approximately 62 construction
jobs throughout the course of development. In addition, this project is anticipated to create over $450,000 in brokerage fees for Single Family real estate agents.