Logan Building 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):**

   There are no anticipated tax shifts associated with the Project because, but for TIF, the Project would not occur and, thus, this site would not generate additional tax revenues for taxing entities.

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

   The Project will include public improvements to the right-of-way adjacent to the Logan Building, including, but not limited to, sidewalk improvements, landscaping, streetscaping, and lighting improvements. The Project will benefit public service needs by providing employment opportunities during construction and upon operation of the mixed-use building. The Project will generate additional hotel lodging tax, sales tax, and occupational privilege tax based on hotel revenue from room rentals and food and beverage service. Over the long term, the Project will also provide additional local property tax due to the increased value of the Logan Building. Subsequent to completion of the public and private improvements associated with the Project, Logan Hospitality anticipates that the existing public infrastructure will adequately service and support the proposed uses for the Logan Building.

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

   The Project will generate approximately 130 construction jobs. Development of the Project will also create local opportunities with respect to financing, design, and legal services. Once operational, Logan Hospitality anticipates that approximately 30-45 employees will work at the hotel and speakeasy. See Section B below for analysis of employment opportunities from the Project. Additionally, it can be anticipated that hotel guests will enjoy downtown services, entertainment, restaurants, and bars. The synergy created by the employees, hotel guests, and restaurant patrons generated by this Project, in conjunction with those of the nearby Capitol District and Old Market, will create an extremely dense and active district, to help link the Old Market with North downtown.

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:**

   The Project will stimulate economic activity and jobs that will have an indirect benefit on employers and employees not receiving direct incentives or benefits from the Project. Logan Hospitality anticipates that hotel guests and speakeasy patrons will also take advantage of the various commercial and retail establishments located in the Capitol District, Old Market, and downtown core as a whole. This will benefit employers in the form of increased revenue and will increase the demand for employees, which will result in higher wages and/or more positions.
5. **Impacts on student populations and school districts within the project area:**

The addition of school age children as a result of the Project (with respect to the condominiums) will have minimal impact on the Omaha Public School District. Assuming each dwelling unit will result in 2.5 persons and there is a traditional family in each unit, a student population increase of .5 children per household is possible for a total of 2-3 new students. 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 to 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.

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

The current use is not the best and highest use of the Logan Building. The Logan Building is vacant while occupying a prime location in the City. The site is underutilized given its location and historical significance. There has been little increase in the site’s assessed value due to the factors noted herein and the redevelopment of the site will provide an economic boost to downtown Omaha and will act as a catalyst for the revitalization of the area.