

May 31, 2023

Mayor Jim Jarecki & City Administrator Andrew Devine
420 W Market Street
Albion, NE 68620

Dear Mayor Jarecki and Administrator Devine,

At the AEDC May meeting, the board considered the request of Levander Funeral Homes for support of their infrastructure project. Levander has requested support from AEDC for this installation of infrastructure under the direction of Administrator Devine.

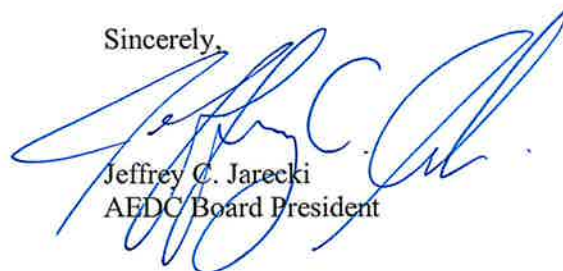
The project requires the installation of water and sewer main along the 300-foot frontage of the property. Levander's 3.1-million-dollar new structure does require new water and sewer access, which would require approximately 5 feet of main to tie into. The other 295 feet would be placed to service future development to the south of the Levander property. The Levander quote is \$78,100 total and includes only the sewer and water mains along the frontage and does not include any of the necessary piping needed to connect the new building to the main line. The request also does not include any of the civil engineering planning needed for this project.

AEDC agrees with Administrator Devine; as an active agent for development in Albion, it is appropriate for AEDC to participate in projects that will grow both the community and the tax base, however, AEDC cannot be the sole organization that funds infrastructure improvements. Operating out of 25% of every \$0.01 collected in sales tax, AEDC is not able to support all the necessary infrastructure needed and also continue to support other worthy development in Albion. Further, placing the cost of infrastructure on individual developers will stymie the growth of Albion. While, by all standards of rural communities, Albion is flourishing, Albion is not a metropolis in which large developers can scale development to build the cost of infrastructure into their sale prices. With rising construction costs, without significant assistance for infrastructure costs, residential and commercial development will slow or not occur. Simply put, a primary benefactor of development in Albion is the City of Albion through real estate tax receipts, collection of water and sewer fees and sales tax receipts. As a primary benefactor of development, AEDC requests that the City of Albion begin participating in infrastructure costs associated with development.

Considering all of the above information, AEDC proposes to cover half of the requested amount (\$39,050.00) and challenges the City of Albion to utilize a portion of the 75% of \$0.01 sales tax collected for Capital Improvements to cover the remaining \$39,050.00. AEDC respectfully requests the City of Albion to consider this project funding at its next City Council meeting.

Thank you for your time and consideration.

Sincerely,



Jeffrey C. Jarecki
AEDC Board President