



Hall County Regional Planning Commission

Wednesday, September 17, 2008

RPC Special Meeting Packet

Commission Members:

John Amick	Hall County	
Karen Bredthauer	Grand Island	
Scott Eriksen	Grand Island	
Mark Haskins	Hall County	Vice Chairperson
Bill Hayes	Doniphan	
Lisa Heineman	Grand Island	
Dianne Miller	Grand Island	
Jaye Monter	Cairo	
Pat O'Neill	Hall County	Chairperson
Deb Reynolds	Hall County	
Leslie Ruge	Alda	Secretary
Don Snodgrass	Wood River	

Regional Planning Director: Chad Nabity

Technician:

Edwin Maslonka

Secretary:

Rose Woods

6:00:00 PM

**Council Chambers - City Hall
100 East First Street**

Call to Order

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

Individuals who have appropriate items for Commission consideration should complete the Request for Future Agenda Items form located at the Regional Planning Office on the second floor of City Hall. If the issue can be handled administratively without Commission action, notification will be provided. If the item is scheduled for a meeting, notification of the date will be given.

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

This is an opportunity for individuals wishing to provide input on any of tonight's agenda items to reserve time to speak. Please come forward, state your name and address, and the Agenda topic on which you will be speaking.

DIRECTOR COMMUNICATION

This is an opportunity for the Director to comment on current events, activities, and issues of interest to the commission.



Hall County Regional Planning Commission

Wednesday, September 17, 2008

RPC Special Meeting

Item .A1

Summary

Insert a narrative here

Staff Contact:

**Staff Recommendation Summary
For Regional Planning Commission Meeting
September 17, 2008**

- 5. Final Plat** – Ski Enterprise Second Subdivision – HC – located N of White Cloud Rd., E of 190th Rd. A tract being part of Lot One (1) (now vacated), Ski Enterprise Subdivision, being part of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Twenty (20), Township Twelve (12) North, Range Twelve (12) West of the 6th P.M., Hall County, Nebraska.
- 6. Public Hearing** – Redevelopment plan amendment for property located in Blight and Substandard Area #7 at the NE ¼, section 5, township 10 north, range 9 west of the 6th P.M. in Hall County Nebraska and other properties as necessary to support this development. (C-24-2008-GI)



Hall County Regional Planning Commission

Wednesday, September 17, 2008

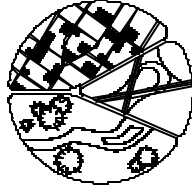
RPC Special Meeting

Item E2

Meeting Minutes

Insert a narrative here

Staff Contact:



THE REGIONAL PLANNING COMMISSION OF HALL COUNTY, GRAND ISLAND,
WOOD RIVER AND THE VILLAGES OF ALDA, CAIRO, AND DONIPHAN, NEBRASKA

Minutes
for
September 3, 2008

The meeting of the Regional Planning Commission was held Wednesday, September 3, 2008, in the Community Meeting Room - City Hall – Grand Island, Nebraska. Notice of this meeting appeared in the "Grand Island Independent" August 23, 2008.

Present:	Pat O'Neill	Lisa Heineman
	Deb Reynolds	Mark Haskins
	Don Snodgrass	Karen Bredthauer
	Scott Eriksen	Leslie Ruge
	Jaye Monter	Bill Hayes
	Dianne Miller	

Absent: John Amick

Other:

Staff: Chad Nabity, Rose Woods

Press:

1. Call to order.

Chairman O'Neill called the meeting to order at 6:00 p.m. He stated that this was a public meeting subject to the open meetings laws of the State of Nebraska. He noted that the requirements for an open meeting were posted on the wall in the room and easily accessible to anyone who may be interested in reading them.

2. Minutes of August 13, 2008 meeting.

O'Neill asked if there were any changes to the August meeting minutes. Hearing none O'Neill asked for a motion.

A motion was made by Eriksen, and seconded by Hayes to approve the Minutes of the August 13, 2008 meeting as mailed.

The motion carried with 10 members present and 9 voting in favor (O'Neill, Ruge, Hayes, Reynolds, Monter, Haskins, Eriksen, Bredthauer, and Snodgrass) and 1 member present abstaining (Miller).

3. Request time to speak.

No one requested time to speak.

4. Community Beautification Award

This is an award that has been given out by the Planning Commission for well over 30 years; there is a plaque that is given to the winner. There were eight nominations this year with Animal Medical Clinic at 210 E. Stolley Park Road winning the award for Community Beautification.

5. Public Hearing - Annexation

Nabity explained this is property located on Capital Avenue, North of Capital and East of Saint Paul Road. This property is approximately 10 acres. Currently there is only a garage on the property the owner would like to build a house and they would like to hook up to city sewer and water, which are available. The property is contiguous with the city limits of Grand Island and the owner is requesting the annexation. This will not have any impact on the extra territorial zoning jurisdiction all services is available.

O'Neill asked if there were any questions.

O'Neill asked for a motion. A motion was made by Ruge to approve the annexation request and seconded by Miller.

A roll call vote was taken and the motion passed with 10 members present (Miller, O'Neill, Ruge, Reynolds, Hayes, Eriksen, Monter, Haskins, Bredthauer, Snodgrass) all voting in favor.

Lisa Heineman joined the meeting at 6:10.

6. Public Hearing – Adoption

Nabity explained this is the adoption of the Hall County All-Hazard Mitigation Plan as prepared by the Army Corps of Engineers and the Nebraska Department of Natural Resources for Hall County, Grand Island, Wood River, Cairo, Alda and Doniphan. This is the final phase for the Hazard Mitigation Plan; it has already been adopted by some of the Villages. There is a CD that is also available. There is a Resolution that has been prepared as well.

O'Neill asked if there were any questions, Reynolds asked about an error on wording on page 9, regarding the landslide and its previous occurrence.

O'Neill asked for a motion. Haskins stated that he agreed with Resolution 2008-01 and moved to approve the resolution, motion was seconded by Eriksen.

A roll call vote was taken and the motion passed with 11 members present (Miller, O'Neill, Ruge, Reynolds, Hayes, Monter, Eriksen, Heineman, Haskins, Bredthauer, Snodgrass) all voting in favor.

7. Final Plat - Dobesh Farms

Nabity stated Dobesh Farms Subdivision was a split from an 80 acre or larger parcel. It appears to meet all the regulations for a legal subdivision in Hall County.

O'Neill asked if there were any questions or changes.

O'Neill asked for a motion. A motion was made by Snodgrass and seconded by Hayes to recommend plat as submitted.

A roll call vote was taken and the motion passed with 11 members present (Miller, O'Neill, Ruge, Reynolds, Hayes, Monter, Eriksen, Heineman, Haskins, Bredthauer, Snodgrass) all voting in favor.

9. Planning Director's Report

A special meeting has been called for September 17, 2008 at 6:00 p.m.

10. Next Meeting September 17, 2008

Chairman O'Neill adjourned the meeting at 6:25p.m.

Leslie Ruge, Secretary

by Rose Woods



Hall County Regional Planning Commission

Wednesday, September 17, 2008

RPC Special Meeting

Item -

Vacate Plat

Insert a narrative here

Staff Contact:

September 9, 2008

Dear Members of the Board:

RE: Final Plat – Ski Enterprise Subdivision

For reasons of Section 19-923 Revised Statutes of Nebraska, as amended, there is herewith submitted a final plat of Ski Enterprise Subdivision, located west of 190th Road and North of White Cloud Road in Hall County, Nebraska.

This final plat proposes to create 1 lot on a tract of land being part of Lot One (1) (now vacated), Ski Enterprise Subdivision, being part of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Twenty (20), Township Twelve (12) North, Range Twelve (12) West of the 6th P.M., in Hall County, Nebraska. This land consists of approximately 2 acres.

You are hereby notified that the Regional Planning Commission will consider this final plat at the next meeting that will be held at 6:00 p.m. on September 17, 2008 in the Council Chambers located in Grand Island's City Hall.

Sincerely,

Chad Nabity, AICP
Planning Director

cc: Director of Public Works
Director of Building Inspections
Manager of Postal Operations
Trenton D. Snow, LLC

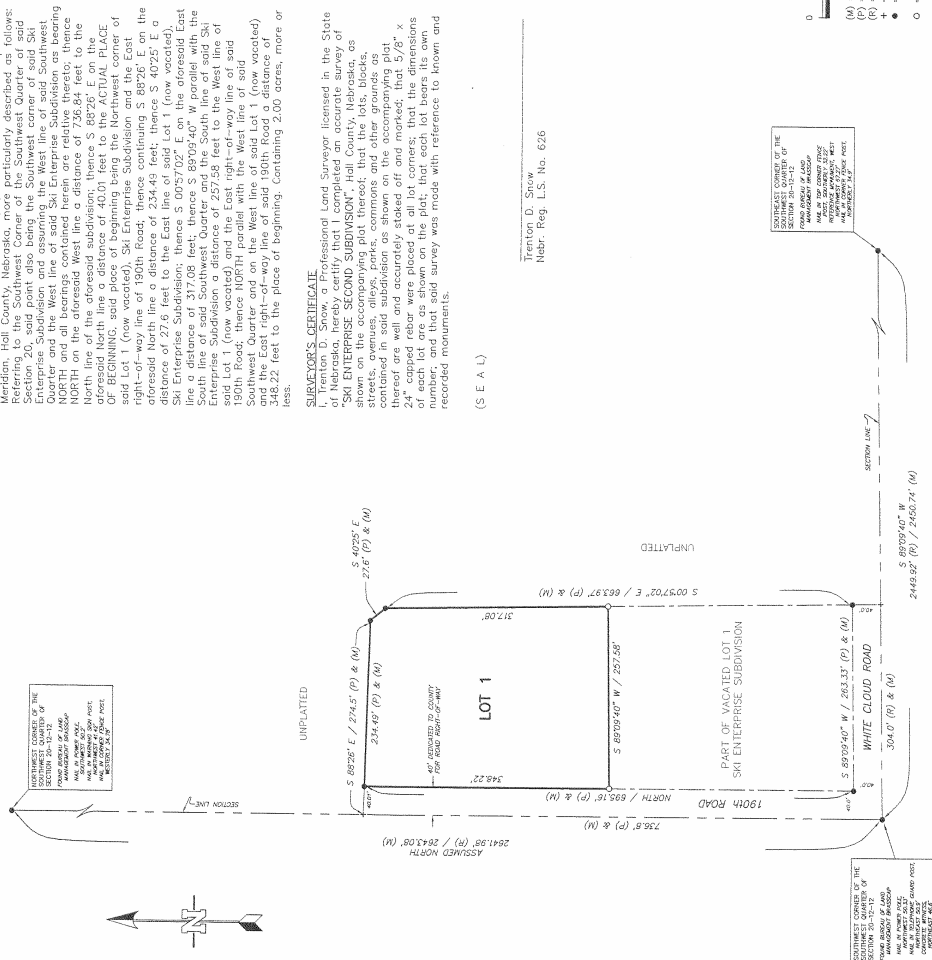
This letter was sent to the following School Districts 1R, 2, 3, 8, 12, 19, 82, 83, 100, 126.

A subdivision being part of the Southwest Quarter of Section 20, Township 12 North, Range 12 West of the Sixth Principal Meridian, Hall County, Nebraska

[illegible]

I. Trenton D. Snow, a Professional Land Surveyor licensed in the State of Nebraska, hereby certifies that I completed an accurate survey of the "SUNRISE SECOND SUBDIVISION", Hall County, Nebraska, as shown on the accompanying plot thereof; that the lots, blocks, streets, avenues, alleys, parks, commons and other grounds as contained in said subdivision as shown on the accompanying plot thereof are well and accurately staked out and marked; that $5/8"$ x $1/4"$ copper rebar were placed at all lot corners; that the dimensions of the lots as shown on the plot; that each lot bears its own number; and that said survey was made with reference to known and recorded monuments.

Trenton D. Snow
Webr. Reg. I.S. No. 626



KNOW ALL MEN BY THESE PRESENTS, that Woloszewski Brothers Land Partnership, a General Partnership, being the owner of the land described in the foregoing recited plat, and being duly qualified to execute and deliver the foregoing plat, have caused the following plat to be prepared, recorded and designated as "S&P ENTERPRISE SECOND SUBDIVISION, HALL COUNTY, NEBRASKA, as shown on the accompanying plat thereof, and have hereby dedicated the road right-of-way as shown thereon to the use and enjoyment of the public, and have caused the same to be shown thereon for the location, construction and maintenance of public service utilities forever. Together with the right of ingress and egress to and from the same, and hereby promising the planting of trees, bushes and shrubs, and the maintenance of the same, and the grading and paving of the surface of such easements; and that the foregoing subdivision is more particularly described in the description hereon as appears on the accompanying plat, and that the same is made in full and complete conformity with the laws of the State of Nebraska, and in accordance with the desires of the undersigned, who are the owners of the land described in the foregoing recited plat.

IN WITNESS WHEREOF, I have affixed my signature hereto this _____ day of _____, 20____.

Wojtoszewski Brothers Land Partnership,
A General Partnership

By: Kenneth S. Woitaszewski, General Partner

ACKNOWLEDGEMENTS

State of Nevada
County of Hall

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Kenneth S. Waitaszewski, General Partner on behalf of Waitaszewski Brothers Land Partnership, A General Partnership.

Affix Seal Here

APPROVALS
Submitted to and approved by the Regional Planning Commission of
Hall County, Grand Island, Wood River and the Villages of Alda, Cato
and Doniphan, Nebraska.

Chairman _____ Date _____

Approved and accepted by the Hall County Board of Supervisors, this _____ day of _____, 20____.

 Secretary

Chairman of the Board

County Clerk



Scale: 1" = 100'

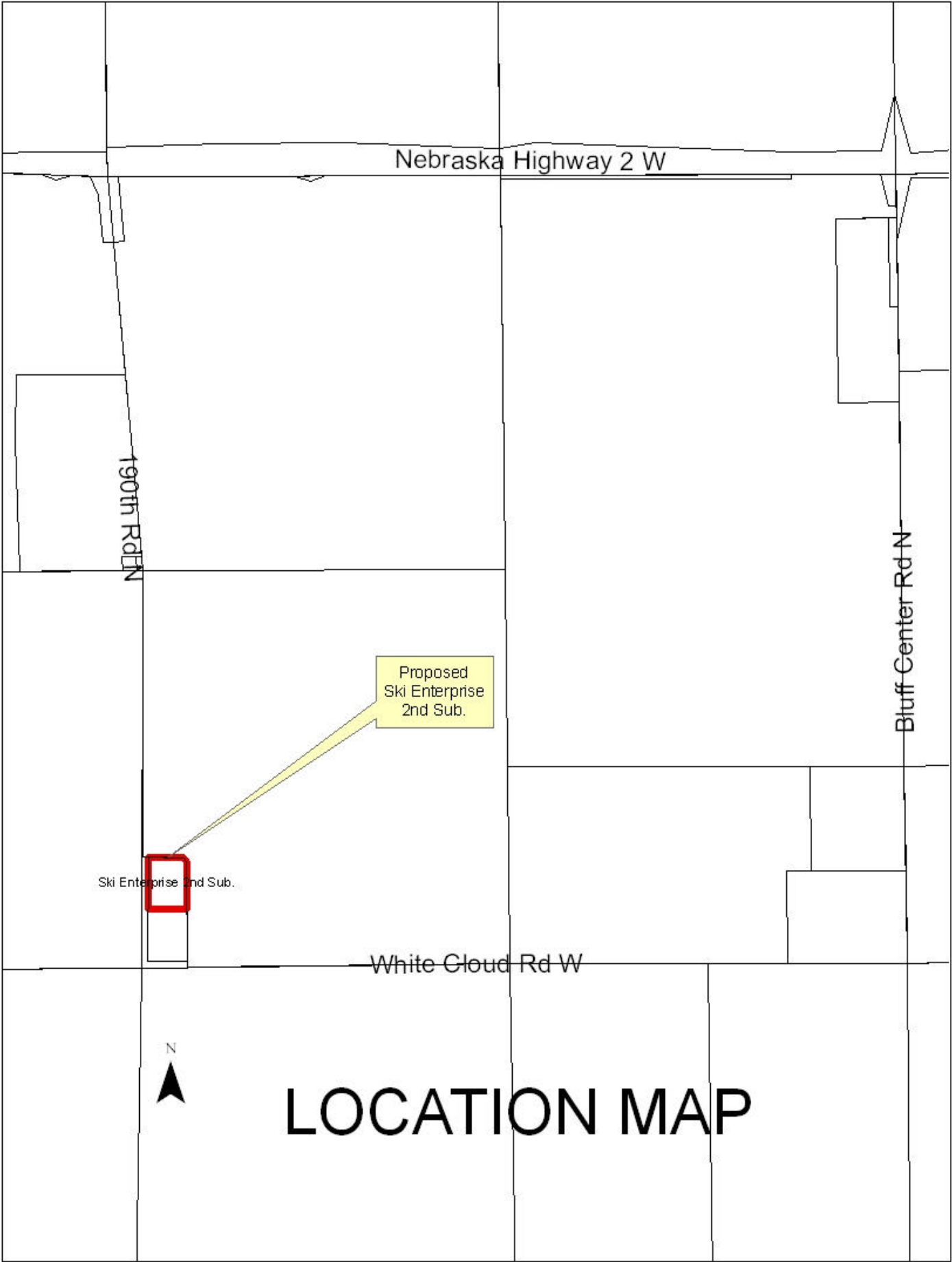
(M) = Measured Distance
(P) = Plotted Distance
(R) = Recorded Distance
+ = Temporary Point

● = Corner Found (Capped 5/8" Rebar, Except As Indicated)
○ = Corner Established (5/8" x 24" Capped Rebar)

NOTE: 2.00 Act TOTAL
SURVEY COMPLETED: SEPTEMBER 2008

TRENTON D. SNOW, LLC
A Land Surveying Company







Hall County Regional Planning Commission

Wednesday, September 17, 2008
RPC Special Meeting

Item M4

Final Plat - Ski Enterprise Second Sub

Insert a narrative here

Staff Contact:

September 9, 2008

Dear Members of the Board:

RE: Final Plat – Ski Enterprise Subdivision

For reasons of Section 19-923 Revised Statutes of Nebraska, as amended, there is herewith submitted a final plat of Ski Enterprise Subdivision, located west of 190th Road and North of White Cloud Road in Hall County, Nebraska.

This final plat proposes to create 1 lot on a tract of land being part of Lot One (1) (now vacated), Ski Enterprise Subdivision, being part of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Twenty (20), Township Twelve (12) North, Range Twelve (12) West of the 6th P.M., in Hall County, Nebraska. This land consists of approximately 2 acres.

You are hereby notified that the Regional Planning Commission will consider this final plat at the next meeting that will be held at 6:00 p.m. on September 17, 2008 in the Council Chambers located in Grand Island's City Hall.

Sincerely,

Chad Nabity, AICP
Planning Director

cc: Director of Public Works
Director of Building Inspections
Manager of Postal Operations
Trenton D. Snow, LLC

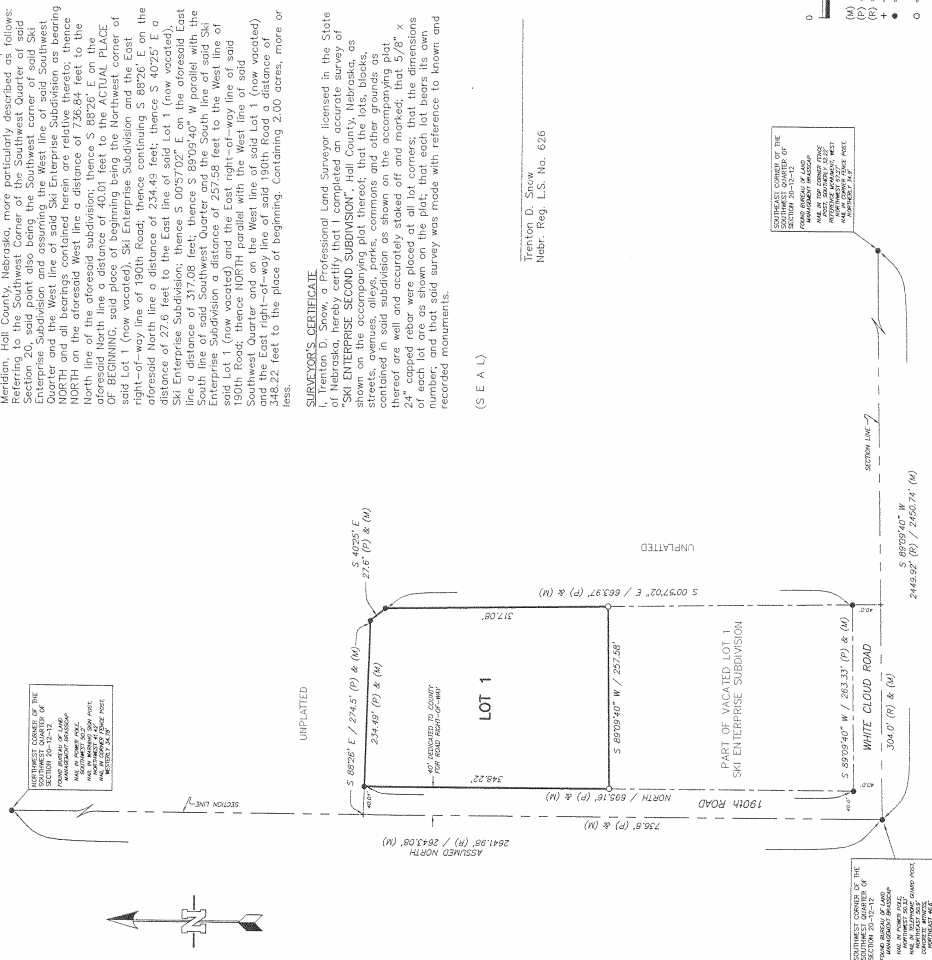
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[illegible]

I. Trenton D. Snow, a Professional Land Surveyor licensed in the State of Nebraska, hereby certifies that I completed an accurate survey of the "SUNRISE SECOND SUBDIVISION", Hall County, Nebraska, as shown on the accompanying plot thereof; that the lots, blocks, streets, avenues, alleys, parks, commons and other grounds as contained in said subdivision as shown on the accompanying plot thereof are well and accurately staked out and marked; that $5/8"$ x $1/4"$ copper rebar were placed at all lot corners; that the dimensions of the lots as shown on the plot; that each lot bears its own number; and that said survey was made with reference to known and recorded monuments.

Trenton D. Snow
Webr. Reg. I.S. No. 626

[illegible]

IN WITNESS WHEREOF, I have affixed my signature hereto this _____ day of _____, 20____.

Wojtoszewski Brothers Land Partnership,
A General Partnership

By: Kenneth S. Woitaszewski, General Partner

ACKNOWLEDGEMENTS

State of Nevada
County of Hall

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Kenneth S. Waitaszewski, General Partner on behalf of Waitaszewski Brothers Land Partnership, A General Partnership.

Affix Seal Here

APPROVALS
Submitted to and approved by the Regional Planning Commission of
Hall County, Grand Island, Wood River and the Villages of Alda, Cato
and Doniphan, Nebraska.

Chairman

approved and accepted by the Hall County Board of Supervisors, this
day of _____, 20____.

Chairman of the Board

County Clerk



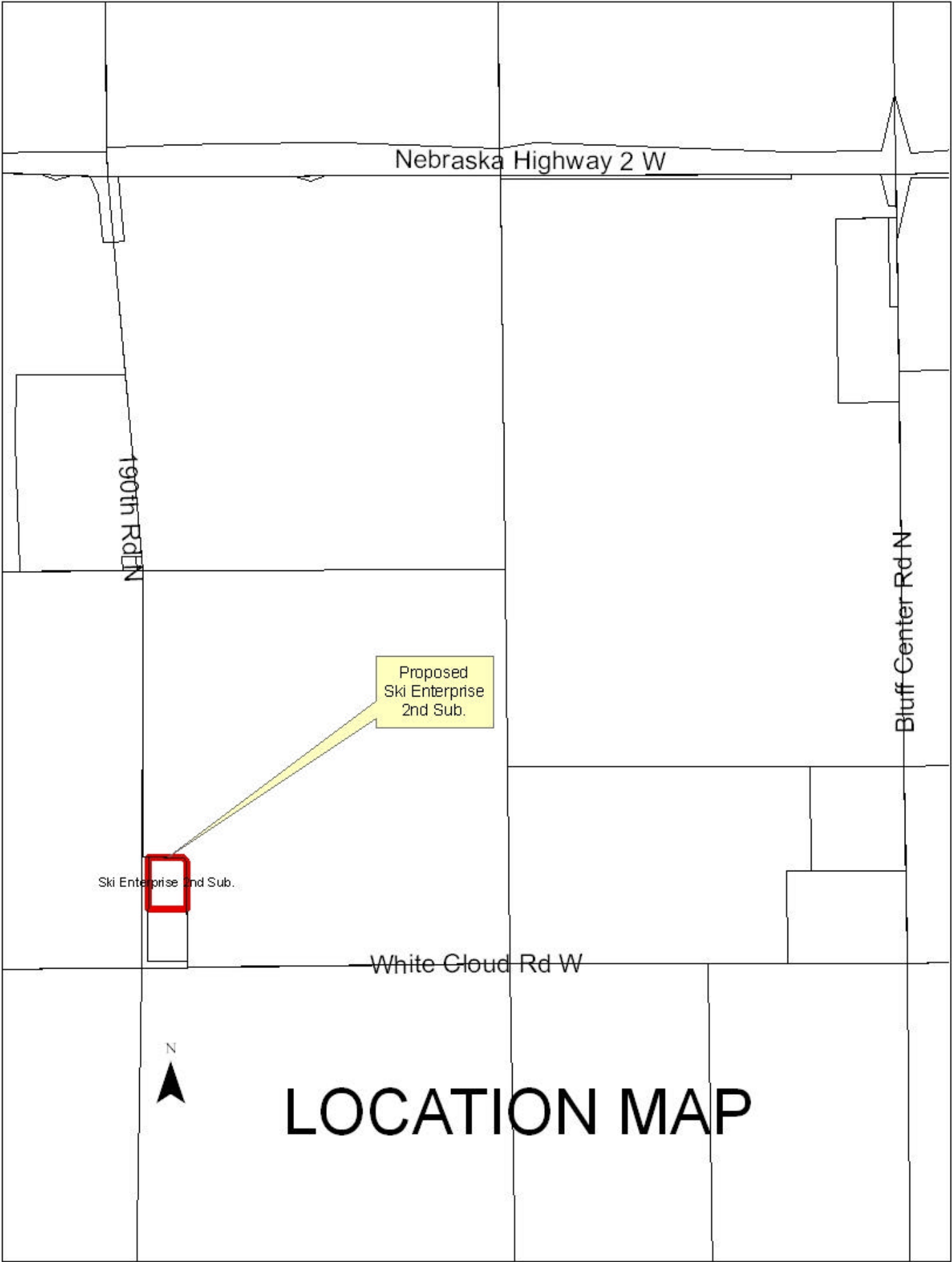
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(R) = Recorded Distance
+ = Temporary Point

- = Corner Found (Capped 5/8" Rebar, Except As Indicated)
○ = Corner Established (5/8" x 24" Capped Rebar)

NOTE: 2.00 Act TOTAL
SURVEY COMPLETED: SEPTEMBER 2008

TRENTON D. SNOW, LLC
A Land Surveying Company





Hall County Regional Planning Commission

Wednesday, September 17, 2008

RPC Special Meeting

Item F5

Public Hearing Redevelopment Plan

Insert a narrative here

Staff Contact:

Agenda Item #5

PLANNING DIRECTOR RECOMMENDATION TO REGIONAL PLANNING COMMISSION:

September 17, 2008

SUBJECT: *Redevelopment plan amendment for property located in Blight and Substandard Area #7 at the NE ¼ section 5, township 10 north, range 9 west of the 6th P.M. in Hall County Nebraska and other properties as necessary to support this development. (C-24-2008-GI)*

PROPOSAL: To redevelop the property in the redevelopment plan amendment including the NE ¼ of 5-10-9, Schimmer Drive between U.S. Highway 281 and Locust Street and Blaine Street between Schimmer Drive and Wildwood Road. The applicant will lease this property to a prospective company to with the condition that they build a 320,000 square foot facility and make real property improvements in the amount of \$30,000,000. The applicant is requesting to use Tax Increment Financing to offset part of the costs development.

OVERVIEW:

The purpose of the CRA and the designated blight and substandard areas is to provide incentives for development in underdeveloped areas of the community. This project will provide commercial development in a location that is intended for these uses. Development of this property should prevent further decay of this neighborhood. This area has already been declared blighted and substandard by the CRA, the Hall County Regional Planning Commission and the Grand Island City Council.

This project is **consistent** with the **existing zoning** and the **future land use plan** for the City of Grand Island. This is evidenced by the fact that the property is zoned M2 Heavy Manufacturing and the proposed manufacturing uses as describe are allowed in this district.

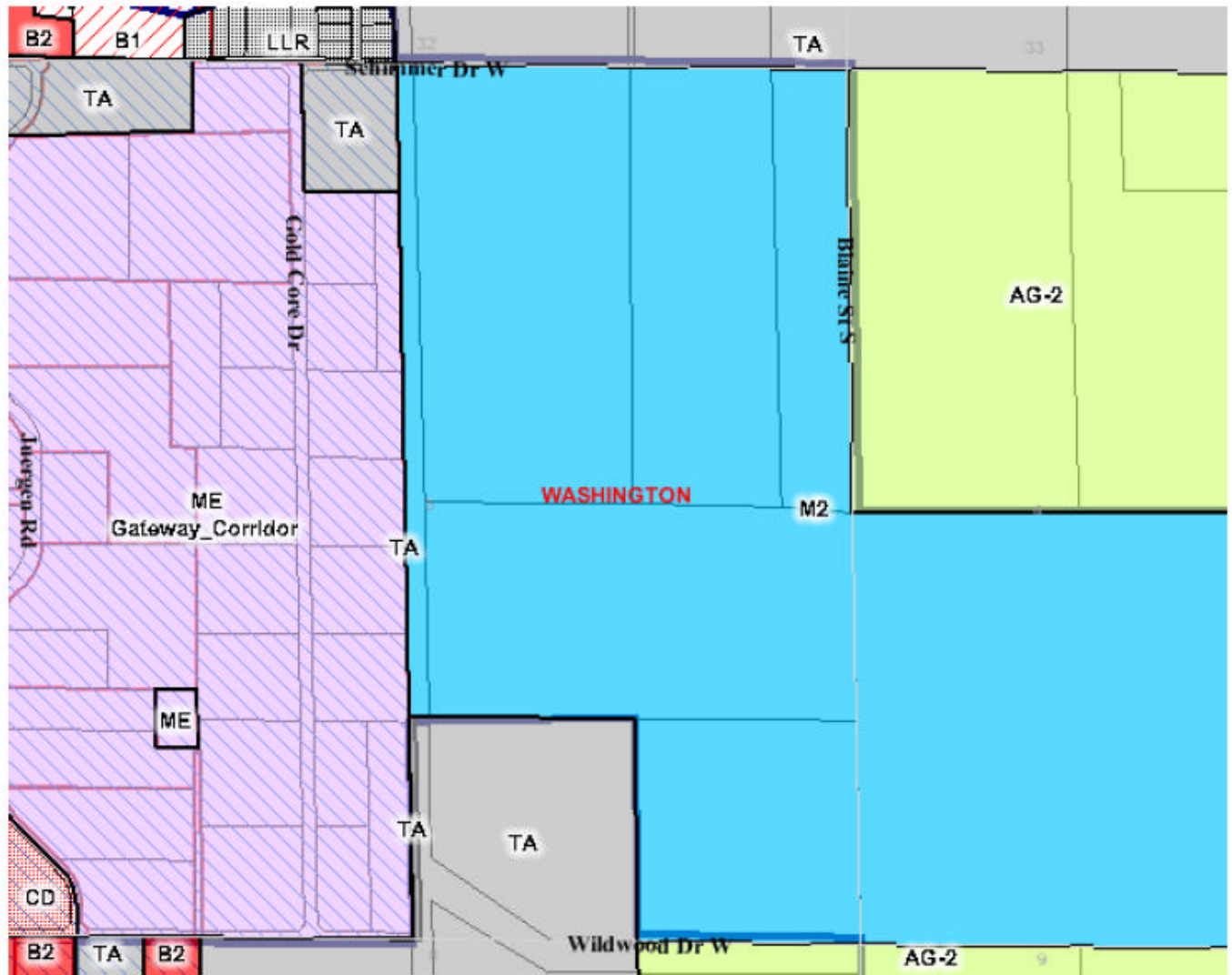
The Regional Planning Commission recommendation is limited to the appropriateness of the proposed use at this location. The Grand Island Comprehensive Plan and Zoning Map both call for manufacturing uses at this location.

The Planning Commission is required to comment on these applications to confirm that expenditure of public funds through TIF is not supporting uses that would be inconsistent with the Comprehensive Plan. The proposed use for a manufacturing facility at this location **is** supported by the plan.

RECOMMENDATION:

That the Regional Planning Commission recommend that City Council **approve** of the redevelopment plan amendment as submitted. A resolution is attached for your consideration.

_____ Chad Nabity AICP, Planning Director



**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA
RESOLUTION NO. 88**

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED REDEVELOPMENT PLAN CONTAINED IN A REDEVELOPMENT CONTRACT TO THE HALL COUNTY REGIONAL PLANNING COMMISSION FOR ITS RECOMMENDATION

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to the Nebraska Community Development Law (the "Act"), received a proposed redevelopment plan (the "Plan") as contained in a redevelopment contract, for redevelopment of an area within the city limits of the City of Grand Island, Hall County, Nebraska; and

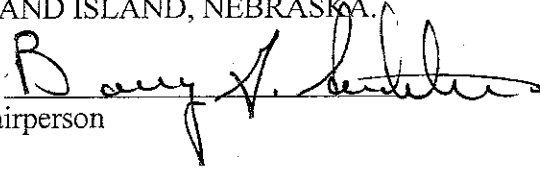
WHEREAS, the Authority is required by Section 18-2112 of the Act to submit said to the planning board having jurisdiction of the area proposed for redevelopment for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Authority submits to the Hall County Regional Planning Commission the proposed Plan contained in the Redevelopment Contract attached to this Resolution with the Grand Island Area Economic Development Corporation, for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska.

Passed and approved this 5th day of September, 2008.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA.

BY 
Chairperson

ATTESTED:


Secretary

Attachment A
(Attach copy of Redevelopment Contract here)

DRAFT

REDEVELOPMENT CONTRACT

By and Between

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

and

GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION

Dated October __, 2008

REDEVELOPMENT CONTRACT

This **REDEVELOPMENT CONTRACT** (the "**Contract**"), dated October __ 2008, is made and entered into by and between the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the "**Authority**") and **GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION** (the "**Developer**").

WITNESSETH:

WHEREAS, the City of Grand Island, Nebraska (the "**City**"), in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Sections 18-2101 to 18-2154, inclusive, Reissue Revised Statutes of Nebraska, as amended (collectively the "**Act**"), and further pursuant to Resolution No. 2008-211 duly passed and approved by the Mayor and Council of the City on August 28, 2008, has designated an area of the City as blighted and substandard and in need of redevelopment (the "**Blighted Area**") and further pursuant to Resolution No. _____ duly passed and approved by the Mayor and Council of the City on _____, has designated an area of the City not within the Blighted Area and other areas not within the corporate limits of the City as appropriate for development as part of a redevelopment project; and

WHEREAS, the Developer submitted a redevelopment contract proposal for redevelopment of the Redevelopment Project Area, as defined hereafter;

WHEREAS, the Developer desires to redevelop a portion of the Redevelopment Project Area by constructing certain public and private infrastructure improvements that will benefit the public and a manufacturing facility to be built within the Redevelopment Project Area (the "**Project**", as more fully described herein); and

WHEREAS, the construction of the Project will further the purposes of the Act by remediating certain blighted and substandard conditions existing in the Redevelopment Project Area; and

WHEREAS, the Authority and the Developer desire to enter into this Contract for the purpose of setting forth the general terms and conditions under which the Developer will construct the Project and receive tax increment financing assistance from the Authority in respect thereof.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Authority and the Developer do hereby represent, covenant, and agree as follows:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere in this Contract, the following words and terms used herein have the following meanings:

"**Act**" means, collectively, Article VIII, Section 12 of the Nebraska Constitution and Sections 18-2101 to 18-2154, inclusive, Reissue Revised Statutes of Nebraska, as amended, and acts amendatory thereof and supplemental thereto.

"Authority" means the Community Redevelopment Authority of the City of Grand Island, Nebraska.

"Bond Resolution" means any resolution passed and approved by the Authority authorizing the issuance of any series of TIF Indebtedness related to this Contract.

"City" means the City of Grand Island, Nebraska.

"Completion Certificate" means a certificate in substantially the form attached hereto as **Exhibit E**, executed by the President and the Project Engineer, representing and warranting that the Project is substantially complete.

"Contract" means this Redevelopment Contract between the Authority and the Developer, as supplemented or amended from time to time in accordance with its terms.

"Construction Plans" means the plans and specifications for the construction of the Project approved by the City and all other requisite governmental authorities.

"County Assessor" means the Assessor of the County of Hall, Nebraska, or such other official acting in such capacity.

"County Treasurer" means the Treasurer of the County of Hall, Nebraska, or such other official acting in such capacity.

"Developer" means Grand Island Area Economic Development Corporation, a Nebraska corporation.

"Insurance Consultant" means any insurance agent reputable and experienced in the Grand Island, Nebraska area who is reasonably acceptable to the Authority.

"Lender" means the original purchaser or purchasers of any series of TIF Indebtedness, including, if and when applicable, the Developer.

"Lessee" means that entity which will enter into a financing lease with the Developer for the construction of a manufacturing facility, as described on **Exhibit G-1**, on the Non Public Project Area.

"Non Public Project" means the acquisition of the Non Public Project Area, the rail infrastructure, and construction of an approximately 320,000 square foot manufacturing plant and related components.

"Non Public Project Area" means the real property described on **Exhibit A-1** to be acquired by the Developer and on which the manufacturing facility is to be constructed.

"Non-Public Project Costs" means those Project Costs identified on **Exhibit D** attached hereto for which all improvements do not lie within publicly owned right-of-ways in the Redevelopment Project Area and which are for acquisition of the Non Public Project Area, installation of site specific rail infrastructure, and improvements to Schimmer Street from Blaine Street to Locust Street.

"Non Public TIF Indebtedness" means the TIF Indebtedness issued to pay for Non Public Projects costs, as more fully described on **Exhibit C**.

"Permitted Subsequent Approvals" means the building permits and other governmental approvals customarily obtained prior to construction which have not been obtained on the date that this Contract is executed, which the City or other governmental entity has not yet determined to grant.

"President" means the President of the Developer, or such other person as is duly authorized to act on behalf of and legally bind the Developer.

"Project" means the construction of the improvements comprising the "Public Project" and "Non Public Project", respectively, described in **Exhibit B and Exhibit G** attached hereto.

"Project Engineer" means the engineer hired by the Lessee to construct the Project.

"Project Costs" means those costs or expenses comprising the "Public Project" and "Non Public Project", respectively, identified on **Exhibit D** attached hereto incurred by the Developer, Lessee and City in accordance with the Act necessary or incidental for the Developer and Lessee to acquire, prepare for development, construct, equip, and furnish the Project, including but not limited to the construction and installation of streets, utilities and other improvements described in the Redevelopment Plan (Exhibit G).

"Public Project Costs" means those Project Costs identified on **Exhibit D** attached hereto for which all improvements lie within publicly owned right-of-ways and are primarily for the benefit of the public.

"Public TIF Indebtedness" means that TIF Indebtedness issued and delivered to the City for reimbursement of public infrastructure installed by the City pursuant to the Redevelopment Plan, as more fully described on Exhibit C.

"Redevelopment Project Area" means that certain real property legally described on **Exhibit A**, which has been declared blighted and substandard by the City pursuant to the Act and that property which has not been declared blighted and substandard and that property which lies outside the corporate limits of the City, but for which the City Council has deemed appropriate for a redevelopment project pursuant to Section 18-2123 of the Act.

"Redevelopment Plan" means the general redevelopment plan for the redevelopment of blighted and substandard areas of the City including the Redevelopment Project Area as amended by this Redevelopment Contract with Project specific redevelopment plan attached hereto as **Exhibit G**, and approved from time to time by the City.

"Senior Credit Facility" means the lending institution that has loaned the Developer or Lessee the private funds needed to fully construct the manufacturing production facility located adjacent to the Project.

"TIF Indebtedness" means any bonds, notes, loans, advances of money or other indebtedness, including interest and premiums, if any, thereon, incurred by the Authority pursuant to the Act and **Article III** and secured by the TIF Revenues as described on Exhibit C.

"TIF Revenues" means the incremental ad valorem taxes on real property in the Non Public Project Area described in Section 18-2147 1(b) of the Act, which will be allocated and paid to the Authority pursuant to the Act.

Section 102. Rules of Interpretation.

- (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.
- (b) Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.
- (c) All references in this Contract to designated "Articles," "Sections," and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions hereof as originally executed.
- (d) The words "herein," "hereof," "hereunder," and other words of similar import refer to this Contract as a whole and not to any particular Article, Section or subdivision.

ARTICLE II

REPRESENTATIONS

Section 201. Representations by the Authority. The Authority makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Authority has been duly organized and is validly existing as a Community Redevelopment Authority under and pursuant to the Act.
- (b) The Redevelopment Plan (Exhibit G as supplemented by this Contract) is feasible and in conformity with the general plan for the development of the City and the legislative declarations and determinations set forth in the Act.
- (c) The Project will achieve the public purposes of the Act by, among other things, improving public infrastructure, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Project Area.
- (d) Based on the representations of the Developer and other information provided to the Authority, the Project would not be economically feasible without the use of tax-increment financing; the Project would not occur in the Redevelopment Project Area without the use of tax-increment financing; and the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the City, and the demand for public and private services, have been analyzed by the Authority and have been found to be in the long-term best interests of the City.
- (e) The Authority has determined that the proposed land uses and building requirements in the Redevelopment Project Area are designed with the general purpose of accomplishing a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development; including, among other things, adequate provision for traffic,

vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight.

- (f) To the best of the Authority's knowledge, there is no litigation, proceeding, or investigation pending or, to the knowledge of the Authority, threatened against the Authority or the City with respect to the Project or this Contract. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Authority, threatened against the Authority or the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Contract or which would in any manner challenge or adversely affect the existence or powers of the Authority to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Authority of the terms and provisions of this Contract.
- (g) No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the Authority of this Contract.
- (h) No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Authority under this Contract.
- (i) The Authority has no reason to believe that all permits, licenses, and approvals necessary to construct the Project, including the approval of the Construction Plans, cannot be obtained by the Developer.

Section 202. Representations by the Developer. The Developer makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Project includes street construction, resurfacing and paving, water and sanitary sewer utilities and related public infrastructure and other capital improvements that the City of Grand Island and Developer plan to undertake within the Redevelopment Project Area using the proceeds of Tax Increment Financing. But for the availability and use of Tax Increment Financing, (i) such proposed redevelopment projects in the Redevelopment Plan would not be economically feasible for Developer, and (ii) such proposed redevelopment projects either would not occur in the Redevelopment Project Area or would be substantially reduced in their scope and magnitude.
- (b) The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Contract and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Contract constitutes the legal, valid, and binding obligation of the Developer, enforceable in accordance with its terms.

- (c) The execution and delivery of this Contract, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.
- (d) No litigation, proceeding, or investigation is pending or, to the knowledge of the Developer, threatened against the Developer or any member of the Developer or the Project. In addition, no litigation, proceeding, or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Contract or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity, or performance by the Developer of the terms and provisions of this Contract.
- (e) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Contract (including the transactions between the Developer and its Senior Credit Facility), and there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could affect the Developer's ability to perform its obligations pursuant to this Contract from that shown in the financial information provided by the Developer to the City prior to the execution of this Contract.
- (f) No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Developer under this Contract, or any other material agreement or material instrument to which the Developer is a party or by which the Developer is or may be bound.
- (g) The Developer intends to enter into a financing lease with Lessee of the Non Public Project Area with a reputable company, who will be responsible for the completion of the Non Public Project improvements, including the construction of the proposed manufacturing plant.
- (h) Except for Permitted Subsequent Approvals, all governmental permits and licenses required by applicable law to construct, occupy and operate the Project have been or will be issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer has no reason to believe, after due inquiry of the appropriate governmental officials, that such permits and licenses will not be issued in a timely manner in order to permit the Project to be constructed.
- (i) The Developer is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Contract.
- (j) The information furnished to the City by the Developer in connection with the matters covered in this Contract is true and correct and does not contain any untrue statement of any material fact and does not omit to state any material fact required to be stated therein or

necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

Section 203. Conditions to Effective Date of this Contract. This Contract shall not become effective until each of the following has been completed: the Developer has furnished the Authority with (a) a copy of the Developer's Certificate of Formation certified by the Secretary of State of the State of Nebraska, (b) a certified copy of the By-Laws the Developer, (c) a legal opinion from counsel to the Developer in form and substance acceptable to the Authority concerning: (1) the due organization of the Developer and the power and authority of the Developer to execute this Contract; (2) the enforceability of this Contract against the Developer; and (3) a financing lease, with a reputable company that provides for the construction of the manufacturing facility and assumption of the obligations of this Redevelopment Contract, in a form acceptable to the Authority.

ARTICLE III

OBLIGATIONS OF THE AUTHORITY

Section 301. Division of Taxes. In accordance with Section 18-2147 of the Act, the Authority hereby provides that any ad valorem tax on real property in the Non Public Project Area for the benefit of any public body be divided for a period of not to exceed fifteen years after the effective date of this provision, which shall be January 1, 2009, as follows:

- (a) That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation (as defined in the Act) shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and
- (b) That portion of the ad valorem tax on real property in the Non Public Project Area in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premiums due in connection with the bonds, loans, notes, advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the Authority for financing or refinancing, in whole or in part, the Project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due have been paid, the Authority shall so notify the County Assessor and the County Treasurer and all ad valorem taxes upon real property in the Redevelopment Project Area shall thereafter be paid into the funds of the respective public bodies.

Section 302. Issuance of TIF Indebtedness. The Authority hereby agrees to incur TIF Indebtedness, including refunding TIF Indebtedness, in one or more series in accordance with the general terms and conditions specified on **Exhibit C**, upon request of the Developer so long as the conditions precedent described in **Section 303** have been satisfied for such series of TIF Indebtedness. The final terms and conditions of each series of TIF Indebtedness, including, without limitation, any applicable coverage ratio, debt service reserve, or other credit enhancement for such series of TIF Indebtedness, shall be stated in the Bond Resolution authorizing such series of TIF Indebtedness, subject to the mutual acceptance of such terms by the Authority and the Developer, which acceptance shall not be unreasonably withheld. Notwithstanding the foregoing, it shall be the sole and exclusive responsibility of the Developer to find an acceptable Lender for each series of Non Public TIF Indebtedness issued by the Authority pursuant to this Contract.

Public TIF Indebtedness shall be issued and delivered to the City to reimburse City for Public Project Costs incurred and installed by the City, pursuant to an agreement to be entered into between the Authority and the City.

Section 303. Conditions Precedent to TIF Indebtedness. Notwithstanding anything in this Contract to the contrary, prior to the issuance of any series of TIF Indebtedness the Developer shall submit satisfactory evidence to the Authority (unless waived by the Authority in its sole discretion) indicating that:

- (a) the Developer has entered into a lease agreement with a reputable company (the Lessee) that obligates the Lessee to construct the manufacturing facility contemplated in the Redevelopment Plan, which Lessee has sufficient cash reserves and or has loan commitments for funds in amounts sufficient to complete the construction of the proposed manufacturing production facility;
- (c) subject to Subsequent Permitted Approvals, all approvals relating to the development, construction, equipping, furnishing, and operation of the Project have been obtained to the satisfaction of the Authority;
- (c) the TIF Revenues and payments in lieu of such revenues projected to be received between the issuance of any series of TIF Indebtedness and the maturity date of such TIF Indebtedness are sufficient to pay the principal or redemption price of and interest on such TIF Indebtedness; and
- (d) Non-Public Project Costs have been incurred by the Developer or Lessee or are scheduled to be incurred in an amount at least equal to the Non-Public Project Cost portion of such series of TIF Indebtedness.
- (e) the Developer or Lessee has filed with the Authority a penal bond as described in **Section 701**.

Section 304. Pledge of TIF Revenues. The Authority hereby irrevocably pledges the TIF Revenues as security for the TIF Indebtedness.

Section 305. Grant of Proceeds of TIF Indebtedness. Subject to the further terms of this Contract, the Authority shall grant to the Developer in one or more advances the net proceeds of any series of the Non Public TIF Indebtedness incurred, subject to the terms and conditions described on **Exhibit C** in accordance with the Bond Resolution. The Authority shall reserve from the Non Public TIF Indebtedness an amount necessary to pay for improvements on that portion of Schimmer Street which lies between the corporate boundary of the City and the Locust Street intersection. In its sole discretion, the Authority shall reserve from the proceeds of any series of TIF Indebtedness and use or expend as appropriate amounts equal to (1) the interest on any series of TIF Indebtedness payable prior to the projected receipt of TIF Revenues sufficient for such purpose, unless such TIF Indebtedness is placed directly with the Developer, and (2) any amounts required to be placed into a debt service reserve, expended for any other form of credit enhancement, or otherwise required to be retained under the terms of the Bond Resolution authorizing such TIF Indebtedness.

The Authority shall deliver to the City, pursuant to an agreement with the City TIF Indebtedness in an amount deemed necessary by the Authority and City for payment of Public Project Costs to include engineering fees, construction costs and any other related Public Project Costs and contingencies. In

addition, the Authority shall deliver the portion of proceeds of the Private Project TIF Indebtedness in an amount necessary to pay for improvements on that portion of Schimmer Street which lies outside of the corporate boundaries of the City.

Any proceeds of the TIF Indebtedness remaining with the Authority after satisfaction of all Public Project Costs will be granted to the Developer. Notwithstanding the foregoing, the amount of all grants made hereunder shall not exceed the amount of Project Costs certified pursuant to **Section 402**. All grants shall be paid to the Developer upon receipt of appropriate Cost Certificates that include all supporting documentation requested by the Authority. The Authority may employ, at Developer's expense a trustee and paying agent to handle payment requests and other financial processing.

Section 306. Creation of Funds. The Authority shall create a special fund to collect and hold the TIF Revenues. Such special fund shall be used for no purpose other than to pay the principal or redemption price of and interest on any TIF Indebtedness issued pursuant to **Section 302** and to establish such additional reserves and pay such administrative costs as determined necessary by the Authority and/or the Lender for any TIF Indebtedness.

Section 307. Installation of Public Project. The Authority shall provide for, through agreement with the City or otherwise, the installation of the public infrastructure identified as "Public Project" on Exhibit B to be installed by the Authority or City from a portion of the proceeds of the TIF Indebtedness as described in **Section 305**.

ARTICLE IV

OBLIGATIONS OF DEVELOPER

Section 401. Construction of Project. The Developer shall enter into a financing lease with a reputable company (Lessee) to construct the Non-Public Project. The Lessee shall be solely responsible for obtaining all permits, licenses, and approvals necessary to acquire, construct and equip the Non-Public Project. Until construction of the Non-Public Project has been completed, the Developer and or its Lessee shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress with respect to the construction of the Project. Promptly after the Lessee has completed the Project, Developer shall require that the Lessee furnish the Completion Certificate to the Authority, which, upon its acceptance by the Authority, shall constitute conclusive evidence of the satisfaction of the agreements and covenants in this Contract with respect to the obligations of the Developer and its successors and assigns to construct the Project. As used in this Contract, the terms "completed" and "completion" shall mean substantial completion of the Project.

The City and Authority shall be responsible for bidding, contracting, construction and completion of all Public Project improvements. City and Authority shall provide, on Developer's request, access to all public records showing Public Project Costs incurred and payment therefore.

Section 402. Cost Certification. The Developer shall require that Lessee submit to the Authority one or more Cost Certificates not later than the date of its submission of the Completion Certificate, which contain detail and documentation evidencing the payment of all Non Public Project Costs for site acquisition and rail infrastructure incurred by the Developer in connection with the Project.

Section 403. No Discrimination. The Developer agrees and covenants for itself and its Lessees, successors and assigns that so long as any TIF Indebtedness is outstanding it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Non-Public Project. The Developer, for itself and its successors and assigns, agrees that during the construction of the

Non-Public Project, the Developer will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. The Developer will comply with all applicable federal, state and local laws related to the Non-Public Project.

Section 404. Inspections and Audits. The Developer and its Lessee shall upon reasonable advance notice, allow the Authority and the Authority's agents (including the City's Engineer) access to the Non-Public Project from time to time for reasonable inspection of the Non-Public Project. The Authority shall have the right at its own cost and expense to audit (either through employees of the Authority or a firm engaged by the Authority) the books and records of the Developer relating to the payment of Non-Public Project Costs.

Section 405. Payments in Lieu of Taxes. The Developer agrees to pledge the real property comprising the Non Public Project Area and the lease payments as security for the payment of the TIF Indebtedness and to make payments in lieu of real property taxes immediately upon receipt of notice from the Authority or its Agent reciting that the current Real Estate Tax Statement issued by the Hall, Nebraska, County Treasurer for Redevelopment Project Area on valuation in excess of the Redevelopment Project Valuation as defined in Section 18-2103 of the Act, is less than the amount shown as follows:

Year taxes levied	amount delinquent May 1 of following year	amount delinquent September 1 of following year
2009	\$ 25,000.00	\$ 25,000.00
2010	\$295,000.00	\$295,000.00
2011	\$295,000.00	\$295,000.00
2012	\$295,000.00	\$295,000.00
2013	\$295,000.00	\$295,000.00
2014	\$295,000.00	\$295,000.00
2015	\$295,000.00	\$295,000.00
2016	\$295,000.00	\$295,000.00
2017	\$295,000.00	\$295,000.00
2018	\$295,000.00	\$295,000.00
2019	\$295,000.00	\$295,000.00
2020	\$295,000.00	\$295,000.00
2021	\$295,000.00	\$295,000.00
2022	\$295,000.00	\$295,000.00

Section 406. Non Protest of Assessed Valuation. Developer intends that Lessee will create a taxable real property base on the Redevelopment Project Area, over and above the Redevelopment Project Valuation, as of January 1, 2009, in an amount estimated at \$2,500,000.00, and intends that Lessee create a taxable real property base on the Redevelopment Project Area, over and above the Redevelopment Project Valuation, as of January 1, 2010, of \$30,000,000.00. Developer shall require, in its lease with Lessee that Lessee and Lessee's assignees shall not: (1) protest the January 1, 2009, real property tax valuation, over and above the Redevelopment Project Valuation, of \$2,500,000.00 or less on the Non Public Project Area; (2) protest, prior to January 1, 2024, real property tax valuation, over and above the Redevelopment Project Valuation, of \$30,000,000.00 or less on the Non Public Project Area; (3) convey

the Non Public Project Area or any structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the non payment of said taxes.

The provisions of this **Section 406** shall be deemed a covenant that runs with the Non Public Project Area. Said covenant shall terminate on January 1, 2024. This covenant may be enforced and is for the benefit of the Authority, the City, the Hall County Treasurer and the Hall County Assessor in any proceeding what so ever.

Section 407. Payment of Real Property Taxes. Developer require that the lease of the Non Public Project Area with Lessee shall require that Lessee pay all real estate taxes and special assessments levied on the Non Public Project Area prior to the time such payments become delinquent through January 1, 2024.

Section 408. Insurance.

Developer shall enter into a lease of the Non Public Project Area with Lessee which lease shall require that Lessee:

(a) shall keep the Non Public Project Area, owned or leased by it, to include the manufacturing plant to be served by such Project, continuously insured against such risks and in such amounts, with such deductible provisions as are customary in connection with the operation of facilities of the type and size comparable to such portion of the Project. The Lessee at the Lessee's sole expense, shall (or shall cause each sub-lessee or Tenant to) to carry and maintain, or cause to be carried and maintained, and pay or cause to be paid in a timely manner the premiums for at least the following insurance with respect to such portion of the Project (unless the requirement therefore shall be waived by the Authority in writing):

(1) Builder's completed value risk insurance and, on and after the completion date of each structure, property insurance, in each case (A) providing coverage during the construction of the Project for financial losses of the Lessee relating to continuing expenses, caused by property damage during the construction of such portion of the Project, (B) providing coverage (including increased costs from changes in building laws, demolition costs and replacement cost coverage) for those risks which are equal or broader than that currently covered by an all-risk policy covering all improvements, fixtures and equipment comprising such portion of the Project, (C) containing an agreed amount endorsement with a waiver of all co-insurance provisions; (D) providing for no deductible in excess of \$500,000 (as increased each year by the increase in the CPI for the preceding calendar year, if any) for all such insurance coverage, and (E) covering, without limitation, loss, including, but not limited to, the following:

- (i) fire;
- (ii) extended coverage perils;
- (iii) vandalism and malicious mischief;
- (iv) water damage;
- (v) debris removal;
- (vi) collapse; and
- (vii) comprehensive boiler and machinery insurance;

in each case on a replacement cost basis in an amount equal to the "full insurable value" of such portion of the Project. "Full insurable value" means an amount sufficient to prevent the application of any co-insurance contribution on any loss but in no event less than 100% of the actual replacement cost of such portion of the Project, including additional administrative or Presidential costs that may be incurred to effect the repairs or reconstruction but excluding costs of excavation, foundation and footings. "Full insurable value" shall be determined at least every year after the completion date of the Project by an appraisal, a report from an Insurance Consultant, or if the policy is on a blanket form, such other means as is reasonably acceptable to the Insurance Consultant. If an appraisal or report is conducted, a copy of such appraisal or report shall be furnished to the Authority;

- (2) Commercial general liability insurance providing coverage for those liabilities which is equal or broader than that currently covered by a CGL policy (a standard ISO CGL form), including at least the following hazards: (1) premises and operations; (2) products and completed operations; (3) independent contractors; and (4) blanket contractual liability for all legal contracts; such insurance (a) to be on an "occurrence" form with a combined limit of not less than \$4,000,000 in the aggregate and \$2,000,000 per occurrence, and (b) with excess coverage of not less than \$25,000,000;
- (3) Flood insurance, if the Project is located in an area identified as being in the 100-year flood plain, initially in an amount that is acceptable to a lender, or if there is no lender then in an amount acceptable to the Authority; provided, however, the maximum limits of the policy may be reduced upon the written recommendation of the Insurance Consultant delivered to the Authority, provided, further, however in no event shall the maximum policy limits be less than (A) the probable maximum loss, (B) the maximum amount of insurance available through the National Flood Insurance Program, or (C) limits which, in the opinion of the Insurance Consultant, are adequate and appropriate and consistent with insurance industry practice for facilities such as the Project, in each case as identified to the Authority by the Insurance Consultant, provided, further, however, a separate policy of flood insurance shall not be required if, in the opinion of the Insurance Consultant, such risks are adequately covered in the property insurance policy described in clause (i) above;
- (4) Earthquake insurance, initially in an amount that is acceptable to a lender, or if there is no lender then in an amount acceptable to the Authority; provided, however, the limits of the policy may be reduced upon the written recommendation of the Insurance Consultant delivered to the Authority but in no event shall the maximum policy limits be less than (A) the probable maximum loss, or (B) limits which are adequate and appropriate and consistent with insurance industry practice for facilities such as the Project; provided, however a separate policy of earthquake insurance shall not be required if in the opinion of the Insurance Consultant, such risks are adequately covered in the property insurance policy described in clause (1) above;
- (5) Business interruption insurance (including coverage prior to the commencement of operations) providing coverage in an amount equal to the lesser of (A) the payment in lieu of TIF Revenues contained **Section 405**, or (B) the maximum amount of business interruption insurance commercially available from a qualified insurer as

determined by the Insurance Consultant. Such insurance shall provide for a period of indemnification acceptable to the Insurance Consultant of not less than two years and shall only terminate upon recommencement of normal operations at the Project (with a deductible of not more than 60 days or if a flat deductible is used, not more than \$500,000 (as increased each year by the increase in the CPI for the preceding calendar year, if any); provided, further, however, a separate policy of business interruption insurance shall not be required if, in the opinion of the Insurance Consultant, such risks are adequately covered in the property insurance policy described in clause (1) above; and

- (6) Fidelity bond coverage with respect to the personnel and agents of the Lessee.
- (b) The Authority does not represent in any way that the insurance specified herein, whether in scope, overall coverage or limits of coverage, is sufficient to protect the business or interests of the Lessee.
- (c) Each insurance policy obtained in satisfaction of the foregoing requirements:
 - (1) shall be by such insurer or insurers as shall be financially responsible, and shall have a rating equal to or higher than A+/ FSC IX (if such insurance relates to property damage) or A- (if such insurance relates to anything other than property) or better by Best Insurance Guide and Key Ratings or shall be acceptable to the Insurance Consultant as evidenced by a written certificate delivered to the Authority , and
 - (2) shall be in such form and with such provisions as are generally considered standard provisions for the type of insurance involved as evidenced by a written report of the Insurance Consultant delivered to the Authority on or prior to the issuance of the TIF Indebtedness and at the time of delivery of any replacement policies.
- (d) All such policies, or a certificate or certificates of the insurers that such insurance is in full force and effect, shall be provided to the Authority and, prior to expiration of any such policy, the Lessee shall furnish to the Authority with satisfactory evidence that such policy has been renewed or replaced or is no longer required by this Contract; provided, however, the insurance so required may be provided by blanket policies now or hereafter maintained by the Lessee if the Lessee provides the Authority with a certificate from an Insurance Consultant to the effect that such coverage is substantially the same as that provided by individual policies. All policies evidencing such insurance required to be obtained under the terms of this Contract shall provide for 30 days' prior written notice to the Lessee, the Bond Trustee and the Authority of any cancellation (other than for nonpayment of premium), reduction in amount or material change in coverage.
- (e) In the event the Lessee shall fail to maintain, or cause to be maintained, the full insurance coverage required by this Redevelopment Contract, the Authority may (but shall be under no obligation to) contract for the required policies of insurance and pay the premiums on the same; and the Lessee agrees to reimburse the Authority to the extent of the amounts so advanced, with interest thereon at the maximum rate permitted by law. Notwithstanding the foregoing, if the Authority shall advance the amounts necessary to contract for such insurance the Authority shall promptly cause such insurance to be maintained or restored.

- (f) All policies of insurance required by this Section shall be utilized as required by this Contract.

Section 409. Obligation to Restore. The Developer hereby agrees to require, as a part of its lease with the Lessee that if any portion of the Non Public Project Area owned by it, to include the manufacturing plant to be served by such Project, shall be damaged or destroyed, in whole or in part, by fire or other casualty, or by any taking in condemnation proceedings or the exercise of any right of eminent domain, the Developer and Lessee, to the extent of the net proceeds of insurance (including any deductible) or condemnation award received by or made available to the Developer or its Lessee but subject to the rights of any lender of the Developer or Lessee ("**Lender**"), shall promptly restore, replace or rebuild the same (or shall promptly cause the same to be restored, replaced or rebuilt) to as nearly as possible the value, quality and condition it was in immediately prior to such fire or other casualty or taking, with such alterations or changes as may be approved in writing by the Authority, which approval shall not be unreasonably withheld. The Developer and Lessee shall give prompt written notice to the Authority of any damage or destruction to the Non-Public portion of the Project by fire or other casualty, irrespective of the amount of such damage or destruction, but in such circumstances the Lessee shall make the property safe and in compliance with all applicable laws as provided herein. If Lender consent is required for the application of the insurance proceeds or condemnation award to the restoration, replacement or rebuilding of the Project under any loan documents to which the Developer or Lessee or the Project is subject, the Lessee shall request such Lender consent in accordance with the terms of such loan documents. To the extent the net proceeds of insurance are deposited into the project fund to be established under the Bond Resolution, the Developer or its Lessee may use such moneys in the restoration, replacement and rebuilding of the Project.

The Developer further agrees that the provisions of **Sections 408 and 409** of this Contract shall be covenants running with the Non Public Project Area and shall be binding upon any other owner, lessee or sub-lessee of all or any part of the Project. Notice of such Sections shall be included in any contract, lease or sublease relating to the development, ownership or use of any portion of the Project by any other owner, lessee or sub-lessee. Any such other owner, lessee or sub-lessee shall be required to procure and maintain the insurance required under **Section 409** as it relates to that part of the Project owned, leased or subleased by it, to the extent such insurance is not carried by the Developer, and to restore any portion of the Project, owned, leased, or subleased by it in accordance and subject to the terms of this **Section 409**, unless such restoration obligation is retained by or delegated to the Developer in any contract, lease or sublease between the Developer and any such other owner, lessee or sub-lessee.

These restrictions are for the benefit of the Authority and may be enforced by the Authority by a suit for specific performance or for damages, or both.

The obligation to restore provided herein shall cease and terminate at midnight on January 1, 2024.

ARTICLE V

FINANCING OF PROJECT

Section 501. Financing. The Developer shall provide for payment of all Non-Public Project Costs and any and all other costs related to the Non-Public Project Area that are in excess of the amounts paid from the proceeds of the TIF Indebtedness granted to the Developer. The Developer shall require that the Lessee timely pay all costs, expenses, fees, charges and other amounts associated with the Non-Public portion of the Project.

ARTICLE VI

DEFAULT, REMEDIES; INDEMNIFICATION

Section 601. General Remedies of the Authority and the Developer. Subject to the further provisions of this **Article VI**, in the event of any failure to perform or breach of this Contract or any of its terms or conditions, by any party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Contract shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations or exercise any other remedies that may be provided in this Contract or by applicable law; provided, however, that the default shall not give rise to a right of rescission or termination of this Contract.

Section 602. Additional Remedies of Authority. In the event that: (a) Developer, Lessee or its successors in interest, shall fail to substantially complete the construction of the Non-Public Project which shall include the completion of the manufacturing plant on the Non Public Project Area by _____, 2009, or shall abandon construction work for any period of 90 days; or (b) Lessee or its successors in interest, shall fail to pay real estate taxes or assessments on the project or any part thereof or payments in lieu of taxes pursuant to **Section 405** when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the Authority made for such payment, or (c); Lessee or its successors in interest, shall fail to pay any amounts due or perform any obligations to or for the benefit of the Authority or City pursuant to this agreement such event shall be deemed a failure to perform under this redevelopment contract.

In the event of such failure to perform, breach or default occurs pursuant **Section 602** and is not cured in the period herein provided, the parties agree that the damages caused to the Authority would be difficult to determine with certainty and that a reasonable estimation of amount of damages that could be incurred is the amount of the grant to the Developer pursuant to **Section 305** of this redevelopment contract, plus interest as provided herein (the "Liquidated Damages Amount"). The Liquidated Damages Amount, net of the amount granted to the Authority for Public Project Costs, shall be paid by Lessee, or its successors to the Authority within 30 days of demand from the Authority. Developer specifically agrees that the lease with Lessee shall include, for the benefit of the Authority, the Liquidated Damage provision set forth in this paragraph **Section 602**.

PROVIDED, HOWEVER, IN ALL EVENTS, from and after the execution of the lease with the Lessee, Developer shall have no financial obligation to the Authority or City by reason of the execution of this Contract.

Section 603. Forced Delay Beyond Party's Control. For the purposes of any of the provisions of this Contract, neither the Authority nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of or default in its obligations with respect to the conveyance or preparation of the Redevelopment Project Area for redevelopment, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of forced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unavailability of

construction materials and unusually severe weather or delays in subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such forced delay, the time or times for performance of the obligations of the Authority or of the Developer with respect to construction of the Project, as the case may be, shall be extended for the period of the forced delay: provided, that the party seeking the benefit of the provisions of this Section shall, within 30 days after the beginning of any such forced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

Section 604. Limitation of Liability; Indemnification. Notwithstanding anything in this **Article VI** or this Contract to the contrary, neither the City nor the Authority, nor their officers, directors, employees, agents, attorneys, special counsel or governing bodies shall have any pecuniary obligation or monetary liability under this Contract. Except for the installation on Public Project infrastructure and the obligations of the Authority set forth in **Article III** hereof, the only obligation of the Authority, as it relates to the Non-Public Project, under this Contract shall be the issuance of the TIF Indebtedness and the granting of a portion of the proceeds thereof to the Developer, as specifically set forth in **Sections 302 and 305**. The obligation of the Authority on any TIF Indebtedness shall be limited solely to the TIF Revenues pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither the City nor the Authority shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. The Developer will indemnify and hold each of the City and the Authority and their directors, officers, agents, employees and members of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, including litigation expenses, attorneys' fees and expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about the Non-Public portion of the Project during the term of this Contract or arising out of any action or inaction of the Developer in connection with its activities conducted pursuant to this Contract (whether or not in any way related to the enforcement of this Contract) and/or in connection with its ownership, use or occupancy and development or redevelopment of the Redevelopment Project Area (whether or not in any way related to the Project).

ARTICLE VII

GENERAL COVENANTS

Section 701. Penal Bond. The Developer shall require that the Lessee execute a penal bond for the Non Public Project with good and sufficient surety to be approved by the Authority meeting the requirements of Section 18-2151, Reissue Revised Statutes of Nebraska, as amended, on or prior to its execution of this Contract.

Section 702. No Assignment or Conveyance. The Developer shall not assign its rights or obligations under this Contract without the prior written consent of the Authority, which the Authority shall grant or deny within 15 days of receipt of such written request from the Developer, which consent shall not be unreasonably withheld, delayed or conditioned, except for the following conveyances, which shall be permitted without the consent of the Authority:

- (a) any assignment as security for indebtedness incurred by the Developer for Project Costs or any subsequent physical improvements to the Redevelopment Project Area, provided that any such assignment shall be subject to the obligations of the Developer pursuant to this Contract; or

- (b) any assignment to any person or entity which owns more than 50% of the voting equity interests of the Developer (if the Developer is a corporation, partnership, corporation or other entity) or with respect to which the Developer or any of its shareholders or members owns directly or indirectly more than 50% of the voting equity interests, or with respect to which one or more of the owners of equity interests in the Developer own, in the aggregate, more than 50% of the voting equity interests provided that any such assignee agrees to assume all obligations of the Developer and be bound by all terms and conditions of this Contract; or
- (c) if the Developer is a corporation, partnership or corporation, any merger, consolidation, split off, split-up, spin off or other reorganization of the Developer does not result in a substantial change of control or management of the Developer, provided that any such successor entity agrees to assume all obligations of the Developer and be bound by all terms and conditions of this Contract.
- (d) a lease agreement with a reputable company as contemplated in the Redevelopment Plan.

Section 703. Sale of Project.

- (a) No sale, transfer, or other conveyance of the Non Public Project Area may be made without the prior written approval of the Authority, except a transfer by lease, to include a transfer of fee title upon payment of all TIF Indebtedness, which approval shall not be unreasonably withheld. The Authority's right of prior approval of any transferee shall be in force as long as there is outstanding TIF Indebtedness associated with the Project. The Authority shall require that any transferee demonstrate to the Authority's reasonable satisfaction that the transferee has sufficient financial, management, property ownership and operational capabilities and that it is committed to the long-term viability of the Project and the land uses on the property to be sold or transferred (the "**Transferee Qualifications**").
- (b) Developer shall require in its lease with Lessee that Lessee shall notify the Authority in writing of the proposed sale of the Non Public Project Area portion of the Project prior to the proposed effective date of the sale, which notification shall include a copy of the instrument affecting such sale along with a statement and sufficient documentation to demonstrate that the Transferee Qualifications have been satisfied with respect to the proposed transferee. The Authority shall exercise its right to approve or deny any proposed sale or transfer within 20 days (the "**Response Period**") from the date of receipt of notice from the Lessee, or within two business days after the next regularly scheduled Authority meeting if a regularly scheduled Authority meeting will not occur within the Response Period or is scheduled to occur on day 19 or 20 of the Response Period, which notice shall specify the land proposed to be sold or transferred, the identity of the proposed transferee and the Transferee Qualifications. Written approval may be provided by the Authority after approval of the sale or transfer by the City Council.
- (c) The Developer shall require each transferee to enter into a transferee agreement with the Authority in a form prepared by Authority counsel and reviewed and approved by Developer counsel, certifying, without limitation, that the transferee has been fully

advised of and is obligated to fully comply with the Redevelopment Plan and this Contract. Upon execution of a transferee agreement between the Authority and a transferee, the Developer shall be released from its obligations in this Contract relating to the transferred property.

Section 704. Mutual Assistance. The Authority and the Developer agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate to carry out the terms, provisions and intent of this Contract and to aid and assist each other in carrying out said terms, provisions and intent.

Section 705. Time of the Essence. Time is of the essence. The Authority and the Developer will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Contract requires their continued cooperation.

ARTICLE VIII

MISCELLANEOUS

Section 801. Conflict of Interest. No member of the Authority's governing body or of any branch of the City's government that has any power of review or approval of any of the Developer's undertakings shall participate in any decisions relating thereto which affect such person's personal interests or the interests of any corporation, partnership, or company in which such person is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Authority the nature of such interest and seek a determination with respect to such interest by the Authority and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

Section 802. Authorized Parties. Whenever under the provisions of this Contract and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the Authority or the Developer is required, or the Authority or the Developer is required to agree or to take some action at the request of the other party, such approval or such consent or such request shall be given for the Authority, unless otherwise provided herein, by the Mayor of the City or his or her designee and for the Developer by its President; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither party shall have any complaint against the other as a result of any such action taken. The Mayor of the City may seek the advice, consent or approval of the City Council before providing any supplemental agreement, a request, demand, approval, notice or consent for the Authority pursuant to this Section.

Section 803. No Other Agreement. Except as otherwise expressly provided herein, this Contract supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties hereto. In the event of a conflict between this Contract and any prior agreement or understanding of the parties, this Contract shall control.

Section 804. Severability. If any provision, covenant, agreement or portion of this Contract, or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants or portions of this Contract and, to that end, any provisions, covenants, agreements or portions of this Contract are declared to be severable.

Section 805. Nebraska Law. This Contract shall be construed in accordance with the laws of the State of Nebraska.

Section 806. Counterparts. This Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 807. Recordation of Agreement. The Authority and the Developer agree to execute and deliver the original of this Contract, or a notice recording thereof, in proper form for recording and/or indexing in the appropriate land or governmental records. This Contract shall be recorded by the Developer, and proof of recording shall be provided to the Authority.

Section 808. Binding Effect; Amendment. This Contract shall be binding on the parties hereto and their respective successors and assigns. This Contract shall run with the Redevelopment Project Area. This Contract shall not be amended except by a writing signed by the parties bound hereto.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Authority and the Developer have signed this Redevelopment Contract as of the date and year first above written.

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

[SEAL]

By: _____
Chair

ATTEST:

By: _____
Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of September, 2008,
by _____ and _____, the Chair and Secretary,
respectively, of the Community Redevelopment Authority of the City of Grand Island, Nebraska.

[SEAL]

Notary Public

GRAND ISLAND AREA ECONOMIC
DEVELOPMENT CORPORATION

By: _____
President

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of September, 2008, by
_____, the President of Grand Island Area Economic Development Corporation.

[SEAL]

Notary Public

EXHIBIT A
LEGAL DESCRIPTION
OF BLIGHTED AREA/REDEVELOPMENT AREA

Redevelopment Project Area

Beginning at a point 200' West of and 200' North of the Section Corner Common to Sections 36-11-10, 32-11-9, 1-10-10 and 5-10-9; thence East on a line 200' North of and parallel to the South line of Sections 36-11-10, 32-11-9, 33-11-9 and 34-11-9 to a point 200' East of and 200' North of the Southwest Corner of Section 34-11-9; thence South on a line to a point 200' South of and 200' East of the Northwest Corner of Section 3-10-9; thence West on a line 200' South of and Parallel to the North Line of Sections 3-10-9 and 4-10-9 to a point 200' South of and 100' East of the Northwest Corner of Section 4-10-9; thence South on a line 100' East of and Parallel to the West Line of Sections 4-10-9 and 9-10-9 to a point 100' South of and 100' East of the Northwest Corner of Section 9-10-9; thence West on a line to a point 100' South of and 100' West of the Northeast Corner of Section 8-10-9; thence North on a line 100' West of and Parallel to the East Line of Sections 5-10-9 and 8-10-9 to a point on the North line of the Southeast Quarter of Section 5-10-9; thence West along the North line of the Southeast Quarter of Section 5-10-9 to the center of Section 5-10-9; thence North on the West line of the Northeast Quarter of Section 5-10-9 to a point 200' South of the North line of Section 5-10-9; thence West on a line 200' South of and Parallel to the North line of Sections 5-10-9 and 1-10-10 to a point 200' West of and 200' South of the Northeast Corner Section 1-10-10; thence North on a line 200' West of and Parallel to the East line of Sections 1-10-10 and 36-11-10 to the Point of Beginning all West of the 6th P.M. in Hall County, Nebraska.

Non Public Project Area contained within the Redevelopment Project Area

The Northeast ¼ of Section 5, Township 10, Range 9, West of the 6th P.M. in City of Grand Island, Hall County, Nebraska, except such portion thereof as are comprised of public roadways.

EXHIBIT B

DESCRIPTION OF PROJECT

Public Project /Costs

1. Hard surfacing of Schimmer Street from U.S. Highway 281 to Blaine Street, including site grading, widening for left turn lane, engineering, construction engineering and contingencies.
2. Hard surfacing Blaine Street from Schimmer Street to Wildwood Drive, including site grading, widening for left turn lane, engineering, construction engineering and contingencies.
3. Extending sanitary sewer along Schimmer Street to Blaine Street, mains, manholes, engineering, construction engineering and contingencies.
4. Extending water mains along the eastern boundary of the Non Public Project area, including connection fees.

Non Public Project /Costs

1. Hard surfacing of Schimmer Street from Blaine Street to Locust Street, including site grading, widening for left turn lane, engineering, construction engineering and contingencies. Non Public site acquisition, development of and installation of on site rail infrastructure, to include engineering, dirt work, and legal fees associated with issuance of TIF Indebtedness.

The Non Public Project shall include the construction and equipping of a 320,000 square foot manufacturing facility. Proceeds of TIF Indebtedness, however, shall be limited to site acquisition, and rail infrastructure.

EXHIBIT C

TIF INDEBTEDNESS

Aggregate Principal Amount:

Not to exceed \$5,500,000, to be issued in one or more series as determined by the Bond Resolutions authorizing such TIF Indebtedness.

Two issues are contemplated. One issue (Non Public TIF Indebtedness) is intended to be sold to local banking institutions. The proceeds of this issue are intended for use in Non Public site acquisition and Non Public rail improvements on the Non Public Project Area. Currently this issue is estimated to be \$2,160,000.

The other issue (Public TIF Indebtedness) will be for Public Project reimbursement, which will be delivered to the City, pursuant to an agreement between the Authority and the City. Current estimates are that this amount will not exceed \$2,205,000.

Interest Rate:

Not to exceed 15% per annum, as determined by the Bond Resolution authorizing each series of TIF Indebtedness.

Maturity Date:

Not later than December 31, 2023.

Security:

First Deed of Trust on the Non Public Project Area, assignment of rents, and first pledge of TIF Revenues. Such other security as is determined necessary by the Bond Resolution authorizing such series of TIF Indebtedness. It is intended that the Non Public TIF Indebtedness hold first priority as to the security, but that such Indebtedness not be retired in advance of the Public TIF Indebtedness, absent a foreclosure of such security.

Payment Schedule:

Minimum payments as shown in Section 408 as payments in lieu of real estate taxes and as may be supplemented in the Bond Resolution authorizing such series of TIF Indebtedness.

EXHIBIT D

PROJECT COSTS

For purposes of this Redevelopment Contract, the term "Project Costs" is limited solely to those costs necessary and incident to the installation of Public Project Costs and Non-Public Project Costs as described on **Exhibit B**.

EXHIBIT E

FORM OF COMPLETION CERTIFICATE
OF
GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION

The undersigned, **GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION** (the "**Developer**"), pursuant to that certain Redevelopment Contract dated September __, 2008, between the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the "**Authority**") and the Developer (the "**Contract**"), hereby certifies to the Authority as follows:

1. As of _____, 20__, the construction, renovation, repairing, equipping and constructing of the Non-Public portion of the Project (as such term is defined in the Contract) has been substantially completed in accordance with the Contract.

2. The Project has been completed in a workmanlike manner and in accordance with the plans and specifications for the Project submitted to the City of Grand Island, Nebraska to obtain all building permits related to the Project.

3. Lien waivers for applicable portions of the Project have been obtained.

4. This Completion Certificate is accompanied by the project architect or project engineer's Completion Certificate on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as **Appendix A** and by this reference incorporated herein), certifying that the Non-Public portion of the Project has been substantially completed in accordance with the Contract.

5. This Completion Certificate is being issued by the Developer to the Authority in accordance with the Contract to evidence the Developer's satisfaction of all obligations and covenants with respect to the Non-Public portion of the Project.

6. The Authority's acceptance (below) or the Authority's failure to object in writing to this Certificate within 30 days of the date of delivery of this Certificate to the Authority (which written objection, if any, must be delivered to the Developer prior to the end of such 30-day period), and the recordation of this Certificate with the Hall County Register of Deeds, shall evidence the satisfaction of the Developer's agreements and covenants to construct the Non-Public portion of the Project. The Authority's acceptance of the Completion Certificate shall release the Developer from any further obligation or liability for construction of the Non-Public portion of the Project under the terms of the Contract in regard to the portion of the Redevelopment Project Area for which the Completion Certificate is furnished.

This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Contract.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ____ day of _____, 200__.

**GRAND ISLAND AREA ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

ACCEPTED:

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

By: _____
Printed Name: _____
Title: _____

EXHIBIT F

FORM OF COST CERTIFICATE

TO: Community Redevelopment Authority of the City of Grand Island, Nebraska

Re: Grand Island Area Economic Development Corporation

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Contract, dated September __, 2008 (the "Contract") between the Community Redevelopment Authority of the City of Grand Island, Nebraska and Grand Island Area Economic Development Corporation. In connection with the Contract,, the undersigned hereby states and certifies that:

1. Each item listed on *Schedule 1* attached hereto is a Non-Public Project Cost and was incurred in connection with the construction of the Non-Public Project.
2. These Non-Public Project Costs have been paid or incurred by the Developer and are reimbursable under the Contract.
3. Each item listed on *Schedule 1* has not previously been paid or reimbursed from money derived from any project fund established pursuant to the Bond Resolution, and no part thereof has been included in any other certificate previously filed with the Authority.
4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. To the best of the Developer's knowledge and belief all necessary permits and approvals required for the work for which this certificate relates have been issued and are in full force and effect.
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Contract.
7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "redevelopment project cost" within the meaning of the Act and the Contract, the Developer shall have the right either to seek to convince the Authority that any such cost constitutes a "Non-Public redevelopment project cost" or to identify and substitute eligible Non-Public Project Costs as Non-Public Project Costs for payment hereunder. If the Developer elects to seek to convince the Authority that any such cost constitutes a "Non-Public redevelopment project cost" and the Authority still refuses to accept such cost as a "Non-Public redevelopment project cost," the Developer may then seek to identify and substitute other costs as Project Costs for payment hereunder as provided in the preceding sentence.
8. To the best of the Developer's knowledge and belief the Developer is not in default or breach of any term or condition of the Contract, and no event has occurred and no condition exists which constitutes a Developer event of default under the Contract.

9. All of the Developer's representations set forth in the Contract remain true and correct as of the date hereof.

10. Construction of the Non-Public Project is in compliance with the covenants set forth in the Contract related to completion.

DATED: _____.

**GRAND ISLAND AREA ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

Approved for Payment this ____ day of _____, 20____:

**COMMUNITY DEVELOPMENT
AUTHORITY OF THE CITY OF GRAND ISLAND,
NEBRASKA**

By: _____
Printed Name: _____
Title: _____

**SCHEDULE 1 TO CERTIFICATE OF REIMBURSABLE PROJECT COSTS
ITEMIZATION OF REIMBURSABLE EXPENSES**

EXHIBIT G

DEVELOPER'S REDEVELOPMENT PLAN FOR A PORTION OF THE VALUED ADDED REDEVELOPMENT AREA AND PORTIONS OF SCHIMMER STREET

OVERVIEW:

The following Redevelopment Plan amends the general redevelopment plan for the Value Added Redevelopment Area of the City of Grand Island, Nebraska. The amendment consists of this Redevelopment Plan described herein, as supplemented by the Redevelopment Contract to which this Redevelopment Plan is attached.

Developer is responsible for recruiting companies to locate in the Grand Island, Nebraska area. Developer has recruited a substantial manufacturing production facility to be constructed on the Non Public Redevelopment Area, as described in the attached Redevelopment Contract. The Non Public project includes the construction of a 320,000 square foot manufacturing facility, which is intended to employ in excess of 200 full time employees.

The Manufacturing Company (the Lessee) requires that Schimmer Street from U.S. Highway 281 to Locust Street be resurfaced and turn lanes be installed. It further requires the paving of Blaine Street, between Schimmer Street and Wildwood Drive; installing sanitary sewer, including mains and the extension of potable water lines to service the manufacturing facility.

The Developer intends to acquire the site, grant a deed of trust for the benefit of the holders of TIF Indebtedness on the site and lease the site to the manufacturing company. Lease payments will be set at an amount necessary to satisfy the TIF Indebtedness for both the Public and Non Public Project costs. The Incremental Ad Valorem TIF Revenues resulting from the Non Public Project will be used first to pay the lease payments, with any shortage paid by the Lessee.

This Plan intends that the City will install the Public infrastructure within its corporate boundaries and pay for such infrastructure. The Authority will issue the Public TIF Indebtedness to the City. This Public TIF Indebtedness is intended to fully reimburse the City for the public infrastructure costs.

Non Public TIF Indebtedness will be sold to local banks and used for site acquisition and on site rail infrastructure.

The Lessee will be entirely responsible for the construction costs of the manufacturing facility, except for the funds used for on site rail infrastructure, currently estimated at \$1,360,000.

The Public Infrastructure will be bid and paid for by the City of Grand Island, pursuant to public bidding procedures, and installed beginning in the spring of 2008.

That portion of Schimmer Street, lying east of Blaine Street does not lie within the city limits of Grand Island. Resurfacing of that portion of Schimmer Street will require an inter local agreement with Hall County. It is intended that a portion of the proceeds of the Non Public TIF Indebtedness, in an amount of approximately \$440,000 will be granted to the City to pay for resurfacing this portion of the roadway.

Neither the City of Grand Island nor the Developer will develop the Public or Non Public Project in the Redevelopment Project Area or elsewhere without the benefit of tax increment financing. The costs of

the project are simply too great to be absorbed by the City or Developer without the assistance of tax increment financing due to the substantial costs.

The Developers propose that the Authority issue Public and Non Public TIF Indebtedness in one or more series to be repaid from the incremental tax revenues generated by the redevelopment project pursuant to §18-2147 of the Nebraska Revised Statutes, for a period of 15 years from an effective date of January 1, 2009. The proceeds of the TIF Indebtedness will pay for Public Infrastructure Costs and assist in the payment of the Non Public Infrastructure Costs.

THE REDEVELOPMENT PLAN:

1. Relationship of Plan to Local objectives for appropriate land use: This plan contemplates a change in current land use. This area is currently used for row crop, but has been designated for heavy industrial usage. The Redevelopment Project is consistent with this designation. Resurfacing of Schimmer Street and the paving of Blaine Street between Schimmer Street and Wildwood Drive significantly improves the flow of traffic in the area. Future development in the area will be assisted with the significant infrastructure contemplated by this plan. The Non Public infrastructure will be internal to the manufacturing plant site and assist rail traffic flow.
2. Relationship of Plan to Local objectives for improved traffic flow and public utilities in plan area: This plan contemplates resurfacing Schimmer Street including turn lanes and paving Blaine Street, as described above. Sanitary sewer extensions, and water line extensions will allow construction of the proposed manufacturing facility and further development in the area.
3. Relationship of Plan to Local objectives for community facilities: This plan neither provides nor requires any additional community facilities. However, it will provide a substantial addition to the manufacturing community and provide significant full time employment for the Grand Island area.
4. Redevelopment project boundaries: **Exhibit G-1** shows the boundaries of the project and contemplated improvements thereon.
5. Proposed land use plan: **Exhibit G-2** shows the proposed use of the project real estate. The formal land use plan is heavy industrial for the entire Non Public Project Area. **Exhibit G-3** shows current land use.
6. Information on standards for population densities; land coverage; building intensities; and land coverage after redevelopment: Population density will remain unchanged for the area. A 320,000 square foot manufacturing building, which includes approximately 20,000 square feet of office space will be located on the Non Public Project area. Internal parking lots, roadways and rail lines will also be located on the property as part of the manufacturing plant development. **Exhibit G-1** shows the estimated location and coverage for such building. This location is subject to change and reconfiguration. **Exhibit G-1** also shows the public roadway portion of the project.
7. Statement regarding change in street layouts: This Plan proposes changes in street layout. Additional paving and resurfacing will occur, in addition to the installation of turn lanes.
8. Site plan after redevelopment: **Exhibit G-2** is a proposed site plan of the redevelopment project after redevelopment.
9. Statement as to the kind and number of additional public facilities or utilities required to support land use after redevelopment: Additional public utilities are required to support the proposed manufacturing

plant which includes non public infrastructure. Specifically, a new sanitary sewer main extension and lift station is proposed as described above. A potable water line extension will be required. On site power line extensions are contemplated.

10. Project Financing Plan: This plan requires that the City will construct the following projects on the Redevelopment Project Area:

Description	Estimated Cost, \$
Schimmer and Blaine Street improvements	\$1,910,000
Sewer and water lines	\$682,000
Site acquisition	\$800,000
Internal plant rail spurs	\$1,360,000
Plant Construction and equipment	\$70,000,000
Total	\$74,752,000

Of this amount, the proceeds of the grant in the Redevelopment Contract [Non Public TIF financing] will be estimated at \$2,160,000. Public TIF Indebtedness will be first applied to the cost of the Public Project Costs, namely the street, water and sewer improvements, and paid to the City. [\$2,205,000.00 estimate] The balance of Non Public Project construction costs will be provided from the proceeds of the TIF Indebtedness, Developer equity and the Senior Credit facility in a ratio determined by the Developer.

The City will install and pay for the Public Infrastructure Costs and be reimbursed from the Public TIF Indebtedness. The Lessee will provide all other financing for the project. The Developer will obtain funds for the purchase of the Non Public TIF Indebtedness issued by the Authority. Such TIF Indebtedness shall not be backed by the City or the Authority, and will only be repaid from the increased ad valorem tax stream created by the redevelopment project, over a 15 year period commencing January 1, 2009.

11. No Relocation of Families or Business. This plan will not result in the relocation of any families or businesses.

12. No Acquisition of Real Estate by Authority Nor Disposal of Real Estate. This plan does not result in the acquisition of real estate by the Community Redevelopment Authority of the City of Grand Island, nor does the Developer intend to dispose of any project real estate, except to the manufacturing company who will be the Lessee.

13. Pledge of Incremental Taxes. Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the Non Public Redevelopment Project Area specified in the plan, [as shown on Exhibit A to the Redevelopment Contract] shall be divided, for the period not to exceed 15 years after the effective date of the provision, which effective date shall be January 1, 2009, as follows:

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property in the redevelopment project in

excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premiums due in connection with the TIF Indebtedness, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, issued by the Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

14. Terms of Redevelopment Contract Incorporated. The terms and conditions of the Redevelopment Contract between Developer and the Community Redevelopment Authority of the City of Grand Island are incorporated herein as a part of this Redevelopment Plan Amendment.

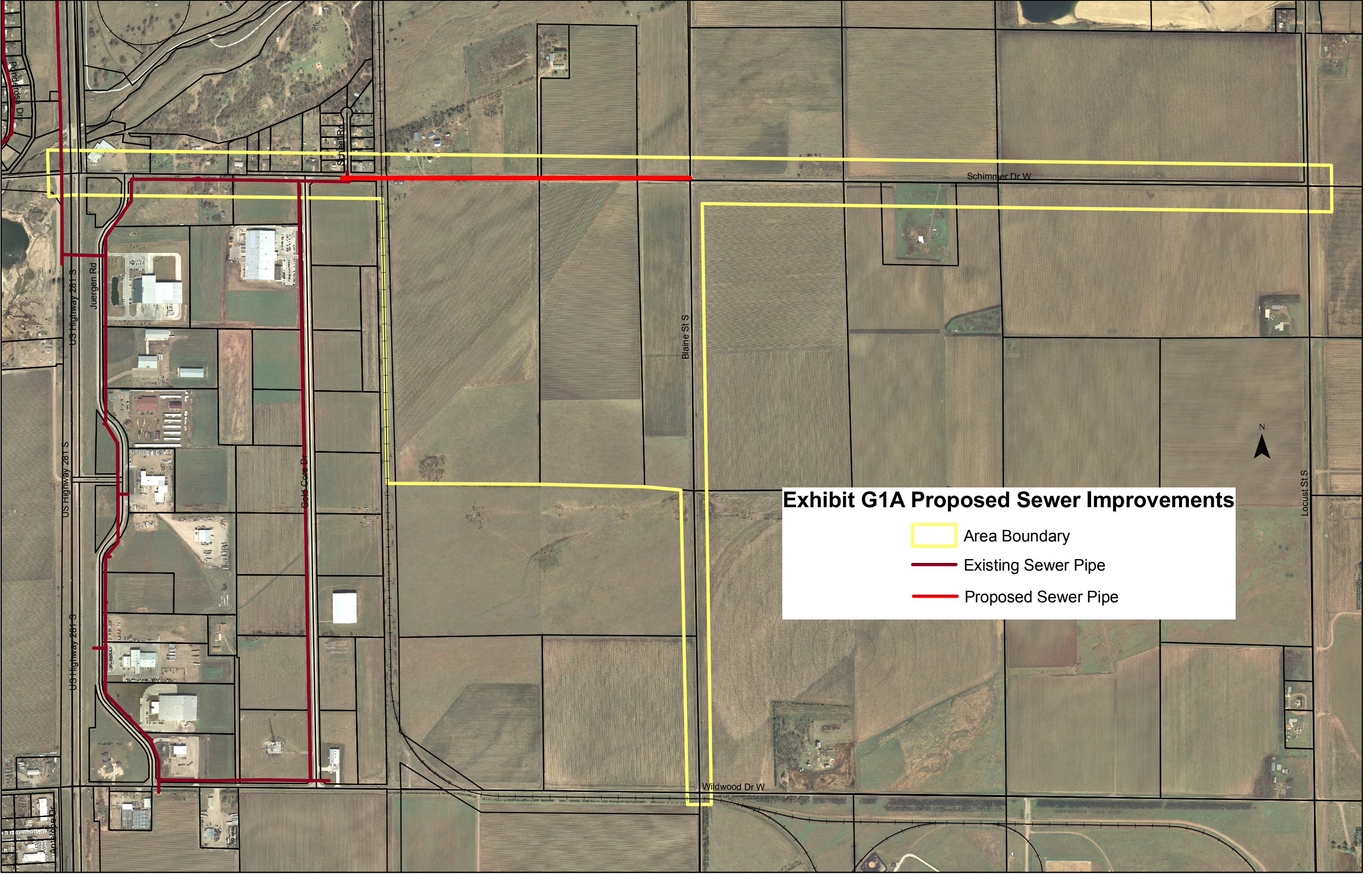





Exhibit G1A Proposed Sewer Improvements

-  Area Boundary
-  Existing Sewer Pipe
-  Proposed Sewer Pipe

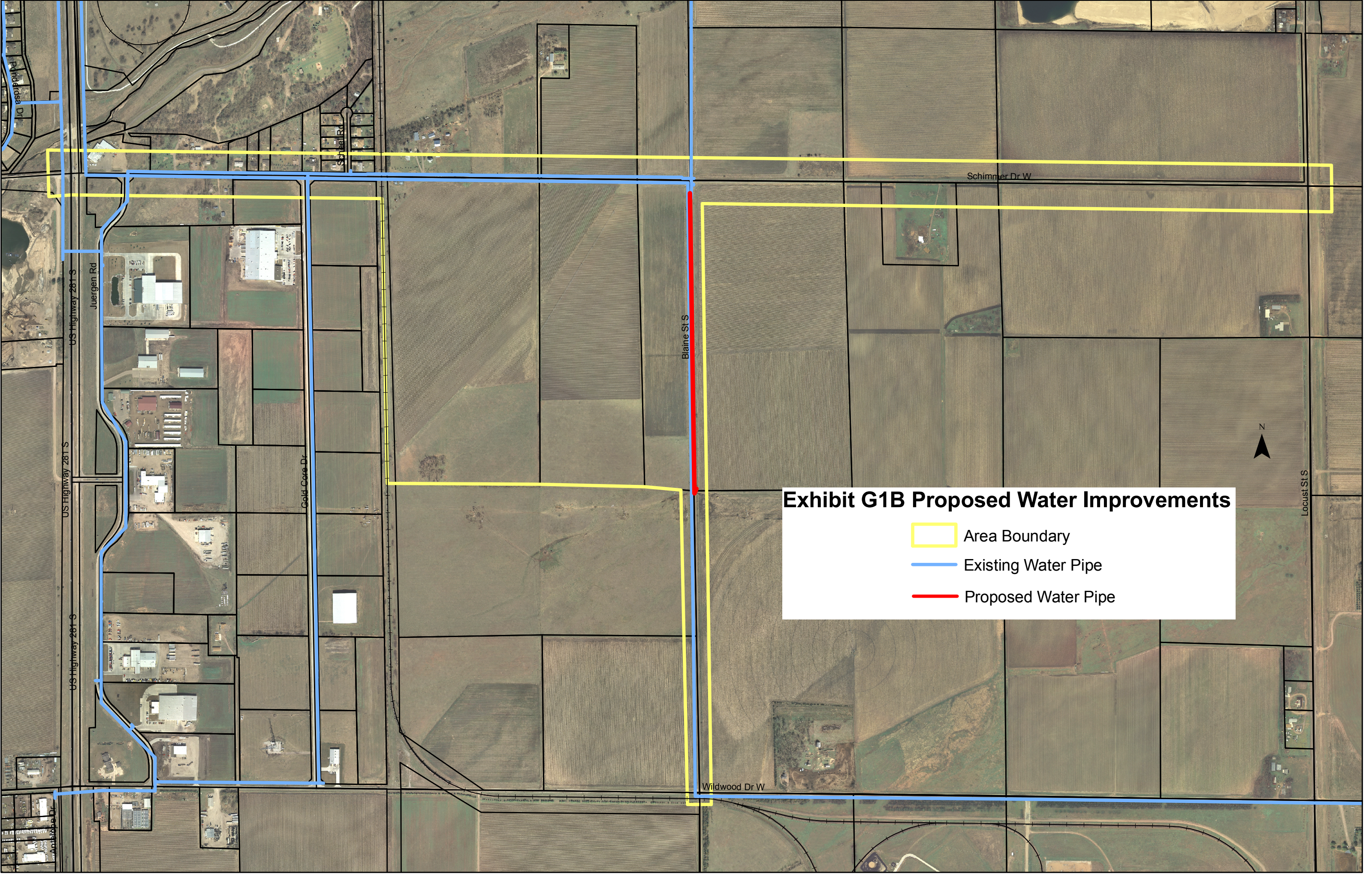





Exhibit G1B Proposed Water Improvements

-  Area Boundary
-  Existing Water Pipe
-  Proposed Water Pipe

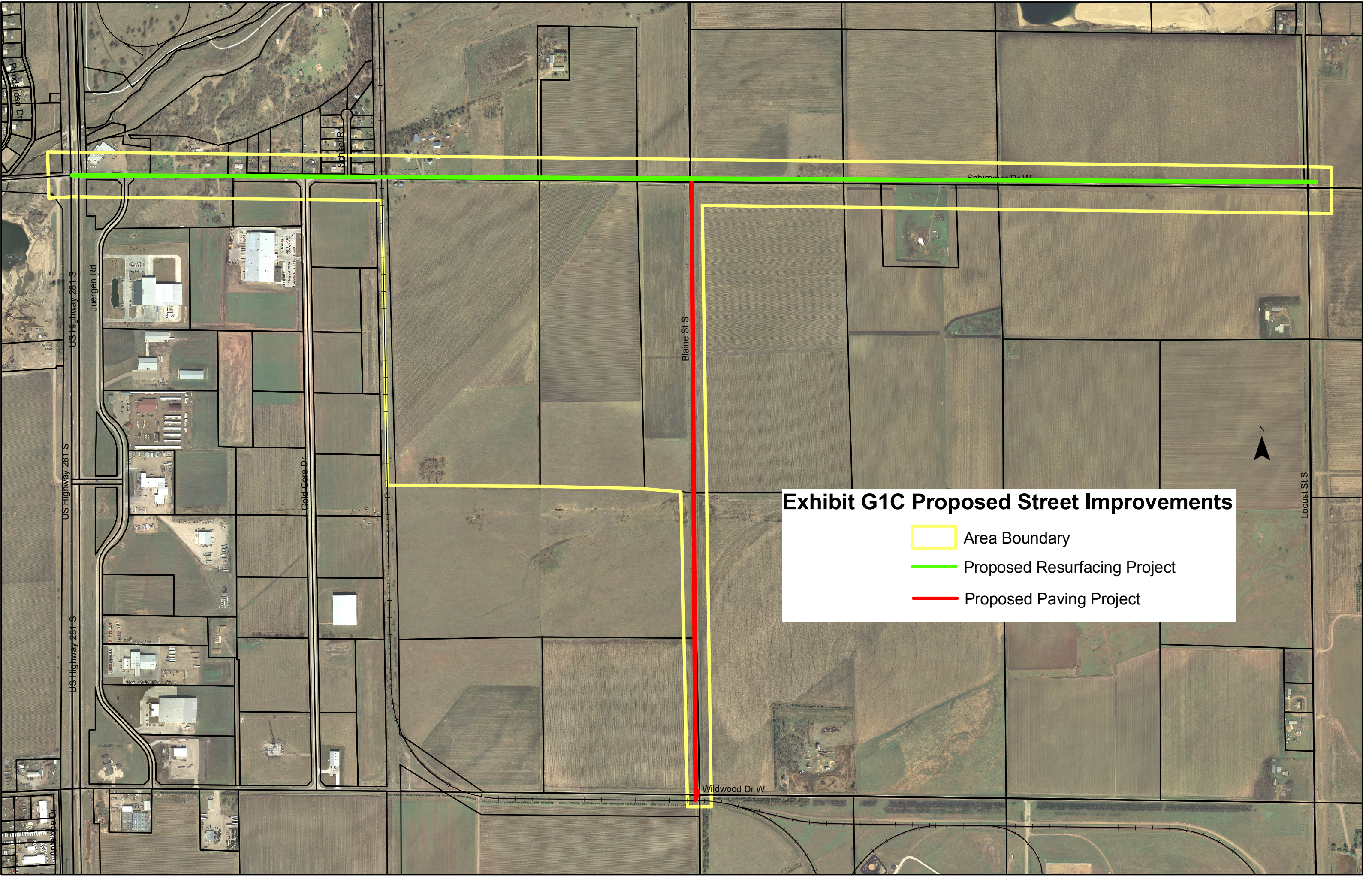



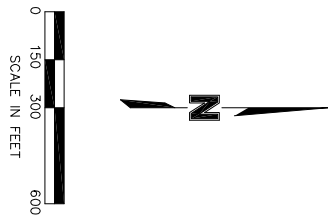
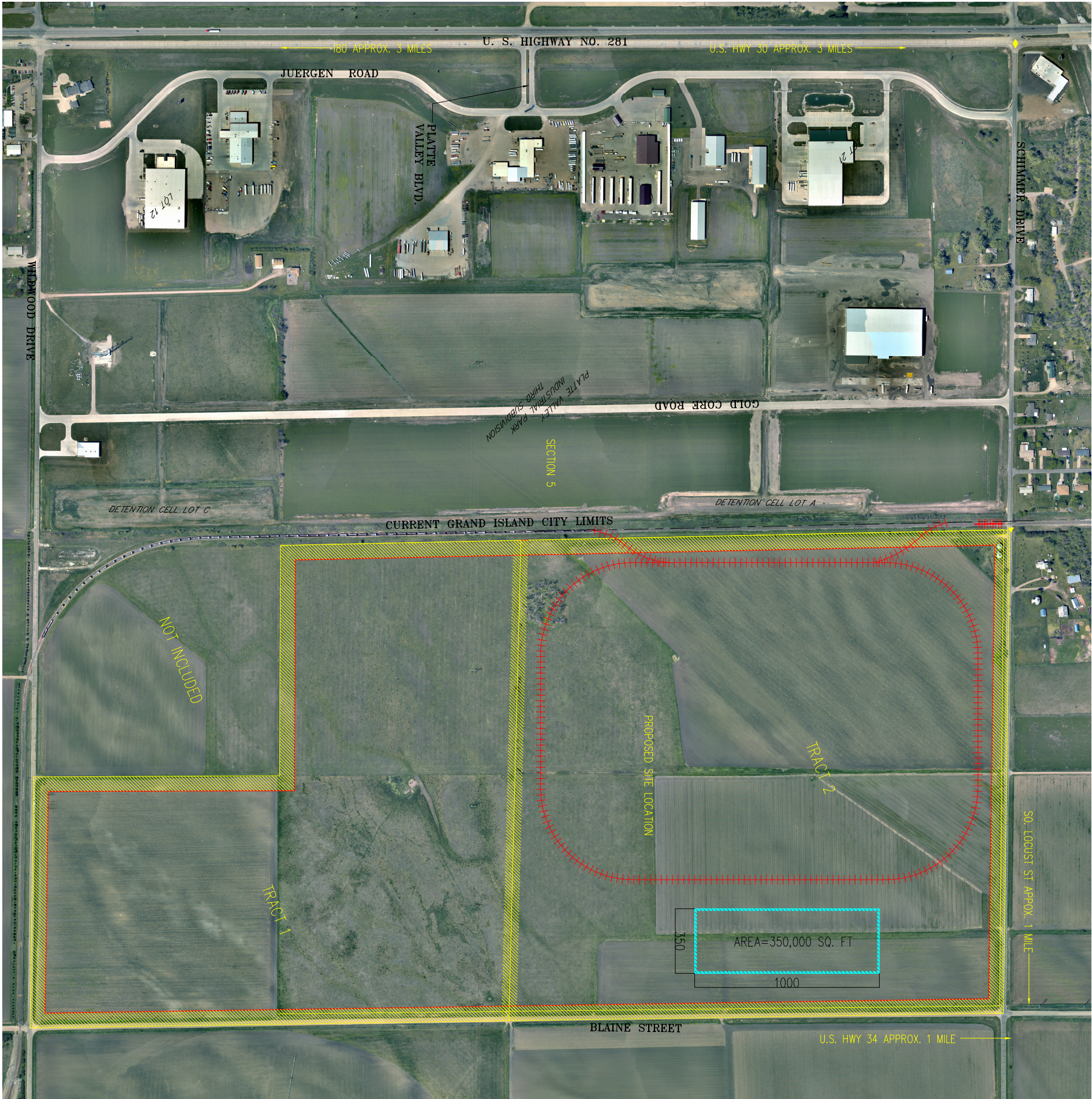


Exhibit G1C Proposed Street Improvements

-  Area Boundary
-  Proposed Resurfacing Project
-  Proposed Paving Project



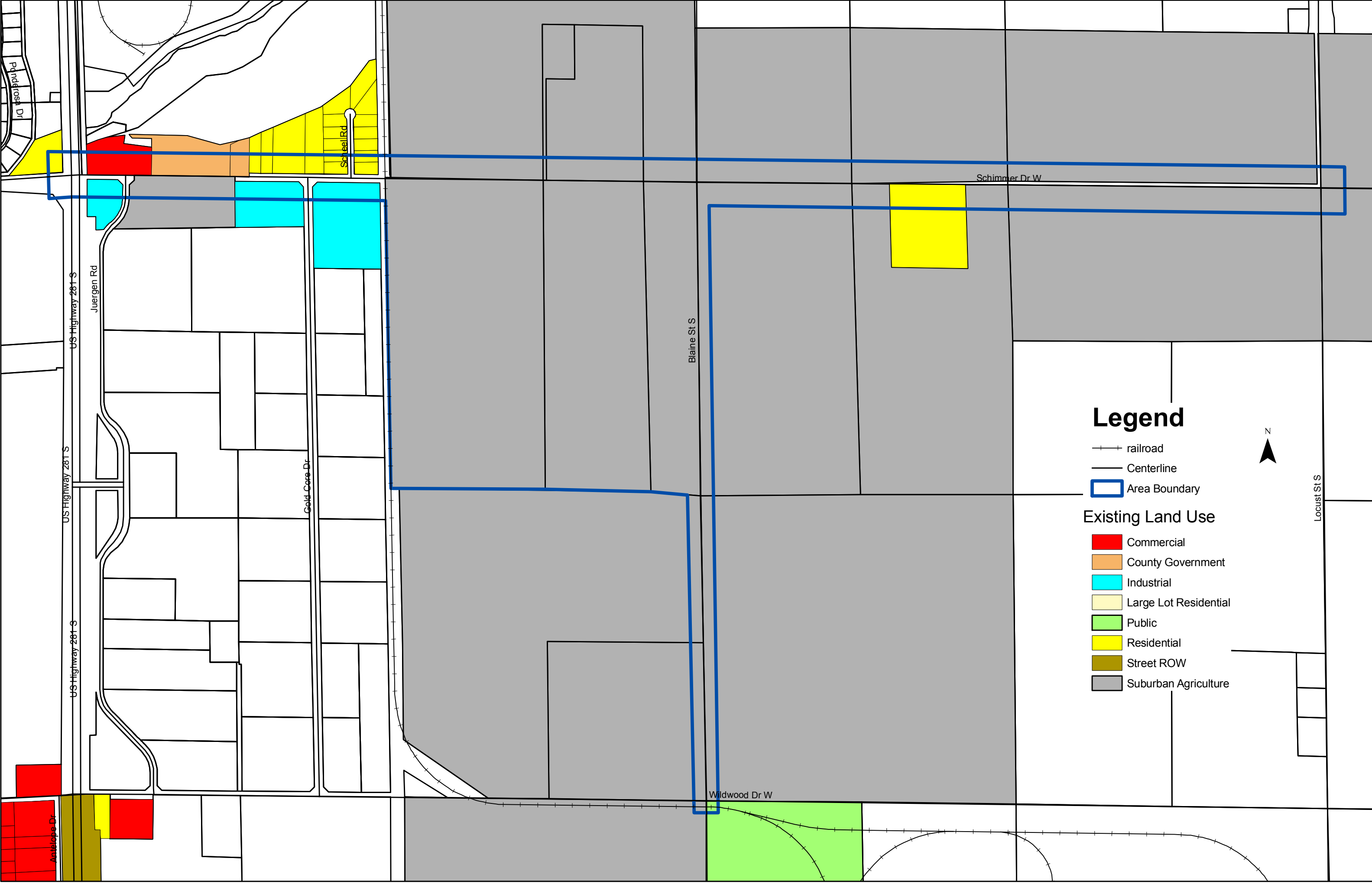
- RAIL ROAD TRACKS
- BUILDING
- TRACT BOUNDARY



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SITE PLAN		REVISIONS	
GRAND ISLAND DISTRIBUTION CENTER		DATE	DESCRIPTION
GRAND ISLAND, NEBRASKA		2005	

drawn by: RMN
checked by: RMN
approved by: MDS
project no.: 2005-1249
drawing no.: 10/05



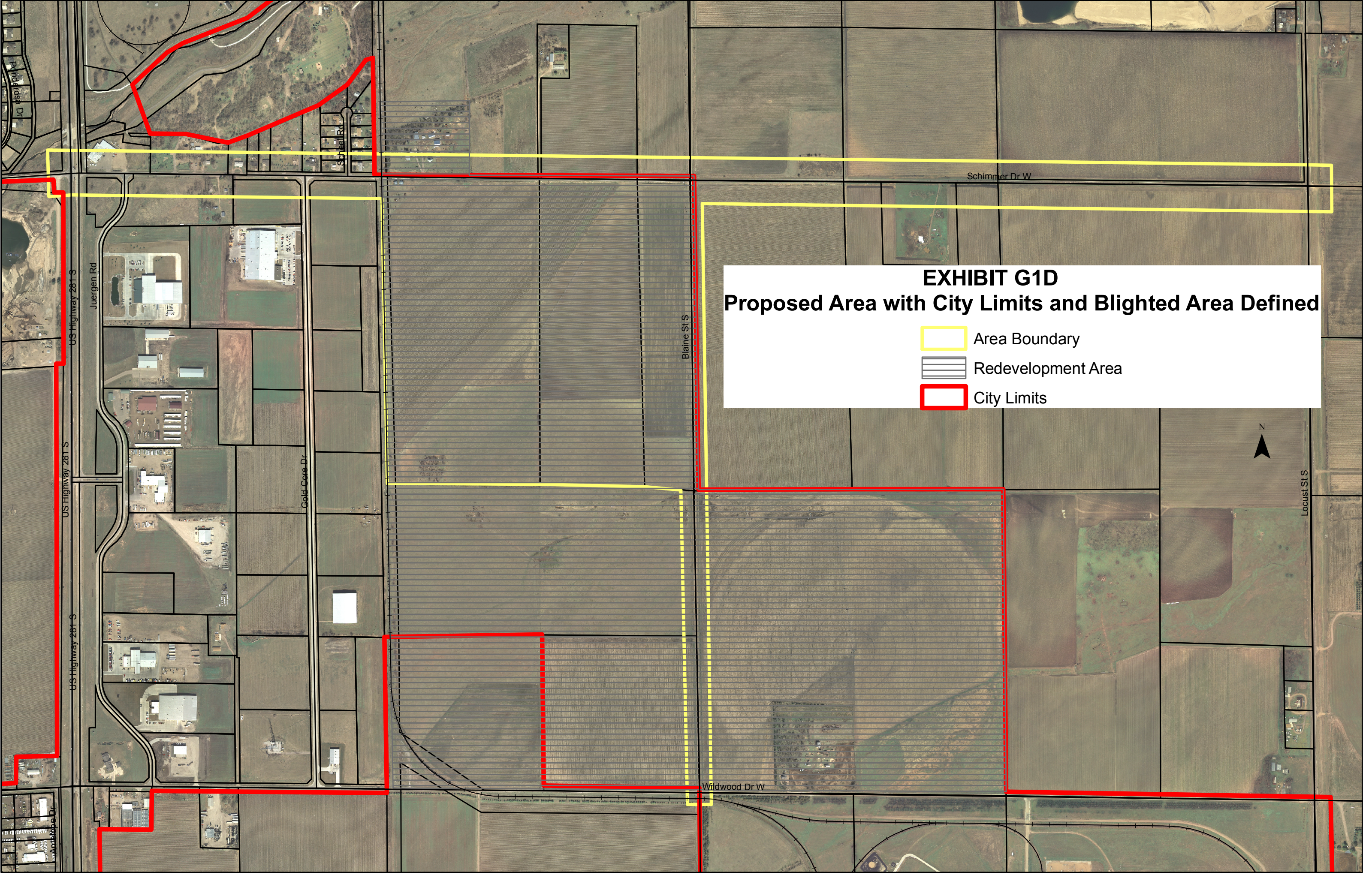
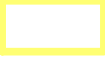




EXHIBIT G1D
Proposed Area with City Limits and Blighted Area Defined

-  Area Boundary
-  Redevelopment Area
-  City Limits