



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting Packet

Board Members:

Tom Gdowski - Chairman

Glen Murray – Vice Chairman

Sue Pirnie

Glenn Wilson

Krae Dutoit

4:00 PM
Grand Island City Hall - Community Meeting Room

Call to Order

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

Individuals who have appropriate items for City Council consideration should complete the Request for Future Agenda Items form located at the Information Booth. If the issue can be handled administratively without Council action, notification will be provided. If the item is scheduled for a meeting or study session, 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.



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item A1

Community Redevelopment Authority Agenda 9-20-17

Staff Contact: Chad Nabity



AGENDA
Wednesday, September 20, 2017
4 p.m.
Grand Island City Hall

Open Meetings Notifications

1. Call to Order
This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them. The CRA may vote to go into Closed Session on any Agenda Item as allowed by State Law.
2. Approval of Minutes of August 10, 2017, Meeting.
3. Review of Financials.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. TIF Contract Approval - Prataria Ventures.
 - a. Consideration of Resolution 243 –Redevelopment Plan contract for Prataria Ventures, LLC.
7. Redevelopment Plan Amendment Husker Harvest Days.
 - a. Consideration of Resolution 244 - Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for Husker Harvest Days.
 - b. Consideration of Resolution 245 - Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for Husker Harvest Days.

8. Redevelopment Plan Amendment O'Neill Wood Resources.
 - a. Consideration of Resolution 246 - Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for O'Neill Wood Resources.
 - b. Consideration of Resolution 247 - Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for O'Neill Wood Resources.
9. Redevelopment Plan Amendment Mendez Enterprises.
 - a. Consideration of Resolution 248 - Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for Mendez Enterprises.
 - b. Consideration of Resolution 249 - Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for Mendez Enterprises.
10. Demolition Grant – Habitat for Humanity
11. Approve Resolution to Purchase/Sell Real Estate – (possible closed session)
 - a. Purchase offer on 408 E. Second St.
12. Director's Report.
13. Recess to tour of Temple Loft Apartments-210 N. Walnut/Adjournment.

Next Meeting 4 p.m. October 18, 2017
(this is a change in date)

COMMUNITY REDEVELOPMENT AUTHORITY
AGENDA MEMORANDUM
4 p.m. September 20, 2017

1. CALL TO ORDER. The meeting will be called to order by Chairman Tom Gdowski. This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them.
2. APPROVAL OF MINUTES. The minutes of the Community Redevelopment Authority meeting August 10, 2017, are submitted for approval. A MOTION is in order.
3. APPROVAL OF FINANCIAL REPORTS. Financial reports for the period of August 1 through 31, 2017 are submitted for approval. A MOTION is in order.
4. APPROVAL OF BILLS. Payment of bills in the amount of \$658,945.89 is submitted for approval. A MOTION is in order.
5. REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.
6. REDEVELOPMENT CONTRACT - PRATARIA VENTURES LLC. Prataria Ventures LLC has requested \$15.8 million of tax-increment financing assistance for a three-phase development, which includes a hospital, medical office building and hotel. The CRA passed Resolution 221 on July 27, 2016 notifying the city council of its intent to enter into a redevelopment contract. The Regional Planning Commission met on August 10, 2016 and passed Resolution 2016-07 finding that this plan amendment is consistent with the comprehensive plan for the City of Grand Island. The Grand Island City Council passed Resolution 2016-207 at its meeting on August 23, 2016. A MOTION to approve the redevelopment contract and Resolution 243 is in order.
7. REDEVELOPMENT PLAN AMENDMENT – HUSKER HARVEST DAYS. Concerning an amending to the redevelopment plan for CRA Area No. 25 for a Site Specific Redevelopment Plan at a formerly used defense site for Husker Harvest Days by Farm Progress Companies Inc. They have plans to make \$7 million in upgrades to the electrical distribution, drainage and paving to the show site. A proposed \$2 million of public funds from Grand Island’s food and beverage occupation tax would aid in the redevelopment. The CRA may forward the plan to the Regional Planning Commission for review and to the Grand Island City Council for give 30-day notice of a potential development contract. A MOTION to approve Resolution 244 (forward to Regional Planning Commission) and Resolution 245 (30-day intent notice to city council) is in order.

8. REDEVELOPMENT PLAN AMENDMENT – O’NEILL WOOD RESOURCES.
Concerning an amending to the redevelopment plan for CRA Area No. 20 for a Site Specific Redevelopment Plan at a formerly used defense site for 58 acres at 7100 W. Old Potash Highway by O’Neill Wood Resources. The request is for \$209,000 in tax-increment financing to assist with site acquisition, grading, site preparation, utility extensions and private roads for development of a construction and demolition landfill and associated buildings. The CRA may forward the plan to the Regional Planning Commission for review and to the Grand Island City Council for give 30-day notice of a potential development contract. A MOTION to approve Resolution 246 (forward to Regional Planning Commission) and Resolution 247 (30-day intent notice to city council) is in order.

9. REDEVELOPMENT PLAN AMENDMENT – MENDEZ ENTERPRISES.
Concerning an amending to the redevelopment plan for CRA Area No. 6 for a Site Specific Redevelopment Plan in an area along Old Lincoln Highway between Carey and Waldo avenues. The request from Mendez Enterprises is for \$886,965 in tax-increment financing to assist with the redevelopment of commercial lots. The CRA may forward the plan to the Regional Planning Commission for review and to the Grand Island City Council for give 30-day notice of a potential development contract. A MOTION to approve Resolution 248 (forward to Regional Planning Commission) and Resolution 249 (30-day intent notice to city council) is in order.

10. DEMOLITION GRANT REQUEST – HABITAT FOR HUMANITY.
Habitat for Humanity has an opportunity to purchase a deteriorated structure at 1812 W. 11th. In the event the purchase is made, Habitat is requesting a grant of up to \$14,000 to demolish a house and small sheds to prepare the lot for new construction. A MOTION is in order.

11. RESOLUTION TO PURCHASE/SELL REAL ESTATE. Consideration of offer(s) to sell 408 E. Second Street. The CRA bought the property in 2005 for \$6,000 after a fire damaged the home there. A proposed offer may be reviewed in closed session, followed by action in open session.

12. DIRECTOR’S REPORT.
This is an opportunity for the director to communicate on going actions and activities to the board and public.

13. ADJOURNMENT.

Chad Nabity
Director



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item B1

Minutes 8-10-17

Staff Contact: Chad Nabity

OFFICIAL PROCEEDINGS

MINUTES OF
COMMUNITY REDEVELOPMENT AUTHORITY
MEETING OF
August 10, 2017

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on August 10, 2017 at City Hall 100 E. First Street. Notice of the meeting was given in the August 2, 2017 Grand Island Independent.

1. CALL TO ORDER. Glen Murray called the meeting to order at 4:01 p.m. The following members were present: Murray, Glenn Wilson, Krae Dutoit and Sue Pirnie. Also present were: Director Chad Nabity, Planning Administrative Assistant Tracy Overstreet, Finance Director Renae Jimenez and Billy Clingman and Brian Schultz from the Grand Island Finance Department.

Murray stated this was a public meeting subject to the open meeting laws of the State of Nebraska. He noted that the requirements for an open meeting were posted on the wall easily accessible to anyone who would like to read through them.

2. APPROVAL OF MINUTES. A motion for approval of the Minutes for the July 31, 2017 meeting was made by Dutoit and seconded by Wilson. Upon roll call vote, all present voted aye. Motion carried 4-0.
3. APPROVAL OF FINANCIAL REPORTS. Clingman reviewed the financials from July 1 to July 31. They include a payout for the Elk's façade and TIF pass-through payments. A motion for approval of the financial reports was made by Wilson and seconded by Dutoit. Upon roll call vote, all present voted aye. Motion carried 4-0.
4. APPROVAL OF BILLS. The bills, which included a \$68,132 façade grant payout for Wing Properties and a \$1,000 appraisal fee to the Nebraska Department of Roads for land at the Highway 34 and South Locust Street, were reviewed by Nabity. A motion was made by Pirnie and seconded by Dutoit to approve the bills in the amount of \$69,243.46. Upon roll call vote, all present voted aye. Motion carried 4-0.
5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY. Nabity provided an overview of the committed projects. He said most will need payout in the next year. He expects payout for the Federation Labor Temple to occur before fiscal year end as owner Tom Ziller has advertised leasing the apartments. Nabity said commitments on the Hedde Building will not be this fiscal year and likely not in the next year either due to the complexity of the project. Nabity said he received a

call about the former Ron's Transmission lot on Third Street and about the Second Street property from potential buyers.

6. REDEVELOPMENT CONTRACT WEINRICH DEVELOPMENTS. Nabity said the Grand Island City Council approved the redevelopment plan for the four-plex to be built at 523 E. Division/206 S. Plum. Weinrich Developments Inc. has requested \$52,768 of tax-increment financing. Nabity said the only question from city council was in regards to the 2014 housing study that indicated 1,700 housing units needed to be added in Grand Island by 2019. The question was when will the study need to be redone and does Grand Island have the housing it now needs. Nabity said the housing study will need to be redone in 2019 for Community Development Block Grant and Housing and Urban Development guidelines. He anticipates that Grand Island will still have a housing deficit when the next study is done.

A motion was made by Pirnie and seconded by Wilson to approve both the redevelopment contract and Resolution 242 for the bond note. Upon roll call vote, all present voted aye. Motion carried 4-0.

7. FOLLOW-UP ON BUDGET DISCUSSION AND POSSIBLE ACTION. Nabity said the CRA mill levy has been at 2.6. Last year, that raised \$630,000, which accounted for \$430,000 for CRA activities and \$200,000 for the Lincoln Pool bond. Next year, at the same levy, about \$757,000 would be raised, which would be \$570,000 for CRA activities and \$200,000 for the Lincoln Pool bond. Given the city's budget position and the CRA's cash position, Nabity suggested amending the budget approved July 31 to lower the levy to 2.3. Each mill equates to about \$29,000 so the lowering would mean about \$87,000 less in revenue. That would help the city, but still allow the CRA to maintain its programming. Nabity also suggested adding back in the \$100,000 in land sales, given two recent inquiries for possible purchases. Putting the line item back in would give the CRA the ability to receive the money and also the authority to apply it toward CRA projects. Murray said he thinks the levy lowering is a good idea to show support for the overall budget of the community and that the CRA is doing its share to help. Dutoit agreed.

A motion was made by Wilson and seconded by Dutoit to lower the levy to 2.3 and add \$100,000 back into land sales. Upon roll call vote, all present voted aye. Motion carried 4-0.

8. APPROVE RESOLUTION TO PURCHASE/SELL REAL ESTATE. None.
9. DIRECTORS REPORT. Nabity said the \$1,000 approved in the bills would be sent to the Nebraska Department of Roads to begin the appraisal process for the free right land at Highway 34 and South Locust Street. In the event the state would sell that land, Nabity said the CRA has budgeted \$200,000 in land purchases. Nabity said the CRA will also see two redevelopment plans at the former

Cornhusker Army Ammunition Plant next month. One plan is for Husker Harvest Days and the other is for O'Neill Wood Resources. Nabity said the Nebraska State Historical Society will be holding a hearing at 1 p.m. September 8 in Kearney regarding downtown Grand Island being declared a historic district. That declaration is required for the Hedde Building to be eligible for historic tax credits, he said.

10. ADJOURNMENT. Murray adjourned the meeting at 4:21 p.m.

The next meeting is scheduled for 4 p.m., Wednesday, September 13, 2017.

Respectfully submitted
Chad Nabity
Director



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item C1

Financials August 2017

Staff Contact: Chad Nabity

**COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017**

CONSOLIDATED	MONTH ENDED <u>August-17</u>	2016-2017 <u>YEAR TO DATE</u>	2017 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
Beginning Cash	1,004,657		843,818		
REVENUE:					
Property Taxes - CRA	10,724	411,472	566,972	137,169	72.57%
Property Taxes - Lincoln Pool	4,518	129,780	195,863	68,270	66.26%
Property Taxes -TIF's	82,288	863,992	1,809,856	979,716	47.74%
Loan Income (Poplar Street Water Line)	-	-	8,000	8,000	0.00%
Interest Income - CRA	28	221	300	79	73.58%
Interest Income - TIF'S	1	5,122	23,720	18,598	21.59%
Land Sales	-	-	250,000	250,000	0.00%
Other Revenue - CRA	1,100	8,455	130,000	121,545	6.50%
Other Revenue - TIF's	-	10,082	-	-	#DIV/0!
TOTAL REVENUE	<u>98,660</u>	<u>1,429,125</u>	<u>2,984,710</u>	<u>1,583,376</u>	<u>47.88%</u>
TOTAL RESOURCES	<u>1,103,317</u>	<u>1,429,125</u>	<u>3,828,529</u>	<u>1,583,376</u>	
EXPENSES					
Auditing & Accounting	-	4,475	5,000	525	89.50%
Legal Services	-	613	3,000	2,387	20.43%
Consulting Services	-	-	5,000	5,000	0.00%
Contract Services	76	43,341	75,000	31,659	57.79%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	4,953	16,000	11,047	30.96%
General Liability Insurance	-	-	250	250	0.00%
Postage	-	59	200	141	29.47%
Life Safety	-	-	265,000	265,000	0.00%
Legal Notices	35	189	500	311	37.81%
Travel & Training	-	100	1,000	900	10.02%
Other Expenditures	-	-	-	-	#DIV/0!
Office Supplies	-	72	1,000	928	7.17%
Supplies	-	-	300	300	0.00%
Land	-	3,798	50,000	46,203	7.60%
Bond Principal - Lincoln Pool	-	175,000	175,000	-	100.00%
Bond Interest	-	21,388	20,863	-	102.51%
Façade Improvement	1,000	1,000	200,000	199,000	0.50%
Building Improvement	68,132	200,303	835,148	634,845	23.98%
Other Projects	-	-	50,000	50,000	0.00%
Bond Principal-TIF's	-	766,118	1,815,774	1,053,332	42.19%
Bond Interest-TIF's	-	17,462	17,463	1	100.00%
Interest Expense	-	-	-	-	#DIV/0!
TOTAL EXPENSES	<u>69,243</u>	<u>1,238,870</u>	<u>3,537,498</u>	<u>2,302,829</u>	<u>35.02%</u>
INCREASE(DECREASE) IN CASH	29,416	190,255	(552,788)		
ENDING CASH	<u>1,034,073</u>	<u>190,255</u>	<u>291,031</u>	<u>-</u>	
CRA CASH	710,326				
Lincoln Pool Tax Income Balance	182,426				
TIF CASH	141,321				
Total Cash	<u>1,034,073</u>				

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
GENERAL OPERATIONS:					
Property Taxes - CRA	10,724	411,472	548,641	137,169	75.00%
Property Taxes - Lincoln Pool	4,518	129,780	198,050	68,270	65.53%
Interest Income	28	221	300	79	73.58%
Loan Income (Poplar Street Water Line)		-	8,000	8,000	0.00%
Land Sales		-	250,000	250,000	0.00%
Other Revenue & Motor Vehicle Tax	1,100	8,455	130,000	121,545	6.50%
TOTAL	16,371	549,928	1,134,991	585,063	48.45%
GENTLE DENTAL					
Property Taxes		5,713	3,598	-	158.78%
Interest Income		1	404	403	0.36%
TOTAL	-	5,714	4,002	403	142.79%
PROCON TIF					
Property Taxes		27,243	15,601	-	174.63%
Interest Income	1	5	4,101	4,096	0.11%
TOTAL	1	27,248	19,702	4,096	138.30%
WALNUT HOUSING PROJECT					
Property Taxes		57,918	55,257	-	104.82%
Interest Income		5,116	19,215	14,099	26.62%
Other Revenue		10,082	-	-	
TOTAL	-	73,116	74,472	14,099	98.18%
BRUNS PET GROOMING					
Property Taxes		13,900	13,500	-	102.96%
TOTAL	-	13,900	13,500	-	102.96%
GIRARD VET CLINIC					
Property Taxes		5,509	14,500	8,991	37.99%
TOTAL	-	5,509	14,500	8,991	37.99%
GEDDES ST APTS-PROCON					
Property Taxes		14,519	30,000	15,481	48.40%
TOTAL	-	14,519	30,000	15,481	48.40%
SOUTHEAST CROSSING					
Property Taxes		13,826	18,000	4,174	76.81%
TOTAL	-	13,826	18,000	4,174	76.81%
POPLAR STREET WATER					
Property Taxes	430	7,916	8,000	84	98.95%
TOTAL	430	7,916	8,000	84	98.95%
CASEY'S @ FIVE POINTS					
Property Taxes		7,315	10,000	2,685	73.15%
TOTAL	-	7,315	10,000	2,685	73.15%
SOUTH POINTE HOTEL PROJECT					
Property Taxes	40,117	83,682	90,000	6,318	92.98%
TOTAL	40,117	83,682	90,000	6,318	92.98%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
TODD ENCK PROJECT					
Property Taxes		3,349	6,000	2,651	55.82%
TOTAL	-	3,349	6,000	2,651	55.82%
JOHN SCHULTE CONSTRUCTION					
Property Taxes		6,092	6,000	-	101.54%
TOTAL	-	6,092	6,000	-	101.54%
PHARMACY PROPERTIES INC					
Property Taxes		6,156	11,000	4,844	55.96%
TOTAL	-	6,156	11,000	4,844	55.96%
KEN-RAY LLC					
Property Taxes		23,622	85,000	61,378	27.79%
TOTAL	-	23,622	85,000	61,378	27.79%
TOKEN PROPERTIES RUBY					
Property Taxes		1,531	1,500	-	102.10%
TOTAL	-	1,531	1,500	-	102.10%
GORDMAN GRAND ISLAND					
Property Taxes	25,521	53,235	40,000	-	133.09%
TOTAL	25,521	53,235	40,000	-	133.09%
BAKER DEVELOPMENT INC					
Property Taxes		3,491	3,000	-	116.37%
TOTAL	-	3,491	3,000	-	116.37%
STRATFORD PLAZA INC					
Property Taxes	15,809	32,978	35,000	2,022	94.22%
TOTAL	15,809	32,978	35,000	2,022	94.22%
COPPER CREEK 2013 HOUSES					
Property Taxes	261	45,302	80,000	34,698	0.00%
TOTAL	261	45,302	80,000	34,698	0.00%
FUTURE TIF'S					
Property Taxes		-	900,000	900,000	0.00%
TOTAL	-	-	900,000	900,000	0.00%
CHIEF INDUSTRIES AURORA COOP					
Property Taxes		18,844	40,000	21,156	47.11%
TOTAL	-	18,844	40,000	21,156	0.00%
TOKEN PROPERTIES KIMBALL ST					
Property Taxes		2,627	2,700	73	97.29%
TOTAL	-	2,627	2,700	73	0.00%
GI HABITAT OF HUMANITY					
Property Taxes		2,141	8,000	5,859	26.76%
TOTAL	-	2,141	8,000	5,859	0.00%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
AUTO ONE INC					
Property Taxes		6,178	11,000	4,822	56.16%
TOTAL	-	6,178	11,000	4,822	0.00%
EIG GRAND ISLAND					
Property Taxes		36,971	50,000	13,029	73.94%
TOTAL	-	36,971	50,000	13,029	0.00%
TOKEN PROPERTIES CARY ST					
Property Taxes		7,974	8,000	26	99.67%
TOTAL	-	7,974	8,000	26	0.00%
WENN HOUSING PROJECT					
Property Taxes		2,252	4,200	1,948	53.63%
TOTAL	-	2,252	4,200	1,948	0.00%
COPPER CREEK 2014 HOUSES					
Property Taxes	148	149,066	200,000	50,934	74.53%
TOTAL	148	149,066	200,000	50,934	0.00%
TC ENCK BUILDERS					
Property Taxes		215	3,000	2,785	7.16%
TOTAL	-	215	3,000	2,785	0.00%
SUPER MARKET DEVELOPERS					
Property Taxes		-	20,000	20,000	0.00%
TOTAL	-	-	20,000	20,000	0.00%
MAINSTAY SUITES					
Property Taxes		45,159	25,000	(20,159)	180.64%
TOTAL	-	45,159	25,000	(20,159)	0.00%
TOWER 217					
Property Taxes		14,471	12,000	(2,471)	120.59%
TOTAL	-	14,471	12,000	(2,471)	0.00%
COPPER CREEK 2015 HOUSES					
Property Taxes	3	23,531	-	(23,531)	
TOTAL	3	23,531	-	(23,531)	
NORTHWEST COMMONS					
Property Taxes		138,080	-	(138,080)	
TOTAL	-	138,080	-	(138,080)	
HABITAT - 8TH & SUPERIOR					
Property Taxes		2,296	-	(2,296)	
TOTAL	-	2,296	-	(2,296)	
KAUFMAN BUILDING					
Property Taxes		888	-	(888)	
TOTAL	-	888	-	(888)	
TOTAL REVENUE	98,660	1,429,125	2,968,567	1,583,376	48.14%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
EXPENSES					
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting		4,475	5,000	525	89.50%
Legal Services		613	3,000	2,387	20.43%
Consulting Services		-	5,000	5,000	0.00%
Contract Services	76	43,341	75,000	31,659	57.79%
Printing & Binding		-	1,000	1,000	0.00%
Other Professional Services		4,953	16,000	11,047	30.96%
General Liability Insurance		-	250	250	0.00%
Postage		59	200	141	29.47%
Lifesafety Grant		-	265,000	265,000	0.00%
Legal Notices	35	189	500	311	37.81%
Travel & Training		100	1,000	900	10.02%
Office Supplies		72	1,000	928	7.17%
Supplies		-	300	300	0.00%
Land		3,798	50,000	46,203	7.60%
Bond Principal - Lincoln Pool		175,000	175,000	-	100.00%
Bond Interest - Lincoln Pool		21,388	20,863	-	102.51%
PROJECTS					
Façade Improvement	1,000	1,000	200,000	199,000	0.50%
Building Improvement	68,132	200,303	835,148	634,845	0.00%
Other Projects		-	50,000	50,000	0.00%
TOTAL CRA EXPENSES	69,243	455,290	1,704,261	1,249,496	26.71%
GENTLE DENTAL					
Bond Principal		3,917	3,917	0	99.99%
Bond Interest		285	285	-	100.14%
TOTAL GENTLE DENTAL	-	4,202	4,202	0	100.00%
PROCON TIF					
Bond Principal		16,416	16,416	-	100.00%
Bond Interest		2,746	2,747	1	99.95%
TOTAL PROCON TIF	-	19,162	19,163	1	99.99%
WALNUT HOUSING PROJECT					
Bond Principal		60,041	60,041	0	100.00%
Bond Interest		14,431	14,431	-	100.00%
TOTAL	-	74,472	74,472	0	100.00%
BRUNS PET GROOMING					
Bond Principal		13,900	13,500	-	102.96%
TOTAL	-	13,900	13,500	-	102.96%
GIRARD VET CLINIC					
Bond Principal		5,509	14,500	8,991	37.99%
TOTAL	-	5,509	14,500	8,991	37.99%
GEDDES ST APTS - PROCON					
Bond Principal		14,519	30,000	15,481	48.40%
TOTAL	-	14,519	30,000	15,481	48.40%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
SOUTHEAST CROSSINGS					
Bond Principal		13,826	18,000	4,174	76.81%
TOTAL	-	13,826	18,000	4,174	76.81%
POPLAR STREET WATER					
Bond Principal		7,057	8,000	943	88.22%
TOTAL	-	7,057	8,000	943	88.22%
CASEY'S @ FIVE POINTS					
Bond Principal		7,315	10,000	2,685	73.15%
TOTAL	-	7,315	10,000	2,685	73.15%
SOUTH POINTE HOTEL PROJECT					
Bond Principal		43,566	90,000	46,434	48.41%
TOTAL	-	43,566	90,000	46,434	48.41%
TODD ENCK PROJECT					
Bond Principal		3,349	6,000	2,651	55.82%
TOTAL	-	3,349	6,000	2,651	55.82%
JOHN SCHULTE CONSTRUCTION					
Bond Principal		6,092	6,000	-	101.54%
TOTAL	-	6,092	6,000	-	101.54%
PHARMACY PROPERTIES INC					
Bond Principal		6,156	11,000	4,844	55.96%
TOTAL	-	6,156	11,000	4,844	55.96%
KEN-RAY LLC					
Bond Principal		23,622	85,000	61,378	27.79%
TOTAL	-	23,622	85,000	61,378	27.79%
TOKEN PROPERTIES RUBY					
Bond Principal		1,531	1,500	(31)	102.10%
TOTAL	-	1,531	1,500	(31)	102.10%
GORDMAN GRAND ISLAND					
Bond Principal		27,715	40,000	12,285	69.29%
TOTAL	-	27,715	40,000	12,285	69.29%
BAKER DEVELOPMENT INC					
Bond Principal		3,491	3,000	(491)	116.37%
TOTAL	-	3,491	3,000	(491)	116.37%
STRATFORD PLAZA LLC					
Bond Principal		17,168	35,000	17,832	49.05%
TOTAL	-	17,168	35,000	17,832	49.05%
COPPER CREEK 2013 HOUSES					
Bond Principal		44,779	80,000	35,221	55.97%
TOTAL	-	44,779	80,000	35,221	55.97%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
CHIEF INDUSTRIES AURORA COOP					
Bond Principal		18,844	40,000	21,156	47.11%
TOTAL	-	18,844	40,000	21,156	47.11%
TOKEN PROPERTIES KIMBALL STREET					
Bond Principal		2,627	2,700	73	97.29%
TOTAL	-	2,627	2,700	73	97.29%
GI HABITAT FOR HUMANITY					
Bond Principal		2,141	8,000	5,859	26.76%
TOTAL	-	2,141	8,000	5,859	26.76%
AUTO ONE INC					
Bond Principal		6,178	11,000	4,822	56.16%
TOTAL	-	6,178	11,000	4,822	56.16%
EIG GRAND ISLAND					
Bond Principal		36,971	50,000	13,029	73.94%
TOTAL	-	36,971	50,000	13,029	73.94%
TOKEN PROPERTIES CARY STREET					
Bond Principal		7,974	8,000	26	99.67%
TOTAL	-	7,974	8,000	26	99.67%
WENN HOUSING PROJECT					
Bond Principal		2,252	4,200	1,948	53.63%
TOTAL	-	2,252	4,200	1,948	53.63%
COPPER CREEK 2014 HOUSES					
Bond Principal		145,027	200,000	54,973	72.51%
TOTAL	-	145,027	200,000	54,973	72.51%
TC ENCK BUILDERS					
Bond Principal		-	3,000	3,000	0.00%
TOTAL	-	-	3,000	3,000	0.00%
SUPER MARKET DEVELOPERS					
Bond Principal		-	20,000	20,000	0.00%
TOTAL	-	-	20,000	20,000	0.00%
MAINSTAY SUITES					
Bond Principal		45,159	25,000	(20,159)	180.64%
TOTAL	-	45,159	25,000	(20,159)	180.64%
TOWER 217					
Bond Principal		14,186	12,000	(2,186)	118.22%
TOTAL	-	14,186	12,000	(2,186)	118.22%
COPPER CREEK 2015 HOUSES					
Bond Principal		-	-	(23,524)	
TOTAL	-	23,524	-	(23,524)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2017

	<u>MONTH ENDED</u> <u>August-17</u>	<u>2016-2017</u> <u>YEAR TO DATE</u>	<u>2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
NORTHWEST COMMONS					
Bond Principal	-	138,080	-	(138,080)	
TOTAL	-	138,080		(138,080)	
HABITAT - 8TH & SUPERIOR					
Bond Principal	-	2,296	-	(2,296)	
TOTAL	-	2,296		(2,296)	
KAUFMAN BUILDING					
Bond Principal	-	888	-	(888)	
TOTAL	-	888		(888)	
FUTURE TIF'S					
Bond Principal	-	-	900,000	900,000	0.00%
TOTAL	-	-	900,000	900,000	0.00%
TOTAL EXPENSES	69,243	1,238,870	3,537,498	2,302,829	35.02%

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CITY OF GRAND ISLAND
BALANCE SHEET FOR 2017 11

P 1
gibalsht

FUND: 900 COMMUNITY REDEVELOPMENT AUTHOR			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
900	11110	OPERATING CASH	29,416.17	1,034,073.14
900	11120	COUNTY TREASURER CASH	.00	114,460.48
900	11305	PROPERTY TAXES RECEIVABLE	.00	80,176.00
900	14100	NOTES RECEIVABLE	.00	365,077.58
900	14700	LAND	.00	575,369.33
TOTAL ASSETS			29,416.17	2,169,156.53
LIABILITIES				
900	22100	LONG TERM DEBT	.00	-281,669.00
900	22200	ACCOUNTS PAYABLE	.00	-2,500.00
900	22400	OTHER LONG TERM DEBT	.00	-1,280,000.00
900	22900	ACCRUED INTEREST PAYABLE	.00	-6,289.06
900	25100	ACCOUNTS PAYABLE	.00	-2,587.06
900	25315	DEFERRED REVENUE-PROPERTY TAX	.00	-5,914.00
900	25316	DEFERRED REVENUE-YR END ADJ	.00	67,933.18
TOTAL LIABILITIES			.00	-1,511,025.94
FUND BALANCE				
900	39107	BUDGETARY FUND BAL - UNRESERVD	.00	552,787.93
900	39110	INVESTMENT IN FIXED ASSETS	.00	-575,369.33
900	39112	FUND BALANCE-BONDS	.00	1,250,994.94
900	39120	UNRESTRICTED FUND BALANCE	.00	-1,143,501.54
900	39130	ESTIMATED REVENUES	.00	2,984,710.07
900	39140	ESTIMATED EXPENSES	.00	-3,537,498.00
900	39500	REVENUE CONTROL	-98,659.63	-1,429,124.62
900	39600	EXPENDITURE CONTROL	69,243.46	1,238,869.96
TOTAL FUND BALANCE			-29,416.17	-658,130.59
TOTAL LIABILITIES + FUND BALANCE			-29,416.17	-2,169,156.53

** END OF REPORT - Generated by Brian Schultz **



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item D1

Bills

Staff Contact: Chad Nabity

Sept. 20, 2017

TO: Community Redevelopment Authority Board Members

FROM: Chad Naby, Planning Department Director

RE: Bills Submitted for Payment

The following bills have been submitted to the Community Redevelopment Authority Treasurer for preparation of payment.

City of Grand Island	Administration fees July	\$ 3,255.19
	Administration fees August	\$ 3,255.64
Grand Island Independent	legal notices	\$ 17.49
Computer Concepts	Printer repair	\$ 204.95
Lawnscape	South Locust lot	\$ 325.00
	408 E. 2nd	\$ 76.00
	408 E. 2nd - May	\$ 114.00
Façade grant payout	Bosselman corporate	\$300,000
TIF Pass Throughs	Kaufmann Building	\$ 818.11
	Habitat-8th Street	\$ 2,116.37
	Northwest Commons	\$ 1,288.69
	Copper Creek Phase 3	\$ 16,646.64
	Copper Creek Phase 2	\$ 104,371.47
	Copper Creek	\$ 29,541.04
	Tower 217	\$ 284.43
	Wenn Housing-Huston Street	\$ 2,074.12
	EIG	\$ 34,044.31
	Habitat	\$ 1,971.60
	Chief-Aurora Coop	\$ 17,352.38
	Stratford Plaza	\$ 15,809.23
	Baker Development	\$ 1,661.25
	Gordman	\$ 25,520.61
	Token Properties-Ruby	\$ 1,410.24
	Ken-Ray	\$ 21,723.95
	Pharmacy Properties	\$ 5,668.28
	Enck-Darr Street	\$ 3,084.23
	South Pointe Hotel	\$ 40,116.58
	Casey's-Five Points	\$ 6,736.00
	Poplar Street water line	\$ 4,563.51
	Southeast Crossing	\$ 1,525.45
	Geddes Street	\$ 13,369.13
Total:		<u>\$ 658,945.89</u>



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item E1

Committed Projects

Staff Contact: Chad Nabity

COMMITTED PROJECTS	REMAINING GRANT AMOUNT	2017 FISCAL YR	2018 FISCAL YR	2019 FISCAL YR	ESTIMATED COMP
Auto America-3036 S. Locust (4-12-17)	\$ 80,000.00	\$ -	\$ 80,000.00		2018
Bosselman Real Estate 2603 S. Locust (6-10-15)	\$ -				Paid 9/20/17
Federation of Labor - Ziller Residential Grant (10/12/16)	\$ 60,000.00	\$ -	\$ 60,000.00		2018
Federation of Labor - Ziller Facade Grant (10/12/16)	\$ 53,200.00	\$ -	\$ 53,200.00		2018
Othy's Place - 724 W. 3rd - Lindell (10/12/16)	\$ 26,961.00	\$ -	\$ 26,961.00		2017 sign, 2018 façade \$34,899.18 paid March 15, 2017
South Locust/Fonner Park BID (7/13/16)	\$ 30,000.00	\$ -	\$ 30,000.00		2018
Wing Properties - 110-114 E 3rd St (9/9/15)	\$ 167,016.00	\$ -	\$ 167,016.00		2018
Total Committed	\$ 337,177.00	\$ -	\$ 337,177.00	\$ -	
FIRE & LIFE SAFETY GRANT	TOTAL AMOUNT	2017 FISCAL YR	2018 FISCAL YR	2019 FISCAL YR	ESTIMATED COMP
201-203 W. 3rd St. Anson (8/24/16)	\$ 240,000.00		\$ 240,000.00		2018
Federation of Labor - Tom Ziller (5/13/15)	\$ 115,000.00	\$ -	\$ 115,000.00		2018
Peaceful Root - 112 W. 2nd St. (1/11/17)	\$ 50,000.00		\$ 50,000.00		2018 - Q1
Total Committed F&L Safety Grant	\$ 405,000.00	\$ -	\$ 405,000.00	\$ -	

Life Safety - Budget \$ Remaining	\$	265,000.00	
Façade - Budget \$ Remaining	\$	199,000.00	
Other Projects - Budget \$ Remaining	\$	684,844.97	
Land - Budget \$ Remaining	\$	46,202.50	
Land Sales - Budget \$ Remaining		(\$250,000.00)	
subtotal	\$	945,047.47	\$ -
Less committed		\$0.00	(\$742,177.00)
Balance remaining	\$	945,047.47	\$ (742,177.00)

CRA PROPERTIES

Address	Purchase Price	Purchase Date	Demo Cost	Status
408 E 2 nd St	\$4,869	11/11/2005	\$7,500	Surplus
3235 S Locust	\$450,000	4/2/2010	\$39,764	Surplus
604-612 W 3rd	\$80,000	6/10/2015		Surplus

August 31, 2017

2017 BUDGET AVAILABLE TO COMMIT

EXPENSES	2017 AVAILABLE TO COMMIT	COMMITTED	AVAILABLE TO COMMIT
Life Safety	\$ 265,000.00		\$ 265,000.00
Façade	\$ 200,000.00	\$ 245,394.18	\$ (45,394.18)
Building Improvements	\$ 835,148.00		\$ 835,148.00
Other Projects	\$ 50,000.00	\$ (90,000.00)	\$ 140,000.00
Land	\$ 50,000.00	\$ -	\$ 50,000.00
	\$ 1,400,148.00	\$ 155,394.18	\$ 1,244,753.82



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item G1

Habitat Demolition Grant request

Staff Contact: Chad Nabity



August, 30, 2017

Community Redevelopment Authority
c/o Chad Naby
100 E. 1st Street
Grand Island, NE 68801

Dear CRA:

We will be bidding on a property at 1812 W. 11th Ave. that requires removal of deteriorated structures to make way for new construction. Per a conversation with Chad Naby, the property is in a designated blighted area.

Demolition of a house and small sheds will need to take place so we can build. Due to this expense, we are requesting a reimbursement grant to cover demo and clean up costs.

Anticipated costs, based on previous projects:

Asbestos Inspection— \$2,000
Asbestos Abatement— \$4,000
Demolition and clean-up—\$8,000

The anticipated total is up to \$14,000. Because there is more than one building and the space is narrow for equipment, we are estimating on the higher end. There would be no assistance from the Fire Department with a controlled burn due to the proximity to neighboring structures.

The auction on the property is September 20. We apologize for the short notice, but just found out about this opportunity.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Dana L. Jelinek".

Dana L. Jelinek
Executive Director

We build strength, stability and self-reliance through shelter.

502 W. 2nd St., PO Box 1001, Grand Island, NE 68802 • 308-385-5510 • www.gihabitat.org

The Garney Team at Work



Project Site Before and After

Habitat bought a problem property, then demolished the existing structures to make way for a new home. The home was purchased by the Mora family through a Habitat home loan.





Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item I1

Husker Harvest Days - Redevelopment Plan

Staff Contact: Chad Nabity

Husker Harvest Days Redevelopment Project July 2017

Farm Progress Companies, Inc. (“Farm Progress”) and the City of Grand Island, Nebraska (the “City”) intend to complete a transaction relating to the *Husker Harvest Days* show (the “Show”).

Executive Summary:

Husker Harvest Days, the World’s Largest Totally Irrigated Working Farm Show, is celebrating its 40th year in Grand Island, Nebraska. The Show features over 600 exhibitors demonstrating the latest technology, equipment, and supplies for today’s agricultural producers. The Show draws visitors from over 30 states and several countries.

The long-time partnership between Farm Progress and the City has been enormously beneficial to Central Nebraska in many ways. Aside from the national and global acclaim of the event, the Show injects millions of dollars into the local economy via support of local retail and personal property tax base. During the span of 12 days, hotels, restaurants, and retail outlets throughout the region are busy. Temporary laborers are hired, and vendors purchase internet, landscaping, rental equipment, fuel and other services.

Farm Progress, in cooperation with the Agricultural Institute of Nebraska, also makes substantial contributions to local philanthropies. This support includes college scholarships for students pursuing agricultural careers, contributions to the Hall County Agricultural Society, the Heartland Events Center, the Nebraska State Fair, livestock auctions at county fairs, and local law enforcement and emergency response groups. Nonprofit groups such as Central Catholic High School and the Wood River Booster Club host concession fundraisers at the Show. In 2015, Heartland United Way’s food drive at the Show garnered more than 8,700 pounds of food.

Through this Redevelopment Project, the City and Farm Progress seek to deepen their local partnership by investing in critical capital improvements to the Show. These improvements will help preserve a valuable and constructive agricultural asset and ensure its continued prosperity for many years to come.

Project Description

This Redevelopment Project is intended to advance the long-standing partnership between Farm Progress and the City by installing and updating critical infrastructure on the property where the Show is held, (“Show Land”) as more specifically defined below. These updates and improvements will enhance the overall experience for guests of the Show and is part of a strategic plan to evolve the Show to attract national and international guests and vendors.

The City has approved a study regarding whether the Show Land is located within a blighted or substandard area (the "Blight Study"). This Redevelopment Project contemplates the Show Land is located within a blighted or substandard area, thereby enabling the City to undertake a redevelopment project pursuant to Neb. Rev. Stat. §18-2123.01. In addition, Farm Progress has formed a Sanitary Improvement District for the Show Land, in furtherance of this Redevelopment Project.

Funding sources for the improvements identified in this Redevelopment Project will come from the three following sources.

1. The City shall contribute \$2,000,000 for use by Farm Progress toward capital improvements on the Show Land consistent with the Redevelopment Project (the "City Contribution"). These funds will be generated by the City's food and beverage tax and held by the Community Redevelopment Authority of the City of Grand Island ("CRA") pending completion of the capital improvements. The City is providing these funds to the CRA pursuant to Neb. Rev. Stat. §18-2138.
2. The City and Farm Progress will secure from the Grand Island Convention Visitor's Bureau ("CVB") and the Chamber of Commerce ("Chamber") \$1,000,000 for use by Farm Progress toward certain capital improvements on the Show Land consistent with the Redevelopment Project (the "CVB/Chamber Contribution"). A portion of this funding has already been secured and utilized for capital improvements on the Show Land. The City will ensure the remaining CVB/Chamber Contribution is secured on or before final City Council approval of the Redevelopment Project.
3. In addition, the City, Farm Progress, Chamber will work together to secure from private industry constituents and non-profits \$2,000,000 for use by Farm Progress toward certain capital improvements on the Show Land consistent with the Redevelopment Project ("Private Industry Contribution"). If the entire Private Industry Contribution is not secured at the time of approval of this Redevelopment Project, Farm Progress will be required to proceed with making capital improvements to the Show Land consistent with this Redevelopment Project notwithstanding the absence of such Private Industry Contribution; provided that, as and when any amounts compromising the Private Industry Contribution are secured, such amounts shall be paid directly to Farm Progress.
4. Farm Progress shall contribute at least \$2,000,000 for use toward certain capital improvements on the Show Land as determined by Farm Progress in its sole discretion (the "Farm Progress Contribution").

Farm Progress will retain ownership of the Show Land and has created a Sanitary and Improvement District to make the Show Land eligible for the Redevelopment Project. The Redevelopment Project will primarily include projects associated with electrical distribution, drainage and paving. This will consist of establishing an underground primary system, removing power poles, replacing power pedestals, establishing power feeds between transformers and pedestals, establishing surface and subsurface drainage,

paving, fencing, and any exterior improvements as more specifically detailed in Exhibit A, which are anticipated to cost at least \$7 million in the aggregate to implement. Third-party vendors whose services shall be required to make capital improvements to the Show Land shall be selected and managed by Farm Progress.

Upon approval of this Redevelopment Project and receipt of the CVB/Chamber Contribution, Farm Progress shall begin making capital improvements to the Show Land consistent with this Redevelopment Project. The CRA will use the City Contribution to reimburse Farm Progress for up to \$2,000,000 of such capital improvements and related expenses incurred by Farm Progress (including with respect to architects, engineers, general contractors, consultants and accounting, legal and other professional advisors). Farm Progress will submit documentation evidencing such capital improvements and/or related expenses for which Farm Progress desires reimbursement to the CRA. The CRA shall then reimburse Farm Progress for such capital improvements and/or related expenses as and when incurred by Farm Progress up to the amount of the City Contribution. Farm Progress will have no obligation to make any capital improvements or incur any related expenses beyond the first \$7,000,000 except as otherwise determined by Farm Progress in its sole discretion.

In exchange for the City Contribution, Farm Progress agrees to host the Show for at least twenty years. If Farm Progress fails to host the Show, Farm Progress agrees to pay the City a penalty equal to \$100,000 per year for each year prior to 2037 that Farm Progress does not host the Show for any reason other than due to inclement weather or any force majeure cause.

REDEVELOPMENT PROJECT SHALL BE LIMITED TO THE FOLLOWING GEOGRAPHIC AREA:

Property Description (the “Redevelopment Project Area”)

A tract of land comprising the west half of the Southwest Quarter (SW $\frac{1}{4}$) of Section Twenty Five (25), Township Eleven (11) North, Range Eleven (11) West of the 6th P.M. and all of the Southeast Quarter (SE $\frac{1}{4}$) of Section Twenty Six (26), Township Eleven (11) North, Range Eleven (11) West of the 6th P.M., all being in Hall County, Nebraska and depicted in the following aerial map:

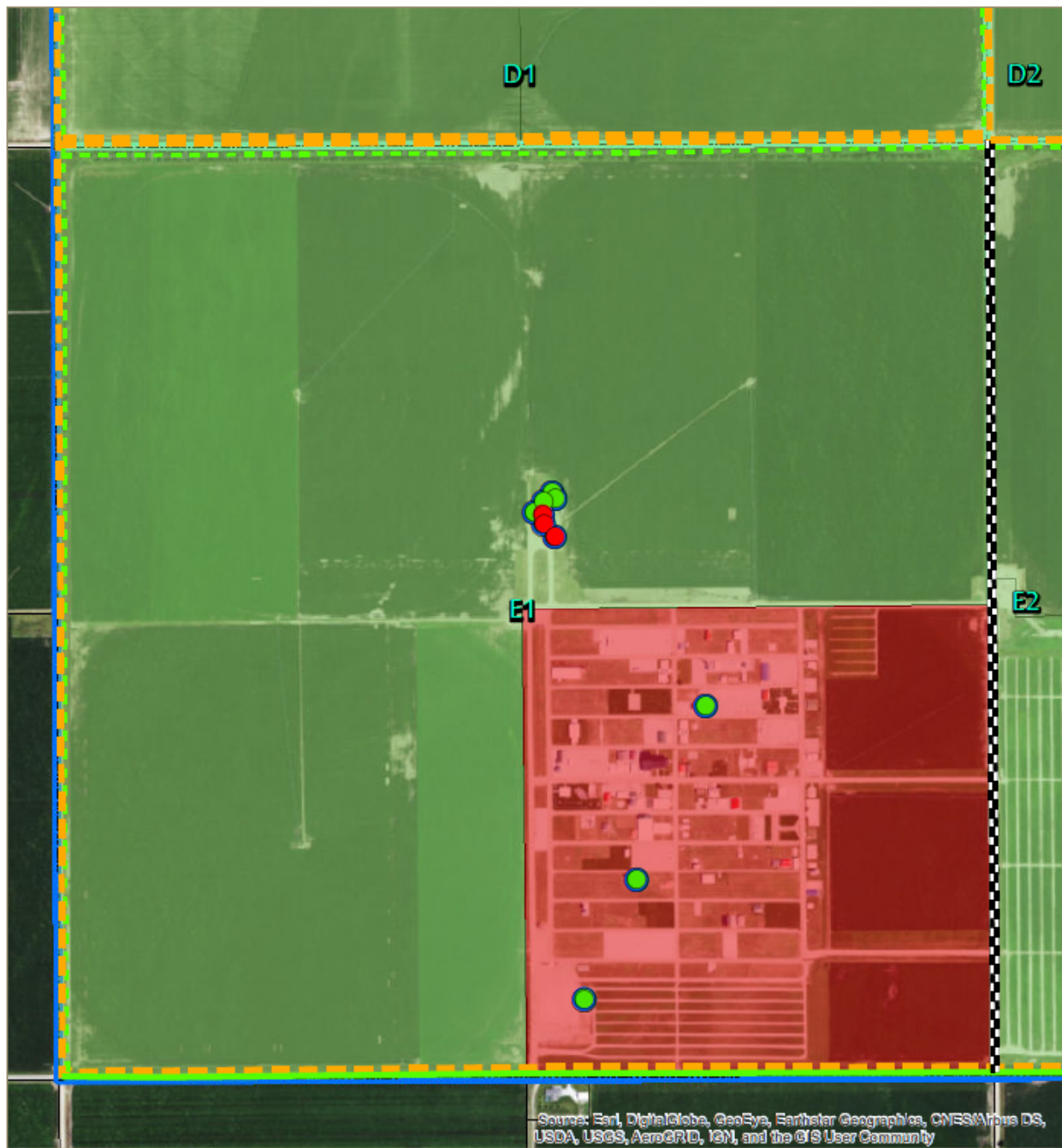


Aerial Map



The Aerial Map was taken from the Hall County GIS Mapping Application provided by the Hall County Assessor's online database. All outlining and labeling was added by the analyst for illustration purposes only and is not considered to be at scale. The subject property is outlined in red.

Existing Land Use Map



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

CAAP - SECTION E1

CITY OF GRAND ISLAND
HALL COUNTY, NEBRASKA

<ul style="list-style-type: none"> Previously Studied Areas CAAP Eight Study Limits CAAP Index Mapping Sections Hall County Parcels 	<ul style="list-style-type: none"> ● Less Than 40 Years Old - 44 Structures ● 40+ Years Old - 158 Structures ● Good - 46 Structures ● Deteriorated/Dilapidated - 156 Structures 	<table border="0"> <tr> <th style="text-align: left;">Existing Land Use</th> <th style="text-align: left;">Road Conditions</th> <th style="text-align: left;">Drainage Features</th> </tr> <tr> <td>■ Agricultural</td> <td>■ Good (Paved) - 37,111 Linear Feet</td> <td>■ Drainage Ditch</td> </tr> <tr> <td>■ Commercial</td> <td>■ Fair (Paved) - 34,565 Linear Feet</td> <td>■ Rural Section Ditches</td> </tr> <tr> <td>■ Industrial</td> <td>■ Gravel Road - 104,648 Linear Feet</td> <td></td> </tr> <tr> <td>■ Parks & Rec</td> <td>■ Closed - 23,459 Linear Feet</td> <td></td> </tr> <tr> <td>■ Public</td> <td></td> <td></td> </tr> </table>	Existing Land Use	Road Conditions	Drainage Features	■ Agricultural	■ Good (Paved) - 37,111 Linear Feet	■ Drainage Ditch	■ Commercial	■ Fair (Paved) - 34,565 Linear Feet	■ Rural Section Ditches	■ Industrial	■ Gravel Road - 104,648 Linear Feet		■ Parks & Rec	■ Closed - 23,459 Linear Feet		■ Public			<p style="margin: 0;">DATA SOURCES: BASE DATA PROVIDED BY HALL COUNTY AERIAL IMAGERY PROVIDED BY ESRI</p> <div style="display: flex; align-items: center; justify-content: center;"> <div style="text-align: center;"> <p>0 100 200 400 Feet</p> </div> <div style="margin-left: 20px;"> <p style="font-size: x-small; margin: 0;">MPC MARSH PLANNING CONSULTANTS SINCE 1978</p> </div> <div style="margin-left: 20px;"> <p style="font-size: x-small; margin: 0;">MSA MUNICIPAL SERVICES ASSOCIATION SINCE 1968</p> </div> </div>
Existing Land Use	Road Conditions	Drainage Features																			
■ Agricultural	■ Good (Paved) - 37,111 Linear Feet	■ Drainage Ditch																			
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■ Industrial	■ Gravel Road - 104,648 Linear Feet																				
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■ Public																					

Prepared by: cjanson, File: C:\CAAP GIS\MAPS\CAAP Section E1.mxd

Print Date: 11:37:27 PM 6/23/2017

THE REDEVELOPMENT PROJECT COMPLIES WITH THE ACT:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan Amendment meets the statutory qualifications as set forth below.

1. The City Can Undertake this Redevelopment Project on real property located outside the corporate limits of the City for the following reasons: [Neb. Rev. Stat. §18-2123.01]:

- (a) The real property located outside the corporate limits of the city is a formerly used defense site;

The Show Land is located outside the corporate limits of the City and is a formerly used defense site;

- (b) The formerly used defense site is located within the same county as the city approving such redevelopment project;

The Show Land and the City are both located in Hall County;

- (c) The formerly used defense site is located within a sanitary and improvement district;

Farm Progress has created SID Number 3, which was approved by the District Court on July 19, 2017;

- (d) The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future; and

Ordinance #9645 stating the intent of the City to annex the Cornhusker Army Ammunition Plant property in whole or part as it becomes eligible for annexation was adopted by the Grand Island City Council on August 22, 2017;

- (e) The redevelopment project has been consented to by any city exercising extraterritorial jurisdiction over the formerly used defense site.

No city is exercising extraterritorial jurisdiction over the Show Land.

2. Redevelopment Project Area 25 was declared to be declared blighted and substandard by action of the Grand Island City Council.[§18-2109] with the passage of Resolution #2017-206 on July 25, 2017. Such declaration was made after a public hearing in full compliance with the public notice requirements of §18-2115 of the Act.

The City has approved the Blight Study to include the Show Land, thereby enabling the City to undertake a redevelopment project pursuant to Neb. Rev. Stat. §18-2123.01.

3. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]

Grand Island adopted a Comprehensive Plan on July 13, 2004. Hall County adopted a Comprehensive Plan on April 20, 2004. This Redevelopment Project is consistent with the Comprehensive Plans of both Grand Island and Hall County, in that no changes in the Comprehensive Plan elements are intended and will only impact property located outside of the City's corporate limits. The plan is also consistent with the Cornhusker Army Ammunition Reuse Plan as prepared for the Army Corps of Engineers by RKG Associates, Inc and Black & Veatch in 1997.

4. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]

(a) Land Acquisition:

The Redevelopment Plan does not provide for real property acquisition.

(b) Demolition and Removal of Structures:

The projects to be implemented with this Redevelopment Plan do not provide directly for the demolition of structures. Some internal or other incidental demolition may be necessary for redevelopment but the primary purpose of this plan is to install and update improvements to the Show Land.

(c) Future Land Use Plan:

The Show Land is intended to be used for the Show. The Show Land is located outside of the corporate limits of the City and is intended to have no impact on the 2004 Grand Island Comprehensive Plan. The Hall County Comprehensive Plan has this property designated for special events and agriculture per the CAAP Reuse Plan. The Show is consistent with both plans. [§18-2103(b) and §18-2111].

(d) Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes:

As the Show Land is located outside of the City's corporate limits, no zoning changes are anticipated with this project. The Show Land is with the Hall County Zoning jurisdiction and zoned AG-SE Special Agriculture/Events zone. No changes are anticipated in street layouts or grades. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

(e) Site Coverage and Intensity of Use:

The Show Land is zoned AG-SE Special Agriculture/Events zone and can accommodate the improvements contemplated as part of this Redevelopment Project. [§18-2103(b) and §18-2111]

(f) Additional Public Facilities or Utilities:

Electrical, sewer, and water are available to support the Show Land. Sewer and water are provided privately. Potable water at the site is provided through dedicated service wells on site which are tested annually before the event and have been, in all prior years, found to be safe. The Redevelopment Project will include projects associated with electrical distribution, drainage and paving. No City utilities will be impacted by the Redevelopment Project. [§18-2103(b) and §18-2111]

5. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. [§18-2103.02].

This Redevelopment Plan will not require the displacement of individuals or families.

6. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106]

The Show Land is wholly owned by Farm Progress. No members of the CRA of the City hold an interest in property within the Redevelopment Project Area.

7. Section 18-2114 of the Act requires that the Authority consider:

(a) Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

Outside of the City Contribution, CVB/Chamber Contribution, and any Private Industry Contribution, Farm Progress will provide and secure all necessary financing.

(b) Statement of proposed method of financing the Redevelopment Project.

Outside of the City Contribution, CVB/Chamber Contribution, and any Private Industry Contribution, Farm Progress will provide all necessary

financing for the project. Farm Progress will submit documentation evidencing expenditures for improvements outlined in Exhibit A for which Farm Progress desires reimbursement to the CRA. The CRA shall then reimburse Farm Progress for such expenditures as and when incurred by Farm Progress up to the amount of the City Contribution.

- (c) Statement of feasible method of relocating displaced families. No families will be displaced as a result of this Redevelopment Plan.

8. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 insanitary or unsafe dwelling accommodations or conditions of blight.

The CRA has considered these elements in proposing this Redevelopment Plan. This Redevelopment Plan will have no impact negative on the Comprehensive Plans for either the City of Grand Island or Hall County. The improvements contemplated under this Redevelopment Plan will raise property values and provide a stimulus to keep surrounding properties properly maintained and support additional commercial development. This will have the intended result of preventing recurring elements of blighting conditions.

9. Time Frame for Development

This Redevelopment Plan is to be following the 2017 Show and will continue until all improvements are accomplished, which is currently anticipated to be in 2018, and in any event before the end of 2019. The effectiveness of this Redevelopment Project will be evaluated in November of each year beginning in November of 2017. It is anticipated that this Redevelopment Plan and the money appropriated to support the Redevelopment Plan will result in increased property values and economic stimulus to the City beginning in 2017 and continuing thereafter for decades to come.

10. Justification of Project

One of the keys to this Redevelopment Plan is to enhance the Show and the benefits of the retail and personal services associated with the Show. We expect the Redevelopment Project's improvements to support the entire community, but particularly the retail, dining, hospitality, and entertainment industries. This Redevelopment Project does not propose to tear down any buildings with historic value.

11. Cost Benefit Analysis

This Redevelopment Plan does not permit the use of TIF. Any project using TIF will need to be approved with a separate plan amendment that will include a cost benefit analysis.

- (a) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this Redevelopment Project. The electric utility has sufficient capacity to support this Redevelopment Project. It is not anticipated that this Redevelopment Project will impact schools. Fire and police protection are available and should not be impacted by this Redevelopment Project.

- (b) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

The Show injects millions of dollars into the local economy via support of local retail and personal property tax base. During the span of 12 days, hotels, restaurants, and retail outlets throughout the region are busy. Temporary laborers are hired, and vendors purchase internet, landscaping, rental equipment, fuel and other services. Farm Progress also supports local philanthropies, and contributes to local law enforcement and emergency response groups.

- (c) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

- (d) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This Redevelopment Project will serve as an economic boost for numerous industries in the Grand Island area. This Redevelopment Project will increase Grand Island's ability to compete for talented individuals.

Time Frame for Development

It is anticipated that all improvements associated with this Redevelopment Project will commence on or shortly after approval of the Redevelopment Project by the City and

the CRA and be completed by the end of 2018, and in any event before the end of 2019.

Husker Harvest Days

Item Description	Quantity	Units
PAVING & EXCAVATION		
Excavation	75,000	CY
7" TH. Concrete Pavement	71,180	SY
7" TH. Crushed Concrete	6,750	TONS
WATER SERVICE		
1" HDPE Water Pipe	935	LF
2" HDPE Water Pipe	775	LF
4" PVC Water Pipe	3,365	LF
6" PVC Water Pipe	2,765	LF
5 1/4" Pumper Hydrant, M.J.	3	EA
Muller 3/4" Yard Hydrant	18	EA
6" Gate Valve, M.J.	6	EA
STORM SEWER		
12" HDPE Storm Sewer	4,550	LF
15" HDPE Storm Sewer	5,650	LF
18" HDPE Storm Sewer	6,120	LF
18" RCP Storm Sewer	1,000	LF
21" RCP Storm Sewer	215	LF
24" RCP Storm Sewer	560	LF
48" RCP Storm Sewer	380	LF
18" RCP Flared End Section	8	EA
21" RCP Flared End Section	2	EA
24" RCP Flared End Section	4	EA
48" RCP Flared End Section	6	EA
21" X 45 deg. Bend	1	EA
24" X 60 deg. Bend	1	EA
2' X 2' Inlets	77	EA
Trench Backfill	2,500	CY
SECURITY FENCING		
Fence (6' Chain Link, Posts @ 10' CL)	7,215	LF
2 X 16' Swinging Gates w/ Locking Mech.	1	EA
2 X 17' Swinging Gates w/ Locking Mech.	3	EA

2 X 18' Swinging Gates w/ Locking Mech.	1	EA
2 X 30' Swinging Gates W/ Wheel & Locking Mech.	1	EA
1 X 10' Swinging Gates w/ Locking Mech.	2	EA
2 X 16' Sliding Gates w/ Locking Mech.	1	EA
2 X 17' Sliding Gates w/ Locking Mech.	1	EA
Stop Bar	9	EA

ELECTRICAL

15KV Medium Voltage Switch	1	EA
15KV Medium Voltage Distribution Cable	7,180	LF
4" Conduit for 15KV Cable	7,180	LF
600V USE Direct Bury Cable	25,944	LF
Transformer Vaults	32	EA
600V Transformers	32	EA
600V Disconnects	30	EA
600V Distribution Panels	17	EA
600V Power Pedestals	116	EA

25 currently purchased, 7 needs to be purchased, 32 installed

25 currently purchased, 7 needs to be purchased, 32 installed

5 extra for future needs

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

RESOLUTION NO. 244

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
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"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, 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 attached to this Resolution, 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 20th day of September, 2017

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

By _____
Chairperson

ATTEST:

Secretary

Husker Harvest Days – Farm Progress Companies, Inc.

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

RESOLUTION NO. 245

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT CONTRACT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received a proposed redevelopment plan under the Nebraska Community Development Law (the "Act") on a project within Redevelopment Area 25, from Farm Progress Companies, Inc. for Husker Harvest Days, (The "Developer") for redevelopment of an area at a formerly used defense site within Hall County, as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use public funds on a project within Redevelopment Area 25;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. In compliance with section 18-2114 of the Act, the Authority hereby gives the governing body of the City notice that it intends to enter into the Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, after approval of the redevelopment plan amendment related to the redevelopment project described in the Redevelopment Contract, and after the passage of 30 days from the date hereof.

Section 2. The Secretary of the Authority is directed to file a copy of this resolution with the City Clerk of the City of Grand Island, forthwith.

Passed and approved this 20th day of September, 2017

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

By _____
Chairperson

ATTEST:

Secretary

Husker Harvest Days – Farm Progress Companies, Inc.



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item I2

O'Neill Wood Resources

Staff Contact: Chad Nabity



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

O'Neill Wood Resources, LLC.

Address:

PO Box 2202 Grand Island, NE 68802

Telephone No.: 308-384-1690 Fax No.: 308-381-1697

Contact:

Patrick O'Neill

Brief Description of Applicant's

Business: We currently provide wood recycling, composting and wood products manufacturing. With the project we will expand those operation and add construction and demolition debris landfill. We would also add a construction and demolition debris recycling center.

Present Ownership Proposed Project Site: The proposed land is currently owned by
CAIP, LLC 123 N Locust Street Suite 201B Grand Island, NE

Proposed Project: Building square footage, size of property, description of
buildings – materials, etc. Please attach site plan, if
available.

The project will include three parts. The first is a new 15,000 square foot recycling center
to be built on the land. This recycling center will process Construction and Demolition (C&D)
waste into marketable products and will employ 6-10 people. The second part is construction
of a new NDEQ permitted C&D landfill to enable on-site disposal of C&D wastes (no trash).
The third part of the project is an expansion of our composting and wood recycling operations
which will add another 3-4 employees.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land \$ 312,000.00

B. Building \$ 108,000.00

Construction Costs:

A. Renovation or Building Costs: \$ 1,375,000.00

Construct new 12,000 SF recycling center and install equipment

B. On-Site Improvements: \$ 615,000.00

Roads, landfill cell, earthwork, new water lines, repair industrial water well

*Equipment costs of \$2,250,000.00 over 5 years have not been included in these numbers.

E. Tax Increment Assistance: \$ 209,000.00

F. Other \$ 210,000.00

LB 840 Funds from GIAEDC

Name, Address, Phone & Fax Numbers of Architect, Engineer and General Contractor:

Engineer is: Olsen and Associates 701 4th Avenue #2C Holdrege, NE 68949

Phone 308-995-8706 Attn: Jess Hulbert

General Contractor is: To Be Determined

Estimated Real Estate Taxes on Project Site Upon Completion of Project:

(Please Show Calculations)

Current value on land is approximately \$199,650.00 paying taxes of \$2,952.00

Value of new building is estimated by Assessor's office to be \$941,343 and will
pay taxes of \$13,919.04 for a total tax bill of \$16,871.00

Project Construction Schedule:

Construction Start Date:

September 1, 2017

Construction Completion Date:

December 31, 2019

If Phased Project:

2018 Year 50 %

Complete

2019 Year 50 %

Complete

XII. Please Attach Construction Pro Forma

XIII. Please Attach Annual Income & Expense Pro Forma
(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

Describe Amount and Purpose for Which Tax Increment Financing is Requested:

The \$209,000 in TIF will be used for property acquisition.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing
for Proposed Project: _____

This project would not be feasible without Tax Increment Financing. The \$208,000
in TIF will help to bridge the gap between our financial abilities and the financing
required to begin the project.

Municipal and Corporate References (if applicable). Please identify all other
Municipalities, and other Corporations the Applicant has been involved with, or

has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

The applicant has been a business owner in Grand Island for 20 years. Our current facility was purchased from the Grand Island Area Economic Development Corporation in 2009. We have completed over \$1,000,000 in remodeling and are constantly expanding.

IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years.

Post Office Box 1968
Grand Island, Nebraska 68802-1968
Phone: 308 385-5240
Fax: 308 385-5423
Email: cnabity@grand-island.com

O'Neill North Plant Project 3-Year P&L Proforma

	2018	2019	2020
Income			
Recycling / Landfill Tip Fees	\$200,000	\$245,000	\$300,000
Recyclable material Sales	\$50,000	\$120,000	\$160,000
Compost Sales	\$20,000	\$25,000	\$60,000
Gross Income	\$270,000	\$390,000	\$520,000
 Expenses			
Salary (incl. OH and payroll costs)	\$60,000	\$120,000	\$200,000
Equipment Lease	\$20,000	\$40,000	\$60,000
Utilities	\$5,000	\$5,000	\$15,000
State and local taxes	\$10,000	\$10,000	\$20,000
training costs	\$30,000	\$20,000	\$20,000
Insurance	\$10,000	\$10,000	\$20,000
Construction Loan payments	\$36,000	\$55,000	\$130,000
Advertising	\$3,000	\$6,000	\$6,000
Professional Fees	\$3,000	\$3,000	\$3,000
Repairs and Maintenance	\$5,000	\$5,000	\$10,000
Construction Contingency	\$50,000	\$50,000	\$0
Total Expenses	\$232,000	\$324,000	\$484,000
Net Profit (before Taxes)	\$38,000	\$66,000	\$36,000

O'Neill Companies North Plant Project

Purchase, planning, and studies

Engineering Study by OA	\$25,000
Legal services for DEQ application	\$2,000
Purchase Agreement with EDC	\$10,000
Blight Study by MPC	\$3,500
Legal Services for blight study	\$3,000

Tax Increment financing costs

Legal services for meetings	\$4,000
Filing Fees	\$2,400
Misc.	\$2,000

Landfill Design and Permitting Costs

Landfill filing fees for state and local	\$5,500
Legal Services for permitting process	\$25,000
Engineering services during permitting process	\$4,500
Landfill construction plans	\$20,000
Construction oversight	\$30,000
Purchase of property	\$405,000

Construction Costs

Landfill earthwork	\$300,000
build access roads	\$100,000
remove old utilities	\$25,000
Site fencing	\$50,000
Repair and upgrade industrial well	\$100,000
New water lines	\$10,000

Earthwork for Building Pad	\$45,000
Electrical and utilities	\$10,000
Construct New Building	\$1,250,000
Install C& D Equipment	\$75,000

Equipment Purchases

C&D Recycling Equipment	\$450,000
New mobile Wood Grinder (date not firm)	\$750,000
Landfill Compactor	\$200,000
Excavator	\$200,000
Wheel Loader	\$200,000
Misc Equipment	\$150,000
Compost Equipment	\$150,000
Dozer	\$150,000

Grand Total **\$4,756,900**

Costs By Scope

Planning, engineering, legal	\$106,900
Land Purchase	\$405,000
Earthwork and Utilities (self Performed)	\$615,000
Construction of building	\$1,380,000
Equipment Purchases	\$2,250,000
total	\$4,756,900

Capital Sources

Tax Increment Financing (NET)	\$200,000
GIEDC LB 850	\$210,000
Cash from landfill and OTE / OWR	\$1,400,000
NDEQ Waste Grants	\$600,000
Loans	\$2,346,900

**Site Specific Redevelopment Plan
Grand Island CRA Area 20 (CAAP)
May 2017**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 20 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area 20.

Executive Summary:

Project Description

THE REDEVELOPMENT OF THE PROPERTY (58 ACRES LOCATED IN PART OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION EIGHTEEN (18), TOWNSHIP ELEVEN (11) NORTH, RANGE TEN (10) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA) NORTH OF THE CURRENT O’NEILL WOOD RESOURCES FACILITY 7100 W. OLD POTASH HIGHWAY (NORTHWEST CORNER OF ALDA ROAD AND OLD POTASH HIGHWAY) FOR INDUSTRIAL USES, INCLUDING A CONSTRUCTION AND DEMOLITION LANDFILL.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the property located at 7100 W. Old Potash Highway. The proposed plans would include the development of a construction and demolition landfill and all associated buildings. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The use of this property of industrial non-residential uses is consistent with the Cornhusker Army Ammunition Plant (CAAP) reuse plan as approved and adopted by the CAAP Reuse Committee and the Hall County Board of Supervisors. This project would not be feasible without the use of TIF.

O’Neill Wood Resources owns a portion of the property and has a contract to purchase additional property contingent on the approval of Tax Increment Financing. O’Neill Wood Resources has been located on the balance of this property since 2009. The purchase price the additional property is a TIF eligible activity. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with this project. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15-year period beginning January 1, 2019 towards the allowable costs and associated financing for the acquisition and site work.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:
Property Description (the “Redevelopment Project Area”)

LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN PART OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION EIGHTEEN (18), TOWNSHIP ELEVEN (11) NORTH, RANGE TEN (10) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 18; THENCE ON AN ASSUMED BEARING OF N01°18'49"W, ALONG THE EAST LINE OF SAID E1/2 OF SECTION 18, A DISTANCE OF 591.59 FEET; THENCE S88°41'11"W A DISTANCE OF 4.22 FEET TO THE POINT OF BEGINNING; THENCE S89°02'09"W A DISTANCE OF 2510.04 FEET; THENCE N00°59'37"W A DISTANCE OF 927.97 FEET; THENCE N89°02'52"E A DISTANCE OF 820.31 FEET TO A POINT ON THE WEST LINE OF 86 FT. DRAINAGE EASEMENT; THENCE N01°11'12"W, ALONG SAID WEST LINE OF DRAINAGE EASEMENT, A DISTANCE OF 76.55 FEET; THENCE N89°24'56"E A DISTANCE OF 1639.82 FEET TO A POINT OF CURVATURE; THENCE AROUND A CURVE IN A CLOCKWISE DIRECTION, HAVING AN ANGLE OF 20°33'43", HAVING A RADIUS OF 722.17 FEET, AND CHORD BEARING S11°30'01"E A CHORD DISTANCE OF 257.78 FEET; THENCE S01°14'28"E A DISTANCE OF 740.06 FEET TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS A CALCULATED AREA OF 2,442,827.01 SQUARE FEET OR 56.080 ACRES MORE OR LESS, OF WHICH 1.02 ACRES ARE COUNTY ROAD RIGHT-OF-WAY.

Existing Land Use Map



Source: Marvin Planning Consultants, 2016

Existing Land Use and Subject Property

The tax increment will be captured for the tax years the payments for which become delinquent in years 2020 through 2034 inclusive.

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from the construction of a Construction and Demolition Recycling Center and the associated structures necessary to facilitate operation of the landfill. This use requires separate permitting by both Hall County and the Nebraska Department of Environmental Quality.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution providing for the issuance of the TIF Note, the Authority hereby provides that any ad valorem tax on the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract, consistent with this Redevelopment Plan. Said taxes shall be divided 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 bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such 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.

Pursuant to Section 18-2150 of the Act, the ad valorem tax so divided is hereby pledged to the repayment of loans or advances of money, or the incurring of any indebtedness, whether funded, refunded, assumed, or otherwise, by the CRA to finance or refinance, in whole or in part, the redevelopment project, including the payment of the principal of, premium, if any, and interest on such bonds, loans, notes, advances, or indebtedness.

Redevelopment Plan Amendment Complies with the Act:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan Amendment meets the statutory qualifications as set forth below.

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on February 14, 2017.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

The City Can Undertake this Redevelopment Project on real property located outside the corporate limits of the City for the following reasons: [Neb. Rev. Stat. §18-2123.01]:

(a) The real property located outside the corporate limits of the city is a formerly used defense site;

The Site is located outside the corporate limits of the City and is a formerly used defense site;

(b) The formerly used defense site is located within the same county as the city approving such redevelopment project;

The Site and the City are both located in Hall County;

(c) The formerly used defense site is located within a sanitary and improvement district;

O'Neill Wood Resources, LLC and CAIP, LLC have created SID Number 4 in Hall County, which was approved by the District Court on September 20, 2017.

(d) The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future; and

Ordinance #9645 stating the intent of the City to annex the Cornhusker Army Ammunition Plant property in whole or part as it becomes eligible for annexation was adopted by the Grand Island City Council on August 22, 2017;

(e) The redevelopment project has been consented to by any city exercising extraterritorial jurisdiction over the formerly used defense site.

No city is exercising extraterritorial jurisdiction over the Site.

2. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]

Grand Island adopted a Comprehensive Plan on July 13, 2004. This property is not located within Grand Island or the 2 mile extraterritorial jurisdiction of Grand Island. Hall County adopted their comprehensive plan including the CAAP redevelopment plan on April 20, 2004. This redevelopment plan amendment and project are consistent with

the Hall County Comprehensive Plan and the CAAP Reuse Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to develop property with permitted uses on this property as defined by the current and effective zoning regulations. The Hall County Regional Planning Commission reviewed this project at their meeting on March 1, 2017 as part of the requirements for the Nebraska Local Siting Act and recommended approval of the local siting permit as it is consistent with the zoning on the site. **The Hall County Regional Planning Commission held a public hearing at their meeting on October 11, 2017 and passed resolution _____ confirming that this project is consistent with the Comprehensive Plan for the Hall County.**

3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]

a. Land Acquisition:

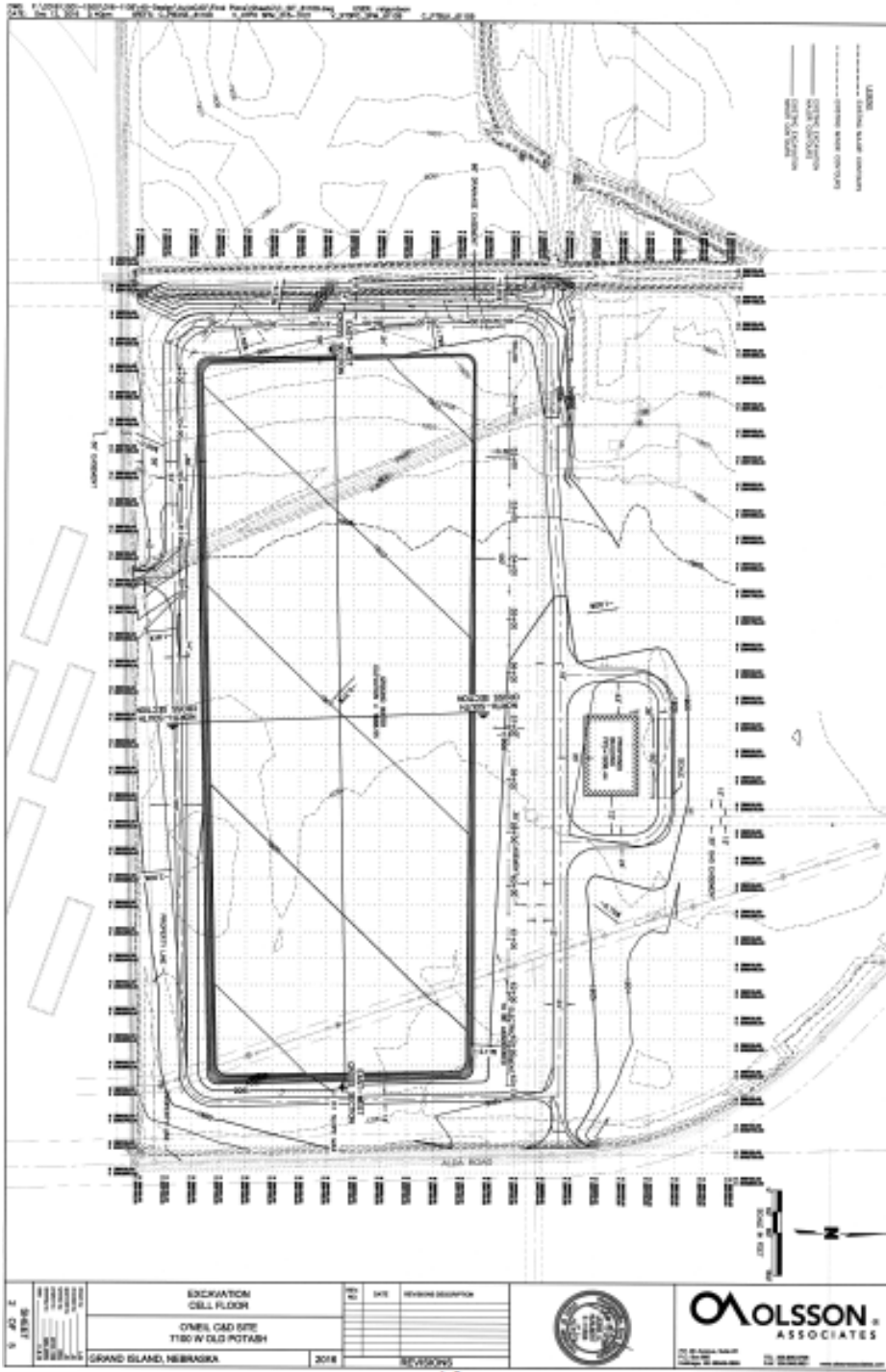
This Redevelopment Plan provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. It is anticipated that property acquisition will be the primary eligible activity for this project.

b. Demolition and Removal of Structures:

The project to be implemented with this plan does not provide for the demolition and removal any structures on this property.

c. Future Land Use Plan

Within the Hall County Comprehensive Plan as adopted and updated since 2004 this area and all of the CAAP grounds are designated as CAAP Reuse Area. According to the CAAP Reuse Plan this particular area is planned for Agriculture and Special Industrial Uses. This property is in private ownership. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]



Site plan for the area of the landfill after completion of the project

d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The area is zoned AG/SI-Special Agriculture/Industrial zone. No zoning changes are anticipated with this project. No changes are anticipated in street layouts or grades. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The developer is proposing to construct and operate a recycling center and landfill for construction and demolition debris. The proposed development is within the site coverage and intensity of use limits of the district. A conditional use permit from Hall County will be required and is currently in process. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Municipal sewer and water are not available to this development.

Electric utilities are sufficient for the proposed use of this building.

No other utilities would be impacted by the development.

No other utilities would be impacted by the development. [§18-2103(b) and §18-2111]

4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. This property, owned by the developer, is vacant and has been vacant for more than 1 year; no relocation is contemplated or necessary. [§18-2103.02]

5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106] No members of the authority or staff of the CRA have any interest in this property.

6. Section 18-2114 of the Act requires that the Authority consider:

a. Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

The developer has a purchase agreement for the purchase of this property pending approval of Tax Increment Financing. The total estimated project cost is \$4,750,000 with at least \$1,029,000 being TIF eligible expenses. No other CRA funding has been approved for the project. The property will be acquired for \$312,000. Planning related expenses for Architectural and Engineering and legal services of \$107,000 and are included as a TIF eligible expense. The estimated costs for on-site improvements

including grading, site preparation, utility extensions and private road ways total \$615,000. The total of eligible expenses for this project is \$1,029,000. The projected tax increment available and to be pledged for the project is \$209,000.

No property will be transferred to redevelopers by the Authority. The developer will provide and secure all necessary financing.

b. Statement of proposed method of financing the redevelopment project.

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$209,000 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2019 through December 2034.

c. Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan.

7. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions. This will accomplish the goal of encouraging appropriate industrial development at the CAAP.

8. Time Frame for Development

Development of this project is anticipated to be completed between September 2017 and December of 2018. Excess valuation should be available for this project for 15 years beginning with the 2019 tax year.

9. Justification of Project

The project has received approval from the Hall County Board in the form of a conditional use permit. The Planning Commission recommended in favor of the project in March of 2017 as it is consistent with the zoning in place at the site. This project will provide a local site for recycling and landfilling construction and demolition materials in a manner consistent with state and federal laws. The location of this site should result in more competitive bids for demolition by reducing the cost of transportation of demolition materials. This project will also result 12 to 15 additional full time employees at the site.

10. Cost Benefit Analysis Section 18-2113 of the Act, further requires the Authority conduct a cost benefit analysis of the plan amendment in the event that Tax Increment Financing will be used. This analysis must address specific statutory issues.

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2012), the City of Grand Island has analyzed the costs and benefits of the proposed Redevelopment Project, including:

Project Sources and Uses. Approximately \$209,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$4,789,000 in private sector financing; a private investment of \$22.91 for every TIF and grant dollar investment.

Description	Use of Funds.		
	TIF Funds	Private Funds	Total
Site Acquisition	\$209,000	\$103,000	\$312,000
Legal and Plan*		\$34,000	\$34,000
Engineering/Arch		\$73,000	\$73,000
On-Site Improvements		\$615,000	\$615,000
New Construction		\$1,375,000	\$1,375,000
Equipment		\$2,250,000	\$2,250,000
Financing		\$30,000	\$30,000
Contingency		\$100,000	\$100,000
TOTALS	\$209,000	\$4,580,000	\$4,789,000

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2017, valuation of approximately \$199,650. Based on the 2016 levy this would result in a real property tax of approximately \$2,952. It is anticipated that the assessed value will

increase by \$941,343 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$13,919 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2016 assessed value:	\$ 199,650
Estimated value after completion	\$ 1,140,993
Increment value	\$ 941,343
Annual TIF generated (estimated)	\$ 13,919
TIF bond issue	\$ 209,000

(a) Tax shifts resulting from the approval of the use of Tax Increment Financing;

The redevelopment project area currently has an estimated valuation of \$199,650. The proposed redevelopment will create additional valuation of \$941,343. No tax shifts are anticipated from the project. This project will not have a direct negative impact on local schools systems. The school system will gain an immediate bump in personal property taxes from the new equipment purchases and a long-term benefit from the additional tax base created on the property. No new roads will be created for this project. The project creates additional valuation that will support taxing entities long after the project is paid off.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this development. The electric utility has sufficient capacity to support the development. It is not anticipated that this will impact schools in any significant way. Fire and police protection are available and should not be negatively impacted by this development.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

This will create some additional employment in the area. Unemployment is low in this area. The impacts on existing employers in the area will be minimal as there are not many new employees.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

This project will not have a negative impact on other employers in any manner different from any other expanding business within the Grand Island area.

(e) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This project is consistent the goals of the CAAP Reuse Plan and would be a step forward in creating the industrial district envisioned with that redevelopment. These types of uses that do not mix well with residential uses are ideal for property that is highly restricted for residential development.

Time Frame for Development

Development of this project is anticipated to be completed during between September of 2017 and December 31 of 2018. The base tax year should be calculated on the value of the property as of January 1, 2018. Excess valuation should be available for this project for 15 years beginning in 2019 with taxes due in 2020. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$209,000 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses presented including acquisition of property the developer will spend at least \$1,029,000 on TIF eligible activities. The CRA will reserve the right to issue additional debt for this project upon notification by the developer of sufficient expenses and valuation to support such debt in the form of a second or third bond issuance.

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

RESOLUTION NO. 246

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
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"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, for redevelopment of an area within a formerly used defense site in 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 attached to this Resolution, 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 20th day of September, 2017

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

By _____
Chairperson

ATTEST:

Secretary

O'Neill Wood Resources

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

RESOLUTION NO. 247

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT CONTRACT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received an Application for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within Redevelopment Area 20, from O'Neill Wood Resources for 58 acres at 7100 W. Old Potash Highway, (The "Developer") for redevelopment of an area at a formerly used defense site within Hall County as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within Redevelopment Area 20;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. In compliance with section 18-2114 of the Act, the Authority hereby gives the governing body of the City notice that it intends to enter into the Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, after approval of the redevelopment plan amendment related to the redevelopment project described in the Redevelopment Contract, and after the passage of 30 days from the date hereof.

Section 2. The Secretary of the Authority is directed to file a copy of this resolution with the City Clerk of the City of Grand Island, forthwith.

Passed and approved this 20th day of September, 2017.

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

By _____
Chairperson

ATTEST:

Secretary

O'Neill Wood Resources



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item I3

Mendez Enterprises - Redevelopment Plan

Staff Contact: Chad Nabity



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

August 17, 2017

Business Name: Mendez Enterprises
Address: 2404 West Lincoln Hwy
Telephone No.: 308-398-0580
Contact: Vince Mendez

Brief Description of Applicant's Business:

Mendez Enterprises is a limited liability company

Present Ownership of Proposed Development Site:

Personal Automotive & Mendez Enterprises plus various Owners of select properties of the three city block redevelopment area.

Proposed Project:

The redevelopment areas of the three city block area is proposed to be transformed from a dilapidated residential and industrial area into a vibrant mixed use campus with offices, diner, automotive repair, ATV repair, computer center, Trampoline Park, educational center, and residential uses. The existing buildings will all receive exterior improvements plus updated to meet code requirements. Mendez Enterprises will execute a two phase plan for the renovation and additions of existing buildings plus development of a new Sky Zone Trampoline Park.

Community outreach and education is the heart and soul that drives our vision for this project. We are extremely passionate about reaching out to children and families in our community and we believe that with our hard work and dedication, this venture can be one of great success. Essentially, this will be a "two-part process," in which we will be continuing to clean up a blighted, low income, underdeveloped area; redeveloping portions of our three city block "campus" by removing any hazards, contaminates, and undesirable/unattractive conditions; and remodeling the existing structures - with our ultimate goal of producing a thriving campus, full of exciting amenities and accommodations and a high end, professional education center.

This finished project will be a campus-like atmosphere, complete with a Sky Zone Trampoline Park right next door (as a place to enjoy extracurricular activities), a fully modernized education center (Grand Island Technical Institute) complete with hands-on

learning opportunities, an already developed automotive/powersports/diesel shop (current business) where kids can utilize their training and apply it to “real life on the job” experiences, and a diner across the street to grab a bite to eat. This layout encompasses our ultimate goal of providing a clean, unified look within the 3 block area.

PHASE I

Mendez Enterprises proposes to continue what was started in 2012 with the development of Personal Auto, Diesel, Power Sports & Computers with a complete renovation of three existing buildings:

- Auto parts storage to Diner – 990 sq ft.
- Dilapidated Residential to Office Space – 1000 sq ft, &
- Vacant Building (previously Midwest Heating & Air) to Educational Occupancy (Grand Island Technical Institute) – 9120 sq ft.

The projects all include new exterior windows, canopies, signage, exterior doors, new façade treatments, HVAC, plumbing, electrical, interior finish improvements throughout, sidewalks, parking lots, and site beautification construction to convert the structures to a revitalized and modern campus environment. Phase I is also proposed to be completed by the development of a 15,000 sq ft Sky Zone Trampoline Park with off street parking which will be built on an acquired surface storage vacant lot and an adjacent rental house property. Site beautification improvements will also be part of the new Sky Zone Trampoline Park project.

PHASE II

Mendez Enterprises proposes to acquire and improve a Body Shop, Welding Shop, & a Detailing Shop. The properties will all receive exterior and interior improvements.

Estimated Project Costs: Phase I

Acquisition Costs:

A. Land:	\$ 285,000
B. Buildings:	\$1,000,000

Construction Costs:

A. Renovation or Building Costs:	\$ 993,100
B. On Site Improvements:	\$ 742,940

Soft Costs:

A. Architectural & Engineering Costs:	\$ 45,000
B. Financing Fees:	\$ 8,000
C. Legal/Audit Fees:	\$ 94,300
D. Contingency Reserves:	\$ 479,044
E. Personal Property:	<u>\$ 892,347</u>

TOTAL \$5,277,479

Estimated Market Value at Completion of Phase I: \$3,237,168

Estimated Project Costs: Phase II

Acquisition Costs:

A. Land:	\$ 187,429
B. Buildings:	\$ 475,000

Construction Costs:

A. Renovation or Building Costs:	\$ 474,000
B. On Site Improvements:	\$ 239,400

Soft Costs:

A. Architectural & Engineering Costs:	\$ 5,000
B. Financing Fees:	\$ 6,000
C. Legal/Audit Fees:	\$ 4,300
D. Contingency Reserves:	\$ 245,157
E. Personal Property:	<u>\$1,060,443</u>

TOTAL \$2,696,729

Estimated Market Value at Completion of Phase II: \$1,123,361

Estimated Project Costs for Phases I & II: \$7,974,208

Total Estimated Market Value at Project Completion: \$4,396,529

Source of Financing:

A. Developer Equity:	\$1,594,842
B. Commercial Bank Loan:	\$5,192,401
C. Historic Tax Credits:	\$ 0
D. Tax Increment Assistance:	\$ 886,965
E. Other (CRA Façade Grant)	<u>\$ 300,000</u>
Total:	\$7,974,208

IX. Name & Address of Architect, Engineer and General Contractor:

Master Builder Associates
Kenn Frederick AIA
602 W 6th Street PO Box 433
Doniphan, NE 68832

Estimated Real Estate Taxes on Project Site Upon Completion of Project:
(See Tax Valuation Spreadsheet)

Phase I

Base:	\$1,057,768	
Expected Value:	\$3,237,168	
Annual Tax Increment:		\$ 46,301
15 Years Taxes:		\$ 694,515

Phase II

Base:	\$ 507,936	
Expected Value:	\$1,123,361	
Annual Tax Increment:		\$ 12,830
15 Years Taxes:		\$ 192,450

Project Construction Schedule:

Construction Start Date:	<u>Phase I - November 2017</u>
	<u>Phase II - 2018</u>
Construction Completion Date:	<u>Phase I - 2018</u>
	<u>Phase II - 2019</u>

Tax Increment Financing Request Information

Describe Amount and Purpose for Which Tax Improvement Financing is Requested:

Mendez Enterprises is requesting tax increment financing in the amount of \$886,965 over 15 years. The purpose is to purchase, renovate and develop selected properties in a three block area as described.

Statement Identifying Financial Gap and Necessity for use of TIF for proposed project:

Due to the underutilization and poor condition of the existing buildings and properties, financial analysis has determined without TIF, the property acquisition costs, demolition, renovation, and new construction costs would be too high to support a reasonable Return on Investment on the project.

Municipal and Corporate References (if applicable):

Please attached Applicants Corporate/Business Annual Financial Statements for the Last Three Years:

Since Mendez Enterprises is a new LLC set up on April 21, 2017 for the purposes of buying and developing property there are no financial statements available for the last 3 years.

Attachments

- Site Development Plan (Existing and Proposed)
- Mendez Enterprises LLC – Current and Proposed Property Values with Estimated Taxes
- Phase I & II Projects

**Redevelopment Plan Amendment
Grand Island CRA Area 6
September 2017**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 6 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area 6.

**Executive Summary:
Project Description**

THE REDEVELOPMENT OF PROPERTY LOCATED ALONG OLD LINCOLN HIGHWAY BETWEEN WALDO AVENUE AND CAREY AVENUE INCLUDING ACQUISITION OF PROPERTY, RENOVATION OF EXISTING BUILDINGS FOR COMMERCIAL AND EDUCATIONAL USES ALLOWED IN THE DISTRICT AND CONSTRUCTION OF NEW BUILDINGS ON VACANT PROPERTY WITHIN THE AREA BY THE DEVELOPER. ELIGIBLE REDEVELOPMENT COSTS ARE ANTICIPATED TO INCLUDE: ACQUISITION OF PROPERTY, RENOVATION OF EXISTING BUILDINGS, SITE PREPARATION, DEMOLITION, UTILITY IMPROVEMENTS, AND PARKING IMPROVEMENTS.

The use of Tax Increment Financing (“TIF”) for this project is to aid in the acquisition of property, demolition and renovation of existing structures, necessary site work and installation of public utilities and street improvements necessary to redevelop this site. The use of TIF makes it feasible to complete all of the phases of the proposed project within the timeline presented. This project could not be completed without the use of TIF.

The acquisition of property, renovation, demolition, site work and construction of all improvements will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2019 towards the allowable costs and associated financing for the acquisition, demolition, renovation and site work as outlined.

TAX INCREMENT FINANCING TO PAY FOR THE ACQUISITION OF THE PROPERTY AND RELATED SITE WORK WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

This property is located at the north of the Union Pacific Railroad and south of George Street between Waldo Avenue and Carey Avenue (Not all properties in this area are included in the plan) in central Grand Island including the attached map identifies the subject properties and the surrounding land uses:

Legal Descriptions

PACKER & BARR'S SECOND ADDITION LOTS 4,5, 6 & 7 BLOCK 44, LOTS 8, 9, &10 BLOCK 39, LOTS 5, 9 & 10 BLOCK 38, LOTS 4,5, 6 & 7 BLOCK 45, WEST'S SECOND SUBDIVISION LOTS 1 & 2, WEST'S SUBDIVISION FRACTIONAL LOT 8, BLOCK 1, LOTS 1,2, FRACTIONAL LOTS 3 & 8 BLOCK 2, VACATED CLARENCE STREET ADJACENT TO LOTS ABOVE AND STREET RIGHT OF WAY FOR OLD LINCOLN HIGHWAY, WALDO AVENUE, GRACE AVENUE, CAREY AVENUE AND GEORGE STREET WHERE THEY ABUT THE PROPERTIES ABOVE.

- **It is anticipated that the tax increment will be captured for the tax years the payments for which become delinquent in years 2020 through 2034 inclusive. Changes to these years may be approved within the TIF agreement.**

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from the construction of new commercial space on this property.

Statutory Pledge of Taxes.

Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the Redevelopment Project Area 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, 2019 or such date as stated in an approved TIF agreement.

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 bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such 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.

Pursuant to Section 18-2150 of the Act, the ad valorem tax so divided is hereby pledged to the repayment of loans or advances of money, or the incurring of any indebtedness, whether funded, refunded, assumed, or otherwise, by the CRA to finance or refinance, in whole or in part, the redevelopment project, including the payment of the principal of, premium, if any, and interest on such bonds, loans, notes, advances, or indebtedness.

Redevelopment Plan Amendment Complies with the Act:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan Amendment meets the statutory qualifications as set forth below.

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on October 9, 2007.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

2. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to acquire property, rehabilitate existing structures and provide for the necessary site work and utilities for the construction of a permitted use on this property.

3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]

a. Land Acquisition:

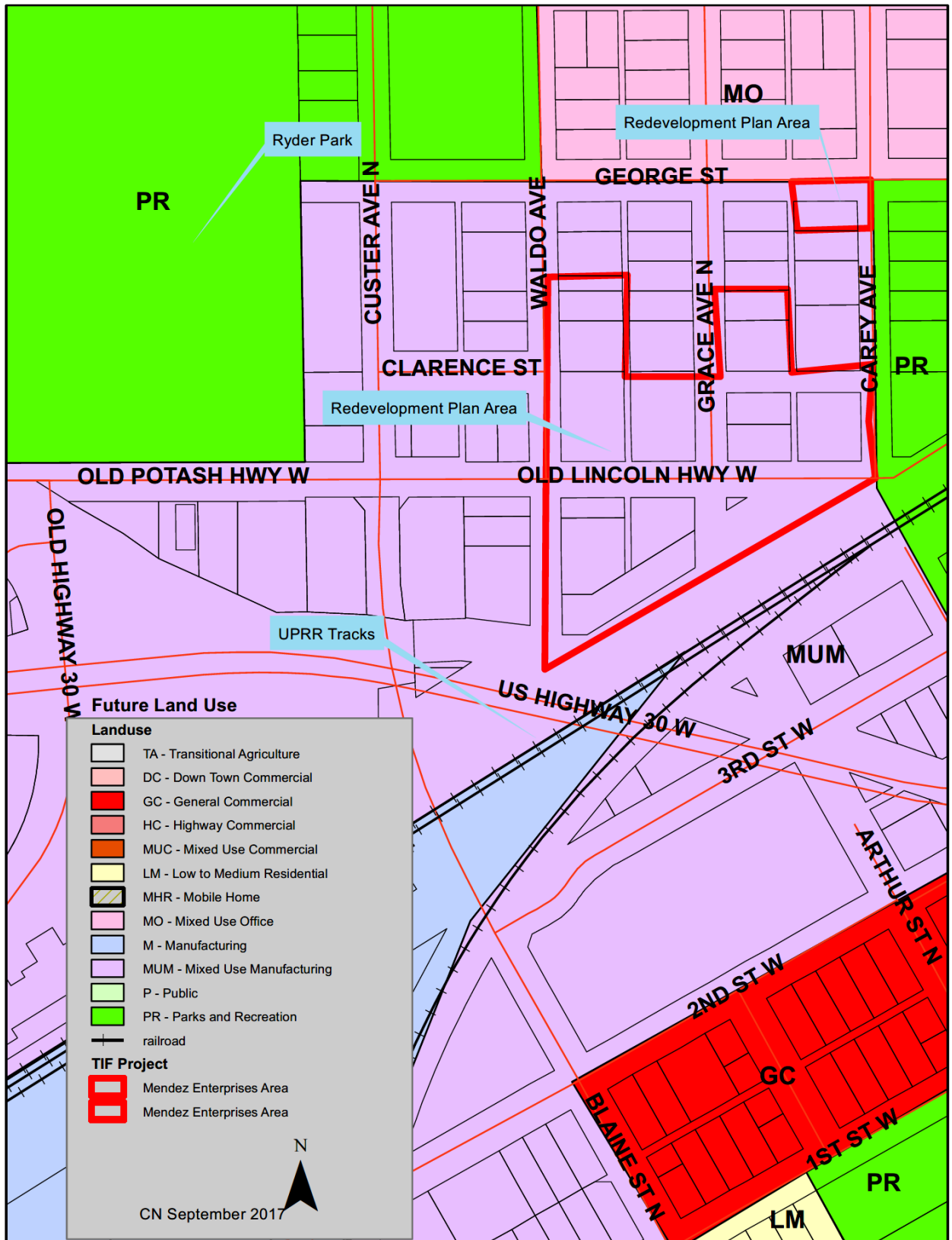
The Redevelopment Plan for Area 6 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The applicant will be acquiring the property from the current owner.

b. Demolition and Removal of Structures:

The project to be implemented with this plan does allow for the demolition of structures within the area to provide for new construction.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for commercial development. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]



City of Grand Island Future Land Use Map

d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The area is zoned M3- Mixed Use Manufacturing zone. No zoning changes are anticipated with this project. No changes are anticipated in street layouts or grades. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The developer is proposing renovate several structures on the site, move utilities and construct the Sky Zone trampoline center on the subject property in two phases. The property is zoned M3 and could accommodate buildings covering of up to 65% of each property [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. New water and sewer services may be required for this building.

Electric lines will need to be relocated to facilitate this development.

The developer will be responsible for replacing any sidewalks damaged during construction of the project.

No other utilities would be impacted by the development. [§18-2103(b) and §18-2111]

4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. This amendment does not provide for acquisition of any residences and therefore, no relocation is contemplated. [§18-2103.02]

5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106]

6. Section 18-2114 of the Act requires that the Authority consider:

a. Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

The developer owns some of this property and is proposing to other portions (specifically those owned by Woody's Welding) for redevelopment for \$662,479 in the next year provided that TIF is available for the project as defined. The cost of property acquisition is being included as a TIF eligible expense. Costs for site preparation, rehabilitation, demolition, utility improvements and parking improvements are included as a TIF eligible expenses. It is estimated based on the proposed increased valuation of \$2,830,825 will result in \$886,965 of increment generated over a 15 year period, substantially less than the TIF allowable expenses.

No property will be transferred to redevelopers by the Authority. The developer will provide and secure all necessary financing.

b. Statement of proposed method of financing the redevelopment project.

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$886,965 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2022 through December 2034 or as agreed to in the TIF agreement.

c. Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan.

7. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan, in that it will allow for the utilization of and redevelopment of commercial lots. This will not significantly impact at this location. New and renovated commercial development will raise property values and provide a stimulus to keep surrounding properties properly maintained. The proposed private education facility will provide opportunities for local youth to enhance their career choices within the community. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions.

8. Time Frame for Development

Development of phase one of this project (including construction of the Sky Zone and educational facility) is anticipated to be completed between November of 2017 and December of 2018. Phase two of the project will begin in 2018 and be completed by the end of 2019. Excess valuation should be available for this project for 15 years beginning with the 2019 and 2020 tax years.

9. Justification of Project

This location along Old Lincoln Highway has been a manufacturing and mixed use commercial center since the earliest days of the City of Grand Island. Several transportation projects including closing the railroad crossing at the east edge of this property and the construction of the Highway 30 overpass have impacted the property in a negative manner cutting it off and blanketing it in shadow. The proposed changes will bring more people into the area and highlight properties that are visible from above while traveling on Highway 30. The cleanup, repairs and new investment in the area will enhance and protect the property values and tax base in this central area of the community.

10. Cost Benefit Analysis Section 18-2113 of the Act, further requires the Authority conduct a cost benefit analysis of the plan amendment in the event that Tax Increment Financing will be used. This analysis must address specific statutory issues.

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2012), the City of Grand Island has analyzed the costs and benefits of the proposed Mendez Enterprises LLC Redevelopment Project, including:

Project Sources and Uses. Approximately \$1,887,000 in public funds from tax increment financing and grant funds provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$6,049,495 in private sector financing; a private investment of \$3.20 for every TIF and grant dollar investment by the CRA.

Use of Funds Phase 1.			
Description	TIF Funds	Private Funds	Total
Site Acquisition		\$1,285,000	\$1,285,000
Site preparation	\$155,236	\$587,704	\$742,940
Legal and Plan	\$60,000	\$79,300	\$139,300
Building Costs		\$993,100	\$993,100
Personal Property		\$892,347	\$892,347
Soft Costs		\$487,044	\$487,044
TOTALS	\$215,236	\$4,324,495	\$4,539,731

Use of Funds Phase 2			
Description	TIF Funds	Private Funds	Total
Site Acquisition	\$662,429		\$662,429
Site preparation		\$239,400	\$239,400
Legal and Plan	\$9,300		\$9,300
Building Costs		\$474,000	\$474,000
Personal Property		\$1,060,443	\$1,060,443
Soft Costs		\$251,157	\$251,157
TOTALS	\$671,729	\$2,025,000	\$2,696,729

Use of Funds Total			
Description	TIF Funds	Private Funds	Total
Phase 1	\$215,236	\$4,324,495	\$4,539,731
Phase 2	\$671,729	\$2,025,000	\$2,696,729
TOTALS	\$886,965	\$6,349,495	\$7,236,460

Tax Revenue. The property to be redeveloped in Phase 1 is anticipated to have a January 1, 2018, valuation of approximately \$1,057,768. Based on the 2017 levy this would result in a real property tax of approximately \$21,897. It is anticipated that the assessed value will increase by \$2,215,400, upon full completion, as a result of the site redevelopment. This development will

result in an estimated tax increase of over \$46,300 annually, resulting in \$694,514 of increment over the 15 year period.

The property to be redeveloped in Phase 2 is anticipated to have a January 1, 2019, valuation of approximately \$507,936. Based on the 2017 levy this would result in a real property tax of approximately \$10,575.58. It is anticipated that the assessed value will increase by \$615,425 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$12,830 annually, resulting in \$192,452 of increment over the 15 year period. The total increment expected across both phase 1 and 2 of the project is \$886,955.

The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2018 assessed value both phases	\$ 1,565,704
Estimated value after completion	\$ 4,396,629
Increment value	\$ 2,830,825
Annual TIF generated (estimated)	\$ 59,131
TIF bond issue	\$ 886,965

(a) Tax shifts resulting from the approval of the use of Tax Increment Financing;

The redevelopment project area currently has an estimated valuation of \$1,565,704. The proposed acquisition rehabilitation demolition, and site work at this location will result in an additional \$2,830,825 of taxable valuation based on an analysis by the Hall County Assessor's office. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this development. The electric utility has sufficient capacity to support the development. It is not anticipated that this will impact schools. Fire and police protection are available and should not be impacted by this development.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

This project will protect and enhance the existing employment within the Project Area by maintaining and expanding business opportunities at this location. The proposed educational facility may result in additional skilled workers to fill positions within the community. Temporary construction employment will increase during the construction. The construction period is expected to exceed 12 months.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

This facility could draw employees from other similar facilities within the City. The educational facilities if successful will provide additional skilled employees for the labor market, benefiting other employers with an increased employee base.

(e) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This will provide appropriate development at this location in Grand Island. This location has struggled since the change in traffic patterns that resulted from the closing of the at-grade crossing across the Union Pacific Railroad.

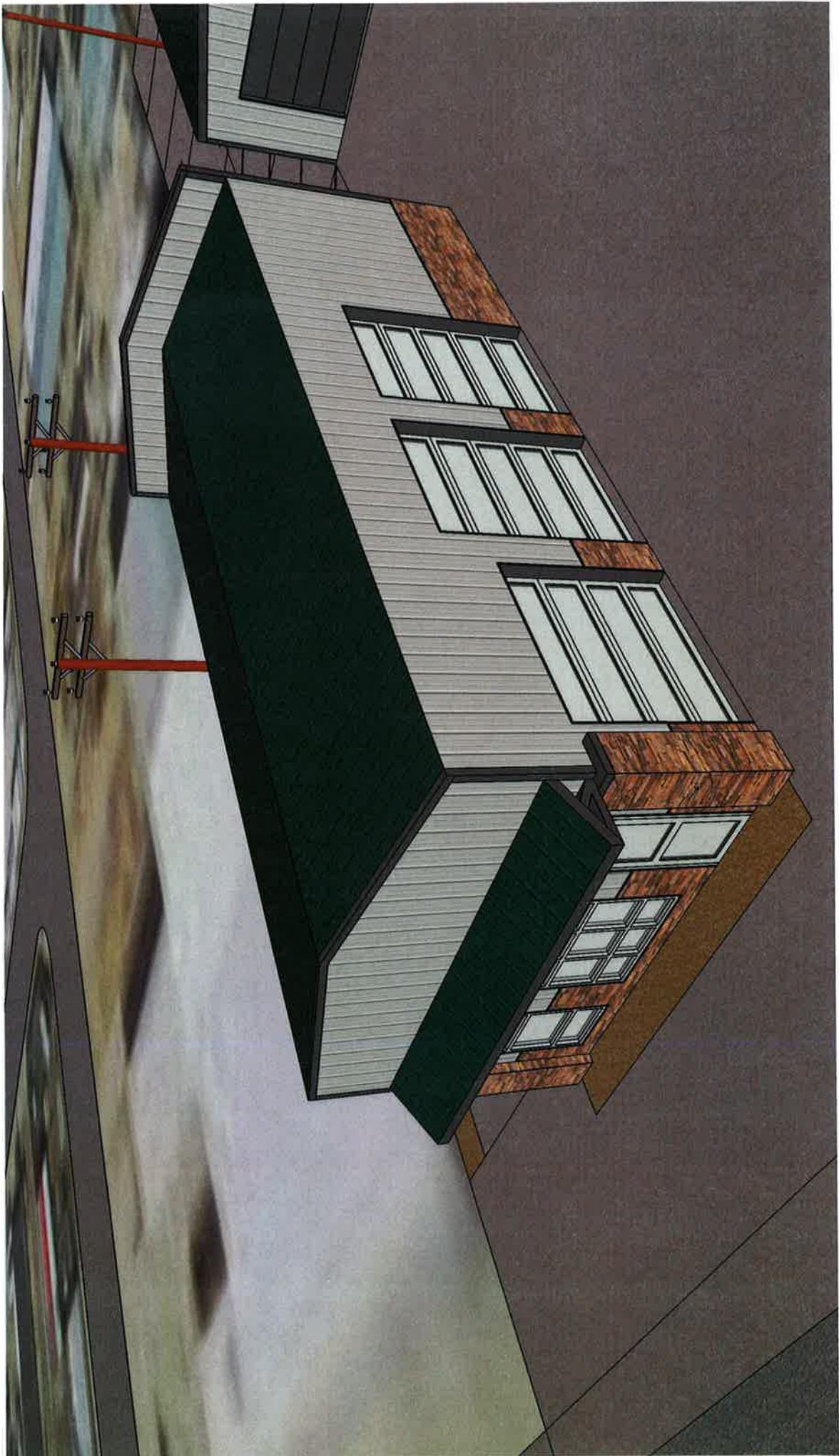
Personal property in the project is subject to current property tax rates. Personal property for the Project is estimated at \$1,900,000. Personal property tax is not subject to TIF and will be paid to the normal taxing entities. There will additionally be more city sales taxes paid to the city of Grand Island as a result of new taxable sales at the restaurant and Sky Zone.

Time Frame for Development

Development of phase 1 of this project is anticipated to be completed between November 2017 and December of 2018. The base tax year should be calculated on the value of the property as of January 1, 2018. Excess valuation should be available for this project for 15 years beginning with the 2019 tax year. Excess valuation will be used to pay the TIF indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$886,965 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the purchase price of the property and estimates of the expenses of renovation activities and associated engineering fees, the developer will spend more than \$1,500,000 on TIF eligible activities.

See Attached Site Plan and Interior Renovation Plan

















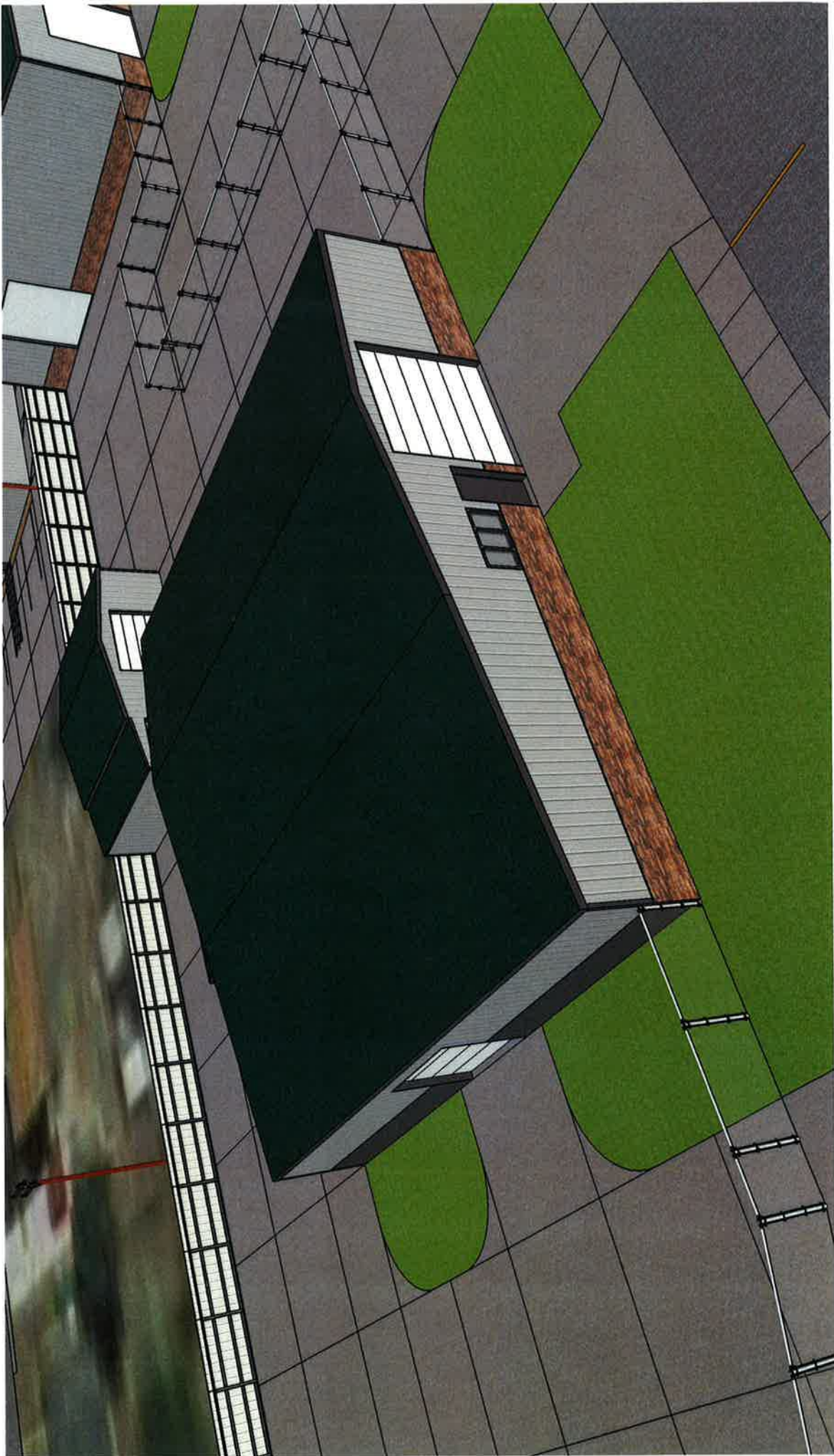
















**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. 248

**RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
REDEVELOPMENT PLAN 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"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, 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 attached to this Resolution, 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 20th day of September, 2017

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

By _____
Chairperson

ATTEST:

Secretary

Mendez Enterprises

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 249

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT CONTRACT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received an Application for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within Redevelopment Area 6, from Mendez Enterprises for property located along Old Lincoln Highway between Waldo and Carey avenues, (The "Developer") for redevelopment of an area within the city limits of the City of Grand Island as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within Redevelopment Area 6;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. In compliance with section 18-2114 of the Act, the Authority hereby gives the governing body of the City notice that it intends to enter into the Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, after approval of the redevelopment plan amendment related to the redevelopment project described in the Redevelopment Contract, and after the passage of 30 days from the date hereof.

Section 2. The Secretary of the Authority is directed to file a copy of this resolution with the City Clerk of the City of Grand Island, forthwith.

Passed and approved this 20th day of September, 2017

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

By _____
Chairperson

ATTEST:

Secretary

Mendez Enterprises



Community Redevelopment Authority (CRA)

Wednesday, September 20, 2017
Regular Meeting

Item X1

Prataria - Redevelopment Contract

Staff Contact: Chad Nabity

Prataria

REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the _____ day of _____, 2017, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and Prataria Ventures, LLC, a Nebraska limited liability company ("Redeveloper").

WITNESSETH:

WHEREAS, the City of Grand Island, Nebraska (the "City"), in furtherance of the purposes and pursuant to the provisions of Section 12 of Article VIII of the Nebraska Constitution and Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 2012, as amended (collectively the "Act"), has designated an area within the City as blighted and substandard;

WHEREAS, the Authority has adopted, after approval by the Mayor and Council of the City, that redevelopment plan amendment entitled "Redevelopment Plan Amendment Grand Island CRA Area #17 June 2016" (the "Redevelopment Plan") a copy of which is attached hereto as Exhibit "A";

WHEREAS, the Redevelopment Plan calls for the Authority to support Redeveloper's acquisition and redevelopment efforts on real estate to be acquired or owned by the Redeveloper which is legally described on Exhibit "B" attached hereto and incorporated herein by this reference ("Redevelopment Project Area");

WHEREAS, the Redevelopment Project Area incorporates all of the Redeveloper Property as shown on Exhibit "B" attached hereto and incorporated herein by this reference ("Project Site");

WHEREAS, Section 18-2103(12) of the Act authorizes the Authority to carry out plans for a program of acquisition, and improvements in connection with redevelopment of the Project Site and to pay for the same from TIF Proceeds (as defined herein). The Redeveloper intends to utilize the TIF Proceeds from the Project Site to pay for the Project Site demolition, preparation, planning, infrastructure and other Redevelopment Project Costs as defined herein;

WHEREAS, Section 18-2107 of the Act authorizes the Authority to enter into contracts with redevelopers of property containing covenants and conditions regarding the use of such property as the Authority may deem necessary to prevent the recurrence of substandard and blighted areas;

WHEREAS, Redeveloper is willing to enter into this Contract and invest approximately One Hundred Ten Million Dollars (\$110,000,000) on the Project Site redevelopment which includes demolition and preparation of the Project Site, planning for redevelopment, utility extension, public and private street installation, public parking and construction of a private hospital, medical office building (MOB) and a hotel and convention center as generally shown on the Site Plan attached hereto as Exhibit "C";

WHEREAS, in order to help remove blight and substandard conditions and improve conditions in an economically underutilized area, the Authority is willing to enter into this Contract and to utilize TIF Proceeds to fund a portion of the Project Costs in order to induce the Redeveloper to undertake the Private Improvements ("Private Improvements") and Public Improvements ("Public Improvements") described below;

WHEREAS, the Private Improvements and Public Improvements on the Project Site comprise the Redevelopment Project and are collectively known as the "Redevelopment Project Improvements". The costs of the Redevelopment Project Improvements are collectively known as the "Redevelopment Project Costs" and are shown on the Sources and Uses of Funds in Exhibit "D", which is attached hereto and incorporated herein by this reference. The Authority and Redeveloper agree that assistance with the Redevelopment Project Costs is deemed essential and the Redevelopment Project would not be economically feasible without it;

WHEREAS, the proposed redevelopment project shall be constructed in three (3) phases, with all phases constituting part of the single Redevelopment Project. The three phases shall consist of the construction of the improvements on the three separate lots defined herein—the Hospital Lot, the Hotel Lot, and the MOB Lot. Redeveloper intends to assign this Redevelopment Contract to three (3) entities that will each act as the redeveloper for one phase of the Project. Each assignee redeveloper shall assume the obligations under this Redevelopment Contract with respect to the applicable lot and the public and private improvements associated with said applicable lot;

WHEREAS, the Authority is willing to support the above described redevelopment of the Project Site in accordance with the Redevelopment Plan; provided that, Redeveloper is willing to agree to covenants and conditions regarding compulsory maintenance and upkeep of the Private Improvements to prevent a recurrence of substandard and blighted conditions;

WHEREAS, Authority and Redeveloper desire to enter into this Redevelopment Contract in order to implement the Redevelopment Plan and provide for the redevelopment of the Project Site;

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

Prataria Ventures, LLC

Section 1.01 Terms Defined in this Redevelopment Contract.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Contract, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

"Act" means Section 12 of Article VIII of the Nebraska Constitution, Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 2012, as amended, and acts amendatory thereof and supplemental thereto.

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

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

"Governing Body" means the Mayor and City Council of the City.

"Hospital Lot" means Lot 1, Prairie Commons Subdivision, Grand Island, Hall County, Nebraska.

"Hospital Note" means that part of the Indebtedness consisting of the Tax Increment Development Revenue Note (Prataria Ventures, LLC Development Project), Series 2017 A in substantially the form set forth on Exhibit "E", purchased by the Redeveloper or Redeveloper's lender as set forth in Section 3.04 of this Redevelopment Contract, and in an amount not to exceed \$11,600,000.

"Hotel Lot" means Lot 3, Prairie Commons Subdivision, Grand Island, Hall County, Nebraska.

"Hotel Note" means that part of the Indebtedness consisting of the Tax Increment Development Revenue Note (Prataria Ventures, LLC Development Project), Series 2017 B in substantially the form set forth on Exhibit "F", purchased by the Redeveloper or Redeveloper's lender as set forth in Section 3.04 of this Redevelopment Contract, and in an amount not to exceed \$1,700,000.

"MOB Lot" means Lot 2, Prairie Commons Subdivision, Grand Island, Hall County, Nebraska.

"MOB Note" means that part of the Indebtedness consisting of the Tax Increment Development Revenue Note (Prataria Ventures, LLC Development Project), Series 2017 C in substantially the form set forth on Exhibit "G", purchased by the Redeveloper or Redeveloper's lender as set forth in Section 3.04 of this Redevelopment Contract, and in an amount not to exceed \$2,500,000.

Prataria Ventures, LLC

"Owner(s)" means the registered owner or owners of Indebtedness issued by the Authority from time to time outstanding.

"Indebtedness" means any notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to the Resolution and Article III hereof to provide financing for a portion of the Project Costs and secured in whole or in part by TIF Revenues. The Indebtedness as initially issued by the Authority shall consist of a Series A note in the form of the Hospital Note, a Series B note in the form of the Hotel Note, and a Series C note in the form of the MOB Note, in an aggregate amount not to exceed \$15,800,000.00 and purchased by the Redeveloper or Redeveloper's lender as set forth in Section 3.04 of this Redevelopment Contract.

"Liquidated Damages Amount" means the amounts to be repaid to Authority by Redeveloper pursuant to Section 6.02 of this Redevelopment Contract.

"Redevelopment Project" means the improvements to the Redevelopment Project Area, as further described in Exhibit A attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Project Property and additions and improvements thereto. Without limitation, those improvements include the following public and private improvements:

Private improvements (which shall be constructed in up to three separate phases):

Construction of an approximately 64 bed four story 172,000 square foot private hospital on the Hospital Lot.

Construction of an approximately three story 66,000 square foot medical office building on the MOB Lot.

Construction of an approximately 103 bed 81,000 square foot hotel and an approximately 7,000 square foot conference center as part of the hotel on the Hotel Lot.

Public improvements:

Public Streets as shown in the final plat of the Redevelopment Project Property.

Improvements to state highway required for access and traffic control.

Utilities to support the project including sanitary and storm sewer, and water.

Private streets with public access.

Public parking as shown in the site plan Exhibit "C". Public parking shall consist of a public parking license on a private parking lot in the form attached hereto as Exhibit "H" and incorporated by this reference and shall be for the duration that any TIF Indebtedness is outstanding.

"Project Cost Certification" means a statement prepared and signed by the Redeveloper verifying the Redeveloper has become legally obligated for, or has paid the Project Costs identified on Exhibit "D".

"Project Costs" means only costs or expenses incurred by Redeveloper for the purposes set forth in §18-2103(12)(a) through (f), inclusive, including the providing for such costs by the

Prataria Ventures, LLC

exercise of the powers set forth in §18-2107(4) of the Act, all as identified on Exhibit "D". Project Costs shall include, but not be limited to demolition and site preparation expenditures, public parking, public and private street installation, state highway improvements, all improvements related to Project public infrastructure costs, utility extensions, project planning and engineering and costs of the Authority all as described in Section 3.04 of this Redevelopment Contract.

"Redeveloper" means Prataria Ventures, LLC, a Nebraska limited liability company, and its successors and assigns.

"Redevelopment Project Area" means that certain real property situated in the City of Grand Island, Hall County, Nebraska which has been declared blighted and substandard by the City pursuant to the Act, and which is more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference. All such legal descriptions are subject to change based upon any re-platting requested by the Redeveloper and approved by the City.

"Redevelopment Project Property" means all of the Redevelopment Project Area which is the site for the improvements constituting the Project, as more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference.

"Redevelopment Contract" means this redevelopment contract between the Authority and Redeveloper with respect to the Project.

"Redevelopment Plan" means the Redevelopment Plan Amendment (also defined in the recitals hereto) for the Redevelopment Project Area related to the Project, as attached hereto as Exhibit "A", prepared by the Authority, approved by the City and adopted by the Authority pursuant to the Act.

"Resolution" means the Resolution of the Authority authorizing the issuance of the Indebtedness, as supplemented from time to time, and also approving this Redevelopment Contract.

"TIF Proceeds" means the Note proceeds described in Section 3.02.

"TIF Revenues" means incremental ad valorem taxes generated on the Redevelopment Project Property by the Project which are to be allocated to and paid to the Authority pursuant to the Act.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Contract shall be construed and interpreted in accordance with the following provisions:

- (a) Whenever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not

Prataria Ventures, LLC

mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(b) The phrase "at any time" shall be construed as meaning at any time or from time to time.

(c) The word "including" shall be construed as meaning "including, but not limited to."

(d) The words "will" and "shall" shall each be construed as mandatory.

(e) The words "herein," "hereof," "hereunder", "hereinafter" and words of similar import shall refer to the Redevelopment Contract as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(f) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(g) The captions to the sections of this Redevelopment Contract are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II FINDINGS AND REPRESENTATIONS

Section 2.01 Findings of Authority.

The Authority makes the following findings:

(a) The Authority is a duly organized and validly existing community Redevelopment Authority under the Act.

(b) The Redevelopment Plan has been duly approved by the City and adopted by the Authority pursuant to Sections 18-2109 through 18-2117 of the Act.

(c) The Authority deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper as specified herein.

(d) The Redevelopment Project is expected to achieve the public purposes of the Act by among other things, increasing employment, improving public infrastructure, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Project Area and other purposes set forth in the Act.

(e) (1) The Redevelopment Plan is feasible and in conformity with the general plan for the development of the City as a whole and the Redevelopment Plan is in conformity with the legislative declarations and determinations set forth in the Act, and

Prataria Ventures, LLC

(2) Based on representations made by the Redeveloper and information provided to the Authority:

(i) the Project would not be economically feasible without the use of tax-increment financing, and

(ii) the Project would not occur in the Redevelopment Project Area without the use of tax-increment financing.

(f) The Authority has determined that the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, 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 interest of the community impacted by the Project.

(g) The Authority has determined that the proposed land uses and building requirements in the Redevelopment Area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 insanitary or unsafe dwelling accommodations, or conditions of blight.

Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

(a) The Redeveloper is a Nebraska limited liability company having the power to enter into this Redevelopment Contract and perform all obligations contained herein and by proper action has been duly authorized to execute and deliver this Redevelopment Contract. Prior to the execution and delivery of this Redevelopment Contract, the Redeveloper has delivered to the Authority a certificate of good standing, a certified copy of the Redeveloper's operating agreement and a certified copy of the resolution or resolutions authorizing the execution and delivery of this Redevelopment Contract.

(b) The execution and delivery of this Redevelopment Contract and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under any debenture, note or other evidence of indebtedness or any

Prataria Ventures, LLC

contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Contract or in any other matter materially affecting the ability to Redeveloper to perform its obligations hereunder.

(d) The Project would not be economically feasible without the use of tax increment financing.

(e) The Project would not occur in the Redevelopment Project Area without the use of tax-increment financing.

ARTICLE III

OBLIGATIONS OF THE AUTHORITY

Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Authority hereby provides that any ad valorem tax on any Lot or Lots located in the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of each phase, as described in Section 18-2147 (1) of the Act and as more specifically defined below. The Private Improvements shall be constructed in three (3) phases, with all phases constituting part of the Redevelopment Project. The three phases of the Redevelopment Project shall consist of: Phase 1 construction of the Private Improvements on the Hospital Lot; Phase 2 construction of the Private Improvements on the Hotel Lot; and Phase 3 construction of the Private Improvements on the MOB Lot. In order to optimize the Tax Increment for the Project, each Lot may have a separate effective date for the division of ad valorem taxes (each, an "Effective Date"). The Effective Date for the Hospital Lot shall be the January 1, 2019. The Effective Date for the Hotel Lot shall be January 1, 2019. The Effective Date for the MOB Lot is anticipated to be January 1, 2019 but shall be identified in a Redevelopment Contract Amendment executed on behalf of the Redeveloper and delivered to the Authority in the form attached hereto as Exhibit "I" and shall be determined based upon the construction and development schedule of the MOB Lot. The Authority shall file with the Hall County Assessor the "Notice to Divide Taxes" on or prior to August 1 in the calendar year of the Effective Date for each Lot. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax on the real estate located within the Hospital Lot 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) of the Hospital

Prataria Ventures, LLC

Lot 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 within the Hospital Lot in excess of such amount set forth in Section 3.01(a) above (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority (designated in the Resolution as the "Hospital Note Fund") to pay the principal of, the interest on, and any premium due in connection with the Hospital Note. When such Hospital Note, 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 within the Hospital Lot shall be paid into the funds of the respective public bodies.

(c) That portion of the ad valorem tax on the real estate located within the Hotel Lot 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) of the Hotel Lot 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

(d) That portion of the ad valorem tax on real property within the Hotel Lot in excess of such amount set forth in Section 3.01(c) above (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority (designated in the Resolution as the "Hotel Note Fund") to pay the principal of, the interest on, and any premium due in connection with the Hotel Note. When such Hotel Note, 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 within the Hotel Lot shall be paid into the funds of the respective public bodies.

(e) That portion of the ad valorem tax on the real estate within the MOB Lot 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) of the MOB Lot 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

(f) That portion of the ad valorem tax on real property within the MOB Lot in excess of such amount set forth in Section 3.01(e) above (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority (designated in the Resolution as the "MOB Note Fund") to pay the principal of, the interest on, and any premium due in connection with the MOB Note. When such MOB Note, 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 within the MOB Lot shall be paid into the funds of the respective public bodies.

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With respect to the MOB Lot, Redeveloper shall execute and deliver to the Authority the Redevelopment Contract Amendment by no later than July 1 of the year of the Effective Date proposed in the Redevelopment Contract Amendment. The Effective Date for the MOB Lot shall be the January 1 of the year in which the division of taxes occurs which shall be the division date set forth in the Redevelopment Contract Amendment. In no event shall a Redevelopment Contract Amendment be delivered after July 1, 2021.

Section 3.02 Issuance of Indebtedness

The Authority shall authorize the issuance of the Indebtedness in three taxable series beginning with the Hospital Note. At such time as the full amount of the Hospital Note is advanced, the Authority shall authorize the Hotel Note. At such time as the full amount of the Hotel Note is advanced, the Authority shall authorize the MOB Note. The Hospital Note, Hotel Note, and MOB Note (collectively referred to as the “TIF Notes”) shall be in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in the Resolution and this Redevelopment Contract; provided, at all times the maximum amount of the Indebtedness shall be limited to the lesser of (i) the aggregate stated face amount of the TIF Notes making up the Indebtedness, or (ii) the sum of all Project Costs incurred by the Redeveloper as set forth on Exhibit D. No Indebtedness will be issued until Redeveloper has acquired fee title to the Redevelopment Project Property and become obligated for construction of the additions and improvements forming a part of the Project as described in the Plan.

The Authority shall issue the Indebtedness in three taxable series in a maximum aggregate principal amount of \$15,800,000, and otherwise as described in this Section 3.02, for net funds available to be purchased by Redeveloper or one or more lender identified by the Redeveloper (each a “TIF Note Purchaser”), in a written form acceptable to Authority’s attorney, and shall receive proceeds of such purchase from the TIF Note Purchaser in said amount. At the option of the Authority, the Authority shall make a grant to Redeveloper in such amount, and such grant shall offset TIF Note Purchaser’s obligation to purchase the TIF Notes. Subject to the terms of this Agreement and the Resolution, the Authority’s Treasurer on behalf of the Authority shall have the authority to determine the timing of issuing each series of the Indebtedness and all the other necessary details of the Indebtedness.

The TIF Note Purchaser agrees to purchase the Indebtedness at a price equal to the principal amount thereof, in a private placement satisfactory to the Authority as to its terms and participants (including any pledgee thereof). Neither the Authority nor the City shall have any obligation to provide for the sale of the Indebtedness. It is the sole responsibility of the Redeveloper to effect the sale of the Indebtedness by purchasing the Indebtedness or to locate one or more lenders to purchase the Indebtedness in accordance with the terms of this Redevelopment Contract and the Resolution. Redeveloper acknowledges that it is its understanding and the Authority's understanding that interest on the Indebtedness may be includable in gross income for federal income tax purposes and subject to Nebraska State income taxation.

Section 3.03 Pledge of Revenues.

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Under the terms of the Resolution, the Authority pledges 100% of the available annual TIF Revenues derived from the Hospital Lot as security for and to provide payment of the Hospital Note as the same fall due (including payment of any mandatory redemption amounts set for the Indebtedness in accordance with the terms of the Resolution). Under the terms of the Resolution, the Authority pledges 100% of the available annual TIF Revenues derived from the Hotel Lot as security for and to provide payment of the Hotel Note as the same fall due (including payment of any mandatory redemption amounts set for the Hotel Note in accordance with the terms of the Resolution). Under the terms of the Resolution, the Authority pledges 100% of the available annual TIF Revenues derived from the MOB Lot as security for and to provide payment of the MOB Note as the same fall due (including payment of any mandatory redemption amounts set for the MOB Note in accordance with the terms of the Resolution). The tax increment is to be derived from the increased valuation, determined in the manner provided for in Article 8, Section 12 of the Constitution of the State of Nebraska and the Act which will be attributable to the redevelopment contemplated under this Contract and within the Project Area. The TIF Revenues which are to be used to pay debt service on the TIF Note will be derived from the increased valuation from redeveloping the Redeveloper Property as provided in this Contract. Redeveloper specifically acknowledges that any protest of the valuation of all or any portion of the Project Area by any party, or a reduction in assessed valuation of all or any portion of the Project Area shall reduce the TIF Revenues available for payment on TIF Note. The Redeveloper specifically acknowledges, as the TIF Note Purchaser, that it bears the entire risk of any reduction in assessed valuation.

Section 3.04 Purchase and Pledge of Indebtedness/Grant of Net Proceeds of Indebtedness.

The Redeveloper has agreed to purchase or locate a lender to purchase the Indebtedness from the Authority for a price equal to the principal amount thereof, payable as provided in Section 3.02 and this Section 3.04. The Redevelopment Plan provides for the Redeveloper to receive a grant under this Redevelopment Contract. In accordance with the terms of the Redevelopment Plan the Redeveloper is to receive a grant sufficient to pay for the Project Costs as described on Exhibit D (the "Project Costs"), in the aggregate maximum amount not to exceed \$15,800,000. Notwithstanding the foregoing, the aggregate amount of the Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 4.02 of this Redevelopment Contract. Such grant shall be made to the Redeveloper upon certification of Project Costs as set forth herein and in the Resolution, and payment purchase of the Indebtedness as provided in Section 3.02, unless Redeveloper elects to offset the payment of the purchase of the Indebtedness with the grant proceeds as provided herein and in the Resolution. The Authority shall have no obligation to provide grant funds from any source other than as set forth in the Resolution and this Redevelopment Contract.

Section 3.05 Creation of Funds.

In the Resolution, the Authority has provided for the creation of the following funds and accounts which funds shall be held by the Authority separate and apart from all other funds and moneys of the Authority and the City:

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(a) a special trust fund called the “Prataria Ventures, LLC, Redevelopment Project Hospital Note Fund” (the “Hospital Note Fund”). All of the TIF Revenues from the Hospital Lot shall be deposited into the Hospital Note Fund. The TIF Revenues accumulated in the Hospital Note Fund shall be used and applied on the Business Day prior to each Interest Payment Date (i) to make any payments to the City or the Authority as may be required under the Redevelopment Contract and (ii) to pay principal of or interest on the Hospital Note to the extent of any money then remaining in the Hospital Note Fund on such Interest Payment Date. Money in the Hospital Note Fund shall be used solely for the purposes described herein and in the Resolution. All Revenues received for the applicable 15 year period of Phase 1 (including taxes that have accrued and are due and payable in the fifteenth year but are actually paid in arrears in the sixteenth year pursuant to customary Nebraska practices) shall be used solely for the payments required herein and by the Resolution; and

(b) a special trust fund called the “Prataria Ventures, LLC, Redevelopment Project Fund – Hospital” (the “Hospital Project Fund”) The Authority shall disburse any money on deposit in the Hospital Project Fund from time to time to pay or as reimbursement for payment made for the Project Costs in each case within 5 Business Days after completion of the steps set forth herein and in the Resolution. If a sufficient amount to pay a properly completed Disbursement Request (as defined in Section 4.02) is not in the Hospital Project Fund at the time of the receipt by the Authority of such request, the Authority shall notify the owner of the Hospital Note and such owner may deposit an amount sufficient to pay such request with the Authority for such payment. As set forth in the Resolution, if the Redeveloper is the owner of the Hospital Note and the Redeveloper so elects, the Authority shall make a grant to Redeveloper in the amount of an approved Disbursement Request; in such event, the approved Disbursement Request amount shall offset funding of the Hospital Note.

(c) a special trust fund called the “Prataria Ventures, LLC, Redevelopment Project Hotel Note Fund” (the “Hotel Note Fund”). All of the TIF Revenues from the Hotel Lot shall be deposited into the Hotel Note Fund. The TIF Revenues accumulated in the Hotel Note Fund shall be used and applied on the Business Day prior to each Interest Payment Date (i) to make any payments to the City or the Authority as may be required under the Redevelopment Contract and (ii) to pay principal of or interest on the Hotel Note to the extent of any money then remaining in the Hotel Note Fund on such Interest Payment Date. Money in the Hotel Note Fund shall be used solely for the purposes described herein and in the Resolution. All Revenues received for the applicable 15 year period of Phase 2 (including taxes that have accrued and are due and payable in the fifteenth year but are actually paid in arrears in the sixteenth year pursuant to customary Nebraska practices) shall be used solely for the payments required herein and by the Resolution; and

(d) a special trust fund called the “Prataria Ventures, LLC, Redevelopment Project Fund – Hotel” (the “Hotel Project Fund”) The Authority shall disburse any money on deposit in the Hotel Project Fund from time to time to pay or as reimbursement for payment made for the Project Costs in each case within 5 Business Days after completion of the steps set forth herein and in the Resolution. If a sufficient amount to pay a properly completed Disbursement Request (as defined in Section 4.02) is not in the Hotel Project Fund at the time of the receipt by the Authority of such request, the Authority shall notify the owner of the Hotel Note and such owner may deposit an amount sufficient to pay such request with the Authority for such payment. As set forth in the Resolution, if the Redeveloper is the owner of the Hotel Note and the Redeveloper so elects, the

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Authority shall make a grant to Redeveloper in the amount of an approved Disbursement Request; in such event, the approved Disbursement Request amount shall offset funding of the Hotel Note.

(e) a special trust fund called the “Prataria Ventures, LLC, Redevelopment Project MOB Note Fund” (the “MOB Note Fund”). All of the TIF Revenues from the MOB Lot shall be deposited into the MOB Note Fund. The TIF Revenues accumulated in the MOB Note Fund shall be used and applied on the Business Day prior to each Interest Payment Date (i) to make any payments to the City or the Authority as may be required under the Redevelopment Contract and (ii) to pay principal of or interest on the MOB Note to the extent of any money then remaining in the MOB Note Fund on such Interest Payment Date. Money in the MOB Note Fund shall be used solely for the purposes described herein and in the Resolution. All Revenues received for the applicable 15 year period of Phase 3 (including taxes that have accrued and are due and payable in the fifteenth year but are actually paid in arrears in the sixteenth year pursuant to customary Nebraska practices) shall be used solely for the payments required herein and by the Resolution; and

(f) a special trust fund called the “Prataria Ventures, LLC, Redevelopment Project Fund – MOB” (the “MOB Project Fund”) The Authority shall disburse any money on deposit in the MOB Project Fund from time to time to pay or as reimbursement for payment made for the Project Costs in each case within 5 Business Days after completion of the steps set forth herein and in the Resolution. If a sufficient amount to pay a properly completed Disbursement Request (as defined in Section 4.02) is not in the MOB Project Fund at the time of the receipt by the Authority of such request, the Authority shall notify the owner of the MOB Note and such owner may deposit an amount sufficient to pay such request with the Authority for such payment. As set forth in the Resolution, if the Redeveloper is the owner of the MOB Note and the Redeveloper so elects, the Authority shall make a grant to Redeveloper in the amount of an approved Disbursement Request; in such event, the approved Disbursement Request amount shall offset funding of the MOB Note.

ARTICLE IV

OBLIGATIONS OF REDEVELOPER

Section 4.01 Construction of Project;

Redeveloper shall:

- (a) Pave the public and private streets in accordance with plans and specifications approved by the City's Director of Public Works, and subject to the City's inspection. Redeveloper shall design, construct and install a public water main, public sanitary sewer, conduits for public electrical lines, and sidewalks in accordance with plans and specifications approved by the Director of Public Works, and subject to the City's inspection. All final engineering plans and specifications for public improvements shall bear the signature and seal of a professional engineer registered in the State of Nebraska and shall be furnished by Redeveloper to the Department of Public Works for approval prior to contracting for construction of any improvements. Inspections of improvements under construction shall be performed under the supervision of a

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professional registered engineer and upon completion shall be subject to inspection and approval by the Department of Public Works prior to acceptance by the City of Grand Island. An "as built" set of plans and specifications including required test results bearing the seal and signature of a registered professional engineer shall be filed with the Director of Public Works by Redeveloper prior to acceptance of these improvements by the City.

- (b) Redeveloper has provided a copy of the approved preliminary plat to the Authority. If the construction of any Public Improvements is significantly altered from the preliminary plat, Redeveloper shall submit revised plans to the Authority.
- (c) Construct all Private Improvements in compliance with all applicable local, state, and federal building and construction laws and codes. Redeveloper agrees to secure and maintain all permits and licenses necessary for its use of the Redevelopment Project including, but not limited to, necessary building permits and inspections.
- (d) Redeveloper agrees to use commercially reasonable efforts to complete construction of the Public Improvements and the Private Improvements located on the Hospital Lot and Hotel Lot on or before December 31, 2019, as provided in this Agreement. Redeveloper agrees to use commercially reasonable efforts to complete construction of the Private Improvements located on the MOB Lot within a reasonable schedule to be determined by the Redeveloper and approved by the Authority. Redeveloper further agrees to pay, or cause to be paid, in a timely manner all persons, firms, or organizations that performed labor or furnished materials, equipment or supplies used in the prosecution of the Public and Private Improvements. Such payment shall be made promptly after completion of the Private Improvements and in accordance with all the provisions of this Agreement relating to the obligations of Redeveloper to construct said improvements. The Redeveloper shall provide and pay for the Public Improvements.
- (e) Grant the public the a license to use the areas labeled "Public Parking as shown on attached Exhibit "C" pursuant to the public parking license agreement in the form attached hereto as Exhibit "H". Members of the public shall be entitled to utilize such parking subject to the terms of the parking license for and during the period that any TIF Indebtedness remains outstanding. In addition the Redeveloper and its successors and transferees shall maintain said Public Parking area in a commercially reasonable manner and timely provide snow removal, without charge or reimbursement from the City.
- (f) Pay a minimum annual assessment to the Authority, without demand, in the following amounts and at the indicated times:
 - 1) As to the Hospital Lot an amount equal to the sum of \$1,143,600 less the annual TIF Revenue as to said Hospital Lot for each tax year beginning in 2020 through and including 2033. Said amount is designated as the "Shortfall". One-half of the shortfall shall be paid prior to May 1 and one-half prior to September 1 in the year following the receipt of the real property tax statement for the Hospital Lot.
 - 2) As to the MOB Lot an amount equal to the sum of \$246,700 less the annual TIF Revenue as to said MOB Lot for each tax year beginning in the first tax year following the tax year of the Effective Date through and including the

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fifteenth tax year following the tax year of the Effective Date. Said amount is designated as the "Shortfall". One-half of the shortfall shall be paid prior to May 1 and one-half prior to September 1 in the year following the receipt of the real property tax statement for the Hotel Lot.

- 3) As to the Hotel Lot an amount equal to the sum of \$171,200 less the annual TIF Revenue as to said Hotel Lot for each tax year beginning in 2020 through and including 2033. Said amount is designated as the "Shortfall". One-half of the shortfall shall be paid prior to May 1 and one-half prior to September 1 in the year following the receipt of the real property tax statement for the MOB Lot.
- (g) If requested by the Authority, provide a payment and performance bond from a bond company doing business in the state of Nebraska in the total amount of all the Public Improvements to be construction in the public right of way. The City and Authority shall be named as beneficiaries under such bond. The required amount of said bond shall be reduced as Public Improvements in the right of way are completed as long as the amount of the bond is at all times equal to or greater than the unfinished Public Improvements to be completed in the public right of way
 - (h) Until construction of the Project has been completed, make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of Redeveloper with respect to construction of the Project. Such reports shall include actual expenditures incurred as described on Exhibit D.
 - (i) Require any general contractor chosen by the Redeveloper to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations. The City, the Authority and the Redeveloper shall be named as additional insureds. Any contractor chosen by the Redeveloper or the Redeveloper itself, as owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor with respect to any specific contract or the Redeveloper shall also carry insurance on all stored materials. The contractor or the Redeveloper, as the case may be, shall furnish the Authority and the City with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies.
 - (j) So long as the TIF Note is outstanding, not discriminate against any person or group of persons on account of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Redevelopment Project. Redeveloper, its successors and transferees, agrees that during the construction of the Redevelopment Project, Redeveloper 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, and further agrees to require that its contractor and subcontractors shall agree to conform to said requirements. Redeveloper will comply with all applicable federal, state and local laws related to the Redevelopment Project. For purposes of this paragraph, discrimination

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shall mean discrimination as defined by the laws of the United States and the State of Nebraska.

Section 4.02 Cost Certification & Disbursement of Note Proceeds.

Proceeds of the Note may be advanced and disbursed in the manner set forth below:

(a) There shall be submitted to the Authority a grant disbursement request (the "Disbursement Request"), executed by the Director of the City's Planning Department and an authorized representative of the Redeveloper or applicable successor or assign with respect to each phase, (i) certifying that a portion of the Project has been substantially completed and (ii) certifying the actual costs incurred by the Redeveloper in the completion of such portion of the Project.

(b) If the costs requested for reimbursement under the Disbursement Request are currently reimbursable under Exhibit "D" of this Redevelopment Contract and the Community Redevelopment Law, the Authority shall evidence such allocation in writing and inform the owner of the TIF Notes of any amounts allocated to the TIF Notes.

(c) Upon notification from the Authority as described in Section 4.02(b), deposits to the accounts in the Hospital Project Fund may be made from time to time from funds received by the Authority from the owner of the Hospital Note (if other than the Redeveloper) in the amounts necessary to pay amounts requested in properly completed, signed and approved written Disbursement Requests as described herein. Upon notification from the Authority as described in Section 4.02(b), deposits to the accounts in the Hotel Project Fund may be made from time to time from funds received by the Authority from the owner of the Hotel Note (if other than the Redeveloper) in the amounts necessary to pay amounts requested in properly completed, signed and approved written Disbursement Requests as described herein.. Upon notification from the Authority as described in Section 4.02(b), deposits to the accounts in the MOB Project Fund may be made from time to time from funds received by the Authority from the owner of the MOB Note (if other than the Redeveloper) in the amounts necessary to pay amounts requested in properly completed, signed and approved written Disbursement Requests as described herein. Such amounts shall be proceeds of the respective TIF Note and the Treasurer of the Authority shall inform the Registrar (as defined in the Note Resolution) in writing of the date and amount of such deposits. When feasible, the Authority shall use the Note Proceeds to directly pay invoices for public improvements set forth in any Disbursement Request. At the option of the Redeveloper, if the Redeveloper is the owner of the TIF Note, the Authority shall make a grant to Redeveloper in the amount of the approved Disbursement Request; in such event, the approved Disbursement Request amount shall offset funding of the Note. The Registrar shall keep and maintain a record of the amounts deposited into the Project Fund for each respective phase from TIF proceeds of the corresponding TIF Note pursuant to the terms of this Resolution as "Principal Amount Advanced" and shall enter the aggregate principal amount then Outstanding as the "Cumulative Outstanding Principal Amount" on its records maintained for the TIF Note. The aggregate amount deposited into the Hospital Project Fund, Hotel Project Fund, and MOB Project Fund from proceeds of all of the Notes shall not exceed \$15,800,000.

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The Authority shall, to the extent allowed by law, and then only to the extent funds are lawfully available from TIF Revenues generated by the Hospital Lot pay the TIF Note Purchaser the principal and interest of the Hospital Notes. The Authority shall, to the extent allowed by law, and then only to the extent funds are lawfully available from TIF Revenues generated by the Hotel Lot pay the TIF Note Purchaser the principal and interest of the Hotel Note. The Authority shall, to the extent allowed by law, and then only to the extent funds are lawfully available from TIF Revenues generated by the MOB Lot pay the TIF Note Purchaser the principal and interest of the MOB Note. Any debt service on the TIF Notes to be paid from TIF Revenues shall not constitute a general obligation or debt of the City or Authority. Neither the City or Authority shall be liable or be required to reimburse Redeveloper for any costs incurred by Redeveloper in the event this Contract is not approved for any reason, including for reasons alleged to be the fault of the City or Authority. Any excess TIF Revenues resulting from the Project Site not needed or required to pay the TIF Note Purchaser shall be expended by the Authority or returned to the applicable taxing authorities as provided in the Community Development Law. Any shortfall in anticipated TIF funds from the TIF Revenues for any reason whatsoever, specifically including a decline in taxable valuation of the Project Site, shall be borne entirely by the Redeveloper and/or TIF Note Purchaser without recourse of any kind against the Authority or the City.

Section 4.03 No Discrimination.

Redeveloper agrees and covenants for itself its successors and assigns that 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 Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper 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. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.04 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Authority. Such consent shall not be unreasonably withheld. Redeveloper agrees that it shall not convey any Lot or any portion thereof or any structures thereon to any person or entity that would be exempt from payment of real estate taxes, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any Lot. Any successor in interest or transferee of any real estate in the Redevelopment Project shall be bound by and have the same obligations hereunder as the Redeveloper. The Authority shall be entitled to require, as conditions to any required approval, that:

- a. Any proposed transferee shall have the qualifications and financial responsibility, as reasonably determined by the Authority, necessary and adequate to fulfill the obligations undertaken in this Contract by Redeveloper relating to the applicable Lot being transferred; and
- b. Any proposed transferee, by instrument satisfactory to the Authority and in form recordable in the Office of the Register of Deeds, shall for itself and its successors and assigns and for the benefit of the Authority, have expressly assumed all of

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the obligations of Redeveloper under this Contract with respect to the applicable Lot being transferred; and

c. Copies of the documents addressing items (a) and (b) shall be submitted to the Authority for review, not less than ten (10) days prior a regularly scheduled meeting of the Authority and not less than less than ten (10) days prior to the proposed transfer. If the transfer or any of the documentation in connection therewith is disapproved by the Authority, its disapproval and reasons therefore shall be indicated to Redeveloper in writing.

The Authority acknowledges and understands that it is the intent of Redeveloper to assign the obligations under this Redevelopment Contract relating to each phase of the Redevelopment Project to separate and distinct third parties, such that there shall be one successor redeveloper for the Hospital Lot, one successor redeveloper for the Hotel Lot, and one successor redeveloper for the MOB Lot. The Authority acknowledges that, subject to the conditions set forth above, it shall assign the rights and obligations hereunder separately with respect to the Hospital Lot, the Hotel Lot, and the MOB Lot. Each successor redeveloper shall only assume the obligations hereunder with respect to the assumed Lot and shall not have any obligation or liability relating to the other Lots in the Redevelopment Project Area. Upon an assignment of this Redevelopment Contract with respect to one Lot or less than the entire Redevelopment Project Area, this Redevelopment Contract shall be reasonably interpreted by the parties to apply solely to said applicable Lot unless otherwise expressly provided in the applicable assignment and assumption agreement between Redeveloper and the successor redeveloper. Upon the approved assignment of the Redevelopment Contract to the three successor developers, Prataria Ventures shall have no further obligations hereunder with respect to the Hospital Lot, the Hotel Lot, and the MOB Lot, but shall not be relieved of the obligations hereunder with respect to the public improvements to be constructed in the public right of way.

Section 4.05 Payment of Authority Costs.

Redeveloper shall pay to the Authority the following sums upon execution hereof:

- a. Legal expenses of Authority for representation related to this Redevelopment Contract and the issuance of the TIF Note and other matters.
- b. \$ _____ for City and Authority administrative accounting of incremental tax payments.

Section 4.06. Obligation to Restore.

In the event of any damage or destruction to the Private Improvements during the Tax Increment Period, Redeveloper agrees to use good faith efforts to commence restoration of the Private Improvements to its prior condition within twelve (12) months from the date of the damage or destruction, and shall pursue the same to completion.

ARTICLE V FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

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Section 5.01 Financing Creating Encumbrances Restricted. Prior to completion of the Public and Private Improvements, neither Redeveloper, nor any successors in interest with respect to the applicable portion of the Redeveloper Property, shall engage in any financing or any other transaction creating any mortgage upon the uncompleted phase of the Redeveloper Property, whether by express contract or operation of law, or suffer any encumbrance or lien to be made on or attached to any of such uncompleted phase of the Redeveloper Property, except for the purposes of obtaining funds only to the extent necessary to acquire such property, or design, construct, maintain, repair, replace and insure the Private Improvements, or to refinance said amounts. Notwithstanding the above, if any involuntary encumbrance or lien is made on or attached to any of the Redeveloper Property and which is contested by Redeveloper, then Redeveloper may defend against such encumbrance or lien, provided that a sufficient Note or security is posted with the Authority, to permit Redeveloper to avoid or prevent foreclosure of such encumbrance or lien.

a. Whenever the Authority shall deliver any notice or demand to Redeveloper with respect to any breach or default by Redeveloper of its obligations or covenants in this Contract, the Authority shall at the same time forward a copy of such notice or demand to each holder of any mortgage at the last address of such holder as shown in the records of the Register of Deeds of Hall County.

b. If thirty (30) days after any notice or demand with respect to any breach or default, such breach or default remains uncured, each such holder shall have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage.

d. The rights and obligations of this Redevelopment Contract relating to mortgages of any portion of the Redeveloper Property shall apply to any other type of encumbrance on any of the Redeveloper Property, and any of the stated rights, obligations and remedies of any party relating to mortgage foreclosures shall be applicable to procedures under any deed of trust or similar method of encumbrance.

ARTICLE VI

DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of Authority and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment 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 Redevelopment 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 Redevelopment Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations. The Redeveloper

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hereby acknowledges and agrees that the Authority shall have completed its required performances and satisfied all of its obligations under this Redevelopment Contract upon the issuance of the Indebtedness and the subsequent payment of grant amounts to the Redeveloper as set forth in Article III hereof.

Section 6.02 Additional Remedies of Authority

In the event that (each such event an "event of default"):

(a) the Redeveloper, or its successor in interest, shall fail to substantially complete the construction of the improvements included in the Project Costs on or before the applicable Effective Date, excepting delays caused by inclement weather or any delays set forth in section 6.04.

In the event of such failure to perform, breach or default occurs 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 the amount of damages that could be incurred is the amount of the grant to Redeveloper pursuant to Section 3.04 of this Redevelopment Contract, less any reductions in the principal amount of the Indebtedness, plus interest on such amounts as provided herein (the "**Liquidated Damages Amount**"). Upon the occurrence of an event of default, the Liquidated Damages Amount shall be paid by Redeveloper to Authority within 30 days of demand from Authority given to the Redeveloper and the Authority shall use said Liquidated Damages Amount to immediately pay off and retire the outstanding TIF Note. In no case whatsoever shall the Liquidated Damages Amount exceed the amount necessary for the authority to pay off the TIF Note.

Interest shall accrue on the Liquidated Damages Amount at the rate of three percent (3%) per annum and interest shall commence thirty (30) days after the date that the Authority gives notice to the Redeveloper demanding payment.

Payment of the Liquidated Damages Amount shall not relieve Redeveloper of its obligation to pay real estate taxes or assessments with respect to the Redevelopment Project Property and the Project.

Redeveloper, on or before contracting for work included within the Project Costs, shall furnish to the Authority copies of labor and materials payment bonds and performance bonds for each contract entered into by Redeveloper related to Project Costs. Each such bond shall show the Authority and the City as well as the Redeveloper as beneficiary of any such bond, as and to the extent commercially obtainable (as determined in the discretion of the Authority).

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event the Redeveloper fails to perform any other provisions of this Redevelopment Contract (other than those specific provisions contained in Section 6.02), the Redeveloper shall be in default. In such an instance, the Authority may seek to enforce the terms of this Redevelopment Contract or exercise any other remedies that may be provided in this

Prataria Ventures, LLC

Redevelopment Contract or by applicable law; provided, however, that any defaults covered by this Section shall not give rise to a right or rescission on termination of this Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

Section 6.04 Forced Delay Beyond Party's Control.

For the purposes of any of the provisions of this Redevelopment Contract, neither the Authority nor the Redeveloper, 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 Area or any part thereof 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, 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 Redeveloper 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 thirty (30) days after the beginning of any such forced delay, have first notified the other party thereto in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

Section 6.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary, neither the City, the Authority, nor their respective elected officials, officers, directors, appointed officials, employees, attorneys, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The sole obligation of the Authority under this Redevelopment Contract shall be the issuance of the Indebtedness and granting of a portion of the proceeds thereof to Redeveloper, and full compliance with the terms specifically set forth Article III hereof and payment of TIF Revenues pledged pursuant to the Resolution. The Redeveloper releases the City and Authority from, agrees that neither the City nor Authority shall be liable for, and agrees to indemnify and hold the City and Authority harmless from any liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project.

The Redeveloper will indemnify and hold each of the City and Authority and their respective elected officials, directors, officers, appointed officials, attorneys, agents, employees and members of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, excluding 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 that portion of the Project owned by the Redeveloper, during the term of this Redevelopment Contract or arising out of any action or inaction of Redeveloper, related to

Prataria Ventures, LLC

activities of the Redeveloper or its agents during the construction of the public infrastructure or public right of ways in the Project.

Section 6.06 Indemnification for Relocation Expenses.

The Redeveloper agrees to indemnify and hold the City and the Authority harmless from any and all liability to the extent resulting from the Redeveloper's failure to make payments of all amounts lawfully due to all persons, firms, or organizations under any city, state or federal relocation laws or regulation in connection with the Project Site. The terms of this section shall survive any termination of this Contract.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notice Recording.

A notice memorandum of this Redevelopment Contract may be recorded in the office of the Register of Deeds of Hall County, Nebraska.

Section 7.02 Governing Law.

This Redevelopment Contract shall be governed by the laws of the State of Nebraska, including but not limited to the Act.

Section 7.03 Binding Effect: Amendment, Assignment.

This Redevelopment Contract shall be binding on the parties hereto and their respective successors and assigns. The Redevelopment Contract shall not be amended except by a writing signed by the party to be bound. The Redeveloper may assign its rights and obligations to a controlled entity which shall be bound by all the terms hereof.

Section 7.04 Effective Date and Implementation of Redevelopment Contract.

This Agreement is in full force and effect from and after the date of execution hereof by both the Redeveloper and the Authority.

Section 7.05 Notices to Parties.

Notices to Parties shall be mailed by U. S. Mail to the following addresses:

Redeveloper:
Prataria Ventures, LLC
Attn: Executive Office
3942 West Old Highway 30

Prataria Ventures, LLC

P.O. Box 2078
Grand Island, NE 68802

Authority and City:
Director
Grand Island Community Redevelopment Authority
Hall County Regional Planning Department
100 E 1st Street
P.O. Box 1968
Grand Island, NE 68802

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

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

ATTEST:

Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of 2017, by _____ and _____, Chairman and Secretary, respectively, of the Community Redevelopment Authority of the City of Grand Island, Nebraska, on behalf of the Authority.

Notary Public

Prataria Ventures, LLC

By: _____
David Ostdiek, Manager

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by David Ostdiek, Manager of Prataria Ventures, LLC, on behalf of the limited liability company.

Prataria Ventures, LLC

Notary Public

Prataria Ventures, LLC

EXHIBIT A
REDEVELOPMENT PLAN

Prataria Ventures, LLC

EXHIBIT B

DESCRIPTION OF REDEVELOPMENT PROJECT AREA

Lots 1, 2 and 3, Prairie Commons Subdivision, Grand Island, Hall County, Nebraska

Prataria Ventures, LLC

EXHIBIT C
SITE PLAN

Prataria Ventures, LLC

EXHIBIT D
SOURCES AND USES

1. TIF Sources

Assumptions Tax Levy 2.0835461
 Interest Rate 4.75%
 Number of TIF years per phase – 14 (only a partial valuation
 anticipated in the first year after the Effective Date)

Property Value Assumptions

Hospital Lot	Assessed Value	Taxes
Base Year	\$110,000	\$2,292
Completed Project	<u>\$55,000,000</u>	<u>\$1,145,950</u>
Increment	\$54,890,000	\$1,143,658

Estimated TIF Indebtedness for Hospital Lot - \$11,600,000

MOB Lot	Assessed Value	Taxes
Base Year	\$38,000	\$792
Completed Project	<u>\$11,880,000</u>	<u>\$247,525</u>
Increment	\$11,842,000	\$246,734

Estimated TIF Indebtedness for MOB Lot - \$2,500,000

Hotel Lot	Assessed Value	Taxes
Base Year	\$21,000	\$438
Completed Project	<u>\$8,240,000</u>	<u>\$171,684</u>
Increment	\$8,219,000	\$171,247

Estimated TIF Indebtedness for Hotel Lot - \$1,700,000

Total Project Valuation Increment	\$74,951,000
Total Project Tax Increment	\$1,561,638
Estimated TIF Indebtedness Amount	\$15,800,000

The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period. Additionally, the Indebtedness could increase or decreased based upon the interest rate actually approved by a lender purchasing one or more of the TIF Notes. Each of the phases of the project (Hospital, MOB, and Hotel) may have one or more TIF Notes and such Indebtedness shall be allocated based upon these aggregate projections.

Prataria Ventures, LLC

2. TIF Uses

A. Project Site Preparation Expenses

1. Grading/Stormwater Detention:	<u>\$4,479,000</u>
Total:	\$4,479,000

B. Public Improvements

1. Public Streets; Public Utilities: (Sanitary/Storm sewer, water, public streets, grading)	\$6,402,000
2. Private Street; Parking Lots:	\$4,351,000
3. Bike Trail	<u>\$594,000</u>
Total:	\$11,347,000

Total Expenses: \$15,826,000

The projected costs are estimates and the final amounts may vary. The Authority agrees that individual line items that are eligible costs may be adjusted up or down based on final costs, provided that the total TIF Uses shall equal or exceed the amount of Indebtedness issues. The Authority acknowledges and agrees that there are additional eligible TIF Uses associated with this Project in excess of the Indebtedness amount which shall be paid by the Redeveloper, but shall be considered eligible TIF Uses for the Project.

Prataria Ventures, LLC

EXHIBIT E

(FORM OF HOSPITAL NOTE)

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

TAX INCREMENT DEVELOPMENT REVENUE NOTE
(PRATARIA VENTURES, LLC REDEVELOPMENT PROJECT), SERIES 2017 A
("Hospital Note")

No. R-1

Up to \$11,600,000
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 20__

4.75%

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE NOTE SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA has caused this Note to be signed by the manual signature of the Chairman of the Authority, countersigned by the manual signature of the Secretary of the Authority, and the City's corporate seal imprinted hereon.

Prataria Ventures, LLC

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

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning June 1, 20__, by check or draft mailed to the Registered Owner hereof as shown on the Note registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable interest payment date occurs, at such Owner’s address as it appears on such Note registration books. The principal of this Note and the interest hereon are payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____2017, as from time to time amended and supplemented (the “**Resolution**”).

THE PRINCIPAL AMOUNT OF THIS NOTE IS SET FORTH IN SCHEDULE 1 ATTACHED HERETO. THE MAXIMUM PRINCIPAL AMOUNT OF THIS NOTE IS \$11,600,000.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Hospital Revenue (as defined in the Resolution)

Prataria Ventures, LLC

and certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Hospital Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property within the Hospital Lot(as defined in the Resolution) which is in excess of that portion of such ad valorem taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the Hospital Lotas of a certain date and as has been certified by the County Assessor of Hall County, Nebraska to the City in accordance with law.

Reference is hereby made to the Resolution for the provisions, among others, with respect to the collection and disposition of certain tax and other revenues, the special funds charged with and pledged to the payment of the principal of and interest on this Note, the nature and extent of the security thereby created, the terms and conditions under which this Note has been issued, the rights and remedies of the Registered Owner of this Note, and the rights, duties, immunities and obligations of the City and the Authority. By the acceptance of this Note, the Registered Owner assents to all of the provisions of the Resolution.

The principal of and interest hereon shall not be payable from the general funds of the City nor the Authority nor shall this Note constitute a legal or equitable pledge, charge, lien, security interest or encumbrance upon any of the property or upon any of the income, receipts, or money and securities of the City or the Authority or of any other party other than those specifically pledged under the Resolution. This Note is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority and neither the City nor the Authority shall be liable for the payment hereof out of any funds of the City or the Authority other than the Hospital Revenues and other funds pledged under the Resolution, which Hospital Revenues and other funds have been and hereby are pledged to the punctual payment of the principal of and interest on this Note in accordance with the provisions of this Resolution.

The Registered Owner may from time to time enter the respective amounts advanced pursuant to the terms of the Resolution under the column headed "Principal Amount Advanced" on **Schedule 1** hereto (the "**Table**") and may enter the aggregate principal amount of this Note then outstanding under the column headed "Cumulative Outstanding Principal Amount" on the Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Registered Owner pursuant to the redemption provisions of the Resolution, the Registered Owner may enter the principal amount paid on this Note under the column headed "Principal Amount Redeemed" on the Table and may enter the then outstanding principal amount of this Note under the column headed "Cumulative Outstanding Principal Amount" on the Table. Notwithstanding the foregoing, the records maintained by the Trustee as to the principal amount issued and principal amounts paid on this Note shall be the official records of the Cumulative Outstanding Principal Amount of this Note for all purposes.

Reference is hereby made to the Resolution, a copy of which is on file in the office of the City Clerk, and to all of the provisions of which each Owner of this Note by its acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for this Note; the Hospital Revenue and other money and securities pledged to the payment of the

Prataria Ventures, LLC

principal of and interest on this Note; the nature and extent and manner of enforcement of the pledge; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Owner of this Note; the rights, duties and obligations of the Authority and the Registrar thereunder; the terms and provisions upon which the liens, pledges, charges, trusts and covenants made therein may be discharged at or prior to the maturity or redemption of this Note, and this Note thereafter no longer be secured by the Resolution or be deemed to be outstanding thereunder, if money or certain specified securities shall have been deposited with the Registrar sufficient and held in trust solely for the payment hereof; and for the other terms and provisions thereof.

This Note is subject to redemption prior to maturity, at the option of the Authority, in whole or in part at any time at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest on such principal amount to the date fixed for redemption. Reference is hereby made to the Resolution for a description of the redemption procedures and the notice requirements pertaining thereto.

In the event this Note is called for prior redemption, notice of such redemption shall be given by first-class mail to the Registered Owner hereof at its address as shown on the registration books maintained by the Registrar not less than 10 days prior to the date fixed for redemption, unless waived by the Registered Owner hereof. If this Note, or any portion thereof, shall have been duly called for redemption and notice of such redemption duly given as provided, then upon such redemption date the portion of this Note so redeemed shall become due and payable and if money for the payment of the portion of the Note so redeemed and the accrued interest thereon to the date fixed for redemption shall be held for the purpose of such payment by the Registrar, interest shall cease to accrue and become payable hereon from and after the redemption date.

This Note is transferable by the Registered Owner hereof in person or by its attorney or legal representative duly authorized in writing at the principal office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of the same series and maturity and for the same principal amount will be issued to the transferee in exchange therefor. The Authority and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal of and interest due hereon and for all other purposes.

This Note is being issued as fully a registered Note without coupons. This Note is subject to exchange as provided in the Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, do exist and have been performed in regular and due time, form and manner; that this Note does not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on this Note as provided in this Resolution.

Prataria Ventures, LLC

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Prataria Ventures, LLC

(FORM OF ASSIGNMENT)

ASSIGNMENT**FOR VALUE RECEIVED**, the undersigned hereby sells, assigns and transfers unto

 Print or Type Name, Address and Social Security Number
 or other Taxpayer Identification Number of Transferee

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the Note register kept by the Registrar for the registration thereof, with full power of substitution in the premises.

Dated: _____

 NOTICE: The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Note in every particular.

Signature Guaranteed By:

 Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15)

 By: _____
 Title: _____
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Prataria Ventures, LLC

EXHIBIT F

(FORM OF HOTEL NOTE)

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

TAX INCREMENT DEVELOPMENT REVENUE NOTE
(PRATARIA VENTURES, LLC REDEVELOPMENT PROJECT), SERIES 2017

B

("HOTEL NOTE")

No. R-1

Up to \$1,700,000
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 20__

4.75%

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE NOTE SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA has caused this Note to be signed by the manual signature of the Chairman of the Authority, countersigned by the manual signature of the Secretary of the Authority, and the City's corporate seal imprinted hereon.

Prataria Ventures, LLC

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

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning June 1, 20__, by check or draft mailed to the Registered Owner hereof as shown on the Note registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable interest payment date occurs, at such Owner’s address as it appears on such Note registration books. The principal of this Note and the interest hereon are payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____ 2017, as from time to time amended and supplemented (the “**Resolution**”).

THE PRINCIPAL AMOUNT OF THIS NOTE IS SET FORTH IN SCHEDULE 1 ATTACHED HERETO. THE MAXIMUM PRINCIPAL AMOUNT OF THIS NOTE IS \$1,700,000.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Hotel Revenue (as defined in the Resolution) and

Prataria Ventures, LLC

certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Hotel Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property within the Hotel Lot (as defined in the Resolution) which is in excess of that portion of such ad valorem taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the Hotel Lot as of a certain date and as has been certified by the County Assessor of Hall County, Nebraska to the City in accordance with law.

Reference is hereby made to the Resolution for the provisions, among others, with respect to the collection and disposition of certain tax and other revenues, the special funds charged with and pledged to the payment of the principal of and interest on this Note, the nature and extent of the security thereby created, the terms and conditions under which this Note has been issued, the rights and remedies of the Registered Owner of this Note, and the rights, duties, immunities and obligations of the City and the Authority. By the acceptance of this Note, the Registered Owner assents to all of the provisions of the Resolution.

The principal of and interest hereon shall not be payable from the general funds of the City nor the Authority nor shall this Note constitute a legal or equitable pledge, charge, lien, security interest or encumbrance upon any of the property or upon any of the income, receipts, or money and securities of the City or the Authority or of any other party other than those specifically pledged under the Resolution. This Note is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority and neither the City nor the Authority shall be liable for the payment hereof out of any funds of the City or the Authority other than the Hotel Revenues and other funds pledged under the Resolution, which Hotel Revenues and other funds have been and hereby are pledged to the punctual payment of the principal of and interest on this Note in accordance with the provisions of this Resolution.

The Registered Owner may from time to time enter the respective amounts advanced pursuant to the terms of the Resolution under the column headed "Principal Amount Advanced" on **Schedule 1** hereto (the "**Table**") and may enter the aggregate principal amount of this Note then outstanding under the column headed "Cumulative Outstanding Principal Amount" on the Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Registered Owner pursuant to the redemption provisions of the Resolution, the Registered Owner may enter the principal amount paid on this Note under the column headed "Principal Amount Redeemed" on the Table and may enter the then outstanding principal amount of this Note under the column headed "Cumulative Outstanding Principal Amount" on the Table. Notwithstanding the foregoing, the records maintained by the Trustee as to the principal amount issued and principal amounts paid on this Note shall be the official records of the Cumulative Outstanding Principal Amount of this Note for all purposes.

Reference is hereby made to the Resolution, a copy of which is on file in the office of the City Clerk, and to all of the provisions of which each Owner of this Note by its acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for this Note; the Hotel Revenue and other money and securities pledged to the payment of the

Prataria Ventures, LLC

principal of and interest on this Note; the nature and extent and manner of enforcement of the pledge; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Owner of this Note; the rights, duties and obligations of the Authority and the Registrar thereunder; the terms and provisions upon which the liens, pledges, charges, trusts and covenants made therein may be discharged at or prior to the maturity or redemption of this Note, and this Note thereafter no longer be secured by the Resolution or be deemed to be outstanding thereunder, if money or certain specified securities shall have been deposited with the Registrar sufficient and held in trust solely for the payment hereof; and for the other terms and provisions thereof.

This Note is subject to redemption prior to maturity, at the option of the Authority, in whole or in part at any time at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest on such principal amount to the date fixed for redemption. Reference is hereby made to the Resolution for a description of the redemption procedures and the notice requirements pertaining thereto.

In the event this Note is called for prior redemption, notice of such redemption shall be given by first-class mail to the Registered Owner hereof at its address as shown on the registration books maintained by the Registrar not less than 10 days prior to the date fixed for redemption, unless waived by the Registered Owner hereof. If this Note, or any portion thereof, shall have been duly called for redemption and notice of such redemption duly given as provided, then upon such redemption date the portion of this Note so redeemed shall become due and payable and if money for the payment of the portion of the Note so redeemed and the accrued interest thereon to the date fixed for redemption shall be held for the purpose of such payment by the Registrar, interest shall cease to accrue and become payable hereon from and after the redemption date.

This Note is transferable by the Registered Owner hereof in person or by its attorney or legal representative duly authorized in writing at the principal office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of the same series and maturity and for the same principal amount will be issued to the transferee in exchange therefor. The Authority and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal of and interest due hereon and for all other purposes.

This Note is being issued as fully a registered Note without coupons. This Note is subject to exchange as provided in the Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, do exist and have been performed in regular and due time, form and manner; that this Note does not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on this Note as provided in this Resolution.

Prataria Ventures, LLC

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Prataria Ventures, LLC

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the Note register kept by the Registrar for the registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Note in every particular.

Signature Guaranteed By:

Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15)

By: _____
Title: _____

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Prataria Ventures, LLC

EXHIBIT G

(FORM OF MOB NOTE)

UNITED STATES OF AMERICA
 STATE OF NEBRASKA
 COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
 OF THE CITY OF GRAND ISLAND, NEBRASKA

TAX INCREMENT DEVELOPMENT REVENUE NOTE
 (PRATARIA VENTURES, LLC REDEVELOPMENT PROJECT), SERIES 2017

C

(“MOB NOTE”)

No. R-1

Up to \$2,500,000
 (subject to reduction as described herein)

<u>Date of Original Issue</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>
	December 31, 20__	4.75%

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE NOTE SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA has caused this Note to be signed by the manual signature of the Chairman of the Authority, countersigned by the manual signature of the Secretary of the Authority, and the City’s corporate seal imprinted hereon.

Prataria Ventures, LLC

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

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning June 1, 20__, by check or draft mailed to the Registered Owner hereof as shown on the Note registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable interest payment date occurs, at such Owner’s address as it appears on such Note registration books. The principal of this Note and the interest hereon are payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____2017, as from time to time amended and supplemented (the “**Resolution**”).

THE PRINCIPAL AMOUNT OF THIS NOTE IS SET FORTH IN SCHEDULE 1 ATTACHED HERETO. THE MAXIMUM PRINCIPAL AMOUNT OF THIS NOTE IS \$2,500,000.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the MOB Revenue (as defined in the Resolution) and

Prataria Ventures, LLC

certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The MOB Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property within the MOB Lot (as defined in the Resolution) which is in excess of that portion of such ad valorem taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the MOB Lot as of a certain date and as has been certified by the County Assessor of Hall County, Nebraska to the City in accordance with law.

Reference is hereby made to the Resolution for the provisions, among others, with respect to the collection and disposition of certain tax and other revenues, the special funds charged with and pledged to the payment of the principal of and interest on this Note, the nature and extent of the security thereby created, the terms and conditions under which this Note has been issued, the rights and remedies of the Registered Owner of this Note, and the rights, duties, immunities and obligations of the City and the Authority. By the acceptance of this Note, the Registered Owner assents to all of the provisions of the Resolution.

The principal of and interest hereon shall not be payable from the general funds of the City nor the Authority nor shall this Note constitute a legal or equitable pledge, charge, lien, security interest or encumbrance upon any of the property or upon any of the income, receipts, or money and securities of the City or the Authority or of any other party other than those specifically pledged under the Resolution. This Note is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority and neither the City nor the Authority shall be liable for the payment hereof out of any funds of the City or the Authority other than the MOB Revenues and other funds pledged under the Resolution, which MOB Revenues and other funds have been and hereby are pledged to the punctual payment of the principal of and interest on this Note in accordance with the provisions of this Resolution.

The Registered Owner may from time to time enter the respective amounts advanced pursuant to the terms of the Resolution under the column headed "Principal Amount Advanced" on **Schedule 1** hereto (the "**Table**") and may enter the aggregate principal amount of this Note then outstanding under the column headed "Cumulative Outstanding Principal Amount" on the Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Registered Owner pursuant to the redemption provisions of the Resolution, the Registered Owner may enter the principal amount paid on this Note under the column headed "Principal Amount Redeemed" on the Table and may enter the then outstanding principal amount of this Note under the column headed "Cumulative Outstanding Principal Amount" on the Table. Notwithstanding the foregoing, the records maintained by the Trustee as to the principal amount issued and principal amounts paid on this Note shall be the official records of the Cumulative Outstanding Principal Amount of this Note for all purposes.

Reference is hereby made to the Resolution, a copy of which is on file in the office of the City Clerk, and to all of the provisions of which each Owner of this Note by its acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for this Note; the MOB Revenue and other money and securities pledged to the payment of the

Prataria Ventures, LLC

principal of and interest on this Note; the nature and extent and manner of enforcement of the pledge; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Owner of this Note; the rights, duties and obligations of the Authority and the Registrar thereunder; the terms and provisions upon which the liens, pledges, charges, trusts and covenants made therein may be discharged at or prior to the maturity or redemption of this Note, and this Note thereafter no longer be secured by the Resolution or be deemed to be outstanding thereunder, if money or certain specified securities shall have been deposited with the Registrar sufficient and held in trust solely for the payment hereof; and for the other terms and provisions thereof.

This Note is subject to redemption prior to maturity, at the option of the Authority, in whole or in part at any time at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest on such principal amount to the date fixed for redemption. Reference is hereby made to the Resolution for a description of the redemption procedures and the notice requirements pertaining thereto.

In the event this Note is called for prior redemption, notice of such redemption shall be given by first-class mail to the Registered Owner hereof at its address as shown on the registration books maintained by the Registrar not less than 10 days prior to the date fixed for redemption, unless waived by the Registered Owner hereof. If this Note, or any portion thereof, shall have been duly called for redemption and notice of such redemption duly given as provided, then upon such redemption date the portion of this Note so redeemed shall become due and payable and if money for the payment of the portion of the Note so redeemed and the accrued interest thereon to the date fixed for redemption shall be held for the purpose of such payment by the Registrar, interest shall cease to accrue and become payable hereon from and after the redemption date.

This Note is transferable by the Registered Owner hereof in person or by its attorney or legal representative duly authorized in writing at the principal office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of the same series and maturity and for the same principal amount will be issued to the transferee in exchange therefor. The Authority and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal of and interest due hereon and for all other purposes.

This Note is being issued as fully a registered Note without coupons. This Note is subject to exchange as provided in the Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, do exist and have been performed in regular and due time, form and manner; that this Note does not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on this Note as provided in this Resolution.

Prataria Ventures, LLC

[The remainder of this page intentionally left blank]

Prataria Ventures, LLC

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the Note register kept by the Registrar for the registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Note in every particular.

Signature Guaranteed By:

Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15)

By: _____
Title: _____

[The remainder of this page intentionally left blank]

Prataria Ventures, LLC

EXHIBIT F
PUBLIC PARKING LICENSE AGREEMENT

THIS PARKING LOT LICENSE AGREEMENT (the "Agreement") is made this ____ day of _____, 2017 by and between Prataria Ventures, LLC, a Nebraska limited liability company ("Licensor"), and the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Licensee").

RECITALS

- A. Licensor owns certain real estate located in Grand Island, Nebraska legally described as:
- Lots 1, 2 and 3, Prairie Commons Subdivision, Grand Island, Hall County,
Nebraska
- (the "Property").
- B. Licensor entered into a Redevelopment Contract (the "Redevelopment Contract") with Licensee for the construction of a hospital, medical office building, hotel and related improvements located on the Property.
- C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to grant a nonexclusive limited license to the public to use the portions of the parking lot located on the Property that are designated as "public parking" as generally shown on the site plan attached hereto as Exhibit "1" (the "Parking Lot"). The proposed site plan and designated Parking Lot may be amended and updated during the construction of the Project, provided that the public parking actually provided is substantially the same in scope.
- D. Under the Redevelopment Agreement, Licensor is receiving financial assistance from the Licensee to improve the Parking Lot provided that the public is granted certain rights to use the Parking Lot.
- E. This Agreement sets forth the parties' rights and obligations with respect to the license on the Parking Lot.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and in the Redevelopment Agreement, Licensor and Licensee do now hereby agree as follows:

1. Parking Lot License. Licensor hereby grants to Licensee, for the benefit of the public, a nonexclusive limited license for non-commercial vehicular parking in the Parking Lot daily from 7:00 a.m. to 12:00 a.m. ("Permitted Hours"), in accordance with the following conditions:

Prataria Ventures, LLC

a. This Agreement shall grant the public rights solely for the parking of non-commercial vehicles and vehicular ingress and egress from the public street to the Parking Lot.

b. Nothing in this Agreement is intended to permit any of the following enumerated or similar activities by the public in the Parking Lot: loitering, partying, demonstrating, picketing, soliciting, commerce of any kind, begging, littering, sunbathing, consuming alcoholic beverages, carrying firearms, erecting signs or displays, pick-up/drop-off location for mass transport to a remote location or event, engaging in any illegal, offensive, indecent, obscene, vulgar, lewd or disorderly speech, dress or conduct, or otherwise disturbing the peace.

c. Licensor shall have the right to deny access to the Parking Lot to persons who are disorderly or intoxicated or engaging in any of the activities identified in subsection b. above.

d. Licensor shall have the right to deny public access to the Parking Lot and remove unauthorized vehicles in the Parking Lot during any time outside of the Permitted Hours.

f. Licensor shall have the right to post and enforce any reasonable requirements regarding the use of the parking lot, including but not limited to reservation of certain stalls for handicapped or other designated users, time limits per parking session, and any other requirements it deems appropriate.

2. Authorized Use. Licensee shall be entitled to use the Parking Lot solely for the limited uses specified in this Agreement during the permitted hours specified in the Agreement and for no other purposes whatsoever.

3. Private Property. The Parking Lot shall at all times remain the private property of the Licensor and nothing in this Agreement or the granting of this License shall be deemed to create or constitute a public forum, limited or otherwise.

4. Maintenance and Upkeep. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Parking Lot. Licensee shall have no responsibility to provide or pay for any security, upkeep, maintenance services or repairs related to use of the Parking Lot.

5. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys' fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of the license on the Parking Lot.

6. Term. This Agreement shall be for a term of fifteen (15) years. Provided, however, this Agreement shall terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

Prataria Ventures, LLC

7. Insurance. Licensor, at its expense, shall (i) keep the Parking Lot insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance.

8. Binding Effect. This Agreement shall be appurtenant to and run with the property. The grant of this easement shall be binding upon the heirs, executors, administrators, successors and assigns of Licensor.

(Signature page follows)

Prataria Ventures, LLC

IN WITNESS WHEREOF, the parties execute this Parking Lot License Agreement effective as of the date first written above.

“LICENSOR”

Prataria Ventures, LLC, a Nebraska limited liability company

By: _____
David Ostdiek, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by David Ostdiek, Manager of Prataria Ventures, LLC, a Nebraska limited liability company, on behalf of the limited liability company.

Notary Public

“LICENSEE”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, Chairman of the Community Redevelopment Authority of the City of Grand Island, Nebraska, on behalf of the Agency.

Notary Public

Prataria Ventures, LLC

EXHIBIT G
AMENDMENT TO REDEVELOPMENT CONTRACT
Amendment No. _____

This Amendment to Redevelopment Contract (this "Amendment") is made and entered into as of the _____ day of _____, 20____, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and _____, a Nebraska limited liability company ("Redeveloper").

RECITALS

WHEREAS, Authority and Prataria Ventures, LLC, a Nebraska limited liability company ("Prataria") entered into a Redevelopment Contract, dated as of September ____, 2017 (the "Agreement");

WHEREAS, the Agreement intended to implement the redevelopment plan entitled Redevelopment Plan Amendment Grand Island CRA Area #17 _____ 2016 to provide for the redevelopment of lots and lands located in a blighted and substandard area of the City of Grand Island, Nebraska (the "City");

WHEREAS, with respect to Lot 2, Prairie Commons Subdivision, Grand Island, Hall County, Nebraska ("MOB Lot"), Prataria assigned all rights and obligations under the Agreement to Redeveloper.

WHEREAS, in order to assist in the financing of the Redevelopment Project described in the Redevelopment Plan, the Agreement provides for periodic amendments thereto; and

WHEREAS, pursuant to Section 3.01 of the Agreement the parties desire to amend the Agreement on the terms set forth herein and this Amendment shall constitute a "Redevelopment Contract Amendment" as defined in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, Authority and Redeveloper do hereby agree to amend the Agreement as follows:

1. Definitions. All capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.
2. Amendment – MOB Lot. This Amendment applies solely to the MOB Lot.
3. Effective Date. The effective date of the Amendment shall be January 1, 20____.
4. Division Date. The Division Date (the "Division Date") shall mean the effective date for purposes of dividing taxes pursuant to Section 18-2147 of the Nebraska Community Development Law. The Division Date for the applicable Phase shall be January 1, 20____; and a proposed form of the "Notice to Divide Tax for Community Redevelopment Project" applicable to such Phase is attached hereto as Exhibit "A" and incorporated herein by this reference. For

Prataria Ventures, LLC

purposes of the Notice to Divide Tax for Community Redevelopment Project, the calendar year in which the division of real property tax becomes effective shall be the year of the Division Date.

5. Base Value Year. The base value year for such Phase shall be 20__.

6. Requirement to File Notice to Divide Tax for Community Redevelopment Project. The Authority shall execute and file with the Hall County Assessor and Treasurer a signed original of Exhibit "A", attached hereto, being the Notice to Divide Tax for Community Redevelopment Project, prior to August 1, of the year of the Division Date

7. Miscellaneous Provisions.

(a) Effectiveness. This Amendment shall become effective when and only when counterparts of this Amendment have been duly executed by both Authority and Redeveloper.

(b) Ratification of Agreement. Except as amended by this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. Each party acknowledges and agrees to all terms of the Agreement, as the same are amended by this Amendment, and makes and restates each representation and warranty set forth therein as if made on the date of this Amendment.

[Signature and notary page follows]

Prataria Ventures, LLC

IN WITNESS WHEREOF, Authority and Redeveloper have signed this Amendment as of the date and year first above written.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

ATTEST:

Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of 20__, by _____ and _____, Chairman and Secretary, respectively, of the Community Redevelopment Authority of the City of Grand Island, Nebraska, on behalf of the Authority.

Notary Public

“Redeveloper”
_____, LLC

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by _____, manager of _____, LLC, on behalf of the limited liability company.

Notary Public

Prataria Ventures, LLC

EXHIBIT “A” to Amendment to Redevelopment Contract

Notice to Divide Tax for Community Redevelopment Project

[TO BE ATTACHED]

4842-4797-9599, v. 2

Prataria Ventures, LLC

**Redevelopment Plan Amendment
Grand Island CRA Area 17
June 2016**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 17 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific project in Area 17.

Executive Summary:

Project Description

THE REDEVELOPMENT OF PROPERTY LOCATED SOUTH OF HUSKER HIGHWAY AND WEST OF U.S. HIGHWAY 281 (THE PROJECT SITE IS CURRENTLY PLATTED AS EWOLDT SUBDIVISION WHICH PLAT WILL BE VACATED AND A NEW PLAT RECORDED). THE PROJECT WILL CONSIST OF DEMOLITION OF EXISTING FARMS STRUCTURES, ALL SITE WORK AND GRADING TO PROMOTE AND ENHANCE DRAINAGE ACROSS THE SITE, INTALLATION OF ROADS, SEWER, WATER AND OTHER UTILITY INFRASTRUCTURE TO SUPPORT DEVELOPMENT OF THE SITE. THE PROJECT SHALL ALSO INCLUDE INFRASTRUCTURE IMPROVEMENTS AND MODIFICATIONS WITHIN THE PUBLIC RIGHT-OF-WAY OF HUSKER HIGHWAY (U.S. HIGHWAY 34) AND U.S. HIGHWAY 281 TO FACILITATE THE TRAFFIC THE PROJECT WILL GENERATE. THE INTIAL PHASE OF THIS DEVELOPMENT WILL CONSIST OF THE CONSTRUCTION OF A 4 STORY 64 BED HOSPITAL, A 66,000 SQUARE FOOT MEDICAL OFFICE BUILDING AND A 103 BED HOTEL WITH 7000 SQUARE FEET OF CONFERENCE/MEETING SPACE.

The use of Tax Increment Financing to aid in demolition, site clearance, and necessary infrastructure and grading improvements to redevelop the southwest corner of Husker Highway and U.S. Highway 281 currently platted as Ewoltd Sub in the City of Grand Island. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project economically feasible. The project will result in the development of lots along this section of U.S. 281 toward U.S. Interstate 80. The proposed anchors for the first phase of this development location include a private hospital, medical office building and hotel with conference space. Subsequent phases of the remainder of the site include housing, office space and retail development. The developer has indicated that this development would not be considered nor financially feasible for at this location without the use of TIF.

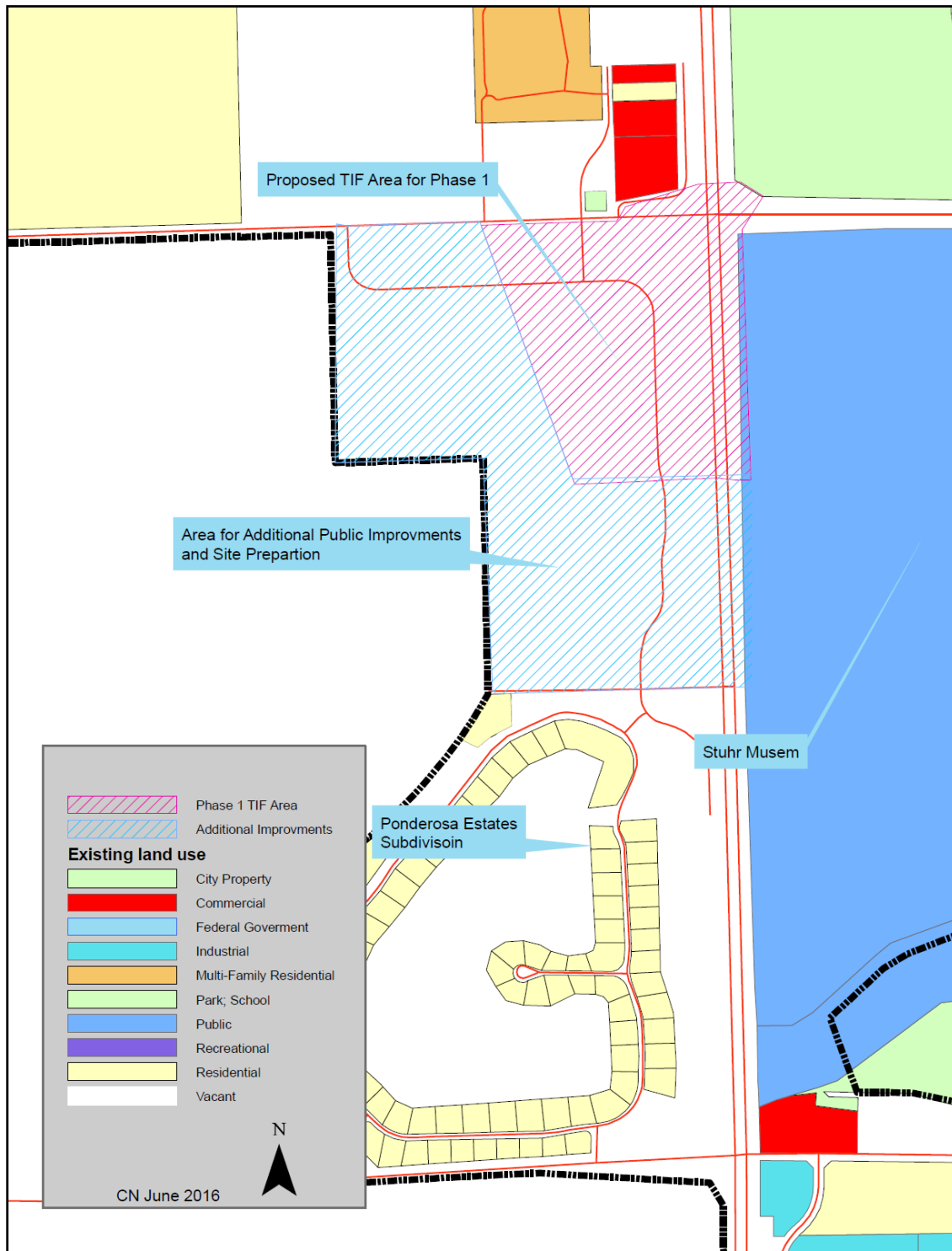
Prataria Ventures L.L.C., a wholly owned subsidiary of Chief Industries, Inc., owns the subject property. Chief Industries was founded in 1954 and is headquartered in Grand Island. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad

valorem taxes generated over the 15 year period beginning January 1, 2018 towards the allowable costs.

TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

Legal Descriptions: All of Ewoldt Subdivision in Grand Island, Hall County, Nebraska and the adjacent rights-of-way for Husker Highway/U.S. Highway 34, U.S. Highway 281 and Rae Road.



Existing Land Use and Subject Property

This plan amendment provides for the issuance TIF Notes, the proceeds of which will be granted to the Redeveloper. The tax increment will be captured for up to 15 tax years the payments for which become delinquent in years 2018 through 2032 inclusive or as otherwise dictated by the contract.

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The incremental value for the first phase will be created by the construction of a 64 bed private hospital, medical office building and hotel/conference center. This area is planned for commercial development with the Grand Island Comprehensive Plan and will need to be rezoned to either a B2 General Commercial or CD Commercial Development zone to accommodate the planned development. In addition, the current subdivision will be vacated and a new subdivision created to create the buildable lots of record for the first phase of redevelopment.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution providing for the issuance of the TIF Note, the Authority hereby provides that any ad valorem tax on the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract, consistent with this Redevelopment Plan. Said taxes shall be divided 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 bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such 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.

Pursuant to Section 18-2150 of the Act, the ad valorem tax so divided is hereby pledged to the repayment of loans or advances of money, or the incurring of any indebtedness, whether funded, refunded, assumed, or otherwise, by the CRA to finance or refinance, in whole or in part, the redevelopment project, including the payment of the principal of, premium, if any, and interest on such bonds, loans, notes, advances, or indebtedness.

Redevelopment Plan Amendment Complies with the Act:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan Amendment meets the statutory qualifications as set forth below.

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on June 9, 2015.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

2. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to rehabilitate the building for permitted uses on this property as defined by the current and effective zoning regulations.

3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]

a. Land Acquisition:

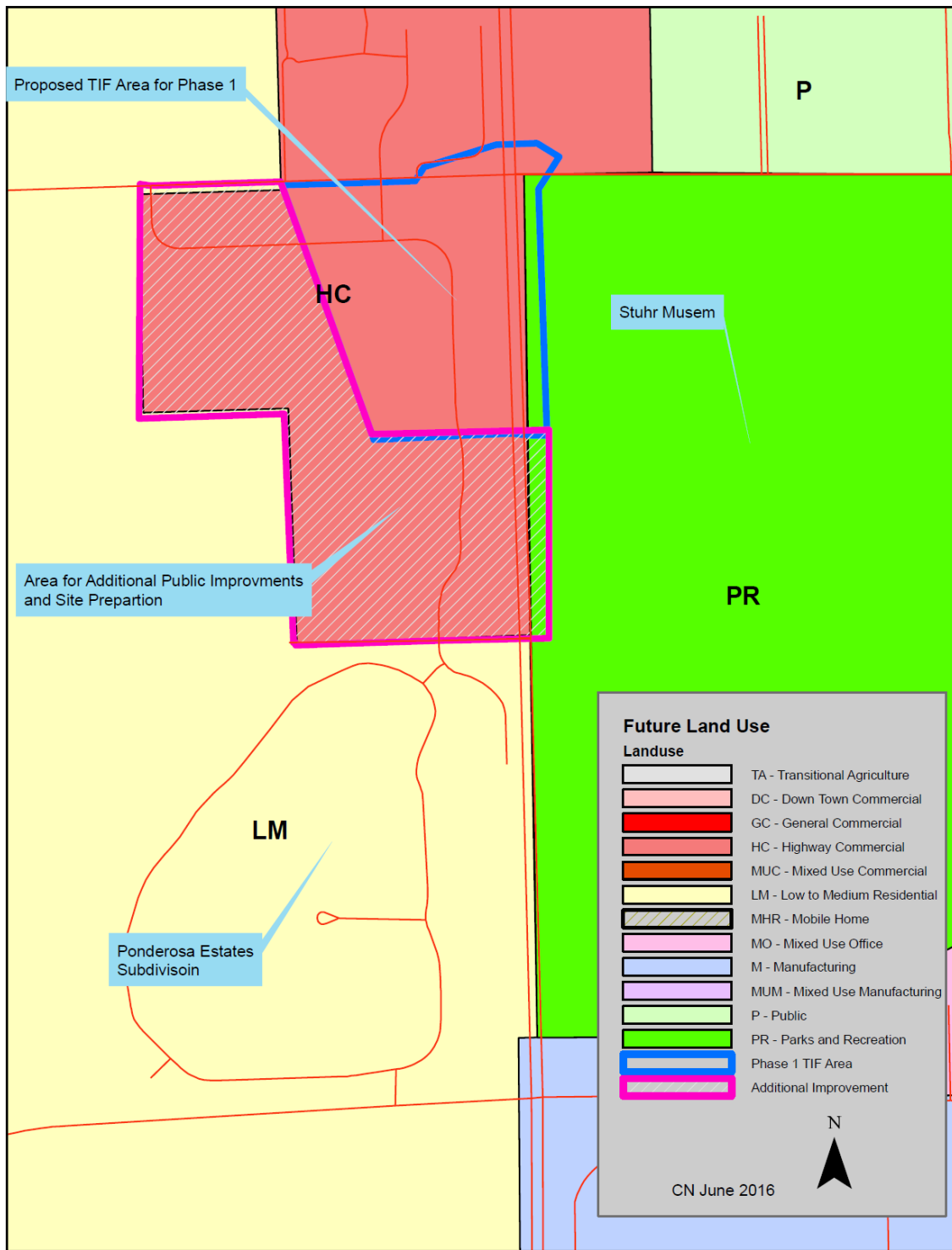
This Redevelopment Plan for Area 17 does not anticipate real property acquisition by the developer. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

The project to be implemented with this plan provides for the demolition and removal of the existing abandoned farm buildings on the property.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. This property is in private ownership and is planned for commercial uses [§18-2103(b) and §18-2111]. A site plan of the area after the proposed redevelopment is also attached. [§18-2111(5)]



City of Grand Island Future Land Use Map

Exhibit A



Proposed Site Plan as developed.

d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The property is currently platted as Ewoldt Subdivision. The existing Ewoldt Subdivision and all easements on the property will be vacated. The property will be replatted with a new street and lot configuration. Necessary easements will be dedicated with the new subdivision plat.

The area is zoned TA Transitional Agriculture. It is anticipated that the area for the first phase of redevelopment will be rezoned to accommodate the development to a B2 General Commercial or CD Commercial Development Zone. These zoning districts at this location are consistent with the Grand Island Comprehensive Development Plan. The westerly portions of the property may be rezoned to an RO Residential Office zone that allows apartments and office buildings and which would provide a buffer between anticipated lakefront residential development to the west. Internal streets will be platted to connect James Road on the north with the intersection of James Road (Prairie View Road) and Rae Road on the south. All properties will be graded to drain appropriately and streets will be designed based on final lot elevations. Streets, utility infrastructure and grading will be completed for the whole development during the first phase of this project. No changes are anticipated in building codes or ordinances. However, the CRA intends to require enhancements to building facades as part of a public space requirement of the redevelopment project. No other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The developer is proposing to build on the site within the constraints allowed by the proposed zoning districts. The CD zoning district allows for up to 50% of the CD zone to be covered with buildings. The B2 zone would allow coverage of up to 100% of the lot less required landscaping and the RO zoning district would allow up to 75% coverage. Final zoning on the project site will have to be approved by the Grand Island City Council prior to construction. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. Sufficient capacity exists within these systems to support this development at completion. Sewer, water will be extended throughout the site. The developer will be responsible for engineering and installation of all required utilities. Said utilities are expected to become part of the city infrastructure and will be accepted into the city systems after construction and inspection. Electric infrastructure will be extended throughout the site according to typical commercial installation requirements. Natural gas and communications infrastructure will be installed according to the agreements formed with the private companies that provide those services. The City of Grand Island will secure all necessary easements for utility infrastructure with the platting and development processes. Public façade easements will be acquired in all buildings constructed as part of the project. The

Redeveloper will be required to enhance the building exteriors and façades as provided in the redevelopment contract as a part of the public space development in the project over and above Commercial Development Zone building requirements. The façade improvements are required to ensure long-term durability of the buildings to prevent the recurrence of blighted conditions, with such façade improvements protected with a grant of an easement to the City by the Redeveloper.

[§18-2103(b) and §18-2111]

4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. No individuals or businesses will be relocated due to this development. [§18-2103.02]

5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106] No members of the authority or staff of the CRA has any interest in this property.

6. Section 18-2114 of the Act requires that the Authority consider:

a. Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

The developer owns this property. The developer has identified the following expenses shown as exhibit B as potentially eligible for TIF based on the costs for the first phase development and site preparation/grading, streets and utility infrastructure for the full 96 acre site at \$28,910,839. Additional TIF may be generated and used for complete development of the remainder of the site for site acquisition, planning, architecture, legal and other eligible activities.

Project TIF Eligible Expenses

A. <u>Project Site Preparation Expenses</u>		
1. Demolition:		\$60,000
2. Grading/ <u>Stormwater</u> Detention:		<u>\$795,000</u>
	Total:	\$855,000
B. <u>Public Improvements</u>		
1. Public Streets; Public Utilities:		\$12,820,000
	(Sanitary/Storm sewer, water, traffic Improvements)	
2. Façade Enhancements:		\$1,680,000
	(Hospital, Hotel & Office Building)	
3. Private Street; Parking Lots:		\$4,038,000
4. Offsite Street and Highway Improvements		<u>\$553,000</u>
	Total:	\$19,091,000
C. <u>Planning Activities</u>		
1. Design of Public Improvements:		\$7,356,000
	(Engineering, Architecture, Planning)	
2. Master Planning/Housing & Hotel Studies:		<u>\$59,000</u>
	Total:	\$7,415,000
D. <u>Conference Center</u>		
1.		<u>\$1,225,000</u>
	Total:	\$1,225,000
E. <u>TIF Related Expenses</u>		
1: Legal Fees		\$100,000
2 Cost Benefit Analysis		\$20,000
3 City and CRA Fees		<u>\$2,000</u>
	Total:	<u>\$122,000</u>
	Total Expenses:	\$28,708,000

No property will be transferred to redevelopers by the Authority. The developer will provide and secure all necessary financing.

b. Statement of proposed method of financing the redevelopment project.

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$28,708,000 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to

repay the original debt and associated interest after January 1, 2017 through December 2031. The developer will use the TIF Note to secure debt financing in an amount not to exceed \$28,708,000 to be paid to the note holder during the term of the financing.

c. Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this plan.

7. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring elements of blighted and substandard conditions within the area.

8. Time Frame for Development

Development of this project is anticipated to be completed between September of 2016 and December of 2018. Excess valuation should be available for this project for 15 years beginning with the 2017 tax year. Additional projects may be brought forward for separate consideration on parcels located outside of this initial phase.

9. Justification of Project

Demolition, extension of utilities, substantial site grading and installation of streets are necessary to facilitate redevelopment of this site. The redevelopment of this property by Prataria Ventures, LLC, will result in increased employment opportunities in the medical sector within Grand Island as well as expanded medical choices. This is a first step in extending development south along U.S. Highway 281 toward U.S. Interstate 80. The Grand Island City Council has made it clear with previous decisions that they support development toward the I-80/281 interchange.

10. Cost Benefit Analysis The CRA will engage consultants to prepare a cost benefit analysis. The results of the analysis will be included as an appendix to this plan amendment.

Time Frame for Development

Development of this project is anticipated to be completed between September of 2016 and December of 2018. The base tax year should be calculated on the value of the property as of January 1, 2017. Excess valuation should be available for this project for 15 years beginning in 2017 with taxes due in 2018. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$28,708,000 the projected amount of increment based upon the anticipated value of the project and current tax rate.

Appendix

Cost-Benefit Analysis

August 16, 2016

Report prepared by:

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DISCLAIMER

The results expressed in this report do not reflect the position of the University of Nebraska Kearney or the University of Nebraska System.

Cost/Benefit Analysis Summary Statement:

This appendix provides a cost/benefit analysis for the proposed Prataria Ventures Redevelopment Project in Grand Island, Nebraska. The report addresses all requirements for cost-benefit set forth in the Neb. Rev. Stat. §§18-2101 through 18-2150.

Summary of the Project

1. **Hospital:** 4 story, 64 patient rooms, approximately 172,000 square feet
2. **Office Building:** 3 story facility, approximately 66,000 square feet
3. **Hotel:** 110 guest rooms, approximately 81,500 square feet including 7,000 square feet of conference space

Any Cost-Benefit model used by the authority shall consider and analyze the following factors:

a) Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147

There are no tax shifts resulting from this TIF project. The base valuation is taxed at the same rate as other comparable property. Only the incremental taxes created by the Redevelopment project will be divided and captured to pay project eligible expenses for a period not to exceed 15 years.

b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

Existing Public infrastructure has sufficient capacity to meet project needs. The project will have little impact on the number of students in Grand Island Public School District and will have no appreciable impact on school funding in the short run. At the end of the TIF period, the increased valuation will have a positive impact on school funding and other government funding. The City and Developer will negotiate an appropriate cost sharing for the new traffic signal and turning lane on Highway 281 at the south edge of the property. The GI Fire Department has indicated it will need to purchase \$18,000 in new equipment if the project is developed. Increased economic activity stemming from the project will increase GI sales tax revenue by \$250,000 per year.

c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

There are no other firms locating or expanding within the redevelopment area.

d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; and

The projected increase in Grand Island's population will provide the labor force necessary for low-skill employees at the hotel and hospital. The new medical facilities will help in the recruitment of additional healthcare providers into the MSA, which is currently underserved. There is now substantial out-migration for medical services, so the new facility should recapture some of those patients. The aging of the population will increase the demand for medical services. Hospital related employment will soften the impact of the closing of the Grand Island Veterans' Home.

Increased travel on Interstate – 80 will increase the demand for hotel rooms.

e) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

IMPLAN modeling estimates that the construction phase of the project will create \$153 million in economic activity in Hall County and generate \$260,000 in local sales tax during the construction phase. The on-going operation of the new facilities will add an additional \$145 million in economic activity and \$250,000 in local sales tax annually.

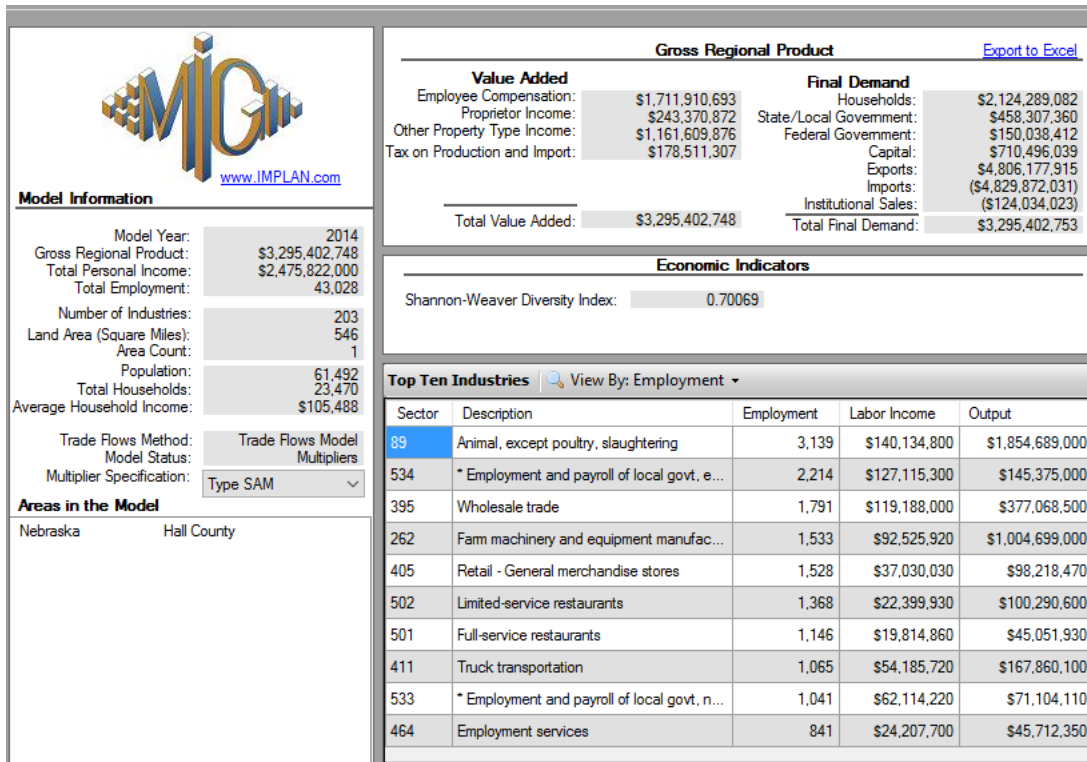
Researchers examined the statewide trends in TIF utilization to provide additional information for city authorities. Developers and local governments are continuing to use TIF financing, with 89 new projects in 2015. Use of TIF has varied yearly in response to changes in the national business cycle.

Each of these summary points are explained in more detail in the following sections.

Economic Impact Estimation: IMPLAN Modeling

An input/output model using IMPLAN software was used to analyze the economic impact of the Prataria Ventures project. IMPLAN, originally developed by the University of Minnesota and the USDA Forest Service in 1979, is widely used today in regional planning and impact analysis. IMPLAN provides a consistent economic framework for analysis at the regional, state, and/or county level. The model captures the cumulative impact on the economy as an initial expenditure in one industry ripples through the regional economy, creating the well-known multiplier effect in income and employment. For example, to produce more automobiles requires more steel, which requires more iron ore, which requires transportation and ore mining. Building more automobiles will increase employment and income in all industries that produce inputs for automobiles.

IMPLAN captures data down to the Zip code level, but the smaller the area of analysis the greater the economic leakage from the study area. This study uses Hall County level data. The economic characteristics of Hall County, as identified by IMPLAN, are presented in the following graphic. This IMPLAN screen identifies fundamental characteristics like the top ten industries by employment, average household income, the total number of industries in the county, and gross regional product. Behind this gateway screen is a dataset of 526 industry sectors. A change in expenditure in one sector is traced then by IMPLAN through the entire matrix for the study area.



The researchers used the latest available IMPLAN data set for Hall County to determine direct, indirect, and induced impacts created by the estimated employment and expenditure patterns of the proposed project.

- **Direct effect:** Represents the impacts (e.g. change in employment) for the expenditures and/or production values specified as direct final demand changes.
- **Indirect effect:** Represents the impacts (e.g. change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.
- **Induced effect:** Represents the impacts (e.g. change in employment) on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Each economic activity creates a different ripple effect through the county economy. The hospital construction phase will have significant impacts on wholesale trade, employment services, full-service restaurants, and trucking services. To build the \$60.8 million hospital, employment in the construction trades will obviously increase. As this employment increases, workers will spend their additional earnings on a wide variety of goods and services, thus creating more demand for consumer goods. Likewise, multiple vendors will supply inputs into the construction project, thus increasing their revenue and resulting economic activity.

Hospital Construction – Total Effects

Top Ten Industries Affected					
Sector	Description	Employment	Labor Income	Value Added	Output
52	Construction of new health care structures	373.9	\$16,495,545	\$21,491,378	\$60,796,971
395	Wholesale trade	22.7	\$1,568,480	\$2,936,943	\$4,844,274
464	Employment services	9.1	\$271,070	\$406,151	\$516,442
501	Full-service restaurants	8.7	\$156,449	\$173,154	\$357,652
411	Truck transportation	8.5	\$447,466	\$589,060	\$1,376,888
407	Retail - Nonstore retailers	8.0	\$118,106	\$398,540	\$745,401
502	Limited-service restaurants	7.0	\$118,306	\$277,163	\$532,579
403	Retail - Clothing and clothing accessories ...	6.6	\$123,167	\$264,786	\$461,586
440	Real estate	5.9	\$67,071	\$577,221	\$908,985
482	Hospitals	5.6	\$389,465	\$479,652	\$854,527

The construction phase creates a one-time injection of additional spending into the county while normal operation creates an annual stream of activity. The ongoing operation of the hospital will have a different impact than the construction phase. The following graphic lists the ten industries most affected as the hospital engages in its normal business. These identified impacts will change over time as technology and innovation alter the structural relationships between different industries.

Hospital Operation – Total Effects

Top Ten Industries Affected						
Sector	Description	Employment	Labor Income	Value Added	Output	
482	Hospitals	302.8	\$21,193,706	\$26,101,424	\$46,501,187	
464	Employment services	20.5	\$611,728	\$916,568	\$1,165,463	
501	Full-service restaurants	15.0	\$269,441	\$298,210	\$615,957	
502	Limited-service restaurants	9.1	\$154,123	\$361,074	\$693,816	
436	Other financial investment activities	9.0	\$78,837	\$87,699	\$1,024,691	
395	Wholesale trade	8.1	\$557,836	\$1,044,535	\$1,722,885	
440	Real estate	7.7	\$86,417	\$743,718	\$1,171,179	
437	Insurance carriers	7.4	\$396,636	\$1,310,703	\$2,907,329	
468	Services to buildings	6.4	\$132,417	\$148,039	\$236,407	
438	Insurance agencies, brokerages, and rela...	5.7	\$184,594	\$365,610	\$851,545	

IMPLAN has sufficient detail to capture the differences between somewhat similar activities. For example, the infrastructure matrix recognizes that paving a road uses different inputs than building a hospital.

TIF Infrastructure Construction – Total Effects

Top Ten Industries Affected						
Sector	Description	Employment	Labor Income	Value Added	Output	
56	Construction of new highways and streets	100.3	\$4,435,881	\$5,748,043	\$17,713,001	
57	Construction of new commercial structure...	13.3	\$559,586	\$719,318	\$1,680,000	
395	Wholesale trade	6.6	\$456,386	\$854,571	\$1,409,554	
411	Truck transportation	3.1	\$164,778	\$216,920	\$507,036	
501	Full-service restaurants	3.0	\$54,174	\$59,958	\$123,845	
407	Retail - Nonstore retailers	3.0	\$44,351	\$149,660	\$279,913	
403	Retail - Clothing and clothing accessories ...	2.5	\$46,402	\$99,756	\$173,899	
502	Limited-service restaurants	2.4	\$41,268	\$96,682	\$185,778	
464	Employment services	2.3	\$69,854	\$104,664	\$133,086	
445	Commercial and industrial machinery and ...	2.1	\$203,379	\$354,288	\$507,048	

Researchers modeled seven different impact scenarios. Unless noted otherwise, the modeling was based upon the amount of expenditure that was contained in project documents. This expenditure then created the unique impact tables like those just discussed. The following tables summarize the impacts. One reason that TIF is a popular development tool is that it fosters the leveraging of public and private resources.

TIF funds are combined with \$85.5 million in private construction spending for this project. The direct and multiplier impacts are presented in the following tables. Construction and operation impacts are evaluated and presented separately because construction creates a one-time injection of funding into the community while operation involves a multi-year stream. Thus, this particular project will generate seven distinct impact models, as presented in the following table. Because the model results are intended to reflect the impact on Hall County, the professional fees that are included in total TIF expenditures are not included in the analysis. Including these fees would overstate the impact on Hall County because it is likely that most of those professional fees are paid to companies outside the county. The annual revenues for the hotel and hospital are not known, but are estimated based upon the number of projected employees. According to IMPLAN, a hospital in Hall County with 296 employees (from company planning documents)

would produce \$45.5 million in annual revenue and a hotel with 45 workers would produce \$3.8 million in revenue annually.

Hall County Direct Impacts

Activity	Amount	FTE	Explanation	Time Frame
TIF Infrastructure	\$19,400,000	114	Professional fees not included	One-time
Hotel Construction	\$11,900,000	94		One-time
Hotel Operation	\$3,800,000	45		Ongoing
MOB Construction	\$12,800,000	79		One-time
MOB Operation	\$40,800,000	250	IMPLAN modeling with 250 employees calculates \$40.8 million.	Ongoing
Hospital Construction	\$60,800,000	374		One-time
Hospital Operation	\$45,500,000	296	IMPLAN modeling with 296 employees calculates \$45.5 million.	Ongoing

Hall County Indirect Impacts

Activity	Amount	Employment	
TIF	\$5,400,000	38	One-time impact
Hotel Construction	\$2,300,000	15	One-time impact
Hotel Operation	\$1,300,000	11	Ongoing, each year
MOB Construction	\$3,100,000	23	One-time impact
MOB Operation	\$8,400,000	70	Ongoing, each year
Hospital Construction	\$14,900,000	107	One-time impact
Hospital Operation	\$12,900,000	106	Ongoing, each year

Hall County Induced Impacts

Activity	Amount	Employment	
TIF	\$4,100,000	33	One-time impact
Hotel Construction	\$2,800,000	23	One-time impact
Hotel Operation	\$800,000	6	Ongoing, each year
MOB Construction	\$2,700,000	22	One-time impact
MOB Operation	\$18,600,000	151	Ongoing, each year
Hospital Construction	\$12,700,000	103	One-time impact
Hospital Operation	\$14,600,000	119	Ongoing, each year

To summarize, Direct, Indirect, and Induced Impacts are totaled. The construction activities will add more than \$150 million in economic activity to Hall County, and will support 1,023 jobs. The jobs number does not mean that total county employment will increase by 1,023 because some of the supported jobs are “retained” rather than new. Annual operations of the three facilities will add \$147 million per year to the Hall County economy and will support 1,054 jobs.

**Hall County Total Impacts
Construction**

Activity	Amount	Employment
TIF Infrastructure	\$28,900,000	185
Hotel Construction	\$17,000,000	131
MOB Construction	\$18,600,000	123
Hospital Construction	\$88,400,000	584
Total	\$152,900,000	1,023

**Hall County Total Impacts
Annual Operations**

Activity	Amount	Employment
Hotel Operation	5,900,000	62
MOB Operation	\$67,800,000	471
Hospital Operation	\$73,000,000	521
Total	\$146,700,000	1,054

Modeled Tax Receipts Impact

The increased economic activity stemming from the construction and operation of the proposed project will increase retail sales which in turn will increase sales tax receipts. The construction phase will add an estimated \$259,000 in Grand-Island sales tax receipts. The ongoing operations of the hotel, medical office building, and hospital will add approximately \$276,000 per year in city sales tax receipts.

**Construction Tax Receipts: One-time
TIF Infrastructure, Hotel, MOB, and Hospital**

	Tax Receipts
Tax on Production and Imports: Sales Tax	\$1,209,000
Nebraska State Sales Tax (5.5% rate)	\$950,000
Grand Island Sales Tax (1.5)	\$259,000
Personal Tax: Property Taxes(households)	\$20,000

**Operation Tax Receipts: Annually
Hotel, MOB, and Hospital Operation**

	Tax Receipts
Tax on Production and Imports: Sales Tax	\$1,288,000
Nebraska State Sales Tax (5.5% rate)	\$1,012,000
Grand Island Sales Tax (1.5)	\$276,000
Personal Tax: Property Taxes(households)	\$30,000

While the use of TIF influences the property tax receipts from the development, the increase in overall economic activity does increase sales tax. Further, though the property tax receipts from the development project are restrained by TIF in the short-term, some workers will upgrade to higher-value homes which means local government will see an increase in total property tax receipts.

Project Property Tax Revenue

The development site is currently assessed as farm land with a valuation of \$332,525. Before the project is undertaken the property will be reclassified as commercial property, which will increase its valuation to approximately \$1.9 million. At this time, which of these two numbers will provide the base valuation for the 15 year TIF period is unknown. After completion the assessed value is estimated by the developer to rise to \$90 million. At the conclusion of the 15 year TIF, the valuation will generate substantially more tax revenue than is currently paid on the property.

Estimated 2016 assessed value	\$332,525
Estimated value after completion	\$90,000,000
Incremental value	\$89,667,475
Levy rate	2.209761
Annual TIF generated (estimated)	\$1,981,437
TIF bond issue	\$28,708,000

Supporting Evidence Regarding Statutory Report Requirements

a) Tax shifts resulting from the approval of the use of funds pursuant to section 18-2147;

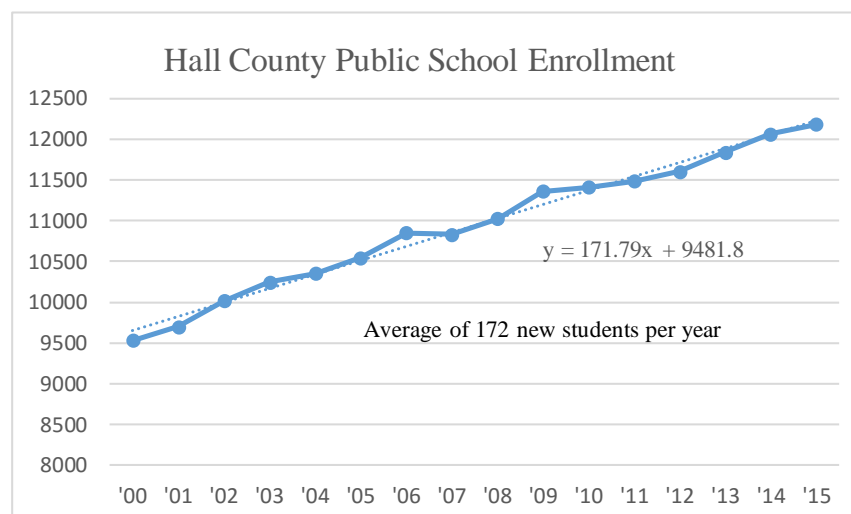
Prataria Ventures LLC, the developer for the project, is responsible for all onsite development costs. Infrastructure improvements directly benefiting the project are included in the TIF. Only the incremental taxes created by the Redevelopment project will be divided and captured to pay project eligible expenses for a period not to exceed 15 years. No direct project costs, or associated tax burdens, are shifted to local or state tax payers.

b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

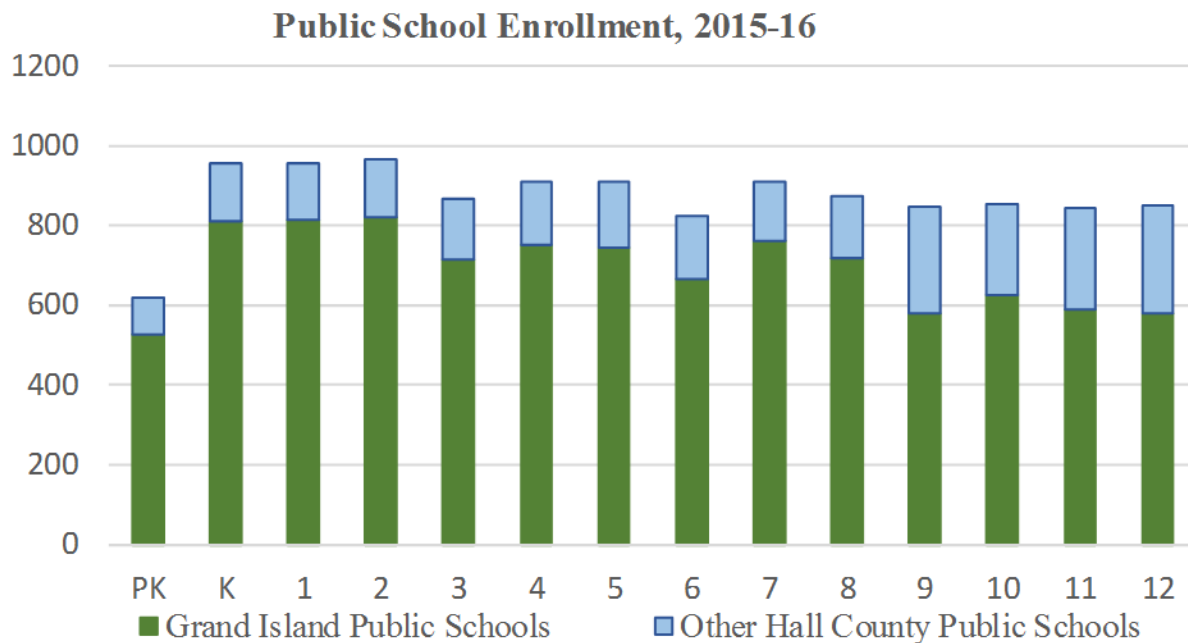
Potential Impact on the School District

Researches spoke with Mr. Virgil Harden, Executive Director of Business of the Grand Island Public Schools District, on August 8, 2016. Mr. Harden concurred with the researchers that the proposed project will have minimal impact on the total number of students in the district. He commented that the school district is currently engaged in a set of building and remodeling projects which will insure sufficient capacity for any project-related growth in student numbers.

The proposed project will have a minor impact on local population and thus will have little impact on the number of school-age children. The Grand Island Public School District is the 6th largest school district in Nebraska, with 9,698 students in the 2015-2016 school year. Some of the project employees may live outside the Grand Island Public School District boundaries, or may choose to send their children to a private school. The following graph illustrates enrollment trends for the entire county. Hall County Public Schools have added an average of 172 students per year for the last fifteen years. Enrollment growth from year to year has shown little variability. Any project related school enrollment would entail a fractional increase in the total number of Hall County students.



The distribution of students by grade is illustrated by the following graph. The student enrollment by grade indicates that there is an existing variability in the school age cohort moving through the school system. We estimate that the children associated with the development should not increase the current variation. It is impossible to predict the exact distribution of new students across grades and by specific school. The impact on public school districts is further moderated by the availability of private school options in Grand Island.



Source: Nebraska Department of Education

Using data from the Nebraska Department of Education, Grand Island Public Schools enrollment characteristics are compared with other similar sized districts. Staffing is an important cost factor for school districts. Grand Island Public Schools teacher Full Time Equivalent (FTE) and Pupil/Teacher ratios (PT) are close to other similarly sized districts and to the state averages. The existing PT ratios indicate that there is adequate staff to accommodate a minor increase in the total number of students.

	Rank					Staff FTE		Pupil Teacher	
		PK-6	7-8	9-12	Total	Elem	Sec	Elem	Sec
Papillion-La Vista Public Schools	4	6,315	1,763	3,436	11,514	430	331	14.7	15.7
Bellevue Public Schools	5	5,411	1,496	3,175	10,082	371	314	14.6	14.9
Grand Island Public Schools	6	5,850	1,477	2,371	9,698	533	139	13.7	17.1
Elkhorn Public Schools	7	4,770	1,216	2,093	8,079	389	126	15.4	16.6
Westside Community Schools	8	3,187	961	1,975	6,123	227	204	14.0	14.4
Kearney Public Schools	9	3,307	750	1,441	5,498	268	85	15.1	17.0

Source: Nebraska Department of Education, STATISTICS AND FACTS ABOUT NEBRASKA SCHOOLS 2015-2016

Given the existing staffing pattern and PT ratios, the Grand Island Public Schools, combined with the various private school options, are capable of absorbing the anticipated minimal increase in new students. Comparing Grand Island Public Schools with similarly sized districts provides evidence that GIPS is operating at an efficient scale. Average Daily Attendance (ADA)

and Average Daily Membership (ADM) both show GIPS cost per student similar to other like-sized districts.

District Name	By ADA	By ADM
Papillion-La Vista Public Schools	10,155	9,707
Bellevue Public Schools	10,790	10,244
Grand Island Public Schools	11,015	10,398
Elkhorn Public Schools	10,275	9,902
Westside Community Schools	12,430	11,921
Kearney Public Schools	10,650	10,144

Source: Nebraska Department of Education

Potential Impact on Fire and EMS Services

In Grand Island, the ambulance services are operated by the Fire Department. According to Russ Blackburn, there is an expected new equipment expense of \$18,000 if the second hospital is built.

Additional EMS Project Related Expenses

New equipment expenses	\$18,000
Additional training expenses	\$0
Net additional EMS transportation services expenses	\$0

Source: Russ Blackburn, Division Chief of Emergency Medical Services
Grand Island Fire Department

Potential Impact on Water

Grand Island relies on groundwater for its municipal supply. The city has adequate current capacity to accommodate any increase in demand from the proposed project.

Water Statistics

Number of wells at well field	21
Number of high pressure wells within city	6
Average depth of wells	120 feet
Capacity of water plant	43,800,000 gallons/day
Average consumption	12,900,000 gallons/day
Peak consumption	26,300,000 gallons/day
Storage capacity	9,700,000 gallons/day
Hardness (ppm)	255 (average)
Treated	Chlorinated only

Source: <http://www.grand-island.com/your-government/utilities/water-division/supply-information>

The existing capacity will meet any additional water demand stemming from the proposed project. No additional costs are shifted onto existing consumers as a result of the project.

Potential Impact on Sanitation/Wastewater

Upgrades to the Waste Water Treatment Plant beginning in 2003 give the plant capacity to deal with wastewater typically seen in a community of up to 100,000 people. The existing capacity will meet any additional wastewater stemming from the proposed project. No additional costs are shifted onto existing consumers as a result of the project.

Potential Impact on Natural Gas

NorthWestern Energy, the retail supplier of natural gas in Grand Island, is a regional diversified utility services company with approximately 400,000 electric customers in South Dakota and Montana, and 269,600 natural gas customers in South Dakota, Nebraska and Montana. NorthWestern Energy has the capacity to respond to large volume users through customized services tailored to specific projects. The existing network includes seven compressor stations capable of moving more than 335,000 dekatherms per day. Maximum aggregate daily gas deliverability is 195,000 dekatherms per day (northwesternenergy.com). Thus, the existing capacity will meet any additional natural gas demand stemming from the proposed project. The developer is responsible for all on-site utility infrastructure costs. No additional costs are shifted onto existing consumers as a result of the project.

Potential Impact on Electric Services

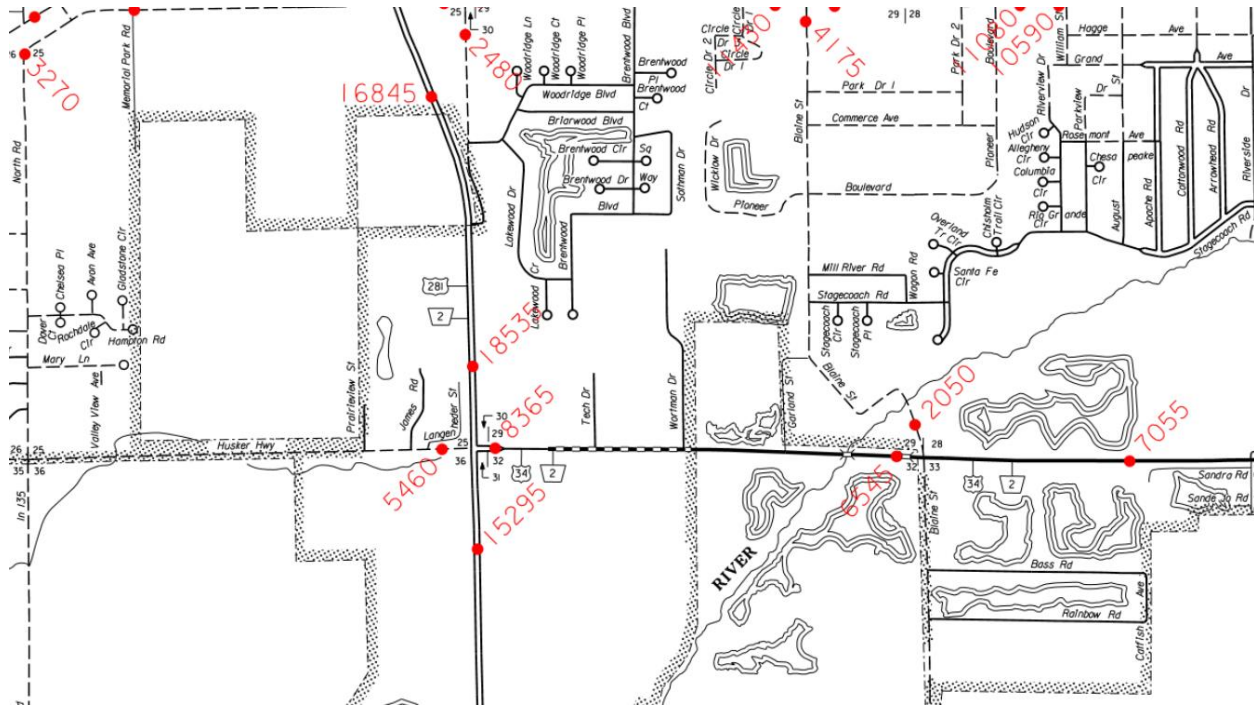
The Grand Island Utilities Department generates and distributes electricity and water to homes, businesses, and industries in and near Grand Island Nebraska. Within the boundaries of its service area the Utilities Department supplies 22,600 customers with electrical service. The Utilities Department is owned by the customers it serves and is governed by the Grand Island City Council as a financially self-supporting entity of the City of Grand Island. No taxes are used for the operation of the Utilities Department as all departmental operations are financed through electric and water revenue.

The Platte Generating Station has the capacity to produce 100 megawatts of electrical power. Generally, this provides sufficient power to satisfy consumer demand in Grand Island. During peak demand periods additional power is generated at the Burdick Power Station or purchased from other power producers. The existing electric grid has sufficient capacity to meet any increase in demand stemming from the proposed project.

Potential Impact on Transportation

The project site is located at the southwest corner of Highway 281 and Highway 34, approximately 4.5 miles north of Exit 312 on I-80. The existing roads have sufficient capacity to meet traffic flows into the development. The city planner anticipates the installation of a new traffic signal at the intersection of Highway 281 and the access road on the south side of the development. This installed traffic signal is compatible with the city's existing development plan for this area, will improve public safety, and by creating smoother access, will improve the economic viability of the project. At this time, the city and developer are working on a cost-

sharing proposal for the new traffic signal. Because this improvement is tied to the development of the area, not just the proposed project, it is reasonable that the city cover some of the cost. Thus, no project costs are pushed on to the wider community.



Statutory Report Requirements

c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

There are no other firms located or expanding in the boundaries of the redevelopment district.

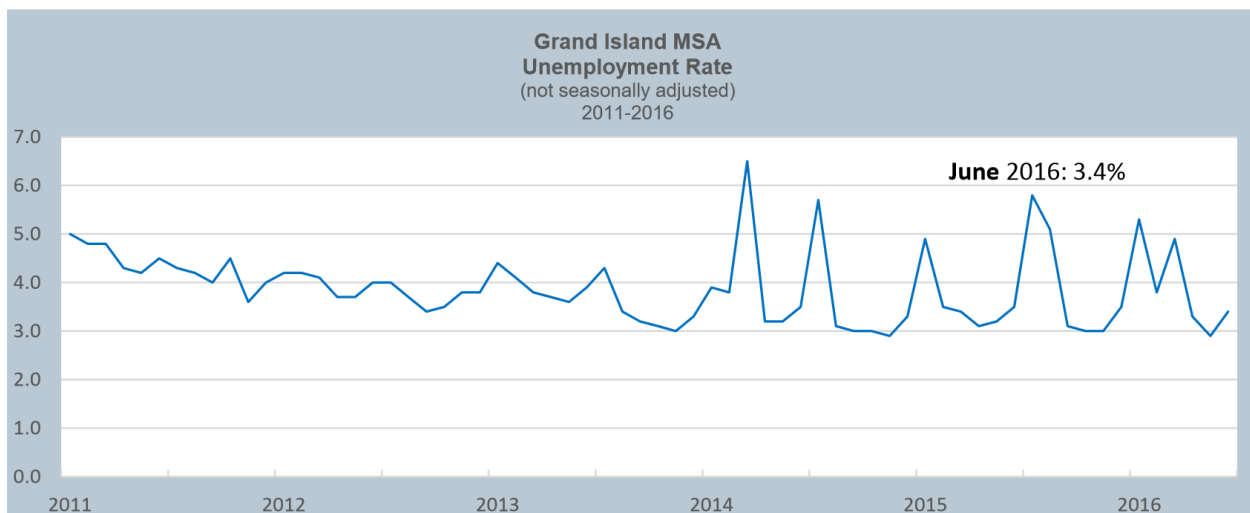
d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project;

There are two existing healthcare facilities that may be impacted by the new hospital, CHI St. Francis Medical Center and the Grand Island Veterans' Hospital. There are approximately 50 medical clinics of various types and twelve nursing homes that may be impacted. There will likely be some migration of workers from existing facilities. Opening the new facility may provide needed employment for the 350 workers displaced by the closure of the Grand Island Veterans' Home. There are four existing hotels at the US 281 – Interstate 80 exchange and 18 other motels in Grand Island that may be impacted by the new hotel.

According to information provided by Blue Cross Blue Shield of Nebraska, approximately 50% of Hall County healthcare inpatient dollars are now being spend outside the county. Further, evidence indicates that it is the more complex cases that are going to Lincoln, Omaha, or Denver. This conclusion stems from the recognition that 35% of hospital admissions occur outside the county but 50% of the inpatient dollars are spent elsewhere.

The proposed project will create employment in both the healthcare and hospitality sectors. According to the Nebraska Department of Labor, the Grand Island MSA (Hall, Hamilton, Howard, and Merrick Counties) had an unemployment rate of 3.4% in June 2016. This was above the state unemployment rate of 3.0%. Further, the Grand Island MSA has seen considerable variation in the unemployment rate.

GRAND ISLAND MSA (NOT SEASONALLY ADJUSTED)



Demographics and Labor Force

The demographic and labor force characteristics of the Grand Island MSA will mitigate the project impact on existing businesses. Between 1984 and 2015, the MSA population increased by 14.3%. The MSA population is aging -- from 2000-2013, the population aged 45-64 increased by 25.4%, while the population in 44 or under age groups increased by 3% or less. These two trends have important consequences for the local economy. The increasing population will provide the low-skilled workers needed for many of the hotel and hospital auxiliary functions like housekeeping. The growing population of older residents will increase the demand for medical services, which will spur growth in the healthcare sector and increase demand for healthcare workers.

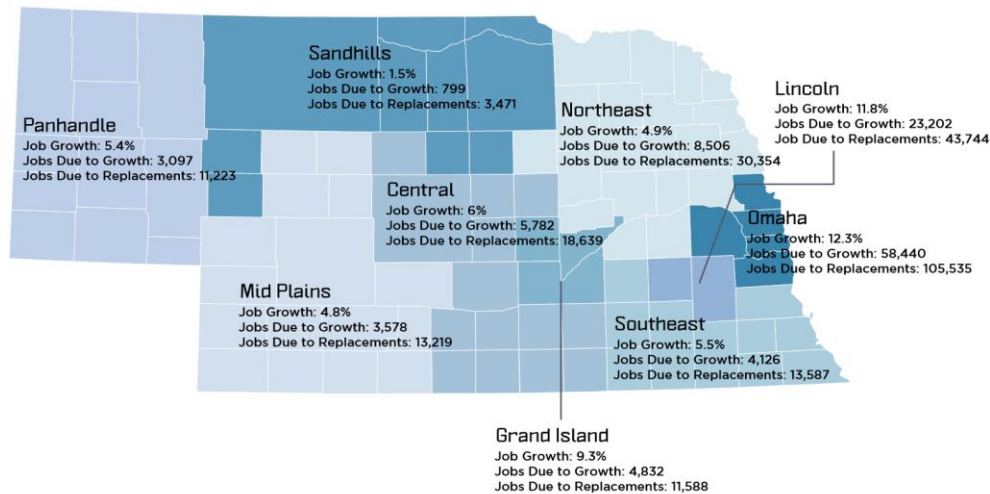
The Grand Island MSA has a low rate of postsecondary education compared to state and national residents. MSA residents were 3-7 percentage points less likely than Nebraska and US residents

to possess bachelor's or graduate degrees. As the healthcare sector grows, pulling in better educated workers, it will also pull better-educated trailing spouses into the local economy.

In 2014, the Grand Island MSA's labor force was approximately 45,200. Since 2010, the MSA's unemployment rate has declined from 4.5% to 3.7%. At 71.8%, the MSA's labor force participation rate (population 16 years and over in the labor force) was slightly higher than the statewide rate of 70.6%. The low unemployment rate makes it likely that many of the permanent workers at the hotel and hospital will migrate from an existing job. This will create some upward pressure on wages for workers with in-demand skills.

Each work day, thousands of people commute in or out of Grand Island. Ten thousand commute outside the MSA and 11,100 commute into the city. Project related employment should reduce the out migration of workers currently living in the MSA. According to the Nebraska Department of Labor, Grand Island should see substantial increased employment in the immediate future.

2012-2022 Long-Term Occupational Projections



Source: Nebraska Department of Labor

New hospital facilities will attract providers to Grand Island, which will benefit the entire labor market. As shown by the two following tables, healthcare workers tend to be well paid. Further, there is a wide range of occupations associated with the healthcare sector

Nebraska Healthcare Occupations and Wages - 2015

Code	Occupation title	Employ	Median hourly wage	Mean hourly wage	Annual mean wage	Percent of Health Care Total
29-0000	Healthcare Practitioners and Technical Occupations	57,130	\$26.66	\$32.60	\$67,800	100.0%
29-1031	Dietitians and Nutritionists	520	\$25.59	\$25.59	\$53,220	0.9%
29-1051	Pharmacists	2,240	\$52.67	\$48.43	\$100,740	3.9%
29-1061	Anesthesiologists	150	>\$90.00	>\$90.00	>\$187,200	0.3%
29-1062	Family and General Practitioners	1,100	>\$90.00	\$103.94	\$216,200	1.9%
29-1063	Internists, General	140	>\$90.00	\$100.07	\$208,150	0.2%
29-1064	Obstetricians and Gynecologists	180	>\$90.00	\$121.47	\$252,660	0.3%
29-1065	Pediatricians, General	180	>\$90.00	\$101.44	\$211,000	0.3%
29-1067	Surgeons	270	>\$90.00	\$135.01	\$280,830	0.5%
29-1069	Physicians and Surgeons, All Other	1,630	\$64.16	\$77.42	\$161,040	2.9%
29-1071	Physician Assistants	780	\$44.41	\$45.84	\$95,340	1.4%
29-1123	Physical Therapists	1,540	\$35.36	\$35.79	\$74,440	2.7%
29-1124	Radiation Therapists	120	\$36.11	\$40.99	\$85,260	0.2%
29-1126	Respiratory Therapists	1,010	\$24.25	\$24.66	\$51,300	1.8%
29-1141	Registered Nurses	20,600	\$27.87	\$28.35	\$58,970	36.1%
29-1151	Nurse Anesthetists	240	\$76.38	\$74.59	\$155,140	0.4%
29-1171	Nurse Practitioners	1,070	\$43.46	\$43.80	\$91,100	1.9%
29-2011	Med and Clinical Lab Technologists	1,360	\$26.46	\$26.78	\$55,700	2.4%
29-2012	Med and Clinical Lab Technicians	1,310	\$18.33	\$18.61	\$38,710	2.3%
29-2031	Cardiovascular Technologists and Technicians	570	\$24.36	\$24.64	\$51,240	1.0%
29-2032	Diagnostic Medical Sonographers	460	\$30.51	\$30.95	\$64,380	0.8%
29-2033	Nuclear Medicine Technologists	120	\$32.02	\$31.99	\$66,540	0.2%
29-2034	Radiologic Technologists	1,570	\$25.25	\$25.25	\$52,520	2.7%
29-2035	Magnetic Resonance Imaging Technologists	120	\$29.82	\$30.45	\$63,340	0.2%
29-2051	Dietetic Technicians	150	\$14.15	\$15.05	\$31,310	0.3%
29-2052	Pharmacy Technicians	2,320	\$13.77	\$14.17	\$29,480	4.1%
29-2055	Surgical Technologists	790	\$19.71	\$20.13	\$41,860	1.4%
29-2061	Licensed Practical and Licensed Vocational Nurses	5,300	\$18.77	\$19.09	\$39,710	9.3%
29-2071	Medical Records and Health Info Technicians	1,590	\$17.87	\$18.86	\$39,230	2.8%
31-0000	Healthcare Support Occupations	24,790	\$12.68	\$13.59	\$28,270	100.0%
31-1014	Nursing Assistants	13,020	\$11.60	\$12.18	\$25,330	52.5%
31-1015	Orderlies	150	\$11.22	\$11.66	\$24,260	0.6%
31-2021	Physical Therapist Assistants	630	\$23.99	\$23.92	\$49,750	2.5%
31-2022	Physical Therapist Aides	610	\$10.69	\$11.03	\$22,950	2.5%
31-9093	Medical Equipment Preparers	350	\$15.98	\$16.10	\$33,480	1.4%
31-9094	Medical Transcriptionists	640	\$16.65	\$17.00	\$35,350	2.6%
31-9095	Pharmacy Aides	140	\$11.43	\$12.16	\$25,290	0.6%
31-9097	Phlebotomists	600	\$13.83	\$14.66	\$30,500	2.4%

Source: Bureau of Labor Statistics, United States Department of Labor, Occupational Employment and Wages, May 2015

Grand Island MSA Healthcare Occupations and Wages - 2015

Code	Occupation title	Employ	Median hourly wage	Mean hourly wage	Annual mean wage
29-0000	Healthcare Practitioners and Technical Occupations	n/a	n/a	n/a	n/a
29-1062	Family and General Practitioners	50	>\$90.00	\$120.83	\$251,330
29-1069	Physicians and Surgeons, All Other	n/a	>\$90.00	\$116.51	\$242,350
29-1123	Physical Therapists	80	\$34.80	\$35.12	\$73,050
29-1126	Respiratory Therapists	30	\$23.93	\$23.93	\$49,760
29-1141	Registered Nurses	780	\$26.89	\$27.49	\$57,170
29-1171	Nurse Practitioners	40	\$33.65	\$35.59	\$74,020
29-2011	Medical and Clinical Laboratory Technologists	60	\$25.87	\$26.01	\$54,110
29-2012	Medical and Clinical Laboratory Technicians	30	\$16.49	\$16.60	\$34,530
29-2034	Radiologic Technologists	70	\$22.86	\$23.16	\$48,180
29-2052	Pharmacy Technicians	120	\$13.80	\$14.80	\$30,790
29-2061	Licensed Practical and Licensed Vocational Nurses	310	\$18.06	\$18.36	\$38,190
29-2071	Medical Records and Health Information Technicians	90	\$14.89	\$16.55	\$34,410
31-0000	Healthcare Support Occupations	1,330	\$11.95	\$13.01	\$27,050
31-1014	Nursing Assistants	740	\$11.35	\$11.84	\$24,620
31-2021	Physical Therapist Assistants	60	\$24.15	\$23.95	\$49,820
31-2022	Physical Therapist Aides	80	\$9.56	\$10.33	\$21,490

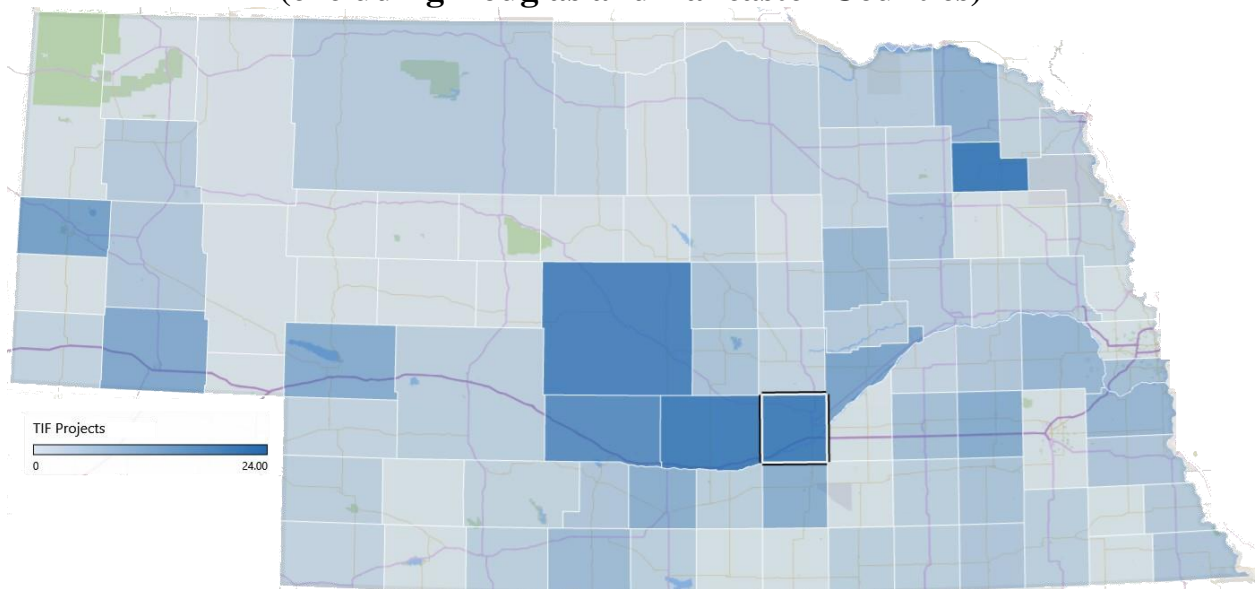
Source: Bureau of Labor Statistics, United States Department of Labor, Occupational Employment and Wages, May 2015

Statutory Report Requirements

- e) **Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project;**

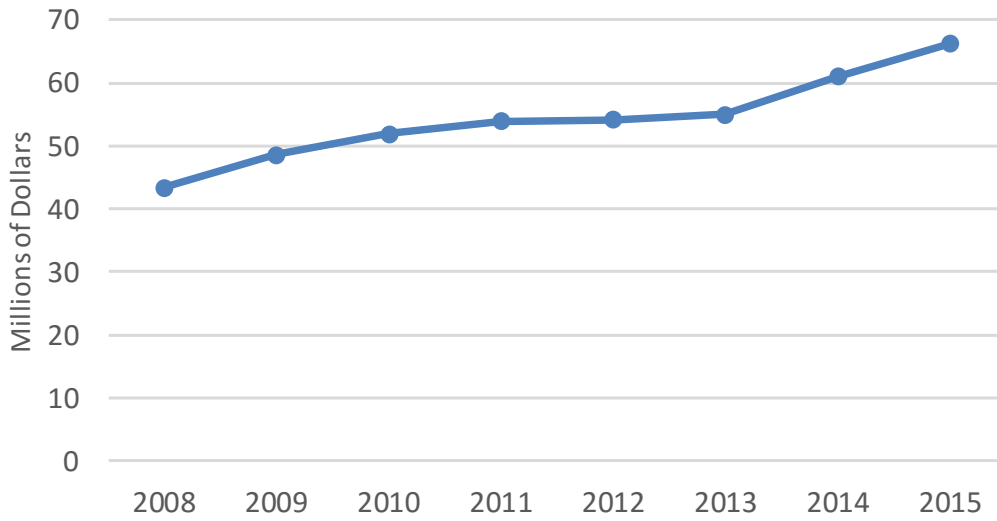
Nebraska cities, like cities nationwide, are using TIF financing with increasing frequency. Each year the Nebraska Department of Revenue produces a report to submit to the Unicameral. This report finds a general increase in TIF activity over time. Some cities and counties have been more active in TIF than others, with most activity occurring along the I-80 corridor

Cumulative Number of TIF Projects by County, 2008- 2015 (excluding Douglas and Lancaster Counties)



Data Source: Nebraska Department of Revenue, PAT Annual TIF Reports , map by authors

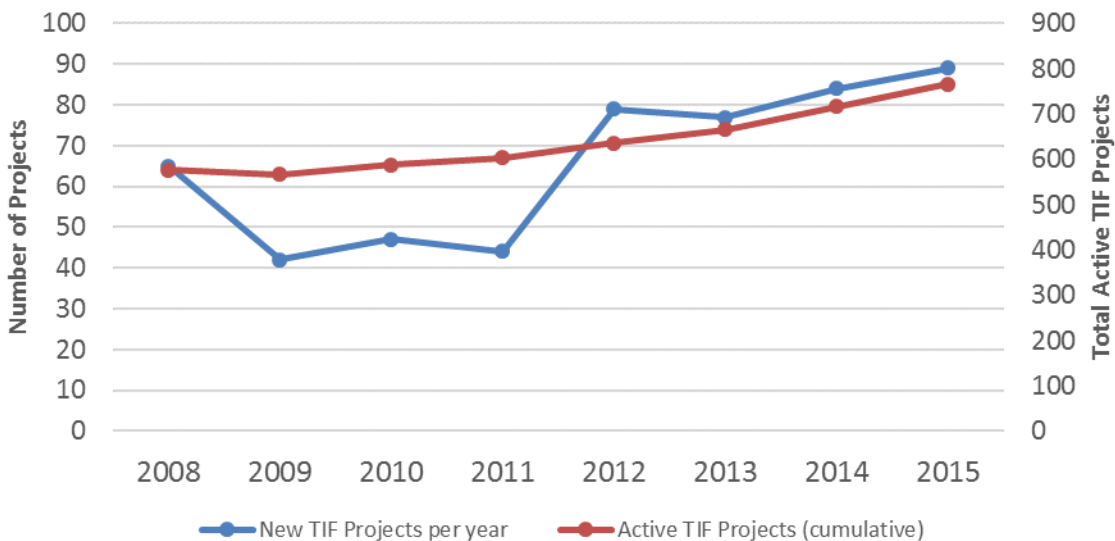
New Excess Taxes From New TIF Projects



Data Source: Nebraska Department of Revenue, PAT Annual TIF Reports

Projects are influenced by local, regional, and national economic circumstances, as reflected by the cyclical pattern of new TIF projects by year. The following graph shows the number of new TIF projects by year in Nebraska on the left axis and the total number of active TIF projects by year on the right axis.

New and Active TIF Projects



Source: Nebraska Department of Revenue, PAT Annual TIF Reports

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

RESOLUTION NO. 243

A RESOLUTION RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN OF THE CITY OF GRAND ISLAND, NEBRASKA; RECOMMENDING APPROVAL OF A REDEVELOPMENT PROJECT OF THE CITY OF GRAND ISLAND, NEBRASKA; APPROVING A COST BENEFIT ANALYSIS FOR SUCH PROJECT; AND APPROVAL OF RELATED ACTIONS

WHEREAS, the Mayor and Council of the City of Grand Island, Nebraska (the “**City**”), upon the recommendation of the Planning Commission of the City of Grand Island, Nebraska (the “**Planning Commission**”), and in compliance with all public notice requirements imposed by the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), duly declared the redevelopment area legally described on **Exhibit A** attached hereto (the “**Redevelopment Area**”) to be blighted and substandard and in need of redevelopment; and

WHEREAS, pursuant to and in furtherance of the Act, a Redevelopment Plan (the “**Redevelopment Plan**”), has been prepared by Community Redevelopment Authority of Grand Island, Nebraska, (the “**Authority**”) pursuant to an application by Prataria Ventures, a Nebraska LLC (the “**Redeveloper**”), in the form attached hereto as **Exhibit B**, for the purpose of redeveloping Redevelopment Area legally described on **Exhibit A**, referred to herein as the Project Area (the “**Project Area**”); and

WHEREAS, pursuant to the Redevelopment Plan, the Authority would agree to incur indebtedness and make a grant for the purposes specified in the Redevelopment Plan (the “**Project**”), in accordance with and as permitted by the Act; and

WHEREAS, the Authority has conducted a cost benefit analysis of the Project (the “**Cost Benefit Analysis**”) pursuant to Section 18-2113 of the Act, a which is included in the Redevelopment Plan attached hereto as **Exhibit B**; and

WHEREAS, the Authority has made certain findings and pursuant thereto has determined that it is in the best interests of the Authority and the City to approve the Redevelopment Plan and approve the Redevelopment Project and to approve the transactions contemplated thereby.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA AS FOLLOWS:

Section 1. The Authority has determined that the proposed land uses and building requirements in the Redevelopment Plan for the Project Area are designed with the general purposes of accomplishing, and in conformance with the general plan of the City, 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 in 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 provisions 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 communitive 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

Prataria Ventures, LLC

unsanitary or unsafe dwelling accommodations, or conditions of blight.

Section 2. The Authority has conducted a Cost Benefit Analysis for the Project, included in the the Redevelopment Plan attached hereto as Exhibit B, in accordance with the Act, and has found and hereby finds that the Project would not be economically feasible without the use of tax increment financing, the Project would not occur in the 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 community, and the demand for public and private services, have been analyzed and have been found to be in the long term best interests of the community impacted by the Project.

Section 3. In compliance with section 18-2114 of the Act, the Authority finds and determines as follows: (a) the Redevelopment Area constituting the Redevelopment Project will not be acquired by the Authority and the Authority shall receive no proceeds from disposal to the Redeveloper; (b) the estimated cost of project acquisition and the estimated cost of preparation for redevelopment including site work, onsite utilities and related costs are described in detail in Exhibit B attached hereto; (c) the method of acquisition of the real estate shall be by private contract by the Redeveloper and not by condemnation; and (d) the method of financing the Redevelopment Project shall be by issuance of tax increment revenue bond issued in the approximate amount of \$28.9 million, which shall be granted to the Redeveloper and from additional funds provided by the Redeveloper. No families will be displaced from the Redevelopment Project Area as a result of the project.

Section 4. The Authority hereby recommends to the City approval of the Redevelopment Plan and the Redevelopment Project described in the Redevelopment Plan.

Section 5. All prior resolutions of the Authority in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

Section 6. This resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED this 20th day of September, 2017.

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

ATTEST:

By: _____
Chair

By: _____
Secretary

Prataria Ventures, LLC

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

* * * * *

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Prataria Ventures, LLC

