



Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2018
Regular Meeting Packet**

Board Members:

Tom Gdowski - Chairman

Glen Murray – Vice Chairman

Sue Pirnie

Glenn Wilson

Krae Dutoit

**4:00 PM
City Hall**

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, June 13, 2018
Regular Meeting

Item -1

Agenda

Staff Contact:

AGENDA
Wednesday, June 13, 2018
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 May 23, 2018, Meeting.
3. Review of Financials.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. Redevelopment Contract Copper Creek-Phase 2 authorizing the use of Tax Increment Financing to aid in the development of 80 additional single family homes within the Copper Creek Subdivision
 - a. Consideration of Resolution 272-
7. Redevelopment Plan Amendment for CRA Area # 21 at 2008 and 2030 East U.S. Highway 30.
 - a. Consideration of Resolution 273- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of lots 1 and 2 of Bosselman Brothers Second Subdivision as a Cattle Pot and Truck Wash – Central Nebraska Truck Wash Inc.
 - b. Consideration of Resolution 274- Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice

to city council for lots 1 and 2 of Bosselman Brothers Second Subdivision –
Central Nebraska Truck Wash Inc.

8. Director's Report

9. Adjournment

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Next Meeting June 13, 2018

COMMUNITY REDEVELOPMENT AUTHORITY
AGENDA MEMORANDUM
4 p.m. Wednesday, June 13, 2018

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 May 23, 2018 are submitted for approval. A MOTION is in order.
3. APPROVAL OF FINANCIAL REPORTS. Financial reports for the period of May 1 through May 31, 2018 are submitted for approval. A MOTION is in order.
4. APPROVAL OF BILLS. Payment of bills in the amount of \$10,121.80 is submitted for approval. A MOTION is in order.
5. REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.
6. REDEVELOPMENT CONTRACT FOR COPPER CREEK PHASE 2 – GAURANTEE GROUP LLC The Grand Island City Council my approve a resolution on June 12, 2018 approving an amendment to the redevelopment plan for CRA Area 12 and Phase 2 of the Copper Creek development. Provided Council approved the redevelopment plan the CRA may enter into a redevelopment contract to encourage the development of 80 additional single family homes at Copper Creek along with all necessary infrastructure. A MOTION to approve the contract and Resolution 272 is in order.
7. REDEVELOPMENT PLAN AMENDMENT – NEBRASKA TRUCK WASH INC. Concerning an amendment to the redevelopment plan for CRA Area No. 21 to allow for redevelopment of Lots 1 and Bosselman Brothers Second Subdivision as a cattle pot and truck wash. This property is located between U.S Highway 30 and the Union Pacific Railroad and east of Stuhr Road. The plan requests \$849, 240 in tax increment financing to support this project. This will meet a community need by encouraging the development of a trailer washout facility just north of the JBS plant. The CRA may forward the plan to the Regional Planning Commission for review and to the Grand Island City Council to give 30-day notice of a potential development contract. A MOTION to approve Resolution 273 (forward to Regional Planning Commission) and Resolution 274 (30-day intent notice to city council) is in order.
8. DIRECTOR’S REPORT.
9. ADJOURNMENT.



Community Redevelopment Authority (CRA)

Wednesday, June 13, 2018
Regular Meeting

Item B1

Minutes from May 23, 2018

Staff Contact:

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF May 23rd, 2018

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on *May 23rd, 2018* at City Hall, 100 E. First Street. Notice of the meeting was given in the *May 16th, 2018* Grand Island Independent.

1. CALL TO ORDER.

Chairman Tom Gdowski called the meeting to order at 4:00 p.m. The following members were present: Tom Gdowski, Glen Murray, Krae Dutiot, Sue Pirnie and Glenn Wilson. Also present were: Director Chad Nabity, Planning Technician Rashad Moxey, Planning Administrative Assistant Norma Hernandez, Brian Schultz from the Grand Island Finance Department, Interim Finance Director Billy Clingman, and Council President Vaughn Minton.

Gdowski 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 table easily accessible to anyone who would like to read through them.

2. APPROVAL OF MINUTES.

A motion for approval of the Minutes for the *April 11th, 2018* meeting was made by Wilson and seconded by Pirnie. Upon roll call vote, all present voted aye. Motion carried 5-0.

3. APPROVAL OF FINANCIAL REPORTS.

Brian Schultz reviewed the financials from April 1st, 2018 to April 30th, 2018. A motion for approval of the financial reports was made by Murray and seconded by Wilson. Upon roll call vote, all present voted aye. Motion carried 5-0.

4. APPROVAL OF BILLS.

The bills were reviewed by Gdowski. A motion was made by Pirnie and seconded by Dutiot to approve the bills in the amount of \$963,415.96. Upon roll call vote, all present voted aye. Motion carried 5-0.

5. DISCUSSION OF NEED FO A SEPARATE AUDIT FOR THE CRA

Nabity explained that over the years he has been with the City, the CRA has paid separately for their financial audits. He noted that the CRA is also included in the

City of Grand Island's financial audit and is paying twice to be audited yearly. Nabity explained that the CRA should consider if they would like to continue this or if they would like to be a part of only the City's Audit which would help to cut done the cost of Auditing. It was also made known that the audit would be open to the public through a PDF document and would be user friendly. The Interim Finance Director Billy Clingman, explained that the CRA can use the City's Audit, and gauge if it is something they would like to continue, he noted that if the results are not what the CRA would like they can return to the old method of getting audited.

6. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.

The committed projects and CRA properties were reviewed by Nabity. Nabity explained that the Hedde Building project is expected to move forward and is no longer expected to use the historic tax credit however is expected to apply for Tax Increment Financing. He then stated, the Mendez projects still in progress and has receive some receipts, noting that if everything goes as planned he expects to possibly pay out in June. Nabity went on to explain that he spoke with Cindy Jonson about the S Locust/Fonner Park BID about the South Locust/Fonner Park BID project and she stated that it was completed and has the bill ready. Urban Island/Kinkaiders updates were not available before the meeting. Peaceful Root is moving forward with its project and has completed fixing the sidewalk where a coal shoot vault was found. He then stated, Take Flight is working with their project. He said the CRA has completed the sale for 408 East 2nd Street to Weinrich Development Inc. The Nielson project is moving forward. Nabity went onto discussing the Desert Rose property noting that there is one person potentially interested in the property. Nabity also noted that the due diligence time has been extended 60 days on the old Ron's Transmission property.

7. REDEVELOPMENT PLAN AMENDMENT FOR CRA #12 COPPER CREEK

- A. Consideration of Resolution 271- Approve and Forward a Redevelopment Plan Amendment to the Grand Island City Council for Phase 2 of the Copper Creek Development – Guarantee Group

Nabity explained that this is the intermediate stage after the Regional Planning Commission (RPC) has reviewed and explained that the CRA has a resolution to send the development to City Council for approval to use TIF for 80 additional lots for construction. Nabity noted in the past once it was sent to RPC it was also sent to City Council, however after a closer look at state statue it was decided to return it back to CRA for revision and then onto the City Council.

A motion was made by Murray and seconded by Pirnie to approve Resolution 271 for Phase 2 of the Copper Creek Development. Upon roll call vote all, voted aye. Motion carried 5-0.

8. DIRECTOR'S REPORT

Nabity noted that the Hedde Building and the Copper Creek Contracts will be on the June meeting as well as a TIF application for area 21 for a potential truck wash and trailer wash out. He also stated that based on the comments of at the May 2nd Planning Commission Meeting and May 22nd City Council meeting the Grand Island School District is concerned about the use of TIF for housing within the City of Grand Island. Members discussed housing issues including the use of TIF for these projects for a short time before adjourning.

9. ADJOURNMENT.

Murray adjourned the meeting at 4:39 p.m.

The next meeting is scheduled for 4 p.m., *Wednesday, June 13th, 2018.*

Respectfully submitted
Rashad Moxey
Planning Technician



Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2018
Regular Meeting**

Item C1

Financial Reports May 1 to May 31, 2018

Staff Contact:

**COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018**

CONSOLIDATED	MONTH ENDED May-18	2017-2018 YEAR TO DATE	2018 BUDGET	REMAINING BALANCE	% OF BUDGET USED
Beginning Cash	568,228		1,092,980		
REVENUE:					
Property Taxes - CRA	158,674	303,030	472,191	169,161	64.18%
Property Taxes - Lincoln Pool	50,015	96,102	198,050	101,948	48.52%
Property Taxes - TIF's	557,326	1,008,662	1,850,874	1,193,084	54.50%
Loan Income (Poplar Street Water Line)	-	-	10,500	10,500	0.00%
Interest Income - CRA	11	101	300	199	33.77%
Interest Income - TIF'S	2	12	-	-	#DIV/0!
Land Sales	14,122	14,122	100,000	85,878	14.12%
Other Revenue - CRA	13,556	15,151	130,000	114,849	11.65%
Other Revenue - TIF's	-	14,837	-	-	#DIV/0!
TOTAL REVENUE	793,706	1,452,019	2,761,915	1,675,618	52.57%
TOTAL RESOURCES	1,361,934	1,452,019	3,854,895	1,675,618	
EXPENSES					
Auditing & Accounting	-	-	5,000	5,000	0.00%
Legal Services	-	645	3,000	2,355	21.50%
Consulting Services	-	-	5,000	5,000	0.00%
Contract Services	2,502	30,823	75,000	44,177	41.10%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	5,146	16,000	10,854	32.16%
General Liability Insurance	-	-	250	250	0.00%
Postage	-	-	200	200	0.00%
Life Safety	-	175,000	200,000	25,000	87.50%
Legal Notices	135	257	500	243	51.34%
Travel & Training	-	-	1,000	1,000	0.00%
Other Expenditures	-	-	-	-	#DIV/0!
Office Supplies	-	-	1,000	1,000	0.00%
Supplies	-	-	300	300	0.00%
Land	-	39,000	200,000	161,000	19.50%
Bond Principal - Lincoln Pool	-	175,000	175,000	-	100.00%
Bond Interest	9,163	19,769	20,863	1,094	94.76%
Façade Improvement	-	-	350,000	350,000	0.00%
Building Improvement	-	406,716	554,732	148,016	73.32%
Other Projects	-	-	150,000	150,000	0.00%
Bond Principal-TIF's	946,354	1,050,467	1,882,874	1,882,874	55.79%
Bond Interest-TIF's	5,262	11,932	-	-	#DIV/0!
Interest Expense	-	-	-	-	#DIV/0!
TOTAL EXPENSES	963,416	1,915,503	3,641,719	2,789,364	52.60%
INCREASE(DECREASE) IN CASH	(169,710)	(463,485)	(879,804)		
ENDING CASH	398,518	(463,485)	213,176	-	
CRA CASH	241,333				
Lincoln Pool Tax Income Balance	150,366				
TIF CASH	6,819				
Total Cash	398,518				

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
GENERAL OPERATIONS:					
Property Taxes - CRA	158,674	303,030	472,191	169,161	64.18%
Property Taxes - Lincoln Pool	50,015	96,102	198,050	101,948	48.52%
Interest Income	11	101	300	199	33.77%
Loan Income (Poplar Street Water Line)		-	10,500	10,500	0.00%
Land Sales	14,122	14,122	100,000	85,878	14.12%
Other Revenue & Motor Vehicle Tax	13,556	15,151	130,000	114,849	11.65%
TOTAL	236,378	428,507	911,041	482,534	47.03%
GENTLE DENTAL					
Property Taxes		-	-	-	#DIV/0!
Interest Income		1	-	-	#DIV/0!
TOTAL	-	1	-	-	#DIV/0!
PROCON TIF					
Property Taxes	534	18,878	-	-	#DIV/0!
Interest Income	1	6	-	-	#DIV/0!
TOTAL	535	18,885	-	-	#DIV/0!
WALNUT HOUSING PROJECT					
Property Taxes	965	25,685	-	-	#DIV/0!
Interest Income	1	5	-	-	#DIV/0!
Other Revenue		14,837	-	-	
TOTAL	966	40,528	-	-	#DIV/0!
BRUNS PET GROOMING					
Property Taxes	7,373	14,481	-	-	#DIV/0!
TOTAL	7,373	14,481	-	-	#DIV/0!
GIRARD VET CLINIC					
Property Taxes	214	5,501	-	-	#DIV/0!
TOTAL	214	5,501	-	-	#DIV/0!
GEDDES ST APTS-PROCON					
Property Taxes	14,453	15,018	-	-	#DIV/0!
TOTAL	14,453	15,018	-	-	#DIV/0!
SOUTHEAST CROSSING					
Property Taxes	6,866	9,358	-	-	#DIV/0!
TOTAL	6,866	9,358	-	-	#DIV/0!
POPLAR STREET WATER					
Property Taxes	5,441	12,596	-	-	#DIV/0!
TOTAL	5,441	12,596	-	-	#DIV/0!
CASEY'S @ FIVE POINTS					
Property Taxes	7,282	7,567	-	-	#DIV/0!
TOTAL	7,282	7,567	-	-	#DIV/0!
SOUTH POINTE HOTEL PROJECT					
Property Taxes	43,369	45,063	-	-	#DIV/0!
TOTAL	43,369	45,063	-	-	#DIV/0!

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
TODD ENCK PROJECT					
Property Taxes	3,334	3,464	-	-	#DIV/0!
TOTAL	3,334	3,464	-	-	#DIV/0!
JOHN SCHULTE CONSTRUCTION					
Property Taxes	143	3,670	-	-	#DIV/0!
TOTAL	143	3,670	-	-	#DIV/0!
PHARMACY PROPERTIES INC					
Property Taxes	6,128	6,367	-	-	#DIV/0!
TOTAL	6,128	6,367	-	-	#DIV/0!
KEN-RAY LLC					
Property Taxes	46,085	47,003	-	-	#DIV/0!
TOTAL	46,085	47,003	-	-	#DIV/0!
TOKEN PROPERTIES RUBY					
Property Taxes	1,525	1,584	-	-	#DIV/0!
TOTAL	1,525	1,584	-	-	#DIV/0!
GORDMAN GRAND ISLAND					
Property Taxes	1,077	2,155	-	-	#DIV/0!
TOTAL	1,077	2,155	-	-	#DIV/0!
BAKER DEVELOPMENT INC					
Property Taxes	72	144	-	-	#DIV/0!
TOTAL	72	144	-	-	#DIV/0!
STRATFORD PLAZA INC					
Property Taxes	17,091	17,758	-	-	#DIV/0!
TOTAL	17,091	17,758	-	-	#DIV/0!
COPPER CREEK 2013 HOUSES					
Property Taxes	32,228	42,881	-	-	#DIV/0!
TOTAL	32,228	42,881	-	-	#DIV/0!
FUTURE TIF'S					
Property Taxes		-	1,850,874	1,850,874	0.00%
TOTAL	-	-	1,850,874	1,850,874	-
CHIEF INDUSTRIES AURORA COOP					
Property Taxes	732	1,465	-	(1,465)	#DIV/0!
TOTAL	732	1,465	-	(1,465)	#DIV/0!
TOKEN PROPERTIES KIMBALL ST					
Property Taxes	1,351	2,654	-	(2,654)	#DIV/0!
TOTAL	1,351	2,654	-	(2,654)	#DIV/0!
GI HABITAT OF HUMANITY					
Property Taxes	2,131	2,215	-	(2,215)	#DIV/0!
TOTAL	2,131	2,215	-	(2,215)	#DIV/0!

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
AUTO ONE INC					
Property Taxes	254	6,196	-	(6,196)	#DIV/0!
TOTAL	254	6,196	-	(6,196)	#DIV/0!
EIG GRAND ISLAND					
Property Taxes	36,995	38,439	-	(38,439)	#DIV/0!
TOTAL	36,995	38,439	-	(38,439)	#DIV/0!
TOKEN PROPERTIES CARY ST					
Property Taxes	4,319	8,482	-	(8,482)	#DIV/0!
TOTAL	4,319	8,482	-	(8,482)	#DIV/0!
WENN HOUSING PROJECT					
Property Taxes	88	175	-	(175)	#DIV/0!
TOTAL	88	175	-	(175)	#DIV/0!
COPPER CREEK 2014 HOUSES					
Property Taxes	119,855	147,798	-	(147,798)	#DIV/0!
TOTAL	119,855	147,798	-	(147,798)	#DIV/0!
TC ENCK BUILDERS					
Property Taxes	1,924	2,197	-	(2,197)	#DIV/0!
TOTAL	1,924	2,197	-	(2,197)	#DIV/0!
SUPER MARKET DEVELOPERS					
Property Taxes	63,133	126,267	-	(126,267)	#DIV/0!
TOTAL	63,133	126,267	-	(126,267)	#DIV/0!
MAINSTAY SUITES					
Property Taxes	1,293	33,209	-	(33,209)	#DIV/0!
TOTAL	1,293	33,209	-	(33,209)	#DIV/0!
TOWER 217					
Property Taxes	20,275	20,676	-	(20,676)	#DIV/0!
TOTAL	20,275	20,676	-	(20,676)	#DIV/0!
COPPER CREEK 2015 HOUSES					
Property Taxes	93,127	124,304	-	(124,304)	#DIV/0!
TOTAL	93,127	124,304	-	(124,304)	#DIV/0!
NORTHWEST COMMONS					
Property Taxes	4,171	143,713	-	(143,713)	#DIV/0!
TOTAL	4,171	143,713	-	(143,713)	#DIV/0!
HABITAT - 8TH & SUPERIOR					
Property Taxes	4,872	5,062	-	(5,062)	#DIV/0!
TOTAL	4,872	5,062	-	(5,062)	#DIV/0!
KAUFMAN BUILDING					
Property Taxes	6,640	6,897	-	(6,897)	#DIV/0!
TOTAL	6,640	6,897	-	(6,897)	#DIV/0!

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
TALON APARTMENTS					
Property Taxes	1,173	58,113		(58,113)	#DIV/0!
TOTAL	1,173	58,113	-	(58,113)	#DIV/0!
VICTORY PLACE					
Property Taxes	813	1,625		(1,625)	
TOTAL	813	1,625	-	(1,625)	#DIV/0!
TOTAL REVENUE	793,706	1,452,019	2,761,915	1,675,618	52.57%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

EXPENSES	MONTH ENDED	2017-2018	2018	REMAINING	% OF BUDGET
	<u>May-18</u>	<u>YEAR TO DATE</u>	<u>BUDGET</u>	<u>BALANCE</u>	<u>USED</u>
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting		-	5,000	5,000	0.00%
Legal Services		645	3,000	2,355	21.50%
Consulting Services		-	5,000	5,000	0.00%
Contract Services	2,502	30,823	75,000	44,177	41.10%
Printing & Binding		-	1,000	1,000	0.00%
Other Professional Services		5,146	16,000	10,854	32.16%
General Liability Insurance		-	250	250	0.00%
Postage		-	200	200	0.00%
Lifesafety Grant		175,000	200,000	25,000	87.50%
Legal Notices	135	257	500	243	51.34%
Licenses & Fees		750	-	-	#DIV/0!
Travel & Training		-	1,000	1,000	0.00%
Office Supplies		-	1,000	1,000	0.00%
Supplies		-	300	300	0.00%
Land		39,000	200,000	161,000	19.50%
Bond Principal - Lincoln Pool		175,000	175,000	-	100.00%
Bond Interest - Lincoln Pool	9,163	19,769	20,863	1,094	94.76%
PROJECTS					
Façade Improvement		-	350,000	350,000	0.00%
Building Improvement		406,716	554,732	148,016	0.00%
Other Projects		-	150,000	150,000	0.00%
TOTAL CRA EXPENSES	11,800	853,105	1,758,845	906,490	48.50%
GENTLE DENTAL					
Bond Principal		1,753	-	-	#DIV/0!
Bond Interest		41	-	-	#DIV/0!
TOTAL GENTLE DENTAL	-	1,793	-	-	#DIV/0!
PROCON TIF					
Bond Principal	8,944	17,585	-	-	#DIV/0!
Bond Interest	637	1,577	-	-	#DIV/0!
TOTAL PROCON TIF	9,581	19,162	-	-	#DIV/0!
WALNUT HOUSING PROJECT					
Bond Principal	32,611	64,158	-	-	#DIV/0!
Bond Interest	4,625	10,314	-	-	#DIV/0!
TOTAL	37,236	74,472	-	-	#DIV/0!
BRUNS PET GROOMING					
Bond Principal	7,661	14,481	-	-	#DIV/0!
TOTAL	7,661	14,481	-	-	#DIV/0!
GIRARD VET CLINIC					
Bond Principal	428	5,501	-	-	#DIV/0!
TOTAL	428	5,501	-	-	#DIV/0!
GEDDES ST APTS - PROCON					
Bond Principal	15,018	15,018	-	-	#DIV/0!
TOTAL	15,018	15,018	-	-	#DIV/0!

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
SOUTHEAST CROSSINGS					
Bond Principal	9,358	9,358	-	-	#DIV/0!
TOTAL	9,358	9,358	-	-	#DIV/0!
POPLAR STREET WATER					
Bond Principal	13,026	13,026	-	-	#DIV/0!
TOTAL	13,026	13,026	-	-	#DIV/0!
CASEY'S @ FIVE POINTS					
Bond Principal	7,567	7,567	-	-	#DIV/0!
TOTAL	7,567	7,567	-	-	#DIV/0!
SOUTH POINTE HOTEL PROJECT					
Bond Principal	45,063	45,063	-	-	#DIV/0!
TOTAL	45,063	45,063	-	-	#DIV/0!
TODD ENCK PROJECT					
Bond Principal	3,464	3,464	-	-	#DIV/0!
TOTAL	3,464	3,464	-	-	#DIV/0!
JOHN SCHULTE CONSTRUCTION					
Bond Principal	286	3,670	-	-	#DIV/0!
TOTAL	286	3,670	-	-	#DIV/0!
PHARMACY PROPERTIES INC					
Bond Principal	6,367	6,367	-	-	#DIV/0!
TOTAL	6,367	6,367	-	-	#DIV/0!
KEN-RAY LLC					
Bond Principal	47,003	47,003	-	-	#DIV/0!
TOTAL	47,003	47,003	-	-	#DIV/0!
TOKEN PROPERTIES RUBY					
Bond Principal	1,584	1,584	-	-	#DIV/0!
TOTAL	1,584	1,584	-	-	#DIV/0!
GORDMAN GRAND ISLAND					
Bond Principal	2,155	2,155	-	-	#DIV/0!
TOTAL	2,155	2,155	-	-	#DIV/0!
BAKER DEVELOPMENT INC					
Bond Principal	144	144	-	-	#DIV/0!
TOTAL	144	144	-	-	#DIV/0!
STRATFORD PLAZA LLC					
Bond Principal	17,758	17,758	-	-	#DIV/0!
TOTAL	17,758	17,758	-	-	#DIV/0!
COPPER CREEK 2013 HOUSES					
Bond Principal	41,214	41,214	-	-	#DIV/0!
TOTAL	41,214	41,214	-	-	#DIV/0!

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
CHIEF INDUSTRIES AURORA COOP					
Bond Principal	1,465	1,465	-	-	#DIV/0!
TOTAL	1,465	1,465	-	-	#DIV/0!
TOKEN PROPERTIES KIMBALL STREET					
Bond Principal	1,404	2,654	-	-	#DIV/0!
TOTAL	1,404	2,654	-	-	#DIV/0!
GI HABITAT FOR HUMANITY					
Bond Principal	2,215	2,215	-	-	#DIV/0!
TOTAL	2,215	2,215	-	-	#DIV/0!
AUTO ONE INC					
Bond Principal	508	6,196	-	-	#DIV/0!
TOTAL	508	6,196	-	-	#DIV/0!
EIG GRAND ISLAND					
Bond Principal	38,439	38,439	-	-	#DIV/0!
TOTAL	38,439	38,439	-	-	#DIV/0!
TOKEN PROPERTIES CARY STREET					
Bond Principal	4,487	8,482	-	-	#DIV/0!
TOTAL	4,487	8,482	-	-	#DIV/0!
WENN HOUSING PROJECT					
Bond Principal	175	175	-	-	#DIV/0!
TOTAL	175	175	-	-	#DIV/0!
COPPER CREEK 2014 HOUSES					
Bond Principal	146,353	151,690	-	-	#DIV/0!
TOTAL	146,353	151,690	-	-	#DIV/0!
TC ENCK BUILDERS					
Bond Principal	2,412	2,412	-	-	#DIV/0!
TOTAL	2,412	2,412	-	-	#DIV/0!
SUPER MARKET DEVELOPERS					
Bond Principal	126,267	126,267	-	-	#DIV/0!
TOTAL	126,267	126,267	-	-	#DIV/0!
MAINSTAY SUITES					
Bond Principal	2,585	33,209	-	-	#DIV/0!
TOTAL	2,585	33,209	-	-	#DIV/0!
TOWER 217					
Bond Principal	20,676	20,676	-	-	#DIV/0!
TOTAL	20,676	20,676	-	-	#DIV/0!
COPPER CREEK 2015 HOUSES					
Bond Principal	124,307	124,307	-	-	#DIV/0!
TOTAL	124,307	124,307	-	-	#DIV/0!

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF MAY 2018

	<u>MONTH ENDED</u> <u>May-18</u>	<u>2017-2018</u> <u>YEAR TO DATE</u>	<u>2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
NORTHWEST COMMONS					
Bond Principal	143,713	143,713	-	-	#DIV/0!
TOTAL	143,713	143,713		-	#DIV/0!
HABITAT - 8TH & SUPERIOR					
Bond Principal	5,062	5,062	-	-	#DIV/0!
TOTAL	5,062	5,062		-	#DIV/0!
KAUFMAN BUILDING					
Bond Principal	6,897	6,897	-	-	#DIV/0!
TOTAL	6,897	6,897		-	#DIV/0!
TALON APARTMENTS					
Bond Principal	58,113	58,113	-	-	#DIV/0!
TOTAL	58,113	58,113		-	#DIV/0!
VICTORY PLACE					
Bond Principal	1,625	1,625	-	-	#DIV/0!
TOTAL	1,625	1,625		-	#DIV/0!
FUTURE TIF'S					
Bond Principal	-	-	1,882,874	1,882,874	0.00%
TOTAL	-	-	1,882,874	1,882,874	0.00%
TOTAL EXPENSES	963,416	1,915,503	3,641,719	2,789,364	52.60%

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CITY OF GRAND ISLAND
BALANCE SHEET FOR 2018 8

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FUND: 900 COMMUNITY REDEVELOPMENT AUTHOR			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
900	11110	OPERATING CASH	-169,710.20	398,518.26
900	11120	COUNTY TREASURER CASH	.00	130,439.66
900	11305	PROPERTY TAXES RECEIVABLE	.00	146,501.00
900	14100	NOTES RECEIVABLE	.00	229,191.06
900	14700	LAND	.00	575,369.33
TOTAL ASSETS			-169,710.20	1,480,019.31
LIABILITIES				
900	22100	LONG TERM DEBT	.00	-198,779.00
900	22400	OTHER LONG TERM DEBT	.00	-1,105,000.00
900	22900	ACCRUED INTEREST PAYABLE	.00	-5,880.73
900	25100	ACCOUNTS PAYABLE	.00	-66,767.03
900	25315	DEFERRED REVENUE-PROPERTY TAX	.00	-140,461.00
TOTAL LIABILITIES			.00	-1,516,887.76
FUND BALANCE				
900	39107	BUDGETARY FUND BAL - UNRESERVD	.00	645,381.00
900	39110	INVESTMENT IN FIXED ASSETS	.00	-575,369.33
900	39112	FUND BALANCE-BONDS	.00	1,074,587.94
900	39120	UNRESTRICTED FUND BALANCE	.00	-925,834.77
900	39130	ESTIMATED REVENUES	.00	2,892,117.00
900	39140	ESTIMATED EXPENSES	.00	-3,537,498.00
900	39500	REVENUE CONTROL	-793,705.76	-1,452,018.78
900	39600	EXPENDITURE CONTROL	963,415.96	1,915,503.39
TOTAL FUND BALANCE			169,710.20	36,868.45
TOTAL LIABILITIES + FUND BALANCE			169,710.20	-1,480,019.31

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



Community Redevelopment Authority (CRA)

Wednesday, June 13, 2018
Regular Meeting

Item D1

Bills for June 13, 2018

Staff Contact:



THE REGIONAL PLANNING COMMISSION of Hall
County, Grand Island, Wood River and the Villages
of Alda, Cairo and Doniphan, Nebraska

13-Jun-18

TO: Community Redevelopment Authority Board Members
FROM: Chad Nability, 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	City Finance	\$	-
Grand Island Independent	notice	\$	-
Lawnscape	408 E 2nd	\$	76.00
TIF Payments	Procon Old Cityhall - last paymer	\$	10,045.80
Total:		\$	<u>10,121.80</u>



Community Redevelopment Authority (CRA)

Wednesday, June 13, 2018
Regular Meeting

Item E1

Committed Projects

Staff Contact:

COMMITTED PROJECTS	REMAINING GRANT AMOUNT	2018 FISCAL YR	2019 FISCAL YR	2020 FISCAL YR	ESTIMATED COMP
Hedde Building 201-205 W. 3rd (10-18-17)	\$ 300,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	Spring 2020
Mendez - Personal Auto (12-13-17)	\$ 100,000.00	\$ 100,000.00			Summer 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			Spring 2018
Urban Island/Kinkaider 320-322 N. Pine (10-18-17) (façade)	\$ 168,677.00	\$ 100,000.00	\$ 68,677.00		Spring 2018
Urban Island/Kinkaider 320-322 N. Pine (10-18-17) other LS	\$ 15,000.00	\$ 15,000.00			Summer 2018
Total Committed	\$ 640,638.00	\$ 371,961.00	\$ 168,677.00	\$ 100,000.00	
FIRE & LIFE SAFETY GRANT	TOTAL AMOUNT	2018 FISCAL YR	2019 FISCAL YR	2020 FISCAL YR	ESTIMATED COMP
201-203 W. 3rd St. Anson (8/24/16)	\$ 240,000.00		\$ 240,000.00		2018
Neilsen 207 W. 3rd	\$ 20,000.00	\$ 20,000.00			Fall 2018
Peaceful Root - 112 W. 2nd St. (1/11/17)	\$ 50,000.00		\$ 50,000.00		2018
Urban Island/Kinkaider 320-322 N. Pine (10-18-17)	\$ 90,000.00	\$ 90,000.00			Summer 2018
Take Flight 209 W. 3rd (11-8-17)	\$ 35,000.00	\$ 35,000.00			Fall 2018
Total Committed F&L Safety Grant	\$ 435,000.00	\$ 145,000.00	\$ 290,000.00	\$ -	

	BUDGET	COMMITTED	LEFT
Life Safety Budgeted 2018	\$ 200,000.00	\$ 125,000.00	\$ 75,000.00
Façade Budgeted 2018	\$ 350,000.00	\$ 350,000.00	\$ -
Other Projects 2018 Budgeted	\$ 150,000.00	\$ 71,500.00	\$ 78,500.00
Land - Budgeted 2018	\$ 200,000.00	\$ -	\$ 200,000.00
Land Sales Budgeted 2018	\$ (100,000.00)	\$ -	\$ (100,000.00)
subtotal		\$ 546,500.00	\$ 253,500.00
Less committed		(\$516,961.00)	(\$458,677.00)
Balance remaining		\$ 29,539.00	\$ (205,177.00)

CRA PROPERTIES

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

May 31, 2018



Community Redevelopment Authority (CRA)

Wednesday, June 13, 2018
Regular Meeting

Item I1

**Approval of Redevelopment Plan and Contracts and Bond
Resolution for Copper Creek Phase 2**

Staff Contact:

MASTER REDEVELOPMENT CONTRACT
COPPER CREEK PHASE 2

This Redevelopment Contract is made and entered into as of the _____ day of _____, 2018, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and The Guarantee Group, L.L.C., 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 to 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 entitled "Redevelopment Plan Amendment CRA Area #12 April 2018 (the "Redevelopment Plan");

WHEREAS, Authority and Redeveloper desire to enter into this Redevelopment Contract in order to implement the Redevelopment Plan and provide for the redevelopment of lots and lands located in a blighted and substandard area by the installation of required infrastructure and the construction of houses;

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

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.

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

"Indebtedness" means any bonds, 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 the Authority's Tax Increment Development Revenue Note (The Guarantee Group Development Project), Series 2018, to be issued in an amount not to exceed \$4,754,848.00 in substantially the form set forth on Exhibit C and the various Redevelopment Contract Amendments, and purchased by the Redeveloper 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.

"Lot" or "Lots" shall mean the separately platted and subdivided lots within the Redevelopment Project Area as described Exhibit A attached hereto as platted and subdivided from time to time.

"Project" means the improvements to the Redevelopment Project Area, as further described in Exhibit B attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Project Property and additions and improvements thereto. The Project shall include improvements related to Project Infrastructure Costs and site preparation costs, all as described in Section 3.04 of this Redevelopment Contract.

"Project Cost Certification" means a statement prepared and signed by the Redeveloper (and, if required by the Authority, certified by a qualified consulting engineer or accountant) verifying the Redeveloper has been legally obligated for the payment of 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 exercise of the powers set forth in §18-2107(4) of the Act, all as identified on Exhibit D.

"Redeveloper" means The Guarantee Group, L.L.C., a Nebraska limited liability company.

"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 A attached hereto and incorporated herein by this reference. All such legal descriptions are subject to change based upon any platting or re-platting requested by the Redeveloper and approved by the City.

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

"Redevelopment Contract" means this redevelopment contract between the Authority and Redeveloper with respect to the Project, as the same may be amended from time to time, including, without limitation, by Redevelopment Contract Amendments executed from time to time in connection with the separate Phases of the Project.

"Redevelopment Contract Amendment" shall mean an amendment to this Redevelopment Contract, for the purpose of establishing the effective date for the division of *ad valorem* taxes pursuant to section 18-2147 of the Act as to each Phase, as defined in Section 3.01 hereof, of lots in the Redevelopment Project Area. The form of the Redevelopment Contract Amendment is attached hereto as Exhibit F.

"Redevelopment Plan" means the Redevelopment Plan Amendment CRA Area #12 April 2018 (also defined in the recitals hereto) for the Redevelopment Project Area related to the Project, as attached hereto as Exhibit B, 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 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 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 Section 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

(2) Based solely on representations made by the Redeveloper:

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

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

(iii) 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.

(f) 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 company 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 bond, debenture, note or other evidence of indebtedness or any 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.

(f) The Redeveloper hereby certifies:

(1) the Redeveloper has not filed and does not intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for a project located or to be located within the Redevelopment Project area;

(2) no application for incentives of any kind will include a refund of the city's local option sales tax revenue; and

(3) no Redeveloper application has been approved under the Nebraska Advantage Act.

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 identified from time to time by the Redeveloper (such Lot or Lots being referred to herein as a "Phase") as identified in a written notice from the Redeveloper to the Authority in substantially the form attached hereto as Exhibit F (each, a "Redevelopment Contract Amendment Notice") for the benefit of any public body be divided for a period of fifteen years after the effective date of the provision as set forth in the Redevelopment Contract Amendment Notice and reflected in a Redevelopment Contract Amendment, consistent with the Redevelopment Plan. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax on real property in each Phase 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 Lots within such Phase 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 each Phase in excess of such amount (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 "Note Fund") to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such 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 Phase shall be paid into the funds of the respective public bodies.

Provided a Redevelopment Contract Amendment Notice (together with a Redevelopment Contract Amendment in form satisfactory to the Authority and signed by the Redeveloper, and a proposed form of "Notice to Divide Tax for Community Redevelopment Project", all prepared in accordance with this Redevelopment Contract and the Act) is delivered to the Authority no later than July 1 of any year, the Authority shall: (a) execute the Redevelopment Contract Amendment, and (b) file before August 1 of such year a "Notice to Divide Tax for Community Redevelopment Project" for such Phase with the office of the Hall County Treasurer and Hall County Assessor, without requirement of additional hearings or public notice. No Redevelopment Contract Amendment providing for the division of taxes pursuant to this Redevelopment Contract and Section 18-2147 of the Act shall be made after January 1, [REDACTED].

Section 3.02 Issuance of Indebtedness

The Authority shall authorize the issuance of the Indebtedness 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 stated face amount of 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.

Prior to December 15, 2018, the Authority shall issue one Tax Increment Revenue Note, in one taxable series, in a maximum principal amount of Four Million Seven Hundred Fifty Four Thousand Eight Hundred Forty Eight and no/100 Dollars (\$4,754,848), in substantially the form shown on the attached Exhibit C ("TIF Note"), for net funds available to be purchased by Redeveloper ("TIF Note Purchaser"), in a written form acceptable to Redeveloper's attorney, and receive Note proceeds from the TIF Note Purchaser in said amount. At the option of the Redeveloper, 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 Note. 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 the Indebtedness and all the other necessary details of the Indebtedness.

The Redeveloper 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 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 will be includable in gross income for federal income tax purposes and subject to Nebraska State income taxation.

Section 3.03 Pledge of Revenues.

Under the terms of the Resolution, the Authority pledges 100% of the available annual TIF Revenues derived from the Redevelopment Project Property as security for and to provide payment of the Indebtedness as the same fall due (including payment of any mandatory redemption amounts set for the Indebtedness in accordance with the terms of the Resolution).

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

The Redeveloper has agreed to purchase the Indebtedness from the Authority for a price equal to the principal amount thereof, payable as provided in Section 3.02. 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 the costs for reimbursement of site acquisition, including easements, site and preparation costs and utilities for including only those items as described on Exhibit D (the "Project Costs"), in the aggregate maximum amount of \$4,754,848.00, as and to the extent that the Project will support the issuance of additional indebtedness. Notwithstanding the foregoing, the aggregate amount of the grant advances shall not exceed the amount of Project Costs as certified pursuant to Section 4.02 of this Redevelopment Contract. Such grant(s) shall be made to the Redeveloper upon execution of this Redevelopment Contract and payment purchase of the Indebtedness as provided in Section 3.02, but limited to the net proceeds of Indebtedness issued from time to time which may be reasonably calculated to be repaid from the division of taxes mentioned in Section 18-2147 of the Act and generated by the Project. The Authority shall have no obligation to provide grant funds from any source other than the purchase price paid to the Authority for the Indebtedness.

Section 3.05 Creation of Fund.

In the Resolution, the Authority has provided for the creation of a 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:

(a) a special trust fund called the “The Guarantee Group Redevelopment Project Note Fund” (the “Note Fund”). All of the TIF Revenues shall be deposited into the Note Fund. The TIF Revenues accumulated in the 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 Note to the extent of any money then remaining the Note Fund on such Interest Payment Date. Money in the Note Fund shall be used solely for the purposes described herein and in the Resolution. All Revenues received through and including December 31, [REDACTED] shall be used solely for the payments required herein and by the Resolution; and

(b) a special trust fund called the “The Guarantee Group Redevelopment Project Fund” (the “Project Fund”) The Authority shall disburse any money on deposit in the 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 Project Fund at the time of the receipt by the Authority of such request, the Authority shall notify the owner of the 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 Note and the Authority 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 Note.

ARTICLE IV

OBLIGATIONS OF REDEVELOPER

Section 4.01 Construction of Project; Insurance.

(a) Redeveloper will complete the Project and install all infrastructure, improvements, buildings, fixtures, equipment and furnishings necessary to operate the Project. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Project. Until construction of the Project has been completed, Redeveloper shall 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. Promptly after completion by the Redeveloper of each Phase of the Project, the Redeveloper shall furnish to the Authority a Certificate of Completion (supported by such architect's or engineer's certificates as are required under the terms of the contract documents) for such Phase, including each structure or element of infrastructure completed in such Phase.

(b) Any general contractor chosen by the Redeveloper or the Redeveloper itself shall be required 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 and a penal bond or bonds as required by the Act or as is otherwise required by law. 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.

Section 4.02 Cost Certification.

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 City's Clerk and an authorized representative of the Redeveloper, (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 Note of any amounts allocated to the Note.

(c) Upon notification from the Authority as described in Section 4.02(b), deposits to the accounts in the Project Fund may be made from time to time from funds received by the Authority from the owner of the 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 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. At the option of the Authority, if the Redeveloper is the owner of the 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 from Note proceeds 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 Note. The aggregate amount deposited into the Project Fund from proceeds of the Note shall not exceed \$4,754,848.

Section 4.03 Authority Costs

Redeveloper shall reimburse the Authority (and the City, as applicable) on the date of the closing of the purchase of the Indebtedness for legal fees and costs incurred or expected to be incurred in connection with this Redevelopment Contract and the issuance of the Indebtedness.

Section 4.04 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 4.05 Real Estate Tax Base; Payments in Lieu of Taxes.

Redeveloper agrees to make payments in lieu of taxes, immediately upon receipt of notice from City or the Authority, if for any reason at any time TIF Revenues are not sufficient to pay principal and interest on the Indebtedness when due. This payment in lieu of tax obligation may be represented by a note or other evidence of indebtedness.

Section 4.06 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Authority. Any transfer (including any lease for a term longer than one year) or conveyance of the any portion of the Redevelopment Project Property, except for individual lot sales, prior to the termination of the 15 year period commencing on the last effective date specified in Section 3.01 hereof by the Redeveloper shall be subject to the terms and conditions of this Redevelopment Contract. 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.

Section 4.07 Federal Immigration Verification System.

The Redeveloper agrees that Redeveloper and any contractor for the improvements to be reimbursed as a part of the Project Infrastructure Costs shall be required to agree to use a federal immigration verification system (as defined in §4-114, R.R.S. 2012) to determine the work eligibility status of new employees physically performing services on the Project and to comply with all applicable requirements of §4-114, R.R.S., 2012.

Section 4.08 Public Right-of-Way.

All streets with within the Redevelopment Project Area boundaries shall be public streets and dedicated to the public as part of the re-platting of the Redevelopment Project Area.

Section 4.09 Records.

Redeveloper agrees that it shall retain all records related to invoices for Project Cost Certification for a period of 18 years after the last effective date provided in the last Redevelopment Contract Amendment executed pursuant to this Contract. Such records shall be made available to the Authority upon request.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT**

Section 5.01 Financing

Redeveloper shall pay all costs related to the redevelopment of the Redevelopment Project Area and the Redevelopment Project Property which are in excess of the amounts paid from the proceeds of the grant provided for from the proceeds of the Indebtedness and granted to Redeveloper. Prior to issuance of the Indebtedness, Redeveloper shall provide Authority with evidence satisfactory to the Authority that private funds have been committed to the Redeveloper in amounts sufficient to complete all portions of the Project included in the Project Infrastructure Costs. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.

**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 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 Section 3.04.

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 commence the construction of the improvements included in the Public Infrastructure Costs for the first Phase of the Redevelopment Project on or before December 1, 2018, or shall abandon construction work related to the Public Infrastructure Costs and housing construction, once commenced, for any period of 180 days, excepting delays caused by inclement weather,

(b) the Redeveloper, shall fail to pay real estate taxes or assessments on the Redevelopment Project Property owned by the Redeveloper or any part thereof when due; and

(c) there is a violation of any other provision of this Redevelopment Contract, and such failure or action by the Redeveloper has not been cured within 90 days following written notice from Authority, then the Redeveloper shall be in default of this Redevelopment Contract.

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.

Interest shall accrue on the Liquidated Damages Amount at the rate of seven percent (7%) per annum and interest shall commence from 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 Public Infrastructure 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 Public Infrastructure 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). In addition, the Redeveloper shall provide a penal bond with good and sufficient surety to be approved by the Authority, conditioned that the Redeveloper shall at all times promptly make payments of all amounts lawfully due to all persons supplying or furnishing to any contractor or his or her subcontractors (for each contract entered into by Redeveloper related to Public Infrastructure Costs) with labor or materials performed or used in the prosecution of the work provided for in such contract, and will indemnify and save harmless

the Authority to the extent of any payments in connection with the carrying out of such contracts which the Authority may be required to make under the law.

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 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, 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, as specifically set forth in Sections 3.02 and 3.04 and payment of TIF Revenues pledged pursuant to the Resolution. The obligation of the City and Authority on any Indebtedness shall be limited solely to the payment of the TIF Revenues and other funds pledged on the Indebtedness as set forth in the Resolution. Specifically, but without limitation, neither the City nor Authority shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. 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, agents, employees and members of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, including litigation expenses, attorneys' fees and expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about the Project during the term of this Redevelopment Contract or arising out of any action or inaction of Redeveloper, whether or not related to the Project, or resulting from or in any way connected with specified events, the Project, or in any way related to the enforcement of this Redevelopment Contract or any other cause pertaining to the Project.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Governing Law.

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

Section 7.02 Binding Effect: Amendment.

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.

Section 7.03 Notices to Parties.

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

Redeveloper:

The Guarantee Group, LLC

P.O. Box 5916

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, Authority 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

THE GUARANTEE GROUP, L.L.C.

By: _____
Manager

STATE OF NEBRASKA)

) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____ 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

STATE OF NEBRASKA)

) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by _____ Manager of The Guarantee Group, L.L.C., on behalf of the limited liability company.

Notary Public

EXHIBIT A
DESCRIPTION OF REDEVELOPMENT AREA

EXHIBIT B
REDEVELOPMENT PLAN

EXHIBIT C

(FORM OF 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
(THE GUARANTEE GROUP REDEVELOPMENT PROJECT), SERIES 2018

No. R-1

Up to \$4,754,848
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, [REDACTED]

[REDACTED] %

REGISTERED OWNER: The Guarantee Group, LLC

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.

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, 2020, 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 _____ 2018, 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 \$4,754,848.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Revenue (as defined in the Resolution) and certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property in the Project Area (as defined in this 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 Project Area 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 Revenues and other funds pledged under the Resolution, which 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 Revenue and other money and securities pledged to the payment of the 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.

[The remainder of this page intentionally left blank]

(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]

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
THE GUARANTEE GROUP REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2018**

Date	Principal Amount Advanced	Principal Amount Redeemed	Cumulative Outstanding Principal Amount	Notation Made By

Exhibit D
Project Costs

Redevelopment Project Costs

Infrastructure	\$3,646,248.00
Fill (Site Prep)	\$ 586,500.00
Planning (Arch & Eng)	\$ 245,000.00
Authority legal fees	\$ 2,100.00
Legal, Const. Management	\$ 275,000.00
 TOTAL	 \$4,754,848.00

EXHIBIT F

REDEVELOPMENT CONTRACT AMENDMENT NOTICE

Notice is hereby given by The Guarantee Group, LLC, ("Redeveloper") to the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to Section 3.01 of that certain Redevelopment Contract between Redeveloper and Authority dated _____, 2018 as follows:

Amendment: Redeveloper hereby presents to Authority a proposed amendment to the Redevelopment Contract ("Redevelopment Contract Amendment"), which is attached hereto and incorporated herein by this reference.

Notice: As required in the Redevelopment Contract, Redeveloper hereby gives notice to Authority of the following information related to such Redevelopment Contract Amendment (capitalized terms used herein and not defined have the same meaning as set forth in the Redevelopment Contract):

(a) The Redevelopment Contract Amendment incorporates a new Phase to the Project which shall include the following Lot(s) in the Redevelopment Project Area:

[identification of such Lot(s) including the legal description of each]

(b) The effective date of the Redevelopment Contract Amendment shall be _____, 20__.

(c) The division date for the applicable Phase shall be _____, 20__; and a proposed form of Notice of Division is attached hereto and incorporated herein by this reference.

(d) The base year valuation for such Phase shall be 20__.

(e) The initial sale price for each lot with a completed house is set forth hereafter.

Lot description	House model	Sale price
-----------------	-------------	------------

Dated _____

The Guarantee Group, LLC

Manager

**Redevelopment Plan Amendment
Grand Island CRA Area #12
April 2018**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to approve a Redevelopment Plan for Area #12 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 #12.

**Executive Summary:
Project Description**

THE ORIGINAL PLAN FOR THIS DEVELOPMENT CALLED FOR THE COSTRUCTION OF UP TO 620 UNITS OF SINGLE FAMILY HOUSING WITH UP TO 239 WITH THE FIRST PHASE TO BE DEVELOPED AT MARKET DEMAND ESTIMATED AT 15 TO 30 UNITS PER YEAR. THE FINAL COUNT OF THE FIRST PHASE WILL BE 208 INSTEAD OF 239 AS THE LOT SIZES WERE INCREASED SLIGHTLY. AS OF APRIL 1, 2018 PERMITS HAVE BEEN PULLED FOR 193 HOUSES IN THIS PROJECT, 15 MORE LOTS ARE AVAILABLE AS PART OF THE FIRST PHASE. THE SECOND PHASE OF THIS DEVELOPMENT ANTICIPATES THE USE OF TAX INCREMENT FINANCING FOR THE NEXT 80 UNITS OF SINGLE FAMILY HOUSING. IT WAS ANTICIPATED AT THE BEGINNING OF THIS PROJECT THAT THERE WOULD BE ADDITIONAL PHASES THAT WOULD NEED APPROVAL. THE DEVELOPER HAS INDICATED THAT

THE CONSTRUCTION OF 80 UNITS OF SINGLE FAMILY HOMES. THE HOMES TO BE CONSTRUCTED WILL HAVE AN INTIAL SALE PRICE \$185,000 FOR THE BASE LEVEL HOME IN 2018 THAT MEETS THESE MINIMUM SPECIFICATIONS:

1300 SQUARE FEET FINISHED FIRST FLOOR, FULL UNFINISHED BASEMENT, 2 CAR ATTACHED GARAGE, KITCHEN APPLIANCES, CENTRAL HEATING AND AIR CONDITIONING, LANDSCAPING AND SPRINKLED LAWN.

THE HOUSES WILL BE CONSTRUCTED WITHIN THE COPPER CREEK SUBDIVISION LOCATED SOUTH OF OLD POTASH HIGHWAY AND EAST OF ENGLEMAN ROAD. THE PROJECT WILL INCLUDE THE PUBLIC IMPROVEMENTS NECESSARY TO SUPPORT THIS DEVELOPMENT INCLUDING BUT NOT LIMITED TO INSTALLATION OF STREET, STORMWATER FACILITIES, WATER AND SANITARY SEWER UTILITIES, ENGINEERING, SURVENYING, LANDSCAPING AND OTHER IMPROVEMENTS AS NECESSARY. THE CONSTRUCTION OF ADDITIONAL UNITS AND ANY AD VALORUM REVENUE GENERATED BY THOSE ADDITIONAL UNITS SHALL BE SUBJECT TO APPROVAL OF THE CITY AND SUBSEQUENT CONTRACTS BETWEEN THE CRA AND THE DEVELOPER.

The developer intends to use Tax Increment Financing to aid in site development including necessary site work, installation of streets, storm sewer, sanitary sewer, water, other utilities and engineering, surveying and other consultant costs associated with and necessary for the redevelopment of this property. The developer intends to build single family homes ranging from 1300 to 1500 square feet with an attached garage on each lot. The 2018 sale price of these homes will be \$185,000. The developer expects to build 80 units with five phases of development. The original approved preliminary plat for this project anticipated 620 homes. Some changes have been made to the proposed development. Phase 1 was reduced from 239 homes (plus the 5 house from the first attempt at developing this property) to 213 homes by increasing the lot sizes. Phase two anticipates 80 additional lots, the water tower site has reduced the number of lots in the southwest corner. The current approved preliminary plat shows plat an additional 244 lots that could be developed. The total number of lots based on current plans in the development is 537 lots for homes, 2 lots for utility purposes, 1 lot for detention and 1 for on-site storage of campers and boats belonging to residents of the subdivision.

The developer intends to install the infrastructure for phase two of this project in five intervals to create the 80 additional lots south of the existing streets. The second phase is designed to serve the next 80 lots and set the property up for development of up to 244 additional lots in the future. The tax increment from the new home construction will be used to make necessary site improvements and utility extensions to support this development. This project would not be possible in an affordable manner without the use of TIF.

The site is owned by Guarantee Group, LLC. All site work, demolition, streets and utilities will be paid for by the developer. The developer is responsible for and will provide evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work, engineering, surveying and utility and street infrastructure. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated beginning January 1, 2019 towards the allowable costs and associated financing for the acquisition, site work, streets and utility infrastructure. The CRA also intends to continue pledging ad valorem taxes generated by future phases of this development in future contracts for Tax Increment Financing during the life of this project.

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

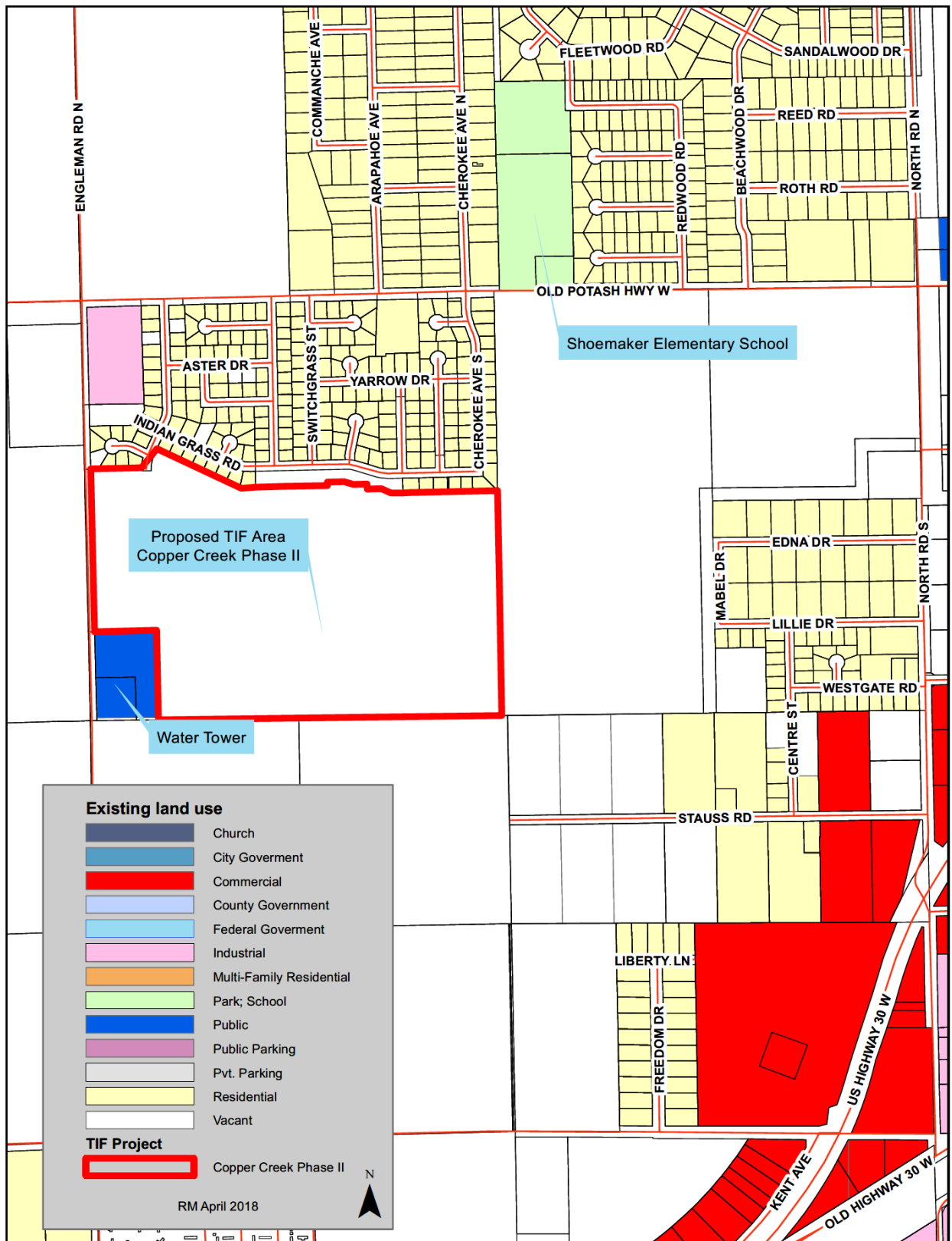
Property Description (the “Redevelopment Project Area”)

This property is located south of Old Potash Highway and east of Engleman Road in northwest Grand Island. The attached map identifies the subject property and the surrounding land uses:

Legal Descriptions

A TRACT LOCATED IN PART OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 11 NORTH, RANGE 23 WEST OF THE 6TH PM, IN THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT A POINT 1,059.29' FEET SOUTH OF THE NORTHWEST CORNER OF SECTION 23 TOWNSHIP 11 NORTH, RANGE 10 WEST, HALL COUNTY, NEBRASKA ALSO BEING THE SOUTHWEST CORNER OF COPPER CREEK ESTATES EIGHTH SUBDIVISION; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID COPPER CREEK ESTATES EIGHTH SUBDIVISION TO THE SOUTHEAST CORNER OF LOT 17, COPPER CREEK ESTATES EIGHTH SUBDIVISION; THENCE NORTH ALONG THE EASTERLY LINE OF SAID LOT 17 TO THE NORTHEAST CORNER OF LOT 17, COPPER CREEK ESTATES SUBDIVISION, ALSO BEING A POINT ON THE SOUTH LINE OF INDIAN GRASS ROAD AND THE SOUTH WEST CORNER OF COPPER CREEK ESTATES SUBDIVISION; THENCE EAST ALONG THE SOUTH LINE OF SAID INDIAN GRASS ROAD TO THE NORTHWEST CORNER OF LOT 1, COPPER CREEK ESTATES SUBDIVISION; THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 1, TO THE SOUTHWEST CORNER OF LOT 1 COPPER CREEK SUBDIVISION; THENCE EAST ALONG THE SOUTH LINE OF LOTS 1-7 OF SAID COPPER CREEK ESTATES SUBDIVISION TO THE SOUTHEAST CORNER OF LOT 7 COPPER CREEK SUBDIVISION; THENCE SOUTH PARALLEL AND 35' WESTERLY OF THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 23 TOWNSHIP 11 NORTH RANGE 10 WEST TO A POINT ON THE SOUTH LINE OF SAID NORTHWEST QUARTER AND 35' FEET WESTERLY OF THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER; THENCE WESTERLY TO THE SOUTHEAST CORNER OF LOT 2, COPPER CREEK ESTATES NINTH SUBDIVISION; THENCE WESTERLY ALONG THE SOUTH LINE OF LOTS 1 & 2, COPPER CREEK ESTATES NINTH SUBDIVISION AND THE SOUTH LINE OF SAID NORTHWEST QUARTER TO SOUTHWEST CORNER OF SAID NORTHWEST QUARTER OF SECTION 23; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID NORTHWEST QUARTER TO THE PLACE OF BEGINNING. LESS AND EXCEPT ALL OF COPPER CREEK NINTH SUBDIVISION.



The tax increment will be captured for the tax years the payments for which become delinquent beginning in years 2020 and ending upon expiration of the final contract for construction of affordable housing.

The increase will come from the development single family homes on this property. Increases are anticipated from the next 80 houses to be building. The anticipated taxable valuation of this project at completion of the phase two 80 homes is \$18,400,000. The actual final valuation will be subject to appreciation and inflationary forces over the course of the development timeframe.

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 and the effective date of each subsequent contract and or contract amendment associated with this redevelopment plan.

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 May 14, 2013. [§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 install the required public infrastructure needed to develop the property in a manner consistent with the comprehensive plan and previously approved development plans.

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

a. Land Acquisition:

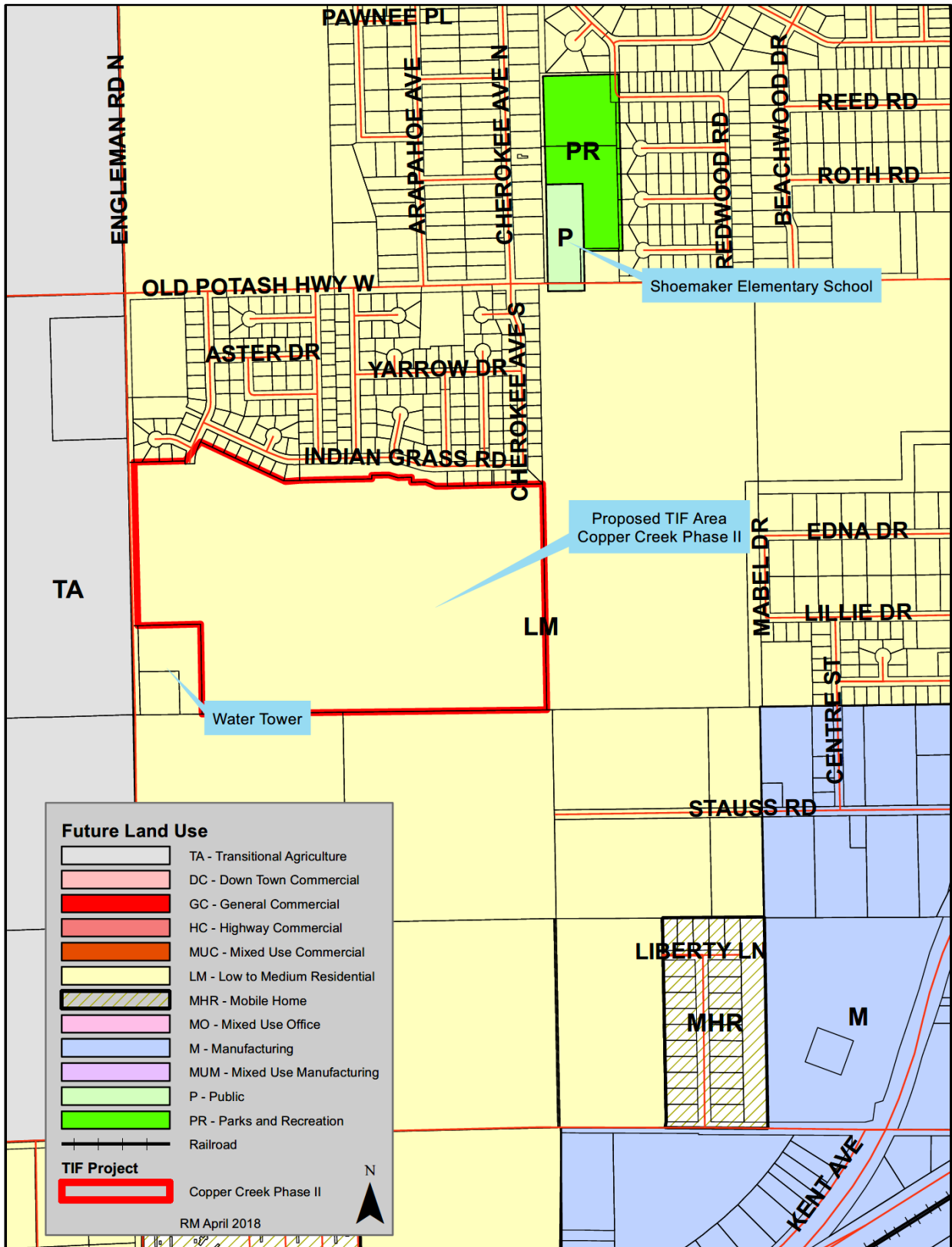
This amended Redevelopment Plan for Area #12 does not provide for real property acquisition. There is no proposed acquisition by the authority. The developer acquired the property as an expense included in the first redevelopment plan after approval of the first TIF contract.

b. Demolition and Removal of Structures:

The project to be implemented with this plan amendment does not call for the demolition and removal of any existing structures.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for residential use consistent with R2 zoning district and the approved preliminary and final plats for this site. [§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 R2 Low Density Residential. No zoning changes are anticipated with this project. Additional streets will be constructed in a manner consistent with the approved preliminary and final plats for the property. 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. The single family residential is permitted in the current zoning district. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

The R2 zoning district allows for the development of 1 dwelling unit per 6000 square foot of lot area. The platted and proposed lots are more than 6000 square feet in size but less than the 12,000 square feet that would be required for a 2 family dwelling. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

This site has full service to municipal utilities. No utilities would be impacted by the development. Water and sewer will need to be extended throughout the site. Extension of utilities is one of the planned uses for Tax Increment Financing.

Electric, gas, phone and cable utilities will be extended through the site as necessary to serve the development through agreements between those providers and the developer.

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 is in private ownership. This is vacant property that has been used for agricultural purposes. No individuals or families will be relocated as a result of this project. Additional housing will be created by the project. [§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]

Tom Gdowski a member of the CRA Board does not hold any interest in this property but works for Equitable Bank in Grand Island and may be involved in the financing of this project or houses sold within the project.

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 the entire site. The developer is estimating the costs TIF eligible for Phase 2 activities as shown below:

Cost for Tax Increment Financing Eligible Activities		
Planning (Architecture and Engineering)		245,000
Land	Acquired with Phase 1	
Legal/Developer/Audit Fees		275,000
City Fees		2,100
Subtotal		522,100
Grading and Infrastructure Phase 2		
Sanitary Sewer	732,346.5	
Water Main	794,191	
Paving and Storm	2,119,710.2	
Fill	586,500	
Subtotal		4,232,748
Total Eligible Expenses		4,754,848

The estimated costs for the eligible activities of this project are \$4,754,748. Site improvements including: utility improvements and site grading and fill of \$4,232,748 Architectural and Engineering planning services of \$245,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees including a reimbursement to the City and the CRA of \$277,100 are included as TIF eligible expense. The total of eligible expenses for this project is \$4,754,748.

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 an estimated sum of \$4,754,848 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, 2019 for a period that may extend through 15 years from the date of the final contract for this project.

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 development consistent with the future land use plan for the City of Grand Island and the previously approved development of this site. The development of single family residential on this property is consistent with the property development along the north side of Old Potash Highway. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions such as incomplete infrastructure.

8. Time Frame for Development

Development of this project is anticipated to begin in June 2018. Infrastructure for this phase of the development, including the next 80 lots is expected to be complete with the phasing of the development. The developer expects to complete between 15 and 30 affordable single family dwelling units each year until completion of the subdivision. Expected completion of Phase two of the project will occur sometime between 2022 and 2030. Excess valuation should be available for this project beginning with the 2019 tax year.

9. Justification of Project

The housing vacancy rate in Grand Island has been hovering between 2% and 3% since at least 2000. Since the late 1980's, every housing study done in Grand Island has indicated a lack of housing and housing options in Grand Island. The market is providing for houses in the \$220,000 plus price range and almost 300 market rate apartments have been built in the last 2 years and there are currently plans for upwards of 250 new additional market rate apartments. Providers of elderly housing supported by Low Income Housing

Tax Credits all have waiting lists and applications for new projects are submitted to NIFA every year.

As of today (April 3, 2018), there 73 housing units (single family and condominium) on the market based on the Multiple Listing Service, at all price ranges (\$59,900 to \$499,000). Grand Island has almost 13,000 single family housing units, so less than 0.56% of the total units are currently available and on the market.

The projected price range of the houses to be built with this project puts them within the reach of people earning a family income of \$22 an hour and above. This price puts these houses within reach of people working at JBS Swift, many of the retail stores in the community, incoming teachers and many others that have trouble finding housing in Grand Island. The cost to develop lots in Grand Island, even the smaller lots that are proposed in this subdivision makes the development and sale of houses in this price range prohibitive without some kind of public private partnership.

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. Public funds from tax increment financing in the amount of \$4,754,848 provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$14,852,962 in private sector financing and equity investment; a private investment of \$3.12 for every TIF dollar invested.

Use of Funds.			
Description	TIF Funds	Private Funds	Total
Site Acquisition	Acquired with Phase I		
Site Improvements/Utilities	\$4,232,747.7		\$4,232,747.7
New Construction Costs		\$13,360,000	\$13,360,000
Legal and Plan	\$275,000		\$275,000
Engineering/Arch	\$245,000		\$245,000
City Fees/Reimbursements	\$2,100		\$2,100
Financing Fees		\$1,492,962	\$1,492,962
TOTALS	\$4,754,848	\$14,852,962	\$19,607810

Tax Revenue. The property to be redeveloped has January 1, 2018, valuation of approximately \$504,382 for the 82 acres of undeveloped land. Based on the 2017 levy this would result in a real property tax of approximately \$11,360. It is anticipated that the assessed value will increase by \$18,400,000 upon full completion, as a result of the site

redevelopment. This development will result in an estimated tax increase of over \$414,450 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 2018 assessed value:	\$ 504,382
Estimated taxable value after completion	\$ 18,904,382
Increment value	\$ 18,400,000
Annual TIF generated (estimated)	\$ 6,217,000
TIF bond issue	\$ \$4,754,848

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

The proposed development of these houses will result in an estimated additional \$18,400,000 of taxable valuation based on an initial 2018 sale price of homes at \$185,000 including the value of the lot to bring total valuation to \$230,000 per unit. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities for life of those homes after the completion of the TIF contracts.

(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 need to be extended through the site but have sufficient capacity to support the development. The electric utility has sufficient capacity to support the development. **This development will have an impact on the Grand Island School system as it will likely result in increased attendance at all grade levels.** The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. Eighty additional household would house 212 people. According to the 2010 census 19.2% of the population of Grand Island was between the ages of 5 and 18. If the averages hold it would be expected that there would be an additional 41 school age children generated by this development. According to the National Center for Educational Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. The Grand Island Public School system has indicated that they will not oppose the development of this phase of the project and can accommodate the increase in enrollment. It is likely that they would not be able to absorb additional development without adding to school facilities. 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;

¹ https://nces.ed.gov/ccd/districtsearch/district_detail.asp?ID2=3100016

The proposed development will provide jobs for persons employed by the contractors that will be involved with the project. In 2015 the National Association of Home Builders estimated the impacts of each single family home built in a community at 3.94 FTE's 2.37 of which are direct impact employees. (NAHB Housing Policy Department, 2015). Using that number and an estimated construction schedule of 15 units per year, the direct impact of this project is the equivalent of a manufacturing facility employee base of 35.55 FTE's. This project will also supply housing at a price point that is affordable to those at or below the median income in Grand Island. The median income in Grand Island for 2016 according to the U.S. Census is \$49,118.

(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 should not have any measurable negative impacts on other employers or employees in the city.

(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 housing for residents of Grand Island in a much needed price range that is not being provided by the housing market. The 2014 housing study identified a need for over 1,700 new housing units including over 1000 owner occupied units. In 2015, 2016 and 2017 a total of 348 permits were issued for new single family homes in Grand Island. Without the use of TIF this project will not move forward. The cost for the required infrastructure for these 80 lots is estimated at \$4,232,748 or \$52,900 per lot. Portions of this development will potentially serve additional development in the future but all of the infrastructure is necessary to serve these 80 lots. The estimated cost of construction of these houses is \$167,000 (approximately \$130 per square foot) it is not possible to sell these houses for \$185,000 without a public private partnership. This project is not economically feasible without the use of TIF and can positively impact persons at or below the median income level within the City of Grand Island.

Time Frame for Development

Development of this project is anticipated to begin in June 2018. Infrastructure for this phase of the development, including completing streets and utilities for these 80 lots is expected to be complete by January 1, 2024. The base tax year should be calculated beginning in 2018 and each subsequent contract should be set in the year during which it is anticipated construction on the houses will begin. The developer expects to complete between 15 and 30 affordable single family dwelling units each year until completion of the subdivision. Expected completion of this project will occur sometime between 2022 and 2025. Excess valuation should be available for this project beginning with the 2019 tax year. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per each contract between the CRA. Contract periods shall not exceed 15 years. The amount of TIF excess distributed shall not exceed the actual cost of the TIF eligible

expenses incurred for this project including streets, storm sewer, sanitary sewer, water, other necessary utilities, engineering, architecture and surveying, legal fees and interest associated with the TIF bonds.

Proposed Development Attached Subject to Final Platting and Approval



RESOLUTION NO. 272

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA; AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF A TAX INCREMENT REVENUE BOND, NOTE OR OTHER OBLIGATION; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND, NOTE OR OTHER OBLIGATION; PLEDGING CERTAIN REVENUES OF THE AUTHORITY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW; AUTHORIZING THE SALE OF SAID BOND, NOTE OR OTHER OBLIGATION; PROVIDING FOR A GRANT OF THE PROCEEDS OF SAID BOND, NOTE OR OTHER OBLIGATION; PROVIDING FOR THE TERMS AND THE SALE OF THE BOND, NOTE OR OTHER OBLIGATION; PROVIDING FOR PREPAYMENT OF SAID BOND, NOTE OR OTHER OBLIGATION; PAYING THE COSTS OF ISSUANCE THEREOF; PRESCRIBING THE FORM AND CERTAIN DETAILS OF THE BOND, NOTE OR OTHER OBLIGATION; PLEDGING CERTAIN TAX REVENUE AND OTHER REVENUE TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND, NOTE OR OTHER OBLIGATION AS THE SAME BECOME DUE; LIMITING PAYMENT OF THE BOND, NOTE OR OTHER OBLIGATION TO SUCH TAX REVENUES; CREATING AND ESTABLISHING FUNDS AND ACCOUNTS; DELEGATING, AUTHORIZING AND DIRECTING THE TREASURER OF THE AUTHORITY TO EXERCISE HIS OR HER INDEPENDENT DISCRETION AND JUDGMENT IN DETERMINING AND FINALIZING CERTAIN TERMS AND PROVISIONS OF THE BOND, NOTE OR OTHER OBLIGATION NOT SPECIFIED HEREIN; APPROVING THE REDEVELOPMENT CONTRACT; TAKING OTHER ACTIONS AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING; PROVIDING FOR THIS RESOLUTION TO TAKE EFFECT; AND RELATED MATTERS

BE IT RESOLVED by the members of the Community Redevelopment Authority of the City of Grand Island, Nebraska, as follows:

Section 1. The members of the Community Redevelopment Authority of Grand Island, Nebraska (the "Authority") hereby find and determine (a) that The Community Redevelopment Authority of the City of Grand Island, Nebraska, (the "City") has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City; that the Authority has and may exercise all of the powers of a redevelopment authority provided for under the Community Development Law of the State of Nebraska; that there has been prepared a redevelopment plan, entitled "REDEVELOPMENT PLAN AMENDMENT CRA AREA #12 APRIL 2018" (the "Plan") for the redevelopment of the real estate described in the Plan as the "Project Area" (hereinafter in this Resolution referred to as the "Redevelopment Project Area"); (b) that prior to the recommendation or approval of the Plan the Redevelopment Project Area was declared blighted and substandard by action of the Mayor and Council of the City; (c) that the City has had in effect its general plan for the development of the City from the time prior to the preparation of the Plan; (d) that the Plan was prepared by the Redeveloper (as defined below) and submitted to the Planning Commission of the City and approved and thereafter recommended by the

Authority to the Mayor and Council of the City; (e) that on the ____ day of _____, 2018, the Mayor and Council of the City held a public hearing on the Plan for which notice was given by publication prior to such hearing strictly in accordance with the Nebraska Community Development Law and, after such hearing, the Mayor and Council gave their approval to the Plan; (f) that the Plan, among other things, calls for the redevelopment of the Redevelopment Project Area by the subdivision of undeveloped and vacant land and construction of related improvements including site preparation and infill and related street, storm and sanitary sewers, water lines and other utility extensions and parking facilities (all as described in the Plan, the "Project"); (g) that The Guarantee Group, LLC, a Nebraska limited liability company (hereafter referred to as the "Redeveloper") is interested in the redevelopment of the Redevelopment Project Area and the Redeveloper has undertaken and is currently incurring costs and is undertaking preliminary steps related to construction and rehabilitation as provided for in the Plan and the Authority has previously communicated its willingness to assist such redevelopment in order to encourage the providing of employment and the economic development of the City as well as for the redevelopment of a blighted and substandard area of the City; (h) that the Authority and the Redeveloper are about to enter into an agreement entitled "Redevelopment Contract" (as approved in Section 13 of this Resolution and incorporated by reference herein) and under the terms of the Redevelopment Contract, the Authority agrees to assist the Redeveloper with grant assistance to pay part of the cost of the Project and for such purpose it is necessary for the Authority to authorize the issuance and sale of its tax increment revenue note, with principal purchase price to be paid by the Redeveloper in accordance with the terms of the Redevelopment Contract; (i) that all conditions, acts and things required by law to exist or to be done precedent to the authorizing of the Authority's tax increment revenue note as provided for in this Resolution do exist and have been done as provided by law.

Section 2. Pursuant to and in full compliance with the Community Development Law, Section 18-2125, R.R.S. Neb. 2012, and this Resolution, and for purpose of providing funds to pay for completing the Project and for costs of issuing the Note, the Authority shall issue the Note in a principal amount not to exceed \$4,754,848. The Note shall be designated as "Tax Increment Development Revenue Note of the Community Redevelopment Authority of the City of Grand Island, Nebraska (The Guarantee Group Project)," shall have an appropriate series designation as determined by the Treasurer of the Authority (the "Agent"), shall be dated the date the Note is initially issued and delivered, which shall be the date of the first deposit of proceeds of that series in the Project Fund (defined below) as further described below "Date of Original Issue," shall mature, subject to right of prior redemption, not later than December 31, _____, and shall bear interest (computed on the basis of a 360-day year consisting of twelve, 30-day months) at an annual rate of _____ percent (____%). The Note shall be issued as a single Note as further described below. Any Note issued pursuant to this Resolution shall only be due and payable to the extent moneys are available therefor in accordance with the terms of this Resolution.

The Note, together with the interest thereon, is a special, limited obligation of the Authority payable solely from the Revenue (defined as (a) those tax revenues referred to (1) in the last sentence of the first paragraph of Article VIII, Section 12 of the Constitution of the State of Nebraska, and (2) in Section 18-2147, Reissue Revised Statutes of Nebraska, as amended, and (b) all payments made in lieu thereof) and the amounts on deposit in the funds and accounts established by this Resolution. The Note shall not in any event be a debt of the Authority (except to the extent of the Revenue and other money pledged under this Resolution), the State, nor any of its political

subdivisions, and neither the Authority (except to the extent of the Revenue and other money pledged under this Resolution), the City, the State nor any of its political subdivisions is liable in respect thereof, nor in any event shall the principal of or interest on the Note be payable from any source other than the Revenue and other money pledged under this Resolution. The Note does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority and does not impose any general liability upon the Authority. Neither any official of the Authority nor any person executing the Note shall be liable personally on the Note by reason of its issuance. The validity of the Note is not and shall not be dependent upon the completion of the Project or upon the performance of any obligation relative to the Project.

The Revenue and the amounts on deposit in the funds and accounts established by this Resolution are hereby pledged and assigned for the payment of the Note, and shall be used for no other purpose than to pay the principal of or interest on the Note, except as may be otherwise expressly authorized in this Resolution. The Note shall not constitute a debt of the Authority or the City within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority, and neither the Authority nor the City shall be liable for the payment thereof out of any money of the Authority or the City other than the Revenue and the other funds referred to herein.

Nothing in this Resolution shall preclude the payment of the Note from (a) the proceeds of future notes issued pursuant to law or (b) any other legally available funds. Nothing in this Resolution shall prevent the City or the Authority from making advances of its own funds howsoever derived to any of the uses and purposes mentioned in this Resolution.

The Note shall be dated the Date of Original Issue and shall be issued in installments to the purchaser thereof, as the person(s) identified as the owner(s) of the Note from time to time, as indicated on the books of registry maintained by the "Registrar" (the Treasurer of the Authority, in his or her capacity as registrar and paying agent for the Note). The Note shall be issued as a single Note.

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 Planning Director of the City and an authorized representative of the Redeveloper, (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 Redevelopment Contract and the Community Development Law, the Authority shall evidence such allocation in writing and inform the owner of the Note of any amounts allocated to the Note.

(c) Upon notification from the Authority as described in Section 2(b), deposits to the accounts in the Project Fund may be made from time to time from funds received by the Authority

from the owner of the 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 Note and the Authority shall inform the Registrar in writing of the date and amount of such deposits. At the option of the Authority, if the Redeveloper is the owner of the 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 from Note proceeds 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 Note. The aggregate amount deposited into the Project Fund from proceeds of the Note shall not exceed \$4,754,848.

The records maintained by the Registrar as to principal amount advanced and principal amounts paid on the Note shall be the official records of the Cumulative Outstanding Principal Amount for all purposes.

The Note shall be dated the Date of Original Issue, which shall be the initial date of a deposit of the proceeds of the Note in the Project Fund.

Interest on the Cumulative Outstanding Principal Amount of the Note from the Date of Original Issue or the most recent Interest Payment Date to which interest has been paid or duly provided for on each respective series, is payable on each Interest Payment Date until the principal of the Note has been paid, whether at maturity or upon earlier redemption; provided, however, if any interest on the Note is in default, such Note shall bear interest from the date to which interest has been paid.

Both the principal of and interest on the Note shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Payments of interest on the Note due prior to maturity or earlier redemption and payment of any principal upon redemption prior to maturity shall be made by check mailed by the Registrar on each Interest Payment Date to the owners, at the owners' address as it appears on the books of registry maintained by the Registrar on the Record Date. The principal of the Note and the interest thereon due at maturity or upon earlier redemption shall be payable upon presentation and surrender of the Note to the Registrar. When any portion of the Note shall have been duly called for redemption and payment thereof duly made or provided for, interest thereon shall cease on the principal amount of such Note so redeemed from and after the date of redemption thereof.

In the event that payments of interest due on the Note on an Interest Payment Date are not timely made, such interest shall cease to be payable to the owner thereof as of the Record Date for such Interest Payment Date and shall be payable to the owner as of a special record date for payment of defaulted interest to be designated by the Registrar whenever money for the purpose of paying such defaulted interest becomes available.

The Note shall be executed by the manual signatures of the Chair and Secretary of the Authority and the original, official seal of the City shall be impressed or printed thereon. In case

any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if s/he had remained in office until such delivery, and the Note may be signed by such persons as at the actual time of the execution of such Note shall be the proper officers to sign such Note although at the date of such Note such persons may not have been such officers.

The Agent is hereby authorized to hereafter, from time to time, specify, set, designate, determine, establish and appoint, as the case may be, and in each case in accordance with and subject to the provisions of this Resolution, (1) the Date of Original Issue, the principal amount of the Note as set forth above, (2) the maturity date of the Note, which shall be not later than December 31, [REDACTED], (3) the initial Interest Payment Date and (4) any other term of the Note not otherwise specifically fixed by the provisions of this Resolution.

Any Note issued upon transfer or exchange of any other Note shall be dated as of the Date of Original Issue.

The Note shall be issued to such owner as shall be mutually agreed between the Redeveloper and the Authority for a price equal to 100% of the principal amount thereof. No Note shall be delivered to any owner unless the Authority shall have received from the owner thereof such documents as may be required by the Authority to demonstrate compliance with all applicable laws. The Authority may impose such restrictions on the transfer of any Note as may be required to ensure compliance with all requirements relating to any such transfer.

The Note shall be issued in registered form. The Agent is hereby designated as paying agent and registrar for the Note (the "Agent" or "Registrar"). The Registrar shall have only such duties and obligations as are expressly stated in this Resolution and no other duties or obligations shall be required of the Registrar. The interest due on each interest payment date prior to maturity shall be payable to the registered owner of record as of the fifteenth day of the calendar month immediately preceding the calendar month in which such interest payment date occurs (the "Record Date"), subject to the provisions of Section 4 hereof. Payments of interest due on the Note, except for payments due on final maturity date, or other final payment, shall be made by the Authority by mailing or delivering a check or draft in the amount then due for interest on the Note to the registered owner of the Note, as of the Record Date for such interest payment date, to such owner's registered addresses as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal and interest due at final maturity or other final payment shall be made by the Authority to the registered owner upon presentation and surrender of the Note to the Authority at the Authority's offices at City Hall in the City of Grand Island, Nebraska. The Authority and the Agent may treat the registered owner of the Note as the absolute owner of the Note for the purpose of making payments thereon and for all other purposes and neither the Authority nor the Agent shall be affected by any notice or knowledge to the contrary, whether the Note or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of the Note in accordance with the terms of this Resolution shall be valid and effectual and shall be a discharge of the Authority and the Agent, in respect of the liability upon the Note or claims for interest to the extent of the sum or sums so paid.

Section 3. The Agent shall keep and maintain for the Authority books for the registration and transfer of the Note at the Authority's offices at City Hall in Grand Island, Nebraska. The name and registered address of the registered owner of the Note (including notation of any pledgee as may be requested by the Redeveloper) shall at all times be recorded in such books.

The transfer of the Note may be registered only upon the books kept for the registration and registration of transfer of the Note upon (a) surrender thereof to the Registrar, together with an assignment duly executed by the Owner or its attorney or legal representative in such form as shall be satisfactory to the Registrar and (b) evidence acceptable to the Authority that the assignee is a bank or a qualified institutional buyer as defined in Rule 144A promulgated by the Securities and Exchange Commission. Prior to any transfer and assignment, the Owner will obtain and provide to the Authority, an investor's letter in form and substance satisfactory to the Authority evidencing compliance with the provisions of all federal and state securities laws, and will deposit with the Authority an amount to cover all reasonable costs incurred by the Authority, including legal fees, of accomplishing such transfer. A transfer of any Note may be prohibited by the Authority if (1) a default then exists under the Redevelopment Contract, or (2) a protest of the valuation of the Redevelopment Project Area is ongoing. Upon any such registration of transfer the Authority shall execute and deliver in exchange for such Note a new Note, registered in the name of the transferee, in a principal amount equal to the principal amount of the Note surrendered or exchanged, of the same series and maturity and bearing interest at the same rate.

In all cases in which any Note shall be exchanged or a transfer of a Note shall be registered hereunder, the Authority shall execute at the earliest practicable time execute and deliver a Note in accordance with the provisions of this Resolution. The Note surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. Neither the Authority nor the Registrar shall make a charge for the first such exchange or registration of transfer of any Note by any owner. The Authority or the Registrar, or both, may make a charge for shipping, printing and out-of-pocket costs for every subsequent exchange or registration of transfer of such Note sufficient to reimburse it or them for any and all costs required to be paid with respect to such exchange or registration of transfer. The Authority and the Agent shall not be required to transfer the Note during any period from any Record Date until its immediately following interest payment date or to transfer the Note when called for redemption, in whole or in part, for a period of 15 days next preceding any date fixed for redemption or partial redemption.

Section 4. In the event that payments of interest due on the Note on any interest payment date are not timely made, such interest shall cease to be payable to the registered owner as of the Record Date for such interest payment date and shall be payable to the registered owner of the Note as of a special date of record for payment of such defaulted interest as shall be designated by the Authority whenever monies for the purpose of paying such defaulted interest become available.

Section 5. At any time, the Authority shall have the option of prepaying in whole or in part principal of the Note. Any such optional prepayment of principal shall be accompanied by an amount equal to all accrued but unpaid interest on the principal amount being prepaid. Notice of any optional redemption for the Note shall be given at the direction of the Authority by the Agent by mail not less than 15 days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of the Note at said owner's registered address. Notice of call for redemption

may be waived in writing by any registered owner. In the event of prepayment in whole the Note shall be cancelled. The determination of the amount and timing of any optional redemption of the Note shall be in the absolute discretion of the Authority. The records of the Authority shall govern as to any determination of the principal amount of the Note outstanding at any time and the registered owner shall have the right to request information in writing from the Authority at any time as to the principal amount outstanding upon the Note.

Section 6. The Note shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by this Resolution and with such additional changes as the Agent may deem necessary or appropriate:

(FORM OF NOTE)

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND THIS NOTE MAY NOT BE TRANSFERRED UNLESS THE PROPOSED ASSIGNEE IS A BANK OR A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION AND THE OWNER HAS OBTAINED AND PROVIDED TO THE AUTHORITY, PRIOR TO SUCH TRANSFER AND ASSIGNMENT, AN INVESTOR'S LETTER IN FORM AND SUBSTANCE SATISFACTORY TO THE AUTHORITY EVIDENCING THE COMPLIANCE WITH THE PROVISIONS OF ALL FEDERAL AND STATE SECURITIES LAWS AND CONTAINING SUCH OTHER REPRESENTATIONS AS THE AUTHORITY MAY REQUIRE.

THIS NOTE MAY BE TRANSFERRED ONLY IN THE MANNER AND ON THE TERMS AND CONDITIONS AND SUBJECT TO THE RESTRICTIONS STATED IN RESOLUTION NO. _____ OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.

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
(THE GUARANTEE GROUP PROJECT), SERIES 2018

No. R-1

Up to \$4,754,848.00
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, [REDACTED]*

[REDACTED]%

REGISTERED OWNER: The Guarantee Group, LLC

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 Chair of the Authority, countersigned by the manual signature of the Secretary of the Authority, and the City's corporate seal imprinted hereon.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

[S E A L]

By: _____
(manual signature)
Chair

By: _____
(manual signature)
Secretary

*** or, if sooner, fifteen years after the last effective date established for a Phase under the terms of the Redevelopment Contract and amendments thereto.**

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, 2020, 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 _____, 2018, 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 \$4,754,848.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Revenue (as defined in the Resolution) and certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property in the Project Area (as defined in this 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 Project Area 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 Revenues and other funds pledged under the Resolution, which 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 Treasurer of the City 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 Revenue and other money and securities pledged to the payment of the 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 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.

[The remainder of this page intentionally left blank]

(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]

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
THE GUARANTEE GROUP PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2018**

Date	Principal Amount Advanced	Principal Amount Redeemed	Cumulative Outstanding Principal Amount	Notation Made By

Section 7. Pursuant to the provisions of Section 18-2147, R.R.S. Neb. 2012, and the terms of the Redevelopment Contract, effective dates for each Phase of the Project are to be determined by amendment to the Redevelopment Contract, and such effective date(s) are hereby confirmed (as determined pursuant to and set forth in the Redevelopment Contract, as amended) as the effective date(s) after which ad valorem taxes on real property located within each Phase of the Project Area may be apportioned pursuant to said Section 18-2147. From and after said effective date(s) that portion of the ad valorem taxes on all real estate located within each Phase of the Project Area which is described in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2012, as amended (the "Project Area Tax Receipts"), shall be paid into the Note Fund (as defined in Section 16. below) to be held by the Agent. The Authority hereby pledges for the payment of the Note both principal and interest as the same fall due, equally and ratably, all Project Area Tax Receipts as so paid into the Note Fund as a prior and first lien upon said receipts for the security and payment of the Note. Monies held in the Note Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Note Fund. The Authority hereby agrees that so long as any principal of the Note remains outstanding it will not issue any additional notes payable from the Project Area Tax Receipts without the written consent of the registered owner (including any pledgee) of the Note as then outstanding. The Authority further reserves the right to provide for payment of principal and interest on the Note from the proceeds of a refunding note or refunding notes. Monies held in the Note Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Note Fund. As effective date(s) are determined pursuant to the terms of the Redevelopment Contract (and amendments), the Authority's Secretary (the City Clerk) is hereby authorized and directed to give notice to the County Assessor and Treasurer of the provision of the Redevelopment Contract (and amendments) for dividing ad valorem taxes in accordance with the requirements of subdivision (3) of Section 18-2147, R.R.S. 2012.

Section 8. The Note shall be executed on behalf of the Authority by its Chair and Secretary. Upon execution of the Note and compliance with all other provisions of this Resolution and the Redevelopment Contract, the Note shall be registered by the Agent in the name of the Redeveloper or its designee as the initial registered owner and shall be delivered in consideration of payment of the principal amount thereof to the Authority's Treasurer in current bankable funds. The Redeveloper may request notation of a pledge interest in the Note on the records of the Agent. The initial purchaser (and any pledgee) shall be required to deliver an investment representation letter to the Agent. Such letter shall be satisfactory in form to the officers of the Authority, or any one or more of them, as advised by the Authority's attorneys. Subject to Section 2 above, from such purchase price, the Authority is to make a grant to the Redeveloper in accordance with the terms of the Redevelopment Contract.

Section 9. If the date for payment of the interest or principal on the Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Grand Island, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 10. The Secretary of the Authority shall make and certify one or more copies of the transcript of the proceedings of the Authority precedent to the issuance of the Note one of which copies shall be delivered to the City and held in its records pertaining to the Authority.

Section 11. The Chair, Secretary and City Planning Director or any one of them are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Resolution.

Section 12. The authorization for the Note provided for in this Resolution is based upon expectations as to completion of construction, valuation and proposed tax rates suggested by the Redeveloper. The Authority has given and hereby gives no assurances that such expectations will in fact be fulfilled and the Note is being issued with the understanding that the Redeveloper is the initial purchaser of the Note and any pledgee of the Redeveloper accepts and understands the risks related thereto.

Section 13. The Redevelopment Contract between the Authority and the Redeveloper in the form presented is hereby approved. Notice of such contract shall be given immediately by the Authority's Secretary to the Mayor and Council of the City of Grand Island and such contract proposal shall be executed and delivered by the Authority. The Chair (or in his absence, the Vice Chair), is hereby authorized to execute and deliver the Redevelopment Contract, in substantially the form presented but with any such changes as such executing officer shall determine appropriate, on behalf of the Authority.

Section 14. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

Section 15. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby (a) authorizes and directs the Planning Director, Agent, Clerk, Finance Director, City Attorney and all other officers, officials, employees and agents of the City to carry out or cause to be carried out, and to perform such obligations of the Authority and such other actions as they, or any of them, in consultation with their counsel, the owner and its counsel shall consider necessary, advisable, desirable or appropriate in connection with this Resolution, including without limitation the execution and delivery of all related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Agent the right, power and authority to exercise his or her independent judgment and absolute discretion in (1) determining and finalizing all terms and provisions to be carried by the Note not specifically set forth in this Resolution and (2) the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Note. The execution and delivery by the Agent or by any such other officers, officials, employees or agents of the Authority of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the Authority's and their approval of the terms, provisions and contents thereof and of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the Authority and the

authorization, approval and ratification by the Authority of the documents, instruments, certifications and opinions so executed and the actions so taken.

All actions heretofore taken by the Agent and all other officers, officials, employees and agents of the Authority, including without limitation the expenditure of funds and the selection, appointment and employment of counsel and financial advisors and agents, in connection with issuance and sale of the Note, together with all other actions taken in connection with any of the matters which are the subject hereof, be and the same is hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed.

Section 16. There is hereby created and established by the Authority 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:

(a) a special trust fund called the "The Guarantee Group Project Note Fund" (the "Note Fund"). All of the Revenue shall be deposited into the Note Fund. The Revenue accumulated in the 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 Note to the extent of any money then remaining the Note Fund on such Interest Payment Date. Money in the Note Fund shall be used solely for the purposes described in this Section 16. All Revenues received through and including December 31, [REDACTED] shall be used solely for the payments required by this Section 16; and

(b) a special trust fund called the "The Guarantee Group Project Fund" (the "Project Fund") The Authority shall disburse any money on deposit in the 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 in Section 2. If a sufficient amount to pay a properly completed Disbursement Request is not in the Project Fund at the time of the receipt by the Authority of such request, the Authority shall notify the owner of the Note and such owner may deposit an amount sufficient to pay such request with the Authority for such payment. As set forth in Section 2., if the Redeveloper is the owner of the 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 Note.

So long as the Note , or any interest thereon, remains unpaid, the money in the foregoing funds and accounts shall be used for no purpose other than those required or permitted by this Resolution, any Resolution supplemental to or amendatory of this Resolution and the Redevelopment Law.

Section 17. The provisions of this Resolution shall constitute a contract between the Authority and the owner and the provisions thereof shall be enforceable by the owner by mandamus, accounting, mandatory injunction or any other suit, action or proceeding at law or in equity that is presently or may hereafter be authorized under the laws of the State in any court of competent jurisdiction. Such contract is made under and is to be construed in accordance with the laws of the State.

After the issuance and delivery of any Note, this Resolution and any supplemental Resolution shall not be repealable, but shall be subject to modification or amendment to the extent and in the manner provided in this Resolution, but to no greater extent and in no other manner.

Section 18. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Note is intended or should be construed to confer upon or give to any person other than the Authority and the owner of the Note any legal or equitable right, remedy or claim under or by reason of or in respect to this Resolution or any covenant, condition, stipulation, promise, agreement or provision herein contained. The Resolution and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Authority and the owner from time to time of the Note as herein and therein provided.

Section 19. No officer or employee of the Authority shall be individually or personally liable for the payment of the principal of or interest on the Note. Nothing herein contained shall, however, relieve any such officer or employee from the performance of any duty provided or required by law.

Section 20. The Resolution shall be construed and interpreted in accordance with the laws of the State of Nebraska. All suits and actions arising out of this Resolution shall be instituted in a court of competent jurisdiction in the State except to the extent necessary for enforcement, by any trustee or receiver appointed by or pursuant to the provisions of this Resolution, or remedies under this Resolution.

Section 21. Any Resolution of the Authority and any part of any resolution, inconsistent with this Resolution is hereby repealed to the extent of such inconsistency.

Section 22. This Resolution shall take effect and be in full force from and after its passage by the members of the Community Redevelopment Authority of the City.

Section 23. This Resolution shall be in force and take effect from and after its adoption as provided by law.

Passed and Approved this _____, 2018.

(SEAL)

ATTEST:

Chair

Secretary



Community Redevelopment Authority (CRA)

Wednesday, June 13, 2018
Regular Meeting

Item I2

**Redevelopment Plan For CRA Area #21 Central Nebraska Truck
Wash Inc.**

Staff Contact:

BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: **Central Nebraska Truck Wash, Inc.**

Address: **2110 East Hwy 30, Grand Island, NE 68801**

Telephone No.: **(308) 395-0716**

Fax No.: **(308) 395-1563**

Contact: **Craig Dixson**

Brief Description of Applicant's Business: **Ownership and operation of a commercial cattle pot and truck wash facility located in the vicinity of 2030 East Highway 30 in Grand Island, Nebraska.**

Present Ownership Proposed Project Site: **Central Nebraska Truck Wash, Inc.**

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

The primary project site is an industrial district located in the vicinity of 2030 East Highway 30 in Grand Island, Nebraska. Two of the existing structures will be demolished. Along with appropriate paving, concrete and sidewalk work, a new 100' X 200' (20,000 square foot) steel framed building will be erected to house a truck wash facility containing 5 wash bays and a loadout bay along with lobby/reception area, office space, break rooms, locker area, rest rooms and showers, mechanical rooms, etc. Approximately 16,800 square feet will be dedicated to operations with the remaining 3,200 square feet used for lobby, office space, conference rooms, restrooms, etc. The three west bays and east two bays will be drive thru (3-bay manual truck wash with 2-bay automatic truck wash). The middle-west bay will be a back-in bay to load out waste (see site plan Exhibit A).

If Property is to be Subdivided, Show Division Planned: **N/A**

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$ 568,000
B. Building	\$ -

Construction Costs:

A. Renovation or Building Costs:	\$3,117,881
B. On-Site Improvements:	\$1,192,548

Soft Costs:

A. Architectural & Engineering Fees (included in misc.):	\$ -
B. Financing Fees:	\$ 112,500
C. Legal/Developer/Audit Fees (included in misc.):	\$ -
D. Contingency Reserves (included in misc.):	\$ -
E. Other (Please Specify) – Building Permit	\$ 15,174
Miscellaneous	\$ 86,512
TOTAL	\$5,092,615

Total Estimated Market Value at Completion per assessor: \$3,107,154

Source of Financing:

A. Developer Equity:	\$ 953,405
B. Commercial Bank Loan:	\$3,542,594

Tax Credits:

1. N.I.F.A.	\$ -
2. Historic Tax Credits	\$ -
D. Industrial Revenue Bonds:	\$ -
E. Tax Increment Assistance (See Note 1):	\$ 849,240
F. Other	\$ _____
	\$5,345,239

Interest component of TIF loan (see Note 1): (\$ 252,624)
\$5,092,615

Note 1: TIF requested at zero percent lending rate is \$849,240 (principal only portion of amount referenced above after applying a 5% lending rate on a 15 year term note with monthly payments is \$596,616 with an interest component of \$252,624).

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

Architect: Heartland Builders, Co.
1698 South 34th Avenue
Columbus, NE 68601
(308) 380-2991

Engineer: Olsson Associates
201 East 2nd Street
Grand Island, NE 68801
(308) 384-8750

General Contractor: Heartland Builders, Co.
1698 South 34th Avenue
Columbus, NE 68601
(402) 564-3582

Estimated Real Estate Taxes on Project Site Upon Completion of Project:
(Please Show Calculations)
\$67,256 (See Exhibit B for detailed calculation)

Project Construction Schedule:

Construction Start Date: Upon TIF application acceptance

Construction Completion Date: 180 days after acceptance

If Phased Project:

_____	Year	_____	% Complete
_____	Year	_____	% Complete
_____	Year	_____	% Complete

XII. Please Attach Construction Pro Forma (see Exhibit C)

XIII. Please Attach Annual Income & Expense Pro Forma (see Exhibit D)

(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

\$849,240 of tax increment financing (based on a 0% lending rate) is being requested to assist in the construction of a five-bay commercial truck wash facility in the vicinity of 2030 East Highway 30 in Grand Island, Nebraska to be operated 7 days a week. The project involves the demolition of two existing structures and the construction of a new steel frame building along with concrete and paving work for the foundation as well as all necessary roadways for traffic flow to and from the truck wash building. All necessary water and sewer hookups will be made to connect to the city water supply.

The applicant believes that once the truck wash is up and running, the city will enjoy significant additional revenue from the facility's use of a currently underutilized electric and sewer systems (approximately \$180,000 annually). The truck wash is expected to create 10 to 11 new jobs paying aggregate wages of approximately \$425,000 plus benefits. All said, the TIF funds will enable the project to be undertaken, resulting in vast improvements to the condition of the current location, the creation of new jobs, additional revenue to the city in the form water & utility bills and an expanded sales tax base from new customers created by increased traffic flow through the area which should also benefit neighboring businesses.

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

Tax increment financing is an integral and essential component to project completion which is contingent upon receipt of the expected tax increment assistance. Feasibility is dependent on TIF funds that will enable the creation of adequate economics in operating the facility at a competitive rate in the specified area (See also Exhibit E for capitalization rate analysis).

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:

See Exhibit F

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

N/A – applicant is a new legal entity



<p>© 2015 Heartland Builders Co. DIRECTORY: Central NE-TW2018 DATE: 12-27-17 SCALE: 1"=45' on 2'X3' DRAWN BY: S. SCHAECHER PH: (402) 564 3582 FAX: (402) 564 7940 hcb@heartlandbuilders.net</p>	<p>ATTN: _____ BUILDING NO. N/A</p>	<p>PROJECT: CENTRAL NEBRASKA TRUCK WASH, INC. - 100' X 200' TRUCK WASH FACILITY</p>	<p>REV. _____ REV. _____ REV. _____ REV. _____ REV. _____</p>	<p>TITLE: PRELIMINARY LOT LAYOUT</p>	<p>Property of Heartland Builders Co., Use without Consent is Prohibited by Law FOR PRESENTATION PURPOSES ONLY NOT RELEASED FOR CONSTRUCTION USE</p> <p>THESE DRAWINGS AND THE CONCEPTS CONTAINED THEREIN ARE THE EXCLUSIVE PROPERTY OF HEARTLAND BUILDERS CO. THEY ARE NOT TO BE REPRODUCED, COPIED, DISCLOSED TO ANY PERSON OR ENTITY WITHOUT PERMISSION IN WRITING FROM H.B.C.</p>	<p>DIRECTION: N</p> <p>PROJECT QUOTE NO. C18-2514</p> <p>SHEET: C1.1</p>
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1 PRELIMINARY LOT LAYOUT
 C1.1 1"=45' on 2'X3'

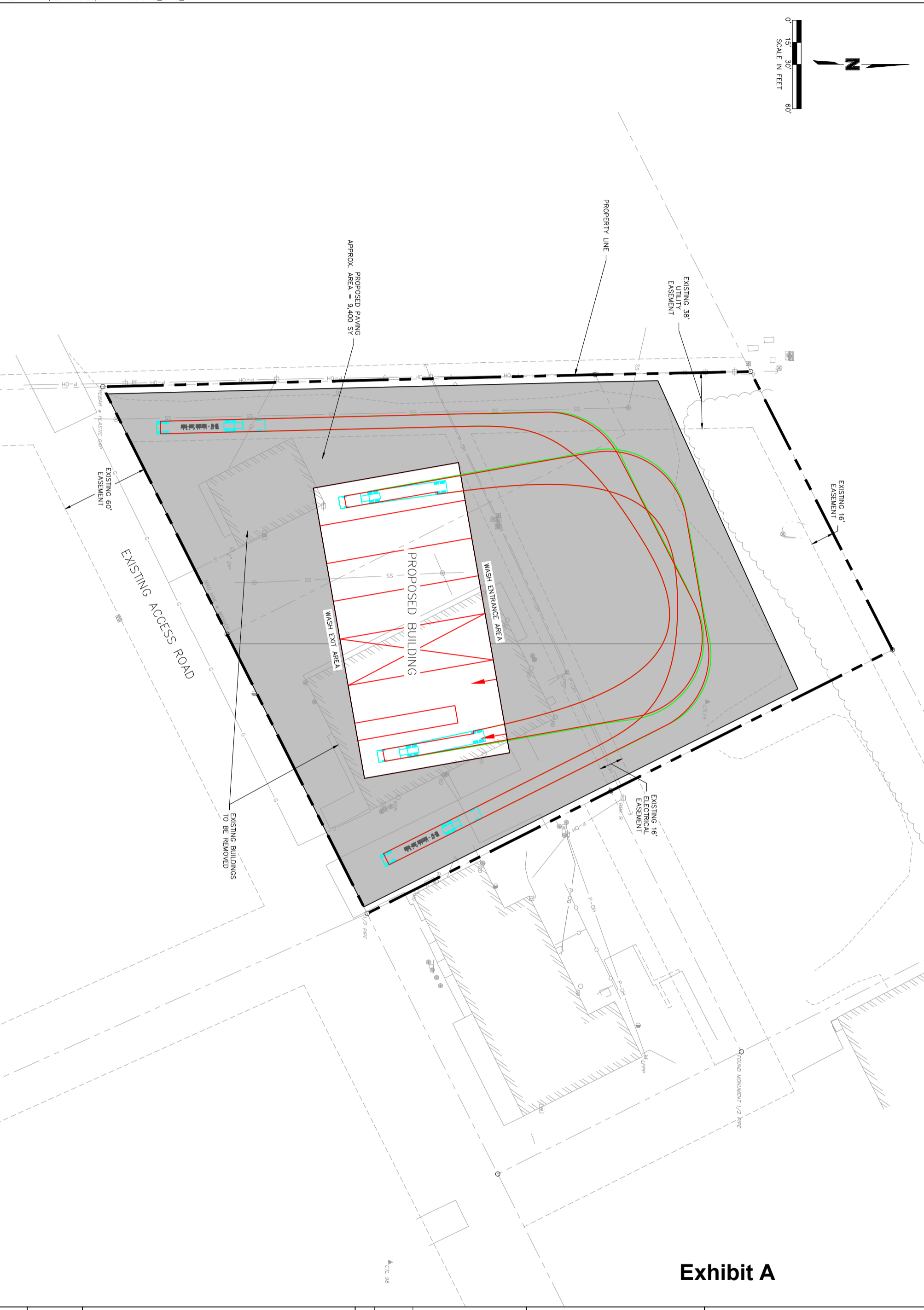
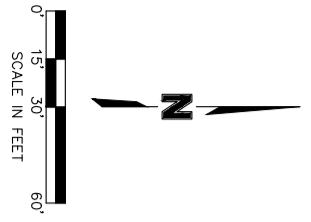


Exhibit A

SHEET 1 of 1	PROPOSED LAYOUT	REV. NO. DATE REVISIONS DESCRIPTION	PRELIMINARY NOT TO BE USED FOR CONSTRUCTION February 16, 2018 DATE PRINTED OLSSON ASSOCIATES	
	CENTRAL NEBRASKA TRUCK WASH, INC.	REVISIONS		
GRAND ISLAND, NEBRASKA	2018			201 East 2nd Street P.O. Box 1072 Grand Island, NE 68802-1072 TEL 308.384.8750 FAX 308.384.8752 www.olssonassociates.com



Lot

Register of Deeds

()

Subdivision: Bosselman Brothers Subdivision

()

Block: 0

Lot: 9



Parcel

Assessor

()

Treasurer

()

District Information

()

Photos/Sketches

()

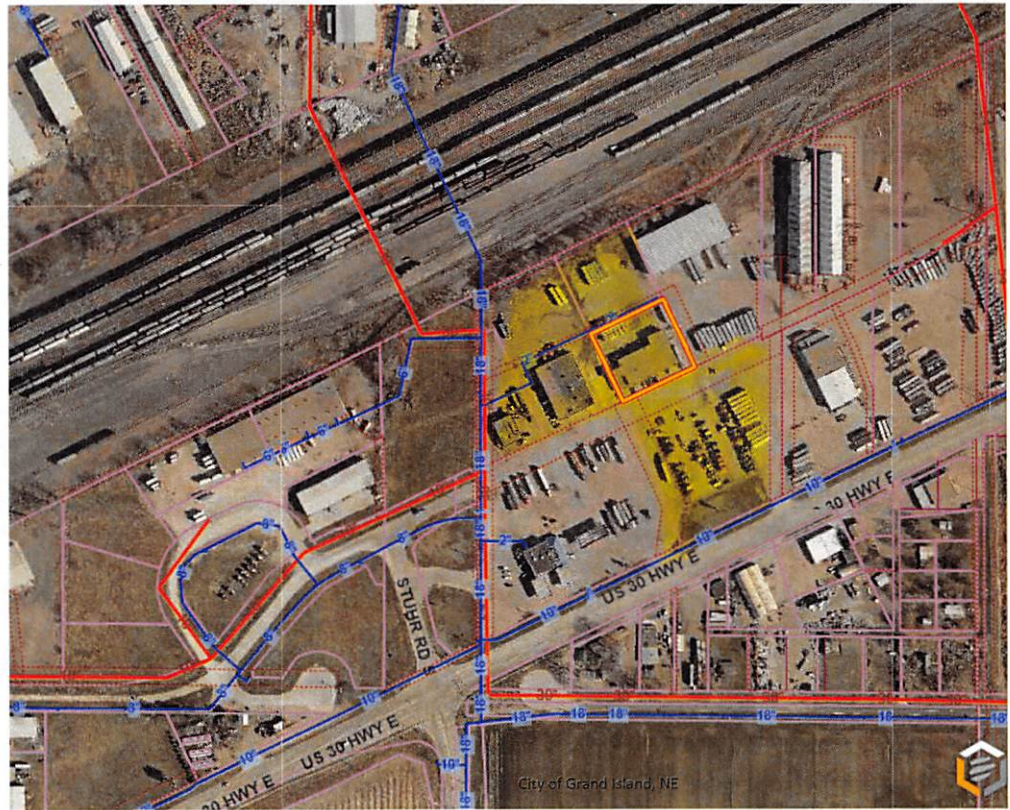
Pictometry Online

()

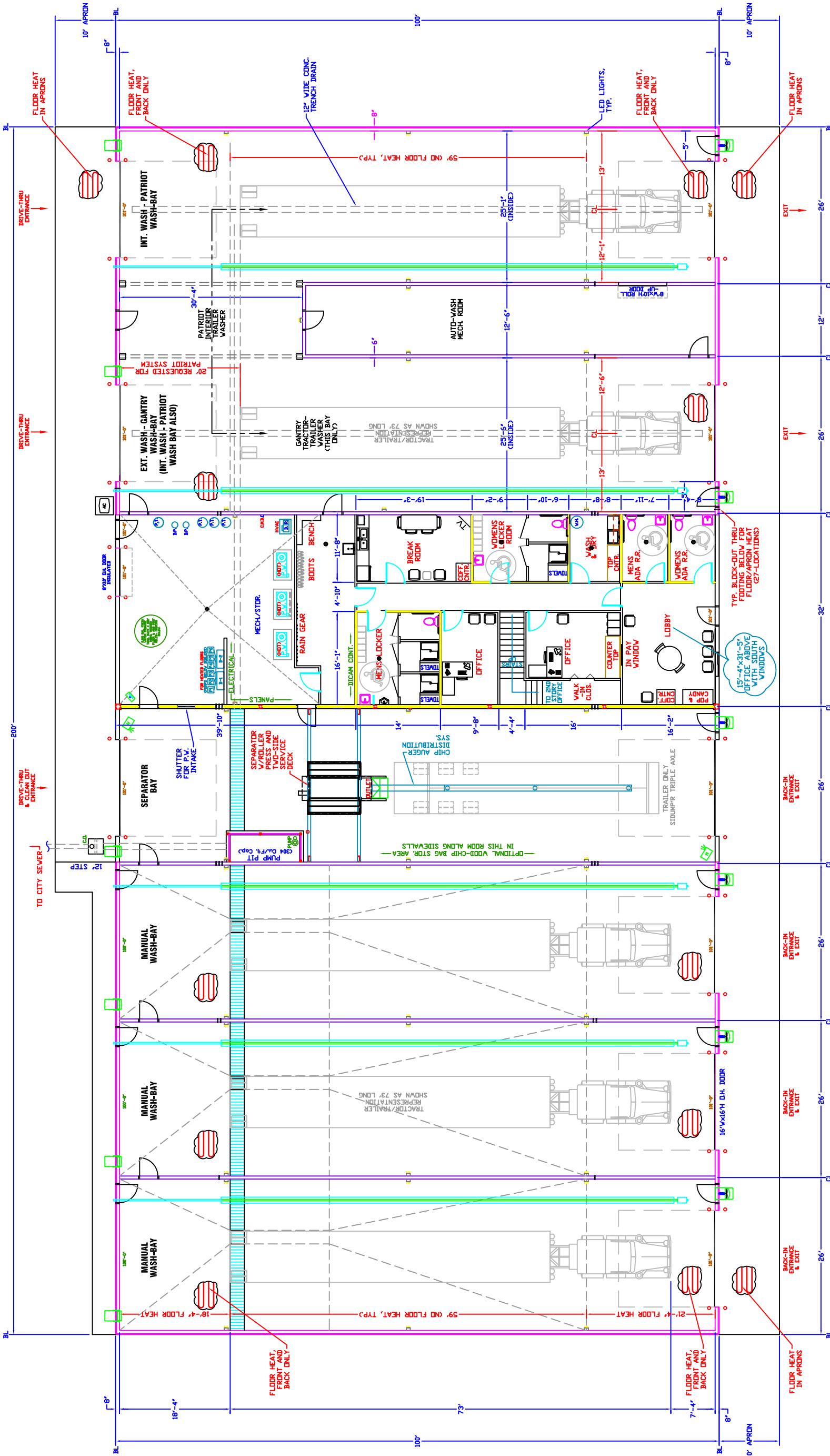
Parcel: 400023881

Owner: CIK INVESTMENTS LLC

Situs: 02110 \E HWY 30



Water = Blue
Sewer = Orange/Red



FLOOR PLAN
 1/8"=1'00"x3"

IN GRAND ISLAND CITY LIMITS
 9-11-17

PROJECT QUOTE NO.
 A1.1

SHEET:
 A1.1

DIRECTION
 N

TITLE
FLOOR PLAN

PROJECT
 MIDWEST EXPRESS - 100' X 200' TRUCK WASH FACILITY WITH SEPARATION

ATTN:

BUILDING NO.
 N/A

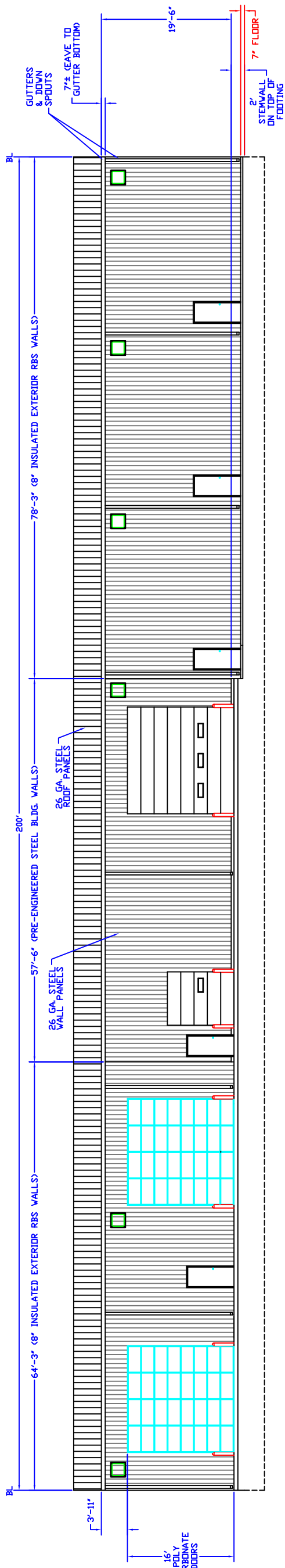
REV.
 REV.
 REV.
 REV.
 REV.
 REV.

© 2015 Heartland Builders Co.
 DIRECTORY: MidWestExpressTW2017
 DATE: 8-10-17
 SCALE: 1/8"=1'00"x3"
 DRAWN BY: S. SCHAECHER
 CAD FILE: A1.1-MWTWTB1

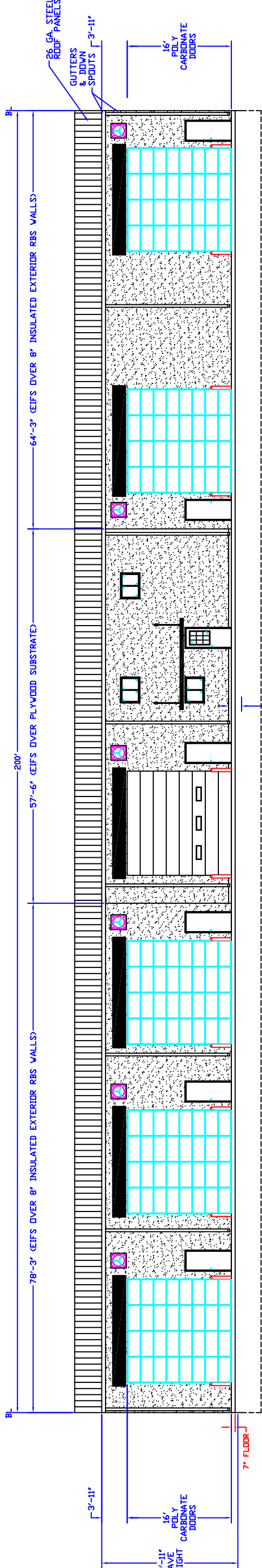
HEARTLAND BUILDERS CO.
 1698 South 24th Avenue
 Columbus, Nebraska 68901
 PH: (402) 564 3582
 FAX: (402) 564 7940
 hcb@heartlandbuilders.net

Property of Heartland Builders Co., Use without Consent is Prohibited by Law FOR PRESENTATION PURPOSES ONLY NOT RELEASED FOR CONSTRUCTION USE

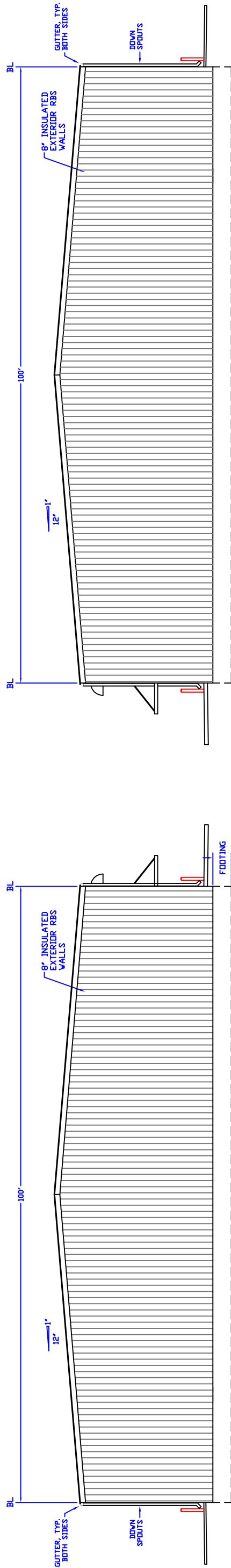
THESE DRAWINGS AND THE CONCEPTS CONTAINED THEREIN ARE THE EXCLUSIVE PROPERTY OF HEARTLAND BUILDERS CO. THEY ARE NOT TO BE REPRODUCED, COPIED, DISCLOSED TO ANY PERSON OR ENTITY WITHOUT PERMISSION IN WRITING FROM H.B.C.



1
A2.1
NORTH ELEVATION
1/8" = 1'-0" on 2' X 3'



2
A2.1
SOUTH ELEVATION
1/8" = 1'-0" on 2' X 3'



3
A2.1
WEST ELEVATION
1/8" = 1'-0" on 2' X 3'

4
A2.1
EAST ELEVATION
1/8" = 1'-0" on 2' X 3'

9-11-17

 1698 South 24th Avenue Columbus, Nebraska 68901 PH: (402) 564 3582 FAX: (402) 564 7940 hcb@heartlandbuilders.net	© 2017 Heartland Builders Co. DIRECTORY: MidWestExpressTW2017 DATE: 9-7-17 SCALE: 1/8" = 1'-0" on 2' X 3" DRAWN BY: S. SCHAECHER CAD FILE: A2.1-MWTETWBF1	PROJECT: MIDWEST EXPRESS - 100' X 196' TRUCK WASH FACILITY WITH SEPARATION ATTN: N/A BUILDING NO.: N/A	TITLE: ELEVATION VIEWS	PROPERTY OF HEARTLAND BUILDERS CO., USE WITHOUT CONSENT IS PROHIBITED BY LAW. THESE DRAWINGS AND THE CONCEPTS CONTAINED THEREIN ARE THE EXCLUSIVE PROPERTY OF HEARTLAND BUILDERS CO. THEY ARE NOT TO BE REPRODUCED, COPIED, DISCLOSED TO ANY PERSON OR ENTITY OR DISCLOSED IN WRITING FROM H.B.C. WITHOUT PERMISSION IN WRITING FROM H.B.C.	PROJECT QUOTE NO.: C17-2514 SHEET: A2.1
	PROJECT: MIDWEST EXPRESS - 100' X 196' TRUCK WASH FACILITY WITH SEPARATION ATTN: N/A BUILDING NO.: N/A	TITLE: ELEVATION VIEWS	PROPERTY OF HEARTLAND BUILDERS CO., USE WITHOUT CONSENT IS PROHIBITED BY LAW. THESE DRAWINGS AND THE CONCEPTS CONTAINED THEREIN ARE THE EXCLUSIVE PROPERTY OF HEARTLAND BUILDERS CO. THEY ARE NOT TO BE REPRODUCED, COPIED, DISCLOSED TO ANY PERSON OR ENTITY OR DISCLOSED IN WRITING FROM H.B.C. WITHOUT PERMISSION IN WRITING FROM H.B.C.	PROJECT QUOTE NO.: C17-2514 SHEET: A2.1	

**Central Nebraska Truck Wash, Inc.
Tax Increment Financing Request
Estimated Real Estate Taxes on Project Site Upon Completion of Project**

Existing Assessed Value and Real Estate Tax on Project Site

Parcel Number	Assessed Value (2017)			Taxes
	Improvements	Land	Total	
400023903	268,986	112,575	381,561	8,259
400023911	64,002	45,976	109,978	2,381
	<u>332,988</u>	<u>158,551</u>	<u>491,539</u>	<u>10,640</u>

Estimated Real Estate Taxes on Project Site Upon Completion of Project

	<u>2017 Assessment</u>	<u>Note 1 Limitation</u>
2017 taxes assessed on site prior to project commencement	10,640	
Divided by base assessed value	<u>491,539</u>	
Estimated tax rate	2.164540%	
Proposed assessed value	<u>3,107,154</u>	
Estimated annual real estate tax after project completion	67,256	
Less existing annual real estate tax	<u>(10,640)</u>	
Estimated increase in annual real estate tax	56,616	126,349
	15	15
Requested TIF assistance at zero percent lending rate	<u>849,240</u>	<u>1,895,234</u>
Principal debt service at indicated rate	Rate	Principal
With annual note payments	PVA <u>5.00%</u>	<u>587,655</u>
With monthly note payments	PVA 5.00%	<u>596,616</u>
		<u>1,311,459</u>
		<u>1,331,457</u>

Notes:

- 1.) This column represents requested financing in the event the tax increment over 15 years exceeds actual qualified TIF costs. Requested TIF assistance is limited to qualified costs.

Exhibit B

HALL COUNTY ASSESSOR'S OFFICE

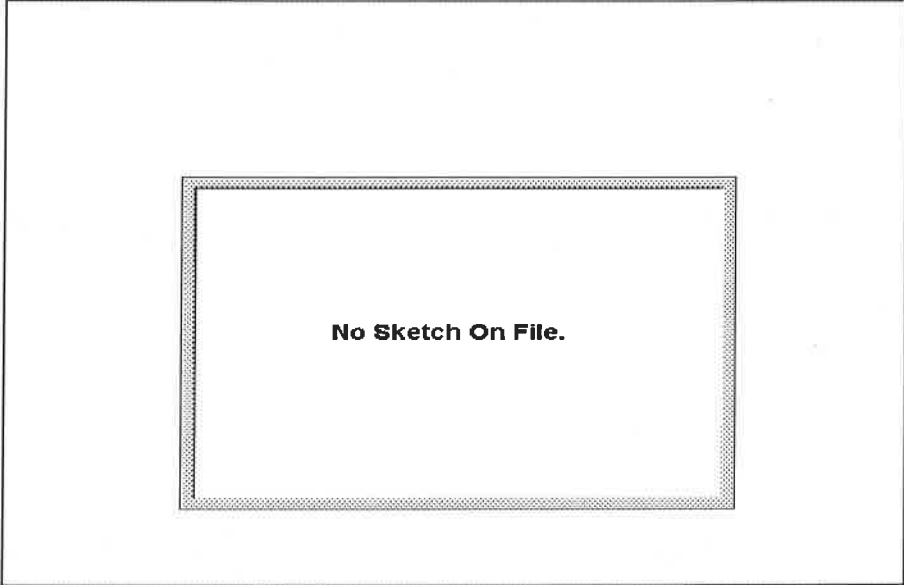


Commercial Property Record Card -Inactive Record



Data Provided By: KRISTI WOLD County Assessor. Printed on 04/18/2018 at 09:12:24A

Parcel Information		Current Owner	Ownership Information	
Parcel Number	99999997			
Map Number		Address		
Situs		City St. Zip		
Legal		Cadastral #		
Property Data				
Neighborhood	385	Topography		Number of Units
Lot Width		Street		Unit Value
Lot Depth		Utilities		Adjustment
Units Buildable		Amenities 1		Lot Value
Value Method		Amenities 2		



Building Data															
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys.	Func.	RCNLD
1	1	344	OFFICE BUILDING	2018	S		300	40	3,840	184	2	10	338,803		338,803
			SERVICE												
1	2	528	REPAIR~GARAGE	2018	S		300	30	2,600	252	1	10	163,176		163,176
1	3	297	Self Serve Car Wash	2018	S		300	30	7,800	356	1	10	452,712		452,712
1	4	298	DRIVE THROUGH CAR~WASH	2018	S		300	30	6,400	328	1	10	518,720		518,720
1			PAVING, CONCRETE	2018					100,000				419,000		419,000
1			SITE PREP/UTIL/FEE	2018					50				1,000,000		1,000,000
4	1	406	WAREHOUSE, STORAGE	2018	S		200	30	1,280	144	1	10	56,192		56,192

Cost Approach From Marshall & Swift				Potential Gross Income		
				Contract	Market	
Total Building Area				21,920		
Total Building RCN				1,529,603	Vacancy & Collection Loss	
Total Refinements				1,419,000	Effective Income	
Total Replacement Cost New				2,948,603	Total Expenses	
Total Phys. & Func. Depreciation					Net Operating Income	
RCN Less Phys. & Func. Economic Depreciation				2,948,603	Capitalization Rate	
Accrued Economic depreciation					Income Approach	
Total RCN Less Depreciation				2,948,603	Final Value Reconciliation	
Additional Lump Sums						2,948,603
Land Value						
Total Cost Value				2,948,603		
Value Per Res Unit						
Value Per Sq. Ft.				134.52		

Land 158551
3,107,154

*DATA USED FOR COST CALCULATIONS SUPPLIED BY MARSHALL & SWIFT which hereby reserves all right herein.

Exhibit B

HALL COUNTY ASSESSOR'S OFFICE

TerraScan Sketch Form

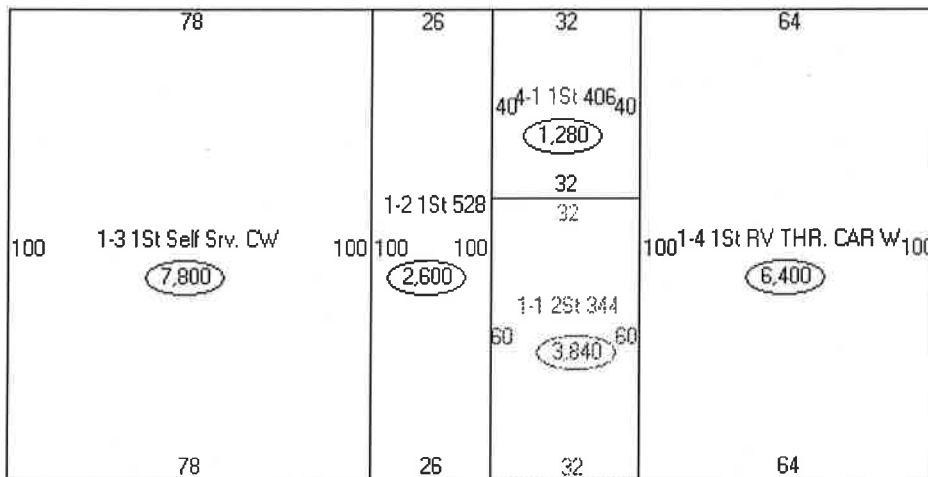


Data Provided By: KRISTI WOLD County Assessor. Printed on 04/18/2018 at 09:13:34A

Parcel # 999999997
 Owner
 Address

Map #
 Situs
 Legal

Parcel #: 999999997



-- Denotes common wall.

Description	Base Area	Total Area
Office Building	1,920	3,840
Service Repair Garage	2,600	2,600
Self Serve Car Wash	7,800	7,800
Drive Through Car Wash	6,400	6,400
Warehouse, Storage	1,280	1,280
Area Summary		
Base Area		20,000
Total Area		21,920
Basement Area		0
Garage Area		0
Porches/Other		0

Scale : 1" = 40'

----- Denotes Upper Floor

Page 1 of 1

SKETCH-html-2001

Exhibit B

February 18, 2018

MIDWEST EXPRESS TRUCK WASH

Grand Island, Nebraska

Preliminary Cost Opinion

Item	Total	TIF Qualified (Q) or Non-qualified (NQ)
Water Utility (Olsson Associates)	\$66,140.00	Q
Sanitary Sewer (Olsson Associates)	\$80,925.00	Q
Site Paving and Grading (Olsson Associates)	\$967,768.88	Q
Electrical (Olsson Associates)	\$19,105.00	Q
Existing Building Demolition (Dobesh)	\$58,609.00	Q
Telecommunications (D-EL-Com LLC)	\$5,316.00	NQ
Building (Heartland Builders Co.)	\$3,112,565.00	NQ
Building Permit (City of Grand Island, NE)	\$15,174.00	Q
Miscellaneous (Legal, Accounting, Review, Temporary Ser.) (2%)	\$86,511.96	Q
SUB-TOTAL	\$4,412,114.84	
Construction period interest:		
Allocated to TIF qualified costs	\$33,000.34	Q
Allocated to non-qualified TIF costs	\$79,499.66	NQ
SUB-TOTAL	\$112,500.00	
LAND ACQUISITION COSTS SUB-TOTAL	\$568,000.00	Q
Grand Total	\$5,092,614.84	
Summary		
Total TIF qualified costs	\$1,895,234.18	
Total TIF non-qualified costs	\$3,197,380.66	
Total costs	<u>\$5,092,614.84</u>	

Exhibit C

BUDGET QUOTATION (2514-C17) 9/11/17

TO: CRAIG DIXSON (MIDWEST EXPRESS TRUCK WASH FACILITY) **PHONE:** (308) 395-0716
FROM: TONY CARLSON/HEARTLAND BUILDERS **PHONE:** (402) 563-2516
PROJECT: TRUCK WASH FACILITY **FAX:** (402) 564-7940
CC: JOE F., BRIAN, K., MATT W. (HBC)

PROVIDE LABOR AND MATERIALS TO CONSTRUCT THE BELOW DESCRIBED PROJECT:

Project Package:

- **(1) 100' x 200' x 20'-11" +/- 3-Bay Manual Truck Wash, 2-Bay Auto Truck Wash, 1-Bay Separation and Office/Mechanical/Storage Area.**

SPECIFICATIONS:

CONCRETE:

1. Foundations/Footings/Stemwalls: Trenched footings at building perimeter: 3500 psi sand/gravel mix, 12" wide x 36" deep, #4 rebar reinforced. Trenched footings at interior partition walls: 3500 psi sand/gravel mix, 12" x 36" deep, #4 rebar reinforced.
2. Wash & Waste Separation Area Floors: 3500 psi sand/gravel w/10% limestone mix, 7" thick, #4 rebar @ 24" o.c. grid, non-slick power-trowel finish. Floor slopes per drawing detail. Floor saw cuts at required locations and caulked. *Any final sealant/protector not included.*
3. Office/Mechanical/Storage Floors: 3500 psi sand/gravel, 4" thick, #4 rebar @ 36" o.c. grid, smooth-trowel finish. Floor saw cuts at required locations and caulked. *No finishes included.*
4. Settling Basin Pit Walls/Floor: 4000 psi sand/gravel mix.
5. Trough to Settling Basin: 3500 psi sand/gravel mix.
6. NuForm Walls: 4000 psi sand/gravel mix, #4 & #5 rebar reinforced.
7. Approach Aprons: (1) South side 10' x 200' & (1) North side 10' x 121'-9" +/-, 3500 psi sand/gravel w/10% limestone mix, 7" thick (w/thickened edges), #4 rebar @ 24" o.c. grid, with saw cuts at required locations and caulked.
8. Sidewalk: (1) North side 4' x 78'-3" +/-, 3500 psi sand/gravel mix.

BUILDING:

1. NuForm Walls (Wash Bays) 8" thick extruded polymer wall panels with 2" polyurethane insulation. 6" Un-insulated NuForm wall between all interior bays except between the Separator Bay and Office/Mech./Storage area.
2. Pre-engineered steel building mainframe between the 26' wide Separator Bay and 32' wide Office/Mech./Storage area. 8" wide framed partition wall built from floor to underside of rafter beam, fully insulated w/Quick liner panels on both sides except adjacent lobby, stairway and office.
3. Steel purlins supported over NuForm and steel mainframe walls to support 26 ga. roof panels throughout.
4. Columns and header beams to span from the end of the auto-wash room to the north NuForm wall to support the purlins span.
5. Ceiling liner throughout, 26 gauge painted galvanized panels.
6. Gutters and downspouts on both sides.
7. Lobby, offices, break room, restrooms, locker rooms and washer/dryer area walls – 8' high, 2x4 studs (2x6 walls where required to facilitate plumbing) 16" o/c. Also includes office area built directly above lobby area with "L-shaped" stairway.
 - a. Lobby, offices and break room wall surfaces to have finished drywall.
 - b. Restrooms, locker rooms and washer/dryer room wall surfaces to have Quickliner or FRP panels.
8. Ceilings in #6 a. & b. listed rooms, finished drywall. 3/4" Plywood on top of ceiling joists.
9. Floor finishes: Epoxy coating in lower level office area and commercial carpet in upper office and stairs.

INSULATION:

1. Foundation walls: No insulation provided in footings (by option if required by City of Grand Island). Vapor barrier under floor slab of lobby, offices, break room, restrooms, locker rooms and washer/dryer area.
2. Roof & wall insulation: NuForm perimeter walls - 2" polyurethane insulation. Steel building (sidewalls & partition) – R-25 fiberglass batt w/clear poly vapor barrier. Roof, R-36 (2-layer) fiberglass batt w/clear poly vapor barrier. R-11 & R19 fiberglass batt insulation in all restroom, locker rooms & washer/dryer room walls and wall between Mech./Storage & Break/Wash rooms.
3. No insulation on 6" NuForm partition walls running north-to-south.

DOORS/WINDOWS:

1. Wash Bays: (7) 16'x16' American Garage Door Survivor "Gold" polycarbonate carwash type garage door with aluminum frame and stainless-steel fasteners, cables & shaft and galvanized torsion shaft.
2. Waste Separation Area: (2) 16'x16' Raynor TC300 commercial sectional overhead door. 3" thick, R-17.05, w/2" track, standard torsion springs & cables and (3) 24"x8" insulated windows.
3. Mechanical/Storage area: (1) 8'x10' Raynor TC300 commercial sectional overhead door. 3" thick, R-17.05, w/2" track, standard torsion springs & cables and (1) 24"x8" insulated windows.
4. Overhead Door Operators: All operators are Raynor brand, single-phase, Industrial Duty. The (7) operators for the Wash Bays & Mechanic's Bay are NEMA 12 (dust tight w/fiberglass box enclosure). (7) NEMA-4, 3-button stations. No remotes are included.
5. Walk Doors: (12) at exterior walls and (20) at interior walls
6. (3) 4030 horizontal sliding windows with insulated glass.

EQUIPMENT:

1. (1) PATRIOT Interior trailer washer. Price includes specification given to Owner by American Truck Wash Systems (ATWS) plus the required options: 1. Raised laterally moving base to (2) locations and 2. Overhead hose and cable carrier. Includes installation.
2. (1) FREEDOM 3-brush gantry wash system. Price includes specification given to Owner by ATWS plus the 120GPM water recovery system w/ozone and R/O system for spot-free rinse (6000 GPD) – these 2 options were added already by AMWS. Includes installation.

Note: the two systems above have other available options which are not included in this budget quote but can be added if Owner so chooses.

3. DT360 Separator on stand, pumps and related equipment.
4. Raised metal frame and ladder to set separator above Sidump'r trailer.
5. Floor heat system at locations shown on drawing.
6. Radiant heaters as shown on drawing.
7. Ventilation as needed in wash bays, separator bay and mechanical/storage area.
8. Restroom / Locker Rooms: Toilets, sinks & showers as shown on drawing. Does not include lockers.

PLUMBING/DRAINAGE:

1. Included except for water service to building from city of Grand Island water main.

ELECTRICAL:

1. Included except for installation of main service from pole/transformer pad to main building panel.

HVAC (Office Area):

1. Included

CLARIFICATIONS:

1. General:

- a. Fire Marshall and Professional Architect and Structural/Mechanical Engineer review.
- b. Includes Builders Risk insurance during construction for work performed by Contractor.
- c. All applicable sales taxes are included in the quoted price.
- d. Due to extremely volatile (*) material prices and availability, Heartland Builders Co. (HBC) reserves the right to adjust the above quoted price until such time that a contract is signed and required down payment is received. (*) *Recent hurricanes.*
- e. Freight prices included in the quote are subject to adjustment for any fuel surcharges. These surcharges or equivalent charges will be invoiced at cost to the Owner.
- f. HBC to call 'digger's hotline' to mark any potential underground utility lines at work site prior to start of work.

2. The Owner Provides or is Responsible for:

- a. A survey describing physical characteristics, legal limitations, utility locations and legal description of the site including project benchmarks to establish building locations prior to start of work.
- b. All testing and analysis for hazardous materials known or unknown of existing site conditions.
- c. Building permits or any other permits if required.
- d. Temporary electricity and water for use during construction within 100 ft of the building pad at no cost to the Contractor.
- e. Concrete and soils compaction testing to determine if the site is suitable for the Contractor's structure. Note: The Contractor does not perform any independent analysis of the soils conditions and shall rely solely on the Owner determination. The Contractor's building foundation design assumes the soil conditions will support 2000 psf load and is suitable for trenched footings.

3. Not Included:

- a. Any and all civil work to prepare building pad(s) within plus or minus one tenth (+/- .1) of one-foot (+/- 1.2) inches) of the final elevation prior to start of Contractor work.
- b. Lift station and pumps or related work (if required).
- c. Lagoon(s) & liner or related waste water storage facilities. Assumes separated waste is permitted to go to city sewer.
- d. Removal or off-site disposal of spoils material directly associated with excavations for foundations, trenches, etc.
- e. Work to correct subsurface conditions encountered including, but is not limited to, unacceptable soils, obstructions, or other buried items. Any additional costs incurred due to underground water (dewatering).
- f. Relocation costs of existing utilities.
- g. Tree removal or relocation.
- h. Erosion control, final grading, seeding or other landscaping work.
- i. Roads or rock or gravel for access road to building work area.
- j. Any kitchen/laundry room appliances or furniture (refrigerator, microwave, tables or chairs, washer or dryer).
- k. Any office/lobby furniture (desks, tables, chairs, file cabinets or vending machines)
- l. Any exterior concrete parking lot areas, pads, stoops or aprons other than the 10' wide aprons and 4' wide sidewalk shown on drawing.
- m. Any parking lot lighting or related electrical service/hookup.
- n. Weather protection costs, including, but is not limited to, costs for cold weather concrete placement such as hot water, accelerating admixtures, insulation, temperature protection, ground thaw equipment, etc.

Thank you for the opportunity to bid this project for you! We look forward to working with you in the future.



Tony Carlson,

Project Development Manager, Heartland Builders Co.

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Exhibit D
Annual Income & Expense Pro Forma

CENTRAL NEBRASKA TRUCK WASH, INC.

**PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER VARIOUS TAX INCREMENT FINANCING
SCENARIOS DETAILED IN NOTE A – CASH BASIS**

Twelve Months Ending After Project Completion

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SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS	6

INTRODUCTION

The projection in this illustration presents the entity's, Central Nebraska Truck Wash Inc.'s, projected receipts and disbursements under the hypothetical assumptions in Note A on the cash basis for the twelve months ending after project completion.



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To Management of
Central Nebraska Truck Wash, Inc.
Grand Island, NE

Management is responsible for the accompanying projection of Central Nebraska Truck Wash, Inc., which comprise projected statements of receipts and disbursements under various tax increment financing scenarios detailed in Note A – cash basis of Central Nebraska Truck Wash, Inc. (see introduction), for the twelve months ending after project completion, including the related summaries of significant assumptions in accordance with guidelines for the presentation of a projection established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the projection nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this projection.

Even if the tax increment financing (TIF) scenarios outlined occurred, there will usually be differences between the projection and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management has elected to omit substantially all disclosures and the summary of significant accounting policies required by the guidelines for presentation of a projection established by the AICPA other than those related to the significant assumptions. If the omitted disclosures and accounting policies were included in the projection, they might influence the user's conclusions about Central Nebraska Truck Wash Inc.'s net cash receipts and disbursements for the projection period. Accordingly, this projection is not designed for those who are not informed about such matters.

As explained in Note E, changes were made from the previous presentation dated May 2, 2018.

This accompanying projection and this report are intended solely for the information and use of Central Nebraska Truck Wash, Inc., the Grand Island Community Redevelopment Authority, the Grand Island City Council, and certain individuals and organizations involved in the tax increment financing application process and are not intended to be and should not be used by anyone other than these specified parties.

Schroeder & Schreiner, P.C.

Grand Island, NE
May 2, 2018 (except for changes explained in Note E, as to which the date is June 6, 2018)

2535 N. Carleton Ave.
Suite B
Grand Island, NE
68803
P.O. Box 520
Grand Island, NE
68802-0520
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CENTRAL NEBRASKA TRUCK WASH, INC.

**PROJECTED STATEMENTS OF RECEIPTS AND DISBURSEMENTS UNDER VARIOUS TAX INCREMENT
FINANCING SCENARIOS DETAILED IN NOTE A - CASH BASIS**

Twelve Months Ending After Project Completion

	<u>With Tax Increment Financing</u>	<u>Without Tax Increment Financing</u>
Gross Taxable Income:		
Truck wash revenue	\$ 1,508,000	\$ 1,508,000
Tax increment financing (TIF) revenue	<u>56,616</u>	<u>-</u>
	1,564,616	1,508,000
Tax Deductions:		
Interest expense - TIF debt	29,208	-
Interest expense - Non-TIF debt	165,768	188,776
Employee compensation and benefits	511,420	511,420
Real estate tax (existing)	10,640	10,640
Real estate tax (TIF increment)	56,616	56,616
Water and sewer	181,428	181,428
Utilities (gas & electric)	69,992	69,992
Insurance	31,595	31,595
Repairs, maintenance, and snow removal	20,000	20,000
Waste haul-out	69,368	69,368
Professional fees	1,000	1,000
Miscellaneous	25,280	25,280
Depreciation and Amortization	<u>137,371</u>	<u>137,371</u>
	<u>1,309,686</u>	<u>1,303,486</u>
 Taxable income	 254,930	 204,514
 Adjustments to Arrive at Net Cash Disbursements		
Depreciation & Amortization	137,371	137,371
Principal debt service - TIF	(27,408)	-
Principal debt service - Non-TIF	(275,584)	(313,325)
Member distributions:		
Estimated for Federal Income Tax expense	(75,459)	(60,536)
Estimated for State Income Tax expense	<u>(13,950)</u>	<u>(11,191)</u>
	<u>(255,030)</u>	<u>(247,681)</u>
 Net cash disbursements	 <u>\$ (100)</u>	 <u>\$ (43,167)</u>

See summary of significant projection
assumptions and independent accountants' compilation report.
Schroeder & Schreiner, P.C.

CENTRAL NEBRASKA TRUCK WASH, INC.

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS

Twelve Months Ending After Project Completion

NOTE A – NATURE AND LIMITATION OF PROJECTIONS

The accompanying projection presents, to the best of Central Nebraska Truck Wash, Inc.'s (CNTW's) knowledge and belief, cash receipts and disbursements for the twelve months ending after project completion to be generated by a commercial truck wash facility (e.g. "the project") located in Grand Island, Nebraska. Stated cash receipts and disbursements are intended to convey results of operations after the anticipated 2018/2019 completion of the project assuming funding of the estimated construction and acquisition costs of \$4,980,115 both with, and in the absence of, tax increment financing assistance. The projection reflects their judgment as of April 19, 2018, the date of this projection, of the expected conditions and their expected course of action. Actual results are likely to differ from the projected results because events and circumstances frequently do not occur as expected. Those differences may be material. The assumptions disclosed herein are those that management believes are significant to the projections. The projected information was prepared for use in a tax increment financing request to the Grand Island Community Redevelopment Authority.

NOTE B – BASIS OF ACCOUNTING

The presentations of cash receipts and disbursements for the projection period and the twelve months ending after project completion portray results using the cash basis of accounting. The results of this basis differ from those using generally accepted accounting principles primarily because the cash basis does not recognize assets other than cash and the debt principal outstanding under the tax increment financing or construction or building loan(s).

NOTE C – CASH RECEIPTS

Central Nebraska Truck Wash, Inc. is an operator of a 20,000 square foot commercial truck wash facility operating five drive through bays (3-bay manual truck wash and 2-bay automatic truck wash) and one load out bay. Revenue has been determined based on the historical knowledge and experience of the company (and related parties) in the operation of similar facilities in the same locale. The projection assumes the following annual washes at the indicated price per wash: 10,400 cattle washes at \$100 per wash, 1,040 hopper washes at \$60 per wash, 5,200 reefer washes at \$30 per wash, and 4,160 truck-trailer washes at \$60 per wash. These numbers fall within the facilities capacity parameters with no initial "build-up" phase.

The projection includes two scenarios dependent on whether or not the tax increment financing (TIF) request is approved. In the event of TIF approval, CNTW will receive additional TIF revenue from the County based on the anticipated increase in the assessed value generated by the proposed project and the additional real estate tax that increase will generate. Both the TIF financing and real estate taxes are subject to the final determination of assessed value.

NOTE D – CASH DISBURSEMENTS

Interest expense and principal debt service are based on the assumption that with the exception of any TIF financing assistance, the entire construction project will be financed through capital contributions from the owners and additional debt incurred to cover the anticipated construction costs using a 20% down and 80% debt-financed ratio. In addition to new construction costs, real estate at the proposed project site and existing debt on that property will also be contributed to the entity.

See independent accountants' report
Schroeder & Schreiner, P.C.

CENTRAL NEBRASKA TRUCK WASH, INC.

SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS, Continued

Twelve Months Ending After Project Completion

NOTE D – CASH DISBURSEMENTS, Continued

TIF debt is based on an initial \$596,616 principal balance that can be serviced with the anticipated incremental real estate tax generated by the project. The loan is expected to have a 15-year term with scheduled monthly payments of \$4,718 (annual \$56,616) and an interest rate of approximately 5.0%.

The remaining construction costs, not funded through tax increment financing, will be satisfied with \$785,600 of additional capital contributions and \$3,142,399 of bank debt for the residual obligation. All remaining non-TIF construction debt will have a 10-year term. Both loans will have an annual interest rate of approximately 5.0%. Scenarios contemplating the denial of tax increment financing will assume bank debt with the same 20% down (\$904,923) 80% financed (\$3,619,692) ratio with a 10-year term and an interest rate of approximately 5.0%.

In addition to TIF and construction cost debt, an additional \$400,195 of debt was assumed when real estate located at the proposed project site securing said debt was contributed by the owners. This debt bears interest at 3.95% with monthly payments of \$7,032 and matures July 1, 2020.

Projected real estate tax is expected to equal the current tax (for the 2017 year) plus additional tax generated by applying the current levy rate to the anticipated increase in assessed value to be generated by the construction project.

Projected costs for employee compensation and benefits (for 10-11 employees); water, sewer and utilities; insurance; waste removal; snow removal; repairs and maintenance; professional fees; and other costs are all based on the experience of CNTW's shareholders and the expected operating capacity of the facility.

Projected member distributions to cover estimated individual income tax (or contributions to reflect estimated income tax benefits) are based on anticipated taxable pass-through income and the highest marginal Federal and State income tax rates of 37.0% and 6.84% respectively after applying a 20% deduction based on the tax law provisions expected to be in effect during the projection period. Although not a cash expenditure, estimated depreciation has been calculated and included in the projection to arrive at net taxable income used in determining these member distributions. Estimated capitalized costs are depreciated under either the straight line method for 39-year life building components or the 150 percent declining balance method for 15-year life paving components.

NOTE E – CHANGES IN PRESENTATION

Changes have been made to correct the previous presentation dated May 2, 2018. In April, 2018, real estate located at the project site was contributed to the entity and corresponding debt in the amount of \$400,195 secured by said real estate was assumed. The earlier presentation inadvertently failed to consider the impact of this transaction to the projected statements of receipts and disbursements. Resulting modifications reflected in these financial statements include changes to note disclosure, interest expense, principal debt service and estimated income tax expense.

See independent accountants' report
Schroeder & Schreiner, P.C.

**Central Nebraska Truck Wash, Inc.
 Tax Increment Financing Application
 Capitalization Rate Analysis**

	<u>With Tax Increment Financing</u>	<u>Without Tax Increment Financing</u>
Net operating income	497,868	458,934
Divided by fair market value	4,965,533	4,965,533
Equals capitalization rate	10.03%	9.24%

Exhibit E

**Central Nebraska Truck Wash, Inc.
Tax Increment Financing Request
Municipal and Corporate References**

<u>Name of Reference</u>	<u>Contact Person</u>	<u>Telephone Number</u>	<u>Fax Number</u>
Nebraska Truck Center	Kent Brown	(308) 384-0130	(308) 382-8946
Wilson Trailer / Grand Island	Tracy Howard	(308) 381-1800	(308) 381-4845
Five Points Bank - West	Colby Collins	(308) 384-4840	(308) 389-4181

Exhibit F

**Redevelopment Plan Amendment
Grand Island CRA Area 21
June 2018**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 21 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific project in Area 18.

Executive Summary:

Project Description

THE REDEVELOPMENT OF PROPERTY LOCATED BETWEEN U.S. HIGHWAY 30 AND THE UNION PACIFIC RAILROAD TRACKS EAST OF STUHR ROAD (LOTS 1 AND 2 OF BOSSELMAN BROTHERS SECOND SUBDIVISION). CENTRAL NEBRASKA TRUCK WASH, INC., INTENDS TO CONSTRUCT A NEW CATTLE POT AND TRUCK WASH FACILITY AT THIS LOCATION, INCLUDING DEMOLITION OF AN EXISTING STRUCTURE ON THE SITE IN PREPARATION FOR REDEVELOPMENT AND NECESSARY INFRASTRUCTURE AND GRADING IMPROVEMENTS.

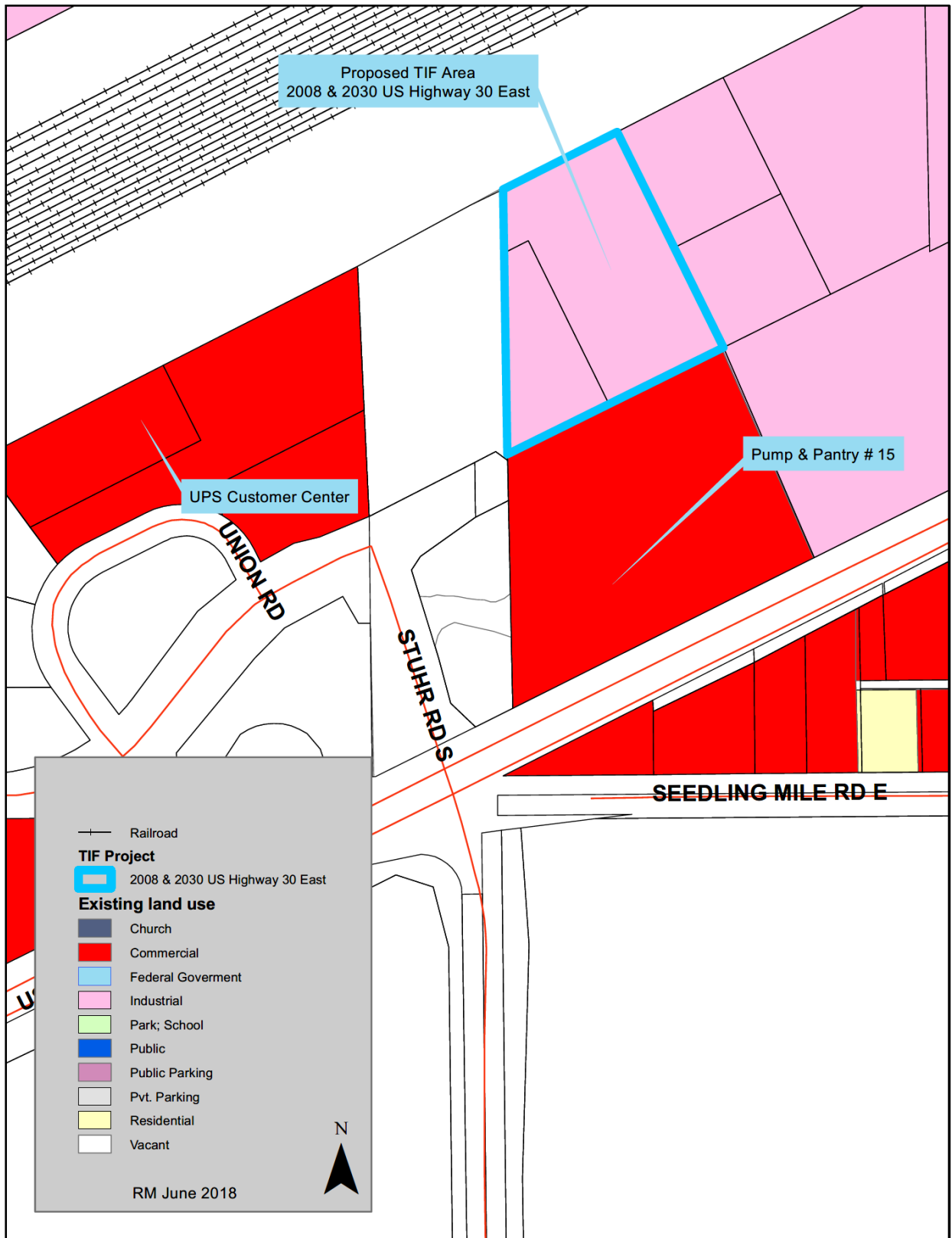
The use of Tax Increment Financing to aid in demolition, site clearance, and necessary infrastructure, grading improvements and private roadways to redevelop 2030 and 2008 E. U.S. Highway 30 (Lots 1 and 2 of Bosselman Brothers Second Subdivision in the City of Grand Island). The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The project will result in the construction of a new cattle pot and truck wash at this location. The developer has indicated that this development would not be considered for at this location without the use of TIF.

Central Nebraska Truck Wash Inc owns the subject property and will operate in conjunction with Midwest Express, Inc., a Grand Island based trucking company providing transportation services to JBS and other Grand Island and regional manufacturers. 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, 2019 (should this be 1/1/19?) 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”)

2030 and 2008 E. U.S. Highway 30

Legal Descriptions: Lots 1 and 2 of Bosselman Brothers Second Subdivision in the City of Grand Island)



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 2020 through 2034 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 increase will come from the construction of a new cattle pot and truck wash facility at this location as permitted in the M2 Heavy Manufacturing Zoning District.

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.

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. **The Hall County Regional Planning Commission held a public hearing at their meeting on _____ and passed Resolution 2018-?? confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.**

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

a. Land Acquisition:

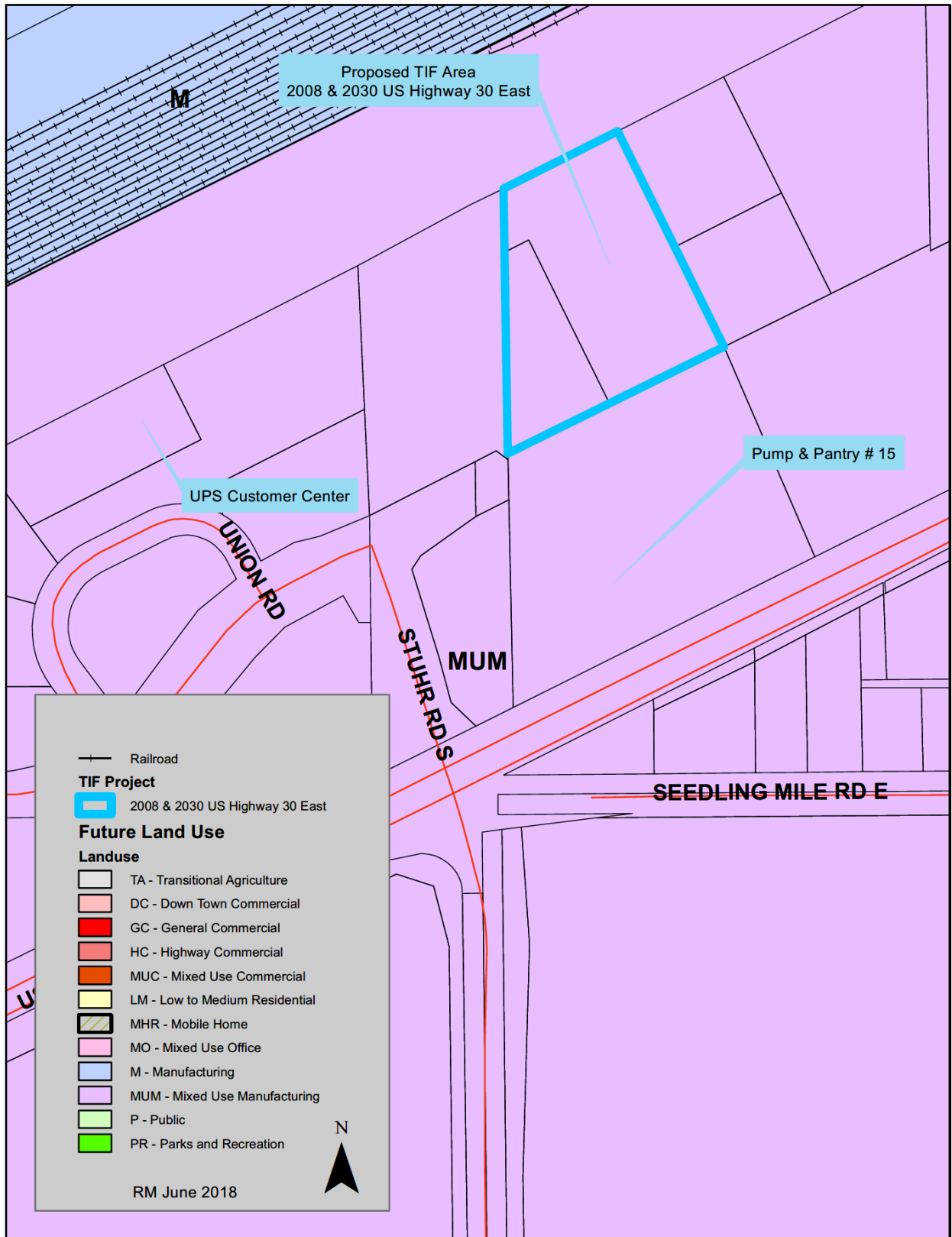
This Redevelopment Plan for Area 18 does not anticipate real property acquisition by the developer. This property was acquired by the developer to support their trucking company in 2015 for \$568,000. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

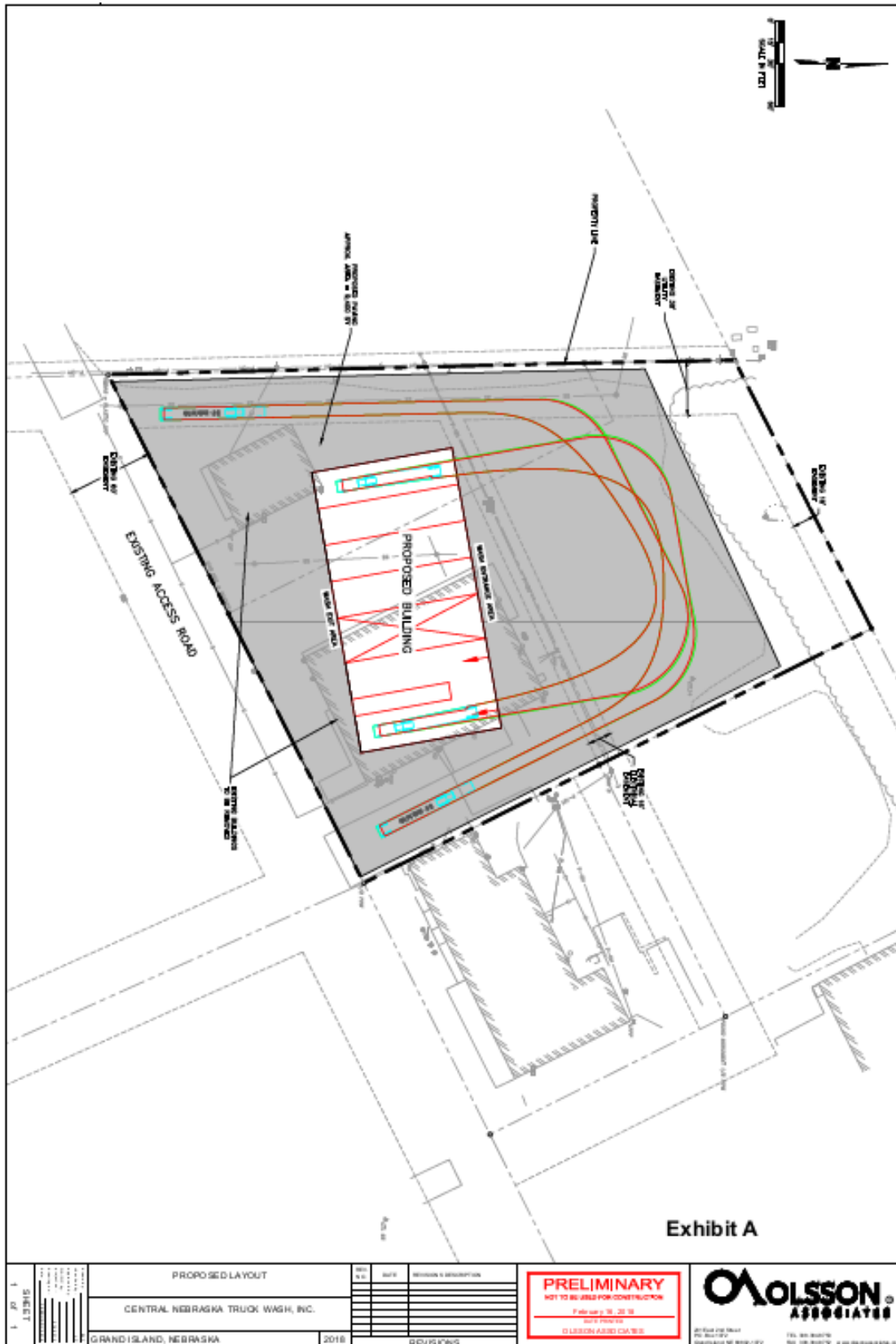
The project to be implemented with this plan provides for the demolition and removal of the existing structures and concrete on the property.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. This property is in private ownership and surrounding properties are planned for mixed use manufacturing. The property south of Old Highway 30 is owned by the Union Pacific Rail Road. [§18-2103(b) and §18-2111] A site plan of the area after redevelopment is also attached as Exhibit A. [§18-2111(5)]



City of Grand Island Future Land Use Map



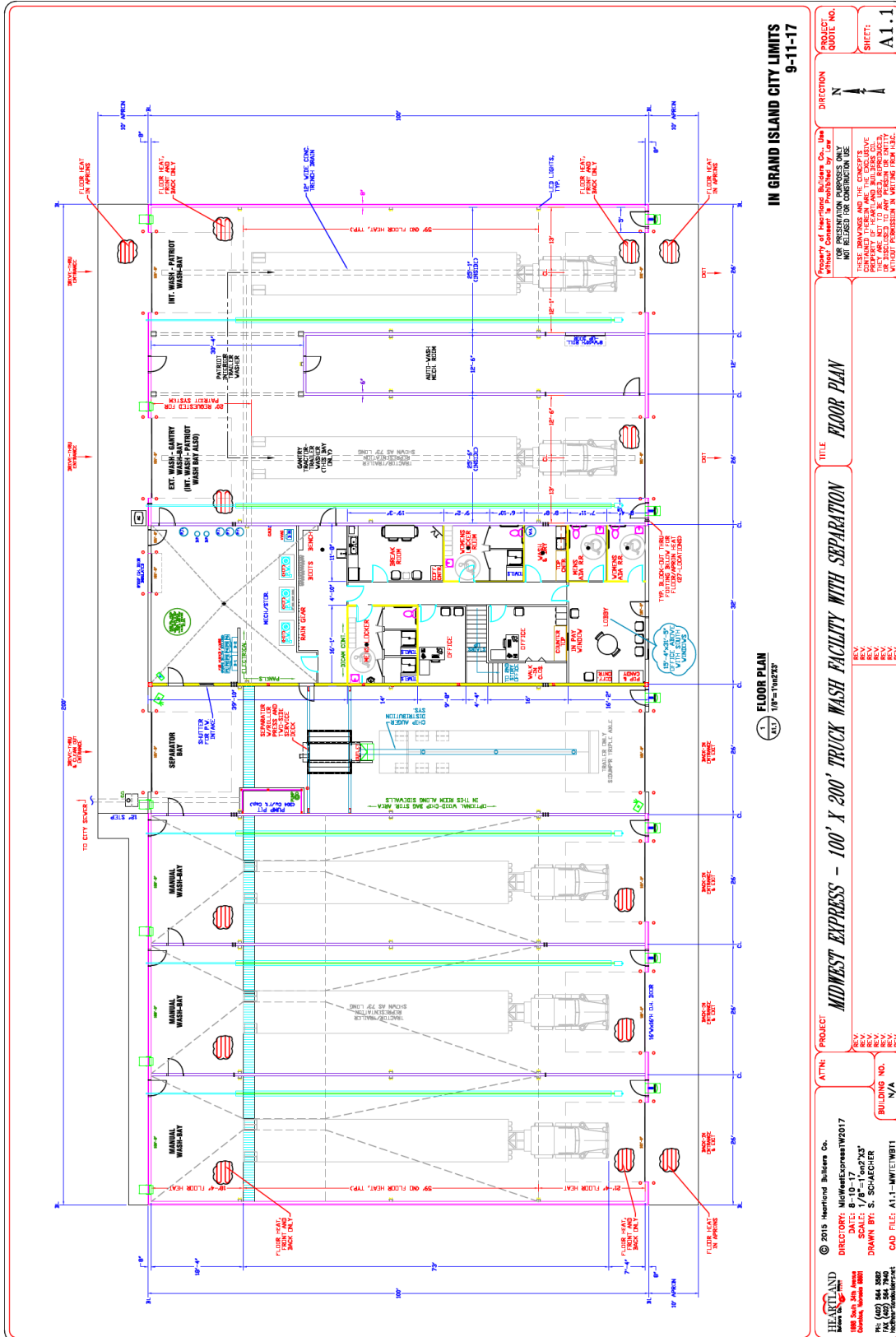


Exhibit A

Floor Plan of Proposed Building

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

The area is zoned M2 Heavy 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 to build on the site within the constraints allowed by the current zoning district. The M2 zoning district allows for up to 65% of each lot to be covered with buildings. The proposed cattle pot and truck wash will cover approximately 20,000 square feet or 16.4% of the lot. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. No new services are anticipated with this development. However, the Redeveloper will install new gas, sewer, water and electrical lines to the new buildings. Those improvements will be on site and not impact the city's main lines. . [§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 families 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 purchased this property in 2015 for \$568,000. This purchase price is a TIF eligible expense due to changes in the state statutes in during the 2018 legislative session. Demolition of the existing buildings is estimated at \$58,609 and is a TIF eligible expense. Site preparation including grading, dirt work, and paving of private road ways to serve the cattle pot and truck wash is estimated at \$967,769. Architecture, engineering planning, survey, legal expenses and fees for the project are estimated at \$86,512. Utility connections and extensions are estimated to cost \$166,170 and are a TIF eligible expense. The total of eligible expenses for this project is \$ 1,848,060.

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 \$849,240 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, 2020 through December 2034. The developer will use the TIF Note to secure debt financing in the amount of \$596,524 with \$849,240 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 conditions including demolition of obsolete building and reuse/redevelopment of property within the City Limits.

8. Time Frame for Development

Development of this project is anticipated to be completed between August of 2018 and December of 2019. Excess valuation should be available for this project for 15 years beginning with the 2020 tax year.

9. Justification of Project

Demolition, extension of utilities and substantial site grading are necessary to facilitate rebuilding at this site. The redevelopment of this property by Central Nebraska Truck Wash Inc. will result in greater investment by the company in their Grand Island location and will expand their fulltime employee base within the community. The proposed use as a cattle pot (trailer washout) meets a community need to serve the JBS Plant located on the south side of U.S. Highway 30 and the trucking community supported by that facility.

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 \$849,240 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 \$4,243,375 in private sector financing and investment; a private investment of \$5.00 for every TIF dollar invested.

Use of Funds.			
Description	TIF Funds	Private Funds	Total
Acquisition	\$ 568,000		\$568,000
Demolition	\$58,609		\$58,609
Site Preparation and Paving	\$41,287	\$926,482	\$967,769
Utilities			
Sewer, Water, Electric	\$166,170		\$166,170
Telecommunications		\$5,316	\$5,316
Arch/Engineering/Planning/Legals/Fees		\$86,512	\$86,512
Building Costs		\$3,112,565	\$3,112,565
Permits	\$15,174		\$15,174
Construction Interest		\$112,500	
TOTALS	\$849,240	\$4,243,375	\$5,092,615

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2018 valuation of approximately \$491,539. Based on the 2017 levy this would result in a real property tax of approximately \$10,640. It is anticipated that the assessed value will increase by \$2,615,615 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$56,616 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 2018 assessed value:	\$ 491,539
Estimated value after completion	\$ 3,107,154
Increment value	\$ 2,615,615
Annual TIF generated (estimated)	\$ 56,616
TIF bond issue	\$ 849,240

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

The redevelopment project area currently has an estimated valuation of \$491,539. The proposed redevelopment will create additional valuation of \$2,615,615. 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;

This plan provides extension of utilities from the lot to the mains... 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 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 have minimal impact on employers or employees within the redevelopment project area. It will create the opportunity for additional employees within the Grand Island 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

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. The Grand Island labor market is tight but this will create additional full time jobs in the regions. This will allow a local company to expand in our community.

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

One of the direct results of this project will be the cattle pot or trailer washout. Because of the JBS facility just south of U.S. Highway 30 there is a real and immediate need for a place that livestock haulers can clean out their trailer before getting back on the road. This particular location is close to the JBS plant but not in a highly visible location. It is ideally suited for a use that is needed to support one of the largest employers in Grand Island and the region.

Time Frame for Development

Development of this project is anticipated to be completed between August of 2018 and December of 2019. 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 \$849,520 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses of the project the developer will spend more than \$1,848,000 on TIF eligible activities.

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

RESOLUTION NO. 273

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 13th day of June, 2018

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

By _____
Chairperson

ATTEST:

Secretary

Central Nebraska Truck Wash Inc.

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

RESOLUTION NO. 274

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 21, from Central Nebraska Truck Wash Inc., (The "Developer") for redevelopment of Lots 1 and 2 of Bosselman Brothers Second Subdivision, 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 1;

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 13th day of June, 2018.

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

By _____
Chairperson

ATTEST:

Secretary

Central Nebraska Truck Wash Inc.