



# **Community Redevelopment Authority (CRA)**

**Wednesday, December 12, 2018  
Regular Meeting Packet**

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## **Board Members:**

**Tom Gdowski - Chairman**

**Glen Murray – Vice Chairman**

**Sue Pirnie**

**Glenn Wilson**

**Krae Dutoit**

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**4:00 PM  
Bosselman Office Building  
1607 S. Locust Grand Island Nebraska**

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## **Call to Order**

## **Roll Call**

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### **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.

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### **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.

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### **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, December 12, 2018**  
**Regular Meeting**

## **Item A1**

### **Agenda**

**Staff Contact:**



**AGENDA**  
**Wednesday, December 12, 2018**  
**4 p.m.**  
**Bosselman Offices 1607 S. Locust**

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 November 14, 2018, Meeting.
3. Review of Financials.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. Redevelopment Plan Amendment for CRA Area # 26 south of Capital Avenue and east of the Central Nebraska Railroad line being platted as the Orchard Subdivision – Orchard LLC/ Hoppe Homes LP.
  - a. Consideration of Resolution 288- Forward a Redevelopment Plan Amendment to the Grand Island City Council for redevelopment of property located south of Capital Avenue and east of the Central Nebraska Railroad line being platted as the Orchard Subdivision – Orchard LLC/ Hoppe Homes LP..
7. Redevelopment Contract for Paramount Development LLC. authorizing the use of Tax Increment Financing to aid in for redevelopment of property located at 411 W. Third Street for residential purposes.
  - a. Consideration of Resolution 289-

8. Redevelopment Plan Amendment for CRA Area # 1 for the main floor commercial and residential development of the west side of the old Sears building at 411 W 3<sup>rd</sup> street. This is the second phase of redevelopment for the Sears Building. – Paramount Development LLC.
  - a. Consideration of Resolution 290- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of the main floor of the west side of the old Sears building at 411 W 3<sup>rd</sup> street for commercial and residential purposes – Paramount Development LLC.
  - b. Consideration of Resolution 291- Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for redevelopment of the main floor of the west side of the old Sears building at 411 W 3<sup>rd</sup> street for commercial and residential purposes – Paramount Development LLC.
9. Façade Improvement Project Old City Hall
10. Life Safety Project 112 E Third Street Wing Properties
11. Life Safety Project Hedde Building Modifications 201-205 W 3rd
12. Life Safety Project 110 W. 2<sup>nd</sup> Street Rawr Inc.
13. Director's Report
14. Adjournment

Next Meeting January 09, 2018

COMMUNITY REDEVELOPMENT AUTHORITY  
AGENDA MEMORANDUM

4 p.m. Wednesday, December 12, 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 November 14, 2018, are submitted for approval. A MOTION is in order.
3. APPROVAL OF FINANCIAL REPORTS. Financial reports for the period of November 1 through 30, 2018 are submitted for approval. A MOTION is in order.
4. APPROVAL OF BILLS. Payment of bills in the amount of \$4,044.94 is submitted for approval. A MOTION is in order.
5. REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.
6. REDEVELOPMENT CONTRACT – PARAMOUNT LLC.  
The Grand Island City Council approved Resolution 2018-325 on October 23, 2018 authorizing issuance of a contract to Paramount LLC for up to \$159,800 in tax-increment financing to assist with site acquisition and renovation for the development of four upper story residential units at on the second floor of the west end of the Old Sears Building at 411 W. 3<sup>rd</sup> Street in CRA Area No. 10 in Grand Island, Hall County, Nebraska. A MOTION to approve Resolution 288 is in order.
7. RECOMMENDATION ON – THE ORCHARD LLC- HOUSING PROJECT. The Regional Planning Commission approved Resolution 2019-03 at its meeting December 5. The commission found that the Redevelopment Plan for The Orchard LLC is in compliance with the Comprehensive Plan for the City of Grand Island. The redevelopment plan for CRA Area No. 26 for a Site Specific Redevelopment Plan for property located south of Capital Avenue west of the Central Nebraska Railroad line proposed for platting as The Orchard Subdivision for redevelopment of the property for up to 181 single family attached and detached housing units. The plan requests \$6,000,000 in tax increment financing. The CRA may forward the plan to the Grand Island City Council. A MOTION to approve Resolution 289 is in order.

8. REDEVELOPMENT PLAN AMENDMENT CRA AREA 1 411 W 3<sup>rd</sup> STREET THE FIRST FLOOR OF THE OLD SEARS BUILDING-PARAMOUNT DEVELOPMENT LLC. Concerning an amendment to the redevelopment plan for CRA Area No. 1 to allow for redevelopment 411 W. Third (the 1<sup>st</sup> story at the west end of the Old Sears Building) to include one, one bedroom first floor apartment and 6,500 square feet of commercial space. The developer is requesting \$199,000 of tax increment financing. 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 290 (forward to Regional Planning Commission) and Resolution 291 (30-day intent notice to city council) is in order.
  
9. FAÇADE IMPROVEMENT GRANT OLD CITY HALL 208 N PINE STREET The Old City Hall Condo Association, owners of the Old City Hall Building, are requesting a façade improvement grant of \$151,637 to renovate and enhance the historic façade on their building at 208 N. Pine Street. This project was started more than 15 years ago and used Tax Increment Financing that was paid off in June of 2018 and received a grant of \$150,000 for improvements that were done in the first phases of the project. The total cost of the façade project is estimated at \$353,820 A CRA Façade committee with Krae Dutoit and Tom Gdowski and Marvin Webb reviewed this application on December 5, 2018 and is recommending approval of a grant in the amount of \$100,000 potentially split into two fiscal years.
  
10. FIRE AND LIFE SAFETY GRANT REQUEST – WING PROPERTIES – 112 E.. 3<sup>RD</sup> STREET. Wing Properties is proposing to redevelop 112 E. Third (part of the Williamson Furniture store) to include one, two-bedroom apartment on the second floor. . They are requesting \$20,000 in grant assistance The Life Safety grant allows up to \$15,000 per one-bedroom unit on an upper story and up to \$20,000 per two-plus bedroom unit. The maximum grant allowed on this request would be \$20,000. A MOTION is in order.
  
11. LIFE SAFETY – HEDDE BUILDING. The Hedde Building LLC is requesting an updated Life Safety grant for \$310,000. The project at 201-205 W. Third proposes to create 18 upper-story one-bedroom apartments and 2 upper story two-bedroom apartments. The CRA may grant up to \$15,000 per new upper-story one-bedroom units and \$20,000 per new upper-story two-bedroom units. On Aug. 31, 2016, the CRA authorized \$200,000 of Life Safety grant funds for eight one-bedroom apartments and four two-bedroom apartments, this was modified in May of 2017 to \$240,000 for 16 one-bedroom apartments and no two-bedroom apartments. This latest modification is a result of changes to the Historic Tax Credit program and the decision not to move forward with tax credits. The maximum grant allowed for this request would be \$310,000 A MOTION is in order.

12. FIRE AND LIFE SAFETY GRANT REQUEST – Rawr Inc. – 110 W. 2<sup>nd</sup> STREET.

Wing Properties is proposing to redevelop 110 W. 2<sup>nd</sup> Street (GI Music Building) to include one small, one-bedroom apartment, and one larger, two bedroom apartment on the second floor. They are requesting \$35,000 in grant assistance. The Life Safety grant allows up to \$15,000 per one-bedroom unit on an upper story and up to \$20,000 per two-plus bedroom unit. The maximum grant allowed on this request would be \$35,000. A MOTION is in order.





# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item B1**

**Minutes of November 14, 2018 Meeting**

Staff Contact:

## OFFICIAL PROCEEDINGS

### MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF November 14, 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 November 14, 2018 at City Hall, 100 E. First Street. Notice of the meeting was given in the November 7, 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, and Glenn Wilson. Also present were: Director Chad Naby, Planning Administrative Assistant Norma Hernandez, Brian Schultz from the Grand Island Finance Department.

**2. APPROVAL OF MINUTES.**

A motion for approval of the Minutes for the October 10, 2018 meeting was made by Wilson and seconded by Murray. Upon roll call vote, all present voted aye. Motion carried 3-0.

**3. APPROVAL OF FINANCIAL REPORTS.**

Brian Schultz reviewed the financials from October 1st, 2018 to October 31st, 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 3-0.

**4. APPROVAL OF BILLS.**

Brian explained most of the bills are pass throughs for TIF payments also included are the Walnut and Lincoln Pool. The final payment for Urban Island's Life Safety and façade are also listed. A motion was made by Murray and seconded by Wilson to approve the bills in the amount of \$602,843.60. Upon roll call vote, all present voted aye. Motion carried 3-0.

**5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.**

The committed projects and CRA properties were reviewed by Naby. Naby stated there may be an amended Life Safety request for the Hedde Building. They may go from 16 to 20 units. Naby also mentioned he has not been able to reach Mendez. Urban Island will come off. The Life Safety Grants for the Hedde Building and Neilson's are still in process. The TIF Contract will be brought forward in December for The Old Sears Building second story residential project. Take Flight should be finishing up construction in December.

**6. Redevelopment Contract for Grand Island Hotel LLC. authorizing the use of Tax Increment Financing to aid in for redevelopment of property located south and west of the intersection of U.S. Highway 34 and Locust Street for a hotel.**

A. Consideration of Resolution 285-

Nabity stated the contract would grant TIF to the project. The Resolution approves the bond. Only changes to the contract were the acquisition of property from February 2018 to February 2019 and the address for the developer was also changed.

A motion was made by Murry and seconded by Wilson to approve Resolution 285. Upon roll call vote all, voted aye. Motion carried 3-0.

**7. Redevelopment Plan Amendment for CRA Area #26 south of Capital Avenue and east of the Central Nebraska Railroad line being platted as the Orchard Subdivision – Orchard LLC/Hoppe Homes LP.**

A. Consideration of Resolution 286- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of property located south of Capital Avenue and east of the Central Nebraska Railroad line being platted as the Orchard Subdivision – Orchard LLC/Hoppe Homes LP.

B. Consideration of Resolution 287 – Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for redevelopment of property located south of Capital Avenue and east of the Central Nebraska Railroad line being platted as the Orchard Subdivision – Orchard LLC/Hoppe Homes LP.

Nabity mentioned Mr. Hoppe owns about 23 acres. He is proposing 181 lots with a community building. Mr. Hoppe went on to explain the types of homes that he is proposing to build on these lots. Townhomes, 2-3 bedroom ranch versions. Row homes would be another style that would be offered. Row homes are a style not seen in Grand Island. These units will be affordable and run anywhere from \$150,000 -\$180,000. Using TIF will allow them to sell the house for the cost of construction. Mr. Hoppe is asking for the board member's support for the redevelopment plan and eventually a redevelopment contract. The development timeline is anticipated to start with 20 units in the next year. There will be 3 development phases with about 60 units in each phase.

A motion was made by Murray and seconded by Wilson to approve Resolution 286 and 287. Upon roll call vote all voted aye. Motion carried 3-0.

**8. Approval of Sale of Property Owned by Super Market Developers (Super Saver 5 Points and the adjacent development ground) to Ken-Ray L.L.C., a Nebraska Limited Liability Company.**

A motion was made by Murray and seconded by Wilson to approve the approval of the sale of property owned by Super Markey Developers to Ken-Ray L.L.C. Upon roll call vote all voted aye. Motion carried 3-0.

**9. Vogue Building 209 W 3<sup>rd</sup> Street Façade Improvement Grant Application.**

Nabity explained the building is being redeveloped for commercial space on the first floor and a couple of apartments on the second floor. Their request is for \$50,000, Wrights are proposing to restore the front of the terracotta look of the building. The committee consisting of Glen Murray, Glen Wilson and Marv Webb recommended approval of the project.

A motion was made by Wilson and seconded by Murray to approve \$50,000 of Façade to Vogue Building 209 W 3<sup>rd</sup> Street. Upon roll call vote all voted aye. Motion carried 3-0.

**10. Bosselman Office Building (South End) 1607 S. Locust Street Façade Improvement Grant Application.**

Nabity stated this application is for the south end of the Bosselman building strictly commercial. \$187,000 was put down on the application as their request but they are requesting \$75,000. They have indicated that with \$50,000 they will still move forward with this project. The committee consisting of Glen Murray, Glen Wilson and Marv Webb recommended approval of the project.

A motion was maybe by Wilson seconded Murray by to approve \$50,000 of Façade to Bosselman office Building (South End) 1607 S. Locust Street. Upon roll call vote all voted aye. Motion carried 3-0.

**11. Director's Report**

December 12<sup>th</sup> meeting will be held at the Bosselman Building at 1607 S. Locust Street.

**12. Adjournment**

Gdowski adjourned the meeting at 4:48 p.m.

The next meeting is scheduled for 4 p.m., *Wednesday, December 12, 2018*.

Respectfully submitted

Norma Hernandez

Administrative Assistant The committee consisting of Glen Murray, Glen Wilson and Marv Webb recommended approval of the project.



# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018  
Regular Meeting**

## **Item C1**

**Financial Reports for November 1 to November 30, 2018**

**Staff Contact:**

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

<b>CONSOLIDATED</b>	<b>MONTH ENDED November-18</b>	<b>2018-2019 YEAR TO DATE</b>	<b>2019 BUDGET</b>	<b>REMAINING BALANCE</b>	<b>% OF BUDGET USED</b>
Beginning Cash	841,284		675,752		
<b>REVENUE:</b>					
Property Taxes - CRA	6,008	36,511	489,000	452,489	7.47%
Property Taxes - Lincoln Pool	2,021	12,699	197,000	184,301	6.45%
Property Taxes -TIF's	4,887	103,867	3,149,000	3,064,683	3.30%
Loan Income (Poplar Street Water Line)	-	-	14,000	14,000	0.00%
Interest Income - CRA	-	754	300	-	251.39%
Interest Income - TIF'S	-	54	-	-	
Land Sales	-	-	100,000	100,000	0.00%
Other Revenue - CRA	3,936	952,874	430,000	-	221.60%
Other Revenue - TIF's	-	-	-	-	
<b>TOTAL REVENUE</b>	<b>16,853</b>	<b>1,106,760</b>	<b>4,379,300</b>	<b>3,815,473</b>	<b>25.27%</b>
<b>TOTAL RESOURCES</b>	<b>858,137</b>	<b>1,106,760</b>	<b>5,055,052</b>	<b>3,815,473</b>	
<b>EXPENSES</b>					
Auditing & Accounting	-	-	3,000	3,000	0.00%
Legal Services	-	-	3,000	3,000	0.00%
Consulting Services	-	-	5,000	5,000	0.00%
Contract Services	3,648	7,831	75,000	67,169	10.44%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	-	16,000	16,000	0.00%
General Liability Insurance	-	-	250	250	0.00%
Postage	-	-	200	200	0.00%
Life Safety	-	-	200,000	200,000	0.00%
Legal Notices	-	17	500	483	3.50%
Travel & Training	-	-	1,000	1,000	0.00%
Other Expenditures	-	-	-	-	
Office Supplies	-	-	1,000	1,000	0.00%
Supplies	-	-	300	300	0.00%
Land	140	140	-	-	
Bond Principal - Lincoln Pool	180,000	180,000	180,000	-	100.00%
Bond Interest	9,163	9,163	17,065	7,903	53.69%
Husker Harvest Days	-	200,000	200,000	-	100.00%
Façade Improvement	-	-	200,000	200,000	0.00%
Building Improvement	273,677	303,677	926,000	622,323	32.79%
Other Projects	-	-	25,000	25,000	0.00%
Bond Principal-TIF's	132,691	881,379	3,149,000	2,400,312	27.99%
Bond Interest-TIF's	3,526	3,526	-	-	
Interest Expense	-	-	-	-	
<b>TOTAL EXPENSES</b>	<b>602,844</b>	<b>1,585,733</b>	<b>5,003,315</b>	<b>3,553,939</b>	<b>31.69%</b>
<b>INCREASE(DECREASE) IN CASH</b>	<b>(585,991)</b>	<b>(478,973)</b>	<b>(624,015)</b>		
<b>ENDING CASH</b>	<b>255,293</b>	<b>(478,973)</b>	<b>51,737</b>	<b>-</b>	
<b>CRA CASH</b>	<b>222,065</b>				
<b>Lincoln Pool Tax Income Balance</b>	<b>37,731</b>				
<b>TIF CASH</b>	<b>(4,503)</b>				
<b>Total Cash</b>	<b>255,293</b>				

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

	<u>MONTH ENDED</u> <u>November-18</u>	<u>2018-2019</u> <u>YEAR TO DATE</u>	<u>2019</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
<b>GENERAL OPERATIONS:</b>					
Property Taxes - CRA	6,008	36,511	489,000	452,489	7.47%
Property Taxes - Lincoln Pool	2,021	12,699	197,000	184,301	6.45%
Interest Income		754	300	-	251.39%
Loan Income (Poplar Street Water Line)		-	14,000	14,000	0.00%
Land Sales		-	100,000	100,000	0.00%
Other Revenue & Motor Vehicle Tax	3,936	952,874	430,000	-	221.60%
<b>TOTAL</b>	<b>11,966</b>	<b>1,002,838</b>	<b>1,230,300</b>	<b>750,790</b>	<b>81.51%</b>
<b>WALNUT HOUSING PROJECT</b>					
Property Taxes		-	-	-	
Interest Income		54	-	-	
Other Revenue		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>-</b>	
<b>GIRARD VET CLINIC</b>					
Property Taxes		5,270	-	-	
<b>TOTAL</b>	<b>-</b>	<b>5,270</b>	<b>-</b>	<b>-</b>	
<b>GEDDES ST APTS-PROCON</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>SOUTHEAST CROSSING</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>POPLAR STREET WATER</b>					
Property Taxes		3,936	-	-	
<b>TOTAL</b>	<b>-</b>	<b>3,936</b>	<b>-</b>	<b>-</b>	
<b>CASEY'S @ FIVE POINTS</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>SOUTH POINTE HOTEL PROJECT</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TODD ENCK PROJECT</b>					
Property Taxes		3,204	-	-	
<b>TOTAL</b>	<b>-</b>	<b>3,204</b>	<b>-</b>	<b>-</b>	
<b>JOHN SCHULTE CONSTRUCTION</b>					
Property Taxes		3,516	-	-	
<b>TOTAL</b>	<b>-</b>	<b>3,516</b>	<b>-</b>	<b>-</b>	
<b>PHARMACY PROPERTIES INC</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>KEN-RAY LLC</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

	<u>MONTH ENDED</u> <u>November-18</u>	<u>2018-2019</u> <u>YEAR TO DATE</u>	<u>2019</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
<b>TOKEN PROPERTIES RUBY</b>					
Property Taxes		1,465	-	-	
<b>TOTAL</b>	-	1,465	-	-	
<b>GORDMAN GRAND ISLAND</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>BAKER DEVELOPMENT INC</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>STRATFORD PLAZA INC</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>COPPER CREEK 2013 HOUSES</b>					
Property Taxes		2,159	-	-	
<b>TOTAL</b>	-	2,159	-	-	
<b>FUTURE TIF'S</b>					
Property Taxes		-	3,149,000	3,149,000	
<b>TOTAL</b>	-	-	3,149,000	3,149,000	
<b>CHIEF INDUSTRIES AURORA COOP</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOKEN PROPERTIES KIMBALL ST</b>					
Property Taxes		1,299	-	(1,299)	
<b>TOTAL</b>	-	1,299	-	(1,299)	
<b>GI HABITAT OF HUMANITY</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>AUTO ONE INC</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>EIG GRAND ISLAND</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOKEN PROPERTIES CARY ST</b>					
Property Taxes		4,150	-	(4,150)	
<b>TOTAL</b>	-	4,150	-	(4,150)	
<b>WENN HOUSING PROJECT</b>					
Property Taxes		2,155	-	(2,155)	
<b>TOTAL</b>	-	2,155	-	(2,155)	

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

	<u>MONTH ENDED</u> <u>November-18</u>	<u>2018-2019</u> <u>YEAR TO DATE</u>	<u>2019</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
<b>COPPER CREEK 2014 HOUSES</b>					
Property Taxes		15,727	-	(15,727)	
<b>TOTAL</b>	-	15,727	-	(15,727)	
<b>TC ENCK BUILDERS</b>					
Property Taxes		1,849	-	(1,849)	
<b>TOTAL</b>	-	1,849	-	(1,849)	
<b>SUPER MARKET DEVELOPERS</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>MAINSTAY SUITES</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOWER 217</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>COPPER CREEK 2015 HOUSES</b>					
Property Taxes	4,887	19,134	-	(19,134)	
<b>TOTAL</b>	4,887	19,134	-	(19,134)	
<b>NORTHWEST COMMONS</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>HABITAT - 8TH &amp; SUPERIOR</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>KAUFMAN BUILDING</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TALON APARTMENTS</b>					
Property Taxes		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>VICTORY PLACE</b>					
Property Taxes		40,004	-	(40,004)	
<b>TOTAL</b>	-	40,004	-	(40,004)	
<b>TOTAL REVENUE</b>	16,853	1,106,760	4,379,300	3,855,477	25.27%

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

EXPENSES	MONTH ENDED <u>November-18</u>	2018-2019 <u>YEAR TO DATE</u>	2019 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
<b>CRA</b>					
<b>GENERAL OPERATIONS:</b>					
Auditing & Accounting		-	3,000	3,000	0.00%
Legal Services		-	3,000	3,000	0.00%
Consulting Services		-	5,000	5,000	0.00%
Contract Services	3,648	7,831	75,000	67,169	10.44%
Printing & Binding		-	1,000	1,000	0.00%
Other Professional Services		-	16,000	16,000	0.00%
General Liability Insurance		-	250	250	0.00%
Postage		-	200	200	0.00%
Lifesafety Grant		-	200,000	200,000	0.00%
Legal Notices		17	500	483	3.50%
Travel & Training		-	1,000	1,000	0.00%
Office Supplies		-	1,000	1,000	0.00%
Supplies		-	300	300	0.00%
Land	140	140	-	-	
Bond Principal - Lincoln Pool	180,000	180,000	180,000	-	100.00%
Bond Interest - Lincoln Pool	9,163	9,163	17,065	7,903	53.69%
<b>PROJECTS</b>					
Husker Harvest Days		200,000	200,000	-	100.00%
Façade Improvement		-	200,000	200,000	0.00%
Building Improvement	273,677	303,677	926,000	622,323	0.00%
Other Projects		-	25,000	25,000	0.00%
<b>TOTAL CRA EXPENSES</b>	<b>466,627</b>	<b>700,828</b>	<b>1,854,315</b>	<b>1,153,627</b>	<b>37.79%</b>
<b>WALNUT HOUSING PROJECT</b>					
Bond Principal	33,710	33,710	-	-	
Bond Interest	3,526	3,526	-	-	
<b>TOTAL</b>	<b>37,236</b>	<b>37,236</b>	<b>-</b>	<b>-</b>	
<b>GIRARD VET CLINIC</b>					
Bond Principal	5,270	5,270	-	-	
<b>TOTAL</b>	<b>5,270</b>	<b>5,270</b>	<b>-</b>	<b>-</b>	
<b>GEDDES ST APTS - PROCON</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>SOUTHEAST CROSSINGS</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>POPLAR STREET WATER</b>					
Bond Principal	3,936	3,936	-	-	
<b>TOTAL</b>	<b>3,936</b>	<b>3,936</b>	<b>-</b>	<b>-</b>	
<b>CASEY'S @ FIVE POINTS</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

	<u>MONTH ENDED</u> <u>November-18</u>	<u>2018-2019</u> <u>YEAR TO DATE</u>	<u>2019</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
<b>SOUTH POINTE HOTEL PROJECT</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TODD ENCK PROJECT</b>					
Bond Principal	3,204	3,204	-	-	
<b>TOTAL</b>	3,204	3,204	-	-	
<b>JOHN SCHULTE CONSTRUCTION</b>					
Bond Principal	3,516	3,516	-	-	
<b>TOTAL</b>	3,516	3,516	-	-	
<b>PHARMACY PROPERTIES INC</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>KEN-RAY LLC</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOKEN PROPERTIES RUBY</b>					
Bond Principal	1,465	1,465	-	-	
<b>TOTAL</b>	1,465	1,465	-	-	
<b>GORDMAN GRAND ISLAND</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>BAKER DEVELOPMENT INC</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>STRATFORD PLAZA LLC</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>COPPER CREEK 2013 HOUSES</b>					
Bond Principal	2,159	2,159	-	-	
<b>TOTAL</b>	2,159	2,159	-	-	
<b>CHIEF INDUSTRIES AURORA COOP</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOKEN PROPERTIES KIMBALL STREET</b>					
Bond Principal	1,299	1,299	-	-	
<b>TOTAL</b>	1,299	1,299	-	-	
<b>GI HABITAT FOR HUMANITY</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>AUTO ONE INC</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

	<u>MONTH ENDED</u> <u>November-18</u>	<u>2018-2019</u> <u>YEAR TO DATE</u>	<u>2019</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
<b>EIG GRAND ISLAND</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOKEN PROPERTIES CARY STREET</b>					
Bond Principal	4,150	4,150	-	-	
<b>TOTAL</b>	4,150	4,150	-	-	
<b>WENN HOUSING PROJECT</b>					
Bond Principal	2,155	2,155	-	-	
<b>TOTAL</b>	2,155	2,155	-	-	
<b>COPPER CREEK 2014 HOUSES</b>					
Bond Principal	15,727	15,727	-	-	
<b>TOTAL</b>	15,727	15,727	-	-	
<b>TC ENCK BUILDERS</b>					
Bond Principal	1,849	1,849	-	-	
<b>TOTAL</b>	1,849	1,849	-	-	
<b>SUPER MARKET DEVELOPERS</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>MAINSTAY SUITES</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TOWER 217</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>COPPER CREEK 2015 HOUSES</b>					
Bond Principal	14,247	14,247	-	-	
<b>TOTAL</b>	14,247	14,247	-	-	
<b>NORTHWEST COMMONS</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>HABITAT - 8TH &amp; SUPERIOR</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>KAUFMAN BUILDING</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	
<b>TALON APARTMENTS</b>					
Bond Principal		-	-	-	
<b>TOTAL</b>	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF OCTOBER 2018

	<u>MONTH ENDED</u> <u>November-18</u>	<u>2018-2019</u> <u>YEAR TO DATE</u>	<u>2019</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
<b>VICTORY PLACE</b>					
Bond Principal	40,004	40,004	-	-	
<b>TOTAL</b>	<b>40,004</b>	<b>40,004</b>		<b>-</b>	
<b>FUTURE TIF'S</b>					
Bond Principal		748,688	3,149,000	2,400,312	
<b>TOTAL</b>	<b>-</b>	<b>748,688</b>	<b>3,149,000</b>	<b>2,400,312</b>	
<b>TOTAL EXPENSES</b>	<b>602,844</b>	<b>1,585,733</b>	<b>5,003,315</b>	<b>3,553,939</b>	<b>31.69%</b>

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briansc

CITY OF GRAND ISLAND  
BALANCE SHEET FOR 2019 2

P 1  
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FUND: 900 COMMUNITY REDEVELOPMENT AUTHOR			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
900	11110	OPERATING CASH	-585,990.72	255,293.45
900	11120	COUNTY TREASURER CASH	.00	140,410.38
900	11305	PROPERTY TAXES RECEIVABLE	.00	213,070.00
900	11500	INTEREST RECEIVABLE	.00	808.64
900	14100	NOTES RECEIVABLE	.00	125,290.09
900	14700	LAND	.00	490,485.75
TOTAL ASSETS			-585,990.72	1,225,358.31
<b>LIABILITIES</b>				
900	22100	LONG TERM DEBT	.00	-105,250.00
900	22400	OTHER LONG TERM DEBT	.00	-930,000.00
900	22900	ACCRUED INTEREST PAYABLE	.00	-5,344.79
900	25100	ACCOUNTS PAYABLE	.00	-65,572.06
900	25315	DEFERRED REVENUE-PROPERTY TAX	.00	-206,904.00
TOTAL LIABILITIES			.00	-1,313,070.85
<b>FUND BALANCE</b>				
900	39110	INVESTMENT IN FIXED ASSETS	.00	-490,485.75
900	39112	FUND BALANCE-BONDS	.00	909,959.91
900	39120	UNRESTRICTED FUND BALANCE	.00	-810,734.37
900	39500	REVENUE CONTROL	-16,852.88	-1,106,759.90
900	39600	EXPENDITURE CONTROL	602,843.60	1,585,732.65
TOTAL FUND BALANCE			585,990.72	87,712.54
TOTAL LIABILITIES + FUND BALANCE			=====585,990.72=====	===== -1,225,358.31 =====

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



# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018  
Regular Meeting**

## **Item D1**

### **Bills for December 2018**

**Staff Contact:**





12-Dec-18

TO: Community Redevelopment Authority Board Members

FROM: Chad Naby, Planning Department Director

RE: Bills Submitted for Payment

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

City of Grand Island	Administration fees for November 2018	\$	3,502.95
Grand Island Independent	Notice	\$	16.99
Wells Fargo Corporate Trust	Lincoln Pool Bond - agent fee	\$	525.00

**Total:** \$ 4,044.94



# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item E1**

### **Committed Projects and CRA Properties**

**Staff Contact:**

COMMITTED PROJECTS	REMAINING GRANT AMOUNT	2019 FISCAL YR	2020 FISCAL YR	2021 FISCAL YR	ESTIMATED COMP
Bosselman-1607 S. Locust (11-14-18)	\$ 50,000.00	\$ 50,000.00			
Hedde Building 201-205 W. 3rd (10-18-18)	\$ 300,000.00	\$ 200,000.00	\$ 100,000.00		Spring 2020
Mendez - Personal Auto (12-13-17)	\$ 100,000.00	\$ 100,000.00			Summer 2018
Take Flight 209 W. 3rd (11-14-18)	\$ 50,000.00	\$ 50,000.00			
<b>Total Committed</b>	<b>\$ 500,000.00</b>	<b>\$ 400,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	
FIRE & LIFE SAFETY GRANT	TOTAL AMOUNT	2019 FISCAL YR	2020 FISCAL YR	2021 FISCAL YR	ESTIMATED COMP
201-203 W. 3rd St. Anson (8-24-16)	\$ 240,000.00	\$ 240,000.00			2018
Neilsen 207 W. 3rd (3-21-18)	\$ 20,000.00	\$ 20,000.00			Fall 2018
Old Sears Building - 4 Aparts (8-8-18)	\$ 80,000.00	\$ 80,000.00			Summer 2019
Peaceful Root - 112 W. 2nd St. (1-11-17)	\$ 50,000.00	\$ 50,000.00			2018
Take Flight 209 W. 3rd (11-8-17)	\$ 35,000.00	\$ 35,000.00			Fall 2018
<b>Total Committed F&amp;L Safety Grant</b>	<b>\$ 425,000.00</b>	<b>\$ 425,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	

	BUDGET	COMMITTED	LEFT
Life Safety Budgeted 2019	\$ 200,000.00	\$ 25,000.00	\$ 175,000.00
Façade Budgeted 2019	\$ 200,000.00	\$ 100,000.00	\$ 100,000.00
Other Projects 2019 Budgeted	\$ 25,000.00	\$ -	\$ 25,000.00
Land - Budgeted 2019	\$ -	\$ -	\$ -
Land Sales Budgeted 2019	\$ (100,000.00)	\$ -	\$ (100,000.00)
subtotal		\$ 125,000.00	\$ 200,000.00
Less committed		(\$825,000.00)	(\$100,000.00)
Balance remaining		\$ (700,000.00)	\$ 100,000.00

	BUDGET	PAID	LEFT
Building Improvements *	\$ 926,000.00	\$ 303,677.00	\$ 622,323.00

\*Includes Life Safety, Façade, Other grants made in previous fiscal years

#### CRA PROPERTIES

Address	Purchase Price	Purchase Date	Demo Cost	Status
3235 S Locust (Desert Rose)	\$450,000	4/2/2010	\$39,764	Surplus

November 30, 2018



# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item F1**

### **Old City Hall Facade Request**

**Staff Contact:**



COMMUNITY REDEVELOPMENT AUTHORITY

RECEIVED  
1-2-2018

## Facade Improvement Program Application

### Project Redeveloper Information

I. Applicant Name: OLD CITY HALL CONDO ASSOC., LLC  
 Address: 1319 W NORTH FRONT ST, GRAND ISLAND, NE 68801  
 Telephone No.: (308) 382-2760  
 Contact: RUSS GIESENHAGEN

II. Legal Street Address of Project Site: 208 N. PINE ST, GRAND ISLAND, NE

III. Zoning of Project Site: B-3

IV. Current and Contemplated Use of Project: OFFICE SPACE

V. Present Ownership of Project Site: OLD CITY HALL CONDO ASSOCIATION, LLC

VI. Proposed Project: Describe in detail; attach plans and specifications:

IMPROVEMENTS TO EXTERIOR AT OLD CITY HALL BUILDING.  
REMOVE BAND FROM FACADE FORMERLY HOUSING LIGHTING AND  
SIGNAGE AND REPLACING WITH NEW NIGHHA COLORED PANELS  
AND NEW EXTERIOR LIGHTING.  
REPAIR AND RESTORATION OF EXTERIOR WALL CONSTRUCTION  
INCLUDING TUCK-POINTING, FACE BRICK REPLACEMENT, CAULKING,  
CLEANING AND SEALING.  
SEE ATTACHMENTS

VII. Estimated Project Costs

#### Acquisition Costs:

A. Land \$ N/A  
 B. Building \$ N/A

Construction Costs:

- A. Renovation or Building Costs Attributable to Façade Improvements (attach detail): \$ 353,820
- B. Other Construction Costs: \$ \_\_\_\_\_

VIII. Source of Financing:

- A. Developer Equity: \$ 1,416,772
- B. Commercial Bank Loan: \$ 150,000
- C. Historic Tax Credits: \$ N/A
- D. Tax Increment Assistance: \$ N/A
- E. Other (Describe \_\_\_\_\_) \$ \_\_\_\_\_

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

ARCHITECT : CMBA ARCHITECTS , GRAND ISLAND , NE  
ENGINEER : ENGINEERING TECHNOLOGIES INC. , LINCOLN , NE  
GENERAL CONTRACTOR : MID PLAINS CONSTRUCTION CO. , GRAND ISLAND , NE  
\_\_\_\_\_  
\_\_\_\_\_

X. Project Construction Schedule:

- A. Construction Start Date: APRIL 1, 2018
- B. Construction Completion Date: MAY 15, 2018

Financing Request Information

I. Describe Amount and Purpose for Which Façade Improvement Program Funds are Requested:

\*151,637 FOR EXTERIOR IMPROVEMENTS TO REPLACE BAND AT EAST AND SOUTH ELEVATIONS FORMERLY HOUSING LIGHTING AND BACKLIT SIGNAGE. NEW LIGHTING TO ACCENT NEW BAND AND ILLUMINATE EXTERIOR OF BUILDING. SEE ATTACHED RENDERINGS.

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II. Statement Identifying Financial Gap and Necessity for use of Façade Improvement Program Funds or Proposed Project: \_\_\_\_\_

WANT TO MAKE IMPROVEMENTS THAT HAVE NOT BEEN COMPLETED SINCE LAST WORK ON BUILDING EXTERIOR. REGULAR MAINTENANCE HAS NOT BEEN COMPLETED FOR MASONRY, TERRA COTTA, ETC. SEE ATTACHED PROPOSAL.

III. Application of Grant Funds:

\$ 151,637 Grant to Redeveloper; or  
\_\_\_\_\_ Interest Rate Buy-Down

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



**MID PLAINS CONSTRUCTION CO.**  
**GENERAL CONTRACTORS**

December 18, 2017

Old City Hall Condo Association  
208 N Pine, Suite 301  
Grand Island, NE 68801

Attention: Mr. Brad Kissler

Reference: Proposed Improvements

Dear Mr. Kissler:

Please find below the costs for the proposed improvements to the Old City Hall building.

Item #1 – Remove the existing dark brown façade completely, install new metal framing and Nichiha panels and install new exterior accent lighting

Architectural Fees	\$15,000.00
Façade demo and construction	84,300.00
Electrical	<u>75,000.00</u>

**FOR THE SUM OF \$174,300.00**

Item #2 – Exterior restoration tuck-pointing, face brick replacement, caulking, cleaning, and sealing

**FOR THE SUM OF \$179,520.00**

Sincerely,

MID PLAINS CONSTRUCTION CO.

  
Russ J. Giesenhagen  
President

RJG/dp





**MID PLAINS CONSTRUCTION CO.**  
**GENERAL CONTRACTORS**

December 20, 2017

Old City Hall Condo Association  
208 N Pine, Suite 301  
Grand Island, NE 68801

Attention: Mr. Brad Kissler

Reference: Exterior Building Repairs

Dear Mr. Kissler:

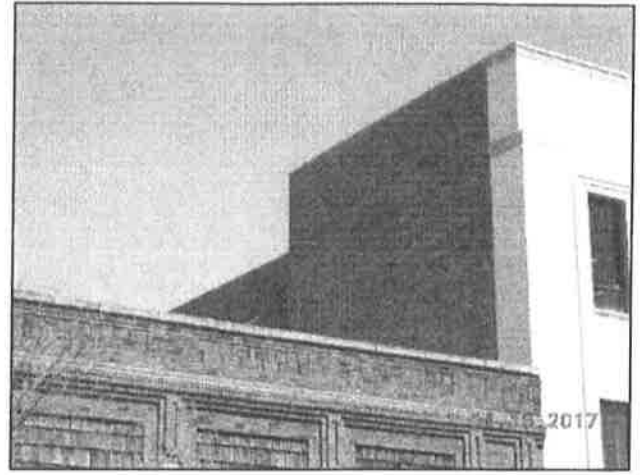
Please find attached the scope of work for the Old City Hall restoration. If you have any questions, please call our office.

Sincerely,

MID PLAINS CONSTRUCTION CO.

  
Russ J. Giesenhagen  
President

RJG/dp

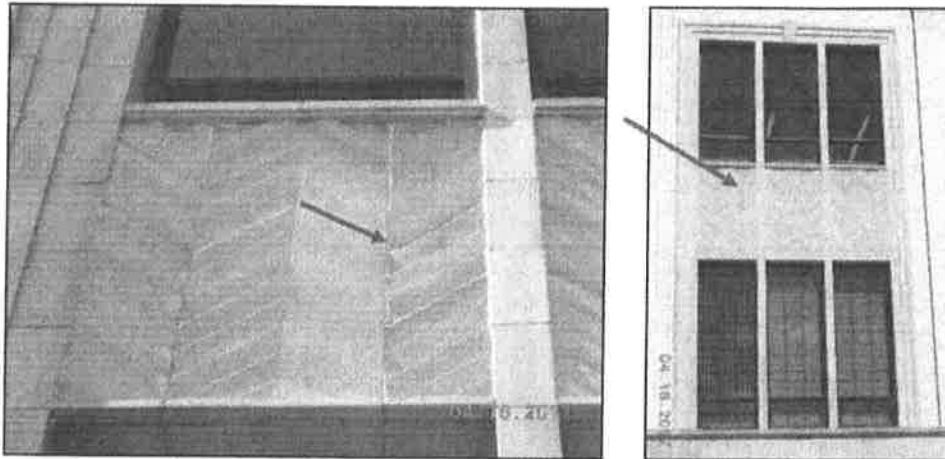


- (1) Cutting technique shall be by use of an air or electric grinder with a carbon or diamond blade and an air-chipping hammer and chisel. We shall use a blade narrower than the joint and cut through the middle of the joint to a proper depth. The remainder of the material at the top and bottom of the joint shall then be carefully removed to avoid damage to the brick. A smaller blade shall be used to cut the vertical head joints to avoid damaging brick units above or below the head joints. In areas where joints cannot be cut to a proper depth as above, we shall use an air chipping hammer and chisel to finish cutting the joint to a proper depth to ensure a good bond of old and new mortar.
- (2) All masonry surfaces shall be washed with pressurized water, approximately 400 – 800 PSI, to remove all dust, dirt and residue from surface areas, leaving the surface in a reasonably clean, bright form.

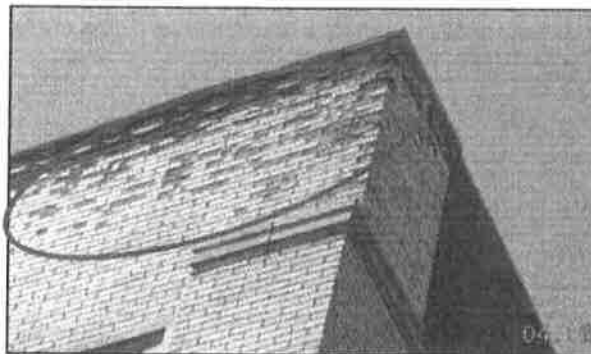


- (3) All brick mortar joints from the coping down to the top of the third floor windows, approximately 8', shall be cut back to a depth of two and one-half times the width of the mortar joints, but in no case shall the mortar joint be cut less than 3/4-inch in depth. Once the cutting is completed, all surfaces shall be cleaned of all loose and foreign debris utilizing compressed air and/or pressurized water in preparation for repointing of the mortar joints.

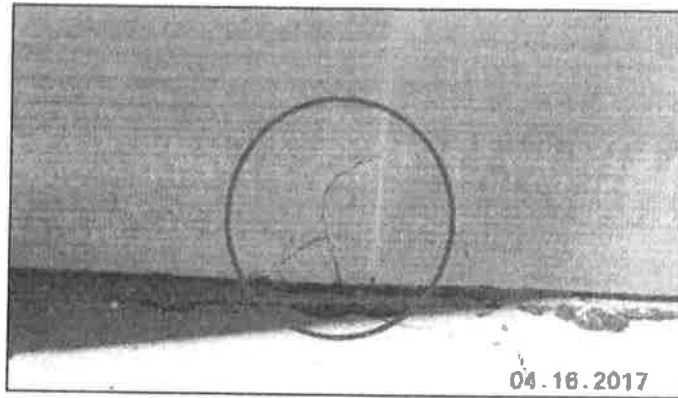
- (4) The remaining mortar joints from the top of the third floor windows down to grade shall be carefully inspected and those found to have voids, cracks or openings greater than 1/64<sup>th</sup> inch in width or those found to be eroded more than ¼-inch in depth, shall be cut back to a depth of two times the joint width, but in no case deeper than 1-inch, and shall then be cleaned of all loose and foreign debris with air and/or water pressure.
- (5) Defective mortar joints that have been cut and cleaned shall then be pointed (filled and tightly packed) with a non-staining, non-shrinking, Type "N" masonry pointing mortar, colored and tooled to match the adjacent joints in appearance as closely as possible.



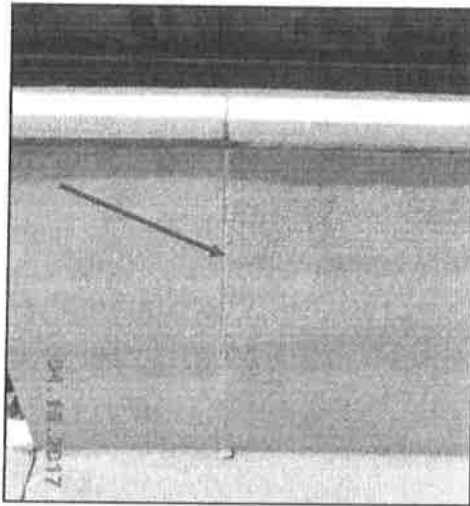
- (6) All terra cotta stone joints shall be cut back to a depth of ¾-inch. Once the cutting is completed, all surfaces shall be cleaned of all loose and foreign debris utilizing compressed air and/or pressurized water in preparation for repointing of the mortar joints.
- (7) All mortar joints within the terra cotta surfaces shall be pointed with Type "N" mortar. New mortar shall be tooled to a neat, uniform appearance and shall match the original mortar in color as closely as possible.



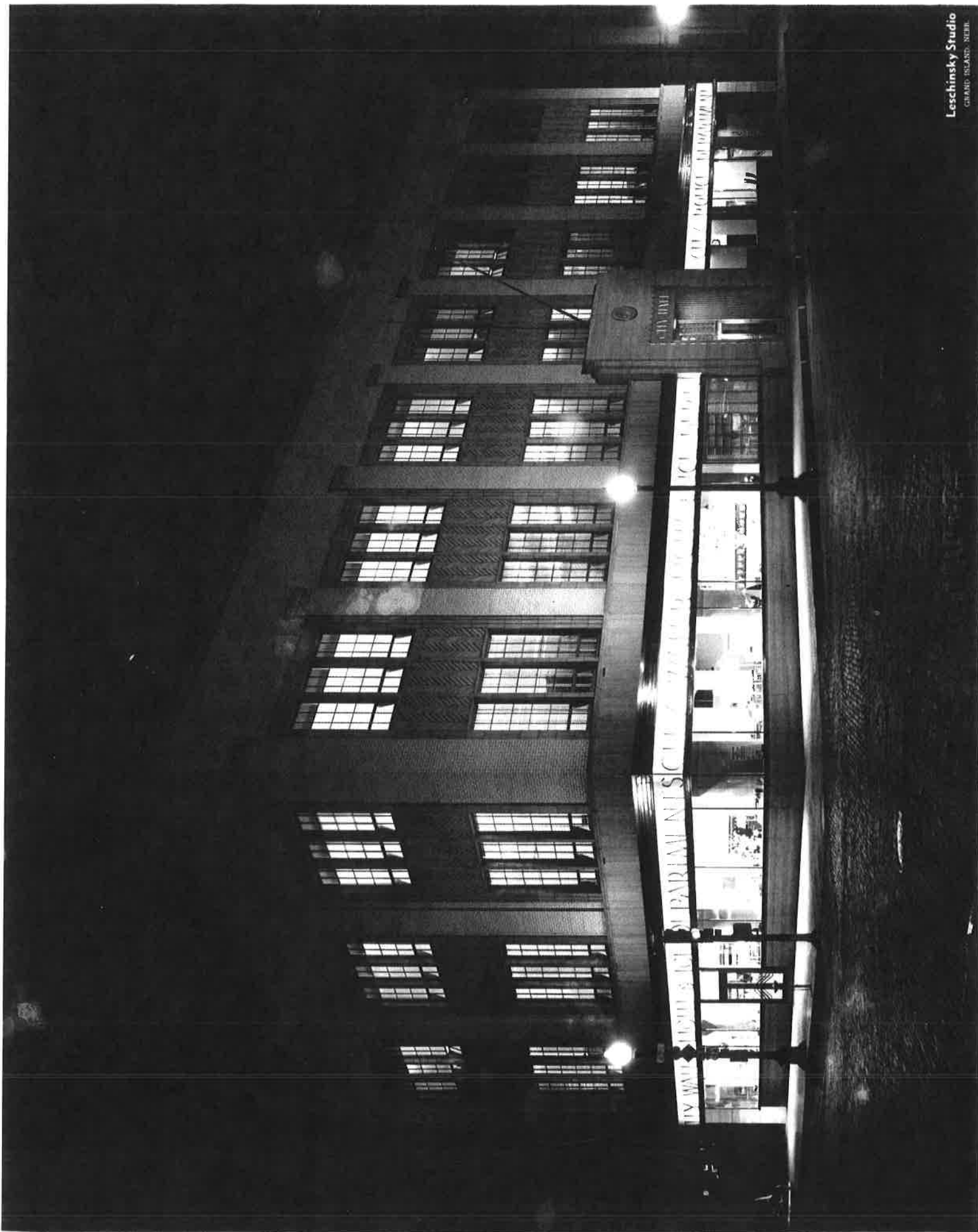
- (8) A close inspection shall be made of all brick faces, and those found to be spalled or broken shall be cut out and replaced with new brick matching the original in size, color and texture as closely as possible. Bricks shall be set in a fresh bed of mortar, colored and tooled to match the adjacent joints in appearance as closely as possible. This proposal includes replacement of **2,600** bricks. Additional brick replacement shall be completed on a unit price basis at a rate of **\$35.00** per brick.



- (9) Areas of spalled, deteriorated or fractured stone shall be removed by square cutting the perimeter of the repair area and chipping away the unsound material to a sound surface. The void shall then be patched with Jahn M70 Restoration Mortar, carved and finished to match the original profile in appearance as closely as possible. The color shall be one of Jahn's standard colors, matching the adjacent surfaces as closely as possible. Patching material shall be applied in strict accordance with manufacturer's specifications. This proposal includes approximately 5 SF of stone patching.



- (10) All limestone joints and terra cotta to brick joints shall be resealed with a polyurethane sealant equal to Masterseal NP1. Prior to installation of new sealant, all joints shall be thoroughly removed of any existing mortar and/or residue. New sealant shall be tooled to a neat, uniform appearance and shall match the original material in appearance as closely as possible.









# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item G1**

**Life Safety Grant for 112 E 3rd Street Wing Properties**

**Staff Contact:**





## Fire and Life Safety Grant Program Application

### Project Redeveloper Information

I. Applicant Name: Wing Properties \_\_\_\_\_  
Address: 120 East 3<sup>rd</sup>, Grand Island NE 68801 \_\_\_\_\_  
Telephone No.: 308-398-2500 \_\_\_\_\_  
Contact: Dean Pegg \_\_\_\_\_

II. Legal Street Address of Project Site: 112 East 3<sup>rd</sup> st

III. Present Ownership of Project Site: Wing Properties

IV. Proposed Project: Describe in detail; attach plans and specifications:

Proposed Number of Upper Story 1 Bedroom Units \_\_\_\_\_

Proposed Number of Upper Story 2+ Bedroom Units 1 \_\_\_\_\_

#### Other Info:

Wing Properties will be redeveloping the main and second floor of 112 East 3<sup>rd</sup>. The main floor will be renovated to accompany a new commercial business. The second floor will be turned into one 2,904 s.f. apartment to be rented out.

### V. Building Details

A. Actual Purchase Price	\$ 90,000 _____
B. Assessed Value of Property	\$ 50,521 _____
C. When Acquired	2014 _____
D. Number of Floors	2 _____
E. Square Footage of Building	5,808 _____
F. Current Use of Building	

Unoccupied \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<b>VI. Construction Costs</b>		
A. Total Estimated Renovation or Building Costs		\$ 394,989 _____
B. Estimated Cost of Life Safety Improvements:		
Fire Sprinklers		\$ 21,780 _____
Exiting		\$ _____
Electric Upgrades		\$ 14,000 _____
Water Upgrades for Sprinklers		\$ _____
C. Other Construction Costs:		
First Floor Renovation		\$ 113,446 _____
Second Floor Renovation		\$ 245,763 _____
Third Floor Renovation		\$ _____
Fourth Floor Renovation		\$ _____
Basement Renovation		\$ _____
Roof		\$ _____
Heating and AC		\$ _____
Façade Improvements/Maintenance		\$ _____
Other Construction Costs		

\*\*Please note all construction costs are approximate. \*\*

<b>VII. Source of Financing:</b>		
Developer Equity:		\$ 90,000 _____
Commercial Bank Loan:		\$ 394,989 _____
Historic Tax Credits:		\$ _____
Tax Increment Financing:		\$ Unknown _____
Low Income Tax Credits		\$ _____

Other (Describe: Façade grant \_\_\_\_\_) \$ \_\_\_\_\_

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

General Contractor: Amos Anson, Empire Development, PO Box 1665 Grand Island NE 68802 308-390-455 Structural Engineer:

Mike Spifinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750

Architect: Toby Gay, Gay and Associates, 1470 31<sup>st</sup>. ave. Columbus Ne 68601

**IX. Project Construction Schedule:**

A. Construction Start Date: 2019 \_\_\_\_\_

B. Construction Completion Date: 2019 \_\_\_\_\_

**Grant Notes:**

The CRA may grant up to \$20,000 per new upper story 2+bedroom unit and \$15,000 per new upper story 1 bedroom unit. The final amount will be determined upon approval of the grant and is at the discretion of the CRA. Applications for this program may be submitted up to for the next fiscal year (Beginning October 1) on or after July 1. Applications will be considered in the order received. Only complete applications will be considered for approval. Applications must be submitted at least 30 days prior to the meeting during which they will be considered for approval.

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Email: cnabity@grand-island.com





# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item G2**

**Life Safety Grant Modification for the Hedde Bulding 201-205 W  
3rd St.**

Staff Contact:



## Fire and Life Safety Grant Program Application

### Project Redeveloper Information

- I.** Applicant Name: Hedde Building LLC  
Address: 432 South Stuhr rd Grand Island NE 68801  
Telephone No.: 308-390-2455  
Contact: Amos Anson
- II.** Legal Street Address of Project Site: 201-205 West 3<sup>rd</sup>
- III.** Present Ownership of Project Site: Hedde Building LLC
- IV.** Proposed Project: Describe in detail; attach plans and specifications:

Proposed Number of Upper Story 1 Bedroom Units                      18

Proposed Number of Upper Story 2+ Bedroom Units                      2

Other Info:

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**V. Building Details**

A. Actual Purchase Price	\$ 150,000
B. Assessed Value of Property	\$ 101,218

C. When Acquired	4/2016
D. Number of Floors	3
E. Square Footage of Building	+/- 28,000
F. Current Use of Building	
Commercial/Vacant	_____

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**VI. Construction Costs**

A. Total Estimated Renovation or Building Costs	\$ 3,512,182
B. Estimated Cost of Life Safety Improvements:	
Fire Sprinklers	\$ 79,950
Exiting	\$ 50,000
Electric Upgrades	\$ 300,000
Water Upgrades for Sprinklers	\$ 20,000

C. Other Construction Costs:

First Floor Renovation	\$3,062,232
Second Floor Renovation	\$ _____
Third Floor Renovation	\$ _____
Fourth Floor Renovation	\$ _____
Basement Renovation	\$ _____
Roof	\$ _____
Heating and AC	\$ _____
Façade Improvements/Maintenance	\$ _____
Other Construction Costs	

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**VII. Source of Financing:**

Developer Equity:	\$ 150,000
Commercial Bank Loan:	\$ 2,482,182
Historic Tax Credits:	\$ 0

Tax Increment Financing:	\$ 420,000
Low Income Tax Credits	\$ _____
Other (Façade & Life safety):	\$ 610,000

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

Architect: Toby Gay, Gay and Associates, 1470 31<sup>st</sup> ave. Columbus Ne 68601

Engineer: Olsson Associates, 201 E 2<sup>nd</sup> Grand Island, NE 68801 308-384-8750 Mike Spilinek

GC: FAmos Construction PO Box 1665 Grand Island, NE 68802 308-390-2455 Amos Anson

**IX. Project Construction Schedule:**

A. Construction Start Date: Q4 2018

B. Construction Completion Date: Q2 2020


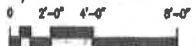
**Grant Notes:**

The CRA may grant up to \$20,000 per new upper story 2+bedroom unit and \$15,000 per new upper story 1 bedroom unit. The final amount will be determined upon approval of the grant and is at the discretion of the CRA. Applications for this program may be submitted up to for the next fiscal year (Beginning October 1) on or after July 1. Applications will be considered in the order received. Only complete applications will be considered for approval. Applications must be submitted at least 30 days prior to the meeting during which they will be considered for approval.

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**SECOND FLOOR PLAN**  
 $3/16" = 1'-0"$   
  
 SCALE:  $3/16" = 1'-0"$



# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item G3**

**Life Safety Grant for 110 W 3rd Street Rawr Inc.**

**Staff Contact:**



## Fire and Life Safety Grant Program Application

### Project Redeveloper Information

I. Applicant Name: Rawr Holdings LLC  
Address: 110 West 2<sup>nd</sup> St., Grand Island NE 68801  
Telephone No.: 308-379-0354  
Contact: Travis Spiels

II. Legal Street Address of Project Site: 110 West 2<sup>nd</sup> St., Grand Island NE 68801

III. Present Ownership of Project Site: Rawr Holdings LLC

IV. Proposed Project: Describe in detail; attach plans and specifications:

Proposed Number of Upper Story 1 Bedroom Units 1

Proposed Number of Upper Story 2+ Bedroom Units 1

Other Info:

Rawr Holdings LLC will be redeveloping the main and second floor of 110 West 2<sup>nd</sup> St. The main floor will be renovated to accompany a new commercial business. The second floor will be turned into one 1,770 s.f. 2 bed apartment and one 254 s.f. apartment to be rented out.

V. Building Details

A. Actual Purchase Price	\$ 120,000
<b>B. Assessed Value of Property</b>	<b>\$ 91,284</b>
C. When Acquired	2/1/2018
D. Number of Floors	2
E. Square Footage of Building	7,832
F. Current Use of Building	
Unocupied	

VI. Construction Costs

A. Total Estimated Renovation or Building Costs	\$ 455,400
B. Estimated Cost of Life Safety Improvements:	
Fire Sprinklers	\$ 20,676
Exiting	\$ 15,000
Electric Upgrades	\$ 30,000
Water Upgrades for Sprinklers	\$ 20,000
C. Other Construction Costs:	
First Floor Renovation	\$ 367,724
Second Floor Renovation	\$
Third Floor Renovation	\$
Fourth Floor Renovation	\$
Basement Renovation	\$
Roof	\$
Heating and AC	\$
Façade Improvements/Maintenance	\$
Other Construction Costs	

**VII. Source of Financing:**

Developer Equity:	\$ <u>120,000</u>
Commercial Bank Loan:	\$ <u>320,400</u>
Historic Tax Credits:	\$ _____
Tax Increment Financing:	\$ <u>+/-100,000</u>
Low Income Tax Credits	\$ _____
Other Describe ( <u>Life safety</u> _____)	\$ <u>35,000</u>

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

General Contractor: Amos Anson, Empire Development, PO Box 1665 Grand Island NE 68802 308-390-2455  
Structural Engineer: Mike Spilinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750  
Architect: Toby Gay, Gay and Associates, 1470 31<sup>st</sup> ave. Columbus Ne 68601

**IX. Project Construction Schedule:**

A. Construction Start Date: Q1 2019 \_\_\_\_\_

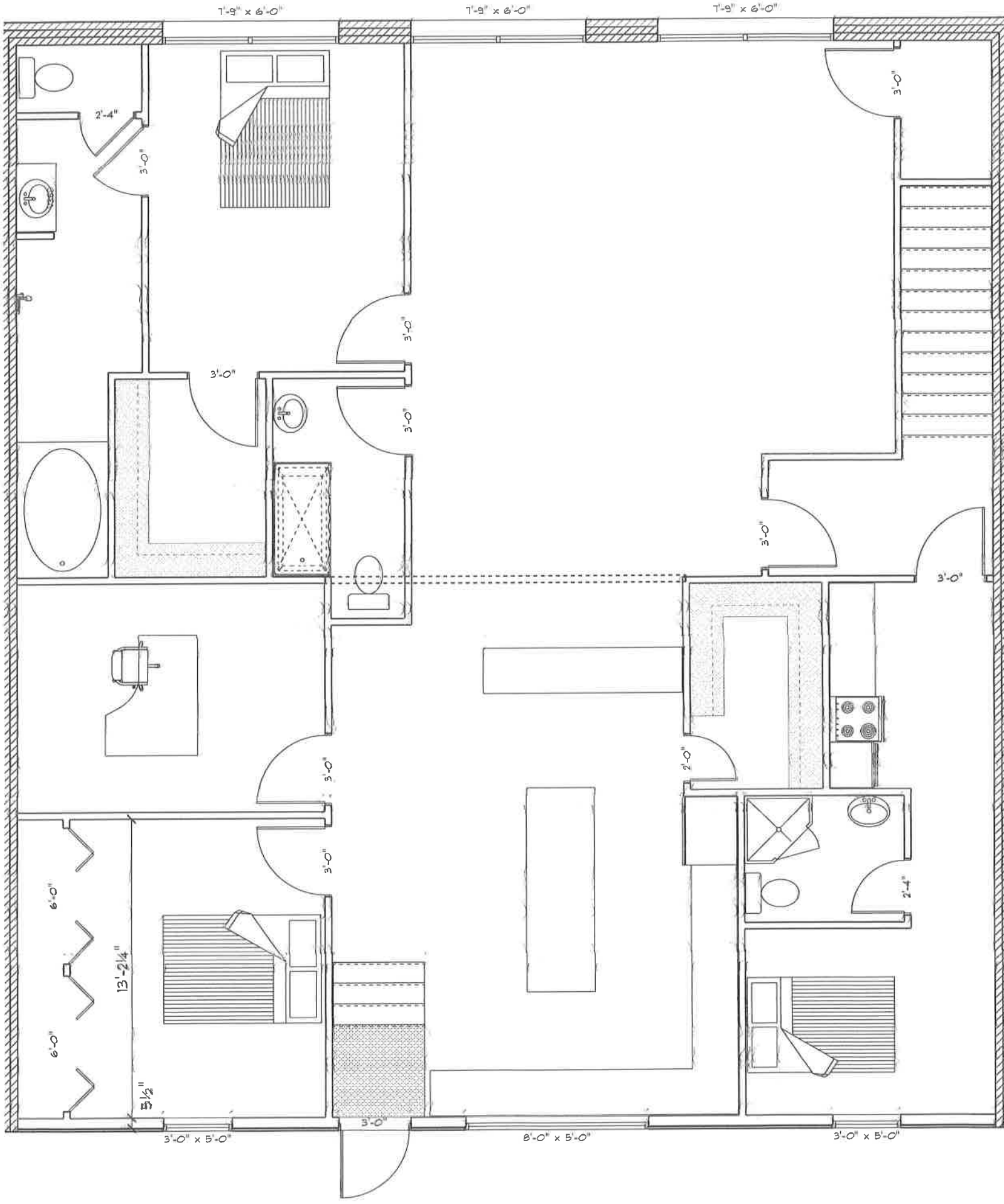
B. Construction Completion Date: Q4 2019 \_\_\_\_\_

**Grant Notes:**

The CRA may grant up to \$20,000 per new upper story 2+bedroom unit and \$15,000 per new upper story 1 bedroom unit. The final amount will be determined upon approval of the grant and is at the discretion of the CRA. Applications for this program may be submitted up to for the next fiscal year (Beginning October 1) on or after July 1.

Applications will be considered in the order received. Only complete applications will be considered for approval. Applications must be submitted at least 30 days prior to the meeting during which they will be considered for approval.

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# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item H1**

**Redevelopment Contract for Paramount Development LLC for  
2nd floor of Old Sears Building**

Staff Contact:

Paramount Development, LLC

## REDEVELOPMENT CONTRACT

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 Paramount Development, LLC, a Nebraska limited liability company ("Redeveloper").

WITNESSETH:

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

WHEREAS, the Authority has adopted, after approval by the Mayor and Council of the City, that redevelopment plan amendment entitled " Redevelopment Plan Amendment Grand Island CRA Area #1 September 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;

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.

Paramount Development



"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 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 (Paramount Development Project), Series 2018, to be issued in an amount not to exceed \$159,800 in substantially the form set forth on Exhibit C 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.

"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.

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

"Project Costs" means only costs or expenses incurred by Redeveloper for the purposes set forth in §18-2103(28)(a) through (g), 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. Project Costs shall include, but not be limited to demolition and rehabilitation expenditures, all improvements related to Project public infrastructure costs, site preparation costs, utility extensions and costs of the Authority for legal and plan preparation, all as described in Section 3.04 of this Redevelopment Contract.

"Redeveloper" means Paramount Development, LLC, 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

Paramount Development

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

"Redevelopment Project Property" means all of the Redevelopment Project Area which is the site for the improvements constituting the Project, as more particularly described on Exhibit 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.

"Redevelopment Plan" means the Redevelopment Plan Amendment (also defined in the recitals hereto) for the Redevelopment Project Area related to the Project, as attached hereto as Exhibit 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.

Paramount Development

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

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

## ARTICLE II FINDINGS AND REPRESENTATIONS

### Section 2.01 Findings of Authority.

The Authority makes the following findings:

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

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

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

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

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

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

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

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

(f) The Authority has determined that the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the Authority and have been found to be in the long-term best interest of the community impacted by the Project.

Paramount Development

(g) The Authority has determined that the proposed land uses and building requirements in the Redevelopment Area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development: including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations, or conditions of blight.

#### Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

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

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

Paramount Development

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

(f) 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 related to a project in the redevelopment project area. In as much as no such application has been filed, none has been approved.

(g) No application has been filed with the Department of Revenue requesting a refund of any local option sales tax.

### ARTICLE III

#### OBLIGATIONS OF THE AUTHORITY

##### Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Authority hereby provides that any ad valorem tax on any Lot or Lots located in the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date (the "Effective Date"), as described in Section 18-2147 (1) of the Act, which Effective Date shall be the January 1, 2020. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax on the real estate located in the Redevelopment Project Area 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 Redevelopment Project Area 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 Area 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.

##### 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

Paramount Development

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 March 1, 2019, the Authority shall issue one Tax Increment Development Revenue Note, in one taxable series, in a maximum principal amount of One Hundred Fifty Nine Thousand Eight Hundred and no/100 Dollars (\$159,800), 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 Authority's attorney, and receive Note proceeds from the TIF Note Purchaser in said amount. At the option of the Authority, the Authority shall make a grant to Redeveloper in such amount, and such grant shall offset TIF Note Purchaser's obligation to purchase the TIF 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 and this Section 3.04. The Redevelopment Plan provides for the Redeveloper to receive a grant under this Redevelopment Contract. In accordance with the terms of the Redevelopment Plan the Redeveloper is to receive a grant sufficient to pay the costs of site acquisition, demolition and rehabilitation expenditures, all improvements related to Project public infrastructure costs, site preparation costs, utility extensions and costs of the Authority for legal and plan preparation including those items described on Exhibit D (the "Project Costs"), in the aggregate maximum amount not to exceed \$159,800. Notwithstanding the foregoing, the aggregate amount of the Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 4.02 of this Redevelopment Contract. Such grant shall be made to the Redeveloper upon certification of Project Costs as set forth herein and in the Resolution, and payment purchase of

Paramount Development

the Indebtedness as provided in Section 3.02, unless Redeveloper elects to offset the payment of the purchase of the Indebtedness with the grant proceeds as provided herein and in the Resolution. The Authority shall have no obligation to provide grant funds from any source other than as set forth in the Resolution and this Redevelopment Contract.

#### Section 3.05 Creation of Funds.

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

(a) a special trust fund called the “Paramount Development 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, 2034 shall be used solely for the payments required herein and by the Resolution; and

(b) a special trust fund called the “Paramount Development 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 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.

## ARTICLE IV

### OBLIGATIONS OF REDEVELOPER

#### Section 4.01 Construction of Project; Note; Insurance.

(a) Redeveloper will acquire the Project, demolish and rehabilitate structures on the site, prepare the site for redevelopment, install all required utilities and improvements in the public right-of-way in accordance with the plans and specifications provided to the Authority. Redeveloper will coordinate with the City for the City’s design and construction required for the installation of all public infrastructure improvements and right-of-way improvements. The Redeveloper shall provide and pay for infrastructure installation.

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Redeveloper shall pay for the costs of site acquisition, site preparation, demolition and rehabilitation, utility extension, public infrastructure and costs of the Authority as set forth on Exhibit D, from the grant provided in Section 3.04 hereof. 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. Such reports shall include actual expenditures incurred as described on Exhibit D.

(b) Any general contractor chosen by the Redeveloper 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 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.

(c) Notwithstanding any provision herein to the contrary, in the event Redeveloper has not acquired fee simple title to the Redevelopment Project Area on or before February 1, 2019, this Redevelopment Contract shall be null and void and of no force or effect effective as of the date of execution hereof, and neither party shall have any liability or obligation to the other party with respect hereto.

(d) The Redeveloper shall provide a payment and performance bond from a bond company doing business in the state of Nebraska in the total amount of all Redevelopment Project Costs or such other amount as shall be approved by the Authority. The City and Authority shall be named as beneficiaries under such bond.

#### Section 4.02 Cost Certification & Disbursement of Note Proceeds.

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

(a) There shall be submitted to the Authority a grant disbursement request (the "Disbursement Request"), executed by the Director of the City's Planning Department and an authorized representative of the Redeveloper, (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.

Paramount Development



(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 Redeveloper, 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 \$159,800.

(d) Redeveloper shall retain copies of all supporting documents that are associated with the redevelopment plan or redevelopment project and that are received or generated by the Redeveloper for three years following the end of the last fiscal year in which ad valorem taxes are divided and provide such copies to the city as needed to comply with the city's retention requirements under section 18-2117.04 of the Act. For purposes of this subsection, supporting document includes any cost-benefit analysis conducted pursuant to section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the redeveloper that provides support for receipts or payments associated with the division of taxes.

#### Section 4.03 No Discrimination.

Redeveloper agrees and covenants for itself its successors and assigns that it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

#### Section 4.04 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Authority. Such consent shall not be unreasonably withheld. Redeveloper agrees that it shall not convey any Lot or any portion thereof or any structures thereon to any person or entity that would be exempt from payment of real estate taxes, and that it will not make

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application for any structure, or any portion thereof, to be taxed separately from the underlying land of any Lot.

Section 4.50 Payment of Authority Costs.

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

- a. \$3,500 for legal expenses of Authority
- b. \$1,000 for City and Authority administrative accounting of incremental tax payments.

Section 4.6 Designation of Condominium Unit Number.

Prior to commencement of the Project, Redeveloper shall have filed with the office of the Hall County, Nebraska, Register Deeds a master condominium deed and delivered to the Authority documentary evidence that the Redeveloper has complied with all statutory requirements of the Nebraska Condominium Act. In addition Redeveloper shall deliver a written certification of the unit numbers subject to the division of taxes as described in section 3.01 hereof.

**ARTICLE V  
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

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 from the proceeds of the Indebtedness and granted to Redeveloper. 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

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

#### 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 Project Costs on or before May 1, 2019, or shall abandon construction work related to the Project Costs, 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 three percent (3%) 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 Project Costs, shall furnish to the Authority copies of labor and materials payment bonds and performance bonds for each contract entered into by Redeveloper related to Project Costs. Each such bond shall show the Authority and the City as well as the Redeveloper as beneficiary of any such bond, as and to the extent commercially obtainable (as determined in the discretion of the Authority). In

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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 Project 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, attorneys, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The sole obligation of the Authority under this Redevelopment Contract shall be the issuance of the Indebtedness and granting of a portion of the proceeds thereof to Redeveloper, and full

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compliance with the terms specifically set forth Article III hereof and payment of TIF Revenues pledged pursuant to the Resolution. The Redeveloper releases the City and Authority from, agrees that neither the City nor Authority shall be liable for, and agrees to indemnify and hold the City and Authority harmless from any liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project.

The Redeveloper will indemnify and hold each of the City and Authority and their respective elected officials, directors, officers, appointed officials, attorneys, agents, employees and members of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, excluding litigation expenses, attorneys' fees and expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about that portion of the Project owned by the Redeveloper, during the term of this Redevelopment Contract or arising out of any action or inaction of Redeveloper, related to activities of the Redeveloper or its agents during the construction of the public infrastructure or public right of ways in the Project.

## **ARTICLE VII**

### **MISCELLANEOUS**

#### **Section 7.01 Notice Recording.**

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

#### **Section 7.02 Governing Law.**

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

#### **Section 7.03 Binding Effect: Amendment, Assignment.**

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

#### **Section 7.04 Effective Date and Implementation of Redevelopment Contract.**

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

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Section 7.05 Notices to Parties.

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

Redeveloper:  
Paramount Development, LLC  
P.O. Box 290 Alda, NE 68810

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

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

COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
GRAND ISLAND, NEBRASKA

ATTEST:

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Chairman

STATE OF NEBRASKA    )  
                                  ) SS  
COUNTY OF HALL        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of 2018, 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

Paramount Development

Paramount Development, LLC

By: \_\_\_\_\_  
Manager

STATE OF NEBRASKA    )  
  ) SS  
COUNTY OF HALL        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, Manager of Paramount Development, LLC, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

Paramount Development

EXHIBIT A  
DESCRIPTION OF REDEVELOPMENT AREA

The second floor condominium units, to be described in a master condominium deed filed in the Hall County, Nebraska Register of Deeds office for that real estate described as the easterly 44 feet of Lot Three (3), Block Sixty Three (63) in the original town, now City of Grand Island, Hall County, Nebraska.

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EXHIBIT B  
REDEVELOPMENT PLAN

[Attach copy of Redevelopment Plan Amendment]

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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, 2021, 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 \$159,800.**

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

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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

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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]*

Paramount Development

(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]*

Paramount Development

**SCHEDULE 1**

**TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT**

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

<b>Date</b>	<b>Principal Amount Advanced</b>	<b>Principal Amount Redeemed</b>	<b>Cumulative Outstanding Principal Amount</b>	<b>Notation Made By</b>

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Exhibit D  
Project Costs

Redevelopment Project Costs

1. Renovation expenditures	\$500,000
2. Site acquisition	\$ 77,000
3. Legal and plan	\$ 8,000
4. Engineering and architecture	<u>\$ 8,000</u>
Total	\$593,000
 Total costs subject to grant not to exceed	 \$159,800

Paramount Development



**Redevelopment Plan Amendment  
Grand Island CRA Area 1  
September 2018**

**The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 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 1.**

**Executive Summary:**

**Project Description**

THE REDEVELOPMENT OF A PORTION OF THE OLD SEARS BUILDING LOCATED AT 411 W. 3RD STREET FOR RESIDENTIAL USES, INCLUDING ACQUISITION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the second floor and necessary first floor entrances and exits to support the development of four 2-bedroom apartments on the second floor of the west side of Old Sears located at 411 W. 3<sup>rd</sup> street. It is anticipated that additional TIF applications will be proposed for commercial uses within the remainder of the building. 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 renovating a portion of this building into market rate residential units. The addition of the residential units is consistent with the downtown redevelopment plan and priorities to add 50 residential units downtown by 2019. This project would not be feasible without the use of TIF.

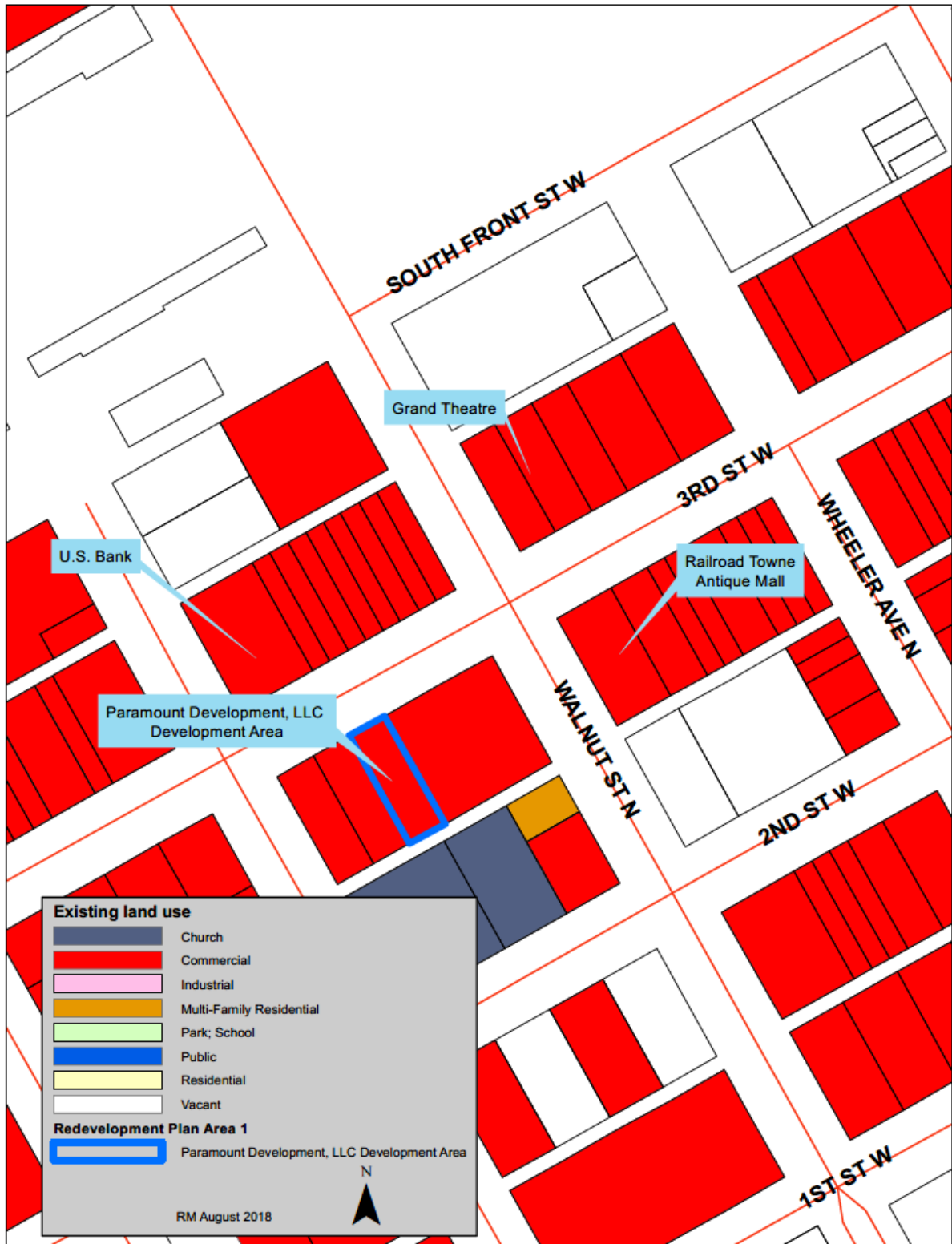
Paramount Development LLC is purchasing the rights to this section of the building through a condominium arrangement. They are purchasing the property for \$77,000. The purchase price is included as an eligible TIF activity. The building is currently vacant and this upper floor space has been vacant for numerous years. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the remodeling and rehabilitation of this building. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2020 towards the allowable costs and associated financing for rehabilitation.

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

Property Description (the “Redevelopment Project Area”)

The second floor and necessary first floor exits and entrances at 411 W. 3<sup>rd</sup> Street in Grand Island Nebraska. The actual legal will be provided with the master deed for the condominium.

**Legal Descriptions:** The second floor of the building on the easterly 44 feet of Lot Three (3) in Block Sixty-Three (63) in the Original Town, now City of Grand Island, Hall County, Nebraska.



**Existing Land Use and Subject Property**

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

**The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from rehabilitation of this portion of the building for residential uses as permitted in the B3 Heavy Business 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 December 19, 2000.[§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 October 3, 2018 and passed Resolution 2019-02 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island. The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment at the time it was submitted to the CRA for initial consideration.

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

***a. Land Acquisition:***

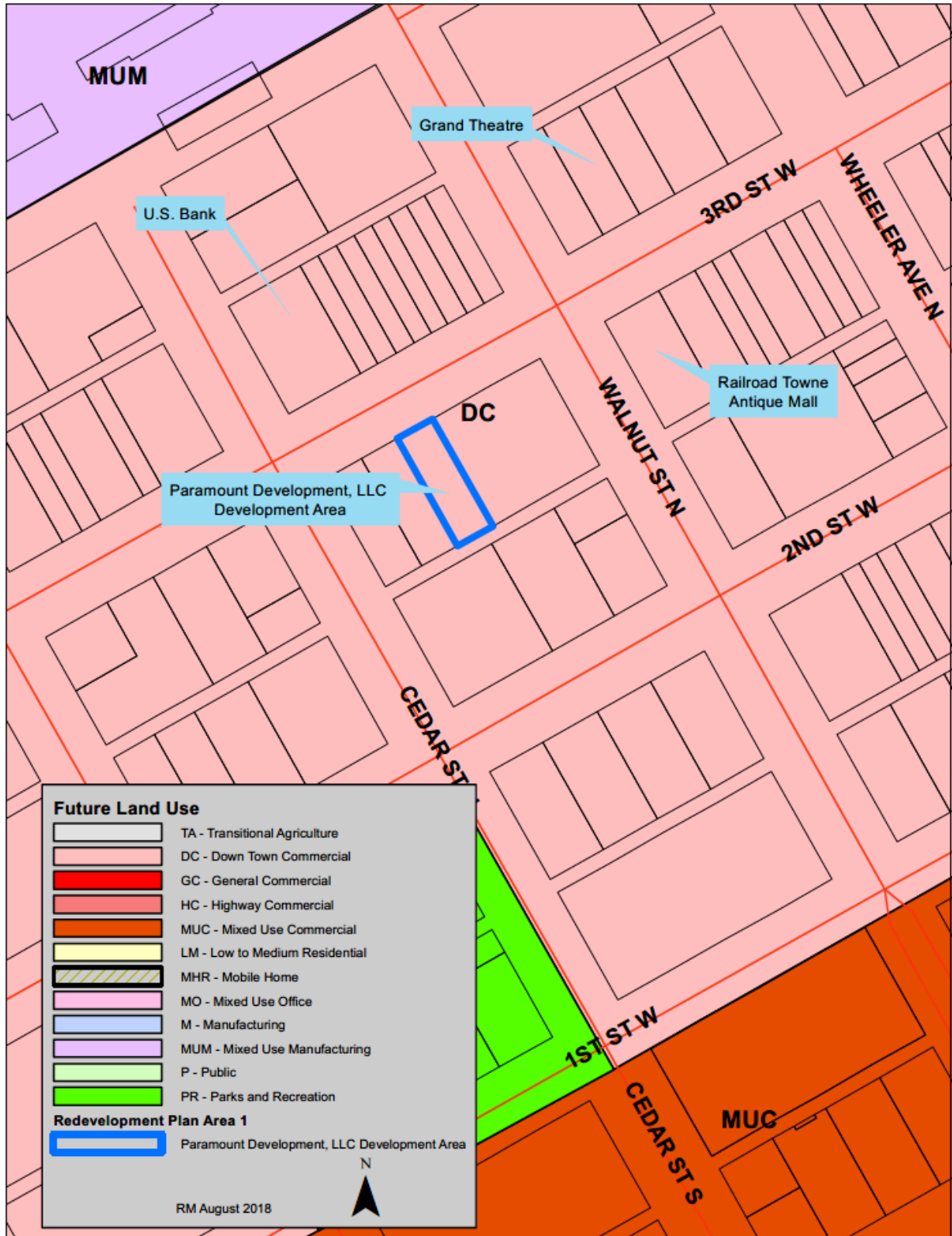
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

***b. Demolition and Removal of Structures:***

The project to be implemented with this plan does not provide for the demolition and removal any structures on this property. Demotion of internal structures to accommodate the redevelopment is anticipated and permitted.

***c. Future Land Use Plan***

See the attached map from the 2004 Grand Island Comprehensive Plan. All of the area around the site in private ownership is planned for Downtown Commercial development; this includes housing and commercial uses within the same structure. This property is in private ownership. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]



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 B3-Heavy Business 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 rehabilitating the existing building. The developer is not proposing to increase the size of the building and current building meets the applicable regulations regarding site coverage and intensity of use. [§18-2103(b) and §18-2111]

***f. Additional Public Facilities or Utilities***

Sewer and water are available to support this development. .

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

No other utilities would be impacted by the development.

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

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

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

**5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106]** No members of the authority or staff of the CRA have any interest in this property. Tom Gdowski, is President of Equitable bank and most likely will be part of the bank approval of a loan for this 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 is purchasing the rights to just this portion of the property through a condominium arrangement for \$77,000. The estimated costs of rehabilitation of this

property is \$500,000, planning related expenses for Architectural and Engineering services of \$8,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$8,000 including a reimbursement to the City and the CRA of \$6,100 are included as TIF eligible expense. The total of eligible expenses for this project exceeds \$640,000. The CRA has been asked to grant \$80,000 to this project to offset the cost of life safety improvements as part of the upper story life/safety grant program. The total eligible expenses for this project less other grant funds by the CRA is \$550,000.

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

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

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$159,800 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2021 through December 2034.

***c. Statement of feasible method of relocating displaced families.***

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

**7. Section 18-2113 of the Act requires:**

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions. This will accomplish the goal of both the Downtown Business Improvement District and the Grand Island City Council of increasing the number of residential units available in the Downtown area.

## **8. Time Frame for Development**

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

## **9. Justification of Project**

This is an historic building in downtown Grand Island that will be preserved with this project. The addition of a new upper story residential unit is consistent with goals to build 50 new residential units in downtown Grand Island by 2019 and with the goals of the 2014 Grand Island housing study and Grow Grand Island. The main floor and basement of the building are likely to be used for commercial and office space but are not included within this application.

**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 \$159,800 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This property has requested a life/safety grant of \$80,000. This investment by the Authority will leverage \$403,200 in private sector financing; a private investment of \$1.69 for every TIF and grant dollar investment.

<b>Use of Funds</b>	<b>Source of Funds.</b>			
<b>Description</b>	<b>TIF Funds</b>	<b>Other Grants</b>	<b>Private Funds</b>	<b>Total</b>
Site Acquisition	\$77,000	–	\$0	\$77,000
Legal and Plan*	\$8,000		\$0	\$8,000
Engineering/Arch	\$8,000		\$0	\$8,000
Renovation	\$66,800	\$80,000	\$348,000	\$494,800
Contingency			\$50,000	\$50,000
<b>TOTALS</b>	<b>\$159,800</b>	<b>\$80,000</b>	<b>\$398,000</b>	<b>\$637,800</b>

**Tax Revenue.** The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$77,000. Based on the 2017 levy this would result in a real property tax of approximately \$1,734. It is anticipated that the assessed value will increase by \$473,000 upon full completion, as a result of the site redevelopment. This



development will result in an estimated tax increase of over \$10,654 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 2019 assessed value:	\$ 77,000
Estimated value after completion	\$ 550,000
Increment value	\$ 473,000
Annual TIF generated (estimated)	\$ 10,654
TIF bond issue	\$ 159,814

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

The redevelopment project area currently has an estimated valuation of \$77,000. The proposed redevelopment will create additional valuation of \$550,000. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off.

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

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this development. The electric utility has sufficient capacity to support the development. It is not anticipated that this will impact schools in any significant way. Fire and police protection are available and should not be negatively impacted by this development. The addition of life safety elements to this building including fire sprinklers and a second exit actually reduce the chances of negative impacts to the fire department.

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

This will provide additional housing options in the downtown area consistent with the planned development in Downtown Grand Island.

***(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. This will provide housing options for employees of Downtown businesses that wish to live Downtown.

***(e) Impacts on student populations of school districts within the City or Village:***

**This development will have a minimal impact on the Grand Island School system as it will likely not result in any increased attendance.** The units to be developed with this project are unlikely to be family units, especially for families with school age children. These are two bedroom second story units located in the historic downtown.

The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. Four additional household would house 11 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 2 school age children generated by this development. According to the National Center for Educational Statistics<sup>1</sup> 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. It is likely that the school system would be able to absorb any students from this additional development without adding to school facilities or staffing.

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

This project is consistent the goals of the Council, the Downtown BID, the CRA, and Grow Grand Island to create additional housing units in downtown Grand Island.

**Time Frame for Development**

Development of this project is anticipated to be completed during between December of 2018 and December of 2019. The base tax year should be calculated on the value of the property as of January 1, 2019. Excess valuation should be available for this project for 15 years beginning in 2020 with taxes due in 2021. 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 \$159,800 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 rehabilitation the developer will spend at least \$643,000 on TIF eligible activities in excess of other grants given.

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<sup>1</sup> [https://nces.ed.gov/ccd/districtsearch/district\\_detail.asp?ID2=3100016](https://nces.ed.gov/ccd/districtsearch/district_detail.asp?ID2=3100016)

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

**RESOLUTION NO. 289**

**A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF A COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, TAX INCREMENT DEVELOPMENT REVENUE NOTE OR OTHER OBLIGATION, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$159,800 FOR THE PURPOSE OF (1) PAYING THE COSTS OF ACQUIRING, DEMOLISHING, CONSTRUCTING, RECONSTRUCTING, IMPROVING, EXTENDING, REHABILITATING, INSTALLING, EQUIPPING, FURNISHING AND COMPLETING CERTAIN IMPROVEMENTS WITHIN THE AUTHORITY'S PARAMOUNT DEVELOPMENT, LLC, REDEVELOPMENT PROJECT AREA, SPECIFICALLY INCLUDING SITE PURCHASE, PREPARATION, DEMOLITION, REHABILITATION, UTILITY EXTENSION AND (2) PAYING THE COSTS OF ISSUANCE THEREOF; PRESCRIBING THE FORM AND CERTAIN DETAILS OF THE NOTE OR OTHER OBLIGATION; PLEDGING CERTAIN TAX REVENUE AND OTHER REVENUE TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE OR OTHER OBLIGATION AS THE SAME BECOME DUE; LIMITING PAYMENT OF THE NOTE OR OTHER OBLIGATION TO SUCH TAX REVENUES; CREATING AND ESTABLISHING FUNDS AND ACCOUNTS; DELEGATING, AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO EXERCISE HIS OR HER INDEPENDENT DISCRETION AND JUDGMENT IN DETERMINING AND FINALIZING CERTAIN TERMS AND PROVISIONS OF THE NOTE OR OTHER OBLIGATION NOT SPECIFIED HEREIN; APPROVING A REDEVELOPMENT CONTRACT AND REDEVELOPMENT PLAN; TAKING OTHER ACTIONS AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING; AND RELATED MATTERS.**

**BE IT RESOLVED BY THE MEMBERS OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA:**

**ARTICLE I**

**FINDINGS AND DETERMINATIONS**

**Section 1.1. Findings and Determinations.** The Members of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the "**Authority**") hereby find and determine as follows:

(a) The City of Grand Island, Nebraska (the "**City**"), pursuant to the Plan Resolution (hereinafter defined), approved the City of Grand Island Redevelopment Area #1 Plan Amendment September 2018 (the "**Redevelopment Plan**") under and pursuant to which the Authority shall undertake from time to time to redevelop and rehabilitate the Redevelopment Area (hereinafter defined).

(b) Pursuant to the Redevelopment Plan, the Authority has previously obligated itself and/or will hereafter obligate itself to provide a portion of the financing to acquire, construct, reconstruct, improve, extend, rehabilitate, install, equip, furnish and complete, at the cost and expense of the Redeveloper, a

Wing Properties

portion of the improvements (as defined in the Redevelopment Contract hereinafter identified) in the Redevelopment Area (the **“Project Costs”**), including, without limitation) the cost of acquiring, constructing, reconstructing, improving, extending, rehabilitating, installing, and completing the acquisition of the Project Site (as defined in the Redevelopment Contract), (collectively, the **“Project”**), as more fully described in the Redevelopment Contract (hereinafter defined).

(c) The Authority is authorized by the Redevelopment Law (hereinafter defined) to issue tax allocation notes for the purpose of paying the costs and expenses of the Project, the principal of which is payable from certain tax revenues as set forth in the Redevelopment Law.

(d) In order to provide funds to pay a portion of the costs of the Project, it is necessary, desirable, advisable, and in the best interest of the Authority for the Authority to issue a Tax Increment Development Revenue Note or other obligation in a principal amount not to exceed \$159,800 (the **“Note”**).

(e) All conditions, acts and things required to exist or to be done precedent to the issuance of the Note do exist and have been done as required by law.

## ARTICLE II

### CERTAIN DEFINITIONS; COMPUTATIONS; CERTIFICATES AND OPINIONS; ORDERS AND DIRECTIONS

**Section 2.1. Definitions of Special Terms.** Unless the context clearly indicates some other meaning or may otherwise require, and in addition to those terms defined elsewhere herein, the terms defined in this **Section 2.1** shall, for all purposes of this Resolution, any Resolution or other instrument amendatory hereof or supplemental hereto, instrument or document herein or therein mentioned, have the meanings specified herein, with the following definitions to be equally applicable to both the singular and plural forms of any terms defined herein:

**“Authority”** means the Community Redevelopment Authority of the City of Grand Island, Nebraska.

**“City”** means the City of Grand Island, Nebraska.

**“Project Costs”** means the redevelopment project costs (as defined in the Redevelopment Contract) in the Redevelopment Area, the costs of which are eligible to be paid from the proceeds of the Note.

**“Assessor”** means the Assessor of Hall County, Nebraska.

**“Note”** means the Paramount Development, LLC, Redevelopment Project Tax Increment Development Revenue Note of the Authority, in a principal amount not to exceed \$159,800, issued pursuant to this Resolution, and shall include any note, including refunding note, interim certificate, debenture, or other obligation issued pursuant to the Redevelopment Law. At the option of the Owner of the Note, the titular designation of such Note may be revised to state note, interim certificate, debenture, obligation, or such other designation as is appropriate.

**“Secretary”** means the Secretary of the Authority.

**“Cumulative Outstanding Principal Amount”** means the aggregate principal amount of the Note issued and Outstanding from time to time in accordance with the provisions of this Resolution, as reflected in the records maintained by the Registrar as provided in this Resolution.

**“Date of Original Issue”** means the date the Note is initially issued, which shall be the date of the first allocation of principal on the Note as further described in **Section 3.2**.

**“Debt Service”** means, as of any particular date of computation, and with respect to any period, the amount to be paid or set aside as of such date or such period for the payment of the principal on the Note.

**“Escrow Obligations”** means (a) Government Obligations, (b) certificates of deposit issued by a bank or trust company which are (1) fully insured by the Federal Deposit Insurance Corporation or similar corporation chartered by the United States or (2) secured by a pledge of any Government Obligations having an aggregate market value, exclusive of accrued interest, equal at least to the principal amount of the certificates so secured, which security is held in a custody account by a custodian satisfactory to the Registrar, or (c)(1) evidences of a direct ownership in future interest or principal on Government Obligations, which Government Obligations are held in a custody account by a custodian satisfactory to the Registrar pursuant to the terms of a custody agreement in form and substance acceptable to the Registrar and (2) obligations issued by any state of the United States or any political subdivision, public instrumentality or public authority of any state, which obligations are fully secured by and payable solely from Government Obligations, which Government Obligations are held pursuant to an agreement in form and substance acceptable to the Registrar and, in any such case, maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient money to make the payment secured thereby.

**“Finance Director”** means the Treasurer/Finance Director or Acting Treasurer/Finance Director, as the case may be, of the City.

**“Fiscal Year”** means the twelve-month period established by the City or provided by law from time to time as its fiscal year.

**“Government Obligations”** means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

**“Improvements”** means the improvements to be constructed, reconstructed, acquired, improved, extended, rehabilitated, installed, equipped, furnished and completed in the Project Area in accordance with the Redevelopment Plan, including, but not limited to, the improvements constituting the Project (as defined in the Redevelopment Contract).

**“Payment Date”** means June 30 and December 31 of each year any Note is outstanding, commencing on the first Payment Date following the Date of Original Issue.

**“Chairman”** means the Chairman of the Authority.

**“Outstanding”** means when used with reference to any Note, as of a particular date, all Notes theretofore authenticated and delivered under this Resolution except:

- (a) Notes theretofore canceled by the Registrar or delivered to the Registrar for cancellation;
- (b) Notes which are deemed to have been paid in accordance with **Section 10.1** hereof;

(c) Notes alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in **Section 3.9** hereof; and

(d) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Resolution.

**“Owner”** means 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.

**“Plan Resolution”** means, Resolution No. \_\_\_\_\_ of the City, together with any other resolution providing for an amendment to the Redevelopment Plan.

**“Project Area”** means the area identified and referred to as the Project Site in the Redevelopment Contract.

**“Record Date”** means, for each Payment Date, the 15<sup>th</sup> day immediately preceding such Payment Date.

**“Redeveloper”** means the Redeveloper as defined in the Redevelopment Contract responsible for constructing, reconstructing, acquiring, improving, extending, rehabilitating, installing, equipping, furnishing and completing the Project.

**“Redeveloper Note”** means any Note that is owned by the Redeveloper according to the records of the Registrar.

**“Redevelopment Contract”** means the City of Grand Island Redevelopment Contract Paramount Development, LLC, Redevelopment Project, dated the date of its execution, between the Authority, and Paramount Development, LLC, a Nebraska limited liability company, relating to the Project.

**“Redevelopment Area”** means the community redevelopment area described, defined or otherwise identified or referred to in the Redevelopment Plan.

**“Redevelopment Law”** means Article VIII, Section 12 of the Constitution of the State and Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended.

**“Redevelopment Plan”** means the “City of Grand Island Redevelopment Plan Amendment for Redevelopment Area #1 September 2018” passed, adopted and approved by the City pursuant to the Plan Resolution, and shall include any amendment of such Redevelopment Plan heretofore or hereafter made by the City pursuant to law.

**“Refunding Notes”** means the notes authorized to be issued pursuant to **Article V**.

**“Registrar”** means the Treasurer of the City of Grand Island, Nebraska, in its capacity as registrar and paying agent for the Note.

**“Resolution”** means this Resolution as from time to time amended or supplemented.

**“Revenue”** means the Tax Revenue.

**“Special Fund”** means the fund by that name created in **Section 7.1**.

“**State**” means the State of Nebraska.

“**Tax Revenue**” means, with respect to the Project Area, (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 and (2) in Section 18-2147, Reissue Revised Statutes of Nebraska, as amended, and (b) all payments made in lieu thereof.

“**Treasurer**” means the Treasurer of Hall County, Nebraska.

**Section 2.2. Definitions of General Terms.** Unless the context clearly indicates otherwise or may otherwise require, in this Resolution words importing persons include firms, partnerships, associations, limited liability companies (public and private), public bodies and natural persons, and also include executors, administrators, trustees, receivers or other representatives.

Unless the context clearly indicates otherwise or may otherwise require, in this Resolution the terms “**herein**,” “**hereunder**,” “**hereby**,” “**hereto**,” “**hereof**” and any similar terms refer to this Resolution as a whole and not to any particular section or subdivision thereof.

Unless the context clearly indicates otherwise or may otherwise require, in this Resolution: (a) references to Articles, Sections and other subdivisions, whether by number or letter or otherwise, are to the respective or corresponding Articles, Sections or subdivisions of this Resolution as such Articles, Sections, or subdivisions may be amended or supplemented from time to time; and (b) the word “**heretofore**” means before the time of passage of this Resolution, and the word “**hereafter**” means after the time of passage of this Resolution.

**Section 2.3. Computations.** Unless the facts shall then be otherwise, all computations required for the purposes of this Resolution shall be made on the assumption that the principal on the Note shall be paid as and when the same become due.

**Section 2.4. Certificates, Opinions and Reports.** Except as otherwise specifically provided in this Resolution, each certificate, opinion or report with respect to compliance with a condition or covenant provided for in this Resolution shall include: (a) a statement that the person making such certificate, opinion or report has read the pertinent provisions of this Resolution to which such covenant or condition relates; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate, opinion or report are based; (c) a statement that, in the opinion of such person, he has made such examination and investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; (d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with; and (e) an identification of any certificates, opinions or reports or other sources or assumptions relied on in such certificate, opinion or report.

**Section 2.5. Evidence of Action by the Authority.** Except as otherwise specifically provided in this Resolution, any request, direction, command, order, notice, certificate or other instrument of, by or from the City or the Authority shall be effective and binding upon the Authority, respectively, for the purposes of this Resolution if signed by the Chairman, the Vice Chairman, the Secretary, the Treasurer, the Finance Director, the Planning Director or by any other person or persons authorized to execute the same by statute, or by a resolution of the City or the Authority, respectively.

## ARTICLE III

### AUTHORIZATION AND ISSUANCE OF THE NOTE; GENERAL TERMS AND PROVISIONS

**Section 3.1. Authorization of Note.** Pursuant to and in full compliance with the Redevelopment Law and this Resolution, and for the purpose of providing funds to pay (a) the cost of acquiring, constructing, reconstructing, improving, extending, rehabilitating, installing, equipping, furnishing, and completing the Project, and (b) the costs of issuing the Note, the Authority shall issue the Note in a principal amount not to exceed \$159,800. The Note shall be designated as “Community Redevelopment Authority of the City of Grand Island, Nebraska, Paramount Development, LLC, Redevelopment Project Tax Increment Development Revenue Note,” shall have an appropriate series designation as determined by the Finance Director, shall be dated the Date of Original Issue, shall mature, subject to right of prior redemption, not later than the December 31, 2034, and shall bear interest at an annual rate of 0.00%. The Note shall be issued as a single Note as further described in **Section 3.2**.

The Note is a special, limited obligation of the Authority payable solely from the Revenue 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 not be liable for the payment thereof out of any money of the Authority or the City other than the Tax 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.

#### **Section 3.2. Details of Note; Authority of Finance Director.**

(a) The Note shall be dated the Date of Original Issue and shall be issued to the purchaser thereof, as the Owner, in installments. The Note shall be delivered on the earlier of allocation of the maximum principal amount of the Note or upon the issuance of a certificate of occupancy of the building constituting the Project. The Note shall be issued as a single Note.



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

(1) There shall be submitted to the Finance Director a disbursement request in a form acceptable to the Finance Director (the “**Disbursement Request**”), executed by the City’s Planning Director and an authorized representative of the Redeveloper, (A) certifying that a portion of the Project has been substantially completed and (B) certifying the actual costs incurred by the Redeveloper in the completion of such portion of the Project.

(2) The Finance Director shall evidence such allocation in writing and inform the Owner of the Note of any amounts allocated to the Note.

(3) Such amounts shall be deemed proceeds of the Note and the Finance Director shall inform the Registrar in writing of the date and amount of such allocation. The Registrar shall keep and maintain a record of the amounts allocated to the note pursuant to the terms of this Resolution as “Principal Amount Advanced” and shall enter the aggregate principal amount then Outstanding as the “Cumulative Outstanding Principal Amount” on the Note and its records maintained for the Note. The aggregate amount endorsed as the Principal amount Advanced on the Note shall not exceed \$159,800.

The Authority shall have no obligation to pay any Disbursement Request unless such request has been properly approved as described above, and proceeds of the Note have been deposited by the Owner of the Note (if other than the Redeveloper) into the Project Fund.

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.

(c) The Note shall be dated the Date of Original Issue, which shall be the initial date of a allocation of the Note.

(d) As of the Date of Original Issue of the Note, there shall be delivered to the Registrar the following:

(1) A signed investor’s letter in a form acceptable to the Finance Director and Note Counsel; and

(2) Such additional certificates and other documents as the special counsel for the Authority may require.

(e) The note shall bear zero percent interest on the Cumulative Outstanding Principal Amount of the Note from the Date of Original Issue.

(f) The principal of the Note shall be payable in any coin or currency of the United States of America from all funds held by the which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Payments on the Note due prior to maturity or earlier redemption and payment of any principal upon redemption price 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 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.

(g) The Note shall be executed by the manual signatures of the Chairman and Secretary of the Authority. 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.

(i) The Finance Director 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 in accordance with **Section 3.2(a)**, (2) the maturity date of the Note, which shall be not later than December 31, 2034, (3) the initial Payment Date and (4) any other term of the Note not otherwise specifically fixed by the provisions of this Resolution.

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

(k) The Note shall be issued to such Owner as shall be mutually agreed between the Redeveloper and the Finance Director 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 Finance Director to demonstrate compliance with all applicable laws, including without limitation compliance with **Section 3.6** hereof. 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.

**Section 3.3. Form of Note Generally.** The Note shall be issued in registered form. The Note shall be in substantially the form set forth in **Article IX**, with such appropriate variations, omissions and insertions as are permitted or required by this Resolution and with such additional changes as the Finance Director may deem necessary or appropriate. The Note may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

**Section 3.4. Appointment of Registrar.** The Finance Director is hereby appointed the registrar and paying agent for the Note. The Registrar shall specify its acceptance of the duties, obligations and trusts imposed upon it by the provisions of this Resolution by a written instrument deposited with the Authority prior to the Date of Original Issue of the initial Note. The Authority reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and the Note in its possession to the successor Registrar and shall deliver the note register to the successor 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.

**Section 3.5. Exchange of Note.** Any Note, upon surrender thereof at the principal office of 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, may, at the option of the Owner thereof, be exchanged for another Note 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. The Authority shall make provision for the exchange of the Note at the principal office of the Registrar.

**Section 3.6. Negotiability, Registration and Transfer of Note.** The Registrar shall keep books for the registration and registration of transfer of the Note as provided in this Resolution. 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, (2) the assessed valuation of the Redeveloper Property (as defined in the Redevelopment Contract) is less than \$600,000, or (3) a protest of the valuation of the Redeveloper Property 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. Neither the Authority nor the Registrar shall be required to make any such exchange or registration of transfer of any Note during the period between a Record Date and the corresponding Interest Payment Date.

**Section 3.7. Ownership of Note.** As to any Note, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on such Note shall be made only to or upon the order of the Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

**Section 3.8. Disposition and Destruction of Note.** The Note, upon surrender to the Registrar for final payment, whether at maturity or upon earlier redemption, shall be canceled upon such payment by the Registrar and, upon written request of the Finance Director, be destroyed.

**Section 3.9. Mutilated, Lost, Stolen or Destroyed Note.** If any Note becomes mutilated or is lost, stolen or destroyed, the Authority shall execute and deliver a new Note of like date and tenor as the Note mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the Authority. In the case of any lost, stolen or destroyed Note, there first shall be furnished to the Authority evidence of such loss, theft or destruction satisfactory to the Authority, together with indemnity to the Authority satisfactory to the Authority. If any such Note has matured, is about to mature or has been called for redemption, instead of delivering a substitute Note, the Authority may pay the same without surrender thereof. Upon the issuance of any substitute Note, the Authority may require the payment of an amount by the Owner sufficient to reimburse the Authority for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

**Section 3.10. Non-presentment of Note.** If any Note is not presented for payment when the principal thereof becomes due and payable as therein and herein provided, whether at the stated maturity thereof or call for optional or mandatory redemption or otherwise, if funds sufficient to pay such Note have been made available to the Registrar all liability of the Authority to the Owner thereof for the payment of such Note shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Registrar to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Note, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on their part under this Resolution or on, or with respect to, said Note. If any Note is not presented for payment within five years following the date when such Note becomes due, the Registrar shall repay to the Authority the funds theretofore held by it for payment of such Note, and such Note shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Authority, and the Registered Owner thereof shall be entitled to look only to the Authority for payment, and then only to the extent of the amount so repaid to it by the Registrar, and the Authority shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

## ARTICLE IV

### REDEMPTION OF NOTE

**Section 4.1. Redemption of Note.** The Note is subject to redemption at the option of the Authority prior to the maturity thereof at any time as a whole or in part from time to time in such principal amount as the Authority shall determine, at a redemption price equal to 100% of the principal amount then being redeemed plus accrued interest thereon to the date fixed for redemption.

**Section 4.2. Redemption Procedures.** The Finance Director is hereby authorized, without further action of the Council, to call all or any portion of the principal of the Note for payment and redemption prior to maturity on such date as the Finance Director shall determine, and shall deposit sufficient funds in the Debt Service Account from the Surplus Account to pay the principal being redeemed plus the accrued interest thereon to the date fixed for redemption. The Finance Director may effect partial redemptions of any Note without notice to the Owner and without presentation and surrender of such Note, but total redemption of any Note may only be effected with notice to the Owner and upon presentation and surrender of such Note to the Registrar. Notice of a total redemption of any Note shall be sent by the Registrar by first-class mail not less than five days prior to the date fixed for redemption to the Owner's address appearing on the books of registry maintained by the Registrar and indicate (a) the title and designation of the Note, (b) the redemption date, and (c) a recitation that the entire principal balance of such Note plus all accrued interest thereon is being called for redemption on the applicable redemption date.

**Section 4.3. Determination of Outstanding Principal Amount of Note.** Notwithstanding the amount indicated on the face of any Note, the principal amount of such Note actually Outstanding from time to time shall be determined and maintained by the Registrar. The Registrar shall make a notation in the books of registry maintained for each Note indicating the original principal advance of such Note as determined in accordance with **Section 3.2** and make such additional notations as are required to reflect any additional principal advances or redemptions of such Note from time to time, including on the Table of Cumulative Outstanding Principal Amount attached to each Note if it is presented to the Registrar for that purpose. Any Owner may examine the books of registry maintained by the Registrar upon request, and the Registrar shall grant such request as soon as reasonably practicable. Any failure of the Registrar to record a principal advance or a redemption on the Table of Cumulative Outstanding Principal Amount shall not affect the Cumulative Outstanding Principal Amount shown on the records of the Registrar.

## ARTICLE V

### REFUNDING NOTES

**Section 5.1. Refunding Notes.** Refunding Notes may be issued at any time at the direction of the Finance Director for the purpose of refunding (including by purchase) any Note or any portion thereof, including amounts to pay principal to the date of maturity or redemption (or purchase) and the expenses of issuing the Refunding Notes and of effecting such refunding; provided that the Debt Service on all notes to be outstanding after the issuance of the Refunding Notes shall not be greater in any Fiscal Year than would have been the Debt Service in such Fiscal Year were such refunding not to occur.

## ARTICLE VI

### EFFECTIVE DATE OF PROJECT; PLEDGE OF REVENUE

**Section 6.1. Effective Date of Project.** For purposes of Section 18-2147, Reissue Revised Statutes of Nebraska, as amended, the effective date of the Project shall be determined as set forth in the Redevelopment Contract. The Planning Director is hereby directed to notify the Assessor of the effective date of the Project on the form prescribed by the Property Tax Administrator.

**Section 6.2. Collection of Revenue; Pledge of Revenue.** As provided for in the Redevelopment Plan, and pursuant to the provisions of the Redevelopment Law, for the period contemplated thereby, the Tax Revenue collected in the Project Area shall be allocated to and, when collected, paid into the Special Fund under the terms of this Resolution to pay the principal on the Note. When the Note has been paid in accordance with this Resolution, the Redevelopment Plan and the Redevelopment Contract, the Tax Revenue shall be applied as provided for in the Redevelopment Law.

The Revenue is hereby allocated and pledged in its entirety to the payment of the principal on the Note and to the payment of the Project Costs (including the Project), until the principal on the Note has been paid (or until money for that purpose has been irrevocably set aside), and the Revenue shall be applied solely to the payment of the principal on the Note. Such allocation and pledge is and shall be for the sole and exclusive benefit of the Owner and shall be irrevocable.

**Section 6.3. Potential Insufficiency of Revenue.** Neither the Authority nor the City makes any representations, covenants, or warranties to the Owner that the Revenue will be sufficient to pay the principal of or interest on the Note. Payment of the principal of and interest on the Note is limited solely and exclusively to the Revenue pledged under the terms of this Resolution, and is not payable from any other source whatsoever.

## ARTICLE VII

### CREATION OF FUNDS AND ACCOUNTS; PAYMENTS THEREFROM

**Section 7.1. Creation of Funds and Account.** There is hereby created and established by the Authority the following funds and accounts which funds shall be held by the Finance Director of the City separate and apart from all other funds and moneys of the Authority and the City under her control a special trust fund called the "Paramount Development, LLC, Redevelopment Project Tax Increment Special Fund" (the "**Special Fund**").

So long as the Note remains unpaid, the money in the foregoing fund 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 7.2. Special Fund.** All of the Revenue shall be deposited into the Special Fund. The Revenue accumulated in the Special Fund shall be used and applied on the Business Day prior to each Payment Date (a) to make any payments to the Authority as may be required under the Redevelopment Contract and (b) to pay principal on the Note to the extent of any money then remaining the Special Fund on such Payment Date. Money in the Special Fund shall be used solely for the purposes described in this **Section 7.2.** All Revenues received through and including December 31, 2034 shall be used solely for the payments required by this **Section 7.2.**

## ARTICLE VIII

### COVENANTS OF THE AUTHORITY

So long as the Note is outstanding and unpaid, the Authority will (through its proper officers, agents or employees) faithfully perform and abide by all of the covenants, undertakings and provisions contained in this Resolution or in the Note, including the following covenants and agreements for the benefit of the Owner which are necessary, convenient and desirable to secure the Note and will tend to make them more marketable; provided, however, that such covenants do not require either the City or the Authority to expend any money other than the Revenue nor violate the provisions of State law with respect to tax revenue allocation.

**Section 8.1. No Priority.** The Authority covenants and agrees that it will not issue any obligations the principal of or interest on which is payable from the Revenue which have, or purport to have, any lien upon the Revenue prior or superior to or in parity with the lien of the Note; provided, however, that nothing in this Resolution shall prevent the Authority from issuing and selling notes or other obligations which have, or purport to have, any lien upon the Revenue which is junior to the Note and the Debt Service thereon, or from issuing and selling notes or other obligations which are payable in whole or in part from sources other than the Revenue.

**Section 8.2. To Pay Principal of the Note.** The Authority will duly and punctually pay or cause to be paid solely from the Revenue the principal of the Note on the dates and at the places and in the manner provided in the Note according to the true intent and meaning thereof and hereof, and will faithfully do and perform and fully observe and keep any and all covenants, undertakings, stipulations and provisions contained in the Note and in this Resolution.

**Section 8.4. Books of Account; Financial Statements.** The Authority covenants and agrees that it will at all times keep, or cause to be kept, proper and current books of account (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Project, the Revenue and other funds relating to the Project.

**Section 8.5. Eminent Domain Proceeds.** The Authority covenants and agrees that should all or any part of the Project be taken by eminent domain or other proceedings authorized by law for any public or other use under which the property will be exempt from ad valorem taxation, the net proceeds realized by the Authority therefrom shall constitute Project Revenue and shall be deposited into the Special Fund and used for the purposes and in the manner described in **Section 7.2.**

**Section 8.6. Protection of Security.** The Authority is duly authorized under all applicable laws to create and issue the Note and to adopt this Resolution and to pledge the Revenue in the manner and to the extent provided in this Resolution. The Revenue so pledged is and will be free and clear of any pledge, lien, charge, security interest or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by this Resolution, except as otherwise expressly provided herein, and all corporate action on the part of the Authority to that end has been duly and validly taken. The Note is and will be a valid obligation of the Authority in accordance with its terms and the terms of this Resolution. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of and security interest granted with respect to the Revenue pledged under this Resolution and all the rights of the Owner under this Resolution against all claims and demands of all persons whomsoever.

## ARTICLE IX

### FORM OF NOTE

**Section 9.1. Form of Note.** The Note shall be in substantially the following form:

#### (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 SECTION 3.6 OF 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

PARAMOUNT DEVELOPMENT, LLC, REDEVELOPMENT PROJECT  
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2018

No. R-1

Up to \$159,800  
(subject to reduction as described herein)

<u>Date of Original Issue</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>
	December 31, 2034	0.00%

REGISTERED OWNER: Paramount Development, 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.

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 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"), payable semiannually on June 30 and December 31 of each year until payment in full of



such Principal Amount, beginning June 30, 2021, 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 payment date occurs, at such Owner's address as it appears on such note registration books. The principal of this Note is 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 \$159,800.**

This Note has been issued by the Authority for the purpose of financing the costs of constructing, reconstructing, improving, extending, rehabilitating, installing, equipping, furnishing and completing certain improvements within the area identified and referred to as the City of Grand Island Redevelopment Plan Amendment for Redevelopment Area #1 September 2018, (Paramount Development, LLC, Project) which is more specifically described in the Resolution, and to carry out the Authority's corporate purposes and powers in connection therewith.

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.

This Note is a special limited obligation of the Authority payable as to principal solely from and is secured solely by the Tax Revenue (as defined in the Resolution) pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Tax 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.

The principal 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 Tax Revenues and other funds pledged under the Resolution, which Tax 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 Registrar 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 Registrar 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 Tax Revenue pledged to the payment of the principal 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 shall be held for the purpose of such payment by the Registrar.

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  
PARAMOUNT DEVELOPMENT, LLC, REDEVELOPMENT PROJECT  
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2018**

<b>Date</b>	<b>Principal Amount Advanced</b>	<b>Principal Amount Redeemed</b>	<b>Cumulative Outstanding Principal Amount</b>	<b>Notation Made By</b>

**ARTICLE X**

**DEFEASANCE; MONEY HELD FOR PAYMENT OF  
DEFEASED NOTE**

**Section 10.1. Discharge of Liens and Pledges; Note No Longer Outstanding Hereunder.** The obligations of the Authority under this Resolution, including any Resolutions, resolutions or other proceedings supplemental hereto, and the liens, pledges, charges, trusts, assignments, covenants and agreements of the Authority herein or therein made or provided for, shall be fully discharged and satisfied as to the Note or any portion thereof, and the Note or any portion thereof shall no longer be deemed to be outstanding hereunder and thereunder,

(a) when the any Note or portion thereof shall have been canceled, or shall have been surrendered for cancellation or is subject to cancellation, or shall have been purchased from money in any of the funds held under this Resolution, or

(b) if the Note or portion thereof is not canceled or surrendered for cancellation or subject to cancellation or so purchased, when payment of the principal of the Note or any portion

thereof, plus interest on such principal to the due date thereof, either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Registrar for the Note, in trust and irrevocably set aside exclusively for such payment, (A) money sufficient to make such payment or (B) Escrow Obligations maturing as to principal in such amount and at such times as will insure the availability of sufficient money to make such payment.

Provided that, with respect to any total redemption of any Note, notice of redemption shall have been duly given or provision satisfactory to the Registrar shall have been made therefor, or waiver of such notice, satisfactory in form, shall have been filed with the Registrar.

At such time as any Note or portion thereof shall no longer be outstanding hereunder, and, except for the purposes of any such payment from such money or such Escrow Obligations, such Note or portion thereof shall no longer be secured by or entitled to the benefits of this Resolution.

Any such money so deposited with the Registrar for any Note or portion thereof as provided in this **Section 10.1** may at the direction of the Finance Director also be invested and reinvested in Escrow Obligations, maturing in the amounts and times as hereinbefore set forth. All income from all Escrow Obligations in the hands of the Registrar which is not required for the payment of such Note or portion thereof with respect to which such money shall have been so deposited, shall be paid to the Authority and deposited in the Special Fund as and when realized and collected for use and application as is other money deposited in that fund.

Anything in this Resolution to the contrary notwithstanding, if money or Escrow Obligations have been deposited or set aside with the Registrar pursuant to this **Section 10.1** for the payment of any Note and such Note shall not have in fact been actually paid in full, no amendment to the provisions of this **Section 10.1** shall be valid as to or binding upon the Owner thereof without the consent of such Owner.

**Section 10.2. Certain Limitations After Due Date.** If sufficient money or Escrow Obligations shall have been deposited in accordance with the terms hereof with the Registrar in trust for the purpose of paying the Notes or any portion thereof when the same becomes due, whether at maturity or upon earlier redemption, all liability of the Authority for such payment shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Registrar to hold such money or Escrow Obligations, without liability to the Owners, in trust for the benefit of the Owners, who thereafter shall be restricted exclusively to such money or Escrow Obligations for any claim for such payment of whatsoever nature on his part.

Notwithstanding the provisions of the preceding paragraph of this **Section 10.2**, money or Escrow Obligations held by the Registrar in trust for the payment and discharge of the principal of on any Note which remain unclaimed for five years after the date on which such payment shall have become due and payable, either because the Notes shall have reached their maturity date or because the entire principal balance of the Notes shall have been called for redemption, if such money was held by the Registrar or such paying agent at such date, or for five years after the date of deposit of such money, if deposited with the Registrar after the date when such Note became due and payable, shall, at the written request of the Authority be repaid by the Registrar to the Authority as the Authority's property and free from the trust created by this Resolution, and the Registrar shall thereupon be released and discharged with respect thereto, and the Owner thereof shall look only to the Authority for the payment thereof.

## ARTICLE XI

### AMENDING AND SUPPLEMENTING OF RESOLUTION

**Section 11.1. Amending and Supplementing of Resolution Without Consent of Owner.** The Authority may at any time without the consent or concurrence of the Owner of the Note adopt a resolution amendatory hereof or supplemental hereto if the provisions of such supplemental Resolution do not materially adversely affect the rights of the Owner of the Note, for any one or more of the following purposes:

(a) To make any changes or corrections in this Resolution as to which the Authority shall have been advised by counsel that the same are verbal corrections or changes or are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or omission or mistake or manifest error contained in this Resolution, or to insert in this Resolution such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable;

(b) To add additional covenants and agreements of the Authority for the purpose of further securing payment of the Note;

(c) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of this Resolution;

(d) To confirm as further assurance any lien, pledge or charge, or the subjection to any lien, pledge or charge, created or to be created by the provisions of this Resolution; and

(e) To grant to or confer upon the Owner of the Note any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon them.

The Authority shall not adopt any supplemental Resolution authorized by the foregoing provisions of this **Section 11.1** unless in the opinion of counsel the adoption of such supplemental Resolution is permitted by the foregoing provisions of this **Section 11.1** and the provisions of such supplemental Resolution do not materially and adversely affect the rights of the Owner of the Note.

**Section 11.2. Amending and Supplementing of Resolution with Consent of Owner.** With the consent of the Owners of the Note, the Authority from time to time and at any time may adopt a resolution amendatory hereof or supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Resolution, or modifying or amending the rights and obligations of the Authority under this Resolution, or modifying or amending in any manner the rights of the Owner of the Note; provided, however, that, without the specific consent of the Owner of the Note, no supplemental Resolution amending or supplementing the provisions hereof shall: (a) change the fixed maturity date for the payment or the terms of the redemption thereof, or reduce the principal amount of the Note or the rate of interest thereon or the Redemption Price payable upon the redemption or prepayment thereof; (b) authorize the creation of any pledge of the Tax Revenues and other money and securities pledged hereunder, prior, superior or equal to the pledge of and lien and charge thereon created herein for the payment of the Note except to the extent provided in **Articles III** and **V**; or (c) deprive the Owner of the Note in any material respect of the security afforded by this Resolution. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the Owner\ of the Note of the adoption of any supplemental Resolution authorized by the provisions of **Section 11.1**.

It shall not be necessary that the consents of the Owner of the Note approve the particular form of wording of the proposed amendment or supplement or of the proposed supplemental Resolution effecting such amendment or supplement, but it shall be sufficient if such consents approve the substance of the proposed amendment or supplement. After the Owner of the Note shall have filed its consent to the amending or supplementing hereof pursuant to this Section, the Authority may adopt such supplemental Resolution.

**Section 11.3. Effectiveness of Supplemental Resolution.** Upon the adoption (pursuant to this Article XI and applicable law) by the Authority of any supplemental Resolution amending or supplementing the provisions of this Resolution or upon such later date as may be specified in such supplemental Resolution, (a) this Resolution and the Note shall be modified and amended in accordance with such supplemental Resolution, (b) the respective rights, limitations of rights, obligations, duties and immunities under this Resolution and the Owner of the Note shall thereafter be determined, exercised and enforced under this Resolution subject in all respects to such modifications and amendments, and (c) all of the terms and conditions of any such supplemental Resolution shall be a part of the terms and conditions of the Note and of this Resolution for any and all purposes.

## ARTICLE XII

### MISCELLANEOUS

**Section 12.1. General and Specific Authorizations; Ratification of Prior Actions.** Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby (a) authorizes and directs the Chairman, Finance Director, Secretary, Planning Director 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 Special 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 Finance Director the right, power and authority to exercise his 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 Finance Director or by any such other officers, officials, employees or agents of the City 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 Finance Director 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 Special 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 12.2. Proceedings Constitute Contract; Enforcement Thereof.** 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 12.3. Benefits of Resolution Limited to the Authority and the Owner.** 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 12.4. No Personal Liability.** 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 12.5. Effect of Saturdays, Sundays and Legal Holidays.** Whenever this Resolution requires any action to be taken on a Saturday, Sunday or legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Resolution the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday or legal holiday, such time shall continue to run until midnight on the next succeeding business day.

**Section 12.6. Partial Invalidity.** If any one or more of the covenants or agreements or portions thereof provided in this Resolution on the part of the City, the Authority or the Registrar to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in this Resolution and the invalidity thereof shall in no way affect the validity of the other provisions of this Resolution or of the Note, but the Owner of the Note shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

If any provisions of this Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

**Section 12.7. Law and Place of Enforcement of this Resolution.** The Resolution shall be construed and interpreted in accordance with the laws of the State. 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 12.8. Effect of Article and Section Headings and Table of Contents.** The headings or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Resolution.

**Section 12.9. Repeal of Inconsistent Resolution.** Any Resolution of the City, or the Authority and any part of any resolution, inconsistent with this Resolution is hereby repealed to the extent of such inconsistency.

**Section 12.10. Publication and Effectiveness of this Resolution.** This Resolution shall take effect and be in full force from and after its passage by the Community Redevelopment Authority of the City.

**Section 12.11 Authority to Execute Redevelopment Contract and Approve Plan.** The Chairman and Secretary are authorized and directed to execute the Redevelopment Contract, in the form presented with such changes as the Chairman, in his discretion deems proper. The Plan is approved and adopted.

**PASSED AND ADOPTED:** \_\_\_\_\_, 2018.

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

(SEAL)

By: \_\_\_\_\_  
Chairman

ATTEST:

By: \_\_\_\_\_  
Secretary



# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item I1**

**Forward Redevelopment Plan for The Orchard LLC/Hoppe Home  
LP To the Grand Island City Council**

Staff Contact:

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

**RESOLUTION NO. 288**

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

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

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

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

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

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

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

**Section 1.** The Authority has determined that the proposed land uses and building requirements in the Redevelopment Plan for the Project Area are designed with the general purposes of accomplishing, and in conformance with the general plan of the City, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency in economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provisions for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks,

The Orchard LLC/Hoppe Home P.C

recreational and communitive facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight.

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

**Section 3.** In compliance with section 18-2114 of the Act, the Authority finds and determines as follows: (a) the Redevelopment Area constituting the Redevelopment Project will not be acquired by the Authority and the Authority shall receive no proceeds from disposal to the Redeveloper; (b) the estimated cost of project acquisition and the estimated cost of preparation for redevelopment including site work, onsite utilities and related costs are described in detail in Exhibit B attached hereto; (c) the method of acquisition of the real estate shall be by private contract by the Redeveloper and not by condemnation; and (d) the method of financing the Redevelopment Project shall be by issuance of tax increment revenue bond issued in the approximate amount of \$6,000,000 which shall be granted to the Redeveloper and from additional funds provided by the Redeveloper. No families will be displaced from the Redevelopment Project Area as a result of the project.

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

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

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

**PASSED AND APPROVED** this 12<sup>th</sup> day of December, 2018.

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

ATTEST:

By: \_\_\_\_\_  
Chair

By: \_\_\_\_\_  
Secretary

The Orchard LLC/Hoppe Home P.C

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

THAT PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 NORTH, RANGE 9 WEST OF THE 6TH PRINCIPAL MERIDIAN, HALL COUNTY NEBRASKA, LYING WEST OF THE WESTERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD COMPANY, EXCEPT THE NORTHERLY 581.50 FEET THEREOF; THE EASTERLY 35.00 FEET OF LOT 8, NORWOOD SUBDIVISION; AND THE EASTERLY 75.00' OF LOT 2, EXCEPT THE NORTH 85.00' NORWOOD SUBDIVISION, AND THE EASTERLY 75.00' OF LOTS 3, 4 & 5, NORWOOD SUBDIVISION; AND THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, BEING MORE PARTICULARLY DESCRIBED IN THE SURVEYOR'S CERTIFICATE

SURVEYORS CERTIFICATE

THAT PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 NORTH, RANGE 9 WEST OF THE 6TH PRINCIPAL MERIDIAN, HALL COUNTY NEBRASKA, LYING WEST OF THE WESTERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD COMPANY, EXCEPT THE NORTHERLY 581.50 FEET THEREOF; THE EASTERLY 35.00 FEET OF LOT 8, NORWOOD SUBDIVISION; AND THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 8, BLOCK 4, GEORGE LOAN'S SUBDIVISION, SAID CORNER ALSO BEING THE SOUTHWEST CORNER OF THE REFERENCED PARCEL; SAID CORNER ALSO BEING THE POINT OF BEGINNING:  
THENCE NORTHERLY ON AN ASSUMED BEARING OF N 00°48'02" W, 618.98' TO A FOUND 1" PIPE,  
THENCE EASTERLY N 88°53'18" E, 47.89' TO A FOUND 1" PIPE,  
THENCE NORTHERLY N 00°02'43" W, 58.16' TO A FOUND 1" PIPE,  
THENCE WESTERLY N 88°34'08" W, 35.11' TO A FOUND 1" PIPE,  
THENCE NORTHERLY N 00°35'34" W, 575.81' TO A FOUND 1" PIPE,  
THENCE EASTERLY N 89°52'08" E, 34.94', TO A FOUND 1" PIPE,  
THENCE NORTHERLY N 00°35'21" W, 217.37', TO A FOUND 1" PIPE,  
THENCE WESTERLY S 90°00'00" W, 75.00' TO A FOUND 1" PIPE,  
THENCE NORTHERLY N 00°35'21" W, 556.18' TO A FOUND 1" PIPE,  
THENCE EASTERLY S 90°00'00" E, 75.00' TO A FOUND 1" PIPE,  
THENCE CONTINUING EASTERLY N 89°39'54" E, 403.78' TO A POINT OF INTERSECTION ON THE WESTERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD, TO A FOUND 1" PIPE, THENCE SOUTHERLY S 03°40'02" E, ON SAID RIGHT-OF-WAY LINE, 2072.09' TO A FOUND 1" PIPE,  
THENCE WESTERLY S 89°41'12" W, 403.53' TO A FOUND 1" PIPE,  
THENCE NORTHERLY N 28°52'34" W, 45.36' TO A FOUND 1" PIPE, THENCE WESTERLY S 89°52'45" W, 136.00' TO THE POINT OF BEGINNING, CONTAINING A CALCULATED AREA OF 23.813 ACRES, MORE OR LESS. JAYME M. MALONE LS#440

Property to be platted as The Orchard Subdivision in City of Grand Island, Hall County, Nebraska.

The Orchard LLC/Hoppe Home P.C

\*\*\*\*\*

**EXHIBIT B**

**FORM OF REDEVELOPMENT PLAN**

The Orchard LLC/Hoppe Home P.C

**Redevelopment Plan Amendment  
Grand Island CRA Area 26  
November 2018**

**The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 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 26.**

**Executive Summary:**

**Project Description**

THE REDEVELOPMENT APPROXIMATELY 23 ACRES OF PROPERTY LOCATED BETWEEN CAPITAL AVENUE AND 12<sup>TH</sup> STREET WEST OF THE CENTRAL NEBRASKA RAIL ROAD TRACKS IN NORTHEAST GRAND ISLAND FOR THE DEVELOPMENT OF 180 LOTS FOR SINGLE FAMILY DETACHED AND ATTACHED HOUSING UNITS.

The use of Tax Increment Financing to aid in redevelopment expenses associated with platting and installing the necessary infrastructure (streets, sanitary sewer, water, and storm sewer) for the development of 180 residential lots being platted as The Orchard Subdivision in northeast 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 180 housing units with an average 2019 sale price \$170,000. The 2014 Housing Study for the City of Grand Island identified a need of 1735 new housing units within the City by 2019. Between January 2014 and August 2018 a total of 1034 new units were permitted, leaving a deficit of over 700 units. This project and selling the houses for the cost of construction would not be feasible without the use of TIF.

Orchard LLC – Hoppe Homes, LP owns the property being platted as The Orchard Subdivision. This is vacant property that has been surrounded by developed and developing property for more than 100 years. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the remodeling and rehabilitation of this building. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over multiple 15 year periods beginning January 1, 2020 towards the allowable costs and associated financing for rehabilitation.

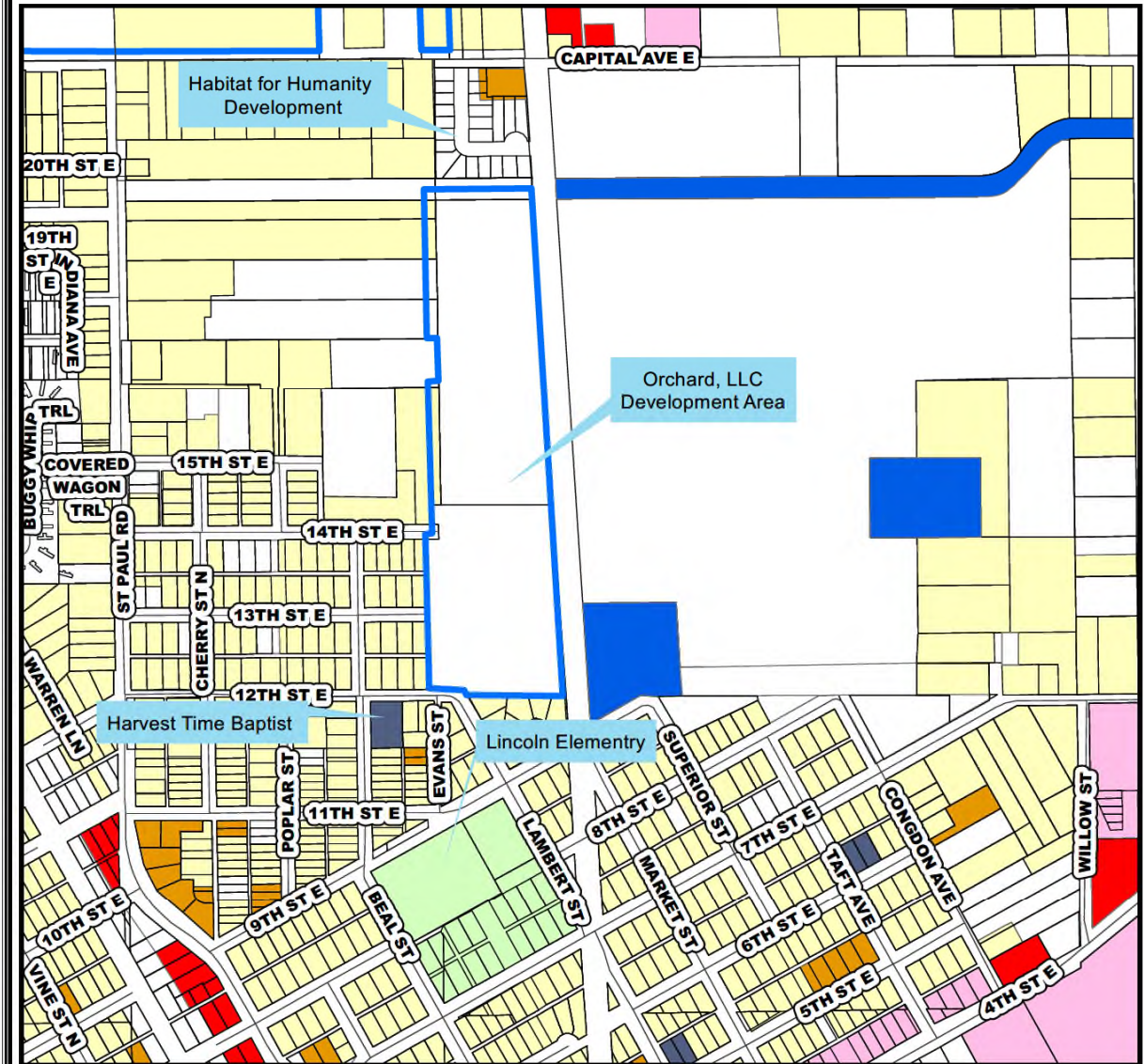
**TAX INCREMENT FINANCING TO PAY FOR THE REHABILITATION OF THE PROPERTY WILL COME FROM THE FOLLOWING REAL PROPERTY:**

Property Description (the “Redevelopment Project Area”)

**Legal Descriptions:** Property being platted as The Orchard Subdivision in the City of Grand Island, Hall County, Nebraska.



## EXISTING LAND USE LOCATION MAP



Scale: NONE  
For Illustration Purposes

**Legend**

- |   |  |
|---|--|
| <span style="border: 2px solid blue; display: inline-block; width: 15px; height: 10px;"></span> Orchard LLC, Development Area | <span style="background-color: #90EE90; display: inline-block; width: 15px; height: 10px;"></span> Park; School                    |
| <span style="background-color: #4682B4; display: inline-block; width: 15px; height: 10px;"></span> Church                     | <span style="background-color: #0000FF; display: inline-block; width: 15px; height: 10px;"></span> Public                          |
| <span style="background-color: #FF0000; display: inline-block; width: 15px; height: 10px;"></span> Commercial                 | <span style="background-color: #FFFF00; display: inline-block; width: 15px; height: 10px;"></span> Residential                     |
| <span style="background-color: #FFC0CB; display: inline-block; width: 15px; height: 10px;"></span> Industrial                 | <span style="background-color: #FFFFFF; display: inline-block; width: 15px; height: 10px; border: 1px solid black;"></span> Vacant |
| <span style="background-color: #FFA500; display: inline-block; width: 15px; height: 10px;"></span> Multi-Family Residential   |  |



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

### Existing Land Use and Subject Property

**The tax increment will be captured for the tax years the payments for which become delinquent in years 2020 through 2043 inclusive. The TIF contract will be structured so it can be amended each year for up to nine years to add the housing units to be completed during that year. No single property will be eligible for TIF for a period of more than 15 years.**

**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 development of the property for residential uses and the construction of houses in the project area as permitted in the R-3SL Medium Density Residential Small Lot 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. The plan anticipates that each phase of the development will constitute new effective date for the purposes of determining the period of fifteen years. 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 May 22, 2018.[§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 October 3, 2018 and passed Resolution 2019-011 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.](#) The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment prior to it being submitted to the CRA for initial consideration.

**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 26 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

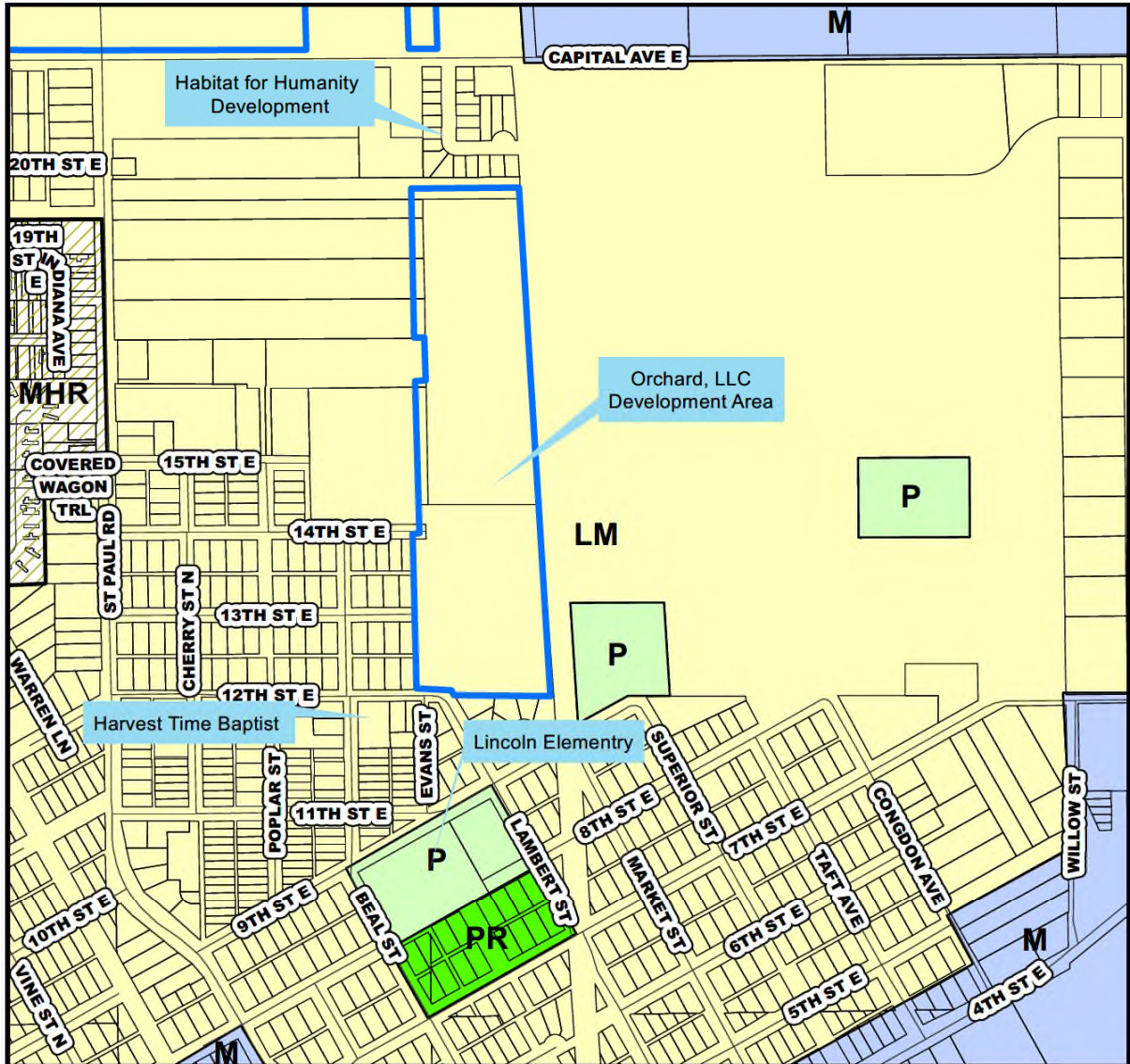
***b. Demolition and Removal of Structures:***

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

***c. Future Land Use Plan***

See the attached map from the 2004 Grand Island Comprehensive Plan. All of the area around the site in private ownership is planned for low to medium density residential development. This property is in private ownership. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]

## FUTURE LAND USE LOCATION MAP



Scale: NONE  
For Illustration Purposes

**Legend**

- |                                |                               |
|--------------------------------|-------------------------------|
| Orchard LLC, Development Area  | MHR - Mobile Home             |
| TA - Transitional Agriculture  | MO - Mixed Use Office         |
| DC - Down Town Commercial      | M - Manufacturing             |
| GC - General Commercial        | MUM - Mixed Use Manufacturing |
| HC - Highway Commercial        | P - Public                    |
| MUC - Mixed Use Commercial     | PR - Parks and Recreation     |
| LM - Low to Medium Residential |                               |



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

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 R-3SL Medium Density Small Lot Residential zone. No zoning changes are anticipated with this project. New streets are anticipated and needed to support this project and it is anticipated that TIF revenues will offset the costs of those improvements. No changes are anticipated in building codes or ordinances. No other planning changes contemplated. [§18-2103(b) and §18-2111]

***e. Site Coverage and Intensity of Use***

The property is zoned R-3SL This zoning district allows for up to 50% of the property to be covered with buildings and lot sizes ranging from 2100 square feet for Row houses to a minimum of 3000 square feet for single family detached homes. The proposed development meets those coverage and intensity of use requirements. [§18-2103(b) and §18-2111]

***f. Additional Public Facilities or Utilities***

Sanitary sewer and water are available to support this development. Both sanitary sewer and water will need to be extended throughout the site. TIF revenues will be used to offset the cost of these public utility improvements.

Electric utilities are sufficient for the proposed use of this property. Electric line will need to be extended throughout the property.

No other publicly owned 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 vacant and has been vacant for more than 1 year; no relocation is contemplated or necessary. [§18-2103.02]**

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

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

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

The developer is estimated a purchase value of \$2,000,000 as an eligible expense. The estimated costs of grading, streets, sanitary sewer, water and storm sewer is \$4,000,000

The total of the eligible expenses for this project is estimated by the developer at \$6,000,000.

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

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

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$6,000,000 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2021 through December 2043.

***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. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions. This will accomplish the goal of increasing the number of residential units within the City of Grand Island and encouraging infill development.

**8. Time Frame for Development**

Development of this project is anticipated to begin in the 2019 year. The subdivision will likely be built in three phases with approximately 60 lots per phase. The developer is anticipating construction of 20 units per year though this may be adjusted for market

demand. It is anticipated that the final homes in this development will be built in 2027 with the tax increment on those homes extending to 2042. Excess valuation should be available for the first homes built with this project for 15 years beginning with the 2021 tax year.

**9. Justification of Project**

The 2014 housing study for the City of Grand Island projected that by 2019 we would need an additional 1734 new housing units. Between January 1 of 2014 and August of 2018 permits for 1028 new housing units had been issued. The current housing market, a combination of the cost of producing housing and the prevailing wages, has not created a situation that gives the markets sufficient incentive to build the number housing units required to meet community needs. This lack of housing options impacts a variety of other areas within the community including work force development, overcrowding, maintenance of residential units and rents. This project will create new housing options in one of the oldest areas of the City. These new housing options include row houses along with townhomes and single family houses on smaller lots. All of this should lower the cost of construction and the overall sales price of the homes, making them more affordable.

**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.* (2019), the City of Grand Island has analyzed the costs and benefits of the proposed Redevelopment Project, including:

**Project Sources and Uses.** Approximately \$6,000,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$6,000,000 in private sector financing; a private investment of \$5.25 for every TIF and grant dollar investment.

Use of Funds	Source of Funds.		
	TIF Funds	Private Funds	Total
Site Acquisition	\$2,000,000	\$	\$2,000,000
Legal and Plan*		\$80,000	\$80,000
Financing Fees		\$20,000	\$20,000
Engineering/Arch		\$50,000	\$50,000
New Construction		\$31,000,000	\$31,000,000
On Site Improvements	\$4,000,000		\$4,000,000
Contingency	\$6,000,000	\$350,000	\$350,000
<b>TOTALS</b>	<b>\$6,000,000</b>	<b>\$31,500,000</b>	<b>\$37,500,000</b>

**Tax Revenue.** The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$203,000. Based on the 2017 levy this would result in a real property tax of approximately \$4,573. It is anticipated that the assessed value will increase by \$39,800,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$890,000 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for the period of the bonds, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2019 assessed value:	\$ 203,000
Estimated value after completion	\$ 40,000,000
Increment value	\$ 39,797,000
Annual TIF generated (estimated)	\$ 890,000
TIF bond issue	\$ 6,000,000

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

The redevelopment project area currently has an estimated valuation of \$203,000. The proposed redevelopment will create additional valuation of \$39,800,000 over the course of the next nine years. The project creates additional valuation that will support taxing entities long after the project is paid off along with providing 181 additional housing units that can be built and sold for less than \$200,000.

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

Existing water and waste water facilities will not be negatively impacted by this development. The electric utility has sufficient capacity to support the development. This is infill development with services connecting to existing line with capacity. This development is likely to result in a larger number of students in the Lincoln Elementary School service area. Fire and police protection are available and should not be negatively impacted by this development though there will be some increased need for officers and fire fighters as the City continues to grow whether from this project or others.

Housing of the type proposed is likely to attract families to the neighborhood. Lincoln Elementary school is currently near or at capacity and this will likely cause some issues. The project is proposed for development at about 20 units per year so the impact will not be immediate.

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

This will provide additional housing options for the residents of Grand Island. The National Homebuilders Association estimates that each new single family home is the



equivalent of 2.5 full time equivalent jobs so this development at 20 houses per year would represent an additional 50 FTE's within the city for the next nine years.

***(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 different from any other expanding business within the Grand Island area. Grand Island does have tight labor market and part of that is due to the availability and cost of housing. This development may help alleviate some of those pressures.

***(e) Impacts on student populations of school districts within the City or Village:***

**This development will have an impact on the Grand Island School system and will likely result in additional students at both the elementary and secondary school levels.**

The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. 181 additional households would house 480 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 92 school age children generated by this development. If this develops at a rate of 20 houses per year for 9 years approximately 10 children would be added to the school age population every year with this development. These 10 children will likely be spread over the full school age population from elementary to secondary school. According to the National Center for Educational Statistics<sup>1</sup> 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 was notified on October 16, 2018 that the CRA would be considering this application at their November 14, 2018 meeting.

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

This project is consistent the goals of the 2014 Housing Study for the City of Grand Island to create more than 1700 new dwelling units by 2019. It appears that the City of Grand Island will have added more than 1000 units by 2019 but that still leaves a deficit of the projected need of 700 units. The local housing market is not capable of producing the number of units needed at market rate given the costs of building and development.

### **Time Frame for Development**

Development of this project is anticipated to be completed during between Spring of 2019 and the end of 2028. The base tax year should be calculated on the value of the

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<sup>1</sup> [https://nces.ed.gov/ccd/districtsearch/district\\_detail.asp?ID2=3100016](https://nces.ed.gov/ccd/districtsearch/district_detail.asp?ID2=3100016)

property as of January 1, 2019 for the first phase with each phase based on the preceeding year's valuation of the property included in the amendment for that year. Excess valuation should be available for this project beginning in 2020 with taxes due in 2021. 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 on each property or an amount not to exceed \$6,000,000 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses of the rehabilitation the developer will spend at least \$6,000,000 on TIF eligible activities.



## BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

### Project Redeveloper Information

Business Name:

ORCHARD LLC - Hoppe Homes, LP

Address:

PO Box 6036 LINCOLN NE 68504

Telephone No.:

402 328 8100

Fax No.:

402 328 8104

Contact:

FRED HOPPE

Brief Description of Applicant's

Business:

land development & construction

proposed to subdivide land & build  
affordable housing for purchase or  
rent.

Present Ownership Proposed Project Site: ORCHARD LLC

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

see attached 128 Town homes, 40 row homes, 13 single family homes priced for entry level

If Property is to be Subdivided, Show Division Planned: see attached

VI. Estimated Project Costs:

Acquisition Costs:

A. Land APX 2,000,000

B. Building N/A \$

Construction Costs:

A. Renovation or Building Costs: APX \$1,000,000 X 180 plus \$350,000 \$ 3,000,000

B. On-Site Improvements: APX \$ 4,000,000  
STREETS  
SEWER  
WATER  
SYSTEM

Soft Costs:

A. Architectural & Engineering Fees:

*APX* \$ 50,000

B. Financing Fees:

*APX* \$ 20,000

C. Legal/Developer/Audit Fees:

*APX* \$ 80,000

D. Contingency Reserves:

\$ 350,000

E. Other (Please Specify)

\$

TOTAL \$ 37,500,000

Total Estimated Market Value at Completion:

*APX* \$ 40,000,000

Source of Financing:

A. Developer Equity:

\$ 2,000,000

B. Commercial Bank Loan:

\$ 29,500,000

Tax Credits:

1. N.I.F.A.

*TO BE DETERMINED*

\$

2. Historic Tax Credits

\$

D. Industrial Revenue Bonds:

\$

E. Tax Increment Assistance:

\$ 6,000,000

F. Other

\$

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

ARCH & ENG: DESIGN ASSOCIATES C/O JACOBY WELLS RIMS

GC: HOPPE HOMES ATTN FRED HOPPE

see attached

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

(Please Show Calculations)

180 x 210,000 = 37,800,000

Project Construction Schedule:

3 Phases

180 units

Construction Start Date:

Phase I - 12/18

20 per year

Construction Completion Date:

Phase III 9/27

If Phased Project:

2019 Year 11 %

Complete

Year %

Complete

11% per year est

XII. Please Attach Construction Pro Forma

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

**TAX INCREMENT FINANCING REQUEST INFORMATION**

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

LAND & INFRA STRUCTURE

TIF ALLOWS US TO SELL  
HOUSES FOR CONST. COST.

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

MARKET VALUE \$210,000 EST  
SALE PRICE \$170,000  
TIF PAYS GAP 40,000

Using TIF to reduce sale price  
to construction cost.

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

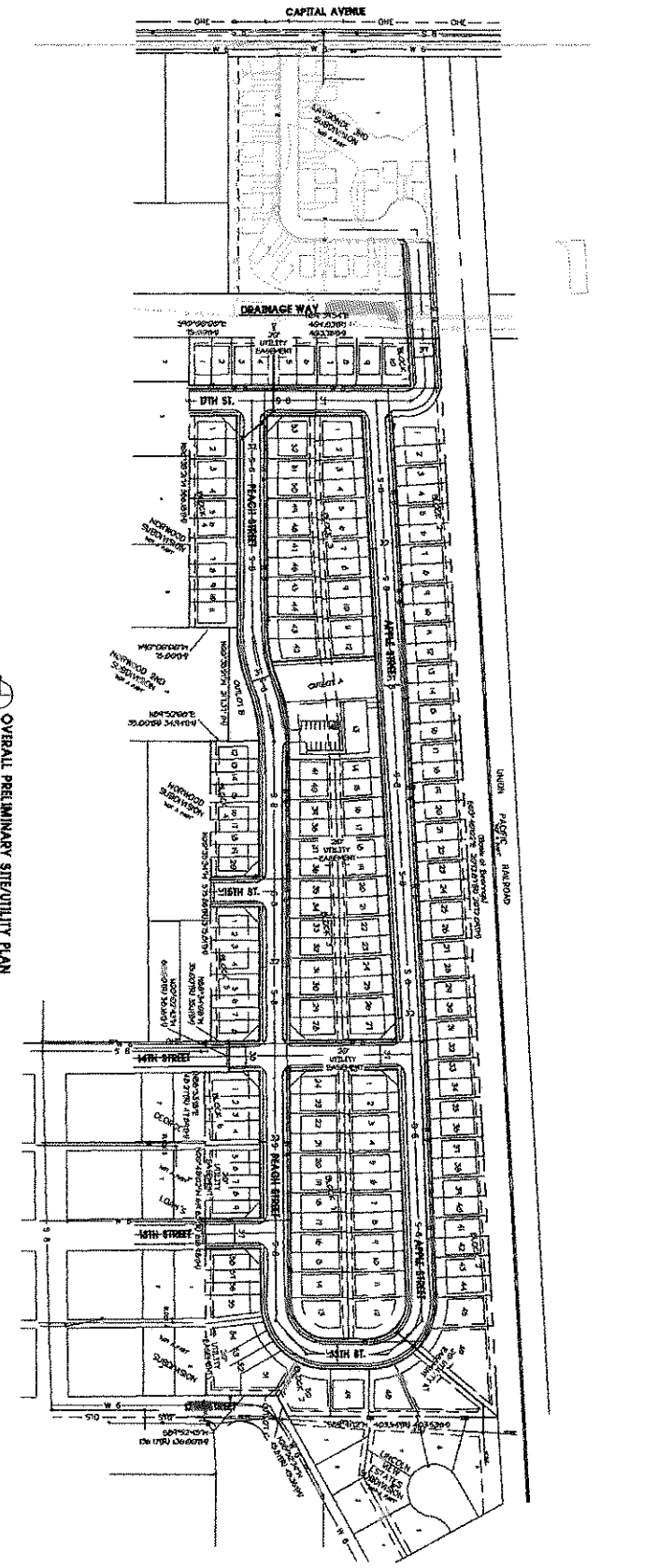
has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

LEXINGTON	JOE PEPLIS A
LINCOLN-	DAVE LANDIS
GRAND ISLAND	CHAD NABILITY

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

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





**LEGAL DESCRIPTION**

SHARDOR OF THE SUBDIVISION...  
 1/4 SECTION 16, T12N, R10E, S4M, NEBRASKA...  
 1/4 SECTION 17, T12N, R10E, S4M, NEBRASKA...  
 1/4 SECTION 18, T12N, R10E, S4M, NEBRASKA...  
 1/4 SECTION 19, T12N, R10E, S4M, NEBRASKA...

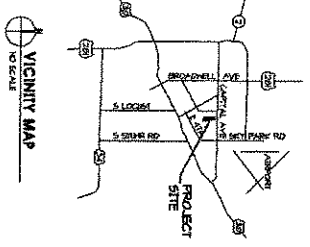
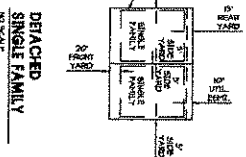
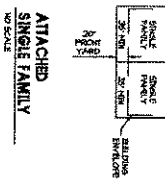
**SURVEYORS CERTIFICATE**

BEFORE ME, the undersigned authority, on this day personally appeared...  
 and acknowledged to me that he executed the foregoing...  
 and that the contents of the same are true and correct...  
 and that he executed the same for the purposes and consideration therein expressed.

**GENERAL SITE NOTES**

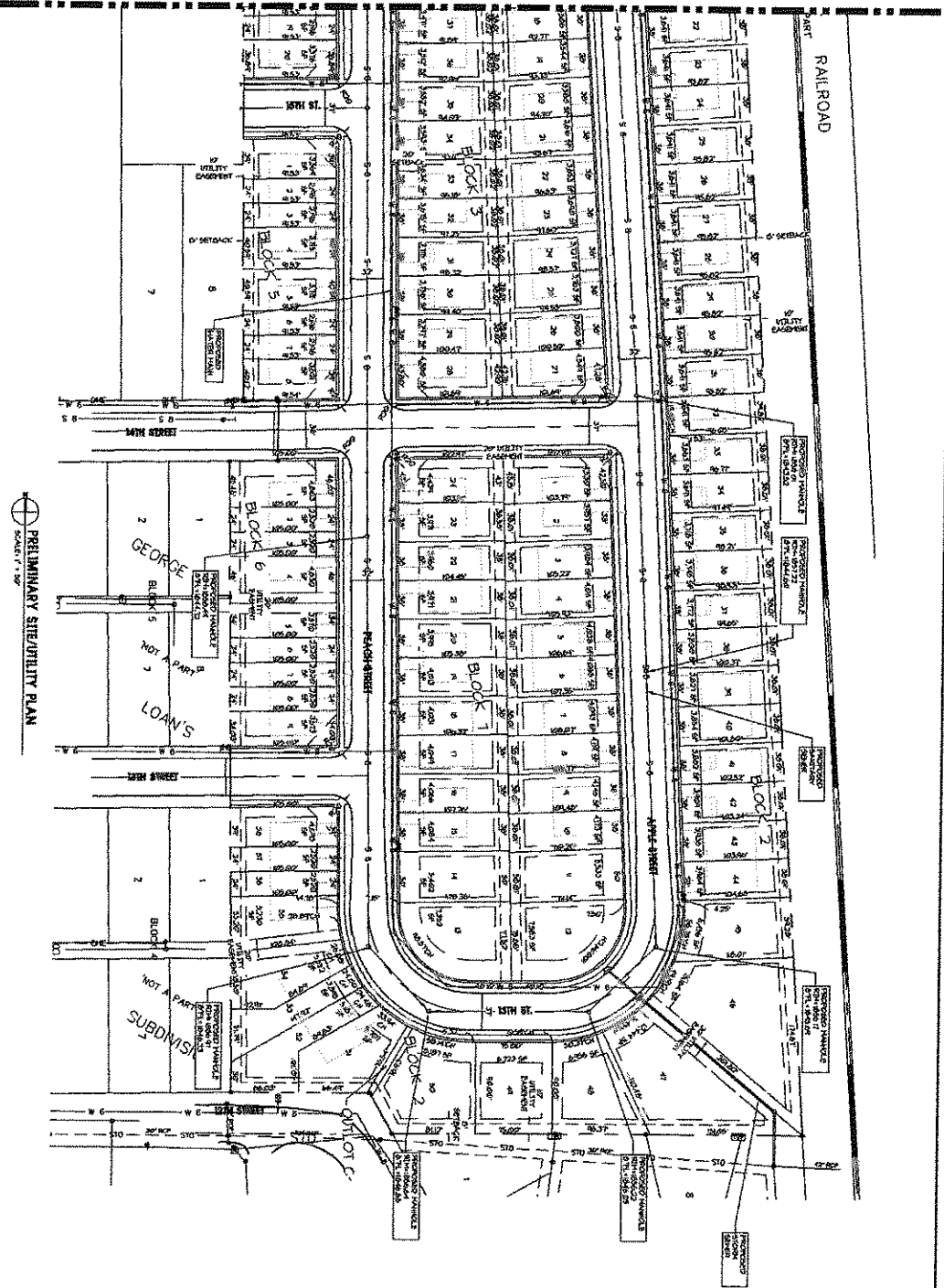
1. DEVELOPER AND OWNER FOR
2. ALL UTILITIES SHALL BE UNDERGROUND. ALL UTILITIES SHALL BE UNDERGROUND EXCEPT FOR
3. ALL UTILITIES SHALL BE UNDERGROUND EXCEPT FOR
4. ALL UTILITIES SHALL BE UNDERGROUND EXCEPT FOR
5. EACH LOT SHALL HAVE INDIVIDUAL SERVICE FOR WATER, SEWER, AND ELECTRICAL.
6. CONDUITS SHALL BE 18" DIA. CONCRETE OR PLASTIC CONDUITS FOR WATER, SEWER, AND ELECTRICAL.
7. ALL UTILITIES SHALL BE UNDERGROUND EXCEPT FOR
8. ALL UTILITIES SHALL BE UNDERGROUND EXCEPT FOR
9. ALL UTILITIES SHALL BE UNDERGROUND EXCEPT FOR

OVERALL PRELIMINARY SITE UTILITY PLAN  
 SCALE: 1/8" = 1'-0"



<p><b>C-1</b></p>	<p><b>Design Associates</b>          of Lincoln, Inc.          1000 S. 10TH STREET, SUITE 100          LINCOLN, NEBRASKA 68502          (402) 474-3000</p>	<p><b>PROPOSED SITE PLAN</b></p>	<p align="center"> <b>THE ORCHARD SUBDIVISION</b>            PRELIMINARY STUDY            GRAND ISLAND, NEBRASKA         </p>	<p>16 AUG 2016</p>
	<p>16 AUG 2016</p>			

MATCHLINE SEE SHEET C-2



PRELIMINARY SITE/UTILITY PLAN  
SCALE: 1" = 80'

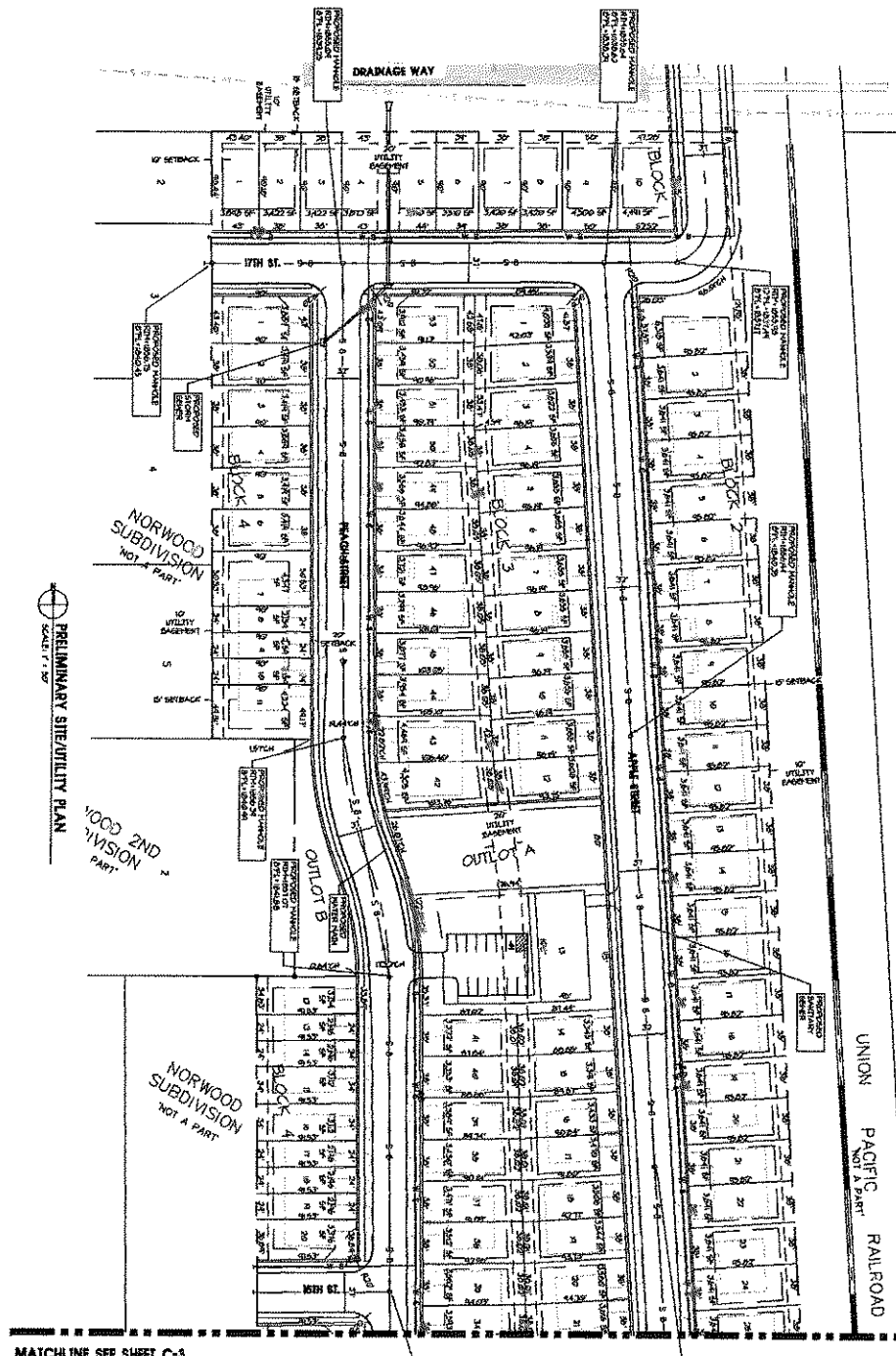
C3

**Design Associates**  
of Lincoln, Inc.  
ARCHITECTS • ENGINEERS • PLANNERS  
1700 W. 104th STREET LINCOLN, NEBRASKA 68504  
402-477-3300 dave@designassociates.com 402-477-4015

PROPOSED  
SITE PLAN

**THE ORCHARD SUBDIVISION**  
PRELIMINARY STUDY  
GRAND ISLAND, NEBRASKA





MATCHLINE SEE SHEET C-3

C-2

**Design Associates**  
of Lincoln, Inc.  
ARCHITECTS • ENGINEERS • PLANNERS  
1625 O ST. SUITE 1000 LINCOLN, NEBRASKA 68503  
402-477-3300 design@designassoc.com 402-477-4012

PROPOSED  
SITE PLAN

**THE ORCHARD SUBDIVISION**  
PRELIMINARY STUDY  
GRAND ISLAND, NEBRASKA

18 JUN 2018

Developer/builder/GC

The Orchard, LLC

Hoppe Homes, LP

c/o Ward F. Hoppe

P.O. Box 6036

Lincoln Ne 68506

402-328-8100

Design Associates

c/o Jeremy Williams

402-474-3000

1609 N Street

Lincoln

Ne.

68508

# of units:	LIVING SQ FT>	1,170	1305	1305	1739	1487
		2BR Ranch	3 BR RANCH	3 BR RANCH	2 STORY FRONT	2 STORY FRONT
		BASEMENT	SLAB	BASEMENT	SLAB	BASEMENT
Description		Per	Per	Per	Per	Per
		Unit	Unit	Unit	Unit	Unit
Appliances Allowance		\$2,550	\$2,550	\$2,550	\$2,550	\$2,550
Cabinets		\$2,100	\$2,100	\$2,100	\$2,700	\$2,700
Clean/Trash		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Concrete Flatwork		\$11,500	\$10,000	\$11,500	\$14,650	\$14,650
Counter Tops Material		\$750	\$750	\$750	\$800	\$800
Deck Labor & Material		\$2,000	\$150	\$2,000	\$150	\$2,000
Drywall		\$6,550	\$7,000	\$7,300	\$8,500	\$8,700
Electrical		\$7,400	\$7,500	\$7,800	\$8,000	\$8,000
Environmental / SWPPP		\$300	\$300	\$300	\$300	\$300
Excavation/Backfill		\$1,400	\$0	\$1,600	\$0	\$1,600
Exterior Doors		\$1,120	\$1,560	\$1,120	\$1,225	\$780
Fine Grade & Site Prep		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Floor covering		\$3,700	\$4,000	\$4,500	\$5,000	\$5,200
Foundation Wall		\$13,500	\$11,000	\$15,000	\$7,800	\$12,000
Framing Labor		\$4,700	\$4,000	\$5,220	\$5,700	\$6,500
Framing Material		\$17,000	\$17,100	\$19,000	\$24,000	\$26,000
Garage Door - (No Opener)		\$700	\$700	\$700	\$700	\$700
Gutters		\$1,850	\$2,000	\$2,000	\$1,000	\$1,000
Hardware		\$480	\$500	\$500	\$500	\$500
HVAC - heat pump		\$8,800	\$8,200	\$9,000	\$8,200	\$9,000
Impact Fee		\$0	\$0	\$0	\$0	\$0
Insurance		\$300	\$300	\$300	\$300	\$300
Insulation		\$2,700	\$2,750	\$3,000	\$2,800	\$3,250
Interest	5% 8 mo.	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Landscape		\$800	\$800	\$800	\$800	\$800
Lighting Fixtures Allowance		\$335	\$350	\$350	\$350	\$350
Masonry		\$1,200	\$1,200	\$1,200	\$1,000	\$1,000
Mirrors		\$150	\$150	\$150	\$175	\$175
Painting		\$3,300	\$3,600	\$3,600	\$4,100	\$4,200
Permits & Curb Cut		\$800	\$800	\$800	\$800	\$800
Plumbing - 2 Baths		\$9,800	\$9,500	\$9,800	\$10,800	\$11,000
Portable Toilet		\$100	\$100	\$100	\$100	\$100
Roofing Labor & Materials		\$3,050	\$3,400	\$3,400	\$2,800	\$2,800
Sealing/Caulking		\$100	\$100	\$100	\$100	\$100
Sewer& h2o (private)		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Shutters		\$100	\$100	\$100	\$100	\$100
Siding Labor & Material		\$3,150	\$3,500	\$3,500	\$4,100	\$4,100
Signage		\$100	\$100	\$100	\$100	\$100
Sodding		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Solar		\$0	\$0	\$0	\$0	\$0
Sprinkler, fire		\$0	\$0	\$0	\$0	\$0
Sprinkler, lawn		\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
Storage		\$100	\$100	\$100	\$100	\$100
Structural Steel		\$0	\$0	\$0	\$0	\$0
Supervision		\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Trim Labor		\$3,000	\$3,200	\$3,200	\$3,350	\$3,350
Trim Materials		\$2,900	\$3,200	\$3,200	\$3,200	\$3,200
Trusses - Roof		\$4,500	\$5,000	\$5,000	\$3,500	\$3,500
Utilities		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Waterproofing - In Foundat.#		\$0	\$0	\$0	\$0	\$0
Windows		\$1,070	\$900	\$1,300	\$1,500	\$1,900
Window Treatment		\$185	\$200	\$200	\$200	\$230
Post Boxes		\$100	\$100	\$100	\$100	\$100
<b>SUBTOTAL</b>	<b>90%</b>	<b>\$135,840</b>	<b>\$130,460</b>	<b>\$144,940</b>	<b>\$143,750</b>	<b>\$156,135</b>
Options (see schedule)		\$0	\$0	\$0	\$0	\$0
P&O	10%	\$15,093	\$14,496	\$16,104	\$15,972	\$17,348
<b>BUILDING COST</b>		<b>\$150,933</b>	<b>\$144,956</b>	<b>\$161,044</b>	<b>\$159,722</b>	<b>\$173,483</b>
realtor	3%	\$4,528	\$4,349	\$4,831	\$4,792	\$5,205
<b>SUBTOTAL</b>		<b>\$156,138</b>	<b>\$149,954</b>	<b>\$166,598</b>	<b>\$165,230</b>	<b>\$179,466</b>

**Hoppe Homes LP**  
**Balance Sheet**  
 As of December 31, 2017

	Dec 31, 17
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
CHB 454060	27,816.16
CHB 7094683-Savings	2,830.17
Union 3050987	1,397.99
WGB 2004022605	3,805.28
<b>Total Checking/Savings</b>	<b>35,849.60</b>
Accounts Receivable	
Accounts Receivable	1,664.68
<b>Total Accounts Receivable</b>	<b>1,664.68</b>
<b>Other Current Assets</b>	
Lexington Project-Tyson Foods	
Advertising	-125.00
Gas	109.98
Supervision	142.50
NIFA	1,500.00
Permits	500.00
Environmental	2,800.00
Legal	18,076.00
Architecture	82.10
<b>Total Lexington Project-Tyson Foods</b>	<b>23,085.58</b>
Cherry Park East	
Cherry Park East - Other	-805.81
<b>Total Cherry Park East</b>	<b>-805.81</b>
Stonyhill Ventures-Option Purch	2,500.00
GIAHC Note(Stonyhill Ventures)	5,000.00
Stonyhill Ventures Receivable	11,380.35
Escrow-Security First Bank	9,265.87
Wainut Theater LLC Rec	10,500.00
<b>Total Other Current Assets</b>	<b>60,925.99</b>
<b>Total Current Assets</b>	<b>98,440.27</b>
<b>Fixed Assets</b>	
Investment in GILI LLC	
Gili LLC-Distribution	-252,000.00
Investment in GILI LLC - Other	-113,845.00
<b>Total Investment in GILI LLC</b>	<b>-365,845.00</b>
Drafting Software-2010	3,000.00
<b>Equipment</b>	
Duteau	36,230.00
Original Cost	20,549.35
Trailer	1,932.10
Truck	3,100.00
Truck-Ford 1997	5,500.00
Stock 710 Trailer-2008	8,000.00
Site Trailer-Oct 2010	1,965.74
20 HP KAW/44" ZTR Mower-2011	4,815.00
Chevrolet Siverado-2011	26,150.00
Washer/Dryer Sets	8,720.50
Ram 1500 Promaster Van-2016	22,000.00
Accumulated Depreciation	-90,919.38
<b>Total Equipment</b>	<b>48,043.31</b>

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**Hoppe Homes LP**  
**Balance Sheet**  
 As of December 31, 2017

	Dec 31, 17
<b>Furniture &amp; Fixtures</b>	
Original Cost	8,530.51
Accumulated Depreciation	-8,530.51
<b>Total Furniture &amp; Fixtures</b>	0.00
<b>Rental Units</b>	
<b>1025 W Welter</b>	
Land-1025 W Welter	35,368.00
1025 W Welter - Other	125,121.82
<b>Total 1025 W Welter</b>	160,489.82
<b>2541/2543 SW Soukup Cir(Duplex)</b>	
Land-2543/2543 SW Soukup Cir	35,250.00
2541/2543 SW Soukup Cir(Duplex) - Other	204,495.75
<b>Total 2541/2543 SW Soukup Cir(Duplex)</b>	239,745.75
<b>Accumulated Depreciation</b>	-121,898.14
<b>Total Rental Units</b>	278,337.43
<b>Total Fixed Assets</b>	-36,464.26
<b>Other Assets</b>	
Walnut Redev Loan	1,989.06
Orchard Loan	333,028.45
<b>Work In Progress</b>	
WIP-Wyuka Project	106.11
<b>Total Work In Progress</b>	106.11
<b>Total Other Assets</b>	335,123.62
<b>TOTAL ASSETS</b>	<b>397,099.63</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
N/P CP East-Centurylink	11,000.00
N/P Security First-1100067995	31,157.21
N/P Security First-1100065001	144,075.68
N/P Security First-1100065002	49,504.48
N/P Security First-1100067718	15,829.78
Pet Deposit	250.00
Security Deposit	3,300.00
<b>Total Other Current Liabilities</b>	255,117.15
<b>Total Current Liabilities</b>	255,117.15
<b>Total Liabilities</b>	255,117.15
<b>Equity</b>	
<b>Jacob Hoppe Equity</b>	
Jacob Hoppe Capital	65,989.06
Jacob Hoppe Draws	-36,794.72
<b>Total Jacob Hoppe Equity</b>	29,194.34
<b>Margaret Hoppe Equity</b>	
Margaret Hoppe Capital	71,775.83
Margaret Hoppe Draws	-55,051.38
<b>Total Margaret Hoppe Equity</b>	16,724.45
<b>Retained Earnings</b>	-29.22

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**Hoppe Homes LP**  
**Balance Sheet**  
As of December 31, 2017

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	<u>Dec 31, 17</u>
Ward Hoppe Equity	
Ward Hoppe Capital	172,444.94
Ward Hoppe Draws	<u>-60,975.44</u>
Total Ward Hoppe Equity	111,469.50
Net Income	<u>-15,376.59</u>
Total Equity	<u>141,982.48</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>397,099.63</u></b>



**Hoppe Homes LP**  
**Profit & Loss YTD Comparison**  
 January through December 2017

	Jan - Dec 17	Jan - Dec 17
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Contract Receipt	170,000.00	170,000.00
CSV (Washer/Dryer)	2,565.00	2,565.00
OMC(Washer/Dryer)	245.00	245.00
Late Charges	464.00	464.00
Management Fee	26,866.17	26,866.17
Mileage Reimbursed	2,363.02	2,363.02
Overhead & Profit	30,000.00	30,000.00
Repair Income	34,783.73	34,783.73
Rental Income	40,880.00	40,880.00
<b>Total Income</b>	<u>308,166.92</u>	<u>308,166.92</u>
<b>Gross Profit</b>	308,166.92	308,166.92
<b>Expense</b>		
Campaign marketing	98,389.75	98,389.75
Advertising	250.00	250.00
Automobile Expense	15,710.91	15,710.91
Bank Service Charges	219.20	219.20
Contract Labor	116,377.87	116,377.87
Depreciation Expense	16,153.44	16,153.44
Donations	895.00	895.00
Dues and Subscriptions	1,671.00	1,671.00
401K Expense	2,250.04	2,250.04
Insurance	18,778.60	18,778.60
Interest Expense	11,057.97	11,057.97
Licenses and Permits	40.00	40.00
Miscellaneous	566.13	566.13
Office Supplies	1,596.77	1,596.77
Postage and Delivery	203.93	203.93
Professional Fees	14,438.76	14,438.76
Rent-Office	3,000.00	3,000.00
Repairs	2,069.54	2,069.54
Seminar	125.00	125.00
Service Charge	60.00	60.00
Taxes	7,981.52	7,981.52
Telephone	3,943.33	3,943.33
Tools and Machinery	1,612.12	1,612.12
Travel & Ent	2,915.09	2,915.09
Utilities	3,289.52	3,289.52
<b>Total Expense</b>	<u>323,595.49</u>	<u>323,595.49</u>
<b>Net Ordinary Income</b>	-15,428.57	-15,428.57
<b>Other Income/Expense</b>		
<b>Other Income</b>		
Interest Income	4.24	4.24
Other Income	47.74	47.74
<b>Total Other Income</b>	<u>51.98</u>	<u>51.98</u>
<b>Net Other Income</b>	51.98	51.98
<b>Net Income</b>	<u><u>-15,376.59</u></u>	<u><u>-15,376.59</u></u>

**Hoppe Homes LP**  
**Balance Sheet**  
 As of December 31, 2016

	Dec 31, 16
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
CHB 454060	38,371.39
CHB 7094683-Savings	2,825.93
Union 3050987	1,397.99
WGB 2004022605	3,805.28
<b>Total Checking/Savings</b>	<b>46,400.59</b>
<b>Other Current Assets</b>	
Lexington Project-Tyson Foods	
Market Study	4,800.00
NIFA	500.00
Legal	16,537.50
<b>Total Lexington Project-Tyson Foods</b>	<b>21,837.50</b>
Stonyhill Ventures-Option Purch	2,500.00
GIAHC Note(Stonyhill Ventures)	5,000.00
Stonyhill Ventures Receivable	11,035.85
Escrow-Security First Bank	9,251.39
Walnut Theater LLC Rec	10,500.00
<b>Total Other Current Assets</b>	<b>60,124.74</b>
<b>Total Current Assets</b>	<b>106,525.33</b>
<b>Fixed Assets</b>	
Investment in GILI LLC	
Gili LLC-Distribution	-212,000.00
Investment in GILI LLC - Other	-113,845.00
<b>Total Investment in GILI LLC</b>	<b>-325,845.00</b>
Drafting Software-2010	3,000.00
<b>Equipment</b>	
Original Cost	20,549.35
Trailer	1,932.10
Truck	3,100.00
Truck-Ford 1997	5,500.00
Stock 710 Trailer-2008	8,000.00
Site Trailer-Oct 2010	1,965.74
20 HP KAW/44" ZTR Mower-2011	4,815.00
Chevrolet Siverado-2011	26,150.00
Washer/Dryer Sets	8,720.50
Ram 1500 Promaster Van-2016	22,000.00
Accumulated Depreciation	-86,570.94
<b>Total Equipment</b>	<b>16,161.75</b>
<b>Furniture &amp; Fixtures</b>	
Original Cost	8,530.51
Accumulated Depreciation	-8,530.51
<b>Total Furniture &amp; Fixtures</b>	<b>0.00</b>
<b>Rental Units</b>	
1025 W Welter	
Land-1025 W Welter	35,368.00
1025 W Welter - Other	125,121.82
<b>Total 1025 W Welter</b>	<b>160,489.82</b>
2541/2543 SW Soukup Cir(Duplex)	
Land-2543/2543 SW Soukup Cir	35,250.00
2541/2543 SW Soukup Cir(Duplex) - Other	204,495.75
<b>Total 2541/2543 SW Soukup Cir(Duplex)</b>	<b>239,745.75</b>

**Hoppe Homes LP**  
**Balance Sheet**  
 As of December 31, 2016

	Dec 31, 16
Accumulated Depreciation	-110,093.14
Total Rental Units	290,142.43
Total Fixed Assets	-16,540.82
Other Assets	
Walnut Redev Loan	1,714.06
Orchard Loan	314,863.76
Total Other Assets	316,577.82
<b>TOTAL ASSETS</b>	<b>406,562.33</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Credit Cards	
First Bankcard 2251	29.22
Total Credit Cards	29.22
Other Current Liabilities	
A/P Gili LLC	9,949.00
N/P Security First-1100065001	155,744.35
N/P Security First-1100065002	53,515.26
N/P Security First-1100067718	19,563.42
Pet Deposit	250.00
Security Deposit	3,300.00
Total Other Current Liabilities	242,322.03
Total Current Liabilities	242,351.25
Total Liabilities	242,351.25
Equity	
Jacob Hoppe Equity	
Jacob Hoppe Capital	74,292.06
Jacob Hoppe Draws	-34,892.40
Total Jacob Hoppe Equity	39,399.66
Margaret Hoppe Equity	
Margaret Hoppe Capital	80,080.83
Margaret Hoppe Draws	-55,051.38
Total Margaret Hoppe Equity	25,029.45
Retained Earnings	-29.22
Ward Hoppe Equity	
Ward Hoppe Capital	211,196.29
Ward Hoppe Draws	-56,025.75
Total Ward Hoppe Equity	155,170.54
Net Income	-55,359.35
Total Equity	164,211.08
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>406,562.33</b>

**Hoppe Homes LP**  
**Profit & Loss YTD Comparison**  
 January through December 2016

	Jan - Dec 16	Jan - Dec 16
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Consulting	25,000.00	25,000.00
Contract Receipt	162,996.30	162,996.30
Drafting	1,000.00	1,000.00
CSV (Washer/Dryer)	3,730.00	3,730.00
OMC(Washer/Dryer)	420.00	420.00
Late Charges	425.00	425.00
Maintenance	124.50	124.50
Management Fee	27,411.10	27,411.10
Mileage Reimbursed	3,001.33	3,001.33
Overhead & Profit	5,869.55	5,869.55
Repair Income	34,717.06	34,717.06
Rental Income	39,365.00	39,365.00
Supervision	1,400.00	1,400.00
Trip Charge	37.41	37.41
<b>Total Income</b>	<b>305,497.25</b>	<b>305,497.25</b>
<b>Cost of Goods Sold</b>		
Cost of Goods Sold	114,286.28	114,286.28
<b>Total COGS</b>	<b>114,286.28</b>	<b>114,286.28</b>
<b>Gross Profit</b>	<b>191,210.97</b>	<b>191,210.97</b>
<b>Expense</b>		
Advertising	843.25	843.25
Automobile Expense	9,848.80	9,848.80
Bank Service Charges	39.00	39.00
Contract Labor	110,964.35	110,964.35
Depreciation Expense	23,577.67	23,577.67
Donations	755.00	755.00
Dues and Subscriptions	992.00	992.00
401K Expense	2,250.04	2,250.04
Insurance	5,637.90	5,637.90
Interest Expense	10,393.26	10,393.26
Licenses and Permits	40.00	40.00
Office Supplies	988.03	988.03
Postage and Delivery	184.61	184.61
Professional Fees	7,877.10	7,877.10
Reference Materials	46.19	46.19
Rent-Office	3,000.00	3,000.00
Repairs	1,745.35	1,745.35
Service Charge	20.00	20.00
Taxes	3,963.39	3,963.39
Telephone	2,877.17	2,877.17
Tools and Machinery	839.49	839.49
Travel & Ent	554.08	554.08
Utilities	1,449.54	1,449.54
Web Site	67.90	67.90
<b>Total Expense</b>	<b>188,954.12</b>	<b>188,954.12</b>
<b>Net Ordinary Income</b>	<b>2,256.85</b>	<b>2,256.85</b>

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**Hoppe Homes LP**  
**Profit & Loss YTD Comparison**  
January through December 2016

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	<u>Jan - Dec 16</u>	<u>Jan - Dec 16</u>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
K-1 Activity	-34,396.00	-34,396.00
Interest Income	4.25	4.25
<b>Total Other Income</b>	<u>-34,391.75</u>	<u>-34,391.75</u>
<b>Other Expense</b>		
Abandonment Loss	23,224.45	23,224.45
<b>Total Other Expense</b>	<u>23,224.45</u>	<u>23,224.45</u>
<b>Net Other Income</b>	<u>-57,616.20</u>	<u>-57,616.20</u>
<b>Net Income</b>	<u><u>-55,359.35</u></u>	<u><u>-55,359.35</u></u>

**Hoppe Homes LP**  
**Balance Sheet**  
 As of December 31, 2015

	Dec 31, 15
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
CHB 454060	22,742.97
CHB 7094683-Savings	2,821.68
Union 3050987	1,397.99
WGB 2004022605	3,805.28
<b>Total Checking/Savings</b>	<b>30,767.92</b>
<b>Other Current Assets</b>	
Lexington Project-Tyson Foods	
Legal	7,180.00
<b>Total Lexington Project-Tyson Foods</b>	<b>7,180.00</b>
Stonyhill Ventures-Option Purch	12,500.00
GIAHC Note(Stonyhill Ventures)	5,000.00
Stonyhill Ventures Receivable	710.85
<b>The Exchange-Costs</b>	
Plans	270.41
Office Labor	207.23
Signage	68.35
Demolition	3,175.84
Marketing	19,546.32
<b>Total The Exchange-Costs</b>	<b>23,268.15</b>
Escrow-Security First Bank	8,777.72
Walnut Theater LLC Rec	10,500.00
<b>Total Other Current Assets</b>	<b>67,936.72</b>
<b>Total Current Assets</b>	<b>98,704.64</b>
<b>Fixed Assets</b>	
Investment in GILI LLC	
Gili LLC-Distribution	-146,000.00
Investment in GILI LLC - Other	-79,449.00
<b>Total Investment in GILI LLC</b>	<b>-225,449.00</b>
Drafting Software-2010	3,000.00
<b>Equipment</b>	
Original Cost	20,549.35
Trailer	1,932.10
Truck	3,100.00
Truck-Ford 1997	5,500.00
Stock 710 Trailer-2008	8,000.00
Site Trailer-Oct 2010	1,965.74
20 HP KAW/44" ZTR Mower-2011	4,815.00
Chevrolet Siverado-2011	26,150.00
Washer/Dryer Sets	8,720.50
Accumulated Depreciation	-75,010.94
<b>Total Equipment</b>	<b>5,721.75</b>
<b>Furniture &amp; Fixtures</b>	
Original Cost	8,530.51
Accumulated Depreciation	-8,530.51
<b>Total Furniture &amp; Fixtures</b>	<b>0.00</b>
<b>Rental Units</b>	
1025 W Welter	
Land-1025 W Welter	35,368.00
1025 W Welter - Other	125,121.82
<b>Total 1025 W Welter</b>	<b>160,489.82</b>

**Hoppe Homes LP**  
**Balance Sheet**  
 As of December 31, 2015

	Dec 31, 15
2541/2543 SW Soukup Cir(Duplex)	
Land-2543/2543 SW Soukup Cir	35,250.00
2541/2543 SW Soukup Cir(Duplex) - Other	204,495.75
Total 2541/2543 SW Soukup Cir(Duplex)	239,745.75
Accumulated Depreciation	-98,075.47
Total Rental Units	302,160.10
Total Fixed Assets	85,432.85
Other Assets	
Walnut Redev Loan	1,443.28
Orchard Loan	281,581.17
Work In Progress	
WIP-Hohis	-4,741.00
Total Work In Progress	-4,741.00
Total Other Assets	278,283.45
<b>TOTAL ASSETS</b>	<b>462,420.94</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Credit Cards	
First Bankcard 2251	408.28
First Bankcard 8695	189.88
Total Credit Cards	598.16
Other Current Liabilities	
N/P Ally Bank	5,628.11
N/P Security First-1100065001	165,792.20
N/P Security First-1100065002	56,968.93
Pet Deposit	250.00
Security Deposit	3,300.00
Total Other Current Liabilities	231,939.24
Total Current Liabilities	232,537.40
Total Liabilities	232,537.40
Equity	
Jacob Hoppe Equity	
Jacob Hoppe Capital	96,126.29
Jacob Hoppe Draws	-32,954.15
Total Jacob Hoppe Equity	63,172.14
Margaret Hoppe Equity	
Margaret Hoppe Capital	101,915.06
Margaret Hoppe Draws	-55,028.95
Total Margaret Hoppe Equity	46,886.11
Ward Hoppe Equity	
Ward Hoppe Capital	313,089.36
Ward Hoppe Draws	-47,673.32
Total Ward Hoppe Equity	265,416.04
Net Income	-145,590.75
Total Equity	229,883.54
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>462,420.94</b>

**Hoppe Homes LP**  
**Profit & Loss YTD Comparison**  
 January through December 2015

	Jan - Dec 15	Jan - Dec 15
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Returned Check Charges	25.00	25.00
Application Fee	25.00	25.00
Contract Receipt	34,185.96	34,185.96
Drafting	150.00	150.00
CSV (Washer/Dryer)	4,078.00	4,078.00
OMC(Washer/Dryer)	385.00	385.00
Lafe Charges	223.82	223.82
Maintenance	807.09	807.09
Management Fee	23,775.51	23,775.51
Mileage Reimbursed	4,818.32	4,818.32
Overhead & Profit	3,103.72	3,103.72
Repair Income	40,511.97	40,511.97
Rental Income	40,366.13	40,366.13
Supervision	562.50	562.50
Trip Charge	115.97	115.97
<b>Total Income</b>	<b>153,133.99</b>	<b>153,133.99</b>
<b>Cost of Goods Sold</b>		
Cost of Goods Sold	30,354.96	30,354.96
<b>Total COGS</b>	<b>30,354.96</b>	<b>30,354.96</b>
<b>Gross Profit</b>	<b>122,779.03</b>	<b>122,779.03</b>
<b>Expense</b>		
Automobile Expense	7,462.82	7,462.82
Bank Service Charges	42.32	42.32
Contract Labor	96,636.98	96,636.98
Depreciation Expense	12,225.49	12,225.49
Donations	990.00	990.00
Dues and Subscriptions	1,168.00	1,168.00
401K Expense	1,746.94	1,746.94
Insurance	8,395.65	8,395.65
Interest Expense	12,933.60	12,933.60
Lawn Maintenance	39.41	39.41
Licenses and Permits	40.00	40.00
Miscellaneous	0.00	0.00
Office Expense	12.45	12.45
Office Supplies	489.23	489.23
Postage and Delivery	131.83	131.83
Printing and Reproduction	33.68	33.68
Professional Fees	2,931.35	2,931.35
Rent-Office	3,000.00	3,000.00
Repairs	2,821.11	2,821.11
Seminar	115.00	115.00
Service Charge	45.00	45.00
Taxes	7,520.92	7,520.92
Telephone	2,812.08	2,812.08
Tools and Machinery	311.38	311.38
Travel & Ent	2,126.89	2,126.89
Utilities	2,627.88	2,627.88
Web Site	148.00	148.00
<b>Total Expense</b>	<b>166,808.01</b>	<b>166,808.01</b>
<b>Net Ordinary Income</b>	<b>-44,028.98</b>	<b>-44,028.98</b>



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**Hoppe Homes LP**  
**Profit & Loss YTD Comparison**  
January through December 2015

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	<u>Jan - Dec 15</u>	<u>Jan - Dec 15</u>
Other Income/Expense		
Other Income		
K-1 Activity	-101,566.00	-101,566.00
Interest Income	4.23	4.23
Total Other Income	<u>-101,561.77</u>	<u>-101,561.77</u>
Net Other Income	<u>-101,561.77</u>	<u>-101,561.77</u>
Net Income	<u><u>-145,590.75</u></u>	<u><u>-145,590.75</u></u>

The Orchard, LLC  
**Balance Sheet**  
As of December 31, 2017

	<u>Dec 31, 17</u>
<b>ASSETS</b>	
Other Assets	
Lincoln Heights Sub LT 1	421,840.25
<b>Total Other Assets</b>	<u>421,840.25</u>
<b>TOTAL ASSETS</b>	<u><u>421,840.25</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	20,841.08
<b>Total Accounts Payable</b>	<u>20,841.08</u>
Other Current Liabilities	
Earnest Money	15,000.00
<b>Total Other Current Liabilities</b>	<u>15,000.00</u>
<b>Total Current Liabilities</b>	<u>35,841.08</u>
Long Term Liabilities	
Hoppe Homes, LP	333,028.45
Ward F. Hoppe Loan	45,719.72
Ward F Hoppe LLC Loan	5,088.15
<b>Total Long Term Liabilities</b>	<u>383,836.32</u>
<b>Total Liabilities</b>	<u>419,677.40</u>
Equity	
Retained Earnings	2,162.85
<b>Total Equity</b>	<u>2,162.85</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>421,840.25</u></u>

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The Orchard, LLC  
**Profit & Loss**  
January through December 2017

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	Jan - Dec 17
Net Income	<u>0.00</u>

The Orchard, LLC  
**Balance Sheet**  
As of December 31, 2016

	<u>Dec 31, 16</u>
<b>ASSETS</b>	
Other Assets	
Lincoln Heights Sub LT 1	413,119.59
<b>Total Other Assets</b>	<u>413,119.59</u>
<b>TOTAL ASSETS</b>	<u><u>413,119.59</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	20,841.08
<b>Total Accounts Payable</b>	<u>20,841.08</u>
Other Current Liabilities	
Earnest Money	15,000.00
<b>Total Other Current Liabilities</b>	<u>15,000.00</u>
<b>Total Current Liabilities</b>	<u>35,841.08</u>
Long Term Liabilities	
Cornhusker Bank Loan	9,444.03
Hoppe Homes, LP	314,863.76
Ward F. Hoppe Loan	45,719.72
Ward F Hoppe LLC Loan	5,088.15
<b>Total Long Term Liabilities</b>	<u>375,115.66</u>
<b>Total Liabilities</b>	<u>410,956.74</u>
Equity	
Retained Earnings	2,162.85
<b>Total Equity</b>	<u>2,162.85</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>413,119.59</u></u>

1:31 PM  
08/29/18  
Cash Basis

The Orchard, LLC  
**Profit & Loss**  
January through December 2016

---

	Jan - Dec 16
Net Income	<u>0.00</u>

The Orchard, LLC  
**Balance Sheet**  
As of December 31, 2015

	<u>Dec 31, 15</u>
<b>ASSETS</b>	
Other Assets	
Lincoln Heights Sub LT 1	407,260.97
<b>Total Other Assets</b>	<u>407,260.97</u>
<b>TOTAL ASSETS</b>	<u><u>407,260.97</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	20,841.08
<b>Total Accounts Payable</b>	<u>20,841.08</u>
Other Current Liabilities	
Earnest Money	15,000.00
<b>Total Other Current Liabilities</b>	<u>15,000.00</u>
<b>Total Current Liabilities</b>	35,841.08
Long Term Liabilities	
Cornhusker Bank Loan	36,868.00
Hoppe Homes, LP	281,581.17
Ward F. Hoppe Loan	45,719.72
Ward F Hoppe LLC Loan	5,088.15
<b>Total Long Term Liabilities</b>	<u>369,257.04</u>
<b>Total Liabilities</b>	405,098.12
Equity	
Retained Earnings	2,162.85
<b>Total Equity</b>	<u>2,162.85</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>407,260.97</u></u>

1:31 PM  
08/29/18  
Cash Basis

The Orchard, LLC  
**Profit & Loss**  
January through December 2015

---

	Jan - Dec 15
Net Income	<u>0.00</u>

**Resolution Number 2019-03**

**HALL COUNTY REGIONAL PLANNING COMMISSION**

**A RESOLUTION RECOMMENDING APPROVAL OF AN AMENDMENT TO A REDEVELOPMENT PLAN IN THE CITY OF GRAND ISLAND, NEBRASKA; AND APPROVAL OF RELATED ACTIONS**

**WHEREAS**, the Chairman and Board of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “**Authority**”), referred **the Redevelopment Plan for CRA Area 26 requested by Orchard LLC.** to the Hall County Regional Planning Commission, (the “**Commission**”) for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”); and

**WHEREAS**, the Commission held a public hearing on the proposed plan on December 5, 2018, and

**WHEREAS**, the Chair or President of Hall County Board, Grand Island School Board, Central Platte Natural Resources District, Educational Service Unit #10 and Central Community College were notified by certified mail of said hearing, and

**WHEREAS**, the Commission advertised the time, date and location public hearing in the Grand Island Independent on Friday November 16<sup>th</sup> and Friday November 23<sup>rd</sup>, and

**WHEREAS**, there are no Neighborhood Associations registered with the City of Grand Island, and

**WHEREAS**, the Commission has reviewed said Redevelopment Plan as to its conformity with the general plan for the development of the City of Grand Island, Hall County;

**NOW, THEREFORE, BE IT RESOLVED BY THE HALL COUNTY REGIONAL PLANNING COMMISSION AS FOLLOWS:**

**Section 1.** The Commission hereby recommends approval of the Redevelopment Plan finding that it is in conformance with the comprehensive development plan (general plan for development) for the City of Grand Island.

**Section 2.** All prior resolutions of the Commission in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

**Section 3.** This resolution shall be in full force and effect from and after its passage as provided by law.

**DATED:** December 5, 2018.

**HALL COUNTY REGIONAL PLANNING COMMISSION**

ATTEST:

By:   
Chair

By:   
Secretary

Secretary





# Community Redevelopment Authority (CRA)

**Wednesday, December 12, 2018**  
**Regular Meeting**

## **Item I2**

**Redevelopment Plan for Paramount Development LLC for the  
First Floor of the west side of the Old Sears Building at 411 E 3rd  
Street**

Staff Contact:

**Redevelopment Plan Amendment  
Grand Island CRA Area 1  
December 2018**

**The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 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 1.**

**Executive Summary:**

**Project Description**

THE REDEVELOPMENT OF A PORTION OF THE OLD SEARS BUILDING LOCATED AT 411 W. 3RD STREET FOR COMMERCIAL AND RESIDENTIAL USES, INCLUDING ACQUISITION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

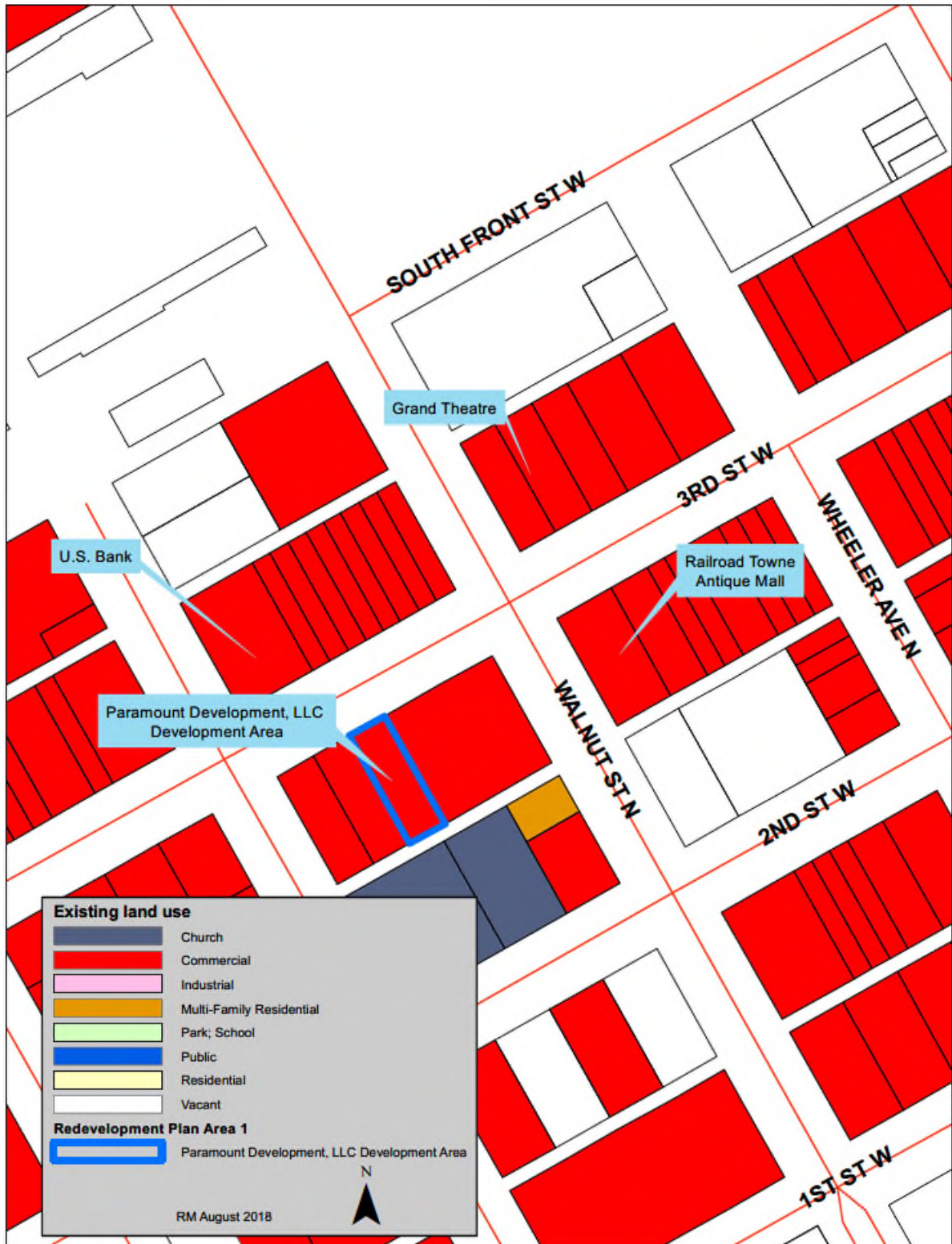
The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the first floor the west side of Old Sears located at 411 W. 3<sup>rd</sup> street for 6,500 square foot of commercial space and one 500 square foot luxury one bedroom accessible apartment. This is the first of the anticipated additional TIF applications will be proposed for commercial uses within the remainder of the building. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project profitable. The project will result in renovating a portion of this building into a market rate residential unit and 6,500 square feet of first floor commercial space. This project would not be feasible without the use of TIF.

Paramount Development LLC is purchasing the rights to this section of the building through a condominium arrangement. They are purchasing the property for \$52,000. The purchase price is included as an eligible TIF activity. The building is currently vacant. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the remodeling and rehabilitation of this building. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2020 towards the allowable costs and associated financing for rehabilitation.

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

The second floor and necessary first floor exits and entrances at 411 W. 3<sup>rd</sup> Street in Grand Island Nebraska. The actual legal will be provided with the master deed for the condominium.

**Legal Descriptions:** The first floor of the building on the easterly 44 feet of Lot Three (3) in Block Sixty-Three (63) in the Original Town, now City of Grand Island, Hall County, Nebraska.



**Existing Land Use and Subject Property**

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

**The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from rehabilitation of this portion of the building for commercial and residential uses as permitted in the B3 Heavy Business 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 December 19, 2000.[§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 January 2, 2019 and passed Resolution 2019-0? confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.** The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment at the time it was submitted to the CRA for initial consideration.

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

***a. Land Acquisition:***

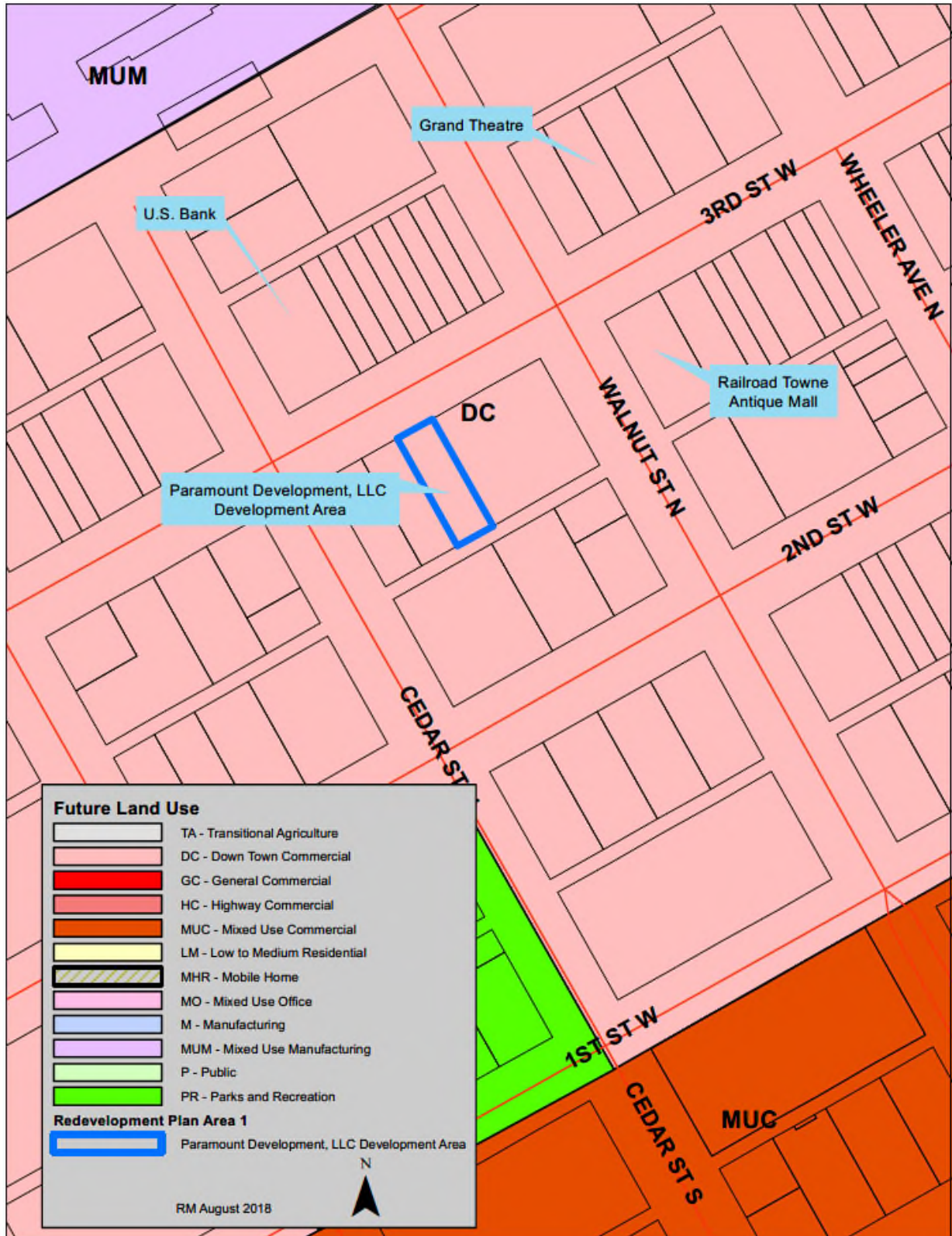
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

***b. Demolition and Removal of Structures:***

The project to be implemented with this plan does not provide for the demolition and removal any structures on this property. Demotion of internal structures to accommodate the redevelopment is anticipated and permitted.

***c. Future Land Use Plan***

See the attached map from the 2004 Grand Island Comprehensive Plan. All of the area around the site in private ownership is planned for Downtown Commercial development; this includes housing and commercial uses within the same structure. This property is in private ownership. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]



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 B3-Heavy Business 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 rehabilitating the existing building. The developer is not proposing to increase the size of the building and current building meets the applicable regulations regarding site coverage and intensity of use. [§18-2103(b) and §18-2111]

***f. Additional Public Facilities or Utilities***

Sewer and water are available to support this development. .

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

No other utilities would be impacted by the development.

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

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

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

**5. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106]** No members of the authority or staff of the CRA have any interest in this property. Tom Gdowski, is President of Equitable bank and most likely will be part of the bank approval of a loan for this 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 is purchasing the rights to just this portion of the property through a condominium arrangement for \$52,000. The estimated costs of rehabilitation of this

property is \$484,0000, planning related expenses for Architectural and Engineering services of \$8,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$9,600 including a reimbursement to the City and the CRA of \$5,600 are included as TIF eligible expense. The total of eligible expenses for this project exceeds \$540,000.

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

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

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$199,000 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2021 through December 2034.

***c. Statement of feasible method of relocating displaced families.***

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

**7. Section 18-2113 of the Act requires:**

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions. This will accomplish the goal of both the Downtown Business Improvement District and the Grand Island City Council of increasing the number of residential units available in the Downtown area and refurbish street level commercial space that has been vacant for several years.



## **8. Time Frame for Development**

Development of this project is anticipated to be completed between February 2019 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**

This is an historic building in downtown Grand Island that will be preserved with this project. The addition of a new residential unit is consistent with goals to build 50 new residential units in downtown Grand Island by 2019 and with the goals of the 2014 Grand Island housing study and Grow Grand Island. The primary use of the street level space for commercial development is consistent with the long term development plans for Downtown.

**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 \$199,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This investment by the Authority will leverage \$393,600 in private sector financing; a private investment of \$2.03 for every TIF dollar invested.

<b>Use of Funds</b>	<b>Source of Funds.</b>			
	<b>TIF Funds</b>	<b>Other Grants</b>	<b>Private Funds</b>	<b>Total</b>
Site Acquisition	\$52,000	–	\$0	\$52,000
Legal and Plan*	\$9,600		\$0	\$9,600
Engineering/Arch	\$8,000		\$0	\$8,000
Renovation	\$129,400		\$354,600	\$484,000
Contingency			\$50,000	\$50,000
<b>TOTALS</b>	<b>\$199,000</b>		<b>\$393,600</b>	<b>\$603,600</b>

**Tax Revenue.** The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$52,000. Based on the 2017 levy this would result in a real property tax of approximately \$1,171. It is anticipated that the assessed value will increase by \$588,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$13,245 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 2019 assessed value:	\$ 52,000
Estimated value after completion	\$ 640,000
Increment value	\$ 588,000
Annual TIF generated (estimated)	\$ 13,245
TIF bond issue	\$ 199,000

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

The redevelopment project area currently has an estimated valuation of \$52,000. The proposed redevelopment will create additional valuation of \$640,000. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off.

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

No additional public service needs have been identified. Existing water and waste water facilities will not be impacted by this development. The electric utility has sufficient capacity to support the development. It is not anticipated that this will impact schools in any significant way. Fire and police protection are available and should not be negatively impacted by this development. The addition of life safety elements to this building including fire sprinklers and a second exit actually reduce the chances of negative impacts to the fire department.

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

This will provide additional housing and commercial space options in the downtown area consistent with the planned development in Downtown Grand Island.

***(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. This will provide housing options for employees of Downtown businesses that wish to live Downtown and will refurbish Downtown commercial space.

***(e) Impacts on student populations of school districts within the City or Village:***

**This development will have a minimal impact on the Grand Island School system as it will likely not result in any increased attendance.** The unit to be developed with this project is a one bedroom unit and unlikely to be a family unit, especially for families with school age children.

The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. One additional household in a one bedroom unit would likely house a maximum of two 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 no additional school age children generated by this development. According to the National Center for Educational Statistics<sup>1</sup> 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. It is unlikely that there will be any school age children associated with this project.

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

This project is consistent the goals of the Council, the Downtown BID, the CRA, and Grow Grand Island to create additional housing units in downtown Grand Island.

### **Time Frame for Development**

Development of this project is anticipated to be completed during between December of 2018 and December of 2019. The base tax year should be calculated on the value of the property as of January 1, 2019. Excess valuation should be available for this project for 15 years beginning in 2020 with taxes due in 2021. 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 \$199,000 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses of the rehabilitation the developer will spend at least \$603,000 on TIF eligible activities in excess of other grants given.

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<sup>1</sup> [https://nces.ed.gov/ccd/districtsearch/district\\_detail.asp?ID2=3100016](https://nces.ed.gov/ccd/districtsearch/district_detail.asp?ID2=3100016)



## **BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST**

### **Project Redeveloper Information**

Business Name:

Paramount Development LLC

Address:

1522 S. Gunbarrel Rd, Grand Island, NE 68801

Telephone No.: (308) 218-9497 Fax No.: (308) 381-1697

Contact:

Sonja Weinrich - sonjaweinrich3140@gmail.com

Brief Description of Applicant's

Business: Applicant is a newly formed real estate business, which has mainly been focused on multi family and single family residential properties. Gary and Sonja Weinrich currently own several residential rental properties and are developing more multifamily housing units. Pat O'Neill is a demolition and earthwork contractor with commercial and agricultural land.

Present Ownership Proposed Project Site: Grand Island Entrepreneurial Inc.- owned by Ray O'Connor

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

The building will be split off with multiple condo agreements. Paramount Development will purchase approximately 6500 sq ft of commercial space on main level. This project would mainly consist of development of commercial office spaces. Common space would consist of men's and women's restroom and hallways. Back portion of property will have a handicap accessible 1 bed luxury apt with approx. 500 sq ft. New windows and doors added on 3rd St and Walnut St.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$
_____	
B. Building	\$ 52,000
_____	

Construction Costs:

A. Renovation or Building Costs:	\$484,000
_____	
B. On-Site Improvements:	\$
_____	

Soft Costs:

A. Architectural & Engineering Fees:	\$ 8,000
_____	
B. Financing Fees:	\$5,000
_____	
C. Legal/Developer/Audit Fees:	\$ 4,000
_____	
D. Contingency Reserves:	\$ 50,000
_____	
E. Other (Please Specify)	\$
_____	
TOTAL	\$ 603,000

Total Estimated Market Value at Completion: \$ 640,000

\_\_\_\_\_

Source of Financing:

A. Developer Equity:	\$ 85,000
_____	
B. Commercial Bank Loan:	\$ 340,000
_____	
Tax Credits:	
1. N.I.F.A.	\$
_____	
2. Historic Tax Credits	\$
_____	
D. Industrial Revenue Bonds:	\$
_____	

E. Tax Increment Assistance: \$210,000

F. Other \$

Name, Address, Phone & Fax Numbers of Architect, Engineer and General Contractor:  
Architect is Tobias Scott Gay 1470 31st Avenue, Columbus, NE 68601

402-562-6074

Engineer: Michael Spelenik 201 E. 2nd Street, Grand Island, NE 68801  
308-384-8750

General Contractor is Paramount Development, 1522 S. Gunbarrel Rd,  
Grand Island, NE 68801 308-218-9497

Estimated Real Estate Taxes on Project Site Upon Completion of Project:  
(Please Show Calculations)

Based on a market valuation of \$100 per sq foot, we believe the completed building will be worth approx \$640,000. This should generate approximate annual taxes of \$14,000 for a 15 year total of \$210,000. TIF will generate \$178,000 of start up funding after bank interest.

Project Construction Schedule:

Construction Start Date:

Feb 1, 2019

Construction Completion Date:

July 1, 2019

If Phased Project:

NA Year NA %

Complete

NA Year NA %

Complete

XII. Please Attach Construction Pro Forma

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

**TAX INCREMENT FINANCING REQUEST INFORMATION**

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

\_\_\_\_\_

\_\_\_\_\_

We are requesting the maximum amount of TIF as permitted based upon the assumed tax value after construction. We are requesting approximately \$210,000 in TIF to be allocated to allowable expenses including acquisition, renovation expenses and new utilities.

\_\_\_\_\_

\_\_\_\_\_

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing for Proposed Project: A large financial gap exists on this project after conventional financing is utilized. A combination of additional owner equity and TIF funds will be needed to proceed with this project and make a sufficient return.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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:

Gary and Sonja Weinrich own Weinrich Developments Inc and Pat O'Neill owns O'Neill Wood Resources and O'Neill Transportation. Their companies have all worked on numerous large projects. Weinrich Developments Inc. just completed a TIF project at 206 S. Plum St. Gary & Sonja Weinrich and Pat & Chris O'Neill are owners of Paramount Development LLC.

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- IV. Please Attach Applicant's Corporate/Business Annual Financial Statements for the Last Three Years. This is a newly formed LLC this year so there are no financial statements available yet.

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

**Sears Building Main Level  
411 W. 3rd St**

**Estimated Operating Proforma**

	<b>W/O TIF</b>	<b>With TIF</b>
Gross Residential and Commercial Rent	\$92,400.00	\$92,400.00
Vacancy 5%	\$4,620.00	\$4,620.00
<b>Revenue</b>	<b>\$87,780.00</b>	<b>\$87,780.00</b>
Total Operating Expenses	\$26,000.00	\$26,000.00
<b>Net Operating Income</b>	<b>\$61,780.00</b>	<b>\$61,780.00</b>
Debt Service (P & I) Equitable Bank	\$49,776.00	\$28,068.00
Estimated Taxes	\$14,000.00	\$14,000.00
Estimated Insurance	\$5,000.00	\$5,000.00
	<b>\$68,776.00</b>	<b>\$47,068.00</b>
<b>Estimated Net Cash Flow</b>	<b>-\$6,996.00</b>	<b>\$14,712.00</b>

Old Sears Building Renovation Estimate			
DESCRIPTION	QTY	UNIT	TOTAL
<b>Acquisition</b>	6400	S.F	<b>\$52,000.00</b>
<b>1 Bedroom Apartment</b>			
Buildout	500	S.F	\$17,000.00
Cabinets, countertops & Hardware			\$4,000.00
Sink, disposal & faucet			\$750.00
Appliances	4 piece		\$2,400.00
Handicap accessible shower			\$5,000.00
Bathroom Tile and Accessories			\$1,000.00
Flooring-Vinyl Plank			\$2,000.00
Light Fixtures & 2 ceiling fans			\$700.00
Doors, Frames and Accessories			\$800.00
Vanity, faucet, hardware and ADA toilet			\$1,200.00
Medicine cabinet			\$100.00
2 windows added			\$3,000.00
Paint and primer			\$600.00
Plumbing			\$5,000.00
Electrical			\$5,000.00
HVAC			\$5,000.00
<b>APARTMENT ESTIMATED TOTAL</b>			<b>\$53,550.00</b>
<b>Commercial Space</b>			
Demolition			\$14,250.00
Buildout various office spaces	5900	S.F.	\$125,000.00
New windows			\$50,000.00
Drop Ceiling	6400	S.F.	\$15,000.00
Lighting			\$17,500.00
Restroom Renovations			\$30,000.00
Flooring & Install			\$27,000.00
Décor			\$3,000.00
Window Coverings			\$2,000.00
<b>INTERIOR TOTAL</b>			<b>\$283,750.00</b>
<b>Break room</b>			
Coffee and snack vending machine			\$6,400.00
2 Tables and chairs			\$1,000.00
Sink, faucet and hardware			\$700.00
Cabinets and hardware			\$2,100.00
Refrigerator and microwave			\$1,500.00
<b>BREAK ROOM TOTAL</b>			<b>\$11,700.00</b>
HVAC			\$20,000.00
Electrical			\$30,000.00
Plumbing			\$10,000.00
Fire Sprinklers	6400	S.F.	\$23,000.00
<b>TOTAL</b>			<b>\$83,000.00</b>
<b>TOTAL CONSTRUCTION COSTS</b>			<b>\$484,000.00</b>



COMMUNITY REDEVELOPMENT AUTHORITY

November 15, 2018

Virgil D. Harden, RSBA, SFO  
Chief Financial Officer  
Grand Island Public Schools  
123 S. Webb Road  
P.O. Box 4904  
Grand Island, NE 68802-4904

Dear Virgil,

This letter is to inform you that the Community Redevelopment Authority (CRA) of the City of Grand Island has received an application requesting Tax Increment Financing (TIF) that includes an apartment in downtown Grand Island.

The application seeks \$210,000 in TIF assistance for the development of the first floor approximately 6,500 square foot of commercial space and 1 first floor accessible apartment. The property is located in the Old Sears building at 411 W. 3<sup>rd</sup> Street in Grand Island, Nebraska.

At present, the proposed timeline for approval would be as follows:

- CRA receives initial application, 4 p.m., December 12. (Most likely at Bosselman Corporate Office on South Locust.)
- Regional Planning Commission holds public hearing 6 p.m., January 2.
- CRA reviews Planning Commission recommendation, 4 p.m. January 9.
- Grand Island City Council holds public hearing and takes action, 7 p.m., January 22.
- CRA considers redevelopment contract, 4 p.m. February 13.

Additional notification will be provided to the school board via certified mail prior to the public hearings before both planning commission and council. Should you have any questions or comments, please call me at (308) 385-5240.

Sincerely,

Chad Nabity, AICP  
Director

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

**RESOLUTION NO. 290**

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 12<sup>th</sup> day of December, 2018

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

By \_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Secretary

Paramount Development LLC Old Sears Main Floor Commercial and Residential

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

**RESOLUTION NO. 291**

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 1, from Paramount Development LLC., (The "Developer") for redevelopment of property located at 411 W. 3<sup>rd</sup> Street the main floor of the west side of the old Sears building, 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 2;

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 12<sup>th</sup> day of December, 2018.

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

By \_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Secretary

Paramount Development LLC Old Sears Main Floor Commercial and Residential