

Wednesday, February 13, 2019 Regular Meeting Packet

Board Members:

Tom Gdowski - Chairman

Glen Murray - Vice Chairman

Sue Pirnie

Glenn Wilson

Krae Dutoit

4:00 PM

Call to Order

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

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

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

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

DIRECTOR COMMUNICATION

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



Wednesday, February 13, 2019 Regular Meeting

Item A1

Agenda



AGENDA Wednesday, February 13, 2019 4 p.m. Grand Island City Hall

Open Meetings Notifications

- 1. Call to Order
 - This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them. The CRA may vote to go into Closed Session on any Agenda Item as allowed by State Law.
- 2. Approval of Minutes of January 9, 2019, Meeting.
- 3. Review of Financials.
- 4. Approval of Bills.
- 5. Review of Committed Projects and CRA Properties.
- 6. Redevelopment Plan Amendment for CRA Area # 1 for the main floor commercial and upper story residential development of the center portion of the Williamson Interiors building at 112 E 3rd street. Wing Properties.
 - a. Consideration of Resolution 297- Forward a Redevelopment Plan Amendment to the Grand Island City Council for redevelopment of the main floor commercial and upper story residential development of the center portion of the Williamson Interiors building at 112 E 3rd street. Wing Properties.
- 7. Redevelopment Plan Amendment for CRA Area # 1 for the main floor commercial and upper story residential development of the GI Music building at 110 W 2nd street. Rawr Holdings LLC.
 - a. Consideration of Resolution 298- Forward a Redevelopment Plan Amendment to the Grand Island City Council for redevelopment of the main floor commercial and upper story residential development of the GI Music building at 110 W 2nd street. Rawr Holdings LLC.

- 8. 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 299
- 9. Consideration of Grant Request from Paramount Development LLC for other grant funds related to the development of one first floor apartment on the first floor or property located at 411 W. Third Street.
- 10. Redevelopment Plan Amendment for CRA Area # 1 for the commercial/office use redevelopment of the Old Wells Fargo Building 304 W 3rd street. Amur Financial.
 - a. Consideration of Resolution 300- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for commercial/office uses redevelopment of the Old Wells Fargo Building 304 W 3rd street. Amur Financial.
 - b. Consideration of Resolution 301- Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for commercial/office uses redevelopment of the Old Wells Fargo Building 304 W 3rd street. Amur Financial.
- 11. Executive Session regarding purchase of sale of property.
- 12. Director's Report
- 13. Adjournment

Next Meeting March 20, 2018

COMMUNITY REDEVELOPMENT AUTHORITY AGENDA MEMORANDUM

4 p.m. Wednesday, February 13, 2019

- 1. <u>CALL TO ORDER</u>. 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. <u>APPROVAL OF MINUTES.</u> The minutes of the Community Redevelopment Authority meeting January 9, 2019, are submitted for approval. A MOTION is in order.
- 3. <u>APPROVAL OF FINANCIAL REPORTS.</u> Financial reports for the period of January 1 through 31, 2019 are submitted for approval. A MOTION is in order.
- 4. <u>APPROVAL OF BILLS.</u> Payment of bills in the amount of \$187.663 is submitted for approval. A MOTION is in order.
- 5. REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.
- 6. RECOMMENDATION REDEVELOPMENT PLAN AMENDMENT CRA AREA 1 112 E 3rd STREET- WING PROPERTIES Concerning an amendment to the redevelopment plan for CRA Area No. 1 to allow for redevelopment 112 E. Third (the center section of the Williamson Interior Building) to include one, second floor apartment and main level commercial space. The developer is requesting \$105,095 of tax increment financing. The CRA may forward the plan to the Grand Island City Council for consideration and approval prior to consideration of a redevelopment contract. A MOTION to approve Resolution 297 is in order.
- 7. RECOMMENDATION REDEVELOPMENT PLAN AMENDMENT CRA AREA 1 110 W 2nd STREET GI MUSIC BUILDING—Rawr Holdings LLC. Concerning an amendment to the redevelopment plan for CRA Area No. 1 to allow for redevelopment 110 W. Second (GI Music Building) to include two second floor apartments and main level commercial space. The developer is requesting \$75,031 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. The CRA may forward the plan to the Grand Island City Council for consideration and approval prior to consideration of a redevelopment contract. A MOTION to approve Resolution 298 is in order.
- 8. <u>REDEVELOPMENT CONTRACT PARAMOUNT LLC (Old Sears 2)</u> The Grand Island City Council approved Resolution 2019-42 on January 22, 2019 authorizing issuance of a contract to Paramount LLC for up to \$199,000 in tax-

- increment financing to assist with site acquisition and renovation for the development of one residential apartment and commercial space on the main floor of the west end of the Old Sears Building at 411 W. 3rd Street in CRA Area No. 1 in Grand Island, Hall County, Nebraska. A MOTION to approve Resolution 299 is in order.
- 9. GRANT REQUEST FOR FUNDING FOR LIFE SAFETY IMPROVEMENTS FOR A MAIN FLOOR ACCESSIBLE APARTMENT AT 411 W 3rd STREET (THE OLD SEARS BUILIDING)—PARAMOUNT DEVELOPMENT LLC. Paramount is requesting funding for life safety improvements for the development of an ADA accessible apartment on the first floor of the old Sears building. This request is similar to the one made by and granted to the developers of the Kinkaider Building for their main floor accessible unit. Regulations require that in most cases everytime 4 or more units of apartments are constructed within a building that at least 1 make provisions for accessibility. The request is for \$15,000 the maximum that we would allow for an upper story residential unit. Funds are available in the other project line item.
- 10. <u>REDEVELOPMENT PLAN AMENDMENT CRA AREA 1 304 W 3rd STREET-Amur Real Estate I, LLC</u> Concerning an amendment to the redevelopment plan for CRA Area No. 1 to allow for redevelopment 304 W. Third (Wells Fargo Building) to renovate commercial/office space in the building. The developer is requesting \$360,000 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 300 (forward to Regional Planning Commission) and Resolution 301 (30-day intent notice to city council) is in order.



Wednesday, February 13, 2019 Regular Meeting

Item B1

Minutes

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF January 9, 2019

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on December 12, 2018 at City Hall, 100 E. First Street. Notice of the meeting was given in the January 2, 2019 Grand Island Independent.

1. CALL TO ORDER.

Secretary Murray called the meeting to order at 4:00 p.m. The following members were present: Glen Murray, Krae Dutoit and Glenn Wilson. Also present were: Director Chad Nabity, Planning Administrative Assistant Norma Hernandez, Assistant City Administrator Brent Clark, City Council President Vaughn Minton and Brian Schultz from the Grand Island Finance Department.

2. APPROVAL OF MINUTES.

A motion for approval of the Minutes for the December 12, 2018 meeting was made by Wilson and second by Dutoit. Upon roll call vote, all present voted aye. Motion carried 3-0.

3. APPROVAL OF FINANCIAL REPORTS.

Brian Schultz reviewed the financials from December 1st, 2018 to December 31st, 2018. A motion for approval of the financial reports was made by Dutoit and second by Wilson. Upon roll call vote, all present voted aye. Motion carried 3-0.

4. APPROVAL OF BILLS.

The bills were reviewed by Brian Shultz. A motion was made by Wilson and second by Dutoit to approve the bills in the amount of \$43,916.46. 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 Nabity.

Nabity mentioned the Old City Hall project was added to the list of façade projects. The total commitment toward façade projects is now \$600,000 with an expectation that \$500,000 would be paid off this year. The Hedde project will probably carry over. Mendez has not responded to any calls. Funds will be held for now until further discussion. An additional Life Safety Grant was added to the Hedde Building project. The project is moving forward. Neilson's are unsure where they're at and are unsure if they will be moving forward with the project. The Old Sears Building the four apartments are moving forward on that and Paramount will be closing on the property soon. Rawr

Holdings a has submitted an application for TIF project as has Wing Properties. Take Flight was just paid with the approval of the bills and will be removed from the project list.. There will be an expenditure on the Dessert Rose property. There is a broken manhole on the property.

Sue Pirnie arrived at 4:06 p.m.

- 6. 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. 3rd

 Street. This is the second phase of redevelopment for the Sears Building. –

 Paramount Development LLC.
 - A. Consideration of Resolution 292 Forward a Redevelopment Plan Amendment to the Grand Island City Council for redevelopment of the west side of the Old Sears Building at 411 W. 3rd Street Paramount Development LLC.

Nabity stated this is the first floor of the Old Sears property. They will be acquiring 6500 square foot on the first floor. Putting in one small apartment that will be handicap accessible toward the back and developing the rest as commercial space. They are requesting TIF. This was approved last month and sent to the Regional Planning Commission. The Planning Commission found that it was consistent with comprehensive plan.

A motion was made by Pirnie and second by Wilson to approve Resolution 292. Upon roll call vote all, voted aye. Motion carried 4-0.

- 7. Redevelopment Plan Amendment for CRA Area #1 for the main floor commercial and upper story residential development of the center portion of the Williamson Interiors building at 1112 E 3rd Street. Wing Properties.
 - A. Consideration of Resolution 293- Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of the main floor commercial and upper story residential development of the center portion of the Williamson Interiors building at 112 E. 3rd street.
 - B. Consideration of Resolution 294 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 commercial and upper story residential development of the center portion of the Williamson Interiors building at 112 E 3rd Street. Wing Properties.

Nabity explained the redevelopment plan is for the center portion of the Williamson Interiors building including one apartment on the second floor and commercial space on the first floor. They are requesting \$105,000 in TIF for the rehabilitation of the building. It is anticipated that it will generate that based on the assessor's review

of the plans and what they figure the building will access out for upon completion. A letter was sent out to the school system indicating that there was a residential use involved with this TIF application consistent with their request. This is consistent with the comprehensive plan, consistent with the downtown plan to add additional residential.

A motion was made by Dutoit and second by Wilson to approve Resolutions 293 and 294. Upon roll call vote all voted aye. Motion carried 4-0.

8. Redevelopment Plan Amendment for CRA Area #1 for the main floor commercial and upper story residential development of the GI Music building at 110 W 2nd Street – Rawr Holdings LLC.

- a. Consideration of Resolution 295 Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for redevelopment of the main floor of the main floor commercial and upper story residential development of the GI Music building at 110 W 2nd Street. – Rawr Holdings LLC.
- b. Consideration of Resolution 296 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 commercial and upper story residential development of the GI Music building at 110 W. 2nd Street. – Rawr Holdings LLC.

Nabity explained that this is immediately adjacent to the west of Old City Hall. They are proposing two apartments on the second floor and redoing the main floor for commercial space, 2100 square foot on the second floor and 5800 square foot on the main floor. They are requesting TIF in the amount of \$75,000 to offset the cost of rehabilitation and were awarded a Life Safety Grant in the amount of \$35,000 for the two apartments of the second floor. The project is a mixed use project that involves both commercial and residential. The school district was notified that residential was involved.

A motion was made by Pirnie and second by Wilson to approve Resolution 295 and Resolution 296. Upon roll call all voted aye. Motion carried 4-0.

9. <u>Director's Report</u>

Nabity stated that Amur Financial is holding off on the Wells Fargo building for a month. They are looking into some upgrades into the façade. They have purchased the building. City Council did approve parking district 3. Parking district 3 changes the way assessments are done on parking in the downtown. Nabity also mentioned there will be a TIF study session will be on Tuesday, January 15th.

10. Adjournment

Murray adjourned the meeting at 4:27 p.m.

The next meeting is scheduled for 4 p.m., Wednesday, February 13, 2019.

Respectfully Submitted Norma Hernandez Administrative Assistant



Wednesday, February 13, 2019 Regular Meeting

Item C1

Review of Financial Reports for January 2019

	MONTH ENDED <u>January-19</u>	2018-2019 YEAR TO DATE	2019 BUDGET	REMAINING BALANCE	% OF BUDGET <u>USED</u>
CONSOLIDATED					
Beginning Cash	259,977		675,752		
REVENUE:					
Property Taxes - CRA	22,061	62,055	489,000	426,945	12.69%
Property Taxes - Lincoln Pool	8,454	22,304	197,000	174,696	11.32%
Property Taxes -TIF's	190,847	296,363	3,149,000	2,885,669	9.41%
Loan Income (Poplar Street Water Line)	-	-	14,000	14,000	0.00%
Interest Income - CRA	553	3,614	300	-	1204.63%
Interest Income - TIF'S	-	193	-	-	
Land Sales	-	-	100,000	100,000	0.00%
Other Revenue - CRA	437	953,311	430,000	-	221.70%
Other Revenue - TIF's	-	-	-	-	
TOTAL REVENUE	222,352	1,337,841	4,379,300	3,601,310	30.55%
					_
TOTAL RESOURCES	482,329	1,337,841	5,055,052	3,601,310	-
EXPENSES					
Auditing & Accounting	-	-	3,000	3,000	0.00%
Legal Services	-	525	3,000	2,475	17.50%
Consulting Services	-	-	5,000	5,000	0.00%
Contract Services	3,813	15,148	75,000	59,852	20.20%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	5,103	5,103	16,000	10,897	31.89%
General Liability Insurance	-	-	250	250	0.00%
Postage	-	-	200	200	0.00%
Life Safety	-	-	200,000	200,000	0.00%
Legal Notices	-	34	500	466	6.90%
Travel & Training	-	-	1,000	1,000	0.00%
Other Expenditures	-	-	1 000	1 000	0.000/
Office Supplies Supplies	-	-	1,000 300	1,000 300	0.00% 0.00%
Land	-	140	300	300	0.00%
Bond Principal - Lincoln Pool	_	180,000	180,000	_	100.00%
Bond Interest	-	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	35,000	338,677	926,000	587,323	36.57%
Other Projects		-	25,000	25,000	0.00%
Bond Principal-TIF's	-	881,379	3,149,000	2,400,312	27.99%
Bond Interest-TIF's	-	3,526	-	-	
Interest Expense	-	-	-	-	
TOTAL EXPENSES	43,916	1,633,694	5,003,315	3,505,977	32.65%
INCREASE(DECREASE) IN CASH	178,435	(295,853)	(624,015)		
ENDING CASH	438,413	(295,853)	51,737		_
				-	=
CRA CASH	202,945				
Lincoln Pool Tax Income Balance	47,336				
TIF CASH Total Coch	188,132				
Total Cash	438,413	:			

	MONTH ENDED <u>January-19</u>	2018-2019 YEAR TO DATE	2019 <u>BUDGET</u>	REMAINING BALANCE	% OF BUDGET USED
GENERAL OPERATIONS:					
Property Taxes - CRA	22,061	62,055	489,000	426,945	12.69%
Property Taxes - Lincoln Pool	8,454	22,304	197,000	174,696	11.32%
Interest Income	553	3,614	300	-	1204.63%
Loan Income (Poplar Street Water Line)		-	14,000	14,000	0.00%
Land Sales Other Revenue & Motor Vehicle Tax	427	052 211	100,000	100,000	0.00%
Other Revenue & Motor Venicie Tax	437	953,311	430,000	-	221.70%
TOTAL	31,505	1,041,285	1,230,300	715,640	84.64%
WALNUT HOUSING PROJECT					
Property Taxes		-	-	-	
Interest Income		193	-	-	
Other Revenue		-	_		
TOTAL		193	-	-	
GIRARD VET CLINIC					
Property Taxes		5,270	-	-	
TOTAL	_	5,270	-	-	
GEDDES ST APTS-PROCON					
Property Taxes		-	_	-	
TOTAL	_	-	-	-	
SOUTHEAST CROSSING					
Property Taxes	7,351	7,351	_	_	
TOTAL	7,351	7,351	-	-	
POPLAR STREET WATER					
Property Taxes	260	4,196	_	_	
TOTAL	260	4,196	_	_	
		<u> </u>			
CASEY'S @ FIVE POINTS					
Property Taxes		-	-	-	
TOTAL		-	-	-	
SOUTH POINTE HOTEL PROJECT					
Property Taxes		-	-	-	
TOTAL		-	-	-	
TODD ENCK PROJECT					
Property Taxes		3,204	_	-	
TOTAL		3,204	-	-	
					_
JOHN SCHULTE CONSTRUCTION Property Taxes		3,516			
TOTAL		3,516			
TOTAL		3,310			
PHARMACY PROPERTIES INC					
Property Taxes		-	_	-	
TOTAL	-	-	-	-	
KEN-RAY LLC					
Property Taxes		-	-	-	
TOTAL	-	-	-	-	

	MONTH ENDED <u>January-19</u>	2018-2019 YEAR TO DATE	2019 BUDGET	REMAINING BALANCE	% OF BUDGET <u>USED</u>
TOKEN PROPERTIES RUBY					
Property Taxes		1,465	-	-	
TOTAL	-	1,465	-	-	
GORDMAN GRAND ISLAND Property Taxes TOTAL		<u>-</u>	- -		
BAKER DEVELOPMENT INC Property Taxes TOTAL		<u>-</u>	-	-	
STRATFORD PLAZA INC Property Taxes TOTAL		<u>-</u>	-	<u>-</u>	
COPPER CREEK 2013 HOUSES Property Taxes TOTAL	4,025 4,025	6,184 6,184	- -	-	
FUTURE TIF'S Property Taxes TOTAL		<u>-</u>	3,149,000 3,149,000	3,149,000 3,149,000	
CHIEF INDUSTRIES AURORA COOP Property Taxes TOTAL		<u>-</u>	<u>-</u> -	<u>-</u>	
TOKEN PROPERTIES KIMBALL ST Property Taxes TOTAL		1,299 1,299	- -	(1,299) (1,299)	
GI HABITAT OF HUMANITY Property Taxes TOTAL		<u>-</u>	- -		
AUTO ONE INC Property Taxes TOTAL		<u>-</u>	<u>-</u>	<u>-</u> -	
EIG GRAND ISLAND Property Taxes TOTAL		<u>-</u>	<u>-</u>	<u>-</u> -	
TOKEN PROPERTIES CARY ST Property Taxes TOTAL	-	4,150 4,150	- -	(4,150) (4,150)	
WENN HOUSING PROJECT Property Taxes TOTAL		2,155 2,155	<u>-</u> -	(2,155) (2,155)	

	MONTH ENDED <u>January-19</u>	2018-2019 <u>YEAR TO DATE</u>	2019 <u>BUDGET</u>	REMAINING BALANCE	% OF BUDGET <u>USED</u>
COPPER CREEK 2014 HOUSES	1.640	10.022		(10.022)	
Property Taxes TOTAL	1,648 1,648	19,023 19,023	-	(19,023) (19,023)	
TOTAL	1,040	19,023		(17,023)	
TC ENCK BUILDERS					
Property Taxes		1,849	-	(1,849)	
TOTAL		1,849	-	(1,849)	
SUPER MARKET DEVELOPERS Property Taxes TOTAL	<u> </u>	<u>-</u> -	-	<u>-</u> -	
MAINSTAY SUITES Property Taxes TOTAL		<u>-</u>	<u>-</u>	<u>-</u>	
TOWER 217					
Property Taxes		_	_	-	
TOTAL	-	-	-	-	
00 0 00					
COPPER CREEK 2015 HOUSES Property Taxes		19,134		(19,134)	
TOTAL		19,134	<u> </u>	(19,134)	
1 0 1.12		17,10.		(15,10.)	
NORTHWEST COMMONS					
Property Taxes	175,717	175,717	-	(175,717)	
TOTAL	175,717	175,717	-	(175,717)	
HABITAT - 8TH & SUPERIOR Property Taxes TOTAL	-	<u>-</u>	-	<u>-</u>	
WANTENAN DAW DANG					
KAUFMAN BUILDING Property Taxes					
TOTAL		-	_		
TALON APARTMENTS					
Property Taxes	_	-		-	
TOTAL	-	-	-	-	
VICTORY PLACE					
Property Taxes		40,004		(40,004)	
TOTAL		40,004	-	(40,004)	
THINK CMADT					
THINK SMART Property Taxes	1,845	1,845		(1,845)	
TOTAL	1,845	1,845	_	(1,845)	#DIV/0!
TOTAL REVENUE	222,352	1,337,841	4,379,300	3,641,314	30.55%

	MONTH ENDED January-19	2018-2019 YEAR TO DATE	2019 BUDGET	REMAINING BALANCE	% OF BUDGET USED
EXPENSES		-			
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting		-	3,000	3,000	0.00%
Legal Services		525	3,000	2,475	17.50%
Consulting Services		-	5,000	5,000	0.00%
Contract Services	3,813	15,148	75,000	59,852	20.20%
Printing & Binding		-	1,000	1,000	0.00%
Other Professional Services	5,103	5,103	16,000	10,897	31.89%
General Liability Insurance		-	250	250	0.00%
Postage		-	200	200	0.00%
Lifesafety Grant		-	200,000	200,000	0.00%
Legal Notices		34	500	466	6.90%
Travel & Training		-	1,000	1,000	0.00%
Office Supplies		-	1,000	1,000	0.00%
Supplies		-	300	300	0.00%
Land		140	_	-	
Bond Principal - Lincoln Pool		180,000	180,000	-	100.00%
Bond Interest - Lincoln Pool		9,163	17,065	7,903	53.69%
PROJECTS					
Husker Harvest Days		200,000	200,000	_	100.00%
Façade Improvement		-	200,000	200,000	0.00%
Building Improvement	35,000	338,677	926,000	587,323	0.00%
Other Projects		-	25,000	25,000	0.00%
,					
TOTAL CRA EXPENSES	43,916	748,790	1,854,315	1,105,665	40.38%
WALNUT HOUSING PROJECT					
Bond Principal		33,710	_	_	
Bond Interest		3,526	_	_	
TOTAL		37,236			
		37,230			
GIRARD VET CLINIC					
Bond Principal		5,270	-	-	
TOTAL	-	5,270	-	-	
GEDDES ST APTS - PROCON					
Bond Principal		-	-	-	
TOTAL		-	-	-	
SOUTHEAST CROSSINGS					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
POPLAR STREET WATER					
Bond Principal		3,936	-	-	
TOTAL	-	3,936	-	-	
CASEY'S @ FIVE POINTS					
Bond Principal		-	-	-	
TOTAL		-	-	-	

	MONTH ENDED <u>January-19</u>	2018-2019 YEAR TO DATE	2019 <u>BUDGET</u>	REMAINING BALANCE	% OF BUDGET <u>USED</u>
SOUTH POINTE HOTEL PROJECT Bond Principal		-	-	-	
TOTAL	-	-	-	-	
TODD ENCK PROJECT					
Bond Principal TOTAL		3,204 3,204	-	-	
IOIAL		3,204	-	-	
JOHN SCHULTE CONSTRUCTION Bond Principal		2.516			
TOTAL		3,516 3,516	-	-	_
PHARMACY PROPERTIES INC Bond Principal		-	-	-	
TOTAL	-	-	-	-	
KEN-RAY LLC Bond Principal		-	-		
TOTAL		-	-	-	
TOKEN PROPERTIES RUBY					
Bond Principal TOTAL		1,465 1,465	-	-	_
		,			
GORDMAN GRAND ISLAND Bond Principal TOTAL		<u>-</u>	-	<u>-</u>	
BAKER DEVELOPMENT INC Bond Principal		_	_	_	
TOTAL	-	-	-	-	
STRATFORD PLAZA LLC					
Bond Principal TOTAL		<u> </u>	<u>-</u>	-	
COPPER CREEK 2013 HOUSES Bond Principal		2,159	_	_	
TOTAL	-	2,159	-	-	
CHIEF INDUSTRIES AURORA COOP					
Bond Principal TOTAL		<u> </u>	-	-	
TOKEN PROPERTIES KIMBALL STREET Bond Principal		1,299	_	_	
TOTAL		1,299	-	-	
GI HABITAT FOR HUMANITY					_
Bond Principal		-	-	-	
TOTAL			-	-	
AUTO ONE INC					
Bond Principal TOTAL		-	-	-	

	MONTH ENDED <u>January-19</u>	2018-2019 YEAR TO DATE	2019 BUDGET	REMAINING BALANCE	% OF BUDGET USED
EIG GRAND ISLAND					
Bond Principal		-	_	-	
TOTAL	_	-	-	-	
TOKEN PROPERTIES CARY STREET Bond Principal		4,150	_	_	
TOTAL		4,150	-	-	
WENN HOUSING PROJECT Bond Principal		2,155	_	_	
TOTAL		2,155	-	-	
COPPER CREEK 2014 HOUSES		15 727			
Bond Principal TOTAL		15,727 15,727	<u>-</u>	<u>-</u>	
- 9		10,727			
TC ENCK BUILDERS					
Bond Principal TOTAL		1,849 1,849	-	-	_
IOIAL		1,849		-	
SUPER MARKET DEVELOPERS					
Bond Principal TOTAL		<u>-</u>	<u>-</u>	<u>-</u>	
TOTAL		<u> </u>		<u> </u>	
MAINSTAY SUITES					
Bond Principal		<u>-</u>	-	-	
TOTAL	-	-	=	-	
TOWER 217					
Bond Principal		-	-	-	
TOTAL		-	-	-	
COPPER CREEK 2015 HOUSES					
Bond Principal		14,247	-	-	
TOTAL		14,247			
NORTHWEST COMMONS Bond Principal		-	_	-	
TOTAL	_	-		-	
HABITAT - 8TH & SUPERIOR Bond Principal		-	-	-	
TOTAL	_	-		-	
TA THER AY BY DAILY DANCE					
KAUFMAN BUILDING Bond Principal		_	_	_	
TOTAL	_	-		-	
TALON APARTMENTS					
Bond Principal TOTAL		-	-	-	
I V I III					

		2018-2019 AR TO DATE	2019 BUDGET	REMAINING BALANCE	% OF BUDGET USED
VICTORY PLACE					
Bond Principal		40,004	-	-	
TOTAL	-	40,004		-	
FUTURE TIF'S					
Bond Principal		748,688	3,149,000	2,400,312	
TOTAL	-	748,688	3,149,000	2,400,312	
	·				
TOTAL EXPENSES	43,916	1,633,694	5,003,315	3,505,977	32.65%



02/08/2019 09:24 briansc CITY OF GRAND ISLAND BALANCE SHEET FOR 2019 4 P 1 |glbalsht

FUND: 900	COMMUNIT	Y REDEVELOPMENT	AUTHOR	NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS					
ASSEIS	900 900 900 900 900 900	11110 11120 11305 11500 14100 14700	OPERATING CASH COUNTY TREASURER CASH PROPERTY TAXES RECEIVABLE INTEREST RECEIVABLE NOTES RECEIVABLE LAND	178,435.29 .00 .00 .00 .00	438,412.87 140,410.38 213,070.00 808.64 125,290.09 490,485.75
		TOTAL ASSETS		178,435.29	1,408,477.73
LIABILITIE	S 900 900 900 900 900	22100 22400 22900 25100 25315	LONG TERM DEBT OTHER LONG TERM DEBT ACCRUED INTEREST PAYABLE ACCOUNTS PAYABLE DEFERRED REVENUE-PROPERY TAX	.00 .00 .00 .00	-105,250.00 -930,000.00 -5,344.79 -65,572.06 -206,904.00
		TOTAL LIABILITI	ES	.00	-1,313,070.85
FUND BALAN	CE 900 900 900 900 900	39110 39112 39120 39500 39600	INVESTMENT IN FIXED ASSETS FUND BALANCE-BONDS UNRESTRICTED FUND BALANCE REVENUE CONTROL EXPENDITURE CONTROL	.00 .00 .00 .00 -222,351.75 43,916.46	-490,485.75 909,959.91 -810,734.37 -1,337,840.72 1,633,694.05
		TOTAL FUND BALA	NCE	-178,435.29	-95,406.88
T	OTAL LIAB	ILITIES + FUND	BALANCE		1,408,477.73

^{**} END OF REPORT - Generated by Brian Schultz **



Wednesday, February 13, 2019 Regular Meeting

Item D1

Approval of Bills



6-Feb-19

TO: Community Redevelopment Authority Board Members

FROM: Chad Nabity, 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 fee

Total:		\$ 187,663.04
Southeast Crossing	TIF Payment	\$ 7,350.77
Northwest Commons Project	TIF Payment	\$ 175,717.09
Grand Island Independent	legal notice	\$ 34.98
The Diamond Engineering Company	Desert Rose - Manhole Repair	\$ 500.00
City of Grand Island	Accounting Fees	\$ 450.00
City of Grand Island	Administration fees for January 2019	\$ 3,610.20



Wednesday, February 13, 2019 **Regular Meeting**

Item E1

Review of Committed Projects and CRA Properties

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			Summer 2019
Hedde Building 201-205 W. 3rd (10-18-	\$ 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
Old City Hall -208 N. Pine St (12-12-18)	\$ 100,000.00	\$ 100,000.00			Summer 2019
Total Committed	\$ 550,000.00	\$ 450,000.00	\$ 100,000.00	\$ -	
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)	\$ 310,000.00	\$ 310,000.00			Spring 2020
Neilsen 207 W. 3rd (3-21-18)	\$ 20,000.00	\$ 20,000.00			
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			Spring 2019
Rawr Holdings 110 W 2nd (12-12-18)	\$ 35,000.00	\$ 35,000.00			Winter 2019
Wing Properties 112 E 3rd (12-12-18)	\$ 20,000.00	\$ 20,000.00			Winter 2019
Total Committed F&L Safety Grant	\$ 515,000.00	\$ 515,000.00	\$ -	\$ -	

	<u></u>	BUDGET	(COMMITTED	LEFT
Life Safety Budgeted 2019	\$	200,000.00	\$	150,000.00	\$ 50,000.00
Façade Budgeted 2019	\$	200,000.00	\$	150,000.00	\$ 50,000.00
Other Projects 2019 Budgeted	\$	25,000.00	\$	-	\$ 25,000.00
Land - Budgeted 2019	\$	-	\$	-	\$ -
Land Sales Budgeted 2019	\$	(100,000.00)	\$	-	\$ (100,000.00)
subtotal			\$	300,000.00	\$ 25,000.00
Less committed				(\$965,000.00)	(\$100,000.00)
Balance remaining			\$	(665,000.00)	\$ (75,000.00)
		BUDGET		PAID	 LEFT
Building Improvements *	\$	926.000.00	\$	338,677,00	\$ 587.323.00

^{*}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

January 31, 2019



Wednesday, February 13, 2019 Regular Meeting

Item G1

Fire and Life Safety Grant Request - 411 W. Third Street (First Floor apartment)



Fire and Life Safety Grant Program Application

Project Redeveloper Information

I.	Applicant Name:
	Paramount Devlopment
	Address: PO Box 290 Alda, NE 68810
	Telephone No.:308-384-1690
	Contact:Pat O'Neillpat@oneillwr.com
II.	Legal Street Address of Project Site: 411 West Third Street City Centre Condominiums Unit 3
III.	Present Ownership of Project Site: Paramount Development
IV.	Proposed Project: Describe in detail; attach plans and specifications:
	Proposed Number of Upper Story 1 Bedroom Units1
	Proposed Number of Upper Story 2+ Bedroom Units
	Other Info: This application of for constructing one handicap accessible unit on the ground floor underneath the 4 units previously approved.

/.]	Build	ing Details		
	A.	Actual Purchase Price	\$	S
	В.	Assessed Value of Property	\$	·
	C.	When Acquired		
	D.	Number of Floors		
	E.	Square Footage of Building		
	F.	Current Use of Building		
-	Const A.	ruction Costs Total Estimated Renovation or Building Costs	\$	90,000
]	В.	Estimated Cost of Life Safety Improvements:		
		Fire Sprinklers	\$	4,000
		Exiting		12,000
		Electric Upgrades		6,500
		Water Upgrades for Sprinklers	\$	0.00
C.	Ot	her Construction Costs:		
		First Floor Renovation	\$	510,000
		Second Floor Renovation	\$	Previous app
		Third Floor Renovation	\$	NA NA
		Fourth Floor Renovation	\$	NA NA
		Basement Renovation	\$	NA NA
		Roof		NA
		Heating and AC	\$	included above
		Façade Improvements/Maintenance	\$	NA
		Other Construction Costs		
		The costs outlined in sections A and B above are for the renovation costs for	r the a	partment only. The devel
-		o be conducting commercial remodel of the ground floor. The total first floor the \$53,550 is architectural remodeling costs and an additional \$36,450 is acquired.		
-	and fire	e sprinkler, and exiting costs.		

VII.	Source of Financing:				
	Developer Equity:	\$ 85,000			
	Commercial Bank Loan:	\$ 340,000			
	Historic Tax Credits:	\$ 0			
	Tax Increment Financing:	\$ 168,000 (NET)			
	Low Income Tax Credits	\$			
	Other (Describe Other funds / ADA from CRA) \$ 1	15,000			
* The net ar	mount TIF funding amount has been revised downward due to lowered borrowing per	centage from Bank.			
VIII.	etor:				
	308) 384-8750				
	General Contractor - Paramount Development 1522 S Gunbarrel Road Grand Islan	d, NE 68801 - (308) 390-2710			
IX.	Project Construction Schedule:				
	A. Construction Start Date: February 15, 2019				
	B. Construction Completion Date: July 1, 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.

Post Office Box 1968

Grand Island, Nebraska 68802-1968

Phone: 308 385-5240

Fax: 308 385-5423

Email: cnabity@grand-island.com



Wednesday, February 13, 2019 Regular Meeting

Item H1

Redevelopment Contract for Paramount Development LLC. - 411 W. Third Street

REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the _____ day of _____, 2019, 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 December 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

<u>Section 1.01 Terms Defined in this Redevelopment Contract.</u>

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

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

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

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

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

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

"Indebtedness" means any 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 II), Series 2019, to be issued in an amount not to exceed \$199,000 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 acquisition, demolition and rehabilitation expenditures, 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 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 <u>Exhibit</u> 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.
- (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.
 - (iii) the Authority has documented that the Project would not be economically feasible without the use of funds provided by §18-2147 of the Act by analyzing that the project without such funds would result in a negative cash flow on an annual basis.
- (f) The Authority has determined that the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the

Authority and have been found to be in the long-term best interest of the community impacted by the Project.

- (g) The Authority has determined that the proposed land uses and building requirements in the Redevelopment Area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development: including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations, or conditions of blight.
- (h) The Authority has determined and documented that the location of the Project is in vacant mall property and this Project is appropriate to prevent the spread of blight and substandard conditions as vacant malls are no longer are attractive to be utilized for their original use and repurposing a portion of the vacant structure increases utilization and tax base.

<u>Section 2.02</u> <u>Representations of Redeveloper.</u>

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.
- (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 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 Ninety Nine Thousand and no/100 Dollars (\$199,000), 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).

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

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 \$199,000. Notwithstanding the foregoing, the aggregate amount of the Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 4.02 of this Redevelopment Contract. Such grant shall be made to the Redeveloper upon certification of Project Costs as set forth herein and in the Resolution, and payment purchase of the Indebtedness as provided in Section 3.02, unless Redeveloper elects to offset the payment of the purchase of the Indebtedness with the grant proceeds as provided herein and in the Resolution. The Authority shall have no obligation to provide grant funds from any source other than as set forth in the Resolution and this Redevelopment Contract.

Section 3.05 Creation of Funds.

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

- (a) a special trust fund called the "Paramount Development Redevelopment Project II 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 II 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.

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 December 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 \$25,000, for purposes of providing assurance that the Redeveloper will acquire title to the Redevelopment Project Area and pay all

Redevelopment Project Costs. 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.
- (b) If the costs requested for reimbursement under the Disbursement Request are currently reimbursable under $\underline{\text{Exhibit D}}$ 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 \$199,000.
- (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, Unit or any portion thereof or any structures thereon to any person or entity that would be exempt from payment of real estate taxes, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any Lot.

Section 4.50 Payment of Authority Costs.

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

- a. \$4,000 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 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

<u>In the event that (each such event an "event of default"):</u>

- (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 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.

<u>Section 6.04</u> <u>Forced Delay Beyond Party's Control.</u>

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: <u>Provided</u>, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such forced delay, have first notified the other party thereto in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

Section 6.05 Limitations of Liability; Indemnification.

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

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

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

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of the date and year first above written.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

By:_____
Chairman

STATE OF NEBRASKA

SSS
COUNTY OF HALL

SCOMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

By:_____
Chairman

IN WITNESS WHEREOF, City and Redeveloper have signed this Redevelopment Contract as

The foregoing instrument was acknowledged before me this _____ day of 2019, 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, LLC
	By: Manager
STATE OF NEBRASKA)) SS
COUNTY OF HALL)
The foregoing instrument	was acknowledged before me this day of,2019, by, Manager of Paramount Development, LLC, on behalf of the
limited liability company.	
	Notary Public

EXHIBIT A DESCRIPTION OF REDEVELOPMENT AREA

Legal Descriptions: Condominium Unit Three (3) City Centre Condominiums in the City of Grand Island, Hall County, Nebraska as shown in Declaration of City Centre Condominiums filed as Document No. 201907839 and Amendment filed as Document No. 201907862.

EXHIBIT B REDEVELOPMENT PLAN

[Attach copy of Redevelopment Plan Amendment]

EXHIBIT C

(FORM OF NOTE)

UNITED STATES OF AMERICA STATE OF NEBRASKA COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA TAX INCREMENT DEVELOPMENT REVENUE NOTE (PARAMOUNT DEVELOPMENT REDEVELOPMENT PROJECT II), SERIES 2019

No. R-1	(subject to	Up to \$199,000 reduction as described herein)
	· ·	ŕ
Date of	Date of	Rate of
<u>Original Issue</u>	<u>Maturity</u>	<u>Interest</u>
	December 31, 2034	0.0%
REGISTERED OWNER: Para PRINCIPAL AMOUNT: SEE	<u> </u>	ERETO
REFERENCE IS HER NOTE SET FORTH ON THE SHALL FOR ALL PURPOSI THIS PLACE.	,	CH FURTHER PROVISIONS
IN WITNESS WH AUTHORITY OF THE CITY be signed by the manual signature of the Secreta hereon.	ture of the Chairman of the A	RASKA has caused this Note to authority, countersigned by the
		REDEVELOPMENT OF THE CITY OF GRAND RASKA
[S E A L]	By: <u>(man</u>	ual signature) Chairman
By: (manual signature)		
Secretary		
Paramount Development II		
i aramount Development II		

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 ______2019, 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 \$199,000.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Revenue (as defined in the Resolution) and certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property in the Project Area (as defined in this Resolution) which is in excess of that portion of such ad valorem taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the Project Area as of a certain date and as has been certified by the County Assessor of Hall County, Nebraska to the City in accordance with law.

Reference is hereby made to the Resolution for the provisions, among others, with respect to the collection and disposition of certain tax and other revenues, the special funds charged with and pledged to the payment of the principal of and interest on this Note, the nature and extent of

the security thereby created, the terms and conditions under which this Note has been issued, the rights and remedies of the Registered Owner of this Note, and the rights, duties, immunities and obligations of the City and the Authority. By the acceptance of this Note, the Registered Owner assents to all of the provisions of the Resolution.

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

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

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

This Note is subject to redemption prior to maturity, at the option of the Authority, in

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

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

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

This Note is being issued as 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.

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(FORM OF ASSIGNMENT)

ASSIGNMENT

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

* -	dress and Social Security Number tification Number of Transferee
<u> </u>	r, and hereby irrevocably constitutes and appoints in Note on the Note register kept by the Registrar for abstitution 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:

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SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA PARAMOUNT DEVELOPMENT REDEVELOPMENT PROJECT II TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2019

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

Exhibit D Project Costs

Redevelopment Project Costs

1. Renovation expenditures & contingency	\$534,000
2. Site acquisition	\$ 52,000
3. Legal and plan	\$ 9,600
4. Engineering and architecture	<u>\$ 8,000</u>
Total	\$603,600
Total costs subject to grant not to exceed	\$199,000

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 with in 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 ACQUISTION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

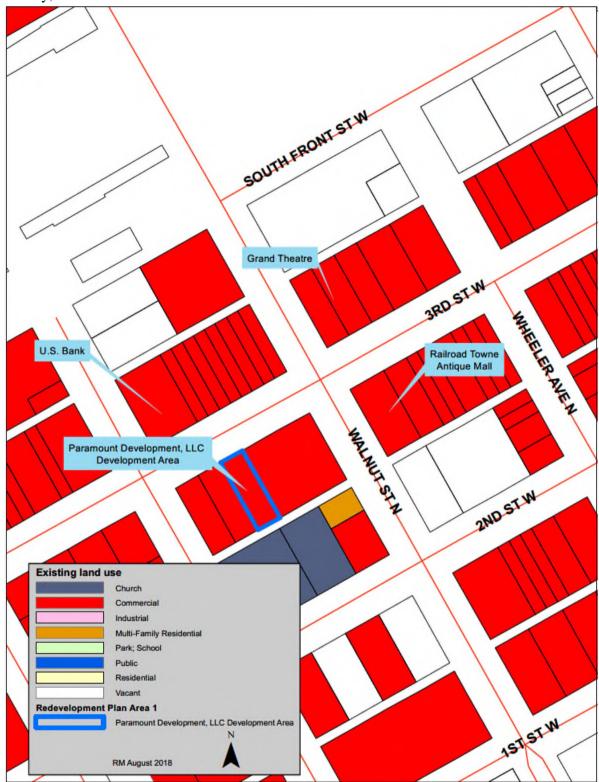
The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the first floor the west side of Old Sears located at 411 W. 3rd street for 6,500 square foot of commercial space and one 500 square foot luxury one bedroom accessible apartment. This is the first of 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 the 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. 3rd 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

<u>declaration was made after a public hearing with full compliance with the public</u> 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 2019-04 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:

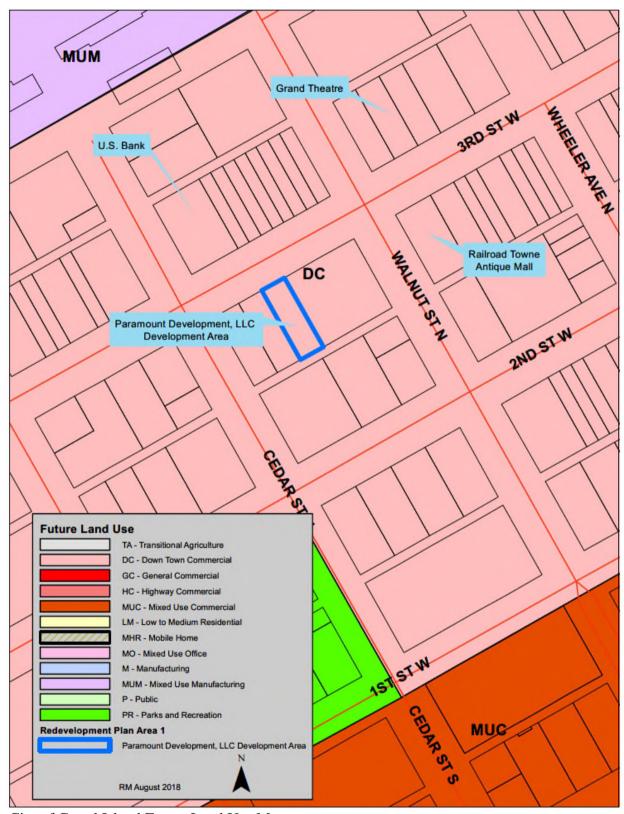
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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.

<u>10. Cost Benefit Analysis</u> 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.

Use of Funds	Source of Funds.			
Description	TIF Funds	Other Grants	Private Funds	Total
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
TOTALS	\$199,000		\$393,600	\$603,600

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 Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. 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.

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

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 299

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 \$199,000 FOR THE PURPOSE OF (1) PAYING THE COSTS OF ACQUIRING, DEMOLISHING, CONSTRUCTING, RECONSTRUCTING, IMPROVING. EXTENDING, REHABILITATING, INSTALLING, EQUIPPING, FURNISHING COMPLETING CERTAIN **IMPROVEMENTS** WITHIN AUTHORITY'S PARAMOUNT DEVELOPMENT, LLC, REDEVELOPMENT **SPECIFICALLY PROJECT** AREA. **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 OR HER INDEPENDENT DISCRETION AND JUDGMENT HIS 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 December 2018 (the "**Redevelopment Plan**") under and pursuant to which the Authority shall undertake from 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

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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 \$199,000 (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 II Tax Increment Development Revenue Note of the Authority, in a principal amount not to exceed \$199,000, 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;

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- (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 15th 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 II, 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 December 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 \$199,000. The Note shall be designated as "Community Redevelopment Authority of the City of Grand Island, Nebraska, Paramount Development, LLC, Redevelopment Project II 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, 2035, 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 \$199,000.

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, 2035, (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 II Tax Increment 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, 2035 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 II TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2019

No. R-1	Up to \$199,000 (subject to reduction as described herein	
Date of	Date of	Rate of
<u>Original Issue</u>	<u>Maturity</u>	<u>Interest</u>
	December 31, 2035	0.00%
REGISTERED OWNER: Paramo	unt Development, LLC	
PRINCIPAL AMOUNT: SEE SC	HEDULE 1 ATTACHED HERI	ЕТО
	VING PAGES, WHICH FURT	R PROVISIONS OF THE NOTE HER PROVISIONS SHALL FOR I'H AT THIS PLACE.
THE CITY OF GRAND ISLAN	D, NEBRASKA has caused thi	VELOPMENT AUTHORITY OF s Note to be signed by the manual nual signature of the Secretary of the
		REDEVELOPMENT OF THE CITY OF GRAND RASKA
[SEAL]	Ву:	(manual signature) Chairman
By:(manual signature) Secretary		
The COMMUNITY RED	DEVELOPMENT AUTHORIT	Y 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, 2022, 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 ______, 2019, 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 \$199,000.

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 December 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.

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(FORM OF ASSIGNMENT)

ASSIGNMENT

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

evocably constitutes and appoints egister kept by the Registrar for the
The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the Registered appears upon the face of the within y particular. The signature to this Assignment pond with the name of the within y particular. The signature to this Assignment pond with the signature to the within y particular. The signature to this Assignment pond with the name of the within y particular.
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SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA PARAMOUNT DEVELOPMENT, LLC, REDEVELOPMENT PROJECT II TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2019

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

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.

Grand Island

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 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:	, 2019.		
	COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA		
(SEAL) ATTEST:	By:Chairman		
By:Secretary			



Community Redevelopment Authority (CRA)

Wednesday, February 13, 2019 Regular Meeting

Item I1

Redevelopment Plan Amendment for CRA Area #1 - Williamson Interiors building 112 E 3rd Street - Wing Properties

Staff Contact:

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 297

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 Wing Properties Inc. (the "Redeveloper"), in the form attached hereto as **Exhibit B**, for the purpose of redeveloping Redevelopment Area legally described on **Exhibit A**, referred to herein as the Project Area (the "Project Area"); and

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

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

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

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

Section 1. The Authority has determined that the proposed land uses and building requirements in the Redevelopment Plan for the Project Area are designed with the general purposes of accomplishing, and in conformance with the general plan of the City, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency in economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provisions for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and communitive facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of 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 \$105,000 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 13th day of February, 2019.

	COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND NEBRASKA		
ATTEST:	By:Chair		
By:Secretary			

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The west third of Lot Seven (7) in Block Fifty Four (54) in the Original Town, now City of Grand Island, Hall County, Nebraska. (Hall County Assessor Parcel Number 400004240)

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Redevelopment Plan Amendment Grand Island CRA Area 1 January 2018

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

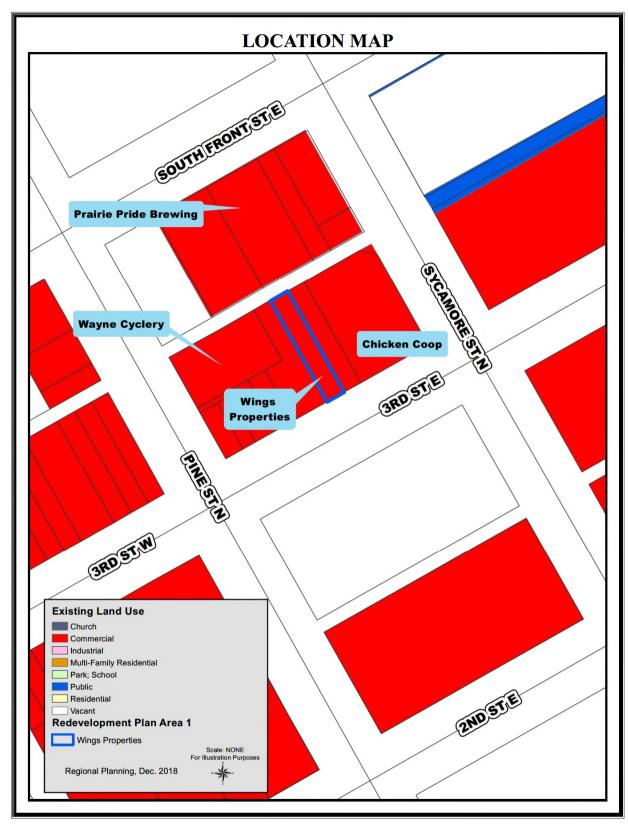
THE REDEVELOPMENT OF A PORTION OF THE OLD WILLIAMSON INTERIORS BUILDING LOCATED AT 112 E. 3RD STREET FOR COMMERCIAL AND RESIDENTIAL USES, INCLUDING ACQUISTION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the first floor the center portion of the Old Williamson Interiors building located at 112 E. 3rd street for 2,650 square foot of commercial space on the main floor and one apartment on the second floor. 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 the second floor into a upper story residential unit consistent with the plans approved by the Downtown Business Improvement District and the Grand Island City Council. The first floor will be renovated for street level commercial space. This project would not be feasible without the use of TIF.

Wing Properties purchased this building in 2014 and has been renovating the building in phases since that time. The proportional cost of this building was \$90,000 at the time of purchase. The purchase price is included as an eligible TIF activity. This portion 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")

Legal Descriptions: The west third of Lot Seven (7) in Block Fifty Four (54) in the Original Town, now City of Grand Island, Hall County, Nebraska. (Hall County Assessor Parcel Number 400004240)



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 February 6, 2019 and passed Resolution 2019-05 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:

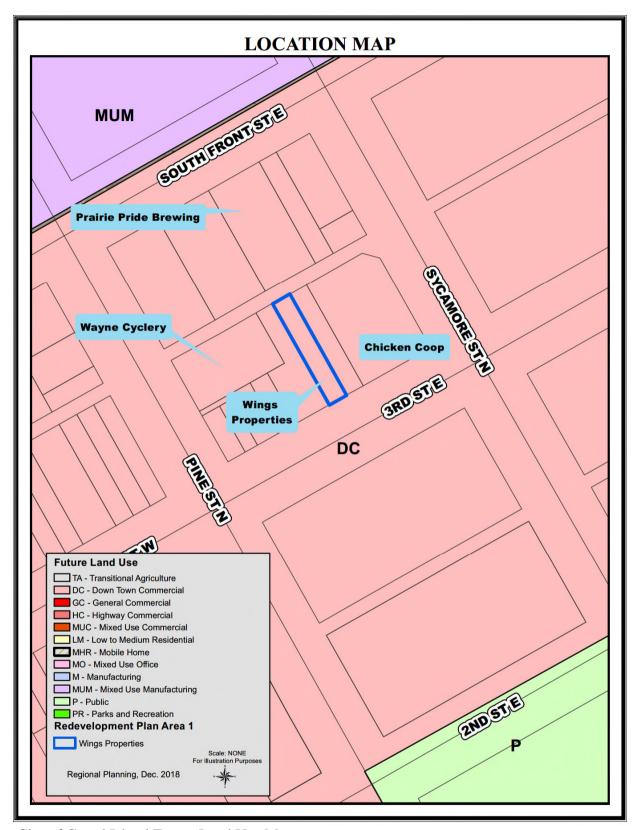
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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 purchased this property along with adjoining properties for \$275,000 in 2014. The proportional cost for this portion that is eligible for TIF is \$90,000. The

estimated costs of rehabilitation of this property is \$349,790 planning related expenses for Architectural and Engineering services of \$15,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$12,000 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 \$560,000.

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 \$105,095 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. It is anticipated that 80% of the total TIF amount (\$84.076) will be available to the developer at the beginning of this 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 March 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.

<u>10. Cost Benefit Analysis</u> 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 \$105,095 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. The CRA has also approved a \$20,000 life safety grant for this property. This property represents 1/3 of the front of the building(s) that received a façade improvement grant in the amount of \$167,016 in 2015 at total of \$55,062 was invested by the CRA in the façade. The total CRA investment in this property including TIF and grants is \$180,757. This investment by the Authority will leverage \$384,769 in private sector financing; a private investment of \$2.14 for every TIF and grant dollar invested.

Use of Funds	Source of Funds.			
Description	TIF Funds	Other Grants	Private Funds	Total
Site Acquisition	\$90,000	_	\$0	\$90,000
Legal and Plan*	\$5,600		\$6,400	\$12,000
Engineering/Arch	\$9,495		\$5,505	\$15,000
Financing			\$6,000	\$6,000
Renovation			\$349,790	\$349,790
Life Safety		\$20,000		\$20,000
Façade		\$55,062		\$55,062
Contingency			\$34,979	\$34,979
TOTALS	\$105,095	\$75,062	\$384,769	\$564,926

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$50,521. Based on the 2017 levy this would result in a real property tax of approximately \$1,138. It is anticipated that the assessed value will increase by \$311,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$7,006 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2018 assessed value:	\$ 50,521
Estimated value after completion	\$ 361,569
Increment value	\$ 311,048
Annual TIF generated (estimated)	\$ 7,006
TIF bond issue	\$ 105,095

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

The redevelopment project area currently has an estimated valuation of \$50,521. The proposed redevelopment will create additional valuation of \$311,000. 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 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 this unit would be unlike to house more than six 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 one additional school age children generated by this development. It is highly unlikely that there would be more than four school age children housed at this location. According to the National Center for Educational Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. This project is unlikely to have a significant impact on the school age population within the district or within any specific school in the district..

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

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

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 March of 2019 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 \$105,095 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 \$540,000 on TIF eligible activities in excess of other grants given.



Project Redeveloper Information

BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Business Name: Wing Properties Address: 120 East 3rd Telephone No.: 308-398-2500 Fax No.: Contact: Dean Pegg Brief Description of Applicant's Business: Wing Properties is a real estate development company. Present Ownership Proposed Project Site: Wing Properties. Proposed Project: Building square footage, size of property, description of buildings – materials, etc. Please attach site plan, if available. 2,659 s.f. main floor 2,659 s.f. second floor, wood framed two story mixed use building, formerly part of Williamsons Interior.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land \$0

B. Building \$ 90,000

Construction Costs:

A. Renovation or Building Costs: \$ 349,790

B. On-Site Improvements: \$

re-platting, demo, asbestos removal, tree removal, etc.

Soft Costs:

A. Architectural & Engineering Fees: \$15,000

B. Financing Fees: \$6,000

Closing costs, filing fees

C. Legal/Developer/Audit Fees: \$ 6,000

D. Contingency Reserves: \$34,979

E. Other (Please Specify)

TIF fees \$6,000

TOTAL \$507,769

Total Estimated Market Value at Completion: \$ 323,277

Source of Financing:

A. Developer Equity: \$90,000

B. Commercial Bank Loan: \$ 313,693

Tax Credits:

1. N.I.F.A. \$

2. Historic Tax Credits \$

D. Industrial Revenue Bonds: \$

E. Tax Increment Assistance: \$84,076

F. Other

Life Safety Grant \$20,000

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

General Contractor: John Anson, Peaceful Root 217 N Locust ste. 5 Grand Island, NE 68801 308-227-2647 Structural Engineer: Mike Spilinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750 Architect: Toby Gay, Gay and Associates, $1470\ 31^{\rm st}$ ave. Columbus Ne 68601

Estimated Real Estate Taxes on Project Site Upon Completion of Project: (Please Show Calculations)
See attached
Project Construction Schedule:
Construction Start Date: Q1 2019
Construction Completion Date: Q4 2019
If Phased Project:
Year 50 % Complete
Year 50% Complete
XII. Please Attach Construction Pro Forma
XIII. Please Attach Annual Income & Expense Pro Forma
(With Appropriate Schedules)
TAX INCREMENT FINANCING REQUEST INFORMATION
Describe Amount and Purpose for Which Tax Increment Financing is Requested:
Wing Properties is asking for \$105,095 in TIF. The purpose for the request is to get a
loan against the TIF bond for construction. This will allow the project to cash flow and
therefore be a success.

Statement Identifying Financial Gap and Necessity for use of Tax Incremen	t Financing
for Proposed Project: Without TIF assistance the project will not cash flo	<u>ow and</u>
therefore will not be a successful business venture. See attached pro for	ma.
Municipal and Corporate References (if applicable). Please identify all other	ner
Municipalities, and other Corporations the Applicant has been invol	
has completed developments in, within the last five (5) years, provide	ding contact
person, telephone and fax numbers for each:	O .
NA NA	
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	_
	-
	_

Post Office Box 1968

Grand Island, Nebraska 68802-1968

Phone: 308 385-5240

Fax: 308 385-5423

Email: cnabity@grand-island.com

TIF Calculations

2017 Assessed Value \$

Finished Value

50,521

361,569

Tax Entity	Bond	2017 Levy	2017 Base Taxes	Total
City Levy		0.349845	\$177	
	City Bond	0.025768	\$13	\$190
CRA		0.02243	\$11	\$11
Hall County		0.390571	\$197	\$197
Rural Fire			\$0	
	Fire Bond*		\$0	\$0
GIPS School		1.08	\$546	
	2nd Bond	0.06834	\$35	
	4th Bond	0.034813	\$18	
	5th Bond	0.109327	\$55	\$652.97
ESU 10		0.012375	\$6	\$6
CCC		0.094302	\$48	\$48
CPNRD		0.03239	\$16	\$16
Ag Society		0.002828	\$1	\$1
Airport		0.009564	\$5	
·	Airport Bond	0.019938	\$10	\$15
Total Combined		2.252491	\$1,138	\$1,138

Years

15 Total Incr

\$105,094.92

Increment

311,048

Tax Entity	Bond	2017 Levy	2017 Taxes
City Levy		0.349845	\$1,088
	City Bond	0.025768	\$80
CRA		0.02243	\$70
Hall County		0.390571	\$1,215
Rural Fire			\$0
	Fire Bond*		\$0
GIPS School		1.08	\$3,359
	2nd Bond	0.06834	\$213
	4th Bond	0.034813	\$108
	5th Bond	0.109327	\$340
ESU 10		0.012375	\$38
CCC		0.094302	\$293
CPNRD		0.03239	\$101
Ag Society		0.002828	\$9
Airport		0.009564	\$30
	Airport Bond	0.019938	\$62
Total Combined		2.252491	\$7,006

PROFORMA W	/ITH TIF			
USE OF FUNDS	:			TOTAL
	OF BUILDING			\$90,000
CONSTRUC				\$349,790
CONTINGE				\$349,790
1	LLOWANCE			
	LLOWANCE			\$0
A&E				\$15,000
SOFT COST	5			\$18,000
TOTAL				\$507,769
SOURCE OF FL	INDS			
BANK				\$313,693
TIF LOAN				\$84,076
FEDERAL H	IISTORIC TAX CREDITS			\$0
STATE HIS	TORIC TAX CREDITS			\$0
LIFE SAFET	Y GRANT			\$20,000
OWNER EC	QUITY			\$90,000
TOTAL				\$507,769
OPERATING P				
	ANNUAL RENTAL INC AVG/R	ENI	405 400	
	3 Bed Apt		\$26,400	
	Commercial		\$26,400	
			\$0	
			\$0	
			\$0	
		GROSS INCOME	\$52,800	
		VACANCY	\$3,168	
DSCR	1.20	EXPENSES	\$20,537	
		_	\$23,705	
			400.05=	
		NET OPERATING INCOME	\$29,095	
		DEBT SERVICE	\$24,326	
		CASH FLOW	\$4,769	

PROFORMA W	VITHOUT TIF			
USE OF FUNDS				TOTAL
	OF BUILDING			\$90,000
CONSTRUC				\$349,790
CONTINGE				\$349,790
1	LLOWANCE			\$34,979 \$0
A&E	LLOWANCE			\$15,000
SOFT COST	-c			\$18,000
3011 0031	3			\$10,000
TOTAL				\$507,769
SOURCE OF FU	INDS			
BANK				\$397,769
TIF LOAN				\$0
FEDERAL H	IISTORIC TAX CREDITS			\$0
STATE HIS	TORIC TAX CREDITS			\$0
LIFE SAFET	Y GRANT			\$20,000
OWNER EC	QUITY			\$90,000
TOTAL				\$507,769
OPERATING PI	ROEORMA			
OF ENATING F	ANNUAL RENTAL INC AVG	/RENT		
	3 Bed Apt	, KEIVI	\$26,400	
	Commercial		\$26,400	
	Commercial		\$0,400	
			\$0 \$0	
			\$0 \$0	
		GROSS INCOME	\$52,800	
		0.1000 11100 1112	ψ 52,000	
		VACANCY	\$3,168	
DSCR	0.94	EXPENSES	\$20,537	
	0.5 .		\$23,705	
		NET OPERATING INCOME	\$29,095	
		DEBT SERVICE	\$30,846	
		CASH FLOW	(\$1,751)	

EXPENSES

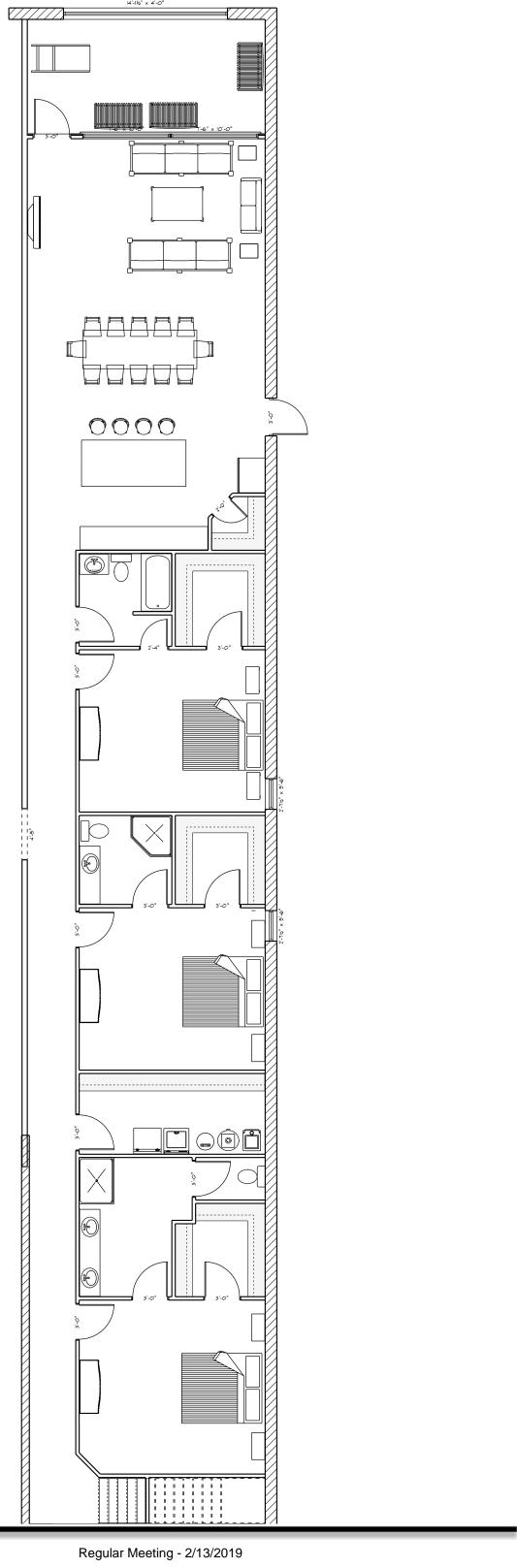
Property Taxes	\$7,006
BID Taxes	\$133
Parking Taxes	\$202
Insurance	\$2,900
Utilities	\$3,960
Management	\$3,168
Maintnance	\$3,168

Total \$20,537

CONSTRUCTION COSTS

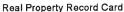
Permit	\$2,817
Demo	\$16,000
Windows	\$8,800
Elevator Pit	\$0
Carpentry	\$17,230
Materials	\$77,777
Roof	\$7,500
Plumbing	\$21,600
HVAC	\$14,400
Electric	\$24,000
Insulation	\$5,401
DW Hang	\$9,309
DW finish	\$10,943
Paint	\$10,338
Trim Labor	\$8,615
Cabinets	\$2,000
Countertops	\$6,000
Flooring allowance	\$29,176
Lighting allowance	\$1,200
Electronics	\$0
Fire sprinklers	\$21,059
Fire service	\$0
Concrete	\$0
Deck	\$0
Millwork/Tin ceiling	\$0
Elevator	\$0
Stairs (outdoor)	\$0
Entry system	\$0
Camera's	\$0
Fire Alarm	\$0
Existing stairway rehab	\$2,000
Misc	\$5,000
Appliances	\$3,000

Sub Total	\$304,165
Overhead & Profit	\$45,625
Total	\$349,790



HALL COUNTY ASSESSOR'S OFFICE







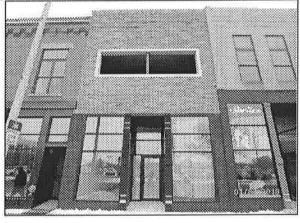
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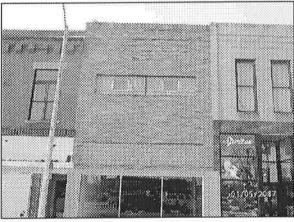
Parcel Number	Parcel Informatio	n	Current Owner	WING	Ownership in PROPERTIES		on
Map Number	3315-00-0-10001-054-0)39					
Situs	112-00114 E 3RD		Address	120	E 3RD		
Legal	ORIGINAL TOWN W 1/3 L	7 BLK 54	City ST. Zip	GRAN	D ISLAND NE	68801-	
			Cadastral #	0001	-0049-0035A		
	Current Valuation	Ass	essment Data			Property	y Classification
Land Value	7,780	District/TIF Fund	12		Status	01	Improved
Impr. Value		School Base	40-0002 GRAND	ISLA	Use	03	Commercial
Outbuildings	42,741	Affiliated Code			Zoning	03	Commercial
Total Value	50,521	Neighborhood	105		Location	01	Urban
Exemptions		Greenbelt Area			City Size	03	12,001-100,000
Taxable Value	50,521	Greenbelt Loss			Lot Size	01	<10,000 sq. ft.
	Sales H	istory			Multiple	Owner	Information
Date	Book/Page	Grantor	Price	Ownrsh	ıp. %	¢	wner's Name
11/07/2014	2014-7099 R DENNI	S & PATRICIA~A NOR	275,000		Account of the second		

			Boe Appea	l History			= 1000	Bui	lding	Permits	
Appeal #	Year		Appealed			Status	Permit #	Date		Description	Amount
007	2015	WING	PROPERTIES	INC	BOARD	VALUE	01	/01/2019	ADD	REMODELED RE	
							01	/01/2018	FACA	ADE REMODEL/R	
							01	/01/2017	DOW	NTOWN REVIEW	
							01	/01/2016	COM	MERCIAL REVIE	
							01	/01/2015	10%	MARKET UPDAT	

	Ass	sessment Milestones			
Year Descripti	on Class Ex	Code Land Impr.	Outbldg.	Total	Taxable
2018 CTL	2000	7,780	42,741	50,521	50,521
2018 2018 ABSTR	2000	7,780	42,741	50,521	50,521
2007 TAX ROLL	2000	7,780	96,403	104,183	104,183
2004 2004 CTL	2000	7,779	79,548	87,327	87,327
2003 2003 CTL	2000	7,779	79,548	87,327	87,327
			000000000000000000000000000000000000000	000000000000000000000000000000000000000	****

	Historical Valuati	on Information			
Year Billed Owner	Land Impr.	Outbldg.	Total	Exempt Taxable	Taxes
2018 WING PROPERTIES INC	7,780	42,741	50,521	50,521	1,092.72
2017 WING PROPERTIES INC	7,780	42,741	50,521	50,521	1,100.98
2016 WING PROPERTIES INC	7,780 42,741		50,521	50,521	1,060.06
2015 WING PROPERTIES INC	7,780	41,241	49,021	49,021	1,045.64
2014 WING PROPERTIES INC	7,780	96,403	104,183	104,183	2,306.84
2013 R DENNIS & PATRICIA A	7,780	96,403	104,183	104,183	2,244.58
2012 R DENNIS & PATRICIA A	7,780	96,403	104,183	104,183	2,265.40
2011 R DENNIS & PATRICIA A	7,780	96,403	104,183	104,183	2,225.96
2010 R DENNIS & PATRICIA A	7,780	96,403	104,183	104,183	2,149.70
2009 R DENNIS & PATRICIA A	7,780	96,403	104,183	104,183	2,128.68





HALL COUNTY ASSESSOR'S OFFICE

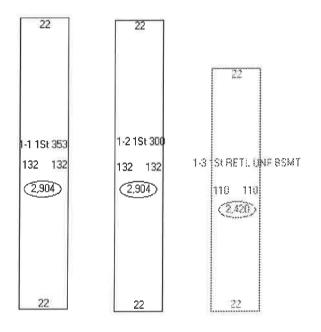




	Data Provid	ded By: KRISTI WOLD Cour	nty Assessor. Printed on	12/12/2018 at 11:11:00A	
	Parcel Informa	tion		Ownership Informat	ion
Parcel Number	400004240		Current Owner	WING PROPERTIES INC	
Map Number	3315-00-0-10001-054-	-0039			
Situs	112-00114 E 3RD		Address	120 E 3RD	
Legal	ORIGINAL TOWN W 1/3	LT 7 BLK 54	City St. Zip	GRAND ISLAND NE 68801	-
			Cadastral #	0001-0049-0035A	
			Property Data		
Neighborhood	105	Topography		Number of Units	2904
Lot Width	22	Street		Unit Value	2.68
Lot Depth	132	Utilities		Adjustment	
Units Buildable	2904	Amenities 1		Lot Value	7,780
Value Method	SF	Amenities 2			
		1-1 1St 353 132 132 (2,904)	1:2 15t 300 132 132 1:3 SHRTLU (2,904) 110 110	The state of the s	
	÷	22	22 22		

			energen de national de la company						V2244272737373737	~~~~~~~	0000000000000000				***********	000000000000000000000000000000000000000
								ding Dat								
Bldg.	Sec.	Code	Descript	ion	Year	CIs.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys.	Func.	RCNLD
1	1	353 R	RETAIL STORE		1886 C		200	40	2,904	308	1	14	259,03	35%		168,374
1	2		PARTMENT		1886 C		200	40	2,904	308	1	8	206,242	35%		134,057
1	3		RETAIL UNFIN	BSMT	1886 C	!	200	20	2,420	264	1	14	95,97	80%		19,195
	Cos	t Approac	ch From Marsh	all & Swift						Pol	tential (3ross In	come			
Total Bu		Contraction of the Contraction o	erreceeeeeeeeee		8,22	В		realistical and the control of		ASSAUGATOR SACIONAL PROCESSION S		C	ontract		Mar	ket
Total Bu	_				561,25	6 Vaca	ncy & 0	Collectio	n Loss						10.00%	1,975
Total Re	fineme	nts				Effec	tive Inc	ome								17,772
Total Re	placen	ent Cost	New		561,25	6 Total	Expen	ses							30.00%	5,332
Total Ph	ys. & F	unc. Dep	reciation	(2	39,630	Net C	peratir	ng Incom	ne							12,440
RCN Les	ss Phys	s. & Func.			321,626	6 Capit	alizatio	n Rate								12.00%
Econom	ic Dep	reciation			-109	lncon	ne App	roach								103,667
Accrued	l Econd	mic depr	eciation		32,163	3 Final	Value I	Reconcil	iation							361,569
Total RC	N Less	Deprecia	ation		353,789	9										
Addition	al Lum	p Sums														
Land Va	lue				7,780)										
Total Co	st Valu	ie			361,569	9										
Value Po	er Res I	Jnit														
Value Po	er Sq. F	t.			43.94	4										
*DATA	USED F	OR COST	CALCULATION	IS SUPPLIE	D BY MA	ARSHAL	L & SV	VIFT wh	ich her	eby res	serves	all ri	ght herei	1)+		

Parcel #: 400004240



-- Denotes common wall.

Resolution Number 2019-05

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 amendment of the Redevelopment Plan for CRA Area 1 requested by Wing Properties Inc. 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 February 6, 2019, 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 January 18th and Friday January 25th, 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: February 6, 2019

HALL COUNTY REGIONAL PLANNING COMMISSION

ATTEST:

By: Chair Conin

By: Leslie & Ruge Secretary



Community Redevelopment Authority (CRA)

Wednesday, February 13, 2019 Regular Meeting

Item I2

Redevelopment Plan Amendment for CRA Area #1 - GI Music building 110 W 2nd Street - Rawr Holdings LLC.

Staff Contact:

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 298

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 Rawr Holdings LLC (the "Redeveloper"), in the form attached hereto as Exhibit B, for the purpose of redeveloping Redevelopment Area legally described on Exhibit A, referred to herein as the Project Area (the "Project Area"); and

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

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

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

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

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

Rawr Holdings LLC Old GI Music Building 110 W 2nd

- **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 \$75,031 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.

COMMUNITY REDEVELOPMENT

PASSED AND APPROVED this 13th day of February, 2019.

	AUTHORITY OF THE CITY OF GRAND ISLAND NEBRASKA				
ATTEST:	By:Chair				
By:Secretary					

Rawr Holdings LLC Old GI Music Building 110 W 2nd

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The east two thirds of Lot Seven (7) in Block Sixty Six (66) in the Original Town, now City of Grand Island, Hall County, Nebraska. (Hall County Assessor Parcel Number 400005719)

Rawr Holdings LLC Old GI Music Building 110 W 2nd

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Rawr Holdings LLC Old GI Music Building $110~\mathrm{W}$ 2nd

Redevelopment Plan Amendment Grand Island CRA Area 1 January 2018

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

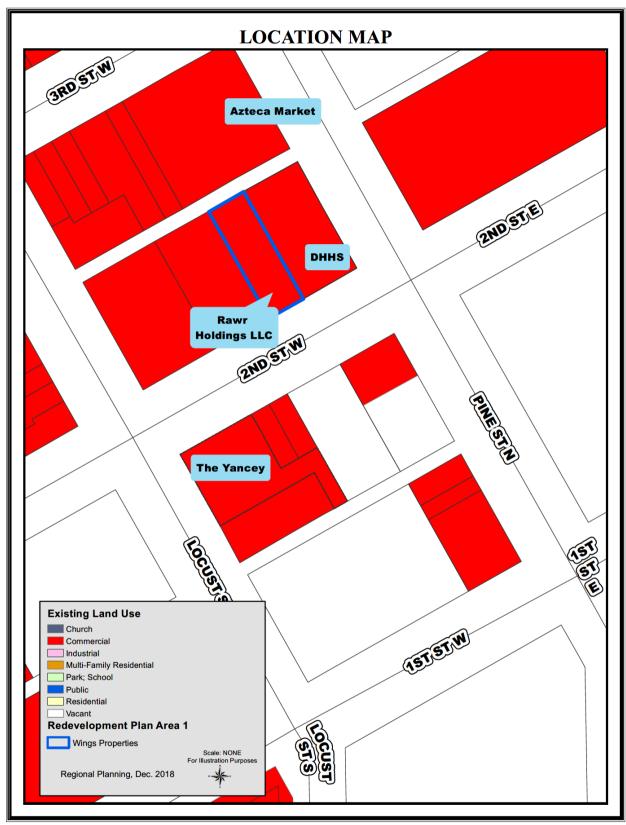
THE REDEVELOPMENT OF A PORTION OF THE GI MUSIC BUILDING LOCATED AT 110 W. 2ND STREET FOR COMMERCIAL AND RESIDENTIAL USES, INCLUDING ACQUISTION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the first floor the center portion of the G.I. Music building located at 110 W. 2nd street for 5,808 square foot of commercial space on the main floor and two apartments on the second floor. 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 the second floor into two upper story residential units consistent with the plans approved by the Downtown Business Improvement District and the Grand Island City Council. The first floor will be renovated for street level commercial space. This project would not be feasible without the use of TIF.

Rawr Holdings LLC purchased this building in 2018. The building was purchased for \$120,000 at the time of purchase. The purchase price is included as an eligible TIF activity. This 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")

Legal Descriptions: The east two thirds of Lot Seven (7) in Block Sixty Six (66) in the Original Town, now City of Grand Island, Hall County, Nebraska. (Hall County Assessor Parcel Number 400005719)



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

<u>declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.</u>

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 February 6, 2019 and passed Resolution 2019-06 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:

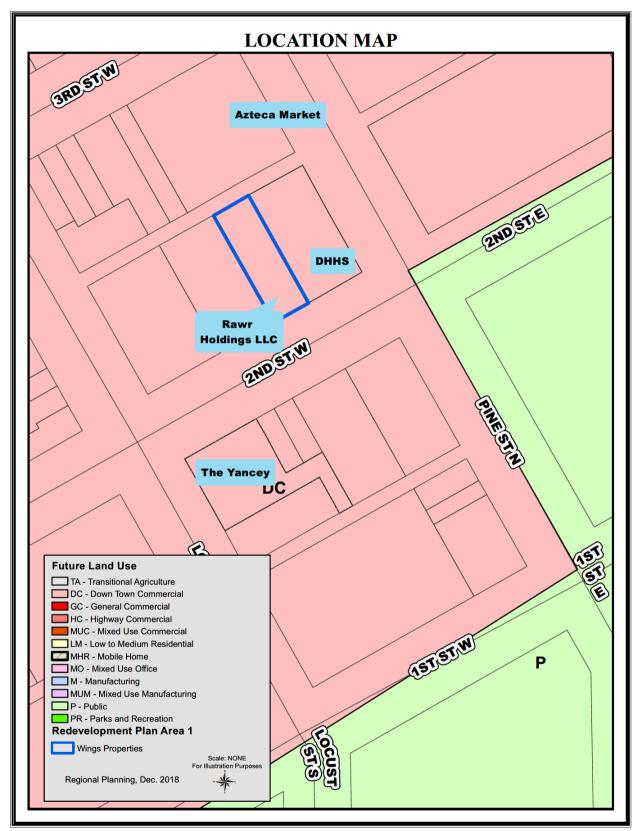
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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.

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

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

The developer purchased this property for \$120,000 in 2019. The estimated costs of rehabilitation of this property is \$437,604 planning related expenses for Architectural and Engineering services of \$15,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$12,000 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 \$584,000.

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 \$75,031 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. It is anticipated that 90% of the total TIF amount (\$67,529) will be available to the developer at the beginning of this 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/underutilized for several years.

8. Time Frame for Development

Development of this project is anticipated to be completed between March 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

<u>10. Cost Benefit Analysis</u> 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 \$75,031 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. The CRA has also approved a \$35,000 life safety grant for this property based on the plan to create two upper story residential units The total CRA investment in this property including TIF and grants is \$110,031. This investment by the Authority will leverage \$559,344 in private sector financing; a private investment of \$5.08 for every TIF dollar invested.

Use of Funds	Source of Funds.							
Description	TIF Funds	Other Grants	Private Funds	Total				
Site Acquisition	\$75,031	_	\$44,969	\$120,000				
Legal and Plan*			\$12,000	\$12,000				
Engineering/Arch			\$15,000	\$15,000				
Financing			\$6,000	\$6,000				
Renovation			\$437,604	\$437,604				
Life Safety		\$35,000		\$35,000				
Façade				\$0				
Contingency			\$43,761	\$43,761				
TOTALS	\$75,031	\$35,000	\$599,344	\$669,365				

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$91,284. Based on the 2017 levy this would result in a real property tax of approximately \$2,056. It is anticipated that the assessed value will increase by \$222,071 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$5,002 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2018 assessed value:	\$ 91,284
Estimated value after completion	\$ 313,355
Increment value	\$ 222,071
Annual TIF generated (estimated)	\$ 5,002
TIF bond issue	\$ 75,031

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

The redevelopment project area currently has an estimated valuation of \$91,284. The proposed redevelopment will create additional valuation of \$222,000. 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 average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. Two additional households in these units would be unlike to house more than six 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 one additional school age children generated by this development. It is highly unlikely that there would be more than three school age children housed at this location. According to the National Center for Educational Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. This project is unlikely to have a significant impact on the school age population within the district or within any specific school in the district.

(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.

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

Time Frame for Development

Development of this project is anticipated to be completed during between March of 2019 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 \$75,031 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 \$555,000 on TIF eligible activities in excess of other grants given.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

<u>Project Redeveloper Information</u>	
Business Name: Rawr Holdings LLC	
Address: 110 West 2nd	
Telephone No.: 308-379-0354	
Fax No.:	
Contact: <u>Travis Spiehs</u>	
Brief Description of Applicant's Business:	
Rawr Holdings is a real estate development company.	
Present Ownership Proposed Project Site: Rawr Holdings LLC.	
Proposed Project: Building square footage, size of property, descripti materials, etc. Please attach site plan, if available.	on of buildings -
5,808 s.f. main floor 2,156 s.f. second floor, wood framed/briduse building, formerly the G.I. Music building.	-

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land \$0

B. Building \$ 120,000

Construction Costs:

A. Renovation or Building Costs: \$437,604

B. On-Site Improvements: \$

re-platting, demo, asbestos removal, tree removal, etc.

Soft Costs:

A. Architectural & Engineering Fees: \$15,000

B. Financing Fees: \$6,000

Closing costs, filing fees

C. Legal/Developer/Audit Fees: \$ 6,000

D. Contingency Reserves: \$43,761

E. Other (Please Specify)

TIF fees \$6,000

TOTAL \$634,365

Total Estimated Market Value at Completion: \$ 372,186

Source of Financing:

A. Developer Equity: \$ 165,000

B. Commercial Bank Loan: \$ 344,956

Tax Credits:

1. N.I.F.A. \$ 0

2. Historic Tax Credits \$ 0

D. Industrial Revenue Bonds: \$ 0

E. Tax Increment Assistance: \$67,529

F. Other

Life Safety Grant \$35,000

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

General Contractor: John Anson, Peaceful Root 217 N Locust ste. 5 Grand Island, NE 68801 308-227-2647 Structural Engineer: Mike Spilinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750 Architect: Toby Gay, Gay and Associates, $1470\ 31^{\rm st}$ ave. Columbus Ne 68601

Estimated Real Estate Taxes on Project Site Upon Completion of Project: (Please Show Calculations)
See attached
Project Construction Schedule:
Construction Start Date: Q1 2019
Construction Completion Date: Q4 2019
If Phased Project:
Year 50 % Complete
Year 50% Complete
XII. Please Attach Construction Pro Forma
XIII. Please Attach Annual Income & Expense Pro Forma
(With Appropriate Schedules)
TAX INCREMENT FINANCING REQUEST INFORMATION
Describe Amount and Purpose for Which Tax Increment Financing is Requested:
Rawr Holdings LLC is asking for \$75,031 in TIF. The purpose for the request is to get
loan against the TIF bond for construction. This will allow the project to cash flow and
therefore be a success.

Statement Identifying Financial Gap and Necessity for use of Tax Incremen	t Financing
for Proposed Project: Without TIF assistance the project will not cash flo	<u>ow and</u>
therefore will not be a successful business venture. See attached pro for	ma.
Municipal and Corporate References (if applicable). Please identify all other	ner
Municipalities, and other Corporations the Applicant has been invol	
has completed developments in, within the last five (5) years, provide	ding contact
person, telephone and fax numbers for each:	O .
NA NA	
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Post Office Box 1968

Grand Island, Nebraska 68802-1968

Phone: 308 385-5240

Fax: 308 385-5423

Email: cnabity@grand-island.com

2017 Assessed Value \$ 91,284

Total Combined

Finished Value

\$ 313,355

Tax Entity 2017 Base Taxes Bond 2017 Levy Total City Levy 0.349845 \$319 City Bond \$24 0.025768 \$343 CRA 0.02243 \$20 \$20 Hall County 0.390571 \$357 \$357 Rural Fire \$0 \$0 Fire Bond* \$0 GIPS School 1.08 \$986 2nd Bond \$62 0.06834 \$32 4th Bond 0.034813 5th Bond 0.109327 \$100 \$1,179.83 ESU 10 0.012375 \$11 \$11 \$86 CCC 0.094302 \$86 CPNRD \$30 0.03239 \$30 Ag Society 0.002828 \$3 \$3 \$9 Airport 0.009564 \$18 Airport Bond 0.019938 \$27

2.252491

\$2,056

\$2,056

Increment

\$ 222,071

Tax Entity	Bond	2017 Levy	2017 Taxes
City Levy		0.349845	\$777
	City Bond	0.025768	\$57
CRA		0.02243	\$50
Hall County		0.390571	\$867
Rural Fire			\$0
	Fire Bond*		\$0
GIPS School		1.08	\$2,398
	2nd Bond	0.06834	\$152
	4th Bond	0.034813	\$77
	5th Bond	0.109327	\$243
ESU 10		0.012375	\$27
CCC		0.094302	\$209
CPNRD		0.03239	\$72
Ag Society		0.002828	\$6
Airport		0.009564	\$21
	Airport Bond	0.019938	\$44
Total Combined		2.252491	\$5,002

Years

15 Total Incr

\$75,031.94

CONSTRUCTION COSTS

Permit	\$3,325
Demo	\$0
Windows	\$4,000
Elevator Pit	\$0
Carpentry	\$17,670
Materials	\$75,838
Roof	\$38,000
Plumbing	\$28,600
HVAC	\$26,400
Electric	\$27,000
Insulation	\$10,472
DW Hang	\$7,886
DW finish	\$9,961
Paint	\$12,689
Trim Labor	\$9,790
Cabinets	\$7,253
Countertops	\$2,000
Flooring allowance	\$23,550
Lighting allowance	\$1,200
Electronics	\$0
Fire sprinklers	\$21,141
Fire service	\$15,000
Concrete	\$20,000
Deck	\$0
Millwork/Tin ceiling	\$0
Elevator	\$0
Stairs (outdoor)	\$0
Entry system	\$5,000
Camera's	\$2,000
Fire Alarm	\$0
Existing stairway rehab	\$0
Misc	\$8,000
Appliances	\$3,750

Sub Total	\$380,525
Overhead & Profit	\$57,079
Total	\$437,603

PROFORMA WITH TIF						
LICE OF FUND				TOTAL		
USE OF FUNDS			TOTAL			
PURCHASE OF BUILDING				\$120,000		
CONSTRUCTION				\$437,604		
CONTINGENCY				\$21,881		
TENANT ALLOWANCE				\$0		
A&E				\$15,000		
SOFT COST	5			\$18,000		
TOTAL			\$612,485			
SOURCE OF FL	INDS					
BANK				\$344,956		
TIF LOAN				\$67,529		
FEDERAL F	IISTORIC TAX CREDITS			\$0		
STATE HIS	FORIC TAX CREDITS			\$0		
LIFE SAFET	Y GRANT			\$35,000		
OWNER EQUITY				\$165,000		
TOTAL				\$612,485		
OPERATING PI	ROFORMA					
	ANNUAL RENTAL INCOME					
	2 Bed Apt		\$18,000			
	1 Bed Apt		\$5,400			
	Commercial		\$21,600			
			\$0			
			\$0			
		GROSS INCOME	\$45,000			
		VACANCY	\$2,700			
DSCR	1.14	EXPENSES	\$11,749			
			\$14,449			
		NET OPERATING INCOME	\$30,551			
		DEBT SERVICE	\$26,750			
		CASH FLOW	\$3,800			

PROFORMA WITHOUT TIF						
USE OF FUNDS	.			TOTAL		
			\$120,000			
PURCHASE OF BUILDING CONSTRUCTION				\$437,604		
CONTINGENCY				\$21,881		
TENANT ALLOWANCE				\$21,001		
A&E				\$15,000		
SOFT COSTS			\$18,000			
3011 6031				710,000		
TOTAL				\$612,485		
SOURCE OF FL	INDS					
BANK				\$412,485		
TIF LOAN				\$0		
FEDERAL H	HISTORIC TAX CREDITS			\$0		
STATE HIS	TORIC TAX CREDITS			\$0		
LIFE SAFET	Y GRANT			\$35,000		
OWNER EC	QUITY			\$165,000		
TOTAL				\$612,485		
OPERATING P	ROFORMA					
OF ENATING F	ANNUAL RENTAL INCOME					
	2 Bed Apt		\$18,000			
	1 Bed Apt		\$5,400			
	Commercial		\$21,600			
	Commercial		\$0			
			\$0			
		GROSS INCOME	\$45,000			
		G.1000 11.100.11.12	ψ .5,000			
		VACANCY	\$2,700			
DSCR	0.96	EXPENSES	\$11,749			
			\$14,449			
		NET OPERATING INCOME	\$30,551			
		DEBT SERVICE	\$30,331			
		CASH FLOW				
		CASH FLUW	(\$1,436)			

EXPENSES

Property Taxes	\$5,002
BID Taxes	\$243
Parking Taxes	\$304
Insurance	\$2,900
Utilities	\$600
Management	\$1,350
Maintnance	\$1,350

Total \$11,749



P.O. Box 1507 • Grand Island, NE 68802 • (308) 384-5350

March 16, 2018

To Whom It May Concern,

This letter is to confirm Five Points Bank extended credit to Rawr Holdings LLC in connection with the renovation of 110 W. 2nd Street, Grand Island NE. To date, Five Points Bank has extended the following:

\$96,000.00 for the purchase of the building

We believe in the project and continue to work closely with Travis Spiehs and Rawr Holdings LLC. If you have any questions or concerns, please feel free to contact me directly at 308-389-8701.

Sincerely,

Executive Vice President

EMO/df

HALL COUNTY ASSESSOR'S OFFICE





Data Provided By: KRISTI WOLD County Assessor. Printed on 12/18/2018 at 11:31:25A

	Parcel Information		Ownership Information
Parcel Number	400005719	Current Owner	RAWR HOLDINGS LLC
Map Number	3315-00-0-10001-066-0011		
Situs	108-00110 W 2ND	Address	110 W 2ND
Legal	ORIGINAL TOWN E 2/3 LT 7 BLK 66	City ST. Zip	GRAND ISLAND NE 68801-
_		Cadactral #	0001-0050-0072

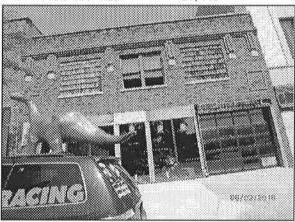
Cui	rent Valuation	Ass	essment Data		Property Classification
Land Value	15,561	District/TIF Fund	12	Status	01 Improved
lmpr. Value	75,723	School Base	40-0002 GRAND ISLA	Use	03 Commercial
Outbuildings		Affiliated Code		Zoning	03 Commercial
Total Value	91,284	Neighborhood	105	Location	01 Urban
Exemptions		Greenbelt Area		City Size	03 12,001-100,000
Taxable Value	91,284	Greenbelt Loss		Lot Size	01 <10,000 sq. ft.

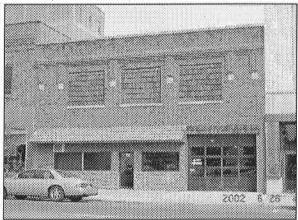
	laxable Value	91,284		Greenbelt Loss		Lot Size	01 <10	,000 8	q. It.	
1			Sales History			Multiple Ov	vner Infor	mation		
	Date	Book/Page		Grantor	Price Ownr	shp. %	Owne	r's Nam	e	
	02/01/2018	2018-0685	PEACEFUL ROOT	r LLC	120,000					
	08/31/2017	2017-5897	JAMES E & MAR	RY ANN KEESHA	120,000					

Boe Appeal History	Building Permits	
Appeal # Year Appealed By Status	Permit # Date Description Amount	
	01/01/2019 RESHINGLE	
	01/01/2018 BUILDING IS GUTT	
	01/01/2017 DOWNTOWN REVIEW	
	01/01/2016 COMMERCIAL REVIE	
	01/01/2006 COMMERCIAL UPDAT	
Accesement M	lestones	3333

	As	sessment Milestones				
Year Description	n Class Ex	Code Land	lmpr. i	Outbidg,	Total	Taxable
2018 CTL	2000	15,561	75,723		91,284	91,284
2018 2018 ABSTR	2000	15,561	75,723		91,284	91,284
2007 TAX ROLL	2000	15,561		77,331	92,892	92,892
2004 2004 CTL	2000	15,558		66,197	81,755	81,755
2003 2003 CTL	2000	15,558		66,197	81,755	81,755
30000000000000000000000000000000000000		CONTRACTOR SERVICE STATE AND ADDRESS OF A SERVICE STATE ADDRESS OF A SERVICE STATE AND ADD	660666666666666666666666666666666666666		000000000000000000000000000000000000000	\$250055000600555500000000000000000000000

	Hist	orical Valuati	on Information			
Year Billed Owner	Land	lmpr.	Outbldg.	Total	Exempt Taxable	Taxes
2018 RAWR HOLDINGS LLC	15,561	75,723		91,284	91,284	1,974.38
2017 PEACEFUL ROOT LLC	15,561	77,074		92,635	92,635	2,018.78
2016 JAMES E & MARY ANN KEE	15,561	77,074		92,635	92,635	1,943.72
2015 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	1,981.42
2014 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	2,056.84
2013 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	2,001.32
2012 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	2,019.90
2011 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	1,984.72
2010 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	1,916.74
2009 JAMES E & MARY ANN KEE	15,561		77,331	92,892	92,892	1,897.98





HALL COUNTY ASSESSOR'S OFFICE

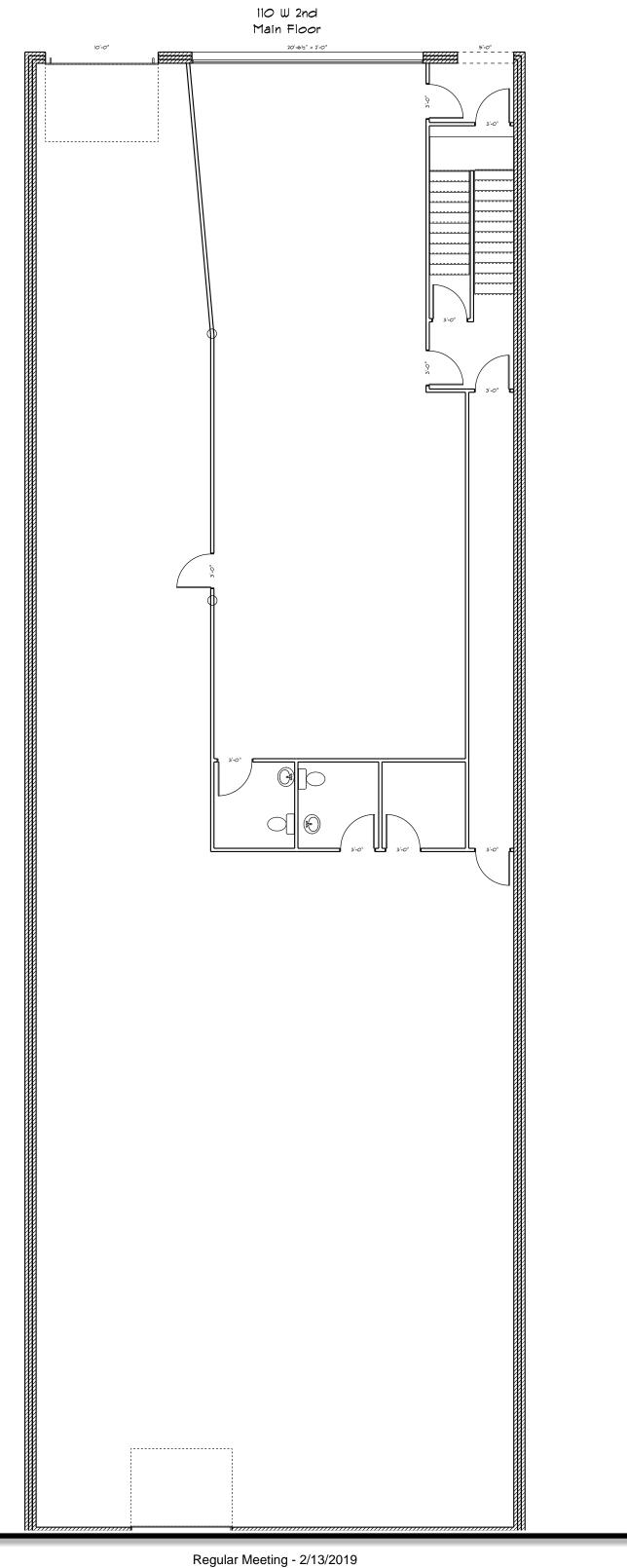
- Denotes common wall

Commercial Property Record Card

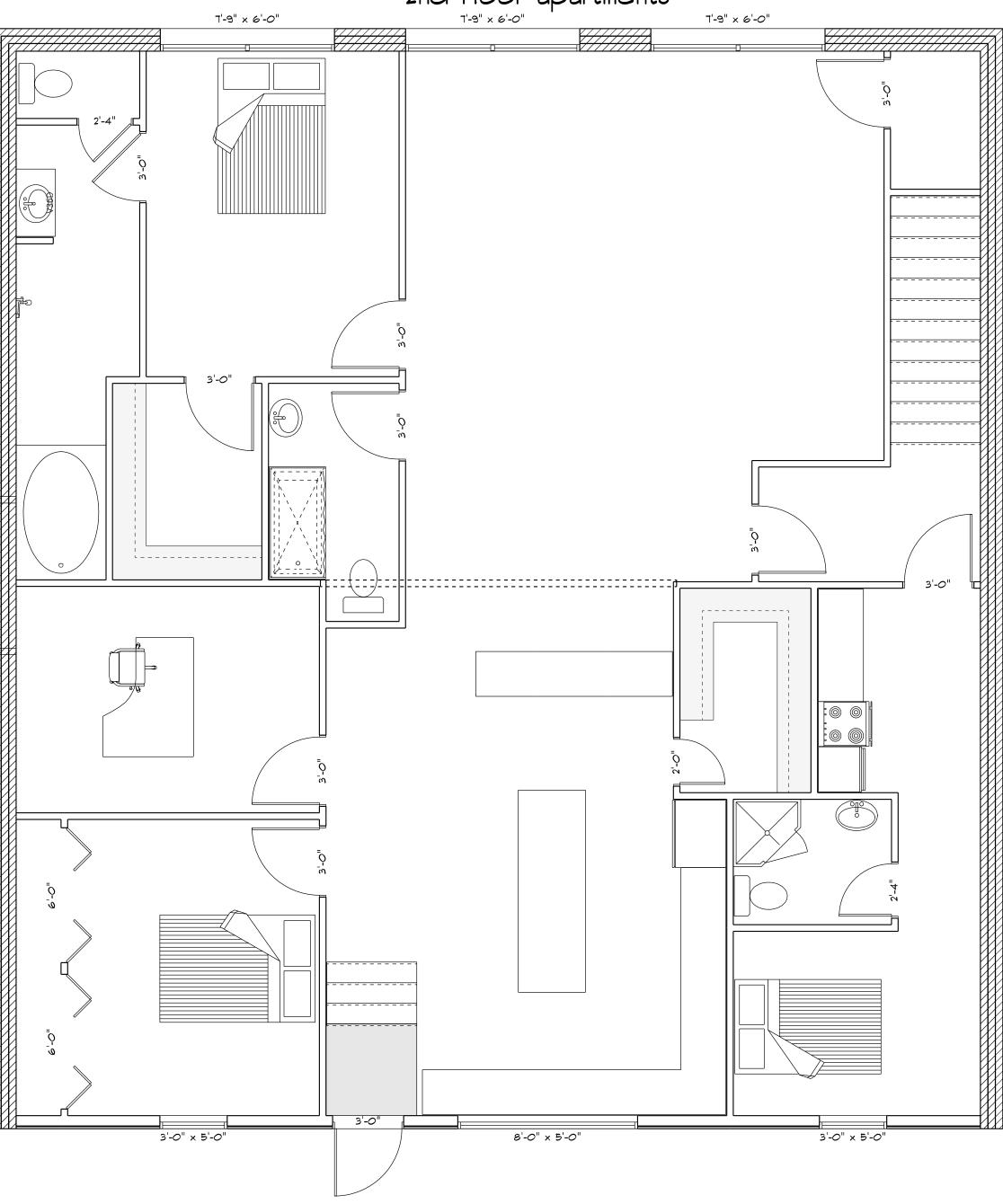


	Data Pro	vided By: KRISTI WOLD County	Assessor. Printed on	12/18/2018 at 11:31:30A	
	Parcel Inform	ation		Ownership Informa	ition
Parcel Number	400005719	\$\$\$\$\$\$ 1 *** * * * * * * * * * * * * * *	Current Owner	RAWR HOLDINGS LLC	
Map Number	3315-00-0-10001-06	6-0011			
Situs	108-00110 W 2ND		Address	110 W 2ND	
Legal	ORIGINAL TOWN E 2/	3 LT 7 BLK 66	City St. Zip	GRAND ISLAND NE 68801	
			Cadastral #	0001-0050-0072	
		Pro	perty Data		
Neighborhood	105	Topography	333330	Number of Units	5808
Lot Width	4.4	Street		Unit Value	2.68
Lot Depth	132	Utilities		Adjustment	
Units Buildable	5808	Amenities 1		Lot Value	15,561
Value Method	SF	Amenities 2			
	urrentiviov	e: HZ5		Parcel #: 400005715	
		1ST ST 3-1 15t 406 3.952	Y		
		21 21 4 2-1 15t 353 68 (1.956) 47 47	44 44 44 44 44 44 44 44 44 44 44 44 44		

						Bui	lding Da	a							
Bldg.	Sec.	Code	Description	Year	Cls.	Qual.	Cond.	Area	Perm.	Stor.	Hght.	Sec. RCN	Phys.	Func.	RCNLD
2	1	353 RE	ETAIL STORE	1920	C	200	40	1,956	196	1	14	179,502	35%		116,670
3	1	406 WA	AREHOUSE, STORAGE	1920	С	200	30	3,852	352	1	14	158,317	50%		79,15
5	1	300 A	PARTMENT	2019	C	200	40	2,024	180	1	12	156,860	35%		101,95
		The state of the s	h From Marshall & Si	••••					Po	tential (iross In			Sec. 1	
	uilding A			7,83		_					<u>C</u>	ontract		Mar	
	uilding F			494,67		411-1-4-411-411-4	Collectio	n Loss						10.00%	1,750
	fineme			404 65		ective In								05 008	15,753
	-	ent Cost I				al Expen								25.00%	3,938
		unc. Depr	eciation	(196,885				ne							11,81
		. & Func.		297,79		oitalizatio									13.00
	•	eciation				ome App									90,88
		mic depre				al Value	Reconci	liation							313,355
		Deprecia	tion	297,79	94										
		p Sums													
_and Va	lue			15,56	51										
Total Co	st Valu	e		313,35	5										
/alue Po	er Res L	Jnit													
/alue Po	er Sq. Fi	t.		40.0	1										
DATA	JSED F	OR COST	CALCULATIONS SUP	PLIED BY M	ARSHA	I.I. & SI	WIEL MP	ich her	ohy ros	orves	all ri	aht herein			



110 W 2nd 2nd floor apartments



Resolution Number 2019-06

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 amendment of the Redevelopment Plan for CRA Area 1 requested by Rawr Holdings 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 February 6, 2019, 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 January 18th and Friday January 25th, 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: February 6, 2019

HALL COUNTY REGIONAL PLANNING COMMISSION

taller Conin

ATTEST:

By: Leslie & Rug Secretary



Community Redevelopment Authority (CRA)

Wednesday, February 13, 2019 Regular Meeting

Item I3

Redevelopment Plan Amendment for CRA Area #1 - Old Wells Fargo Building 304 W 3rd Street

Staff Contact:

Redevelopment Plan Amendment Grand Island CRA Area 1 January 2019

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 with in 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 304-306 W. 3RD STREET FOR COMMERCIAL OFFICE USES, INCLUDING ACQUISTION AND BUILDING REHABILITATION AND REMODELING.

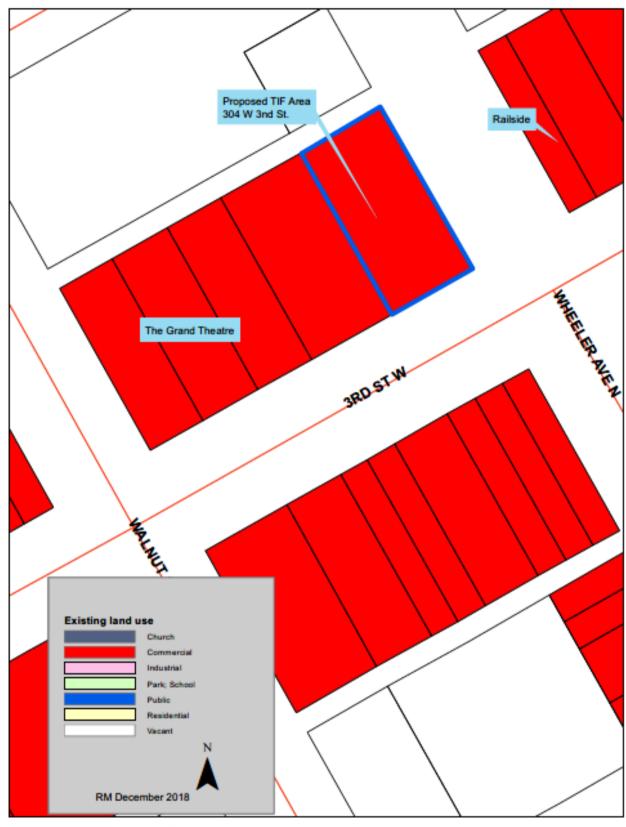
The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the Wells Fargo building located at 304-306 W. 3rd street for commercial office space. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project profitable and affordable in the immediate future. The project will result in renovating and modernizing this building for commercial office space. This project would not be feasible at this time without the use of TIF.

Amur Real Estate I, LLC is the purchasing this building for use by Amur Equipment, Inc. (AEF) for commercial office space for employees located in downtown Grand Island. They are purchasing the property for \$675,000. 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 304-306 W. 3rd Street in Grand Island Nebraska.

Legal Descriptions: All of Lot Eight (8) in Block Fifty-Seven (57) 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 2021 through 2035 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 office 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 March 13, 2019 and passed Resolution 2019-07 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.

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

a. Land Acquisition:

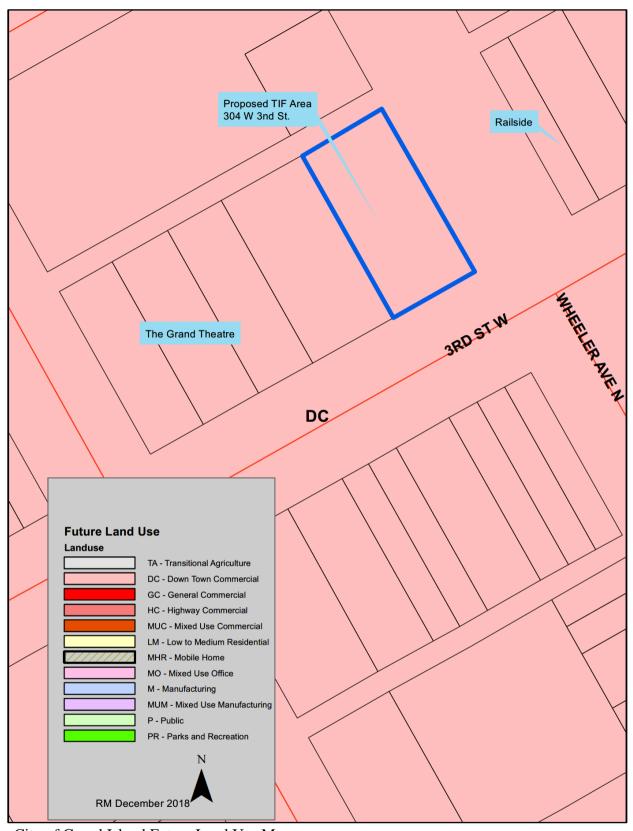
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

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.

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

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

The developer purchased this property on November 9, 2018 for \$675,000. The estimated costs of rehabilitation of this property is \$1,575,000,, onsite improvements of \$250,000 planning related expenses for Architectural and Engineering services of \$130,000 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of

\$7,100 including a reimbursement to the City and the CRA of \$7,100 are included as TIF eligible expense. The total of eligible expenses for this project exceeds \$2,637,000.

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 \$360,000 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, 2022 through December 2035.

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 refurbish vacant street level commercial space in a timely manner.

8. Time Frame for Development

Development of this project is anticipated to be completed between January 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 use of this street level space for commercial offices is consistent with the long term development plans for Downtown. This will return a building that has been occupied at the center of Downtown for since its construction in 1960 to full occupancy keeping more than 100 employees in the downtown area.

<u>10. Cost Benefit Analysis</u> 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 \$360,000 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 \$2,452,100 in private sector financing; a private investment of \$6.81 for every TIF dollar invested.

Use of Funds	Source of Funds.						
Description	TIF Funds	Other Grants	Total				
Site Acquisition	\$360,000	ı	\$315,000	\$675,000			
Legal and Plan*			\$7,100	\$7,100			
Engineering/Arch			\$130,000	\$130,000			
Renovation			\$1,575,000	\$1,575,000			
Site Improvements			\$250,000	\$250,000			
Contingency			\$175,000	\$175,000			
TOTALS	\$360,000		\$2,452,100	\$2,812,100			

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$675,000. Based on the 2017 levy this would result in a real property tax of approximately \$15,204. It is anticipated that the assessed value will increase by \$1,200,000 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$27,030 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:	\$ 675,000
Estimated value after completion	\$ 1,875,000
Increment value	\$ 1,200,000
Annual TIF generated (estimated)	\$ 27,030
TIF bond issue	\$ 360,000

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

The redevelopment project area currently has an estimated valuation of \$692,000. The proposed redevelopment will create additional valuation of \$1,200,000. 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.

(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 commercial office space options in the downtown area consistent with the planned development in Downtown Grand Island. This will create vacancies within the Downtown Center building. Those spaces are generally well suited for smaller offices.

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

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

(e) 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. No additional residential units are anticipated with this project. Amur employees that are in Grand Island are already having an impact on the school district that that is not likely to increase substantially due to 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 support business located in and locating in downtown Grand Island.

Time Frame for Development

Development of this project is anticipated to be completed during between January of 2019 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 \$360,000 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 \$2,700,000 on TIF eligible activities.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:
Amur Real Estate I, LLC (including Amur Equipment Finance, Inc.)
·
Address:
308 N. Locust, Suite 400, Grand Island, NE 68801
Telephone No.: 308-398-4133 Fax No.:
Contact:
Jessica Kort
Brief Description of Applicant's
Business: Lessor of real estate to related party Amur Equipment, Inc. (AEF).
AFF is an independent equipment leasing company, focusing on small to medium ticket
transactions ranging from 10k to 2MM. AEF has originated over 1 BN of leases.
AEF provides financing and other leases to a diverse range of industries and offers
situation specific underwriting expertise to provide fast, friendly, and flexible financing
solutions.

Present Ownership Proposed Project Site: <u>Amur Real Estate I, LLC (purchase Address is 304-306 W. 3rd Street, Grand Island, NE —</u>	ed	11/9/18)			
Proposed Project: Building square footage, size of property, description of buildings – materials, etc. Please attach site plan, in	f				
available. Complete remodel and upgrade of commercial office building. Bu 24,466 square feet. All except 3,000 feet of mechanical space in	the	} 			
basement will be renovated. Renovation will include asbestos ren					
exterior upgrades, complete interior remodel, and access for future potential rooftop garden and patio. See attached design plans and construction quotes for detail.					
If Property is to be Subdivided, Show Division Planned:					
VI. Estimated Project Costs:					
Acquisition Costs: A. Land Approximate based on assessor estimate B. Building	\$	25,000 650,000			
Construction Costs: A. Renovation or Building Costs:	\$	1,575,000			
B. On-Site Improvements:	\$	250,000			

	Soft Costs:			
	A. Archite	ctural & Engineering Fees:		\$ 130,000
	B. Financi	ng Fees:		\$
•	C. Legal/D	Developer/Audit Fees:		\$ 0
]	D. Conting	gency Reserves:		\$ 175,000
-	E. Other (I	Please Specify)		\$
•		***************************************	TOTAL	\$ 2,805,000
Total Es	stimated Ma	arket Value at Completion:	\$	2,000,000
Source of	of Financing) '		
I	A. Develop	per Equity:		§ 511,000
- I	3. Comme	rcial Bank Loan:	\$	1,934,000
_	 Γax Credits:			
	1. N.I.	F.A.		\$ 0
	2. Hist	oric Tax Credits	\$	0
Ι	D. Industri	al Revenue Bonds:		\$ 0

E. Tax Increment Assistance:	\$ 360,000
F. Other	\$ 0
Name, Address, Phone & Fax Numbers of Architect - Davis Design, Inc., 1221 'N	ect, Engineer and General Contractor: N' Street, Suite 600, Lincoln, NE 68508
General Contractor - Chief Constructi	ion, 3935 Westgate Road,
Grand Island, NE 68803	
Estimated Real Estate Taxes on Project Site Upor (Please Show Calculations) Current value - 675,000. Approximate Remodeled value (building cost and remode Property tax value @ old - 13,500, Property Increase in property tax - 24,000 per year (1)	te remodel value at cost - 2,675,000 el at 60%) - 1,875,000 tax value @ new - 37,500;
Project Construction Schedule:	
Construction Start Date:	
January 2019	
Construction Completion Date:	
_December 2019 *For main building	remodel. Future rooftop remodel would be by December 2024.
If Phased Project:	
Year	%
Complete	
Year	%
Complete	

XII. Please Attach Construction Pro FormaXIII. 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:

Tax increment financing will be used with other funds to complete a 2 million remodel project on the old Overland National Bank building in downtown Grand Island. If awarded TIF, Amur will use funds to pay for remodel options that could be eliminated if not awarded TIF. If Amur starts remodeling the interior, they will be responsible for asbestos removal, estimated to cost \$125,000. TIF helps defray this cost, which enables Amur to proceed with an interior remodel. In addition, TIF will be used to pay for exterior upgrades and improvements, including \$150,000 of metal composite material panels over the existing facade. Long term, Amur would like to add an outdoor rooftop garden and patio. The savings in property tax would allow this project to happen, bringing a unique offering to downtown.

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

for Proposed Project: Amur is making an investment in the people and town of Grand Island by purchasing an empty building in downtown and potentially investing two million dollars in renovation for this key building in downtown Grand Island. Amur has grown at a rapid rate, adding over fifty employment positions in the same area over the past five years. The company purposefully sacrificed higher profitability for the sake of volume growth. With that strategy comes the need to keep overhead costs down. The company is hesitant to commit to the full renovation, knowing it is highly unlikely they would ever be able to gain their investment value back, due to market capacity for the location in a blighted and substandard area. TIF approval would enable Amur to not have the burden of additional property tax for a project that is already not financially profitable. The building is in a prime area of downtown, next to the Railside plaza, where Hear GI concerts and other events are held. Amur would like to do a full renovation, that would allow for the company to complete most desired projects prior to occupancy, enhancing the exterior aesthetic appeal and revitalizing the inside to a modern office with appeal to recruit employees to the downtown area. If not awarded TIF financing, Amur will plan to move into the building as is, not increasing the long-term value to downtown Grand Island.

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:
NONE
Please Attach Applicant's Corporate/Business Annual Financial Statements for

Post Office Box 1968 Grand Island, Nebraska 68802-1968

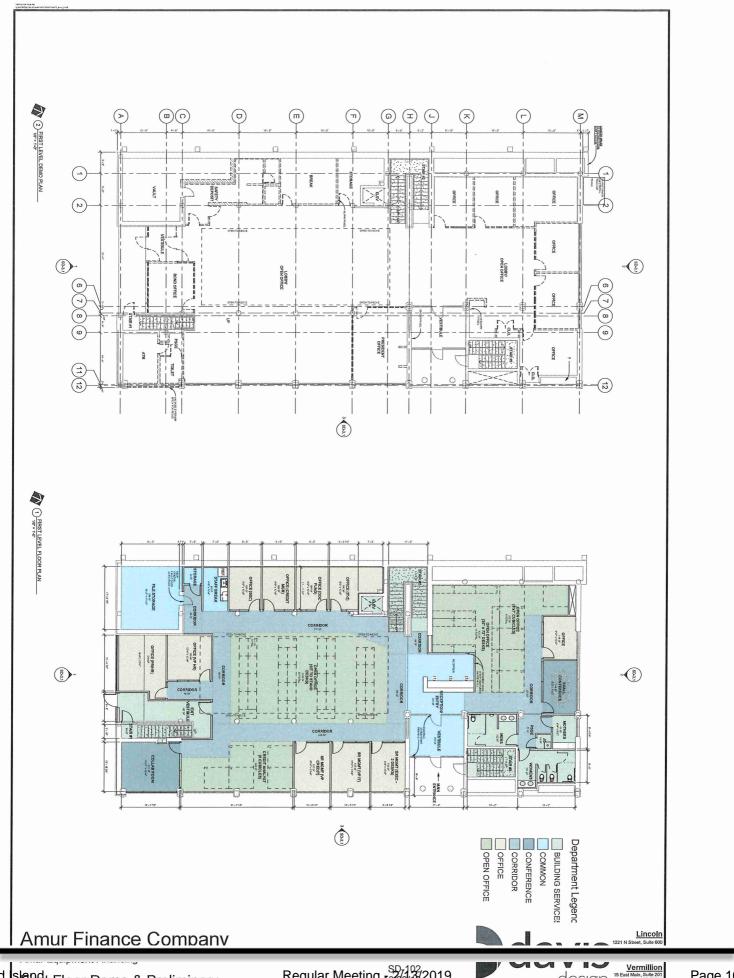
Phone: 308 385-5240

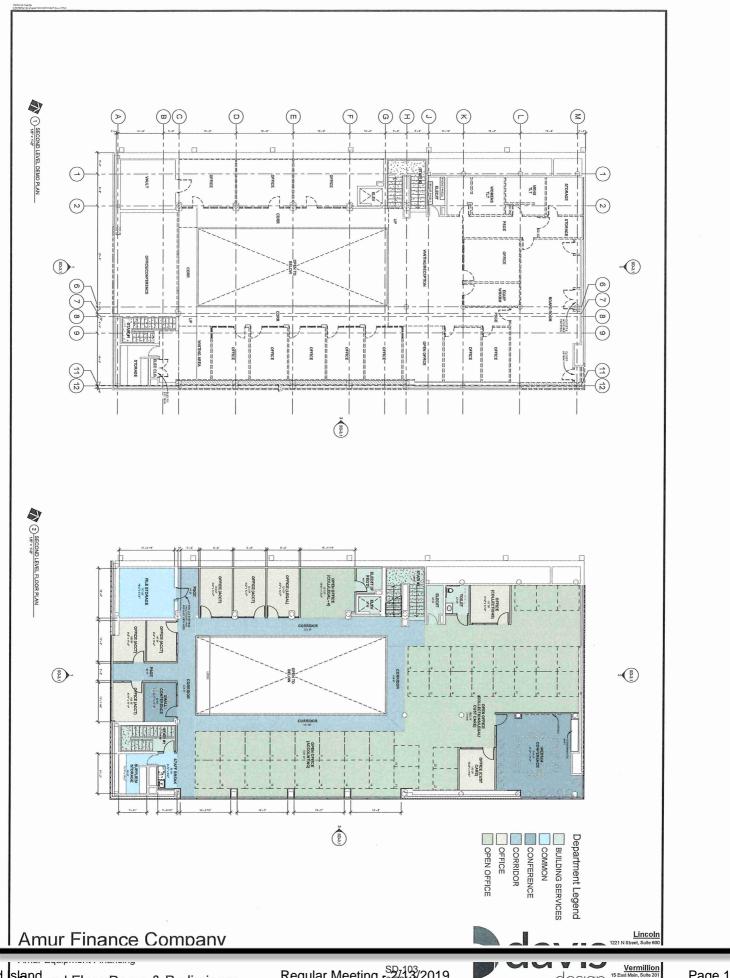
Fax: 308 385-5423

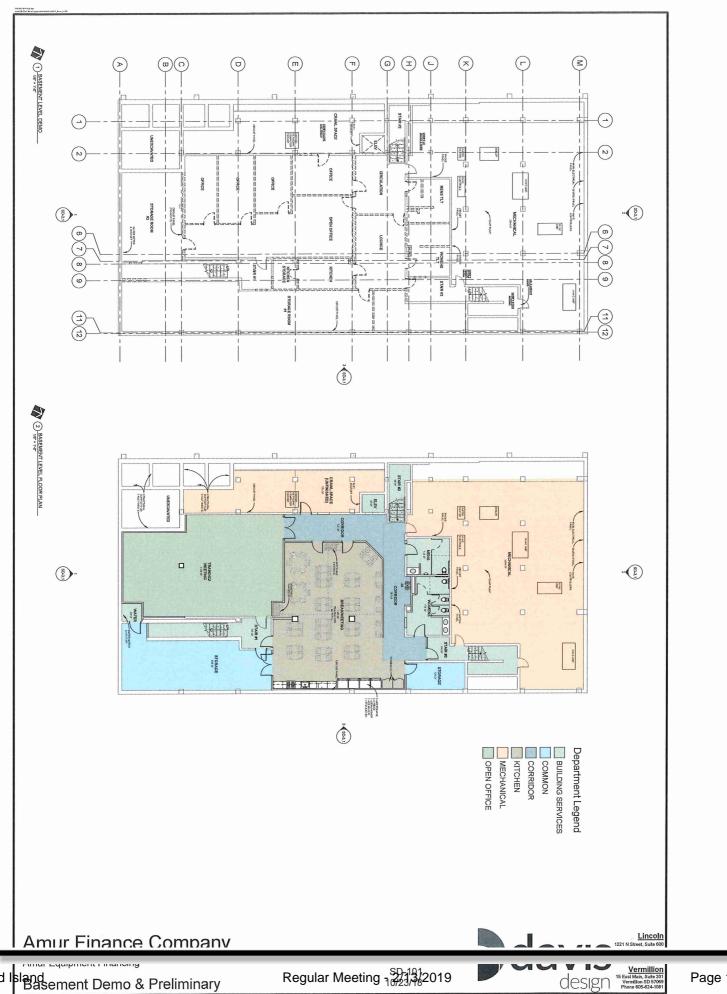
Email: cnabity@grand-island.com

IV.

the Last Three Years. Attached









\$175,000.00 Recommended until rooftop construction scope finalized

3935 Westgate Road P.O. Box 2078 Grand Island, NE 68802-2078 308.389.7222

November 1, 2018

Mr. James Truran Amur Equipment Finance One North Lexington Ave, Ste 1101 White Plains, NY 10601-1712

James:

Upon review of the preliminary plans provided to us by Davis Design we propose the following budgetary estimate for the items listed below.

General Conditions (8%) \$140,500.00

Project Manager
Project Superintendent
Temporary Facilities
Dumpsters and Cleaning
Safety Fuel Permits Insuran

Safety, Fuel, Permits, Insurance Demolition \$168,500.00 price increased to cover the cost of the rooftop stair Asbestos Removal \$124,000.00 per quote provided to Owner \$5,000.00 Masonry Cabinets and Countertops \$19,000.00 Carpentry \$56,000.00 Joint Sealants \$5,000.00 Entrances, Storefronts and Glass \$93,000.00 eliminated interior aluminum doors and frames Wood Doors, Hollow Metal Frames and Hardware \$56,000.00 added interior hollow metal frames and wood doors Painting and Staining \$59,000.00 Steel Stud Framing, Sound Insulation and Drywall \$96,000.00 eliminated framing and substrate on exterior for MCM Flooring \$108,000.00 **Acoustical Tile Ceilings** \$51,000.00 **Building Specialties and Accessories** \$8,000.00 MCM Panels \$147,000.00 Genwall system per SGH Plumbing \$84,000.00 **HVAC** \$80,000.00 Electrical \$200,000.00 Construction Management Fee (5%) \$75,000.00 \$1,575,000.00

This preliminary budget is based on update preliminary plans provided and two site visits. These prices are subject to change based on final design and construction documents.

Respectfully,

Gary Peters
Project Manager
Chief Construction

Owner's Contingency

Consolidated Balance Sheets

December 31,		2017	2016
Assets			
Cash and cash equivalents	\$	6,527,209 \$	16,406,662
Cash and cash equivalents, restricted		21,085,651	17,163,381
Investments:			
Trading securities at fair value (at cost of		5,027,801	42 044 272
\$5,411,181 and \$14,516,885, respectively) Due from broker		236,712	12,046,373 9,736,690
Financing receivables, net		319,128,020	285,640,333
Related party notes receivable		480,073	384,623
Equipment (net of accumulated depreciation		100,070	30 1,023
of \$1,011,395 and \$628,477, respectively)		1,439,554	1,172,139
Deferred tax asset		_	20,729
Other assets		12,106,260	12,308,078
Total Assets	\$	366,031,280 \$	354,879,008
iabilities and Equity			
iabilities			
Accounts payable	\$	722,547 \$	162,473
Contracts in process		7,609,070	4,880,139
Other liabilities		5,033,159	4,571,652
Margin Loan		4,420	3,584,310
Net deferred tax liability		1,503,000	-
Investments: Securities sold, not yet purchased, at fair			
value		287,612	1,603,910
Secured debt:		,	, ,
Securitized debt		165,805,483	275,634,318
Senior debt		122,321,134	-
Subordinated debt:			
Due to related parties		50,000,000	50,000,000
Redeemable preferred stock			236,344
Total liabilities		353,286,425	340,673,146
quity			
Common stock (\$1 par value; 386 voting; 7,135		7 504	7 504
non-voting shares issued and outstanding)		7,521	7,521
Preferred stock		8,086,906	10,588,306
Treasury stock - at cost		(37,045)	(37,045)
Additional paid-in capital Due from shareholder		9,110,734 (1,377,930)	9,021,806 (1,277,215)
Accumulated deficit		(3,045,331)	(4,097,511)
Total Equity		12,744,855	14,205,862
Total Equity		12,7 17,033	11,203,002
Total Liabilities and Equity	ċ	366,031,280 \$	354,879,008

Consolidated Statement of Operations

Year ended December 31,		2017	2016
Revenues Financing income Fee income Commission income Other income	\$	24,527,598 \$ 1,747,079 54,348 4,342,662	23,953,826 1,425,305 810,130 3,742,026
Total Revenues		30,671,687	29,931,287
Provision for uncollectible accounts		(5,698,865)	(7,071,027)
Net Revenues		24,972,822	22,860,260
Finance Expenses Interest expense Loan amortization expense		15,174,668 1,628,764	14,408,843 1,686,517
Total Finance Expenses		16,803,432	16,095,360
Finance margin		8,169,390	6,764,900
Expenses Salaries and employee benefits Operating supplies and other expenses Office rent and occupancy costs Depreciation expense		6,055,574 7,837,855 686,951 382,917	3,402,150 5,942,355 366,003 156,465
Total Operating Expenses		14,963,297	9,866,973
Investment Income Net investment income Investment income from trading securities		2,873 9,852,500	62,898 (1,422,575)
Net Investment Income (Loss)		9,855,373	(1,359,677)
Gain on termination of subsidiary		-	601,450
Net income (loss) before income tax expense		3,061,466	(3,860,300)
Income Tax Expense (Benefit)	·	720,798	(1,741,706)
Net Income (Loss)	\$	2,340,668 \$	(2,118,594)

See accompanying notes to the consolidated financial statements.

Consolidated Balance Sheets

December 31,	2016	2015 Restated
Assets Cash and cash equivalents Cash and cash equivalents, restricted Investments:	\$ 16,406,662 17,163,381	\$ 11,485,475 20,585,000
Trading securities at fair value (at cost of \$14,516,885 and \$0, respectively) Due from broker Financing receivables, net Related party notes receivable	12,046,373 9,736,690 285,640,333 384,623	282,759,852 388,836
Equipment (net of accumulated depreciation of \$628,477 and \$472,012, respectively) Deferred tax asset Other assets	1,172,139 20,729 12,308,078	 435,016 - 7,206,436
Total Assets	\$ 354,879,008	\$ 322,860,615
Liabilities and Equity		
Liabilities Accounts payable Contracts in process	\$ 162,473 4,880,139	\$ 9,387,620
Other liabilities Net deferred tax liability Investments: Securities sold, not yet purchased, at fair value Due to broker	4,571,652 - 1,603,910 3,584,310	4,642,302 2,564,004
Secured debt: Securitized debt Senior debt Subordinated debt:	275,634,318	183,570,008 59,767,025
Due to related parties Redeemable preferred stock	 50,000,000 236,344	 46,516,536 8,389,426
Total liabilities	 340,673,146	316,006,517
Equity Common stock (\$1 par value; 386 voting; 7,135 non-voting	7.504	7 524
shares issued and outstanding) Preferred stock Treasury stock - at cost Additional paid-in capital Due from shareholder Accumulated deficit	7,521 10,588,306 (37,045) 9,021,806 (1,277,215) (4,097,511)	7,521 (37,045) 8,384,667 (1,277,215) (895,073)
Total Equity Attributable to Amur Equipment Finance, Inc.	14,205,862	6,182,855
Non-controlling interest	 -	 671,242
Total Equity	 14,205,862	6,854,097
Total Liabilities and Equity	\$ 354,879,008	\$ 322,860,615

Consolidated Statements of Operations

Year ended December 31,	2016	2015 Restated
Revenues		
Financing income	\$ 23,953,826	\$ 22,294,397
Fee income	1,425,305	1,197,445
Commission income	810,130	2,866,340
Other income	3,742,026	2,580,944
Total Revenues	29,931,287	28,939,126
Provision for uncollectible accounts	(7,071,027)	(5,575,000)
Net Revenues	22,860,260	23,364,126
Finance Expenses		44.000.000
Interest expense	14,408,843	11,280,898
Loan amortization expense	1,686,517	1,398,687
Total Finance Expenses	16,095,360	12,679,585
Finance margin	6,764,900	10,984,541
Evenence		
Expenses Calarias and ampleyes benefits	2 402 150	2 462 945
Salaries and employee benefits Operating supplies and other expenses	3,402,150 5,942,355	2,462,845 4,508,554
Office rent and occupancy costs	366,003	325,842
Depreciation expense	156,465	52,643
рергестастоп ехрепае	130,403	32,043
Total Operating Expenses	9,866,973	7,349,884
Investment Income		
Net investment income	62,898	_
Net realized trading gain on securities	1,105,507	-
Net unrealized trading loss on securities	(2,528,082)	-
Net Investment Loss	(1,359,677)	-
Gain on termination of subsidiary	601,450	
		2 /24 /57
Net (loss) income before income tax expense	(3,860,300)	3,634,657
Income Tax (Benefit) Expense	(1,741,706)	1,924,985
Net (Loss) Income	(2,118,594)	1,709,672
Net income attributed to non-controlling interest		(438,546)
Net (Loss) Income Attributed to Amur Equipment Fina Inc.		\$ 1,271,126
See accompanying note	s to the consolidated finar	ncial statements



January 31, 2019

Amur Real Estate I, LLC Mostafizur ShahMohammed 604 Oscawana Lake Road Putnam Valley, NY 10579

Dear Mr. ShahMohammed,

It is my understanding that the Community Redevelopment Authority of the City of Grand Island is in need of documentation verifying your approval with Great Western Bank on the renovation of real estate located at 304-306 W 3rd St, Grand Island, NE. Therefore, let this letter be proof of your loan approval with our institution.

Also, let this letter also show, that according to our conditions for the loan, that the funding of this credit facility is subject to the receipt of approval of Tax Increment Financing by the Community Redevelopment Authority of the City of Grand Island, and the execution of redevelopment agreement committee such funding to the project by all appropriate parties.

If there is other documentation needed, please feel free to contact me at 308-234-2473 or lee.fritson@greatwesternbank.com.

Yours Truly,

Lee Fritson Market President

GreatWesternBank.com

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 300

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

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to the Nebraska Community Development Law (the "Act"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, for redevelopment of an area within the city limits of the City of Grand Island, Hall County, Nebraska; and

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

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

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

Passed and approved this 13th day of February, 2019

	COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.
ATTEST:	By Chairperson
Secretary	

Amur Financial 304 W 3rd

COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA

RESOLUTION NO. 301

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 Amur Real Estate I, LLC., (The "Developer") for redevelopment of property located at 304 W 3rd Street, an area within the city limits of the City of Grand Island, as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within Redevelopment Area 1;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

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

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

COMMUNITY REDEVELOPMENT

Passed and approved this 13th day of February, 2019.

	AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.
ATTEST:	By Chairperson
Secretary	

Amur Real Estate I, LLC 304 W 3rd