



Community Redevelopment Authority (CRA)

Wednesday, September 23, 2020 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.



Community Redevelopment Authority (CRA)

Wednesday, September 23, 2020
Regular Meeting

Item A1

Agenda

Staff Contact:



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

AGENDA
Wednesday, September 23, 2020
4 p.m.
Grand Island City Hall

Open Meetings Notifications

1. Call to Order
This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them. The CRA may vote to go into Closed Session on any Agenda Item as allowed by State Law.
2. Approval of Minutes of August 12, 2020, Meeting.
3. Review of Financials.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties
6. Redevelopment Plan Amendment for CRA Area # 25- J & L Westward Enterprises LLC. CAAP
 - a. Consideration of Resolution 342- Consideration of approval of minor amendment to the Redevelopment Plan for J & L Westward Enterprises LLC CAAP project at 6060 W. Old Potash Highway – J & L Westward Enterprises LLC.
7. Redevelopment Plan Contract CRA Area # 25- J & L Westward Enterprises LLC. CAAP
 - a. Consideration of Resolution 343- Approval of Contract and Bonds for J & L Westward LLC CAAP project at 6060 W. Old Potash Highway –
8. Director's Report
9. Adjournment

Next Meeting 4:00 PM October 14, 2020

COMMUNITY REDEVELOPMENT AUTHORITY
AGENDA MEMORANDUM

4 p.m. Wednesday, September 23, 2020

2. APPROVAL OF MINUTES. The minutes of the Community Redevelopment Authority meeting August 12, 2020 are submitted for approval. A MOTION is in order.
3. APPROVAL OF FINANCIAL REPORTS. Financial reports for the period of August 1 through August 31, 2020 are submitted for approval. A MOTION is in order.
4. APPROVAL OF BILLS. Payment of bills in the amount of \$928,803.98 is submitted for approval. A MOTION is in order.
5. REVIEW OF COMMITTED PROJECTS AND CRA PROPERTIES.
6. AMENDED REDEVELOPMENT PLAN – J& L WESTWARD ENTERPRISES LLC.-CAAP Concerning a redevelopment plan for CRA Area No. 25 for J & L Westward Enterprises LLC for 6060 W. Old Potash Highway. The request from J & L Westward calls for redevelopment of the northwest corner of the intersection of 60th Road and Old Potash Highway at the entrance to the Cornhusker Army Ammunition Plant for industrial uses. The plan requests \$359,625 in tax increment financing. The Grand Island City Council has approved the plan. This plan includes a minor amendment to the Cost Benefit Analysis section of the plan (Section 10) to specifically identify the expected impact of the project on local school districts. A MOTION to approve Resolution 342 is in order.
7. CONTRACT APPROVAL FOR CRA AREA #25 – 6060 W. OLD POTASH HIGHWAY – J & L WESTWARD LLC. Concerning the contract and bond resolution for the J & L Westward Enterprises LLC at 6060 W. Old Potash Highway. The plan requests \$359,625 in tax increment financing. The Grand Island City Council has approved the plan. A MOTION to approve the contract and Resolution 343 (Bond Resolution) is in order. (Discussion and Action)
8. DIRECTOR'S REPORT.
9. ADJOURNMENT.

Chad Nabity
Director



Community Redevelopment Authority (CRA)

**Wednesday, September 23, 2020
Regular Meeting**

Item B1

Approval of Minutes 8/12/20

Staff Contact:

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF August 12, 2020

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on August 12, 2020 at City Hall, 100 E. First Street. Notice of the meeting was given in the August 5, 2020 Grand Island Independent.

1. CALL TO ORDER.

Vice Chair Murray called the meeting to order at 4:00 p.m. The following members were present: Tom Gdowski, Glenn Murray, Krae Dutoit and Sue Pirnie. Also present were: Director Chad Nabity, Planning Administrative Assistant Norma Hernandez, Council President Vaughn Minton, Finance Director Patrick Brown and Assistant Finance Director Brian Schultz.

2. APPROVAL OF MINUTES.

A motion for approval of the Minutes for the July 8, 2020 meeting with a correction on item #4-Approval of bills. The motion was second by Wilson. A motion was made by Murray and second by Dutoit. Upon roll call vote, all present voted aye.
Motion carried 4-0

3. APPROVAL OF FINANCIAL REPORTS.

Pat Brown reviewed the financial reports. Murray asked for clarification on the \$50,000 in expenses in land and the \$49,990 in other expenditures. Nabity explained the \$50,000 was authorized from CRA to White Lotus Group that was paid with the closing. The \$49,990.00 to White Lotus Group as part of the closing costs. The state wired \$310,000 to CRA to pay White Lotus to maintain the property over the course of 9 months. A motion was made by Pirnie and second by Dutoit to approve the financials from July 1 – July 31, 2020. Upon roll call vote, all present voted aye. Motion carried 4-0.

4. APPROVAL OF BILLS.

Nabity stated a change in the bills. Auto One amount is \$6,953.67 instead of \$6959.67. A motion was made by Dutoit and second by Murray to approve the bills for \$319,173.55. Upon roll call vote, all present voted aye. Motion carried 4-0.

5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.

The committed projects and CRA properties were reviewed by Nabity.

Façade Projects – Sierra Arends project is in for payment. Edward Audio and Sherwin Williams – Anticipating will be in for payment in September meeting and will be paid out this year. September meeting will be moved to September 23rd to payout TIF payments coming in on September 10th. **Life Safety Grants** – None of the Life Safety projects will be paid this fiscal year and will get carried over.

South Locust property – No interest as of yet.

6. Redevelopment Plan Amendment for CRA Area #25 – J&L Westward Enterprises LLC. CAAP.

- a. Consideration of Resolution 341 – Forward a Redevelopment Plan Amendment to the Grand Island City Council for redevelopment of property at 6060 W. Old Potash Highway – J & L Westward Enterprises LLC.

Nabity explained the property is out at the Cornhusker Army Ammunition Plant on 60th and Old Potash. Mr. Webb has purchased 10 acres and is proposing to build a new facility for his business. Planning Commission did find it was consistent with the comprehensive plan and is recommending approval.

A motion was made by Murray and second by Pirnie to approve the Resolution 341. Upon roll call vote all, voted aye. Motion carried 4-0.

7. Contract Amendment 1 for Tabitha (Prataria Phase 3)

Nabity stated the project is moving slower than expected. The contract amendment extends the completion date from December 31, 2020 to June 30, 2021. TIF will start in 2022 instead of 2021.

A motion was made by Dutoit and second by Pirnie. Upon roll call vote all, voted aye. Motion carried 4-0.

8. Other Projects

Willow Street Sewer Project – The Willow Street Sewer Project was a part of the Starostka Fifth Street Project. The project is located between 7th Street and 5th Street and between Congdon and Willow Streets. The amount of \$111,371.08 for the purchase of the first TIF Bond for the Starostka Fifth Street Project. Nabity stated he recommends approval.

A motion was made by Pirnie and second by Murray to approve the payment amount of \$111,371.08 to Wastewater Division. Upon roll call vote all, voted aye. Motion carried 4-0.

Consideration of Grant to Senior Citizens Industries Inc. for funds to refurbish and renew landscaping at their building at 304 E. 3rd Street in the amount of \$3,742.50.

Nabity stated the grant amount requested is \$3,000.00 to cover removal of rock, weeds, replacing portions of concrete. Lawnscape gave a bid to do the whole project in the amount of \$3,742.50 and offered to give \$742.50 worth of credit in exchange for an advertisement in their newsletter.

A motion was made by Pirnie and second by Dutoit to approve the grant amount of \$3,000.00 to Senior Citizens Industries Inc. Upon roll call vote all, voted aye. Motion carried 4-0.

9. Approval of 2020-2021 Budget and Levy Request

The 2020-2021 Budget and Levy Request was reviewed by Nabity.

Nabity stated his recommendation is to make the same request for funding as last year. Paying off the 3 façade projects this year will end up with starting cash of \$617,000 and commitments of \$670,000. The sewer project at the 5th Street project will be going for certificate of final completion on Tuesday. The Board of Equalization will meet soon and set the assessments on the lots. CRA will pay for that but will buy the first portion of the first portion of the Bond TIF for around \$120,000. \$48,000 of next year's budget will be needed to make up the current deficit.

Projected income - \$550,000 not counting any land sales and in excess of funds needed pay the Lincoln Pool Bonds

Estimated operating expenses - \$109,000

Façade -\$200,000

Other grants – \$200,000

The payment to Husker Harvest Days will still need to be made even if there is no show this year. The contract gives them one year time frame they can skip a show and the forgiveness period would be extended one year.

A motion was made by Dutoit and second by Pirnie to approve the 2020-2021 Budget and Levy Request. Upon roll call vote all, voted aye. Motion carried 4-0

10. Director's Report

LB1021- Micro TIF Bill is on final reading.

Adjournment at 4:38 P.M.

Next meeting 4:00 P.M. September 23, 2020

Respectfully Submitted,
Norma Hernandez
Administrative Assistant



Community Redevelopment Authority (CRA)

Wednesday, September 23, 2020
Regular Meeting

Item C1

Financials

Staff Contact:

**COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020**

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
CONSOLIDATED					
Beginning Cash	783,202		622,763		
REVENUE:					
Property Taxes - CRA	13,372	376,671	529,646	152,975	71.12%
Property Taxes - Lincoln Pool	3,134	123,054	194,229	71,175	63.35%
Property Taxes -TIF's	14,812	1,812,888	2,500,000	1,588,491	72.52%
Loan Income (Poplar Street Water Line)	-	-	13,000	13,000	0.00%
Interest Income - CRA	363	14,355	10,000	-	143.55%
Interest Income - TIF'S	-	294	-	-	
Land Sales	-	37,884	200,000	162,116	18.94%
Other Revenue - CRA	311,138	522,875	300,000	-	174.29%
Other Revenue - TIF's	-	-	-	-	
TOTAL REVENUE	342,819	2,888,021	3,746,875	1,987,757	77.08%
TOTAL RESOURCES	1,126,021	2,888,021	4,369,638	1,987,757	
EXPENSES					
Auditing & Accounting	-	3,000	3,000	-	100.00%
Legal Services	-	-	3,000	3,000	0.00%
Consulting Services	-	-	5,000	5,000	0.00%
Contract Services	4,296	46,716	75,000	28,284	62.29%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	136	16,000	15,864	0.85%
General Liability Insurance	-	-	250	250	0.00%
Postage	-	-	200	200	0.00%
Legal Notices	20	242	500	258	48.48%
Travel & Training	-	-	4,000	4,000	0.00%
Other Expenditures	-	44,990	-	-	
Office Supplies	-	-	1,000	1,000	0.00%
Supplies	-	-	300	300	0.00%
Land	10,000	60,000	100,000	40,000	
Bond Principal - Lincoln Pool	-	180,000	180,000	-	100.00%
Bond Interest	-	14,230	14,229	-	100.01%
Fiscal Agent Fees/Bond Costs	-	525	-	-	
Husker Harvest Days	-	200,000	200,000	-	100.00%
Façade Improvement	-	-	220,000	220,000	0.00%
Building Improvement	57,477	507,477	715,000	207,523	70.98%
Other Projects	-	-	220,000	220,000	0.00%
Bond Principal-TIF's	247,381	1,832,265	2,500,000	667,735	73.29%
Bond Interest-TIF's	-	715	-	-	
Interest Expense	-	-	-	-	
TOTAL EXPENSES	319,174	2,890,296	4,258,479	1,414,414	67.87%
INCREASE(DECREASE) IN CASH	23,646	(2,274)	(511,604)		
ENDING CASH	806,848	(2,274)	111,159	-	
CRA CASH	672,113				
Lincoln Pool Tax Income Balance	107,492				
TIF CASH	27,243				
Total Cash	806,848				

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	<u>MONTH ENDED</u> <u>August-20</u>	<u>2019-2020</u> <u>YEAR TO DATE</u>	<u>2020</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
GENERAL OPERATIONS:					
Property Taxes - CRA	13,372	376,671	529,646	152,975	71.12%
Property Taxes - Lincoln Pool	3,134	123,054	194,229	71,175	63.35%
Interest Income	363	14,355	10,000	-	143.55%
Loan Income (Poplar Street Water Line)		-	13,000	13,000	0.00%
Land Sales		37,884	200,000	162,116	18.94%
Other Revenue & Motor Vehicle Tax	311,138	522,875	300,000	-	174.29%
TOTAL	328,007	1,074,839	1,246,875	399,267	86.20%
WALNUT HOUSING PROJECT					
Property Taxes		-		-	
Interest Income		294		-	
Other Revenue		-	-	-	
TOTAL	-	294	-	-	
GIRARD VET CLINIC					
Property Taxes		5,821		-	
TOTAL	-	5,821	-	-	
GEDDES ST APTS-PROCON					
Property Taxes		17,346		-	
TOTAL	-	17,346	-	-	
SOUTHEAST CROSSING					
Property Taxes		13,994		-	
TOTAL	-	13,994	-	-	
POPLAR STREET WATER					
Property Taxes	492	11,022		-	
TOTAL	492	11,022	-	-	
CASEY'S @ FIVE POINTS					
Property Taxes		7,755		-	
TOTAL	-	7,755	-	-	
SOUTH POINTE HOTEL PROJECT					
Property Taxes		45,939		-	
TOTAL	-	45,939	-	-	
TODD ENCK PROJECT					
Property Taxes		2,354		-	
TOTAL	-	2,354	-	-	
JOHN SCHULTE CONSTRUCTION					
Property Taxes		8,115		-	
TOTAL	-	8,115	-	-	
PHARMACY PROPERTIES INC					
Property Taxes		7,492		-	
TOTAL	-	7,492	-	-	
KEN-RAY LLC					
Property Taxes		27,627		-	
TOTAL	-	27,627	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	<u>MONTH ENDED</u> <u>August-20</u>	<u>2019-2020</u> <u>YEAR TO DATE</u>	<u>2020</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
TOKEN PROPERTIES RUBY					
Property Taxes		1,630		-	
TOTAL	-	1,630	-	-	
GORDMAN GRAND ISLAND					
Property Taxes		39,242		-	
TOTAL	-	39,242	-	-	
BAKER DEVELOPMENT INC					
Property Taxes		3,943		-	
TOTAL	-	3,943	-	-	
STRATFORD PLAZA INC					
Property Taxes		18,687		-	
TOTAL	-	18,687	-	-	
COPPER CREEK 2013 HOUSES					
Property Taxes	573	59,135		-	
TOTAL	573	59,135	-	-	
FUTURE TIF'S					
Property Taxes		-	2,500,000	2,500,000	
TOTAL	-	-	2,500,000	2,500,000	
CHIEF INDUSTRIES AURORA COOP					
Property Taxes		21,313		(21,313)	
TOTAL	-	21,313	-	(21,313)	
TOKEN PROPERTIES KIMBALL ST					
Property Taxes		1,541		(1,541)	
TOTAL	-	1,541	-	(1,541)	
GI HABITAT OF HUMANITY					
Property Taxes		2,542		(2,542)	
TOTAL	-	2,542	-	(2,542)	
AUTO ONE INC					
Property Taxes		14,524		(14,524)	
TOTAL	-	14,524	-	(14,524)	
EIG GRAND ISLAND					
Property Taxes		40,031		(40,031)	
TOTAL	-	40,031	-	(40,031)	
TOKEN PROPERTIES CARY ST					
Property Taxes		4,889		(4,889)	
TOTAL	-	4,889	-	(4,889)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
WENN HOUSING PROJECT					
Property Taxes		2,567		(2,567)	
TOTAL	-	2,567	-	(2,567)	
COPPER CREEK 2014 HOUSES					
Property Taxes	5,126	186,473		(186,473)	
TOTAL	5,126	186,473	-	(186,473)	
TC ENCK BUILDERS					
Property Taxes		1,901		(1,901)	
TOTAL	-	1,901	-	(1,901)	
SUPER MARKET DEVELOPERS					
Property Taxes		127,730		(127,730)	
TOTAL	-	127,730	-	(127,730)	
MAINSTAY SUITES					
Property Taxes		35,067		(35,067)	
TOTAL	-	35,067	-	(35,067)	
TOWER 217					
Property Taxes		14,153		(14,153)	
TOTAL	-	14,153	-	(14,153)	
COPPER CREEK 2015 HOUSES					
Property Taxes	7,100	163,320	-	(163,320)	
TOTAL	7,100	163,320	-	(163,320)	
NORTHWEST COMMONS					
Property Taxes		201,246	-	(201,246)	
TOTAL	-	201,246	-	(201,246)	
HABITAT - 8TH & SUPERIOR					
Property Taxes		6,083		(6,083)	
TOTAL	-	6,083	-	(6,083)	
KAUFMAN BUILDING					
Property Taxes		6,834		(6,834)	
TOTAL	-	6,834	-	(6,834)	
TALON APARTMENTS					
Property Taxes		76,037		(76,037)	
TOTAL	-	76,037	-	(76,037)	
VICTORY PLACE					
Property Taxes		5,047		(5,047)	
TOTAL	-	5,047	-	(5,047)	
THINK SMART					
Property Taxes		6,854		(6,854)	
TOTAL	-	6,854	-	(6,854)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	<u>MONTH ENDED</u> <u>August-20</u>	<u>2019-2020</u> <u>YEAR TO DATE</u>	<u>2020</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
BOSELMAN HQ					
Property Taxes		95,624		(95,624)	
TOTAL	-	95,624	-	(95,624)	
TALON APARTMENTS 2017					
Property Taxes		80,100		(80,100)	
TOTAL	-	80,100	-	(80,100)	
WEINRICH DEVELOPMENT					
Property Taxes		2,730		(2,730)	
TOTAL	-	2,730	-	(2,730)	
WING WILLIAMSONS					
Property Taxes		2,871		(2,871)	
TOTAL	-	2,871	-	(2,871)	
HATCHERY HOLDINGS					
Property Taxes		91,408		(91,408)	
TOTAL	-	91,408	-	(91,408)	
FEDERATION LABOR TEMPLE					
Property Taxes		3,864		(3,864)	
TOTAL	-	3,864	-	(3,864)	
MIDDLETON PROPERTIES II					
Property Taxes		8,044		(8,044)	
TOTAL	-	8,044	-	(8,044)	
COPPER CREEK 2016 HOUSES					
Property Taxes	1,521	87,955		(87,955)	
TOTAL	1,521	87,955	-	(87,955)	
MENDEZ ENTERPRISES LLC PHASE 1					
Property Taxes		212		(212)	
TOTAL	-	212	-	(212)	
EAST PARK ON STUHR					
Property Taxes		59,513		(59,513)	
TOTAL	-	59,513	-	(59,513)	
TAKE FLIGHT INVESTMENTS					
Property Taxes		279		(279)	
TOTAL	-	279	-	(279)	
PRATARIA VENTURES HOSPITAL					
Property Taxes		189,704		(189,704)	
TOTAL	-	189,704	-	(189,704)	
AMMUNITION PLANT					
Property Taxes		105		(105)	
TOTAL	-	105	-	(105)	
URBAN ISLAND LLC					
Property Taxes		1,982		(1,982)	
TOTAL	-	1,982	-	(1,982)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
PEACEFUL ROOT					
Property Taxes		245		(245)	
TOTAL	-	245	-	(245)	
TOTAL REVENUE	342,819	2,888,021	3,746,875	2,081,757	77.08%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
EXPENSES					
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting		3,000	3,000	-	100.00%
Legal Services		-	3,000	3,000	0.00%
Consulting Services		-	5,000	5,000	0.00%
Contract Services	4,296	46,716	75,000	28,284	62.29%
Printing & Binding		-	1,000	1,000	0.00%
Other Professional Services		136	16,000	15,864	0.85%
General Liability Insurance		-	250	250	0.00%
Postage		-	200	200	0.00%
Legal Notices	20	242	500	258	48.48%
Travel & Training		-	4,000	4,000	0.00%
Other Expenditures		44,990		-	
Office Supplies		-	1,000	1,000	0.00%
Supplies		-	300	300	0.00%
Land	10,000	60,000	100,000	40,000	
Bond Principal - Lincoln Pool		180,000	180,000	-	100.00%
Bond Interest - Lincoln Pool		14,230	14,229	-	100.01%
Fiscal Agent Fees/Bond Costs		525		-	#DIV/0!
PROJECTS					
Husker Harvest Days		200,000	200,000	-	100.00%
Facade Improvement		-	220,000	220,000	0.00%
Building Improvement	57,477	507,477	715,000	207,523	0.00%
Other Projects		-	220,000	220,000	0.00%
TOTAL CRA EXPENSES	71,792	1,057,316	1,758,479	746,679	60.13%
WALNUT HOUSING PROJECT					
Bond Principal		34,401	-	-	
Bond Interest		715	-	-	
TOTAL	-	35,116	-	-	
GIRARD VET CLINIC					
Bond Principal	5,298	5,821	-	-	
TOTAL	5,298	5,821	-	-	
GEDDES ST APTS - PROCON					
Bond Principal		17,346	-	-	
TOTAL	-	17,346	-	-	
SOUTHEAST CROSSINGS					
Bond Principal	1,632	13,994	-	-	
TOTAL	1,632	13,994	-	-	
POPLAR STREET WATER					
Bond Principal	1,138	10,530	-	-	
TOTAL	1,138	10,530	-	-	
CASEY'S @ FIVE POINTS					
Bond Principal		7,755	-	-	
TOTAL	-	7,755	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
SOUTH POINTE HOTEL PROJECT					
Bond Principal		45,939	-	-	
TOTAL	-	45,939	-	-	
TODD ENCK PROJECT					
Bond Principal		2,354	-	-	
TOTAL	-	2,354	-	-	
JOHN SCHULTE CONSTRUCTION					
Bond Principal	3,893	8,115	-	-	
TOTAL	3,893	8,115	-	-	
PHARMACY PROPERTIES INC					
Bond Principal		7,492	-	-	
TOTAL	-	7,492	-	-	
KEN-RAY LLC					
Bond Principal	3,026	27,627	-	-	
TOTAL	3,026	27,627	-	-	
TOKEN PROPERTIES RUBY					
Bond Principal		1,630	-	-	
TOTAL	-	1,630	-	-	
GORDMAN GRAND ISLAND					
Bond Principal		39,242	-	-	
TOTAL	-	39,242	-	-	
BAKER DEVELOPMENT INC					
Bond Principal	1,906	3,943	-	-	
TOTAL	1,906	3,943	-	-	
STRATFORD PLAZA LLC					
Bond Principal		18,687	-	-	
TOTAL	-	18,687	-	-	
COPPER CREEK 2013 HOUSES					
Bond Principal	13,948	58,562	-	-	
TOTAL	13,948	58,562	-	-	
CHIEF INDUSTRIES AURORA COOP					
Bond Principal		21,313	-	-	
TOTAL	-	21,313	-	-	
TOKEN PROPERTIES KIMBALL STREET					
Bond Principal		1,541	-	-	
TOTAL	-	1,541	-	-	
GI HABITAT FOR HUMANITY					
Bond Principal		2,542	-	-	
TOTAL	-	2,542	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
AUTO ONE INC					
Bond Principal	6,960	14,524	-	-	
TOTAL	6,960	14,524	-	-	
EIG GRAND ISLAND					
Bond Principal		40,031	-	-	
TOTAL	-	40,031	-	-	
TOKEN PROPERTIES CARY STREET					
Bond Principal		4,889	-	-	
TOTAL	-	4,889	-	-	
WENN HOUSING PROJECT					
Bond Principal		2,567	-	-	
TOTAL	-	2,567	-	-	
COPPER CREEK 2014 HOUSES					
Bond Principal	39,899	181,347	-	-	
TOTAL	39,899	181,347	-	-	
TC ENCK BUILDERS					
Bond Principal		1,901	-	-	
TOTAL	-	1,901	-	-	
SUPER MARKET DEVELOPERS					
Bond Principal		127,730	-	-	
TOTAL	-	127,730	-	-	
MAINSTAY SUITES					
Bond Principal		35,067	-	-	
TOTAL	-	35,067	-	-	
TOWER 217					
Bond Principal	12,889	14,153	-	-	
TOTAL	12,889	14,153	-	-	
COPPER CREEK 2015 HOUSES					
Bond Principal	41,666	156,220	-	-	
TOTAL	41,666	156,220	-	-	
NORTHWEST COMMONS					
Bond Principal	7,170	201,246	-	-	
TOTAL	7,170	201,246	-	-	
HABITAT - 8TH & SUPERIOR					
Bond Principal		6,083	-	-	
TOTAL	-	6,083	-	-	
KAUFMAN BUILDING					
Bond Principal		6,834	-	-	
TOTAL	-	6,834	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
TALON APARTMENTS					
Bond Principal		76,037	-	-	
TOTAL	-	76,037		-	
VICTORY PLACE					
Bond Principal		5,047	-	-	
TOTAL	-	5,047		-	
FUTURE TIF'S					
Bond Principal		-	2,500,000	2,500,000	
TOTAL	-	-	2,500,000	2,500,000	
THINK SMART					
Bond Principal		6,854	-	-	
TOTAL	-	6,854		-	
BOSSELMAN HQ					
Bond Principal		95,624	-	-	
TOTAL	-	95,624		-	
TALON APARTMENTS 2017					
Bond Principal		80,100	-	-	
TOTAL	-	80,100		-	
WEINRICH DEVELOPMENT					
Bond Principal		2,730	-	-	
TOTAL	-	2,730		-	
WING WILLIAMSONS					
Bond Principal	1,356	2,871	-	-	
TOTAL	1,356	2,871		-	
HATCHERY HOLDINGS					
Bond Principal	83,291	91,408	-	-	
TOTAL	83,291	91,408		-	
FEDERATION LABOR TEMPLE					
Bond Principal	3,519	3,864	-	-	
TOTAL	3,519	3,864		-	
MIDDLETON PROPERTIES II					
Bond Principal		8,044	-	-	
TOTAL	-	8,044		-	
COPPER CREEK 2016 HOUSES					
Bond Principal	19,789	86,433	-	-	
TOTAL	19,789	86,433		-	
EAST PARK ON STUHR					
Bond Principal		59,513	-	-	
TOTAL	-	59,513		-	
TAKE FLIGHT INVESTMENTS					
Bond Principal		279	-	-	
TOTAL	-	279		-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF AUGUST 2020

	MONTH ENDED <u>August-20</u>	2019-2020 <u>YEAR TO DATE</u>	2020 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
PRATARIA VENTURES HOSPITAL					
Bond Principal		189,704	-	-	
TOTAL	-	189,704		-	
AMMUNITION PLANT					
Bond Principal		105	-	-	
TOTAL	-	105		-	
URBAN ISLAND LLC					
Bond Principal		1,982	-	-	
TOTAL	-	1,982		-	
PEACEFUL ROOT					
Bond Principal		245	-	-	
TOTAL	-	245		-	
TOTAL EXPENSES	319,174	2,890,296	4,258,479	3,246,679	67.87%



Community Redevelopment Authority (CRA)

Wednesday, September 23, 2020
Regular Meeting

Item D1

Bills Sept2020

Staff Contact:



23-Sep-20

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 fees for August 2020	\$	3,855.38
Grand Island Independent	Legals	\$	32.97
Chad	Filing Fee	\$	60.00
Community Redevelopment Authority	TIF Pass Through	\$	491.81
Northwest Commons	TIF Pass Through	\$	7,169.54
Middleton Electric	TIF Pass Through	\$	7,320.97
Mainstay Suites	TIF Pass Through	\$	31,913.93
Kaufman Building	TIF Pass Through	\$	6,223.64
GI Area Habitat for Hu	TIF Pass Through	\$	5,535.72
GI Area Habitat for Hu	TIF Pass Through	\$	2,313.58
Geddes St	TIF Pass Through	\$	15,785.83
EIG Grand Island	TIF Pass Through	\$	36,431.22
East Park on Stuhr	TIF Pass Through	\$	54,160.86
Chief Industries - Aurora Coop	TIF Pass Through	\$	19,396.66
Casey's store #2737	TIF Pass Through	\$	7,057.34
Auto One INC	TIF Pass Through	\$	6,959.67
Hatchery Holdings Project	TIF Pass Through	\$	83,291.16
J&D Schulte	TIF Pass Through	\$	3,893.43
Pharmacy Properties	TIF Pass Through	\$	6,818.15
South Pointe Hotel	TIF Pass Through	\$	41,807.94

Williamson Building	TIF Pass Through	\$ 1,356.41
Plum Street Project	TIF Pass Through	\$ 2,484.12
Urban Island	TIF Pass Through	\$ 1,805.15
Tower 217	TIF Pass Through	\$ 12,889.33
Token Properties	TIF Pass Through	\$ 1,483.64
Todd Enck - Kimball	TIF Pass Through	\$ 1,402.48
Todd Enck - Carey St	TIF Pass Through	\$ 4,449.01
TC Enck - Eddy Street	TIF Pass Through	\$ 1,730.03
Stratford Plaza LLC	TIF Pass Through	\$ 17,006.24
SouthEast	TIF Pass Through	\$ 4,162.24
Victory Village	TIF Pass Through	\$ 4,593.23
Poplar St Water Line	TIF Pass Through	\$ 6,464.79
Copper Creek -	TIF Pass Through - Sept 2020	\$ 22,273.42
Copper Creek Phase 2	TIF Pass Through - Sept 2020	\$ 93,174.44
Copper Creek Phase 3	TIF Pass Through - Sept 2020	\$ 91,975.22
Copper Creek Phase 4	TIF Pass Through - Sept 2020	\$ 43,339.34
Willow Street Grant	6,557.77 x 17	\$ 111,482.09
T Squared - Sherwin Williams	Façade	\$ 100,000.00
Ewards Audio	Façade	\$ 66,213.00
Total		\$ 928,803.98



Community Redevelopment Authority (CRA)

Wednesday, September 23, 2020
Regular Meeting

Item E1

Committed Projects

Staff Contact:

COMMITTED PROJECTS	REMAINING GRANT AMOUNT	2020 FISCAL YR	2021 FISCAL YR	2022 FISCAL YR	ESTIMATED COMP
Edwards Audio-618 W 3rd (11-13-19)	\$ 66,213.00	\$ 66,213.00			2020
Sherwin Williams-502-508 W 3rd (11-13-19)	\$ 100,000.00	\$ 100,000.00			2020
Total Committed	\$ 166,213.00	\$ 166,213.00	\$ -	\$ -	
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
Peaceful Root 217 N Locust (9/18/19)	\$ 70,000.00	\$ 70,000.00			
Rawr Holdings 110 W 2nd (12/12/18)	\$ 35,000.00	\$ 35,000.00			Winter 2019
Total Committed F&L Safety Grant	\$ 415,000.00	\$ 415,000.00	\$ -	\$ -	

	BUDGET	COMMITTED	LEFT
Façade Budgeted 2020	\$ 220,000.00	\$ 166,213.00	\$ (3,660.00)
Other Projects Budgeted 2020	\$ 220,000.00	\$ -	\$ 220,000.00
Land - Budgeted 2020	\$ 100,000.00	\$ -	\$ 100,000.00
Land Sales Budgeted 2020	\$ (200,000.00)	\$ -	\$ (200,000.00)
subtotal		\$ 166,213.00	\$ 116,340.00
Less committed		(\$581,213.00)	\$0.00
Balance remaining		\$ (415,000.00)	\$ 116,340.00

	BUDGET	PAID	LEFT
Building Improvements *	\$ 715,000.00	\$ 507,477.00	\$ 207,523.00

*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

August 31, 2020



Community Redevelopment Authority (CRA)

**Wednesday, September 23, 2020
Regular Meeting**

Item I1

**Redevelopment Plan Amendment for CRA Area #25 - J&L
Westward Enterprises LLC. CAAP**

Staff Contact:

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

RESOLUTION NO. 342

**A RESOLUTION APPROVING A MINOR AMENDEMENT TO A
REDEVELOPMENT PLAN AS APPROVED BY THE CITY OF GRAND
ISLAND, NEBRASKA**

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 **J & L Westward Enterprises 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.

WHEREAS, the Grand Island City Council Approved this Redevelopment Plan and said plan must contain statements on the impact to local schools and no impacts to local schools have been identified.

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,

J & L Westward Enterprises LLC Area 25 CAAP Amendment

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 private streets 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 \$359,625, 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 approves this plan with an amendment to include the impact of this project on local schools.

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 23rd day of September, 2020.

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

ATTEST:

By: _____
Chair

By: _____
Secretary

J & L Westward Enterprises LLC Area 25 CAAP Amendment

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

LEGAL DESCRIPTION

A tract of land being a part of the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4), Section Seventeen (17), Township Eleven (11) North, Range Ten (10) West of the 6th P.M. , Hall County, Nebraska, and more particularly described as follows:

Beginning at a Survey Marker Spike and L.S. Washer at the Southeast Corner of the Southeast Quarter of Section 17 and assuming the South line of said Southeast Quarter bearing S 89° 32' 20" W and all bearings contained herein are relative thereto; thence S 89° 32' 20" W on said South line distance of 600.00 feet; thence N 00° 08' 28" E parallel with the East line of said Southeast Quarter a distance of 735.00 feet to a 5/8" rebar w/cap; thence N 89° 32' 20" E parallel with said South line of the Southeast Quarter a distance of 600.00 feet to the East line of said Southeast Quarter; thence S 00° 06' 28" W on said East line a distance of 735.00 feet to the Point of Beginning.

J & L Westward Enterprises LLC Are 25 CAAP

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

J & L Westward Enterprises LLC Are 25 CAAP

**Site Specific Redevelopment Plan
Grand Island CRA Area 25 (CAAP)
July 2020**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to approve a Redevelopment Plan for a specific project for Area 25 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area 25.

Executive Summary:

Project Description

THE REDEVELOPMENT OF THE PROPERTY (10 ACRES LOCATED IN PART OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION (17) SEVENTEEN, TOWNSHIP ELEVEN (11) NORTH, RANGE TEN (10) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA) 6060 W. OLD POTASH HIGHWAY (NORTHWEST CORNER OF 60TH ROAD AND OLD POTASH HIGHWAY) FOR INDUSTRIAL USES, INCLUDING CONSTRUCTION OF A 25,000 SQUARE FOOT BUILDING FOR EXPANSION OF THE J&L WESTWARD ENTERPRISES, LLC SICKLE SHARPENING BUSINESS

The use of Tax Increment Financing to aid in development expenses associated with redevelopment of the property located at 6060 W. Old Potash Highway. The proposed plans would include the development of a 25,000 square foot building and associated private streets and parking to accommodate the business. The use of Tax Increment Financing is an integral part of the development plan and necessary to make this project affordable. The use of this property for industrial non-residential uses is consistent with the Cornhusker Army Ammunition Plant (CAAP) reuse plan as approved and adopted by the CAAP Reuse Committee and the Hall County Board of Supervisors. This project would not be feasible without the use of TIF.

J & L Westward, LLC owns approximately 10 acres in the Southern Public Power Industrial Park. Development of the property and expansion of the business is contingent on Tax Increment Financing. J & L Westward, LLC has been located in Grand Island since 1991 and has 30 full time employees. This is an opportunity for them to expand both their business and their employee base, further supporting the local agricultural community. The \$108,000 purchase price of this property is a TIF eligible activity. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with this project. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15-year period beginning January 1, 2022 towards the allowable costs and associated financing for the acquisition and site work.

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

Property Description (the “Redevelopment Project Area”)

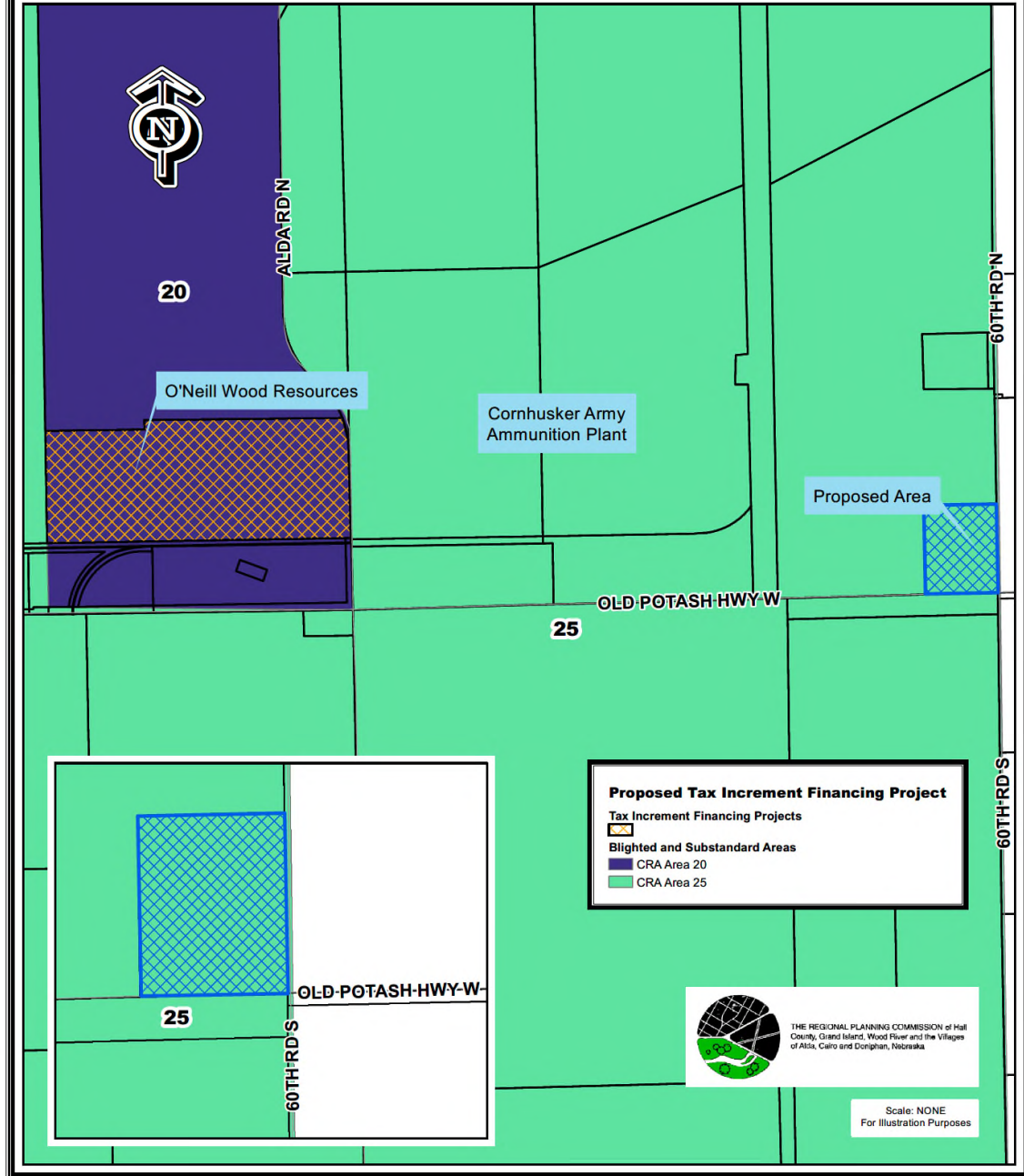
LEGAL DESCRIPTION

A tract of land being a part of the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4), Section Seventeen (17), Township Eleven (11) North, Range Ten (10) West of the 6th P.M. , Hall County, Nebraska, and more particularly described as follows:

Beginning at a Survey Marker Spike and L.S. Washer at the Southeast Corner of the Southeast Quarter of Section 17 and assuming the South line of said Southeast Quarter bearing S 89° 32' 20" W and all bearings contained herein are relative thereto; thence S 89° 32' 20" W on said South line distance of 600.00 feet; thence N 00° 08' 28" E parallel with the East line of said Southeast Quarter a distance of 735.00 feet to a 5/8” rebar w/cap; thence N 89° 32' 20" E parallel with said South line of the Southeast Quarter a distance of 600.00 feet to the East line of said Southeast Quarter; thence S 00° 06' 28" W on said East line a distance of 735.00 feet to the Point of Beginning.

Proposed Tax Increment Financing Project

A tract of land located at 6060 W Old Potash Highway



Location Map

The tax increment will be captured for the tax years the payments for which become delinquent in years 2023 through 2037 inclusive.

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from the construction of a building to house the J & L Westward business. This use is permitted at this location.

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 July 25, 2017.[§18-2109] Such

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

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

Grand Island adopted a Comprehensive Plan on July 13, 2004. This property is not located within Grand Island or the 2 mile extraterritorial jurisdiction of Grand Island. Hall County adopted their comprehensive plan including the CAAP redevelopment plan on April 20, 2004. This redevelopment plan amendment and project are consistent with the Hall County Comprehensive Plan and the CAAP Reuse Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to develop property with permitted uses on this property as defined by the current and effective zoning regulations. The Hall County Regional Planning Commission held a public hearing at their meeting on August 5, 2020 and passed Resolution 2020-08 confirming that this project is consistent with the Comprehensive Plan for the Hall County.

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

a. Land Acquisition:

This Redevelopment Plan provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. Property acquisition is an eligible activity for this project.

b. Demolition and Removal of Structures:

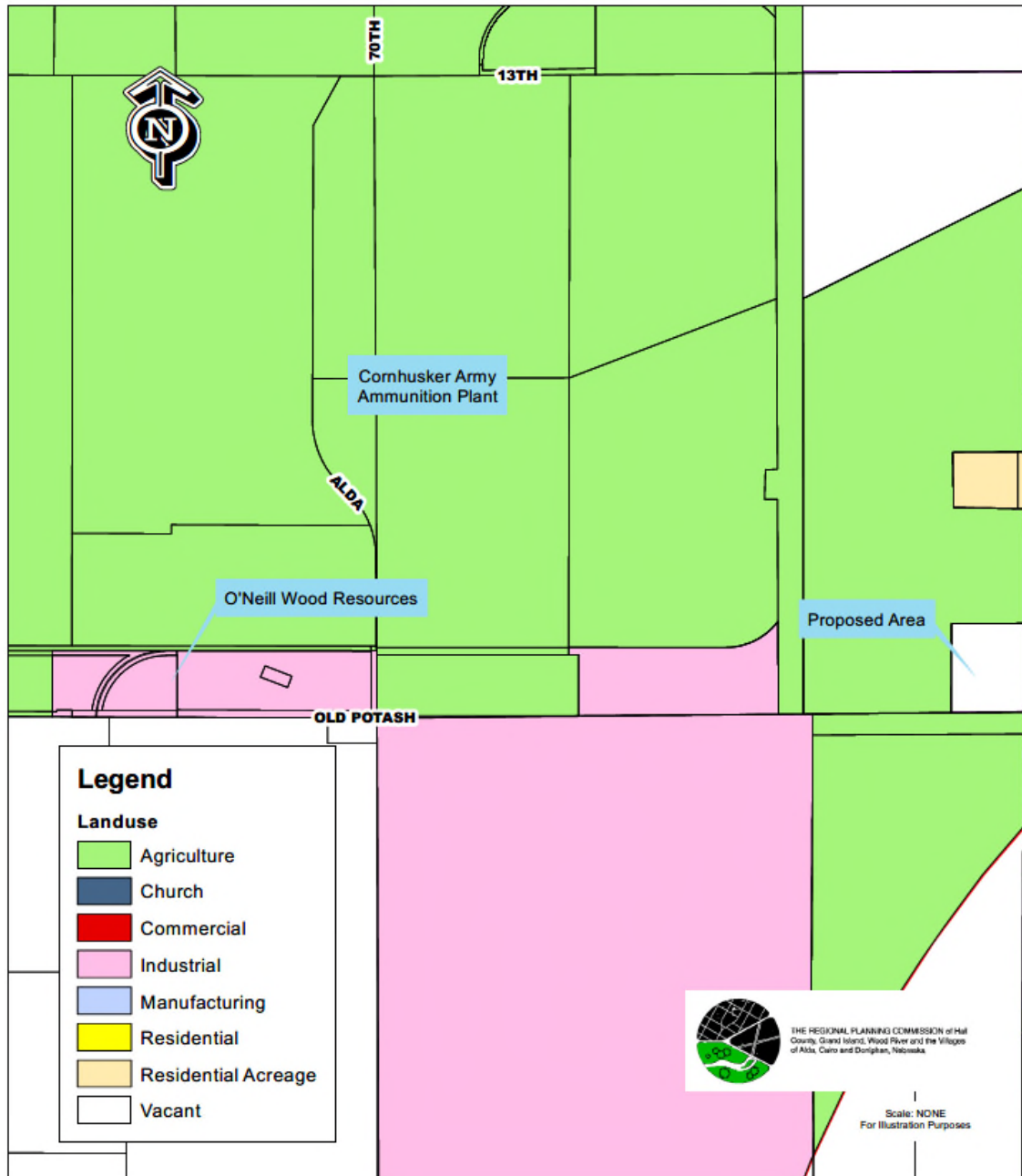
The project to be implemented with this plan does not provide for the demolition and removal any structures on this property.

c. Future Land Use Plan

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

Hall County Existing Land Use Map

Proposed Tax Increment Financing Project
A tract of land located at 6060 W Old Potash Highway



[illegible][illegible]

Master Builder Associates
ARCHITECTS & CONSTRUCTION MANAGERS

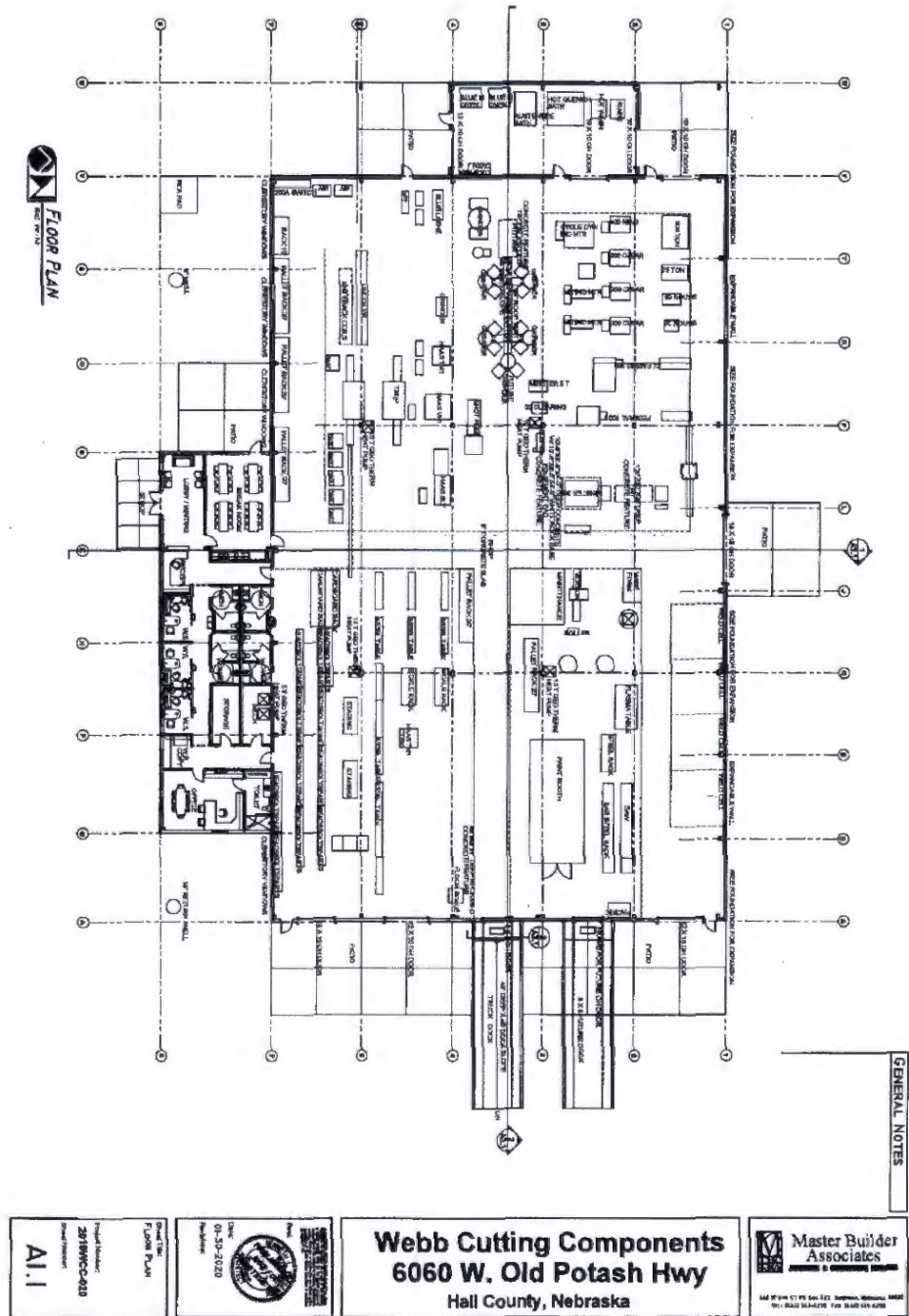
602 W 6TH ST PO BOX 433 OMAHA, NEBRASKA 68632
TEL: (402) 845-6255 FAX: (402) 845-6256

Ω

Seal: 

ARCHITECT
KENNEDY
A-3176

Proposed Building



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

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

e. Site Coverage and Intensity of Use

The developer is proposing to construct a 25,000 square foot manufacturing facility. The proposed development is within the site coverage and intensity of use limits of the district. This is a permitted use at this location. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Municipal sewer and water are not available to this development.

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

No other utilities would be impacted by the development.

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

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

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

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

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

The developer owns this property and acquisition is part of the request for tax increment financing. The estimated costs of redevelopment of this property is \$2,042,483 Acquisition of the property was \$108,000 along with site prep cost of \$52,700. A total of \$111,373 will be spent on improvements to street maintained publicly and privately. Planning related expenses for Architectural and Engineering services of \$79,375 and are included as a TIF eligible expense. Legal, Fees including a reimbursement to the City and the CRA of \$12,100 are included as TIF eligible expense. The total of the TIF eligible

expenses is \$363,548. The CRA will issue a zero percent interest bond in the amount of \$359,625 the total TIF requested and expected over the 15 year period. It is anticipated that this will generate \$252,647 of capital at the beginning of this project if the borrower can finance the debt at 5% interest over 15 years.

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 \$359,625 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 2037.

c. Statement of feasible method of relocating displaced families.

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

7. Section 18-2113 of the Act requires:

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

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

8. Time Frame for Development

Development of this project is anticipated to be completed between September 2020 and December of 2021. Excess valuation should be available for this project for 15 years beginning with the 2022 tax year.

9. Justification of Project

The property at the Cornhusker Army Ammunition Plant has been touted as one of the premiere industrial sites in the State of Nebraska for more than 20 years. This property has developed slowly because of lack of municipal infrastructure and lack of activity at the site. This new manufacturing facility and the associated new building(s) may be the seeds that will create additional growth in this area. The Nebraska Legislature and Governor in approving the use of TIF within former military sites within the state recognized the challenges with redeveloping this large, mostly abandoned sites.

It is also anticipated that this project will create 6 full and 3 part time jobs with aggregate wages of \$267,000 and benefits.

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

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

Project Sources and Uses. Approximately \$359,625 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 \$2,586,781 in private sector financing; a private investment of \$7.19 for every TIF dollar invested.

Description	Use of Funds.		
	TIF Funds	Private Funds	Total
Site Acquisition	\$108,000		\$108,000
Legal and Plan*	12100		\$12,100
Engineering/Arch	79375		\$79,375
Public and Private Streets	107450	\$3,923	\$111,373
Site Prep/Grading	52700		
New Construction		\$1,682,858	\$1,682,858
Equipment		\$900,000	\$900,000
TOTALS	\$359,625	\$2,586,781	\$2,946,406

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of \$94,373. Based on the 2019 levy this would result in a real property tax of approximately \$1,234. It is anticipated that the assessed value will increase by \$1,634,594 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of approximately \$23,600 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as 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:	\$ 94,373
Estimated value after completion	\$ 1,728,967
Increment value	\$ 1,634,594
Annual TIF generated (estimated)	\$ 23,600
TIF bond issue	\$ 359,625

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

The redevelopment project area currently has an estimated valuation of \$94,373. The proposed redevelopment will create additional valuation of \$1,634,594. No tax shifts are anticipated from the project. This project will not have a direct negative impact on local schools systems. The school system will gain an immediate bump in personal property taxes from the new equipment purchases and a long-term benefit from the additional tax base created on the property. No new roads will be created for this project. The project creates additional valuation that will support taxing entities long after the project is paid off.

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

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

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

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

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

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

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

This is a business relocating from the City of Grand Island to the CAAP property approximately 4 miles from the current location. The majority of the employees at this facility are already living in the area and will not create any additional strain on the schools due to this project. While they are expecting to increase the number of employees with this move and expansion the total number of employees to be added is 6 full time and 3 part time. Even if all of these were new residents attracted to this area for these jobs this would not impact the Grand Island Public school district or the Northwest School 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 CAAP Reuse Plan and would be a step forward in creating the industrial district envisioned with that redevelopment. These types of uses that do not mix well with residential uses are ideal for property that is highly restricted for residential development.

Time Frame for Development

Development of this project is anticipated to be completed during between September of 2020 and December 31 of 2021. The base tax year should be calculated on the value of the property as of January 1, 2021. Excess valuation should be available for this project for 15 years beginning in 2022 with taxes due in 2023. 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 \$359,625 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 \$363,548 on TIF eligible activities. The CRA will reserve the right to issue additional debt for this project upon notification by the developer of sufficient expenses and valuation to support such debt in the form of a second or third bond issuance.



Community Redevelopment Authority (CRA)

**Wednesday, September 23, 2020
Regular Meeting**

Item I2

**Redevelopment Plan Contract CRA Area #25 J&L Westward
Enterprises LLC. CAAP**

Staff Contact:

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

RESOLUTION NO. _____

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 \$359,625 FOR THE PURPOSE OF (1) PAYING THE COSTS OF ACQUIRING, DEMOLISHING, CONSTRUCTING, RECONSTRUCTING, IMPROVING, EXTENDING, REHABILITATING, INSTALLING, EQUIPPING, FURNISHING AND COMPLETING CERTAIN IMPROVEMENTS WITHIN THE AUTHORITY'S J & L WESTWARD, LLC, REDEVELOPMENT PROJECT AREA, SPECIFICALLY INCLUDING SITE PURCHASE REIMBURSEMENT, PREPARATION, DEMOLITION, REHABILITATION, UTILITY EXTENSION, STREET INSTALLATION AND (2) PAYING THE COSTS OF ISSUANCE THEREOF; PRESCRIBING THE FORM AND CERTAIN DETAILS OF THE NOTE OR OTHER OBLIGATION; PLEDGING CERTAIN TAX REVENUE AND OTHER REVENUE TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE OR OTHER OBLIGATION AS THE SAME BECOME DUE; LIMITING PAYMENT OF THE NOTE OR OTHER OBLIGATION TO SUCH TAX REVENUES; CREATING AND ESTABLISHING FUNDS AND ACCOUNTS; DELEGATING, AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO EXERCISE HIS OR HER INDEPENDENT DISCRETION AND JUDGMENT IN DETERMINING AND FINALIZING CERTAIN TERMS AND PROVISIONS OF THE NOTE OR OTHER OBLIGATION NOT SPECIFIED HEREIN; APPROVING A REDEVELOPMENT CONTRACT AND REDEVELOPMENT PLAN; TAKING OTHER ACTIONS AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING; AND RELATED MATTERS.

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

ARTICLE I

FINDINGS AND DETERMINATIONS

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

(a) The City of Grand Island, Nebraska (the **"City"**), pursuant to the Plan Resolution (hereinafter defined), approved the Site Specific Redevelopment Plan City of Grand Island Redevelopment Area #25 (CAAP) Plan July 2020 (the **"Redevelopment Plan"**) under and pursuant to which the Authority shall undertake from time to time to redevelop and rehabilitate the Redevelopment Area (hereinafter defined).

(b) The Redevelopment Area lies within Hall County Sanitary Improvement District Number

J & L Westward

5 (SID #5), which district was created and approved by the Hall County, Nebraska District Court on December 18, 2018.

(c) The Redevelopment Area, was formerly owned by, leased to or otherwise possessed by the United States under the jurisdiction of the United States Secretary of Defense and was part of the Cornhusker Army Ammunition Plant.

(d) The City adopted ordinance #9645, on August 22, 2017, expressing the intent of the City to annex the Redevelopment Area when the same shall become eligible for annexation.

(e) The City has appointed the Authority to implement the Redevelopment Plan.

(f) 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 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).

(g) 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.

(h) 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 \$359,625 (the **“Note”**).

(i) 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 J & L Westward, LLC, Redevelopment Project Tax Increment Development Revenue Note of the Authority, in a principal amount not to exceed \$359,625, 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 Limited liability company or similar limited liability company 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 1 and December 1 of each year any Note is outstanding, commencing on the first Payment Date following the Date of Original Issue.

“Chairman” means the Chairman of the Authority.

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

(a) Notes theretofore canceled by the Registrar or delivered to the Registrar for cancellation;

(b) Notes which are deemed to have been paid in accordance with **Section 10.1** hereof;

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

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

“Owner” means the person(s) identified as the owner(s) of the Note from time to time, as indicated on the books of registry maintained by the Registrar.

“Plan Resolution” means, Resolution No. _____ of the City, together with any other resolution providing for approval of 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 J & L Westward, LLC, Redevelopment Project, dated the date of its execution, between the City, the Authority, and J & L Westward, 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 “Site Specific Redevelopment Plan City of Grand Island Redevelopment Area #25 (CAAP) Plan July 2020” 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, 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 \$359,625. The Note shall be designated as "Community Redevelopment Authority of the City of Grand Island, Nebraska, J & L Westward, LLC, Redevelopment Project Tax Increment Development Revenue Note," shall have an appropriate series designation as determined by the Finance Director, shall be dated the Date of Original Issue, shall mature, subject to right of prior redemption, not later than the December 31, 2037, 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 \$359,625.

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, 2037, (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 \$1,300,000, 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 “J & L Westward, LLC, Redevelopment Project Tax Increment Special Fund” (the “**Special Fund**”).

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

Section 7.2. Special Fund. All of the Revenue shall be deposited into the Special Fund. The Revenue accumulated in the Special Fund shall be used and applied on the Business Day prior to each Payment Date (a) to make any payments to the Authority as may be required under the Redevelopment Contract and (b) to pay principal on the Note to the extent of any money then remaining the Special Fund on such Payment Date. Money in the Special Fund shall be used solely for the purposes described in this **Section 7.2.** All Revenues received through and including December 31, 2037 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

J & L WESTWARD, LLC, REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2020

No. R-1

Up to \$359,625
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2037

0.00%

REGISTERED OWNER: J & L Westward, LLC

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

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

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA has caused this Note to be signed by the manual signature of the Chairman of the Authority, countersigned by the manual signature of the Secretary of the Authority.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA (the "Authority") acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues to the Registered Owner named

above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “Registrar”), payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning June 1, 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 _____, 2020, 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 \$359,625.

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 Site Specific Redevelopment Plan City of Grand Island Redevelopment Area #25 (CAAP) Plan July 2020, (J & L Westward, 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 without coupons. This note is being issued as a registered note with the Registrar. This note is subject to exchange as provided in the Resolution.

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

[The remainder of this page intentionally left blank]

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

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

By: _____
Title: _____

[The remainder of this page intentionally left blank]

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
J & L WESTWARD, LLC, REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2020**

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.

ARTICLE XI

AMENDING AND SUPPLEMENTING OF RESOLUTION

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

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

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

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

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

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

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

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

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

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

ARTICLE XII

MISCELLANEOUS

Section 12.1. General and Specific Authorizations; Ratification of Prior Actions. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby (a) authorizes and directs the Chairman, Finance Director, Secretary, Planning Director and all other officers, officials, employees and agents of the City to carry out or cause to be carried out, and to perform such obligations of the Authority and such other actions as they, or any of them, in consultation with Special Counsel, the Owner and its counsel shall consider necessary, advisable, desirable or appropriate in connection with this Resolution, including without limitation the execution and delivery of all related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Finance Director the right, power and authority to exercise his independent judgment and absolute discretion in (1) determining and finalizing all terms and provisions to be carried by the Note not specifically set forth in this Resolution and (2) the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Note. The execution and delivery by the Finance Director or by any such other officers, officials, employees or agents of the City of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the Authority's and their approval of the terms, provisions and contents thereof and of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the Authority and the authorization, approval and ratification by the Authority of the documents, instruments, certifications and opinions so executed and the actions so taken.

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

Section 12.2. Proceedings Constitute Contract; Enforcement Thereof. The provisions of this Resolution shall constitute a contract between the Authority and the Owner and the provisions thereof shall be enforceable by the Owner by mandamus, accounting, mandatory injunction or any other suit, action or proceeding at law or in equity that is presently or may hereafter be authorized under the laws of the State in any court of competent jurisdiction. Such contract is made under and is to be construed in accordance with the laws of the State.

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

Section 12.3. Benefits of Resolution Limited to the Authority and the Owner. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Note is intended or should be construed to confer upon or give to any person other than the Authority and the Owner of the Note any legal or equitable right, remedy or claim under or by reason of or in respect to this Resolution or any covenant, condition, stipulation, promise, agreement or provision herein contained. The Resolution and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Authority and the Owner from time to time of the Note as herein and therein provided.

Section 12.4. No Personal Liability. No officer or employee of the Authority shall be individually or personally liable for the payment of the principal of or interest on the Note. Nothing herein contained shall, however, relieve any such officer or employee from the performance of any duty provided or required by law.

Section 12.5. Effect of Saturdays, Sundays and Legal Holidays. Whenever this Resolution requires any action to be taken on a Saturday, Sunday or legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Resolution the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday or legal holiday, such time shall continue to run until midnight on the next succeeding business day.

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

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

Section 12.7. Law and Place of Enforcement of this Resolution. The Resolution shall be construed and interpreted in accordance with the laws of the State. All suits and actions arising out of this Resolution shall be instituted in a court of competent jurisdiction in the State except to the extent necessary

for enforcement, by any trustee or receiver appointed by or pursuant to the provisions of this Resolution, or remedies under this Resolution.

Section 12.8. Effect of Article and Section Headings and Table of Contents. The headings or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Resolution.

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

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

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

PASSED AND ADOPTED: _____, 2020.

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

(SEAL)

By: _____
Chairman

ATTEST:

By: _____
Secretary

REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the _____ day of _____, 2020, by and between the City of Grand Island, Nebraska, (the "City") the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and J & L Westward, LLC, a Nebraska limited liability company ("Redeveloper").

WITNESSETH:

WHEREAS, the City of Grand Island, Nebraska, 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, described on attached Exhibit "A", outside of the City, but within Hall County, Nebraska, and being part of a formerly used defense site, as blighted and substandard;

WHEREAS, the Authority has adopted, after approval by the Mayor and Council of the City, that redevelopment plan amendment entitled "Site Specific Redevelopment Plan Grand Island CRA Area #25 (CAAP) July 2020" (the "Redevelopment Plan") a copy of which is attached hereto as Exhibit "B";

WHEREAS, the area described on Exhibit "A" (the "Redevelopment Project Area") lies within Hall County Sanitary Improvement District Number 5 (SID #5), which district was created and approved by the Hall County, Nebraska District Court on December 18, 2018;

WHEREAS, the Redevelopment Project Area, was formerly owned by, leased to or otherwise possessed by the United States under the jurisdiction of the United States Secretary of Defense and was part of the Cornhusker Army Ammunition Plant;

WHEREAS, the City adopted ordinance #9645, a copy of which is attached hereto as Exhibit "C", on August 22, 2017, expressing the intent of the City to annex the Redevelopment Project Area when the same shall become eligible for annexation;

WHEREAS, Section 18-2123.01(1) of the Act authorizes a city to undertake a redevelopment project that involves a formerly used defense site and the City desires that the Authority be the entity, under the Act, to act on behalf of the City in undertaking certain obligations under the Redevelopment Plan and assist the Redeveloper by partially financing the costs of redevelopment project improvements to the Redevelopment Project Area (Redevelopment Project Costs);

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

WHEREAS, Section 18-2147 of the Act authorizes the Authority to carry out plans for a program of acquisition, and improvements in connection with redevelopment of the Project Site and to pay for the same from TIF Proceeds (as defined herein). The Redeveloper intends to utilize the TIF Proceeds from the Project Site to reimburse the cost of the Project Site acquisition as part of the Redevelopment Project Costs as defined herein;

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

WHEREAS, Redeveloper is willing to enter into this Contract and invest approximately Two Million Nine Hundred Forty Six Thousand Dollars (\$2,946,000) on the Project Site redevelopment which includes site acquisition reimbursement, demolition and preparation of the Project Site, planning for redevelopment and public and private streets and other eligible costs;

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

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

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

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

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Contract.

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

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

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

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

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

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

"Indebtedness" means any notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to the Resolution and Article III hereof to provide financing for a portion of the Project Costs and secured in whole or in part by TIF Revenues. The Indebtedness as initially issued by the Authority shall consist of a Series 2020 note in the form of the attached hereto as Exhibit "E" and purchased by the Redeveloper or Redeveloper's lender as set forth in Section 3.04 of this Redevelopment Contract.

"Liquidated Damages Amount" means the amounts to be repaid to Authority by Redeveloper pursuant to Section 7.02 of this Redevelopment Contract.

"Redevelopment 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. Without limitation, those improvements include the following public and private improvements:

"Private improvements" means the improvements described on Exhibit "B".

"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 (d), 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 reimbursement of site acquisition, demolition and site preparation expenditures, project planning and engineering, public and private street installation and costs of the Authority all as described in Section 3.04 of this Redevelopment Contract.

"Redeveloper" means J & L Westward, LLC, a Nebraska limited liability company, and its successors and assigns.

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

"Redevelopment Project Property" means all of the Redevelopment Project Area which is the site for the improvements constituting the Project, as more particularly described on Exhibit "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 Site Specific Redevelopment Plan (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 Proceeds" means the Note proceeds described in Section 3.02.

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

Section 1.02 Construction and Interpretation.

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

- (a) Whenever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not 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 and Redevelopment Project Area 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 determining that the Project return on investment is below a commercially reasonable rate of return to induce investment in the Project.

(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 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 Redevelopment Area 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 that the location of the Project is in a blighted and substandard area without sufficient infrastructure to support development and is consistent with the general plan for development of the area.

Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

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

(b) The execution and delivery of this Redevelopment Contract and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under any debenture, note or other evidence of indebtedness or any 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 or the ImagiNE Nebraska Act related to a project in the redevelopment project area. In as much as no such application have 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.

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

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

ARTICLE III

OBLIGATIONS OF THE AUTHORITY

Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Authority hereby provides that any ad valorem tax on the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date which shall be January 1, 2022, as described in Section 18-2147 (1)(b) of the Act and as more specifically defined below. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax on the real estate located within 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 within 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 "J & L Westward, LLC Note Fund") to pay the principal of, the interest on, and any premium due in connection with the Note. When such Note, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property within the Redevelopment Project Area 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 all 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.

Subject to the foregoing, prior to February 15, 2021, the Authority shall issue a single taxable Tax Increment Development Revenue Note, in a maximum principal amount of \$359,625, in substantially the form shown on the attached Exhibit "E" ("TIF Note"), for net

funds available to be purchased by Redeveloper (“TIF Note Purchaser”), in a written form acceptable to Authority’s attorney, and receive Note proceeds from the TIF Note Purchaser in said amount. At the option of the Authority, the Authority shall make a grant to Redeveloper in such amount, and such grant shall offset TIF Note Purchaser’s obligation to purchase the TIF Note. Subject to the terms of this Agreement and the Resolution, the Authority’s Treasurer on behalf of the Authority shall have the authority to determine the timing of issuing the Indebtedness and all the other necessary details of the Indebtedness.

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

Section 3.03 Pledge of Revenues.

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

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

The Redeveloper has agreed to purchase the Indebtedness from the Authority for a price equal to the principal amount thereof, payable as provided in Section 3.02 and this Section 3.04. The Redevelopment Plan provides for the Redeveloper to receive a grant under this Redevelopment Contract. In accordance with the terms of the Redevelopment Plan the Redeveloper is to receive a grant sufficient to pay the costs reimbursement of site acquisition, demolition and rehabilitation expenditures, all improvements related to Project public and private 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 \$359,625. 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 “J & L Westward, LLC Redevelopment Project Note Fund” (the “Note Fund”). All of the TIF Revenues shall be deposited into the Note Fund. The TIF Revenues accumulated in the Note Fund shall be used and applied on the Business Day prior to each Interest Payment Date (i) to make any payments to the City or the Authority as may be required under the Redevelopment Contract and (ii) to pay principal of or interest on the Note to the extent of any money then remaining the Note Fund on such Interest Payment Date. Money in the Note Fund shall be used solely for the purposes described herein and in the Resolution. All Revenues received through and including December 31, 2037 shall be used solely for the payments required herein and by the Resolution; and

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

ARTICLE IV

OBLIGATIONS OF CITY

Section 4.01 Appointment of Authority to Undertake Redevelopment Project.

City hereby appoints and designates the Authority to implement the Redevelopment Plan and Redevelopment Project pursuant to Section 18-2123.01 of the Act.

ARTICLE V

OBLIGATIONS OF REDEVELOPER

Section 5.01 Construction of Project:

(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 accordance

with the plans and specifications provided to the Authority. 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 the policies.

(c) Notwithstanding any provision herein to the contrary, in the event Redeveloper has not acquired fee simple title to the Redevelopment Project Area on or before February 1, 2018, this Redevelopment Contract shall be null and void and of no force or effect effective as of the date of execution hereof, and neither party shall have any liability or obligation to the other party with respect hereto.

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

Section 5.02 Cost Certification & Disbursement of TIF Note Proceeds.

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

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

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

(c) Upon notification from the Authority as described in Section 5.02(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 \$359,625.

(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 5.03 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 5.04 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Authority. Such consent shall not be unreasonably withheld. Redeveloper agrees that it shall not convey any Lot or any portion thereof or any structures thereon to any

person or entity that would be exempt from payment of real estate taxes, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any Lot.

Section 5.05 Payment of Authority Costs.

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

- a. Legal expenses of Authority for representation related to this Redevelopment Contract and the issuance of the TIF Note and other matters.
- b. \$12,100 for City and Authority administrative accounting of incremental tax payments.

Section 5.06. Obligation to Restore.

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

ARTICLE VI

FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 6.01 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 VII

DEFAULT, REMEDIES; INDEMNIFICATION

Section 7.01 General Remedies of Authority and Redeveloper.

Subject to the further provisions of this Article VII, 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 7.02 Additional Remedies of Authority

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

(a) the Redeveloper, or its successor in interest, shall fail to commence the construction of the improvements included in the Project Costs on or before May 1, 2021, 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 7.03 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 7.02), the Redeveloper shall be in default. In such an instance, the Authority may seek to enforce the terms of this Redevelopment Contract or exercise any other remedies that may be provided in this Redevelopment Contract or by applicable law; provided, however, that any defaults covered by this Section shall not give rise to a right or rescission on termination of this Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

Section 7.04 Forced Delay Beyond Party's Control.

For the purposes of any of the provisions of this Redevelopment Contract, neither the Authority nor the Redeveloper, as the case may be, nor any successor in interest, shall be considered in breach of or default in its obligations with respect to the conveyance or preparation of the Redevelopment Area or any part thereof for redevelopment, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of forced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays in subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such forced delay, the time or times for performance of the obligations of the Authority or of the Redeveloper with respect to construction of the Project, as the case may be, shall be extended for the period of the forced delay: Provided, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such forced delay, have first notified the other party thereto in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

Section 7.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VII 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 VIII

MISCELLANEOUS

Section 8.01 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 8.02 Governing Law.

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

Section 8.03 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 8.04 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, the City and the Authority.

Section 8.05 Notices to Parties.

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

Redeveloper:

J & L Westward, LLC

3104 Bison Ct.

Grand Island, NE 68803

Authority and City:

Director

Grand Island Community Redevelopment Authority

Hall County Regional Planning Department

100 E 1st Street

P.O. Box 1968

Grand Island, NE 68802

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

CITY OF GRAND ISLAND

By: _____
Mayor

ATTEST:

City Clerk

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____ 2020, by _____ and _____, Mayor and City Clerk, respectively, of the City of Grand Island, Nebraska, on behalf of the Authority.

Notary Public

J & L Westward, LLC Area 25 CAAP

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COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

ATTEST:

Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____ 2020, 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

J & L Westward, LLC

By:_____

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by John Webb, manager of J & L Westward, LLC, on behalf of the limited liability company.

Notary Public

EXHIBIT "A"
LEGAL DESCRIPTION OF PROJECT SITE

EXHIBIT “B”
REDEVELOPMENT PLAN

EXHIBIT "C"
ORDINANCE #9645

EXHIBIT "D"

SOURCES AND USES

Description	Use of Funds.		
	TIF Funds	Private Funds	Total
Site Acquisition	\$108,000		\$108,000
Legal and Plan*	12100		\$12,100
Engineering/Arch	79375		\$79,375
Public and Private Streets	107450	\$3,923	\$111,373
Site Prep/Grading	52700		
New Construction		\$1,682,858	\$1,682,858
Equipment		\$900,000	\$900,000
TOTALS	\$359,625	\$2,586,781	\$2,946,406

EXHIBIT E

(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
(J & L WESTWARD, LLC REDEVELOPMENT PROJECT), SERIES 2020

No. R-1

Up to \$359,625
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2037

0.00%

REGISTERED OWNER: J & L Westward, LLC

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

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

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

J & L Westward, LLC Area 25 CAAP

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

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning June 1, 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 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 _____ 2020, 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 \$359,625.

This Note is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Tax 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 Tax Revenue represents that portion of ad valorem taxes levied by public bodies of the State of Nebraska, including the City, on real property within the Project Area (as defined in the Resolution) which is in excess of that portion of such ad valorem taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the 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 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 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 Tax 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.

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

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

By: _____
Title: _____

[The remainder of this page intentionally left blank]

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
J & L WESTWARD, LLC REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2020**

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