



Community Redevelopment Authority (CRA)

Wednesday, May 12, 2021 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, May 12, 2021
Regular Meeting**

Item A1

Agenda May 12, 2021

Staff Contact:



AGENDA
Wednesday, May 12, 2021
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 April 14, 2021, Meeting.
3. Review of Financials.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties
6. Redevelopment Plan Amendment CRA Area 2- Bosselman-1607 S. Locust
 - a. Consideration of Resolution 352- Forward a Redevelopment Plan Amendment to the Grand Island City Council for 1607 S. Locust Street, Lot One of Fonner Fourth Subdivision – Bosselman Real Estate LLC.
7. Redevelopment Plan Amendment CRA Area 6-Ebc Obermiller LLC (Miller Tire)- 722 N. Eddy
 - a. Consideration of Resolution 353- Forward a Redevelopment Plan Amendment to the Grand Island City Council for 722 N. Eddy, Lots 1,2 and 3 Block 14 of H.G. Clarks Addition to the City of Grand Island – Ebc Obermiller LLC.
8. Approval of Transfer of TIF Project and Property from Wald 12 Properties to Azure Investment Group, LLC for 221-223 west 3rd Street (Greenburgers)
 - a. Consideration of Resolution 354 – Approval of amendments to the Redevelopment Contract and transfer of the project from Wald 12 Properties to

Azure Investment Group LLC.

9. Approval of Life Safety Funds Request for Azure Investment Group LLC for use at 221-223 west 3rd Street.
10. Consideration of Approval of Resolution 355 amending the terms of Bonds previously issued for The Orchard housing project in northeast Grand Island.
11. Director's Report
12. Adjournment

.Next Meeting June 9, 2021



Community Redevelopment Authority (CRA)

Wednesday, May 12, 2021
Regular Meeting

Item B1

Meeting Minutes April 14, 2021

Staff Contact:

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF April 14, 2021

Pursuant to due call and notice thereof, a Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on April 14, 2021 at City Hall, 100 E. First Street. Notice of the meeting was given in the April 7, 2021 Grand Island Independent.

1. CALL TO ORDER.

Chairman Gdowski called the meeting to order at 4:00 p.m. The following members were present: Tom Gdowski, Glen Murray, Sue Pirnie, Krae Dutoit and Jim Truell. Also present were: Director Chad Nabity, Administrative Assistant Norma Hernandez, Finance Director Patrick Brown and Assistant Finance Director Brian Schultz and Councilman Vaughn Minton.

2. APPROVAL OF MINUTES.

A motion for approval of the Minutes for the March 10, 2021 was made by Murray and seconded by Dutoit. Upon roll call vote, 4 voted aye and 1 (Truell) abstained. Motion carried 4-1

3. APPROVAL OF FINANCIAL REPORTS.

Brian Shultz reviewed the financial reports. A motion was made by Dutoit and seconded by Pirnie to approve the financials from March 1– March 31, 2021. Upon roll call vote, all present voted aye. Motion carried 5-0.

4. APPROVAL OF BILLS.

A motion was made by Dutoit and second by Pirnie to approve the bills for \$4,093.52. Upon roll call vote, all present voted aye. Motion carried 5-0.

5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.

The committed projects and CRA properties were reviewed by Nabity.

GI Veterans Home – has not submitted any bills. Nabity emailed Delaney and she is still on maternity leave.

Façade Projects –

South East Commons – work has started. Have not started the façade work.

Rise Properties - work has started

Life Safety Grants –

Hedde Building – They will know in the next few months if this will move forward.

Peaceful Root – Anticipate the \$70,000 will be returned.

Rawr Holdings – Potentially interested in reallocating funds.

6. Façade Grant and Other Grant Request 321 W. Second (Carnegie Library)

Nabity stated a façade committee (Sue Pirnie, Jim Truell and Ken Fredrick) met 2 weeks ago to review the application and is recommending approval. The request is for \$85,000 and \$40,500 is available in the façade line. Nabity recommends \$44,500 come from the other projects line to fund this.

Zachary Zoul, the building owner, and Marvin Webb, the architect on the project were at the meeting to answer questions about the application. Members discussed the application, funding and scope of the project.

A motion was made by Truell and second by Pirnie to approve the Façade Grant request and other Grand Request of \$85,000 with \$40,500 from façade line and \$44,500 from the other projects line. Upon roll call vote all, voted aye. Motion carried 5-0

7. Redevelopment Plan Amendment CRA Area 2 – Bosselman - 1607 S. Locust

- a. Consideration of Resolution 348 – Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for 1607 S. Locust Street, Lot One of Fonner Fourth Subdivision – Bosselman Real Estate LLC.
- b. Consideration of Resolution 349 – Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for 1607 S. Locust Street, Lot One of Fonner Fourth Subdivision – Bosselman Real Estate LLC.

Nabity stated the amendment to the redevelopment plan that was approved in 2015. This amended plan changes the phase 2 of the project, proposed hotel along Locust Street to a quick serve restaurant. The anticipated valuation is about \$500,000 as opposed to the \$8,000,000 anticipated for the hotel. Because it is a significant difference in use the plan and contract will need to be amended. Bosselman's have made the determination that another hotel at this time would not be a good investment especially with the Fonner Park casino hotel locating just to the east of this property. The impact of the COVID pandemic on the hotel industry has also added to this decision.

A motion was made by Pirnie and second by Dutoit to approve Resolution 348 and 349. Upon roll call vote all, voted aye. Motion carried 5-0

8. Redevelopment Plan Amendment CRA Area 6 – Ebc Obermiller LLC (Miller Tire) – 722 N. Eddy

- a. Consideration of Resolution 350 - Forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for 722 N. Eddy. Lots 1,2 and 3 Block 14 of H.G. Clarks Addition to the City of Grand Island – Ebc Obermiller LLC.

- b. Consideration of Resolution 351 - Resolution of Intent to enter into a Site Specific Redevelopment Contract and Approval of related actions 30-day notice to city council for 722 N. Eddy, Lots 1,2 and 3 Block 14 of H.G. Clarks Addition to the City of Grand Island – Ebc Obermiller LLC.

Nabity explained that Ebc Obermiller LLC the company that owns the property occupied by Miller Tire located across the street from this site is purchasing the property at 722 N. Eddy and proposing to redevelop it as a new shop facilities for Miller Tire. They intend to move out of the dry cleaners building to the east of this and construct a 9 bay shop. The dry cleaners building will be used for storage and eventually torn down to provide additional parking. Mr. Miller is requesting \$318,000 of TIF to aid in the acquisition, demolition costs for this project.

A motion was made by Murray and second by Truell to approve Resolutions 350 and 351. Upon roll call vote all, voted aye. Motion carried 5-0.

9. Director's Report

Adjournment at 4:44 P.M.

Next meeting 4:00 P.M. May 12, 2021

Respectfully Submitted,
Norma Hernandez
Administrative Assistant



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item C1

CRA April Financials

Staff Contact:

**COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021**

	MONTH ENDED <u>April-21</u>	2020-2021 <u>YEAR TO DATE</u>	2021 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
CONSOLIDATED					
Beginning Cash	649,953		677,632		
REVENUE:					
Property Taxes - CRA	41,032	145,651	504,203	358,552	28.89%
Property Taxes - Lincoln Pool	8,345	41,156	195,805	154,649	21.02%
Property Taxes -TIF's	171,008	1,206,783	4,858,000	3,864,603	24.84%
Loan Income (Poplar Street Water Line)	-	-	20,000	20,000	0.00%
Interest Income - CRA	-	1,781	10,000	8,219	17.81%
Interest Income - TIF'S	-	-	-	-	
Land Sales	-	-	-	-	#DIV/0!
Other Revenue - CRA	912	2,581	200,000	197,419	1.29%
Other Revenue - TIF's	-	-	-	-	
TOTAL REVENUE	221,297	1,397,952	5,788,008	4,603,443	24.15%
TOTAL RESOURCES	871,250	1,397,952	6,465,640	4,603,443	
EXPENSES					
Auditing & Accounting	-	-	3,000	3,000	0.00%
Legal Services	-	-	3,000	3,000	0.00%
Consulting Services	-	-	5,000	5,000	0.00%
Contract Services	4,094	31,622	75,000	43,378	42.16%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	10,567	16,000	5,433	66.04%
General Liability Insurance	-	-	250	250	0.00%
Postage	-	-	200	200	0.00%
Legal Notices	-	79	500	421	15.89%
Travel & Training	-	-	4,000	4,000	0.00%
Other Expenditures	-	-	-	-	
Office Supplies	-	184	1,000	816	18.40%
Supplies	-	-	300	300	0.00%
Land	-	-	30,000	30,000	
Bond Principal - Lincoln Pool	-	185,000	185,000	-	100.00%
Bond Interest	-	6,328	10,805	4,478	58.56%
Fiscal Agent Fees/Bond Costs	-	525	-	-	
Husker Harvest Days	-	200,000	200,000	-	100.00%
Façade Improvement	-	-	200,000	200,000	0.00%
Building Improvement	-	15,736	670,000	654,264	2.35%
Other Projects	-	3,000	200,000	197,000	1.50%
Bond Principal-TIF's	-	893,218	4,857,800	3,964,582	18.39%
Bond Interest-TIF's	-	-	-	-	
Interest Expense	-	-	-	-	
TOTAL EXPENSES	4,094	1,346,259	6,462,855	5,117,121	20.83%
INCREASE(DECREASE) IN CASH	217,203	51,693	(674,847)		
ENDING CASH	867,156	51,693	2,785	-	
CRA CASH	532,082				
Lincoln Pool Tax Income Balance	14,199				
TIF CASH	320,876				
Total Cash	867,156				

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
GENERAL OPERATIONS:					
Property Taxes - CRA	41,032	145,651	504,203	358,552	28.89%
Property Taxes - Lincoln Pool	8,345	41,156	195,805	154,649	21.02%
Interest Income		1,781	10,000	8,219	17.81%
Loan Income (Poplar Street Water Line)		-	20,000	20,000	0.00%
Land Sales		-	-	-	#DIV/0!
Other Revenue & Motor Vehicle Tax	912	2,581	200,000	197,419	1.29%
TOTAL	50,289	191,169	930,008	738,839	20.56%
WALNUT HOUSING PROJECT					
Property Taxes		-		-	
Interest Income		-		-	
Other Revenue		-	-	-	
TOTAL	-	-	-	-	
GIRARD VET CLINIC					
Property Taxes	257	5,812		-	
TOTAL	257	5,812	-	-	
GEDDES ST APTS-PROCON					
Property Taxes	790	1,581		-	
TOTAL	790	1,581	-	-	
SOUTHEAST CROSSING					
Property Taxes	345	6,382		-	
TOTAL	345	6,382	-	-	
POPLAR STREET WATER					
Property Taxes	547	2,551		-	
TOTAL	547	2,551	-	-	
CASEY'S @ FIVE POINTS					
Property Taxes	342	684		-	
TOTAL	342	684	-	-	
SOUTH POINTE HOTEL PROJECT					
Property Taxes	2,132	4,264		-	
TOTAL	2,132	4,264	-	-	
TODD ENCK PROJECT					
Property Taxes		-		-	
TOTAL	-	-	-	-	
JOHN SCHULTE CONSTRUCTION					
Property Taxes	180	359		-	
TOTAL	180	359	-	-	
PHARMACY PROPERTIES INC					
Property Taxes	331	661		-	
TOTAL	331	661	-	-	
KEN-RAY LLC					
Property Taxes		-		-	
TOTAL	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
TOKEN PROPERTIES RUBY					
Property Taxes	76	151		-	
TOTAL	76	151	-	-	
GORDMAN GRAND ISLAND					
Property Taxes	2,027	39,768		-	
TOTAL	2,027	39,768	-	-	
BAKER DEVELOPMENT INC					
Property Taxes	97	2,100		-	
TOTAL	97	2,100	-	-	
STRATFORD PLAZA INC					
Property Taxes	823	1,646		-	
TOTAL	823	1,646	-	-	
COPPER CREEK 2013 HOUSES					
Property Taxes	10,906	33,695		-	
TOTAL	10,906	33,695	-	-	
FUTURE TIF'S					
Property Taxes		-	4,858,000	4,858,000	
TOTAL	-	-	4,858,000	4,858,000	
CHIEF INDUSTRIES AURORA COOP					
Property Taxes	940	1,881		(1,881)	
TOTAL	940	1,881	-	(1,881)	
TOKEN PROPERTIES KIMBALL ST					
Property Taxes	71	143		(143)	
TOTAL	71	143	-	(143)	
GI HABITAT OF HUMANITY					
Property Taxes	140	280		(280)	
TOTAL	140	280	-	(280)	
AUTO ONE INC					
Property Taxes	366	732		(732)	
TOTAL	366	732	-	(732)	
EIG GRAND ISLAND					
Property Taxes	1,473	2,946		(2,946)	
TOTAL	1,473	2,946	-	(2,946)	
TOKEN PROPERTIES CARY ST					
Property Taxes	199	399		(399)	
TOTAL	199	399	-	(399)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	MONTH ENDED <u>April-21</u>	2020-2021 <u>YEAR TO DATE</u>	2021 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
WENN HOUSING PROJECT					
Property Taxes	118	2,571		(2,571)	
TOTAL	118	2,571	-	(2,571)	
COPPER CREEK 2014 HOUSES					
Property Taxes	30,639	97,068		(97,068)	
TOTAL	30,639	97,068	-	(97,068)	
TC ENCK BUILDERS					
Property Taxes	88	176		(176)	
TOTAL	88	176	-	(176)	
SUPER MARKET DEVELOPERS					
Property Taxes	2,951	65,787		(65,787)	
TOTAL	2,951	65,787	-	(65,787)	
MAINSTAY SUITES					
Property Taxes	1,649	3,299		(3,299)	
TOTAL	1,649	3,299	-	(3,299)	
TOWER 217					
Property Taxes	620	1,240		(1,240)	
TOTAL	620	1,240	-	(1,240)	
COPPER CREEK 2015 HOUSES					
Property Taxes	12,058	62,351	-	(62,351)	
TOTAL	12,058	62,351	-	(62,351)	
NORTHWEST COMMONS					
Property Taxes	5,156	205,501	-	(205,501)	
TOTAL	5,156	205,501	-	(205,501)	
HABITAT - 8TH & SUPERIOR					
Property Taxes	283	565		(565)	
TOTAL	283	565	-	(565)	
KAUFMAN BUILDING					
Property Taxes	299	599		(599)	
TOTAL	299	599	-	(599)	
TALON APARTMENTS					
Property Taxes	2,442	100,154		(100,154)	
TOTAL	2,442	100,154	-	(100,154)	
VICTORY PLACE					
Property Taxes	223	445		(445)	
TOTAL	223	445	-	(445)	
THINK SMART					
Property Taxes	158	6,744		(6,744)	
TOTAL	158	6,744	-	(6,744)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
BOSELMAN HQ					
Property Taxes	1,917	81,653		(81,653)	
TOTAL	1,917	81,653	-	(81,653)	
TALON APARTMENTS 2017					
Property Taxes	2,786	112,989		(112,989)	
TOTAL	2,786	112,989	-	(112,989)	
WEINRICH DEVELOPMENT					
Property Taxes	158	316		(316)	
TOTAL	158	316	-	(316)	
WING WILLIAMSONS					
Property Taxes	1,399	1,465		(1,465)	
TOTAL	1,399	1,465	-	(1,465)	
HATCHERY HOLDINGS					
Property Taxes	3,983	7,966		(7,966)	
TOTAL	3,983	7,966	-	(7,966)	
FEDERATION LABOR TEMPLE					
Property Taxes	3,631	7,319		(7,319)	
TOTAL	3,631	7,319	-	(7,319)	
MIDDLETON PROPERTIES II					
Property Taxes	355	710		(710)	
TOTAL	355	710	-	(710)	
COPPER CREEK 2016 HOUSES					
Property Taxes	9,627	45,463		(45,463)	
TOTAL	9,627	45,463	-	(45,463)	
MENDEZ ENTERPRISES LLC PHASE 1					
Property Taxes	163	247		(247)	
TOTAL	163	247	-	(247)	
EAST PARK ON STUHR					
Property Taxes	2,714	5,428		(5,428)	
TOTAL	2,714	5,428	-	(5,428)	
TAKE FLIGHT INVESTMENTS					
Property Taxes	137	5,957		(5,957)	
TOTAL	137	5,957	-	(5,957)	
PRATARIA VENTURES HOSPITAL					
Property Taxes	35,720	244,300		(244,300)	
TOTAL	35,720	244,300	-	(244,300)	
AMMUNITION PLANT					
Property Taxes		-		-	
TOTAL	-	-	-	-	
URBAN ISLAND LLC					
Property Taxes	87	174		(174)	
TOTAL	87	174	-	(174)	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	MONTH ENDED <u>April-21</u>	2020-2021 <u>YEAR TO DATE</u>	2021 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
PEACEFUL ROOT					
Property Taxes	120	5,240		(5,240)	
TOTAL	120	5,240	-	(5,240)	
TALON 2019 LOOKBACK					
Property Taxes	72	2,942		(2,942)	
TOTAL	72	2,942	-	(2,942)	
COPPER CREEK PH2 2019 LOOKBACK					
Property Taxes	198	396		(396)	
TOTAL	198	396	-	(396)	
GRAND ISLAND HOTEL					
Property Taxes	28,317	29,647		(29,647)	
TOTAL	28,317	29,647	-	(29,647)	
PARAMOUNT OLD SEARS					
Property Taxes	32	64		(64)	
TOTAL	32	64	-	(64)	
CENTRAL NE TRUCK WASH					
Property Taxes	986	1,973		(1,973)	
TOTAL	986	1,973	-	(1,973)	
TOTAL REVENUE	221,417	1,397,952	5,788,008	5,152,219	24.15%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
EXPENSES					
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting		-	3,000	3,000	0.00%
Legal Services		-	3,000	3,000	0.00%
Consulting Services		-	5,000	5,000	0.00%
Contract Services	4,094	31,622	75,000	43,378	42.16%
Printing & Binding		-	1,000	1,000	0.00%
Other Professional Services		10,567	16,000	5,433	66.04%
General Liability Insurance		-	250	250	0.00%
Postage		-	200	200	0.00%
Legal Notices		79	500	421	15.89%
Travel & Training		-	4,000	4,000	0.00%
Other Expenditures		-	-	-	
Office Supplies		184	1,000	816	18.40%
Supplies		-	300	300	0.00%
Land		-	30,000	30,000	
Bond Principal - Lincoln Pool		185,000	185,000	-	100.00%
Bond Interest - Lincoln Pool		6,328	10,805	4,478	58.56%
Fiscal Agent Fees/Bond Costs		525	-	-	#DIV/0!
PROJECTS					
Husker Harvest Days		200,000	200,000	-	100.00%
Façade Improvement		-	200,000	200,000	0.00%
Building Improvement		18,736	670,000	651,264	0.00%
Other Projects		-	200,000	200,000	0.00%
TOTAL CRA EXPENSES	4,094	453,040	1,605,055	1,152,540	28.23%
WALNUT HOUSING PROJECT					
Bond Principal		-	-	-	
Bond Interest		-	-	-	
TOTAL	-	-	-	-	
GIRARD VET CLINIC					
Bond Principal		5,298	-	-	
TOTAL	-	5,298	-	-	
GEDDES ST APTS - PROCON					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
SOUTHEAST CROSSINGS					
Bond Principal		5,692	-	-	
TOTAL	-	5,692	-	-	
POPLAR STREET WATER					
Bond Principal		924	-	-	
TOTAL	-	924	-	-	
CASEY'S @ FIVE POINTS					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
SOUTH POINTE HOTEL PROJECT					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
TODD ENCK PROJECT					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
JOHN SCHULTE CONSTRUCTION					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
PHARMACY PROPERTIES INC					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
KEN-RAY LLC					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
TOKEN PROPERTIES RUBY					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
GORDMAN GRAND ISLAND					
Bond Principal		35,714	-	-	
TOTAL	-	35,714	-	-	
BAKER DEVELOPMENT INC					
Bond Principal		1,906	-	-	
TOTAL	-	1,906	-	-	
STRATFORD PLAZA LLC					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
COPPER CREEK 2013 HOUSES					
Bond Principal		15,499	-	-	
TOTAL	-	15,499	-	-	
CHIEF INDUSTRIES AURORA COOP					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
TOKEN PROPERTIES KIMBALL STREET					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
GI HABITAT FOR HUMANITY					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	MONTH ENDED <u>April-21</u>	2020-2021 <u>YEAR TO DATE</u>	2021 <u>BUDGET</u>	REMAINING <u>BALANCE</u>	% OF BUDGET <u>USED</u>
AUTO ONE INC					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
EIG GRAND ISLAND					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
TOKEN PROPERTIES CARY STREET					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
WENN HOUSING PROJECT					
Bond Principal		2,336	-	-	
TOTAL	-	2,336	-	-	
COPPER CREEK 2014 HOUSES					
Bond Principal		52,683	-	-	
TOTAL	-	52,683	-	-	
TC ENCK BUILDERS					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
SUPER MARKET DEVELOPERS					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
MAINSTAY SUITES					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
TOWER 217					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
COPPER CREEK 2015 HOUSES					
Bond Principal		36,125	-	-	
TOTAL	-	36,125	-	-	
NORTHWEST COMMONS					
Bond Principal		195,189	-	-	
TOTAL	-	195,189	-	-	
HABITAT - 8TH & SUPERIOR					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	
KAUFMAN BUILDING					
Bond Principal		-	-	-	
TOTAL	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
TALON APARTMENTS					
Bond Principal		95,270	-	-	
TOTAL	-	95,270		-	
VICTORY PLACE					
Bond Principal		2,798	-	-	
TOTAL	-	2,798		-	
FUTURE TIF'S					
Bond Principal		-	4,857,800	4,857,800	
TOTAL	-	-	4,857,800	4,857,800	
THINK SMART					
Bond Principal		6,427	-	-	
TOTAL	-	6,427		-	
BOSSELMAN HQ					
Bond Principal		79,735	-	-	
TOTAL	-	79,735		-	
TALON APARTMENTS 2017					
Bond Principal		110,204	-	-	
TOTAL	-	110,204		-	
WEINRICH DEVELOPMENT					
Bond Principal		-	-	-	
TOTAL	-	-		-	
WING WILLIAMSONS					
Bond Principal		-	-	-	
TOTAL	-	-		-	
HATCHERY HOLDINGS					
Bond Principal		-	-	-	
TOTAL	-	-		-	
FEDERATION LABOR TEMPLE					
Bond Principal		3,519	-	-	
TOTAL	-	3,519		-	
MIDDLETON PROPERTIES II					
Bond Principal		-	-	-	
TOTAL	-	-		-	
COPPER CREEK 2016 HOUSES					
Bond Principal		24,639	-	-	
TOTAL	-	24,639		-	
EAST PARK ON STUHR					
Bond Principal		-	-	-	
TOTAL	-	-		-	
TAKE FLIGHT INVESTMENTS					
Bond Principal		5,683	-	-	
TOTAL	-	5,683		-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF APRIL 2021

	<u>MONTH ENDED</u> <u>April-21</u>	<u>2020-2021</u> <u>YEAR TO DATE</u>	<u>2021</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
PRATARIA VENTURES HOSPITAL					
Bond Principal		208,579	-	-	
TOTAL	-	208,579		-	
AMMUNITION PLANT					
Bond Principal		-	-	-	
TOTAL	-	-		-	
URBAN ISLAND LLC					
Bond Principal		-	-	-	
TOTAL	-	-		-	
PEACEFUL ROOT					
Bond Principal		5,000	-	-	
TOTAL	-	5,000		-	
TALON 2019 LOOKBACK					
Bond Principal		-	-	-	
TOTAL	-	-		-	
COPPER CREEK PH2 2019 LOOKBACK					
Bond Principal		-	-	-	
TOTAL	-	-		-	
GRAND ISLAND HOTEL					
Bond Principal		-	-	-	
TOTAL	-	-		-	
PARAMOUNT OLD SEARS					
Bond Principal		-	-	-	
TOTAL	-	-		-	
CENTRAL NE TRUCK WASH					
Bond Principal		-	-	-	
TOTAL	-	-		-	
TOTAL EXPENSES	4,094	1,346,259	6,462,855	6,010,340	20.83%



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item D1

CRA May 2021 Bills

Staff Contact:



12-May-21

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 April 2021	\$	5,808.16
TOTAL		\$	5,808.16



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item E1

CRA April 2021 Committed Projects

Staff Contact:

COMMITTED PROJECTS	REMAINING GRANT AMOUNT	2021 FISCAL YR	2022 FISCAL YR	2023 FISCAL YR	ESTIMATED COMP
1868 Foundation (3/10/21)	\$ 50,000.00	\$ 50,000.00			
Carnegie Library (4/14/21)	\$ 85,000.00	\$ 85,000.00			
GI Vets Home (Other Grants)	\$ 265,000.00	\$ 265,000.00			Spring 2021
Southeast Commons 1201 S Locust	\$ 100,000.00	\$ 100,000.00			Summer 2021
Rise Properties 119 W 3rd (12/9/20)	\$ 59,477.00	\$ 59,477.00			Summer 2021
Total Committed	\$ 559,477.00	\$ 559,477.00	\$ -	\$ -	
FIRE & LIFE SAFETY GRANT	TOTAL AMOUNT	2021 FISCAL YR	2022 FISCAL YR	2023 FISCAL YR	ESTIMATED COMP
201-203 W. 3rd St. Anson (8-24-16)	\$ 310,000.00	\$ 310,000.00			Spring 2022
Peaceful Root 217 N Locust (9/18/19)	\$ 70,000.00	\$ 70,000.00			Fall 2021
Rawr Holdings 110 W 2nd (12/12/18)	\$ 35,000.00	\$ 35,000.00			Winter 2022
Total Committed F&L Safety Grant	\$ 415,000.00	\$ 415,000.00	\$ -	\$ -	

	BUDGET	2021	2021 LEFT
Façade Budgeted 2021	\$ 200,000.00	\$ 199,977.00	\$ 23.00
Other Projects Budgeted 2021	\$ 200,000.00	\$ 111,500.00	\$ 88,500.00
Land - Budgeted 2021	\$ 30,000.00	\$ -	\$ 30,000.00
Land Sales Budgeted 2021	\$ -	\$ -	\$ -
subtotal		\$ 311,477.00	\$ 118,523.00
Balance		\$ 311,477.00	\$ 118,523.00

	BUDGET	PAID	LEFT
Building Improvements *	\$ 670,000.00	\$ 15,736.05	\$ 654,263.95

*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

April 30, 2021



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item I1

**Redevelopment Plan Amendment CRA Area 2 - Bosselman - 1607
S. Locust**

Staff Contact:

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

RESOLUTION NO. 352

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

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

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

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

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

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

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

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

Bosselman Corporate Office 1607 S. Locust 2021 Amendment

accommodations, or conditions of blight.

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

Section 3. In compliance with section 18-2114 of the Act, the Authority finds and determines as follows: (a) the Redevelopment Area constituting the Redevelopment Project will not be acquired by the Authority and the Authority shall receive no proceeds from disposal to the Redeveloper; (b) the estimated cost of project acquisition and the estimated cost of preparation for redevelopment including site work, onsite utilities and related costs are described in detail in Exhibit B attached hereto; (c) the method of acquisition of the real estate shall be by private contract by the Redeveloper and not by condemnation; and (d) the method of financing the Redevelopment Project shall be by issuance of tax increment revenue bond issued in the approximate amount of \$6,552,000 which shall be granted to the Redeveloper and from additional funds provided by the Redeveloper. No families will be displaced from the Redevelopment Project Area as a result of the project.

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

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

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

PASSED AND APPROVED this 12th day of May, 2021.

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

ATTEST:

By: _____
Chair

By: _____
Secretary

Bosselman Corporate Office 1607 S. Locust 2021 Amendment

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

Lots One (1) and Fonner Fourth Subdivision, in the City of Grand Island, Hall County, Nebraska.

Southeast Commons/Fonner View Center

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Southeast Commons/Fonner View Center

Redevelopment Plan Amendment
Grand Island CRA Area 2
July 2015 Amended April 2021

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 2 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a commercial project in Area 2.

Executive Summary:
Project Description

THE ACQUISITION OF PROPERTY AT 1607 SOUTH LOCUST STREET AND THE SUBSEQUENT SITE WORK, RENOVATIONS, UTILITY IMPROVEMENTS, ENGINEERING, LANDSCAPING AND PARKING IMPROVEMENTS NECESSARY FOR REBUILDING CORPORATE OFFICE FOR BOSSELMAN COMPANIES ALONG WITH A **MOTEL QUICK SERVE RESTAURANT** AND SEPARATE PROFESSIONAL OFFICE SPACE AT THIS LOCATION.

The use of Tax Increment Financing (TIF) to aid in the acquisition of property, rehabilitation of the existing building, necessary site work and installation of public utilities and utility connections necessary to develop this site. The use of TIF makes it feasible to complete the proposed project within the timeline presented. This project developer has stated that the project will not be completed at this location without the use of TIF.

The acquisition, rehabilitation, site work and construction of all improvements will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2017 towards the allowable costs and associated financing for the acquisition and site work.

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

Property Description (the “Redevelopment Project Area”)

This property is located east of Locust Street south of State Fair Boulevard and west of Fonner Park in south central Grand Island, the attached map identifies the subject property and the surrounding land uses:

- **Legal Description** Lot 1 of Fonner Fourth Subdivision (It is anticipated this property will be re-subdivided to accommodate phases 2 and 3 of this proposal.

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021



CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

The tax increment will be captured for the tax years the payments for which become delinquent in years 2018 through 2031 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 new commercial space on this property.

Statutory Pledge of Taxes.

Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the Redevelopment Project Area shall be divided, for the period not to exceed 15 years after the effective date of the provision, which effective date shall be January 1, 2017. 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 September 13, 1999.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

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

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

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

a. Land Acquisition:

The Redevelopment Plan for Area 2 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The applicant will be acquiring the property from the current owner.

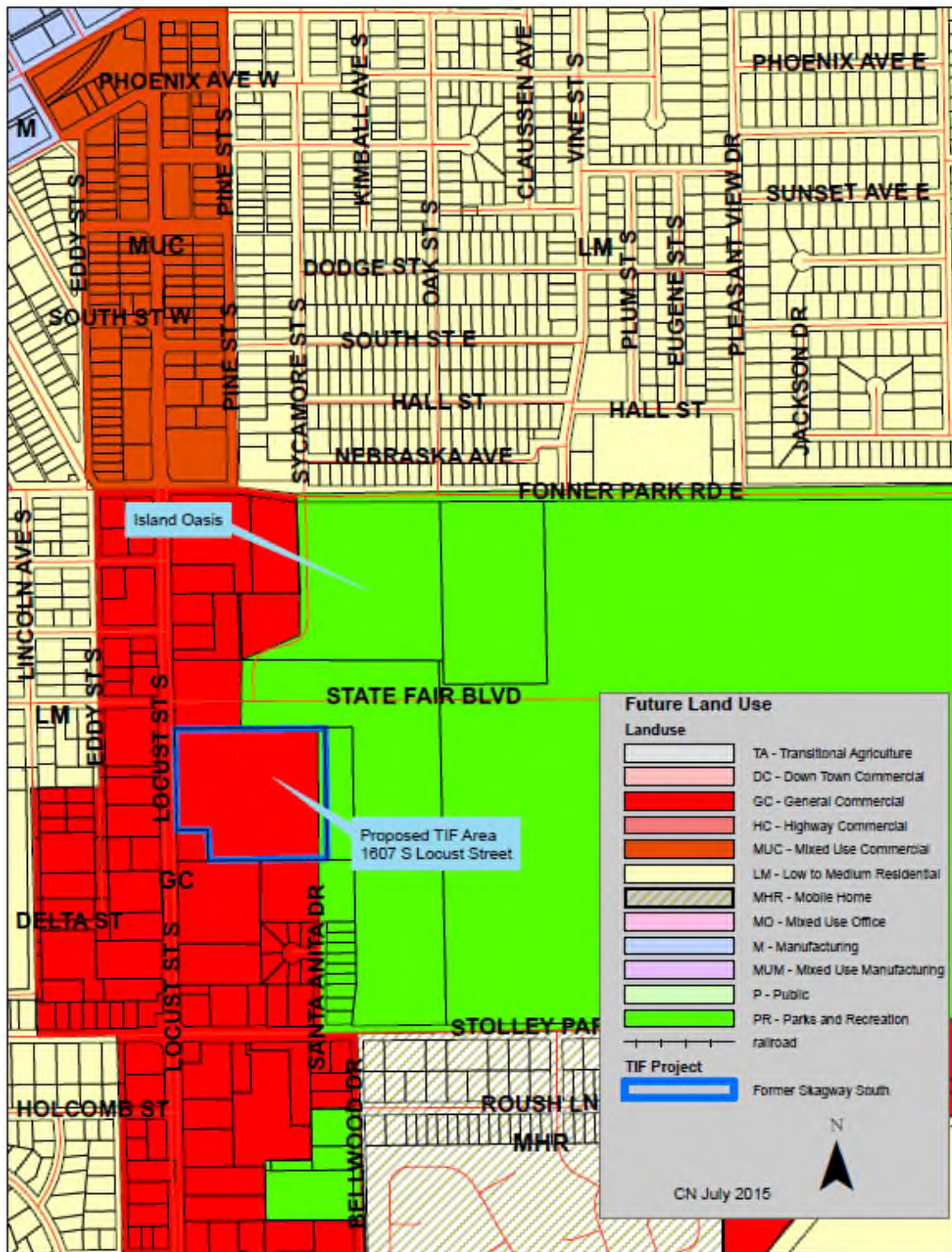
b. Demolition and Removal of Structures:

The project to be implemented with this plan will not require demolition of any existing structures.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for commercial development within this arterial corridor allowing for maximum exposure. Residential and hotel uses are also permitted in this area [§18-2103(b) and §18-2111]. The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021



City of Grand Island Future Land Use Map

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

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

The area is zoned B2-AC General Business zone with an Arterial Commercial Overlay District. 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 remodel the existing retail building for a combination of retail uses, office uses and residential dormitories. In addition, there are future phases that anticipate the development ~~of a 100-room motel~~ quick serve restaurant at the northwest corner of the site and additional in-line professional office space along the southern property line. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. Connections for water and sewer will have to be extended to serve the proposed future development.

No other utilities would be impacted by the development.

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

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

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

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

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

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

The developer ~~is proposing to~~ purchased this property for redevelopment for \$1,700,000 provided that TIF is available for the project as defined. The cost of property acquisition is being included as a TIF eligible expense. Costs for site preparation, utility extensions, building plans, and renovation of the existing building \$6,591,600 and are included as TIF eligible expenses for phase 1. ~~Phase 2 eligible expenses include sitework/utility extensions, architecture and legal fees of \$315,000.~~ Phase 3 eligible expenses include architecture and legal fees of \$120,000. The total amount of the TIF eligible expenses in this request is over \$8,700,000 It is estimated based on the proposed increased valuation for Phase 1 of the project of \$11,617,706 will result in \$3,836,200 of increment generated over a 15 year period. Phase 2 would generate an increase in value of ~~\$8,083,000~~ ~~521,273,~~with ~~\$2,491,229~~ ~~102,114~~ generated over a ~~14~~ 9 year period. Phase 3 would generate an increase of \$787,000 with ~~\$225,230~~ ~~17,325~~ generated ~~over a 13-year period~~ ~~annually for the remainder of the term after construction.~~ A ~~maximum~~ total of ~~\$6,552,000~~ ~~4,094,242~~ of TIF would be available to cover \$8,726,600 worth of TIF eligible expenses. It is anticipated that the developer will spend almost \$2,175,000 more on eligible expenses than will be generated by the tax increment.

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~~ ~~has~~ assisted the project by granting the sum of \$6,552,000 for the project from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt after January 1, 2018 through December 2032.

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

c. Statement of feasible method of relocating displaced families.

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

7. Section 18-2113 of the Act requires:

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

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan, in that it will allow for the utilization of the existing building and development of additional commercial facilities at this location. This lot is surrounded by similar commercial uses. This will not increase traffic in the area. New commercial development will raise property values and provide a stimulus to keep surrounding properties properly maintained. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions.

8. Time Frame for Development

Development of Phase 1 of this project is anticipated to be completed between January of 2016 and December of 2016. Excess valuation should be available for this project for 15 years beginning with the 2017 tax year. It is anticipated that Phases 2 **will be completed before the end of 2021.** Phase 3 will be completed **within 5 years of the beginning of the project when feasible** depending on market conditions.

9. Justification of Project

The property is located at the entrance to the Fonner Park and the Nebraska State Fair Grounds. These facilities are enjoyed and visited by hundreds of thousands of people each year. This commercial property was vacated in May of 2015 and this is an excellent chance to redevelop the property as the corporate headquarters for a Grand Island based company that does business all over the United States. The proposed project will be highly visible and complement the image of both the Community and the Bosselman

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

Companies. ~~The potential addition of a hotel at this location increases the synergy between Fonner Park and the Bosselman Conference center and South Locust. This will provide hotel rooms within close walking distance to these facilities.~~ Market conditions and the likelihood that a casino and hotel complex will be completed on the Fonner Grounds greatly reduce the commercial viability of a hotel at this site. This project does not propose to tear down or substantially alter any buildings with historic value.

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 Bosselman Skagway South Redevelopment Project, including:

Project Sources and Uses. Approximately ~~\$6,552,000~~ 4,094,000 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. This project still has more than ~~\$8,726,600~~ 8,576,600 worth of TIF eligible expenses. The developer will be responsible for funding the additional ~~\$2,174,600~~ 4,482,600 as private investment. The total private investment on this project is the total of the costs not eligible for TIF ~~\$11,215,000~~ 3,175,000 plus the ~~\$2,174,600~~ 4,482,600 of TIF eligible costs that will not be covered by the Tax Increment for a total private investment of ~~\$13,389,600~~ 7,657,600. This ~~\$6,552,000~~ 4,094,000 investment by the Authority and the people of Grand Island will leverage ~~\$13,389,600~~ 7,657,600 in private sector financing; a private investment of ~~\$2.04~~ 1.87 for every TIF dollar investment.

Use of Funds. Phase 1			
Description	Eligible for TIF Funds	Private Funds	Total
Site Acquisition	\$1,700,000		\$1,700,000
Utilities/On Site Improvements	\$500,000		\$500,000
Legal Private	\$5,000		\$5,000
Legal CRA Cost ¹	\$35,000		\$35,000
Fees ¹	\$1,600		\$1,600
Architecture	\$60,000		\$60,000
Building Rehabilitation Costs	\$6,000,000		\$6,000,000
Soft Costs		\$215,000	\$215,000
Personal Property		\$750,000	\$750,000
TOTALS	\$8,301,600	\$965,000	\$9,266,600

¹ Not included on application but shown as an eligible expense to be paid by the developer.

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

Use of Funds. Phase 2			
Description	Eligible for TIF Funds	Private Funds	Total
Site Acquisition	\$0		\$0
Utilities/On Site Improvements	\$0 \$110,000		\$0 \$110,000
Legal Private	\$5,000	\$	\$5,000
Fees	\$		\$
Architecture	\$60,000 \$35,000	\$	\$60,000 \$35,000
Building Costs		\$9,000,000 \$1,070,000	\$9,000,000 \$1,070,000
Soft Costs		\$205,000 \$110,000	\$205,000 \$110,000
Personal Property		\$	\$
TOTALS	\$65,000 \$145,000	\$9,215,000 \$1,180,000	\$9,280,000 \$1,325,000

Use of Funds. Phase 3			
Description	Eligible for TIF Funds	Private Funds	Total
Site Acquisition	0		0
Utilities/On Site Improvements	\$100,000		\$100,000
Legal Private	\$5,000		\$5,000
Fees	\$0		\$0
Architecture	\$15,000		\$15,000
Building Costs	\$	1,000,000	\$1,000,000
Soft Costs		\$30,000	\$30,000
Personal Property		\$	\$
TOTALS	\$120,000	\$1,030,000	\$1,150,000

Tax Revenue. The property to be redeveloped has a January 1, 2015, valuation of approximately \$2,290,814. Based on the 2014 levy this would result in a real property tax of approximately \$50,292. It is anticipated that the assessed value will increase by almost ~~\$20,500,000~~ 12,926,014 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over ~~\$451,000~~ 284,418 annually resulting in ~~\$6,552,000~~ 4,094,242 of increment over the 15 year period. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

Estimated 2014 assessed value:	\$ 2,290,814
Estimated 2020 assessed value	\$ 6,441,977
2020 TIF Base	\$ 2,652,701
2020 TIF Excess	\$ 3,789,276
Estimated value after completion	\$ 22,778,988
	\$ 15,216,825
Increment value	\$ 20,488,175
	\$ 12,926,014
Annual TIF generated (estimated)	\$ 451,017
	\$ 284,418
TIF bond issue	\$ 6,552,000
Expected TIF Payout based on revised plan	\$ 4,094,242

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

The redevelopment project area ~~currently has an estimated 2020~~ base valuation of ~~\$2,290,814~~ 2,652,701. The proposed redevelopment and commercial construction at this location will result in an additional ~~\$20,488,175~~ 12,926,014 of taxable valuation based on valuations of similar properties. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off. The project will not add any tax burdens to taxing entities. Therefore no tax shifts will occur.

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

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

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

This project will not negatively impact employers or employees in the area directly. Bosselman Companies will be able to continue employing people within the City of Grand Island.

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

No impacts are anticipated outside of the city or immediate area to total employment from this project other than the incremental increase due to the construction.

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021

(e) Impacts on the student population of school districts within the city or village; and

This project is unlikely to create any direct increase in cost for schools in the area. This project does not involve housing and is renovation of an existing commercial site.

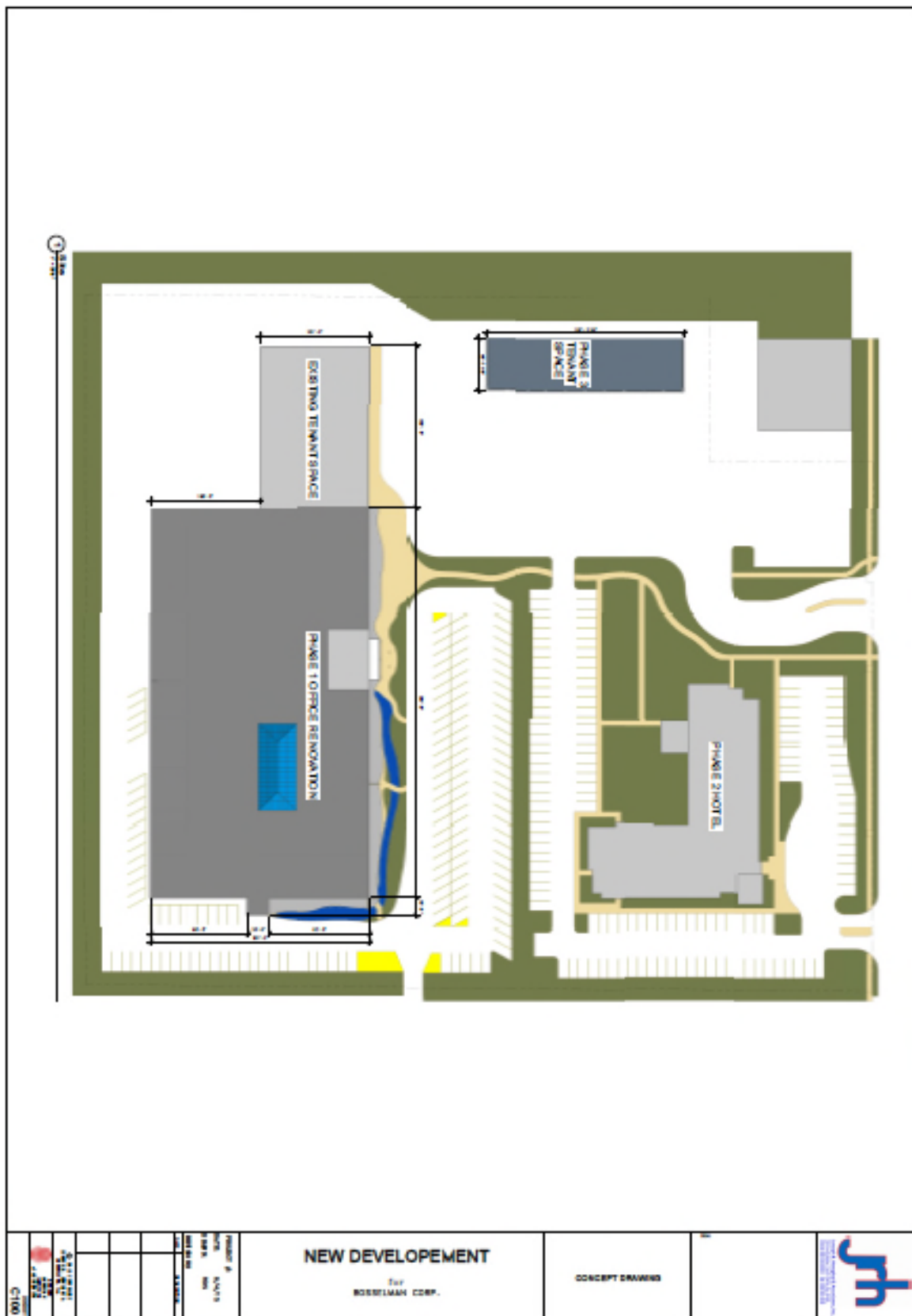
(f) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

This project will utilize a piece of property in the Grand Island City Limits that is at the entrance to the Fonner Park and the Nebraska State Fair grounds. This property ~~has been~~ was the home of Skagway South for more than 20 years and the Bosselman Corporate Offices since 2016. Skagway closed in 2015 ~~this past May~~ leaving the building mostly vacant. This project will change this entrance in to the fairgrounds in a positive way, rehabilitate and reutilize the existing building and provide hotel rooms within walking distance of the fairgrounds.

Time Frame for Development

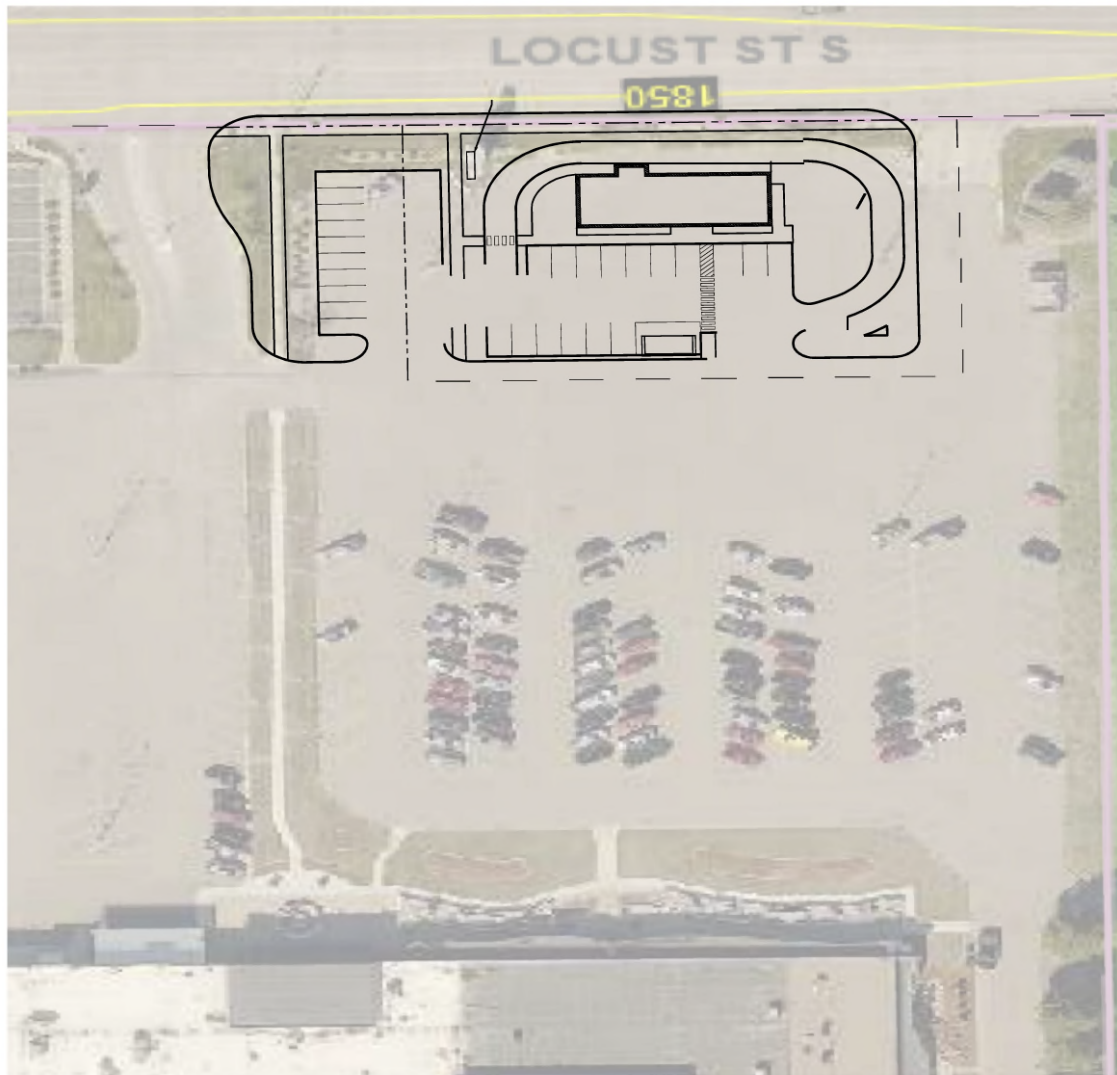
Development of this project is anticipated to be completed during between October 2015 and December of 2018, depending on the market demand for the buildings in phases 2 and 3. ~~Phases 2 will be completed by the end of 2021 and Phase 3 is dependent on market demand.~~ The date of TIF will be established with the approved contract but it is anticipated that the base tax year should be calculated on the value of the property as of January 1, 2016. Excess valuation should be available for this project for 15 years beginning with the 2017 tax year. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$6,552,000 the projected amount of the eligible expenses for this project. Based on the purchase price of the property and estimates of the expenses of renovation activities and associated engineering fees, the developer will spend more than \$8,700,000 on TIF eligible activities. ~~As part of the 2021 amendment it is anticipated that eligible activities will still exceed \$8,700,000 and that the total TIF generated will be \$4,094,000 not \$6,552,000. The eligible activities from Phase 1 of this project exceed the total TIF that will be generated by completion of all three phases of the project.~~

See Attached Site Plan



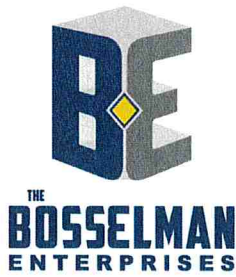
Site Plan As Originally Proposed

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021



Proposed Phase 2 Development with 2021 Amendent

CRA Area 2 Redevelopment Plan Amendment 1607 S. Locust April 2021



308.381.2800 // BOSSELMAN.COM

1607 S Locust St, Ste A • P.O. Box 4905
Grand Island, NE 68802

March 26, 2021

Grand Island Community Redevelopment Authority
City of Grand Island
City Hall
100 East First Street
Grand Island, NE 6880

CRA Board Members:

Bosselman Real Estate, LLC, an affiliate of The Bosselman Enterprises family of companies, is requesting an amendment to our 2015 application for Tax Increment Financing related to our corporate headquarter at 1607 South Locust Street, Grand Island Nebraska. This application resulted in a redevelopment amendment that was adopted by the City of Grand Island on September 8, 2015 and a Redevelopment Contract was executed September 29, 2015.

Our original application proposed the following:

The redevelopment of the former Skagway building located at 1607 South Locust Street into to a vibrant corporate office setting with bistro, retail liquor store, hotel and convention center, and commercial professional office plaza. The property is comprised of 10.10 acres with 73,313 square feet under roof. The existing building is brick exterior with steel internal structure. Bosselman Real Estate, LLC will execute a three-phase plan for the renovation of the existing building and development of a new hotel and professional commercial office building.

We have completed the first phase of this project and are starting Phase Two. Our original application proposed the following for Phase Two:

PHASE TWO: Bosselman Real Estate, LLC proposes a ground up build of a branded hotel/convention center with an estimated 100 rooms.

Economic conditions have dictated that we amend our original plans. Instead of constructing a hotel/convention center, we intend to construct and lease a build-to-suit building that will house a quick service restaurant store.

We appreciate your assistance in this matter and look forward to a positive resolution.

Charlie Bosselman
Bosselman Real Estate, LLC
Member/Manager



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: Bosselman Real Estate, LLC
1607 South Locust Street, Suite A
Grand Island, NE 68802-4905

Contact: Rich Ostdiek
richard.ostdiek@bosselman.com
Phone: (308) 218-2375
Fax: (308) 382-1160

Application Submission Date: March 26, 2021

Brief Description of Applicant's Business:

Bosselman Real Estate, LLC is a Nebraska limited liability company affiliated with the Bosselman Enterprises. Founded in 1948, Bosselman Enterprises has expanded its family of companies to 45 Pump & Pantry convenience stores, 46 Boss Truck Shop service centers, six hotel/motel locations, three proprietary restaurants and multiple franchised concepts, and two Bosselman Travel Centers amongst other business ventures. Bosselman Enterprises is headquartered in Grand Island, Nebraska, in a beautifully renovated campus on S. Locust St. next to its very own Speakeasy-themed Bistro & Liquor Warehouse. This campus is the beneficiary of the original TIF project approved in 2015.

Legal Description/Address of Proposed Project:

Current Bosselman Enterprises headquarters located at 1607 South Locust Street, Grand Island, NE 68802

Community Redevelopment Area Number:

Grand Island Community Redevelopment Area 2

Present Ownership Proposed Project Site:

Parcel #400130572
Bosselman Real Estate, LLC
1607 South Locust Street, Suite A
Grand Island, NE 68802-49051

Is purchase of the site contingent on Tax Increment Financing Approval? Yes ☐ No ☒

This site was purchased after approval of our application in 2015

Proposed Project:

The original project as approved in 2015 was described as follows:

(Original application and CRA Redevelopment Plan Amendment attached)

The redevelopment of the former Skagway building located at 1607 South Locust Street into to a vibrant corporate office setting with bistro, retail liquor store, hotel and convention center, and commercial professional office plaza. The property is comprised of 10.10 acres with 73,313 square feet under roof. The existing building is brick exterior with steel internal structure. Bosselman Real Estate, LLC will execute a three-phase plan for the renovation of the existing building and development of a new hotel and professional commercial office building.

PHASE ONE: Bosselman Real Estate, LLC proposes a complete renovation of the existing Skagway building including exterior windows, new facade, paint, roof, HVAC, interior demolition, parking lot repair, site beautification construction to convert the structure to a class A, state-of-the-art corporate office facility totaling 42,000 square feet, plus warehouse space. Phase One also includes a 4,000 square foot bistro/catering venture and a 2,500 square foot retail liquor store. The current facade will be completely removed and replaced with new branding to include Bosselman signage, awnings, paint, lighting, windows, and water feature. Exterior amenities will include secure parking with site lighting, new asphalt overlay, and landscaping.

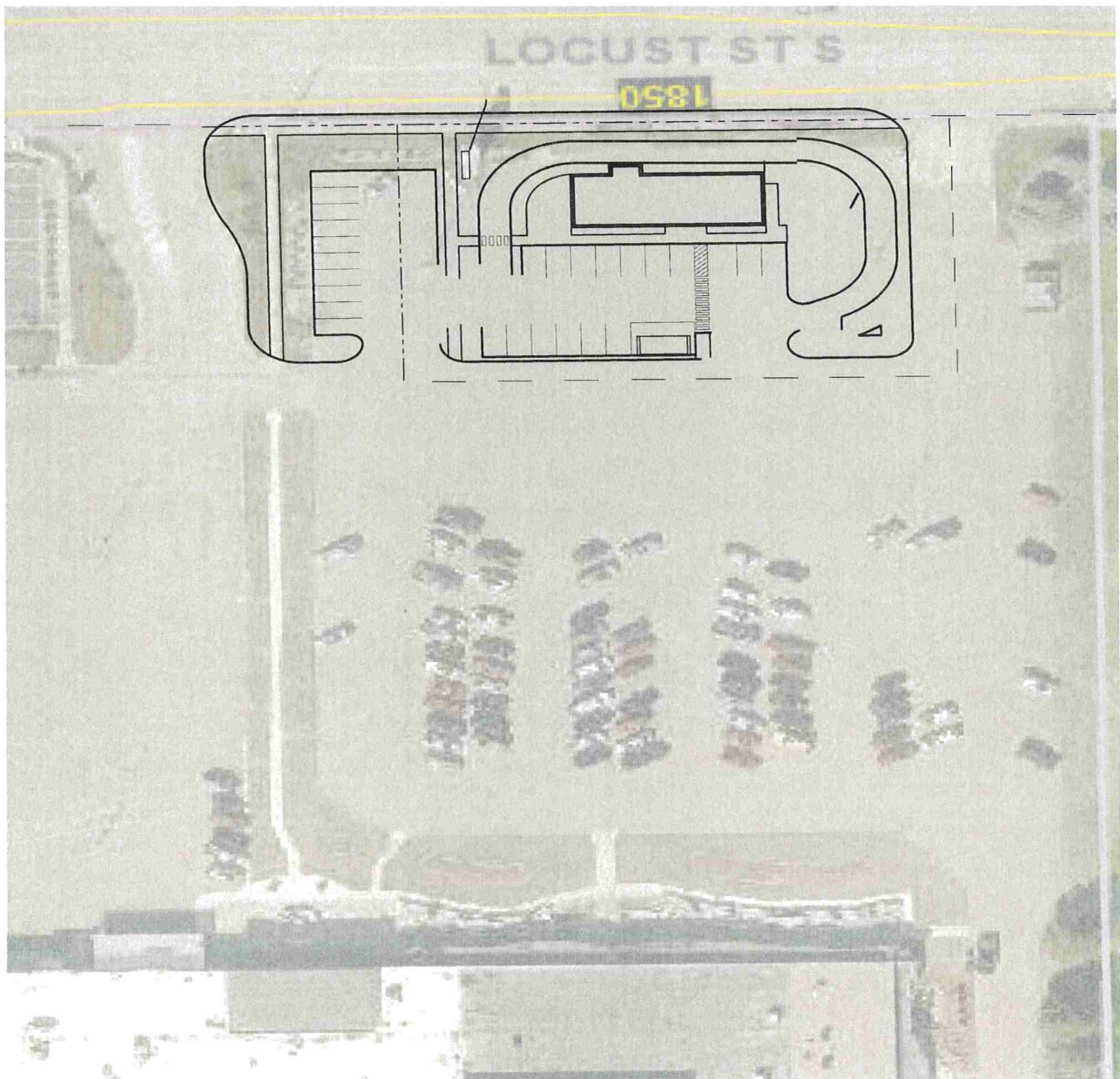
PHASE TWO: Bosselman Real Estate, LLC proposes a ground up build of a branded hotel/convention center with an estimated 100 rooms.

PHASE THREE: Bosselman Real Estate, LLC proposes a professional commercial office building, with (6) 1,500 square foot suites for lease.

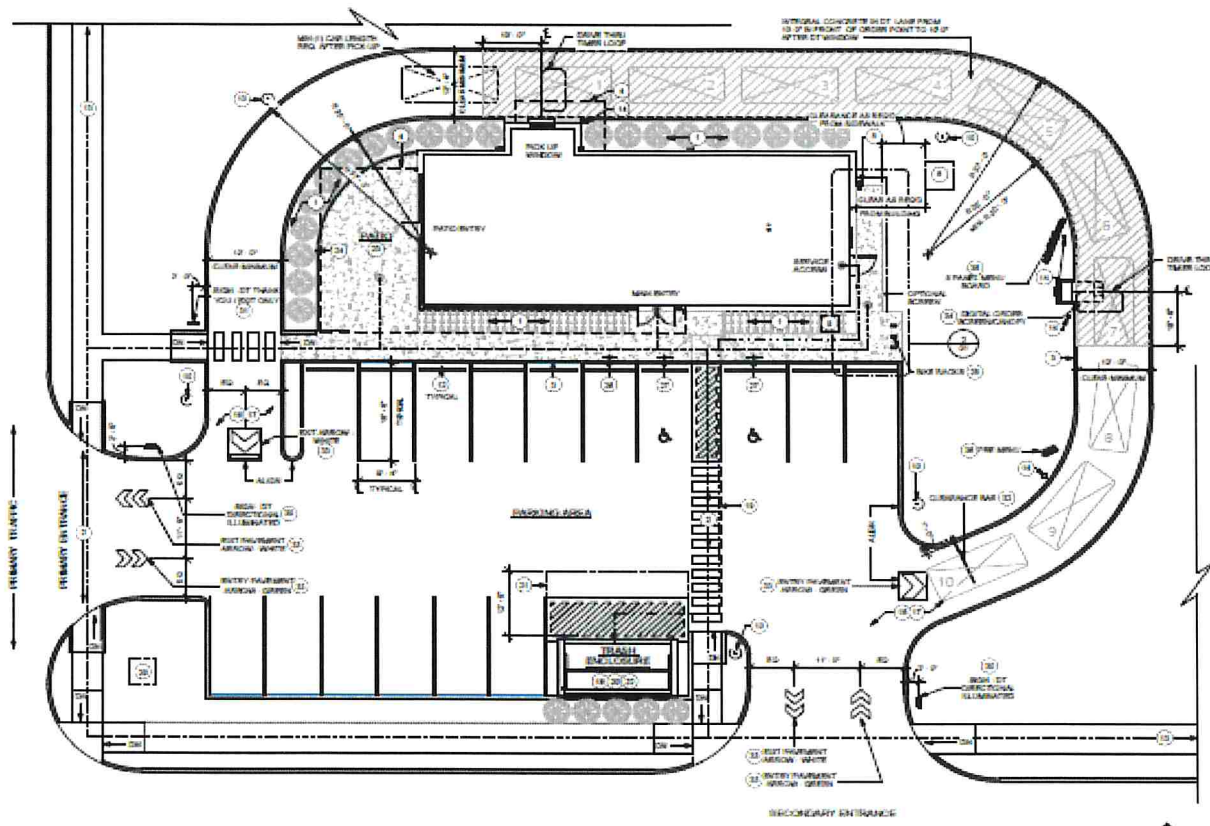
Phase One of this project is complete. We are now entering Phase Two of this project but economic

conditions have dictated that we amend our original plans. The recent approval of gambling in the State of Nebraska has Fonner Park planning to open a casino, hotel and convention center only a few hundred yards from our planned facility. For this reason, we are amending our original plan from the construction of a branded hotel/convention center to the construction of a build-to-suit quick service restaurant.

Bosselman Real Estate, LLC proposes to construct and lease a 2,225 square foot, wood frame constructed building with necessary improvement in and around the property to house a quick service restaurant. A quick service restaurant would be a tenant in this building. This building would be located on approximately 30,000 square foot of ground located in the northwest corner of the Bosselman Enterprises parking lot located at 1607 South Locust Street in Grand Island, Nebraska.



Prototypical Site Map



If Property is to be Subdivided, Show Division Planned:

This decision has not been made and will be determined based on economic costs and benefits currently under review.

Estimated Project Costs: Revised Phase II Quick Service Restaurant

Acquisition Costs:

A.	Land	\$0
B.	Building	\$0

Construction Costs:

A.	Renovation or Building Costs	\$1,070,000
B	On-Site Improvements	
1	Sewer	\$15,000
2	Water	\$15,000
3	Electric	\$15,000
4	Gas	\$15,000
5	Public Streets/Sidewalks	\$5,000
6	Private Streets	\$0

7	Trails	\$0
8	Grading/Dirt work/Fill	\$15,000
9	Demolition	\$15,000
10	Other	\$15,000

Soft Costs:

A.	Architectural & Engineering Fees	\$35,000
B.	Financing Fees	\$0
C.	Legal/Developer/Audit Fees	\$50,000
D.	Contingency Reserves	\$60,000
E.	Other (Please Specify)	\$0

TOTAL: \$1,325,000

Total Estimated Market Value at Completion: \$521,273
Source for Estimated Market Value: Hall County Assessor - attached

Estimated Project Costs: Original Phase II Hotel/Convention Center

Acquisition Costs:

A.	Land	\$0
B.	Building	\$0

Construction Costs:

A.	Renovation or Building Costs	\$9,000,000
B.	On-Site Improvements	\$250,000

Soft Costs:

A.	Architectural & Engineering Fees	\$60,000
B.	Financing Fees	\$15,000
C.	Legal/Developer/Audit Fees	\$5,000
D.	Contingency Reserves	\$200,000
E.	Other (Please Specify)	\$0

TOTAL: \$9,530,000

Total Estimated Market Value at Completion: \$8,083,434
Source for Estimated Market Value: Hall County Assessor

Source of Financing

A. Developer Equity: Owned Land
B. Commercial Bank Loan: \$1,325,000

C. Tax Credits: \$0

D. Industrial Revenue Bonds: \$0
E. Tax Increment Assistance: Approved in 2015
F. Other: \$0

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

Architect: Joseph R Hewgley & Associates
702 S. Bailey
North Platte, NE 69101
(308) 534-4983

Engineer: TC Engineering
1 S. Sycamore Street
North Platte, NE 69101
(308) 534-9245

General Contractor: Bosselman Administrative Services, Inc.
1607 South Locust Street, Suite A
PO Box 4905
Grand Island Ne. 68802-4905
(308) 381-2800

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

	<u>Estimated Valuation</u>	<u>2020 Tax Rate *</u>	<u>Estimated Tax Calc</u>
Estimated valuation after Phase II of Project completed	\$521,273	2.1766	\$11,346
2015 assessed base value on parcel	<u>-</u>	2.1766	<u>-</u>
Estimated excess valuation on Phase II TIF Project	<u>\$521,273</u>	2.1766	<u>\$11,346</u>

Increase in annual real estate tax	\$11,346
Remaining TIF Life (years)	9
Potential TIF assistance at 0% lending rate	\$102,114

* Tax rate per \$100 of valuation

Project (Phase II) Construction Schedule:

Construction Start Date:	May 1, 2021 (planned)
Construction Completion Date:	October 1, 2021

Please Attach Construction Pro Forma

See Estimated Project Cost listed above.

Please Attach Annual Income & Expense Pro Forma
(With appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

The original application from 2015 included the following purpose:

THE ACQUISITION OF PROPERTY AT 1607 SOUTH LOCUST STREET AND THE SUBSEQUENT SITE WORK, RENOVATIONS, UTILITY IMPROVEMENTS, ENGINEERING, LANDSCAPING AND PARKING IMPROVEMENTS NECESSARY FOR REBUILDING CORPORATE OFFICE FOR BOSSELMAN COMPANIES ALONG WITH A MOTEL AND SEPARATE PROFESSIONAL OFFICE SPACE AT THIS LOCATION.

This application was approved in the amount of \$6,552,000.

This application requests an amendment to the original plan that replaces the hotel/convention center with a quick service restaurant. The amount of new TIF funds that will be generated by this project is \$102,114.

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

The original application noted that the necessity for the use of Tax Increment Financing for this Project was:

Due to the poor condition of the building and parking lot, financial analysis has determined without TIF, the building acquisition costs, demolition, renovation, and new construction

costs are too high to support a reasonable ROI on the project.

The CRA at the time approved this project and it has been an overwhelming success. Bosselman Enterprises have moved its headquarters to this site and, by doing so, improved the visual appearance of the entrance to the Fair Grounds. In addition, the opening of the Tommy Gunz restaurant and related bar and liquor store resulted in additional employment and enhanced dining and entertainment in Grand Island. And finally, this project was the catalyst for additional economic development along the Locust Street corridor in South Grand Island.

Financially, the gap between this project with and without the additional TIF funding can be measured two ways: the difference in the capitalization rate and the discounted cash flow internal rate of return.

	<u>With TIF</u>	<u>Without TIF</u>
Capitalization Rate	7.5%	6.8%
Discounted Cash Flow IRR	8.8%	6.7%

Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other Corporations the Applicant has been involved with, or has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

2020	Jackson, NE	Pump & Pantry
2020	Ardmore, OK	Boss Truck Shop
2019	Ogallala, NE	Pump & Pantry
2019	Sioux Falls, SD	Boss Truck Shop
2019	Grand Island, NE	Pump & Pantry
2018	Kenly, NC	Boss Truck Shop
2018	Grand Island, NE	Tommy Gunz Bistro and Liquor Store
2018	Garden City, KS	Bosselman Travel Centers
2018	Garden City, KS	Boss Truck Shop
2018	Elk Run Heights, IA	Boss Truck Shop
2017	St Robert, MO	Boss Truck Shop
2017	Grand Island, NE	Bosselman Enterprises Headquarters

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

Resolution Number 2021-03

HALL COUNTY REGIONAL PLANNING COMMISSION

**A RESOLUTION RECOMMENDING APPROVAL OF A SITE SPECIFIC
REDEVELOPMENT PLAN OF THE CITY OF GRAND ISLAND, NEBRASKA;
AND APPROVAL OF RELATED ACTIONS**

WHEREAS, the Chairman and Board of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “**Authority**”), referred the **Redevelopment Plan for 1607 South Locust Street Bosselman Corporate Office** to the Hall County Regional Planning Commission, (the “**Commission**”) for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”); and

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

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

Section 1. The Commission hereby recommends approval of the Redevelopment Plan.

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

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

DATED: May 5, 2021.

**HALL COUNTY REGIONAL PLANNING
COMMISSION**

ATTEST:

By: _____
Chair

By: _____
Secretary



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item I2

**Redevelopment Plan Amendment CRA Area 6 - Ebc Obermiller
LLC (Miller Tire) - 722 N. Eddy**

Staff Contact:

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

RESOLUTION NO. 353

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

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

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

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

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

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

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

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

Ebc Obermiller LLC (Miller Tire) Area 6

accommodations, or conditions of blight.

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

Section 3. In compliance with section 18-2114 of the Act, the Authority finds and determines as follows: (a) the Redevelopment Area constituting the Redevelopment Project will not be acquired by the Authority and the Authority shall receive no proceeds from disposal to the Redeveloper; (b) the estimated cost of project acquisition and the estimated cost of preparation for redevelopment including site work, onsite utilities and related costs are described in detail in Exhibit B attached hereto; (c) the method of acquisition of the real estate shall be by private contract by the Redeveloper and not by condemnation; and (d) the method of financing the Redevelopment Project shall be by issuance of tax increment revenue bond issued in the approximate amount of \$318,285 which shall be granted to the Redeveloper and from additional funds provided by the Redeveloper. No families will be displaced from the Redevelopment Project Area as a result of the project.

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

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

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

PASSED AND APPROVED this 12th day of May, 2021.

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

ATTEST:

By: _____
Chair

By: _____
Secretary

Ebc Obermiller LLC (Miller Tire) Area 6

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

Lots One (1) and Fonner Fourth Subdivision, in the City of Grand Island, Hall County, Nebraska.

Southeast Commons/Fonner View Center

* * * * *

EXHIBIT B

FORM OF REDEVELOPMENT PLAN

Southeast Commons/Fonner View Center

**Redevelopment Plan Amendment
Grand Island CRA Area 6
October 2020**

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

**Executive Summary:
Project Description**

THE ACQUISITION OF PROPERTY AT 722 N EDDY STREET AND THE SUBSEQUENT SITE WORK, UTILITY IMPROVEMENTS, ENGINEERING, LANDSCAPING, FAÇADE ENHANCMENTS, RECONSTRUCTION AND PARKING IMPROVEMENTS NECESSARY FOR REDEVELOPMENT OF THIS PROPERTY.

The use of Tax Increment Financing (TIF) to aid in the acquisition of property, necessary site work and rehabilitation necessary to develop this site. The use of TIF makes it feasible to complete the proposed project within the timeline presented. This project would not be considered at this time and location without the use of TIF. Financing for the project is contingent on TIF

The acquisition, site work and construction of all improvements will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2022 towards the allowable costs and associated financing for the acquisition and site work.

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

Property Description (the “Redevelopment Project Area”)

This property is located south of 8th Street and west of Eddy Street in south central Grand Island, the attached map identifies the subject property and the surrounding land uses:

- **Legal Description:** Lots One (1), Two (2) and Three (3) Block 14 H. G. Clarks Addition, in the City of Grand Island, Hall County, Nebraska,



Existing Land Use

Ebc Obermiller LLC: 722 N Eddy Street

Page | 2

This plan amendment provides for the issuance TIF Notes, the proceeds of which will be granted to the Redeveloper. The tax increment will be captured for up to 15 tax years the payments for which become delinquent in years 2022 through 2036 inclusive or as otherwise dictated by the contract.

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

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Authority hereby provides that any ad valorem tax on any Lot or Lots located in the Redevelopment Project Area identified from time to time by the Redeveloper (such Lot or Lots being referred to herein as a "Phase") as identified in a written notice from the Redeveloper to the Authority (each, a "Redevelopment Contract Amendment Notice") for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract Amendment Notice and reflected in a Redevelopment Contract Amendment, 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 October 9, 2007.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

2. Conformation to the General Plan for the Municipality as a whole. [§18-2103 (26) (a) and §18-2110]

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to acquire the necessary property and provide the necessary site work, utilities and street improvements needed for the construction of a permitted use on this property. **The Hall County Regional Planning Commission held a public hearing at their meeting on May 5, 2021 and passed Resolution 2021-05 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.**

3. The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(26) (b)]

a. Land Acquisition:

The Redevelopment Plan for Area 6 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The applicant will be acquiring the property from the current owner for \$245,000.

b. Demolition and Removal of Structures:

The project to be implemented with this plan will require complete demolition of any existing structures.

c. Future Land Use Plan

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



City of Grand Island Future Land Use Map

Ebc Obermiller LLC: 722 N Eddy Street

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

The area is zoned B2 General Business zone & R4 High Density Residential Zone. A zoning change is necessary for Three (3) Block 14 H. G. Clarks Addition and in process. 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 demolish the current structure and construct a car repair shop with nine service bays.

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development.

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

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

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

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

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

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

The developer is proposing to purchase this property for \$245,000. The cost of property acquisition is being included as a TIF eligible expense. Total costs for construction is estimated at \$1,209,500 and is not TIF eligible. The cost of grading, dirt work and fill is \$20,000. An additional \$40,000 of expenses for demolition, along with on-site improvements of \$11,000. Including a \$5,700 of expenses for legal work, fees and financial tracking of this project are also included as eligible expenses. The total estimated eligible expenses are \$321,700. The request for TIF assistance is \$318,825. It is estimated based on the proposed increased valuation to \$1,218,278 that available TIF

Ebc Obermiller LLC: 722 N Eddy Street

Page | 6

would be \$333,307 over the 15 year period. This project should pay off prior to the end of the 15 year bond period.

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 not less than \$318,285 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest according to the approved contract.

c. Statement of feasible method of relocating displaced families.

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

7. Section 18-2113 of the Act requires:

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

The Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan, in that it will allow for the reconstruction and enhanced utilization of commercial space this location. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions.

8. Time Frame for Development

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

9. Justification of Project

This is infill development in an area with all city sewer and water available. The developer owns other properties in the area and has almost 50 full time employees working at those locations and is ready to expand in this area of the community.

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

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

Project Sources and Uses. A minimum of \$318,285 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 \$896,915 in private sector financing and investment; a private investment of \$2.82 for every TIF dollar investment. It is estimated this will pay off in 15 years.

Use of Funds.	Source of Funds		
Description	Eligible for TIF Funds	Private Funds	Total
Site Acquisition	\$245,000		\$245,000
Grading/Dirtwork/Fill	\$20,000		\$20,000
Demolition	\$40,000		\$40,000
On-Site Improvements	\$11,000		\$11,000
Soft Costs		\$10,000	\$10,000
Legal CRA Cost	\$2,285	\$3,415	\$5,700
Building Construction Costs		\$883,500	\$883,500
TOTALS	\$318,285	\$896,915	\$1,215,200

Tax Revenue. The property to be redeveloped is expected to have has a January 1, 2022, valuation of approximately \$1,218,278. Based on the 2021 levy this would result in a real property tax of approximately \$26,517. It is anticipated that the assessed value will increase by \$1,011,158 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$22,220 annually resulting in approximately \$333,307 of increment over the 15 year period. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2021 assessed value:	\$ 207,120
Estimated value after completion	\$ 1,218,278
Increment value	\$ 1,011,158
Annual TIF generated (estimated)	\$ 22,220
TIF bond issue	\$ 318,285

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

The redevelopment project area has an estimated valuation of \$207,120. The proposed improvements at this location will result in at least an additional \$1,011,158 of taxable valuation based on the Hall County Assessor's office evaluation of the project. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off. The project will not add any tax burdens to taxing entities. Therefore no tax shifts will occur.

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

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

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

The proposed uses at this site would compete for skilled mechanics positions. The developer already employs almost 50 people and most of those workers would work at this facility.

(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 is unlikely to have an impact on other employers and employees within the city.

(e) Impacts on the student population of school districts within the city or village; and

This project is unlikely to create any direct increase in cost for schools in the area. This project does not involve housing and will demolish and reconstruct a facility for commercial use at this site.

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

The future land use of this area recommends mixed use commercial development in this area of the community. Eddy Street is commercial corridor and in 2020 the city rezoned the Eddy Street corridor between 9th Street and 17th to B2 General Business Zone. The whole corridor from 4th Street to Five Points is zoned B2. North on Eddy at the Five Points area, the city has developed a plan to construct a major round about to alleviate traffic congestion allowing for a better flow of traffic through the area. Investment in this property will continue to promote the Eddy Street corridor as a sustainable area for commercial development as the city grows.

Time Frame for Development

Development of this project is anticipated to be completed October 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 the 2022 tax year. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years. The full amount of TIF generated over a 15 year period would be \$333,307 and the developer has requested \$318,285 to cover just over \$321,000 of eligible expenses.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

Ebc Obermiller LLC

Address:

2015 Stagecoach rd

Telephone No.: 308-380-9916

Fax No.: 308-675-2490

Email: Millertiregi@yahoo.com

Contact:

Adam Miller

Application Submission Date: 02/26/2021

Brief Description of Applicant's Business:

Ebc Obermiller LLC is a real estate company that owns the properties that Miller Tire Pros & Service operate out of. Miller Tire Pros & Service currently conduct business out of 4 Sales / Mechanical shop buildings located on 4th & eddy , 7th & eddy and 8th & eddy.

Legal Description/Address of Proposed Project

722 N Eddy St

Community Redevelopment Area Number

Present Ownership Proposed Project Site:
Hal Maggorie Photography, 722 N eddy st

Is purchase of the site contingent on Tax Increment Financing Approval? Yes ☒ No ☐

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

The building is currently owned by Hal Maggorie in which he operates a photography studio out of. Our proposed project would require us to demolish the current structures on this property and construct a 81'x110' building that will have 9 service bays in it. The building will be a steel structure with Versetta Stone Ledgestone Sterling wainscot and Full glass bay doors on eddy st side for a clean store front appeal . Please see attached plans.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$ 245,000.00
B. Building	\$

Construction Costs:

A. Renovation or Building Costs:	\$ 788,500.00
B. On-Site Improvements:	
Sewer	\$ 2,000.00
Water	\$ 35,000.00
Electric	\$ 60,000.00
Gas	\$ 1,000.00
Public Streets/Sidewalks	\$ 8,000.00

Private Streets	\$ _____
Trails	\$ _____
Grading/Dirtwork/Fill	\$ 20,000.00
Demolition	\$ 40,000.00
Other	\$ _____
Total	\$ _____

Soft Costs:

A. Architectural & Engineering Fees:	\$ 10,000.00
B. Financing Fees:	\$ _____
C. Legal	\$ _____
D. Developer Fees:	\$ _____
E. Audit Fees	\$ _____
F. Contingency Reserves:	\$ _____
G. Other (Please Specify)	\$ _____

TOTAL \$ 964,500

Total Estimated Market Value at Completion: \$ 1,186,949

Source for Estimated Market Value Kristi Wold Hall County Assessor

Source of Financing:

A. Developer Equity:	\$ 245,000.00
B. Commercial Bank Loan:	\$ 964,500.00
C. Tax Credits:	
1. N.I.F.A.	\$ _____
2. Historic Tax Credits	\$ _____
3. New Market Tax Credits	\$ _____
4. Opportunity Zone	\$ _____
D. Industrial Revenue Bonds:	\$ _____
E. Tax Increment Assistance:	\$ _____
F. Enhanced Employment Area	\$ _____

G. Nebraska Housing Trust Fund

\$ _____

H. Other

\$ _____

Name, Address, Phone & Fax Numbers of Architect, Engineer and General Contractor:
Marc Willis , 410 Platte Road Kearney Ne, 68845 308-293-3201
Travis Kleint, 3320 W Old Hwy 30, Grand Island, Ne 68803 308-675-2410

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

Estimate per Kristi Wold Hall County Acessor

New Shop- \$1,186,949

That value is for building only not land

The Current Levy in that district is 2.176600

$\$1,186,949 \times 2.176600 = 2,583,513.1934 / 100 = \$25,835.13$

Project Construction Schedule:

Construction Start Date:

Upon CRA Approval

Construction Completion Date:

October 2021

If Phased Project:

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

XII. Please Attach Construction Pro Forma

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

TAX INCREMENT FINANCING REQUEST INFORMATION

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

Obermiller & Miller LLC is requesting \$318,285 in tax increment financing. The TIF will be used for construction and beautification

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

Without TIF assistance we will not be able to meet the necessary exterior appeal of the structure. Our goal is to keep Eddy St clean and vibrant.

Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other Corporations the Applicant has been involved with, or has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

n/a

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



2/25/2021

Adam Miller
707 N Eddy St
Grand Island, NE 68801
Other:

Dear Adam:

Thank you for giving us the opportunity to present you with a proposal for your building project. I will follow up with you within the next few days to answer any questions or concerns you might have.

As your Sales Consultant, I will work closely with you throughout the entire building process to help with financing, site selection, site layout for optimum land usage, site preparation and many issues you may not have considered, such as permits and proper drainage.

Morton Buildings, Inc. is the only building company that is fully integrated from receiving raw materials all the way to handing the keys over to you at the end of construction. This allows us to maintain our high quality, erecting buildings that operate efficiently with minimum maintenance and low costs year after year.

From basic to bold, small to large, and plain to fancy, Morton's buildings are constructed to satisfy almost every customer's needs. We put only the best materials and workmanship into every building and that is why we can confidently back our product with a very strong warranty package. Additionally, we can help guide you to a variety of sources for financing your construction project.

Again, thank you for allowing us to present you with this building proposal. I look forward to helping you make your building dream a reality.

Sincerely,

Marc Willis
CCM

Marc.Willis@mortonbuildings.com
Cell Phone: 308-293-3201

Office Phone: 308-832-1715
Office Fax: 308-832-1721
410 Platte Road
Kearney, NE 68845-0631



Building #1 Specifications

Style	Width	Height	Length	Truss Spacing	Roof Pitch	Lower Chord	Peak Height	Soffit Height
306	81'	16'	110'	6'	3/12	0/12	27' 8"	16' 7"

306 81'x16'x110' (#1) - Building Use: Commercial - Warehouse

Foundation

Trenched poured wall with grade beam (Form 222/223 - Detail #1)
Treated Wood splashboard system, mounted at grade to column.

Siding

West, South, East, North wall(s) Fluoroflex™ 1000 Hi-Rib Steel Minimum .019 (Fastened with Stainless Steel Screws)

Wainscot

West with Versetta Stone Ledgestone Sterling wainscot with Taupe wainscot cap
South, East, North with 36" tall Fluoroflex™ 1000 Hi-Rib Steel Minimum .019 wainscot (Fastened with Stainless Steel Screws) (Includes Building Wrap Under Hi-Rib Steel)

Protective Liner

West, South, East, North wall(s) with 7/16" thick OSB by approx. 32" tall Protective Liner Protective Liner

Roof

Hi-Rib Steel Minimum .019 (Fluoroflex™ 1000) (Fastened with Stainless Steel Screws)
One piece roof steel with Commercial Vent-A-Ridge, 110 LF of (2) rows of Plastic Snow Retainers on East side, 110 LF of (2) rows of Plastic Snow Retainers on West side

Overhangs

West, East wall(s) 2' Wide Vented Sidewall Overhang with Standard 6" fascia, 5" Gutters and 3"x4" Downspouts, with elbows at base
South, North wall(s) 2' Wide Non Vented Endwall Overhang with Standard 6" fascia

Walk Doors

- | | | |
|---|---|---|
| 2 | A | Framed Opening - 3070 Glass Entry Door out-swing left hinge
See subcontract section for detailed door information |
| 1 | B | 3' x 6'8" 9 Lite Tempered Glass in Leaf with Embossed Crossbuck Fibersteel Walk Door(s) out-swing left hinge with closer, lockset |
| 1 | C | 3' x 6'8" Plain Flat Leaf Fibersteel Walk Door(s) in swing left hinge with interconnected lever lockset/deadbolt, closer |
| 1 | D | 3' x 6'8" 9 Lite Tempered Glass in Leaf with Embossed Crossbuck Fibersteel Walk Door(s) out-swing left hinge with interconnected lever lockset/deadbolt, closer |
| 1 | E | 3' x 6'8" Plain Flat Leaf Fibersteel Walk Door(s) in swing left hinge with closer, lockset |

Windows

- | | | |
|---|---|---|
| 1 | F | 4'4"x4'0" MB Sliding Window(s) with low E glass with argon, grids between the glass |
| 1 | G | 4'4"x4'0" MB Sliding Window(s) with low E glass with argon, grids between the glass (Top of window approx. 15' 9" ft above grade) |



Overhead Door Opening

- 5 H 12'0" x 14'0" Overhead Door Opening, 12' 2" X 14' 1" Panel, OHD/Operator requires 1' 6" Headroom, Available Headroom is 2' 1", See Subcontract Section for Detailed Door Information, a set of 8" diameter jamb protectors with plastic post sleeve (black with white reflect
- 4 I 12'0" x 14'0" Overhead Door Opening, 12' 2" X 14' 1" Panel, OHD/Operator requires 1' 10" Headroom, Available Headroom is 2' 1", See Subcontract Section for Detailed Door Information, a set of 8" diameter jamb protectors with plastic post sleeve (black with white reflect
- 1 J 10'0" x 8'0" Overhead Door Opening, 10' 2" X 8' 1" Panel, OHD/Operator requires 1' 6" Headroom, Available Headroom is 8' 1", See Subcontract Section for Detailed Door Information, a set of 8" diameter jamb protectors with plastic post sleeve (black with white reflect

Eyebrows

- 1 K 17 lineal feet of coverage, 4' wide Eyebrow, 6" fascia with 10/12 roof pitch, 8' grade to soffit
Start eyebrow on West wall 1 feet from left edge of building for 17 feet
Start of eyebrow Hipped End and end of eyebrow Hipped End
Roof of eyebrow to be Fluoroflex™ 1000 Hi-Rib Steel
with 5" Gutter

Energy Performer

Ceiling Finish with Hi-Rib Steel (.019 White CQ Polyester Solid) Fastened to Lower Chord of Truss with Painted Steel Screws, 4 Mil Vapor Retarder and Air Deflector at Eaves Between Trusses
West, South, East, North wall(s) Interior Wall Finish with Hi-Rib Steel (.019 White Polyester) From Floor Up to 8' Height, Acoustical Hi-Rib Steel (.019 White Polyester) From Top of Hi-Rib Steel to Ceiling, Fastened to Nailers with Painted Steel Screws, Wall Cavity is Insulated with 9" Fiberglass Insulation, 4 Mil Vapor Retarder and 4 Mil Black Vapor Retarder Behind Acoustical Steel

Subcontracts

8,910 sqft of R-40 blown in insulation

\$20,000 allowance for dirtwork

382 lft of 12"x48" trenched footings. 81'x110' 6" concrete floor with smooth finish and saw cut for expansion. 2-20'x110' 6" concrete approach with light broom finish and saw cut for expansion

5-12'x14' Glass front over head doors with operators and exhaust ports.

110' of 4" floor drain with grease trap with pipe stubbed 2' outside buildings edge

5,804 sqft of 5/8" drywall finished and ready for paint

2-3070 Glass entry doors and 3-6'x4' glass for the bosses office to watch over the floor

(\$60,000 electrical allowance)

1-toilet, 2-utility sinks, hot water heater, and 1-3'x3' shower. Water and sewer is stubbed 2' outside buildings edge

Soils report

2-80' 150,000 BTU radiant heaters piped to the edge of the building

all drywall to have 1 coat of primer and 2 coats of paint

Base trim and casing for the offices. Flooring for Adams office upstairs not to exceed \$5 a sqft for material



and labor

Install (4) 12' 2" X 14' 1" Unknown Raynor Insulated M300 3" R24.5 Door with 2" Raynor Heavy Duty Track and hardware, Bracket mount track, 25,000 cycle springs, Stucco Panels, Door/Operator requires 1' 10" headroom, Black EPDM rubber bottom seal Door operator is a .5 HP CST211 Trolley which includes interior 3 button wall station, single button transmitter, and photo eyes. Available Headroom is 2' 1"

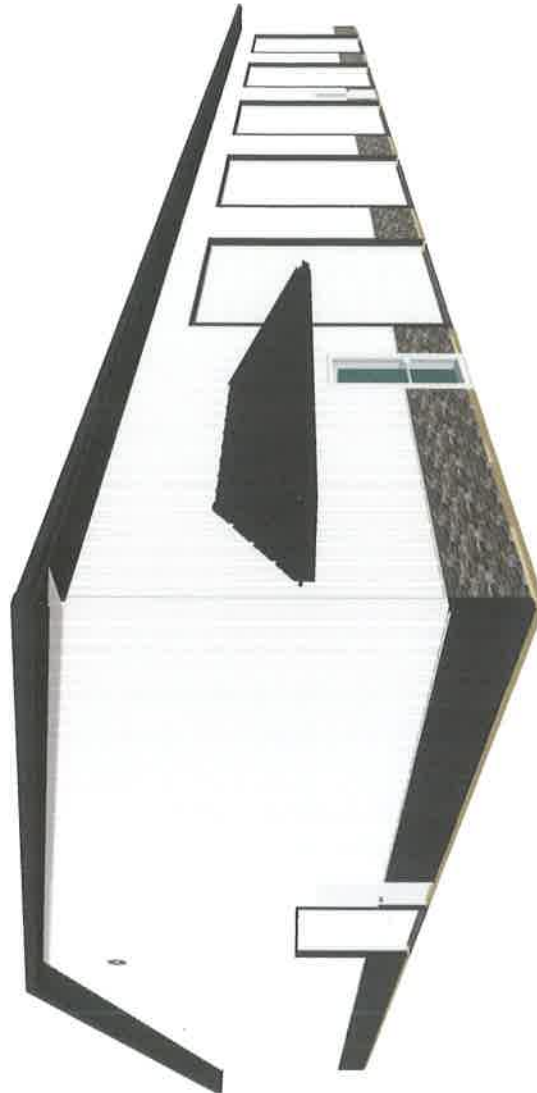
Install 10' 2" X 8' 1" Unknown Flush Raynor Insulated MAP200 Aspen Door with 2" Raynor Heavy Duty Track and hardware, Bracket mount track, 10,000 cycle springs, Embossed Woodgrain, Door/Operator requires 1' 6" headroom, 3" Gray rubber bottom seal. Door operator is a General II WiFi 3/4 HP Belt Drive 8 which includes Battery Backup, SecureLoc, Smart Control Panel, and 3 Button remote Available Headroom is 8' 1"

Additional Information

81'x10' (oil/parts/filter/break/bath rooms, storage, and offices) to be framed up with 2"x6" 16" on center with 3/4" T&G plywood for subflooring. Exterior of the walls to be sheeted with steel to match the shop area. All interior walls and ceilings to have 5/8" sheetrock finished and painted. Adams office to have 3-6'x4' windows to oversee the shop floor. 1-set of stairs to Adams office.

March 4th

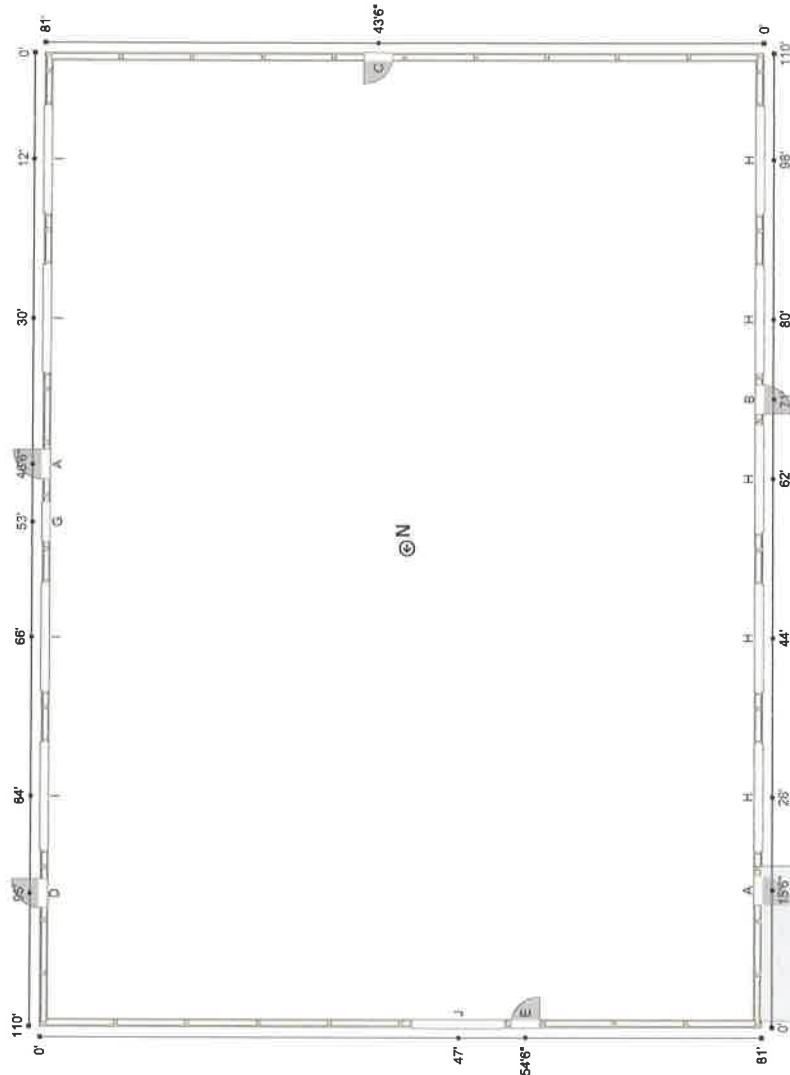
306 81'x16'x110' North and West Walls



306 81'x16'x110' South and East Walls



306 81'x16'x110' (#1) Column Plan





Building Investment

Total Estimated Project Cost as described including Material, Tax, and Labor*: \$668,616.00

\$200,585.00 Down Payment

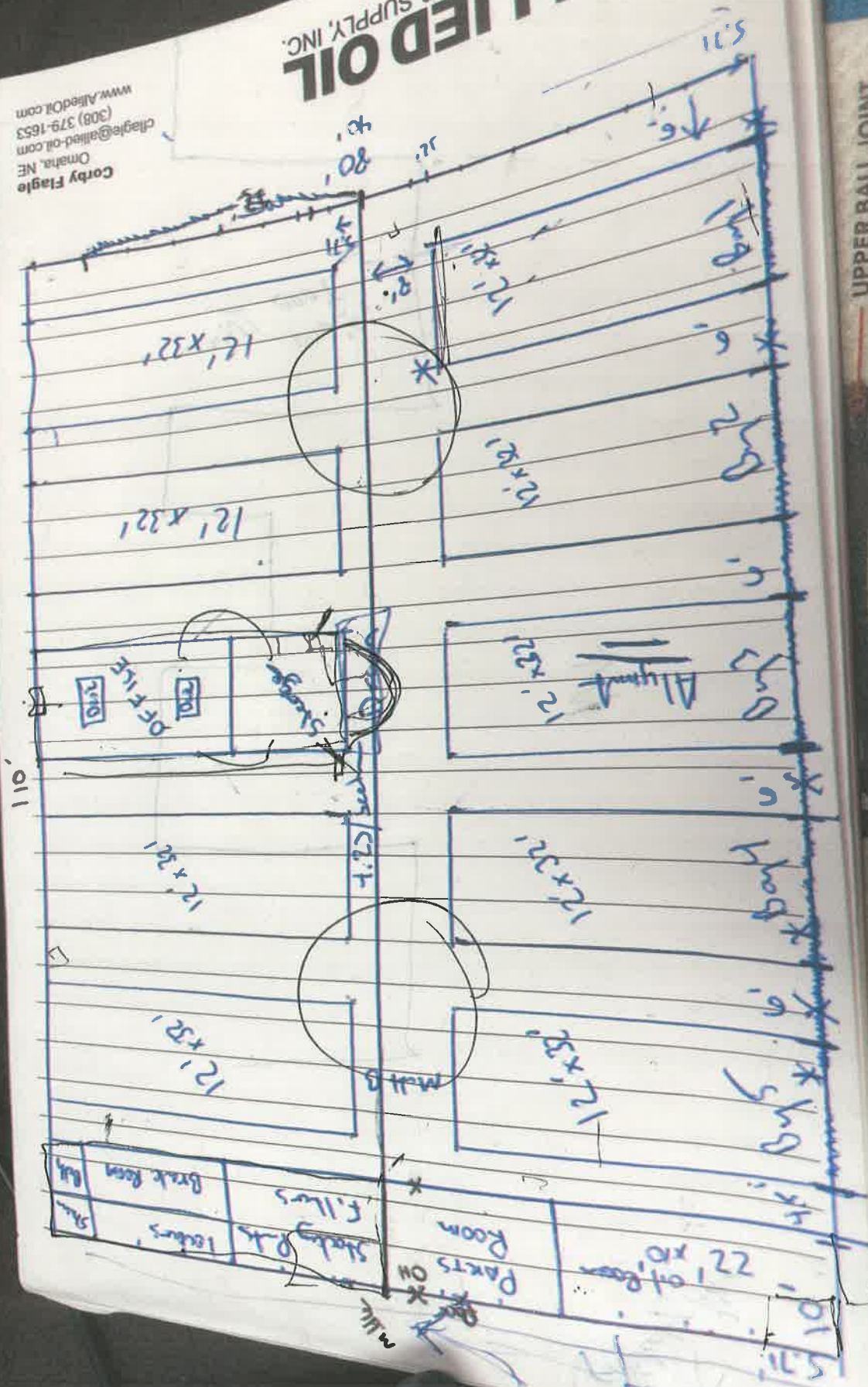
\$401,170.00 Due Upon Delivery of Materials

\$66,861.00 Due When Morton Buildings' Scope of Work is Complete

* Building Proposal Good for 7 Days from the date specified on cover letter.

If you accept this pricing proposal you must enter into a written building order which contains additional terms and conditions. This proposal is not intended to be a contract for construction.

This proposal contains information which is proprietary and/or are trade secrets and may not be disclosed to third-parties without the express written authorization of Morton Buildings, Inc.



9-11-60
4-Wed
Outlets
5-22-5
Tire Machine
9-1-60
Lads
from
cellar

Resolution Number 2021-04

HALL COUNTY REGIONAL PLANNING COMMISSION

**A RESOLUTION RECOMMENDING APPROVAL OF A SITE SPECIFIC
REDEVELOPMENT PLAN OF THE CITY OF GRAND ISLAND, NEBRASKA;
AND APPROVAL OF RELATED ACTIONS**

WHEREAS, the Chairman and Board of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “**Authority**”), referred the **Redevelopment Plan for 722 N. Eddy Street Miller Tire**, to the Hall County Regional Planning Commission, (the “**Commission**”) for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”); and

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

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

Section 1. The Commission hereby recommends approval of the Redevelopment Plan.

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

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

DATED: May 5, 2021.

**HALL COUNTY REGIONAL PLANNING
COMMISSION**

ATTEST:

By: _____
Chair

By: _____
Secretary



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item X1

**Approval of Transfer of TIF Project and Property from Wald 12
Properties to Azure Investment Group, LLC for 221 - 223 West
3rd Street (Greenburgers)**

Staff Contact:

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

RESOLUTION NO. 354 _____

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 \$354,573 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 AZURE INVESTMENT REDEVELOPMENT PROJECT AREA, SPECIFICALLY INCLUDING SITE PURCHASE, PREPARATION, DEMOLITION, REHABILITATION, UTILITY EXTENSION AND (2) PAYING THE COSTS OF ISSUANCE THEREOF; PRESCRIBING THE FORM AND CERTAIN DETAILS OF THE NOTE OR OTHER OBLIGATION; PLEDGING CERTAIN TAX REVENUE AND OTHER REVENUE TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE OR OTHER OBLIGATION AS THE SAME BECOME DUE; LIMITING PAYMENT OF THE NOTE OR OTHER OBLIGATION TO SUCH TAX REVENUES; CREATING AND ESTABLISHING FUNDS AND ACCOUNTS; DELEGATING, AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO EXERCISE HIS OR HER INDEPENDENT DISCRETION AND JUDGMENT IN DETERMINING AND FINALIZING CERTAIN TERMS AND PROVISIONS OF THE NOTE OR OTHER OBLIGATION NOT SPECIFIED HEREIN; APPROVING A REDEVELOPMENT CONTRACT AND REDEVELOPMENT PLAN; REVOKING AND RESCINDING RESOLUTION No. _____; TAKING OTHER ACTIONS AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING; AND RELATED MATTERS.

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

ARTICLE I

FINDINGS AND DETERMINATIONS

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

(a) The City of Grand Island, Nebraska (the "**City**"), pursuant to the Plan Resolution (hereinafter defined), approved the City of Grand Island Redevelopment Area #1 Plan Amendment March 2019 (the "**Redevelopment Plan**") under and pursuant to which the Authority shall undertake from time to time to redevelop and rehabilitate the Redevelopment Area (hereinafter defined).

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

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

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

(d) In order to provide funds to pay a portion of the costs of the Project, it is necessary, desirable, advisable, and in the best interest of the Authority for the Authority to issue a Tax Increment Development Revenue Note or other obligation in a principal amount not to exceed \$354,573 (the **“Note”**).

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

ARTICLE II

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

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

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

City” means the City of Grand Island, Nebraska.

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

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

“Note” means the Azure Investment Redevelopment Project Tax Increment Development Revenue Note of the Authority, in a principal amount not to exceed \$354,573, 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.

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“Secretary” means the Secretary of the Authority.

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

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

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

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

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

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

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

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

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

“Chairman” means the Chairman of the Authority.

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

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

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

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

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

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

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

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

“Record Date” means, for each Payment Date, the 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 Amended Redevelopment Contract Azure Investment Redevelopment Project, dated the date of its execution, between the Authority, and Azure Investment a Nebraska limited liability company, relating to the Project.

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

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

“Redevelopment Plan” means the “City of Grand Island Redevelopment Plan Amendment for Redevelopment Area #1 March 2019” 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.

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“Revenue” means the Tax Revenue.

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

“State” means the State of Nebraska.

“Tax Revenue” means, with respect to the Project Area, (a) those tax revenues referred to (1) in the last sentence of the first paragraph of Article VIII, Section 12 of the Constitution of the State and (2) in Section 18-2147, Reissue Revised Statutes of Nebraska, as amended, and (b) all payments made in lieu thereof.

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

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

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

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

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

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

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

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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 \$354,573. The Note shall be designated as “Community Redevelopment Authority of the City of Grand Island, Nebraska, Azure Investment 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, 2035, and shall bear interest at an annual rate of 0.00%. The Note shall be issued as a single Note as further described in **Section 3.2.**

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

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

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

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

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(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 \$354,573.

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

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on each Interest Payment Date to the Owners, at the Owners' address as it appears on the books of registry maintained by the Registrar on the Record Date. The principal of the Note due at maturity or upon earlier redemption shall be payable upon presentation and surrender of the Note to the Registrar. When any portion of the Note shall have been duly called for redemption and payment thereof duly made or provided for, interest thereon shall cease on the principal amount of such Note so redeemed from and after the date of redemption thereof.

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

(i) The Finance Director is hereby authorized to hereafter, from time to time, specify, set, designate, determine, establish and appoint, as the case may be, and in each case in accordance with and subject to the provisions of this Resolution, (1) the Date of Original Issue, the principal amount of the Note in accordance with **Section 3.2(a)**, (2) the maturity date of the Note, which shall be not later than December 31, 2035, (3) the initial Payment Date and (4) any other term of the Note not otherwise specifically fixed by the provisions of this Resolution.

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

(k) The Note shall be issued to such Owner as shall be mutually agreed between the Redeveloper and the Finance Director for a price equal to 100% of the principal amount thereof. No Note shall be delivered to any Owner unless the Authority shall have received from the Owner thereof such documents as may be required by the Finance Director to demonstrate compliance with all applicable laws, including without limitation compliance with **Section 3.6** hereof. The Authority may impose such restrictions on the transfer of any Note as may be required to ensure compliance with all requirements relating to any such transfer.

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

Section 3.4. Appointment of Registrar. The Finance Director is hereby appointed the registrar and paying agent for the Note. The Registrar shall specify its acceptance of the duties, obligations and trusts imposed upon it by the provisions of this Resolution by a written instrument deposited with the Authority prior to the Date of Original Issue of the initial Note. The Authority reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and the Note in its possession to the successor Registrar and shall deliver the note register to the successor Registrar. The Registrar shall have only such duties and obligations as are expressly stated in this Resolution and no other duties or obligations shall be required of the Registrar.

Section 3.5. Exchange of Note. Any Note, upon surrender thereof at the principal office of the Registrar, together with an assignment duly executed by the Owner or its attorney or legal representative in

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such form as shall be satisfactory to the Registrar, may, at the option of the Owner thereof, be exchanged for another Note in a principal amount equal to the principal amount of the Note surrendered or exchanged, of the same series and maturity and bearing interest at the same rate. The Authority shall make provision for the exchange of the Note at the principal office of the Registrar.

Section 3.6. Negotiability, Registration and Transfer of Note. The Registrar shall keep books for the registration and registration of transfer of the Note as provided in this Resolution. The transfer of the Note may be registered only upon the books kept for the registration and registration of transfer of the Note upon (a) surrender thereof to the Registrar, together with an assignment duly executed by the Owner or its attorney or legal representative in such form as shall be satisfactory to the Registrar and (b) evidence acceptable to the Authority that the assignee is a bank or a qualified institutional buyer as defined in Rule 144A promulgated by the Securities and Exchange Commission. Prior to any transfer and assignment, the Owner will obtain and provide to the Authority, an investor's letter in form and substance satisfactory to the Authority evidencing compliance with the provisions of all federal and state securities laws, and will deposit with the Authority an amount to cover all reasonable costs incurred by the Authority, including legal fees, of accomplishing such transfer. A transfer of any Note may be prohibited by the Authority if (1) a default then exists under the Redevelopment Contract, (2) the assessed valuation of the Redeveloper Property (as defined in the Redevelopment Contract) is less than \$600,000, or (3) a protest of the valuation of the Redeveloper Property is ongoing. Upon any such registration of transfer the Authority shall execute and deliver in exchange for such Note a new Note, registered in the name of the transferee, in a principal amount equal to the principal amount of the Note surrendered or exchanged, of the same series and maturity and bearing interest at the same rate.

In all cases in which any Note shall be exchanged or a transfer of a Note shall be registered hereunder, the Authority shall execute at the earliest practicable time execute and deliver a Note in accordance with the provisions of this Resolution. The Note surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. Neither the Authority nor the Registrar shall make a charge for the first such exchange or registration of transfer of any Note by any Owner. The Authority or the Registrar, or both, may make a charge for shipping, printing and out-of-pocket costs for every subsequent exchange or registration of transfer of such Note sufficient to reimburse it or them for any and all costs required to be paid with respect to such exchange or registration of transfer. Neither the Authority nor the Registrar shall be required to make any such exchange or registration of transfer of any Note during the period between a Record Date and the corresponding Interest Payment Date.

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

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

Section 3.9. Mutilated, Lost, Stolen or Destroyed Note. If any Note becomes mutilated or is lost, stolen or destroyed, the Authority shall execute and deliver a new Note of like date and tenor as the Note mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the Authority. In the case of any lost, stolen or destroyed Note, there first shall be furnished to the Authority evidence of such loss, theft or destruction satisfactory to the Authority, together with indemnity to the Authority satisfactory to the Authority. If any such Note has matured, is about to mature or has been called for redemption, instead of delivering a substitute Note, the

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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

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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 “Azure Investment 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, 2035 shall be used solely for the payments required by this **Section 7.2.**

ARTICLE VIII

COVENANTS OF THE AUTHORITY

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

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

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

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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.

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UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

AZURE INVESTMENT REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2021

No. R-1

Up to \$354,573
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2035

0.00%

REGISTERED OWNER: Azure Investment Group, LLC

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

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

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

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA (the “Authority”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “Registrar”), payable semiannually on June 30 and December 31 of each year until payment in full of

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such Principal Amount, beginning June 30, 2021, by check or draft mailed to the Registered Owner hereof as shown on the note registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable payment date occurs, at such Owner's address as it appears on such note registration books. The principal of this Note is payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____, 2021, 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 \$354,573.

This Note has been issued by the Authority for the purpose of financing the costs of constructing, reconstructing, improving, extending, rehabilitating, installing, equipping, furnishing and completing certain improvements within the area identified and referred to as the City of Grand Island Redevelopment Plan Amendment for Redevelopment Area #1 March 2019, 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.

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

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

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

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

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

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

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, do exist and have been performed in regular and due time, form and manner; that this Note does not exceed

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any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on this Note as provided in this Resolution.

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(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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
AZURE INVESTMENT REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2021**

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

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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.

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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

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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.

Section 12.12 Revision of prior Resolution in Whole. This Resolution revokes and supplants in whole Resolution No. _____ passed by the Authority on _____, 2019.

PASSED AND ADOPTED: _____, 2021.

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

(SEAL)

By: _____
Chairman

ATTEST:

By: _____
Secretary

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AMENDED REDEVELOPMENT CONTRACT

This Amended Redevelopment Contract is made and entered into as of the _____ day of _____, 2021, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and Azure Investment Group, LLC, a Nebraska limited liability company ("Successor Redeveloper").

WITNESSETH:

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

WHEREAS, the Authority has adopted, after approval by the Mayor and Council of the City, that redevelopment plan amendment entitled " Redevelopment Plan Amendment Grand Island CRA Area #1 March 2019" (the "Redevelopment Plan");

WHEREAS, Authority and Wald 12 Properties, LLC, a Nebraska limited liability company ("Redeveloper") entered into a Redevelopment Contract in order to implement the Redevelopment Plan and provide for the redevelopment of lots and lands located in a blighted and substandard area;

WHEREAS, Authority, Redeveloper and Successor Redeveloper entered into an Assignment and Assumption of Redevelopment Contract agreement dated the ____ day of _____, 2021, wherein the Successor Redeveloper agreed to undertake the Redevelopment Project described in the Redevelopment Contract;

WHEREAS, The Successor Redeveloper and Authority wish to amend the terms of the Redevelopment Contract assumed by the Successor Redeveloper,

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Contract.

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

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

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

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

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

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

"Indebtedness" means any notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to the Resolution and Article III hereof to provide financing for a portion of the Project Costs and secured in whole or in part by TIF Revenues. The Indebtedness as initially issued by the Authority shall consist of the Authority's Tax Increment Development Revenue Note (Azure Investment Development Project), Series 2021, to be issued in an amount not to exceed \$354,573 in substantially the form set forth on Exhibit C and purchased by the Successor Redeveloper as set forth in Section 3.04 of this Redevelopment Contract.

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

"Project" means the improvements to the Redevelopment Project Area, as further described in Exhibit B attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Project Property and additions and improvements thereto.

"Project Cost Certification" means a statement prepared and signed by the Successor Redeveloper verifying the Successor 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 Successor Redeveloper for the purposes set forth in §18-2103(28)(a) through (f), inclusive, including the providing for such costs by the exercise of the powers set forth in §18-2107(4) of the Act, all as identified on Exhibit D. Project Costs shall include, but not be limited to demolition and rehabilitation expenditures, all improvements related to Project public infrastructure costs, site preparation costs, utility extensions and costs of the Authority for legal and plan preparation, all as described in Section 3.04 of this Redevelopment Contract.

"Successor Redeveloper" means Azure Investment, LLC, a Nebraska limited liability company.

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

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

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

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

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

Section 1.02 Construction and Interpretation.

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

- (a) Whenever in this Amended 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 Amended 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 Amended 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 Successor Redeveloper as specified herein.

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

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

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

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

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

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

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

Section 2.02 Representations of Successor Redeveloper.

The Successor Redeveloper makes the following representations:

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

(b) The execution and delivery of this Amended 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 Successor 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 Successor Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Amended Redevelopment Contract or in any other matter materially affecting the ability to Successor Redeveloper to perform its obligations hereunder.

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

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

ARTICLE III

OBLIGATIONS OF THE AUTHORITY

Section 3.01 Division of Taxes.

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

(a) That portion of the ad valorem tax on the real estate located in the Redevelopment Project Area which is produced by levy at the rate fixed each year by or for each public body upon the "redevelopment project valuation" (as defined in the Act) of the Redevelopment Project Area shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and

(b) That portion of the ad valorem tax on real property in the Redevelopment Project Area in excess of such amount (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority (designated in the Resolution as the "Note Fund") to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such Phase shall be paid into the funds of the respective public bodies.

Section 3.02 Issuance of Indebtedness

The Authority shall authorize the issuance of the Indebtedness in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in the Resolution and this Amended 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 Successor Redeveloper as set forth on Exhibit D. No Indebtedness will be issued until Successor Redeveloper has acquired fee title to the Redevelopment Project Property and become obligated for construction of the additions and improvements forming a part of the Project as described in the Plan.

Prior to July 1, 2021, the Authority shall issue one Tax Increment Development Revenue Note, in one taxable series, in a maximum principal amount of \$354,573, in substantially the form shown on the attached Exhibit C ("TIF Note"), for net funds available to be purchased by Successor 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 Successor 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 Successor 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 Successor Redeveloper to effect the sale of the Indebtedness by purchasing the Indebtedness in accordance with the terms of this Amended Redevelopment Contract and the Resolution. Successor 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 Successor 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 Successor Redeveloper to receive a grant under this Amended Redevelopment Contract. In accordance with the terms of the Redevelopment Plan the Successor Redeveloper is to receive a grant sufficient to pay the costs

of site acquisition, demolition and rehabilitation expenditures, all improvements related to Project public infrastructure costs, site preparation costs, utility extensions and costs of the Authority for legal and plan preparation including those items described on Exhibit D (the "Project Costs"), in the aggregate maximum amount not to exceed \$354,573. 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 Amended Redevelopment Contract. Such grant shall be made to the Successor 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 Successor 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 Amended 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 "Azure Investment 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 Amended 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, 2035 shall be used solely for the payments required herein and by the Resolution; and

(b) a special trust fund called the "Azure Investment 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 Successor Redeveloper is the owner of the Note and the Successor Redeveloper so elects, the Authority shall make a grant to Successor 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 SUCCESSOR REDEVELOPER

Section 4.01 Construction of Project; Note; Insurance.

(a) Successor Redeveloper will acquire the Project, demolish and rehabilitate structures on the site, prepare the site for redevelopment, install all required utilities and improvements in the public right-of-way in accordance with the plans and specifications provided to the Authority. Successor Redeveloper will coordinate with the City for the City's design and construction required for the installation of all public infrastructure improvements and right-of-way improvements. The Successor Redeveloper shall provide and pay for infrastructure installation. Successor Redeveloper shall not be required to make any rooftop improvements contemplated by the original Redeveloper.

Successor 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. Successor 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, Successor 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 Successor 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 Successor 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 Successor Redeveloper shall be named as additional insureds. Any contractor chosen by the Successor Redeveloper or the Successor 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 Successor Redeveloper shall also carry insurance on all stored materials. The contractor or the Successor Redeveloper, as the case may be, shall furnish the Authority and the City with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies.

(c) Notwithstanding any provision herein to the contrary, in the event Successor Redeveloper has not acquired fee simple title to the Redevelopment Project Area on or before July 1, 2021, this Amended 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 Successor Redeveloper shall provide a payment and performance bond from a bond company doing business in the state of Nebraska in the total amount of all Redevelopment Project Costs or such other amount as shall be approved by the Authority. The City and Authority shall be named as beneficiaries under such bond.

Section 4.02 Cost Certification & Disbursement of Note Proceeds.

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

(a) There shall be submitted to the Authority a grant disbursement request (the “Disbursement Request”), executed by the Director of the City’s Planning Department and an authorized representative of the Successor Redeveloper, (i) certifying that a portion of the Project has been substantially completed and (ii) certifying the actual costs incurred by the Successor 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 Amended Redevelopment Contract and the Community Redevelopment Law, the Authority shall evidence such allocation in writing and inform the owner of the Note of any amounts allocated to the Note.

(c) Upon notification from the Authority as described in Section 4.02(b), deposits to the accounts in the Project Fund may be made from time to time from funds received by the Authority from the owner of the Note (if other than the Successor 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 Successor Redeveloper, if the Successor Redeveloper is the owner of the Note, the Authority shall make a grant to Successor 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 \$354,573.

(d) Successor 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 Successor 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 Successor Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 4.03 No Discrimination.

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

Section 4.04 Assignment or Conveyance.

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

Section 4.50 Payment of Authority Costs.

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

- a. \$1,000 for legal expenses of Authority.

ARTICLE V FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 5.01 Financing

Successor 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 Successor Redeveloper. Successor Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.

ARTICLE VI DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of Authority and Successor Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Amended 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 Amended 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 Amended 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 Successor Redeveloper hereby acknowledges and agrees that the Authority shall have completed its required performances and satisfied all of its obligations under this Amended Redevelopment Contract upon the issuance of the Indebtedness and the subsequent payment of grant amounts to the Successor Redeveloper as set forth in Article III hereof and by complying with the obligations of all Amended Redevelopment Contract Amendments.

Section 6.02 Additional Remedies of Authority

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

- (a) the Successor Redeveloper, or its successor in interest, shall fail to commence the construction of the improvements included in the Project Costs on or before July 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 Successor Redeveloper, shall fail to pay real estate taxes or assessments on the Redevelopment Project Property owned by the Successor Redeveloper or any part thereof when due; and
- (c) there is a violation of any other provision of this Amended Redevelopment Contract, and such failure or action by the Successor Redeveloper has not been cured within 90 days following written notice from Authority, then the Successor Redeveloper shall be in default of this Amended 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 Successor Redeveloper pursuant to Section 3.04 of this Amended 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 Successor Redeveloper to Authority within 30 days of demand from Authority given to the Successor 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 Successor Redeveloper demanding payment.

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

Successor 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 Successor Redeveloper related to Project Costs. Each such bond shall show the Authority and the City as well as the Successor 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 Successor Redeveloper shall provide a penal bond with good and sufficient surety to be approved by the Authority, conditioned that the Successor 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 Successor Redeveloper related to Project Costs) with labor or materials performed or used in the prosecution of the work provided for in such contract, and will indemnify and save harmless the Authority to the extent of any payments in connection with the carrying out of such contracts which the Authority may be required to make under the law.

Section 6.03 Remedies in the Event of Other Successor Redeveloper Defaults.

In the event the Successor Redeveloper fails to perform any other provisions of this Amended Redevelopment Contract (other than those specific provisions contained in Section 6.02), the Successor Redeveloper shall be in default. In such an instance, the Authority may seek to enforce the terms of this Amended Redevelopment Contract or exercise any other remedies that may be provided in this Amended 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 Amended Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

Section 6.04 Forced Delay Beyond Party's Control.

For the purposes of any of the provisions of this Amended Redevelopment Contract, neither the Authority nor the Successor 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 Successor Redeveloper with respect to construction of the Project, as the case may be, shall be extended for the period of the forced delay: Provided, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after

the beginning of any such forced delay, have first notified the other party thereto in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

Section 6.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VI or this Amended 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 Amended Redevelopment Contract. The sole obligation of the Authority under this Amended Redevelopment Contract shall be the issuance of the Indebtedness and granting of a portion of the proceeds thereof to Successor Redeveloper, and full compliance with the terms specifically set forth Article III hereof and payment of TIF Revenues pledged pursuant to the Resolution. The Successor 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 Successor 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 Successor Redeveloper, during the term of this Amended Redevelopment Contract or arising out of any action or inaction of Successor Redeveloper, related to activities of the Successor Redeveloper or its agents during the construction of the public infrastructure or public right of ways in the Project.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notice Recording.

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

Section 7.02 Governing Law.

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

Section 7.03 Binding Effect: Amendment, Assignment.

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

Section 7.04 Effective Date and Implementation of Amended Redevelopment Contract.

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

Section 7.05 Notices to Parties.

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

Successor Redeveloper:
Azure Investment, LLC
221-223nWest 3rd Street
Grand Island, NE 68801

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

Section 8.01 Amendment of Redevelopment Contract.

This Amended Redevelopment Contract amends and wholly replaces the Redevelopment Contract entered into between Wald 12 Properties, LLC, and the Authority which was assigned and assumed by the Successor Redeveloper.

[The remainder of this page is intentionally left blank.]

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

ATTEST:

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of 2021, 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

Azure Investment, LLC

By: _____
Manager

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by _____, Manager of Azure Investment, LLC, on behalf of the limited liability company.

Notary Public

EXHIBIT A
DESCRIPTION OF REDEVELOPMENT AREA

West 2/3 of Lot 4, Block 65, Original Town of Grand Island, Hall County, Nebraska.

EXHIBIT B
REDEVELOPMENT PLAN

[Attach copy of Redevelopment Plan Amendment]

EXHIBIT C

(FORM OF NOTE)

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

TAX INCREMENT DEVELOPMENT REVENUE NOTE
(AZURE INVESTMENT REDEVELOPMENT PROJECT), SERIES 2021

No. R-1

Up to \$354,573
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2035

0.0%

REGISTERED OWNER: Azure Investment Group, LLC

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

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

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

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning June 1, 2021, by check or draft mailed to the Registered Owner hereof as shown on the Note registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable interest payment date occurs, at such Owner’s address as it appears on such Note registration books. The principal of this Note and the interest hereon are payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____ 2021, 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 \$354,573.

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

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

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

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

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

thereof.

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

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

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

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

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

[The remainder of this page intentionally left blank.]

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

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

By: _____
Title: _____

[The remainder of this page intentionally left blank]

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
AZURE INVESTMENT REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES 2021**

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

Exhibit D
Project Costs

Redevelopment Project Costs

1. Renovation expenditures	\$1,704,929
----------------------------	-------------

ASSIGNMENT AND ASSUMPTION OF REDEVELOPMENT CONTRACT

This Assignment and Assumption of Redevelopment Contract ("Agreement") is entered into effective as of the ____ day of _____, 2021 (the "Effective Date"), by and between the **Community Redevelopment Authority of the City of Grand Island, Nebraska** ("Authority"), and **Wald 12 Properties**, a Nebraska limited liability company ("Original Redeveloper"), and Azure Investment Group, LLC, a Nebraska limited liability company ("Successor Redeveloper")

Recitals

- A. Authority and Original Redeveloper entered into a Redevelopment Contract dated _____ ("Redevelopment Contract"). Capitalized terms used herein but not defined herein shall have such meanings as are given to such terms in the Redevelopment Contract.
- B. Original Redeveloper sold the Redevelopment Project real estate to the Successor Redeveloper and desires to assign all the rights and obligations with respect to the Redevelopment Contract to Successor Redeveloper and Successor Redeveloper desires to assume the obligations of the Redevelopment Contract, subject to the Redevelopment Project modifications described herein.
- C. The terms of the Redevelopment Contract run with the land.
- D. Pursuant to Section 4.04 of the Redevelopment Contract, consent of the Authority must be obtained prior to the assignment of the Redevelopment Contract.

NOW THEREFORE, in consideration of these mutual covenants contained herein and other good and valuable consideration, the parties agree as follows:

- 1. Assignment. Effective as of the date of this Agreement, Original Redeveloper assigns all of its right, title and interest in and to the Redevelopment Contract to Successor Redeveloper
- 2. Assumption. Effective as of the date of this Agreement, Successor Redeveloper assumes and agrees to perform all the obligations of Original Redeveloper under the Redevelopment Contract with the exception that there shall be no rooftop redevelopment and the amount of the TIF Indebtedness shall be reduced pursuant to a subsequent redevelopment contract amendment ("Redevelopment Contract Amendment") between the Successor Redeveloper and the Authority. Successor Redeveloper agrees to assume and to perform and to be bound by all of the obligations and undertakings of Original Redeveloper to the Authority as provided in the Redevelopment Contract as modified by the Redevelopment Contract Amendment. Successor Redeveloper hereby agrees to defend, indemnify, and hold Original Redeveloper harmless from and against any and all damages, claims, costs, and expenses arising out of or related to the Redevelopment Contract.
- 3. Memorandum of Assignment. If requested by the Authority, Original Redeveloper and Successor Redeveloper agree that they shall enter into a Memorandum of

Redevelopment Plan Amendment Grand Island CRA Area 1 March 2019

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area 1.

Executive Summary:

Project Description

THE REDEVELOPMENT OF A PORTION OF THE GREENBURGERS BUILDING LOCATED AT 221-223 W. 3RD STREET FOR COMMERCIAL AND RESIDENTIAL USES, INCLUDING ACQUISITION, FIRE/LIFE SAFETY IMPROVEMENTS AND BUILDING REHABILITATION AND REMODELING.

The use of Tax Increment Financing to aid in rehabilitation expenses associated with redevelopment of the entire Greenburgers building located at 221-223 W. 3rd street for 5,588 square foot of space on each floor including the basement and roof. This project would not be feasible without the use of TIF.

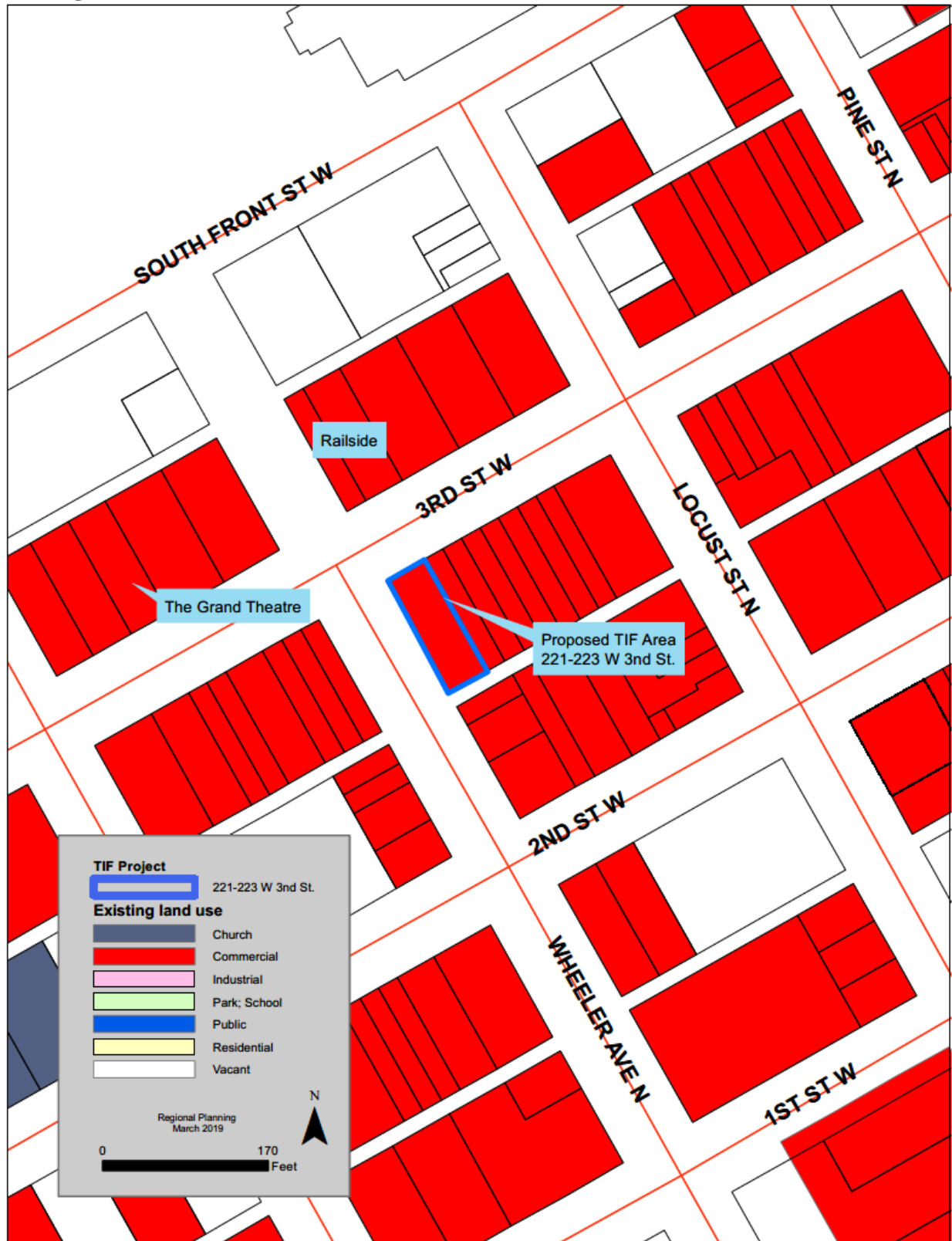
Wald 12 Properties LLC is purchasing this building. They are purchasing the property for \$165,000. The purchase price is included as an eligible TIF activity. The building is currently being vacated by the previous occupant. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the remodeling and rehabilitation of this building. The Grand Island Community Redevelopment Authority (CRA) intends to pledge the ad valorem taxes generated over the 15 year period beginning January 1, 2020 towards the allowable costs and associated financing for rehabilitation.

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

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

Legal Descriptions: The west 2/3 of Lot Four (4) in Block Sixty-Five (65) in the Original Town, now City of Grand Island, Hall County, Nebraska.

Existing



Land Use and Subject Property

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

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from rehabilitation of this portion of the building for commercial and residential uses as permitted in the B3 Heavy Business Zoning District.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution providing for the issuance of the TIF Note, the Authority hereby provides that any ad valorem tax on the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract, consistent with this Redevelopment Plan. Said taxes shall be divided as follows:

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of; the interest on, and any premiums due in connection with the bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

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

Redevelopment Plan Amendment Complies with the Act:

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

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on December 19, 2000.[§18-2109] Such

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

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

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to rehabilitate the building for permitted uses on this property as defined by the current and effective zoning regulations. **The Hall County Regional Planning Commission held a public hearing at their meeting on April 3, 2019 and passed Resolution 2019-08 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.** The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment at the time it was submitted to the CRA for initial consideration.

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

a. Land Acquisition:

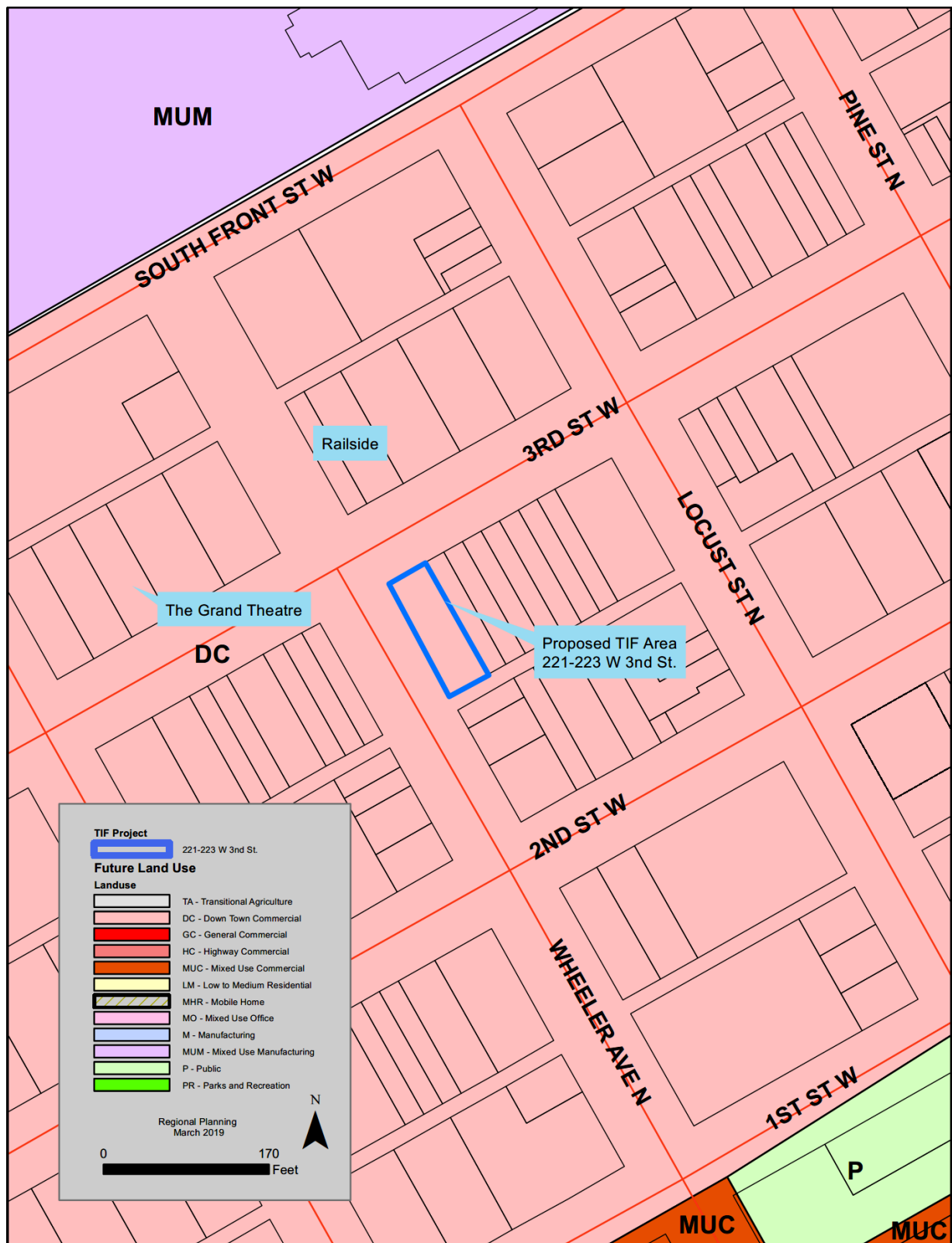
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. The developer has acquired the property and will be including acquisition as an eligible activity. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

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

c. Future Land Use Plan

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



City of Grand Island Future Land Use Map

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

The area is zoned B3-Heavy Business zone. No zoning changes are anticipated with this project. No changes are anticipated in street layouts or grades. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

e. Site Coverage and Intensity of Use

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

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. .

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

No other utilities would be impacted by the development.

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

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

4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. This property is vacant and has not been used for any residential purposes. [§18-2103.02]

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

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

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

The developer purchased the property through for \$165,000. The estimated costs of rehabilitation of this property is \$1,704,929, planning related expenses for Architectural and Engineering services of \$85,246 and are included as a TIF eligible expense. Legal, Developer and Audit Fees of \$5,600 for reimbursement to the City and the CRA for costs to prepare the contract and monitor the project over the course of the development are

included in the eligible expenses. . The total of eligible expenses for this project exceeds \$1,950,000.

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

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

The developer will provide all necessary financing for the project. The Authority will assist the project by granting the sum of \$530,004 from the proceeds of the TIF. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2021 through December 2034.

c. Statement of feasible method of relocating displaced families.

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

7. Section 18-2113 of the Act requires:

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

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

8. Time Frame for Development

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

9. Justification of Project

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

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 \$530,004 in public funds from tax increment financing provided by the Grand Island Community Redevelopment Authority will be required to complete the project. The Authority has also been asked to provide a life safety grant of \$75,000 the amount approved was reduced to \$50,000 due to budget constraints. This investment by the Authority will leverage \$1,599,534 in private sector financing; a private investment of \$2.74 for every TIF or grant dollar invested.

Use of Funds	Source of Funds.			
Description	TIF Funds	Other Grants	Private Funds	Total
Site Acquisition	\$165,000	—		\$165,000
Legal and Plan*	\$5,600			\$5,600
Engineering/Arch	\$85,246			\$85,246
Other*			\$87,517	\$87,517
Renovation	\$274,158		\$1,430,771	\$1,704,929
Life Safety		\$50,000		\$50,000
Façade				\$0
Contingency			\$85,246	\$85,246
TOTALS	\$530,004	\$50,000	\$1,603,534	\$2,183,538

*Other includes soft costs for private legal services, consulting on the TIF and construction, environmental review accounting, interest, financing fees, appraisal, title and hazard insurance and marketing.

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2019, valuation of approximately \$100,943. Based on the 2017 levy this would result in a real property tax of approximately \$2,274. It is anticipated that the assessed value will increase by \$1,568,647 upon full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$35,344 annually. The tax increment gained from this Redevelopment Project Area would not be available for use as city general tax revenues, for a period of 15 years, or such shorter time as may be required to amortize the TIF bond, but would be used for eligible private redevelopment costs to enable this project to be realized.

Estimated 2019 assessed value:	\$ 100,943
Estimated value after completion	\$ 1,669,590
Increment value	\$ 1,568,647
Annual TIF generated (estimated)	\$ 35,334
TIF bond issue	\$ 530,004

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

The redevelopment project area currently has an estimated valuation of \$100,943. The proposed redevelopment will create additional valuation of \$1,669,590. No tax shifts are anticipated from the project. The project creates additional valuation that will support taxing entities long after the project is paid off.

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

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

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

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

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

This project will not have a negative impact on other employers in any manner different from any other expanding business within the Grand Island area. This will provide housing options for employees of Downtown businesses that wish to live Downtown and will refurbish Downtown commercial space.

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

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

The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. Each additional household in a one bedroom unit would likely house a maximum of two people. According to the 2010 census 19.2% of the population of Grand Island was between the ages of 5 and 18. If the averages hold it would be expected that there would be two school age children generated by this development thought that is mitigated by the fact that these are 1 bedroom units.. According to the National Center for Educational Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. It is unlikely that there will be any school age children associated with this project.

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

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

Time Frame for Development

Development of this project is anticipated to be completed during between April of 2019 and December of 2019. The base tax year should be calculated on the value of the property as of January 1, 2019. Excess valuation should be available for this project for 15 years beginning in 2020 with taxes due in 2021. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years or an amount not to exceed \$530,004 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 \$1,950,000 on TIF eligible activities in excess of other grants given.

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



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name: Azure Investment Group, LLC
Address: 221-223 West 3rd st, Grand Island Ne 68801, Parcel 400005492
Telephone No.: 308-380-6363 or 308-240-0918
Fax No.: _____
Contact: Brandon Shada or Dana Wright

Brief Description of Applicant's Business:

Azure Investment Group, LLC is a real estate development company.

Present Ownership Proposed Project Site: Azure Investment Group, LLC

Proposed Project: Building square footage, size of property, description of buildings – materials, etc.

Please attach site plan, if available.

5,588 s.f. basement, 5,588 s.f. main floor 5,588 s.f. second floor & 5,588 s.f. roof, wood framed/
brick two story mixed use building, known as the Greenburger building.

If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

A. Land	\$ 0
B. Building	\$ 165,000

Construction Costs:

A. Renovation or Building Costs:	\$1,704,929
B. On-Site Improvements:	\$
re-platting, demo, asbestos removal, tree removal, etc.	

Soft Costs:

A. Architectural & Engineering Fees:	\$85,246
B. Financing Fees:	\$
Closing costs, filing fees	
C. Legal/Developer/Audit Fees:	\$
D. Contingency Reserves:	\$ 85,246
E. Other (Please Specify)	\$87,517
See attached	
TOTAL	\$2,127,939

Total Estimated Market Value at Completion: \$ 1,930,101

Source of Financing:

A. Developer Equity:	\$ 165,000
B. Commercial Bank Loan:	\$ 1,533,366
Tax Credits:	
1. N.I.F.A.	\$ 0
2. Historic Tax Credits	\$ 0
D. Industrial Revenue Bonds:	\$ 0
E. Tax Increment Assistance:	\$ 354,573
F. Other	
Life Safety Grant	\$75,000

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

General Contractor: Brandon Shada, Shada Construction 209 W 3rd Street Grand Island, NE 68801 308-380-6363

Structural Engineer: Mike Spilinek, Olsson Associates 201 E. Second Street Grand Island, NE 68801 308-384-8750

Architect: Toby Gay, Gay and Associates, 1470 31st ave. Columbus Ne 68601

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

(Please Show Calculations)

See attached

Project Construction Schedule:

Construction Start Date: Q2 2021

Construction Completion Date: Q3 2021

If Phased Project:

_____Year 50 % Complete

_____Year 50% Complete

XII. Please Attach Construction Pro Forma

XIII. Please Attach Annual Income & Expense Pro Forma

(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

Azure Investment Group is asking for \$530,004 in TIF. The purpose for the request is to utilize the TIF bond to offset property taxes for up to 15 years. The bond will NOT be borrowed against for construction costs.

Statement Identifying Financial Gap and Necessity for use of Tax Increment Financing for Proposed
Project: Without TIF assistance the project will not cash flow enough to justify the massive investment
and therefore will not be a successful business venture. See attached pro forma.

Municipal and Corporate References (if applicable). Please identify all other Municipalities, and other
Corporations the Applicant has been involved with, or has completed developments in, within the
last five (5) years, providing contact person, telephone and fax numbers for each:

NA

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



Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item X2

**Approval of Life Safety Funds Request for Azure Investment
Group LLC for use at 221-223 West 3rd street**

Staff Contact:



Fire and Life Safety Grant Program Application

Project Redeveloper Information

I. Applicant Name: Azure Investment Group LLC
Address: 209 W 3rd st., Grand Island NE 68801
Telephone No.: 308-240-0918
Contact: Dana Wright

II. Legal Street Address of Project Site: 209 W 3rd st., Grand Island NE 68801

III. Present Ownership of Project Site: Shada Construction LLC

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

Proposed Number of Upper Story 1 Bedroom Units 3

Proposed Number of Upper Story 2+ Bedroom Units 2

Other Info:

V. Building Details

A. Actual Purchase Price \$ 199,000

B. Assessed Value of Property	\$ 100,943
C. When Acquired	2/16/21
D. Number of Floors	2
E. Square Footage of Building	+/-16,764
F. Current Use of Building	
Vacant	

VI. Construction Costs

A. Total Estimated Renovation or Building Costs	\$ 1,531,000
B. Estimated Cost of Life Safety Improvements:	
Fire Sprinklers	\$ 41,910
Exiting	\$
Electric Upgrades	\$ 35,000
Water Upgrades for Sprinklers	\$ 30,000
C. Other Construction Costs:	
First Floor Renovation	\$ 561,399
Second Floor Renovation	\$ 663,885
Third Floor Renovation	\$
Fourth Floor Renovation	\$
Basement Renovation	\$
Roof	\$
Heating and AC	\$
Façade Improvements/Maintenance	\$
Other Construction Costs	

VII. Source of Financing:

Developer Equity:	\$ 199,000
-------------------	------------

Commercial Bank Loan:	\$ <u>1,446,000</u>
Historic Tax Credits:	\$ _____
Tax Increment Financing: Used to offset property taxes on operating budget	_____
Low Income Tax Credits	\$ _____
Other (Describe <u>Life safety grant</u>)	\$ <u>85,000</u>

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

Stacy Spotanski 724 W Hedde St. #4 Grand Island NE 68801

Shada Construction 2421 PIONEER BLVD GRAND ISLAND , NE 68801

IX. Project Construction Schedule:

A. Construction Start Date: Q2 2021

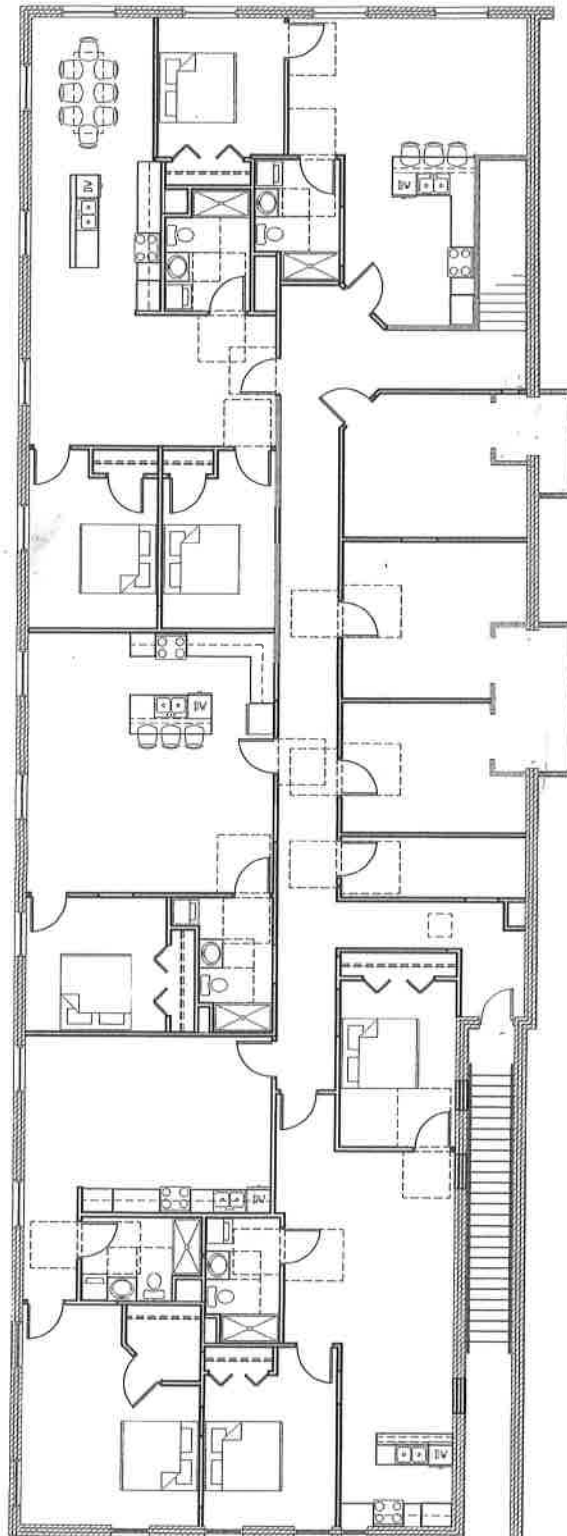
B. Construction Completion Date: 2022

Grant Notes:

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

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

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





Community Redevelopment Authority (CRA)

**Wednesday, May 12, 2021
Regular Meeting**

Item X3

Consideration of Approval of Resolution 355 amending the terms of Bonds previously issued for The Orchard housing project in northeast Grand Island

Staff Contact:

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

RESOLUTION NO. 355_____

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF UP TO NINE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, TAX INCREMENT DEVELOPMENT REVENUE NOTES OR OTHER OBLIGATION, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,326,956 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 ORCHARD, LLC REDEVELOPMENT PROJECT AREA, SPECIFICALLY INCLUDING SITE PURCHASE, PREPARATION, DEMOLITION, UTILITY EXTENSION AND (2) PAYING THE COSTS OF ISSUANCE THEREOF; PRESCRIBING THE FORM AND CERTAIN DETAILS OF THE NOTE OR OTHER OBLIGATION; PLEDGING CERTAIN TAX REVENUE AND OTHER REVENUE TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE OR OTHER OBLIGATION AS THE SAME BECOME DUE; LIMITING PAYMENT OF THE NOTE OR OTHER OBLIGATION TO SUCH TAX REVENUES; CREATING AND ESTABLISHING FUNDS AND ACCOUNTS; DELEGATING, AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO EXERCISE HIS OR HER INDEPENDENT DISCRETION AND JUDGMENT IN DETERMINING AND FINALIZING CERTAIN TERMS AND PROVISIONS OF THE NOTE OR OTHER OBLIGATION NOT SPECIFIED HEREIN; APPROVING A REDEVELOPMENT CONTRACT AND REDEVELOPMENT PLAN; TAKING OTHER ACTIONS AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING; REVOKING RESOLUTION NO. _____; AND RELATED MATTERS.

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

ARTICLE I

FINDINGS AND DETERMINATIONS

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

(a) The City of Grand Island, Nebraska (the "**City**"), pursuant to the Plan Resolution (hereinafter defined), approved the City of Grand Island Redevelopment Area #26 Plan Amendment November 2018 (the "**Redevelopment Plan**") under and pursuant to which the Authority shall undertake from time to time to redevelop and rehabilitate the Redevelopment Area (hereinafter defined).

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

Amended Orchard, LLC Phase 1

portion of the improvements (as defined in the Redevelopment Contract hereinafter identified) in the Redevelopment Area (the **“Project Costs”**), including, without limitation site acquisition of the Project Site (as defined in the Redevelopment Contract), (collectively, the **“Project”**), as more fully described in the Redevelopment Contract (hereinafter defined).

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

(d) In order to provide funds to pay a portion of the costs of the Project, it is necessary, desirable, advisable, and in the best interest of the Authority for the Authority to issue up to nine Tax Increment Development Revenue Notes or other obligation in an aggregate principal amount not to exceed \$6,326,956 (the **“Note”**).

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

ARTICLE II

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

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

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

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

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

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

“Note” means the Orchard, LLC Redevelopment Project Tax Increment Development Revenue Note Series A of the Authority, in an aggregate principal amount not to exceed \$6,326,956, issued pursuant to this Resolution in up to nine Notes, 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.

Amended Orchard, LLC Phase 1

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

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

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

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

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

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

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

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

“Payment Date” means June 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;

Amended Orchard, LLC Phase 1

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

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

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

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

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

“Record Date” means, for each Payment Date, the 15th day immediately preceding such Payment Date.

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

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

“Redevelopment Contract” means the City of Grand Island Amended Redevelopment Contract Orchard, LLC, Redevelopment Project, dated the date of its execution, between the Authority, and The Orchard, LLC, a Nebraska corporation, relating to the Project.

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

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

“Redevelopment Plan” means the “City of Grand Island Redevelopment Plan Amendment for Redevelopment Area #26 November 2018” passed, adopted and approved by the City pursuant to the Plan Resolution, and shall include any amendment of such Redevelopment Plan heretofore or hereafter made by the City pursuant to law.

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

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

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

“Revenue” means the Tax Revenue.

“Special Fund” means the fund by that name created in **Section 7.1**.
Amended Orchard, LLC Phase 1

“State” means the State of Nebraska.

“Tax Revenue” means, with respect to the Project Area, (a) those tax revenues referred to (1) in the last sentence of the first paragraph of Article VIII, Section 12 of the Constitution of the State and (2) in Section 18-2147, Reissue Revised Statutes of Nebraska, as amended, and (b) all payments made in lieu thereof.

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

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

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

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

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

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

Section 2.5. Evidence of Action by the Authority. Except as otherwise specifically provided in this Resolution, any request, direction, command, order, notice, certificate or other instrument of, by or from the City or the Authority shall be effective and binding upon the Authority, respectively, for the purposes of this Resolution if signed by the Chairman, the Vice Chairman, the Secretary, the Treasurer of the Authority, 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.

Amended Orchard, LLC Phase 1

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 up to nine Notes (the “Note” whether one or up to nine) in an aggregate principal amount not to exceed \$6,326,956. The Note shall be designated as “Community Redevelopment Authority of the City of Grand Island, Nebraska, Orchard, LLC, Redevelopment Project Tax Increment Development Revenue Note (with a designated Series A through C, as appropriate),” 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, 2043, and shall bear interest at an annual rate of 5.00%.

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

Amended Orchard, LLC Phase 1

constituting the Project. The Note shall be issued as in a series of up to nine Notes with appropriate series designation.

(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 in the aggregate exceed \$6,326,956.

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 an 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 five 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 Amended Orchard, LLC Phase 1

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, 2043, (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 Amended Orchard, LLC Phase 1

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 \$30,000,000, 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

Amended Orchard, LLC Phase 1

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 from time to time pursuant to each Redevelopment Contract Amendment. 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.

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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 "Orchard, 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, 2043 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.

Amended Orchard, LLC Phase 1

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.

Amended Orchard, LLC Phase 1

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

ORCHARD, LLC, REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES A (and B through I)

No. R-1

Up to an aggregate amount of \$6,326,956
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2043

5.00%

REGISTERED OWNER: The Orchard, 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 Amended Orchard, LLC Phase 1

Principal Amount, beginning June 1, 2021, by check or draft mailed to the Registered Owner hereof as shown on the note registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable 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 _____, 2021, 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 \$6,326,956.

This Note has been issued by the Authority for the purpose of financing the costs of constructing, reconstructing, improving, extending, rehabilitating, installing, equipping, furnishing and completing certain improvements within the area identified and referred to as the City of Grand Island Redevelopment Plan Amendment for Redevelopment Area #26 November 2018, (Orchard, 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.

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

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

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

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

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

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

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, Amended Orchard, LLC Phase 1

do exist and have been performed in regular and due time, form and manner; that this Note does not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on this Note as provided in this Resolution.

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Amended Orchard, LLC Phase 1

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(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

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

By: _____
Title: _____

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Amended Orchard, LLC Phase 1

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
ORCHARD, LLC, REDEVELOPMENT PROJECT
TAX INCREMENT DEVELOPMENT REVENUE NOTE, SERIES A (B and or C)**

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

Amended Orchard, LLC Phase 1

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 be paid to the Nebraska State Treasurer 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**.

Amended Orchard, LLC Phase 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.

Amended Orchard, LLC Phase 1

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 of Nebraska. All suits and actions arising out of this Resolution shall be instituted in a court of competent jurisdiction in the State of Nebraska except Amended Orchard, LLC Phase 1

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.

Section 12.12 Revision of prior Resolution in Whole. This Resolution revokes and supplants in whole Resolution _____ passed by the Authority on _____, 2020.

PASSED AND ADOPTED: _____, 2021.

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

(SEAL)

By: _____
Chairman

ATTEST:

By: _____
Secretary

4820-4919-5239, v. 1

Amended Orchard, LLC Phase 1

AMENDED REDEVELOPMENT CONTRACT

This Amended Redevelopment Contract is made and entered into as of the ____ day of _____, 2021, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and The Orchard, LLC, a Nebraska limited liability company ("Redeveloper").

1. The Authority and Redeveloper entered into a Redevelopment Contract dated the 12th day of June, 2019, a true and correct copy of which is attached hereto as Exhibit A and incorporated herein by this reference.

2. The first sentence of the second paragraph of Section 3.02 is amended and restated as follows:

“The Authority shall issue three (3) Tax Increment Revenue Bonds for each phase of the Project (for a total of up to nine (9) Tax Increment Revenue Bonds), in one taxable series, in a maximum principal amounts for each phase as follows:”

3. The second sentence of Section 3.04 is amended and restated as follows:

“In accordance with the terms of this Redevelopment Contract, the Redeveloper shall receive grants in nine (9) or more advances corresponding to the completion of the Public Improvements for each separate Sub-Phase of the Project to reimburse Redeveloper for Project Costs incurred for such Phase and/or Sub-Phase, in the aggregate maximum amount not to exceed the sums reflected in section 3.02 above.”

4. The Redevelopment Contract is amended by revising the interest rate on Exhibit C to the original Redevelopment Contract. Exhibit C to the original Redevelopment Contract is revised to conform to Exhibit B attached hereto and incorporated herein by this reference.

5. The Redevelopment Contract is amended as and to the extent described herein and the parties affirm the terms and conditions of the Redevelopment Contract as amended hereby.

(Signature Page follows)

ATTEST:

By: _____
Chairman

Chairman

Page 183 / 230

Exhibit A
Original Redevelopment Contract

Exhibit B
Amended Exhibit C to Original Redevelopment Contract

EXHIBIT C
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

TAX INCREMENT DEVELOPMENT REVENUE BOND
(ORCHARD, LLC REDEVELOPMENT PROJECT), SERIES 2021

No. R-1

Up to \$6,326,956 for the aggregate
total of all phases
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2043*

5.00%

REGISTERED OWNER: The Orchard, LLC

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND 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 Bond to be signed by the manual signature of the Chairman of the Authority, countersigned by the manual signature of the Clerk of the City, and the City's corporate seal imprinted hereon.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Clerk

*** or, if sooner, fifteen years after the last effective date established for a Sub-Phase under the terms of the Redevelopment Contract**

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, 202_, by check or draft mailed to the Registered Owner hereof as shown on the bond 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 bond registration books. The principal of this Bond 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 Bond 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 _____, 2021, as from time to time amended and supplemented (the “**Resolution**”).

THE PRINCIPAL AMOUNT OF THIS BOND IS SET FORTH IN SCHEDULE 1 ATTACHED HERETO. THE MAXIMUM PRINCIPAL AMOUNT OF THIS BOND IS \$6,326,956.00.

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

Reference is hereby made to the Resolution for the provisions, among others, with respect to the collection and disposition of certain tax and other revenues, the special funds charged with and pledged to the payment of the principal of and interest on this Bond, the nature and extent of the security thereby created, the terms and conditions under which this Bond has been issued, the rights and remedies of the Registered Owner of this Bond, and the rights, duties, immunities and obligations of the City and the Authority. By the acceptance of this Bond, 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 Bond 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 Bond is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority and neither the City nor the Authority shall be liable for the payment hereof out of any funds of the City or the Authority other than the Revenues and other funds pledged under the Resolution, which Revenues and other funds have been and hereby are pledged to the punctual payment of the principal of and interest on this Bond 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 Bond 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 Bond under the column headed "Principal Amount Redeemed" on the Table and may enter the then outstanding principal amount of this Bond 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 Bond shall be the official records of the Cumulative Outstanding Principal Amount of this Bond 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 Bond by its acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for this Bond; the Revenue and other money and securities pledged to the payment of the principal of and interest on this Bond; 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 Bond; 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 Bond, and this Bond 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 Bond 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 Bond 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 Bond, 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 Bond so redeemed shall become due and payable and if money for the payment of the portion of the Bond 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 Bond 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 Bond. Upon such transfer, a new Bond 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 bond is being issued as a registered bond without coupons. This bond 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 Bond have happened, do exist and have been performed in regular and due time, form and manner; that this Bond 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 Bond 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 bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bond on the bond 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 bond 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
ORCHARD, LLC REDEVELOPMENT PROJECT TAX INCREMENT DEVELOPMENT
REVENUE BOND, SERIES 2021**

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

4843-3227-4152, v. 1

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

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the financing of a specific infrastructure related project in Area 26.

Executive Summary:

Project Description

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

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

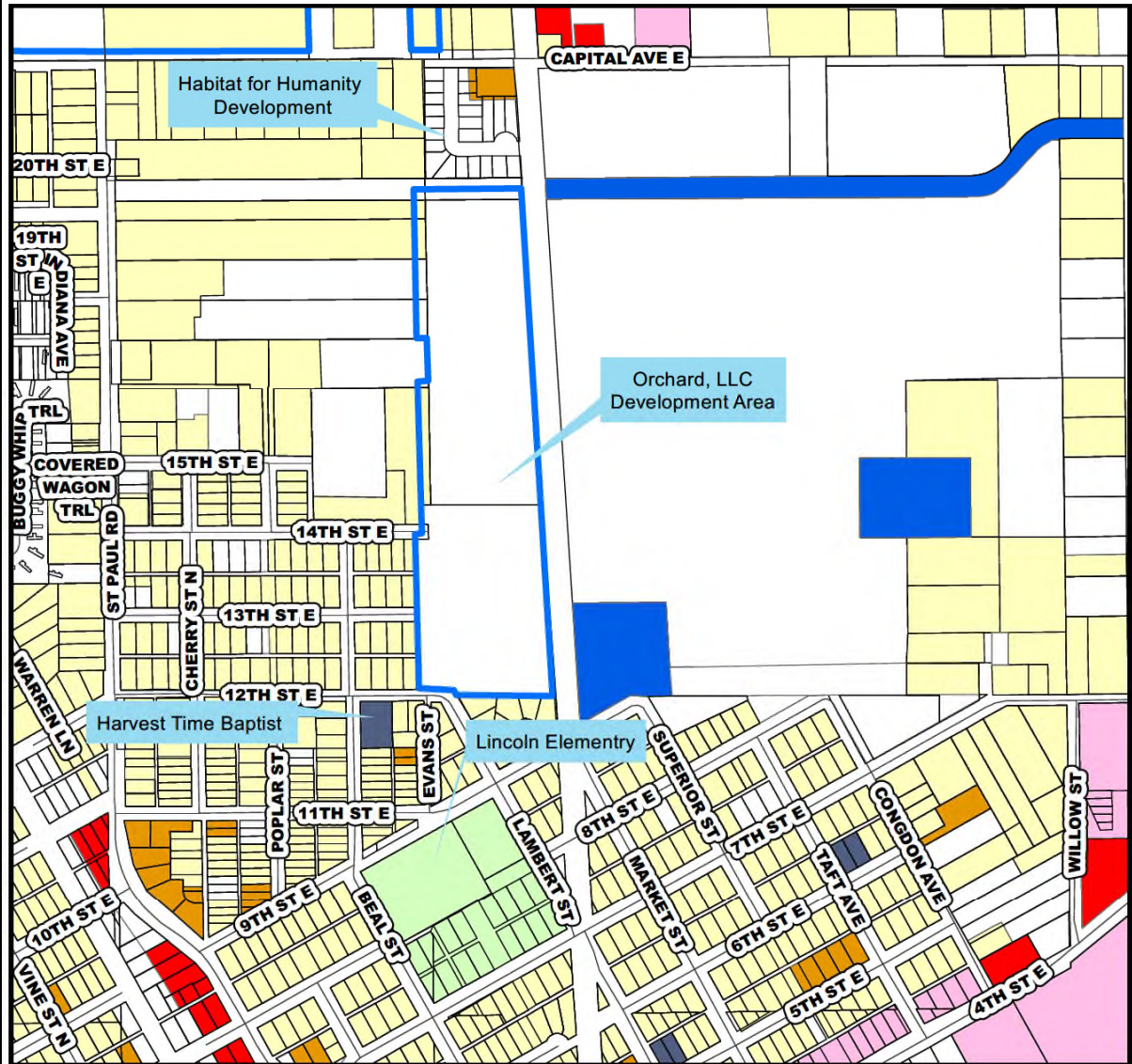
Orchard LLC – Hoppe Homes, LP owns the property being platted as The Orchard Subdivision. This is vacant property that has been surrounded by developed and developing property for more than 100 years. The developer is responsible for and has provided evidence that they can secure adequate debt financing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

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

Property Description (the “Redevelopment Project Area”)

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

EXISTING LAND USE LOCATION MAP



Scale: NONE
For Illustration Purposes

Legend

 Orchard LLC, Development Area	 Park; School
 Church	 Public
 Commercial	 Residential
 Industrial	 Vacant
 Multi-Family Residential	



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

Existing Land Use and Subject Property

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

The real property ad valorem taxes on the current valuation will continue to be paid to the normal taxing entities. The increase will come from development of the property for residential uses and the construction of houses in the project area as permitted in the R-3SL Medium Density Residential Small Lot Zoning District.

Statutory Pledge of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution providing for the issuance of the TIF Note, the Authority hereby provides that any ad valorem tax on the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract, consistent with this Redevelopment Plan. The plan anticipates that each phase of the development will constitute new effective date for the purposes of determining the period of fifteen years. Said taxes shall be divided as follows:

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of; the interest on, and any premiums due in connection with the bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

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

Redevelopment Plan Amendment Complies with the Act:

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

1. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on May 22, 2018.[§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.

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

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to rehabilitate the building for permitted uses on this property as defined by the current and effective zoning regulations. The Hall County Regional Planning Commission held a public hearing at their meeting on October 3, 2018 and passed Resolution 2019-011 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island. The Grand Island Public School District has submitted a formal request to the Grand Island CRA to notify the District any time a TIF project involving a housing subdivision and/or apartment complex is proposed within the District. The school district was notified of this plan amendment prior to it being submitted to the CRA for initial consideration.

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

a. Land Acquisition:

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

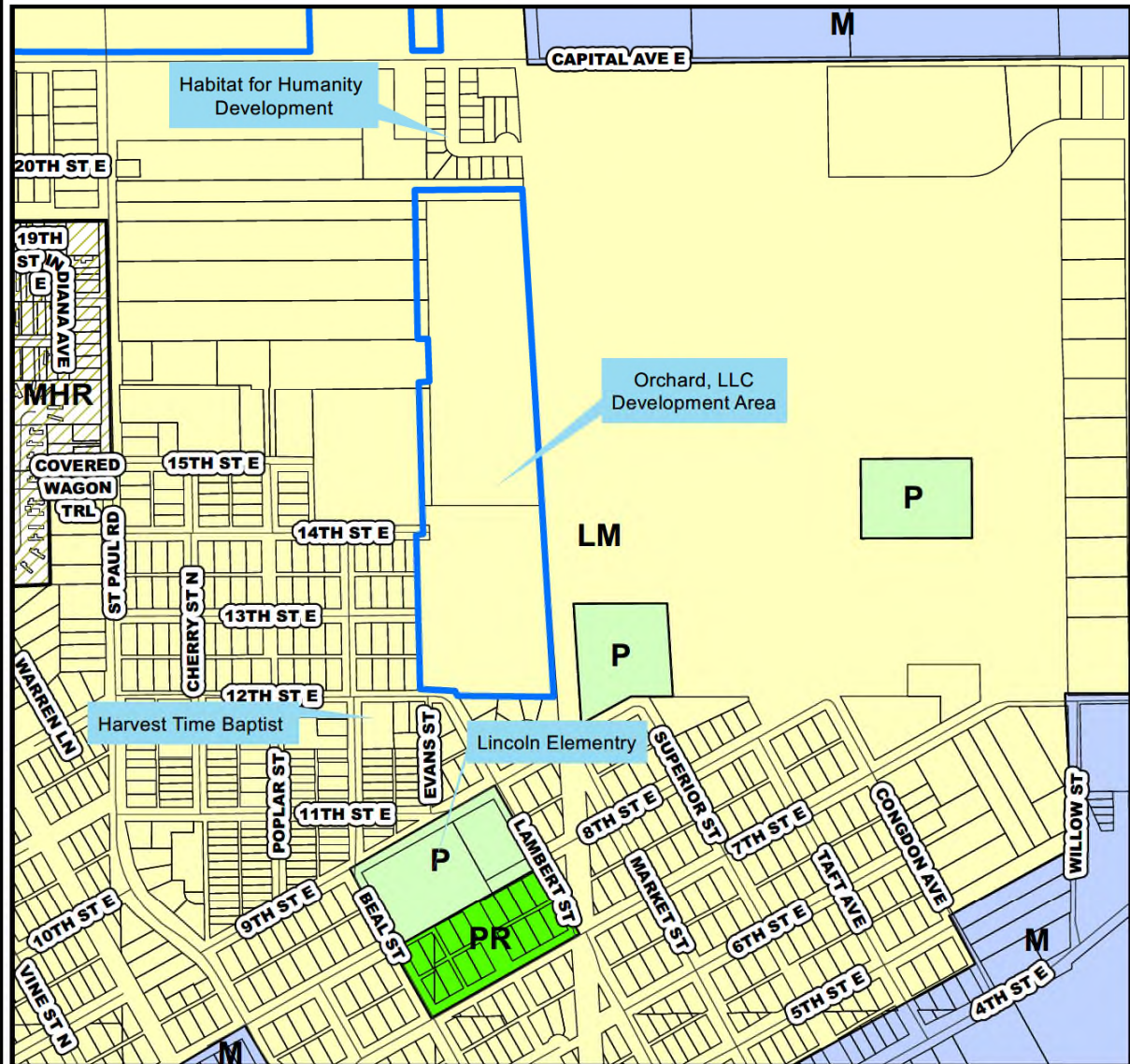
b. Demolition and Removal of Structures:

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

c. Future Land Use Plan

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

FUTURE LAND USE LOCATION MAP



Scale: NONE
For Illustration Purposes

Legend

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



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

City of Grand Island Future Land Use Map

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

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

e. Site Coverage and Intensity of Use

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

f. Additional Public Facilities or Utilities

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

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

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

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

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

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

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

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

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

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

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

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

c. Statement of feasible method of relocating displaced families.

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

7. Section 18-2113 of the Act requires:

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

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

8. Time Frame for Development

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

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

9. Justification of Project

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

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

As authorized in the Nebraska Community Development Law, §18-2147, *Neb. Rev. Stat.* (2019), the City of Grand Island has analyzed the costs and benefits of the proposed Redevelopment Project, including:

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

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

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

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

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

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

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

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

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

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

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

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

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

This project will not have a negative impact on other employers different from any other expanding business within the Grand Island area. Grand Island does have tight labor market and part of that is due to the availability and cost of housing. This development may help alleviate some of those pressures.

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

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

The average number of persons per household in Grand Island for 2012 to 2016 according the American Community Survey is 2.65. 181 additional households would house 480 people. According to the 2010 census 19.2% of the population of Grand Island was between the ages of 5 and 18. If the averages hold it would be expected that there would be an additional 92 school age children generated by this development. If this develops at a rate of 20 houses per year for 9 years approximately 10 children would be added to the school age population every year with this development. These 10 children will likely be spread over the full school age population from elementary to secondary school. According to the National Center for Educational Statistics¹ the 2015-16 enrollment for GIPS was 9,698 students and the cost per student in 2013-14 was \$12,343 of that \$5,546 is generated locally. The Grand Island Public School System was notified on October 16, 2018 that the CRA would be considering this application at their November 14, 2018 meeting.

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

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

Time Frame for Development

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

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

property as of January 1, 2019 for the first phase with each phase based on the preceeding year's valuation of the property included in the amendment for that year. Excess valuation should be available for this project beginning in 2020 with taxes due in 2021. Excess valuation will be used to pay the TIF Indebtedness issued by the CRA per the contract between the CRA and the developer for a period not to exceed 15 years on each property or an amount not to exceed \$6,000,000 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates of the expenses of the rehabilitation the developer will spend at least \$6,000,000 on TIF eligible activities.



BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

Project Redeveloper Information

Business Name:

ORCHARD LLC - Hoppe Homes, LP

Address:

PO Box 6036 LINCOLN NE 68506

Telephone No.:

402 328 8100

Fax No.:

402 328 8104

Contact:

FRED HOPPE

Brief Description of Applicant's

Business:

land development & construction

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

Present Ownership Proposed Project Site: ORCHARD LLC

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

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

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

VI. Estimated Project Costs:

Acquisition Costs:

A. Land APPRX 2,000,000

B. Building N/A \$

Construction Costs:

A. Renovation or Building Costs:

APPRX \$1,000 X 180 plus \$350,000

B. On-Site Improvements:

APPRX \$ 3,000,000 -
APPRX \$ 4,000,000
STREETS
SEWER
WATER
SYSTEM

Soft Costs:

A. Architectural & Engineering Fees:

APX \$ 50,000

B. Financing Fees:

APX \$ 20,000

C. Legal/Developer/Audit Fees:

APX \$ 80,000

D. Contingency Reserves:

\$ 350,000

E. Other (Please Specify)

\$

TOTAL \$ 37,500,000

Total Estimated Market Value at Completion:

APX \$ 40,000,000

Source of Financing:

A. Developer Equity:

\$ 2,000,000

B. Commercial Bank Loan:

\$ 29,500,000

Tax Credits:

1. N.I.F.A.

TO BE DETERMINED \$

2. Historic Tax Credits

\$

D. Industrial Revenue Bonds:

\$

E. Tax Increment Assistance:

\$ 6,000,000

F. Other

\$

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

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

GC: HOPPE HOMES ATTN FRED HOPPE

see attached

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

(Please Show Calculations)

180 x 210,000 = 37,800,000

Project Construction Schedule:

3 Phases

180 units

Construction Start Date:

Phase I - 12/18

20 per year

Construction Completion Date:

Phase III 9/27

If Phased Project:

2019

Year

11

%

Complete

Year

%

Complete

11% per year est

XII. Please Attach Construction Pro Forma

XIII. Please Attach Annual Income & Expense Pro Forma

(With Appropriate Schedules)

TAX INCREMENT FINANCING REQUEST INFORMATION

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

LAND & INFRA STRUCTURE

TIF ALLOWS US TO SELL
HOUSES FOR CONST. COST.

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

MARKET VALUE \$210,000 EST

SALE PR PRICE \$170,000

TIF PAYS GAP \$40,000

Using TIF to reduce sale price
to construction cost.

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

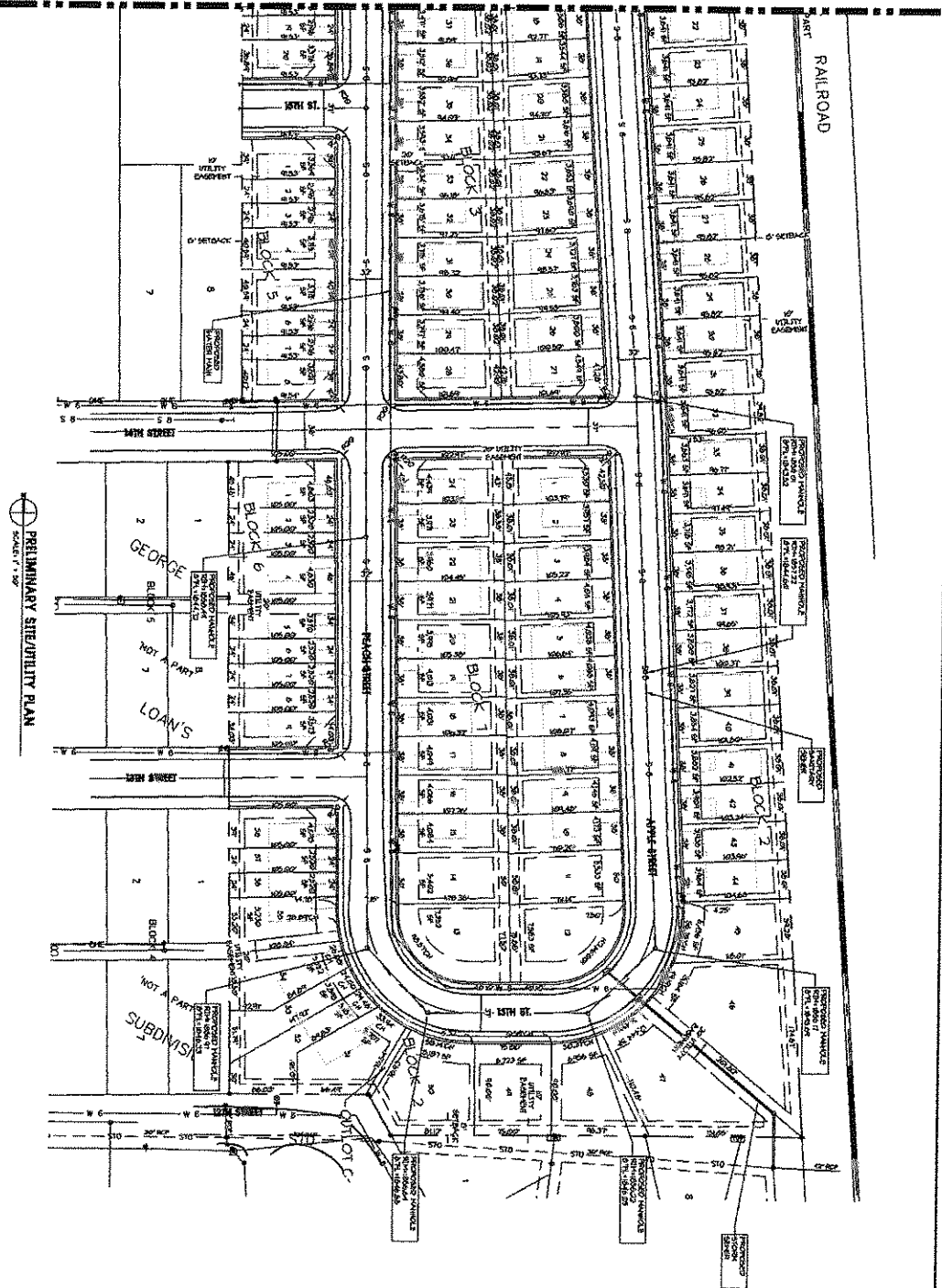
has completed developments in, within the last five (5) years, providing contact person, telephone and fax numbers for each:

LEXINGTON	JOE PEPPLIS A
LINCOLN-	DAVE LANDIS
GRAND ISLAND	CHAD NABITY

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

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

MATCHLINE SEE SHEET C-2



PRELIMINARY SITE/UTILITY PLAN
SCALE: 1" = 30'

C-3

Design Associates
of Lincoln, Inc.
ARCHITECTS • ENGINEERS • PLANNERS
1700 N. 16th Street, Lincoln, Nebraska 68506
402-441-2000 dave@designassociates.com, 402-441-1000

PROPOSED
SITE PLAN

THE ORCHARD SUBDIVISION
PRELIMINARY STUDY
GRAND ISLAND, NEBRASKA

15 AUG 2018

Developer/builder/GC

The Orchard, LLC

Hoppe Homes, LP

c/o Ward F. Hoppe

P.O. Box 6036

Lincoln Ne 68506

402-328-8100

Design Associates

c/o Jeremy Williams

402-474-3000

1609 N Street

Lincoln

Ne.

68508

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

1:27 PM
08/29/18
Cash Basis

Hoppe Homes LP
Balance Sheet
As of December 31, 2017

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

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Cash Basis

Hoppe Homes LP Balance Sheet As of December 31, 2017

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

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08/29/18
Cash Basis

Hoppe Homes LP
Balance Sheet
As of December 31, 2017

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

1:25 PM
08/29/18
Cash Basis

Hoppe Homes LP

Profit & Loss YTD Comparison

January through December 2017

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

1:28 PM
08/29/18
Cash Basis

Hoppe Homes LP
Balance Sheet
As of December 31, 2016

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

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Cash Basis

Hoppe Homes LP
Balance Sheet
As of December 31, 2016

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

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Cash Basis

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

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

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Cash Basis

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

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

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Cash Basis

Hoppe Homes LP
Balance Sheet
As of December 31, 2015

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

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08/29/18
Cash Basis

Hoppe Homes LP
Balance Sheet
As of December 31, 2015

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

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Cash Basis

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

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

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Cash Basis

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

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

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

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

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Cash Basis

The Orchard, LLC
Profit & Loss
January through December 2017

	Jan - Dec 17
Net Income	0.00

1:32 PM
08/29/18
Cash Basis

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

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

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08/29/18
Cash Basis

The Orchard, LLC
Profit & Loss
January through December 2016

	Jan - Dec 16
Net Income	0.00

1:33 PM
08/29/18
Cash Basis

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

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

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08/29/18
Cash Basis

The Orchard, LLC
Profit & Loss
January through December 2015

	Jan - Dec 15
Net Income	0.00