



# **Community Redevelopment Authority (CRA)**

**Wednesday, June 13, 2012  
Regular Meeting Packet**

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## **Board Members:**

**Michelle Fitzke**

**Tom Gdowski**

**Barry Sandstrom**

**Sue Pirnie**

**Glen Murray**

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**4:00 PM  
Grand Island City Hall  
100 E 1st Street**

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## **Call to Order**

## **Roll Call**

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### **A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS**

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

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### **B - RESERVE TIME TO SPEAK ON AGENDA ITEMS**

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

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### **DIRECTOR COMMUNICATION**

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



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item A1**

### **Agenda**

Staff Contact: Chad Nabity

**AGENDA**  
**Wednesday June 13, 2012**  
**4:00 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.
2. Approval of Minutes of May 9, 2012 Meeting.
3. Approval of Financial Reports.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. Consideration of Resolution to reimburse expenditures associated with the Lincoln Park Pool with the proceeds of bonds to be issued for the construction of the Lincoln Park Pool.
7. Consideration of Intent to enter into a Redevelopment contract for 3420 W State Street, Grand Island, with EIG Grand Island LLC.
8. Consideration of a Resolution to forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for 709 & 715 W 18<sup>th</sup> Street, Grand Island, with Baker Development Inc.
9. Consideration of a Resolution of intent to enter into a Site Specific Redevelopment Contract & Approval of related actions 30 day notice to City Council for 709 & 715 W 18<sup>th</sup> Street, Grand Island, with Baker Development Inc.
10. Review of Blight Study for Area #10. Micro blight study commissioned by Larry Fowle through a grant from the CRA. Forward this study to the City Council for their approval.
11. ADJOURN TO EXECUTIVE SESSION TO DISCUSS NEGOTIATIONS.

RETURN TO REGULAR SESSION

12. Approve Resolution or Resolutions to Purchase/Sell Property.

13. Directors Report

14. Adjournment

Next Meeting July 11, 2012

The CRA may go into closed session for any agenda item as allowed by state law.



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item B1**

### **May Meeting Minutes**

Staff Contact: Chad Nabity

## OFFICIAL PROCEEDINGS

### MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF May 9, 2012

Pursuant to due call and notice thereof, a Regular Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on May 9, 2012 at City Hall 100 E First Street. Notice of the meeting was given in the May 2, 2012 Grand Island Independent.

1. CALL TO ORDER. Vice Chair Glen Murray called the meeting to order at 4:02 p.m. The following members were present: Michelle Fitzke, Sue Pirnie and Tom Gdowski. Also present were; Director, Chad Nabity; Secretary, Rose Woods; Finance Director, Jaye Monter; Legal Counsel, Duane Burns; Council Liaison, Vaughn Minton, Ron DePue and Kelly Rafferty. (Chairman Barry Sandstrom was absent).

Murray stated this was a public meeting subject to the open meeting laws of the State of Nebraska. He noted that the requirements for an open meeting were posted on the wall easily accessible to anyone who would like to read through them.

2. APPROVAL OF MINUTES. A motion for approval of the Minutes for the April 11, 2012 meeting was made by Gdowski and seconded by Fitzke. Upon roll call vote all present voted aye. Motion carried unanimously.
3. APPROVAL OF FINANCIAL REPORTS. Monter reviewed the financial reports for the period of April 1, 2012 through April 30, 2012. Motion was made by Pirnie and seconded by Gdowski to approve the financial reports. Upon roll call vote, all present voted aye. Motion carried unanimously.
4. APPROVAL OF BILLS. The bills were reviewed by Murray. Motion made by Gdowski and seconded by Pirnie to approve the bills in the amount of \$413.54. Upon roll call vote all present voted aye. Motion carried unanimously to approve the payment of bills totaling \$413.54.
5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY.  
(This was requested to be moved directly after bills to review the committed projects before any other commitments are made.)

Monter explained she has made appropriate changes to the Committed Projects spreadsheet to better provide information to the CRA board to see the actual funds available.

6. REVIEW OF REDEVELOPMENT PLAN. Generalized Redevelopment Plan for Area #9.

Ron Depue spoke on the Redevelopment Plan for Area #9 that was brought forward by his client Gordman Grand Island, LLC. Depue explained to CRA this Study was paid for by his client. Prior Blight Studies have been requested through the CRA, so this Blight Study didn't have to be reviewed by CRA first to approve. The CRA is responsible for reviewing the Redevelopment Plan for Area #9 and forwarding the Plan on to Regional Planning Commission. The Blight Study was approved by Grand Island City Council on April 24, 2012, Resolution No. 2012-114.

7. CONSIDERATION OF A RESOLUTION No. 131. Consideration of Resolution No. 131 to forward a Redevelopment Plan Amendment to the Hall County Regional Planning Commission for Area #9.

A motion for approval of Resolution No. 131 was made by Pirnie and seconded by Fitzke. Upon roll call vote all present voted aye. Motion carried unanimously.

8. CONSIDERATION OF A SITE SPECIFIC PLAN RESOLUTION NO. 132. Consideration of a Site Specific Redevelopment Plan for 3420 W State Street, Resolution No. 132 to forward the Site Specific Redevelopment Plan to Regional Planning.

Kelly Rafferty spoke for Equity Investment Group (EIG) out of Fort Wayne, Indiana who is requesting redevelopment help in the form of a TIF from the CRA in the amount of \$899,000. This plan is to redevelop the former grocery store at 3420 W State Street into tenant spaces. There are four letters of intent from perspective tenants to rent the retail spaces once the spaces have been renovated.

A motion for approval of Resolution No. 132 was made Fitzke and seconded by Pirnie. Upon roll call vote all present voted aye. Motion carried unanimously.

9. CONSIDERATION OF A SITE SPECIFIC PLAN RESOLUTION NO. 133. Consideration of a Resolution of intent to enter into a Site Specific Redevelopment Contract & Approval of related actions 30 day notice to City Council for 3420 W State Street.

A motion for approval of Resolution No. 133 was made Pirnie and seconded by Fitzke. Upon roll call vote all present voted aye. Motion carried unanimously.



10. DIRECTORS REPORT.

11. ADJOURNMENT.

Murray adjourned the meeting at 5:03 p.m.

The next meeting is scheduled for June 13, 2012 at 4:00 p.m.

Respectfully submitted  
Chad Nabity  
Director



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item C1**

### **CRA May Financial Reports**

Staff Contact: Chad Nabity

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|                                   | <b>MONTH ENDED<br/>MAY 2012</b> | <b>2011-2012<br/>YEAR TO DATE</b> | <b>2012<br/>BUDGET</b> | <b>REMAINING<br/>BALANCE</b> |
|-----------------------------------|---------------------------------|-----------------------------------|------------------------|------------------------------|
| <b>CONSOLIDATED</b>               |                                 |                                   |                        |                              |
| Beginning Cash                    | 539,055                         | 923,823                           | 923,823                | 593,514                      |
| <b>REVENUE:</b>                   |                                 |                                   |                        |                              |
| Property Taxes - CRA              | 105,326                         | 252,085                           | 437,618                | 185,533                      |
| Property Taxes - Lincoln Pool     | 41,058                          | 64,282                            | 201,787                | 137,505                      |
| Property Taxes -TIF's             | 134,065                         | 283,007                           | 318,406                | 35,399                       |
| Loan Proceeds                     | -                               | -                                 | -                      | -                            |
| Interest Income - CRA             | 6                               | 4,347                             | 8,000                  | 3,653                        |
| Interest Income - TIF'S           | 9                               | 626                               | -                      | -                            |
| Land Sales                        | 1,532                           | 1,532                             | 70,000                 | 68,468                       |
| Other Revenue - CRA               | -                               | 6,524                             | 10,000                 | 3,476                        |
| Other Revenue - TIF's             | -                               | 6,587                             | 1,000                  | -                            |
| <b>TOTAL REVENUE</b>              | <b>281,995</b>                  | <b>618,991</b>                    | <b>1,046,811</b>       | <b>434,034</b>               |
| <b>TOTAL RESOURCES</b>            | <b>821,051</b>                  | <b>1,542,814</b>                  | <b>1,970,634</b>       | <b>1,027,547</b>             |
| <b>EXPENSES</b>                   |                                 |                                   |                        |                              |
| Auditing & Accounting             | -                               | 4,025                             | 5,000                  | 975                          |
| Legal Services                    | 225                             | 1,121                             | 10,000                 | 8,880                        |
| Consulting Services               | -                               | -                                 | 10,000                 | 10,000                       |
| Contract Services                 | 160                             | 31,121                            | 55,000                 | 23,879                       |
| Printing & Binding                | -                               | -                                 | 1,000                  | 1,000                        |
| Other Professional Services       | -                               | 7,599                             | 5,000                  | (2,599)                      |
| General Liability Insurance       | -                               | -                                 | 250                    | 250                          |
| Postage                           | -                               | 172                               | 200                    | 28                           |
| Matching Grant                    | -                               | -                                 | -                      | -                            |
| Legal Notices                     | 29                              | 1,769                             | 800                    | (969)                        |
| Licenses & Fees                   | -                               | -                                 | -                      | -                            |
| Travel & Training                 | -                               | 161                               | 1,000                  | 839                          |
| Other Expenditures                | -                               | -                                 | 500                    | 500                          |
| Office Supplies                   | -                               | -                                 | 500                    | 500                          |
| Supplies                          | -                               | -                                 | 300                    | 300                          |
| Land                              | -                               | -                                 | 100,000                | 100,000                      |
| Bond Principal - Lincoln Pool     | -                               | -                                 | 201,787                | 201,787                      |
| Façade Improvement                | -                               | 519,378                           | 987,500                | 468,122                      |
| South Locust                      | -                               | -                                 | -                      | -                            |
| Alleyway Improvement              | -                               | -                                 | -                      | -                            |
| Other Projects                    | -                               | -                                 | 111,000                | 111,000                      |
| Bond Principal                    | 67,676                          | 197,418                           | 266,659                | 69,241                       |
| Bond Interest                     | -                               | 27,088                            | 50,747                 | 23,659                       |
| Interest Expense                  | -                               | -                                 | -                      | -                            |
| <b>TOTAL EXPENSES</b>             | <b>68,089</b>                   | <b>789,852</b>                    | <b>1,807,243</b>       | <b>1,017,391</b>             |
| <b>INCREASE(DECREASE) IN CASH</b> | <b>213,906</b>                  | <b>(170,861)</b>                  | <b>(760,432)</b>       | <b>(583,357)</b>             |
| <b>ENDING CASH</b>                | <b>752,962</b>                  | <b>752,962</b>                    | <b>163,391</b>         | <b>10,156</b>                |
| <b>CRA CASH</b>                   | <b>575,191</b>                  |                                   |                        |                              |
| <b>LINCOLN POOL CASH</b>          | <b>64,282</b>                   |                                   |                        |                              |
| <b>TIF CASH</b>                   | <b>113,488</b>                  |                                   |                        |                              |
| <b>Total Cash</b>                 | <b>752,962</b>                  |                                   |                        |                              |
| <b>CHECKING</b>                   | <b>387,720</b>                  |                                   |                        |                              |
| <b>INVESTMENTS</b>                | <b>365,241</b>                  |                                   |                        |                              |
| <b>Total Cash</b>                 | <b>752,962</b>                  |                                   |                        |                              |

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|                                   | <b>MONTH ENDED<br/>MAY 2012</b> | <b>2011-2012<br/>YEAR TO DATE</b> | <b>2012<br/>BUDGET</b> | <b>REMAINING<br/>BALANCE</b> |
|-----------------------------------|---------------------------------|-----------------------------------|------------------------|------------------------------|
| <b>CRA</b>                        |                                 |                                   |                        |                              |
| <b>GENERAL OPERATIONS:</b>        |                                 |                                   |                        |                              |
| Property Taxes - CRA              | 105,326                         | 252,085                           | 437,618                | 185,533                      |
| Property Taxes - Lincoln Pool     | 41,058                          | 64,282                            | 201,787                | 137,505                      |
| Interest Income                   | 6                               | 4,347                             | 8,000                  | 3,653                        |
| Land Sales                        | 1,532                           | 1,532                             | 70,000                 | 68,468                       |
| Other Revenue & Motor Vehicle Tax | -                               | 6,524                             | 10,000                 | 3,476                        |
| <b>TOTAL</b>                      | <b>147,922</b>                  | <b>328,770</b>                    | <b>727,405</b>         | <b>398,635</b>               |
| <b>GILI TRUST</b>                 |                                 |                                   |                        |                              |
| Property Taxes                    | -                               | 32,019                            | 32,890                 | 871                          |
| Interest Income                   | -                               | 511                               | -                      | (511)                        |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>-</b>                        | <b>32,530</b>                     | <b>32,890</b>          | <b>360</b>                   |
| <b>CHERRY PARK LTD II</b>         |                                 |                                   |                        |                              |
| Property Taxes                    | 32,864                          | 64,641                            | 59,180                 | (5,461)                      |
| Interest Income                   | 9                               | 108                               | -                      | (108)                        |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>32,873</b>                   | <b>64,748</b>                     | <b>59,180</b>          | <b>(5,568)</b>               |
| <b>GENTLE DENTAL</b>              |                                 |                                   |                        |                              |
| Property Taxes                    | 80                              | 161                               | 4,202                  | 4,041                        |
| Interest Income                   | 0                               | 1                                 | -                      | (1)                          |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>80</b>                       | <b>162</b>                        | <b>4,202</b>           | <b>4,040</b>                 |
| <b>PROCON TIF</b>                 |                                 |                                   |                        |                              |
| Property Taxes                    | 322                             | 9,431                             | 19,162                 | 9,731                        |
| Interest Income                   | 0                               | 2                                 | -                      | (2)                          |
| Other Revenue                     | -                               | 233                               | -                      | (233)                        |
| <b>TOTAL</b>                      | <b>322</b>                      | <b>9,666</b>                      | <b>19,162</b>          | <b>9,496</b>                 |
| <b>WALNUT HOUSING PROJECT</b>     |                                 |                                   |                        |                              |
| Property Taxes                    | 33,122                          | 65,147                            | 74,472                 | 9,325                        |
| Interest Income                   | 0                               | 5                                 | -                      | (5)                          |
| Other Revenue                     | -                               | 6,354                             | -                      | (6,354)                      |
| <b>TOTAL</b>                      | <b>33,122</b>                   | <b>71,506</b>                     | <b>74,472</b>          | <b>2,966</b>                 |
| <b>BRUNS PET GROOMING</b>         |                                 |                                   |                        |                              |
| Property Taxes                    | 6,696                           | 13,170                            | 11,000                 | (2,170)                      |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>6,696</b>                    | <b>13,170</b>                     | <b>11,000</b>          | <b>(2,170)</b>               |
| <b>GIRARD VET CLINIC</b>          |                                 |                                   |                        |                              |
| Property Taxes                    | 4,842                           | 14,037                            | 14,000                 | (37)                         |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>4,842</b>                    | <b>14,037</b>                     | <b>14,000</b>          | <b>(37)</b>                  |
| <b>GEDDES ST APTS-PROCON</b>      |                                 |                                   |                        |                              |
| Property Taxes                    | 474                             | 15,327                            | 30,000                 | 14,673                       |
| Interest Income                   | -                               | -                                 | -                      | -                            |

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|                                   | <b>MONTH ENDED<br/>MAY 2012</b> | <b>2011-2012<br/>YEAR TO DATE</b> | <b>2012<br/>BUDGET</b> | <b>REMAINING<br/>BALANCE</b> |
|-----------------------------------|---------------------------------|-----------------------------------|------------------------|------------------------------|
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>474</b>                      | <b>15,327</b>                     | <b>30,000</b>          | <b>14,673</b>                |
| <b>SOUTHEAST CROSSING</b>         |                                 |                                   |                        |                              |
| Property Taxes                    | 217                             | 7,473                             | 14,000                 | 6,527                        |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>217</b>                      | <b>7,473</b>                      | <b>14,000</b>          | <b>6,527</b>                 |
| <b>Poplar Street Water</b>        |                                 |                                   |                        |                              |
| Property Taxes                    | 61                              | 122                               | 1,000                  | 878                          |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | 1,000                  | 1,000                        |
| <b>TOTAL</b>                      | <b>61</b>                       | <b>122</b>                        | <b>2,000</b>           | <b>1,878</b>                 |
| <b>CASEY'S @ FIVE POINTS</b>      |                                 |                                   |                        |                              |
| Property Taxes                    | 152                             | 4,414                             | 15,000                 | 10,586                       |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>152</b>                      | <b>4,414</b>                      | <b>15,000</b>          | <b>10,586</b>                |
| <b>SOUTH POINTE HOTEL PROJECT</b> |                                 |                                   |                        |                              |
| Property Taxes                    | 42,671                          | 44,144                            | 22,000                 | (22,144)                     |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>42,671</b>                   | <b>44,144</b>                     | <b>22,000</b>          | <b>(22,144)</b>              |
| <b>TODD ENCK PROJECT</b>          |                                 |                                   |                        |                              |
| Property Taxes                    | 3,022                           | 3,126                             | 5,500                  | 2,374                        |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>3,022</b>                    | <b>3,126</b>                      | <b>5,500</b>           | <b>2,374</b>                 |
| <b>JOHN SCHULTE CONSTRUCTION</b>  |                                 |                                   |                        |                              |
| Property Taxes                    | 4,372                           | 4,449                             | 3,000                  | (1,449)                      |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>4,372</b>                    | <b>4,449</b>                      | <b>3,000</b>           | <b>(1,449)</b>               |
| <b>PHARMACY PROPERTIES INC</b>    |                                 |                                   |                        |                              |
| Property Taxes                    | 5,169                           | 5,347                             | 8,000                  | 2,653                        |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>5,169</b>                    | <b>5,347</b>                      | <b>8,000</b>           | <b>2,653</b>                 |
| <b>KEN-RAY LLC</b>                |                                 |                                   |                        |                              |
| Property Taxes                    | -                               | -                                 | 5,000                  | 5,000                        |
| Interest Income                   | -                               | -                                 | -                      | -                            |
| Other Revenue                     | -                               | -                                 | -                      | -                            |
| <b>TOTAL</b>                      | <b>-</b>                        | <b>-</b>                          | <b>5,000</b>           | <b>5,000</b>                 |
| <b>SKAGWAY</b>                    |                                 |                                   |                        |                              |
| Property Taxes                    | -                               | -                                 | -                      | -                            |
| Interest Income                   | -                               | -                                 | -                      | -                            |

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|                      | <b>MONTH ENDED</b><br><b><u>MAY 2012</u></b> | <b>2011-2012</b><br><b><u>YEAR TO DATE</u></b> | <b>2012</b><br><b><u>BUDGET</u></b> | <b>REMAINING</b><br><b><u>BALANCE</u></b> |
|----------------------|--|--|-------------------------------------|---|
| Other Revenue        | -  | -  | -                                   | -   |
| <b>TOTAL</b>         | -  | -  | -                                   | -   |
| <b>TOTAL REVENUE</b> | 281,995                                      | 618,991  | 1,046,811                           | 427,820                                   |

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|                                   | <u>MONTH ENDED</u><br><u>MAY 2012</u> | <u>2011-2012</u><br><u>YEAR TO DATE</u> | <u>2012</u><br><u>BUDGET</u> | <u>REMAINING</u><br><u>BALANCE</u> |
|-----------------------------------|---------------------------------------|---|------------------------------|------------------------------------|
| <b>EXPENSES</b>                   |                                       |   |                              |                                    |
| <b>CRA</b>                        |                                       |   |                              |                                    |
| <b>GENERAL OPERATIONS:</b>        |                                       |   |                              |                                    |
| Auditing & Accounting             | -                                     | 4,025                                   | 5,000                        | 975                                |
| Legal Services                    | 225                                   | 1,121                                   | 10,000                       | 8,880                              |
| Consulting Services               | -                                     | -                                       | 10,000                       | 10,000                             |
| Contract Services                 | 160                                   | 31,121                                  | 55,000                       | 23,879                             |
| Printing & Binding                | -                                     | -                                       | 1,000                        | 1,000                              |
| Other Professional Services       | -                                     | 7,599                                   | 5,000                        | (2,599)                            |
| General Liability Insurance       | -                                     | -                                       | 250                          | 250                                |
| Postage                           | -                                     | 172                                     | 200                          | 28                                 |
| Matching Grant                    | -                                     | -                                       | -                            | -                                  |
| Legal Notices                     | 29                                    | 1,769                                   | 800                          | (969)                              |
| Licenses & Fees                   | -                                     | -                                       | -                            | -                                  |
| Travel & Training                 | -                                     | 161                                     | 1,000                        | 839                                |
| Other Expenditures                | -                                     | -                                       | 500                          | 500                                |
| Office Supplies                   | -                                     | -                                       | 500                          | 500                                |
| Supplies                          | -                                     | -                                       | 300                          | 300                                |
| Land                              | -                                     | -                                       | 100,000                      | 100,000                            |
| Bond Principal - Lincoln Pool     | -                                     | -                                       | 201,787                      | 201,787                            |
| <b>PROJECTS</b>                   |                                       |   |                              |                                    |
| Façade Improvement                | -                                     | 519,378                                 | 987,500                      | 468,122                            |
| South Locust                      | -                                     | -                                       | -                            | -                                  |
| Alleyway Improvement              | -                                     | -                                       | -                            | -                                  |
| Other Projects                    | -                                     | -                                       | 111,000                      | 111,000                            |
| <b>TOTAL CRA EXPENSES</b>         | <b>414</b>                            | <b>565,346</b>                          | <b>1,489,837</b>             | <b>924,491</b>                     |
| <b>GILI TRUST</b>                 |                                       |   |                              |                                    |
| Bond Principal                    | -                                     | 33,066                                  | 31,627                       | (1,439)                            |
| Bond Interest                     | -                                     | 1,325                                   | 1,263                        | (62)                               |
| Other Expenditures                | -                                     | -                                       | -                            | -                                  |
| <b>TOTAL GILI EXPENSES</b>        | <b>-</b>                              | <b>34,390</b>                           | <b>32,890</b>                | <b>(1,500)</b>                     |
| <b>CHERRY PARK LTD II</b>         |                                       |   |                              |                                    |
| Bond Principal                    | -                                     | 24,473                                  | 49,894                       | 25,421                             |
| Bond Interest                     | -                                     | 5,117                                   | 9,286                        | 4,169                              |
| <b>TOTAL CHERRY PARK EXPENSES</b> | <b>-</b>                              | <b>29,590</b>                           | <b>59,180</b>                | <b>29,590</b>                      |
| <b>GENTLE DENTAL</b>              |                                       |   |                              |                                    |
| Bond Principal                    | -                                     | 1,349                                   | 2,760                        | 1,411                              |
| Bond Interest                     | -                                     | 752                                     | 1,442                        | 690                                |
| <b>TOTAL GENTLE DENTAL</b>        | <b>-</b>                              | <b>2,101</b>                            | <b>4,202</b>                 | <b>2,101</b>                       |
| <b>PROCON TIF</b>                 |                                       |   |                              |                                    |
| Bond Principal                    | -                                     | 5,731                                   | 11,782                       | 6,051                              |
| Bond Interest                     | -                                     | 3,850                                   | 7,380                        | 3,530                              |
| <b>TOTAL PROCON TIF</b>           | <b>-</b>                              | <b>9,581</b>                            | <b>19,162</b>                | <b>9,581</b>                       |
| <b>WALNUT HOUSING PROJECT</b>     |                                       |   |                              |                                    |
| Bond Principal                    | -                                     | 21,191                                  | 43,096                       | 21,905                             |
| Bond Interest                     | -                                     | 16,045                                  | 31,376                       | 15,331                             |
| <b>TOTAL WALNUT HOUSING</b>       | <b>-</b>                              | <b>37,236</b>                           | <b>74,472</b>                | <b>37,236</b>                      |

COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|   | <b>MONTH ENDED<br/>MAY 2012</b> | <b>2011-2012<br/>YEAR TO DATE</b> | <b>2012<br/>BUDGET</b> | <b>REMAINING<br/>BALANCE</b> |
|---|---------------------------------|-----------------------------------|------------------------|------------------------------|
| <b>BRUNS PET GROOMING</b>               |                                 |                                   |                        |                              |
| Bond Principal                          | 6,696                           | 13,170                            | 11,000                 | (2,170)                      |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL BRUNS PET GROOMING</b>         | <b>6,696</b>                    | <b>13,170</b>                     | <b>11,000</b>          | <b>(2,170)</b>               |
| <b>GIRARD VET CLINIC</b>                |                                 |                                   |                        |                              |
| Bond Principal                          | 4,842                           | 14,037                            | 14,000                 | (37)                         |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL GIRARD VET CLINIC</b>          | <b>4,842</b>                    | <b>14,037</b>                     | <b>14,000</b>          | <b>(37)</b>                  |
| <b>GEDDES ST APTS - PROCON</b>          |                                 |                                   |                        |                              |
| Bond Principal                          | 474                             | 15,327                            | 30,000                 | 14,673                       |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL GEDDES ST APTS - PROCON</b>    | <b>474</b>                      | <b>15,327</b>                     | <b>30,000</b>          | <b>14,673</b>                |
| <b>SOUTHEAST CROSSINGS</b>              |                                 |                                   |                        |                              |
| Bond Principal                          | 217                             | 7,473                             | 14,000                 | 6,527                        |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL SOUTHEAST CROSSINGS</b>        | <b>217</b>                      | <b>7,473</b>                      | <b>14,000</b>          | <b>6,527</b>                 |
| <b>POPLAR STREET WATER</b>              |                                 |                                   |                        |                              |
| Bond Principal                          | 61                              | 122                               | -                      | (122)                        |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| Auditing & Accounting                   | -                               | -                                 | -                      | -                            |
| Contract Services                       | -                               | -                                 | -                      | -                            |
| <b>TOTAL POPLAR STREET WATER</b>        | <b>61</b>                       | <b>122</b>                        | <b>-</b>               | <b>(122)</b>                 |
| <b>CASEY'S @ FIVE POINTS</b>            |                                 |                                   |                        |                              |
| Bond Principal                          | 152                             | 4,414                             | 15,000                 | 10,586                       |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL CASEY'S @ FIVE POINTS</b>      | <b>152</b>                      | <b>4,414</b>                      | <b>15,000</b>          | <b>10,586</b>                |
| <b>SOUTH POINTE HOTEL PROJECT</b>       |                                 |                                   |                        |                              |
| Bond Principal                          | 42,671                          | 44,144                            | 22,000                 | (22,144)                     |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL SOUTH POINTE HOTEL PROJECT</b> | <b>42,671</b>                   | <b>44,144</b>                     | <b>22,000</b>          | <b>(22,144)</b>              |
| <b>TODD ENCK PROJECT</b>                |                                 |                                   |                        |                              |
| Bond Principal                          | 3,022                           | 3,126                             | 5,500                  | 2,374                        |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| <b>TOTAL TODD ENCK PROJECT</b>          | <b>3,022</b>                    | <b>3,126</b>                      | <b>5,500</b>           | <b>2,374</b>                 |
| <b>JOHN SCHULTE CONSTRUCTION</b>        |                                 |                                   |                        |                              |
| Bond Principal                          | 4,372                           | 4,449                             | 3,000                  | (1,449)                      |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| Auditing & Accounting                   | -                               | -                                 | -                      | -                            |
| <b>TOTAL JOHN SCHULTE CONSTRUCTION</b>  | <b>4,372</b>                    | <b>4,449</b>                      | <b>3,000</b>           | <b>(1,449)</b>               |
| <b>PHARMACY PROPERTIES INC</b>          |                                 |                                   |                        |                              |
| Bond Principal                          | 5,169                           | 5,347                             | 8,000                  | 2,653                        |
| Bond Interest                           | -                               | -                                 | -                      | -                            |
| Auditing & Accounting                   | -                               | -                                 | -                      | -                            |



COMMUNITY REDEVELOPMENT AUTHORITY  
FOR THE MONTH OF MAY 2012

|                                      | <u>MONTH ENDED</u><br><u>MAY 2012</u> | <u>2011-2012</u><br><u>YEAR TO DATE</u> | <u>2012</u><br><u>BUDGET</u> | <u>REMAINING</u><br><u>BALANCE</u> |
|--------------------------------------|---------------------------------------|---|------------------------------|------------------------------------|
| <b>TOTAL PHARMACH PROPERTIES INC</b> | 5,169                                 | 5,347                                   | 8,000                        | 2,653                              |
| <b>KEN-RAY LLC</b>                   |                                       |   |                              |                                    |
| Bond Principal                       | -                                     | -                                       | 5,000                        | 5,000                              |
| Bond Interest                        | -                                     | -                                       | -                            | -                                  |
| Auditing & Accounting                | -                                     | -                                       | -                            | -                                  |
| <b>TOTAL KEN-RAY LLC</b>             | -                                     | -                                       | 5,000                        | 5,000                              |
| <b>SKAGWAY</b>                       |                                       |   |                              |                                    |
| Bond Principal                       | -                                     | -                                       | -                            | -                                  |
| Bond Interest                        | -                                     | -                                       | -                            | -                                  |
| Auditing & Accounting                | -                                     | -                                       | -                            | -                                  |
| <b>TOTAL SKAGWAY</b>                 | -                                     | -                                       | -                            | -                                  |
| <b>TOTAL EXPENSES</b>                | 68,089                                | 789,852                                 | 1,807,243                    | 1,017,391                          |



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item D1**

### **CRA Bills**

Staff Contact: Chad Nabity

13-Jun-12

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                  |                        | \$ 1,877.57  |
| Accounting                           |                        |              |
| Officenet Inc.                       |                        |              |
| Postage                              |                        | \$ 57.38     |
| Lawnscape                            |                        | \$ 64.00     |
| BID 8                                | Downtown Housing Study | \$ 12,413.73 |
| Grand Island Independent             |                        | \$ 15.52     |
| Monthly & Redevelopment Plan Notices |                        |              |
| Mayer, Burns, Koenig & Janulewicz    | Legal Services         | \$ 270.00    |

**Total:**

**\$ 14,698.20**



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item E1**

### **Committed Projects**

Staff Contact: Chad Nabity

| COMMITTED PROJECTS  | TOTAL AMOUNT           | 2012 FISCAL YR       | 2013 FISCAL YR       | 2014 FISCAL YR       | ESTIMATE D COMP |
|---|------------------------|----------------------|----------------------|----------------------|-----------------|
| <b>Downtown BID</b>   |                        |                      |                      |                      |                 |
| Grand Generation/YMCA   |                        | \$ 7,500.00          |                      |                      |                 |
| Indv. Building Evaluations  |                        | \$ 14,816.62         |                      |                      | Spring 2012     |
| Historic Lighting Projects  |                        | \$ 30,000.00         |                      |                      |                 |
| <b>Total Downtown BID *</b>                                       | <b>\$ 97,500.00</b>    |                      |                      |                      | Fall 2012       |
|   |                        |                      |                      |                      |                 |
| Larry Fowle/Micro Blight  | <b>\$ 2,000.00</b>     | \$ 2,000.00          |                      |                      | Fall 2012       |
|   |                        |                      |                      |                      |                 |
| <b>Chief Industries</b>   | <b>\$ 100,000.00</b>   | \$ 100,000.00        |                      |                      | Summer 2012     |
|   |                        |                      |                      |                      |                 |
| <b>The Chocolate Bar</b>  | <b>\$ 116,536.00</b>   |                      | \$ 116,536.00        |                      | Spring 2013     |
|   |                        |                      |                      |                      |                 |
| <b>3333 Ramada Rd - Howard Johnson</b>                            | <b>\$ 100,000.00</b>   | \$ 100,000.00        |                      |                      | Fall 2012       |
|   |                        |                      |                      |                      |                 |
| <b>Fonner Park **</b>   | <b>\$ 192,623.00</b>   | \$ 96,311.50         | \$ 96,311.50         |                      | Spring 2012     |
|   |                        |                      |                      |                      |                 |
| <b>YMCA</b>   | <b>\$ 48,000.00</b>    | \$ 48,000.00         |                      |                      | Summer 2012     |
|   |                        |                      |                      |                      |                 |
| <b>2014 Wayside Horns (Custer/Blaine)</b>                         | <b>\$ 100,000.00</b>   |                      |                      | \$ 100,000.00        | Winter 2014     |
|   |                        |                      |                      |                      |                 |
|   |                        |                      |                      |                      |                 |
| <b>The Grand Façade \$300,000 (\$100 over 3 fiscal yrs)</b>       | <b>\$ 300,000.00</b>   | \$ 200,000.00        | \$ 100,000.00        |                      | Summer 2012     |
|   |                        |                      |                      |                      |                 |
| <b>Wilmar Realty LLC \$300,000 (\$100k over 3 fiscal yrs) ***</b> | <b>\$ 100,000.00</b>   |                      | \$ 100,000.00        |                      | Fall 2012       |
|   |                        |                      |                      |                      |                 |
| <b>Total Committed</b>  | <b>\$ 1,156,659.00</b> | <b>\$ 598,628.12</b> | <b>\$ 412,847.50</b> | <b>\$ 100,000.00</b> |                 |

|                                   |                        |                        |
|-----------------------------------|------------------------|------------------------|
| <b>Façade Budget \$ Remaining</b> | <b>#REF!</b>           | <b>\$ 987,500.00</b>   |
| <b>Other Budget \$ to use</b>     | <b>\$ 100,000.00</b>   | <b>\$ 100,000.00</b>   |
| <b>Other Budget \$ to use</b>     | <b>\$ 111,000.00</b>   | <b>\$ 111,000.00</b>   |
| <b>    subtotal</b>               | <b>#REF!</b>           | <b>\$ 1,198,500.00</b> |
| <b>Less committed</b>             | <b>\$ (598,628.12)</b> | <b>\$ (412,847.50)</b> |
| <b>Balance remaining</b>          | <b>#REF!</b>           | <b>\$ 785,652.50</b>   |

#### CRA PROPERTIES

| Address                  | Purchase Price | Purchase Date | Demo Cost | Status  |
|--------------------------|----------------|---------------|-----------|---------|
| 408 E 2 <sup>nd</sup> St | \$4,869        | 11/11/2005    | \$7,500   | Surplus |
| 3235 S Locust            | \$450,000      | 4/2/2010      | \$39,764  | Surplus |

May 31, 2012

\* Downtown BID 8 has been paid for the POW Marker and for a part of the building evaluations.

\*\* Fonner Park to be paid out over two years (project completed in Spring 2012).

\*\*\* Wilmar has been paid \$200,000 for their Façade grant (they have \$100,000 remaining).



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item H1**

**TIF - 3420 W State Street - Contract**

Staff Contact: Chad Nabity

## REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the \_\_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska (“Authority”), and Stratford Plaza, LLC, a Nebraska limited liability company (“Redeveloper”).

### WITNESSETH:

WHEREAS, the City of Grand Island, Nebraska (the “City”), in furtherance of the purposes and pursuant to the provisions of Section 12 of Article VIII of the Nebraska Constitution and Sections 18-2101 to 18-2154, Reissue Revised Statutes of Nebraska, 2007, as amended (collectively the “Act”), has designated an area in the City as blighted and substandard; and

WHEREAS, City and Redeveloper desire to enter into this Redevelopment Contract for acquisition and redevelopment of a parcel in the blighted and substandard area;

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

### ARTICLE I

#### DEFINITIONS AND INTERPRETATION

##### Section 1.01 Terms Defined in this Redevelopment Contract.

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

“Act” means Section 12 of Article VIII of the Nebraska Constitution, Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 2007, 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” means the holders of TIF indebtedness issued by the Authority from time to time outstanding.

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

“Project” means the improvements to the Redevelopment Area, as further described in Exhibit B attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Area real estate.

“Project Cost Certification” means a statement prepared and signed by the Redeveloper verifying the Redeveloper has been legally obligated for the payment of Project Costs identified on Exhibit D

“Project Costs” means only costs or expenses incurred by Redeveloper for the purposes set forth in §18-2103 (a) through (f), inclusive, of the Act as identified on Exhibit D.

“Redeveloper” means Stratford Plaza, LLC, a Nebraska limited liability company.

“Redevelopment 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.

“Redevelopment Contract” means this redevelopment contract between the Authority and Redeveloper with respect to the Project.

“Redevelopment Plan” means the Amended Redevelopment Plan for the Redevelopment Area related to the Project, prepared by the Authority and approved by the City pursuant to the Act.

“Resolution” means the Resolution of the Authority, as supplemented from time to time, approving this Redevelopment Contract and the issuance of the TIF Indebtedness.

“TIF Indebtedness” means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premiums, if any, thereon, incurred by the Authority pursuant to Article III hereof and secured in whole or in part by TIF Revenues.

“TIF Revenues” means incremental ad valorem taxes generated by the Project which are allocated to and paid to the Authority pursuant to the Act.

## Section 1.02 Construction and Interpretation.

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



(a) Wherever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word “may” shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(b) The phrase “at any time” shall be construed as meaning “at any time or from time to time.”

(c) The word “including” shall be construed as meaning “including, but not limited to.”

(d) The words “will” and “shall” shall each be construed as mandatory.

(e) The words “herein,” “hereof,” “hereunder,” “hereinafter” and words of similar import shall refer to the Redevelopment Contract as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

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

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

## ARTICLE II

### REPRESENTATIONS

#### Section 2.01 Representations by Authority.

The Authority makes the following representations and 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 and adopted by the City pursuant to Section 18-2109 through 18-2117 of the Act.

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

(d) The Redevelopment Project will achieve the public purposes of the Act by, among other things, increasing employment, improving public infrastructure, increasing the tax base, and lessening conditions of blight and substandard in the Redevelopment Area.

(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 plan is in conformity with the legislative declarations and determinations set forth in the Act, and

(2) Based on Representations made by the Redeveloper:

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

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

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

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

## Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

(a) The Redeveloper is a Nebraska limited liability company, having the power to enter into this Redevelopment Contract and perform all obligations contained herein and by proper action has been duly authorized to execute and deliver this Redevelopment Contract.

(b) The execution and delivery of the Redevelopment Contract and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Contract or, except as disclosed in writing to the Authority, as in any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Any financial statements of the Redeveloper or its Members delivered to the Authority prior to the date hereof are true and correct in all respects and fairly present the financial condition of the Redeveloper and the Project as of the dates thereof; no materially adverse change has occurred in the financial condition reflected therein since the respective dates thereof; and no additional borrowings have been made by the Redeveloper since the date thereof except in the ordinary course of business, other than the borrowing contemplated hereby or borrowings disclosed to or approved by the Authority.

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

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

(g) The Redeveloper is an accredited investor as that term is defined for purposes Regulation D, issued pursuant to the Securities Act of 1933, as amended.

### ARTICLE III

#### OBLIGATIONS OF THE AUTHORITY

##### Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act, the Authority hereby provides that any ad valorem tax on the following real property in the Project: to wit: the property shown on attached Exhibit A, 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 this section. The effective date of this provision shall be January 1, 2013.

(a) That proportion 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 (as defined in the Act) 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 proportion of the ad valorem tax on real property in the Redevelopment 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 to pay the principal of, the interest on, and any premiums due in connection

with the bonds, loans, notes or advances of money to, or indebtedness incurred by whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, such 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 Project shall be paid into the funds of the respective public bodies.

### Section 3.02 Issuance of TIF Indebtedness

Authority shall incur TIF Indebtedness in the form and principal amount and bearing interest and being subject to such terms and conditions as are specified on the attached exhibit C. No TIF Indebtedness will be issued until Redeveloper has (a) acquired fee title to the Redevelopment Area; (b) obtained financing commitments as described in Section 5.01; and (c) entered into a contract for construction of the Project. The Authority shall have no obligation to find a lender or investor to acquire the TIF Indebtedness, but rather shall issue the TIF Indebtedness to the Redeveloper upon payment of the principal amount thereof. The purchase price of the TIF Indebtedness may be offset against the Grant described in Section 3.04 hereof, in the sole discretion of the Authority.

The TIF Indebtedness issued pursuant to the provisions of this contract constitutes a limited obligation of the Authority payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2007, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Redevelopment Area". The TIF Indebtedness shall not constitute a general obligation of the Authority and the Authority shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. The TIF Indebtedness shall not constitute an obligation of the State of Nebraska or of the City or the Authority (except for such receipts as have been pledged pursuant to Section 3.03) and neither the State or Nebraska, the Authority nor the City shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged pursuant to Section 3.03). Neither the members of the Authority's governing body nor any person executing the TIF Indebtedness shall be liable personally on the TIF Indebtedness by reason of the issuance thereof. The Authority's obligation to the holder of the TIF Indebtedness shall terminate, in all events no later than 15 years from the effective date set forth in Section 3.01 hereof.

### Section 3.03 Pledge of TIF Revenues.

The Authority hereby pledges 100% of the annual TIF Revenues as security for the TIF Indebtedness.

### Section 3.04 Grant of Proceeds of TIF Indebtedness.

From the proceeds of the TIF indebtedness incurred as described on Exhibit C, the Authority shall grant the following sums to the following entities, to wit: 100% to the Redeveloper for Project Costs.

Notwithstanding the foregoing, the amount of the grant shall not exceed the amount of Project Costs certified pursuant to Section 4.02. The grants shall be paid to the Redeveloper upon certification that the Redeveloper has incurred or is obligated to incur such Project Costs which include supporting documentation requested by Authority and shall, if requested by Redeveloper, be made in one or more advances.

#### Section 3.05 Creation of Fund.

The Authority will create a special fund to collect and hold the TIF Revenues. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Sections 3.02 above.

### ARTICLE IV

#### OBLIGATIONS OF REDEVELOPER

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

(a) Redeveloper will complete the Project and install all infrastructure, improvements, buildings, fixtures, equipment and furnishings necessary to operate the Project. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of Redeveloper with respect to construction of the Project. Promptly after completion by the Redeveloper of the Project, the Redeveloper shall furnish to the Authority a Certificate of Completion. The certification by the Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Contract with respect to the obligations of Redeveloper and its successors and assigns to construct the Project. As used herein, the term "completion" shall mean substantial completion of the Project.

(b) Any general contractor chosen by the Redeveloper or the Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations and a penal bond as required by the Act. The City, the Authority and the Redeveloper shall be named as additional insured. Any contractor chosen by the Redeveloper or the Redeveloper itself, as an 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 or the Redeveloper, as the case may be, shall furnish the Authority 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) Redeveloper shall pay, on execution hereof the sum of \$1,000.00 to the City of Grand Island for administrative expenses related to payment of the tax increment revenue.

#### Section 4.02 Cost Certification.

Redeveloper shall submit to Authority a certification of Project Costs, on or before the issuance of the TIF Indebtedness which shall contain detail and documentation showing the payment or obligation for payment of Project Costs specified on the attached Exhibit D in an amount at least equal to the grant to Redeveloper pursuant to Section 3.05.

#### Section 4.03 Legal Costs.

Redeveloper shall pay the Authority the sum of \$5,000 for the costs incurred by the Authority associated with the issuance of the TIF Indebtedness. Redeveloper understands that the law firm assisting with the issuance of the TIF Indebtedness represents the Authority and not the Redeveloper.

#### Section 4.04 No Discrimination.

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

#### Section 4.05 Pay Real Estate Taxes.

Redeveloper intends to create a taxable real property valuation [over and above the valuation thereof as the same existed on January 1, 2012] of the Redevelopment Project Area of One Million Five Hundred Ninety Five Thousand Dollars (\$1,595,000) no later than no later than January 1, 2013. During the period that any TIF Indebtedness is outstanding, neither the Redeveloper, nor its assigns, will (1) file a protest seeking to obtain a real estate property valuation on the Redevelopment Area of less than the sum of: (a) One Million Five Hundred Ninety Five Thousand Dollars (\$1,595,000) and (b) the valuation of the Redevelopment Project Area as the same existed on January 1, 2012; (2) convey the Redevelopment Area or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes; nor (3) allow real estate taxes and assessments levied on the Redevelopment Area and Project to become delinquent during the term that any TIF Indebtedness is outstanding.

#### Section 4.07 Assignment or Conveyance.

Any assignment or conveyance of the any portion of the Redevelopment, the Project or any interest therein prior to the termination of the 15 year period commencing on the effective date specified in Section 3.01 hereof Area by the Redeveloper shall be subject to the terms and

conditions of this Redevelopment Contract.

#### Section 4.08 Purchase of TIF Indebtedness.

The Redeveloper shall purchase the TIF Indebtedness at 100% of the principal amount thereof upon issuance of such debt. The Authority may provide that such purchase be offset against the grant provided in Section 3.04 hereof.

#### Section 4.09 Penal Bond.

The Developer shall execute a penal bond for the Project with good and sufficient surety to be approved by the Authority meeting the requirements of Section 18-2151, Reissue Revised Statutes of Nebraska, as amended, on or prior to its execution of this Contract.

#### Section 4.10 Immigration Status.

The Redeveloper agrees that any contractor for the Project shall be required to agree to use a federal immigration verification system (as defined in §4-114, R.S. Supp. 2009) to determine the work eligibility status of new employees physically performing services on the Project and to comply with all applicable requirements of §4-114, R.S. Supp. 2009.

### ARTICLE V

#### FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

##### Section 5.01 Financing.

Redeveloper shall pay all Project Costs and any and all other costs related to the Redevelopment Area and the Project which are in excess of the amounts paid from the proceeds of the TIF Indebtedness granted to Redeveloper. Prior to issuance of the TIF Indebtedness, Redeveloper shall provide Authority with evidence satisfactory to the Authority that private funds have been committed to the Redevelopment Project in amounts sufficient to complete the Redevelopment Project. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project which shall include such other fees and expenses imposed by the Authority.

### ARTICLE VI

#### DEFAULT, REMEDIES; INDEMNIFICATION

##### Section 6.01 General Remedies of Authority and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Contract or any of its terms or conditions, by any party hereto or

any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Contract shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform on in breach of its obligations.



## Section 6.02 Additional Remedies of Authority

In the event that:

(a) the Redeveloper, on successor in interest, shall fail to complete the construction of the Project on or before January 1, 2013, or shall abandon construction work for any period of 90 days,

(b) the Redeveloper, on successor in interest, shall fail to pay real estate taxes or assessments on the Redevelopment Area on any part thereof or payments in lieu of taxes pursuant to Section 4.07 when due; or

(c) There is, in violation of Section 4.08 of this Redevelopment Contract, and such failure or action by the Redeveloper has not been cured within 30 days following written notice from Authority, then the Redeveloper shall be in default of this Redevelopment Contract.

In the event of such failure to perform, breach or default occurs and is not cured in the period herein provided, the parties agree that the damages caused to the Authority would be difficult to determine with certainty and that a reasonable estimation of the amount of damages that could be incurred is the amount of the grant to Redeveloper pursuant to Section 3.04 of this Redevelopment Contract, less any reductions in the principal amount of the TIF Indebtedness, plus interest on such amounts as provided herein (the "Liquidated Damages Amount"). The Liquidated Damages Amount shall be paid by Redeveloper to Authority within 30 days of demand from Authority.

Interest shall accrue on the Liquidated Damages Amount at the rate of one percent (1%) over the prime rate as published and modified in the Wall Street Journal from time to time and interest shall commence from the date that the Authority gives notice to the Redeveloper demanding payment.

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

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

In the event the Redeveloper fails to perform any other provisions of this Redevelopment Contract (other than those specific provisions contained in Section 6.02), the Redeveloper shall be in default. In such an instance, the Authority may seek to enforce the terms of this Redevelopment Contract or exercise any other remedies that may be provided in this Redevelopment Contract or by applicable law; provided, however, that the default covered by this Section shall not give rise to a right of rescission on termination of this Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

#### Section 6.04 Forced Delay Beyond Party's Control.

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

#### Section 6.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary, neither the City, the Authority, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The sole obligation of the Authority under this Redevelopment Contract shall be the issuance of the TIF Indebtedness and granting of a portion of the proceeds thereof to Redeveloper, as specifically set forth in Sections 3.02 and 3.04. The obligation of the City and Authority on any TIF Indebtedness shall be limited solely to the payment of the TIF Revenues on the TIF Indebtedness. Specifically, but without limitation, neither the City or Authority shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. The Redeveloper releases the City and Authority from, agrees that neither the City or Authority shall be liable for, and agrees to indemnify and hold the City and Authority harmless from any liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project.

The Redeveloper will indemnify and hold each of the City and Authority and their directors, officers, agents, employees and member of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, including litigation expenses, attorneys' fees and expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about the Project during the term of this Redevelopment Contract or arising out of any action or inaction of Redeveloper, whether on not related to the Project, or resulting from or in any way connected with specified events,

including the management of the Project, or in any way related to the enforcement of this Redevelopment Contract or any other cause pertaining to the Project.

## ARTICLE VII

### MISCELLANEOUS

#### Section 7.01 Notice Recording.

This Redevelopment Contract or a notice memorandum of this Redevelopment Contract shall be recorded with the County Register of Deeds in which the Redevelopment Area is located.

#### Section 7.02 Governing Law.

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

#### Section 7.03 Binding Effect; Amendment.

This Redevelopment Contract shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Contract shall run with the Redevelopment Area. The Redevelopment Contract shall not be amended except by a writing signed by the party to be bound.

#### Section 7.04 Third Party Enforcement,

The provisions of this Redevelopment Contract which obligate the Redeveloper shall inure to the benefit of the holder of the TIF Indebtedness, the Hall County Assessor, the City and the Authority, any of whom may, but are not obligated to enforce the terms of this Redevelopment Contract in a court of law.

IN WITNESS WHEREOF, City and Redeveloper have signed this 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

Stratford Plaza, LLC

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

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_, Chair and Secretary, respectively, of the  
Community Redevelopment Authority of the City of Grand Island, Nebraska, on behalf of the  
Authority.

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

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

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

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

## EXHIBIT A

Lot 11, Woodland Second Subdivision, an addition to the City of Grand Island, Hall County, Nebraska, excepting therefrom a tract of land more particularly described in a Deed recorded as Document No. 200007531 in the office of the Hall County, Nebraska office of the Register of Deeds.

A-I

## EXHIBIT B

### DESCRIPTION OF PROJECT

Demolition, rehabilitation and construction of an exterior façade and interior remodeling of Howard Johnsons Hotel to provide a renovated restaurant for Denny's together with additional parking lot rehabilitation.

B- 1

## EXHIBIT C

### TIF INDEBTEDNESS

1. Principal Amount: \$524,520.00 [annual payment amounts assumed are \$34,968]
2. Payments: Semi-annually or more frequent, with payments limited to annual incremental taxes revenues from the project.
3. Interest Rate: Zero percent (0.00%)
4. Maturity Date: On or before December 31, 2028.

C-1



## EXHIBIT D

### PROJECT COSTS

All Project Costs payable from the proceeds of TIF indebtedness pursuant to the Act including:

1. Redevelopment Area rehabilitation and remodeling cost
2. Site demolition work and site preparation
3. Utility extensions, installation of gas, water, sewer and electrical lines and equipment
4. Façade improvements
5. Interior rehabilitation

D-1

Resolution No. 135

BE IT RESOLVED this 13<sup>th</sup> day of June, 2012, by the Community Redevelopment Authority of the City of Grand Island, (" Authority"), a Community Redevelopment Authority duly organized and existing within the State of Nebraska,

W I T N E S S E T H:

WHEREAS, the Authority is a duly organized and existing Community Redevelopment Authority, a body politic and corporate under the laws of the State of Nebraska; and

WHEREAS, the Authority is authorized by the Act (hereinafter defined) to issue and sell its revenue Note or other obligations for the purpose of providing money to pay or otherwise provide funds to pay costs of redevelopment projects and is further authorized to pledge the revenues as herein provided to secure the payment of principal, premium, if any, and interest on its obligations; and

WHEREAS, the Authority has determined it to be in the best interests of the Authority to issue its Note or other obligations for the purpose of making funds available to EIG Grand Island, LLC, an Indiana limited liability company of Fort Wayne, Indiana (the "Redeveloper") for the construction and improvement of a redevelopment project of pursuant to a Redevelopment Plan Amendment for Grand Island CRA Area #9 (the "Redevelopment Plan"); and

WHEREAS, the Authority has made the necessary arrangements for financing a portion of the costs of the redevelopment project in part by issuing Community Development Revenue Note (EIG Project), in the form of fully registered Note without coupons (the "Note") of the Authority and for use of the proceeds of the Note in connection with the project, in amounts determined pursuant to Section 2.01 of this Resolution; and

WHEREAS, the issuance of the Note has been in all respects duly and validly authorized by the Members of the Authority pursuant to this resolution (the "Resolution"); and

WHEREAS, the Note is in substantially the form attached hereto as Exhibit A which is incorporated herein by this reference, with the necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution.

NOW, THEREFORE, and it is expressly declared, that the Note shall be issued and delivered upon and subject to the terms, conditions, stipulations, uses and purposes as hereinafter expressed, that is to say:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

#### Section 1.01 Defined Terms.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Note Resolution, 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, 2007, as amended, known as the Community Development Law and acts amendatory thereof and supplemental thereto.

"Authorized Issuer Representative" means the person at the time designated to act on behalf of the Authority.

"Noteholder" means the holders of the Note from time to time.

"Note" means the Authority's Community Development Revenue Note (EIG Project).

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

"Closing" means the date of issuance of any Note, but not before June 15, 2012.

"Collateral" means all property pledged as security for the Noteholder pursuant to Section 5.01 of this Note Resolution.

"Debt Service Fund" means the fund created with the Paying Agent pursuant to Section 4.01 of this Resolution.

"Governing Body" means the Members of the Authority.

"Paying Agent" means the paying agent with respect to the Note appointed pursuant to Section 10.01 of this Resolution.

"Project" means the improvements to be constructed, as further described in Exhibit B attached hereto and incorporated herein by reference.

"Project Costs" means only costs or expenses incurred by Redeveloper to implement the Project and related costs, including but not limited to utilities, rehabilitation of the existing structure, landscaping, and fees payable to the City of Grand Island or the CRA associated with the project, and cost of financing administration in the City of Grand Island, Hall County, Nebraska, pursuant to the Act and shall include costs of issuing the Note.

"Redevelopment Plan" means the Site Specific Redevelopment Plan Amendment for Grand Island CRA Area #9, a true and correct copy of is attached hereto and marked as Exhibit "B" and adopted in accordance with the Act, as amended from time to time.

"Registrar" means the registrar responsible for maintaining records of holders of the Note appointed pursuant to Section 10.01 of this Note Resolution.

"Resolution" means this Resolution of the Authority adopted on June 13<sup>th</sup> 2012, authorizing the issuance and sale of the Note, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

"Tax Increment Revenues" means excess ad valorem taxes generated by the Project and Future Project Plans which are divided pursuant to section 18-2147 of the Act with effective dates established in the Redevelopment Plan as amended from time to time.

#### Section 1.02 Provisions as to Interpretation.

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

(a) This Resolution shall be interpreted in accordance with and governed by the laws of the State of Nebraska.

(b) Wherever in this Resolution 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.

(c) The phrase "at any time" shall be construed as meaning "at any time or from time to time."

(d) The word "including" shall be construed as meaning "including, but not limited to."

(e) The words "will" and "shall" shall each be construed as mandatory.

(f) The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import shall refer to this Resolution as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

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

(h) The captions to the sections of this Resolution 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.

### Section 1.03                      Exhibits.

The following Exhibits are attached to and by reference made a part of this Resolution:

(a) Exhibit A:                      Form of Note.

(b) Exhibit B:                      Site Specific Redevelopment Plan Amendment Grand Island CRA Area #9.

(c) Exhibit C:                      Real Estate Pledged for January 1, 2013 Effective Date.

## ARTICLE II

### THE NOTE

#### Section 2.01                      Form and Maturity of Note.

The Note to be issued pursuant to this Resolution shall be issued pursuant to the Act, including specifically but without limitation Sections 18-2124 et seq., shall be dated as of the date of their issuance, and shall be issued in one series designated Community Redevelopment Authority of the City of Grand Island, Nebraska, Community Development Revenue Note (EIG Project). The Note shall be substantially in the form and of the tenor as set forth in the form of the Note attached hereto as Exhibit A (Note) with such appropriate variations, omissions and insertions as are permitted or required by this Resolution.

The Note shall be issued in the amount of \$898,350.00, and shall be dated as of the date of its issuance, which shall not occur prior to June 13, 2012. No other Note related to this redevelopment project shall be issued. The Note shall finally mature on December 31, 2027. The Note shall bear interest at the rate of zero percent (0.0%) per annum from and after the date of issuance of such Note. The Note shall be subject to mandatory partial redemption on each June 1 and December 1, (the "payment date") beginning in the year 2014 from Available Funds, as hereafter defined.

Principal on the Note shall be payable in such coin and currency of the United States of America as may be, on the respective dates of the payment thereof, legal tender for the payment of public and private debts at the principal office of the Paying Agent. Principal and interest will be paid by check or draft mailed to the Noteholder in whose name a Note is registered as of the 15th calendar day (whether or not a business day) next preceding the payment date at his address as it appears on the registration books of the Registrar.

The Note shall originally be issued as fully registered Note without coupon. Upon the written request of a Noteholder, and at its expense, Note may be surrendered to the Authority and the Authority shall deliver in exchange and substitution therefore new Note of like tenor, aggregating the then outstanding principal amount of the Note.

#### Section 2.02 Execution. Limited Obligation.

The Note shall be signed in the name and on behalf of the Authority by the manual or facsimile signature of the Chair or Vice Chair of the Authority and attested with the manual or facsimile signature of its Secretary. In the event that any of the officers who shall have signed and sealed the Note shall cease to be officers of the Authority before the Note shall have been issued and delivered, the Note may, nevertheless, be issued and delivered, and upon such issue and delivery shall be binding upon the Authority as though those officers who signed and sealed the same had continued to be such officers of the Authority. The Note may be signed and sealed on behalf of the Authority by such person who, at the actual date of execution of the Note, shall be the proper officer of the Authority, although at the date of the Note such person shall not have been such an officer of the Authority.

The Note shall not be a general obligation of the Authority, but only a limited obligation payable solely from the tax increment revenues pledged as security for the Note pursuant to the Redevelopment Plan or other financing documents (except to the extent paid out of monies attributable to income from the temporary investment of the proceeds of the Note) and shall be a valid claim of the registered owner thereof and otherwise secured for the payment of the Note and shall be used for no other purpose than to pay the principal and interest on the Note, except as may be otherwise expressly authorized by this Note Resolution.

Neither the Authority, the State of Nebraska, the City nor any other

political subdivision of the State of Nebraska shall be obligated to pay the principal of the Note or the interest thereon or other costs incident thereto except from the money pledged therefore. Neither the faith and credit nor the taxing power (except to the extent of ad valorem taxes pledged hereunder) of the Authority, the City, the State of Nebraska or any political subdivision of the State of Nebraska shall be pledged to the payment of the principal of the Note or the interest thereon or other costs incident thereto. The Note shall never constitute an indebtedness of the Authority or the City within the meaning of any state constitutional provision or statutory limitation, nor shall the Note or the interest thereon ever give rise to any pecuniary liability of the Authority or the City or a charge against its general credit or taxing powers.

Section 2.03 Registration and Authentication of Note.

The Note shall not be valid or obligatory for any purpose unless the Note shall have been authenticated by the manual signature of the Registrar.

Section 2.04A Delivery of Note.

The Authority shall execute and deliver the Note to the Noteholder which shall be the general fund of the Authority, on such date selected by the Authority but not before June 13, 2012 and not later than August 1, 2012,

Section 2.05 Registration of Note.

Ownership of the Note shall at all times be registered as to principal and interest with the Registrar. Transfer of the Note may be made only by an assignment duly executed by the registered owner or by his registered assigns, or his legal representative or attorney, in such form as shall be reasonably satisfactory to the Registrar, who shall endorse such registration or transfer on the Note. No transfer of the Note shall be effective unless and until notice of such transfer shall be delivered in writing to the Registrar. The Registrar shall retain records showing all registrations, transfers and assignments of the Note. In the event of any such transfer, the Registrar shall require the payment by the person requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

Section 2.06 Ownership of Note.

As to the Note the Authority and the Registrar, and their respective successors, each in its discretion, may deem and treat the person in whose name the Note for the time being shall be registered as the absolute owner thereof for all purposes, and neither the Authority nor the Registrar, nor their respective successors, shall be affected by any notice to the contrary. Payment of or on account of the principal on the Note shall be made only to or upon the order of such registered owner, but such registration may be changed as provided herein. All such payments shall be valid and effective to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

In the event the monies collected and held in that special fund established

under Section 18-2147 of the Nebraska Revised Statutes and pursuant to the Redevelopment Plan and the Resolution authorizing the issuance of the Note are insufficient to pay in full all amounts due and owing at a date fifteen (15) years from the effective date of the Redevelopment Plan, and all excess ad valorem taxes generated by the Redevelopment Project, as set forth in the Redevelopment Plan Amendment, have been collected by the City of Grand Island, Nebraska, and have been paid, as required by the Redevelopment Contract and the Note, towards the retirement of the amounts due there under, then, at said date fifteen (15) years from the effective date of the Redevelopment Plan Amendment, neither the Redevelopment Authority nor the City of Grand Island, Nebraska, shall have any further payment or other obligations under the Note and the Noteholder shall, in writing, waive and otherwise forgive any unpaid portion of the principal and interest upon the request of the Redevelopment Authority or the City.

Section 2.07 Valid Obligation.

The Note executed, issued and delivered as in this Note Resolution provided shall be a valid special obligation of the Authority.

Section 2.08 Loss or Destruction of Note.

In case any Note shall become mutilated or be destroyed or lost, the Authority shall, if not then prohibited by law, cause to be executed and delivered a new Note of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Note, or in lieu of and substitution for such lost Note, upon the Noteholder paying the reasonable expenses and charges of the Authority in connection therewith and, in the event the Note is destroyed or lost, the filing with the Issuer of evidence satisfactory to it that the Note was destroyed or lost, and furnishing the Authority with indemnifications satisfactory to the Authority.

Section 2.09 Transfer of the Note.

All transfers of the Note shall be upon the basis of a private placement and each proposed transferee registered owner shall furnish the Registrar with assurances in form satisfactory to the Registrar that such Note is being purchased for investment purposes only, without a view to redistribution and upon the independent credit judgment and investigation of the proposed transferee.

### ARTICLE III

#### APPLICATION OF NOTE PROCEEDS

The proceeds of the Note shall be granted to the Redeveloper and Authority, pursuant to the terms of the Redevelopment Plan upon receipt of such proceeds and used by the Redeveloper to pay Project Costs pursuant to the Redevelopment Plan.



The grant of proceeds shall be offset against the purchase of the Note by the Redeveloper.

## ARTICLE IV

### PAYMENT OF NOTE

#### Section 4.01 Debt Service Fund.

There is hereby created and established a separate fund with the Paying Agent in the name of the Authority to be designated "Community Redevelopment Authority of the City of Grand Island, Nebraska, Community Development Revenue Note (EIG, Project), Debt Service Fund" into which the Authority shall make the following deposits:

- (a) Accrued interest, if any, received upon sale of the Note.
- (b) All Tax Increment Revenues received by the Authority with respect to the Project as described in the Redevelopment Contract;
- (c) All other monies received by the Authority when accompanied by directions that such monies are to be paid into the Debt Service Fund or used for purposes for which monies in the Debt Service Fund may be used; and

#### Section 4.02 Pledge of Debt Service Fund.

The monies and investments in the Debt Service Fund are hereby irrevocably pledged to and shall be used by the Authority from time to time, to the extent required, solely for the payment of the principal of, premium, if any, and interest on the Note.

#### Section 4.03 Funds Held in Trust or Secured.

All monies deposited in the Debt Service Fund under the provisions of this Resolution or the Redevelopment Contract or Future Plan Amendments shall be held in trust or fully secured by pledged assets and applied only in accordance with the provisions of this Resolution and the Redevelopment Contract, future Redevelopment Contracts and Future Plan Amendments and shall not be subject to a lien or attachment by any creditor of the Authority.

#### Section 4.04 Application of Funds.

If at any time the monies and investments in the Debt Service Fund shall not be sufficient to pay in full the principal, premium, if any, and interest on the Note as the same shall become due and payable (either by their terms or by acceleration of

maturities under the provisions of this Note Resolution), such funds, together with any monies then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for herein or otherwise, shall be applied as follows:

FIRST: to the unpaid interest to the extent of Available Funds;

SECOND: to the payment of principal on the Note.

#### Section 4.05    Redemption of Note before Maturity.

(a)    The Note is callable for redemption at any time in whole or in part, without premium, in the event the Authority wishes to prepay the Note.

(b)    The Note shall also be subject to mandatory partial redemption, without notice, on each interest payment date from all funds to be available in the Debt Service Fund, excluding amounts, if any, from investment earnings for such fund which the Authority shall be entitled to apply to administrative costs related to the Note, rounded down to the nearest one hundred dollars, after payment of all accrued but unpaid interest on each interest payment date (which funds are referred to in this Resolution as "Available Funds"). Available Funds shall be applied to the prepayment of principal on each interest payment date and shall be remitted to the registered owner of the Note with interest payments. The Agent shall mark the Agent's records with respect to each mandatory partial principal prepayment made from Available Funds and it shall not be necessary for the registered owner to present the Note for notation of such prepayment. The records of the Agent shall govern as to any determination of the principal amount of the Note outstanding at anytime and the registered owner shall have the right to request information in writing from the Agent at any time as to the principal amount outstanding upon the Note.

#### Section 4.06    Redemption Date.

In the event the Note or any portion thereof are called for redemption or prepayment as provided in Section 4.05 of this Note Resolution, except for partial mandatory redemption, notice thereof will be given by registered or certified mail to the Noteholder not less than thirty (30) days prior to the date fixed for prepayment or redemption, specifying such date, the aggregate principal amount of the Note to be prepaid on such date and the amount of interest on such principal amount accrued to such date.

#### Section 4.07    Investment of Funds.

Monies on deposit to the credit of the Debt Service Fund shall be invested in (i) direct obligations of or obligations fully guaranteed by the United States of America or an Authority or instrumentality of the United States of America, (ii) fully insured certificates of deposit or time deposits of banks or trust companies. Obligations so purchased shall be deemed at all times a part of the Debt Service Fund, respectively.

Section 4.08    Disposition of Excess Funds.

Monies on deposit in the Debt Service Fund remaining after payment of principal and interest on the Note in full shall, immediately be paid to Authority and shall no longer be subject to this Resolution.

Section 4.09    Cancellation on Due Date.

Regardless of the whether the Note is paid in full as of the due date, the obligation of the Authority to pay the principal and interest under the Note shall terminate in all respects on the due date and the Note shall be deemed cancelled in full on such date.

ARTICLE V

SECURITY FOR THE NOTE

Section 5.01    Pledge of Tax Increment Revenues as Security.

(a) In accordance with section 18-2147 of the Act, the Authority hereby adopts the Redevelopment Plan of the Authority by approving the Project and by providing that any ad valorem tax on real property in the Development Project for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as provided in section 18-2147 of the Act. The effective date of this provision shall be January 1, 2013, as to the real estate described in Exhibit "C" to this resolution.

(b) In accordance with section 18-2150 of the Act, the Tax Increment Revenues are hereby pledged for payment of principal, premium, if any and interest on the Note. The Redeveloper shall execute a notice providing for such pledge of taxes and shall file a copy of such notice with the Hall County Treasurer and Hall County Assessor.

ARTICLE VI

LEGAL AUTHORIZATION; FINDINGS

Section 6.01    Legal Authorization.

The Authority is a body politic and corporate under the laws of the State of Nebraska and is authorized under the Act to provide funds for the Project and construct public improvements related thereto, and to issue and sell its tax increment revenue notes such as the Note for the purpose, in the manner and upon the terms and conditions set forth in the Act and in this Resolution.

Section 6.02 Findings.

The Authority has heretofore determined, and does hereby determine, as follows:

- (a) The Project financed by the Note is a qualified "redevelopment project" as defined the Act and has been approved as part of the Redevelopment Plan;
- (b) The issuance of the Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act, by, among other things, decreasing blighted and substandard conditions in the Redevelopment Area;
- (c) The amounts necessary to acquire and construct the Project will be equal to or exceed the amount of the Note;
- (d) The Redevelopment Contract is in full and complete compliance and conformity with all of the provisions of the Act
- (e) The Redevelopment Project in the Plan would not be economically feasible without the use of tax-increment financing;
- (f) The Redevelopment Project would not occur in the Community Redevelopment Area without the use of tax-increment financing; and
- (g) The costs and benefits of the Redevelopment Project, including the 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 governing body and have been found to be in the long-term best interest of the community impacted by the Redevelopment Project.
- (h) The Note will not constitute a debt of the Authority within the meaning of any constitutional or statutory limitation.

ARTICLE VII

AUTHORIZATION TO EXECUTE DOCUMENTS AND SELL NOTE

Section 7.01 Approval and Authorization of Documents.

The Redevelopment Plan in the form and content presented to the Authority on this date, is in all respects hereby approved, authorized and confirmed, and the execution thereof by Chair or Vice Chair of the Authority and the Secretary be and they are hereby authorized and ratified

Section 7.02    Authorization of Sale and Purchase of Note.

The issuance and sale of the Community Redevelopment Authority of the City of Grand Island, Nebraska, Community Development Revenue Note (EIG Project), of the form and content set forth in Exhibit A attached hereto, be and the same are in all respects hereby approved, authorized and confirmed, and the Chair of the Authority and the Secretary be and they are hereby authorized and directed to execute and deliver the same for and on behalf of the Authority to the Redeveloper upon receipt of the purchase price therefore, and to deposit the proceeds thereon to be applied in the manner set forth in Article III. The purchase price of the Note may be offset against the grant provided in the Redevelopment Contract.

Section 7.03    Ratification of Actions Taken By the Authority.

The Authority hereby ratifies and approves all action taken and expenditures made by the Authority, if any, in connection with the Project based upon prior resolutions of the Authority.

Section 7.04    Authority to Execute and Deliver Additional Documents.

The Chair and Secretary of the Authority and other appropriate Authority officials are hereby authorized to execute and deliver for and on behalf of Issuer any and all additional certificates, documents or other papers and to perform all other acts as they may deem necessary or appropriate in order to implement and carry out the matters herein authorized and the implementation of the Project.

Section 7.05    Copies of Documents Presented to Authority Available for Inspection.

True and correct copies of all documents presented to the Authority and identified and referred to in this Resolution are on file in the main office of the Authority and are available for inspection by the general public during regular business hours.

## ARTICLE VIII

### PARTICULAR COVENANTS OF THE AUTHORITY

The Authority covenants and agrees, so long as the Note shall be outstanding and subject to the limitations on its obligations herein set forth, that:

Section 8.01    First Lien.

The lien on Tax Increment Revenues created by this Resolution is a first and prior lien and the Authority will take no actions which would subject the Tax

Increment Revenues pledged hereunder or the rights, privileges and appurtenances thereto to any lien claim of any kind whether superior, equal or inferior to such lien of this Resolution.

Section 8.02    Payment of Note.

It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Note Resolution and in the Note executed and delivered there under; will pay the principal, premium, if any, and interest on the Note on the dates, at the places and in the manner prescribed in the Note in any coin or currency of the United States of America which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts; provided, however, that the principal, premium, if any, and interest on the Note and all other covenants, undertakings, stipulations, provisions and agreements contained in this Note Resolution, the Note and any other documents delivered in connection with any of the foregoing are not and shall not be deemed to (i) represent a debt or pledge the faith or credit of the Authority or the City or (ii) grant to the Noteholder directly, indirectly or contingently, any right to have the Authority or the City levy any taxes or appropriate any funds to the payment of principal or interest on the Note, such payment or other obligation to be made or satisfied solely and only out of the Tax Increment Revenues and from any other security pledged pursuant to this Resolution, the Guaranty or the Deed of Trust.

Section 8.03    Extensions of Payment of Note.

It will not directly or indirectly extend or assent to the extension of the due date of any installment of principal, premium, if any, on the Note, or of the maturity of the Note or any principal installment thereof, or the time of payment of any claims for interest thereon.

Section 8.04    Authority of the Issuer.

It is duly authorized under the Constitution and laws of the State of Nebraska to provide funds to construct and install the Project, to create and issue the Note and to make the covenants as herein provided. All necessary action and proceedings on its part to be taken for the creation and issuance of the Note and the execution and delivery of this Note Resolution have been duly and effectively taken and the Note in the hands of the Noteholder is and will be a valid and enforceable special obligation of the Authority in accordance with its terms.

Section 8.05    Further Assurances.

The Authority will execute or cause to be executed any and all further instruments that may reasonably be requested by the Noteholder and be authorized by law to perfect the pledge of an lien on the revenues and income of the Project granted in this Resolution, or intended so to be, or to vest in the Noteholder the right to receive and

apply the same to the payment or protection and security of the Note.

Section 8.06 Proper Books and Records.

So long as the Note shall remain outstanding and unpaid, the Authority shall keep proper books and records in which full, true and correct entries will be made of all dealings and transactions relating to the ownership of the Project and the Note. Such books and records shall be open to inspection by the Noteholder.

Section 8.07 to Observe all Covenants and Terms - Limitations on Authority's Obligations.

It will not issue or permit to be issued the Note in any manner other than in accordance with the provisions of the Resolution, and will not suffer or permit any default to occur under this Resolution, but will faithfully observe and perform all the conditions, covenants and requirements hereof. Under the Act, the Authority has no obligation to levy taxes for or to make any advance or payment or to incur any expense or liability from its general funds in performing any of the conditions, covenants or requirements of the Note or this Resolution or to make any payments from any funds other than revenues and income of the Project or monies in the funds and accounts provided for in this Resolution.

## ARTICLE IX

### PAYING AGENT AND REGISTRAR

Section 9.01 Appointment of Paying Agent and Registrar.

The Authority hereby appoints the City Treasurer of the City of Grand Island, Nebraska, as Paying Agent and Registrar. The Paying Agent shall make all payments to Noteholder out of the Debt Service Fund as provided in Section 4.04 hereof. The Registrar shall maintain registration books of the holders of the Note.

Section 9.02 Reliance on Documents.

The Paying Agent and Registrar may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, note, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

Section 9.03 Liability.

The Paying Agent and Registrar shall not be liable for any error of judgment made in good faith by the Paying Agent and Registrar unless it shall be proved that the Paying Agent and Registrar was negligent in ascertaining the pertinent facts.

#### Section 9.04 Holding Note.

The Paying Agent and Registrar may acquire and hold, or become the pledgee of, any of the Note, and otherwise deal with the Authority or Equity Investment Group in the same manner and to the same extent and with like effect as though it were not Paying Agent and Registrar hereunder.

#### Section 9.05 Resignation.

The Paying Agent and Registrar may resign and be discharged by giving to the Authority and the Noteholder 30 days notice in writing of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect on the day specified in such notice, unless previously a successor paying agent and note registrar shall have been appointed by the Noteholder as hereinafter provided, in which event such resignation shall take effect immediately on the appointment at any time for failure to perform its obligations set forth in this Resolution by an instrument or instruments in writing, appointing a successor to the Paying Agent and Registrar so removed, filed with the Paying Agent and Registrar and executed by the Noteholder.

#### Section 9.06 Appointment of Successor.

In case at any time the Paying Agent and Registrar shall resign or shall be removed or otherwise shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver of the Paying Agent and Registrar or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Paying Agent and Registrar or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Paying Agent and Registrar hereunder, and a successor shall be appointed by the holders of the Note hereby secured and then outstanding by an instrument or instruments in writing filed with the Paying Agent and Registrar and executed by such Noteholder, notification thereof being given to the Authority and EIG. If no appointment of a successor Paying Agent and Registrar shall be made pursuant to the foregoing provisions of this paragraph within 30 days after vacancy shall have occurred in the office of Paying Agent and Registrar, the Authority shall serve as Paying Agent and Registrar until appointment of a successor.

### ARTICLE X

#### MISCELLANEOUS

#### Section 10.01 Limitation of Rights.

With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or in the Note is intended or shall be construed to give to any person other than the Authority and the Noteholder any legal or equitable right, remedy or claim under or with respect to this Resolution or



any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Authority and the Noteholder as herein provided.

Section 10.02 Supplemental Resolutions.

The Authority may, upon the request of and with the written consent of EIG, and the Noteholder, pass and execute resolutions supplemental to this Resolution which shall not be inconsistent with the terms and provisions hereof.

Section 10.03 Severability.

If any provision of this Note Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 10.04 Immunity of Officers.

No recourse for the payment of any part of the principal of or interest on the Note or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Note shall be had against any officer, member or agent of the Authority or the State of Nebraska, as such, all such liability to be expressly released and waived as a condition of and as a part of the consideration for the issue, sale and purchase of the Note.

Section 10.05 Incorporation of Act.

This Resolution does hereby incorporate by reference, the same as though fully set out herein, the provisions of Section 12 of Article VIII of the Nebraska Constitution and Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 2007, as amended.

Section 10.06 Prior Resolutions.

All resolutions, or parts thereof, in conflict with the provisions of this Resolution are to the extent of such conflicts hereby repealed.

Section 10.07 Effective Date.

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

Section 10.08 Notices to Parties.

Any notice, demand, certificate, request, instrument or other communication authorized or required by this Resolution shall be in writing and shall be deemed to have been sufficiently given or filed for all purposes of this Resolution if and when mailed by registered mail, return receipt requested, postage prepaid, addressed as follows:

IF TO THE DEVELOPMENT  
AUTHORITY:

Grand Island  
Community Redevelopment Authority  
Attention: City Clerk  
100 E First Street,  
P.O. Box 1968,  
Grand Island, NE 68802-1968

IF TO THE PAYING AGENT AND REGISTRAR:

Grand Island City Treasurer  
100 E First Street,  
P.O. Box 1968,  
Grand Island, NE 68802-1968

Section 10.09 Captions.

The captions or headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Resolution.

IN WITNESS WHEREOF, the undersigned hereby certify that the Members of the Community Redevelopment Authority of the City of Grand Island, Nebraska passed and adopted this Resolution, and caused these presents to be signed in its name and behalf by a majority of its Members and its official seal to be hereunto affixed, and to be attested by its Secretary, on the date first above written.

COMMUNITY DEVELOPMENT  
AUTHORITY OF THE CITY OF  
GRAND ISLAND, NEBRASKA

\_\_\_\_\_  
Chair

ATTEST:

---

Secretary

Exhibit A

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (1933 ACT) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT HERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND (THE AUTHORITY) PRIOR TO SUCH TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION, AN OPINION OF COUNSEL, SATISFACTORY TO THE AUTHORITY TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

UNITED STATES OF AMERICA  
STATE OF NEBRASKA  
COUNTY OF HALL

TAX INCREMENT REVENUE NOTE OF THE COMMUNITY  
AUTHORITY OF THE CITY  
OF GRAND ISLAND, NEBRASKA  
(EIG PROJECT)

|                         |                                |                            |
|-------------------------|--------------------------------|----------------------------|
| <u>Principal Amount</u> | <u>Interest Rate Per Annum</u> | <u>Final Maturity Date</u> |
| \$898,350.00            | 0.0%                           | December 31, 2027          |

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Redevelopment Authority of the City of Grand Island, Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to Equity Investment Group of Fort Wayne, Indiana, or order, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth above, with interest at the rate of zero percent [0.0 %] per annum on the unpaid balance. This Note is due and payable in full on December 31, 2027. This Note is subject to mandatory partial prepayment as provided in the Resolution of the Authority authorizing the issuance of this Note. The payment of principal due upon the final maturity is payable upon presentation and surrender of this Note to the Treasurer of said Authority, as Paying Agent and Registrar for said Authority, at the offices of the Community Redevelopment Authority of the City of Grand Island at City Hall, in Grand Island, Nebraska. The payments of mandatory partial redemption of principal on each payment date (other than at final payment) will be paid when due by a check or draft mailed by said Paying Agent and Registrar to the registered owner of this Note, as shown on the books or record maintained by the Paying Agent and Registrar, at the close of business on the last business day of the calendar month immediately preceding the calendar month in which the payment date occurs, to such owner's address as shown on such books and records. Any payment of mandatory redemption of principal not timely paid when due shall cease to be payable to the person entitled thereto as of the Record Date such interest was payable, and shall be payable to the person who is the registered owner of this Note on such

special record date for payment of such defaulted interest or redemption price as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available.

The Authority, however, reserves the right and option of prepaying principal of this Note, in whole or in part, from any available sources at any time at the principal amount thereof. Notice of any such optional prepayment shall be given by mail, sent to the registered owner of this Note at said registered owner's address in the manner provided in the resolution authorizing said Note. The principal of this Note shall be subject to mandatory redemptions made in part on any payment date from available funds without any requirement for notice. Such optional and mandatory prepayments shall be made upon such terms and conditions as are provided for in the resolution authorizing this Note.

This Note is the single Note in the total principal amount of Eight Hundred Ninety Eight Thousand Three Hundred Fifty and no one hundredths Dollars (\$898,350.00) issued by the Authority for the purpose of paying the costs of redevelopment of certain real estate located in the City of Grand Island, as designated in that redevelopment plan recommended by the Authority and approved by the City Council of the City of Grand Island, Nebraska, (the "Plan"), all in compliance with Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska, 2007, as amended, and has been duly authorized by resolution passed and approved by the governing body of the Authority (the "Resolution").

This Note constitutes a limited obligation of the Authority payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1) of Section 18-2147, R.R.S. Neb. 2007, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Project" (as defined in the Resolution). Pursuant to the Resolution and Section 18-2150, R.R.S. Neb. 2007, said portion of taxes has been pledged for the payment of this Note, both principal and interest as the same fall due or become subject to mandatory redemption. This Note shall not constitute a general obligation of the Authority and the Authority shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. This Note shall not constitute an obligation of the State of Nebraska or of the City or Grand Island (except for such receipts as have been pledged pursuant to Section 18-2150 R.R.S. Neb. 2007) and neither the State or Nebraska nor the City of Grand Island shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged pursuant to Section 18-2150 R.R.S. Neb. 2007). Neither the members of the Authority's governing body nor any person executing this Note shall be liable personally on this Note by reason of the issuance hereof.

This Note is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this Note for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the resolution authorizing the issuance of this Note. The Authority, the Paying Agent and Registrar and any other person may treat the person whose name this Note is registered as the absolute owner hereof for the purposes of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this Note be overdue or not.

THIS NOTE, UNDER CERTAIN TERMS SET FORTH IN THE RESOLUTION AUTHORIZING ITS ISSUANCE, MAY ONLY BE TRANSFERRED TO PERSONS OR ENTITIES DELIVERING AN INVESTMENT LETTER TO THE PAYING AGENT AND

REGISTRAR CONFORMING TO REQUIREMENTS SET FORTH IN SAID RESOLUTION.

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

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Note, did exist, did happen and were done and performed in regular and due form and time as required by law and that the indebtedness of said Authority, including this Note, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the Chair and Secretary of the Community Redevelopment Authority of the City of Grand Island have caused this Note to be executed on behalf of said Authority by being signed by the Chair and Secretary and by causing the official seal of said Authority to be affixed hereto, all as of the date of issue shown above.

Delivered this 13<sup>th</sup> day of June, 2012.

(SEAL)

COMMUNITY DEVELOPMENT  
AUTHORITY OF THE CITY OF  
GRAND ISLAND, NEBRASKA

:

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

ATTEST:

\_\_\_\_\_  
Secretary

### PROVISION FOR REGISTRATION

The ownership of this Note shall be registered as to both principal and interest on the books and records of the Community Redevelopment Authority of the City of Grand Island, Nebraska, kept by the Paying Agent and Registrar identified in the foregoing Note, who shall make notation of such registration in the registration blank below, and the transfer of this Note may thereafter be registered only upon an assignment duly executed by the registered owner or such owner's attorney or legal representative, in such form as shall be satisfactory to said Paying Agent and Registrar, such registration of transfer to be made on such books and endorsed hereon by said Paying Agent and Registrar

| Date of Registration | Name of Registered Owner | Signature of Paying Agent<br>and Registrar |
|----------------------|--------------------------|--|
| June ____, 2012      | Equity Investment Group  | _____                                      |
|                      |                          |  |
|                      |                          |  |
|                      |                          |  |

Exhibit B

**Site Specific Redevelopment Plan Amendment  
Grand Island CRA Area #9**



## EXHIBIT C

### DESCRIPTION OF PREMISES

Pledged with an effective date of January 1, 2013

Lot 1 of Grand Island Mall Twelfth Subdivision in the City of Grand Island, Hall County, Nebraska.



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item H2**

**Baker TIF - 709 & 715 W 18th Street**

Staff Contact: Chad Nabity



## BACKGROUND INFORMATION RELATIVE TO TAX INCREMENT FINANCING REQUEST

### Project Redeveloper Information

I. Business Name: BAKER Development LLC.  
Address: P.O. Box 2161 Grand Island NE 68802  
Telephone No.: 308-383-1609 Fax No.: 308-382-3372  
Contact: GREG BAKER

II. Brief Description of Applicant's Business: Residential + Commercial Contractors and Rental Company  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

III. Present Ownership Proposed Project Site: 709-715 W. 18<sup>th</sup> St.  
\_\_\_\_\_

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

Residential duplex with Attached garages  
units are 884 Sq/Ft Each yards landscaped and  
Sprinklers installed  
\_\_\_\_\_  
\_\_\_\_\_

V. If Property is to be Subdivided, Show Division Planned:

VI. Estimated Project Costs:

Acquisition Costs:

- ✓ A. Land \$ 28,500  
B. Building \$ N/A

Construction Costs:

- A. Renovation or Building Costs: \$ 128,000  
✓ B. On-Site Improvements: Extend water from N. side of 18th Street to site - tree removal \$ 9,769

Soft Costs:

- ✓ A. Architectural & Engineering Fees: \$ 500  
B. Financing Fees: \$ 1,500  
✓ C. Legal/Developer/Audit Fees: \$ 1,250<sup>00</sup>  
D. Contingency Reserves: \$ 2,000  
✓ E. Other (Please Specify) TIF (City Fees) Financing Fees \$ 1,500<sup>00</sup>

TOTAL \$ 173,019

VII. Total Estimated Market Value at Completion: \$ 158,882

VIII. Source of Financing:

- ✓ A. Developer Equity: \$ 30,000  
B. Commercial Bank Loan: \$ 110,000  
C. Tax Credits:  
1. N.I.F.A. \$ \_\_\_\_\_  
2. Historic Tax Credits \$ \_\_\_\_\_  
D. Industrial Revenue Bonds: \$ \_\_\_\_\_  
E. Tax Increment Assistance: \$ 42,000

## IX. Name, Address, Phone &amp; Fax Numbers of Architect, Engineer and General Contractor:

✓ Baker Development - General Contractor

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## X. Estimated Real Estate Taxes on Project Site Upon Completion of Project:

(Please Show Calculations)

2.180514

158,882 x Levy - Base 20909 x Levy = \$3009

See attached spreadsheet

3009 x 15 yrs = \$48135

## XI. Project Construction Schedule:

A. Construction Start Date: Aug. 2012B. Construction Completion Date: MAR 2013

C. If Phased Project:

\_\_\_\_\_ Year \_\_\_\_\_ % Complete

\_\_\_\_\_ Year \_\_\_\_\_ % Complete

## XII. Please Attach Construction Pro Forma

## XIII. Please Attach Annual Income &amp; Expense Pro Forma

(With Appropriate Schedules)

**TAX INCREMENT FINANCING REQUEST INFORMATION**

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

Amount of Incremental Prospective Annual Real Estate

Taxes over 2012 Real Estate Taxes on the Subject Property

for 15 yrs will be used to develop the Property.

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

Project: 709-715 W 18<sup>TH</sup> ST

TIF is an important Component in order for this project  
to bridge the deficit between the actual Cost of the project  
And the income producing Capability of the real estate.  
We feel that this project will Add Value to a defined  
blighted Area in the Community as well as provide much  
needed quality affordable rental housing

III. 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:

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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

## REALESTATE PURCHASE AGREEMENT

THIS AGREEMENT is entered into this 14<sup>th</sup> day of May, 2012, between James and Mary Jane Partington hereinafter referred to as "Seller", whether one or more, Baker Development hereinafter referred to as "Buyer".

WITNESSETH:

1. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase and accept from the seller the following described real property located in Hall County, Nebraska, on the terms and conditions and covenants herein contained, to wit:

**Schimmer's Addition, Lots 2 and 3, Block 22  
City of Grand Island, Hall County, Nebraska**

And carrying a physical address of 709 and 715 West 18<sup>th</sup> Street, Grand Island, NE

together with all appurtenances related thereto and improvements thereon and subject to all easements, covenants and restrictions of record.

The purchase of the aforesaid property shall specifically include the following items of personal property:

None

2. The purchase price of the real and personal property being sold by the Seller and purchased by the Buyer hereunder is the sum of Twenty eight thousand five hundred Dollars (\$28,500.00), at closing to Seller. This contract is contingent upon Tax Increment Financing being granted to the buyer.

3. Buyer shall be entitled to possession of all the property being sold hereunder within 30 days of the approval of the Tax Increment Financing. Except that if necessary for the Seller to cure defects in title to the real property as provided in the paragraph following, the date of closing shall be 10 days after said defects are cured. Closing shall occur at the offices of Grand Island Abstract, Escrow & Title Company Grand Island, Nebraska, which shall act as closing agent.

4. Within 20 days of the date of the Agreement, Seller shall furnish to Buyer evidence of its title to the above-described real estate which shall take the form of a commitment to insure the Buyer under an owner's title insurance policy. Buyer shall, within 10 days after receipt of such commitment, notify Seller of any defects in title which are unacceptable to the Buyer. Seller shall have 10 days thereafter to determine whether it will agree to cure such defects and if Seller determines not to cure such defects, this Agreement shall terminate and neither party shall have any further liability or obligation hereunder. If the Seller elects to cure said defects, it may do so within a reasonable time thereafter and closing shall be extended as in the above and foregoing paragraph. The cost of said title insurance shall be borne equally between the Buyer and the Seller.

5. General real estate taxes shall be prorated to the date of closing, all special assessments levied and assessed prior to the date of closing shall be paid by Seller.





## O'Hara Plumbing Co., Inc.

P.O. Box 1038  
Grand Island, NE 68802-1038  
(308) 382-0765  
Fax (308) 382-5166  
Email oharaplumbing@hamilton.net

|   |               |                                      |                             |
|---|---------------|--------------------------------------|-----------------------------|
| PROPOSAL SUBMITTED TO<br><b>Baker Development</b> |               | PHONE                                | DATE<br><b>May 14, 2012</b> |
| STREET  |               | JOB NAME<br><b>709-715 W. 18th</b>   |                             |
| CITY, STATE and ZIP CODE                          |               | JOB LOCATION<br><b>Water Service</b> |                             |
| ARCHITECT   | DATE OF PLANS |                                      | JOB PHONE                   |

We hereby submit specifications and estimates for:

Remove 37 x 14 1/2 concrete  
Side dump  
Excavator  
Skidsteer with breaker  
Mobilization  
  
1-6x 1 1/2" tapping sleeve  
1-1 1/2" corp  
1-1 1/2" curb stop  
1-Curb box  
1-1" corp for test  
1-1" corp plug  
54'-1 1/2" type "K" copper pipe  
Flowable fill  
Excavate  
Less concrete replacement  
Total \$6,567.00

*Concrete Replacement 2000<sup>00</sup>*

Barricades by owner  
Street permit by owner

**We Propose** hereby to furnish material and labor — complete in accordance with above specifications, for the sum of:

Payment to be made as follows: \_\_\_\_\_ dollars (\$ \_\_\_\_\_ ).

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

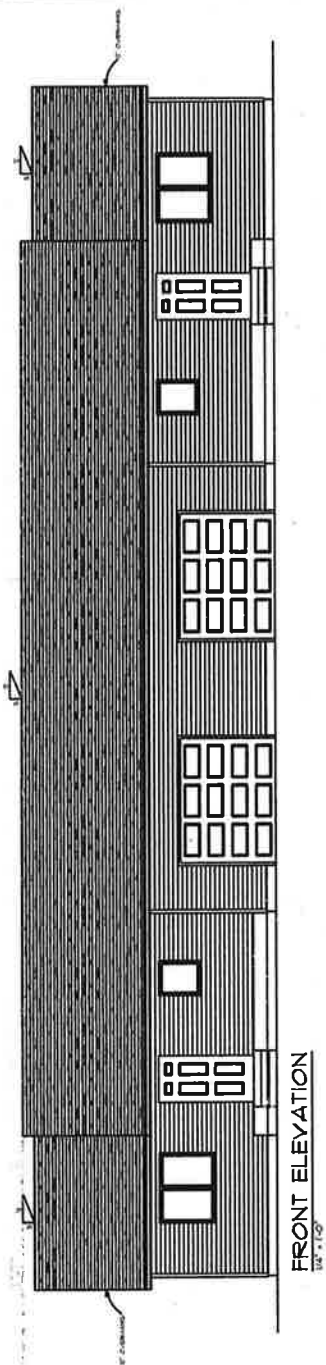
Authorized  
Signature

*Pat O'Hara*

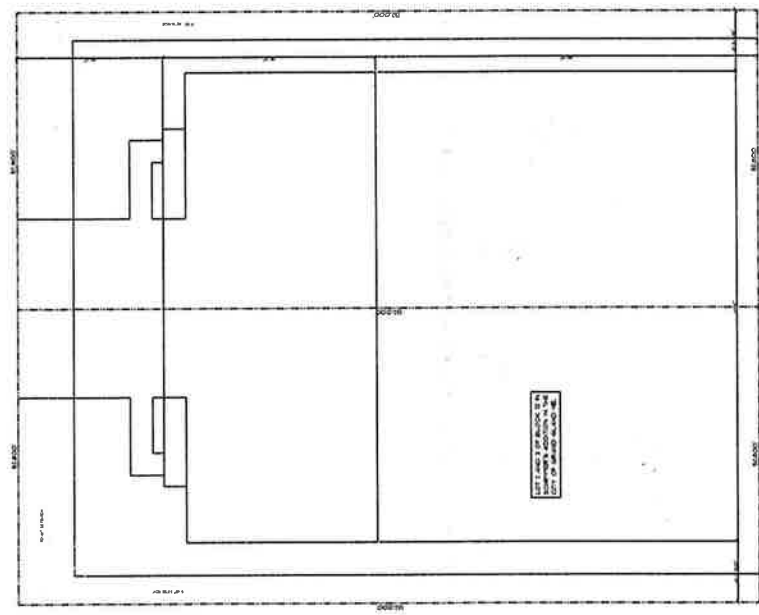
Note: This proposal may be withdrawn by us if not accepted within \_\_\_\_\_ days.

**Acceptance of Proposal** — The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance: \_\_\_\_\_ Signature \_\_\_\_\_

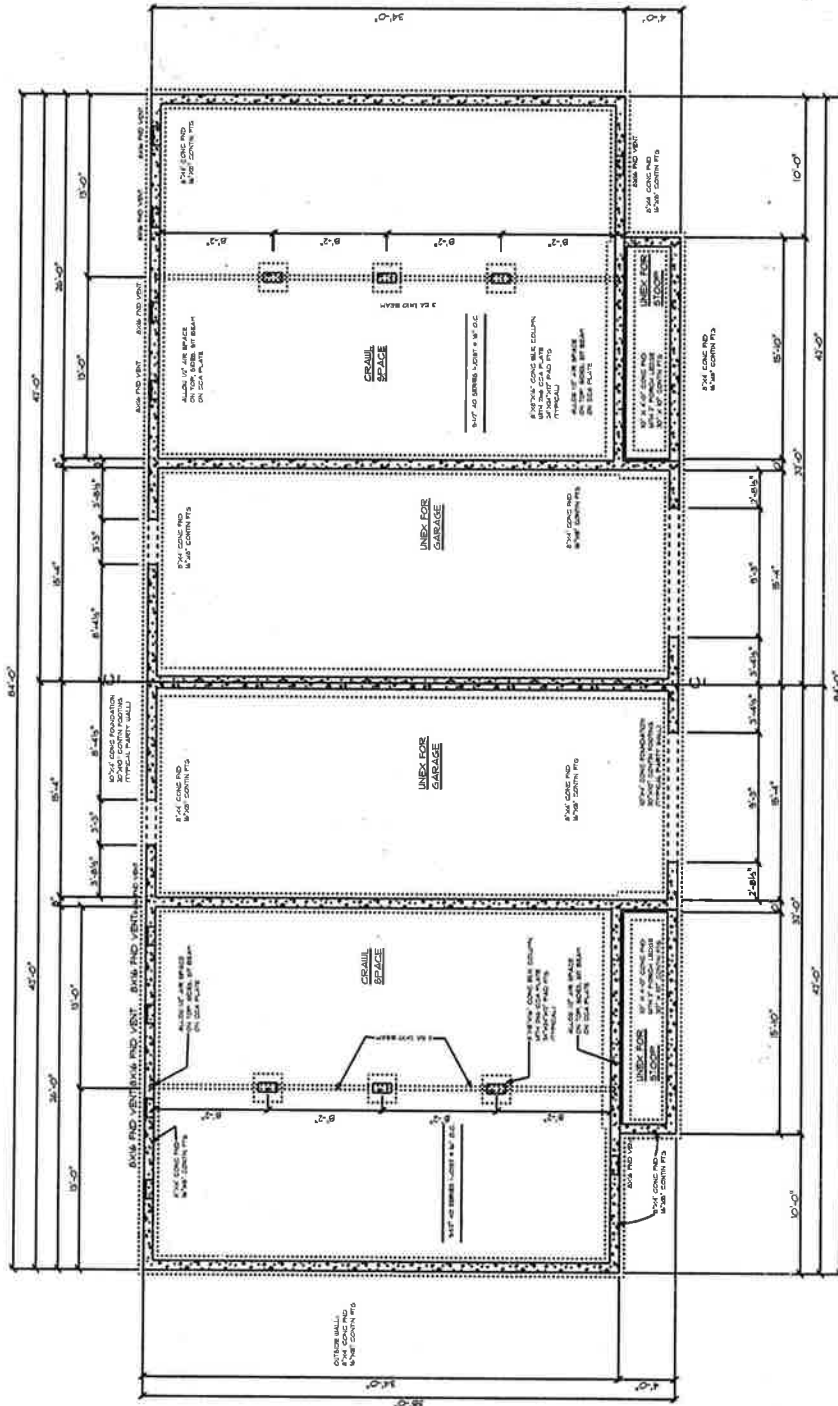


10TH ST. W.



PLOT PLAN  
1" = 10'-0"

|                |                          |                  |                  |
|----------------|--------------------------|------------------|------------------|
| 05/14/12       | REVISED                  | 4                | B613             |
| BUILDER'S      | DESIGNED FOR             | BAKER DEVELOP.   | 202 AND 10TH ST. |
| 1-202-300-0000 | LUMBER & BUILDING CENTER | 202 AND 10TH ST. | 202 AND 10TH ST. |



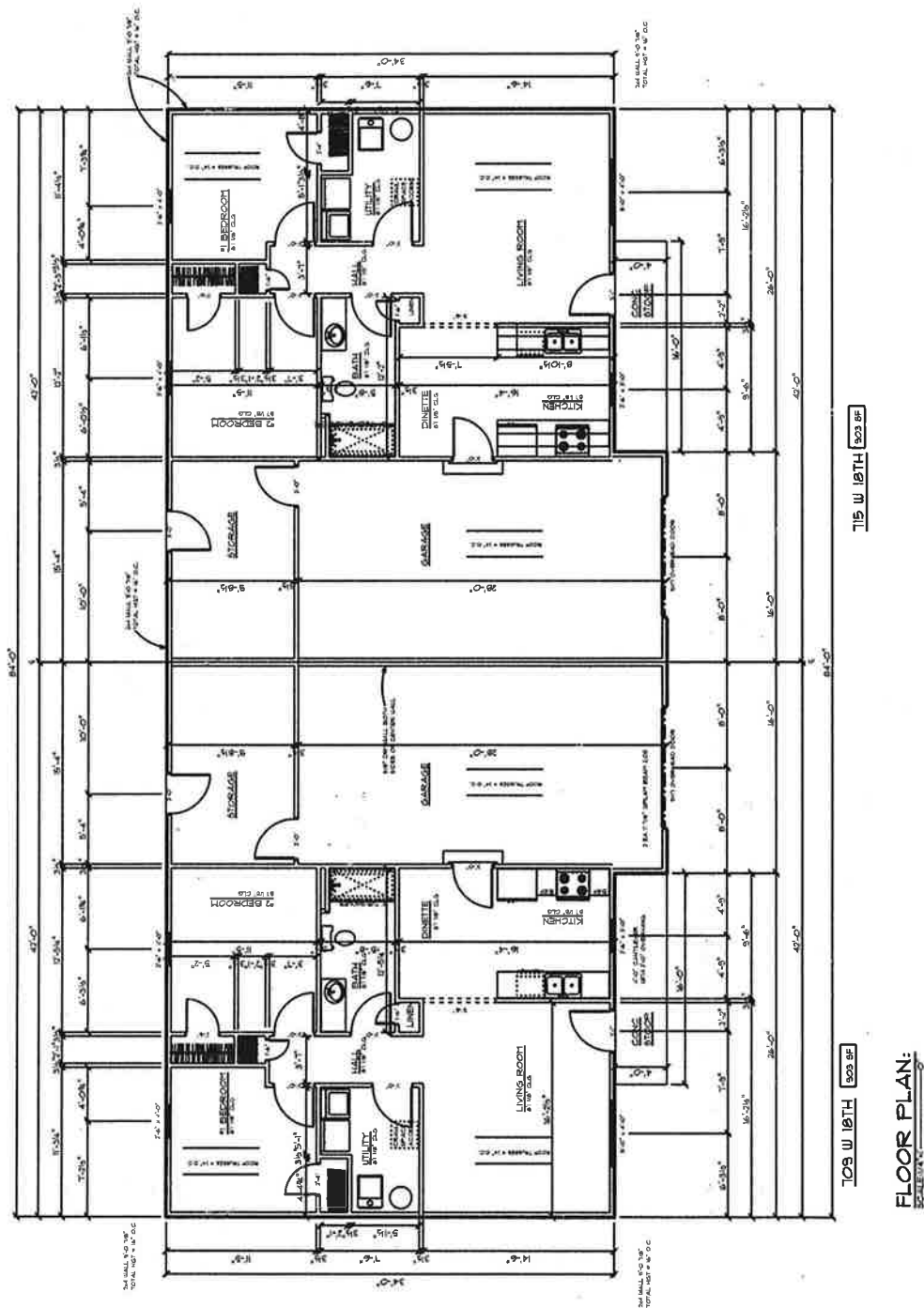
FOUNDATION PLAN:  
SCALE 1/4" = 1'-0"

|          |          |
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| 05/14/12 | 05/14/12 |
| REVISION | REVISION |
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| 99       | 100      |

**Builders**  
LUMBER & BUILDING CENTER

COUPLED DEVELOP  
BAKER DEVELOP  
1308-202326  
GRAND ISLAND NE

05/14/12



**GENERAL NOTES:**

- BATHROOM-  
LEAVE A SPACE IN BATHROOM  
CABINETS AS TO JAMBS THE  
REINFORCING IS BEING PLACED.
- TOILET REINFORCING 1" AT LEAST 6" ON 4" BEND AND  
BENDS TOILETS  
3) TOILETS NEXT TO A WALL PREPARED  
BEFORE IT PROVIDES A PIPE BAR  
3) FULL SOUTH OF TOILET SPACE 30" MIN  
BUT 36" HIGH PREPARED
- TUB AND REINFORCING - VERY (ANY) 30" 30" MIN  
HOSE CONTROL AND OUTSIDE  
BENDS BENDS 30"
- TUB BACK REINFORCING VERY 4" ABOVE TUB TO 30" MIN JAM  
HOSE START 6" IN FRONT EA CORNER
- IF FIBERGLASS TUB, THE CAVITY IN BACK OF THE PANEL  
SHOULD BE SOLID FILLED.
- LANDSCAPING-  
1) CLEAR FLOOR NOT REQUIRED  
2) FRONT LOADING MACHINE PREPARED
- HANDLER-  
HAVE EVERYTHING "LIVABLE" DOORS FAUCETS...
- TOILET SEAT HEIGHT- 15" TO 18"
- SWITCHES AND RECEPTS 48" APART MAX  
IF OVER A COUNTER 48" MAX  
18" MIN

|             |                 |
|-------------|-----------------|
| 05-1412     | 05-1412         |
| NAME        | KEVIN           |
| DESIGNED BY | BAKER DEVELOP   |
| DATE        | 103 W 18TH ST   |
|             | GRAND ISLAND NE |
|             | 4               |
|             | 8613            |

**BUILDERS**  
LUMBER & BUILDING CENTER  
1400 33RD AVE  
SIOUX FALLS, SD 57105  
605-336-3333



# **HOME FEDERAL BANK**

May 16, 2012

RE: Greg Baker  
4710 Tara CT.  
Grand Island, NE 68801

To Baker Development:

This letter is to advise the reader that Home Federal Bank has approved financing for Greg Baker to construct a duplex located at 709 & 715 W. 18<sup>th</sup> in Grand Island. This loan is contingent upon tax increment financing approval.

Please do not hesitate to call me at 308/398-4930 should you have any questions.

Respectfully,

Steve Kunzman  
Senior Vice President



P.O. Box 1009 — GRAND ISLAND, NE 68802-1009  
308-382-4000 — [www.homefedgi.com](http://www.homefedgi.com)

MEMBER  
FDIC

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

**RESOLUTION NO. 136**

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

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

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

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

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

Passed and approved this \_\_\_\_ day of \_\_\_\_\_, 2012.

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

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

ATTEST:

\_\_\_\_\_  
Secretary

EXHIBIT 1

REDEVELOPMENT PLAN AMENDMENT

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

**RESOLUTION NO. 137**

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, PROVIDING NOTICE OF INTENT TO ENTER INTO A REDEVELOPMENT AFTER THE PASSAGE OF 30 DAYS AND OTHER MATTERS

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), has received an Application for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within redevelopment area #6, from Baker Development Inc., (The "Developer") for redevelopment of an area within the city limits of the City of Grand Island as set forth in Exhibit 1 attached hereto area; and

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to use Tax Increment Financing on a project within redevelopment area #6;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

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

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

Passed and approved this \_\_\_\_ day of \_\_\_\_\_, 2012.

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

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

ATTEST:

\_\_\_\_\_  
Secretary



Exhibit 1

Attach a copy of the Redevelopment Contract

**Redevelopment Plan Amendment  
Grand Island CRA Area #6  
May 2012**

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

**Executive Summary:  
Project Description**

THE ACQUISITION OF PROPERTY LOCATED AT 709 AND 715 W 18TH STREET AND THE SUBSEQUENT SITE WORK, UTILITY and ENGINEERING, LANDSCAPING AND PARKING IMPROVEMENTS NECESSARY FOR CONSTRUCTING A DUPLEX AT THIS LOCATION.

The use of Tax Increment Financing to aid in the acquisition of property along with costs associated with redevelopment of this site with a new duplex. The use of Tax Increment Financing makes it affordable to provide additional housing in Grand Island at this location at a contract rent that is consistent with the neighborhood. This project would not be possible in an affordable manner without the use of TIF.

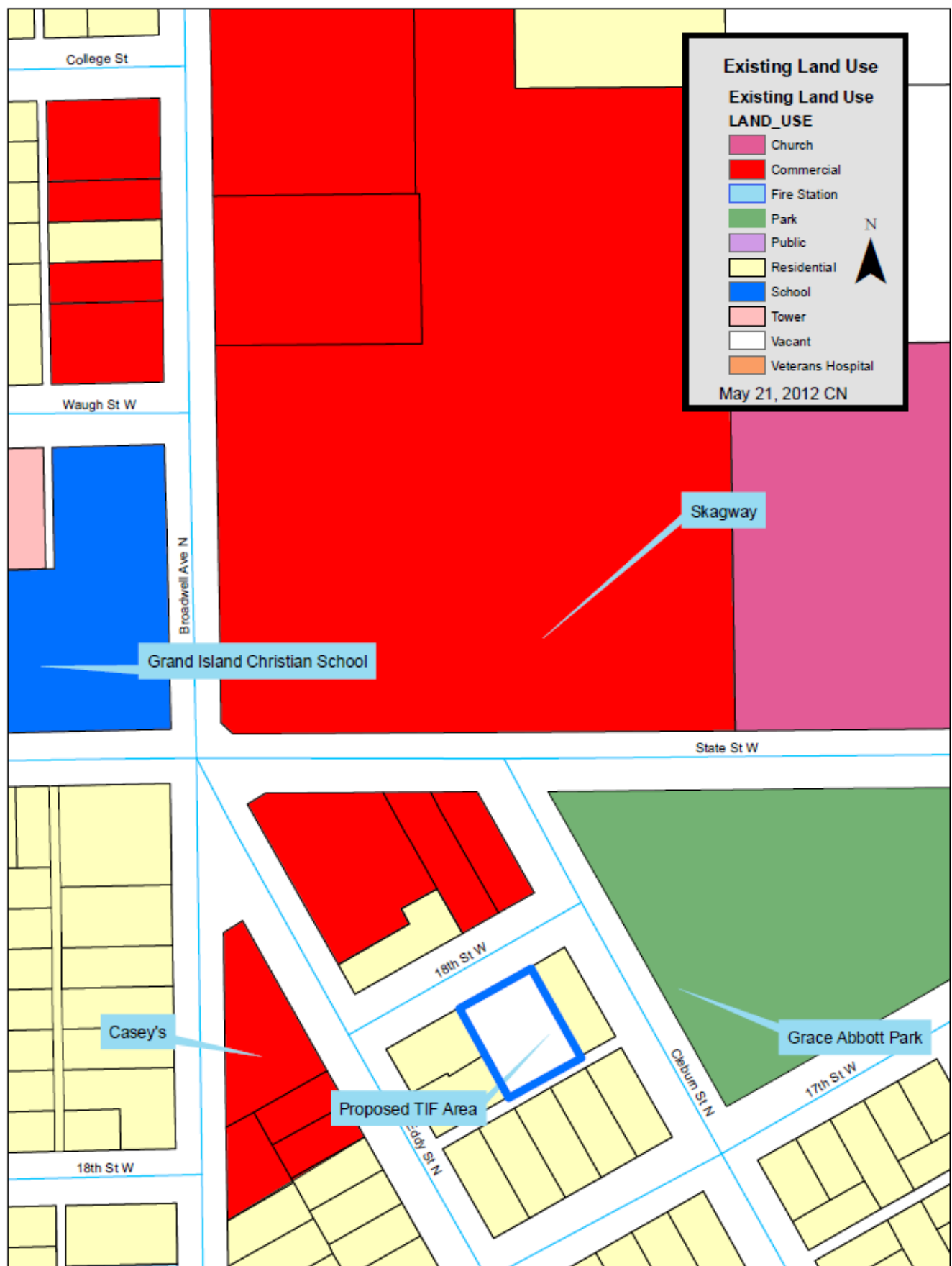
The site is under contract for purchase by developer contingent on the approval of TIF. All acquisition costs, site work, and utilities will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated 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, 2014 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 at the between Cleburn Street and Eddy Street on the south side of 18<sup>th</sup> Street in northeast Grand Island. The attached map identifies the subject property and the surrounding land uses:

- **Legal Descriptions** Lot 2 and Lot 3 of Block 22 of Schimmer’s Addition to the City of Grand Island.



**The tax increment will be captured for the tax years the payments for which become delinquent in years 2014 through 2028 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 development of a duplex housing unit at this location.**

**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, 2014.

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 (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:***

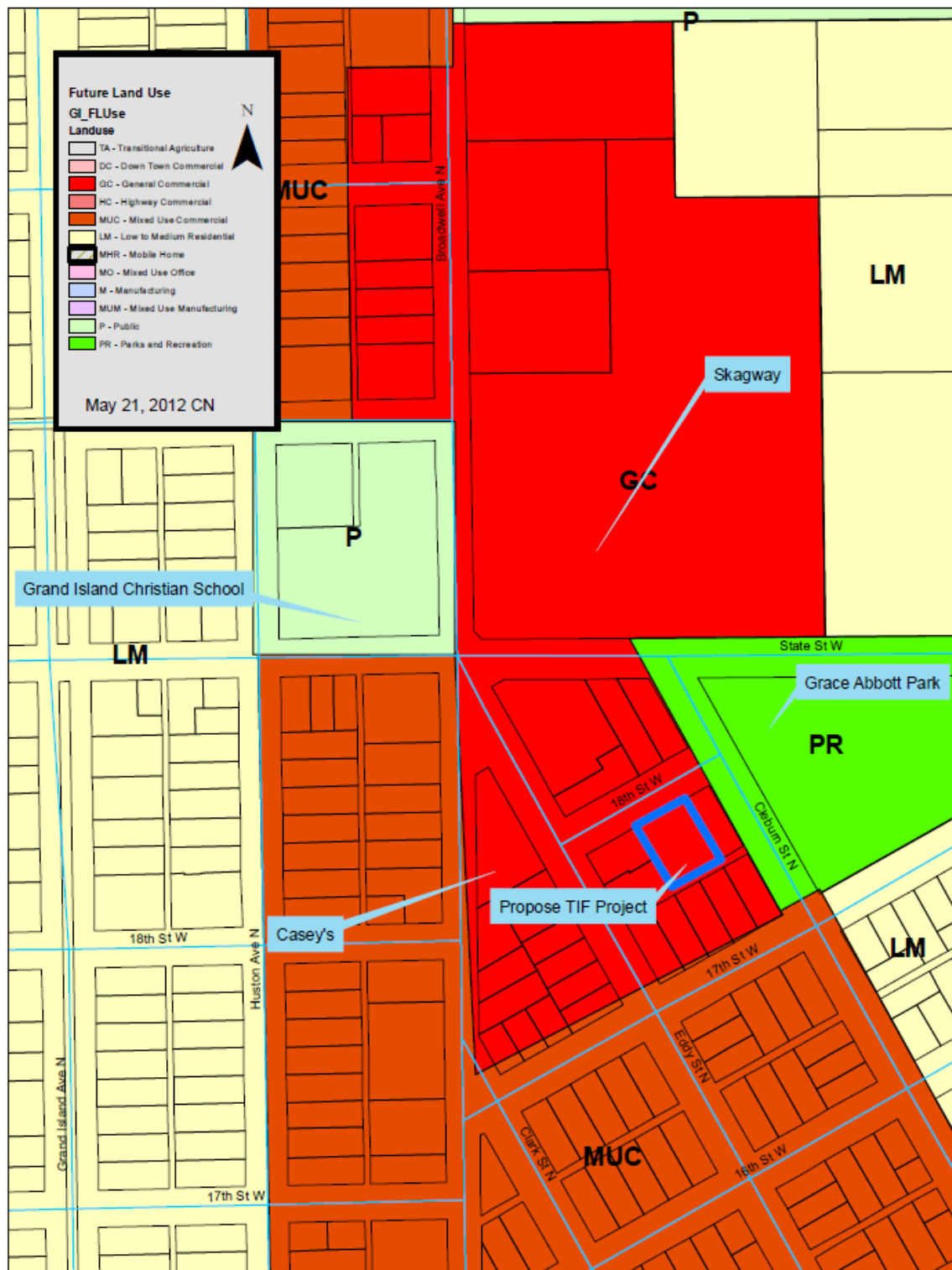
The Redevelopment Plan for Area #6 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The developer is proposing to acquire the property through private contract.

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

The project to be implemented with this plan does call for the demolition and removal of an existing substandard housing unit at this location. The structure to be demolished is a vacant substandard residential structure owned by the applicant.

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

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for 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

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

The area is zoned B2-Genereal 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 proposing purchase the property. The B2 zoning district allow 1 dwelling unit per 1000 square feet of property the combined size of the two lots is slightly more than 13139 square feet; enough to legally accommodate a duplex housing unit. The property is zoned B2 and could accommodate a building of up to 100% of the property area. The proposed units including the attached garages will cover about 2,984 square feet, well within the allowable coverage. [§18-2103(b) and §18-2111]

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

Sewer and water are available to support this development. New water and sewer services may be required for this building. Water is located on the north side of 18<sup>th</sup> Street and no services are present on the south side of the street for these lots.

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, under contract by the developer is currently vacant and undeveloped, no relocation is needed. [§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 has a contract to purchase the property. The cost of property acquisition is included as a TIF eligible expense. Costs for acquisition, site preparation, utilities extensions, landscaping and concrete are \$38,250. These expenses are included as TIF eligible expenses. Fees and reimbursement to the City and the CRA of \$2750 are included as a TIF eligible expense. .

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 \$42,000 from the proceeds of the TIF Indebtedness issued by the Authority. This indebtedness will be repaid from the Tax Increment Revenues generated from the project. TIF revenues shall be made available to repay the original debt and associated interest after January 1, 2014 through December 2029.

***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 and redevelopment of existing lots. This will not significantly impact traffic on at the Five Points intersection. New residential rental properties in this area 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 this project (including demolition, site preparation and new construction) is anticipated to be completed between September 2012 and March of 2012. Excess valuation should be available for this project for 15 years beginning with the 2014 tax year.

## **9. Justification of Project**

This is a residential neighborhood characterized by single family dwellings on smaller lots. The City of Grand Island is in need of additional housing units and this development will result in 2 brand new housing units. This is infill development in an area with all city services available. This project does not propose to tear down any buildings.

**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.

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

The redevelopment project area currently has an estimated valuation of \$20,909. The proposed demolition and subsequent construction of a duplex at this location will result in an additional \$138,000 of taxable valuation based on an analysis by the Hall County Assessor's office. 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. 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 facility will provide jobs for persons employed with Baker Construction. It will have no impact on other firms locating or expanding in the area.

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

This project will not have a negative impact on other employers and will result in additional housing choices for employees within the city.

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

This project will increase the available quality housing in Grand Island by a net of 2 units. These types of smaller projects spread throughout the city will have a less drastic impact on neighborhoods and schools than a centralized larger housing project.

### **Time Frame for Development**

Development of this project is anticipated to be completed during between September 2012 and March of 2013. The base tax year should be calculated on the value of the property as of January 1, 2013. Excess valuation should be available for this project for 15 years beginning in 2014. 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 \$42,000. This is about \$3,000 less than 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 cost of acquisition, site preparation, expenses and fees reimbursed to the City and CRA, the developer will spend at least \$42,000 on TIF eligible activities.

### **See Attached Building Plans**



# Community Redevelopment Authority (CRA)

**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item J1**

### **Lincoln Pool Bond Resolution No. 134**

Staff Contact: Chad Nabity

## RESOLUTION NO. 134

BE IT RESOLVED by the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “Authority”) as follows:

Section 1. The Authority, in cooperation with the City of Grand Island, Nebraska, (the “City”) is currently taking preliminary steps toward the construction of a replacement swimming pool facility for Lincoln Park (the “Project”) and further hereby finds and determines that it is necessary and appropriate to declare an official intent to issue tax-exempt bonds to finance all or a portion of the Project. In addition, the Authority’s reasonable expectations are to reimburse certain expenditures with the proceeds of such bonds as proposed to be issued by the Authority in connection with such Project.

Section 2. This resolution shall stand as a statement of the official intent of the Authority under Treasury Regulation Section 1.150-2 and for such purpose the following information is hereby given:

1. A general functional description of the Project for which expenditures may be made and reimbursement from bond proceeds provided is: construction of a replacement swimming pool facility for Lincoln Park, located in the City of Grand Island, Nebraska.
2. The maximum principal amount of debt expected to be issued for permanent financing for such Project is \$1,700,000.

CERTIFIED AS ADOPTED this \_\_\_\_ day of  
June, 2012.

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Director



# Community Redevelopment Authority (CRA)

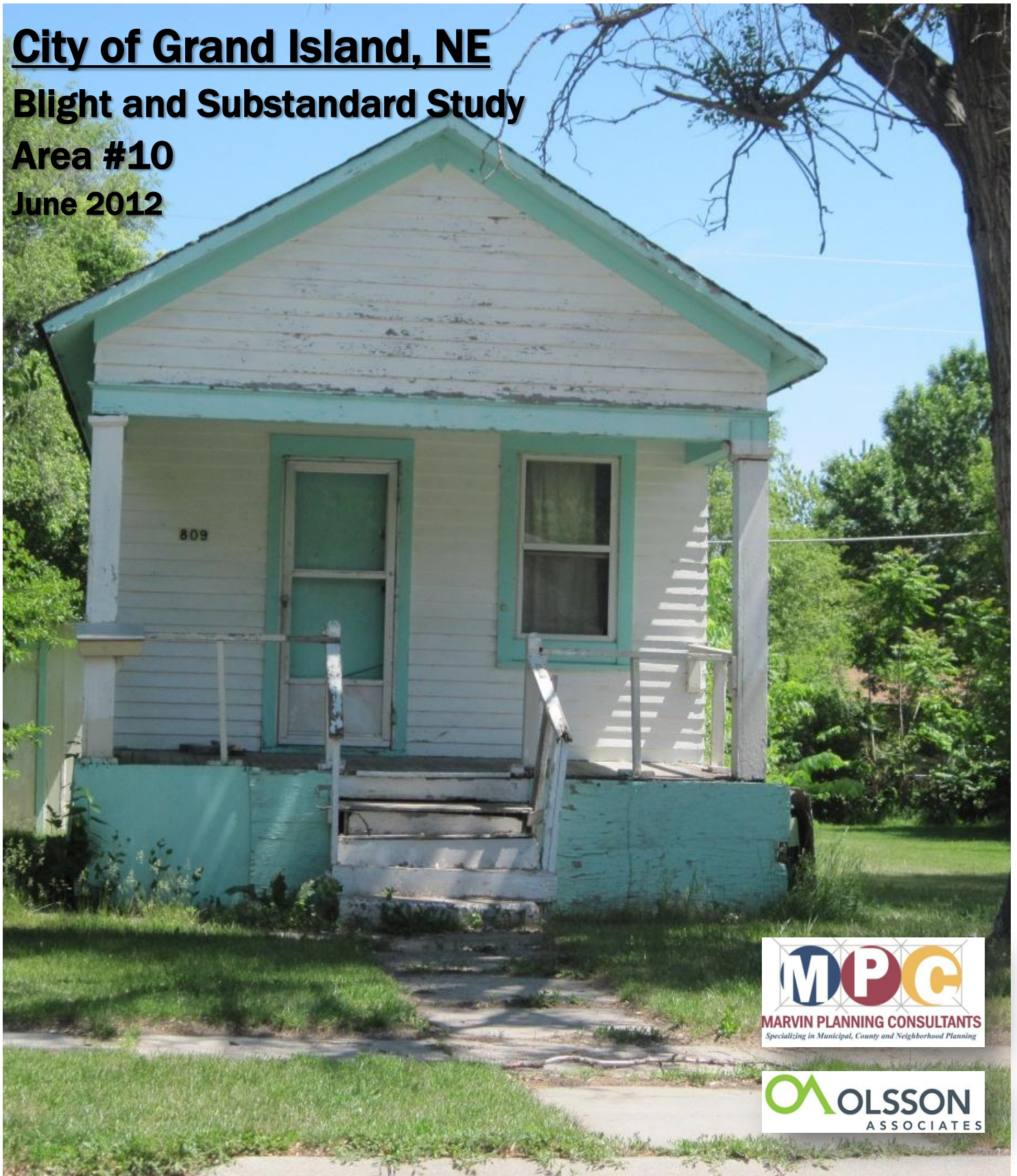
**Wednesday, June 13, 2012**  
**Regular Meeting**

## **Item X1**

### **Blight Study Area #10**

Staff Contact: Chad Nabity

**City of Grand Island, NE**  
**Blight and Substandard Study**  
**Area #10**  
**June 2012**





## **PURPOSE OF THE BLIGHT AND SUBSTANDARD STUDY**

The purpose of completing this Blight and Substandard study is to examine existing conditions within the city of Grand Island. This study has been commissioned by an individual property owner within the community with the hope that the City will consider the study area for future redevelopment activity. The area is a meandering boundary; the area is also bounded on two sides by properties that have been declared as blighted and substandard in the past.

The City of Grand Island, when considering conditions of Blight and Substandard, will be looking at those issues and definitions provided for in the Nebraska Community Redevelopment Law as found in Chapter 18, Section 2104 of the Revised Nebraska State Statutes, as follows:

*“The governing body of a city, to the greatest extent it deems to be feasible in carrying out the provisions of Sections 18-2101 to 18-2144, shall afford maximum opportunity, consistent with sound needs of the city as a whole, to the rehabilitation or redevelopment of the community redevelopment area by private enterprises. The governing body of a city shall give consideration to this objective in exercising its powers under sections 18-2101 to 18-2144, including the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the city, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations relating to the use and occupancy of buildings and improvements, the disposition of any property acquired, and providing of necessary public improvements”.*

The Nebraska Revised Statutes §18-2105 continues by granting authority to the governing body for formulation of a workable program. The statute reads,

*“The governing body of a city or an authority at its direction for the purposes of the Community Development Law may formulate for the entire municipality a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of substandard and blighted areas, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation or conservation of substandard and blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of substandard and blighted areas or portions thereof.”*

Blight and Substandard are defined as the following:

*“Substandard areas means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;”*

*“Blighted area means an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of*

*title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a shall not designate an area larger than one hundred percent of the as blighted;"*

This Blight and Substandard Study is intended to give the Grand Island Community Redevelopment Authority and Grand Island City Council the basis for identifying and declaring Blighted and Substandard conditions existing within the City's jurisdiction. Through this process, the City and property owner will be attempting to address economic and/or social liabilities which are harmful to the well-being of the entire community.

### **BLIGHT AND SUBSTANDARD ELIGIBILITY STUDY**

This study targets a specific area within an established part of the community for evaluation. The area is indicated in Figure 1 of this report. The existing uses in this area include residential dwelling units both single-family and multi-family.

Through the redevelopment process the City of Grand Island can guide future development and redevelopment throughout the area. The use of the Community Redevelopment Act by the City of Grand Island is intended to redevelop and improve the area. Using the Community Redevelopment Act, the City of Grand Island can assist in the elimination of negative conditions and implement different programs/projects identified for the City.

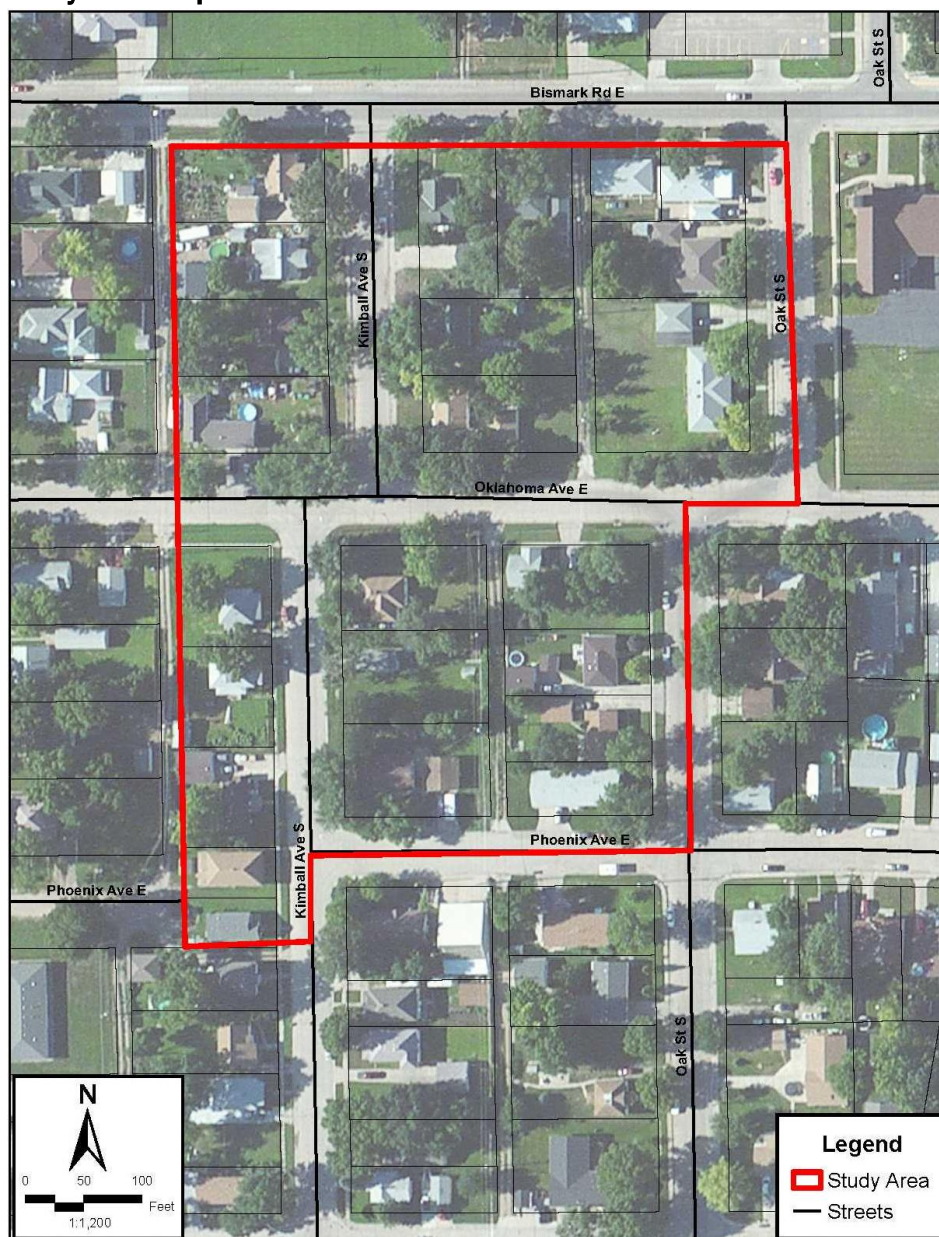
The following is the description of the designated area within Grand Island.

### ***Study Area***

POINT OF BEGINNING IS THE NORTHWEST CORNER OF LOT 1, BLOCK 3, SOUTH GRAND ISLAND; THENCE EASTERLY ALONG THE NORTH PROPERTY LINE OF LOT 1, BLOCK 3, SOUTH GRAND ISLAND AND CONTINUING EASTERLY ALONG THE NORTHERN PROPERTY LINES UNTIL INTERSECTING THE CENTERLINE OF OAK STREET S; THENCE SOUTHERLY ALONG SAID CENTERLINE TO THE INTERSECTION OF THE CENTERLINES OF OAK STREET S AND OKLAHOMA AVENUE E; THENCE WESTERLY ALONG SAID CENTERLINE OF OKLAHOMA AVENUE E TO THE SOUTHERN INTERSECTION THE CENTERLINES OF OKLAHOMA AVENUE E AND OAK STREET S; THENCE SOUTHERLY ALONG SAID CENTERLINE OF OAK STREET S TO THE INTERSECTION OF CENTERLINES FOR OAK STREET S AND PHOENIX AVENUE E; THENCE WESTERLY ALONG SAID CENTERLINE OF PHOENIX AVENUE E TO THE INTERSECTION OF THE CENTERLINES OF PHOENIX AVENUE E AND KIMBALL AVENUE S; THENCE SOUTHERLY ALONG SAID CENTERLINE OF KIMBALL AVENUE S TO THE EXTENDED SOUTH PROPERTY LINE OF LOT 55 IN HAWTHORNE ADDITION; THENCE WESTERLY ALONG SAID EXTENDED SOUTH PROPERTY LINE TO THE SOUTHWEST CORNER OF SAID LOT 55 IN HAWTHORNE ADDITION; THENCE NORTHERLY ALONG THE WEST PROPERTY LINE OF LOT 55 IN HAWTHORNE ADDITION AND EXTENDING NORTHERLY TO THE POINT OF BEGINNING.



**Figure 1**  
**Study Area Map**



Source: City of Grand Island

### **EXISTING LAND USES**

The term “Land Use” refers to the developed uses in place within a building or on a specific parcel of land. The number and type of uses are constantly changing within a community, and produce a number of impacts that either benefit or detract from the community. Because of this, the short and long-term success and sustainability of the community is directly contingent upon available resources utilized in the best manner given the constraints the City faces during the course of the planning period. Existing patterns of land use are often fixed in older communities and neighborhoods, while development in newer areas is often reflective of current development practices.

#### **Existing Land Use Analysis within Study Area**

As part of the planning process, a survey was conducted through both in-field observations, as well as data collection online using the Hall County Assessors website. This survey noted the use of each parcel of land within the study area. The Study Area is 100% residential with the exception of the local streets and sidewalks serving the study area.

**Figure 2**  
**Existing Land Use Map**



Source: Marvin Planning Consultants and Olsson Associates, 2012

## **FINDINGS OF BLIGHT AND SUBSTANDARD CONDITIONS ELIGIBILITY STUDY**

This section of the Eligibility Report examines the conditions found in the study area. The Findings Section will review the conditions based upon the statutory definitions.

### **CONTRIBUTING FACTORS**

There are a number of conditions that were examined and evaluated in the field and online. There are a number of conditions that will be reviewed in detail, on the following pages, while some of the statutory conditions are present, other are not.

#### **Age of Structure**

Age of structures can be a contributing factor to the blighted and substandard conditions in an area. Statutes allow for a predominance of structures that are 40 years of age or older to be a contributing factor regardless of their condition. The following paragraphs document the structural age of the structures within the Study Area. Note that the age of structure was determined from the Appraisal data within the Hall County Assessor's website data.

Within the study area there is a total of 38 primary and accessory structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 2 (5.3%) units were determined to be less than 40 years of age
- 36 (94.7%) units were determined to be 40 years of age or older

Overall, 94.7% of the structures in this portion of the area are 40 years old or older thus qualifying it as substantial. See Figure 3 for the locations of the structures.

Due to the age of the structures in the study area, age of structures would be a direct contributing factor.

#### **Structural Conditions**

Where structural conditions were evaluated, structures were either rated as: Excellent, Average, Deteriorating, or Dilapidated. The following are the definitions of these terms:

##### **No Problem/ Average Conditions**

- No structural or aesthetic problems were visible, or
- Slight damage to porches, steps, roofs etc. is present on the structure,
- Slight wearing away of mortar between bricks, stones, or concrete blocks,
- Small cracks in walls or chimneys,
- Cracked windows,
- Lack of paint, and
- Slight wear on steps, doors, and door and window sills and frames.

##### **Deteriorating Conditions**

- Holes, open cracks, rotted, loose, or missing materials in parts of the foundation, walls, or roof (up to 1/4 of wall or roof),
- Shaky, broken, or missing steps or railings,
- Numerous missing and cracked window panes,
- Some rotted or loose windows or doors (no longer wind- or water-proof), and
- Missing bricks, or cracks, in chimney or makeshift (uninsulated) chimney.





**Dilapidated Conditions**

- Holes, open cracks, or rotted, loose or missing material (siding, shingles, brick, concrete, tiles, plaster, floorboards) over large areas of foundation,
- Substantial sagging of roof, floors, or walls,
- Extensive damage by fire, flood or storm, and
- Inadequate original construction such as makeshift walls, roofs made of scrap materials, foundations or floors lacking, or converted barns, sheds, and other structures not adequate for housing.

These are criteria used to determine the quality of each structure in the Study Area.

In a recent conditions survey, the structures within the study area were rated. Within the study area there are a total of 26 primary structures and 12 accessory structures. Accessory structures were rated due to the fact that they were visible from the public right-of-ways.

After reviewing the overall conditions of the structures in the corporate limits portion include:

- 16 (50.0%) structures rated as adequate
- 13 (40.6%) structures rated as deteriorating
- 3 ( 9.4%) structures rated as dilapidated

Overall, 50.0% of the structures in this portion of the area are in a state of disrepair. The data are available for inspection; however, for purposes of this study, Figure 4 only shows the data on a ½ block level as opposed to structure. However, if there were several structures deemed to be deteriorating or dilapidated then the entire block was downgraded.

Only one ½ block (16.7%) in the study area was rated as adequate; while four ½ blocks (66.6%) were deteriorating; finally one ½ block (16.7%) was deemed to be dilapidated. For purposes of this study there is approximately 83.3% of the block area within the Study Area that has deteriorating or dilapidated structures. The remaining 16.7% was considered as “Adequate”.

Due to the state of disrepair of a number of properties in the area, the conditions represent conditions which are Dangerous to conditions of life or property due to fire or other causes.

**Figure 3**  
**Structural Age Map**



Source: Marvin Planning Consultants and Olsson Associates, 2012

## Sidewalk Conditions

The sidewalk conditions were analyzed in the Study Area. The sidewalks were rated on four categories; adequate, deteriorating, dilapidated, and missing completely. The following is the breakdown by corporate limits and county industrial park.

Within the study area there is approximately 2,612 lineal feet of sidewalk. After reviewing the conditions in the field, the following is how the sidewalk conditions breakdown within the corporate limits:

- 497 (19.0%) lineal feet of adequate sidewalk
- 1,333 (51.0%) lineal feet of deteriorating sidewalk
- 781 (20.0%) lineal feet of no sidewalk.
- There was no sidewalk deemed to be dilapidated.



Overall, 71.0% of the sidewalks are in either a deteriorating state or completely missing. Missing sidewalk is as bad as dilapidated or deteriorating sidewalk since there is no safe place to walk other than across someone else's property or in the street. See Figure 5 for the locations of these sidewalks.

Due to the large amount of deteriorating and missing sidewalk, the sidewalk conditions would be a direct contributing factor.

## Street Conditions

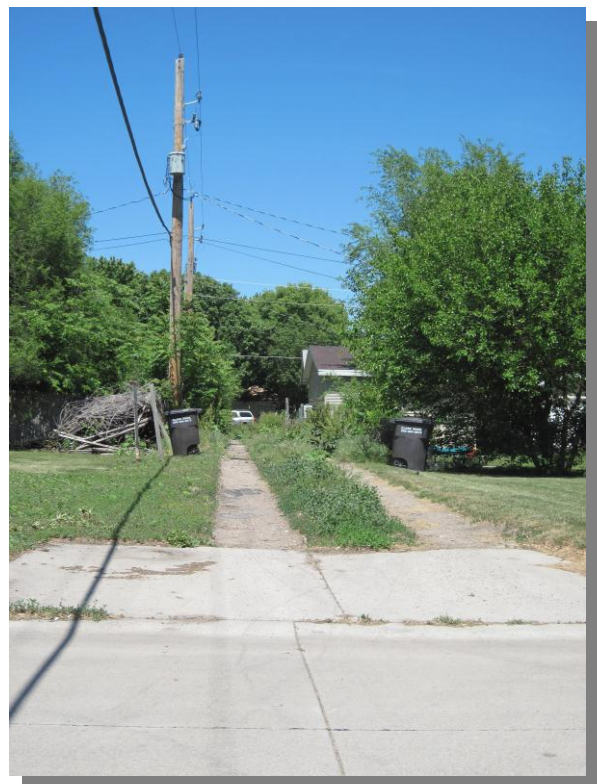
The street conditions were analyzed in the Study Area including both the incorporated areas and the unincorporated portions of the area. The streets were also rated on four categories; adequate, deteriorating, dilapidated, and missing completely. The following is the breakdown by corporate limits and county industrial park.

Within the study area there is approximately 2,596 lineal feet of street. After reviewing the conditions in the field, the following is how the street conditions breakdown within the corporate limits:

- 1,755 (67.6%) lineal feet of adequate street
- 306 (11.8%) lineal feet of deteriorating street
- 535 (20.6%) lineal feet of dilapidated street

Overall, 32.4% of the streets are in either in a deteriorating or dilapidated state. See Figure 6 for the locations of these streets.

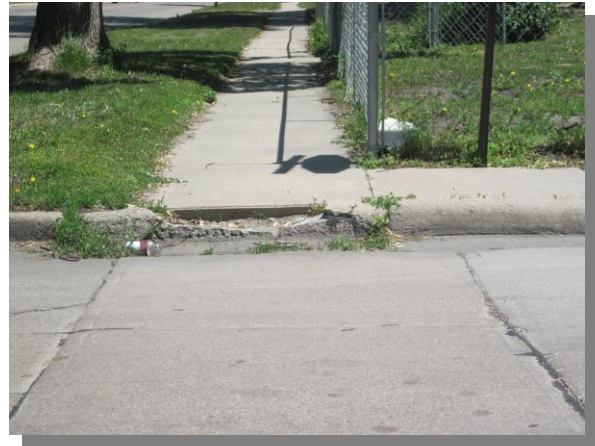
Due to the large amount of deteriorating and missing street, the street conditions would be a direct contributing factor.



## Curb and Gutter

Curb and Gutters have a number of direct and indirect roles in neighborhoods. Their primary functions is to be a barrier that collects and directs water, drainage. On a secondary level, they can help define where the streets start and stop, and they act as a physical barrier between pedestrian and vehicular traffic.

Curb and gutter for the Study Area will be examined similarly to streets and sidewalks. The curb and gutter will be graded as either adequate, deteriorating, dilapidated, or missing. In addition, curb and gutter will be examined based upon their location, within the incorporated area or within the county industrial park.



Within the corporate limits portion of the study area there is approximately 2,876 lineal feet of curb and gutter possible. After reviewing the conditions in the field, the following is how the curb and gutter conditions breakdown within the corporate limits:

- 1,262 (43.9%) lineal feet of adequate curb and gutter
- 1,613 (56.1%) lineal feet of deteriorating curb and gutter

Approximately 57% of the curb and gutters are in either a deteriorating state or are missing. See Figure 7 for the locations of these curb and gutter.

Due to the large amount of deteriorating and missing curb and gutter, the curb and gutter conditions would be a direct contributing factor.



Poor curb and gutter and no sidewalk access to the street along one side of the intersection.

No sidewalk access running east and west.



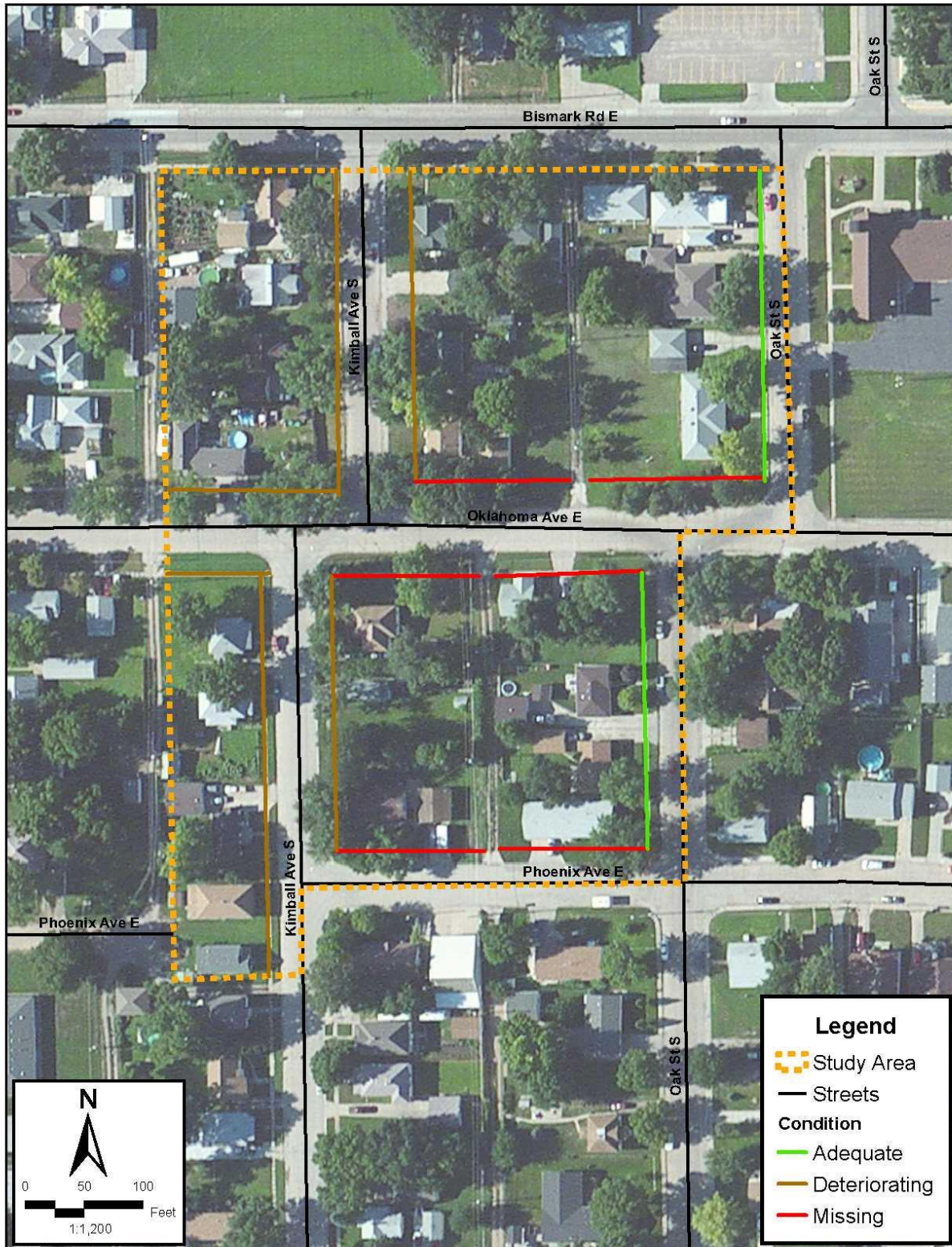
**Figure 4**  
**Structural Conditions**



Source: Marvin Planning Consultants and Olsson Associates, 2012



**Figure 5**  
**Sidewalk Conditions**



Source: Marvin Planning Consultants and Olsson Associates, 2012

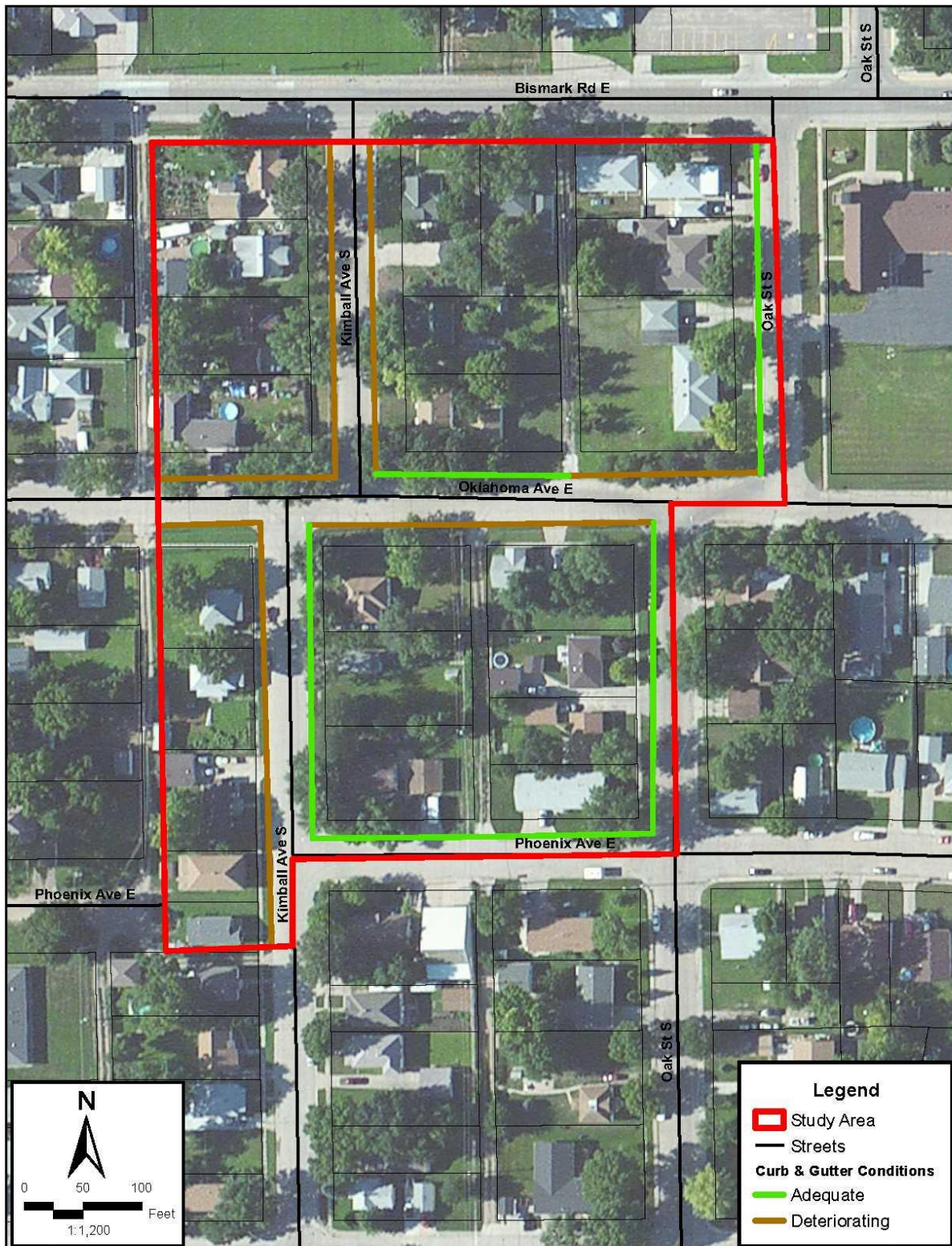
**Figure 6**  
**Street Conditions**



Source: Marvin Planning Consultants and Olsson Associates, 2012



**Figure 7**  
**Curb and Gutter Conditions**



Source: Marvin Planning Consultants and Olsson Associates, 2012

## **Blighting Summary**

These conditions are contributing to the blighted conditions of the study area.

- Substantial number of deteriorating structures
  - 50.0% of the structures identified within the Study Area, were deemed to be in a state of deterioration or dilapidation
- Deterioration of site or other improvements
  - A large amount of sidewalk either in a deteriorated state or missing from properties.
  - There is a significant amount of lineal feet of streets that are deteriorating or dilapidated.
  - Deteriorating curb and gutter does and/or will continue to become worse in condition and ultimately will begin to negatively impact drainage in the study area.
- Average age of structures is over 40 years of age
  - Within the Study Area 94.7% of the structures meet the criteria of 40 years of age or older.

The other criteria for Blight were not examined or are not present in the area, these included:

- Defective/Inadequate street layouts,
- Faulty lot layout,
- Insanitary or unsafe conditions,
- Defective or unusual condition of title,
- Economic or social liability detrimental to health, safety and welfare,
- Conditions provision of housing accommodations,
- One-half of unimproved property is over 40 years old,
- Tax or special assessment exceeding the fair value of the land,
- Diversity of ownership.
- Improper Subdivision or obsolete platting
- Existence of conditions which endanger life or property by fire and other causes,
- The area has had either a stable or decreasing population based upon the last two decennial censuses,
- Unemployment in the designated area is at least one hundred twenty percent of the state or national average,
- Combination of such factors, substantially impairs or arrests the sound growth of the community, and
- Per capita income of the area is lower than the average per capita income of the city

These issues were either not present or were limited enough as to have little impact on the overall condition of the study area.

## **Substandard Conditions**

### **Average age of the residential or commercial units in the area is at least forty years**

Besides structural conditions of the buildings in the Study Area, age of these structures is another contributing factor to the substandard conditions in the area. Statutes allow for a predominance of structures that are 40 years of age or older to be a contributing factor regardless of their condition.

Within the study area there is a total of 38 structures. After researching structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 2 (5.3%) structures were determined to be less than 40 years of age
- 36 (94.7%) structures were determined to be 40 years of age or older

Overall, 94.7% of the structures in this portion of the area are 40 years old or older thus qualifying it as substantial. See Figure 3 for the locations of the structures.

Due to the age of the structures in the corporate limits, age of structures would be a direct contributing factor.

### **Substandard Summary**

Nebraska State Statute requires that at least one of five substandard factors be present in a community. This Study Area in Grand Island has one of the five. The other criteria for Substandard were not present or the data was not readily accessible in the area, these included:

- Unemployment in the designated area is at least one hundred twenty percent of the state or national average;
- more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time;
- the per capita income of the area is lower than the average per capita income of the city or in which the area is designated
- The area has had either stable or decreasing population based on the last two decennial censuses.

### **FINDINGS FOR GRAND ISLAND BLIGHT STUDY AREA #10**

Blight Study Area #10 has several items contributing to the Blight and Substandard Conditions. These conditions include:

#### **Blighted Conditions**

- Substantial number of deteriorating structures
- Deterioration of site or other improvements
- Average age of structures is over 40 years of age

#### **Substandard Conditions**

- Average age of the residential or commercial units in the area is at least forty years

### **CONCLUSION**

Based upon the issues and conditions indicated from the survey of this area, there is sufficient criteria present to declare Area #10 of Grand Island as Blighted and Substandard as provided for in the Nebraska Revised Statutes. The conditions found throughout the entire area constitute a designation of blighted and substandard. The eventual use of Tax Increment Financing or other incentive programs would be of great benefit to the entire area.