



# **City of Grand Island**

**Tuesday, April 23, 2013**

**Council Session**

## **Item E-5**

**Public Hearing on Amendment to the Redevelopment Plan Area 8  
Located at 1119 S Adams Street**

**Staff Contact: Chad Nabity**

# **Council Agenda Memo**

**From:** Chad Nabity, AICP

**Meeting:** April 23, 2013

**Subject:** Amendment to Redevelopment Plan for CRA Area #8

**Item #'s:** E-5 & I-1

**Presenter(s):** Chad Nabity, AICP CRA Director

## **Background**

In 2012, the Grand Island City Council declared property referred to as CRA Area #8 as blighted and substandard and approved a generalized redevelopment plan for the property. The generalized redevelopment plan authorized the use of Tax Increment Financing (TIF) for the acquisition of property, redevelopment of property, site preparation including demolition, landscaping and parking. TIF can also be used for improvements to and expansion of existing infrastructure including but not limited to: streets, water, sewer, drainage.

Chief Industries, INC., as the developer has submitted a proposed site specific redevelopment plan that would provide for site acquisition, clearance and extension of utilities and subsequent construction of a duplex at 809 and 811 Kimball Avenue in Grand Island, Nebraska.

The CRA reviewed the proposed development plan on October 10, 2012 and forwarded it to the Hall County Regional Planning Commission for recommendation at their meeting on November 7, 2012. The CRA also sent notification to the City Clerk of their intent to enter into a redevelopment contract for this project pending Council approval of the plan amendment.

The Hall County Regional Planning Commission held a public hearing on the plan amendment at a meeting on November 7, 2012. The Planning Commission approved Resolution 2013-03 in support of the proposed amendment, declaring the proposed amendment to be consistent with the Comprehensive Development Plan for the City of Grand Island.

## **Discussion**

Tonight, Council will hold a public hearing to take testimony on the proposed plan amendment (including the cost benefit analysis that was performed regarding this proposed project) and to enter into the record a copy of the plan amendment, the draft TIF contract under consideration by the CRA.

Council is being asked to approve a resolution approving the cost benefit analysis as presented in the redevelopment plan along with the amended redevelopment plan for CRA Area #10 and authorizes the CRA to execute a contract for TIF based on the plan amendment. The redevelopment plan amendment permits site acquisition, demolition, clearance and extension of utilities and subsequent construction of a duplex at 809 and 811 S Kimball Avenue in Grand Island, Nebraska. The cost benefit analysis included in the plan finds that this project meets the statutory requirements for an eligible TIF project and that it will not negatively impact existing services within the community or shift additional costs onto the current residents of Grand Island and the impacted school districts. The total tax increment financing allowed for this project may not exceed \$38,372 during this 15 year period.

This is the culmination of the first Microblight designation in the City of Grand Island. Redevelopment Area #10 was approved specifically to allow TIF to be used to remove and redevelop this particular property.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the resolution
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

The CRA and Hall County Regional Planning Commission recommend that the Council approve the Resolution necessary for the adoption and implementation of this plan.

## **Sample Motion**

Move to approve the resolution as submitted.

## **Site Specific Redevelopment Plan**

Grand Island CRA Area #8

**March 2013**

**The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area #8 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 #8.**

### **Executive Summary: Project Description**

THE CONSTRUCTION OF A NEW 33,456 SQUARE FOOT STRUCTURE AS PART OF THE CHIEF FABRICATION PLANT ALONG WITH THE INSTALLATION OF NEEDED UTILITIES, DEMOLITION OF STRUCTURES, PAVING AND OTHER SITE IMPROMENTS AS NECESSARY TO SUPPORT THIS REDEVELOPMENT ON THE NORTH SIDE OF FONNER PARK ROAD BETWEEN ADAMS STREET AND LINCOLN AVENUE ON LOT 1 OF CHIEF FAB SECOND SUBDIVISION 1119 S ADAMS STREET. DEMOLITION AND UTILITY EXTESION EXPENSES WERE PREVIOUSLY DECLARED ELIGIBLE FOR TIF BY THE A MEMORANDUM OF UNDERSTANDING APPROVED BY CHIEF INDUSTRIES, THE CITY OF GRAND ISLAND AND THE GRAND ISLAND COMMUNITY REDEVELOPMENT AUTHORITY IN JULY OF 2012.

The developer intends to use Tax Increment Financing to defray the costs of land acquisition, demolition costs related to clearing the property and preparing it for redevelopment and the installation of utilities necessary to redevelop this property. This project would not be possible in an affordable manner without the use of TIF.

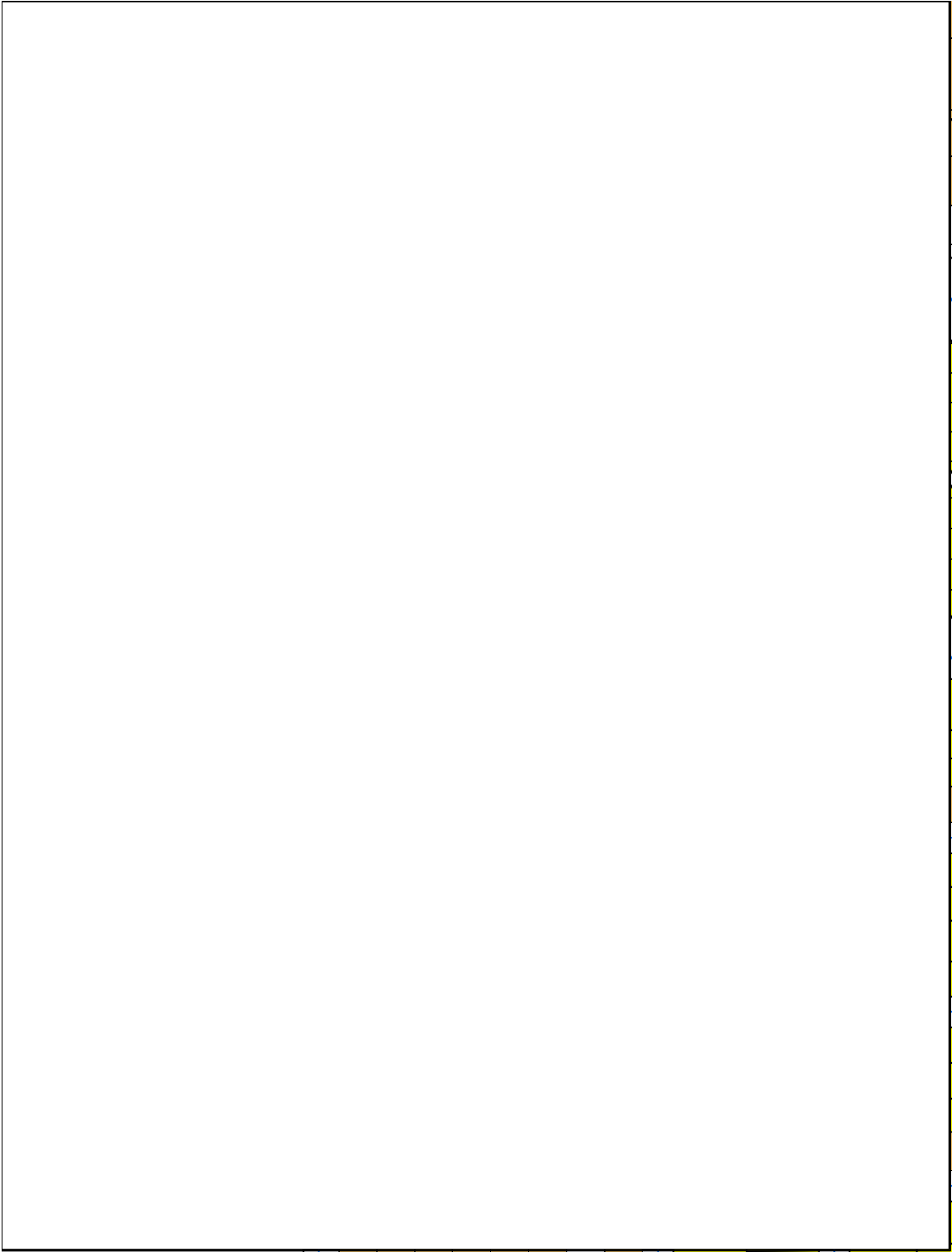
The site is owned by the developer. All site work, demolition and utilities have been paid for by the developer in accordance with the memorandum of understanding between the developer, the City and the CRA. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, demolition and utilities work. 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 remodeling and site work.

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

**Property Description (the “Redevelopment Project Area”)**

This property is located north of Fonner Park Road between Lincoln Avenue and Adams Street at 1119 S Adams in southeast Grand Island. The attached map identifies the subject property and the surrounding land uses:

- **Legal Descriptions** Lot 1 of Chief Fab Second Subdivision in the City of Grand Island, Hall County, Nebraska.



**The tax increment will be captured for the tax years the payments for which become delinquent in years 2015 through 2029 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 construction of a 33,456 foot addition to the manufacturing facility.**

**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 April 24, 2012. [§18-2109] Such declaration was made after a public hearing with full compliance with the public notice requirements of §18-2115 of the Act.**

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

Grand Island adopted a Comprehensive Plan on July 13, 2004. This redevelopment plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for the developer to rehabilitate an existing conforming 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 Generalized Redevelopment Plan for Area #8 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority. The developer has already acquired the property as acknowledge by the July 2012 MOU.

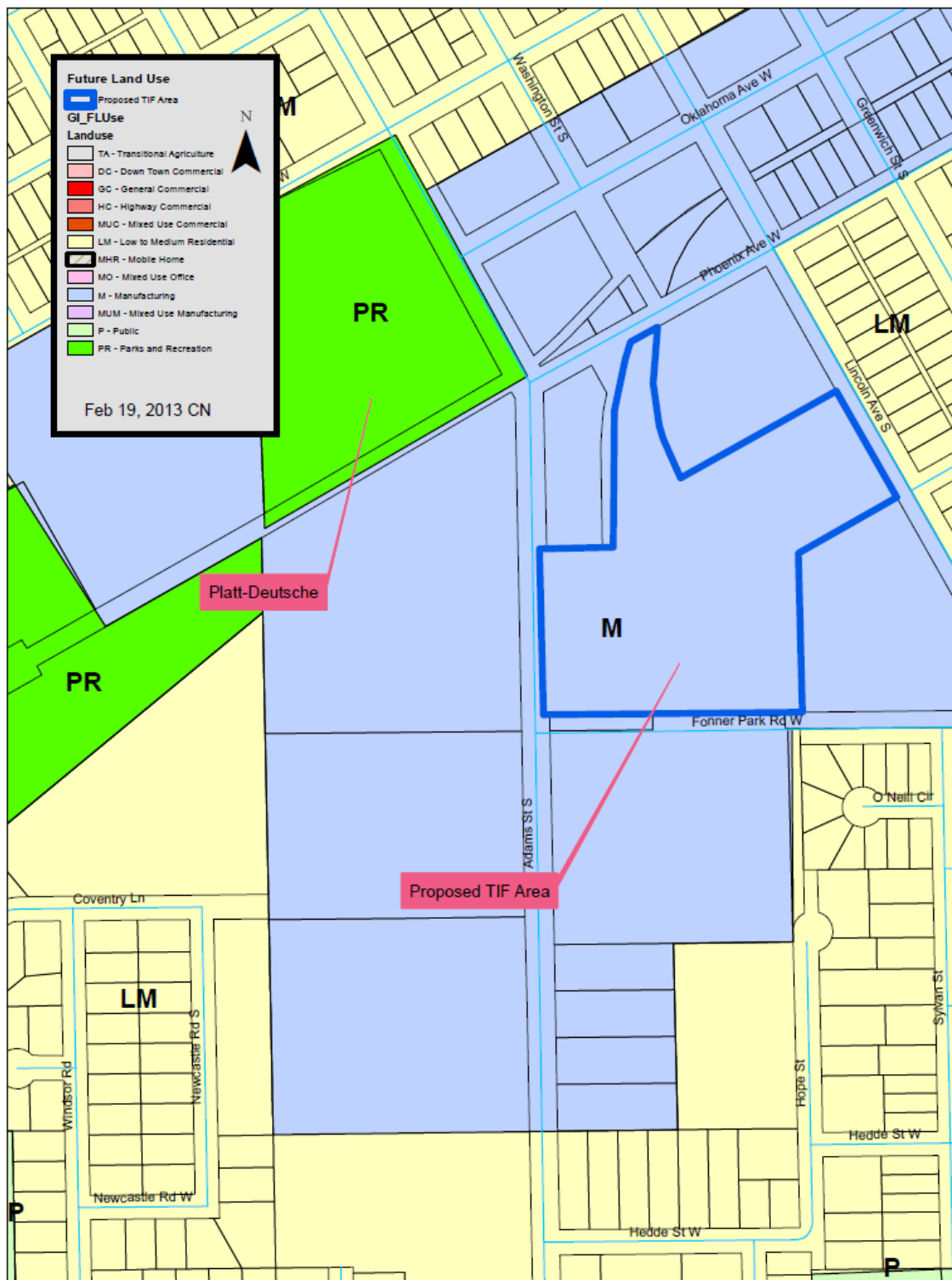
***b. Demolition and Removal of Structures:***

The July 2012 MOU authorized expenses related to demolition as eligible for Tax Increment Financing. The Aurora Coop structures were demolished and all of the expenses were paid prior to the end of September 2012. Copies of those expenses are recorded with the CRA grant for this project.

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

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for industrial 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 M2 Heavy Manufacturing 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. The proposed use for commercial manufacturing and is permitted in the M2 zoning district. [§18-2103(b) and §18-2111]

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

The developer is proposing an addition to the existing manufacturing use consistent with the M2 zoning district. [§18-2103(b) and §18-2111]

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

This site has full service to municipal utilities. A new water main has been constructed to serve the property and provide necessary fire protection to the site. The developer is responsible for installing the water line to City standards and specifications.

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

The Grand Island Utilities Department has sufficient capacity to serve the electrical needs of the proposed addition.

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

**4. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation.**

This property, owned by the developer is maintained as a manufacturing facility. The proposed use of this property would continue as a manufacturing facility. No individuals or families will be relocated as a result of this project. [§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 owned the property for since 2011. The cost of property acquisition is included as a TIF eligible expense. Costs for the land, demolition of the Aurora Coop buildings, site preparation, utilities extension and construction of the addition to the existing facility are estimated at \$3,859,145 including all fees. The direct cost for purchase of the property, demolition, site preparation and utilities extensions are estimated at \$859,500. Fees and reimbursement to the City and the CRA of \$6,500 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 \$679,870 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 31, 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 manufacturing property. This will not significantly impact traffic on at the intersection along Fonner Park Road. New investment in this manufacturing area will raise property values and provide a

stimulus to keep surrounding properties properly maintained. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions.

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

Development of this project (including demolition, site preparation and new construction) is anticipated to be completed between August 2013 and July of 2014. Excess valuation should be available for this project for 15 years beginning with the 2014 tax year.

## **9. Justification of Project**

The Aurora Coop site was no longer in daily use and because of its proximity to residential properties and the Barr Middle School it presented a dangerous and attractive nuisance in the neighborhood. The CRA and City Council agreed that it was in the best interest of the community to remove those structures as soon as possible and approved a memorandum of understanding (MOU) to allow Chief Industries to demolish those buildings and begin utility installation prior to the approval of a final redevelopment plan for the area. This final redevelopment plan provides for additional new manufacturing development in an area of the community that is and will continue to be manufacturing in nature. This new development will provide additional skilled full time jobs in the community and allow an existing Grand Island company to expand their operations within the community.

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

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

The redevelopment project area currently has an estimated valuation of \$2,123,068. The proposed renovation of this facility will result in an estimated additional \$1,746,077 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 by the contractors that will be involved with the project. Chief is also proposing to create 43 new full time positions in Grand Island at their fabrication facility.

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

The additional jobs may be filled by people in other positions around Grand Island or in jobs where they are underemployed. These new jobs will create a more competitive market for the skilled workers involved in fabrication activities.

***(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 provide additional base employment within Grand Island. The project has already resulted in the demolition of unused buildings that could have created a nuisance and safety issue within the neighborhood. The use of tax increment financing was anticipated by the developer and approved by the CRA and City Council with a memorandum of understanding prior to the demolition of structures on this property and installation of utilities. The reinvestment in this neighborhood should lead to stabilized property values and further investment in the area.

### **Time Frame for Development**

Development of this project is anticipated to be completed during between August 2013 and July of 2014. The base tax year should be calculated on the value of the property as of January 1, 2011. The tax increment on 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 \$679,870 the projected amount of increment based upon the anticipated value of the project and current tax rate. Based on the estimates and actual costs of the expenses for the cost of acquisition, demolition, site preparation, engineering, legal fees and fees reimbursed to the City and CRA, and financing fees the developer will spend over \$859,500 on TIF eligible activities.

### **See Attached Building Plans**

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

**Project Redeveloper Information**

Business Name: Chief Industries, Inc.

Address: 3942 West Old Highway 30 P. O. Box 2078  
Grand Island, NE 68803 Grand Island, NE 68802

Telephone No.: 308-389-7200 Fax No.: 308-389-7352

Contact: David Ostdiek

**Brief Description of  
Applicant's Business:**

CHIEF FABRICATION, a division of Chief Industries, Inc., is one of the most diverse metal fabricators in the Midwest. This division offers a large staff, multiple shift operation and state-of-the-art fabrication technologies, including programmable CNC equipment. Established in 1954 and located in Grand Island, Nebraska Chief Fabrication serves an ever-widening range of manufacturers of agricultural, recreational, and construction equipment, and a variety of industrial accounts from coast to coast. The type of work offered ranges from simple, single level components and complicated weldments, to complete, contract manufactured products, ready to be marketed.

**Present Ownership**

Proposed Project Site: Chief Industries, Inc., 1119 South Adams Street, Grand Island, NE 68801

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

Chief is proposing a 33,456 square foot building addition. The building will be a metal building system. See attached site plan, floor plan and building elevation (Exhibit A). The project is geared towards expanding manufacturing capabilities.

If Property is to be Subdivided, Show Division Planned: N/A

**VI. Estimated Project Costs:**

**Acquisition Costs:**

A. Land	\$ 525,000
B. Building	\$

Construction Costs:

A. Renovation or Building Costs:	\$ 1,590,000
B. On-Site Improvements:	\$ 288,000

Soft Costs:

A. Architectural & Engineering Fees:	\$ 30,000
B. Financing Fees:	\$ -0-
C. Legal/Developer/Audit Fees:	\$ 10,000
D. Contingency Reserves:	\$ -0-
E. Other (Please Specify): CRA Fees	\$ 6,500

TOTAL \$ 2,449,500

VII. Total Estimated Market Value at Completion: \$ 3,859,145

VIII. Source of Financing:

A. Developer Equity:	\$ -0-
B. Commercial Bank Loan:	\$ 1,769,630
C. Tax Credits:	
1. N.I.F.A.	\$ -0-
2. Historic Tax Credits	\$ -0-
D. Industrial Revenue Bonds:	\$ -0-
E. Tax Increment Assistance:	\$ 579,870
F. Other – CRA Grant	\$ 100,000

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

Chief Construction Company	
2107 North Road	P. O. Box 2078
Grand Island, NE 68803	Grand Island, NE 68802
Phone: 308-389-7222	
Fax: 308-389-7393	

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

\$40,176 (See Exhibit B for detail calculations)

XI. Project Construction Schedule:

Construction Start Date:	Upon TIF application acceptance
Construction Completion Date:	270 days after acceptance

If Phased Project:

Year

% Complete

Year

% Complete

XII. Please Attach Construction Pro Forma

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

TAX INCREMENT FINANCING REQUEST INFORMATION

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

\$561,240 of tax increment financing (based on 0% lending rate) is being requested to assist in the acquisition of land, site preparation, demolition, and other necessary site preparation expenditures. Improvements to the site will include improved drainage and creation of new parking facility and fire access and the resurfacing of the existing parking area where warranted. The TIF funds will enable project completion resulting in vast improvements to the condition of the current location and making it more economically viable to expand the current manufacturing facility. The opportunity for expanded production space into the community will benefit the local economy and markets accordingly. Over a three year period it is anticipated 41 additional FTE employees will be added.

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

The proposed acquisition of land and necessary preparation of the site will result in overall improvements to the area and allow for the completion of a building addition to increase the manufacturing capabilities of the location. Tax increment financing is an integral and essential component to project completion which is contingent upon receipt of the expected \$561,240 of tax increment assistance. Feasibility is dependent on TIF funds that will enable the creation of adequate economics to acquire the land and make necessary site improvements that will enable the construction of a building addition at a competitive rate in the specified area.

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:

XIV. 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: cnahity@grand-island.com



## Exhibit B

**Chief Industries, Inc.**  
**Tax Increment Financing Request**  
**Estimated Real Estate Taxes on Project Site Upon Completion of Project**

**Existing Assessed Value and Real Estate Tax on Project Site**

Parcel Number	Assessed Value (2012)			Taxes
	Improvements	Land	Total	
400206838	1,807,768	315,300	2,123,068	47,274

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

Total Levy as per 2012 Real Estate Tax Statement	2.226701%
Base assessed value	2,123,068
Projected increase in taxable value	<u>1,736,077</u>
Proposed assessed value	<u>3,859,145</u>
Estimated annual real estate tax after project completion	85,932
Less existing annual real estate tax	<u>47,274</u>
Estimated increase in annual real estate tax	38,658

*Deanna B. Sp...*

## MEMORANDUM OF UNDERSTANDING

This **MEMORANDUM OF UNDERSTANDING** (the “**MOU**” ) is made and entered into this 11<sup>th</sup> day of July, 2012, between the City of Grand Island, NE ( the “**City**” ), the Community Redevelopment Authority of the City of Grand Island, NE ( the “**Authority**” ) and Chief Industries, Inc., a Delaware corporation (the “**Company**”).

**WHEREAS**, the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), prescribes the requirements and procedures for the Planning and implementation of Redevelopment Projects; and

**WHEREAS**, the Company has acquired certain real Property in the City legally described on Exhibit A (the “**Property**”) which lies within an area declared blighted and substandard by the City; and

**WHEREAS**, the Property lies within an area subject to a Redevelopment Plan adopted by the Authority and approved by the City; and

**WHEREAS**, the Company desires to demolish and remove the blighted and substandard improvements on the Property, (the “**Preliminary Activities**”); and

**WHEREAS**, the Company intends to formulate and present a Redevelopment Plan for the Property to the Authority, which plan shall include demolition of blighted and substandard improvements, installation of municipal utilities including, but not limited to, a municipal water main line, and the eventual redevelopment of certain private improvements to be identified by the Company; and

**WHEREAS**, the Authority finds it in the public interest to consider a request for a grant to be funded in part by Tax Increment Financing (TIF) to promote the development of the Project and assist with the funding of the Preliminary Activities.

**NOW THEREFORE**, the parties set forth their understanding in regard to certain actions and expenditures that the Company will make for funding Preliminary Activities prior to Redevelopment Plan submission and approval but which Preliminary Activities shall remain eligible for inclusion in a subsequent Redevelopment Project and Plan:

1. *Definitions.* Capitalized items used in this MOU shall have the meanings assigned herein.
2. *Company's Obligations.* Upon execution of this MOU, the Company may proceed with the following actions:
  - a. *Preliminary Activities.* Upon presentation to the Authority of a Demolition Plan identifying the existing improvements on the Property to be demolished the Company may proceed with the demolition in accordance with the Demolition Plan.

- b. *Redevelopment Plan and Project.* The Company shall cooperate with the Authority to prepare a Redevelopment Plan identifying a Redevelopment Project for the Property. Such Redevelopment Plan shall include, at a minimum:
  - i) the demolition of the existing blighted and substandard structures;
  - ii) the installation of municipal utilities including, specifically, a city water main extension to provide service to the Property; and
  - iii) the eventual development of the Property with private improvements.
- c. *Funding.* Upon completion of the demolition pursuant to the Demolition Plan, the Company shall provide the Authority an itemized list of expenditures incurred in the demolition.
- d. *Indemnification.* The Company agrees to indemnify, and hold the Authority and the City, their employees, agents, independent contractors and consultants harmless from and against any and all suits, claims, cost of defense, damages, injuries, liabilities, costs and/or expenses resulting from, arising out of, or in any way connected with this MOU.

### 3. *Authority's Obligations.*

- a. *Funding.* In order to finance in part the Preliminary Activities the Authority shall grant to the Company up to the sum of \$100,000.00 ("**Grant**"), provided such amount shall not exceed the sum determined to be qualifying expenditures eligible for reimbursement pursuant to §18-2103 (12) of the Act. Such grant shall be financed by the issuance of TIF indebtedness to be repaid from a division of taxes pursuant to §18-2147 (1)(b) of the Act as provided herein. The Redevelopment Plan for the Property shall provide for the reimbursement of the Authority in an amount not to exceed the Grant solely from excess TIF Note proceeds or excess incremental tax revenue generated by the Project. The Redevelopment Plan and the Redevelopment Contract shall first provide for the payment of the Company's eligible project costs once the Authority and/or the City approve the use of TIF for the Project, pursuant to subsection (b) below.
- b. *Tax Increment Financing.* The City and Authority shall consider, after appropriate proceedings as required by law approving and implementing a Redevelopment Plan for the Property authorizing tax increment financing for the Project to pay costs eligible for reimbursement as Redevelopment Project costs as defined by §18-2103(12) of the Act. The grant for Preliminary Activity qualifying expenditures as set forth in paragraph 3a hereof, shall be payable only from Authority funds and those funds generated by the TIF revenues on the Property divided pursuant to §18-2147(1) (b) of the Act. After approval of a Redevelopment Plan dividing taxes on the Property pursuant to §18-2147(1)(b) of the Act, the Authority may consider the issuance of additional TIF indebtedness, to be purchased by the Company, the proceeds of which shall be granted to the Company to fund remaining qualifying Preliminary Activity expenditures, and other Redevelopment Project costs as defined by §18-2103(12) of the Act. The Authority and City, in entering in this MOU, do not pre approve use of TIF for the Project. The Authority and/or the City, without any liability to the Company, may ultimately decline to utilize TIF for the Project, and if either or both do so, the Company shall have no claim against the Authority or the City. The

Company knowingly accepts its own risk in site acquisition, demolition and site preparation prior to the Authority's implementation and City's approval of the TIF process.

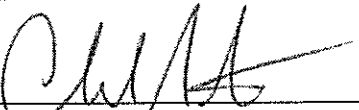
- c. *Good Faith Meeting Schedule.* The City and Authority agree to takes all reasonable steps to establish public meeting schedules, according to law, to establish and maintain the proposed schedule for Redevelopment Plan adoption and Redevelopment Contract approval and other steps required by the Project.
4. *Economic Feasibility.* The Company hereby declares to the City and the Authority that the Redevelopment Project for the Property, and specifically the Preliminary Activities are not economically feasible and the Project will not occur on the Property as designed without the use of tax increment financing as required by §18-2116(1) of the Act.. The Company's investment of costs of Preliminary Activities to begin the Project development will not alter the Company's determination, based upon its analysis of cash flow requirements, not to implement the Project in the proposed location unless tax increment financing is ultimately provided by the City and the Authority. Section 18-2116(1) of the Act requires the City to make findings as follows if a TIF application requests the use of funds as described in Section 3 above: (i) the Project would not be economically feasible without the use of tax increment financing, and (ii) the Project would not occur in the City without the use of tax increment financing. Due to the proposed schedule of the Project the Company desires to begin the Project immediately and to undertake the Preliminary Activities prior the formal submittal of a Redevelopment Plan/ Project to the Authority and the city for approval. The purpose of this MOU is to make clear the parties intentions to consider the costs of Preliminary Activities as eligible for TIF funding, if and only if, the City and Authority approve TIF funding for the Project even if the Project is commenced prior to the approval of a Redevelopment Plan or Redevelopment Project by the Authority or the City. The parties agree that if the Project is commenced prior to the approval of a Redevelopment Plan providing for TIF funding, the allowable costs for the Preliminary Activities will remain eligible for TIF funding under a Redevelopment Contract.
5. *Preliminary Activity Costs.* The Company estimates that the costs to conduct the Preliminary Activities shall be in excess of Two Hundred Thousand and No/100 Dollars (\$200,000.00). The Redevelopment Project ultimately proposed by the Company for the Redevelopment Project Site shall be eligible for payment or reimbursement as part of the Project Eligible Costs. Any sums expended by the Company in excess of the Preliminary Activity Grant are subject to reimbursement to the Company in accordance with the priority and order set forth herein and subject to the terms of the Redevelopment Contract. Further, the Preliminary Activity Grant made by the Authority is subject to reimbursement from excess incremental tax revenues generated by the Redevelopment Project to be undertaken by the Company.
6. *Counterparts.* This MOU may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument. The parties may execute this MOU and all other agreements, certificates, instruments and other documents contemplated by this MOU and exchange the

counterparts of such documents by means of facsimile transmission. The parties agree that the receipt of such executed counterparts shall be binding on such parties and shall be construed as originals.

7. *Governing Law.* The MOU shall be governed by the laws the State of Nebraska.

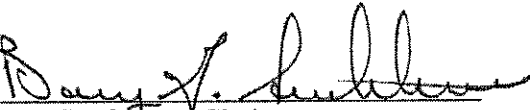
July 11<sup>th</sup>, 2012

Attest

  
Secretary Chad Nabity

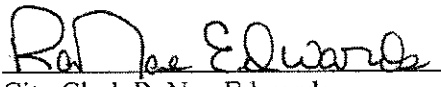
**"The Authority"**

Community Redevelopment Authority  
of the City of Grand Island, Nebraska

By:   
Barry Sandstrom, Chair

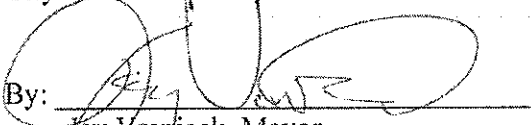
July 25, 2012

Attest

  
City Clerk RaNae Edwards

**"The City"**

City of Grand Island, Nebraska

By:   
Jay Vavricek, Mayor

July 11<sup>th</sup>, 2012

**"The Company"**

Chief Industries, Inc., a Delaware corporation

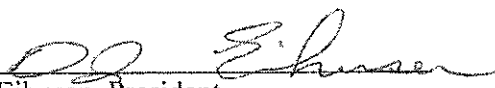
By:   
DJ Eihusen, President

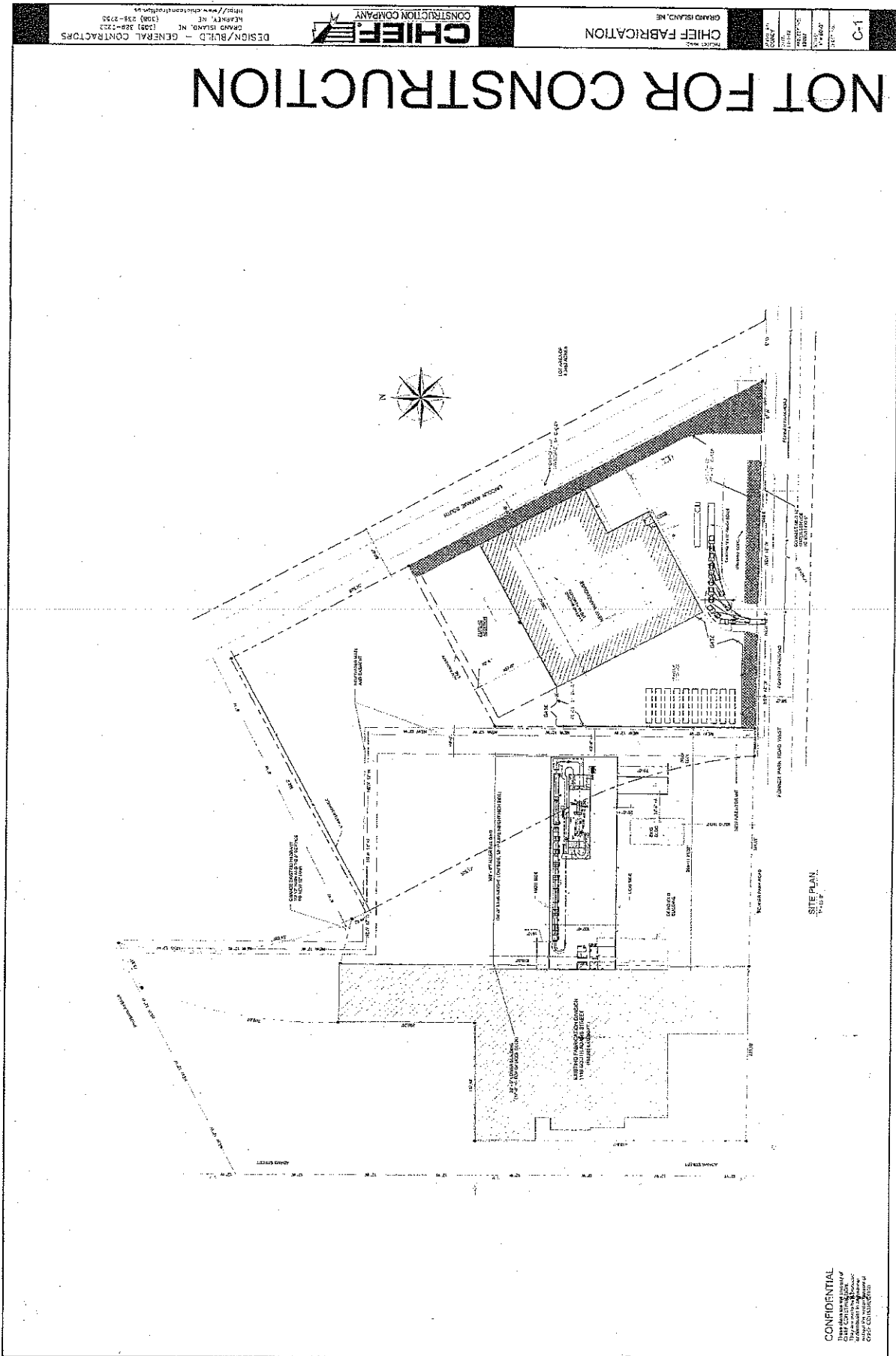
Exhibit A

LEGAL DESCRIPTION OF PROJECT

Lots One (1) and Two (2), Chief Fab Second Subdivision, City of Grand Island,  
Hall County, Nebraska

4813-3490-9967,v . 2

Exhibit A



DESIGN/BUILD - GENERAL CONTRACTORS  
GRAND ISLAND, NC (308) 589-2755  
KEENE, NC (308) 228-2755  
http://www.dbbconstruction.com



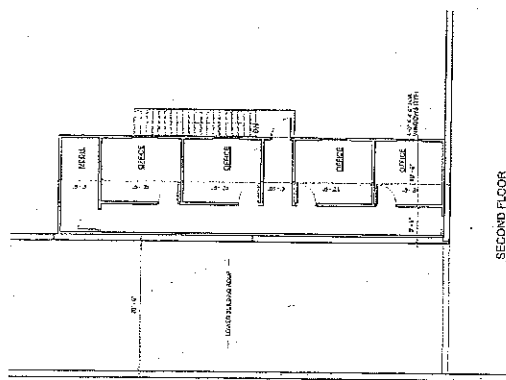
**CHIEF**  
CONSTRUCTION COMPANY

CHIEF FABRICATION  
GRAND ISLAND, NE

A-1

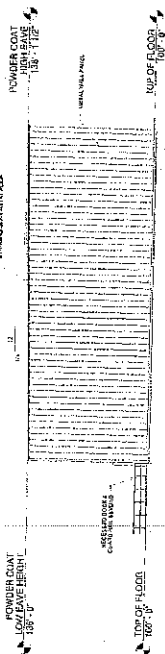




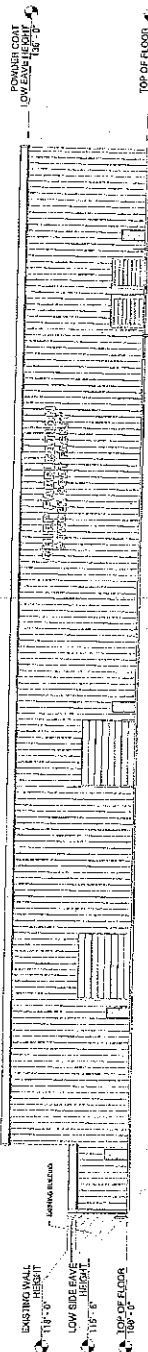


SECOND FLOOR

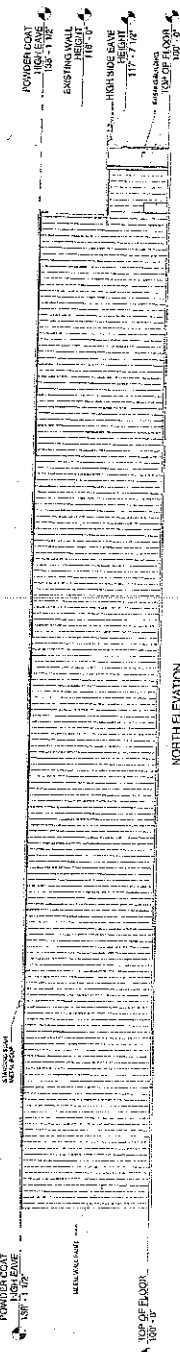
**EAST ELEVATION**



## CONCLUSION



NORTH ELEVATION



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GRIFF CONSTRUCTION, INC.

↑ North





Nebraska Commercial Banking

MAC N8032-034  
1248 'O' St  
Lincoln, NE 68508

Wells Fargo Bank, N.A.

January 29, 2013

Chad Nabity, AICP  
Director  
Hall County Regional Planning  
100 East 1<sup>st</sup> Street  
P. O. Box 1968  
Grand Island, NE 68802

Dear Mr. Nabity:

Chief Industries, Inc. (Chief) has adequate borrowing capacity under existing credit facilities with Wells Fargo Bank to provide the necessary financing for Chief to complete the proposed addition to its Fabrication Division located at 1119 South Adams Street, Grand Island (Project). Using such borrowing capacity in connection with this Project will be contingent upon Chief obtaining TIF from and through the City of Grand Island to the maximum amount available for this Project.

Thank you.

Sincerely,

Bill Weber

cc: David Ostdiek  
Chief Industries, Inc.  
P. O. Box 2078  
Grand Island, NE 68802

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

**RESOLUTION NO. 156**

**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 13<sup>th</sup> day of March, 2013.

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

By Glenn A. Murray  
Chairperson

ATTEST:

Chad A.  
Secretary

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

**RESOLUTION NO. 157**

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 #8, from Chief Industries, 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 #8;

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 13<sup>th</sup> day of March, 2013.

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

By Glen A. Murray  
Chairperson

ATTEST:

Chad  
Secretary

Resolution Number 2013-04

HALL COUNTY REGIONAL PLANNING COMMISSION

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

**WHEREAS**, the Chairman and Board of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the "**Authority**"), referred that certain Redevelopment Plan to the Hall County Regional Planning Commission, (the "**Commission**") a copy of which is attached hereto as Exhibit "A" for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "**Act**"); and

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

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

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

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

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

**DATED:** April 3, 2013.

**HALL COUNTY REGIONAL PLANNING  
COMMISSION**

**ATTEST:**

By:   
Chair

By: Leslie E. Ruge  
Secretary

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**REDEVELOPMENT CONTRACT**

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**By and Between**

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

**and**

**CHIEF INDUSTRIES, INC.**

---

**Dated April \_\_\_\_, 2013**

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## REDEVELOPMENT CONTRACT

This **REDEVELOPMENT CONTRACT** (the “**Contract**”), dated April \_\_\_, 2013, is made and entered into by and between the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) and **CHIEF INDUSTRIES, INC., a Delaware corporation** (the “**Developer**”).

### WITNESSETH:

**WHEREAS**, the City of Grand Island, Nebraska (the “**City**”), in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Sections 18-2101 to 18-2154, inclusive, *Neb. Rev. Stat.*, (2012), as amended (collectively the “**Act**”), and further pursuant to a Resolution duly passed and approved by the Mayor and Council of the City, has designated an area of the City as blighted and substandard and in need of redevelopment (the “**Blighted Area**”); and

**WHEREAS**, the parties have entered into a Memorandum of Understanding dated July 25<sup>th</sup>, 2012, (the “**MOU**”) related to the redevelopment of a portion of the Blighted Area; and

**WHEREAS**, the Developer desires to redevelop a portion of the Blighted Area by acquiring a site and preparing the same for redevelopment by the construction of an industrial building intended to house the Chief Industries, Inc. production facility (the “**Project**, as more fully described herein); and

**WHEREAS**, the construction of the Project will further the purposes of the Act by remediating certain blighted and substandard conditions existing in the Redevelopment Area; and

**WHEREAS**, the Authority and the Developer desire to enter into this Contract for the purpose of setting forth the general terms and conditions under which the Developer will construct the Project and receive tax increment financing assistance from the Authority in respect thereof.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements set forth herein, the Authority and the Developer do hereby represent, covenant, and agree as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions of Words and Terms.** In addition to words and terms defined elsewhere in this Contract, the following words and terms used herein have the following meanings:

“**Act**” means, collectively, Article VIII, Section 12 of the Nebraska Constitution and Sections 18-2101 to 18-2154, inclusive, *Neb. Rev. Stat.*, (2012), as amended, and acts amendatory thereof and supplemental thereto.

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

“**TIF Resolution**” means any resolution passed and approved by the Authority authorizing the issuance of any series of TIF Indebtedness.



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

**“Completion Certificate”** means a certificate in substantially the form attached hereto as **Exhibit E**, executed by the Officer, representing and warranting that the Project is substantially complete.

**“Contract”** means this Redevelopment Contract between the Authority and the Developer, as supplemented or amended from time to time in accordance with its terms.

**“Construction Plans”** means the plans and specifications for the construction of the Project approved by the City and all other requisite governmental authorities.

**“County Assessor”** means the Assessor of the County of Hall, Nebraska, or such other official acting in such capacity.

**“County Treasurer”** means the Treasurer of the County of Hall, Nebraska, or such other official acting in such capacity.

**“Developer”** means Chief Industries, Inc., a Delaware corporation.

**“Lender”** means the original purchaser or purchasers of any series of TIF Indebtedness, including, if and when applicable, the Developer.

**“Officer”** means the Officer of the Developer, or such other person as is duly authorized to act on behalf of and legally bind the Developer.

**“Permitted Subsequent Approvals”** means the building permits and other governmental approvals customarily obtained prior to construction which have not been obtained on the date that this Contract is executed, which the City or other governmental entity has not yet determined to grant.

**“Project”** means the construction of the improvements described in **Exhibit B** attached hereto.

**“Project Costs”** means those costs or expenses identified on **Exhibit D** attached hereto incurred by the Developer in accordance with the Act to acquire, construct, equip, and furnish the Project.

**“Redevelopment Area”** means that certain real property legally described on **Exhibit A**, all of which has been declared blighted and substandard by the City pursuant to the Act.

**“Redevelopment Plan”** means the redevelopment plan amendment for Grand Island CRA Area #8 related to the Project and approved by the Grand Island City Council.

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

**“TIF Revenues”** means the incremental ad valorem taxes on real property in the Redevelopment Area described in Section 18-2147(1) (b) of the Act, which will be allocated and paid to the Authority pursuant to the Act.

**Section 1.02. Rules of Interpretation.**

- (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.
- (b) Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.
- (c) All references in this Contract to designated "Articles," "Sections," and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions hereof as originally executed.
- (d) The words "herein," "hereof," "hereunder," and other words of similar import refer to this Contract as a whole and not to any particular Article, Section or subdivision.

**ARTICLE II**

**REPRESENTATIONS**

**Section 2.01. Representations by the Authority.** The Authority makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Authority has been duly organized and validly exists as a community Redevelopment Authority under and pursuant to the Act.
- (b) The Redevelopment Plan is feasible and in conformity with the general plan for the development of the City and the legislative declarations and determinations set forth in the Act.
- (c) The Project will achieve the public purposes of the Act by, among other things, improving public infrastructure, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Area.
- (d) Based on the representations of the Developer the Project would not be economically feasible without the use of tax-increment financing; the Project would not occur in the Redevelopment Area without the use of tax-increment financing; and the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the City, 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 interests of the City.
- (e) The Authority has determined that the proposed land uses and building requirements in the Redevelopment Area are designed with the general purpose of accomplishing 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.

- (f) To the best of the Authority's knowledge, there is no litigation, proceeding, or investigation pending or, to the knowledge of the Authority, threatened against the Authority or the City with respect to the Project or this Contract. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Authority, threatened against the Authority or the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Contract or which would in any manner challenge or adversely affect the existence or powers of the Authority to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Authority of the terms and provisions of this Contract.
- (g) No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the Authority of this Contract.
- (h) No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Authority under this Contract.
- (i) The Authority has no reason to believe that all permits, licenses, and approvals necessary to construct the Project, including the approval of the Construction Plans, cannot be obtained by the Developer.

**Section 2.02. Representations by the Developer.** The Developer makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Contract and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Contract constitutes the legal, valid, and binding obligation of the Developer, enforceable in accordance with its terms.
- (b) The execution and delivery of this Contract, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.
- (c) No litigation, proceeding, or investigation is pending or, to the knowledge of the Developer, threatened against the Developer or any member of the Developer or the Project. In addition, no litigation, proceeding, or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit

the approval or issuance and delivery of this Contract or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity, or performance by the Developer of the terms and provisions of this Contract.

- (d) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Contract (including the transactions between the Developer and its Senior Credit Facility), and there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could affect the Developer's ability to perform its obligations pursuant to this Contract from that shown in the financial information provided by the Developer to the City prior to the execution of this Contract.
- (e) No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Developer under this Contract, or any other material agreement or material instrument to which the Developer is a party or by which the Developer is or may be bound.
- (f) Except for Permitted Subsequent Approvals, the Developer has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased by it. Except for Permitted Subsequent Approvals, the Developer has obtained all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Project. The Developer has no reason to believe that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will not be obtained in due course.
- (g) Except for Permitted Subsequent Approvals, all governmental permits and licenses required by applicable law to construct, occupy and operate the Project have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer has no reason to believe, after due inquiry of the appropriate governmental officials, that such permits and licenses will not be issued in a timely manner in order to permit the Project to be constructed.
- (h) The Developer is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Contract.
- (i) The information furnished to the City by the Developer in connection with the matters covered in this Contract is true and correct and does not contain any untrue statement of any material fact and does not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

- (j) The Project would not be economically feasible without the use of tax-increment financing; and the Project would not occur in the Redevelopment Area without the use of tax-increment financing.

**Section 2.03. Conditions to Effective Date of this Contract.** This Contract shall not become effective until each of the following has been completed: the Developer has furnished the Authority with (a) a copy of the Developer's Certificate of Authority certified by the Secretary of State of the State of Nebraska, and (b) a legal opinion from counsel to the Developer in form and substance acceptable to the Authority covering: (1) the due organization of the Developer and the power and authority of the Developer to execute this Contract; and (2) the enforceability of this Contract against the Developer.

### 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 real property in the Redevelopment Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision, which shall be January 1, 2014, as follows:

- (a) That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation (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 portion of the ad valorem tax on real property in the Redevelopment Area in excess of such amount, 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, advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the Authority for financing or refinancing, in whole or in part, the Project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due have been paid, the Authority shall so notify the County Assessor and the County Treasurer and all ad valorem taxes upon real property in the Redevelopment Area shall thereafter be paid into the funds of the respective public bodies.

**Section 3.02. Issuance of TIF Indebtedness.** The Authority hereby agrees to incur TIF Indebtedness, including refunding TIF Indebtedness, in one or more series in accordance with the general terms and conditions specified on **Exhibit C**, so long as the conditions precedent described in **Section 3.03** have been satisfied for such series of TIF Indebtedness. The final terms and conditions of each series of TIF Indebtedness, including, without limitation, any applicable coverage ratio, debt service reserve, or other credit enhancement for such series of TIF Indebtedness, shall be stated in the TIF Resolution authorizing such series of TIF Indebtedness, subject to the mutual acceptance of such terms by the Authority and the Developer, which acceptance shall not be unreasonably withheld. Notwithstanding the foregoing, it shall be the sole and exclusive responsibility of the Developer to find an acceptable purchaser for each series of TIF Indebtedness issued by the Authority pursuant to this Contract.

**Section 3.03. Conditions Precedent to TIF Indebtedness.** Notwithstanding anything in this Contract to the contrary, prior to the issuance of any series of TIF Indebtedness the Developer shall

submit satisfactory evidence to the Authority (unless waived by the Authority in its sole discretion) indicating that:

- (a) private funds have been committed by the Developer in amounts sufficient to complete the construction of the proposed Project;
- (c) Project Costs have been incurred by the Developer, or the Developer has become obligated to incur such Project Costs, in an amount at least equal to the project portion of such series of TIF Indebtedness.
- (d) Developer shall pay to the city of Grand Island the sum of \_\_\_\_\_, representing reimbursement of funds expended by the city in the preparation of the redevelopment plan and issuance of the TIF indebtedness.

**Section 3.04. Pledge of TIF Revenues.** The Authority hereby irrevocably pledges the TIF Revenues as security for the TIF Indebtedness in accordance with the terms set forth on **Exhibit C** and the TIF Resolution.

**Section 3.05. Grant of Proceeds of TIF Indebtedness.** Subject to the further terms of this Contract, the Authority shall grant to the Developer the proceeds of the Series A TIF Indebtedness as described on **Exhibit C** and shall grant to the Authority the proceeds of the Series B TIF Indebtedness as described on **Exhibit C** in one or more advances. The Developer shall use the proceeds of the Series A TIF Indebtedness solely for reimbursement or payment of Project Costs incurred by the Developer, including those described in the MOU. The Authority shall use the proceeds of the Series B TIF Indebtedness to reimburse the grant made to the Developer as set forth in the MOU. Notwithstanding the foregoing, the amount of all grants made hereunder shall not exceed the amount of Project Costs certified pursuant to **Section 402**. Developer shall, on request of the Authority, provide all supporting documentation showing payment of such Project Costs.

**Section 3.06. Creation of Fund.** The Authority shall create a special fund to collect and hold the TIF Revenues. Such special fund shall be used for no purpose other than to pay the principal or redemption price of and interest on any TIF Indebtedness issued pursuant to **Section 3.02** and to establish such additional reserves and pay such administrative costs as determined necessary by the Authority and/or the Lender for any TIF Indebtedness.

## ARTICLE IV

### OBLIGATIONS OF DEVELOPER

**Section 4.01. Construction of Project.** The Developer shall construct the Project in accordance with the Construction Plans. The Developer shall be solely responsible for obtaining all permits, licenses, and approvals necessary to acquire, construct and equip the Project. Until construction of the Project has been completed, the Developer shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of the Developer with respect to the construction of the Project. Promptly after the Developer has completed the Project, the Developer shall furnish the Completion Certificate to the Authority, which, upon its acceptance by the Authority, shall constitute conclusive evidence of the satisfaction of the agreements and covenants in this Contract with respect to the obligations of the Developer and its successors and assigns to construct the Project. As used in this Contract, the terms “completed” and “completion” shall mean substantial completion of

the Project. The Parties agree that substantial completion may be less than complete installation of concrete flooring, as the building is intended to be finished in phases.

**Section 4.02. Authority Costs.** The Developer shall reimburse the Authority, on the date of the execution of this Contract, for legal fees other expenses incurred by the City and Authority to assist the Developer.

**Section 4.03. No Discrimination.** The Developer agrees and covenants for itself and its successors and assigns that so 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. The Developer, for itself and its successors and assigns, agrees that during the construction of the Project, the Developer 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. The Developer will comply with all applicable federal, state and local laws related to the Project.

**Section 4.04. Inspections and Audits.** The Developer shall upon reasonable advance notice, allow the Authority and the Authority's agents (including the City's Engineer) access to the Project from time to time for reasonable inspection of the Project. The Authority shall have the right at its own cost and expense to audit (either through employees of the Authority or a firm engaged by the Authority) the books and records of the Developer relating to the payment of Project Costs.

**Section 4.05. Required Disclosures.** The Developer shall immediately notify the Authority of the occurrence of any material event which would cause any of the information furnished to the Authority by the Developer in connection with the matters covered in this Contract to contain any untrue statement of any material fact or to omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

**Section 4.06. Immigration Status.** Developer agrees that any contractor providing services on the Project site will utilize the federal immigration verification system, as defined in Section 4-114, *Neb. Rev. Stat.* (2012), to determine the work eligibility status of new employees physically performing services on the Project.

**Section 4.07 Purchase of Indebtedness.** The Developer agrees to purchase or cause to be purchased the Series A TIF Indebtedness described on **Exhibit C**, upon issuance, at a price equal to the principal amount thereof in a private placement satisfactory to the Authority as to its terms and participants. Neither the Authority nor the City shall have any obligation to provide for the sale of the Indebtedness. It is the sole responsibility of the Developer to effect the sale of the Indebtedness in accordance with the terms of this Redevelopment Contract and the Resolution and if the Indebtedness cannot be sold in a private placement under terms acceptable to the Authority, this Redevelopment Contract shall cease to be in force and effect and the Authority and the City shall have no further obligations hereunder. Developer acknowledges that it is its understanding and the Authority's understanding that interest on the Indebtedness will be includable in gross income for federal income tax purposes and subject to Nebraska State income taxation.

**Section 4.08 Penal Bond.** Pursuant to Section 18-2151, *Neb. Rev. Stat.* (2012), Developer shall furnish or cause to be furnished to the City, prior to commencement of construction of the Redevelopment Project Improvements, a penal bond in an amount of Five Thousand and No/100 Dollars (\$5,000) conditioned upon the Developer at all times making payment of all amounts lawfully due to all persons supplying or furnishing the Developer, the Developer's contractor, or his or her subcontractors

who performed labor or applied materials performed or used in the Project. Proof of such penal bond shall be supplied to the City prior to the start of construction of the Redevelopment Project Improvements.

## **ARTICLE V**

### **FINANCING OF PROJECT**

**Section 5.01. Financing.** The Developer shall pay all Project Costs and any and all other costs related to the Project that are in excess of the amounts paid from the proceeds of the TIF Indebtedness granted to the Developer. The Developer shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.

## **ARTICLE VI**

### **DEFAULT, REMEDIES; INDEMNIFICATION**

**Section 6.01. General Remedies of the Authority and the Developer.** Subject to the further provisions of this **Article VI**, in the event of any failure to perform or breach of this 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 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 Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations or exercise any other remedies that may be provided in this Contract or by applicable law; provided, however, that the default shall not give rise to a right of rescission or termination of this Contract.

**Section 6.02. Forced Delay Beyond Party's Control.** For the purposes of any of the provisions of this Contract, neither the Authority nor the Developer, 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 Developer 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 30 days after the beginning of any such forced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

**Section 6.03. Limitation of Liability; Indemnification.** Notwithstanding anything in this **Article VI** or this Contract to the contrary, neither the City nor the Authority, nor their officers, directors, employees, agents, nor governing bodies shall have any pecuniary obligation or monetary liability under this Contract. The sole obligation of the Authority under this Contract shall be the issuance of the TIF



Indebtedness and the granting of a portion of the proceeds thereof to the Developer, as specifically set forth in **Sections 3.02 and 3.05**. The obligation of the Authority on any TIF Indebtedness shall be limited solely to the TIF Revenues pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither the City nor the Authority shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. The Developer will indemnify and hold each of the City and the Authority and their directors, officers, agents, employees and members 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 Contract or arising out of any action or inaction of the Developer in connection with its activities conducted pursuant to this Contract (whether or not in any way related to the enforcement of this Contract) and/or in connection with the ownership, use or occupancy and development or redevelopment of the Redevelopment Area (whether or not in any way related to the Project).

## **ARTICLE VII**

### **GENERAL COVENANTS**

**Section 7.01. Obligation to Restore.** So long as the TIF Indebtedness remains outstanding, the Developer hereby agrees that if any portion of the Project owned by it shall be damaged or destroyed, in whole or in part, by fire or other casualty, or by any taking in condemnation proceedings or the exercise of any right of eminent domain, the Developer, to the extent of the net proceeds of insurance (including any deductible) or condemnation award received by or made available to the Developer but subject to the rights of any Lender, shall promptly restore, replace or rebuild the same (or shall promptly cause the same to be restored, replaced or rebuilt) to as nearly as possible the value, quality and condition it was in immediately prior to such fire or other casualty or taking, with such alterations or changes as may be approved in writing by the Authority, which approval shall not be unreasonably withheld. The Developer shall give prompt written notice to the Authority of any damage or destruction to the Project by fire or other casualty, irrespective of the amount of such damage or destruction, but in such circumstances the Developer shall make the property safe and in compliance with all applicable laws as provided herein. If lender consent is required for the application of the insurance proceeds or condemnation award to the restoration, replacement or rebuilding of the Project under any loan documents to which the Developer or the Project is subject, the Developer shall request such lender consent in accordance with the terms of such loan documents. To the extent the net proceeds of insurance are deposited into any project fund established under the terms of any TIF Resolution relating to any series of TIF Indebtedness, the Developer may use such moneys in the restoration, replacement and rebuilding of the Project.

**Section 7.02. Assignment of Developer's Obligations.** The Developer shall not assign any of its rights hereunder nor shall it permit any of its members to assign or to dispose of any interest in the Developer prior to the completion of the Project without the prior written consent of the Authority. Following completion of the Project, this Contract and the rights, duties and obligations hereunder as they relate to the Project may be fully and freely assigned by the Developer provided, however, every assignee shall, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the Authority, assume all of the obligations of the Developer under this Contract and agree to be subject to all of the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to a portion of the Redevelopment Area, such obligations, conditions and restrictions to the extent that they relate to such portion). In the event this Contract is assigned in whole or part the

Developer shall be released from any further obligations set forth herein accruing after the date of such assignment. The Developer shall notify the Authority of any such Assignment including presentation of the assumption of obligation instrument within 10 days of closing on such assignment.

**Section 7.03. Sale of Project.**

- (a) No sale, transfer, or other conveyance of the Project may be made without the prior written approval of the Authority, which approval shall not be unreasonably withheld. The Authority's right of prior approval of any transferee shall be in force as long as there is outstanding TIF Indebtedness associated with the Project. The Authority shall require that any transferee demonstrate to the Authority's reasonable satisfaction that the transferee has sufficient financial, management, property ownership and operation capabilities and that it is committed to the long-term viability of the Project and the land uses on the property to be sold or transferred (the "**Transferee Qualifications**").
- (b) The Authority shall be notified by the Developer in writing of the proposed sale of the Project prior to the proposed effective date of the sale, which notification shall include a copy of the instrument affecting such sale along with a statement and sufficient documentation to demonstrate that the Transferee Qualifications have been satisfied with respect to the proposed transferee. The Authority shall exercise its right to approve or deny any proposed sale or transfer within 20 days (the "**Response Period**") from the date of receipt of notice from the Developer, or within two business days after the next regularly scheduled Council meeting if a regularly scheduled Council meeting will not occur within the Response Period or is scheduled to occur on day 19 or 20 of the Response Period, which notice shall specify the land proposed to be sold or transferred, the identity of the proposed transferee and the Transferee Qualifications. Written approval may be provided by the Authority after approval of the sale or transfer by the City Council.
- (c) The Developer shall require each transferee to enter into a transferee agreement with the Authority in a form prepared by Authority counsel and reviewed and approved by Developer counsel, certifying, without limitation, that the transferee has been fully advised of and is obligated to fully comply with the Redevelopment Plan and this Contract. Upon execution of a transferee agreement between the Authority and a transferee, the Developer shall be released from its obligations in this Contract relating to the transferred property.

**Section 7.04. Mutual Assistance.** The Authority and the Developer agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate to carry out the terms, provisions and intent of this Contract and to aid and assist each other in carrying out said terms, provisions and intent.

**Section 7.05. Time of the Essence.** Time is of the essence. The Authority and the Developer will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Contract requires their continued cooperation.

## ARTICLE VIII

### MISCELLANEOUS

**Section 8.01. Conflict of Interest.** No member of the Authority's governing body or of any branch of the City's government that has any power of review or approval of any of the Developer's undertakings shall participate in any decisions relating thereto which affect such person's personal interests or the interests of any corporation, partnership, or company in which such person is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Authority the nature of such interest and seek a determination with respect to such interest by the Authority and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

**Section 8.02. Authorized Parties.** Whenever under the provisions of this Contract and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the Authority or the Developer is required, or the Authority or the Developer is required to agree or to take some action at the request of the other party, such approval or such consent or such request shall be given for the Authority, unless otherwise provided herein, by the Mayor of the City or his or her designee and for the Developer by its Officer; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither party shall have any complaint against the other as a result of any such action taken. The Mayor of the City may seek the advice, consent or approval of the City Council before providing any supplemental agreement, a request, demand, approval, notice or consent for the Authority pursuant to this Section.

**Section 8.03. No Other Agreement.** Except as otherwise expressly provided herein, this Contract supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties hereto. In the event of a conflict between this Contract and any prior agreement or understanding of the parties, this Contract shall control.

**Section 8.04. Severability.** If any provision, covenant, agreement or portion of this Contract, or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants or portions of this Contract and, to that end, any provisions, covenants, agreements or portions of this Contract are declared to be severable.

**Section 8.05. Nebraska Law.** This Contract shall be construed in accordance with the laws of the State of Nebraska.

**Section 8.06. Counterparts.** This Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

**Section 8.07. Recordation of Agreement.** The Authority and the Developer agree to execute and deliver the original of this Contract, or a notice recording thereof, in proper form for recording and/or indexing in the appropriate land or governmental records. This Contract shall be recorded by the Developer, and proof of recording shall be provided to the Authority.

**Section 8.08. Binding Effect; Amendment.** This Contract shall be binding on the parties hereto and their respective successors and assigns. This Contract shall run with the Redevelopment Area. This Contract shall not be amended except by a writing signed by the parties bound hereto.

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

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

[ S E A L ]

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

ATTEST:

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

STATE OF NEBRASKA     )  
                                      ) ss.  
COUNTY OF HALL        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of April, 2013, by \_\_\_\_\_ and \_\_\_\_\_, the Chair and Secretary, respectively, of the Community Redevelopment Authority of the City of Grand Island, Nebraska.

[ S E A L ]

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

**CHIEF INDUSTRIES, INC.**

By: \_\_\_\_\_  
Its \_\_\_\_\_

**STATE OF NEBRASKA**                 )  
  ) ss.  
**COUNTY OF HALL**                 )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of April, 2013, by \_\_\_\_\_, the \_\_\_\_\_ of Chief Industries, Inc.

[ S E A L ]

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Notary Public

**EXHIBIT A**

**LEGAL DESCRIPTION  
OF BLIGHTED AREA/REDEVELOPMENT AREA**

- Lot 1 of Chief Fab Second Subdivision in the City of Grand Island, Hall County, Nebraska.

## **EXHIBIT B**

### **DESCRIPTION OF PROJECT**

Acquisition of the real property on **Exhibit A**, demolition of structures and site preparation pursuant to the MOU; prepare the same for development, install drives, streets, curb and gutter, foundations, pipe and underground electrical infrastructure, and related appurtenances to serve the property constituting the Project, including reimbursement of such expenses, related to the construction and installation of a 33,456 square foot manufacturing plant.



## Exhibit C

### TIF Indebtedness

#### *Aggregate Principal and Interest Amount payable from TIF Revenues:*

Not to exceed \$679,870.00 to be issued in two series as follows: Series A, \$579,870.00  
Series B, \$100,000.00

#### *Interest Rate:*

Not to exceed 0% per annum, as determined by the TIF Resolution authorizing each series of TIF Indebtedness.

#### *Maturity Date:*

Not later than December 31, 2028.

#### *Security:*

The first pledge of TIF Revenues in the aggregate amount of Five Hundred Seventy-Nine Thousand Eight Hundred Seventy and 00/100 dollars (\$579,870.00), shall be allocated to the Series A TIF Indebtedness until paid in full, or until maturity, whichever is the earlier.

The second pledge of TIF Revenues in the aggregate amount of One Hundred Thousand and 00/100 dollars (\$100,000.00), shall be allocated to the Series B TIF Indebtedness until paid in full, or until maturity, whichever is the earlier. Payment on the Series B TIF Indebtedness shall not commence until payment in full of the Series A TIF Indebtedness.

#### *Payment Schedule:*

As determined by the TIF Resolution authorizing such TIF Indebtedness.

**EXHIBIT D**  
**PROJECT COSTS**

For purposes of this Redevelopment Contract, the term “Project Costs” is limited solely to the those costs necessary to acquire the real property, prepare the same for development, install drives, foundations, pipe and underground electrical infrastructure, and related appurtenances to serve the property constituting the Project, including reimbursement of such expenses.

**EXHIBIT E**

**FORM OF COMPLETION CERTIFICATE  
OF  
CHIEF INDUSTRIES, INC.**

The undersigned, **Chief Industries, Inc.** (the “**Developer**”), pursuant to that certain Redevelopment Contract dated APRIL \_\_, 2013, between the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) and the Developer (the “**Contract**”), hereby certifies to the Authority as follows:

1. As of \_\_\_\_\_, 20\_\_, the construction, renovation, repairing, equipping and constructing of the Project (as such term is defined in the Contract) has been substantially completed in accordance with the Contract.

2. The Project has been completed in a workmanlike manner and in accordance with the plans and specifications for the Project submitted to the City of Grand Island, Nebraska to obtain all building permits related to the Project.

3. Lien waivers for applicable portions of the Project have been obtained.

4. This Completion Certificate is being issued by the Developer to the Authority in accordance with the Contract to evidence the Developer’s satisfaction of all obligations and covenants with respect to the Project.

5. The Authority’s acceptance (below) or the Authority’s failure to object in writing to this Certificate within 30 days of the date of delivery of this Certificate to the Authority (which written objection, if any, must be delivered to the Developer prior to the end of such 30-day period), and the recordation of this Certificate with the Hall County Register of Deeds, shall evidence the satisfaction of the Developer’s agreements and covenants to construct the Project. The Authority’s acceptance of the Completion Certificate shall release the Developer from any further obligation or liability for construction of the Project under the terms of the Contract in regard to the portion of the Redevelopment Area for which the Completion Certificate is furnished.

This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Contract.

**IN WITNESS WHEREOF**, the undersigned has hereunto set his/her hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CHIEF INDUSTRIES, INC.**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ACCEPTED:**

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

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_