



# Community Redevelopment Authority (CRA)

**Wednesday, May 29, 2013  
Regular Meeting**

## **Item J2**

### **Amendment to TIF Contract**

**Staff Contact: Chad**

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

**RESOLUTION NO. 163**

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

WHEREAS, the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), approved a redevelopment contract with Todd Enck dated December 30, 2008 for Tax Increment Financing under the Nebraska Community Development Law (the "Act") on a project within redevelopment area # 6, from Todd Enck (The "Developer") and

WHEREAS, the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), is proposing to extend term of the contract from December 31, 2019 to December 31, 2023 on this project, and

WHEREAS, this extension will not result in an increase in the amount of Tax Increment Financing Provided to the Developer and without the extension the full amount of TIF required to meet the financing gap will not be collected and made available to the developer, and

WHEREAS, the Developer has complied with the terms of the Redevelopment Contract and constructed the planned improvements creating a stabilizing influence in the neighborhood;

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 an Amended Redevelopment Contract, attached as Exhibit 1, with such changes as are deemed appropriate by the Authority, consistent with the previously approved redevelopment plan amendment, and after the passage of 30 days from the date hereof.

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

Passed and approved this \_\_\_\_ day of \_\_\_\_\_, 2013.

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

By \_\_\_\_\_

Chairperson

ATTEST:

\_\_\_\_\_  
Secretary

Exhibit 1

Attach a copy of the Redevelopment Contract

## REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 2013, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska (**“Authority”**), and Todd Enck, an individual (**“Redeveloper”**).

### WITNESSETH:

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

**WHEREAS**, Authority and Redeveloper have previously executed a Redevelopment Contract dated December 30, 2008, (the **“Original Contract”**) a copy of which is attached hereto as Exhibit A, for acquisition and redevelopment of a parcel in the blighted and substandard area;

**WHEREAS**, the parties wish to amend the Original Contract as set forth herein;

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

1. Pursuant to the Original Contract the Redeveloper was to receive a sum not to exceed \$54,650 through the payment of annual tax increment generated by the project described in the Original Contract for a period of 10 years from January 1, 2009.
2. To the date of this Amended Redevelopment Contract the Redeveloper has received the sum of \$7,780.03.
3. The obligations of the Authority under the Original Contract are hereby terminated and the Authority shall undertake the actions set forth herein, in complete substitution therefore.
4. Authority shall Issue and deliver to Redeveloper its Tax Increment Revenue Note (the **“Note”**) in the amount of \$46,869.97, bearing interest at the rate of zero percent per annum. The Note shall mature on December 31, 2023 if not sooner paid in full. If not fully paid by the maturity date, the Authority shall have no further obligation on the Note and the Redeveloper shall surrender the Note and mark the same as **“Full Paid”**.
5. In accordance with Section 18-2147 of the Act, the Authority hereby provides that any ad valorem tax on the following real property described in the Original Contract, for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in this section. The effective date of this provision shall be January 1, 2009. Said taxes shall be divided as follows:
  - (a) That proportion of the ad valorem tax which is produced by levy at the rate fixed

each year by or for each public body upon the Redevelopment Project Valuation (as defined in the Act) shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and

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

PROVIDED, HOWEVER, IN ALL EVENTS Redeveloper shall not be entitled to payment of any sums from such division of taxes, which have been paid under the Original Contract.

6. The Note issued pursuant to the provisions of this contract constitutes a limited obligation of the Authority payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2012, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Redevelopment Project" as defined in the Original Contract. The Note shall not constitute a general obligation of the Authority and the Authority shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. The Note shall not constitute an obligation of the State of Nebraska or of the City or the Authority and neither the State or Nebraska, the Authority nor the City shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof. Neither the members of the Authority's governing body nor any person executing the Note shall be liable personally on the Note by reason of the issuance thereof. The Authority's obligation to the holder of the Note shall terminate, in all events no later than 15 years from the effective date set forth herein hereof.
7. The Authority hereby pledges 100% of the annual TIF Revenues as security for the Note.
8. Redeveloper shall be bound by all of the terms and conditions of the Original Contract, notwithstanding the amendment provided by this contract.
9. This Redevelopment Contract shall be governed by the laws of the State of Nebraska, including but not limited to the Act.
10. This Redevelopment Contract shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Contract shall run with the Redevelopment Area. The Redevelopment Contract shall not be amended except by a writing signed by the party to be bound.
11. The provisions of this Redevelopment Contract which obligate the Redeveloper shall inure to the benefit of the holder of the Note, the Hall County Assessor, the City and the Authority, any of whom may, but are not obligated to enforce the terms of this Redevelopment Contract in a court of law.

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

COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
GRAND ISLAND, NEBRASKA

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Chairman

ATTEST:

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Secretary

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Todd Enck



STATE OF NEBRASKA )

) ss.

COUNTY OF HALL)

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

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Notary Public

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by \_\_\_\_\_, Todd Enck.