



Community Redevelopment Authority (CRA)

**Wednesday, July 17, 2013
Regular Meeting Packet**

Board Members:

Michelle Fitzke

Tom Gdowski

Barry Sandstrom

Sue Pirnie

Glen Murray

**4:00 PM
City Hall
100 E First St**

Call to Order

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

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

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

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

DIRECTOR COMMUNICATION

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



Community Redevelopment Authority (CRA)

Wednesday, July 17, 2013
Regular Meeting

Item A1

Agenda

Staff Contact: Chad Nabity

AGENDA
Wednesday, July 17, 2013
4:00 p.m.
Grand Island City Hall

Open Meetings Notifications

1. Call to Order.
This is a public meeting subject to the open meetings laws of the State of Nebraska. The requirements for an open meeting are posted on the wall in this room and anyone that wants to find out what those are is welcome to read through them.
2. Approval of Minutes of June 5, 2013 Meeting.
3. Approval of Financial Reports.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. Consideration of a Resolution of intent to enter into a Site Specific Redevelopment Contract & Approval of for Copper Creek Estates, Guarantee Group, LLC. Resolution No. 165.
7. Discussion concerning Purchase/Sale of Real Estate of property.
8. Approve Resolution or Resolutions to Purchase/Sell Real Estate.
9. Directors Report
10. Adjournment

Next Meeting August 14, 2013

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



Community Redevelopment Authority (CRA)

Wednesday, July 17, 2013
Regular Meeting

Item B1

Meeting Minutes

Staff Contact: Chad Nabity

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF June 26, 2013

Pursuant to due call and notice thereof, a Regular Meeting of the Community Redevelopment Authority of the City of Grand Island, Nebraska was conducted on June 26, 2013 at City Hall 100 E First Street. Notice of the meeting was given in the June 19, 2013 Grand Island Independent.

1. CALL TO ORDER. Chairman Barry Sandstrom called the meeting to order at 4:00 p.m. The following members were present: Tom Gdowski, Sue Pirnie and Glen Murray. Also present were; Director, Chad Nabity; Secretary, Rose Rhoads; Legal Counsel, Duane Burns; Finance Director, Jaye Monter; Todd Enck, Jayne Cole.

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

2. APPROVAL OF MINUTES. A motion for approval of Minutes for the May 29, 2013 meeting was made by Gdowski and seconded by Pirnie. Upon roll call vote all present voted aye. Motion carried unanimously.
3. APPROVAL OF FINANCIAL REPORTS. Monter reviewed the financial reports for the period of May 1, 2013 through May 31, 2013. Motion was made by Pirnie and seconded by Murray to approve the financial reports. Upon roll call vote all present voted aye. Motion carried unanimously.
4. APPROVAL OF BILLS. The bills were reviewed by Sandstrom. Motion made by Murray and seconded by Gdowski to approve the bills in the amount of \$344,126.14. Upon roll call vote all present voted aye. Motion carried unanimously to approve the payment of bills totaling \$344,126.14.
5. REVIEW OF COMMITTED PROJECTS & CRA PROPERTY. Nabity reviewed the Committed Projects.
6. CONSIDERATION OF REDEVELOPMENT CONTRACT MODIFICATION. Contract modification for 2018-2020 Blake St. & 233-235 Darr Ave for Todd Enck, Resolution No 164. This proposed modification will update the contract to our current contract format with the grant and note payable with

the TIF revenues. This format makes it easier for lending institutions to perfect their lien when making loans on these projects as the note can be assigned directly to the lender. This will also give the developer the opportunity to collect the full amount of the TIF that was anticipated at the beginning of this project of \$54,650. It is still anticipated that the full amount will be paid out in less than the 15 year term of the contract. The CRA passed resolution 163 notifying City Council of their intent to modify a redevelopment contract at their meeting on May 29, 2013. The Grand Island City Council passed Resolution 2013-189 at their meeting on June 25, 2013. A MOTION to approve the attached resolution is in order No 164. Motion was made by Gdowski and seconded by Murray to approve the Resolution 164. Upon roll call vote all present voted aye. Motion carried unanimously.

7. GRANT REQUEST.

Grant request from Jayne Cole for assistance installing a water line for required fire protection at 811 W 4th Street the former location of Gibby's Bar. The Coles are redeveloping this building into a family friendly pool hall and restaurant. Because of the nature of the improvements and investment they are making in the building they need to install fire sprinklers. They are asking for \$15,000 from the CRA to cover the cost of installing the fire sprinkler line between the water main and the building. Without this assistance it is unlikely that this redevelopment would occur.

Motion was made by Pirnie and seconded by Murray to approve the grant request of \$15,000. Upon roll call vote Gdowski, Pirnie and Murraray voted aye. Sandstrom abstained. Motion carried unanimously.

8. BUDGET 2013-2014

Review of the budget for 2013-2014.

9. ADJOURN TO EXECUTICE SESSION TO DISCUSS NEGOTIATIONS.

10. APPROVE RESOLUTION OR RESOLUTIONS TO PURCHASE/SELL PROPERTY.

11. DIRECTORS REPORT.

12. ADJOURNMENT.

Sandstrom adjourned the meeting at 5:00 p.m.

The next meeting is scheduled for July 10, 2013 at 4:00 p.m.

Respectfully submitted
Chad Nabity
Director



Community Redevelopment Authority (CRA)

**Wednesday, July 17, 2013
Regular Meeting**

Item C1

Financial Reports

Staff Contact: Chad Nabity

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF JUNE 2013

	MONTH ENDED JUNE 2013	2012-2013 YEAR TO DATE	2013 BUDGET	REMAINING BALANCE	% OF BUDGET USED
CONSOLIDATED					
Beginning Cash	492,014	186,509	186,509		
REVENUE:					
Property Taxes - CRA	58,721	329,802	446,578	116,776	73.85%
Property Taxes - Lincoln Pool	24,495	131,503	207,859	76,356	63.27%
Property Taxes - TIF's	103,292	342,795	438,016	95,221	78.26%
Loan Proceeds (Lincoln Pool)	-	1,800,000	1,800,000	-	100.00%
Loan Income (Poplar Street Water Line)	2,997	4,591	5,000	409	91.81%
Interest Income - CRA	28	311	1,000	689	31.13%
Interest Income - TIF'S	9	108	-	-	-
Land Sales	-	-	100,000	100,000	0.00%
Other Revenue - CRA	5,000	27,837	17,000	-	163.75%
Other Revenue - TIF's	2,342	7,707	-	-	-
TOTAL REVENUE	196,884	2,644,654	3,015,453	389,452	87.70%
TOTAL RESOURCES	688,898	2,831,163	3,201,962	389,452	
EXPENSES					
Auditing & Accounting	-	15,075	5,000	-	301.50%
Legal Services	195	1,140	3,000	1,860	38.00%
Consulting Services	-	-	10,000	10,000	0.00%
Contract Services	3,010	40,557	55,000	14,443	73.74%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	7,210	16,000	8,790	45.06%
General Liability Insurance	-	-	250	250	0.00%
Postage	8	254	200	-	127.02%
Matching Grant	-	-	-	-	-
Legal Notices	16	1,615	2,500	885	64.60%
Licenses & Fees	-	-	-	-	-
Travel & Training	-	-	1,000	1,000	0.00%
Other Expenditures	-	-	-	-	-
Office Supplies	-	-	300	300	0.00%
Supplies	-	-	300	300	0.00%
Land	-	-	20,000	20,000	0.00%
Bond Principal - Lincoln Pool	-	15,105	207,859	192,754	7.27%
Fiscal Agent Fees/ Bond Costs	-	525	-	-	-
Façade Improvement	96,312	367,361	572,000	204,640	64.22%
Lincoln Pool Project	133,616	1,677,448	1,800,000	122,552	93.19%
Blank Project	-	-	-	-	-
Other Projects	-	-	50,000	50,000	0.00%
Bond Principal-TIF's	91,155	318,372	396,335	77,963	80.33%
Bond Interest-TIF's	19,816	41,731	41,681	-	100.12%
Interest Expense	-	-	-	-	-
TOTAL EXPENSES	344,126	2,486,391	3,182,425	706,738	78.13%
INCREASE(DECREASE) IN CASH	(147,242)	158,263	(166,972)		
ENDING CASH	344,772	344,772	19,537		
CRA CASH	57,742				
Lincoln Pool Tax Income Balance	235,798				
LINCOLN POOL Bond Account	2				
TIF CASH	51,229				
Total Cash	344,772				

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF JUNE 2013

	MONTH ENDED JUNE 2013	2012-2013 YEAR TO DATE	2013 BUDGET	REMAINING BALANCE	% OF BUDGET USED
CRA					
GENERAL OPERATIONS:					
Property Taxes - CRA	58,721	329,802	446,578	116,776	73.85%
Property Taxes - Lincoln Pool	24,495	131,503	207,859	76,356	63.27%
Interest Income	28	311	1,000	689	31.13%
Loan Income (Poplar Street Water Line)	2,997	4,591	5,000	409	91.81%
Land Sales	-	-	100,000	100,000	0.00%
Bond Proceeds Lincoln Pool	-	1,800,000	1,800,000	-	100.00%
Other Revenue & Motor Vehicle Tax	5,000	27,837	17,000	-	163.75%
TOTAL	91,241	2,294,044	2,577,437	294,231	89.00%
CHERRY PARK LTD II					
Property Taxes	28,803	62,605	59,180	-	105.79%
Interest Income	8	103	-	-	
Other Revenue	-	-	-	-	
TOTAL	28,811	62,708	59,180	-	105.96%
GENTLE DENTAL					
Property Taxes	-	153	4,202	4,049	3.63%
Interest Income	0	1	-	-	
Other Revenue	-	-	-	-	
TOTAL	0	153	4,202	4,049	3.65%
PROCON TIF					
Property Taxes	9,307	9,613	19,162	9,549	50.17%
Interest Income	0	2	-	-	
Other Revenue	-	271	-	-	
TOTAL	9,307	9,886	19,162	9,549	51.59%
WALNUT HOUSING PROJECT					
Property Taxes	32,720	67,032	74,472	7,440	90.01%
Interest Income	0	3	-	-	
Other Revenue	2,342	7,436	-	-	
TOTAL	35,062	74,471	74,472	7,440	100.00%
BRUNS PET GROOMING					
Property Taxes	6,615	7,360	13,500	6,140	54.52%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	6,615	7,360	13,500	6,140	54.52%
GIRARD VET CLINIC					
Property Taxes	-	5,100	14,500	9,400	35.18%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	5,100	14,500	9,400	35.18%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF JUNE 2013

	MONTH ENDED JUNE 2013	2012-2013 YEAR TO DATE	2013 BUDGET	REMAINING BALANCE	% OF BUDGET USED
GEDDES ST APTS-PROCON					
Property Taxes	13,572	14,473	30,000	15,527	48.24%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	13,572	14,473	30,000	15,527	48.24%
SOUTHEAST CROSSING					
Property Taxes	-	11,964	12,000	36	99.70%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	11,964	12,000	36	99.70%
Poplar Street Water					
Property Taxes	2,997	4,591	2,500	-	183.62%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	2,997	4,591	2,500	-	183.62%
CASEY'S @ FIVE POINTS					
Property Taxes	4,355	8,921	10,000	1,079	89.21%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	4,355	8,921	10,000	1,079	89.21%
SOUTH POINTE HOTEL PROJECT					
Property Taxes	-	87,104	90,000	2,896	96.78%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	87,104	90,000	2,896	96.78%
TODD ENCK PROJECT					
Property Taxes	-	3,183	2,500	-	127.33%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	3,183	2,500	-	127.33%
JOHN SCHULTE CONSTRUCTION					
Property Taxes	4,924	5,088	6,000	912	84.79%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	4,924	5,088	6,000	912	84.79%
PHARMACY PROPERTIES INC					
Property Taxes	-	5,445	11,000	5,555	49.50%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	5,445	11,000	5,555	49.50%
KEN-RAY LLC					
Property Taxes	-	38,919	34,000	-	114.47%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	38,919	34,000	-	114.47%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF JUNE 2013

	MONTH ENDED JUNE 2013	2012-2013 YEAR TO DATE	2013 BUDGET	REMAINING BALANCE	% OF BUDGET USED
SKAGWAY					
Property Taxes	-	9,767	55,000	45,233	17.76%
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	9,767	55,000	45,233	17.76%
COUNTY FUND 8598					
Property Taxes	-	1,478	-	(1,478)	
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	1,478	-	(1,478)	
TOTAL REVENUE	196,884	2,644,654	3,015,453	400,569	87.70%
EXPENSES					
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting	-	15,075	5,000	-	301.50%
Legal Services	195	1,140	3,000	1,860	38.00%
Consulting Services	-	-	10,000	10,000	0.00%
Contract Services	3,010	40,557	55,000	14,443	73.74%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	7,210	16,000	8,790	45.06%
General Liability Insurance	-	-	250	250	0.00%
Postage	8	254	200	-	127.02%
Matching Grant	-	-	-	-	
Legal Notices	16	1,615	2,500	885	64.60%
Licenses & Fees	-	-	-	-	
Travel & Training	-	-	1,000	1,000	0.00%
Other Expenditures	-	-	-	-	#DIV/0!
Office Supplies	-	-	300	300	
Supplies	-	-	300	300	0.00%
Land	-	-	20,000	20,000	0.00%
Bond Principal - Lincoln Pool	-	15,105	207,859	192,754	7.27%
Fiscal Agent Fees/Bond Costs	-	525	-	-	
PROJECTS					
Façade Improvement	96,312	367,361	572,000	204,640	64.22%
Lincoln Pool Project	133,616	1,677,448	1,800,000	122,552	93.19%
Alleyway Improvement	-	-	-	-	
Other Projects	-	-	50,000	50,000	0.00%
TOTAL CRA EXPENSES	233,156	2,126,289	2,744,409	628,774	77.48%
CHERRY PARK LTD II					
Bond Principal	27,426	53,831	53,831	0	100.00%
Bond Interest	2,164	5,349	5,349	-	100.01%
TOTAL CHERRY PARK EXPENSES	29,590	59,180	59,180	0	100.00%
GENTLE DENTAL					
Bond Principal	1,518	2,937	2,986	49	98.36%
Bond Interest	583	1,265	1,216	-	104.04%
TOTAL GENTLE DENTAL	2,101	4,202	4,202	49	100.00%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF JUNE 2013

	MONTH ENDED JUNE 2013	2012-2013 YEAR TO DATE	2013 BUDGET	REMAINING BALANCE	% OF BUDGET USED
PROCON TIF					
Bond Principal	6,341	12,467	12,467	0	100.00%
Bond Interest	3,240	6,695	6,695	-	100.00%
TOTAL PROCON TIF	9,581	19,162	19,162	0	100.00%
WALNUT HOUSING PROJECT					
Bond Principal	23,407	46,051	46,051	-	100.00%
Bond Interest	13,829	28,421	28,421	0	100.00%
TOTAL WALNUT HOUSING	37,236	74,472	74,472	0	100.00%
BRUNS PET GROOMING					
Bond Principal	6,615	7,054	13,500	6,446	52.25%
Bond Interest	-	-	-	-	-
TOTAL BRUNS PET GROOMING	6,615	7,054	13,500	6,446	52.25%
GIRARD VET CLINIC					
Bond Principal	-	5,100	14,500	9,400	35.18%
Bond Interest	-	-	-	-	-
TOTAL GIRARD VET CLINIC	-	5,100	14,500	9,400	35.18%
GEDDES ST APTS - PROCON					
Bond Principal	13,572	14,473	30,000	15,527	48.24%
Bond Interest	-	-	-	-	-
TOTAL GEDDES ST APTS - PROCON	13,572	14,473	30,000	15,527	48.24%
SOUTHEAST CROSSINGS					
Bond Principal	-	11,627	12,000	373	96.89%
Bond Interest	-	-	-	-	-
TOTAL SOUTHEAST CROSSINGS	-	11,627	12,000	373	96.89%
POPLAR STREET WATER					
Bond Principal	2,997	4,928	2,500	-	197.11%
Bond Interest	-	-	-	-	-
Auditing & Accounting	-	-	-	-	-
Contract Services	-	-	-	-	-
TOTAL POPLAR STREET WATER	2,997	4,928	2,500	-	197.11%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF JUNE 2013

	MONTH ENDED JUNE 2013	2012-2013 YEAR TO DATE	2013 BUDGET	REMAINING BALANCE	% OF BUDGET USED
CASEY'S @ FIVE POINTS					
Bond Principal	4,355	8,921	10,000	1,079	89.21%
Bond Interest	-	-	-	-	
TOTAL CASEY'S @ FIVE POINTS	4,355	8,921	10,000	1,079	89.21%
SOUTH POINTE HOTEL PROJECT					
Bond Principal	-	87,104	90,000	2,896	96.78%
Bond Interest	-	-	-	-	
TOTAL SOUTH POINTE HOTEL PROJECT	-	87,104	90,000	2,896	96.78%
TODD ENCK PROJECT					
Bond Principal	-	3,183	2,500	-	127.33%
Bond Interest	-	-	-	-	
TOTAL TODD ENCK PROJECT	-	3,183	2,500	-	127.33%
JOHN SCHULTE CONSTRUCTION					
Bond Principal	4,924	5,088	6,000	912	84.79%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL JOHN SCHULTE CONSTRUCTION	4,924	5,088	6,000	912	84.79%
PHARMACY PROPERTIES INC					
Bond Principal	-	5,445	11,000	5,555	49.50%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL PHARMACY PROPERTIES INC	-	5,445	11,000	5,555	49.50%
KEN-RAY LLC					
Bond Principal	-	38,919	34,000	-	114.47%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL KEN-RAY LLC	-	38,919	34,000	-	114.47%
SKAGWAY					
Bond Principal	-	9,767	55,000	45,233	17.76%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL SKAGWAY	-	9,767	55,000	45,233	17.76%
COUNTY FUND #8598					
Bond Principal	-	1,478	-	(1,478)	
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL COUNTY FUND #8598	-	1,478	-	(1,478)	
TOTAL EXPENSES	344,126	2,486,391	3,182,425	714,768	



Community Redevelopment Authority (CRA)

Wednesday, July 17, 2013
Regular Meeting

Item D1

Bills

Staff Contact: Chad Nabity

17-Jul-13

TO: Community Redevelopment Authority Board Members
FROM: Chad Nabity, Planning Department Director
RE: Bills Submitted for Payment

The following bills have been submitted to the Community Redevelopment Authority Treasurer for preparation of payment.

City of Grand Island
Administration Fees
Accounting
Officenet Inc.
Postage

Lawnscape

Grand Island Independent monthly notices

JEO Consulting Lincoln Pool
Hausmann Construction, INC Lincoln Pool

TIF Pass Through

Mayer, Burns, Koenig & Janulewicz Legal Services

Total:

\$ 2,670.54
\$ 375.00

\$ 29.18

\$ 64.00

\$ 15.27

\$ 2,030.40
\$ 10,000.00

\$ 150.00

\$ 15,334.39



Community Redevelopment Authority (CRA)

Wednesday, July 17, 2013
Regular Meeting

Item E1

Committed Projects

Staff Contact: Chad Nabity

COMMITTED PROJECTS	TOTAL AMOUNT	2013 FISCAL YR	2014 FISCAL YR	2015 FISCAL YR	ESTIMATED COMP
Downtown BID					
Historic Lighting Projects	\$ 30,000.00	\$ 30,000.00	\$ -		
KERJAC (Jayne Cole)	\$15,000.00	\$ 15,000.00			Summer 2013
Housing Study (EDC)	\$10,000	\$10,000			Fall 2013
2014 Wayside Horns (Custer/ Blaine)	\$ 100,000.00		\$ 100,000.00	\$ -	Winter 2016
The Grand Façade \$300,000 (\$100 over 3 fiscal yrs)	\$ 100,000.00	\$ 100,000.00	\$ -		Complete Final Payment Spring 2013
	\$ -				
Total Committed	\$ 255,000.00	\$ 155,000.00	\$ 100,000.00	\$ -	

Façade Budget \$ Remaining	\$ 204,639.50
Other Projects	\$ 50,000.00
Land - Budget \$ Remaining	\$ 20,000.00
Land Sales	(\$100,000.00)
 subtotal	\$ 174,639.50
Less committed	(\$155,000.00)
Balance remaining	\$ 19,639.50

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

June 30, 2013



Community Redevelopment Authority (CRA)

**Wednesday, July 17, 2013
Regular Meeting**

Item J1

Copper Creek Resolution 165

Staff Contact: Chad Nabity

DRAFT

MASTER REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the _____ day of _____, 2013, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), and Guarantee Group, L.L.C., a Nebraska limited liability company ("Redeveloper").

WITNESSETH:

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

WHEREAS, the Authority has adopted, after approval by the Mayor and Council of the City, that redevelopment plan entitled "Redevelopment Plan CRA Area #12 (the "Redevelopment Plan");

WHEREAS, Authority and Redeveloper desire to enter into this Redevelopment Contract in order to implement the Redevelopment Plan and provide for the redevelopment of lots and lands located in a blighted and substandard area by the installation of required infrastructure and the construction of houses;

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Contract.

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

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

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

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

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

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

"Indebtedness" means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to Article III hereof to provide financing for a portion of the Project Costs and secured in whole or in part by TIF Revenues. The Indebtedness as initially issued by the Authority shall consist of the Authority's Tax Increment Development Revenue Bond (Copper Creek Project), Series 2013, to be issued in the stated principal amount of \$ _____ on terms described in Exhibit C and the various Redevelopment Contract Amendments, and purchased by the Redeveloper as set forth in Section 3.04 of this Redevelopment Contract. Subsequent additional Indebtedness shall be issued from time to time by the Authority as each phase of the Redevelopment Plan is implemented by the installation of additional infrastructure and construction of houses.

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

"Lot" or "Lots" shall mean the separately platted and subdivided lots within the Redevelopment Project Area as shown on Exhibit A-3 attached hereto as platted and subdivided from time to time.

"Project" means the improvements to the Redevelopment Project Area, as further described in Exhibit B attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Project Property and additions and improvements thereto. The Project shall include land acquisition and all improvements related to Project Infrastructure Costs, site preparation costs, all as described in Section 3.04 of this Redevelopment Contract.

"Project Cost Certification" means a statement prepared and signed by the Redeveloper (and, if required by the Authority, certified by a qualified consulting engineer or accountant) verifying the Redeveloper has been legally obligated for the payment of Project Infrastructure Costs identified on Exhibit D.

"Project Costs" means only costs or expenses incurred by Redeveloper for the purposes set forth in §18-2103(12)(a) through (f), inclusive, including the providing for such costs by the exercise of the powers set forth in §18-2107(4) of the Act, all as identified on Exhibit D.

"Redeveloper" means Guarantee Group, L.L.C., a Nebraska limited liability company.

"Redevelopment Project Area" means that certain real property situated in the City of Grand Island, Hall County, Nebraska which has been declared blighted and substandard by the City pursuant to the Act, and which is more particularly described on Exhibit A-1 attached hereto and incorporated herein by this reference. All such legal descriptions are subject to change based upon any platting or re-platting requested by the Redeveloper and approved by the City.

"Redevelopment Project Property" means that part of the Redevelopment Project Area which is the site for the improvements constituting the Project, as more particularly described on Exhibit A-1 attached hereto and incorporated herein by this reference.

"Redevelopment Contract" means this redevelopment contract between the Authority and Redeveloper with respect to the Project, as the same may be amended from time to time, including, without limitation, by Redevelopment Contract Amendments executed from time to time in connection with the separate Phases of the Project.

"Redevelopment Contract Amendment" shall mean an amendment to this Redevelopment Contract, in form and substance acceptable to Authority and which shall include usual and customary representations, executed pursuant to a Redevelopment Contract Amendment Notice delivered by the Redeveloper under Section 3.01 hereof, establishing the legal description of the Lots in such Phase, the effective date, the division date for such Phase and the base year valuation for such Phase, the price for each completed house constructed on such lot and such other provisions as may be deemed necessary by the Authority.

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

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

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

Section 1.02 Construction and Interpretation.

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

- (a) Whenever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word 'may' shall be deemed permissive and not

mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

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

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

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

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

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

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

ARTICLE II FINDINGS AND REPRESENTATIONS

Section 2.01 Findings of Authority.

The Authority makes the following findings:

(a) The Authority is a duly organized and validly existing community Redevelopment Authority under the Act.

(b) The Redevelopment Plan has been duly approved by the City and adopted by the Authority pursuant to Section 18-2109 through 18-2117 of the Act.

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

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

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

(2) Based solely on representations made by the Redeveloper:

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

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

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

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

Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

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

(b) The execution and delivery of this Redevelopment Contract and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is

bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Redeveloper contrary to the terms of any instrument or agreement.

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

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

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

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

ARTICLE III

OBLIGATIONS OF THE AUTHORITY

Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Authority hereby provides that any ad valorem tax on any Lot or Lots located in the Redevelopment Project Area identified from time to time by the Redeveloper (such Lot or Lots being referred to herein as a "Phase") as identified in a written notice from the Redeveloper to the Authority in substantially the form attached hereto as Exhibit F (each, a "Redevelopment Contract Amendment Notice") for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in the Redevelopment Contract Amendment Notice and reflected in a Redevelopment Contract Amendment, consistent with the Redevelopment Plan. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax on real property in each Phase which is produced by levy at the rate fixed each year by or for each public body upon the "redevelopment project valuation" (as defined in the Act) of the Lots within such Phase 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 each Phase in excess of such amount (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority (designated in the Resolution as the "Bond Fund") to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such Phase shall be paid into the funds of the respective public bodies.

Provided a Redevelopment Contract Amendment Notice (together with a Redevelopment Contract Amendment in form satisfactory to the Authority and signed by the Redeveloper, and a proposed form of "Notice to Divide Tax for Community Redevelopment Project", all prepared in accordance with this Redevelopment Contract and the Act) is delivered to the Authority no later than July 1 of any year, the Authority shall: (a) execute the Redevelopment Contract Amendment, and (b) file before August 1 of such year a "Notice to Divide Tax for Community Redevelopment Project" for such Phase with the office of the Hall County Treasurer and Hall County Assessor, without requirement of additional hearings or public notice. No Redevelopment Contract Amendment providing for the division of taxes pursuant to this Redevelopment Contract and Section 18-2147 of the Act shall be made after January 1, **XXXX**.

Section 3.02 Issuance of Indebtedness

The Authority shall issue the Indebtedness, in one or more series, from time to time, to the Redeveloper in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in the Resolution and this Redevelopment Contract and any Redevelopment Contract Amendment; provided, at all times the maximum amount of the Indebtedness shall be limited to the lesser of (i) the stated face amount of the Indebtedness, or (ii) the sum of all Redevelopment Project Costs incurred by the Redeveloper as set forth on Exhibit D, for each Phase of the Redevelopment Project. No Indebtedness will be issued until Redeveloper has (a) acquired fee title to the Redevelopment Project Property; and (b) entered into a contract for the initial construction of the Project Infrastructure Improvements forming a part of the Project.

The Parties intend that the Redevelopment Plan and Redevelopment Project be implemented in Phases as set forth in the Redevelopment Plan. As the Redeveloper incurs Redevelopment Project Costs for a Phase of the Redevelopment Project, the Authority shall issue an additional series of Indebtedness in an amount not to exceed the Redevelopment Project Costs for such Phase.

The Redeveloper agrees to purchase the Indebtedness and each additional issue of Indebtedness at a price equal to the principal amount thereof, in a private placement satisfactory to the Authority as to its terms and participants (including any pledgee thereof). Neither the Authority nor the City shall have any obligation to provide for the sale of the Indebtedness. It is the sole responsibility of the Redeveloper to effect the sale of the Indebtedness by purchasing the Indebtedness in accordance with the terms of this Redevelopment Contract, amendments hereto and the Resolution. If the Indebtedness cannot be issued and sold to the Redeveloper 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. Redeveloper acknowledges that it is its understanding and the Authority's understanding that interest on the Indebtedness will be includable in gross income for federal income tax purposes and subject to Nebraska State income taxation.

Section 3.03 Pledge of Revenues.

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

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

The Redeveloper has agreed to purchase the Indebtedness from the Authority for a price equal to the principal amount thereof, payable as provided in Section 3.02. The Redevelopment Plan provides for the Redeveloper to receive a grant under this Redevelopment Contract. In accordance with the terms of the Redevelopment Plan the Redeveloper is to receive a grant sufficient to pay the costs for reimbursement of site acquisition, including easements, site and preparation costs and utilities for including only those items as described on Exhibit D (the "Project Infrastructure Costs"), in the aggregate maximum amount of \$_____. Notwithstanding the foregoing, the aggregate amount of the grant advances shall not exceed the amount of Project Costs as certified pursuant to Section 4.02 of this Redevelopment Contract. Such grant shall be made to the Redeveloper upon execution of this Redevelopment Contract and payment purchase of the Indebtedness as provided in Section 3.02. The Authority shall have no obligation to provide grant funds from any source other than the purchase price paid to the Authority for the Indebtedness.

Section 3.05 Creation of Fund.

In the Resolution, the Authority has provided for the creation of a special fund (the "Bond Fund" as defined in the Resolution) to collect and hold the TIF Revenues pledged to the payment of the Indebtedness. Such special fund shall be used for no purpose other than to pay (including any redemptions of principal made in accordance with the terms of the Resolution and this Redevelopment Contract) the Indebtedness issued pursuant to this Article III.

ARTICLE IV

OBLIGATIONS OF REDEVELOPER

Section 4.01 Construction of Project; Insurance.

(a) Redeveloper will complete the Project and install all infrastructure, improvements, buildings, fixtures, equipment and furnishings necessary to operate the Project. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct

and equip the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of Redeveloper with respect to construction of the Project. Promptly after completion by the Redeveloper of each Phase of the Project, the Redeveloper shall furnish to the Authority a Certificate of Completion (supported by such architect's or engineer's certificates as are required under the terms of the contract documents) for such Phase, including each structure or element of infrastructure completed in such Phase.

(b) Any general contractor chosen by the Redeveloper or the Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations and a penal bond or bonds as required by the Act or as is otherwise required by law. The City, the Authority and the Redeveloper shall be named as additional insureds. Any contractor chosen by the Redeveloper or the Redeveloper itself, as owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor with respect to any specific contract or the Redeveloper shall also carry insurance on all stored materials. The contractor or the Redeveloper, as the case may be, shall furnish the Authority and the City with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies.

Section 4.02 Cost Certification.

Redeveloper shall submit to Authority a certification of the estimated Project Costs for the Project on or before the issuance of the Indebtedness (and updated in connection with each Redevelopment Contract Amendment, if any material deviations from such certification occur) which shall contain information showing the anticipated payments or obligations for payment of the Public Infrastructure Costs, site acquisition costs, grants in aid of construction and site preparation costs, which may include only those items specified on the attached Exhibit D.

Section 4.03 Authority Costs

Redeveloper shall reimburse the Authority (and the City, as applicable) on the date of the closing of the purchase of the Indebtedness for legal fees and costs incurred or expected to be incurred in connection with this Redevelopment Contract and the issuance of the Indebtedness.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself its successors and assigns that it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital

status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Real Estate Tax Base; Payments in Lieu of Taxes.

Redeveloper agrees to make payments in lieu of taxes, immediately upon receipt of notice from City or the Authority, if for any reason at any time TIF Revenues are not sufficient to pay principal and interest on the Indebtedness when due. This payment in lieu of tax obligation may be represented by a note or other evidence of indebtedness.

Section 4.06 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Authority. Any transfer (including any lease for a term longer than one year) or conveyance of the any portion of the Redevelopment Project Property, or any interest therein, prior to the termination of the 15 year period commencing on the last effective date specified in Section 3.01 hereof by the Redeveloper shall be subject to the terms and conditions of this Redevelopment Contract. Redeveloper agrees that it shall not convey any Lot or any portion thereof or any structures thereon to any person or entity that would be exempt from payment of real estate taxes, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any Lot.

Section 4.07 Federal Immigration Verification System.

The Redeveloper agrees that Redeveloper and any contractor for the improvements to be reimbursed as a part of the Project Infrastructure Costs shall be required to agree to use a federal immigration verification system (as defined in §4-114, R.R.S. 2012) to determine the work eligibility status of new employees physically performing services on the Project and to comply with all applicable requirements of §4-114, R.R.S., 2012.

Section 4.08 Public Right-of-Way.

All streets with within the Redevelopment Project Area boundaries shall be public streets and dedicated to the public as part of the re-platting of the Redevelopment Project Area.

ARTICLE V FINANCING REDEVELOPMENT PROJECT

Section 5.01 Financing

Redeveloper shall pay all costs related to the redevelopment of the Redevelopment Project Area and the Redevelopment Project Property which are in excess of the amounts paid from the proceeds of the grant provided for from the proceeds of the Indebtedness and granted to Redeveloper. Prior to issuance of the Indebtedness, Redeveloper shall provide Authority with evidence satisfactory to the Authority that private funds have been committed to the Redeveloper in amounts sufficient to complete all portions of the Project included in the Project Infrastructure

Costs. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project. Any mortgage lien or deed of trust or other encumbrance on the Redevelopment Project Property shall either be subject to the terms of this Redevelopment Contract because of its having been filed after the recording of notice of this Redevelopment Contract or shall be expressly made subject to the terms of this Redevelopment Contract by written instrument in recordable form furnished to the Authority prior to the issuance of the Indebtedness.

ARTICLE VI

DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of Authority and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Contract or any of its terms or conditions, by any party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Contract shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations. The Redeveloper hereby acknowledges and agrees that the Authority shall have completed its required performances and satisfied all of its obligations under this Redevelopment Contract upon the issuance of the Indebtedness and the subsequent payment of grant amounts to the Redeveloper as set forth in Section 3.04.

Section 6.02 Additional Remedies of Authority

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

(a) the Redeveloper, or its successor in interest, shall fail to commence the construction of the improvements included in the Public Infrastructure Costs for the first Phase of the Redevelopment Project on or before January 1, 201__, or shall abandon construction work related to the Public Infrastructure Costs and housing construction, once commenced, for any period of 180 days, excepting delays caused by inclement weather,

(b) the Redeveloper, shall fail to pay real estate taxes or assessments on the Redevelopment Project Property owned by the Redeveloper or any part thereof when due; and

(c) there is a violation of any other provision of this Redevelopment Contract, and such failure or action by the Redeveloper has not been cured within 90 days following written notice from Authority, then the Redeveloper shall be in default of this Redevelopment Contract.

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

Interest shall accrue on the Liquidated Damages Amount at the rate of seven percent (7%) per annum and interest shall commence from the date that the Authority gives notice to the Redeveloper demanding payment.

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

Redeveloper, on or before contracting for work included within the Public Infrastructure Costs, shall furnish to the Authority copies of labor and materials payment bonds and performance bonds for each contract entered into by Redeveloper related to Public Infrastructure Costs. Each such bond shall show the Authority and the City as well as the Redeveloper as beneficiary of any such bond, as and to the extent commercially obtainable (as determined in the discretion of the Authority). In addition, the Redeveloper shall provide a penal bond with good and sufficient surety to be approved by the Authority, conditioned that the Redeveloper shall at all times promptly make payments of all amounts lawfully due to all persons supplying or furnishing to any contractor or his or her subcontractors (for each contract entered into by Redeveloper related to Public Infrastructure Costs) with labor or materials performed or used in the prosecution of the work provided for in such contract, and will indemnify and save harmless the Authority to the extent of any payments in connection with the carrying out of such contracts which the Authority may be required to make under the law.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

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

Section 6.04 Forced Delay Beyond Party's Control.

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

Section 6.05 Limitations of Liability; Indemnification.

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

The Redeveloper will indemnify and hold each of the City and Authority and their respective elected officials, directors, officers, appointed officials, 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 Redevelopment Contract or arising out of any action or inaction of Redeveloper, whether or not related to the Project, or resulting

from or in any way connected with specified events, the Project, or in any way related to the enforcement of this Redevelopment Contract or any other cause pertaining to the Project.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notice Recording.

This Redevelopment Contract or a notice memorandum of this Redevelopment Contract shall be recorded in the office of the Register of Deeds of Hall County, Nebraska. The covenants and agreements set forth herein shall be and constitute covenants running with the land with respect to the Redevelopment Project Property and shall remain in force and effect until the Indebtedness has been paid in full.

Section 7.02 Governing Law.

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

Section 7.03 Binding Effect: Amendment.

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

ATTEST:

Secretary

By: _____
Manager

EXHIBIT A

A-1

DESCRIPTION OF REDEVELOPMENT AREA

[TO BE PROVIDED]

EXHIBIT B
REDEVELOPMENT PLAN

EXHIBIT C

INDEBTEDNESS

1. Principal Amount: to be set at a sum equal to Redevelopment Project Costs for Phase 1 of the Redevelopment Plan.
2. Payments: Semi-annually (with principal to be paid from available amounts as mandatory redemptions, after payment of accrued interest), commencing November 15, 2015, with payments limited to net annual TIF Revenues.
3. Interest Rate: to be established by the Resolution issuing the Indebtedness
4. Maturity Date: December 31 immediately following the fourteenth (14th) anniversary of the last effective date established pursuant to Section 3.01 of the Redevelopment Contract.
5. Time for Issuance: At Redeveloper's request as agreed to by the Authority but not earlier than 30 days after passage and approval of the Resolution

Exhibit D
Project Costs

Plan Preparation Costs

Redevelopment Project Costs

Site acquisition
Site development
Authority fees
Engineering costs

EXHIBIT F

REDEVELOPMENT CONTRACT AMENDMENT NOTICE

Notice is hereby given by Guarantee Group, LLC, ("Redeveloper") to the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to Section 3.01 of that certain Redevelopment Contract between Redeveloper and Authority dated _____, 2013 as follows:

Amendment: Redeveloper hereby presents to Authority a proposed amendment to the Redevelopment Contract ("Redevelopment Contract Amendment"), which is attached hereto and incorporated herein by this reference.

Notice: As required in the Redevelopment Contract, Redeveloper hereby gives notice to Authority of the following information related to such Redevelopment Contract Amendment (capitalized terms used herein and not defined have the same meaning as set forth in the Redevelopment Contract):

(a) The Redevelopment Contract Amendment incorporates a new Phase to the Project which shall include the following Lot(s) in the Redevelopment Project Area:

[identification of such Lot(s) including the legal description of each]

(b) The effective date of the Redevelopment Contract Amendment shall be _____, 20____.

(c) The division date for the applicable Phase shall be _____, 20____; and a proposed form of Notice of Division is attached hereto and incorporated herein by this reference.

(d) The base year valuation for such Phase shall be 20____.

(e) The initial sale price for each lot with a completed house is set forth hereafter.

Lot description	House model	Sale price
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