



Community Redevelopment Authority (CRA)

**Wednesday, October 29, 2014
Regular Meeting Packet**

Board Members:

Michelle Fitzke

Tom Gdowski

Barry Sandstrom

Sue Pirnie

Glen Murray

4:00 PM

Call to Order

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

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

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

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

DIRECTOR COMMUNICATION

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



Community Redevelopment Authority (CRA)

Wednesday, October 29, 2014
Regular Meeting

Item A1

Agenda

Staff Contact: Chad Nabity

AGENDA
Wednesday, October 29, 2014
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 September 22, 2014 Meeting.
3. Approval of Financial Reports.
4. Approval of Bills.
5. Review of Committed Projects and CRA Properties.
6. Consideration of Redevelopment Contract for 2228 N Webb Rd., Grand Island Joint Venture, LLC.
7. Presentation by Keith Marvin on Substandard and Blight Area 16, Veterans Home.
8. Approve Resolution or Resolutions to Purchase/Sell Real Estate.
9. Directors Report.
10. Adjournment

Next Meeting November 12, 2014

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



Community Redevelopment Authority (CRA)

Wednesday, October 29, 2014
Regular Meeting

Item B1

Meeting Minutes

Staff Contact: Chad Nabity

OFFICIAL PROCEEDINGS

MINUTES OF COMMUNITY REDEVELOPMENT AUTHORITY MEETING OF September 22, 2014

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 September 22, 2014 at City Hall 100 E First Street. Notice of the meeting was given in the September 17, 2014 Grand Island Independent.

1. CALL TO ORDER. Chairman Barry Sandstrom called the meeting to order at 2:00 p.m. The following members were present: Tom Gdowski and Glen Murray. Also present were; Director, Chad Nabity; Secretary, Rose Rhoads and Max Gansline.

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 September 10, 2014 meeting was made by Gdowski and seconded by Murray. Upon roll call vote all present voted aye. Motion carried unanimously.

5. CONSIDERATION OF RESOLUTION 183.
Consideration of an amendment to the Redevelopment Plan for 2228 N Webb Rd., Grand Island Joint Venture, LLC for Enhanced Employment Tax, Northwest Commons. The CRA received a TIF application and staff has prepared a Site Specific redevelopment plan (the "Plan"), for redevelopment of an area within city limits of the City of Grand Island, Hall County, Nebraska. Nabity explained this was an amendment to the Redevelopment Plan for the Enhanced Employment Tax at 2228 N Webb Rd., approval of Resolution 183 would forward the Redevelopment Plan to the Hall County Planning Commission. There was discussion on the Enhanced Employment Tax time frame. A motion to approve Resolution 183 was made by Gdowski and seconded by Murray. Upon roll call app present voted aye. Motion carried.

6. ADJORNMENT. Sandstrom adjourned the meeting at 2:20 p.m.

The next meeting is scheduled for October 29, 2014 at 4:00 p.m.

Respectfully submitted

Chad Nabity
Director



Community Redevelopment Authority (CRA)

Wednesday, October 29, 2014
Regular Meeting

Item C1

Financials

Staff Contact: Chad Nabity

**COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2014**

	<u>MONTH ENDED SEPTEMBER 2014</u>	<u>2013-2014 YEAR TO DATE</u>	<u>2014 BUDGET</u>	<u>REMAINING BALANCE</u>	<u>% OF BUDGET USED</u>
CONSOLIDATED					
Beginning Cash	568,244				
REVENUE:					
Property Taxes - CRA	104,985	478,105	474,384	-	100.78%
Property Taxes - Lincoln Pool	64,185	179,340	195,000	15,660	91.97%
Property Taxes -TIF's	97,241	415,227	575,124	159,897	72.20%
Loan Income (Poplar Street Water Line)	-	-	5,000	5,000	0.00%
Interest Income - CRA	14	118	1,000	882	11.78%
Interest Income - TIF'S	0	25	-	-	
Land Sales	-	-	100,000	100,000	0.00%
Other Revenue - CRA	-	15,644	22,000	6,356	71.11%
Other Revenue - TIF's	-	7,328	-	-	
TOTAL REVENUE	<u>266,426</u>	<u>1,095,786</u>	<u>1,372,508</u>	<u>287,795</u>	<u>79.84%</u>
TOTAL RESOURCES	<u>834,671</u>	<u>1,095,786</u>	<u>1,372,508</u>	<u>287,795</u>	
EXPENSES					
Auditing & Accounting	-	1,055	5,000	3,945	21.10%
Legal Services	150	1,050	3,000	1,950	35.00%
Consulting Services	-	-	10,000	10,000	0.00%
Contract Services	9,276	64,539	65,000	461	99.29%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	8,072	16,000	7,928	50.45%
General Liability Insurance	-	-	250	250	0.00%
Postage	34	257	200	-	128.35%
Legal Notices	-	219	2,500	2,281	8.77%
Travel & Training	-	-	1,000	1,000	0.00%
Office Supplies	-	-	300	300	0.00%
Supplies	-	-	300	300	0.00%
Land	-	-	80,000	80,000	0.00%
Bond Principal - Lincoln Pool	-	170,000	170,000	-	100.00%
Bond Interest	-	23,828	23,828	1	
Façade Improvement	-	-	200,000	200,000	0.00%
Building Improvement	-	30,000	170,000	140,000	17.65%
Blank Project	-	-	-	-	
Other Projects	-	-	265,000	265,000	0.00%
Bond Principal-TIF's	80,595	385,523	541,944	156,421	71.14%
Bond Interest-TIF's	-	33,215	33,179	-	100.11%
Other Expenditures	-	47,373	-	-	
Interest Expense	-	-	-	-	
TOTAL EXPENSES	<u>90,056</u>	<u>765,656</u>	<u>1,588,501</u>	<u>870,836</u>	<u>48.20%</u>
INCREASE(DECREASE) IN CASH	<u>176,371</u>	<u>330,130</u>	<u>(215,993)</u>		
ENDING CASH	<u>744,615</u>	<u>330,130</u>	<u>(215,993)</u>	<u>-</u>	
CRA CASH	<u>483,564</u>				
Lincoln Pool Tax Income Balance	<u>261,051</u>				
TIF CASH	<u>-</u>				
Total Cash	<u>744,615</u>				

**COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2014**

	<u>MONTH ENDED SEPTEMBER 2014</u>	<u>2013-2014 YEAR TO DATE</u>	<u>2014 BUDGET</u>	<u>REMAINING BALANCE</u>	<u>% OF BUDGET USED</u>
CRA					
GENERAL OPERATIONS:					
Property Taxes - CRA	104,985	478,105	474,384	-	100.78%
Property Taxes - Lincoln Pool	64,185	179,340	195,000	15,660	91.97%
Interest Income	14	118	1,000	882	11.78%
Loan Income (Poplar Street Water Line)	-	-	5,000	5,000	0.00%
Land Sales	-	-	100,000	100,000	0.00%
Other Revenue & Motor Vehicle Tax	-	15,644	22,000	6,356	71.11%
TOTAL	169,185	673,207	797,384	127,898	84.43%
CHERRY PARK LTD II					
Property Taxes	-	28,803	29,588	785	97.35%
Interest Income	-	22	-	-	
TOTAL	-	28,825	29,588	785	97.42%
GENTLE DENTAL					
Property Taxes	-	4,701	4,202	-	111.88%
Interest Income	0	1	-	-	
TOTAL	0	4,702	4,202	-	111.90%
PROCON TIF					
Property Taxes	3,195	24,309	19,162	-	126.86%
Interest Income	0	0	-	-	
TOTAL	3,195	24,310	19,162	-	126.86%
WALNUT HOUSING PROJECT					
Property Taxes	-	67,143	74,472	7,329	90.16%
Interest Income	-	1	-	-	
Other Revenue	-	7,328	-	-	
TOTAL	-	74,472	74,472	7,329	100.00%
BRUNS PET GROOMING					
Property Taxes	6,554	20,127	13,500	-	149.09%
TOTAL	6,554	20,127	13,500	-	149.09%
GIRARD VET CLINIC					
Property Taxes	4,739	9,771	14,500	4,729	67.39%
TOTAL	4,739	9,771	14,500	4,729	67.39%
GEDDES ST APTS-PROCON					
Property Taxes	13,447	27,726	30,000	2,274	92.42%
TOTAL	13,447	27,726	30,000	2,274	92.42%
SOUTHEAST CROSSING					
Property Taxes	3,996	12,710	12,000	-	105.91%
TOTAL	3,996	12,710	12,000	-	105.91%
Poplar Street Water					
Property Taxes	228	3,622	2,500	-	144.90%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2014

	<u>MONTH ENDED SEPTEMBER 2014</u>	<u>2013-2014 YEAR TO DATE</u>	<u>2014 BUDGET</u>	<u>REMAINING BALANCE</u>	<u>% OF BUDGET USED</u>
TOTAL	228	3,622	2,500	-	144.90%
CASEY'S @ FIVE POINTS					
Property Taxes	4,318	8,899	10,000	1,101	88.99%
TOTAL	4,318	8,899	10,000	1,101	88.99%
SOUTH POINTE HOTEL PROJECT					
Property Taxes	41,766	86,112	90,000	3,888	95.68%
TOTAL	41,766	86,112	90,000	3,888	95.68%
TODD ENCK PROJECT					
Property Taxes	2,958	6,098	3,200	-	190.58%
TOTAL	2,958	6,098	3,200	-	190.58%
SKAGWAY					
Property Taxes	9,608	28,629	55,000	26,371	52.05%
TOTAL	9,608	28,629	55,000	26,371	52.05%
JOHN SCHULTE CONSTRUCTION					
Property Taxes	-	5,030	6,000	970	83.83%
TOTAL	-	5,030	6,000	970	83.83%
PHARMACY PROPERTIES INC					
Property Taxes	5,059	10,431	11,000	569	94.83%
TOTAL	5,059	10,431	11,000	569	94.83%
KEN-RAY LLC					
Property Taxes	-	36,336	34,000	-	106.87%
TOTAL	-	36,336	34,000	-	106.87%
COUNTY FUND 8598					
Property Taxes	1,373	2,832	-	-	0.00%
TOTAL	1,373	2,832	-	-	0.00%
GORDMAN GRAND ISLAND					
Property Taxes	-	7,954	-	-	0.00%
TOTAL	-	7,954	-	-	0.00%
BAKER DEVELOPMENT INC					
Property Taxes	-	193	-	-	0.00%
TOTAL	-	193	-	-	0.00%
STRATFORD PLAZA INC					
Property Taxes	-	23,800	-	-	0.00%
TOTAL	-	23,800	-	-	0.00%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2014

	<u>MONTH ENDED</u> <u>SEPTEMBER 2014</u>	<u>2013-2014</u> <u>YEAR TO DATE</u>	<u>2014</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
FUTURE TIF'S					
Property Taxes	-	-	-	-	
Interest Income	-	-	-	-	
Other Revenue	-	-	-	-	
TOTAL	-	-	-	-	
TOTAL REVENUE	266,426	1,095,786	1,372,508	341,914	79.84%
EXPENSES					
CRA					
GENERAL OPERATIONS:					
Auditing & Accounting	-	1,055	5,000	3,945	21.10%
Legal Services	150	1,050	3,000	1,950	35.00%
Contract Services	9,276	64,539	65,000	461	99.29%
Printing & Binding	-	-	1,000	1,000	0.00%
Other Professional Services	-	8,072	16,000	7,928	50.45%
Postage	34	257	200	-	128.35%
Matching Grant	-	-	-	-	
Legal Notices	-	219	2,500	2,281	8.77%
Licenses & Fees	-	525	-	-	
Travel & Training	-	-	1,000	1,000	0.00%
Other Expenditures	-	-	-	-	
Office Supplies	-	-	300	300	
Supplies	-	-	300	300	0.00%
Land	-	-	80,000	80,000	0.00%
Bond Principal - Lincoln Pool	-	170,000	170,000	-	100.00%
Bond Interest - Lincoln Pool	-	23,828	23,828	1	
PROJECTS					
Façade Improvement	-	-	200,000	200,000	0.00%
Building Improvement	-	30,000	170,000	140,000	0.00%
Alleyway Improvement	-	-	-	-	
Other Projects	-	-	265,000	265,000	0.00%
TOTAL CRA EXPENSES	9,461	299,545	1,013,378	714,415	29.56%
CHERRY PARK LTD II					
Bond Principal	-	29,496	28,486	-	103.55%
Other Expenditures	-	47,373	-	-	
TOTAL CHERRY PARK EXPENSES	-	78,007	29,588	-	263.65%
GENTLE DENTAL					
Legal Services	-	-	-	-	
Bond Principal	-	3,195	3,195	-	100.01%
Bond Interest	-	1,007	1,007	0	99.96%
TOTAL GENTLE DENTAL	-	4,202	4,202	0	100.00%
PROCON TIF					
Legal Services	-	-	-	-	
Interest Expense	-	-	-	-	
Licenses & Fees	-	-	-	-	
Other Expenditures	-	-	-	-	
Bond Principal	-	13,355	13,355	0	100.00%
Bond Interest	-	5,807	5,807	-	100.01%

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2014

	<u>MONTH ENDED</u> <u>SEPTEMBER 2014</u>	<u>2013-2014</u> <u>YEAR TO DATE</u>	<u>2014</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
WALNUT HOUSING PROJECT					
Legal Services		-	-	-	
Bond Principal	-	49,209	49,209	0	100.00%
Bond Interest	-	25,263	25,263	-	100.00%
Other Expenditures		-	-	-	
TOTAL WALNUT HOUSING	-	74,472	74,472	0	100.00%
BRUNS PET GROOMING					
Bond Principal	6,554	20,127	13,500	-	149.09%
Bond Interest	-	-	-	-	
TOTAL BRUNS PET GROOMING	6,554	20,127	13,500	-	149.09%
GIRARD VET CLINIC					
Bond Principal	4,739	9,771	14,500	4,729	67.39%
Bond Interest	-	-	-	-	
TOTAL GIRARD VET CLINIC	4,739	9,771	14,500	4,729	67.39%
GEDDES ST APTS - PROCON					
Bond Principal	-	27,726	30,000	2,274	92.42%
Bond Interest	-	-	-	-	
TOTAL GEDDES ST APTS - PROCON	-	27,726	30,000	2,274	92.42%
SOUTHEAST CROSSINGS					
Bond Principal	3,996	12,710	12,000	-	105.91%
Bond Interest	-	-	-	-	
POPLAR STREET WATER					
Bond Principal	228	3,622	2,500	-	144.90%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
Contract Services	-	-	-	-	
TOTAL POPLAR STREET WATER	228	3,622	2,500	-	144.90%
CASEY'S @ FIVE POINTS					
Bond Principal	4,315	8,896	10,000	1,104	88.96%
Bond Interest	-	-	-	-	
TOTAL CASEY'S @ FIVE POINTS	4,315	8,896	10,000	1,104	88.96%
SOUTH POINTE HOTEL PROJECT					
Bond Principal	41,766	86,112	90,000	3,888	95.68%
Bond Interest	-	-	-	-	
TOTAL SOUTH POINTE HOTEL PROJECT	41,766	86,112	90,000	3,888	95.68%
TODD ENCK PROJECT					
Bond Principal	2,958	6,098	3,200	-	190.58%
Bond Interest	-	-	-	-	
TOTAL TODD ENCK PROJECT	2,958	6,098	3,200	-	190.58%
SKAGWAY					
Bond Principal	9,608	28,629	55,000	26,371	52.05%
Bond Interest	-	-	-	-	

COMMUNITY REDEVELOPMENT AUTHORITY
FOR THE MONTH OF SEPTEMBER 2014

	<u>MONTH ENDED</u> <u>SEPTEMBER 2014</u>	<u>2013-2014</u> <u>YEAR TO DATE</u>	<u>2014</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>% OF BUDGET</u> <u>USED</u>
Auditing & Accounting	-	-	-	-	
TOTAL SKAGWAY	9,608	28,629	55,000	26,371	52.05%
JOHN SCHULTE CONSTRUCTION					
Bond Principal	-	5,030	6,000	970	83.83%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL JOHN SCHULTE CONSTRUCTION	-	5,030	6,000	970	83.83%
PHARMACY PROPERTIES INC					
Bond Principal	5,059	10,431	11,000	569	94.83%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL PHARMACH PROPERTIES INC	5,059	10,431	11,000	569	94.83%
KEN-RAY LLC					
Bond Principal	-	36,336	34,000	-	106.87%
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL KEN-RAY LLC	-	36,336	34,000	-	106.87%
COUNTY FUND #8598					
Bond Principal	1,373	2,832	-	(2,832)	
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL COUNTY FUND #8598	1,373	2,832	-	(2,832)	
GORDMAN GRAND ISLAND					
Bond Principal	-	7,954	-	(7,954)	
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL GORDMAN GRAND ISLAND	-	7,954	-	(7,954)	
BAKER DEVELOPMENT INC					
Bond Principal	-	193	-	(193)	
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL BAKER DEVELOPMENT INC	-	193	-	(193)	
STRATFORD PLAZA LLC					
Bond Principal	-	713	-	(713)	
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL STRATFORD PLAZA LLC	-	713	-	(713)	
FUTURE TIF'S					
Bond Principal	-	23,087	-	(23,087)	
Bond Interest	-	-	-	-	
Auditing & Accounting	-	-	-	-	
TOTAL BLANK	-	23,087	-	(23,087)	
TOTAL EXPENSES	90,056	765,656	1,588,501	894,402	



10/17/2014 13:19
williamc
CITY OF GRAND ISLAND
BALANCE SHEET FOR 2014 12

FUND: 900 COMMUNITY REDEVELOPMENT AUTHOR /

FUND: 900 COMMUNITY REDEVELOPMENT AUTHOR		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS			
900	11110	176,367.55	744,612.75
900	11120	.00	131,794.44
900	11305	.00	27,860.00
900	14100	.00	512,678.76
900	14700	.00	495,354.28
TOTAL ASSETS		176,367.55	1,912,300.23
LIABILITIES			
900	22100	.00	-2,368,118.28
900	22900	.00	-7,048.85
900	25315	.00	-21,051.00
TOTAL LIABILITIES		.00	-2,396,218.13
FUND BALANCE			
900	39107	.00	215,993.00
900	39110	.00	-495,354.28
900	39120	.00	1,309,400.42
900	39130	.00	1,372,508.00
900	39140	.00	-1,588,501.00
900	39500	-266,423.36	-1,095,783.41
900	39600	90,055.81	765,655.17
TOTAL FUND BALANCE		-176,367.55	483,917.90
TOTAL LIABILITIES + FUND BALANCE		-176,367.55	-1,912,300.23

** END OF REPORT - Generated by William Clingman **



Community Redevelopment Authority (CRA)

Wednesday, October 29, 2014
Regular Meeting

Item D1

Bills

Staff Contact: Chad Nabity

29-Oct-14

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		\$ 3,198.49
Accounting	Oct. Nov., & Dec.	\$ 450.00
Officenet Inc.		
Postage		\$ 24.20
Lawnscape	408 E 2nd	\$ 70.00
Grand Island Independent		\$ 64.04
City of Grand Island	South Locust BID	\$ 3,058.98
Marvin Planning Consultants	Final Invoice	\$ 2,750.00
TIF Bond Payments		
TIF Pass Thrus		\$760,258.01
Laser Works		\$ 55.60
Mayer, Burns, Koenig & Janulewicz	Legal Services	\$ 150.00
Total:		<hr/>
		<u>\$ 770,079.32</u>



Community Redevelopment Authority (CRA)

Wednesday, October 29, 2014
Regular Meeting

Item E1

Committed Projects

Staff Contact: Chad Nabity

COMMITTED PROJECTS	TOTAL AMOUNT	2014 FISCAL YR	2015 FISCAL YR	2016 FISCAL YR	ESTIMATED COMP
J Elizabeth LLC	\$ 69,440.00	\$ 69,440.00			2014
2222 W 2nd St - Ryan Waind	\$ 92,608.00	\$ 46,304.00	\$ 46,304.00		2014
Housing Study (EDC)	\$ 10,000.00	\$ 10,000			2014
Downtown Kaufman - Cummings Plaza	\$ 50,000	\$ 50,000.00			2014
Miller Tire - 707 N Eddy - Adam Miller	\$ 81,012.00	\$ 81,012.00			2014
Tower 217 (Amos Investment & Development)	\$ 291,581.00	\$ 97,193.67	\$ 97,193.67	\$ 97,193.67	2016
	\$ -				
Total Committed	\$ 594,641.00	\$ 353,949.67	\$ 143,497.67	\$ 97,193.67	

Façade Budget \$ Remaining	\$ 200,000.00
Other Projects	\$ 265,000.00
Land - Budget \$ Remaining	\$ 80,000.00
Land Sales	(\$100,000.00)
subtotal	\$ 445,000.00
Less committed	(\$314,509.67)
Balance remaining	<u>\$ 130,490.33</u>

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

September 30, 2014



Community Redevelopment Authority (CRA)

Wednesday, October 29, 2014
Regular Meeting

Item H1

TIF Contract & Resolution for Northwest Commons

Staff Contact: Chad Nabity

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA
RESOLUTION NO. ____**

**A RESOLUTION APPROVING A REDEVELOPMENT CONTRACT AND APPROVAL
OF RELATED ACTIONS (NORTHWEST COMMONS PROJECT)**

WHEREAS, the Community Redevelopment Authority of the City of Grand Island, Nebraska, Nebraska (“**Authority**”), in furtherance of the purposes and pursuant to the provisions of Section 18-21-1 to 18-2154, Reissue of Revised Statutes of Nebraska, as amended (the “**Act**”) has recommended and the City of Grand Island (“**City**”) has adopted a Redevelopment Plan for a blighted and substandard area designated by the City described on **Exhibit A** and incorporated herein by this reference (the “**Redevelopment Area**”); and

WHEREAS, pursuant to any furtherance of the Act, the Authority published notice of a Request for Proposals for redevelopment of the blighted and substandard area targeted for redevelopment pursuant to the Redevelopment Plan, and received a proposal from Grand Island Joint Venture, LLC (“**Redeveloper**”) to enter into a Redevelopment Contract in substantially the form attached hereto as **Exhibit B**, the terms and conditions of which are herein incorporated by reference (“Redevelopment Contract”), whereby Authority would agree to incur indebtedness and make grants for the purposes specified in the Redevelopment Contract pursuant to the Act (the “**Master Project**”);

WHEREAS, the Authority has made certain findings and pursuant thereto has determined that it is in the best interests of the Authority and the City as expressed in the Redevelopment Plan to enter into the Redevelopment Contract and to carry out the transactions contemplated thereby.

NOW, THEREFOERE, be it resolved by the Community Redevelopment Authority of the City of Grand Island, Nebraska as follows:

1. The Authority has determined that the proposed land uses and building requirements in the Redevelopment Area are designed with the general purposes of accomplishing, in accordance with the general plan for development of the City, a coordinated, adjusted and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity; and the general welfare, as well as efficiency 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 a healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreation 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 unsanitary or unsafe dwelling accommodations, or conditions of blight.

2. The Authority has conducted a cost benefit analysis for the Project in accordance with the Act, and has found and hereby finds that the Master Project would not be economically

- 1 -

Grand Island Mall – 2228 N Webb Rd

feasible without the use of tax increment financing, the Master Project would not occur in an Area without the use of tax increment financing and the costs and benefits of the Master Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed and have been found to be in the long term best interests of the community impacted by the Master Project.

3. On or about July 9, 2014, the Authority provided the City notice of its intent to enter into the Redevelopment Contract.

4. Subject to approval of the Redevelopment Contract by the City, the Authority hereby authorizes and approves the Redevelopment Contract between the Authority, City, and Redeveloper for the redevelopment of the Redevelopment Area, and hereby authorizes and approves the execution, delivery, and performance of the documents and transactions contemplated by the Redevelopment Project.

5. The Chair and Secretary of the Authority are hereby authorized and directed to execute and deliver the Redevelopment Contract, in substantially the form presented at this meeting, but with such changes, additions, deletions as they deem reasonable or necessary in connection therewith, and to carry out all transactions and take all actions contemplated by the foregoing.

6. Any resolution passed and approved prior to the passage and approval of this Resolution which is in conflict with the terms and provisions of this Resolution is repealed to the extent of such conflict. This Resolution shall take effect and be in force and effect from and after is passage and approval as required by law. The provisions of this Resolution are separable, and invalidity of any phrase, clause, or part of this Resolution shall not affect the validity or effectiveness of the remainder of this Resolution.

IN WITNESS WHEREOF, the undersigned members of the Community Redevelopment Authority of the City of Grand Island, Nebraska, hereby pass and adopt this Resolution and is in force this ____ day of _____ 2014.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

ATTEST:

Chair

Secretary

EXHIBIT “A”

REDEVELOPMENT AREA

- Lot 10 of Grand Island Mall Eighth Subdivision and Lot 2 of the Grand Island Mall Fifteenth Subdivision in the City of Grand Island, Hall County, Nebraska.

EXHIBIT “B”

REDEVELOPMENT CONTRACT

- 4 -

Grand Island Mall – 2228 N Webb Rd

REDEVELOPMENT CONTRACT
(Grand Island Northwest Commons Project)

This Redevelopment Contract is made and entered into as of the _____ day of _____, 2014, by and between the Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), the City of Grand Island, Nebraska, a Nebraska municipality of the first class ("City"), and Grand Island Joint Venture, LLC, a Missouri 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 through 18-2154, Reissue Revised Statutes of Nebraska, 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 "Amended and Restated Site Specific Redevelopment Plan Grand Island CRA Area 9" (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 and enhanced employment area;

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Contract.

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

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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

"Enhanced Employment Act" shall mean Nebraska Legislative Bill 562, 100th Legislature, effective date September 1, 2007, known as the "Enhanced Employment Area Occupation Tax," amending Sections 18-2101, 18-2103, 18-2107, 18-2111, 18-2116, 18-2119, and 18-2130 of the Nebraska Revised Statutes and set forth in the Community Development Law, as may be amended from time to time.

"Enhanced Employment Act Area" referred to in Section 18-2142.02 of the Nebraska Revised Statutes and shall mean that area within a community redevelopment area as shown on Exhibit B, attached hereto and incorporated herein by this reference.

"Enhanced Employment Act Indebtedness" shall mean the occupation tax revenue bonds, refunding bonds, notes, interim certificates, debentures, anticipation notes, and other indebtedness or obligations issued under the terms of this Agreement, the Bond Resolution, and the Occupation Tax Ordinance. The Enhanced Employment Act Indebtedness as initially issued by the Authority shall consist of the Authority's Occupation Tax Revenue Bond (Grand Island Northwest Commons Project), Series 2014, to be issued in an amount not to exceed \$4,000,000.00 in substantially the form set forth on Exhibit E, attached hereto and incorporated herein by this reference, ("Occupation Tax Revenue Bond"), and purchased by the Redeveloper as set forth in Section 4.05 of this Redevelopment Contract.

"Enhanced Employment Act Period" shall mean the lesser of (i) the time period necessary for the occupation taxes levied on the Employment District to pay off any outstanding Enhanced Employment Act Indebtedness which have been issued stating such occupation tax as an available source for payment or (ii) twenty (20) years after the effective date of the Ad Valorem Tax Provision, as provided for in the Community Development Law.

"Enhanced Employment Act Proceeds" shall mean any net proceeds from the issuance of the Enhanced Employment Act Indebtedness.

"Enhanced Employment Act Project" means the improvements to the Enhanced Employment Act Area, as further described in Exhibit B and, as used herein, shall include additions and improvements thereto. The Enhanced Employment Act Project shall include all

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

eligible costs and expenses as set forth on Exhibit I, attached hereto and incorporated herein by this reference.

"Enhanced Employment Act Project Costs" means only costs or expenses incurred by Redeveloper in the Enhanced Employment Act Area as set forth on Exhibit B for the purposes set forth in Section 18-2142.04 (1) (a) or Section 18-2103(12) (a) through (f), inclusive, of the Nebraska Revised Statutes, including providing for such costs by the exercise of the powers set forth in §18-2107(4) of the Act, all as identified on Exhibit I. Enhanced Employment Act Project Costs **do not include** costs or expenses incurred within that portion of the Redevelopment Project Area that is not a part of the Enhanced Employment Act Area.

"Enhanced Employment Act Project Cost Certification" means a statement prepared and signed by an authorized representative of the Redeveloper verifying the Redeveloper has become legally obligated for the payment of Enhanced Employment Act Project Costs identified on Exhibit I.

"Enhanced Employment Act Tax Revenues" shall mean the occupation tax revenues generated and collected under the occupation tax authorized by the Bond Resolution and the Occupation Tax Ordinance.

"Issuance Costs" shall mean: (1) costs and expenses of the City, Authority, and the Redeveloper lawfully attributable to the City's benefit and for the public purpose to issue the indebtedness, pledges, bonds and notes described in this Agreement of the TIF Indebtedness and Enhanced Employment Act Indebtedness, including but not limited to, bond counsel fees, special city attorney fees, fiscal advisory fees, placement fees, legal opinions and advice, and business memorandums, analysis, and advice given to the City and Authority and incurred before or after the Agreement Date in order to fund the Enhanced Employment Act Project and the TIF Project; and (2) the costs the City incurs (on an annual or prorated year) to collect, process and administer the Enhanced Employment Act Proceeds and TIF Revenues, and related bond funds pursuant to the requirements of the Act, including labor costs, equipment, software, promulgated regulations, City and State of Nebraska Department of Revenue accounting, procedures, reports, audits, review and accountability and reporting measures. Issuance Costs shall not include the Redeveloper's attorney fees or any expenses attributed to the funding of the Enhanced Employment Act Costs.

"Liquidated Damages Amount" means the amounts to be repaid to Authority by Redeveloper pursuant to Section 7.02 of this Redevelopment Contract.

"Lot" or "Lots" shall mean the separately platted and subdivided lots within the Redevelopment Project Area established pursuant to an approved and filed subdivision plat in accordance with the ordinances and regulations of the City.

"Master Project" shall mean the TIF Project and Enhanced Employment Act Project.

"Occupation Tax Ordinance" shall mean the City of Grand Island Ordinance No.____, passed _____, 2014 and approved _____, 2014, as amended, and related

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

ordinances authorizing the levy, collection and enforcement of the occupation tax imposed pursuant to the Enhanced Employment Act.

"Redeveloper" means Grand Island Joint Venture, LLC, a Missouri limited liability company.

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

"Redevelopment Project Property" means all of the Redevelopment Project Area which is the site for the improvements constituting the TIF Project, as more particularly described on Exhibit A.

"Redevelopment Contract" means this redevelopment contract between the Authority and Redeveloper with respect to the TIF Project and Enhanced Employment Act Project, as the same may be amended from time to time.

"Redevelopment Plan" means the Redevelopment Plan (also defined in the recitals hereto) for the Redevelopment Project Area and the Enhanced Employment Act Area related to the TIF Project and Enhanced Employment Act Project, as attached hereto and incorporated herein as Exhibit C, prepared by the Authority and approved by the City pursuant to the Act, as amended from time to time.

"Resolution" or "Bond Resolution" means the Resolution of the Authority authorizing the issuance of the TIF Indebtedness and Enhanced Employment Act Indebtedness, as supplemented from time to time, and also approving this Redevelopment Contract.

"Taxes" shall mean taxes and assessments from all applicable government entities including, but not limited to, any income, excise, sales or occupation taxes, ad valorem (real property) taxes, and personal property taxes.

"TIF 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 the Resolution and Article III hereof to provide financing for a portion of the TIF Project Costs and secured in whole or in part by TIF Revenues. The TIF Indebtedness as initially issued by the Authority shall consist of the Authority's Tax Increment Development Revenue Bond (Grand Island Northwest Commons Project), Series 2014, to be issued in an amount not to exceed \$5,600,000.00 in substantially the form set forth on Exhibit D attached hereto and incorporated herein by this reference ("TIF Bond"), and purchased by the Redeveloper as set forth in Section 3.04 of this Redevelopment Contract.

"TIF Project" means the improvements to the Redevelopment Project Area, as further described in Exhibit A, and, as used herein, shall include the Redevelopment Project Property

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

and additions and improvements thereto. The TIF Project shall include all eligible costs and expenses as set forth on Exhibit F, attached hereto and incorporated herein by this reference.

"TIF Project Cost Certification" means a statement prepared and signed by an authorized representative of the Redeveloper verifying the Redeveloper has become legally obligated for the payment of TIF Project Costs identified on Exhibit F.

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

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

"Timeline" shall mean the timeline for the Master Project as generally described on Exhibit H, attached hereto and incorporated herein by this reference.

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.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

(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 and Representations of Authority.

The Authority makes the following findings and representations:

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

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

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

(d) The Master Project is expected to achieve the public purposes of the Act by among other things, increasing employment, increasing investment, improving public infrastructure, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Project Area and Enhanced Employment Act 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 TIF Project would not be economically feasible without the use of tax-increment financing, and

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

(f) The Authority has determined that the costs and benefits of the TIF 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 TIF Project.

(g) The Authority has determined that the proposed land uses and building requirements in the Redevelopment Project Area and Enhanced Employment Act Area are

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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.

(h) Pursuant to section 18-2147 of the Act the redevelopment project valuation shall be the valuation for assessment of the taxable real property in the Redevelopment Project for the year prior to the effective date specified in section 3.01A.

Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

(a) The Redeveloper is a Missouri 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 copy of the Redeveloper's Articles of Organization and Operating Agreement, and a copy of the 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 Master 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) The TIF Project would not be economically feasible without the use of tax increment financing.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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

(f) The Enhanced Employment Act Project will result in at least fifteen (15) new employees and new investment of at least one million dollars (\$1,000,000.00) within the Enhanced Employment Act Area, pursuant to Section 18-2116 of the Nebraska Revised Statutes. (Note: Hall County 2010 Census shows a population of 53,534)

(g) The TIF Indebtedness and Enhanced Employment Act Indebtedness shall not be tax-exempt financing and no interest paid from the TIF Indebtedness and Enhanced Employment Act Indebtedness shall be exempt from federal or state income taxation.

(h) Redeveloper warrants and represents that the costs set forth on Exhibit F are permitted costs under the Act and fit within the statutory definitions set forth in Section 18-2103(12)(a) through (f), inclusive, of the Nebraska Revised Statutes.

(i) Redeveloper warrants and represents that the costs set forth on Exhibit I are permitted costs under the Enhanced Employment Act and the Act and fit within the statutory definitions set forth in Section 18-2142.04(1)(a) of the Nebraska Revised Statutes.

(j) There are no, nor will there be, any single business in the Enhanced Employment Act Area that has one hundred thirty-five thousand square feet or more.

(k) Exhibit G, attached hereto and incorporated herein by this reference, is a list of the proposed businesses and each business's classification that are to be in the Enhanced Employment Act Area.

(l) 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 Master Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Master 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 Master Project.

ARTICLE III

THE PARTIES OBLIGATIONS RELATING TO TAX INCREMENT FINANCING

A. OBLIGATIONS OF THE AUTHORITY

Section 3.01A Division of Taxes.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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 real property in the Redevelopment Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in this section. The effective date of this provision shall be January 1, 2016. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the Redevelopment Project Valuation (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 Project 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 (designated in the Resolution as the "TIF Bond Fund") to pay the principal of, the interest on, and any premium due in connection with the TIF Indebtedness, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, such TIF Project. When such TIF Indebtedness, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such Phase shall be paid into the funds of the respective public bodies.

Section 3.02A Issuance of TIF Indebtedness

The Authority shall authorize the issuance of the TIF Indebtedness in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in the Resolution and this Redevelopment Contract; provided, at all times the maximum amount of the TIF Indebtedness shall be limited to the lesser of (i) the stated face amount of the TIF Indebtedness, or (ii) the sum of all TIF Project Costs incurred by the Redeveloper as set forth on Exhibit F. No TIF Indebtedness will be issued until Redeveloper has acquired fee title to the Redevelopment Project Property and become obligated for construction of the additions and improvements forming a part of the TIF Project as described in the Plan.

Prior to January 1, 2016, the Authority shall issue one Tax Increment Revenue Bond, in one taxable series, in a maximum principal amount of Five Million Six Hundred Thousand and no/100 Dollars (\$5,600,000.00), in substantially the form shown on the attached Exhibit D ("TIF Bond"), for net funds available to be purchased by Redeveloper, or its affiliate ("TIF Bond Purchaser"), in a written form acceptable to Redeveloper's attorney, and receive TIF Bond proceeds from the TIF Bond Purchaser in said amount. At the option of the TIF Bond Purchaser, the Authority shall make a grant to TIF Bond Purchaser in such amount, and such grant shall offset TIF Bond Purchaser's obligation to purchase the TIF Bond. Subject to the terms of this Agreement and the Resolution, the Authority's Treasurer on behalf of the Authority shall have the authority to determine the timing of issuing the TIF Indebtedness and all the other necessary details of the TIF Indebtedness.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

The TIF Bond Purchaser agrees to purchase the TIF 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 TIF Indebtedness. It is the sole responsibility of the TIF Bond Purchaser to effect the sale of the TIF Indebtedness by purchasing the TIF Indebtedness in accordance with the terms of this Redevelopment Contract and the Resolution.

Section 3.03A 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 TIF Indebtedness as the same fall due (including payment of any mandatory redemption amounts set for the TIF Indebtedness in accordance with the terms of the Resolution).

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

The TIF Bond Purchaser has agreed to purchase the TIF Indebtedness from the Authority for a price equal to the principal amount thereof, payable as provided in Section 3.02A and this Section 3.04A. 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 eligible and lawful TIF Project Costs as set forth on Exhibit F, in the aggregate maximum amount not to exceed \$5,600,000.00. Notwithstanding the foregoing, the aggregate amount of the TIF Indebtedness and the grant shall not exceed the amount of TIF Project Costs as certified pursuant to Section 3.02B of this Redevelopment Contract. Such grant shall be made to the TIF Bond Purchaser upon certification of TIF Project Costs as set forth herein and in the Resolution, and payment purchase of the TIF Indebtedness as provided in Section 3.02A, unless TIF Bond Purchaser elects to offset the payment of the purchase of the TIF Indebtedness with the grant proceeds as provided herein and in the Resolution. The Authority shall have no obligation to provide grant funds from any source other than as set forth in the Resolution and this Redevelopment Contract.

Section 3.05A Creation of Funds.

In the Resolution, the Authority has provided for the creation of a the following funds and accounts which funds shall be held by the Authority separate and apart from all other funds and moneys of the Authority and the City:

- (a) a special trust fund called the “Grand Island Northwest Commons Project TIF Bond Fund” (the “TIF Bond Fund”). All of the TIF Revenues shall be deposited into the TIF Bond Fund. The TIF Revenues accumulated in the TIF Bond Fund shall be used and applied on the Business Day prior to each Interest Payment Date to pay principal of or interest on the TIF Bond to the extent of any money then remaining in the TIF Bond Fund on such Interest Payment Date. Money in the TIF Bond Fund shall be used solely for the purposes described herein and in the Resolution. All

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Revenues received through and including December 31, 2030 shall be used solely for the payments required herein and by the Resolution; and

(b) a special trust fund called the “Grand Island Northwest Commons TIF Project Fund” (the “TIF Project Fund”) The Authority shall disburse any money on deposit in the TIF Project Fund from time to time to pay or as reimbursement for payment made for the TIF Project Costs in each case within 5 Business Days after completion of the steps set forth herein and in the Resolution. If a sufficient amount to pay a properly completed TIF Disbursement Request (as defined in Section 3.02B) is not in the TIF Project Fund at the time of the receipt by the Authority of such request, the Authority shall notify the owner of the TIF Bond and such owner may deposit an amount sufficient to pay such request with the Authority for such payment. As set forth in the Resolution, if the TIF Bond Purchaser is the owner of the TIF Bond and the TIF Bond Purchaser so elects, the Authority shall make a grant to TIF Bond Purchaser in the amount of an approved TIF Disbursement Request; in such event, the approved TIF Disbursement Request amount shall offset funding of the TIF Bond.

B. OBLIGATIONS OF REDEVELOPER

Section 3.01B Construction of TIF Project; Insurance.

Redeveloper will complete the TIF Project, demolish structures on the site, prepare the site for redevelopment and install all infrastructure, improvements, lift stations, street lighting, building rehabilitation, fixtures, equipment and furnishings necessary to operate the TIF Project. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the TIF Project. Until construction of the TIF Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority, but not more than quarterly, as to the actual progress of Redeveloper with respect to construction of the TIF Project. Such reports shall include actual expenditures incurred as described on Exhibit F. Promptly after completion by the Redeveloper of the TIF 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).

Section 3.02B Cost Certification & Disbursement of TIF Bond Proceeds.

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

(a) There shall be submitted to the Authority (1) a TIF Project Cost Certification; and, (2) a grant disbursement request (the “TIF Disbursement Request”), executed by the City’s Clerk and an authorized representative of the Redeveloper, (i) certifying that a portion of the TIF Project has been substantially completed and (ii) certifying the actual costs incurred by the Redeveloper in the completion of such portion of the TIF Project.

(b) If the costs requested for reimbursement under the TIF Disbursement Request are currently reimbursable under Exhibit F of this Redevelopment Contract and the Community

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Redevelopment Law, the Authority shall evidence such allocation in writing and inform the owner of the TIF Bond of any amounts allocated to the TIF Bond.

(c) Upon notification from the Authority as described in Section 3.02B (b), deposits to the accounts in the TIF Project Fund may be made from time to time from funds received by the Authority from the owner of the TIF Bond (if other than the Redeveloper) in the amounts necessary to pay amounts requested in properly completed, signed and approved written TIF Disbursement Requests as described herein. Such amounts shall be proceeds of the TIF Bond and the Treasurer of the Authority shall inform the Registrar (as defined in the Bond Resolution) in writing of the date and amount of such deposits. At the option of the Redeveloper, if the Redeveloper is the owner of the TIF Bond, the Authority shall make a grant to Redeveloper in the amount of the approved TIF Disbursement Request; in such event, the approved TIF Disbursement Request amount shall offset funding of the TIF Bond. The Registrar shall keep and maintain a record of the amounts deposited into the TIF Project Fund from TIF Bond proceeds pursuant to the terms of this Resolution as "Principal Amount Advanced" and shall enter the aggregate principal amount then Outstanding as the "Cumulative Outstanding Principal Amount" on its records maintained for the TIF Bond. The aggregate amount deposited into the TIF Project Fund from proceeds of the TIF Bond shall not exceed \$5,600,000.00.

ARTICLE IV

THE PARTIES OBLIGATIONS RELATING TO OCCUPATION TAX REVENUE BONDS

Section 4.01 Enhanced Employment Act Area.

The Authority hereby designates the Enhanced Employment Act Area shown on Exhibit B as an enhanced employment area eligible for the imposition of an occupation tax pursuant to the Enhanced Employment Act. New investment within the Enhanced Employment Act Area will result in at least fifteen (15) new employees and new investment of at least one million dollars (\$1,000,000.00), pursuant to Section 18-2116 of the Nebraska Revised Statutes. (Note: Hall County 2010 Census shows a population of 53,534) The Enhanced Employment Act Area does not exceed six hundred acres.

Section 4.02 Occupation Tax.

The City agrees to levy a general business occupation tax upon all businesses within the Enhanced Employment Act Area for the purpose of paying all or any part of the costs of the Enhanced Employment Act Project Costs within such Enhanced Employment Act Area during the Enhanced Employment Act Period. Beginning on October 1, 2015, and in each calendar month thereafter, there is hereby imposed an occupation tax upon each and every person operating a business within the Enhanced Employment Act Area. The amount of such tax shall be one percent (1.00%) of all transactions which the State of Nebraska is authorized to impose a tax as allowed by the Nebraska Local Option Revenue Act for each calendar month derived from the businesses subject to this tax as more particularly described in the Occupation Tax Ordinance.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Section 4.03 Issuance of Enhanced Employment Act Indebtedness.

As soon as is practicable following the Agreement Date of this Agreement, the Bond Resolution, and the Occupation Tax Ordinance, and as set forth in this Agreement, the Authority shall issue its Enhanced Employment Act Indebtedness in the estimated amount not to exceed Four Million Dollars (\$4,000,000.00), and a term that is not to exceed twenty years, that is payable during the Enhanced Employment Act Period. The Enhanced Employment Act Indebtedness shall be purchased by the Redeveloper, or its affiliate ("Occupation Tax Revenue Bond Purchaser") and the Authority, or a depository agreed to by the Authority and Occupation Tax Revenue Bond Purchaser shall receive the Enhanced Employment Act Bond Proceeds to be deposited into an Authority fund account or a depository fund account agreed to by the Authority and Occupation Tax Revenue Bond Purchaser ("Authority Enhanced Employment Act Project Account") and expended in the priority set forth in Section 4.06 (Use of Enhanced Employment Act Proceeds) below. The Enhanced Employment Act Indebtedness shall specifically provide that any shortfall in anticipated Enhanced Employment Act Tax Revenues from the businesses within the Enhanced Employment Act Area for any reason whatsoever, specifically including a decline in taxable receipts within the Enhanced Employment Act Area or termination of the Enhanced Employment Act Period, shall be borne entirely by the Occupation Tax Revenue Bond Purchaser without recourse of any kind against the City or Authority. The City Administrator on behalf of the City and Authority shall have the authority to determine all the other necessary and reasonable details and mechanics of the Enhanced Employment Act Indebtedness, Enhanced Employment Act Tax Revenues, City Enhanced Employment Act Project Account and the grant of funds for the eligible Enhanced Employment Act Costs.

Section 4.04 Enhanced Employment Act Tax Revenues.

The City intends to impose this occupation tax authorized by the Enhanced Employment Act to generate the Enhanced Employment Act Tax Revenues to be derived from the occupation taxes of the businesses located within the Enhanced Employment Act Area as determined in the manner provided for in the Community Development Law. The City and Authority shall work with the Nebraska Department of Revenue, if necessary, to facilitate the operation of the occupation tax and to secure the Occupation Tax Revenue Bond Purchaser receipt of the Enhanced Employment Act Tax Revenues from such occupation tax.

Section 4.05 Grant of Funds.

In order to support redevelopment of the Enhanced Employment Act Area and as an inducement for the Redeveloper to construct the Enhanced Employment Act Project, the Authority agrees, to the extent allowed by law and then only to the extent Enhanced Employment Act Proceeds are lawfully available from the issuance of the Enhanced Employment Act Indebtedness, to make a grant or grants to Occupation Tax Revenue Bond Purchaser up to the total amount of the Enhanced Employment Act Proceeds less the Authority's Issuance Costs to issue the Enhanced Employment Act Indebtedness ("Grant Funds"), and to reimburse Occupation Tax Revenue Bond Purchaser for the cost of the priority items identified in Section 4.06 (Use of Enhanced Employment Act Proceeds) below, provided that only costs incurred after

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

the Agreement Date shall be eligible for payment. The grants are restricted and earmarked for the funding of the eligible Enhanced Employment Act Project Costs as described herein and the Occupation Tax Revenue Bond Purchaser does not have discretionary judgment over the applications of said Grant Funds.

Notwithstanding the foregoing, the aggregate amount of the Enhanced Employment Act Indebtedness and the grant shall not exceed the amount of Enhanced Employment Act Project Costs as certified pursuant to Section 4.06 of this Redevelopment Contract. Such grant shall be made to the Occupation Tax Revenue Bond Purchaser upon certification of Enhanced Employment Act Project Costs as set forth herein and in the Resolution, and purchase of the Enhanced Employment Act Indebtedness as provided in Section 4.03, unless Occupation Tax Revenue Bond Purchaser elects to offset the payment of the purchase of the Enhanced Employment Act Indebtedness with the grant proceeds as provided herein and in the Resolution. The Authority shall have no obligation to provide grant funds from any source other than as set forth in the Resolution and this Redevelopment Contract.

Section 4.06 Cost Certification & Disbursement of Enhanced Employment Act Occupation Tax Revenue Bond Proceeds.

Proceeds of the Occupation Tax Revenue Bond may be advanced and disbursed in the manner set forth below:

(a) There shall be submitted to the Authority (1) an Enhanced Employment Act Project Cost Certification; and, (2) a grant disbursement request (the "EEA Disbursement Request"), executed by the City's Clerk and an authorized representative of the Occupation Tax Revenue Bond Purchaser, (i) certifying that a portion of the Enhanced Employment Act Project has been substantially completed and (ii) certifying the actual costs incurred by the Redeveloper in the completion of such portion of the Enhanced Employment Act Project.

(b) If the costs requested for reimbursement under the EEA Disbursement Request are currently reimbursable under Exhibit I of this Redevelopment Contract and the Community Redevelopment Law, the Authority shall evidence such allocation in writing and inform the owner of the Occupation Tax Revenue Bond of any amounts allocated to the Occupation Tax Revenue Bond.

(c) Upon notification from the Authority as described in Section 4.06(b), deposits to the accounts in the Authority Enhanced Employment Act Project Account may be made from time to time from funds received by the Authority from the owner of the Occupation Tax Revenue Bond (if other than the Redeveloper) in the amounts necessary to pay amounts requested in properly completed, signed and approved written EEA Disbursement Requests as described herein. Such amounts shall be proceeds of the Occupation Tax Revenue Bond and the Treasurer of the Authority shall inform the Registrar (as defined in the Bond Resolution) in writing of the date and amount of such deposits. At the option of the Occupation Tax Revenue Bond Purchaser, the Authority shall make a grant to Occupation Tax Revenue Bond Purchaser in the amount of the approved EEA Disbursement Request; in such event, the approved EEA Disbursement Request amount shall offset funding of the Occupation Tax Revenue Bond. The Registrar shall keep and maintain a record of

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

the amounts deposited into the Authority Enhanced Employment Act Project Account from Occupation Tax Revenue Bond proceeds pursuant to the terms of this Resolution as “Principal Amount Advanced” and shall enter the aggregate principal amount then Outstanding as the “Cumulative Outstanding Principal Amount” on its records maintained for the Occupation Tax Revenue Bond. The aggregate amount deposited into the Authority Enhanced Employment Act Project Account from proceeds of the Occupation Tax Revenue Bond shall not exceed \$4,000,000.00.

The Enhanced Employment Act Proceeds deposited into the Authority Enhanced Employment Act Project Account shall be expended in the following priority:

i. FIRST PRIORITY: Reimburse the Authority and Redeveloper for the Issuance Costs related to issuing the Enhanced Employment Act Indebtedness; and

iv. SECOND PRIORITY: Reimburse Occupation Tax Revenue Bond Purchaser for costs of the eligible Enhanced Employment Act Project Costs subject to the provisions of this Redevelopment Contract. It is understood and agreed that the Authority shall and hereby is obligated in any year after substantial completion of the Enhance Employment Act Project and for each and every succeeding year thereafter during the Enhanced Employment Act Period, to the extent allowed by law, and then only to the extent funds are lawfully available from occupation taxes related to the Enhanced Employment Act Area and not otherwise obligated in this Agreement for debt service or otherwise, reimburse the Occupation Tax Revenue Bond Purchaser for the Occupation Tax Revenue Bond Purchaser’s costs for eligible and lawful Enhanced Employment Act Project Costs subject to the provisions of this Redevelopment Contract.

In the event the Enhanced Employment Act Proceeds are insufficient to fund any or all of the Priority item(s) as shown above, then such costs and expense shall be borne entirely by the Redeveloper without recourse of any kind against the City and/or Authority. Any ineligible use of the Grant Funds shall immediately be repaid by Redeveloper to the Authority.

Section 4.07 Debt Service for Enhanced Employment Act Indebtedness.

The Authority shall, to the extent allowed by law, and then only to the extent funds are lawfully available from Enhanced Employment Act Tax Revenues, pay the debt service on the Enhanced Employment Act Indebtedness with interest at a rate per annum not to exceed three and one-half percent (3.5%) compounded semi-annually. Any debt service on the Enhanced Employment Act Indebtedness (including interest) to be paid from Enhanced Employment Act Tax Revenues shall not constitute a general obligation or debt of the City or Authority. Any excess Enhanced Employment Act Tax Revenues shall be held, invested and expended by the City for priorities described above in Section 4.06 (Use of Enhanced Employment Act Proceeds). Any such occupation tax shall remain in effect during the Enhanced Employment Act Period.

Section 4.08 Deficiency in Enhanced Employment Act Tax Revenues.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

If the Redeveloper purchases the Enhanced Employment Act Indebtedness, any shortfall in anticipated Enhanced Employment Act Tax Revenues for any reason whatsoever, specifically including a decline in taxable receipts within the Enhanced Employment Act Area shall be borne entirely by the Redeveloper without recourse of any kind against the City and/or Authority. To the extent of any deficiency in Enhanced Employment Act Tax Revenues from the occupation tax for required debt service on the Enhanced Employment Act Indebtedness during the Enhanced Employment Act Period, the Redeveloper as purchaser of the Occupation Tax Revenue Bond agrees to defer payment of the same for each year that there exists a deficiency. If Redeveloper is required to defer any such payments, the Authority shall reimburse all sums deferred plus interest (at the same interest rate of the then outstanding Occupation Tax Revenue Bond) if and when Enhanced Employment Act Tax Revenues do become available from the occupation taxes of the businesses located within the Enhanced Employment Act Area to meet current debt service and reimburse Redeveloper for such deferred payments. In the event the Enhanced Employment Act Indebtedness for the Enhanced Employment Act Area are not retired in full at the end of the Enhanced Employment Act Period, any remaining Enhanced Employment Act Indebtedness shall be forgiven. In the event that any deficiency payments made by the Redeveloper as required by this subsection or any interest that has accrued thereon have not been repaid at the end of the Enhanced Employment Act Period, Redeveloper agrees that neither the City or Authority shall not be liable for payment of said amounts and that said amounts shall be forgiven.

Section 4.09 Duty to Maintain.

During the Enhanced Employment Act Period, Redeveloper, at its cost, subject to reimbursement for Enhanced Employment Act Project Costs from any available Enhanced Employment Act Proceeds as described herein, shall, following construction of the Enhanced Employment Act Project (a) maintain the same in good order and condition and state of repair in accordance with the prevailing standards from time to time for retail developments and improvements of similar size, kind and quality in Grand Island, Nebraska, and (b) maintain the related grounds in a safe and sanitary condition including, but not limited to, sweeping and removal of trash, litter and refuse, repair and replacement of paving as reasonably necessary, maintenance of landscaped areas (including replacement and replanting), removal of snow and ice from sidewalks, driveways, parking areas, and private roadways, in order to keep the same free from dilapidation or deterioration and free from conditions which endanger life or property by fire or other causes. In addition, the Redeveloper's duty to maintain the Enhanced Employment Act Project on the Enhanced Employment Act Area during the Enhanced Employment Act Period shall include the following:

i. The standard of maintenance for the Enhanced Employment Act Area shall be comparable to the standards of maintenance, repair and replacement followed in other good quality retail developments in Grand Island, Nebraska.

ii. Maintaining, repairing and replacing all paved surfaces of the Enhanced Employment Act Area in a reasonably smooth and evenly covered condition, which maintenance work shall include, without limitation, cleaning, sweeping, restriping, repairing and resurfacing any paved surfaces as reasonably necessary.

iii. Removing of all filth, paper and refuse to the extent necessary to keep the Enhanced Employment Act Area in a clean and orderly condition.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

iv. Placing, keeping in repair and replacing when reasonably necessary any appropriate directional signs, markers and lines.

v. Keeping in repair and replacing when reasonably necessary such lighting facilities as may be installed on the Enhanced Employment Act Area.

vi. Maintaining all finished landscaped areas, repairing irrigation systems and water lines, and replacing shrubs and other finished landscaping as reasonably necessary; provided, however, that nothing in this Agreement shall obligate the Redeveloper to landscape any portion of an unimproved real estate prior to the date it is improved.

vii. Cleaning, maintaining and repairing of all sidewalks.

viii. Maintaining in good and safe condition and state of repair any building exterior improvements located thereon.

Section 4.10 Reimbursement of Grants.

Redeveloper agrees to repay the Authority the grant or grants of funds as provided for in Section 4.05 above in the event Redeveloper fails to obtain the general Certificate of Occupancy for the Enhanced Employment Act Project within one hundred and eighty (180) days after the date as shown in the Timeline as such date may be extended for delays as set forth in Section 7.04, and upon such repayment of the grant funds, this Agreement shall be null and void in regards to the Redeveloper and the Enhanced Employment Act Area and the improvements located thereon. In the event the Redeveloper fails to maintain the Redeveloper's Enhanced Employment Act Project as provided in Section 4.09 above, and the Redeveloper fails to cure such breach within thirty (30) days after receiving written notice specifying the manner in which the Redeveloper has breached this Agreement from the Authority, or such longer period if such deficiency cannot reasonably be cured within such thirty (30) day period, then such duty to maintain shall be considered a violation of the City of Grand Island Property Maintenance Code, and the City and/or Authority shall have the right to enforce Redeveloper's duty to maintain as provided in the City of Grand Island Code, or by any other means provided by law.

Section 4.11 Agreement to Pay Taxes.

Redeveloper agrees to use commercially reasonable efforts to require its tenants located within the Enhanced Employment Act Area to pay all occupation taxes levied upon the Enhanced Employment Act Area and improvements thereon prior to the time the taxes become delinquent. Redeveloper shall include this requirement in all tenant leases of space located within the Enhanced Employment Act Area. This contractual obligation to pay such taxes prior to delinquency shall cease upon expiration of the Enhanced Employment Act Period or so long as the Occupation Tax Revenue Bond remains outstanding whichever period of time is shorter.

Section 4.12 City and Authority Not Liable for Deficiency.

Any debt service on the Enhanced Employment Act Indebtedness (including interest) to be paid from Enhanced Employment Act Tax Revenues shall not constitute a general obligation or debt of the City or Authority. Neither the City nor Authority shall be liable for any deficiency nor shortfall in the anticipated collection of the occupation tax revenue collected in the Enhanced Employment Act Area.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Section 4.13 Insurance Damage or Destruction of the Enhanced Employment Act Project.

During the Enhanced Employment Act Period, Redeveloper shall include by restrictive covenant an enforceable obligation on the Redeveloper or other owner or tenant in possession to maintain property insurance on an extended coverage all-risk basis in an amount not less than the replacement value of the Enhanced Employment Act Project, allowing for reasonable coinsurance clauses and deductibles and also subject to the Redeveloper or other owner or tenant's obligation to restore the Enhanced Employment Act Project to its prior condition within fifteen (15) months from the date of the damage or destruction, diligently pursuing the same to completion.

Section 4.14 Termination.

Notwithstanding any contrary provision, the occupation tax upon the businesses within the Enhanced Employment Act Area shall cease upon expiration of the Enhanced Employment Act Period or full repayment of the Enhanced Employment Act Indebtedness, whichever period of time is shorter. The provisions of Section 4.1 through 4.13 of this Agreement shall terminate for the Enhanced Employment Act Area upon expiration of the Enhanced Employment Act Period or full repayment of the Enhanced Employment Act Indebtedness, whichever period of time is shorter.

ARTICLE V

FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 5.01 Financing.

Redeveloper shall pay all costs related to the redevelopment of the Redevelopment Project Area, the Redevelopment Project Property, and Enhanced Employment Act Area which are in excess of the amounts paid from the proceeds of the grant provided from the proceeds of the TIF Indebtedness and Enhanced Employment Act Proceeds and granted to Redeveloper. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.

ARTICLE VI

RESTRICTIONS AND CONSENT

Section 6.01 Relocation.

Redeveloper, at its cost, shall be responsible to pay any required tenant relocation costs as required by any federal, state or local relocation laws, including but not limited to, the Nebraska Relocation Assistance Act (Neb. Rev. Stat. Section 76-12114 et seq.) (collectively "Relocation

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Laws”), in order to implement the Master Project within the Redevelopment Project Area and the Enhanced Employment Act Area.

Section 6.02 Consent.

Redeveloper hereby covenants and consents with respect to the designation of the property set forth in Exhibit B, and incorporated herein by this reference, as an enhanced employment area pursuant to Section 18-2119 of the Enhanced Employment Act and as a redevelopment project under the Act, and such covenant and consent shall be binding upon all future owners of the Enhanced Employment Act Area.

ARTICLE VII

DEFAULT, REMEDIES; INDEMNIFICATION

Section 7.01 General Remedies of Authority and Redeveloper.

Subject to the further provisions of this Article VII, 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 TIF Indebtedness and Enhanced Employment Act Indebtedness and the subsequent payment of grant amounts to the Redeveloper as set forth in this Agreement.

Section 7.02 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 TIF Project Costs and/or Enhanced Employment Act Project Costs on or before June 1, 2015, or shall not have obtained the General Certificate of Occupancy for the Enhanced Employment Act Project and abandoned construction work related to the aforementioned costs, once commenced, for any period of 180 days, excepting delays caused by inclement weather, or forced delay as set forth in Section 7.04; and

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

(b) the Redeveloper, or its successor in interest, 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 delinquent, and such failure has not been cured within 30 days following written notice from Authority, then the Redeveloper shall be in default of this Redevelopment Contract.

In the event of such failure to perform, breach or default occurs and is not cured in the period herein provided, the parties agree that the damages caused to the Authority would be difficult to determine with certainty and that a reasonable estimation of the amount of damages that could be incurred is the amount of the grant to Redeveloper pursuant to Section 3.04A and 4.05 of this Redevelopment Contract, less any reductions in the principal amount of the TIF Indebtedness and Enhanced Employment Act 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 applied as a reduction to the outstanding principal amount of the Bond.

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, the Project, and the Enhanced Employment Act Area.

The Redeveloper shall be required to purchase and maintain property insurance upon the Master 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 Redeveloper 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 the policies. In addition, before commencing any work, the Redeveloper shall provide a penal bond in the amount of \$25,000.00 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 TIF Project Costs and Enhanced Employment Act 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 7.03 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 7.02), 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 of rescission on termination of this Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Section 7.04 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 Project Area and Enhanced Employment Act Area or any part thereof for redevelopment, or the beginning and completion of construction of the TIF Project and Enhanced Employment Act Area 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 or delays in the issuance of any necessary permits and other governmental approvals; 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 Master 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 7.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VII or this Redevelopment Contract to the contrary, neither the City, the Authority, nor their respective elected officials, officers, directors, appointed officials, employees, agents nor their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The sole obligation of the Authority under this Redevelopment Contract shall be the issuance of the TIF Indebtedness and Enhanced Employment Act Indebtedness and granting of a portion of the proceeds thereof to Redeveloper, and full compliance with the terms specifically set forth in this Agreement and payment of TIF Revenues and Enhanced Employment Act Revenues pledged pursuant to the Resolution. 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 Master Project.

Redeveloper agrees to indemnify and hold City and Authority harmless to the extent of any payments in connection with carrying out completion of the Enhanced Employment Act Project the City may make, for failure of Redeveloper to make payments of all amounts lawfully due to all persons, firms, or organizations who performed labor or furnished materials, equipment, or supplies used in construction of the Enhanced Employment Act Project.

Redeveloper agrees to indemnify and hold City and Authority harmless for failure of Redeveloper to make payments of all amounts lawfully due to all persons, firms, or organizations under the Relocation Laws in connection with or implementation of the Master Project within the

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Redevelopment Project Area and the Enhanced Employment Act Area. This Section survives any termination of this Agreement.

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, excluding litigation expenses, attorneys' fees and expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about that portion of the Master Project owned by the Redeveloper, during the term of this Redevelopment Contract or arising out of any action or inaction of Redeveloper, related to activities of the Redeveloper or its agents during the construction of the public infrastructure or public right of ways in the Master Project. The City and Authority do not waive their governmental immunity by entering into this Agreement and fully retain all immunities and defenses provided by law.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 Notice Recording.

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

Section 8.02 Governing Law.

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

Section 8.03 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Authority. Such consent shall not be unreasonably withheld, conditioned or delayed. 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 8.04 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.

Section 8.05 Effective Date and Implementation of Redevelopment Contract.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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

Section 8.06 Notices to Parties.

Notices to Parties shall be mailed by certified U. S. Mail, return receipt requested, postage prepaid, to the following addresses:

To Redeveloper:
Grand Island Joint Venture, LLC
Attention: Michael H. Staenberg
2127 Innerbelt Business Center Drive
Suite 310
St. Louis, MO 63114

With Copies to:

Grand Island Joint Venture, LLC
Attention: General Counsel
2127 Innerbelt Business Center Drive
Suite 310
St. Louis, MO 63114

and

Mark L. Brasee
Fraser Stryker PC LLO
500 Energy Plaza
409 South 17th Street
Omaha, NE 68102

And

To Authority and City:
Grand Island City Clerk
100 E. 1st Street
Grand Island, NE
68801

With Copy to:
Michael L. Bacon
Bacon & Vinton Attorneys
P.O. Box 208
Gothenburg, NE 69138

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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

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

ATTEST:

Secretary

COMMUNITY DEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA

By: _____
Chairman

ATTEST:

Clerk

THE CITY OF
GRAND ISLAND, NEBRASKA

By: _____
Mayor

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

GRAND ISLAND JOINT VENTURE, LLC

By: TSG Grand Island Investors, LLC, Manager

By: _____
Michael H. Staenberg
Manager

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of 2014, by _____ and _____, Chairman and Secretary, respectively, of the Community Redevelopment Authority of the City of Grand Island, Nebraska, on behalf of the Authority.

Notary Public

STATE OF NEBRASKA)
) SS
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of 2014, by _____ and _____, Mayor and Clerk, respectively, of the City of Grand Island, Nebraska, on behalf of the City.

Notary Public

STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this _____ day of _____, 2014, by Michael H. Staenberg, the Manager of TSG Grand Island Investors, LLC, a Missouri limited liability company, the Manager of Grand Island Joint Venture, LLC, on behalf of the limited liability company.

Notary Public

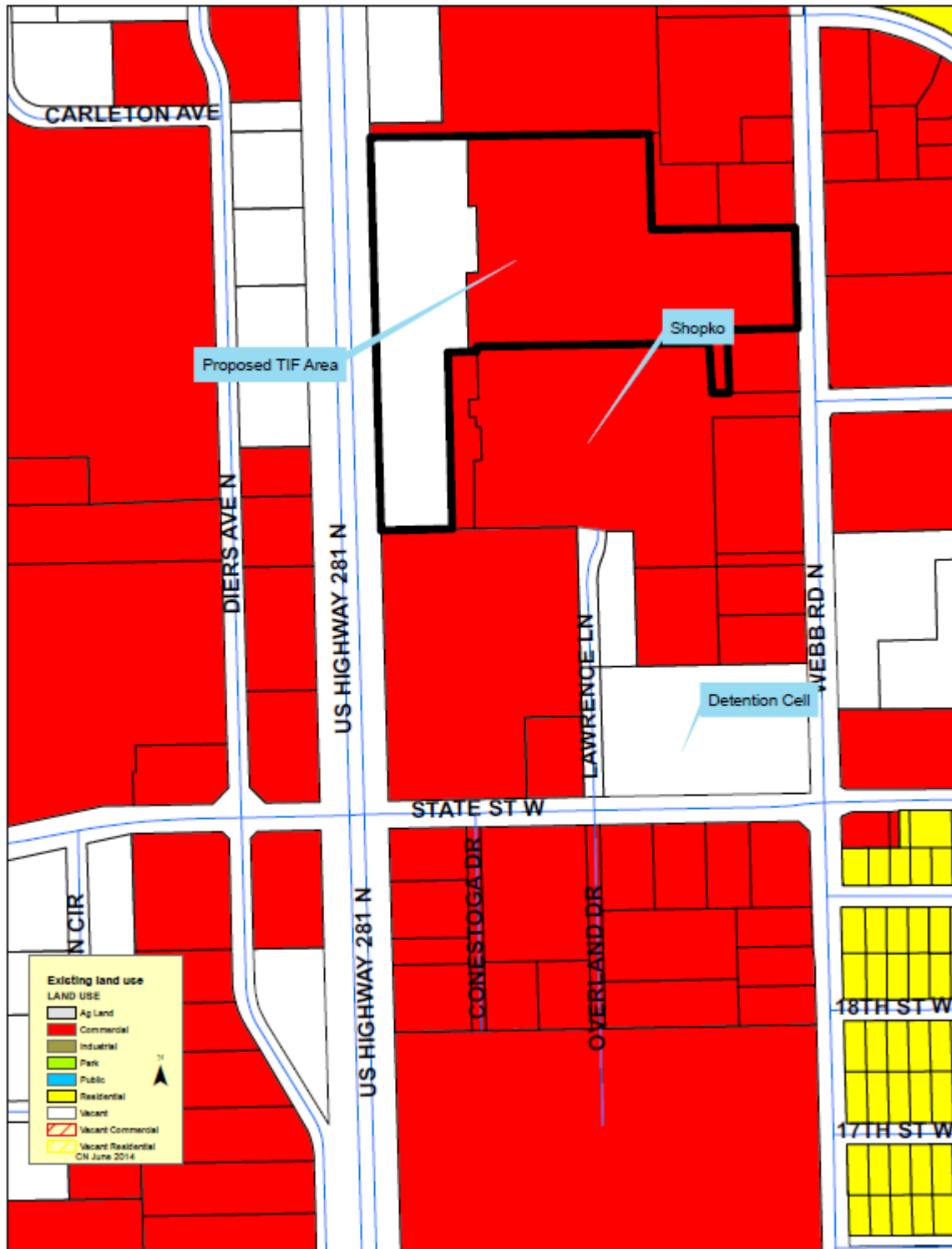
Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT A

DESCRIPTION OF REDEVELOPMENT PROJECT AREA

- Lot 10 of Grand Island Mall Eighth Subdivision and Lot 2 of the Grand Island Mall Fifteenth Subdivision in the City of Grand Island, Hall County, Nebraska. It is anticipated that these will be replatted to facilitate the Master Project.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd



Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT B

DESCRIPTION OF ENHANCED EMPLOYMENT AREA

A tract of land comprising all of Lot Ten (10), Grand Island Mall Eighth Subdivision and all of Lot Two (2), Grand Island Mall Fifteenth Subdivision, all in the City of Grand Island, Hall County, Nebraska, and containing 16.428 acres more or less, EXCEPTING THEREFROM

A tract of land comprising a part of Lot Ten (10), Grand Island Mall Eighth Subdivision and a part of Lot Two (2), Grand Island Mall Fifteenth Subdivision, all in the City of Grand Island, Hall County, Nebraska, and more particularly described as follows:

Beginning at the northwest corner of said Lot Ten (10); thence running easterly on the north line of said Lots Ten (10), on an Assumed Bearing of N89°47'33"E, a distance of Two Hundred Thirty Five (235.00) feet, to the Actual Point of Beginning; thence continuing N89°47'33"E, on the north line of said Lot Ten (10) and said Lot Two (2), a distance of Two Hundred Fifty Three and Fifty Hundredths (253.50) feet; thence running S00°12'27"E, a distance of Two Hundred Six (206.00) feet; thence running S89°47'33"W, a distance of Two Hundred Fifty Three and Fifty Hundredths (253.50) feet; thence running N00°12'27"W, a distance of Two Hundred Six (206.00) feet, to the Actual Point Of Beginning and containing 1.672 acres more or less. Net 14.756 acres more or less.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT C

REDEVELOPMENT PLAN

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT D

(FORM OF TIF INDEBTEDNESS BOND)

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND THIS BOND MAY NOT BE TRANSFERRED UNLESS THE PROPOSED ASSIGNEE HAS OBTAINED AND PROVIDED TO THE AUTHORITY, PRIOR TO SUCH TRANSFER AND ASSIGNMENT, AN INVESTOR'S LETTER IN FORM AND SUBSTANCE SATISFACTORY TO THE AUTHORITY EVIDENCING THE COMPLIANCE WITH THE PROVISIONS OF ALL FEDERAL AND STATE SECURITIES LAWS AND CONTAINING SUCH OTHER REPRESENTATIONS AS THE AUTHORITY MAY REQUIRE.

THIS BOND MAY BE TRANSFERRED ONLY IN THE MANNER AND ON THE TERMS AND CONDITIONS AND SUBJECT TO THE RESTRICTIONS STATED IN RESOLUTION NO. _____ OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA

TAX INCREMENT DEVELOPMENT REVENUE BOND
(GRAND ISLAND NORTHWEST COMMONS PROJECT), SERIES 201_

No. R-1 \$_____.00

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2030

_.00%

REGISTERED OWNER:

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

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

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA has caused this Bond to

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

be signed by the manual signature of the Chairman of the Community Redevelopment Authority of the City of Grand Island, countersigned by the manual signature of the Secretary of the Community Redevelopment Authority of the City of Grand Island, and the City's corporate seal imprinted hereon.

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

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on May 1 and November 1 of each year until payment in full of such Principal Amount, beginning _____, 201_, by check or draft mailed to the Registered Owner hereof as shown on the bond registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable interest payment date occurs, at such Owner's address as it appears on such bond registration books. The principal of this Bond and the interest hereon are payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Bond is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____, 201_, as from time to time amended and supplemented (the “**Resolution**”).

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

THE PRINCIPAL AMOUNT OF THIS BOND IS SET FORTH IN SCHEDULE 1 ATTACHED HERETO. THE MAXIMUM PRINCIPAL AMOUNT OF THIS BOND IS \$_____.

IN THE EVENT OF CERTAIN EVENTS OF DEFAULT BY THE REDEVELOPER (AS DEFINED IN THE RESOLUTION), UNDER SECTION 7.02 OF THE REDEVELOPMENT CONTRACT (AS DEFINED IN THE RESOLUTION), THE PRINCIPAL AMOUNT OF THIS BOND SHALL BE OFFSET AND REDUCED BY THE AMOUNT OF ANY GRANT BY THE AUTHORITY TO THE REDEVELOPER OF PROCEEDS OF THIS BOND, AS PROVIDED IN THE REDEVELOPMENT CONTRACT.

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

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

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

The Registered Owner may from time to time enter the respective amounts advanced pursuant to the terms of the Resolution under the column headed "Principal Amount Advanced" on **Schedule 1** hereto (the "**Table**") and may enter the aggregate principal amount of this Bond then

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

outstanding under the column headed "Cumulative Outstanding Principal Amount" on the Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Registered Owner pursuant to the redemption provisions of the Resolution, the Registered Owner may enter the principal amount paid on this Bond under the column headed "Principal Amount Redeemed" on the Table and may enter the then outstanding principal amount of this Bond under the column headed "Cumulative Outstanding Principal Amount" on the Table. Notwithstanding the foregoing, the records maintained by the Trustee as to the principal amount issued and principal amounts paid on this Bond shall be the official records of the Cumulative Outstanding Principal Amount of this Bond for all purposes.

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

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

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

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

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

absolute owner hereof for the purpose of receiving payment of or on account of principal of and interest due hereon and for all other purposes.

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

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

[The remainder of this page intentionally left blank]

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

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

By:

Title:

[The remainder of this page intentionally left blank]

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
GRAND ISLAND NORTHWEST COMMONS PROJECT
TAX INCREMENT DEVELOPMENT REVENUE BOND, SERIES 201_**

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

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT E

(FORM OF ENHANCED EMPLOYMENT ACT INDEBTEDNESS BOND)

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND THIS BOND MAY NOT BE TRANSFERRED UNLESS THE PROPOSED ASSIGNEE HAS OBTAINED AND PROVIDED TO THE AUTHORITY, PRIOR TO SUCH TRANSFER AND ASSIGNMENT, AN INVESTOR'S LETTER IN FORM AND SUBSTANCE SATISFACTORY TO THE AUTHORITY EVIDENCING THE COMPLIANCE WITH THE PROVISIONS OF ALL FEDERAL AND STATE SECURITIES LAWS AND CONTAINING SUCH OTHER REPRESENTATIONS AS THE AUTHORITY MAY REQUIRE.

THIS BOND MAY BE TRANSFERRED ONLY IN THE MANNER AND ON THE TERMS AND CONDITIONS AND SUBJECT TO THE RESTRICTIONS STATED IN RESOLUTION NO. _____ OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA.

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF HALL

COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA
OCCUPATION TAX REVENUE BOND
(GRAND ISLAND NORTHWEST COMMONS PROJECT), SERIES 201_

No. R-1

Up to \$_____.00
(subject to reduction as described herein)

Date of
Original Issue

Date of
Maturity

Rate of
Interest

December 31, 2030

_.00%

REGISTERED OWNER:

PRINCIPAL AMOUNT: SEE SCHEDULE 1 ATTACHED HERETO

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

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA has caused this Bond to

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

be signed by the manual signature of the Chairman of the Community Redevelopment Authority of the City of Grand Island, countersigned by the manual signature of the Secretary of the Community Redevelopment Authority of the City of Grand Island, and the City's corporate seal imprinted hereon.

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

[S E A L]

By: _____ (manual signature)
Chairman

By: _____ (manual signature)
Secretary

The **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA** (the “**Authority**”) acknowledges itself indebted to, and for value received hereby promises to pay, but solely from certain specified tax revenues and other funds hereinafter specified, to the Registered Owner named above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter referred to), the Principal Amount on Schedule 1 attached hereto upon presentation and surrender hereof at the office of the registrar and paying agent herefor, the Treasurer of the City of Grand Island, Nebraska (the “**Registrar**”), and in like manner to pay interest on the Cumulative Outstanding Principal Amount reflected in **Schedule 1** at the Rate of Interest stated above, calculated on the basis of a 360-day year consisting of twelve, 30-day months, from the Date of Original Issue stated above, or the most recent interest payment date to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on May 1 and November 1 of each year until payment in full of such Principal Amount, beginning _____, 201_, by check or draft mailed to the Registered Owner hereof as shown on the bond registration books maintained by the Registrar on the 15th day of the month preceding the month in which the applicable interest payment date occurs, at such Owner's address as it appears on such bond registration books. The principal of this Bond and the interest hereon are payable in any coin or currency which on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This Bond is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153, inclusive, Reissue Revised Statutes of Nebraska, as amended, and under and pursuant to Resolution No. _____ duly passed and adopted by the Authority on _____, 201_, as from time to time amended and supplemented (the “**Resolution**”).

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

THE PRINCIPAL AMOUNT OF THIS BOND IS SET FORTH IN SCHEDULE 1 ATTACHED HERETO. THE MAXIMUM PRINCIPAL AMOUNT OF THIS BOND IS \$_____.

IN THE EVENT OF CERTAIN EVENTS OF DEFAULT BY THE REDEVELOPER (AS DEFINED IN THE RESOLUTION), UNDER SECTION 7.02 OF THE REDEVELOPMENT CONTRACT (AS DEFINED IN THE RESOLUTION), THE PRINCIPAL AMOUNT OF THIS BOND SHALL BE OFFSET AND REDUCED BY THE AMOUNT OF ANY GRANT BY THE AUTHORITY TO THE REDEVELOPER OF PROCEEDS OF THIS BOND, AS PROVIDED IN THE REDEVELOPMENT CONTRACT.

This Bond is a special limited obligation of the Authority payable as to principal and interest solely from and is secured solely by the Enhanced Employment Act Revenues (as defined in the Resolution) and certain other money, funds and securities pledged under the Resolution, all on the terms and conditions set forth in the Resolution. The Enhanced Employment Act Revenue represents the occupation tax revenues generated and collected under the occupation tax authorized by the Bond Resolution and the Occupation Tax Ordinance in accordance with law.

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

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

The Registered Owner may from time to time enter the respective amounts advanced pursuant to the terms of the Resolution under the column headed "Principal Amount Advanced" on **Schedule 1** hereto (the "**Table**") and may enter the aggregate principal amount of this Bond then outstanding under the column headed "Cumulative Outstanding Principal Amount" on the Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

Registered Owner pursuant to the redemption provisions of the Resolution, the Registered Owner may enter the principal amount paid on this Bond under the column headed "Principal Amount Redeemed" on the Table and may enter the then outstanding principal amount of this Bond under the column headed "Cumulative Outstanding Principal Amount" on the Table. Notwithstanding the foregoing, the records maintained by the Trustee as to the principal amount issued and principal amounts paid on this Bond shall be the official records of the Cumulative Outstanding Principal Amount of this Bond for all purposes.

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

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

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

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

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

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

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

[The remainder of this page intentionally left blank]

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

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

By:

Title:

[The remainder of this page intentionally left blank]

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

SCHEDULE 1

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**COMMUNITY REDEVELOPMENT AUTHORITY OF
THE CITY OF GRAND ISLAND, NEBRASKA
GRAND ISLAND NORTHWEST COMMONS PROJECT
OCCUPATION TAX REVENUE BOND, SERIES 201_**

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

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT F

TIF PROJECT COSTS*

Redevelopment TIF Project Costs

1. Development Costs (site demolition, electric, gas, and telephone Development, site electric, sewers, water)	\$879,200.00
2. Building Rehabilitation Costs (Gross Building Shell, Tenant White Box)	\$5,511,987
3. Soft Costs (architecture, engineering, design, legal, inspection, and related fees)	\$274,059
<u>TOTAL</u>	<u>\$6,665,246</u>

*** TIF Project Costs not used in one category may be used in another category, but the total TIF Project Costs shall not exceed the amount of the TIF Indebtedness.**

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT G

LIST OF BUSINESS CLASSIFICATIONS

During the Enhanced Employment Act Period, the business within the Enhanced Employment Act Area shall be classified as follows:

1) **General Retail:** apparel, cosmetics, specialty stores, salons, restaurants, services, and related businesses.

2) **Non-Occupation Tax Retail:** users of space, or kinds of transactions where an occupations tax cannot be imposed pursuant to Section 18-2142.02 of the Nebraska Revised Statutes, as amended, which includes, but is not limited to 1) manufacturers or wholesalers of alcoholic liquor; 2) producers, suppliers, distributors, wholesalers, or importers of motor fuel and/or gasoline; 3) stamping agents engaged in distributing or selling cigarettes at wholesale; 4) the first owner of tobacco products in the state of Nebraska; and 5) the gross receipts from the sale, lease, or rental of and the storage use, or other consumption of food or food ingredients except for prepared food and food sold through vending machines.

3) **Other:** businesses that are not either General Retail or Non-Occupation Tax Retail.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT H

TIMELINE

Anticipated completion for the Main Mall Parcel containing approximately 128,000 square feet of retail space is June, 2016 with the additional three Outlots to be developed as the market demands.

Northwest Commons – Grand Island Mall, 2228 N Webb Rd

EXHIBIT I

ENHANCED EMPLOYMENT ACT PROJECT COSTS*

Enhanced Employment Act Project Costs

1. Development Costs (grading, curbs, paving, signage, landscaping, parking lot lighting, and trash receptacles)	\$2,176,675
2. Building Rehabilitation Costs (gross Building Shell, tenant white box)	\$5,235,620
3. Soft Costs (architecture, staking, engineering, design, legal, inspection, and related fees)	\$427,841
<u>TOTAL</u>	<u>\$7,840,136</u>

*** Enhanced Employment Act Project Costs not used in one category may be used in another category, but the total Enhanced Employment Act Project Costs shall not exceed the amount of the Enhanced Employment Act Indebtedness.**

*** Enhanced Employment Act Project Costs are restricted to eligible and lawful costs and expenses incurred with respect to *only* the Enhanced Employment Act Area and not the greater Redevelopment Project Area.**

Northwest Commons – Grand Island Mall, 2228 N Webb Rd



Community Redevelopment Authority (CRA)

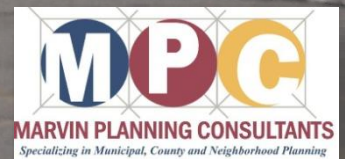
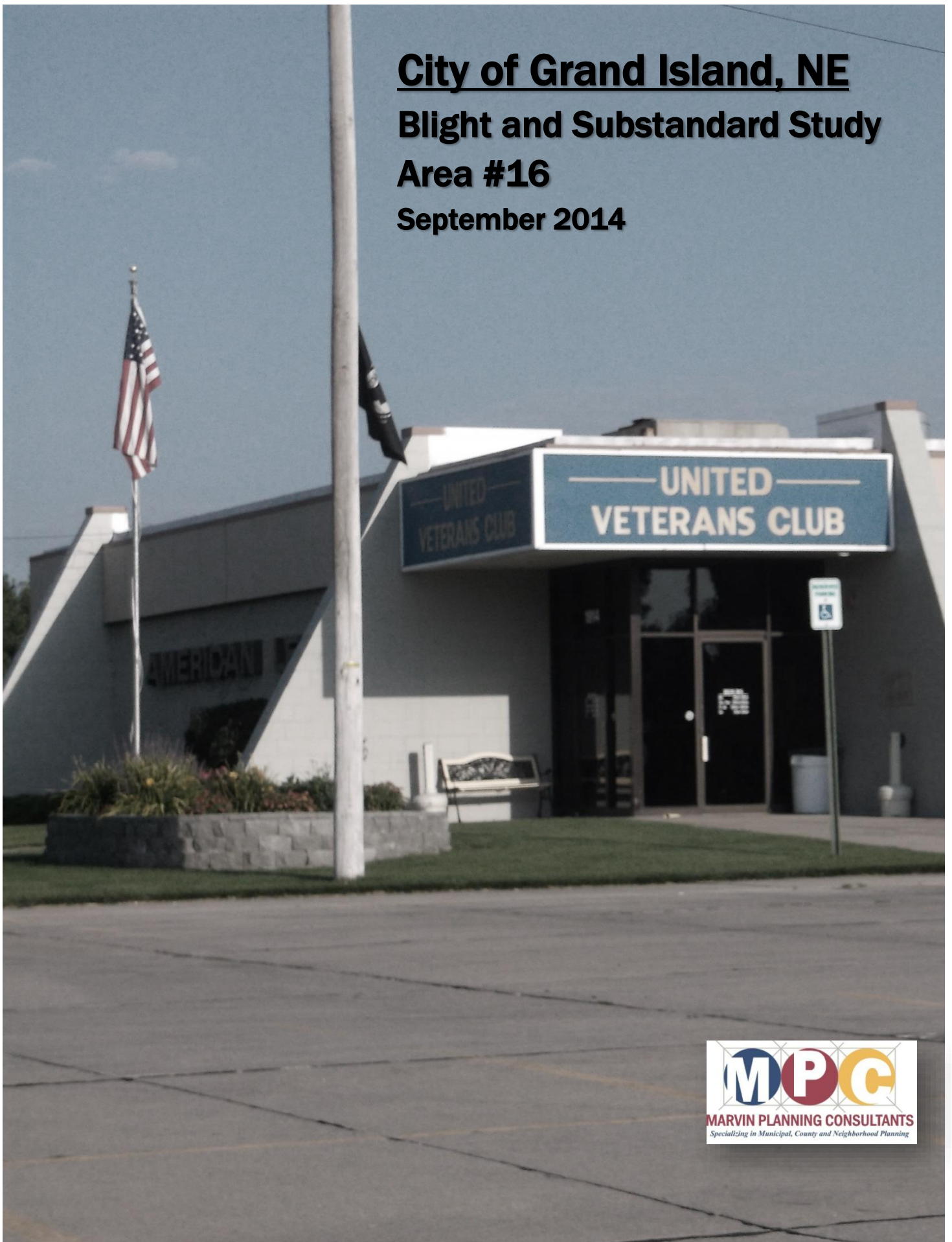
Wednesday, October 29, 2014
Regular Meeting

Item X1

Blight Study

Staff Contact: Chad Nabity

City of Grand Island, NE
Blight and Substandard Study
Area #16
September 2014



PURPOSE OF THE BLIGHT AND SUBSTANDARD STUDY

The purpose of completing this Blight and Substandard study is to examine existing conditions within the city of Grand Island as well as surrounding conditions. This study has been commissioned by the Community Redevelopment Authority in order to analyze the possibility of declaring the area as blighted and substandard.

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

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

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

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

Blight and Substandard are defined as the following:

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

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

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

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

The study area can be seen in Figure 1 of this report. The Redevelopment Plan portion of this report will contain, in accordance with the law, definite local objectives regarding appropriate land uses, improved traffic, public transportation, public utilities and other public improvements, and the proposed land uses and building requirements in the redevelopment area and shall include:

- The boundaries defining the blighted and substandard areas in question (including existing uses and conditions of the property within the area), and
- A list of the conditions present which qualify the area as blighted and substandard.

BLIGHT AND SUBSTANDARD ELIGIBILITY STUDY

This study targets a specific area within an established part of the community for evaluation. The area is indicated in Figure 1 of this report. The existing uses in this area include agricultural, residential, commercial, and public uses. The portion of the study containing the public uses contains the Central Nebraska Veterans Home (CNVH) which is slated to be relocated to Kearney in the coming years. If and when this move takes place, the current site will be vacated and provides an ideal opportunity for redevelopment in northern Grand Island along the frontages of Capital Avenue and Nebraska Highway 2.

Some areas within close proximity to the CNVH are currently agricultural lands, some within the corporate limits and some outside the limits. The thought is these properties may become developed at the same time the CNVH site gets redeveloped. Therefore, those areas have been included in the study area; however, those lands outside the corporate limits must be annexed into the corporate limits prior to the declaration of blight and substandard.

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

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

Study Area

POINT OF BEGINNING IS THE INTERSECTION OF THE INTERSECTION OF THE CENTERLINES OF BROADWELL AVENUE N AND CAPITAL AVENUE W; THENCE WESTERLY ALONG SAID CENTERLINE OF CAPITAL AVENUE W TO THE INTERSECTION OF THE CENTERLINES OF CAPITAL AVENUE W AND HUSTON AVENUE N; THENCE SOUTHERLY ALONG SAID CENTERLINE OF HUSTON AVENUE N TO THE CENTERLINE OF STATE STREET W; THENCE WESTERLY ALONG SAID CENTERLINE OF STATE STREET W TO THE CENTERLINE OF LAFAYETTE AVENUE N; THENCE; NORTHERLY ALONG SAID CENTERLINE OF LAFAYETTE AVENUE N TO THE CENTERLINE OF FORREST STREET; THENCE WESTERLY ALONG SAID CENTERLINE OF FORREST STREET TO THE CENTERLINE OF KRUSE AVENUE N; THENCE NORTHERLY ALONG SAID CENTERLINE OF KRUSE AVENUE N TO THE CENTERLINE OF COTTAGE STREET; THENCE WESTERLY ALONG SAID CENTERLINE OF COTTAGE STREET TO THE CENTERLINE OF HANCOCK AVENUE; THENCE NORTHERLY ALONG SAID CENTERLINE OF HANCOCK AVENUE TO THE CENTERLINE OF CAPITAL AVENUE W; THENCE WESTERLY ALONG SAID CENTERLINE OF CAPITAL AVENUE W TO THE SOUTHERLY EXTENDED WEST PROPERTY LINE OF MISCELLANEOUS TRACTS 5-11-9 OTHERWISE REFERRED TO THE STATE OF NEBRASKA SOLDIERS HOME; THENCE NORTHERLY ALONG SAID WESTERN PROPERTY LINE TO THE NORTHEAST CORNER OF A MISCELLANEOUS TRACT 5-11-9 OTHERWISE REFERRED TO AS THE STATE OF NEBRASKA SOLDIERS HOME (CEMETERY); THENCE WESTERLY ALONG THE NORTHERN BOUNDARY OF THE CEMETERY TO THE NORTHWEST CORNER OF SAID PROPERTY; THENCE NORTHERLY ALONG THE EAST PROPERTY LINE OF A MISCELLANEOUS TRACT 6-11-9 REFERRED TO AS THE STATE OF NEBRASKA SOLDIERS HOME TO THE SOUTH RIGHT-OF-WAY OF US HIGHWAY 281; THENCE EASTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE TO THE INTERSECTION OF THE WESTERN PROPOERTY LINE OF LAND CONTAINING EAGLE SCOUT PARK; THENCE SOUTHERLY ALONG THE WEST PROPERTY LINE OF EAGLE SCOUT PARK TO THE SOUTHWEST CORNER OF VETERANS BALLFIELD COMPLEX; THENCE EASTERLY ALONG THE SOUTHERN PROPERTY LINE OF SAID COMPLEX TO THE SOUTHEAST CORNER (MOST EASTERLY POINT); THENCE EXTENDING EASTERLY TO THE CENTERLINE OF BROADWELL AVENUE N; THENCE SOUTHERLY ALONG SAID CENTERLINE OF BROADWELL AVENUE N TO THE POINT OF BEGINNING.

UNIQUE CONDITIONS TO THE STUDY AREA

A portion of this describe area is currently outside the corporate limits of the city. In order for this specific area to be declared as blighted and substandard, the City Council will need to annex the property into the corporate limits.

The area is currently owned by the State of Nebraska and is considered part of the Nebraska Veterans Home property. Currently the ground contains crops but would likely meet the urban and suburban test. If this property does not become annexed and declared blighted and substandard, it will be very difficult to declare this area such as a standalone

Figure 1
Study Area Map



Source: Marvin Planning Consultants 2014

EXISTING LAND USES

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

Existing Land Use Analysis within Study Area

As part of the planning process, a survey was conducted through both in-field observations, as well as data collection online using the Hall County Assessors website. This survey noted the use of each parcel of land within the study area. These data from the survey are analyzed in the following paragraphs.

Table 1 includes the existing land uses for the entire study area. The table contains the total acres determined per land use from the survey; next is the percentage of those areas compared to the total developed land; and finally, the third set of data compare the all land uses to the total area within the Study Area.

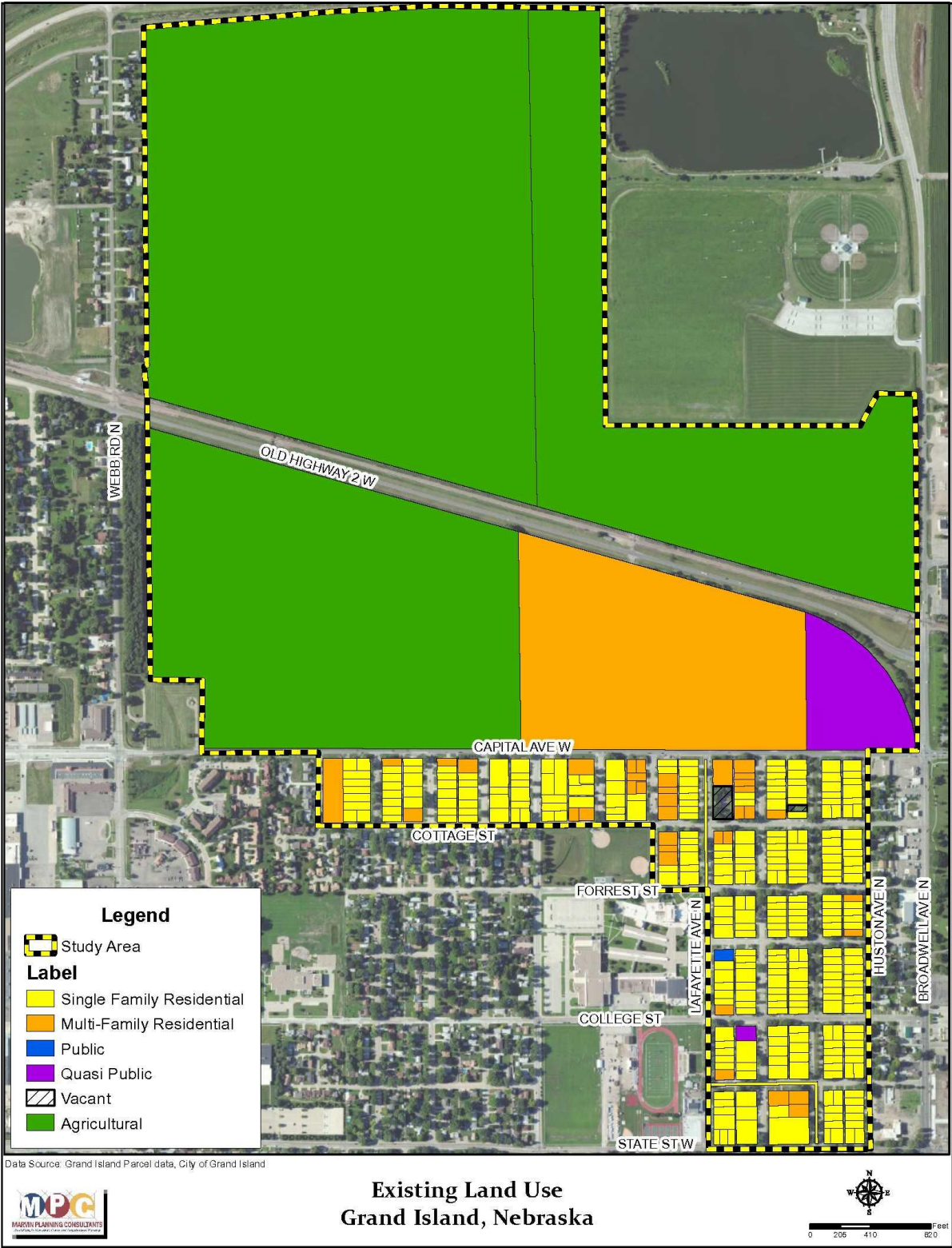
The Study Area is predominately residential and undeveloped areas, including an area of agricultural ground (needing to be annexed). Residential ground made up 59.0% of the developed area and 20.5% of the total study area. However, vacant/agricultural land made up 65.3% of the total study area. Transportation related uses were 34.9% of the developed area and 12.1% of the total study area.

TABLE 1: EXISTING LAND USE, GRAND ISLAND - 2014

Type of Use	Acres	Percent of Developed land within the Study Area	Percent of Study Area
Residential	116.5	59.0%	20.5%
Single-family	53.26	27.0%	9.4%
Multi-family	63.24	32.0%	11.1%
Manufactured Housing	0	0.0%	0.0%
Commercial	0	0.0%	0.0%
Industrial	0.00	0.0%	0.0%
Quasi-Public/Public	11.98	6.1%	2.1%
Parks/Recreation	0	0.0%	0.0%
Transportation	68.87	34.9%	12.1%
Total Developed Land	197.35	100.0%	
Vacant/Agriculture	371.74		65.3%
Total Area	569.09		100.0%

Source: 2014 Grand Island Blight Study Area 16, Marvin Planning Consultants

Figure 2
Existing Land Use Map



Source: Marvin Planning Consultants, 2014

FINDINGS OF BLIGHT AND SUBSTANDARD CONDITIONS ELIGIBILITY STUDY

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

CONTRIBUTING FACTORS

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

Age of Structure

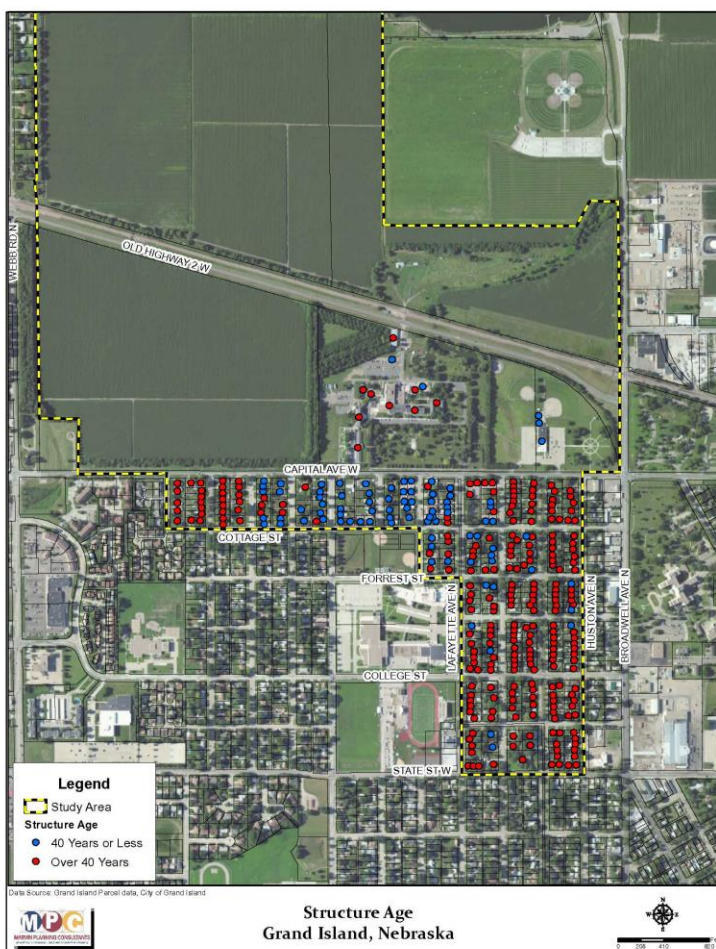
Age of structures can be a contributing factor to the blighted and substandard conditions in an area. Statutes allow for a predominance of structures that are 40 years of age or older to be a contributing factor regardless of their condition. The following paragraphs document the structural age of the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

Within the study area there is a total of 339 primary structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 254 (74.9%) units were determined to be 40 years of age or older
- 85 (25.1%) units were determined to be less than 40 years in age

The age of the structures would be a direct contributing factor.

Figure 3
Unit Age Map



Source: Marvin Planning Consultants, 2014

Structural Conditions

Where structural conditions were evaluated, structures were either rated as: Good, Average, Fair, or badly worn. The data and rating system comes from the Hall County Assessor's database and is the same database used to value properties in the area. In addition, our team had to make some assumptions on the Central Nebraska Veterans Home and Legion/VFW Building since they are not addressed by the Assessor's office.

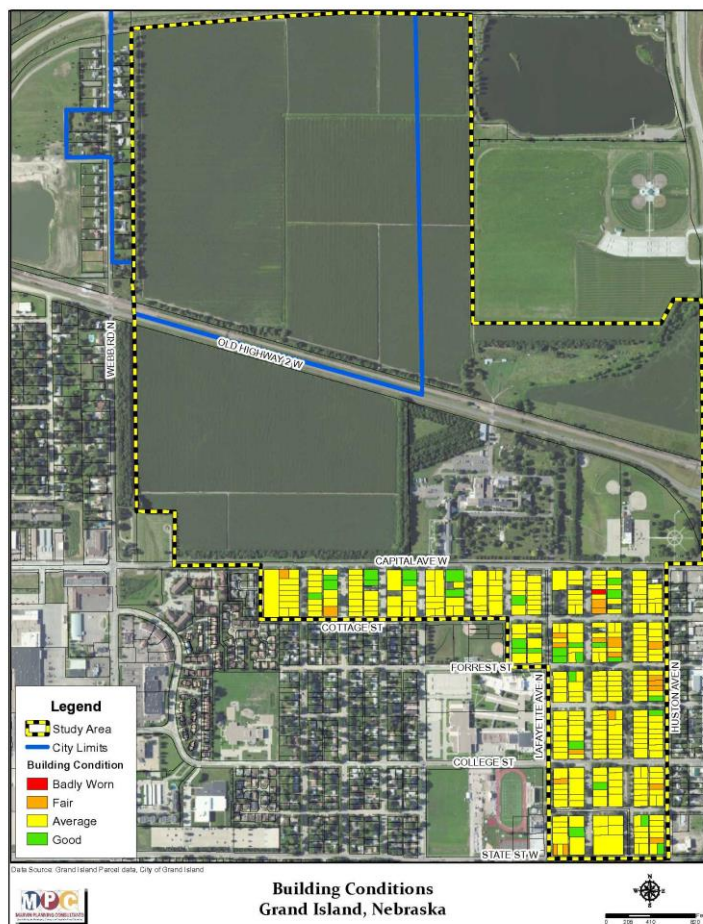
Based upon the data provided to the planning team, the following is the breakdown for structures in the study area:

- 30 (8.8%) structures rated as good
- 277 (81.7%) structures rated as average
- 31 (9.2%) structures rated as fair
- 1 (0.3%) structure rated as badly worn

Based upon these data, an assumption has been made that average condition and less would constitute less than desirable conditions due to age and conditions. It is common that that older a structure gets the more maintenance and upkeep are required in order to maintain a good or higher condition. Even an average structure will show some signs of deteriorating which in turn can become a dilapidated structure in the future if it is not addressed over time.

Due to the stated conditions found in the Hall County Assessor's data, the condition of the structure is a contributing factor.

Figure 4
Structural Conditions



Source: Marvin Planning Consultants, 2014

Sidewalk Conditions

The sidewalk conditions were analyzed in the Study Area. The sidewalks were rated on four categories; adequate, deteriorating, dilapidating, and missing completely.

Within the study area there is approximately 53,535 lineal feet of sidewalk possible. After reviewing the conditions in the field, the following is how the sidewalk conditions breakdown within the study area:

- 13,738 (25.7%) lineal feet of adequate sidewalk
- 22,832 (42.6%) lineal feet of deteriorating sidewalk
- 16,965 (31.7%) lineal feet of no sidewalk.
- There was no sidewalk deemed to be dilapidated.

Overall, 74.3% of the sidewalks are in either a deteriorating state or completely missing. Missing sidewalk is as bad as dilapidated or deteriorating sidewalk since there is no safe place to walk other than across someone else's property or in the street. The safest sidewalks appeared to be along routes that ran north and south and directly connected into the Senior High School, just outside the study area. See Figure 5 for the locations of these sidewalks.

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

Street Conditions

The street conditions were analyzed in the Study Area. The streets were also rated on four categories; adequate, deteriorating, dilapidating, and missing completely. The following is the breakdown for the area.

Within the study area there is approximately 42,562 lineal feet of street. After reviewing the conditions in the field, the following is how the street conditions breakdown within the corporate limits:

- 5,795 (13.6%) lineal feet of adequate street
- 25,714 (60.4%) lineal feet of deteriorating street
- 11,053 (26.0%) lineal feet of dirt/gravel/unimproved streets.
- There was no street deemed to be dilapidated.

Overall, 86.4% of the streets are in either a deteriorating state or were paved with dirt/gravel, thus an obsolete material for an urban area. See Figure 6 for the locations of these streets.

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

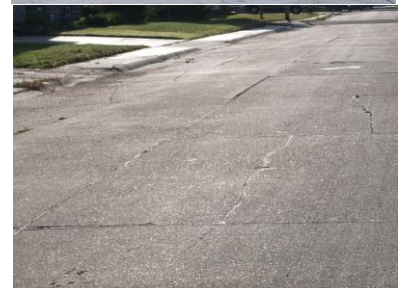
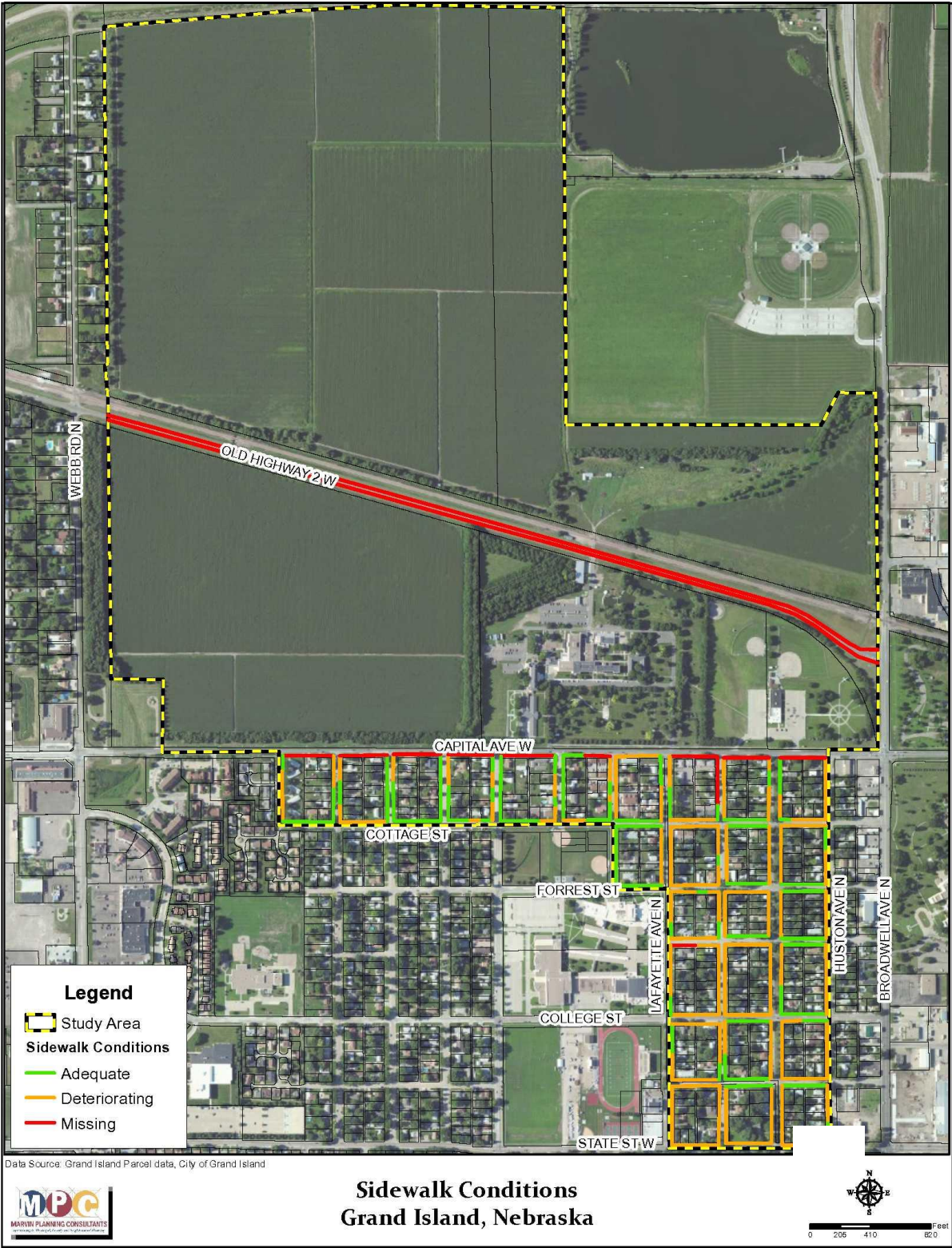
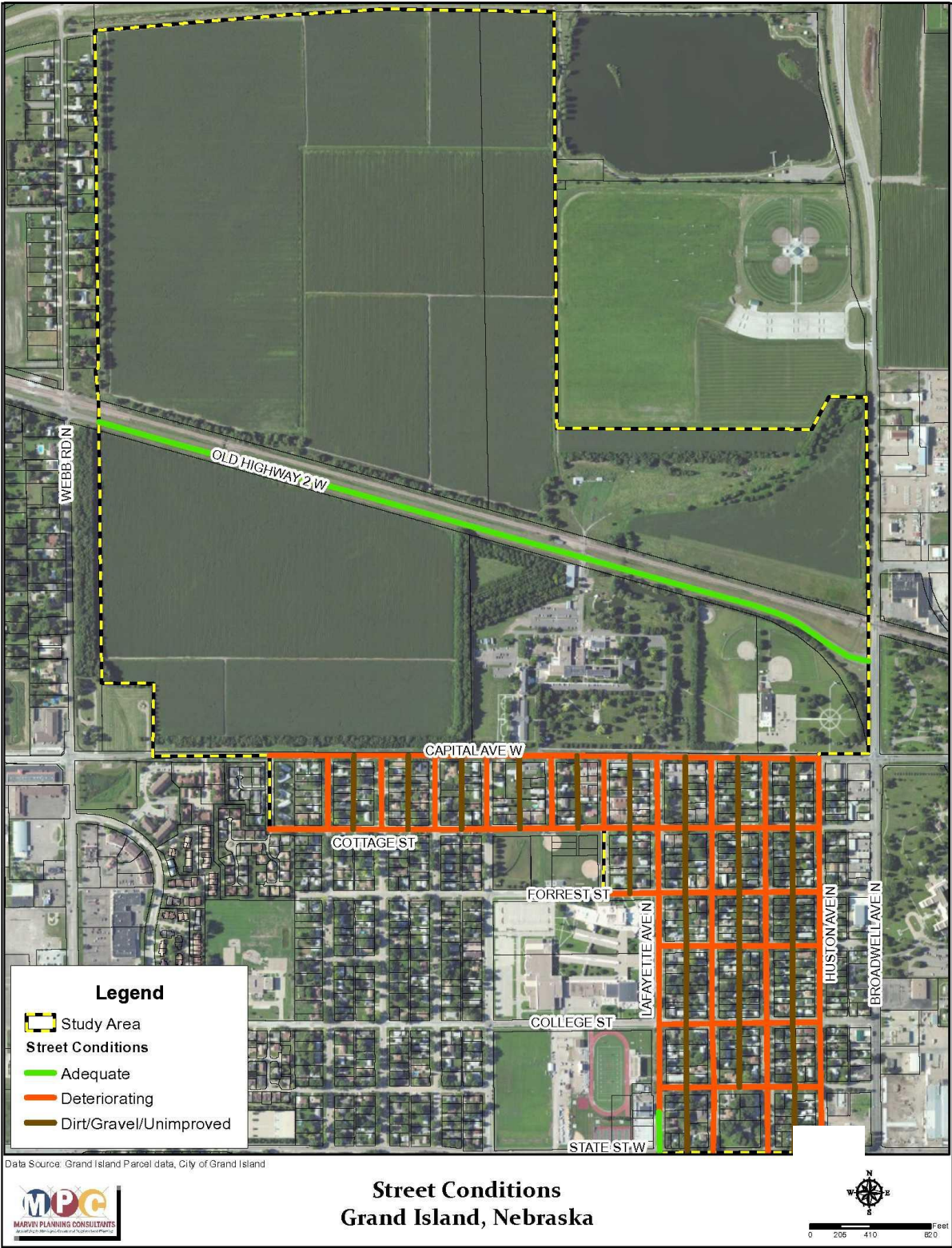


Figure 5
Sidewalk Conditions



Source: Marvin Planning Consultants, 2014

Figure 6
Street Conditions



Source: Marvin Planning Consultants, 2014

Curb and Gutter

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

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

Within the study area there is approximately 54,408 lineal feet of curb and gutter possible. After reviewing the conditions in the field, the following is how the curb and gutter conditions breakdown within the corporate limits:

- 8,043 (14.8%) lineal feet of adequate curb and gutter
- 27,953 (51.4%) lineal feet of deteriorating curb and gutter
- 18,412 (33.8%) lineal feet of no curb and gutter or rural section.
- There was no curb and gutter deemed to be dilapidated.

In total, 85.2% of the curb and gutters are in either a deteriorating state or are missing. See Figure 7 for the locations of these curb and gutter.

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

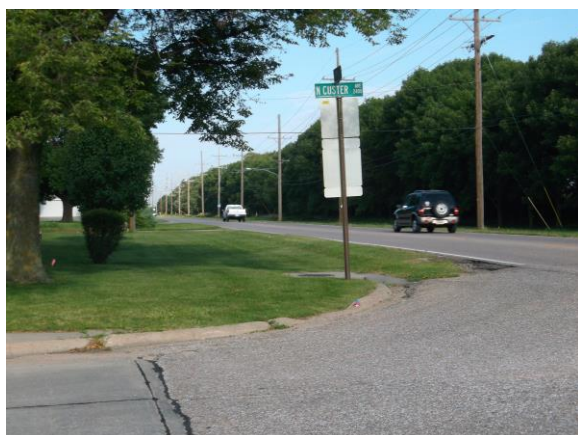
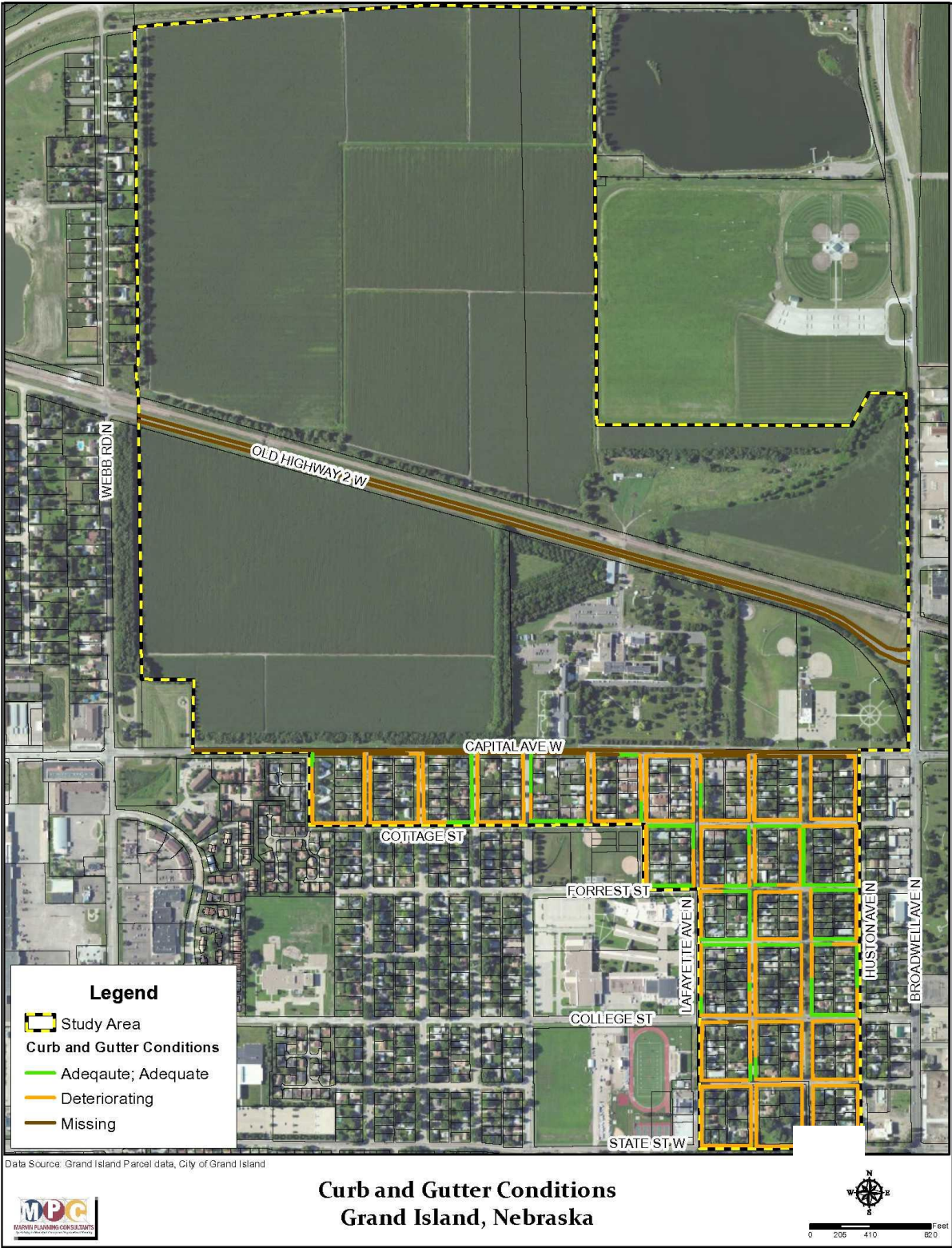


Figure 7
Curb and Gutter Conditions



Source: Marvin Planning Consultants, 2014

Deterioration of site or other improvements

Throughout this Area, there is a large portion of sidewalk that is either deteriorating or missing. In addition, a large portion of the curb and gutter has been determined to be either deteriorating or missing.

Finally, the area has a large amount of deteriorating streets. The streets have been patched over and over due to large amounts of cracking that has been occurring in the pavement.

There are numerous apartment complexes within the study area and nearly all of them have driveways and parking areas that are deteriorating and in some need of repair. In addition the parking areas and driveways within the Central Nebraska Veterans Home and the Legion/VFW have issues with deteriorating pavement.

Based upon the field analysis, there are sufficient elements present to meet the definition of deterioration of site and other improvements in the Study Area.



Figure 8
Deterioration of Site or Other Improvements



Source: Marvin Planning Consultants, 2014

Dangerous conditions to life or property due to fire or other causes

The conditions within this study area are not the typical "Dangerous conditions to and property due to fire or other causes" but they are being deemed relevant in this study. Within the study area there are four major transportation issues that can be dangerous, these are Capital Avenue, Old Nebraska Highway 2, US Highway 281, and the Burlington Northern Santa Fe (BNSF) Railroad mainline. All of these bisect the study area and all are relatively close to one another. In addition, the proximity in which all of these converge are in a very narrow area which can and does create congestion and hazardous conditions.

The major thoroughfares create potential hazards regarding the walkability and "bicycle ability" of the area. The railroad line creates the potential for derailments and potential spills, including hazardous conditions which can be dangerous to life and/or property.

Based upon the field analysis, there are sufficient elements present to meet the definition of dangerous conditions within the Study Area.

Figure 9

Dangerous conditions to life or property due to fire or other causes



Source: Marvin

Planning Consultants, 2014

Improper Platting or Obsolete Platting

The majority of this area was platted, especially south of Capital Avenue, in the late 1800's and early 1890's as the city began to grow. The vast number of the lots, as they are platted today, will be difficult to redevelop.

Over the years, lots south of Capital Avenue have been allowed to reconfigure, combine together, or split apart into a fraction of the original layout. Even though they create some issues with platting, they are not as critical as the following areas:

- The land north of Capital Avenue given to the State of Nebraska for the Central Nebraska Veterans Home over 100 years ago
- The configuration of land around old Nebraska Highway 2, the BNSF and Broadwell intersections.

Based upon the review of the plat of the area, there are sufficient elements present to meet the definition of improper platting or obsolete platting within the Study Area.

Figure 10

Dangerous conditions to life or property due to fire or other causes



Source: Marvin Planning

Consultants, 2014

Diversity of Ownership

After reviewing the information on the Hall County Assessor's website, the study area was found to have 100's of different property owners. In order for future redevelopment to occur it may require some of these tracts to get into common ownership.

Based upon the fact, so many individuals, corporations, etc. own property in this area, it is determined that the high diversity of property ownership could easily be a barrier to redevelopment.

Combination of factors which are impairing and/or arresting sound growth

Within this study area there are a number of factors that are impairing or arresting sound growth. A couple of these include:

- The location of the Central Nebraska Veteran's Home
- The carrying capacity of Capital Avenue
- The BNSF Railroad mainline
- Old Nebraska Highway 2
- The inability to construct grade separated intersections between Broadwell Avenue, old Nebraska Highway 2 and the BNSF railroad mainline.
- Large tract of undeveloped (agricultural ground) that is surrounded by the corporate limits and development considered to be urban and suburban in character.

Based upon the review of the area, there are sufficient elements present to meet the definition of combination of factors which are impairing and/or arresting sound growth within the Study Area.

Blighting Summary

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

Average age of structures is over 40 years of age

- Within the Study Area 74.9% of the structures meet the criteria of 40 years of age or older.

Substantial number of deteriorating structures

- 91.2% of the structures identified within the Study Area, were deemed to be in a state less than good as defined by the Hall County Assessor's Office.

Deterioration of site or other improvements

- 74.3% of sidewalk was either in a deteriorated state or missing from properties in the area.
- 26.0% of the public streets and alleys were gravel or dirt.
- 60.4% of the streets in the area were showing signs of deterioration.
- 33.8% of the area had rural section (drainage ditches and no curb and gutter)
- 51.4% of the curb and gutter areas were showing signs of deterioration.
- Several properties in the study area have gravel parking areas, deteriorating parking lots, and/or deteriorating driveways.

Dangerous conditions to life or property due to fire or other causes

- Major highways and carrying capacity
- BNSF railroad
- Intersection of BNSF, Broadwell Avenue, and old Nebraska Highway 2

Improper Subdivision or obsolete platting

Diversity of ownership

Combination of factors which are impairing and/or arresting sound growth

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

- Unsanitary / Unsafe conditions
- Defective/Inadequate street layouts,

- Faulty lot layout,
- Defective or unusual condition of title,
- Economic or social liability detrimental to health, safety and welfare,
- Conditions provision of housing accommodations,
- One-half of unimproved property is over 40 years old,
- Inadequate provisions for ventilation, light, air, open spaces or sanitation, and

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

Substandard Conditions

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

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

Within the study area there is a total of 339 structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 254 (74.9%) units were determined to be less than 40 years of age
- 85 (25.1%) units were determined to be 40 years of age or older

There is a predominance of units 40 years of age or older.

Substandard Summary

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

This Study Area in Grand Island meets the definition with the average age of the structures being more than 40 years of age. In addition, the area meets the criteria for the existence of conditions which endanger life or property by fire and other causes.

FINDINGS FOR GRAND ISLAND BLIGHT STUDY AREA #16

Blight Study Area #16 has several items contributing to the Blight and Substandard Conditions. These conditions include:

Blighted Conditions

- Average age of structures is over 40 years of age
- Substantial number of deteriorating structures
- Deterioration of site or other improvements
- Dangerous conditions to life or property due to fire or other causes
- Improper Subdivision or obsolete platting
- Diversity of ownership
- Combination of factors which are impairing and/or arresting sound growth

Substandard Conditions

- Average age of the structures in the area is at least forty years.
- Existence of conditions which endanger life or property by fire and other causes.