



# Community Redevelopment Authority (CRA)

**Wednesday, March 18, 2015**  
**Regular Meeting**

## **Item J1**

### **Resolution 190 - Copper Creek Bonds Series II**

Staff Contact: Chad Nabity

November 11, 2014

Community Redevelopment Authority  
Of the City of Grand Island  
Grand Island, Nebraska

Ladies and Gentlemen:

In connection to The Guarantee Group, LLC Copper Creek Estates Subdivison we are requesting the issuance of an additional bond to cover the remaining Redevelopment Project Costs.

We have attached documents verifying the expenses incurred as well as additional expenses that have placed under contract.

We are requesting the same terms and interest rate as the first bond.

We are asking for you prompt action so that the final streets and utilities can be completed without delay.

THE GUARANTEE GROUP, LLC

By:



Sean O'Connor, Manager

**Exhibit D**

**Revised Project Costs**

**October 31, 2014**

**Costs Through**

**Original      October 31,      Revised Costs to      Revised Total**

**Projection      2014      Complete      Cost**

<b>Site Acquisition</b>		<b>\$2,650,000.00</b>	<b>\$2,654,059.50</b>	<b>\$0.00</b>	<b>\$2,654,059.50</b>
<b>Infrastructure</b>	<b>\$3,294,827.00</b>				
<b>Repairs to Existing</b>	<b>\$196,487.00</b>				
<b>Total Infrastructure</b>		<b>\$3,491,314.00</b>	<b>\$1,651,502.52</b>	<b>\$2,556,608.86</b>	<b>\$4,208,111.38</b>
<b>Site Work</b>		<b>\$423,933.00</b>	<b>\$28,322.05</b>	<b>\$60,000.00</b>	<b>\$88,322.05</b>
<b>Retention Area &amp; Fence</b>		<b>\$324,000.00</b>	<b>\$0.00</b>	<b>\$324,000.00</b>	<b>\$324,000.00</b>
<b>Added Requirement:</b>					
<b>Extend Retention Pond</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$60,000.00</b>	<b>\$60,000.00</b>
<b>Developer Management</b>		<b>\$247,000.00</b>	<b>\$0.00</b>	<b>\$247,000.00</b>	<b>\$247,000.00</b>
<b>Authority Legal Fees</b>		<b>\$30,000.00</b>	<b>\$30,000.00</b>	<b>\$0.00</b>	<b>\$30,000.00</b>
<b>Engineering &amp; Surveying</b>		<b>\$273,000.00</b>	<b>\$285,695.33</b>	<b>\$123,890.22</b>	<b>\$409,585.55</b>
		<b>\$7,439,247.00</b>	<b>\$4,649,579.40</b>	<b>\$3,371,499.08</b>	<b>\$8,021,078.48</b>
<b>Less Previous Bond 8/31/13</b>		<b>-\$4,000,000.00</b>			
<b>Bond Request 10/31/14</b>		<b>\$3,439,247.00</b>			

The Guarantee Group LLC  
 Transactions by Account  
 As of November 30, 2014

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Grand Island Abstract	03/31/2013	3	Grand Island Abstract		10,500.00		0.00
General Journal	08/01/2013	8011	Grand Island Abstract	-MULTIPLE-	751,239.75		10,500.00
Check	08/01/2013	8011	Grand Island Abstract			5,000.00	761,739.75
Check	08/01/2013	08012	Grand Island Abstract		1,902,319.75	5,000.00	756,739.75
Check	08/01/2013	08012	Grand Island Abstract			10,000.00	2,659,059.50
Check	08/01/2013	08012	Grand Island Abstract				2,654,059.50
Total Grand Island Abstract					2,664,059.50	10,000.00	2,654,059.50
TOTAL					2,664,059.50	10,000.00	2,654,059.50

The Guarantee Group LLC  
Transactions by Account  
As of November 30, 2014

Type	Date	Num	Name	Memo	Debit	Credit	Balance
<b>CITY CLERK --CITY OF GRAND ISLAND</b>							
Check	01/13/2014	1264	CITY CLERK --CITY OF G...	CC 6TH SUB	950.00		0.00
Check	03/11/2014	1379	CITY CLERK --CITY OF G...	7TH SUB	730.00		1,680.00
Check	05/12/2014	1561	CITY CLERK --CITY OF G...	8TH SUB	860.00		2,540.00
Total CITY CLERK --CITY OF GRAND ISLAND					2,540.00	0.00	2,540.00
<b>CITY OF GRAND ISLAND</b>							
Check	09/09/2013	1137	CITY OF GRAND ISLAND	Filing Sub	620.00		620.00
Check	10/31/2013	1178	CITY OF GRAND ISLAND	MOVE PRIM...	10,000.00		10,620.00
Bill	02/28/2014	0228...	CITY OF GRAND ISLAND	EASEMENT...	100.00		10,720.00
Bill	09/30/2014	2029...	CITY OF GRAND ISLAND	MERCHADIS...	35,000.00		45,720.00
Total CITY OF GRAND ISLAND					45,720.00	0.00	45,720.00
<b>DIAMOND ENGINEERING COMPANY</b>							
Check	12/26/2013	1257	DIAMOND ENGINEERING...		196,591.10		196,591.10
Bill	02/17/2014	4068	DIAMOND ENGINEERING...	STORM SE...	59,638.88		256,229.98
Bill	02/17/2014	4067	DIAMOND ENGINEERING...	PAVING GE...	121,269.05		377,499.03
Bill	04/10/2014	4085	DIAMOND ENGINEERING...	WATER MAI...	207,284.10		584,783.13
Bill	04/10/2014	4086	DIAMOND ENGINEERING...	PAVING	98,202.70		682,985.83
Bill	05/15/2014	4101	DIAMOND ENGINEERING...	STORM SHE...	76,476.40		759,462.23
Bill	05/15/2014	4100	DIAMOND ENGINEERING...	SEWER PR...	95,904.90		855,367.13
Bill	05/15/2014	4099	DIAMOND ENGINEERING...	WATER MAIN	6,293.24		861,660.37
Bill	05/15/2014	4098	DIAMOND ENGINEERING...	VALVE BOX...	8,935.17		870,595.54
Bill	05/15/2014	4110	DIAMOND ENGINEERING...	PAVING	50.00		870,645.54
Bill	06/12/2014	4109	DIAMOND ENGINEERING...	PAVING	16,979.00		887,624.54
Bill	06/12/2014	4114	DIAMOND ENGINEERING...	SEWER	184,807.80		1,072,432.34
Bill	06/12/2014	4114	DIAMOND ENGINEERING...	PAVING	14,146.00		1,086,578.34
Bill	07/31/2014	4135	DIAMOND ENGINEERING...	PAVING	50,864.45		1,137,442.79
Bill	07/31/2014	4134	DIAMOND ENGINEERING...	PAVING	119,066.35		1,256,509.14
Bill	07/31/2014	4133	DIAMOND ENGINEERING...	sanitary sewer	34,969.29		1,291,478.43
Bill	08/28/2014	4148	DIAMOND ENGINEERING...	sanitary sewer	24,045.44		1,315,523.87
Bill	08/28/2014	4150	DIAMOND ENGINEERING...	water main	64,047.58		1,379,571.45
Bill	08/28/2014	4149	DIAMOND ENGINEERING...	PAVING	138,026.31		1,517,597.76
Bill	08/28/2014	4146	DIAMOND ENGINEERING...	remove and r...	1,446.56		1,519,044.32
Bill	08/28/2014	4147	DIAMOND ENGINEERING...	adjust grade ...	650.00		1,519,694.32
Bill	10/02/2014	4160	DIAMOND ENGINEERING...	PAVING	71,263.20		1,590,957.52
Total DIAMOND ENGINEERING COMPANY					1,590,957.52	0.00	1,590,957.52
<b>SALSBURY INDUSTRIES</b>							
Check	04/10/2014	1469	SALSBURY INDUSTRIES	13 MAIL BO...	12,285.00		12,285.00
Total SALSBURY INDUSTRIES					12,285.00	0.00	12,285.00
<b>TOTAL</b>					<b>1,651,502.52</b>	<b>0.00</b>	<b>1,651,502.52</b>

The Guarantee Group LLC  
**Transactions by Account**  
 As of November 30, 2014

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	09/03/2013	1128	Dobesh Land Levelling	Take out Trees	5,500.00	0.00	5,500.00
Total Dobesh Land Levelling					5,500.00	0.00	5,500.00
<b>ISLAND LANDHANDLERS INC.</b>							
Bill	05/15/2014	1873	ISLAND LANDHANDLERS...	GRADE BAC...	3,405.00		3,405.00
Bill	07/31/2014	2053	ISLAND LANDHANDLERS...	MOVE DIRT	2,656.67		6,061.67
Bill	07/31/2014	2043	ISLAND LANDHANDLERS...	MOVE DIRT	2,900.00		8,961.67
Bill	09/30/2014	2194	ISLAND LANDHANDLERS...	move dirt	5,150.00		14,111.67
Bill	09/30/2014	0930...	ISLAND LANDHANDLERS...	move dirt	5,313.13		19,424.80
Total ISLAND LANDHANDLERS INC.					19,424.80	0.00	19,424.80
<b>LAWNSCAPE</b>							
Check	10/10/2013	1143	LAWNSCAPE	CLEAN UP L...	3,397.25		3,397.25
Total LAWNSCAPE					3,397.25	0.00	3,397.25
<b>TOTAL</b>					<b>28,322.05</b>	<b>0.00</b>	<b>28,322.05</b>

The Guarantee Group LLC  
 Transactions by Account  
 As of November 30, 2014

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bacon & Vinton LLC	08/05/2013	1113	Bacon & Vinton LLC		30,000.00		0.00
Check					30,000.00	0.00	30,000.00
Total Bacon & Vinton LLC					30,000.00	0.00	30,000.00
<b>TOTAL</b>					<b>30,000.00</b>	<b>0.00</b>	<b>30,000.00</b>

The Guarantee Group LLC  
Transactions by Account  
As of November 30, 2014

Type	Date	Num	Name	Memo	Debit	Credit	Balance
<b>MILLER &amp; ASSOCIATES</b>							
Check	11/26/2013	1212	MILLER & ASSOCIATES	REDESIGN...	24,050.50		0.00
Bill	01/30/2014	0081	MILLER & ASSOCIATES		1,607.30		24,050.50
Bill	02/12/2014	0133	MILLER & ASSOCIATES		6,030.76		25,657.80
Bill	06/06/2014	0556/...	MILLER & ASSOCIATES	professional	72,057.55		31,688.55
Bill	08/27/2014	0791	MILLER & ASSOCIATES	8/27/14	46,935.00		103,746.10
Bill	08/27/2014	0789	MILLER & ASSOCIATES	8/27	19,121.25		150,681.10
							169,802.35
<b>Total MILLER &amp; ASSOCIATES</b>							
					169,802.35	0.00	169,802.35
<b>ROCKWELL &amp; ASSOCIATES LLC</b>							
Check	08/01/2013	1105	ROCKWELL & ASSOCIAT...		8,313.50		0.00
Check	08/05/2013	1124	ROCKWELL & ASSOCIAT...		4,086.00		8,313.50
Check	10/10/2013	1147	ROCKWELL & ASSOCIAT...		8,056.70		12,399.50
Check	10/31/2013	1177	ROCKWELL & ASSOCIAT...		4,212.50		20,456.20
Check	11/26/2013	1211	ROCKWELL & ASSOCIAT...		6,053.97		24,668.70
Check	12/26/2013	1256	ROCKWELL & ASSOCIAT...		7,550.80		30,722.67
Bill	02/06/2014	020614	ROCKWELL & ASSOCIAT...		9,765.20		38,273.47
Check	02/06/2014	1300	ROCKWELL & ASSOCIAT...		6,664.00		48,038.67
Bill	03/04/2014	3/4/1...	ROCKWELL & ASSOCIAT...	TTH SUB	8,833.92		54,702.67
Bill	04/03/2014	040314	ROCKWELL & ASSOCIAT...		8,399.50		61,536.59
Bill	05/07/2014	5/7/14	ROCKWELL & ASSOCIAT...		7,146.30		69,936.09
Bill	06/06/2014	6/6/14	ROCKWELL & ASSOCIAT...	general	11,491.19		77,082.39
Bill	06/16/2014	6/14...	ROCKWELL & ASSOCIAT...	general	89.00		77,082.39
Bill	07/07/2014	070714	ROCKWELL & ASSOCIAT...		6,551.60		88,573.58
Bill	08/04/2014	8/4/14	ROCKWELL & ASSOCIAT...		10,146.60		95,214.18
Bill	09/05/2014	090514	ROCKWELL & ASSOCIAT...	STAKING AN...	7,473.20		105,360.78
Bill	10/06/2014	100614	ROCKWELL & ASSOCIAT...	STAKING LO...	3,059.00		112,833.98
							115,892.98
<b>Total ROCKWELL &amp; ASSOCIATES LLC</b>							
					115,892.98	0.00	115,892.98
<b>TOTAL</b>					<b>285,695.33</b>	<b>0.00</b>	<b>285,695.33</b>



REED A. MILLER, P.E.  
Miller & Associates  
Consulting Engineers, P.C.

DERYL D. SORGENFREI, R.L.S.



**ROCKWELL AND ASSOC., L.L.C.**  
**ENGINEERING & SURVEYING**

2510 NORTH WEBB ROAD, GRAND ISLAND, NEBRASKA 68802 P.O. BOX 549  
E-MAIL [surveyor@computer-concepts.com](mailto:surveyor@computer-concepts.com) PHONE (308) 382-1472 FAX (308) 382-1423

October 10, 2014

The Guarantee Group L.L.C.  
Sean O'Connor, Member  
P.O. Box 139  
Grand Island, NE 68802-0139

Ref: Projected Construction  
Staking Cost, Copper  
Creek Subdivisions

The cost of construction staking, on site inspection, obtaining necessary data to prepare As-Built Drawings and replacing lot corners as required for the installation of:

1. Sanitary Sewer Mains, Manholes and Service Lines.
2. Water Main, Service Lines, Water Valves and Fire Hydrants.
3. Storm Sewer Main, Inlets and Junction Boxes.
4. P.C. Concrete Paving.

for the Copper Creek Estates Project from October 9, 2013 to August 31, 2014 was \$79,752.00.

As of August 31, 2014 there are 94 lots out of the 204 platted lots that have been provided with sanitary sewer service, water service and paving.

Using the construction cost as of August 31, 2014 and the total number of lots that have services available, the average cost per lot would be approximately \$848.43.

Based on the average cost per lot, the projected cost for the remaining 110 lots would be \$93,327.30. This cost does not include any cost for revisions to the existing subdivision plats if required.

Very truly yours

ROCKWELL And ASSOCIATES, L.L.C.  
Engineering & Surveying

A handwritten signature in black ink, appearing to read "D.D. Sorgenfrei", is written over a horizontal line.

Deryl D. Sorgenfrei, L.S. 578

Types of Services:

Streets - Roads - Airports - Bridges - Water & Sewerage Systems  
Land Surveying & Mapping - Subdivisions - Lot Surveys - Special Surveys - Planning Service

September 17, 2014

Sean O'Connor  
Guarantee Group LLC  
2502 North Road  
Grand Island, NE 68803

Re: Copper Creek Estates Subdivision – Phase I Revised Cost Estimate

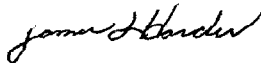
Dear Mr. O'Connor,

In May of 2013 we prepared a cost estimate for the first phase of Copper Creek Estates. The estimate was based on preliminary plans prepared by Rockwell Engineering in 2005, as-built plans for the work that had been completed and assumptions we made. Final plans prepared by Miller & Associates have now been approved by the City of Grand Island. Changes have taken place in City Administration & minimum design criteria since this project was started in 2005. As a result the cost of the project has increased.

The current estimated cost for Phase I is \$4,147,566.38. This is an increase of \$852,738.98 over the original estimate of \$3,294,827.40. Changes in the design of the storm sewer and water main, and the addition of Indian Grass Place and Little Blue Stem south of Indian Grass account for the majority of the cost increase.

Attached please find a summary of the cost changes. This estimate is based on final approved plans and will vary only if actual completed quantities change or there is a change in the scope of the work. Please call us at 382-8362 with questions or to further discuss the project.

Sincerely,  
The Diamond Engineering Company



James L. Harder, President

An Equal Opportunity Employer

September 18, 2014  
Kearney, Nebraska



**Miller & Associates**  
CONSULTING ENGINEERS, P.C.

1111 Central Ave. Kearney, NE 68847-6833

Tel: 308-234-6456

Fax: 308-234-1146

[www.miller-engineers.com](http://www.miller-engineers.com)

Sean O'Connor  
The Guarantee Group, LLC  
P.O. Box 139  
Grand Island, NE 68802-0139

Re: Copper Creek Estates – Testing Costs  
M&A Job No. 149-P29-002

Dear Sean,

Per your request, Miller & Associates has compiled testing costs which have been incurred and those which are anticipated to remain. GSI Engineering is conducting the soil and concrete testing as required by the City of Grand Island for the Sixth, Seventh, and Eighth Subdivisions. It is anticipated that there is approximately 18 months of construction remaining to complete the infrastructure on these three subdivisions.

We analyzed the testing costs which have already been incurred, and divided them into two categories: 1) Cold weather months (November 16 to March 15), and 2) Warm weather months (March 16 to November 15). Based on average testing costs which have already been incurred for these two periods, we projected the anticipated testing costs for the remaining 18 months of construction. The enclosed worksheet shows the projections we developed.

Based on our projections, it is anticipated that there is approximately \$30,600 in testing costs remaining. This includes both costs which have been incurred, but have yet to be invoiced (from 5/18/14 to 8/16/14), as well as projected costs for the 18 months remaining (8/17/14 to 2/16/16).

Please let me know if you have any questions regarding these projections.

Best Regards,  
MILLER & ASSOCIATES,  
CONSULTING ENGINEERS, P.C.

A handwritten signature in black ink, appearing to read 'Lucas J. Dutcher'.

Lucas J. Dutcher, P.E., CFM

LJD/jh

Enclosure

**Copper Creek Estates - 6th, 7th, and 8th Subdivisions  
Anticipated Costs Remaining Associated With Testing by GSI Engineering**

Note: Infrastructure construction activities anticipated to continue for 18 months (8/17/14 to 2/16/16)

Testing Completed through 8/16/2014					
From	To	Days	Months (30.42 avg days/mo)	Invoiced Amount	Cost/Mo
10/20/2013	11/16/2013	27	0.89	\$ 1,372.00	
11/17/2013	12/21/2013	34	1.12	\$ 596.25	
12/22/2013	1/18/2014	27	0.89	\$ 745.50	
1/20/2014	3/22/2014	61	2.01	\$ 1,411.25	
3/23/2014	4/19/2014	27	0.89	\$ 3,242.75	
4/20/2014	5/17/2014	27	0.89	\$ 1,420.50	
5/18/2014	6/21/2014	34	1.12		
6/22/2014	7/19/2014	27	0.89		
7/20/2014	8/16/2014	27	0.89		
					\$ 517.93
					\$ 1,879.09

Testing to Remain		
	Anticipated Months Remaining	Anticipated Cost Remaining
	7	\$ 3,625.52
	11	\$ 20,669.95
		\$ 3,489.00
	Sub-Total	\$ 27,784.47
	Contingency (10%)	\$ 2,778.45
	Anticipated Total Cost Remaining	\$ 30,562.92

Prepared By: Miller & Associates, Consulting Engineers, P.C. - 9-18-14

## RESOLUTION NO. 190

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND ISLAND, NEBRASKA, AUTHORIZING THE ISSUANCE OF A TAX INCREMENT REVENUE BOND; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; PLEDGING CERTAIN REVENUES OF THE AUTHORITY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW; AUTHORIZING THE SALE OF SAID BOND; PROVIDING FOR A GRANT OF THE PROCEEDS OF SAID BOND; PROVIDING FOR THE TERMS AND THE SALE OF THE BOND; APPROVING THE REDEVELOPMENT CONTRACT AND PROVIDING FOR THIS RESOLUTION TO TAKE EFFECT.

BE IT RESOLVED by the Chair and Members of the Community Redevelopment Authority of the City of Grand Island, Nebraska, as follows:

Section 1. The Chair and Members of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the "City") hereby find and determine (a) that the Community Redevelopment Authority of the City of Grand Island, Nebraska (the "Authority") has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City; that the Authority has and may exercise all of the powers of a redevelopment authority provided for under the Community Development Law of the State of Nebraska; that there has been prepared a redevelopment plan, entitled "Redevelopment Plan Amendment Grand Island CRA Area 12, May 2013" (the "Plan") for the redevelopment of the real estate described on Exhibit A, (hereinafter in this Resolution referred to as the "Redevelopment Project Area"); (b) that prior to the recommendation or approval of the Plan the Redevelopment Project Area was declared blighted and substandard by action of the Mayor and Council of the City; (c) that the City has had in effect its general plan for the development of the City from the time prior to the preparation of the Plan; (d) that the Plan was prepared by the Authority for purposes of assisting the Redeveloper (as defined below) finance a redevelopment project and submitted to the City Planning Commission of the City and approved and thereafter recommended by the Authority to the Mayor and Council of the City; (e) that on the 25<sup>th</sup> day of June, 2013, the Mayor and Council of the City held a public hearing on the Plan for which notice was given by publication prior to such hearing in Grand Island Independent on June 12<sup>th</sup>, 2013, and June 19<sup>th</sup>, 2013, and, after such hearing, the Mayor and Council gave their approval to the Plan; (f) that the Plan, among other things, calls for the redevelopment of the Redevelopment Project Area by the acquisition and subdivision of developed and undeveloped and vacant land and construction of related improvements including site preparation and infill and related street, storm and sanitary sewers, water lines and other utility extensions (all as described in the Plan, the "Project"); (g) that The Guarantee Group, LLC, a Nebraska limited liability company (hereafter referred to as the "Redeveloper") is interested in the redevelopment of the Redevelopment Project Area and the Redeveloper has undertaken and is undertaking certain of the construction and rehabilitation as provided for in the Plan and the City and the Authority have previously communicated willingness to assist such redevelopment in order to encourage the providing of employment and the economic development of the City as well as for the redevelopment of a blighted and substandard area of the City; (h) that the Authority and the Redeveloper have entered into an agreement entitled "Redevelopment Contract" and under the terms of the Redevelopment Contract, the Authority agreed to assist the Redeveloper with grant assistance to pay part of the cost of the Project and for such purpose it is necessary for the Authority

to authorize the issuance and sale of its tax increment revenue bond, with principal purchase price to be paid by the Redeveloper in accordance with the terms of the Redevelopment Contract; (i) that all conditions, acts and things required by law to exist or to be done precedent to the authorizing of the Authority's tax increment revenue bond as provided for in this Resolution do exist and have been done as provided by law.

Section 2. A tax increment revenue bond in the aggregate principal amount of \$\_\_\_\_\_.00 is hereby ordered issued in accordance with Section 18-2125, R.R.S. Neb. 2012, by the Authority and shall be designated as its "Tax Increment Development Revenue Bond (The Guarantee Group Redevelopment Project), Series 2015" (hereinafter referred to as the "Bond"). The Bond shall be issued in the single denomination of \$\_\_\_\_\_.00 (as the aggregate principal amount and purchase price payable by the Redeveloper under the terms of the Redevelopment Contract). The Bond shall be dated as of the date of its delivery. The Bond shall bear interest on the amount outstanding from time to time from the date of its issuance and delivery until maturity (or earlier redemption) at the rate of eight percent (8.00%) per annum. The principal of the Bond shall become due on December 31, 2039 (or, if sooner, fourteen years after the last effective date established for a Phase under the terms of the Redevelopment Contract), provided that such principal amount shall be subject to mandatory redemption from "Available Funds" as described in Section 5 below on June 1 and December 1 of each year, but not before December 1, 2015. All interest upon the Bond shall be payable semiannually on June 1 and December 1 of each year, commencing June 1, 2015.

The Bond shall be issued in fully registered form. The Authority's Treasurer (the City Treasurer of the City of Grand Island) is hereby designated as paying agent and registrar for the Bond (the "Agent"). The Agent shall serve in such capacities pursuant to the terms of this Resolution. The interest due on each interest payment date prior to maturity shall be payable to the registered owner of record as of the fifteenth day of the calendar month immediately preceding the calendar month in which such interest payment date occurs (the "Record Date"), subject to the provisions of Section 4 hereof. Payments of interest due on the Bond, except for payments due on final maturity date, or other final payment, shall be made by the Agent by mailing or delivering a check or draft in the amount then due for interest on the Bond to the registered owner of the Bond, as of the Record Date for such interest payment date, to such owner's registered addresses as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal and interest due at final maturity or other final payment shall be made by the Agent to the registered owner upon presentation and surrender of the Bond to the Agent at the Authority's offices at City Hall in the City of Grand Island, Nebraska. The Authority and the Agent may treat the registered owner of the Bond as the absolute owner of the Bond for the purpose of making payments thereon and for all other purposes and neither the Authority nor the Agent shall be affected by any notice or knowledge to the contrary, whether the Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of the Bond in accordance with the terms of this Resolution shall be valid and effectual and shall be a discharge of the Authority and the Agent, in respect of the liability upon the Bond or claims for interest to the extent of the sum or sums so paid.

Section 3. The Agent shall keep and maintain for the Authority books for the registration and transfer of the Bond at the Authority's offices at City Hall in Grand Island, Nebraska. The

name and registered address of the registered owner of the Bond (including notation of any pledgee as may be requested by the Redeveloper) shall at all times be recorded in such books. The Bond may be transferred pursuant to its provisions at the Authority's offices by surrender of such Bond for notation of transfer, accompanied by a written instrument of transfer, in form satisfactory to the Agent, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Agent on behalf of the Authority will register such transfer upon its books and make notation thereof on the Bond and deliver the Bond at its office to the transferee owner (or send it by registered mail to the transferee owner thereof at such transferee owner's expense). All transfers of the Bond shall be upon the basis of a private placement and each proposed transferee registered owner shall furnish the Agent with assurances in form satisfactory to the Agent that such Bond is being purchased for investment purposes only, without view to redistribution and upon the independent credit judgment and investigation of the proposed transferee. The Authority and the Agent shall not be required to transfer the Bond during any period from any Record Date until its immediately following interest payment date or to transfer the Bond when called for redemption, in whole or in part, for a period of 15 days next preceding any date fixed for redemption or partial redemption.

Section 4. In the event that payments of interest or for mandatory partial redemption due on the Bond on any interest payment date are not timely made, such interest or redemption price shall cease to be payable to the registered owner as of the Record Date for such interest payment date and shall be payable to the registered owner of the Bond as of a special date of record for payment of such defaulted interest or redemption price as shall be designated by the Agent whenever monies for the purpose of paying such defaulted interest or redemption price become available.

Section 5. At any time, the Authority shall have the option of prepaying in whole or in part principal of the Bond. Any such optional prepayment of principal shall be accompanied by an amount equal to all accrued but unpaid interest on the principal amount being prepaid. Notice of any optional redemption for the Bond shall be given at the direction of the Authority by the Agent by mail not less than 15 days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of the Bond at said owner's registered address. Notice of call for redemption may be waived in writing by any registered owner. In the event of prepayment in whole the Bond shall be cancelled. The determination of the amount and timing of any optional redemption of the Bond shall be in the absolute discretion of the Authority. Beginning December 1, 2015, the Bond shall also be subject to mandatory partial redemption, without notice, on each interest payment date from all funds to be available in the Bond Fund (as hereinafter established and defined), including all amounts, if any, from investment earnings for such fund, rounded down to the nearest one hundred dollars, after payment of all accrued but unpaid interest on each interest payment date (which funds are referred to in this Resolution as "Available Funds"). Available Funds shall be applied to the prepayment of principal on each interest payment date and shall be remitted to the registered owner of the Bond with interest payments. The Agent shall mark the Agent's records with respect to each mandatory partial principal prepayment made from Available Funds and it shall not be necessary for the registered owner to present the Bond for notation of such prepayment. The records of the Agent shall govern as to any determination of the principal amount of the Bond outstanding at any time and the registered owner shall have the right to request information in writing from the Agent at any time as to the principal amount outstanding upon the Bond.

Section 6. The Bond shall be in substantially the following form:



**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  
(THE GUARANTEE GROUP REDEVELOPMENT PROJECT)  
SERIES 2015**

<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Final Maturity Date</u>
\$ _____ .00	8.00%	December 31, 2039*

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Redevelopment Authority of the City of Grand Island, Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the registered owner designated on the reverse hereof, or registered assigns, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth above, with interest on the unpaid balance from date of delivery hereof until maturity or earlier redemption at the rate per annum set forth above. All such interest upon the Bond shall be payable semiannually on June 1 and December 1 of each year, commencing June 1, 2015.

The payment of principal and interest due upon the final maturity is payable upon presentation and surrender of this bond to the Treasurer of said Authority, as Paying Agent and Registrar for said Authority, at the offices of the Community Redevelopment Authority of the City of Grand Island at City Hall, in Grand Island, Nebraska. The payments of interest and of mandatory redemptions of principal on each interest payment date (other than at final payment) will be paid when due by a check or draft mailed or delivered by said Paying Agent and Registrar to the registered owner of this bond, as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the fifteenth day of the calendar month immediately preceding the calendar month in which the interest payment date occurs, to such owner's address as shown on such books and records. Any payment of interest or mandatory redemption of principal not timely paid when due shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond on such special record date for payment of such defaulted interest or redemption price as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available.

**\* or, if sooner, fourteen years after the last effective date established for a Phase under the terms of the Redevelopment Contract**

This bond is the single bond of its series of the total principal amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_ .00) issued by the Authority for the purpose of paying the costs of redevelopment of certain real estate located in the City of Grand Island, as designated in that redevelopment plan recommended by the Authority and approved by the Mayor and Council of the City of Grand Island, Nebraska, on June 25<sup>th</sup>, 2013 (the "Plan"), all in compliance with Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska, 2012, as amended, and has been duly authorized by resolution passed and approved by the Chair and Members of the Community Redevelopment Authority of the City of Grand Island (the "Resolution").

The conditions for the issuance and purchase of this bond are set forth in the Redevelopment Contract and the terms and conditions of the Redevelopment Contract are incorporated herein by reference.

The Authority, however, reserves the right and option of prepaying principal of this bond, in whole or in part, from any available sources, at any time, at the principal amount thereof designated for redemption plus accrued interest to the date fixed for redemption of the principal amount so designated for optional redemption. Notice of any such optional prepayment shall be given by mail, sent to the registered owner of this bond at said registered owner's address in the manner provided in the Resolution. The principal of this bond shall be subject to mandatory redemptions made in part on any interest payment date from "Available Funds" (as defined in the Resolution) without any requirement for notice. Such optional and mandatory prepayments shall be made upon such terms and conditions as are provided for in the Resolution.

This bond constitutes a limited obligation of the Authority payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2012, as amended, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Project Area" (as defined in the Resolution). Pursuant to the Resolution and Sections 18-2124 and 18-2150, R.R.S. Neb. 2012, said portion of taxes has been pledged for the payment of this bond, both principal and interest as the same fall due or become subject to mandatory redemption. **This bond shall not constitute a general obligation of the Authority and the Authority shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. This bond shall not constitute an obligation of the State of Nebraska or of the City of Grand Island (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 R.R.S. Neb. 2012) and neither the State of Nebraska, the City of Grand Island nor the Community Redevelopment Authority of the City of Grand Island shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts pledged as described above in this paragraph).** Neither the members of the Authority's governing body nor any person executing this bond shall be liable personally on this bond by reason of the issuance hereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this bond for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the Resolution. The Authority, the Paying Agent and Registrar and any other person may treat the person whose name this bond is registered as the absolute owner hereof for the purposes of

receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not. THIS BOND, UNDER CERTAIN TERMS SET FORTH IN THE RESOLUTION AUTHORIZING ITS ISSUANCE, MAY ONLY BE TRANSFERRED TO PERSONS OR ENTITIES DELIVERING AN INVESTMENT LETTER TO THE PAYING AGENT AND REGISTRAR CONFORMING TO REQUIREMENTS SET FORTH IN SAID RESOLUTION.

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

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

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

Delivered this \_\_\_ day of \_\_\_\_\_, 2015.

COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF GRAND  
ISLAND, NEBRASKA

ATTEST:

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

\_\_\_\_\_  
Secretary

**PROVISION FOR REGISTRATION**

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

Date of Registration	Name of Registered Owner	Signature of Paying Agent and Registrar

Section 7. Pursuant to the provisions of Section 18-2147, R.R.S. Neb. 2012, and the terms of the Redevelopment Contract, effective dates for each Phase of the Project are to be determined by amendment to the Redevelopment Contract, and such effective date(s) are hereby confirmed (as determined pursuant to and set forth in the Redevelopment Contract, as amended) as the effective date(s) after which ad valorem taxes on real property located within each Phase of the Project Area may be apportioned pursuant to said Section 18-2147. From and after said effective date(s) that portion of the ad valorem taxes on all real estate located within each Phase of the Project Area which is described in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2012, as amended (the "Project Area Tax Receipts"), shall be paid into a special fund of the Authority to be designated as the "Community Redevelopment Authority—The Guarantee Group Redevelopment Project Fund" (the "Bond Fund") to be held by the Agent. The Authority hereby pledges for the payment of the Bond both principal and interest as the same fall due, equally and ratably, all Project Area Tax Receipts as so paid into the Bond Fund as a prior and first lien upon said receipts for the security and payment of the Bond. Monies held in the Bond Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Bond Fund. The Authority hereby agrees that so long as any principal of the Bond remains outstanding it will not issue any additional bonds payable from the Project Area Tax Receipts without the written consent of the registered owner (including any pledgee) of the Bond as then outstanding. The Authority further reserves the right to provide for payment of principal and interest on the Bond from the proceeds of a refunding bond or refunding bonds. Monies held in the Bond Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Bond Fund. As effective date(s) are determined pursuant to the terms of the Redevelopment Contract (and amendments), the Authority's Secretary is hereby authorized and directed to give notice to the County Assessor of the provision of the Redevelopment Contract (and amendments) for dividing ad valorem taxes in accordance with the requirements of subdivision (3) of Section 18-2147, R.R.S. 2012.

Section 8. The Bond shall be executed on behalf of the Authority by the Chair and Secretary of the Authority. Upon execution the Bond shall be registered by the Agent in the name of the Redeveloper or its designee as the initial registered owner and shall be delivered in consideration of payment of the principal amount thereof to the Authority's Treasurer. The Redeveloper may request notation of a pledge interest in the Bond on the records of the Agent. The initial purchaser (and any pledgee) shall be required to deliver an investment representation letter to the Agent. Such letter shall be satisfactory in form to the officers of the Authority, or any one or more of them, as advised by the Authority's attorneys. From such purchase price, the Authority is to make a grant to the Redeveloper in accordance with the terms of the Redevelopment Contract. The payment of the purchase price may be offset against the grant provided in the Redevelopment Contract.

Section 9. If the date for payment of the interest or principal on the Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Grand Island, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 10. The City Secretary shall make and certify one or more copies of the transcript of the proceedings of the Authority precedent to the issuance of the Bond one of which copies shall be delivered to the City and held in its records pertaining to the Authority.

Section 11. The Chair and Secretary or any one of them are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Resolution.

Section 12. The authorization for the Bond provided for in this Resolution is based upon expectations as to completion of construction, valuation and proposed tax rates suggested by the Redeveloper. The Authority has given and hereby gives no assurances that such expectations will in fact be fulfilled and the Bond is being issued with the understanding that the Redeveloper as the initial purchaser of the Bond and any pledge of the Redeveloper accept and understand the risks related thereto.

Section 13. The Redevelopment Contract Amendment between the Authority and the Redeveloper in the form presented is hereby approved. The Chair (or Vice-Chair), is hereby authorized to execute and deliver the Redevelopment Contract, in substantially the form presented but with any such changes as such executing officer shall determine appropriate, on behalf of the Authority.

Section 14. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

Section 15. This Resolution shall be in force and take effect from and after its adoption as provided by law.

Passed and Approved this \_\_\_\_\_ day of March, 2015.

(SEAL)

ATTEST:

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

## Exhibit A

A tract of land comprising a part of the Northwest Quarter (NW1/4) of Section Twenty Three (23), Township Eleven (11) North, Range Ten (10) West of the 6<sup>th</sup>. P.M., Hall County, Nebraska, more particularly described as follows:

Beginning at the northwest corner of said Northwest Quarter (NW1/4); thence running easterly along the north line of said Northwest Quarter (NW1/4), on an Assumed Bearing of S89°42'01"E, a distance of Three Hundred Eighty and Fifty Hundredths (380.50) feet, to the ACTUAL point of beginning; thence continuing S89°42'01"E, along the north line of said Northwest Quarter (NW1/4), a distance of One Thousand Four Hundred Eighty Eight and Eighty Five Hundredths (1488.85) feet, to the northwest corner of Meyer's Subdivision; thence running S02°31'05"W, along the westerly line of Meyer's Subdivision, a distance of Three Hundred Ninety Four and Forty Six Hundredths (394.46) feet, to the southwest corner of Meyer's Subdivision; thence running N89°30'44"E, along the southerly line of Meyer's Subdivision, a distance of Sixty Two and Seventy Hundredths (62.70) feet; thence running N03°36'47"E, along the southerly line of Meyer's Subdivision, a distance of Fifteen (15.00) feet; thence running N89°52'19"E, along the southerly line of Meyer's Subdivision, a distance of Two Hundred Eleven and Eighty Two Hundredths (211.82) feet, to the southeast corner of Meyer's Subdivision; thence running N00°22'01"W, along the easterly line of Meyer's Subdivision, a distance of Three Hundred Seventy Six and Seventy Seven Hundredths (376.77) feet, to the northeast corner of Meyer's Subdivision, and to a point on the north line of said Northwest Quarter (NW1/4); thence running S89°42'01"E, along the north line of said Northwest Quarter (NW1/4), a distance of Four Hundred Eighty One and Forty One Hundredths (481.41) feet, to a point Thirty Five (35.00) feet west of the northeast corner of said Northwest Quarter (NW1/4); thence running S00°37'23"W, a distance of Two Thousand Six Hundred Seventy Four and Twenty Two Hundredths (2674.22) feet, to a point on the south line of said Northwest Quarter (NW1/4), said point being Thirty Four and Eighty Six Hundredths (34.86) feet west of the southeast corner of said Northwest Quarter (NW1/4); thence running N89°01'26"W, along the south line of said Northwest Quarter (NW1/4), a distance of Two Thousand Five Hundred Ninety Two and Sixty Seven Hundredths (2592.67) feet, to the southwest corner of said Northwest Quarter (NW1/4); thence running N00°19'24"E, along the west line of said Northwest Quarter (NW1/4), a distance of One Thousand Nine Hundred Eighty Six and Six Hundredths (1986.06) feet, to the southwest corner of M & M Subdivision; thence running S89°42'17"E, along the south line of M & M Subdivision, a distance of Three Hundred Eighty Six and Fifty Two Hundredths (386.52) feet, to the southeast corner of M & M Subdivision; thence running N00°12'08"W, along the east line of M & M Subdivision, a distance of Six Hundred Fifty Seven and Fifty Hundredths (657.50) feet, to the ACTUAL point of beginning and containing 150.56 acres more or less. WHICH INCLUDES all of Lots Eight (8) thru Ninety Seven (97), Copper Creek Estates Subdivision and all of Lots One (1) thru Seven (7), Copper Creek Estates Second Subdivision.

Member \_\_\_\_\_ seconded the motion. Upon roll call vote the following Members voted

“Aye”: \_\_\_\_\_

\_\_\_\_\_. The following Members voted “Nay”:

\_\_\_\_\_. The Chair declared the resolution adopted.

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I, \_\_\_\_\_, the undersigned Secretary for the Community Redevelopment Authority of the City of Grand Island, Nebraska, hereby certify that the foregoing is a true and correct copy of the proceedings had and done by the Chair and Members of the Authority on March \_\_, 2015; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the Authority; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that a current copy of the Nebraska Open Meetings Act was publicly announced, available and accessible to members of the public, posted during such meeting in the room in which such meeting was held; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that said minutes from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

\_\_\_\_\_  
Secretary