



City of Grand Island

Tuesday, December 22, 2015

Council Session

Item I-3

#2015-348 - Consideration of Resolution to Transfer the Veterans Home Property from the State of Nebraska to the City of Grand Island

Staff Contact: Marlan Ferguson

Council Agenda Memo

From: Robert J. Sivick, City Attorney

Meeting: December 22, 2015

Subject: Consideration of Resolution Supporting the Transfer of Ownership of the Grand Island Veterans Home from the State of Nebraska to the City of Grand Island

Presenter(s): Marlan V. Ferguson, City Administrator

Background

Throughout 2015 City of Grand Island (City) officials and members of the Mayor's Special Committee have communicated and negotiated with the State of Nebraska (State) seeking transfer of ownership of the Grand Island Veterans Home (Veterans Home) to the City. Earlier this month State and City officials jointly announced a tentative agreement and schedule to convey title of the Veterans Home to the City.

Discussion

The November 13, 2015 Nebraska Department of Administrative Services White Paper sets forth the tentative terms and schedule for the transfer of ownership of the Veterans Home to the City. The City Attorney reviewed the terms and schedule contained in the White Paper and approves of its content. The first step in the transfer of the ownership of the Veterans Home is the approval of Resolution 2015-348 before the Council for consideration this evening. If approved the State will execute a Quitclaim Deed for the portion of the Veterans Home real estate presently used for agricultural and recreational purposes along with the Veterans Cemetery. Further transfer of Veterans Home real estate and improvements will be carried out by State and City officials dependent on planned construction of a new Veterans Home in Kearney, the relocation of Veterans Home residents, and the vacation of the State from Veterans Home land and buildings. Most importantly, the approval of Resolution 2015-348 will serve as the City's formal commitment to the transfer of ownership of the Veterans Home and allow both State and City officials to begin working on necessary details to accomplish the complete transfer sometime in the next several years.

Alternatives

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

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

Recommendation

The City Administration recommends the approval of Resolution 2015-348.

Sample Motion

Move to approve Resolution 2015-348.

**GRAND ISLAND VETERANS HOME
WHITE PAPER – NOVEMBER 13, 2015**

The Grand Island Veterans Home was established in **Legislative Bill 247** in 1887 by the Nebraska Legislature. It was titled *“An act to establish and maintain in Nebraska a soldiers’ and sailors’ home.”* Bill 247 came into full force and effect on **March 4th of 1887**. The legislation provided in **Section 3430** that *“[Location]-Such soldiers’ and sailors’ home shall be located not less than three miles nor more than six miles from the corporate limits of the city of Grand Island; Provided, that there shall be donated and conveyed to the state of Nebraska in fee simple, not less than 640 acres of land suitable as a site for said institution; to be approved and accepted by the board of public lands and buildings. If such lands shall not be donated and conveyed within 30 days after this act shall take effect, then the board of public lands and buildings shall locate and establish the same at some other suitable point, where such donation shall be made, having regard to the welfare of the institution and the health of its inmates.”*

It is unknown presently by this writer what transpired before and then between March 4th of 1887 and April 1st of 1887. More research will be required to fill in that blank.

Apparently pursuant to that legislation two (2) Warranty Deeds were subsequently recorded. The first was signed on the 1st day of April of 1877 by Alexander H. Baker and Mary J. Baker, (H&W), private citizens, conveying the South Half (S ½) of Section Five (5) in Township No. Eleven (11) in Hall County, containing 320 acres; the second was also signed on the 1st day of April of 1877, by Isaac R. Alter and Annie R. Alter (H&W), and Herbert H. Glover and Maggie F. Glover (H&W), all private citizens, conveying the north half (N ½) of Section Five (5) in Township No. Eleven (11) in Hall County, containing 320 acres. The total of both conveyances amounted to the 640 acres that Legislative Bill 247, Section 3430 required in order for the state of Nebraska to build the Soldiers’ and Sailors’ Home near Grand Island. A section of land contains 640 acres.

Each of the Warranty Deeds referred to in the paragraph above contained exactly the same language stating that the consideration for the conveyances was, *“...the sum of One Dollar and the location at Grand Island of the Soldiers’ and Sailors’ Home as per an Act of the Legislature of the State of Nebraska, entitled an Act to Establish and Maintain a Soldiers’ and Sailors’ Home, in hand paid by The State of Nebraska...”* Both Warranty Deeds were notarized by Q.B. Thompson, Notary Public. Both Warranty Deeds were filed and recorded at the exact same time of April 1, 1887 at 2:30 P.M. by Z.B. Partridge, Deputy County Clerk for Hall County, Nebraska. It therefore appears that the preparation, execution, and filing of the Warranty Deeds was organized to be simultaneous as part of a common purpose.

A relatively small portion of the original six hundred and forty (640) acres is currently used to house veterans and their spouses (30 + or - acres only). The remainder is either leased for farming purposes [three hundred twenty-nine (329) acres]; a ball field (77.39 acres); for a parking lot (10.667 acres); veterans cemetery space (4 + or - acres); or is an unusable pond or small lake (20 + or - acres).

TOTAL ANNUAL LEASE INCOME: A very summary abstract of the three (3) leases is as follows:

- Farming Cash Lease CL-33; Area: 329 acres; Expires: December 31, 2015 (2-years); Total rent per year: \$109,228.
- Ball Park Area: 77.39 acres; Lessee: City of Grand Island; Rent per year: \$1.
- Parking Lot (no number); Area: 10.667 acres; Lessee: United Veterans Club; Term: October 1, 2001 thru October 1, 2026 (25-years w/option to renew for 25-more years); Rent per year: \$1.

MAINTENANCE AND IMPROVEMENT COSTS: The costs for maintenance and improvements to the small tract of thirty (30) acres constituting the campus where veterans and their spouses are housed that have been incurred by the state building division of Administrative Services from 2010 thru 2015 have been \$7,797,374.40, comprised of 161 projects.

THE ISSUE: The city of Grand Island and other possible applicants for all or portions of the buildings and land such as the United Veterans Club and/or VFW Post 1347 have requested a fee simple (ownership) transfer from the state of Nebraska to it/them for nominal (\$1) consideration. The basis of their requests until now has been that either: (a) the city of Grand Island originally paid for the land deeded to the state of Nebraska in return for the state building and

operating a Soldiers' and Sailors' Home (later re-named the Grand Island Veterans Home), and if the state is no longer going to use the land for that purpose, Grand Island's land (640 acres) should now or soon be returned to it; or (b) it is in the best interests of the state of Nebraska and the city of Grand Island, a highly-progressive municipality, for the state to give the land, at little or no cost, to Grand Island for economic development purposes.

According to **Grand Island Mayor Jeremy Jensen**, a strategic business plan on the ultimate future use of the Grand Island Veterans Home properties is currently being formulated by an active committee appointed by him. The opportunity may arise for the state of Nebraska to be supportive of those plans when finalized and fully considered by all legally interested parties.

CURRENT ROUTINE OPTIONS: The Nebraska State Statutes describe a fairly complex procedure to convey 100% ownership in fee simple of the buildings and land constituting the original Veterans Home property. It does not allow the kind of expedited transaction being urged by the city of Grand Island.

The applicable statutes include, but are not limited to, **Nebraska Revised Statutes 72-811 thru 72-818** that expressly address "**Vacant Buildings and Excess Land**" – which are also frequently referred to as the "**VBEL**" provisions. They call for first offering the land to other Nebraska state agencies if they can use it for the same or similar purposes it traditionally has been used, and then, if there is no expression of interest, an appraisal of the property is performed after which it is offered to the highest public bidder.

If a state agency (such as the DHHS, Division of Veterans' Homes, in the case of the Grand Island Veterans Home) reports that any particular state-owned building or piece of land, such as the Grand Island Veterans Home, is unused, vacant, or excess (either in whole or in part), the State Building Administrator shall refer it to the Vacant Building and Excess Land (the "VBEL") Committee. The committee is made up of the Director of Administrative Services (Byron Diamond), the State Building Administrator (Rod Anderson), and the administrator of the Task Force for Building Renewal created pursuant to Neb. Rev. Stat. 81-174. The committee could as provided in Neb. Rev. Stat. 72-811 thru 72-818:

- "...order...**maintenance** of the building or land by the state building division of the Department of Administrative Services...;"
- "...order...disposal of the building or land through **sale**...;"
- "...order...disposal of the building or land through **lease**...;"
- "...order...disposal of the building or land through **demolition**...;" or
- "...order...disposal of the building or land through **otherwise**."

The determination and order of the VBEL Committee is then certified to the Director of Administrative Services, and if the order includes the sale, lease, or other disposal of the building or land, the Director of Administrative Services may execute any quitclaim deed, lease, or other instrument necessary to sell, lease, or dispose of the building or land. Neb. Rev. Stat 72-814. The director may also in accordance with Neb. Rev. Stat. 72-814:

- "...**trade** the building or land for other property needed by the state."
- install or **move another state agency or agencies** into the buildings or onto the property;

The state building division of the Department of Administrative Services shall be responsible to carry out the sale, lease, or other disposal of a building or land ordered by the VBEL Committee. Neb. Rev. Stat. 72-815(1). If the order is to sell or lease the building or land, the state building division shall cause an appraisal to be made of the building or land. Neb. Rev. Stat. 72-815(3)(a). The state building division shall have the discretion of advertising that it will be selling or leasing the property by auction, sealed bid, public sale, or private sale. Neb. Rev. Stat. 72-815(3)(a). "Priority [in the sale or lease of property] shall be given to other political subdivisions of state government, then to persons contracting with the state or political subdivisions of the state who will use the building or land for middle-income or low-income rental housing for at least fifteen years, and finally to referrals from the Department of Economic Development." Neb. Rev. Stat. 72-815(3)(a). Proceeds of the sale or lease shall be remitted by the state building division to the State Treasurer for credit to the Vacant Building and Excess Land Cash Fund. Neb. Rev. Stat. 72-815(c).

THE EQUITIES INVOLVED: It is clear that the original purpose of, and consideration for, the conveyance and donation of the section of land (640 acres, more or less) to the state of Nebraska in 1887 was the promise of the "**...location at Grand Island of the Soldiers' and Sailors' Home...**" With the decision by the state of Nebraska to move the Veterans

Home to Kearney, Nebraska, the **transfer by way of a grant to the city of Grand Island** of the remaining lands included in the original conveyance appears to be the fairest disposition of the real property and its improvements in light of the understanding that had to exist by all concerned at least between and including March 4, 1887 and April 1, 1887. In order to comply with Nebraska state law relative to VBEL properties, only the portion that is currently both "Vacant" and "Excess," and is not presently being used to further the state's direct interests, shall be subject to being immediately granted to the city of Grand Island, Nebraska, which necessitates a phasing in of the grants with the Veterans Home campus being in the final phase after the veterans have been completely relocated from the Grand Island Veterans Home to the new Central Nebraska Veterans Home in Kearney, Nebraska.

FINANCIAL AND INTANGIBLE BENEFITS OF A TRANSFER TO GRAND ISLAND: (A) It is the right, fair, and just thing for Nebraska state government to do (see the preceding paragraph); (B) Potential demolition costs of \$4 million as respects the Grand Island buildings will be permanently saved by the state and can be reallocated for more productive state purposes; (C) Maintenance of the Veterans Cemetery will be permanently transferred to the city of Grand Island with a 50-year estimated total maintenance and operational savings of \$206,000 in 2015 dollars; (D) Maintenance for the buildings constituting the campus where the veterans and their families currently live will be permanently transferred to the city of Grand Island resulting in a savings of dozens of maintenance projects and more than \$1 million annually, or \$50 million over the next 50-years, in 2015 dollars; (E) establishment, maintenance, and operation of a History Museum on the historic premises by the city of Grand Island; (F) establishment, maintenance, and operation of a new Grand Island cemetery on the premises; and (E) the city of Grand Island is collaborating with interested parties and investors to plan and create a high-technology, cyber/internet security college/campus/research facilities/think tanks and other collateral purposes that will generate large economic development investments, expand the tax base, create jobs, enhance national, educational, and corporate security, and bring more financial prosperity to Rural Nebraska.

PHASE I: In December 2015, the VBEL Committee will address an agenda that includes the farmland portion of the Veterans Home property constituting 329 acres of land, more or less; and the Ball Park and recreational area portion of the Veterans Home Property constituting 77.39 acres that is currently being leased to the city of Grand Island. The VBEL Committee will have at its disposal the investigation and due diligence of the State Building Division of the Administrative Services Department which will include, but not necessarily be limited to, an appraisal and survey of the 406.39 acres, more or less, constituting the farmland and the ball park/recreational areas. It is anticipated that the VBEL Committee will vote to give the land as a grant (an "Otherwise" method of "disposal" authorized by Neb. Rev. Stat. 72-811 thru 72-818) to the city of Grand Island. The grant should require the unequivocal acceptance by the city of Grand Island of the obligation to **Defend and Hold Harmless** the state of Nebraska and the subject land from the claims and/or suits/or other alternative dispute resolution proceedings, of and by any other parties that may allege a superior ownership/possessory right to the land, or any portion of it; damages; claims; or equitable remedies.

PHASE II: After the last Veteran and caregiver staff member vacates the Grand Island Veterans Home, in 3-4 years, the VBEL Committee will address an agenda that includes the Veterans Home campus which contains about 30-40 acres; the Veterans Cemetery that includes approximately five (5) acres; the Parking Lot of 10.667 acres currently leased to the United Veterans Club; and any other land that has not been otherwise sold or permanently disposed of. The VBEL Committee will have at its disposal the investigation and due diligence of the State Building Division of the Administrative Services Department which will include, but not necessarily limited to, an appraisal and survey of the forty-five (45) to fifty-five (55) acres, more or less, constituting the campus, cemetery, and Veterans Club Parking Lot. It is anticipated that the VBEL Committee will vote to give the land as a grant (an "Otherwise" method of "disposal" authorized by Neb. Rev. Stat. 72-811 thru 72-818) to the city of Grand Island. The grant should require: (1) the unequivocal acceptance by the city of Grand Island of the obligation to **Defend and Hold Harmless** the state of Nebraska and the subject land from the claims and/or suits/or other alternative dispute resolution proceedings, of and by any other parties that may allege a superior ownership or possessory right to the land, or any portion of it; damages; claims; or equitable remedies; (2) an assurance that the city of Grand Island will deal fairly and compassionately with the need of the United Veterans Club to have a legal right to indefinitely occupy the 10.667 acres constituting the parking lot at little to no cost except its own maintenance; and (3) that the city of Grand Island will abide by the **Historic Programmatic Agreement** which the Nebraska Department of Administrative Services currently has with the United States Department of Veterans Affairs and the Nebraska State Historic Preservation Office relative to the buildings on

the historic Grand Island Veterans Home campus and the Veterans Cemetery. Due to the Veterans Administration grant to build the new facility in Kearney, Nebraska, all stakeholders are required to determine the future of historically significant buildings on the Grand Island Veterans Home campus. The requirements of the VA State Home Construction Grant Program are available in 38 CFR, Part 59. Because of the VA grant, plans must be reviewed under Section 106 of the National Historic Preservation Act (36 CFR, Part 800), the National Environmental Policy Act, and other laws requiring consultation and consideration of the effects of the proposed project. Grand Island must enter into an enforceable agreement to assume the responsibilities of the Department of Administrative Services under the Historic Programmatic Agreement.

TIMELINE: The following timeline* shall provide illustrative guidance in the grant of land to the city of Grand Island, to-wit:

- November 19, 2015: The SBD engages an appraiser to appraise the value of the 329 acres of farmland. It also engages an appraiser to appraise the value of the 77.39 acres of ballfield and recreation area.
- November 19, 2015: The SBD engages a surveyor to survey the various tracts of land that are still owned in fee simple by the state of Nebraska including the farmland, ball field and recreational area, Grand Island Veterans Home campus, Veterans Cemetery, the parking lot leased to the Veterans Club, and any other areas that remain the property of the state of Nebraska which have not yet been accounted for. It is believed, for instance, that the lake on the original section of land (about 30-acres) has been previously sold to Hall County. If it has not been sold to Hall County, but rather leased, it too will be surveyed.
- VBEL Committee meets on December 18th and determines that the Farmland and Ballpark/Recreational Area are vacant, unused, and excess property and should be granted to the city of Grand Island.
- The city of Grand Island makes the legal and other commitments required of it on or before December 18th.
- Director Byron Diamond executes a Quitclaim Deed to the city of Grand Island on December 18th listing the legal descriptions of the Farmland and Ballfield.
- In January, 2016 bids are let for the new construction of the Central Nebraska Veterans Home in Kearney, Nebraska, and the contractor commences work.
- In November 2018, the city of Kearney issues a Certificate of Occupancy authorizing the use of the Central Nebraska veterans Home in Kearney, Nebraska.
- In November 2018, the SBD engages an appraisal service to appraise the main Grand Island Veterans Home Campus, the Veterans Cemetery, and the Parking Lot of the United Veterans Club (about 45-55 acres in total).
- February 14, 2019, Veterans and their families and Central Nebraska Veterans Home staff have all moved from Grand Island to Kearney and into the Kearney facility.
- The VBEL Committee meets on February 28, 2019 and determines that the vacant, unused, and excess property upon which the Grand Island Veterans Home was built, Veterans Cemetery, and Veterans Club Parking Lot Areas should be granted to the city of Grand Island.
- The city of Grand Island makes the legal commitments required of it on or before February 28th, 2019.
- Director Byron Diamond executes a Quitclaim Deed to the city of Grand Island on February 28th, 2019, listing the legal descriptions constituting the Grand Island Veterans Home campus, Veterans Cemetery, and United Veterans Club Parking Lot Areas.

* Timeline is for illustrative purposes only and does not include all milestones or represent the views of all applicable SBD/AS senior management.

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MEMORANDUM

TO: Byron Diamond, DAS Director
Rod Anderson, State Building Division Administrator

FROM: Bo Botelho, Deputy Director and General Counsel

DATE: November 17, 2015

RE: Grand Island Veterans' Home

Question presented: Can the State of Nebraska, DAS, Building Division convey the real property commonly known as the Grand Island Veterans' Home and associated grounds to the City of Grand Island.

To answer the question, I have reviewed the original deeds granting the property to the State, the vacant building and excess land statutes, and Nebraska State Constitution. The original deeds conveyed the property to the state for the consideration of "One Dollar and on the condition that the location of the Soldiers and Sailors Home be on that property in Grand Island. Said deed did not contain any right of reversion or any other limitation, duration, or use restriction. However, it is clear from the consideration language that the intent of the conveyance was for the home to be located in Grand Island, Nebraska.

The vacant building and excess land statutes create and empower the VBEL Committee to dispose of real property no longer in or of use to the State of Nebraska or its agencies. Per the statute, once the Committee determines a piece of property to be vacant and/or excess it now must determine the means of disposal for said property. Disposal may include trade, swap real property for other real property, sale, lease, or "other disposal" method. The Committee shall direct the method of disposal to the DAS Director to carry out the disposal as directed.

It would appear from the plain language of the statute, the Legislature intended to allow for disposal of real property beyond sale, lease or trade. 'Sale' is legally defined as the transfer of property or title for a price; the agreement by which such a transfer takes place, containing the four elements of (1) parties competent to contract, (2) mutual assent, (3) a thing capable of being transferred, and (4) a price in money paid or promised. 'Lease' is legally defined as contract by which a rightful possessor of real property conveys the right to use and occupy that property in exchange for consideration, usually rent. 'Disposal' means the action or process of throwing away or getting rid of something.

Both a sale and lease would necessitate the State receiving some form of pecuniary consideration in exchange for the deeding over of the real property or the granting of use of the real property via a lease or license. The inclusion of the "trade" language as described in

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the statute provides for the exchange of real property no longer of use to the State for real property of equivalent value which the State may use. The inclusion of the "other disposal" language would seem to allow for the relinquishing of real property by the State for consideration other than pecuniary or other real property, such as donation.

The Nebraska State Constitution Article III-21 prohibits the State from donating State land to, "railroad companies, private corporations, or individuals." It does not prohibit the donation of state land to political subdivisions. Since the framers did not include political subdivisions in the prohibition, it can be assumed that the framers meant to allow for such an action or at least did not intend to prohibit such an action.

III-20 prohibits the alienation of natural resources contained in the ground such as coal, oil, minerals, etc. but does not provide any further prohibition or restrictions on the granting of land.

Thus, when reading the statutes and the Constitution together, it seems reasonable that the VBEL Committee may direct the Director of Administrative Services and State Building Division to transfer the "Nebraska Grand Island Veterans' Home" and associated property to the City of Grand Island for consideration other than pecuniary consideration or donation.

Bo Botelho, Deputy Director and General Counsel

Administrative Services • 1526 K Street, Suite 140 • Lincoln, Nebraska 68508 • Phone: 402-471-1405 • Fax: 402-471-4157

After recording, return copy of recorded instrument to:

Sarah McCarter, Commercial Lease Coordinator

AS/State Building Division

PO Box 98940

Lincoln, NE 68509-8940

QUITCLAIM DEED

STATE OF NEBRASKA, through the Department of Administrative Services, an agency of the State of Nebraska, hereinafter referred to as the "GRANTOR", for and in consideration of One Dollar (\$1.00) and other good and valuable consideration received from the **City of Grand Island**, a political subdivision of the State of Nebraska, hereinafter referred to as the "GRANTEE", whose mailing address is 100 East First Street, Grand Island, NE 68802, hereby quitclaims to Grantee all of its right, title, and interest in and to the real estate, more particularly described as:

A PARCEL OF LAND LOCATED IN GOVERNMENT LOT 2 IN SECTION 6 AND THE SOUTHWEST QUARTER OF SECTION 5, ALL IN TOWNSHIP 11 NORTH, RANGE 9 WEST OF THE SIXTH P.M., HALL COUNTY, NEBRASKA, BEING DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 5; THENCE $N00^{\circ}12'38''W$ (ASSUMED BEARING) ON THE WEST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 33.00 FEET TO THE NORTH RIGHT OF WAY LINE OF CAPITAL AVENUE; THENCE $S89^{\circ}42'04''E$ ON SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 357.49 FEET TO THE SOUTHWEST CORNER OF A PARCEL OF LAND DESCRIBED AND RECORDED IN INSTRUMENT NO. 201306652; THENCE $N00^{\circ}17'56''E$ ON THE WEST LINE OF SAID PARCEL, A DISTANCE OF 44.00 FEET TO THE NORTHWEST CORNER OF SAID PARCEL AND THE POINT OF BEGINNING; THENCE $N00^{\circ}17'56''E$, A DISTANCE OF 397.98 FEET; THENCE $N89^{\circ}42'04''W$, PARALLEL WITH THE SOUTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 271.42 FEET; THENCE $N00^{\circ}12'35''W$, A DISTANCE OF 44.00 FEET; THENCE $N56^{\circ}45'43''W$, A DISTANCE OF 279.21 FEET TO THE EAST RIGHT OF WAY LINE OF WEBB ROAD; THENCE $N00^{\circ}27'35''W$ ON SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 1759.63 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF OLD NEBRASKA HIGHWAY 2, AS DESCRIBED AND RECORDED IN MISC. RECORD U. PAGE 456; THENCE $S73^{\circ}54'50''E$ ON SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 2753.58 FEET; THENCE $S00^{\circ}09'33''E$, PARALLEL WITH THE EAST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 1466.65 FEET TO THE NORTH RIGHT OF WAY LINE OF CAPITAL AVENUE AS DESCRIBED AND RECORDED IN SAID INSTRUMENT NO. 201306652; THENCE $N89^{\circ}42'04''W$ ON SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 2067.48 FEET TO THE POINT OF BEGINNING, CONTAINING 105.12 ACRES, MORE OR LESS.

TOGETHER WITH

A PARCEL OF LAND LOCATED IN GOVERNMENT LOT 2 IN SECTION 6 AND A PART OF SECTION 5, ALL IN TOWNSHIP 11 NORTH, RANGE 9 WEST OF THE SIXTH P.M., HALL COUNTY, NEBRASKA, BEING DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF SECTION 5; THENCE $N00^{\circ}10'40''W$ (ASSUMED BEARING) ON THE WEST LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 2301.63 FEET TO THE SOUTH RIGHT OF WAY LINE OF U.S. HIGHWAY 281, AS DESCRIBED AND RECORDED IN INSTRUMENT NO. 83-00449; THENCE $N85^{\circ}41'48''E$ ON SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 1395.99 FEET; THENCE $N87^{\circ}17'06''E$, CONTINUING ON SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 600.49 FEET; THENCE $S86^{\circ}55'36''E$, CONTINUING ON SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 636.96 FEET TO THE EAST LINE OF SAID NORTHWEST QUARTER; THENCE $S85^{\circ}10'20''E$, CONTINUING ON SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 509.71 FEET TO THE NORTHWEST CORNER OF A PARCEL OF LAND DESCRIBED AND RECORDED IN INSTRUMENT NO. 95-108524; THENCE $S90^{\circ}02'26''W$ ON THE WEST LINE OF TWO PARCELS OF LAND DESCRIBED AND RECORDED IN INSTRUMENT NO. 95-108524 AND 97-104174, A DISTANCE OF 1147.05 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL OF LAND DESCRIBED IN INSTRUMENT NO. 97-104174; THENCE $S28^{\circ}58'32''E$ ON THE SOUTH LINE OF SAID PARCEL, A DISTANCE OF 69.15 FEET TO THE NORTHWEST CORNER OF A PARCEL OF LAND DESCRIBED AND RECORDED IN INSTRUMENT NO. 201001127; THENCE $S00^{\circ}11'25''W$ ON THE WEST LINE OF SAID PARCEL, A DISTANCE OF 59.94 FEET; THENCE $N89^{\circ}01'12''W$, CONTINUING ON SAID WEST LINE, A DISTANCE OF 28.99 FEET; THENCE $S02^{\circ}02'26''W$, CONTINUING ON SAID WEST LINE, A DISTANCE OF 1630.65 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL; THENCE $S89^{\circ}25'27''E$ ON THE SOUTH LINE OF SAID PARCEL, A DISTANCE OF 1748.67 FEET; THENCE $N28^{\circ}33'31''E$, CONTINUING ON SAID SOUTH LINE, A DISTANCE OF 250.49 FEET; THENCE $S88^{\circ}45'38''E$, CONTINUING ON SAID SOUTH LINE, A DISTANCE OF 254.80 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL AND THE WEST RIGHT OF WAY LINE OF BROADWELL AVENUE; THENCE $S00^{\circ}15'58''W$ ON SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 1444.91 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN SANTA FE RAILWAY, AS DESCRIBED AND RECORDED IN INSTRUMENT NO. 201300944; THENCE $N73^{\circ}53'50''W$ ON SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 5664.36 FEET TO THE EAST RIGHT OF WAY LINE OF WEBB ROAD; THENCE $N00^{\circ}24'09''W$ ON SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 109.45 FEET TO THE NORTH LINE OF GOVERNMENT LOT 2 IN SECTION 6; THENCE $S89^{\circ}56'46''E$ ON SAID NORTH LINE, A DISTANCE OF 197.73 FEET TO THE POINT OF BEGINNING, CONTAINING 264.02 ACRES, MORE OR LESS.

TOGETHER WITH

A TRACT OF LAND LOCATED IN PART OF THE EAST HALF (E1/2) OF SECTION FIVE (5), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE EAST QUARTER (E1/4) CORNER OF SECTION 5-T11N-R9W; THENCE ON AN ASSUMED BEARING OF $N88^{\circ}50'06''W$ UPON THE SOUTH LINE OF THE NORTHEAST QUARTER (NE1/4) OF SAID SECTION 5 A DISTANCE OF 40.00 FEET TO THE POINT OF BEGINNING, SAID POINT ALSO BEING ON THE WESTERLY RIGHT-OF-WAY (ROW) LINE OF BROADWELL AVENUE; THENCE $S00^{\circ}51'43''W$ UPON AND ALONG SAID WESTERLY ROW LINE A DISTANCE OF 179.46 FEET; THENCE $N85^{\circ}10'58''W$ A DISTANCE OF 254.75 FEET; THENCE $S29^{\circ}09'23''W$ A DISTANCE OF 250.49 FEET; THENCE $N88^{\circ}50'06''W$ PARALLEL WITH SAID SOUTH LINE OF NE1/4 A DISTANCE OF 1748.67 FEET; THENCE $N00^{\circ}37'43''E$ A DISTANCE OF 397.71 FEET TO SAID SOUTH LINE OF THE NE1/4; THENCE $N00^{\circ}37'43''E$ A DISTANCE OF 1233.17 FEET; THENCE $S68^{\circ}25'59''E$ A DISTANCE OF 69.05 FEET; THENCE $N00^{\circ}42'20''E$ A DISTANCE OF 59.94 FEET; THENCE $S89^{\circ}21'19''E$ A DISTANCE OF 259.64 FEET; THENCE $S88^{\circ}20'18''E$ A DISTANCE OF 428.58 FEET; THENCE $S88^{\circ}24'58''E$ A DISTANCE OF 1150.41 FEET TO A POINT BEING ON SAID WESTERLY ROW LINE OF BROADWELL AVENUE, SAID POINT ALSO BEING THE WESTERLY LINE OF NEBRASKA STATE ROW DESCRIBED IN STATE OF NEBRASKA DEPARTMENT OF ROADS OCCUPENT NO. 93-104239, RECORDED MAY 26, 1993, REGISTER OF DEEDS, HALL COUNTY, NEBRASKA; THENCE $S11^{\circ}16'37''E$ UPON AND ALONG SAID WESTERLY ROW LINES OF BROADWELL AVENUE AND STATE DEED A DISTANCE OF 212.80 FEET; THENCE $S00^{\circ}36'41''E$ UPON AND ALONG SAID WESTERLY ROW LINES A DISTANCE OF 463.24 FEET; THENCE $S20^{\circ}27'26''E$ UPON AND ALONG SAID WESTERLY ROW LINES A DISTANCE OF 243.20 FEET; THENCE $S00^{\circ}00'05''E$ UPON AND ALONG SAID WESTERLY ROW LINES A DISTANCE OF 354.81 FEET TO THE POINT OF BEGINNING, CONTAINING 1235 ACRES, MORE OR LESS.

TOGETHER WITH ALL IMPROVEMENTS THERON AND ALL RIGHTS AND APPURTENANCES APPERTAINING THERETO, AND ALL OF SELLER'S RIGHTS AND INTEREST, IF ANY, IN AND SUBJECT TO ALL EASEMENTS AND RESTRICTIONS OF RECORD, AND ALLEYS, HIGHWAYS, OR STREETS IN, ON, ACROSS, OR ADJOINING THE LAND.

SAID CONVEYANCE COLLECTIVELY CONTAINS 448.52 ACRES, MORE OR LESS, AND HAVING A LOCATION LOCALLY DESCRIBED AS THE GRAND ISLAND VETERANS HOME RECREATION AREA AND FARMLAND.

The undersigned person executing this deed on behalf of the Grantor represents and certifies that he is the authorized agency director to sign on behalf of the Grantor and has been fully empowered by proper resolution, statute, and/or state directive to execute and deliver this deed on behalf of the Grantor, and that all necessary actions for the making of this conveyance have been completed, as provided in Neb Rev. Stat. §§ 72-812 thru 72-815.

IN WITNESS WHEREOF, Grantor has caused this deed to be executed this ____ day of _____, 20____.

STATE OF NEBRASKA, GRANTOR

By: _____
Byron L. Diamond, Director
Department of Administrative Services

ACKNOWLEDGMENT

State of Nebraska, County of Lancaster

The foregoing instrument was acknowledged before me on this ____ day of _____, 20____ by Byron L. Diamond, Director, Department of Administrative Services for the State of Nebraska, Grantor.

Affix seal here.

Notary Public

December 16, 2015

Byron J. Brogan
Administrative Manager
State of Nebraska
Department of Administrative Services
State Building Division
1526 K Street, Suite 200
Lincoln, Nebraska 68508

VIA ELECTRONIC AND U.S. MAIL

Re: Grand Island Veterans Home

Dear Mr. Brogan:

This letter is in reference to our telephonic and electronic mail communications regarding the Grand Island Veterans Home and the documents provided for my review. Please consider this letter to be my response on behalf of the City of Grand Island (City).

I reviewed the November 13, 2015 State of Nebraska (State) White Paper regarding the history of the Nebraska Soldiers' and Sailors' Home (now the Grand Island Veterans Home) and the present use of the section (640 acres) conveyed to the State in 1877 for establishment and use as that facility. I reviewed the recitation of legalities involved in transferring the real estate and improvements in question from the State to the City. I also reviewed the recitation of financial benefits to both the State and City created by the transfer and the public policy reasons for doing so. Finally, I reviewed the State's proposed timetable for said transfer delineated as Phase I and II. I concur with the facts, reasoning, and conclusions set forth in the White Paper and have no objection to its contents.

I reviewed the November 17, 2015 Legal Memorandum of Bo Botelho, General Counsel for the Department of Administrative Services (DAS) regarding the conveyance of the Grand Island

Byron J. Brogan
December 16, 2015
Page Two

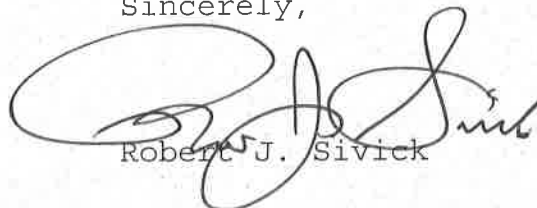
Veterans Home from the State to the City. I concur with the facts and conclusions set forth by Mr. Botelho and have no objections to the content of that document.

I reviewed the State's proposed Quitclaim Deed for its transfer to the City of that portion of the Veterans Home real estate presently being used for agricultural and recreational purposes along with the Veterans Cemetery. I have no objection to the content or proposed use of that document. I acknowledge the City will be responsible for maintenance of the Veterans Cemetery upon conveyance by the State. The City has no objection to the State retaining title to equipment and property presently stored in small buildings located on the agricultural land. The City requests the State ultimately remove that property within a reasonable time period.

I discussed this matter with relevant City officials and the City Administration plans to bring the enclosed Resolution before the Grand Island City Council on December 22, 2015. I am confident the Resolution will be approved and serve as clear indication of the City's intent to accept transfer of the real estate and improvements in question in accordance with the terms and timetable as set forth in the White Paper.

Finally, on behalf of the City, I want to thank you, DAS Director Byron Diamond, and Governor Pete Ricketts for your combined efforts in this matter. I am confident the City and its officials will take all necessary action to make the State and City's mutual plan for the future use of the Grand Island Veterans Home property a reality.

Sincerely,



Robert J. Sivick

RJS/cle

CC: Jeremy L. Jensen, Mayor
Marlan V. Ferguson, City Administrator

RESOLUTION 2015-348

WHEREAS, over the course of the last year State of Nebraska and City of Grand Island officials have been meeting and communicating regarding the future use of the Grand Island Veterans Home; and

WHEREAS, it is in the best interests of the State of Nebraska and the City of Grand Island title to the real estate and improvements comprising the Grand Island Veterans Home be transferred from the State to the City in accordance with the tentative schedule set forth in the November 13, 2015 White Paper prepared by the Nebraska Department of Administrative Services; and

WHEREAS, the State of Nebraska has agreed to transfer to the City that portion of the Grand Island Veterans Home real estate presently being used for agricultural and recreational purposes along with the Veterans Cemetery; and

WHEREAS, the proposed matter as stated above has been reviewed and approved by the City Attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA,

That the City of Grand Island accepts conveyance from the State of Nebraska to title to real estate located at the Grand Island Veterans Home site presently being used for agricultural and recreational use along with the Veterans Cemetery. Furthermore, City staff is directed to take all necessary action to effect the eventual transfer of title to real estate and improvements pursuant to the terms and tentative schedule set forth in the November 13, 2015 Nebraska Department of Administrative Services White Paper.

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Adopted by the City Council of the City of Grand Island, Nebraska, December 22, 2015.

Jeremy L. Jensen, Mayor

ATTEST:

Nicki Stoltenberg
Assistant to the City Administrator

Approved as to Form	☐ _____
December 18, 2015	☐ City Attorney