

City of Scottsbluff, Nebraska

Monday, March 3, 2014

Regular Meeting

Item Pub. Hear.8

Community Development Agency to consider and take action on a Resolution to approve the proposed Redevelopment Contract for Block Nine, Reganis Subdivision in the City of Scottsbluff, NE and the Tax Increment Development Revenue Bond for the Reganis Redevelopment.

Staff Contact: Rick Kuckkahn, City Manager

RESOLUTION NO. CDA _____

**BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF SCOTTSDLUFF, NEBRASKA:**

1. The Mayor and Council of the City of Scottsbluff, Nebraska (the "City") find and determine (a) that The Community Development Agency of the City of Scottsbluff, Nebraska (the "Agency") has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City; that the Agency 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 "**CITY OF SCOTTSDLUFF REDEVELOPMENT PLAN FOR THE HIGHWAY 26/EAST 27TH STREET CORRIDOR**" (the "Plan") for the redevelopment of the real estate described in the Plan as the "Project Area" (referred to in this Resolution as the "Redevelopment Project Area"); (b) that prior to the recommendation for 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 Redeveloper (as defined below) and submitted to the City Planning Commission of the City and approved and thereafter recommended by the Agency to the Mayor and Council of the City; (e) that on the 3rd day of March, 2014, 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 the Star-Herald on January 24, 2014, and February 21, 2014, 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 of undeveloped and vacant land and construction of related improvements including site preparation and improvements to a portion of Winters Creek and related construction of a premium automobile dealership all as described in the Plan (the "Project"); (g) that Reganis, L.L.C., a limited liability company (the "Redeveloper") is interested in the redevelopment of the Redevelopment Project Area and the Redeveloper has undertaken and is currently incurring costs and is undertaking certain of the construction and rehabilitation as provided for in the Plan and the City and the Agency 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 Agency and the Redeveloper are about to enter into an agreement entitled "Redevelopment Contract" (as approved in Section 13 of this Resolution and incorporated by in this Resolution by reference) and under the terms of the Redevelopment Contract, the Agency agrees 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 Agency 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 Agency's tax increment revenue bond as provided for in this Resolution do exist and have been done as provided by law.

2. A tax increment revenue bond in the aggregate principal amount of \$408,000.00 is ordered issued in accordance with Section 18-2125, R.R.S. Neb. 2012, by the Agency and shall be designated as its "Tax Increment Development Revenue Bond (Reganis Redevelopment), Series

2014” (the “Bond”). The Bond shall be issued in the single denomination of \$408,000.00 (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 six and seven tenths percent (6.70%) per annum. The principal of the Bond shall become due on December 31, 2029, provided that such principal amount shall be subject to partial mandatory redemption from “Available Funds” as described in Section 5 below on May 1 and November 1 of each year, with the first principal payment due on November 1, 2016. Accrued interest upon the Bond shall be payable semiannually on May 1 and November 1 of each year, commencing November 1, 2016.

The Bond shall be issued in fully registered form. The Agency’s Treasurer (the City Finance Director / Treasurer of the City of Scottsbluff) is 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 below. 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 Agency’s offices at City Hall in the City of Scottsbluff, Nebraska. The Agency 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 Agency 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 Agency 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.

3. The Agent shall keep and maintain for the Agency books for the registration and transfer of the Bond at the Agency’s offices at City Hall in Scottsbluff, 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 Agency’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 Agency will register such transfer upon its books and make notation 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 Agency 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.

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.

5. At any time, the Agency 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 Agency 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 Agency. Beginning May 1, 2016, 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.

6. The Bond shall be in substantially the form of the attached "Exhibit A".

7. Pursuant to the provisions of Section 18-2147, R.R.S. Neb. 2012, and the terms of the Redevelopment Contract, the effective date after which ad valorem taxes on real property Project Area, described in the Redevelopment Contract, may be apportioned pursuant to said Section 18-2147 shall be January 1, 2015. From and after said effective date that portion of the ad valorem taxes on said real estate located within 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 Agency to be designated as the "Community Development Agency—Reganis Redevelopment Project Fund" (the "Bond Fund") to be held by the Agent. The Agency 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. All Project Area Tax Receipts received through and including December 31, 2029, shall be used solely for the payments required by this Resolution. 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 Agency 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 Agency 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. The Agency's Secretary (the City Clerk) is authorized and directed to give notice to the County Assessor and Treasurer of the provision of the Redevelopment Contract for dividing ad valorem taxes in accordance with the requirements of subdivision (3) of Section 18-2147, R.R.S. 2012.

8. The Bond shall be executed on behalf of the Agency by the Mayor and City Clerk. 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 Agency's Treasurer in current bankable funds. 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 Agency, or any one or more of them, as advised by the Agency's attorneys. From such purchase price, the Agency is to make a grant to the Redeveloper in accordance with the terms of the Redevelopment Contract.

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 Scottsbluff, 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.

10. The City Clerk shall make and certify one or more copies of the transcript of the proceedings of the Agency 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 Agency.

11. The Mayor and City Clerk or any one of them are 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.

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 Agency has given and 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.

13. The Redevelopment Contract between the Agency and the Redeveloper in the form presented is approved. Notice of such contract shall be given immediately by the Agency's Secretary to the Mayor and Council of the City of Scottsbluff and such contract proposal shall be executed and delivered by the Agency. The Mayor (or in his absence, the Vice Chair of the Council), acting as the Agency's chairperson (or Vice-Chairperson), is 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 Agency.

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.

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

PASSED AND APPROVED on March 3, 2014.

**COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
SCOTTSBLUFF NEBRASKA**

ATTEST:

Mayor/Chair

Clerk

“EXHIBIT A’

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF SCOTTS BLUFF**

**COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF SCOTTSBLUFF, NEBRASKA**

**TAX INCREMENT DEVELOPMENT REVENUE BOND
(REGANIS REDEVELOPMENT)
SERIES 2014**

<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Final Maturity Date</u>
\$408,000.00	6.70%	December 31, 2029

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Scottsbluff, Nebraska, 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 May 1 and November 1 of each year, commencing May 1, 2016.

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 Agency, as Paying Agent and Registrar for said Agency, at the offices of the Community Development Agency of the City of Scottsbluff at City Hall, in Scottsbluff, 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.

This bond is the single bond of its series of the total principal amount of Four Hundred Eight Thousand and No One Hundredths Dollars (\$408,000) issued by the Agency for the purpose of paying the costs of redevelopment of certain real estate located in the City of Scottsbluff, as designated in that redevelopment plan recommended by the Agency and approved by the Mayor

and Council of the City of Scottsbluff, Nebraska, on March 3, 2014 (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 Mayor and Council of the City of Scottsbluff, acting as the governing body of the Agency (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 Agency, 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 Agency 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 Agency and the Agency 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 Scottsbluff (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 nor the City of Scottsbluff 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 Agency’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 Agency, 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 Scottsbluff, 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 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 Agency, including this bond, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the Mayor and Council of the City of Scottsbluff, Nebraska, as the governing body of the Community Development Agency of the City of Scottsbluff have caused this bond to be executed on behalf of said Agency by being signed by the Mayor and City Clerk, all as of the date of issue shown above.

Delivered this ____ day of _____, 2014.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF SCOTTSBLUFF, NEBRASKA

ATTEST:

By: _____ (Sample – Do Not Sign)
Mayor

(Sample – Do Not Sign)
City Clerk

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 Development Agency of the City of Scottsbluff, 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

REDEVELOPMENT CONTRACT

This "Redevelopment Contract" is made and entered into as of March ____, 2014, by and between the Community Development Agency of the City of Scottsbluff, Nebraska ("Agency"), and Reganis, L.L.C, a limited liability company ("Redeveloper").

Recitals:

a. The City of Scottsbluff, 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, 2012, as amended (collectively the "Act"), has designated an area within the City as blighted and substandard;

b. The Agency has adopted, after approval by the Mayor and Council of the City, that redevelopment plan entitled " **CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN FOR THE HIGHWAY 26/EAST 27TH STREET CORRIDOR**" (the "Redevelopment Plan");

c. Agency and Redeveloper desire to enter into this Redevelopment Contract in order to implement the Redevelopment Plan and provide for the redevelopment lands located in a blighted and substandard area;

Agreement:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Contract.

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

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

"Agency" means the Community Development Agency of the City of Scottsbluff, Nebraska.

"City" means the City of Scottsbluff, Nebraska.

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

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

"Indebtedness" means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Agency pursuant to Article III hereof to provide financing for a portion of the Project Costs and secured in whole or in part by TIF Revenues. The Indebtedness issued by the Agency shall consist of the Agency's Tax Increment Development Revenue Bond (Reganis Project), Series 2014, to be issued in the stated principal amount of \$408,000.00 on terms described in Exhibit C and purchased by the Redeveloper as set forth in Section 3.04 of this Redevelopment Contract.

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

"Project" means the improvements to the Redevelopment Project Area, as further described in Exhibit B attached hereto and incorporated herein by reference and, as used herein, shall include the Redevelopment Project Property and additions and improvements thereto. The Project shall include engineering for and improvements to Winters Creek, engineering for and site preparation costs, and Plan preparation and legal costs as described in Exhibit B.

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

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

"Redeveloper" means Reganis, L.L.C., a limited liability company.

"Redevelopment Project Area" means that certain real property situated in the City of Scottsbluff, Scotts Bluff 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. The Redevelopment Project Area is also described on Exhibit A to the Redevelopment Plan. 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 Project, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

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

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

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

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

Section 1.02 Construction and Interpretation.

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

- (a) Whenever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.
- (b) The phrase "at any time" shall be construed as meaning at any time or from time to time.
- (c) The word "including" shall be construed as meaning "including, but not limited to".
- (d) The words "will" and "shall" shall each be construed as mandatory.
- (e) The words "herein," "hereof," "hereunder", "hereinafter" and words of similar import shall refer to the Redevelopment Contract as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.
- (f) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.
- (g) The captions to the sections of this Redevelopment Contract are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II

FINDINGS AND REPRESENTATIONS

Section 2.01 Findings of Agency.

The Agency makes the following findings:

(a) The Agency 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 Agency pursuant to Sections 18-2109 through 18-2117 of the Act.

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

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

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

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

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

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

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

(g) The Agency has determined that the proposed land uses and building requirements in the Redevelopment Project Area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development:

including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations, or conditions of blight.

Section 2.02 Representations of Redeveloper.

The Redeveloper makes the following representations:

(a) The Redeveloper is a limited liability company, having the power to enter into this Redevelopment Contract and perform all obligations contained herein and is duly authorized to execute and deliver this Redevelopment Contract.

(b) The execution and delivery of this Redevelopment Contract and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Redeveloper contrary to the terms of any instrument or agreement.

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

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

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

ARTICLE III

OBLIGATIONS OF THE AGENCY

Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Agency hereby provides that any ad valorem tax on Block Nine of the Reganis Subdivision to the City of Scottsbluff, Scotts Bluff County, Nebraska, for the benefit of any public body be

divided for a period of fifteen years after the effective date (the "Effective Date"), as described in Section 18-2147 (1) of the Act which Effective date shall be January 1, 2015. Said taxes shall be divided as follows:

(a) That portion of the ad valorem tax on the Redevelopment Project Area which is produced by levy at the rate fixed each year by or for each public body upon the "redevelopment project valuation" (as defined in the Act) shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and

(b) That portion of the ad valorem tax on real property in excess of such amount (the "Incremental Ad Valorem Tax"), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Agency (designated in the Resolution as the "Bond Fund") to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Agency 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 3.02 Issuance of Indebtedness

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

The Redeveloper agrees to purchase the Indebtedness at a price equal to the principal amount thereof, in a private placement satisfactory to the Agency as to its terms and participants (including any pledgee thereof). Neither the Agency nor the City shall have any obligation to provide for the sale of the Indebtedness. It is the sole responsibility of the Redeveloper to effect the sale of the Indebtedness by purchasing the Indebtedness in accordance with the terms of this Redevelopment Contract and the Resolution. Redeveloper acknowledges that it is its understanding and the Agency's understanding that interest on the Indebtedness will be includable in gross income for federal income tax purposes and subject to Nebraska State income taxation.

Section 3.03 Pledge of Revenues.

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

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

The Redeveloper has agreed to purchase the Indebtedness from the Agency for a price equal to the principal amount thereof, payable as provided in Section 3.02 and this Section 3.04. 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 those items described on Exhibit D (the "Project Costs"), in the aggregate maximum amount of \$408,000.00. Notwithstanding the foregoing, the aggregate amount of the Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 4.02 of this Redevelopment Contract. Such grant shall be made to the Redeveloper upon execution of this Redevelopment Contract and payment purchase of the Indebtedness as provided in Section 3.02. The Agency shall have no obligation to provide grant funds from any source other than the purchase price paid to the Agency for the Indebtedness. Upon the request of the Redeveloper, the purchase price of the Indebtedness shall be offset against the grant described herein.

Section 3.05 Creation of Fund.

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

Section 3.06 Prepayment of Indebtedness.

Upon the furnishing by Redeveloper of the final Certificate of Completion of the Project as provided in section 4.01(a) and the final Project Cost Certification as provided in section 4.02, and in the event that such final Project Cost Certification certifies total Project Costs in an amount less than total Project Costs specified in Exhibit D, then there shall be an immediate mandatory prepayment of the Indebtedness in the amount of such shortfall and the principal amount of the Indebtedness outstanding shall be reduced by the amount of such prepayment. The grant to Redeveloper shall be reduced by such amount and, in the event Redeveloper has received proceeds of such grant in excess of the certified Project Costs, then such excess shall be repaid by Redeveloper to Agency. Such mandatory prepayment of the Indebtedness shall be payable solely from proceeds of the sale of the Indebtedness to Redeveloper and repayment of grant amounts by Redeveloper and neither Agency nor City shall have any liability therefore. In the event the Indebtedness was purchased by offset of the grant amount, the purchase price shall be reduced accordingly and shall in kind offset the amount of the grant received.

ARTICLE IV

OBLIGATIONS OF REDEVELOPER

Section 4.01 Construction of Project; Insurance.

(a) Redeveloper will acquire Block Nine Reganis Subdivision to the City of Scottsbluff, Scotts Bluff County, Nebraska, complete the Project, demolish structures on the site, prepare the site for redevelopment and install all required private improvements, fixtures, equipment and furnishings necessary to operate the Project. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Agency as to the actual progress of Redeveloper with respect to construction of the Project. Redeveloper shall furnish to the Agency a Certificate of Completion upon full completion of the Project.

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

Section 4.02 Cost Certification.

Redeveloper shall submit to Agency a certification of the estimated Project Costs for the Project on or before the issuance of the Indebtedness

Redeveloper shall provide a final certification of Project Costs actually incurred by Redeveloper as to those items specified on attached Exhibit D on or before May 1, 2015.

Section 4.03 No Discrimination.

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

for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.04 Assignment or Conveyance.

This Redevelopment Contract shall not be assigned by the Redeveloper without the written consent of the Agency. Such consent shall not be unreasonably withheld. Redeveloper agrees that it shall not convey the Redevelopment Project Area or any portion thereof or any structures thereon to any person or entity that would be exempt from payment of real estate taxes, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any Lot.

Section 4.05 Federal Immigration Verification System.

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

Section 4.06 Administrative Fee.

The Redeveloper shall pay the City an "Administrative Fee" in connection with this Agreement in the amount of \$4,000. The Administrative Fee shall be paid to the City on or before June 30, 2014.

ARTICLE V

FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 5.01 Financing

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

ARTICLE VI

DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of Agency and Redeveloper.

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

Section 6.02 Additional Remedies of the Agency

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 Project Costs on or before August 1, 2014, or shall abandon construction work related to the Project Costs, once commenced, for any period of 180 days, excepting delays caused by inclement weather,
- (b) the Redeveloper, shall fail to pay real estate taxes or assessments on the Redevelopment Project Property owned by the Redeveloper or any part thereof when due; and
- (c) there is a violation of any other provision of this Redevelopment Contract, and such failure or action by the Redeveloper has not been cured within 90 days following written notice from Agency, 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 Agency would be difficult to determine with certainty and that a reasonable estimation of the amount of damages that could be incurred is the amount of the grant to Redeveloper pursuant to Section 3.04 of this Redevelopment Contract, less any reductions in the principal amount of the Indebtedness, plus

interest on such amounts as provided herein (the "**Liquidated Damages Amount**"). Upon the occurrence of an event of default, the Liquidated Damages Amount shall be paid by Redeveloper to Agency within 30 days of demand from Agency given to the Redeveloper.

Interest shall accrue on the Liquidated Damages Amount at the rate of three percent (3%) per annum and interest shall commence from the date that the Agency gives notice to the Redeveloper demanding payment.

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

Redeveloper, on or before contracting for work included within the Project Costs, shall furnish to the Agency copies of labor and materials payment bonds and performance bonds for each contract entered into by Redeveloper related to Project Costs. Each such bond shall show the Agency and the City as well as the Redeveloper as beneficiary of any such bond, as and to the extent commercially obtainable (as determined in the discretion of the Agency). In addition, the Redeveloper shall provide a penal bond with good and sufficient surety to be approved by the Agency, 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 Project 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 Agency to the extent of any payments in connection with the carrying out of such contracts which the Agency may be required to make under the law.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

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

Section 6.04 Forced Delay Beyond Party's Control.

For the purposes of any of the provisions of this Redevelopment Contract, neither the Agency 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 or any part thereof for redevelopment, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of forced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays in subcontractors

due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such forced delay, the time or times for performance of the obligations of the Agency or of the Redeveloper with respect to construction of the Project, as the case may be, shall be extended for the period of the forced delay; provided, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such forced delay, have first notified the other party thereto in writing, and of the cause or causes thereof and requested an extension for the period of the forced delay.

Section 6.05 Limitations of Liability; Indemnification.

Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary, neither the City, the Agency, nor their respective elected officials, officers, directors, appointed officials, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The sole obligation of the Agency under this Redevelopment Contract shall be the issuance of the Indebtedness and granting of a portion of the proceeds thereof to Redeveloper, and full compliance with the terms specifically set forth Article III hereof and payment of TIF Revenues pledged pursuant to the Resolution. The Redeveloper releases the City and the Agency from, agrees that neither the City nor the Agency shall be liable for, and agrees to indemnify and hold the City and the Agency harmless from any liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project.

The Redeveloper will indemnify and hold each of the City and the Agency 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 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 Project.

ARTICLE VII

MISCELLANEOUS

Section 7.01 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 Scotts Bluff County, Nebraska.

Section 7.02 Governing Law.

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

Section 7.03 Binding Effect: Amendment.

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

Section 7.04 Effective Date and Implementation of Redevelopment Contract.

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

Section 7.05 Notices to Parties.

Notices to Parties shall be mailed by U. S. Mail to the following addresses:

Redeveloper:

Reganis, L.L.C.
2006 E Overland
Scottsbluff, NE 69361

With a Copy to:

Michael L. Bacon
Bacon & Vinton Attorneys
P.O. Box 208
Gothenburg, NE 69138

Agency and City:

Scottsbluff City Clerk
2525 Circle Drive
Scottsbluff, NE 69361

With a Copy to:

Simmons Olsen Law Firm, P.C.
1502 2nd Avenue
Scottsbluff, NE 69361

[Signatures to Follow]

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

ATTEST:

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
SCOTTSBLUFF, NEBRASKA

Secretary

By: _____
Chairman

REGANIS, L.L.C.

Manager

STATE OF NEBRASKA)
) SS
COUNTY OF SCOTTS BLUFF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by _____ and _____, Chairman and Secretary, respectively, of the Community Development Agency of the City of Scottsbluff, Nebraska, on behalf of the Agency.

Notary Public

STATE OF NEBRASKA)
) SS
COUNTY OF SCOTTS BLUFF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by Timothy G. Reganis, Manager of Reganis, L.L.C.

Notary Public

EXHIBIT A
DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The redevelopment area shall consist of:

Block Nine, Reganis Subdivision in the City of Scottsbluff, Scotts Bluff County, Nebraska, situated in the Southeast Quarter of the Southwest Quarter of Section 13, Township 22 North, Range 55 West of the 6th P.M., Scotts Bluff County, Nebraska, more particularly described as follows:

Commencing at the South Quarter corner of Section 13, thence westerly on the south line of the Southwest Quarter of Section 13, on an assumed bearing of N88°20'42"W, a distance of 469.05 feet, to the Point of Beginning, thence continuing westerly on said south line of the Southwest Quarter of Section 13, bearing N88°20'42"W, a distance of 191.31 feet, to the point of intersection with the northerly right of way line of U.S. Highway 26, as described in Deed Book 105, page 489, thence bearing N74°49' 42"W, on said northerly right of way line, a distance of 213.92 feet, to a point being 50.00 feet north of the south line of the Southwest Quarter of Section 13, as measured perpendicular to said south line of Section 13, thence bearing S88°20'42"E, on a line being 50.00 feet north of and parallel with said south line of Section 13, a distance of 51.08 feet, thence bearing N65°56'57"W, a distance of 47.48 feet, thence bearing N39°44'17"W, a distance of 75.29 feet, thence bearing N22°33'48"W, a distance of 262.18 feet, thence bearing N40°19'59"W, a distance of 47.98 feet, thence bearing N55°43'34"E, a distance of 71.32 feet, thence bearing S88°20'01"E, a distance 507.86 feet, thence bearing S00°25'03"E, a distance of 391.35 feet, to a point being 50.00 feet north of the south line of Section 13, as measured perpendicular to said south line of Section 13, thence continuing southerly on last described course, bearing S00°25'03"E, a distance of 50.03 feet, to the Point of Beginning, containing an area of 4.67 acres, more or less.

Also, an area within the easement of Winters Creek Irrigation commencing at the northwest corner of Block Nine to a length of approximately 460 feet to the northwest along the centerline of the existing irrigation lateral.

**EXHIBIT B
REDEVELOPMENT PLAN**

See Attached

EXHIBIT C
INDEBTEDNESS

1. Principal Amount: to be set at \$408,000.00
2. Payments: Semi-annually (with principal to be paid from available amounts as mandatory redemptions, after payment of accrued interest), with payments limited to net annual TIF Revenues.
3. Interest Rate: to be determined by Redeveloper, not to exceed 7% per annum.
4. Maturity Date: December 31, 2029.
5. Time for Issuance: At Redeveloper's request as agreed to by the Agency but not earlier than 30 days after passage and approval of the Resolution

**EXHIBIT D
PROJECT COSTS**

Redevelopment Project Costs:

Winters Creek tiling (including engineering)	\$244,777.50
Site preparation (including engineering)	\$246,642.11
Plan preparation and legal	<u>\$ 25,000.00</u>
Total	\$516,419.61
(Proceeds of Tax Increment Debt limited to \$408,000.00)	